

Canfor Announces Construction of New State-of-the-Art Greenfield Sawmill in Washington, Georgia

Vancouver, BC — The Board of Directors of Canfor Corporation (TSX:CFP) today approved the construction of a new, state-of-the-art sawmill in Washington, Georgia. The new sawmill, which will cost approximately US\$120 million and have a production capacity of 275 million board feet, will employ best-in-class mill technology, capitalizing on an excellent fibre resource in the region to produce high-value dimension and specialty lumber products. Strategically located near the Company's existing glulam facility in Washington and the larger population centers in Athens and Augusta, the new mill will be able to draw on a strong and skilled employee base.

Construction will commence in the second quarter of 2018, with the official start-up projected for the third quarter of 2019. At full run rates, assuming 2017 market pricing, the sawmill is forecast to generate annual EBITDA of approximately US\$35 million.

"This new mill supports our growth strategy and will provide strong economic returns over the cycle," said Canfor's President and CEO, Don Kayne. "We are pleased to expand our presence in the community of Washington and look forward to providing additional high value products to our global customers".

Forward Looking Statements

Certain statements in this press release constitute "forward-looking statements" which involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Words such as "expects", "anticipates", "projects", "intends", "plans", "will", "believes", "seeks", "estimates", "should", "may", "could", and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and actual events or results may differ materially. There are many factors that could cause such actual events or results expressed or implied by such forward-looking statements to differ materially from any future results expressed or implied by such statements. Forward-looking statements are based on current expectations and Canfor assumes no obligation to update such information to reflect later events or developments, except as required by law.

Canfor is a leading integrated forest products company based in Vancouver, British Columbia ("BC") with interests in BC, Alberta, North and South Carolina, Alabama, Georgia, Mississippi and Arkansas. Canfor produces primarily softwood lumber and also owns a 54.8% interest in Canfor Pulp Products Inc., which is one of the largest global producers of market northern bleached softwood kraft pulp and a leading producer of high performance kraft paper. Canfor shares are traded on The Toronto Stock Exchange under the symbol CFP.

Media Contact:

Corinne Stavness
Senior Director, Corporate Affairs
(604) 661-5225
Corinne.Stavness@canfor.com

Investor Contact:

Pat Elliott
Vice President and Treasurer
(604) 661-5441
Patrick.Elliott@canfor.com