

For Immediate Release

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## Canfor Announces Additional Capacity Reductions in BC

Vancouver, BC, Canada – Today Canfor Corporation (TSX:CFP) announced further capacity reductions at two of its British Columbia sawmills with an indefinite curtailment at its Mackenzie sawmill and the permanent elimination of one shift at its Isle Pierre sawmill.

The indefinite curtailment at Mackenzie, which is effective immediately, is due to the high cost of fibre, continued poor lumber markets and challenging operating conditions that have combined to make the mill uneconomic under these conditions.

The Isle Pierre sawmill will be permanently reduced from two shifts to one shift effective September 20, 2019. The capacity reduction, which is due to insufficient timber supply as a result of the mountain pine beetle epidemic and associated decline in the annual allowable cut, will enable the mill to better align its production capacity with the sustainable fibre supply in the region.

“We deeply regret the impacts that these capacity reductions will have on our Mackenzie and Isle Pierre employees, contractors, their families and the local communities,” said Stephen Mackie, Senior Vice President of Canadian Operations, Canfor. “The BC forest industry is continuing to face very significant challenges. None of our temporary or permanent curtailment decisions have been made lightly, nor are they a reflection on the hard work and dedication of our employees.”

In combination, these curtailments will reduce Canfor’s annual production output by approximately 400 million board feet, which is in addition to previously announced reductions.

### 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, as well as in Sweden with its recent majority acquisition of Vida Group. 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. For more information visit [canfor.com](http://canfor.com).*

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