

For Immediate Release

March 26, 2020

Canfor Pulp Products Inc. Announces COVID-19 Response Measures

Vancouver, BC — Canfor Pulp Products Inc. (TSX:CFX) is announcing actions in response to the COVID-19 pandemic and resulting economic uncertainty.

“Our top priority is working to protect the safety and well-being of our employees,” said Canfor Pulp Chief Executive Officer Don Kayne. “At the same time, we are responding to volatility in the marketplace and reduced fibre availability, and taking necessary steps to protect the business.”

Health and Safety Response

The health and safety of Canfor Pulp employees and contractors, their families and our communities are our primary focus.

At our offices, facilities and work sites, we have implemented significant measures grounded in the recommendations of public health officials. These include restricting all travel, mandating self-isolation for returned travellers and any employees exhibiting symptoms or exposed to the virus, implementing physical distancing parameters between individuals, increasing cleaning and sanitization in workplaces, and where possible, instructing employees to work remotely to reduce interpersonal contact.

In addition to steps focused on physical health, we recognize that many people are experiencing stress and anxiety related to the COVID-19 virus and public health response. We have expanded our outreach and communication regarding mental health support services available to Canfor Pulp employees and their families.

Operational Response

The Company is postponing the planned extended spring maintenance shut at Northwood Pulp Mill until later this year, and instead will curtail the mill for three weeks during the period the turnaround was originally scheduled to occur. This will result in a reduction of approximately 35,000 tonnes of Northern Bleached Softwood Kraft pulp production.

In addition, Canfor Pulp is reducing its planned capital expenditures for 2020 by \$15 million to \$25 million, representing a \$78 million decrease from 2019 capital expenditures. This reduction will be realized through the deferral of planned projects and suspension of in-progress initiatives that can be paused without significant impact.

Given the rapidly evolving COVID-19 situation, Canfor Pulp is closely monitoring potential staffing shortages, customer demand and volatility in the financial markets. There is the potential that further adjustments to operating plans may be required as a result.

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 Pulp Products Inc. (“Canfor Pulp” or “CPPI”) is a leading global supplier of pulp and paper products with operations in the central interior of British Columbia (“BC”) employing approximately 1,300 people throughout the organization. Canfor Pulp owns and operates three mills in Prince George, BC with a total capacity of 1.1 million tonnes of Premium Reinforcing Northern Bleached Softwood Kraft (“NBSK”) Pulp and 140,000 tonnes of kraft paper, as well as one mill in Taylor, BC with an annual production capacity of 220,000 tonnes of Bleached Chemi-Thermo Mechanical Pulp (“BCTMP”). Canfor Pulp is the largest North American and one of the largest global producers of market NBSK Pulp. CPPI shares are traded on the Toronto Stock Exchange under the symbol CFX. For more information visit canfor.com.

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