

For Immediate Release

May 20, 2020

Canfor to Permanently Close Isle Pierre Mill

Vancouver, BC — Canfor Corporation (TSX:CFP) announced today it will be closing its Isle Pierre sawmill, which is located near Prince George, British Columbia. The closure will take effect in the third quarter of 2020 following an orderly wind down of operations.

The closure is a result of an insufficient supply of economically viable timber following the Mountain Pine Beetle epidemic, coupled with the major global economic downturn as a result of the COVID-19 pandemic.

“Unfortunately, the ongoing economic devastation caused by the COVID-19 pandemic has resulted in the urgent need for Canfor to make this difficult decision,” said Don Kayne, President and CEO. “We know today’s announcement will have a significant impact on our employees, contractors, their families and the local communities, which we deeply regret. We will work hard to redeploy as many employees as possible to other opportunities throughout the company.”

Based on the current one-shift operation, Isle Pierre sawmill has an annual production capacity of approximately 120 million board feet.

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 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.

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