

For Immediate Release

June 8, 2021

Canfor to Invest in New Sawmill in Louisiana

Vancouver, BC — Canfor Corporation (TSX:CFP) is excited to announce it will invest approximately \$160 million USD to build a new, state-of-the-art sawmill near DeRidder, Louisiana. The Company is pleased to be receiving significant state and local incentives in support of the project. The facility will have an annual production capacity of 250 million board feet on a two-shift basis and will directly employ about 130 people plus create significant additional indirect jobs.

The Louisiana facility will have manufacturing capacity and flexibility to produce a wide variety of high-value wood products for our customers. Startup is expected to commence late in the third quarter of 2022.

The investment in Louisiana is in addition to the approximately \$300 million of 2021 capital spending, including about \$200 million for the solid wood and pulp operations in Western Canada and \$100 million for the solid wood operations in the U.S. South.

“We are excited to grow our operating footprint with the greenfield project in Louisiana, which will increase our production capacity and allow us to meet the growing demands of our customers. We also continue to invest significant capital in our British Columbia and U.S. South facilities to ensure we sustain our top quartile operations and strategically grow our global operating platform,” said Don Kayne, President and CEO, Canfor.

“Agribusiness remains one of our key industries for growing Louisiana’s economy, and our state offers unique advantages that attracted Canfor here,” said Governor John Bel Edwards, State of Louisiana. “This major new manufacturing project can resonate across the region’s economy in a variety of ways. We welcome plans for this foreign direct investment in Louisiana by this industry leader, and we look forward to the good jobs this project is expected to create in Beauregard Parish for the region’s skilled workforce.”

Given the decision to build a new facility in Louisiana, Canfor will not be proceeding with the greenfield project in Washington, Georgia that was previously announced on February 22, 2018.

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.

About Canfor Corporation

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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