

For Immediate Release

May 26, 2022

Canfor Provides Update on Operating Schedules for Western Canadian Sawmills

Vancouver, BC — Canfor Corporation (TSX:CFP) is announcing the continuation of reduced operating schedules at its Western Canadian sawmills due to the ongoing global supply chain challenges. The Company has been operating at approximately 80% of production capacity since late March 2022.

In addition, the Company will be implementing two weeks of rotating downtime across its primary sawmills in July and August, which will help align production capacity with the sustainable timber supply and transportation availability. The Company will use this downtime to complete maintenance projects and other site activities to help mitigate the impact on employees.

These capacity reductions are expected to result in an incremental impact of approximately 275 million board feet by the end of August, in addition to the 100 million board feet reduction previously announced on March 30th.

“The global supply challenges are continuing to significantly limit our ability to transport products to our customers and our inventory levels remain very high. We are working to bring our inventory levels back into balance by reducing our production, while also working to meet the needs of our customers,” said Don Kayne, President and CEO, Canfor.

The Western Canadian sawmills are anticipated to resume normal operating schedules following their respective summer downtime. The Company will continue to assess and make adjustments to operating schedules as supply chain conditions evolve.

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, Arkansas and Louisiana, as well as in Sweden with 70% interest in 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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