

For Immediate Release

April 21, 2022

Canfor Investing \$130 Million to Modernize Urbana Facility

Vancouver, BC — Canfor Corporation (TSX:CFP) is pleased to announce it will invest approximately \$130 million USD to significantly upgrade and expand its sawmill and planer facility located in Urbana in Union County, Arkansas. The investment will capitalize on the abundant supply of high-quality fiber to enhance the manufacturing of high-value products, increase annual production at the facility by 115 million board feet, and result in a meaningful reduction in the facility's cost structure. The investment aligns with Canfor's growth and diversification strategy to keep pace with growing customer demand.

"We are excited to be investing in our Urbana facility with state-of-the-art technology to modernize the work environment for our valued employees and significantly increase our ability to produce sustainable wood products that will meet the growing needs of our customers," said Don Kayne, President and CEO, Canfor.

"With more than 19 million acres of forestland and a ready-made labor force, timber plays an important role in the Arkansas economy," Governor Asa Hutchinson said. "It is only natural that Canfor chose to expand their operations in Urbana and invest in the workforce and the community."

"I am pleased that Canfor has decided to invest in its Urbana mill," Arkansas Secretary of Commerce Mike Preston said. "Arkansas has abundant natural resources and skilled labor in the timber industry that will help Canfor meet the growing demands of its customers."

The upgrades include major improvements to the planer, sawmill and log yard and are expected to commence in the third quarter of 2022 and will take approximately 18 months to complete. The facility will continue to operate while the modernization project is underway.

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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