

For Immediate Release

February 24, 2022

Canfor to Sell Mackenzie Assets for \$70 Million

Vancouver, BC — Canfor Corporation (TSX:CFP) has entered into a Letter of Intent with McLeod Lake Indian Band and Tsay Keh Dene Nation to sell its forest tenure in the Mackenzie region of British Columbia (BC) and a separate agreement with Peak Renewables to sell its Mackenzie site, plant and equipment for a combined price of \$70 million.

Canfor, McLeod Lake Indian Band and Tsay Keh Dene Nation intend to work towards a definitive agreement for the sale of the forest tenure and will seek approval from the BC Minister of Forests, Lands, Natural Resource Operations and Rural Development for the tenure transfer.

“We are very pleased that the sale of the Mackenzie tenure will provide an opportunity for the McLeod Lake Indian Band and Tsay Keh Dene Nation to grow their leadership in the forest economy and advance Nation stewardship values for the benefit of their communities,” said Don Kayne, President & CEO, Canfor.

Chief Pierre of the Tsay Keh Dene Nation stated “First Nations in BC have been relegated to marginal roles in the forest sector for far too long. The Letter of Intent signed with Canfor has the potential to dramatically change this imbalance within the Mackenzie Timber Supply Area.” Chief Pierre also noted that “with further work and agreements the Letter of Intent provides a clear path for the eventual transfer to and subdivision of the forest tenure between McLeod Lake Indian Band and Tsay Keh Dene.”

Chief Chingee of the McLeod Lake Indian Band stated “As stewards of our ancestral territory, we, the People of the Rocks, are pleased to be acquiring this forestry tenure within our Territory. This purchase represents an important opportunity for us to continue our work towards economic stability and prosperity for our members, communities and business partners, all while ensuring careful and responsible stewardship of our sacred environment in accordance with our Tse’khene laws, customs and traditional knowledge.”

For many years, Canfor has collaborated with the McLeod Lake Indian Band and Tsay Keh Dene Nation, to advance relationships and support Nation stewardship and natural resource development goals. The tenure agreement will provide both Nations with greater oversight of and control over resource development activities within their traditional territories. In addition, this agreement supports ongoing reconciliation efforts and is strongly aligned with the Government of BC’s Intentions Paper.

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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