

For Immediate Release

July 28, 2022

Canfor to Invest in New Facility in Alabama

Vancouver, BC — Canfor Corporation (TSX:CFP) is pleased to announce it will invest approximately \$210 million USD to build a new, state-of-the-art sawmill complex in southern Alabama. Using leading technology, the new sawmill will have an annual production capacity of 250 million board feet on a two-shift basis and will provide a new, modern work environment for the approximately 130 people who will be employed directly, in addition to supporting significant indirect jobs.

In alignment with our sustainability goals and decarbonization targets, the facility design includes investment in a biomass-fueled lumber drying system. Startup of the facility is anticipated in the third quarter of 2024.

“Building on Canfor’s proud operating history in Alabama, we are excited to invest in a new world-class facility that will ensure our long-term ability to operate competitively. In addition, the facility’s versatility and flexibility will enhance our ability to more closely align our production of high-quality products with market demand,” said Don Kayne, President and CEO, Canfor.

“We greatly value our employees and are committed to providing family-supporting jobs and generating economic activity in the region. We are pleased to be transforming the workplace for our employees by providing a new, modern facility that will continue to operate for generations,” said Tony Sheffield, President, Canfor Southern Pine.

“The expansion of Canfor is a strategic investment in the community, sawmill industry and economy of South Alabama. As one of the most heavily forested states in the nation, Alabama has ample opportunity to attract significant new capital investment in the forest industry, and it’s apparent we’re doing just that,” said Governor Kay Ivey. “Mobile – and all of Alabama – has been proud to be the host of Canfor’s U.S. headquarters, and we look forward to seeing their continued, nation-wide success after this highly-anticipated and much-needed facility growth.”

The new facility will replace the existing operation in the City of Mobile. Following the construction and startup of the new facility, an orderly wind down of the Mobile operation will be undertaken. All current employees will have the opportunity to remain with the Company.

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.

-30-

Media Contact:

Michelle Ward
Senior Director, Communications & GR
(604) 661-5225
communications@canfor.com

Investor Contact:

Pat Elliott
CFO and SVP, Sustainability
(604) 661-5441
Patrick.Elliott@canfor.com

Dan Barwin
Director, Corporate Finance
(604) 661-5390
Daniel.Barwin@canfor.com