

For Immediate Release

May 9, 2024

Canfor Pulp to Indefinitely Curtail One Production Line at Northwood Facility

Vancouver, BC – Canfor Pulp Products Inc. (TSX:CFX) announced today that it will indefinitely curtail one production line at its Northwood facility in Prince George, British Columbia due to the decline in availability of economic fibre in the northern BC region. The curtailment will result in the reduction of approximately 300,000 tonnes of market kraft pulp annually.

“While the region has a substantive supply of sustainably grown timber, harvest levels are well below the Allowable Annual Cut partly due to natural disturbances, but increasingly because of the impact of a range of policy choices and regulatory complexity,” said Kevin Edgson, President and CEO, Canfor Pulp. “The persistent shortage of economic fibre, particularly in the Prince George region, has led to the closure or curtailment of a number of sawmills, which in turn has dramatically reduced the volume of chips available to meet the needs of our pulp operations. Despite exhaustive efforts, including expanding well beyond our traditional operating region, there is simply not enough residual fibre to supply the current production capacity of all our operations.”

Canfor Pulp currently operates two pulp production lines at its Northwood facility and one production line at its nearby Intercon facility. The Company will continue to operate both lines at Northwood over the next few weeks, followed by an orderly wind-down process of one line at the beginning of the third quarter. This reduction in capacity will impact approximately 220 jobs across Canfor Pulp.

Edgson continued, “We are frustrated and disheartened to have to make this decision and know it has a significant impact on our employees, their families, local businesses and the community. We have set up a transition team and will work with our union to support our employees as we plan an orderly wind-down.”

With the reduction of one line at Northwood, Canfor Pulp will have total annual capacity of 480,000 tonnes of market pulp. Canfor Pulp’s Specialty Paper facility in Prince George will continue to operate with a total annual capacity of 140,000 tonnes of kraft 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 Pulp Products Inc.

Canfor Pulp Products Inc. (“Canfor Pulp” or “CPPI”) is a leading global supplier of pulp and paper products with operations in the central interior of British Columbia (“BC”). Canfor Pulp operates two mills in Prince George, BC with a total capacity of 780,000 tonnes of Premium Reinforcing Northern Bleached Softwood Kraft (“NBSK”) Pulp and 140,000 tonnes of kraft paper. CPPI shares are traded on the Toronto Stock Exchange under the symbol CFX. For more information visit canfor.com.

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