

ACQUISITION OF FOUR US SAWMILLS FROM GEORGIA-PACIFIC

MAY 27, 2021

FORWARD-LOOKING INFORMATION & NON-GAAP MEASURES

Forward-Looking Information:

This release contains forward-looking information about Interfor Corporation's ("Interfor" or the "Company") business outlook, objectives, plans, strategic priorities and other information that is not historical fact. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. Statements containing forward-looking information in this release, include but are not limited to, statements regarding production capacity, facility restart plans and ramp-up timelines, pro-forma capacity, expected earnings and returns, pro-forma debt ratios, liquidity, borrowing capacity, regulatory approvals and the expected closing date, and other relevant factors. Readers are cautioned that actual results may vary from the forward-looking information in this release, and undue reliance should not be placed on such forward-looking information. Risk factors that could cause actual results to differ materially from the forward-looking information in this release are described in Interfor's annual Management's Discussion & Analysis under the heading "Risks and Uncertainties", which is available on www.interfor.com and under Interfor's profile on www.sedar.com. Material factors and assumptions used to develop the forward-looking information in this report include volatility in the selling prices for lumber, logs and wood chips; the Company's ability to compete on a global basis; the availability and cost of log supply; natural or man-made disasters; currency exchange rates; changes in government regulations; the availability of the Company's allowable annual cut ("AAC"); claims by and treaty settlements with Indigenous peoples; the Company's ability to export its products; the softwood lumber trade dispute between Canada and the U.S.; stumpage fees payable to the Province of British Columbia ("B.C."); environmental impacts of the Company's operations; labour disruptions; information systems security; and the existence of a public health crises (such as the current COVID-19 pandemic). Unless otherwise indicated, the forward-looking statements in this release are based on the Company's expectations at the date of this release. Interfor undertakes no obligation to update such forward-looking information or statements, except as required by law. The Company's independent auditor, KPMG LLP, has not audited, reviewed or performed any procedures with respect to the interim financial results and other data included in this release, and accordingly does not express an opinion or any other form of assurance with respect thereto.

Non-GAAP Measures:

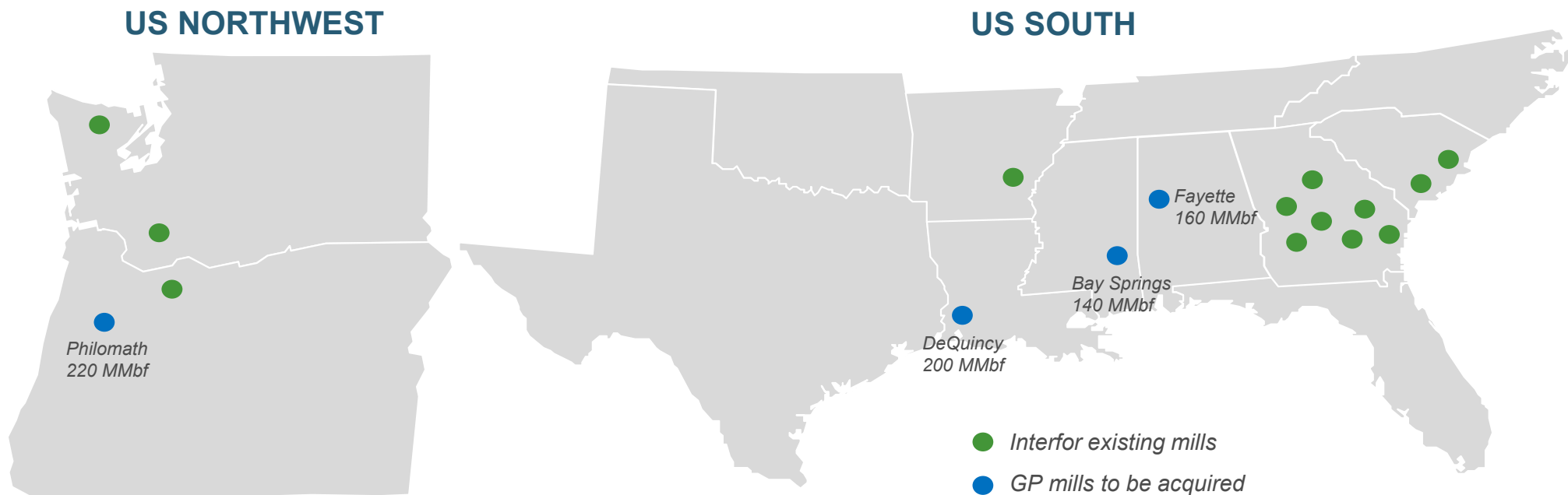
This presentation makes reference to certain non-GAAP measures, such as EBITDA, Adjusted EBITDA and Net debt to invested capital, which are used by the Company and certain investors to evaluate operating performance and financial position. These non-GAAP measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Definitions and reconciliations of terms can be found in Interfor's annual and quarterly Management's Discussion & Analysis which are available on www.interfor.com and under Interfor's profile on www.sedar.com.

Currency:

All financial references in this presentation are expressed in Canadian dollars, unless otherwise noted.

TRANSACTION OVERVIEW

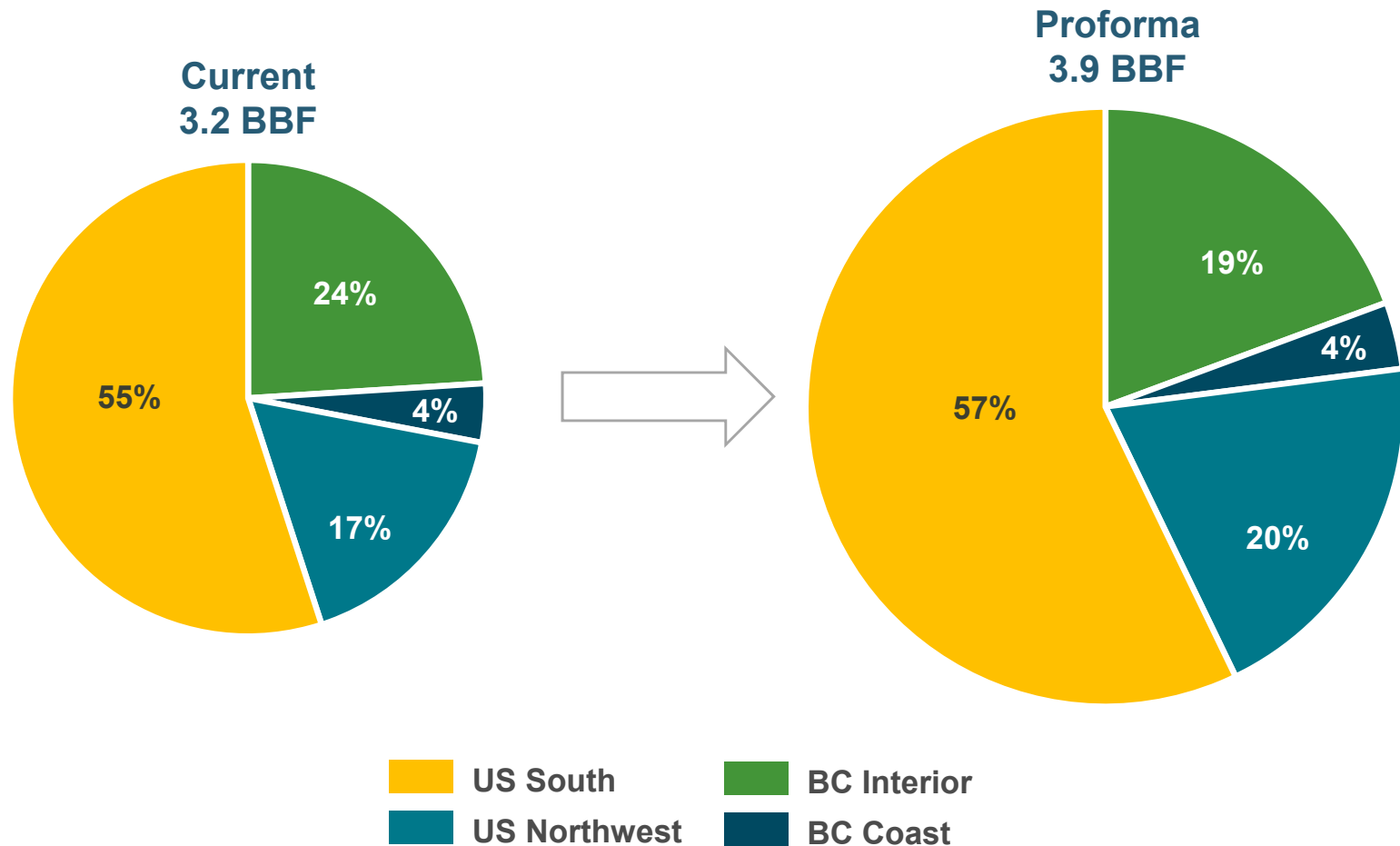
- Acquisition of four US sawmills from Georgia-Pacific
- Cash purchase price of US\$375 MM, including working capital
- Highly complementary to existing operations:
 - Continued US-focused growth as a pure play lumber producer, including western-focused expansion in the US South
 - Regional operating synergies and economies of scale
 - 720 MMbf of production capacity; 23% increase to Interfor's current platform
 - Immediately accretive; three of the mills generated US\$53 MM of EBITDA in Q1-2021
 - DeQuincy, LA mill curtailed in May 2020 during COVID and remains idle – restart upside
- Target closing date in Q3-2021, subject to customary regulatory approvals



DIVERSIFIED LUMBER PORTFOLIO

- Proforma US-based production capacity of 77% with no duty exposure
- Continued growth in the US South with attractive log market dynamics

INTERFOR LUMBER PRODUCTION CAPACITY



ASSET QUALITY & PERFORMANCE

Q1-2021 LUMBER SEGMENT EBITDA MARGINS (C\$/MBF)



FINANCING & CAPITAL STRUCTURE

- Purchase price to be funded entirely with cash on hand
- Very strong capital structure and available liquidity post-transaction, with significant additional credit capacity available
- Proforma analysis below does not take into account ongoing strong cash flow generation post April 2021

<u>C\$MM</u>	<u>Actual</u>		<u>Proforma</u> ⁽¹⁾
	<u>Mar '21</u>	<u>Apr'21</u>	<u>Apr'21</u>
Cash	\$613	\$750	\$168
Debt	\$377	\$369	\$369
<u>Net Debt (Cash)</u>	<u>(\$236)</u>	<u>(\$381)</u>	\$200
<u>Book Equity</u>	<u>\$1,322</u>	<u>\$1,421</u>	\$1,291
Invested Capital	\$1,086	\$1,040	\$1,491
Net Debt / Invested Capital	-22%	-37%	13%
Available Liquidity ⁽²⁾	\$944	\$1,081	\$500

INVESTOR CONTACTS

RICK POZZEBON

SVP & Chief Financial Officer

604-689-6804

richard.pozzebon@interfor.com

MIKE MACKAY

VP, Corporate Development & Strategy

604-689-6846

mike.mackay@interfor.com