



## Interfor Corporation

Vancouver, B.C.

September 3, 2019

### ***Interfor Announces Plan to Reconfigure its B.C. Coastal Business Hammond Mill to Close Permanently; Forestry and Woodlands Operations to be Reorganized***

**INTERFOR CORPORATION** ("Interfor" or the "Company") (TSX: IFP) today announced a plan to reconfigure its B.C. Coastal business, including the permanent closure of its Hammond sawmill, located in Maple Ridge, B.C., and the reorganization of its forestry and woodlands operations. This plan is expected to result in the repatriation of working capital tied up at Hammond, the monetization of related real estate and improved results in the years ahead.

"We recognize the impact this decision will have on our employees who have contributed so much to the business over the years," said Duncan Davies, Interfor's President and CEO. "We will be working closely with them to mitigate the impacts of the closure and to identify job opportunities at other Interfor mills as well as outside the Company."

"The Coastal B.C. forest industry has faced significant log supply challenges over the past two decades and manufacturing capacity needs to be brought into line with available log supply," said Davies. "Cedar producers have also been disproportionately impacted by duties on shipments into the United States as a result of the Softwood Lumber Dispute."

The Hammond sawmill, which was built in 1963, has a two-shift capacity of approximately 150 million board feet per year, but has been operating on a one-shift basis for some years due to log supply constraints and other factors. The closure is expected to be completed in Q4-2019, after the mill's remaining log and lumber inventories are processed and shipped.

The Company's B.C. Coastal forestry and woodlands operations will be reorganized to focus on value realization rather than operational integration with Hammond. In addition, the Company will explore opportunities to increase the supply of logs for its Acorn sawmill, located in Delta, B.C.

#### **FORWARD-LOOKING STATEMENTS**

This release contains forward-looking information about the Company's 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. Generally, statements containing forward-looking information can be identified by the use of words such as: believe, expect, intend, forecast, plan, target, budget, outlook, opportunity, risk, strategy or variations or comparable language, or statements that certain actions, events or results may, could, would, should, might, or will occur or not occur. 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](http://www.interfor.com) and under Interfor's profile on [www.sedar.com](http://www.sedar.com). Material factors and assumptions used to develop the forward-looking information in this release include assumptions regarding 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; the effects of 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 dispute between Canada and the U.S.; stumpage fees payable to the Province of British Columbia; environmental impacts of the Company's operations; labour disruptions; and the efficacy of information systems security. Unless otherwise indicated, the forward-looking information in this release is based on the Company's expectations at the date of this release. Interfor undertakes no obligation to update such forward-looking information, except as required by law.

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### **ABOUT INTERFOR**

Interfor is a growth-oriented lumber company with operations in Canada and the United States. The Company has annual production capacity of approximately 3.1 billion board feet and offers one of the most diverse lines of lumber products to customers around the world. For more information about Interfor, visit our website at [www.interfor.com](http://www.interfor.com).

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