

This document is important and requires your immediate attention. If you are in doubt as to how to deal with it, you should consult your investment dealer, stock broker, bank manager, lawyer, accountant or other professional advisor. The Offer (as defined herein) has not been approved by any securities regulatory authority nor has any securities regulatory authority passed upon the fairness or merits of the Offer or upon the adequacy of the information contained in this document. Any representation to the contrary is an offence.

This document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The Offer is not being made to, and deposits will not be accepted from or on behalf of, shareholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of that jurisdiction. However, Interfor Corporation may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and to extend the Offer to Shareholders in such jurisdiction.

For U.S. Shareholders: The Offer is made by a Canadian issuer for its own securities, and while the Offer is subject to disclosure requirements of the province of British Columbia and the other provinces and territories of Canada, investors should be aware that these requirements are different from those of the United States. Financial statements of the Corporation (as defined below) have been prepared in accordance with International Financial Reporting Standards and thus may not be comparable to financial statements of U.S. companies. The enforcement by investors of civil liabilities under the U.S. federal securities laws may be affected adversely by the fact that the Corporation is located in Canada, and that certain of its officers and directors are non-residents of the United States.

August 2, 2022



INTERFOR CORPORATION

OFFER TO PURCHASE FOR CASH UP TO \$100,000,000 IN VALUE OF ITS COMMON SHARES AT A PURCHASE PRICE OF NOT LESS THAN \$29.00 AND NOT MORE THAN \$34.00 PER COMMON SHARE

Interfor Corporation (“**Interfor**” or the “**Corporation**”) hereby offers, upon the terms and subject to the conditions described herein, to purchase for cancellation a number of common shares of the Corporation validly deposited and not withdrawn (the “**Shares**”) for an aggregate purchase price not exceeding \$100,000,000. The purchase price of any Share taken up by the Corporation will be determined in the manner described below but will be not less than \$29.00 and not more than \$34.00 per Share.

The offer by the Corporation is subject to the terms and conditions set forth in this offer to purchase (the “**Offer to Purchase**”), the accompanying issuer bid circular (the “**Circular**”), and the related letter of transmittal (the “**Letter of Transmittal**”) and notice of guaranteed delivery (the “**Notice of Guaranteed Delivery**”) (which together constitute, and are herein referred to as, the “**Offer**”).

The Offer commences on August 2, 2022 and expires at 5:00 p.m. (Eastern time) (the “Expiration Time”) on September 8, 2022 or such later time and date to which the Offer may be extended by the Corporation (such time on such date, the “Expiration Date”). The Offer is not conditional upon any minimum number of Shares being properly deposited under the Offer. The Offer is, however, subject to other conditions and the Corporation reserves the right, subject to applicable laws, to withdraw, extend or vary the Offer if, at any time prior to the payment of the purchase price of any Shares, certain events occur. See Section 7 of the Offer to Purchase, “*Certain Conditions of the Offer*”.

Holder of Shares (“**Shareholders**”) wishing to tender to the Offer may do so pursuant to: (i) auction tenders in which the tendering Shareholders specify the number of Shares being tendered at a price (the “**Auction Price**”) of not less than \$29.00 and not more than \$34.00 per Share in increments of \$0.10 per Share (the “**Auction Tenders**”), or (ii) purchase price tenders in which the tendering Shareholders do not specify a price per Share, but rather agree to have a specified number of Shares purchased at the Purchase Price (as defined herein) to be determined by the Auction Tenders (the “**Purchase Price Tenders**”).

Promptly following the Expiration Date, the Corporation will determine a single price per Share (the “**Purchase Price**”) (which will be not less than \$29.00 and not more than \$34.00 per Share) that it will pay for Shares validly

deposited pursuant to the Offer and not withdrawn, taking into account the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders depositing Shares pursuant to Auction Tenders. For the purpose of determining the Purchase Price, Shares deposited pursuant to a Purchase Price Tender will be deemed to have been deposited at a price of \$29.00 per Share (which is the minimum price per Share under the Offer). The Purchase Price will be the lowest price per Share that enables the Corporation to purchase the maximum number of Shares validly deposited and not properly withdrawn pursuant to the Offer having an aggregate purchase price not to exceed \$100,000,000.

If the Purchase Price is determined to be \$29.00 (which is the minimum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 3,448,275 Shares. If the Purchase Price is determined to be \$34.00 (which is the maximum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 2,941,176 Shares. If no Auction Tenders or Purchase Price Tenders are made pursuant to the Offer, no Shares will be purchased by the Corporation. Shares validly deposited by a Shareholder pursuant to an Auction Tender will not be purchased by the Corporation pursuant to the Offer if the price per Share specified by the Shareholder is greater than the Purchase Price. Shareholders who tender Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

Each Shareholder who has properly deposited Shares pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender and who has not withdrawn such Shares will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Shares purchased upon the terms and subject to the conditions of the Offer, including the provisions relating to proration and the preferential acceptance of odd lots, each as described herein.

The Purchase Price will be payable in Canadian dollars.

If the aggregate purchase price for Shares validly deposited and not withdrawn pursuant to Auction Tenders at Auction Prices at or below the Purchase Price and Purchase Price Tenders would result in an aggregate purchase price in excess of \$100,000,000, then such deposited Shares will be purchased as follows: (i) first, the Corporation will purchase at the Purchase Price all Shares tendered at or below the Purchase Price by Shareholders who beneficially own fewer than 100 Shares (the “**Odd Lot Holders**”); and (ii) second, the Corporation will purchase at the Purchase Price on a pro rata basis according to the number of Shares deposited or deemed to be deposited at a price equal to or less than the Purchase Price by the depositing Shareholders, less the aggregate number of Shares purchased from Odd Lot Holders. All Auction Tenders and Purchase Price Tenders will be subject to adjustment to avoid the purchase of fractional Shares. All payments to Shareholders will be subject to deduction of applicable withholding taxes. See Section 3 of the Offer to Purchase, “*Number of Shares and Proration of Tenders*”.

Certificates for all Shares not purchased under the Offer (including Shares not purchased because of proration), or properly withdrawn before the Expiration Date, will be returned (in the case of certificates representing Shares all of which are not purchased) or replaced with new certificates representing the balance of Shares not purchased (in the case of certificates representing Shares of which less than all are purchased), promptly after the Expiration Date or termination of the Offer or the date of withdrawal of the Shares, without expense to the Shareholder. Shares tendered through the Direct Registration System (“**DRS**”) will be credited to the appropriate account without expense to the Shareholder. In the case of Shares tendered through book-entry transfer into the Depositary’s (as defined herein) account at DTC (as defined in the Offer to Purchase) or CDS (as defined in the Offer to Purchase), the Shares will be credited to the appropriate account maintained by the tendering Shareholder at DTC or CDS, as applicable, without expense to the Shareholder.

As of July 25, 2022, there were 54,787,641 Shares issued and outstanding. The Offer would be for approximately 6.29% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$29.00 (which is the minimum price per Share under the Offer) or approximately 5.37% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$34.00 (which is the maximum price per Share under the Offer).

The Shares are listed and posted for trading on the Toronto Stock Exchange (the “**TSX**”) under the symbol “**IFP**”. On July 25, 2022, the last full trading day prior to the date of announcement of the Corporation’s intention to make the Offer, the closing price of the Shares on the TSX was \$30.23 per Share.

Under the Corporation's normal course issuer bid that commenced on November 11, 2021 (the "2021 NCIB"), the Corporation purchased for cancellation an aggregate of 6,041,701 Shares, being the maximum allowable number of Shares that may be purchased under the 2021 NCIB. Accordingly, the Corporation will not be making further acquisitions of Shares pursuant to the 2021 NCIB prior to its expiry on November 10, 2022.

The board of directors of the Corporation (the "Board of Directors") has concluded it can rely on the "liquid market exemption" specified in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. To that end, the Board of Directors has obtained a liquidity opinion (the "Liquidity Opinion") from RBC Dominion Securities Inc. ("RBC"), to the effect that, based on and subject to the qualifications, assumptions and limitations stated in the Liquidity Opinion, a liquid market for the Shares exists as of July 25, 2022, and it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. A copy of the Liquidity Opinion of RBC is attached hereto as Schedule A.

The Board of Directors has approved the Offer. However, none of Interfor, its Board of Directors or the Depositary makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own financial, legal, investment and tax advisors and make their own decisions as to whether to deposit Shares under the Offer, and, if so, how many Shares to deposit and at what price (if an Auction Tender).

Shareholders should carefully consider the income tax consequences to them of having Shares purchased under the Offer. See Section 13 of the Circular, "Income Tax Considerations".

Shareholders wishing to deposit all or any portion of their Shares pursuant to the Offer must comply in all respects with the delivery procedures described herein. See Section 5 of the Offer to Purchase, "Procedure for Depositing Shares".

The Offer expires at 5:00 p.m. (Eastern time) on September 8, 2022 unless extended, varied or withdrawn.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF INTERFOR AS TO WHETHER YOU SHOULD DEPOSIT OR REFRAIN FROM DEPOSITING SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THIS OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY INTERFOR.

No Canadian, U.S. or foreign securities commission has approved or disapproved of this Offer or passed upon the merits or fairness of this Offer or passed upon the adequacy or accuracy of the information contained in this Offer. Any representation to the contrary is a criminal offense.

Any questions or requests for information regarding the Offer should be directed to Computershare Investor Services Inc. (the "Depositary") at the address and telephone number of the Depositary set forth on the last page of the accompanying Circular, or by email at corporateactions@computershare.com.

FORWARD-LOOKING STATEMENTS

Certain statements in this Offer about the Offer, including the terms and conditions of the Offer, the aggregate amount of Shares to be purchased for cancellation under the Offer, the expected expiration date of the Offer and the anticipated benefits of the Offer, as well as any other future events or developments constitute “forward-looking statements” within the meaning of applicable Canadian securities laws. All such statements are made pursuant to the “safe harbour” provisions of any applicable Canadian securities legislation. The words “may”, “will”, “would”, “should”, “could”, “expects”, “plans”, “intends”, “trends”, “indications”, “anticipates”, “believes”, “estimates”, “predicts”, “likely” or “potential” or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward looking statements. Forward-looking statements are based on estimates and assumptions made by the Corporation in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Corporation believes are appropriate and reasonable in the circumstances, but there can be no assurance that such estimates and assumptions will prove to be correct or that the Corporation’s expectations regarding this Offer or future events or developments will be achieved.

By their nature, forward-looking statements require the Corporation to make assumptions and involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. These risks and uncertainties include, but are not limited to: volatility in the selling prices for logs, lumber and wood chips; the Corporation’s ability to compete on a global basis; the availability and cost of log supply; natural or man-made disasters; currency exchange rate risk; changes in governmental regulations; the availability of the Corporation’s allowable annual cut; claims by and treaty settlements with Indigenous peoples; the Corporation’s ability to export its products; the softwood lumber trade dispute between Canada and the U.S.; environmental impacts of the Corporation’s operations; labour disruptions; technology and information security risk; and the existence of a public health crisis.

Other factors could also cause the Corporation’s expectations regarding the Offer to differ materially from those expressed or implied by the forward-looking statements, including with respect to the Corporation’s ability to complete the Offer on the timelines anticipated, the Corporation’s expectation that any purchases of Shares pursuant to the Offer will be funded by available cash on hand, the Corporation continuing to have sufficient financial resources and working capital following the completion of the Offer, the Offer not precluding the Corporation from pursuing future business opportunities, the market for the Shares not being materially less liquid after the completion of the Offer than the market that exists at the time of the Offer, satisfaction or waiver of the conditions to the Offer, the extent to which Shareholders determine to deposit their Shares to the Offer, and the anticipated benefits of the Offer. This should not be considered a complete list of all factors that could affect the Corporation and the Offer. When relying on forward-looking statements to make decisions with respect to tendering to the Offer, readers should carefully consider these factors, as well as other uncertainties and potential events and the inherent uncertainty of forward-looking statements.

The purpose of the forward-looking statements is to provide the reader with a description of management’s expectations and may not be appropriate for other purposes; readers should not place undue reliance on forward-looking statements made herein. Furthermore, unless otherwise stated, the forward-looking statements contained in this Offer are made as of the date of this Offer, and the Corporation has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. The forward-looking statements contained in this Offer are expressly qualified by this cautionary statement. Further details and descriptions of these and other factors are disclosed in the Offer and in the Corporation’s Annual Information Form for the year ended December 31, 2021 and Management’s Discussion & Analysis for the three months ended March 31, 2022, which are available under the Corporation’s profile at www.sedar.com (“**SEDAR**”).

INFORMATION FOR UNITED STATES SHAREHOLDERS

The Offer is made by Interfor, a Canadian issuer, for its own Shares, which are not registered with the Securities Commission under the U.S. Securities and Exchange Act of 1934, as amended. While the Offer is subject to the disclosure requirements of the province of British Columbia and the other provinces of Canada, U.S. Shareholders should be aware that these disclosure requirements are different from those of the United States. Financial statements of Interfor have been prepared in accordance with International Financial Reporting Standards

("IFRS") and are subject to Canadian auditing and auditor independence standards and, therefore, they may not be comparable to financial statements of U.S. companies.

The enforcement by Shareholders of civil liabilities under U.S. federal and state securities laws may be adversely affected by the fact that Interfor is incorporated under the *Business Corporations Act* (British Columbia) and that certain of its directors and officers are residents of Canada. In addition, U.S. Shareholders should not assume that courts in Canada or in the countries where such directors and officers reside or in which Interfor's assets or the assets of such persons are located (i) would enforce judgments of U.S. courts obtained in actions against Interfor or such persons predicated upon civil liability provisions of U.S. federal and state securities laws as may be applicable, or (ii) would enforce, in original actions, any asserted liabilities against Interfor, its subsidiaries or such persons predicated upon such laws. Enforcement of any asserted civil liabilities under U.S. securities laws may be further adversely affected by the fact that some or all of the experts named in the Offer may be residents of Canada.

U.S. Shareholders should be aware that the acceptance of the Offer will have certain tax consequences under United States and Canadian laws. See Section 13 of the Circular, "*Income Tax Considerations*".

Neither the U.S. Securities and Exchange Commission, any U.S. state securities regulator, nor any Canadian provincial, territorial or foreign securities commission, has approved or disapproved of the Offer or passed upon the merits or fairness of the Offer or passed upon the adequacy or accuracy of the information contained in the Offer. Any representation to the contrary is a criminal offence.

CURRENCY

All dollar references in the Offer to Purchase and the Circular are in Canadian dollars except where otherwise indicated.

INTERPRETATION

Unless the context otherwise requires, all references in the Offer to "our", "we", "us", "Interfor" or the "Corporation" refer to Interfor Corporation and its subsidiaries.

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SUMMARY

This summary is provided for your convenience. It highlights certain material information relating to the Offer, but you should understand that it does not describe all of the details of the Offer to the same extent as described elsewhere herein. The Corporation therefore urges you to read the entire Offer to Purchase, Circular, Letter of Transmittal and Notice of Guaranteed Delivery because they each contain important information. References have been included to certain sections of the Offer where you will find a more complete discussion.

- Expiration Date** The Offer expires at 5:00 p.m. (Eastern time) on September 8, 2022, or at such later time and date to which the Offer may be extended or varied by the Corporation. See Section 1 of the Offer to Purchase, “*The Offer*”.
- Payment Date** Interfor will take up and pay for Shares as soon as reasonably practicable after the Expiration Date and in any event within 10 days after the Expiration Date. See Section 9 of the Offer to Purchase, “*Taking Up and Payment for Deposited Shares*”.
- Currency of Payment** The Purchase Price will be denominated in Canadian dollars and payments of amounts owing to Shareholders whose Shares are taken up will be made in Canadian dollars. See Section 2 of the Offer to Purchase, “*Purchase Price*”.
- Methods of Tender** Shareholders wishing to tender to the Offer may do so pursuant to:
- (a) Auction Tenders in which the tendering Shareholders specify the number of Shares being tendered and an Auction Price of not less than \$29.00 and not more than \$34.00 per Share in increments of \$0.10 per Share; or
 - (b) Purchase Price Tenders in which the tendering Shareholders do not specify a price per Share, but rather agree to have a specified number of Shares purchased at the Purchase Price to be determined by the Auction Tenders.
- Shareholders may deposit different Shares pursuant to Auction Tenders and Purchase Price Tenders.
- If a Shareholder wishes to deposit Shares in separate lots at a different price for each lot, that Shareholder must complete a separate Letter of Transmittal (and, if applicable, a Notice of Guaranteed Delivery) for each price at which the Shareholder is depositing Shares. A Shareholder may not deposit the same Shares pursuant to both an Auction Tender and a Purchase Price Tender, or pursuant to an Auction Tender at more than one price. See Section 5 of the Offer to Purchase, “*Procedure for Depositing Shares*”.
- Purchase Price** The Purchase Price will be determined by the Corporation in the manner described in the Offer but will be not less than \$29.00 and not more than \$34.00 per Share, taking into account the Auction Prices and the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders. The Purchase Price will be the lowest price per Share that enables the Corporation to purchase the maximum number of Shares properly tendered and not properly withdrawn pursuant to the Offer having an aggregate purchase price not to exceed \$100,000,000.
- All Shares purchased by the Corporation pursuant to the Offer will be purchased at the same Purchase Price.

The Corporation will return all Shares not purchased under the Offer, including Shares not purchased as a result of proration or invalid tender, promptly after the Expiration Date. See Section 2 of the Offer to Purchase, "*Purchase Price*".

Number of Shares to be Purchased

Interfor will purchase Shares under the Offer up to a maximum aggregate amount of \$100,000,000. Since the Purchase Price will only be determined after the Expiration Date, the number of Shares that will be purchased will not be known until after the Expiration Date.

If the Purchase Price is determined to be \$29.00 (which is the minimum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 3,448,275 Shares. If the Purchase Price is determined to be \$34.00 (which is the maximum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 2,941,176 Shares.

Proration

If the aggregate purchase price for Shares validly deposited and not withdrawn pursuant to Auction Tenders at Auction Prices at or below the Purchase Price and Purchase Price Tenders would result in an aggregate purchase price in excess of \$100,000,000, then such deposited shares will be purchased as follows: (i) first, the Corporation will purchase all Shares tendered at or below the Purchase Price by Odd Lot Holders at the Purchase Price; and (ii) second, the Corporation will purchase at the Purchase Price on a pro rata basis according to the number of Shares deposited or deemed to be deposited at a price equal to or less than the Purchase Price by the depositing Shareholders, less the number of Shares purchased from Odd Lot Holders (with adjustments to avoid the purchase of fractional Shares).

Odd Lot Preference

If a Shareholder beneficially owns fewer than 100 Shares as of the Expiration Date and tenders all such Shares under the Offer, the Corporation will accept for purchase, without proration but otherwise subject to the terms and conditions of the Offer, all such tendered Shares deposited pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender. An Odd Lot Shareholder must complete the appropriate box in the Letter of Transmittal and, if applicable, on the Notice of Guaranteed Delivery. See Section 3 of the Offer to Purchase, "*Number of Shares and Proration of Tenders*".

Delivery Procedure

Each Shareholder wishing to deposit Shares pursuant to the Offer must:

- (a) deliver a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) with any required signatures guaranteed by an Eligible Institution, and any other documents required by the Letter of Transmittal, to the Depository at its address set forth on the Letter of Transmittal by the Expiration Date. A Shareholder who holds share certificates must deliver the certificates for all Shares validly tendered pursuant to the Offer in proper form for transfer, together with its Letter of Transmittal. A Shareholder whose Shares are held through DRS must only deliver its Letter of Transmittal and is not required to submit a statement of its DRS positions;
- (b) follow the guaranteed delivery procedure described in Section 5 of the Offer to Purchase, “*Procedure for Depositing Shares*”; or
- (c) transfer Shares pursuant to the procedures for book-entry transfer described in Section 5 of the Offer to Purchase, provided that a confirmation of the book-entry transfer (a “**Book-Entry Confirmation**”) of such Shares through CDS Clearing and Depository Services Inc. (“**CDS**”) or an Agent’s Message (as defined in the Circular) transmitted through The Depository Trust Company (“**DTC**”) into the Depository’s account at CDS or DTC, respectively, is received by the Depository at its office in Toronto prior to the Expiration Date.

A Shareholder who wishes to deposit Shares under the Offer and who holds such Shares through an investment dealer, stock broker, bank, trust company or other nominee should immediately contact such nominee in order to take the necessary steps to be able to deposit such Shares under the Offer.

While Shareholders who are participants in the Corporation’s Employee Share Purchase Plan (the “**ESPP**”) beneficially own Shares acquired by them through the ESPP (“**ESPP Shares**”), the ESPP Shares are held in a brokerage account opened by the trustee for the ESPP, which is managed by a designated administrator (the “**ESPP Administrator**”). If any Shareholder wishes to have the ESPP Administrator deposit or otherwise tender the Shareholder’s ESPP Shares, the Shareholder should so indicate by completing the letter of instruction furnished to ESPP participants and delivering it to the Corporate Secretary of the Corporation at Suite 1600, 4720 Kingsway, Burnaby, British Columbia, V5H 4N2 or by email to corporatesecretary@interfor.com no later than 3:00 p.m. (Eastern time) on September 6, 2022. The Corporation will in turn tabulate the results of all such letters of instruction and communicate such results to the ESPP Administrator. ESPP participants are urged to read the letter of instruction and related materials carefully. Participants should also read Section 13 of the Circular, “*Income Tax Considerations*” and consult their own income tax advisors as there are income tax consequences on the deposit of Shares under the Offer.

Brokerage Commissions

Shareholders depositing Shares will not be obligated to pay brokerage fees or commissions to the Corporation or to the Depository. However, Shareholders are cautioned to consult with their own brokers or other intermediaries to determine whether any fees or commissions are payable to their own brokers or other intermediaries in connection with a deposit of Shares pursuant to the Offer. See Section 9 of the Offer to Purchase, “*Taking Up and Payment for Deposited Shares*”.

Conditions to the Offer	The obligation of the Corporation to take up and pay for any Shares deposited under the Offer is subject to the conditions described in Section 7 of the Offer to Purchase, " <i>Certain Conditions of the Offer</i> ".
Withdrawal Rights	Shares deposited pursuant to the Offer may be withdrawn by the Shareholder (a) at any time prior to the Expiration Date, (b) at any time if the Shares have not been taken up by the Corporation before actual receipt by the Depositary of a notice of withdrawal in respect of such Shares, or (c) at any time if the Shares have been taken up but not paid for by the Corporation within three business days of being taken up.
Position of the Corporation and its Directors	Neither the Corporation nor its Board of Directors makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares. Shareholders are urged to evaluate carefully all information in the Offer, consult their own investment and tax advisors and make their own decisions whether to deposit Shares under the Offer. See Section 1 of the Offer to Purchase, " <i>The Offer</i> ".
Participation of Insiders in the Offer	To the knowledge of the Corporation and its directors and officers, after reasonable inquiry, no director or officer of the Corporation, no associate or affiliate of a director or officer of the Corporation, no insider of the Corporation (other than a director or officer) and no person or company acting jointly or in concert with the Corporation, has indicated any present intention to deposit any of such person's or company's Shares pursuant to the Offer. These intentions may change or Shares may be sold on the TSX depending on the change in circumstance of such individuals. See Section 10 of the Circular, " <i>Arrangements Concerning Shares – Acceptance of the Offer</i> ".
Purpose of the Offer	The Corporation believes that the purchase of Shares is in the best interests of the Corporation, and permits the Corporation to return up to \$100,000,000 to Shareholders who elect to tender their Shares. See Section 3 of the Circular, " <i>Purpose and Effect of the Offer</i> ".
Tax Considerations	<p>For Canadian federal income tax purposes, a Shareholder who sells Shares to Interfor under the Offer will be deemed to receive a dividend equal to the excess of the Purchase Price paid by Interfor over the "paid-up capital" of the Shares for purposes of the <i>Income Tax Act</i> (Canada) and the regulations thereunder (collectively, the "Tax Act"). Interfor estimates that on the Expiration Date the paid-up capital per Share should be approximately \$7.85 and, accordingly, Shareholders who sell Shares under the Offer are generally expected to realize deemed dividends for purposes of the Tax Act. The treatment of such deemed dividends under the Tax Act is described in Section 13 of the Circular, "<i>Income Tax Considerations</i>". In view of the deemed dividend tax treatment under the Tax Act of a sale of Shares pursuant to the Offer as opposed to the capital gain or capital loss tax treatment that would generally apply to a sale of shares in the market, Shareholders who wish to sell their Shares should consult their own tax advisors regarding selling their Shares in the market as an alternative to accepting the Offer. The selling price for such market sales may be different from the Purchase Price.</p> <p>A Non-Resident Shareholder will generally be subject to withholding tax under the Tax Act in respect of a deemed dividend realized in connection with a sale of Shares under the Offer. Such Shareholders should consult their own tax advisors in this regard and in relation to an alternative transaction of selling their Shares in the market.</p>

Shareholders should carefully review the information in Section 13 of the Circular, “Income Tax Considerations – Certain Canadian Federal Income Tax Considerations” and should consult their own tax advisors in relation to the tax consequences to them of selling their Shares pursuant to the Offer, having regard to their own circumstances.

For U.S. federal income tax purposes, the receipt of cash by a U.S. Holder (as defined in Section 13 of the Circular, “Income Tax Considerations – Certain U.S. Federal Income Tax Considerations”) pursuant to the Offer generally will be treated either as (a) a sale or exchange eligible for capital gain or loss treatment or (b) a distribution in respect of shares, depending on the circumstances.

Shareholders that are U.S. Holders should carefully review the information in Section 13 of the Circular, “Income Tax Considerations – Certain U.S. Federal Income Tax Considerations” and should consult their own tax advisors in relation to the tax consequences to them of selling their Shares pursuant to the Offer, having regard to their own circumstances.

Liquidity

The Board of Directors has concluded it can rely on the “liquid market exemption” specified in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*. To that end, the Board of Directors has obtained the Liquidity Opinion from RBC to the effect that, based on and subject to the qualifications, assumptions and limitations stated in the Liquidity Opinion, a liquid market for the Shares exists as of July 25, 2022, and it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. See Section 3 of the Circular, “*Purpose and Effect of the Offer – Liquidity of Market*” and Schedule A.

Trading Information

On July 25, 2022, the last full trading day prior to the public announcement of the Corporation’s intention to make the Offer, the closing price of the Shares on the TSX was \$30.23 per Share. During the period from January 1, 2022 to July 25, 2022, the closing prices of the Shares on the TSX ranged from a low of \$24.21 to a high of \$43.90. See Section 5 of the Circular, “*Price Range of Shares*”.

Further Information

For further information regarding the Offer, Shareholders may contact the Depositary or consult their own brokers. The address and telephone and facsimile numbers of the Depositary are set forth on the back cover of the Offer.

NO PERSON HAS BEEN AUTHORIZED TO MAKE ANY RECOMMENDATION ON BEHALF OF THE CORPORATION AS TO WHETHER SHAREHOLDERS SHOULD DEPOSIT OR REFRAIN FROM DEPOSITING SHARES PURSUANT TO THE OFFER. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER OTHER THAN AS SET FORTH IN THE OFFER. IF GIVEN OR MADE, ANY SUCH RECOMMENDATION OR ANY SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CORPORATION.

OFFER TO PURCHASE

To the holders of common shares of Interfor Corporation:

1. THE OFFER

The Corporation hereby offers, upon the terms and subject to the conditions described in this Offer to Purchase, the accompanying Circular, the related Letter of Transmittal and the Notice of Guaranteed Delivery, to purchase for cancellation a number of Shares having an aggregate purchase price not exceeding \$100,000,000.

The Offer will commence on August 2, 2022, and expire at 5:00 p.m. (Eastern time) on September 8, 2022 or such later time and date to which the Offer may be extended by the Corporation.

THE OFFER IS NOT CONDITIONAL UPON ANY MINIMUM NUMBER OF SHARES BEING DEPOSITED. THE OFFER IS, HOWEVER, SUBJECT TO CERTAIN OTHER CONDITIONS. SEE SECTION 7 OF THE OFFER TO PURCHASE, “CERTAIN CONDITIONS OF THE OFFER”.

Each Shareholder who has properly deposited Shares pursuant to an Auction Tender at or below the Purchase Price or pursuant to a Purchase Price Tender and who has not withdrawn such Shares will receive the Purchase Price, payable in cash (subject to applicable withholding taxes, if any), for all Shares purchased upon the terms and subject to the conditions of the Offer, including the provisions relating to proration described herein.

Interfor will return all Shares not purchased under the Offer (including Shares not purchased because of proration) or properly withdrawn before the Expiration Date.

None of Interfor, its Board of Directors or the Depositary makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares. Shareholders must make their own decisions as to whether to deposit Shares under the Offer. Shareholders should carefully consider the income tax consequences to them of having Shares purchased under the Offer. See Section 13 of the Circular, “*Income Tax Considerations*”.

The accompanying Circular and Letter of Transmittal contain important information and should be read carefully before making a decision with respect to the Offer.

2. PURCHASE PRICE

Promptly following the Expiration Date, the Corporation will determine the Purchase Price (which will be not less than \$29.00 and not more than \$34.00 per Share) that it will pay for Shares validly deposited pursuant to the Offer and not withdrawn, taking into account the number of Shares deposited pursuant to Auction Tenders and Purchase Price Tenders and the prices specified by Shareholders depositing Shares pursuant to Auction Tenders. For the purpose of determining the Purchase Price, Shares deposited pursuant to a Purchase Price Tender will be deemed to have been deposited at a price of \$29.00 per Share (which is the minimum price per Share under the Offer). The Purchase Price will be the lowest price per Share that enables the Corporation to purchase the maximum number of Shares validly deposited and not properly withdrawn pursuant to the Offer having an aggregate purchase price not to exceed \$100,000,000.

If no Auction Tenders or Purchase Price Tenders are made pursuant to the Offer, no Shares will be purchased by the Corporation. If the Purchase Price is determined to be \$29.00 (which is the minimum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 3,448,275 Shares. If the Purchase Price is determined to be \$34.00 (which is the maximum price per Share under the Offer), the maximum number of Shares that may be purchased by the Corporation is 2,941,176 Shares. Shareholders who tender Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

All Shares purchased by the Corporation pursuant to the Offer (including Shares tendered at Auction Prices below the Purchase Price) will be purchased at the Purchase Price. Interfor will return all Shares not purchased under the Offer, including Shares not purchased because of proration or invalid tenders, or properly withdrawn before the Expiration Date. All payments to Shareholders will be subject to deduction of applicable withholding taxes.

Each registered or non-registered Shareholder who has tendered Shares under the Offer will receive payment of the Purchase Price for purchased Shares in Canadian dollars.

3. NUMBER OF SHARES AND PRORATION OF TENDERS

As of July 25, 2022, there were 54,787,641 Shares issued and outstanding and, accordingly, the Offer is for a maximum of approximately 6.29% of the total number of issued and outstanding Shares if the Purchase Price is determined to be \$29.00 (which is the minimum price per Share under the Offer). If the Purchase Price is determined to be \$34.00 (which is the maximum price per Share under the Offer), the Offer is for a maximum of approximately 5.37% of the total number of issued and outstanding Shares. The Offer is not conditional upon any minimum number of Shares being properly deposited under the Offer.

If the aggregate purchase price for Shares validly deposited and not withdrawn pursuant to Auction Tenders at Auction Prices at or below the Purchase Price and Purchase Price Tenders would result in an aggregate purchase price in excess of \$100,000,000, then such deposited Shares will be purchased as follows: (i) first, the Corporation will purchase all Shares tendered at or below the Purchase Price by Odd Lot Holders at the Purchase Price; and (ii) second, the Corporation will purchase at the Purchase Price on a pro rata basis according to the number of Shares deposited or deemed to be deposited at a price equal to or less than the Purchase Price by the depositing Shareholders, less the number of Shares purchased from Odd Lot Holders. All Auction Tenders and Purchase Price Tenders will be subject to adjustment to avoid the purchase of fractional Shares.

For purposes of the Offer, the term “**Odd Lots**” means all Shares validly tendered at or below the Purchase Price by Shareholders who own, as of the close of business on the Expiration Date, fewer than 100 Shares. As set out above, Odd Lots will be accepted for purchase before any proration. In order to qualify for this preference, an Odd Lot Holder must properly tender, pursuant to an Auction Tender at a price at or below the Purchase Price or pursuant to a Purchase Price Tender, all Shares beneficially owned by such Odd Lot Holder. Partial tenders will not qualify for this preference. This preference is not available to holders of 100 or more Shares even if holders have separate share certificates for fewer than 100 Shares or hold fewer than 100 Shares in different accounts. Any Odd Lot Holder wishing to tender all Shares beneficially owned, without proration, must complete the appropriate box on the Letter of Transmittal and, if applicable, on the Notice of Guaranteed Delivery.

4. ANNOUNCEMENT OF RESULTS OF THE OFFER

The Corporation will publicly announce the results of the Offer, including the Purchase Price, the number of Shares validly tendered to the Offer and the aggregate purchase price of the Shares to be purchased for cancellation pursuant to the Offer, as promptly as practicable after the Expiration Date.

5. PROCEDURE FOR DEPOSITING SHARES

Proper Deposit of Shares

Shareholders who wish to accept the Offer may do so by making Auction Tenders or Purchase Price Tenders. A Shareholder who wishes to make an Auction Tender will be required to specify, among other things, the number of Shares that it wishes to sell and the price per Share (not less than \$29.00 and not more than \$34.00 per Share and in increments of \$0.10 per Share) at which it is prepared to sell those Shares. A Shareholder may make an Auction Tender in respect of certain of their Shares and a Purchase Price Tender in respect of other Shares. If a Shareholder wishes to deposit Shares in separate lots at a different price for each lot, that Shareholder must complete a separate Letter of Transmittal (and, if applicable, a Notice of Guaranteed Delivery) for each price at which the Shareholder is depositing Shares. A Shareholder may not deposit the same Shares pursuant to both an Auction Tender and a Purchase Price Tender, or pursuant to an Auction Tender at more than one price.

Odd Lot Holders making an Auction Tender or a Purchase Price Tender will be required to tender all Shares beneficially owned by the Shareholder.

A Shareholder who wishes to make a Purchase Price Tender may not specify an Auction Price.

Shares deposited pursuant to an Auction Tender in compliance with the procedures set forth herein will be taken up only if the Auction Price specified in the Auction Tender is equal to or less than the Purchase Price.

Shareholders who tender Shares without making a valid Auction Tender or Purchase Price Tender will be deemed to have made a Purchase Price Tender.

Holders of Shares

To deposit Shares pursuant to the Offer, holders of Shares must:

- (a) deliver a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) with any required signatures guaranteed by an Eligible Institution, and any other documents required by the Letter of Transmittal, to the Depository at its address set forth on the Letter of Transmittal by the Expiration Date. A Shareholder who holds share certificates must deliver the certificates for all Shares validly tendered pursuant to the Offer in proper form for transfer, together with its Letter of Transmittal. A Shareholder whose Shares are held through DRS must only deliver its Letter of Transmittal and is not required to submit a statement of its DRS positions;
- (b) follow the guaranteed delivery procedure described below, or
- (c) transfer Shares pursuant to the procedures for book-entry transfer described below (and a confirmation of such transfer must be received by the Depository, including either a Book-Entry Confirmation or an Agent's Message (each defined below) if the tendering Shareholder has not delivered a Letter of Transmittal). The term "**Agent's Message**" means a message, transmitted by DTC to and received by the Depository and forming a part of a book-entry confirmation, which states that DTC has received an express acknowledgment from the tendering participant, which acknowledgment states that such participant has received and agrees to be bound by the Letter of Transmittal and that the Corporation may enforce such Letter of Transmittal against such participant. The term "**Book-Entry Confirmation**" means a confirmation of a book-entry transfer of a Shareholder's Shares into the Depository's account at CDS.

A non-registered Shareholder who desires to deposit Shares under the Offer should immediately contact such Shareholder's investment dealer, stock broker, commercial bank, trust company or other nominee in order to take the necessary steps to be able to deposit such Shares under the Offer.

Shareholders who are participants in the Corporation's ESPP and wish to deposit their ESPP Shares under the Offer should complete and execute the letter of instruction furnished to ESPP participants and deliver such letter of instruction to the Corporate Secretary of the Corporation at Suite 1600, 4720 Kingsway, Burnaby, British Columbia, V5H 4N2 or by email to corporatesecretary@interfor.com no later than 3:00 p.m. (Eastern time) on September 6, 2022. The Corporation will in turn tabulate the results of all such letters of instruction and communicate these results to the ESPP Administrator. ESPP participants are urged to read the letter of instruction and related materials carefully. Participants should also read Section 13 of the Circular, "*Income Tax Considerations*" and consult their own income tax advisors as there are income tax consequences on the deposit of ESPP Shares to the Offer.

Participants of CDS and DTC should contact such depository to obtain instructions as to the method of depositing Shares under the terms of the Offer. CDS and DTC will each be issuing instructions to participants as to the method of depositing Shares under the terms of the Offer.

Signature Guarantees

No signature guarantee is required on the Letter of Transmittal if (a) the Letter of Transmittal is signed by the registered holder of the Shares exactly as the name of the registered holder appears on the share certificate or DRS registration deposited therewith, and payment is to be made directly to such registered holder, or (b) Shares are deposited for the account of a Canadian Schedule I chartered bank, a member of the Securities Transfer Agent Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP) (each such entity, an "**Eligible Institution**"). In all other cases, all signatures on the Letter of Transmittal must be guaranteed by an Eligible Institution. See the appropriate instructions in the Letter of Transmittal.

If a certificate or DRS registration representing Shares is registered in the name of a person other than the signatory to a Letter of Transmittal, or if payment is to be made, or certificates or DRS registrations representing Shares not purchased are to be issued, to a person other than the registered holder, the certificate must be endorsed or the certificate or DRS registration must be accompanied by an appropriate stock power, in either case, signed exactly as the name of the registered holder appears on the certificate or DRS registration, with the signature on the certificate or stock power signature guaranteed by an Eligible Institution.

Book-Entry Transfer Procedures – CDS

The Depository will establish an account with respect to the Shares at CDS for purposes of the Offer. Any financial institution that is a participant in CDS may make book-entry delivery of the Shares through CDS's on-line tendering system pursuant to which book-entry transfers may be effected ("CDSX") by causing CDS to transfer such Shares into the Depository's account in accordance with CDS's procedures for such transfer. Delivery of Shares to the Depository by means of a book-entry transfer through CDSX will constitute a valid tender under the Offer.

Shareholders may accept the Offer by following the procedures for a book-entry transfer established by CDS, provided that a Book-Entry Confirmation through CDSX is received by the Depository at its Toronto office address set forth on the back cover page of this Offer to Purchase and Circular prior to the Expiration Date. Shareholders, through their respective CDS participants, who utilize CDSX to accept the Offer through a book-entry transfer of their holdings into the Depository's account with CDS shall be deemed to have completed and submitted a Letter of Transmittal and to be bound by the terms thereof and, therefore, such instructions received by the Depository are considered a valid tender in accordance with the terms of the Offer. Delivery of documents to CDS does not constitute delivery to the Depository.

Book-Entry Transfer Procedures – DTC

The Depository intends to establish an account with respect to the Shares at DTC for purposes of the Offer. Any financial institution that is a participant in DTC may make book-entry delivery of the Shares by causing DTC to transfer such Shares into the Depository's account in accordance with DTC procedures for such transfer. Although delivery of the Shares may be effected under the Offer through book-entry transfer into the Depository's account at DTC, the Letter of Transmittal (or a manually signed photocopy thereof) with any required signature guarantees, or (in the case of a book-entry transfer) an Agent's Message in lieu of the Letter of Transmittal and any other required documents must, in any case, be transmitted to and received by the Depository at its Toronto office address set forth on the back cover page of this Offer and Circular prior to the Expiration Time in connection with the tender of such Shares. Delivery of documents to DTC does not constitute delivery to the Depository.

Shareholders who are depositing their Shares by book-entry transfer to the Depository's account at DTC may execute their tender through DTC's Automated Tender Offer Program ("ATOP") by transmitting their acceptance to DTC in accordance with DTC's ATOP procedures. DTC will then verify the acceptance, execute a book-entry delivery to the Depository's account at DTC and send an Agent's Message to the Depository. Delivery of the Agent's Message by DTC will satisfy the terms of the Offer in lieu of execution and delivery of a Letter of Transmittal by the participant identified in the Agent's Message. Accordingly, the Letter of Transmittal need not be completed by a Shareholder tendering through ATOP.

Method of Delivery

The method of delivery of certificates representing Shares and all other required documents is at the option and risk of the depositing Shareholder. If certificates representing Shares are to be sent by mail, registered mail that is properly insured is recommended and it is suggested that the mailing be made sufficiently in advance of the Expiration Date to permit delivery to the Depository on or prior to such date. Delivery of a share certificate representing Shares will only be made upon actual receipt of such share certificate by the Depository.

Procedure for Guaranteed Delivery

If a Shareholder wishes to deposit Shares pursuant to the Offer and cannot deliver certificates for such Shares, or the book-entry transfer procedures described above cannot be completed, prior to the Expiration Date, or time will

not permit all required documents to reach the Depository by the Expiration Date, such Shares may nevertheless be deposited if all of the following conditions are met:

- (a) such deposit is made by or through an Eligible Institution;
- (b) a properly completed and duly executed Notice of Guaranteed Delivery substantially in the form provided by the Corporation through the Depository is received by the Depository, at its Toronto office listed in the Notice of Guaranteed Delivery, by the Expiration Date; and
- (c) all tendered Shares (including share certificates, if such Shares are held in certificated form) in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) or, in lieu thereof, a Book-Entry Confirmation or Agent's Message, with signatures that are guaranteed if so required in accordance with the Letter of Transmittal, and any other documents required by the Letter of Transmittal, are received by the Toronto office of the Depository, before 5:00 p.m. (Eastern time) on or before the second trading day on the TSX after the Expiration Date.

The Notice of Guaranteed Delivery may be hand delivered, couriered, mailed or transmitted by facsimile or email transmission to the Toronto office of the Depository listed in the Notice of Guaranteed Delivery, and must include a guarantee by an Eligible Institution in the form set forth in the Notice of Guaranteed Delivery.

Notwithstanding any other provision hereof, payment for Shares accepted for payment pursuant to the Offer will be made only after timely receipt by the Depository of all Shares proposed to be taken up (including share certificates, if such Shares are held in certificated form) in proper form for transfer, together with a properly completed and duly executed Letter of Transmittal (or a manually executed photocopy thereof) or, in lieu thereof, a Book-Entry Confirmation or Agent's Message relating to such Shares, with signatures that are guaranteed if so required in accordance with the Letter of Transmittal, and any other documents required by the Letter of Transmittal.

The tender information specified in a Notice of Guaranteed Delivery by a person completing such Notice of Guaranteed Delivery will, in all circumstances, take precedence over the tender information that is specified in the related Letter of Transmittal that is subsequently deposited.

Return of Unpurchased Shares

Certificates or DRS advices for all Shares not purchased under the Offer (including Shares deposited pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of proration, improper tenders, or Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, will be returned (in the case of certificates or DRS advices representing Shares all of which are not purchased) or replaced with new certificates or DRS advices representing the balance of Shares not purchased (in the case of certificates or DRS advices representing Shares of which less than all are purchased), promptly after the Expiration Time (or termination of the Offer) or the date of withdrawal of the Shares. In the case of Shares tendered through book-entry transfer into the Depository's account at DTC or CDS, the Shares will be credited to the appropriate account maintained by the tendering Shareholder at DTC or CDS, as applicable, without expense to the Shareholder.

Determination of Validity, Rejection and Notice of Defect

All questions as to the number of tenders to be accepted, the form of documents and the validity, eligibility (including time of receipt) and acceptance for payment of any Shares will be determined by the Corporation, in its sole discretion, which determination shall be final and binding on all parties. Interfor reserves the absolute right to reject any deposits of Shares determined by it not to be in proper form or completed in accordance with the instructions herein and in the Letter of Transmittal or the acceptance for payment of or payment for which may, in the opinion of the Corporation's counsel, be unlawful. Interfor also reserves the absolute right to waive any of the conditions of the Offer or any defect or irregularity in the deposit of any particular Shares. No individual deposit of Shares will be deemed to be properly made until all defects and irregularities have been cured or waived. Unless waived, any defects or irregularities in connection with deposits must be cured within such time as Interfor shall determine. **None of Interfor, the Depository and any other person is or will be obligated to give notice of defects or irregularities in deposits, nor shall any of them incur any liability for failure to give any such notice.** The Corporation's

interpretation of the terms and conditions of the Offer (including these instructions, the Letter of Transmittal and the Notice of Guaranteed Delivery) will be final and binding on all parties.

Under no circumstances will interest be paid by the Corporation by reason of any delay in making payment to any person using the guaranteed delivery procedures set out herein, including without limitation any delay arising because the Shares to be delivered pursuant to the guaranteed delivery procedures are not so delivered to the Depository, and therefore payment by the Depository on account of such Shares is not made until after the date the payment for the deposited Shares taken up pursuant to the Offer is to be made by the Corporation.

Formation of Agreement

The proper deposit of Shares pursuant to any one of the procedures described above will constitute a binding agreement between the depositing Shareholder and the Corporation, effective as of the Expiration Date, upon the terms and subject to the conditions of the Offer.

Further Assurances

Each Shareholder accepting the Offer covenants under the terms of the Letter of Transmittal to execute, upon request of Interfor, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of any Shares proposed to be taken up by the Corporation. Each authority therein conferred or agreed to be conferred may be exercised during any subsequent legal incapacity of such Shareholder and shall, to the extent permitted by law, survive the death or incapacity, bankruptcy or insolvency of the Shareholder and all obligations of the Shareholder therein shall be binding upon the heirs, personal representatives, successors and assigns of such Shareholder.

6. WITHDRAWAL RIGHTS

Except as otherwise provided in this Section, deposits of Shares pursuant to the Offer will be irrevocable. Shares deposited pursuant to the Offer may be withdrawn by the Shareholder (a) at any time prior to the Expiration Date, (b) at any time if the Shares have not been taken up by the Corporation before actual receipt by the Depository of a notice of withdrawal in respect of such Shares, or (c) at any time if the Shares have been taken up but not paid for by the Corporation within three business days of being taken up.

For a withdrawal to be effective, a written or printed copy of a notice of withdrawal must be actually received by the Depository prior to 5:00 p.m. (Eastern time) on the applicable date specified above at the place of deposit of the relevant Shares. Any such notice of withdrawal must (i) be signed by or on behalf of the person who signed the Letter of Transmittal that accompanied the Shares being withdrawn or, in the case of Shares tendered by a CDS or DTC participant, be signed by such participant in the same manner as the participant's name is listed on the applicable Book-Entry Confirmation or Agent's Message, or be accompanied by evidence sufficient to the Depository that the person withdrawing the tender has succeeded to the beneficial ownership of the Shares, and (ii) specify the name of the person who deposited the Shares to be withdrawn, the name of the registered holder (if different from that of the person who tendered such Shares) and the number of Shares to be withdrawn. If the certificates for the Shares deposited pursuant to the Offer have been delivered or otherwise identified to the Depository, then, prior to the release of such certificates, the depositing Shareholder must submit the serial numbers shown on the particular certificates evidencing the Shares to be withdrawn and the signature on the notice of withdrawal must be guaranteed by an Eligible Institution, except in the case of Shares deposited by an Eligible Institution. If Shares have been deposited pursuant to the procedure for book-entry transfer described in Section 5, the notice of withdrawal must also specify the name and number of the account at DTC or CDS, as applicable, to be credited with the withdrawn Shares, and must otherwise comply with DTC's or CDS' procedures. If a Shareholder has used more than one Letter of Transmittal or has otherwise deposited in more than one group of Shares, such Shareholder may withdraw Shares using either separate notices of withdrawal or a combined notice of withdrawal, so long as the information specified above is included. **A withdrawal of Shares deposited pursuant to the Offer can only be accomplished in accordance with the foregoing procedure. The withdrawal shall take effect only upon actual receipt by the Depository of a properly completed and executed notice of withdrawal in writing.**

A Shareholder who wishes to withdraw Shares under the Offer and who holds Shares through a broker, dealer, commercial bank, trust company or other nominee should immediately contact such broker,

dealer, commercial bank, trust company or other nominee in order to take the necessary steps to be able to withdraw such Shares under the Offer. Please be advised that such nominees may have their own deadlines relating to the withdrawal of your Shares that differ from those set out in this Offer to Purchase. We recommend that you contact any such nominee to find out its deadline.

Participants of CDS and DTC should contact such depository with respect to the withdrawal of Shares under the Offer.

Shareholders who are participants in the Corporation's ESPP and wish to withdraw their ESPP Shares under the Offer should contact the Corporation in order to take the necessary steps to be able to withdraw such ESPP Shares under the Offer. Please be advised that the ESPP Administrator has their own deadline for the withdrawal of ESPP Shares, of 3:00 p.m. (Eastern time) on September 6, 2022.

All questions as to the form and validity (including time of receipt) of notices of withdrawal will be determined by the Corporation, in its sole discretion, which determination shall be final and binding. None of the Corporation, the Depository and any other person shall be obligated to give any notice of any defects or irregularities in any notice of withdrawal and none of them shall incur any liability for failure to give any such notice.

Any Shares properly withdrawn will thereafter be deemed not deposited for purposes of the Offer. However, withdrawn Shares may be redeposited prior to the Expiration Date by again following the procedures described in the Offer to Purchase, "*Procedure for Depositing Shares*".

If the Corporation extends the period of time during which the Offer is open, is delayed in its purchase of Shares or is unable to purchase Shares pursuant to the Offer for any reason, then, without prejudice to the Corporation's rights under the Offer, the Depository may, subject to applicable law, retain on behalf of the Corporation all deposited Shares, and such Shares may not be withdrawn except to the extent that depositing Shareholders are entitled to withdrawal rights as described in this Section.

7. CERTAIN CONDITIONS OF THE OFFER

Notwithstanding any other provision of the Offer, the Corporation shall not be required to accept for purchase, to purchase or, subject to any applicable rules or regulations, to pay for any Shares deposited, and may terminate, cancel or amend the Offer or may postpone the payment for Shares deposited, if, at any time before the payment for any such Shares, any of the following events shall have occurred (or shall have been determined by the Corporation to have occurred) which, in the Corporation's sole judgment, acting reasonably, in any such case and regardless of the circumstances, makes it inadvisable to proceed with the Offer or with such acceptance for purchase or payment:

- (a) there shall have been threatened, taken or pending any action, suit or proceeding by any government or governmental authority or regulatory or administrative agency in any jurisdiction, or by any other person in any jurisdiction, before any court or governmental authority or regulatory or administrative agency in any jurisdiction (i) challenging or seeking to cease trade, make illegal, delay or otherwise directly or indirectly restrain or prohibit the making of the Offer, the acceptance for payment of some or all of the Shares by the Corporation or otherwise directly or indirectly relating in any manner to or affecting the Offer, or (ii) seeking material damages or that otherwise, in the sole judgment of the Corporation, acting reasonably, has or may have a material adverse effect on the Shares, or the business, income, assets, liabilities, condition or position (financial or otherwise), properties, operations, results of operations or prospects of the Corporation and its subsidiaries taken as a whole or has impaired or may materially impair the contemplated benefits of the Offer to the Corporation or otherwise make it inadvisable to proceed with the Offer;
- (b) there shall have been any action or proceeding threatened, pending or taken or approval withheld or any statute, rule, regulation, stay, decree, judgment or order or injunction proposed, sought, enacted, enforced, promulgated, amended, issued or deemed applicable to the Offer or the Corporation or any of its subsidiaries by or before any court, government or governmental authority or regulatory or administrative agency or any statute, rule or regulation shall become operative or applicable in any jurisdiction that, in the sole judgment of the Corporation, acting reasonably, might directly or indirectly result in any of the consequences referred to in clauses (i) or (ii) of paragraph (a) above or would or might prohibit, prevent, restrict or delay

consummation of the Offer or would or might impair the contemplated benefits of the Offer to the Corporation;

- (c) there shall have occurred any of the following events:
- (i) any general suspension of trading in, or limitation on prices for, securities on any securities exchange or in the over-the-counter market in Canada or the United States;
 - (ii) the declaration of a banking moratorium or any suspension of payments in respect of banks in Canada or the United States (whether or not mandatory);
 - (iii) a natural disaster or the commencement or escalation of a war, armed hostilities, act of terrorism or other international or national calamity, including for certainty the continuation or escalation of the Russian Federation's military invasion of Ukraine, in each case whether or not involving Canada, the United States or any other region where the Corporation conducts business or has operations, that could, in the sole judgment of the Corporation, acting reasonably, have or be expected to have a material adverse effect on the Corporation's or its subsidiaries' business, operations or prospects or the trading in, or value of, the Shares;
 - (iv) any limitation (whether or not mandatory) by any government or governmental authority or regulatory or administrative agency or any other event that, in the sole judgment of the Corporation, acting reasonably, might affect the extension of credit by banks or other lending institutions;
 - (v) any significant decrease, in the sole judgment of the Corporation, acting reasonably, in the market price of the Shares since the close of business on July 25, 2022;
 - (vi) any significant change (or any development involving any prospective significant change) in the demand for the Corporation's products, revenues, cash flows from operations, cost of borrowing or ability to carry out its business which in the sole judgment of the Corporation, acting reasonably, has had or may be reasonably expected to have a material adverse effect on the Corporation's business, operations, financial condition or prospects or the trading in, or value of, the Shares;
 - (vii) any change (or any development involving any prospective change) in (A) general political, market, economic, financial or industry conditions (including any change attributable to the COVID-19 pandemic) or (B) the business, earnings, assets, liabilities, properties, condition (financial or otherwise), operations, results of operations or prospects of the Corporation or any of its subsidiaries that, in each case, in the sole judgment of the Corporation, acting reasonably, has, or may have, individually or in the aggregate, a material adverse effect on the Corporation and its subsidiaries taken as a whole;
 - (viii) any decline in any of the S&P/TSX Composite Index, the Dow Jones Industrial Average or the S&P 500 by an amount in excess of 10%, measured from the close of business on July 25, 2022;
 - (ix) any material adverse change (or any development involving any prospective material adverse change) in the short-term or long-term interest rates in Canada or the United States; or
 - (x) in the case of any of the foregoing existing at the time of the commencement of the Offer, an acceleration or worsening thereof;
- (d) any take-over bid or tender or exchange offer with respect to some or all of the securities of Interfor, or any merger, amalgamation, arrangement, business combination or acquisition proposal, disposition of assets, or other similar transaction with or involving Interfor or any of its affiliates, other than the Offer, or any solicitation of proxies, other than by management, to seek to control or influence the Board of Directors, shall have been proposed, announced or made by any individual or entity;
- (e) the Corporation shall have determined, in its sole judgment, acting reasonably, that the Purchase Price for a Share exceeds the fair market value of such Share at the time of the acquisition of such Share by the Corporation pursuant to the Offer, determined without reference to the Offer;

- (f) the Corporation shall have concluded, in its sole judgment, acting reasonably, that the Offer or the take up and payment for any or all of the Shares by the Corporation is illegal or not in compliance with applicable law or stock exchange requirements, or that necessary exemptions under applicable securities legislation, including exemptions from the obligation to take up Shares in the event that the Offer is extended in certain circumstances, are not available to the Corporation for the Offer and, if required under any such legislation, the Corporation shall not have received the necessary exemptions from or waivers of the appropriate courts or securities regulatory authorities in respect of the Offer;
- (g) any changes shall have occurred or been proposed to the Tax Act or the Internal Revenue Code (United States) (the “Code”), to the publicly available administrative policies or assessing practices of the Canada Revenue Agency (“CRA”) or the Internal Revenue Service (“IRS”) or to relevant tax jurisprudence that, in the sole judgment of the Corporation, are detrimental to the Corporation and its subsidiaries taken as a whole or any one or more Shareholders, or with respect to making the Offer or taking up and paying for Shares deposited under the Offer;
- (h) the completion of the Offer subjects the Corporation to any material tax liability, including Part VI.1 tax under the Tax Act;
- (i) RBC shall have withdrawn or amended the Liquidity Opinion provided by it in connection with the Offer; or
- (j) the Corporation reasonably determines that the completion of the Offer and the purchase of the Shares may cause the Shares to be delisted from the TSX.

The foregoing conditions are for the sole benefit of the Corporation and may be asserted by the Corporation in its sole discretion, acting reasonably, regardless of the circumstances (including any action or inaction by the Corporation) giving rise to any such conditions, or may be waived by the Corporation, in its sole discretion, in whole or in part at any time. The failure by the Corporation at any time to exercise its rights under any of the foregoing conditions shall not be deemed a waiver of any such right; the waiver of any such right with respect to particular facts and other circumstances shall not be deemed a waiver with respect to any other facts and circumstances; and each such right shall be deemed an ongoing right which may be asserted at any time or from time to time. Any determination by the Corporation concerning the events described in this Section 7 shall be final and binding on all parties.

Any waiver of a condition or the withdrawal of the Offer by the Corporation shall be deemed to be effective on the date on which notice of such waiver or withdrawal by the Corporation is delivered or otherwise communicated to the Depositary. The Corporation, after giving notice to the Depositary of any waiver of a condition or the withdrawal of the Offer, shall immediately make a public announcement of such waiver or withdrawal and provide or cause to be provided notice of such waiver or withdrawal to the TSX and the applicable Canadian securities regulatory authorities. If the Offer is withdrawn, the Corporation shall not be obligated to take up, accept for purchase or pay for any Shares deposited under the Offer, and the Depositary will return all deposited Shares, Letters of Transmittal and Notices of Guaranteed Delivery and any related documents to the parties by whom they were deposited.

8. EXTENSION AND VARIATION OF THE OFFER

Subject to applicable law, the Corporation expressly reserves the right, in its sole discretion, and regardless of whether or not any of the conditions specified in Section 7 of this Offer to Purchase shall have occurred, at any time or from time to time, to extend the period of time during which the Offer is open or to vary the terms and conditions of the Offer by giving written notice, or oral notice to be confirmed in writing, of extension or variation to the Depositary and by causing the Depositary to provide to all Shareholders, where required by law, as soon as practicable thereafter, a copy of the notice in the manner set forth in Section 12 of this Offer to Purchase. Promptly after giving notice of an extension or variation to the Depositary, but, in the case of an extension, no later than 9:00 a.m. (Eastern time) on the next business day following the last previously scheduled or announced Expiration Date, the Corporation will make a public announcement of the extension or variation and provide or cause to be provided notice of such extension or variation to the TSX and the applicable Canadian securities regulatory authorities. Any notice of extension or variation will be deemed to have been given and be effective on the day on which it is delivered or otherwise communicated to the Depositary at its principal office in Toronto, Ontario.

Where the terms of the Offer are varied (other than a variation consisting solely of the waiver of a condition of the Offer), the period during which Shares may be deposited pursuant to the Offer shall not expire before ten days (except for any variation increasing or decreasing the percentage of Shares to be purchased or the consideration provided for under the Offer, in which case the Offer shall not expire before ten business days) after the notice of variation has been given to Shareholders, unless otherwise permitted by applicable law. During any such extension or in the event of any variation, all Shares previously deposited and not taken up or withdrawn will remain subject to the Offer and may be accepted for purchase by the Corporation in accordance with the terms of the Offer, subject to the withdrawal rights contained in Section 6 of this Offer to Purchase. An extension of the Expiration Date or a variation of the Offer does not constitute a waiver by the Corporation of its rights in Section 7 of this Offer to Purchase.

If the Corporation makes a material change in the terms of the Offer or the information concerning the Offer, the Corporation will extend the time during which the Offer is open to the extent required under applicable Canadian and United States securities legislation.

The Corporation also expressly reserves the right, in its sole discretion, (a) to terminate the Offer and not take up and pay for any Shares not theretofore taken up and paid for upon the occurrence of any of the conditions specified in Section 7 of this Offer to Purchase, and/or (b) at any time or from time to time, to vary the Offer in any respect, including increasing or decreasing the aggregate purchase price for Shares that the Corporation may purchase or the range of prices it may pay pursuant to the Offer, subject to compliance with applicable Canadian and United States securities legislation.

Any such extension, delay, termination or variation will be followed as promptly as practicable by a public announcement. Without limiting the manner in which the Corporation may choose to make any public announcement, except as provided by applicable law, the Corporation shall have no obligation to publish, advertise or otherwise communicate any such public announcement other than by making a release through a widely circulated news wire service.

9. TAKING UP AND PAYMENT FOR DEPOSITED SHARES

Upon the terms and provisions of the Offer (including proration) and subject to and in accordance with applicable securities laws, the Corporation will take up and pay for Shares properly deposited under the Offer in accordance with the terms thereof as soon as practicable after the Expiration Date, but in any event not later than ten days after the Expiration Date, provided that the conditions of the Offer (as the same may be varied) have been satisfied or waived. Any Shares taken up will be paid for as soon as practicable but in any event no later than three business days after they are taken up in accordance with applicable Canadian securities laws.

For the purpose of the Offer, the Corporation will be deemed to have taken up and accepted for payment validly tendered Shares having an aggregate Purchase Price not exceeding \$100,000,000 if, as and when the Corporation gives written notice or other communication confirmed in writing to the Depository to that effect.

The Corporation reserves the right, in its sole discretion, to delay taking up or paying for any Shares or to terminate the Offer and not take up or pay for any Shares upon the occurrence of any of the conditions specified in Section 7 of this Offer to Purchase by giving written notice thereof or other communication confirmed in writing to the Depository. The Corporation also reserves the right, in its sole discretion and notwithstanding any other condition of the Offer, to delay taking up and paying for Shares in order to comply, in whole or in part, with any applicable law.

In the event of proration of Shares deposited pursuant to the Offer, the Corporation will determine the proration factor and pay for those deposited Shares accepted for payment as soon as practicable after the Expiration Date. However, the Corporation does not expect to be able to announce the final results of any such proration until approximately three business days after the Expiration Date.

Certificates or DRS advices for all Shares not purchased under the Offer (including Shares deposited pursuant to an Auction Tender at prices greater than the Purchase Price, Shares not purchased because of proration or improper tenders and Shares not taken up due to the termination of the Offer), or properly withdrawn before the Expiration Time, will be returned (in the case of certificates or DRS advices representing Shares all of which are not purchased) or replaced with new certificates or DRS advices representing the balance of Shares not purchased (in the case of certificates or DRS advices representing Shares of which less than all are purchased), or in the case of Shares deposited

by book-entry transfer, credited to the account maintained with DTC or CDS, as applicable, by the participant who delivered the Shares, promptly after the Expiration Time (or termination of the Offer) or the date of withdrawal of the Shares, in any case without expense to the Shareholder.

The Corporation will pay for Shares taken up under the Offer by providing the Depositary with sufficient funds (by bank transfer or other means satisfactory to the Depositary) for transmittal to depositing Shareholders. Under no circumstances will interest accrue or be paid by the Corporation or the Depositary on the Purchase Price of the Shares purchased by the Corporation, regardless of any delay in making such payment or otherwise.

Depositing Shareholders will not be obligated to pay brokerage fees or commissions to the Corporation or the Depositary. However, Shareholders are cautioned to consult with their own brokers or other intermediaries to determine whether any fees or commissions are payable to their brokers or other intermediaries in connection with a deposit of Shares pursuant to the Offer. Interfor will pay all fees and expenses of the Depositary in connection with the Offer.

The Depositary will act as agent of persons who have properly deposited Shares in acceptance of the Offer and have not withdrawn them, for the purposes of receiving payment from the Corporation and transmitting payment to such persons. **Receipt by the Depositary from the Corporation of payment for such Shares will be deemed to constitute receipt of payment by persons depositing Shares.** The Depositary will also coordinate with CDS and DTC, as applicable, with respect to Shareholders who have deposited Shares by way of book-entry transfer which are taken up and accepted by the Corporation, to arrange for payment to be made to such Shareholders in accordance with the settlement procedures of CDS and DTC, as applicable, including a currency election if made available by CDS and DTC.

The settlement with each Shareholder who has deposited Shares under the Offer will be effected by the Depositary by forwarding a cheque, representing the cash payment (subject to applicable withholding taxes, if any) for such Shareholder's Shares taken up under the Offer. The cheque will be issued in the name of the person as specified by properly completing the appropriate box in the Letter of Transmittal. Unless the depositing Shareholder instructs the Depositary to hold the cheque for pick-up by checking the appropriate box in the Letter of Transmittal, the cheque will be forwarded by first class mail, postage prepaid, to the payee at the address specified in the Letter of Transmittal. If no such address is specified, the cheque will be sent to the address of the depositing Shareholder as it appears in the registers maintained in respect of the Shares. Cheques mailed in accordance with this paragraph will be deemed to have been delivered at the time of mailing.

All Shares purchased by the Corporation pursuant to the Offer shall be cancelled.

10. PAYMENT IN THE EVENT OF MAIL SERVICE INTERRUPTION

Notwithstanding the provisions of the Offer, cheques in payment for Shares purchased under the Offer and certificates or DRS advices for any Shares to be returned will not be mailed if the Corporation determines that delivery by mail may be delayed. Persons entitled to cheques, certificates or DRS advices that are not mailed for this reason may take delivery at the Toronto office of the Depositary until the Corporation has determined that delivery by mail will no longer be delayed. Interfor will provide notice, in accordance with Section 12 of this Offer to Purchase, of any determination not to mail under this Section 10 as soon as reasonably practicable after such determination is made.

11. LIENS AND DIVIDENDS

Shares acquired pursuant to the Offer shall be acquired by the Corporation free and clear of all liens, charges, encumbrances, security interests, claims, restrictions and equities whatsoever, together with all rights and benefits arising therefrom, provided that any dividends or distributions that may be paid, issued, distributed, made or transferred on or in respect of such Shares to Shareholders of record on or prior to the date upon which the Shares are taken up and paid for under the Offer shall be for the account of such Shareholders. Each Shareholder of record on that date will be entitled to receive that dividend or distribution whether or not such Shareholder deposits Shares pursuant to the Offer.

12. NOTICE

Without limiting any other lawful means of giving notice, any notice to be given by the Corporation or the Depositary under the Offer will be deemed to have been properly given if it is mailed by first-class mail, postage prepaid, to the registered holders of Shares at their respective addresses as shown on the share registers maintained in respect of the Shares and will be deemed to have been received on the first business day following the date of mailing. These provisions apply despite (i) any accidental omission to give notice to any one or more Shareholders, and (ii) an interruption of mail service following mailing. In the event of an interruption of mail service following mailing, the Corporation will use reasonable efforts to disseminate the notice by other means, such as publication. If post offices are not open for deposit of mail, or there is reason to believe there is or could be a disruption in all or any part of the postal service, any notice which the Corporation or the Depositary may give or cause to be given under the Offer will be deemed to have been properly given and to have been received by Shareholders if it is issued by way of a news release and if it is published once in *The Globe and Mail* or the *National Post* and in *La Presse*.

13. OTHER ITEMS

No broker, dealer or other person has been authorized to give any information or to make any representation on behalf of the Corporation other than as contained in the Offer and, if any such information or representation is given or made, it must not be relied upon as having been authorized by the Corporation.

It is a term of the Offer that for the purposes of subsection 191(4) of the Tax Act, the “**specified amount**” in respect of each Share shall be an amount equal to the closing trading price for the Shares on the TSX on the Expiration Date. We will publicly announce the specified amount when we announce the Purchase Price pursuant to the Offer.

The Offer and all contracts resulting from the acceptance thereof shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

The Corporation, in its sole discretion, shall be entitled to make a final and binding determination of all questions relating to the interpretation of the Offer, the validity of any acceptance of the Offer and the validity of any withdrawals of Shares. The Offer is not being made to, and deposits of Shares will not be accepted from or on behalf of, Shareholders residing in any jurisdiction in which the making of the Offer or the acceptance thereof would not be in compliance with the laws of such jurisdiction. The Corporation may, in its sole discretion, take such action as it may deem necessary to make the Offer in any such jurisdiction and extend the Offer to Shareholders in any such jurisdiction.

The accompanying Circular, together with this Offer to Purchase, constitutes the issuer bid circular required under Canadian provincial securities legislation applicable to the Corporation with respect to the Offer.

The accompanying Circular contains additional information relating to the Offer.

DATED this 2nd day of August, 2022, at Vancouver, British Columbia.

INTERFOR CORPORATION

(Signed) “*Richard Pozzebon*”

Richard Pozzebon

Senior Vice-President and
Chief Financial Officer

ISSUER BID CIRCULAR

This Circular is being furnished in connection with the Offer by Interfor to purchase for cancellation a number of Shares validly deposited for an aggregate purchase price not exceeding \$100,000,000 at a Purchase Price of not less than \$29.00 per Share and not more than \$34.00 per Share. Terms defined in the Offer to Purchase and not otherwise defined herein have the same meaning in this Circular. The terms and conditions of the Offer to Purchase, Letter of Transmittal and the Notice of Guaranteed Delivery are incorporated into and form part of this Circular. Reference is made to the Offer to Purchase for details of its terms and conditions.

1. INTERFOR CORPORATION

Interfor is a growth-oriented forest products company with operations in Canada and the United States. The Corporation has annual lumber production capacity of approximately 4.7 billion board feet and offers a diverse line of lumber products to customers around the world. The Corporation's business is comprised of sawmilling operations in British Columbia, Ontario, Quebec, Washington, Oregon, Georgia, South Carolina, Arkansas, Mississippi, Alabama and Louisiana.

Interfor is organized under the *Business Corporations Act* (British Columbia) and assumed its present form after the amalgamation of certain companies under the laws of British Columbia.

The head and registered office of Interfor is located at Suite 1600, 4720 Kingsway, Burnaby, British Columbia, V5H 4N2.

Additional Information

Interfor is subject to the information and reporting requirements of Canadian provincial securities laws and the rules of the TSX, and in accordance therewith files periodic reports and other information with securities regulatory authorities in Canada and the TSX, relating to its business, financial condition and other matters. Interfor is required to disclose in such reports certain information, as of particular dates, concerning Interfor's directors and officers, their compensation, any stock options granted to them, the principal holders of Interfor's securities and any material interest of such persons in transactions with Interfor. Such reports, statements and other information may be accessed under the Corporation's profile on the System for Electronic Document Analysis and Retrieval ("SEDAR") website at www.sedar.com.

2. AUTHORIZED CAPITAL

Share Capital

The authorized share structure of the Corporation consists of:

- (a) 150,000,000 Shares, being common shares without par value with special rights and restrictions; and
- (b) 5,000,000 preference shares (the "**Preference Shares**") without par value with special rights and restrictions.

Rights of holders of Shares

Each holder of a Share is entitled to receive notice of and to attend and vote in person or by proxy at all meetings of Shareholders, and is entitled to one vote for each Share held.

Each holder of a Share is entitled to receive such dividends as the directors may in their sole discretion declare from time to time. No holder of a Share will be entitled to any dividend other than or in excess of the dividends declared by the directors. Subject to any special rights or restrictions as to dividends attached to any Preference Shares issued and outstanding from time to time, the Board of Directors has the discretion to declare dividends on the Shares.

In the event of a liquidation, dissolution or winding-up of the Corporation or other distribution of the Corporation's assets for the purpose of winding up its affairs, holders of Shares will not receive any amount, property or asset, until the holders of the Preference Shares, if any, and any other class or series of shares entitled to receive assets of the Corporation in priority to the holders of the Shares, have first received the amounts to which they are

entitled. Thereafter, the holders of Shares will be entitled to all remaining property and assets of the Corporation on a share-for-share basis.

As of July 25, 2022, there were 54,787,641 Shares issued and outstanding.

Rights of holders of Preference Shares

Preference Shares may be issued in one or more series. The Board of Directors may, by resolution, fix the number of Preference Shares in each series, determine the designation of the Preference Shares of each series and attach special rights and restrictions to the Preference Shares of each series. Preference Shares rank in priority over the Shares with respect to the payment of dividends and the distribution of assets of the Corporation in the event of the liquidation, dissolution or winding-up of the Corporation.

Holders of Preference Shares are not entitled to receive notice of, attend, or vote at any meeting of Shareholders, except in the event of matters affecting the priority rights or any other rights or restrictions attaching to the Preference Shares.

No Preference Shares are issued and outstanding, and the Offer does not extend to the Preference Shares.

Securities Subject to the Offer

The only securities of the Corporation that are subject to the Offer are the Shares.

3. PURPOSE AND EFFECT OF THE OFFER

Interfor believes that the purchase of Shares under the Offer represents an equitable and efficient means of distributing an aggregate of up to \$100,000,000 in cash to Shareholders who elect to tender to the Offer, while at the same time proportionately increasing the equity interest in the Corporation of Shareholders who do not tender to the Offer. The Board of Directors believes that the Offer is an advisable use of the Corporation's financial resources given its cash requirements. In addition, as the purchase of Shares pursuant to the Offer will reduce the number of outstanding Shares, the Offer will be accretive to any future earnings per Share that the Corporation may record, although there can be no assurance of such earnings.

After giving effect to the Offer, Interfor believes that it will continue to have sufficient financial resources and working capital to conduct its ongoing business and operations. Further, the Offer is not expected to preclude the Corporation from pursuing its foreseeable business opportunities or the future growth of the Corporation's business.

Background to the Offer

On November 11, 2020, the Corporation commenced a normal course issuer bid (the "**2020 NCIB**") for the twelve-month period ending on November 10, 2021, to purchase for cancellation up to 5,981,751 Shares. On September 16, 2021, the Corporation announced an amendment to the 2020 NCIB that allowed for the purchase of up to 6,672,658 Shares. The Corporation purchased the full allowance of 6,672,658 Shares under the 2020 NCIB at a weighted average price of \$26.56 per Share.

On November 11, 2021, the Corporation commenced a renewal of its normal course issuer bid (the "**2021 NCIB**"). During the first four months of 2022, the Corporation purchased an aggregate of 6,041,701 Shares, being the maximum allowable amount of Shares under the 2021 NCIB, at a weighted average price of \$37.60 per Share for an aggregate gross cost to the Corporation of \$227.2 million. Accordingly, the Corporation will not be making further acquisitions of Shares pursuant to the 2021 NCIB prior to its expiry on November 10, 2022.

At a meeting of the Board of Directors on May 11, 2022, the Board discussed various matters, including the progress on repurchases of Shares under the 2021 NCIB, trends in the Corporation's cash balances, and a review of other capital allocation alternatives, including the possibility of an issuer bid in accordance with National Instrument 62-104 to repurchase a portion of the Shares.

Management of the Corporation continues to believe that the recent trading price range of the Shares is below their intrinsic value and that repurchasing a portion of the Shares would be an efficient use of the Corporation's resources.

At a meeting of the Board of Directors on June 10, 2022, it was proposed that the Corporation consider undertaking an issuer bid in accordance with National Instrument 62-104 to repurchase certain of its outstanding Shares, beyond what was previously repurchased under the Corporation's 2021 NCIB. Following the meeting, RBC was engaged to act as a financial adviser in connection with the Offer and to provide the Liquidity Opinion.

On July 25, 2022, the Board of Directors considered the proposed issuer bid and whether it would be in the best interests of the Corporation. In evaluating the Offer, the Board of Directors gave careful consideration to a number of factors, including, without limitation, the following:

- (a) that the recent trading price range of the Shares is not considered to be fully reflective of the value of the Corporation's business and future prospects and that, consequently, the repurchase of Shares represents an attractive investment and an appropriate and desirable use of available funds;
- (b) the belief that the Offer is a prudent use of the Corporation's financial resources given its business profile and assets, the current market price of the Shares, and its cash requirements;
- (c) that, after giving effect to the Offer, the Corporation will continue to have sufficient financial resources and working capital to conduct its ongoing business and operations and the Offer is not expected to preclude the Corporation from pursuing its foreseeable business opportunities or the future growth of the Corporation's business;
- (d) the anticipated positive impact that the purchase of Shares could have on the Corporation's earnings and cash flow calculated on a per Share basis, as well as on the return on equity on the Shares;
- (e) that the Offer is an equitable and efficient means of distributing up to \$100,000,000 in cash in the aggregate to Shareholders while providing Shareholders with an option to elect whether to participate in the distribution;
- (f) that the Offer provides Shareholders with an opportunity to realize on all or a portion of their investment in the Corporation, should they desire liquidity, in quantities which might not otherwise be available in the market without incurring brokerage fees or commissions (subject to any fees or commissions that non-registered Shareholders may be charged by the nominee holding their Shares on their behalf) which might otherwise be payable on a sale of their Shares on the TSX;
- (g) that, generally, Shareholders that own fewer than 100 Shares, whose Shares are purchased pursuant to the Offer, will not only avoid the payment of any brokerage fees and commissions (subject to any fees or commissions that non-registered Shareholders may be charged by the intermediary holding their Shares on their behalf) but also any Odd Lot discounts, each of which may otherwise be applicable on a sale of their Shares in a transaction on the TSX;
- (h) that the deposit of Shares under the Offer is optional, the option is available to all Shareholders, and all Shareholders are free to accept or reject the Offer;
- (i) that Shareholders wishing to tender Shares may do so pursuant to Auction Tenders or Purchase Price Tenders;
- (j) that Shareholders who do not deposit their Shares under the Offer will realize a proportionate increase in their equity interest in the Corporation to the extent that Shares are purchased by the Corporation pursuant to the Offer. For example, if the Offer is fully subscribed and Shares are purchased at a Purchase Price equal to the maximum purchase price per Share of \$34.00, the Offer will result in the purchase by the Corporation of 2,941,176 Shares and those Shareholders who do not deposit any Shares under the Offer will see a 5.67% proportionate increase in their respective equity interest in the Corporation based on the number of Shares issued and outstanding as at July 25, 2022. Similarly, if the Offer is fully subscribed and Shares are purchased at a Purchase Price equal to the minimum purchase price per Share of \$29.00, the Offer will result in the purchase by the Corporation of 3,448,275 Shares and those Shareholders who do not deposit any Shares under

the Offer will see a 6.72% proportionate increase in their respective equity interest in the Corporation based on the number of Shares issued and outstanding as at July 25, 2022;

- (k) that the Offer is not conditional on any minimum number of Shares being deposited;
- (l) the maximum Purchase Price represents a premium of approximately 12.5% over the closing price of the Shares of \$30.23 on the TSX on July 25, 2022, the last trading day preceding the date of the Corporation's announcement of its intention to make the Offer;
- (m) the advice of the Corporation's financial advisor in respect of the Offer;
- (n) the Liquidity Opinion from RBC regarding the liquidity of the market for the Shares after completion of the Offer; and
- (o) the fact that it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer (see "*Liquidity of Market*" below).

The foregoing summary of the factors considered by the Board of Directors is not, and is not intended to be, exhaustive. In view of the variety of factors and the amount of information considered in connection with its determination to proceed with the Offer, the Board of Directors did not find it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion.

The Board of Directors, based on careful consideration of the above mentioned reasons, determined that the Offer is in the best interests of the Corporation and authorized and approved the making of the Offer, its final pricing and the Offer and Circular and related documents on July 25, 2022.

None of Interfor, its Board of Directors, RBC and the Depositary makes any recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own investment and tax advisors and make their own decisions whether to deposit Shares under the Offer. Shareholders are urged to evaluate carefully all information in the Offer, consult their own financial, legal, investment and tax advisors and make their own decisions as to whether to deposit Shares under the Offer, and, if so, how many Shares to deposit. See Section 13 of the Circular, "*Income Tax Considerations*".

Canadian securities laws prohibit the Corporation and its affiliates from acquiring or offering to acquire beneficial ownership of any Shares, other than pursuant to the Offer, until at least 20 business days after the Expiration Date or termination of the Offer, except, in the case of acquisitions during the period following the Expiration Date, pursuant to certain acquisitions effected in the normal course on a published market or as otherwise permitted by applicable law.

Subject to applicable law, the Corporation may in the future purchase additional Shares on the open market, in private transactions, through issuer bids, including a normal course issuer bid, or otherwise. Any such purchases may be on the same terms or on terms that are more or less favourable to Shareholders than the terms of the Offer. Any possible future purchases by the Corporation will depend on many factors, including the market price of the Shares, the Corporation's business and financial position, the results of the Offer and general economic and market conditions.

Shareholders who do not tender their Shares to the Offer or whose Shares are not accepted because their tenders were at a price above the Purchase Price or due to the preferential acceptance of Odd Lots or proration should be aware that while remaining Shareholders will have a proportionately increased equity interest in the Corporation, the amounts available for future returns of capital to Shareholders, if any, on a per Share basis may be less than the Purchase Price under the Offer.

Liquidity of Market

As at July 25, 2022, there were 54,787,641 Shares issued and outstanding, of which 54,415,045 Shares comprise the public float, which excludes Shares beneficially owned, or over which control or direction is exercised,

by “**related parties**” of the Corporation, as defined under applicable securities laws (which includes directors and senior officers of the Corporation as well as any person that beneficially owns or exercises control or direction over 10% or more of the issued and outstanding Shares). If the Purchase Price is determined to be \$29.00 (which is the minimum Purchase Price under the Offer), the maximum number of Shares that the Corporation is offering to purchase pursuant to the Offer represents approximately 6.29% (3,448,275) of the Shares outstanding on July 25, 2022. If the Corporation purchases the full 3,448,275 Shares pursuant to the Offer, there will be approximately 51,339,366 Shares outstanding. In addition, if the Corporation purchases 3,448,275 Shares pursuant to the Offer and none of the “**related parties**” of the Corporation deposit their shares pursuant to the Offer, the “**public float**” will comprise approximately 50,966,770 Shares. If the Purchase Price is determined to be \$34.00 (which is the maximum Purchase Price under the Offer), the maximum number of Shares that the Corporation is offering to purchase pursuant to the Offer represents approximately 5.37% (2,941,176) of the Shares outstanding on July 25, 2022. If the Corporation purchases the full 2,941,176 Shares pursuant to the Offer, there will be approximately 51,846,465 Shares outstanding. In addition, if the Corporation purchases 2,941,176 Shares pursuant to the Offer, and none of the “**related parties**” of the Corporation deposit their shares pursuant to the Offer, the “**public float**” will comprise approximately 51,473,869 Shares.

The Corporation is relying on the “liquid market exemption” specified in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”) from the requirement to obtain a formal valuation that would otherwise be applicable to the Offer. Accordingly, the valuation requirements of securities regulatory authorities in Canada applicable to issuer bids generally are not applicable in connection with the Offer. The Corporation is of the view that, both as of the date hereof and following the taking up of Shares pursuant to the Offer, there was and will continue to be a liquid market for the Shares.

The Corporation has determined that there is a liquid market in the Shares because:

- (a) there is a published market for the Shares, namely the TSX;
- (b) during the 12-month period ending on July 25, 2022, being last full trading day prior to the date the Offer was first publicly announced:
 - (i) the number of outstanding Shares was at all times at least 5,000,000, excluding Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by related parties and Shares that were not freely tradeable;
 - (ii) the aggregate trading volume of the Shares on the TSX, being the published market on which the Shares are principally traded, was at least 1,000,000 Shares;
 - (iii) there were at least 1,000 trades in Shares on the TSX; and
 - (iv) the aggregate trading value of the trades in Shares on the TSX was at least \$15,000,000; and
- (c) the market value of the Shares on the TSX, as determined in accordance with MI 61-101, was at least \$75,000,000 for June 2022, being the calendar month preceding the calendar month in which the pricing of the Offer was first publicly announced.

While not required under applicable securities laws, management of the Corporation voluntarily requested and received the Liquidity Opinion from RBC. The Liquidity Opinion states that based upon and subject to the qualifications, assumptions and limitations contained therein, it is RBC’s opinion as of July 25, 2022 that: (a) a liquid market for the Shares exists; and (b) it is reasonable to conclude that, following the completion of the Offer in accordance with its terms, there will be a market for holders of Shares who do not tender their Shares to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. The full text of the Liquidity Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Liquidity Opinion, is attached as Schedule A to this Circular. The summary of the Liquidity Opinion in this Circular is qualified in its entirety by reference to the full text of the Liquidity Opinion. The Liquidity Opinion is not a recommendation to any Shareholder as to whether to deposit or refrain from depositing Shares.

The Board of Directors urges Shareholders to read the liquidity Opinion in its entirety. See Schedule A to this Circular.

Based on the liquid market test set out above and the Liquidity Opinion of RBC, the Corporation determined that it is reasonable to conclude that, following the completion of the Offer, there will be a market for holders of Shares who do not tender to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer. Accordingly, the valuation requirements of securities regulatory authorities in Canada applicable to issuer bids generally are not applicable in connection with the Offer.

4. FINANCIAL STATEMENTS

The audited consolidated financial statements of the Corporation as at and for the year ended December 31, 2021 have previously been filed and are available on the SEDAR website at www.sedar.com. The unaudited interim condensed consolidated financial statements of the Corporation as at and for the three months ended March 31, 2022 and 2021 have previously been filed and are available on the SEDAR. Shareholders may obtain copies of the most recent financial statements free of charge upon written request to the Corporate Secretary of the Corporation at Suite 1600, 4720 Kingsway, Burnaby, British Columbia, V5H 4N2 or by email to corporatesecretary@interfor.com.

5. PRICE RANGE OF SHARES

The Shares are listed on the TSX under the symbol “IFP”. The following table sets forth the high and low closing prices per Share and the total trading volume of Shares traded on the TSX, as compiled from published financial sources for each month shown below:

<u>Period</u>	<u>High (\$)</u>	<u>Low (\$)</u>	<u>Volume</u>
January 2022	43.90	36.72	8,272,956
February 2022	40.09	35.12	9,951,287
March 2022	42.13	34.77	13,599,879
April 2022	37.54	30.71	7,411,450
May 2022	38.98	29.92	8,002,792
June 2022	33.65	24.21	7,298,166
July 1 – 25, 2022	30.95	25.68	4,250,942

On July 25, 2022, the last full trading day prior to the date of the public announcement by the Corporation of its intention to make the Offer, the closing price of the Shares on the TSX was \$30.23.

Shareholders are urged to obtain current market quotations for the Shares.

6. DIVIDEND POLICY

Subject to the solvency restrictions in the *Business Corporations Act* (British Columbia), there are no other restrictions in the Corporation’s articles that would prevent it from paying dividends or distributions on the Shares. Dividends are payable on the Shares of the Corporation if and when declared by the Board of Directors and will be dependent on the Corporation’s operational results, financial condition, cash requirements and other factors deemed relevant by the Board of Directors.

On June 28, 2021, the Corporation paid a one-time special cash dividend on the Shares of \$2.00 per Share. No other dividends were paid on the Shares during the two years preceding the date of the Offer.

7. PREVIOUS PURCHASES OF SHARES

On November 11, 2020 the Corporation commenced the 2020 NCIB which permitted the Corporation to purchase for cancellation up to 5,981,751 Shares. On September 16, 2021, the Corporation announced an amendment to the 2020 NCIB that allowed for the purchase of up to 6,672,658 Shares. The Corporation purchased the full allowance of Shares permitted under the amended 2020 NCIB at a weighted average price of \$26.56 per Share for an aggregate gross cost to the Corporation of \$177.3 million.

On November 11, 2021, the Corporation commenced its 2021 NCIB. During the first four months of 2022, the Corporation purchased an aggregate of 6,041,701 Shares, being the maximum allowable amount of Shares permitted to be purchased under the 2021 NCIB, at a weighted average price of \$37.60 per Share for an aggregate gross cost to the Corporation of \$227.2 million.

8. PREVIOUS DISTRIBUTIONS OF SHARES

The following table sets out details of all Shares distributed by the Corporation during the five years preceding the date of the Offer.

<u>Date of Transaction</u>	<u>Number of Shares</u>	<u>Acquisition Price per Share (\$)</u>	<u>Aggregate Gross Proceeds (\$)</u>
Stock Option Exercises*			
2018 Option exercises (aggregate)	7,707	18.54	142,887.78
2019 Option exercises (aggregate)	14,437	11.43	165,014.91
2020 Option exercises (aggregate)	31,614	13.21	417,620.94
2021 Option exercises (aggregate)	185,262	16.21	3,003,097.02
10-Feb-2022	2,871	14.62	41,974.02
11-Feb-2022	2,000	14.62	29,240.00
14-Feb-2022	2,000	14.62	29,240.00
16-Feb-2022	601	15.44	9,279.44
16-Feb-2022	453	23.26	10,536.78
16-Feb-2022	581	18.10	10,516.10
16-Feb-2022	1,465	14.62	21,418.30
16-Feb-2022	2,000	14.62	29,240.00
17-Feb-2022	1,486	11.39	16,925.54
17-Feb-2022	1,500	15.44	23,160.00
23-Feb-2022	1,468	14.62	21,462.16
08-Mar-2022	601	15.44	9,279.44
08-Mar-2022	453	23.26	10,536.78
08-Mar-2022	580	18.10	10,498.00
18-Mar-2022	2,000	14.62	29,240.00
18-Mar-2022	2,000	14.62	29,240.00
21-Mar-2022	3,106	14.62	45,409.72

*Price per common share represents exercise price

9. OWNERSHIP OF INTERFOR'S SECURITIES

To the knowledge of the Corporation, after reasonable inquiry, the following table indicates, as at July 25, 2022, the number of securities of the Corporation beneficially owned or over which control or direction is exercised, by each director and executive officer of the Corporation and, after reasonable inquiry, by each insider of the Corporation (other than directors and executive officers) and their respective associates and affiliates, and each associate or affiliate of the Corporation or person or company acting jointly or in concert with the Corporation in connection with the Offer.

<u>Name</u>	<u>Relationship with the Corporation</u>	<u>Number and Percentage of Shares held⁽¹⁾</u>	<u>Number and Percentage of DSUs held⁽²⁾</u>	<u>Number and Percentage of PSUs⁽³⁾ held</u>	<u>Number and Percentage of SARs⁽⁴⁾ held</u>	<u>Number and Percentage of Options⁽⁵⁾ held</u>
Ian Fillinger	Director, President and CEO	64,770 (0.12%)	19,627 (3.46%)	180,096 (27.68%)	Nil (0%)	Nil (0%)
Christopher Griffin	Director	Nil (0%)	22,134 (3.91%)	Nil (0%)	Nil (0%)	Nil (0%)

<u>Name</u>	<u>Relationship with the Corporation</u>	<u>Number and Percentage of Shares held⁽¹⁾</u>	<u>Number and Percentage of DSUs held⁽²⁾</u>	<u>Number and Percentage of PSUs⁽³⁾ held</u>	<u>Number and Percentage of SARs⁽⁴⁾ held</u>	<u>Number and Percentage of Options⁽⁵⁾ held</u>
Jeane Hull	Director	Nil (0%)	47,540 (8.39%)	Nil (0%)	Nil (0%)	Nil (0%)
Rhonda Hunter	Director	Nil (0%)	14,793 (2.61%)	Nil (0%)	Nil (0%)	Nil (0%)
J. Eddie McMillan	Director	Nil (0%)	66,119 (11.67%)	Nil (0%)	Nil (0%)	Nil (0%)
Thomas V. Milroy	Director	15,000 (0.03%)	47,005 (8.29%)	Nil (0%)	Nil (0%)	Nil (0%)
Gillian Platt	Director	Nil (0%)	26,311 (4.64%)	Nil (0%)	Nil (0%)	Nil (0%)
E. Lawrence Sauder	Director	145,274 (0.27%)	111,161 (19.61%)	Nil (0%)	Nil (0%)	Nil (0%)
Curtis M. Stevens	Director	Nil (0%)	32,692 (5.77%)	Nil (0%)	Nil (0%)	Nil (0%)
Douglas W.G. Whitehead	Director	12,000 (0.02%)	57,666 (10.17%)	Nil (0%)	Nil (0%)	Nil (0%)
Richard Pozzebon	SVP & CFO	39,969 (0.07%)	Nil (0%)	50,662 (7.79%)	6,569 (11.64%)	Nil (0%)
J. Barton Bender	SVP, Sales & Marketing	31,006 (0.06%)	Nil (0%)	53,218 (8.18%)	Nil (0%)	Nil (0%)
Andrew Horahan	SVP, Western Operations	17,121 (0.03%)	Nil (0%)	46,451 (7.14%)	Nil (0%)	Nil (0%)
Bruce Luxmoore	SVP, Southern Operations	26,578 (0.05%)	Nil (0%)	44,196 (6.79%)	Nil (0%)	4,642 (0.91%)
Éric Larouche	SVP, Eastern Operations	11,000 (0.02%)	Nil (0%)	11,217 (1.72%)	Nil (0%)	Nil (0%)
Xenia Kritsos	General Counsel & Corporate Secretary	9,878 (0.02%)	Nil (0%)	9,241 (1.42%)	Nil (0%)	26,368 (5.18%)

Notes:

- (1) Percentage based on 54,787,641 Shares issued and outstanding as of July 25, 2022.
- (2) Percentage based on 566,786 deferred share units (“DSUs”) issued and outstanding as of July 25, 2022.
- (3) Percentage based on 650,571 performance share units (“PSUs”) issued and outstanding as of July 25, 2022.
- (4) Percentage based on 56,428 share appreciation rights (“SARs”) issued and outstanding as of July 25, 2022.
- (5) Percentage based on 508,776 Options issued and outstanding as of July 25, 2022.

Principal Shareholders and Other Holders

To the best knowledge of the Corporation, as at July 25, 2022, no persons beneficially own, control or direct greater than 10% of the issued and outstanding Shares.

10. ARRANGEMENTS CONCERNING SHARES

Acceptance of the Offer

To the knowledge of the Corporation and its directors and officers, after reasonable inquiry, no director or officer of the Corporation, no associate or affiliate of a director or officer of the Corporation, no associate or affiliate of the Corporation, no insider of the Corporation (other than a director or officer) and no person or company acting jointly or in concert with the Corporation, has indicated any present intention to deposit any of such person’s Shares pursuant to the Offer. However, in the event that the circumstances or decisions of any such persons change, they may

decide to tender Shares to the Offer or sell their Shares through the facilities of the TSX or otherwise during the period prior to the Expiration Date.

To the knowledge of the Corporation, after reasonably inquiry, no control person (as defined in applicable securities laws) of the Corporation, or any person that would reasonably be expected to be a control person of the Corporation upon completion of the Offer, has stated an intention to accept or not accept the Offer.

Effect of Offer on Voting Interests

If the Corporation purchases 3,448,275 Shares pursuant to the Offer (the maximum number of Shares that the Corporation could purchase at the minimum Purchase Price of \$29.00 per Share), the effect of the Offer will be to increase the equity interest of continuing Shareholders by 6.72%, or by a factor of 1.07. If the Corporation purchases 2,941,176 Shares pursuant to the Offer (the maximum number of Shares that the Corporation could purchase at the maximum Purchase Price of \$34.00 per Share), the effect of the Offer will be to increase the equity interest of continuing Shareholders by 5.67%, or by a factor of 1.06.

Commitments To Acquire Shares

The Corporation has not made, or proposed to be made, any agreements, commitments or understandings to purchase Shares, other than pursuant to the Offer and the 2021 NCIB commenced on November 11, 2021. To the knowledge of the Corporation, after reasonable inquiry, no person or company referred to in this Circular under Section 9 of the Circular, “*Ownership of Interfor’s Securities*” has any agreement, commitment or understanding to acquire securities of the Corporation.

Benefits From The Offer

Except as otherwise described or referred to in the Offer, no person or company named under Section 9 of the Circular, “*Ownership of Interfor’s Securities*” will receive any direct or indirect benefit from accepting or refusing to accept the Offer other than the Purchase Price for any Shares purchased by the Corporation in accordance with the terms of the Offer and any benefit available to any Shareholder who does or does not participate in the Offer. See Section 3 of the Circular, “*Purpose and Effect of the Offer*”.

Contracts, Arrangements or Understandings with Shareholders

Except as otherwise described or referred to in the Offer, there are no contracts, arrangements or understandings, formal or informal, made or proposed to be made between the Corporation and any holder of any securities of the Corporation in relation to the Offer.

11. MATERIAL CHANGES IN THE AFFAIRS OF THE CORPORATION

Except as otherwise described or referred to herein: (a) the Corporation does not have any current plans or proposals for material changes in the affairs of the Corporation, other than as have been publicly disclosed, (b) there have not been any material changes that have occurred, other than as have been publicly disclosed, and (c) the Corporation is not aware of any material fact concerning the Shares or any other matter not previously publicly disclosed and known to the Corporation that would reasonably be expected to affect the decision of Shareholders to accept or reject the Offer.

From time to time, the Corporation explores potential corporate opportunities and transactions, including the acquisition or disposition of material assets, material contracting arrangements, financings, significant investments and other similar opportunities or transactions. Transactions may also be pursued to improve the Corporation’s capital structure or improve liquidity for the Shareholders. Such opportunities or transactions, if completed, may have a significant effect on the price or value of the Corporation’s securities. The Corporation’s general policy is to not publicly disclose the pursuit of a potential strategic opportunity or transaction until a binding definitive agreement has been signed.

12. PRIOR VALUATIONS AND BONA FIDE OFFERS

To the knowledge of the directors and officers of the Corporation, no “prior valuation” (as defined in MI 61-101) in respect of the Corporation has been made in the 24 months before the date hereof. No *bona fide* prior offer that relates to the Shares or is otherwise relevant to the Offer has been received by the Corporation during the 24 months preceding July 26, 2022 (the date on which the launch of the Offer was publicly announced).

13. INCOME TAX CONSIDERATIONS

Certain Canadian Federal Income Tax Considerations

The Corporation has been advised by McCarthy Tétrault LLP that the following summary describes certain of the principal Canadian federal income tax considerations pursuant to the Tax Act generally applicable, as at the date hereof, to a disposition of Shares pursuant to the Offer.

This summary is based on the current provisions of the Tax Act, all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Proposed Amendments**”) and the current administrative policies of the CRA published in writing prior to the date hereof. This summary assumes that the Proposed Amendments will be enacted in the form currently proposed. No assurances can be given that the Proposed Amendments will be enacted as currently proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policies, whether by judicial, governmental or legislative decision or action, nor does it take into account provincial, territorial, foreign or other tax considerations, which may differ significantly from those discussed herein.

This summary is not applicable to a Shareholder: (i) that is a partnership, (ii) that is a “**financial institution**”, (iii) that is a “**specified financial institution**”, (iv) an interest in which is a “**tax shelter investment**”, (v) that reports its “**Canadian tax results**” in a currency other than Canadian dollars, or (vi) that has entered into, with respect to the Shares, a “**derivative forward agreement**” or a “**dividend rental arrangement**”, as each of those terms is defined in the Tax Act. This summary is also not applicable to a Shareholder that acquired Shares pursuant to the exercise of an equity compensation plan and who disposes of such Shares pursuant to the Offer. Such Shareholders should consult their own tax advisors regarding their particular circumstances.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations. This summary is not, and should not be construed as, legal or tax advice to any particular Shareholder and no representations with respect to Canadian federal income tax consequences to any particular Shareholder are made. Accordingly, Shareholders are urged to consult their own tax advisors with respect to their particular circumstances.

Having regard to the deemed dividend tax treatment (including Canadian withholding tax for non-residents of Canada) described below on a disposition of Shares pursuant to the Offer as opposed to capital gains (or capital loss) treatment which would generally apply to a disposition in the market, Shareholders who wish to dispose of their Shares and who are not generally exempt from Canadian federal income tax should consult their tax advisors regarding the disposition of their Shares in the market as an alternative to disposing of their Shares pursuant to the Offer.

Generally, for purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Shares must be expressed in Canadian dollars, and any amount denominated in another currency must be converted into Canadian dollars using the exchange rate determined in accordance with the Tax Act.

This summary assumes that at all relevant times the Shares will be listed on a “**designated stock exchange**” as defined in the Tax Act (which currently includes the TSX).

Residents of Canada

This portion of the summary is applicable to a Shareholder who, at all relevant times for the purposes of the Tax Act (i) is or is deemed to be a resident of Canada, (ii) deals at arm’s length with the Corporation and is not affiliated with the Corporation, (iii) is not exempt from tax under Part I of the Tax Act, and (iv) holds its Shares as

capital property (a “**Resident Shareholder**”). Generally, Shares will be considered to be capital property to a Resident Shareholder provided that the Resident Shareholder does not hold the Shares in the course of carrying on a business and has not acquired the Shares in one or more transactions considered to be an adventure or concern in the nature of trade. A Resident Shareholder whose Shares might not otherwise qualify as capital property may, in certain circumstances, make an irrevocable election under subsection 39(4) of the Tax Act to have the Shares and every other “**Canadian security**”, as defined in the Tax Act, owned by such Resident Shareholder in the taxation year of the election and in all subsequent taxation years deemed to be capital property. Resident Shareholders are advised to consult their own tax advisors to determine if this election is appropriate in their particular circumstances.

Deemed Dividend

A Resident Shareholder who disposes of Shares pursuant to the Offer will be deemed to receive a taxable dividend equal to the excess, if any, of the amount paid by the Corporation for the Shares, being the Purchase Price, over their paid-up capital for purposes of the Tax Act. The Corporation estimates that on the Expiration Date the paid-up capital per Share should be approximately \$7.85 for purposes of the Tax Act. As a result, the Corporation expects that a Resident Shareholder who disposes of Shares under the Offer will be deemed to receive a taxable dividend. The exact quantum of the deemed dividend cannot be guaranteed.

Any dividend deemed to be received by a Resident Shareholder who is an individual (including certain trusts) will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received by Canadian resident individuals from a taxable Canadian corporation, including the enhanced gross-up and dividend tax credit if the Corporation validly designates the dividend as an “eligible dividend”. There may be limitations on the ability of a corporation to designate dividends as eligible dividends. The Corporation intends to designate the maximum amount permissible in accordance with the provisions of the Tax Act.

Subject to the application of subsection 55(2) of the Tax Act, as described below, any dividend deemed to be received by a Resident Shareholder that is a corporation will be included in computing such Resident Shareholder’s income as a dividend, and will ordinarily be deductible in computing its taxable income. To the extent that such a deduction is available, private corporations (as defined in the Tax Act) and certain other corporations may be liable to pay refundable tax under Part IV of the Tax Act.

Under subsection 55(2) of the Tax Act, a Resident Shareholder that is a corporation may be required to treat all or a portion of any deemed dividend that would otherwise be deductible in computing taxable income as proceeds of disposition and not as a dividend where the Resident Shareholder would have realized a capital gain if it disposed of any Share at fair market value immediately before the disposition of Shares to the Corporation, the disposition to the Corporation resulted in a significant reduction in such capital gain and the dividend exceeds the “**safe income**” in respect of the particular Share that could reasonably be considered to contribute to such capital gain. Subsection 55(2) of the Tax Act does not apply to the portion of the taxable dividend subject to tax under Part IV of the Tax Act that is not refunded under the circumstances specified in subsection 55(2) of the Tax Act. The application of subsection 55(2) of the Tax Act involves a number of factual considerations that will differ for each Resident Shareholder and a Resident Shareholder to whom it may be relevant is urged to consult its own tax advisors concerning its application having regard to its particular circumstances.

Capital Gain (or Loss)

The amount paid by the Corporation under the Offer for the Shares less any amount deemed to be received by the Resident Shareholder as a dividend will be treated as proceeds of disposition of the Shares. The Resident Shareholder will realize a capital gain (or capital loss) on the disposition of the Shares equal to the amount by which the Resident Shareholder’s proceeds of disposition, net of any costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Shareholder of the Shares sold to the Corporation pursuant to the Offer.

Generally, a Resident Shareholder will be required to include in computing its income for a taxation year one-half of any capital gain (a “**taxable capital gain**”) realized by it in that year. A Resident Shareholder must generally deduct one-half of the amount of any capital loss (an “**allowable capital loss**”) realized in a taxation year from taxable capital gains realized by the Resident Shareholder in that year, and any excess may generally be applied to reduce taxable capital gains realized by the Resident Shareholder in the three preceding taxation years or in any subsequent taxation year to the extent and under the circumstances specified in the Tax Act.

The amount of a capital loss realized on the disposition of a Share by a Resident Shareholder that is a corporation may, to the extent and under the circumstances specified in the Tax Act, be reduced by the amount of dividends received or deemed to be received on the Shares (including any dividends deemed to be received as a result of the disposition of Shares to the Corporation under the Offer). Similar rules may apply where Shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary.

A Resident Shareholder who is an individual (including most trusts) and has realized a capital loss on the disposition of Shares pursuant to the Offer could have all or a portion of that loss denied under the “**superficial loss**” rules set out in the Tax Act. In general, these rules apply where such Resident Shareholder or a person affiliated with such Resident Shareholder has acquired Shares in the period beginning 30 days before the disposition of Shares pursuant to the Offer and ending 30 days after the disposition of Shares pursuant to the Offer, and such acquired Shares are owned by such Resident Shareholder or by a person affiliated with such Resident Shareholder at the end of such period.

A Resident Shareholder that is a corporation or trust and has realized a capital loss on the disposition of Shares pursuant to the Offer could have all or a portion of that loss denied under the “**stop-loss**” rules set out in the Tax Act. In general, these rules apply where such Resident Shareholder or a person affiliated with such Resident Shareholder has acquired Shares in the period beginning 30 days before the disposition of Shares pursuant to the Offer and ending 30 days after the disposition of Shares pursuant to the Offer, and such acquired Shares are owned by such Resident Shareholder or by a person affiliated with such Resident Shareholder at the end of such period.

Resident Shareholders should consult their own tax advisors in relation to the foregoing loss reduction, superficial loss, and stop-loss rules, having regard to their own circumstances.

Refundable Tax

A Resident Shareholder that is a “**Canadian-controlled private corporation**” (as defined in the Tax Act) throughout the year may be liable to pay an additional refundable tax on its “**aggregate investment income**” for the year, which is defined to include an amount in respect of taxable capital gains (but not dividends, or deemed dividends, that are deductible in computing taxable income). Proposed Amendments announced by the Minister of Finance (Canada) on April 7, 2022 are intended to extend this additional tax and refund mechanism in respect of “aggregate investment income” to “**substantive CCPCs**” as defined in such Proposed Amendments. Resident Shareholders should consult their own tax advisors in this regard.

Minimum Tax

A Resident Shareholder who is an individual (including most trusts) who realizes a capital gain or who is deemed to receive a dividend on the disposition of Shares pursuant to the Offer may be subject to alternative minimum tax under the Tax Act. Resident Shareholders should consult their own tax advisors in this regard.

Non-Residents of Canada

This portion of the summary is applicable to a Shareholder who, at all relevant times for purposes of the Tax Act: (i) is not resident or deemed to be resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, its Shares in connection with carrying on a business in Canada, (iii) deals at arm’s length with the Corporation and is not affiliated with the Corporation, and (v) is not an insurer that carries on an insurance business in Canada and elsewhere (a “**Non-Resident Shareholder**”).

This portion of the summary assumes that the Shares will not be “taxable Canadian property” (as defined in the Tax Act) of the Non-Resident Shareholder at the time of their disposition. Generally, the Shares will not constitute taxable Canadian property of a Non-Resident Shareholder at a particular time provided that the Shares are listed at that time on a designated stock exchange (which includes the TSX), unless at any particular time during the 60-month period that ends at that time (i) one or any combination of (a) the Non-Resident Shareholder, (b) persons with whom the Non-Resident Shareholder does not deal at arm’s length (for the purposes of the Tax Act), and (c) partnerships in which the Non-Resident Shareholder or a person described in (b) holds a membership interest directly or indirectly through one or more partnerships, owned 25% or more of the issued shares of any class or series of the capital stock of the Corporation, and (ii) more than 50% of the fair market value of the Shares was derived directly or indirectly

from one or any combination of: (a) real or immovable properties situated in Canada, (b) “Canadian resource properties”, (c) “timber resource properties”, and (d) options in respect of, or interests in, or for civil law rights in, any of the foregoing property whether or not the property exists, each term as defined in the Tax Act. Notwithstanding the foregoing, in certain circumstances set out in the Tax Act, Shares may be deemed to be taxable Canadian property. A Non-Resident Shareholder contemplating a disposition of Shares that may constitute taxable Canadian property should consult its tax advisor prior to such disposition.

A Non-Resident Shareholder who disposes of Shares pursuant to the Offer will be deemed to receive a dividend equal to the excess, if any, of the amount paid by the Corporation for the Shares, being the Purchase Price, over their paid-up capital for purposes of the Tax Act. The Corporation estimates that on the Expiration Date the paid-up capital per Share should be approximately \$7.85 for purposes of the Tax Act. As a result, the Corporation expects that a Non-Resident Shareholder who disposes of Shares under the Offer will be deemed to receive a dividend. Any such dividend will be subject to Canadian withholding tax at a rate of 25%, subject to reduction under the provisions of an applicable income tax treaty. For example, a dividend received or deemed to be received by a Non-Resident Shareholder that is a resident of the United States for the purposes of the Canada-United States Income Tax Convention (the “US Treaty”), is fully entitled to benefits under the US Treaty, and is the beneficial owner of such dividend will generally be subject to withholding tax at a rate of 15% of the gross amount of the dividend. Non-Resident Shareholders are urged to consult their own tax advisors to determine their entitlement, if any, to relief under an applicable income tax treaty.

A Non-Resident Shareholder will not be subject to tax under the Tax Act in respect of any capital gain realized on the disposition of a Share pursuant to the Offer.

In view of the deemed dividend tax treatment described above on a sale of Shares pursuant to the Offer and the resulting Canadian withholding tax, Non-Resident Shareholders should consult their own tax advisors regarding selling their Shares in the market as an alternative to selling Shares pursuant to the Offer.

Certain United States Federal Income Tax Considerations

The following is a discussion of certain U.S. federal income tax consequences generally applicable to U.S. Holders (as defined below) who tender and sell Shares to the Corporation pursuant to the Offer. This summary assumes that U.S. Holders hold their Shares as capital assets (generally, property held for investment) for U.S. federal income tax purposes. This discussion is based on the Internal Revenue Code of 1986, as amended (the “Code”), its legislative history, existing and proposed Treasury regulations under the Code, published rulings, court decisions, and the U.S. Treaty, all as currently in effect and available as of the date of this Circular. Changes in these authorities, possibly on a retroactive basis, may cause the tax consequences to vary substantially from the consequences described below.

This summary does not discuss all the tax consequences that may be relevant to U.S. Holders based on their particular circumstances or subject to special tax rules, such as partnerships (or entities classified as partnerships for U.S. federal income tax purposes), insurance companies, tax-exempt persons, financial institutions, regulated investment companies, dealers or traders in securities or currencies, persons that hold Shares as a position in a “straddle” or as part of a “hedge”, “conversion transaction” or other integrated investment, persons who received Shares as compensation, persons who will own or have owned (directly, indirectly, or by attribution) 10% or more of the total combined voting power or value of all outstanding Shares of the Corporation, U.S. Holders who are U.S. expatriates or former long-term residents of the United States, or U.S. Holders (as defined below) whose functional currency is other than the United States dollar. This summary does not address any state, local, or foreign tax, Medicare contribution tax on certain net investment income or alternative minimum tax considerations that may be relevant to a U.S. Holder’s decision to tender Shares pursuant to the Offer. Except as specifically discussed below, this summary does not address U.S. filing and reporting requirements.

The Corporation has not requested and will not request a ruling from the IRS with respect to any of the U.S. federal income tax consequences described below. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various interpretations, the IRS and the U.S. courts could disagree with one or more of the conclusions described in this summary.

U.S. Holders should review the discussion above entitled “Certain Canadian Federal Income Tax Considerations – Non-Residents of Canada” for an indication of potential Canadian withholding taxes that may apply.

THIS SUMMARY IS FOR GENERAL INFORMATION ONLY AND IS NOT INTENDED TO CONSTITUTE A COMPLETE DESCRIPTION OF ALL TAX CONSEQUENCES RELATING TO THE OFFER. SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS REGARDING THE TAX CONSEQUENCES TO THEM (INCLUDING THE APPLICATION AND EFFECT OF ANY STATE, LOCAL AND NON-U.S. INCOME AND OTHER TAX LAWS) OF THE OFFER.

For purposes of this summary, a “**U.S. Holder**” is a beneficial owner of Shares that, for U.S. federal income tax purposes, is: (i) a citizen or resident of the United States, (ii) a corporation, or other entity taxable as a corporation for U.S. federal income tax purposes, that was created or organized under the laws of the United States, any State thereof or the District of Columbia, (iii) an estate whose income is subject to U.S. federal income taxation regardless of its source, or (iv) a trust that either is subject to the supervision of a court within the United States and has one or more U.S. persons with authority to control all of its substantial decisions or has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

The U.S. federal income tax treatment of a partner in a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that holds Shares will depend on the status of the partner and the activities of the partnership. Shareholders that are partnerships (or entities or arrangements treated as partnerships for U.S. federal income tax purposes) are urged to consult their own tax advisors concerning the U.S. federal income tax consequences to them and their partners of the participation in the Offer by the partnership.

Tax Consequences to Tendering U.S. Holders

Treatment of the Purchase of Shares Pursuant to the Offer as a Sale or as a Distribution

Subject to the discussion below under “— Passive Foreign Investment Company Considerations”, the Corporation’s purchase of Shares from a U.S. Holder pursuant to the Offer will be treated either as a sale of the Shares or as a distribution by the Corporation, depending upon the circumstances at the time the Shares are purchased. The purchase of Shares from a U.S. Holder will be treated as a sale if (a) the purchase results in a “complete redemption” of the U.S. Holder’s equity interest in the Corporation, (b) the receipt of cash by the U.S. Holder is “not essentially equivalent to a dividend”, or (c) as a result of the purchase there is a “substantially disproportionate” reduction in the U.S. Holder’s equity interest in the Corporation, each within the meaning of Section 302(b) of the Code, as described below (referred to as the “**Section 302 Tests**”). The purchase of Shares from a particular U.S. Holder will be treated as a distribution if none of the Section 302 Tests is satisfied with respect to such holder.

In applying the Section 302 Tests, the constructive ownership rules of Section 318 of the Code apply. Thus, a U.S. Holder is treated as owning not only Shares actually owned by the U.S. Holder but also Shares actually (and in some cases constructively) owned by others. Under the constructive ownership rules, a U.S. Holder will be considered to own Shares owned, directly or indirectly, by certain members of the U.S. Holder’s family and by certain entities (such as corporations, partnerships, trusts, and estates) in which the U.S. Holder has an equity interest, as well as Shares that the U.S. Holder has an option to purchase.

- (a) **Complete Redemption.** A purchase of Shares pursuant to the Offer will result in a “complete redemption” of the U.S. Holder’s interest in the Corporation if, immediately after the sale, either (1) the U.S. Holder owns, actually and constructively, no Shares; or (2) the U.S. Holder actually owns no Shares and effectively waives constructive ownership of any constructively owned Shares under the procedures described in Section 302(c)(2) of the Code. U.S. Holders who desire to file such a waiver are urged to consult their own tax advisors.
- (b) **Not Essentially Equivalent to a Dividend.** A purchase of Shares pursuant to the Offer will be treated as “not essentially equivalent to a dividend” if it results in a “meaningful reduction” in the selling U.S. Holder’s proportionate interest in the Corporation. Whether a U.S. Holder meets this test will depend on relevant facts and circumstances. In measuring the change, if any, in a U.S. Holder’s proportionate interest in the Corporation, the meaningful reduction test is applied by taking into

account all Shares that the Corporation purchases pursuant to the Offer, including Shares purchased from other Shareholders.

The Internal Revenue Service (“**IRS**”) has held in a published ruling that, under the particular facts of the ruling, a small reduction in the percentage share ownership of a small minority shareholder in a publicly and widely held corporation who did not exercise any control over corporate affairs constituted a “meaningful reduction”. If, taking into account the constructive ownership rules of Section 318 of the Code, a U.S. Holder owns Shares that constitute only a minimal interest in the Corporation, and such holder does not exercise any control over the affairs of the Corporation, then any reduction in the U.S. Holder’s percentage ownership interest in the Corporation should constitute a “meaningful reduction”. Such selling U.S. Holder should, under these circumstances, be entitled to treat the purchase of such holder’s Shares pursuant to the Offer as a sale for U.S. federal income tax purposes. Shareholders are urged to consult their own tax advisors with respect to the application of the “not essentially equivalent to a dividend” test in their particular circumstances.

- (c) **Substantially Disproportionate.** A purchase of Shares pursuant to the Offer will be “substantially disproportionate” as to a U.S. Holder if the percentage of the then outstanding Shares actually and constructively owned by such U.S. Holder immediately after the purchase is less than 80% of the percentage of the outstanding Shares actually and constructively owned by such U.S. Holder immediately before the purchase. Shareholders are urged to consult their own tax advisors with respect to the application of the “substantially disproportionate” test in their particular circumstances.

It may be possible for a tendering U.S. Holder to satisfy one of the Section 302 Tests by contemporaneously selling or otherwise disposing of all or some of the Shares that such U.S. Holder actually or constructively owns that are not purchased pursuant to the Offer. Correspondingly, a tendering U.S. Holder may not be able to satisfy one of the Section 302 Tests because of contemporaneous acquisitions of Shares by such U.S. Holder or a related party whose Shares are attributed to such U.S. Holder. Shareholders are urged to consult their own tax advisors regarding the tax consequences of such sales or acquisitions in their particular circumstances.

If the Offer is over-subscribed, the Corporation’s purchase of Shares properly tendered by a U.S. Holder may be prorated. Thus, even if all of the Shares actually and constructively owned by a U.S. Holder are properly tendered, it is possible that not all of the Shares will be purchased by the Corporation, which in turn may affect the U.S. Holder’s ability to satisfy one of the Section 302 tests described above. Consequently, the Corporation can provide no assurance that a sufficient number of any U.S. Holder’s Shares will be purchased pursuant to the Offer to ensure that such purchase will be treated as a sale, rather than as a distribution, for U.S. federal income tax purposes under the rules discussed above.

Sale of Shares Pursuant to the Offer

If any of the Section 302 Tests is satisfied by a U.S. Holder, then such holder generally will recognize taxable gain or loss equal to the difference between the amount received pursuant to the Offer (without reduction for withholding tax, if any) and such holder’s adjusted tax basis in the tendered Shares. A U.S. Holder’s adjusted tax basis generally will be the amount paid to acquire the Shares. Subject to the discussion below under “— Passive Foreign Investment Company Considerations”, any gain or loss will be capital gain or loss and will be long-term capital gain or loss if the holding period for the Shares is longer than one year at the time of the sale. Any long-term capital gain recognized by a non-corporate U.S. Holder generally will be eligible for a reduced rate of taxation. The deductibility of capital losses is subject to limitations.

Any gain or loss recognized generally will be treated as U.S.-source gain or loss for U.S. foreign tax credit purposes. Consequently, a U.S. Holder may not be able to use the foreign tax credit arising from any Canadian withholding tax imposed on the disposition of the Shares unless (a) such credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from foreign sources or (b) such U.S. Holder is eligible for the benefits of the U.S. Treaty and properly makes an election under the Code to treat any such gain from the disposition of the Shares as from foreign sources. The rules governing foreign tax credits are complex, and U.S. Holders are urged to consult their own tax advisors regarding the creditability of any foreign taxes.

Distribution in Respect of Shares Pursuant to the Offer

If none of the Section 302 Tests is satisfied by a U.S. Holder, then the full amount received pursuant to the Offer (without reduction for withholding tax, if any) will be treated as a distribution with respect to such holder's Shares. The tax basis of the U.S. Holder's sold Shares will be added to the tax basis of such holder's remaining Shares. This distribution will be treated as a dividend to the extent paid out of the Corporation's current or accumulated earnings and profits, as determined under U.S. federal income tax principles. The dividend will be includible in a U.S. Holder's gross income without reduction for the tax basis of the surrendered Shares, and no current loss will be recognized. To the extent that the amount received exceeds a U.S. Holder's share of the Corporation's current and accumulated earnings and profits, the excess first will be treated as a tax-free return of capital to the extent of such holder's tax basis in Shares and then as capital gain from the sale or exchange of such Shares. However, because we do not calculate earnings and profits under U.S. federal income tax principles, U.S. Holders should expect the entire amount received pursuant to the Offer to be taxed as a dividend if such amount is treated as a distribution as described above.

The Corporation believes that it is fully entitled to benefits under the US Treaty, and, accordingly, is treated as a "qualified foreign corporation" for U.S. federal income tax purposes. As a result, subject to applicable limitations, including that the Corporation is not classified as a PFIC (as defined below) for the current taxable year or for the preceding taxable year, dividends paid to certain non-corporate U.S. Holders are generally expected to be eligible for taxation as "qualified dividend income" and therefore taxable at rates applicable to long-term capital gains, provided that certain holding period and other requirements are satisfied (and subject to the discussion below under "— Passive Foreign Investment Company Considerations"). The amount of the dividend will be treated as foreign-source dividend income and therefore U.S. Holders may be entitled to a foreign tax credit in respect of any Canadian withholding tax imposed on the disposition of the Shares (subject to general conditions and limitations of the foreign tax credit rules). Any dividends paid will not be eligible for the dividends-received deduction generally allowed to U.S. corporations under the Code.

Passive Foreign Investment Company Considerations

Certain adverse tax consequences could apply to a U.S. Holder if the Corporation is treated as a passive foreign investment company (a "PFIC"). In general, a non-U.S. corporation will be a PFIC with respect to a U.S. Holder if, for any taxable year in which the U.S. Holder holds Shares, either (i) at least 75% of the Corporation's gross income for the taxable year is passive income or (ii) at least 50% of the average value of its assets is attributable to assets that produce or are held for the production of passive income. For this purpose, passive income includes, among other things, dividends, interest, rents or royalties (other than certain rents or royalties derived from the active conduct of a trade or business), annuities, and gains from assets that produce passive income. If a non-U.S. corporation owns at least 25% by value of the stock of another corporation, the non-U.S. corporation is treated for purposes of the PFIC tests as owning its proportionate share of the assets of the other corporation and as receiving directly its proportionate share of the other corporation's income. If the Corporation were classified as a PFIC for any taxable year that a U.S. Holder held Shares, the Corporation generally would continue to be treated as a PFIC with respect to that U.S. Holder in all succeeding years, even if the Corporation ceased to satisfy the requirements for being a PFIC. In addition, a U.S. Holder would be treated as owning a proportionate interest in the shares of any non-U.S. subsidiaries treated as PFICs and would be subject to the PFIC rules on a separate basis with respect to its indirect interests in any such lower-tier PFICs. If the Corporation were a PFIC with respect to a U.S. Holder, then such U.S. Holder generally would be subject to adverse tax consequences upon the sale of Shares pursuant to the Offer..

The determination as to whether a foreign corporation is a PFIC is based on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. Based on the composition of the Corporation's income, assets and operations, the Corporation does not believe that it has been a PFIC or that it will be a PFIC for the current taxable year. No formal PFIC study has been performed, however, and no opinion of legal counsel or ruling from the IRS concerning the status of the Corporation as a PFIC has been obtained or is currently planned to be requested. In addition, our status as a PFIC in any taxable year requires a factual determination that depends on, among other things, the composition of the income and assets, from time to time, and activities in each year, and thus the determination can only be made annually after the close of each taxable year. Because of the above described uncertainties, there can be no assurance that the IRS will not challenge the determination made by us concerning our PFIC status or that we have not been a PFIC in any taxable year.

If the Corporation were a PFIC for any taxable year during which a U.S. Holder held Shares, then gain recognized by such U.S. Holder upon the sale or other disposition of the Shares, including by reason of satisfying one of the Section 302 Tests in connection with the sale of Shares pursuant to the Offer, would be allocated ratably over such holder's holding period for the Shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before the Corporation became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate on ordinary income in effect for individuals or corporations, as appropriate for that taxable year, and an interest charge would be imposed on the resulting tax liability. Certain elections, if made, might result in alternative treatments. U.S. Holders are urged to consult their own tax advisers about such elections.

If the Corporation were a PFIC with respect to a U.S. Holder treated as receiving a distribution with respect to Shares, as described above under “— Distribution in Respect of Shares Pursuant to the Offer”, then the distribution could be allocated to taxable years and subject to taxation in the same manner as gain, described immediately above. The favorable tax rates generally applicable to long-term capital gains discussed above with respect to dividends paid to non-corporate U.S. Holders would not apply.

Subject to certain exceptions, if a U.S. Holder were to own Shares during any taxable year in which the Corporation is a PFIC, that holder generally will be required to file IRS Form 8621 both with respect to the Corporation and with respect to any lower-tier PFICs. Significant penalties are imposed for failing to file IRS Form 8621, and the failure to file such form may suspend the running of the statute of limitations for U.S. federal income tax purposes.

U.S. Holders are urged to consult their own tax advisers regarding the possible PFIC status of the Corporation for any relevant taxable year and the tax considerations relevant to a sale of the Shares pursuant to the Offer.

Receipt of Foreign Currency

The amount of any distribution paid to a U.S. Holder in foreign currency, or upon the sale or exchange of Shares pursuant to the Offer, generally will be equal to the U.S. dollar value of such foreign currency based on the exchange rate applicable on the date of receipt (regardless of whether such foreign currency is converted into U.S. dollars at that time). A U.S. Holder will have a basis in the foreign currency equal to its U.S. dollar value on the date of receipt. Any U.S. Holder who converts or otherwise disposes of the foreign currency after the date of receipt may have a foreign currency exchange gain or loss that will be treated as ordinary income or loss, and generally will be U.S.-source income or loss for foreign tax credit purposes. Each U.S. Holder is urged to consult its own tax advisor regarding the U.S. federal income tax consequences of receiving, owning, and disposing of foreign currency.

Backup Withholding

Under the U.S. federal income tax laws, payments to a tendering Shareholder may be subject to “backup withholding” at the applicable statutory rate, unless a tendering Shareholder (a) provides a correct taxpayer identification number and any other required information and otherwise complies with applicable requirements of the backup withholding rules or (b) is an exempt recipient and, when required, demonstrates this fact.

A Shareholder that does not provide a correct taxpayer identification number may be subject to penalties imposed by the IRS. To prevent backup withholding on cash payable pursuant to the Offer, each Shareholder that is a U.S. person (as defined in the instructions to the IRS Form W-9) should provide the Depository or other applicable withholding agent with their correct taxpayer identification number and certify that they are not subject to backup withholding by completing the IRS Form W-9 included in the Letter of Transmittal. In order to eliminate any U.S. backup withholding, a Shareholder that is not a U.S. person should provide the Depository or other applicable withholding agent with the appropriate IRS Form W-8, attesting to that Shareholder's non-U.S. status.

Backup withholding is not an additional tax. Taxpayers may use amounts withheld as a credit against their U.S. federal income tax liability, and may claim a refund if they timely provide certain required information to the IRS.

THIS DISCUSSION IS GENERAL IN NATURE AND DOES NOT DISCUSS ALL ASPECTS OF U.S. FEDERAL INCOME TAXATION THAT MAY BE RELEVANT TO A PARTICULAR SHAREHOLDER IN LIGHT OF THE SHAREHOLDER'S PARTICULAR CIRCUMSTANCES, OR TO

CERTAIN TYPES OF SHAREHOLDERS SUBJECT TO SPECIAL TREATMENT UNDER U.S. FEDERAL INCOME TAX LAWS. YOU ARE ADVISED TO CONSULT YOUR OWN TAX ADVISOR TO DETERMINE THE PARTICULAR TAX CONSEQUENCES TO YOU OF THE OFFER, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL AND FOREIGN TAX LAWS.

14. LEGAL MATTERS AND REGULATORY APPROVALS

The Corporation is not aware of any license or regulatory permit that is material to the Corporation's business that might be adversely affected by the Corporation's acquisition of Shares pursuant to the Offer or, except as noted below, of any approval or other action by any government or governmental, administrative or regulatory authority or agency in any jurisdiction, that would be required for the acquisition of Shares by the Corporation pursuant to the Offer and that has not been obtained on or before the date hereof. Should any such approval or other action be required, the Corporation currently contemplates that such approval will be sought or other action will be taken. The Corporation cannot predict whether it may determine that it must delay the acceptance for payment of Shares deposited pursuant to the Offer pending the outcome of any such matter.

There can be no assurance that any such approval or other action, if needed, would be obtained or would be obtained without substantial conditions or that the failure to obtain any such approval or other action might not result in adverse consequences to the Corporation's business.

15. SOURCE OF FUNDS

The Corporation expects to fund the purchase of Shares pursuant to the Offer, including all related fees and expenses, from available cash on hand.

16. DEALER MANAGER

The Corporation may retain a dealer manager for the Offer (the "**Dealer Manager**") if and to the extent that the Corporation determines that the engagement of a Dealer Manager is desirable in connection with the Offer. In the event that a Dealer Manager is retained, the Corporation will pay customary fees for services rendered by the Dealer Manager in connection with the Offer. Shareholders will not be obligated to pay any fee or commission if they accept the Offer by using the services of a Dealer Manager.

If and to the extent that the Corporation retains a Dealer Manager, the Dealer Manager and its affiliates may be financial institutions that have provided, and may in the future provide, various investment banking, commercial banking and other services to the Corporation for which they have received, or the Corporation expects they will receive, customary compensation from the Corporation.

Further, if and to the extent the Corporation retains a Dealer Manager, in the ordinary course of business, including in the Dealer Manager's trading and brokerage operations and in a fiduciary capacity, the Dealer Manager and its affiliates may hold positions, both long and short, for its own account and for those of its customers, in securities of the Corporation and may from time to time hold Shares in their proprietary accounts, and, to the extent they own Shares in these accounts at the time of the Offer, the Dealer Manager may tender the Shares pursuant to the Offer.

17. DEPOSITARY

The Corporation has appointed Computershare Investor Services Inc. to act as a depositary for, among other things: (a) the receipt of Shares (including share certificates for Shares in certificated form) and related Letters of Transmittal deposited under the Offer, (b) the receipt of Notices of Guaranteed Delivery delivered pursuant to the procedures for guaranteed delivery set forth in Section 5 of the Offer to Purchase, "*Procedure for Depositing Shares*", (c) the receipt from the Corporation of cash to be paid in consideration of the Shares acquired by the Corporation under the Offer, as agent for the depositing Shareholders, and (d) the transmittal of such cash to the depositing Shareholders, as agent for the depositing Shareholders. The Depositary may contact Shareholders by mail, telephone or facsimile and may request brokers, dealers and other nominee Shareholders to forward materials relating to the

Offer to beneficial owners. The Depositary is not an affiliate of the Corporation and the Depositary acts as the Corporation's transfer agent and registrar.

18. FEES AND EXPENSES

To the extent that the Corporation engages a Dealer Manager for the Offer, the Corporation will pay to the Dealer Manager fees for its services that are typical for the provision of such services and may reimburse the Dealer Manager for certain reasonable out-of-pocket expenses incurred in connection with the Offer and may indemnify the Dealer Manager against certain liabilities to which they may become subject as a result of their engagement, including liabilities under applicable securities laws.

The Corporation has retained RBC as financial adviser and to deliver the Liquidity Opinion to the Board of Directors for which it will receive a fee for its services. The Corporation has agreed to reimburse RBC for certain reasonable out-of-pocket expenses incurred in connection with the Offer and to indemnify RBC against certain liabilities to which it may become subject as a result of its engagement. None of the fees payable to RBC are contingent upon the conclusions reached by RBC in the Liquidity Opinion.

The Corporation has retained Computershare Investor Services Inc. to act as the Depositary in connection with the Offer. The Depositary will receive reasonable and customary compensation for its services, will be reimbursed for certain reasonable out-of-pocket expenses and will be indemnified against certain liabilities and expenses in connection with the Offer, including certain liabilities under Canadian provincial and territorial securities laws.

The Corporation expects to incur expenses of approximately \$0.5 million in connection with the Offer, which includes filing fees, advisory fees, the fees for the Liquidity Opinion, legal, translation, accounting, depositary and printing fees.

19. STATUTORY RIGHTS

Securities legislation in the provinces and territories of Canada provides security holders of the offeree issuer with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to those security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

APPROVAL AND CERTIFICATE

August 2, 2022

The board of directors of Interfor Corporation has approved the contents of the Offer to Purchase and the accompanying Issuer Bid Circular dated August 2, 2022, and the delivery thereto to Shareholders. The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

(Signed) "*Ian Fillinger*"

Director, President and
Chief Executive Officer

(Signed) "*Richard Pozzebon*"

Senior Vice-President and
Chief Financial Officer

On behalf of the Board of Directors:

(Signed) "*Lawrence Sauder*"

Chair of the Board of Directors

(Signed) "*Tom Milroy*"

Director

CONSENT OF RBC DOMINION SECURITIES INC.

TO: The Board of Directors of Interfor Corporation

We consent to the inclusion of our liquidity opinion dated July 25, 2022 as Schedule A to the Circular dated August 2, 2022, which schedule is incorporated by reference in the Circular and consent to the inclusion of our name and reference to our liquidity opinion in the sections titled “*Purpose and Effect of the Offer – Liquidity of Market*” and “*Fees and Expenses*” of the Circular. Our liquidity opinion was given as at July 25, 2022 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, we do not intend that any person other than the directors of Interfor Corporation will be entitled to rely upon our opinion.

August 2, 2022

(Signed) “*RBC Dominion Securities Inc.*”

CONSENT OF MCCARTHY TÉTRAULT LLP

TO: The Board of Directors of Interfor Corporation

We consent to the inclusion of our name statement in the section titled “*Income Tax Considerations – Certain Canadian Federal Income Tax Considerations*” in the Circular dated August 2, 2022.

August 2, 2022

(Signed) “*McCarthy Tétrault LLP*”

SCHEDULE A
LIQUIDITY OPINION OF RBC DOMINION SECURITIES INC.

See Attached.



July 25, 2022

The Board of Directors
Interfor Corporation 1600-4720 Kingsway
Metrotower II
Burnaby, BC
V5H 4N2

To the Board:

RBC Dominion Securities Inc. (“RBC”, “we” or “us”), a member company of RBC Capital Markets, understands that Interfor Corporation (the “Company”) intends to make a substantial issuer bid (the “Substantial Issuer Bid”) to acquire up to C\$100,000,000 in value of the common shares of the Company (the “Shares”) by way of a modified Dutch Auction at a price not less than C\$29.00 per Share nor in excess of C\$34.00 per Share. RBC also understands that the terms and conditions of the Substantial Issuer Bid will be set forth in an offer to purchase and issuer bid circular to be mailed to the holders of the Shares in connection with the Substantial Issuer Bid (the “Offer to Purchase”). The terms used herein which are used or defined in the Offer to Purchase and not otherwise defined herein will have the same meaning as used in the Offer to Purchase.

RBC has been retained by the Company to act as its exclusive financial advisor in connection with the Substantial Issuer Bid and to prepare and deliver to the Board of Directors of the Company (the “Board”) RBC’s opinion (the “Opinion”) as to whether, as of the date hereof, (i) a liquid market for the Shares exists, and (ii) it is reasonable to conclude that, following the completion of the Substantial Issuer Bid, there will be a market for holders of the Shares who do not tender to the Substantial Issuer Bid that is not materially less liquid than the market that existed at the time of the making of the Substantial Issuer Bid. The Board has, on a voluntary basis, obtained the Opinion from RBC notwithstanding that such Opinion is not required pursuant to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”).

Engagement

RBC was formally engaged by the Company through an agreement between the Company and RBC (the “Engagement Agreement”) dated as of June 10, 2022. The terms of the Engagement Agreement provide that RBC is to be paid a fee for its services as financial advisor, including fees that are contingent on the outcome of the Substantial Issuer Bid. In addition, RBC is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by the Company in certain circumstances. RBC consents to the inclusion of the Opinion in its entirety and a summary thereof in the Offer to Purchase and to the filing thereof, as necessary, by the Company with the securities commissions or similar regulatory authorities in each province of Canada.

RBC acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the Shares or other securities of the Company, or any of its associates or affiliates and, from time to time, may have executed or may execute transactions on behalf of such companies or clients for which it received or may receive compensation. As an investment dealer, RBC conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company or the Substantial Issuer Bid.

Credentials of RBC Capital Markets

RBC is one of Canada's largest investment banking firms, with operations in all facets of corporate and government finance, corporate banking, mergers and acquisitions, equity and fixed income sales and trading and investment research. RBC Capital Markets also has significant operations in the United States and internationally. The Opinion expressed herein represents the opinion of RBC and the form and content herein have been approved for release by a committee of its managing directors, each of whom is experienced in merger, acquisition, divestiture and opinion matters.

Scope of Review

In connection with our Opinion, we have reviewed and relied upon or carried out, among other things, the following:

1. the most recent draft of the Offer to Purchase (the "Draft Offer to Purchase"), dated July 25th, 2022;
2. the trading activity, volumes, and price history of the Shares on the Toronto Stock Exchange and other alternative trading venues;
3. the profile of the distribution and ownership of the Shares, to the extent publicly disclosed or provided to us by the Company;
4. the number of Shares proposed to be purchased under the Substantial Issuer Bid relative to the total number of Shares issued and outstanding;
5. public information with respect to the Company and the Shares;
6. the definition of "liquid market" as outlined in MI 61-101 and certain other parameters in MI 61-101;
7. certain precedent issuer bids that were considered relevant;
8. discussions with senior management of the Company;
9. representations contained in certificates addressed to us, dated as of the date hereof, from senior officers of the Company as to the completeness and accuracy of the information upon which the Opinion is based; and
10. such other corporate, industry, and financial market information, investigations and analyses as RBC considered necessary or appropriate in the circumstances.

Assumptions and Limitations

With the Board's approval and as provided for in the Engagement Agreement, RBC has relied upon the completeness, accuracy, and fair representation of all of the financial and other information, data, advice, opinions, or representations obtained by it from public sources, senior management of the Company, and their consultants and advisors (collectively, the "Information"). The Opinion is conditional upon such completeness, accuracy, and fair presentation of such Information. Subject to the exercise of professional judgment and except as expressly described herein, we have not attempted to verify independently the completeness, accuracy, or fair representation of any of the Information.

Senior officers of the Company have represented to RBC in a certificate delivered as of the date hereof, among other things, that (i) the Information provided orally by, or in the presence of, any officer or employee of the Company or in writing by the Company, any of its affiliates (as such term is defined in National Instrument 62-104 *Take-Over Bids and Issuer Bids* of the Canadian Securities Administrators) or any of their respective agents or advisors, for the purpose of preparing the Opinion was, at the date provided to RBC, and is at the date hereof complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact, and did not and does not omit to state any material fact necessary to make such Information, or any statement contained therein, not misleading in light of the circumstances in which it was provided to RBC, and (ii) since the dates on which the Information was provided to RBC, except as disclosed in writing to RBC, there has

been no material change or change in material facts, financial or otherwise, which might reasonably be considered material to the Opinion.

In preparing the Opinion, RBC has made several assumptions, including that all of the conditions required to implement the Substantial Issuer Bid will be met and that there will be no significant change in the holdings of the Shares other than as a result of the Substantial Issuer Bid and that the disclosure provided or incorporated by reference in the Draft Offer to Purchase with respect to the Company, its subsidiaries and affiliates and the Substantial Issuer Bid is accurate in all material respects.

The Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and conditions affecting the Company and the Shares at the date hereof.

The Opinion has been provided for the use of the Board and may not be used by any other person or relied upon by any other person other than the Board without the express prior written consent of RBC. The Opinion is given as of the date hereof and RBC disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to RBC's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Opinion after the date hereof, RBC reserves the right to change, modify, or withdraw the Opinion.

RBC believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of an opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Opinion is not to be construed as a recommendation to any holder of Shares as to whether to tender their Shares to the Substantial Issuer Bid, or as an opinion, from a financial point of view, of the consideration offered to the shareholders pursuant to the Substantial Issuer Bid or as a formal valuation of the Company or any of its securities or assets.

For purposes of the Opinion, the phrase "liquid market" has the meaning ascribed thereto in MI 61-101.

Conclusion

Based upon and subject to the foregoing, RBC is of the opinion that, as of the date hereof, (i) a liquid market for the Shares exists, and (ii) it is reasonable to conclude that, following the completion of the Substantial Issuer Bid, there will be a market for holders of the Shares who do not tender to the Substantial Issuer Bid that is not materially less liquid than the market that existed at the time of the making of the Substantial Issuer Bid.

Yours very truly,

RBC Dominion Securities Inc.

RBC DOMINION SECURITIES INC.

The Letter of Transmittal, certificates for Shares, any other required documents and, if applicable, the Notice of Guaranteed Delivery, must be sent or delivered by each depositing Shareholder or the depositing Shareholder's investment dealer, stock broker, bank, trust company or other nominee to the Depository at its address specified below.

Office of the Depository, for the Offer:

By Regular Mail:
P.O. Box 7021
31 Adelaide St E
Toronto, ON M5C 3H2
Canada
Attention: Corporate Actions

By Hand, Courier, or Registered Mail:
100 University Ave, 8th Floor
Toronto,
ON M5J 2Y1
Canada
Attention: Corporate Actions

For Inquiries Only:

Email Address: corporateactions@computershare.com
Toll Free in Canada and the U.S.: 1.800.564.6253
Outside North America: 1.514.982.7555

Any questions or requests for assistance regarding the Offer may be directed to the Depository at the addresses and telephone and facsimile numbers specified above. Shareholders also may contact their investment dealer, stock broker, bank, trust company or other nominee for assistance concerning the Offer. Additional copies of the Offer to Purchase, the Circular, the Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depository. Manually executed photocopies of the Letter of Transmittal will be accepted.