



Interfor Corporation

Burnaby, B.C.

November 30, 2022

Interfor Completes Acquisition of Chaleur Forest Products and Announces Additional Long Term Debt Financing

INTERFOR CORPORATION (“Interfor” or the “Company”) (TSX: IFP) announced today that it has completed the previously announced transaction to acquire 100% of the equity interests in the entities comprising Chaleur Forest Products (“Chaleur”) in New Brunswick, Canada from an affiliate of the Kilmer Group.

Interfor also announced today that it has priced US\$200 million in additional long-term debt financing with Prudential Private Capital. The senior secured notes will carry an annual interest rate of 7.06% and have a final maturity in 2033. All other terms remain consistent with Interfor’s existing senior secured notes. The financing is expected to close in early December and the proceeds will be used to finance the Chaleur acquisition and for general corporate purposes.

Following completion of the financing, Interfor’s long-term debt will have a weighted average interest rate of 5.30% with laddered maturities principally spanning 2024-2033.

Interfor continues to have significant financial flexibility to execute its strategic capital investment plans and consider additional value-creating capital deployment options. As of October 31, 2022 Interfor had a Net Debt to Invested Capital ratio of approximately 10%. Proforma the Chaleur acquisition and the additional long-term debt financing, Interfor’s proforma Net Debt to Invested Capital ratio as of October 31, 2022 would be approximately 22% ¹. Similarly, proforma liquidity as of October 31, 2022, comprising cash on hand and amounts available under its existing revolving credit facility, would be approximately C\$520 million, before consideration of potential additional borrowing capacity that may be available within existing credit limits.

This release, including a French language version, has been posted on www.interfor.com in the Investors section under News.

FORWARD-LOOKING STATEMENTS

This release contains forward-looking information about the Company’s business outlook, objectives, plans, strategic priorities and other information that is not historical fact. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. Statements containing forward-looking information may include words such as: will, could, should, believe, expect, anticipate, intend, forecast, projection, target, proforma, outlook, opportunity, risk or strategy. Readers are cautioned that actual results may vary from the forward-looking information in this release, and undue reliance should not be placed on such forward-looking information. Risk factors that could cause actual results to differ materially from the forward-looking information in this release are described in Interfor’s third quarter and annual Management’s Discussion and Analysis under the heading “Risks and Uncertainties”, which are available on www.interfor.com and under Interfor’s profile on www.sedar.com. Material factors and assumptions used to develop the forward-looking information in this release include volatility in the selling prices for lumber, logs and wood chips; the Company’s ability to compete on a global basis; the availability and

¹ Proforma is based on C\$325 million base purchase price, plus approximately C\$50 million for countervailing (“CV”) and anti-dumping (“AD”) duties, working capital and other items, all of which are subject to final post-close adjustments.

cost of log supply; natural or man-made disasters; currency exchange rates; changes in government regulations; Indigenous reconciliation; the Company's ability to export its products; the softwood lumber trade dispute between Canada and the U.S.; environmental impacts of the Company's operations; labour disruptions; information systems security; and the existence of a public health crisis. Unless otherwise indicated, the forward-looking statements in this release are based on the Company's expectations at the date of this release. Interfor undertakes no obligation to update such forward-looking information or statements, except as required by law. The Company's independent auditor, KPMG LLP, has not audited, reviewed or performed any procedures with respect to the interim financial results and other data included in this release, and accordingly does not express an opinion or any other form of assurance with respect thereto.

ABOUT INTERFOR

Interfor is a growth-oriented forest products company with operations in Canada and the United States. The Company has annual lumber production capacity of approximately 5.2 billion board feet and offers a diverse line of lumber products to customers around the world. For more information about Interfor, visit our website at www.interfor.com.

Investor Contacts:

Rick Pozzebon, Executive Vice President & Chief Financial Officer
(604) 689-6804

Mike Mackay, Vice President of Corporate Development & Strategy
(604) 689-6846

Media Contact:

Svetlana Kayumova, Senior Manager, Corporate Affairs & Communications
(604) 422-7329
svetlana.kayumova@interfor.com