



INVESTOR PRESENTATION

FEBRUARY 2023

FORWARD-LOOKING INFORMATION & NON-GAAP MEASURES

Forward-Looking Information:

This presentation contains forward-looking information about Interfor Corporation's ("Interfor" or the "Company") business outlook, objectives, plans, strategic priorities and other information that is not historical fact. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. Statements containing forward-looking information in this presentation, include but are not limited to, statements regarding production capacity, facility restart plans and ramp-up timelines, pro-forma capacity, expected earnings and returns, pro-forma debt ratios, liquidity, borrowing capacity, regulatory approvals and other relevant factors. Readers are cautioned that actual results may vary from the forward-looking information in this presentation, 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 presentation are described in Interfor's annual Management's Discussion & Analysis under the heading "Risks and Uncertainties", which is available on www.interfor.com and under Interfor's profile on www.sedar.com. Material factors and assumptions used to develop the forward-looking information in this presentation include volatility in the selling prices for lumber, logs and wood chips; the Company's ability to compete on a global basis; the availability and cost of log supply; natural or man-made disasters; currency exchange rates; changes in government regulations; Indigenous reconciliation; 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 presentation are based on the Company's expectations at the date of this presentation. 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 any interim financial results and other data included in this presentation, and accordingly does not express an opinion or any other form of assurance with respect thereto.

Non-GAAP Measures:

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

Currency:

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

INTERFOR INVESTMENT HIGHLIGHTS



Pure-play North American lumber producer of scale

- Top three lumber producer in North America, with 32 strategically located facilities
- High exposure to US South, Eastern Canada, and Atlantic Canada with attractive log costs

Compelling lumber market fundamentals

- Diversified demand across all end-use segments, including housing and repair & remodel
- Measured supply growth in the US South; declining supply in BC

Growth-focused strategy

- Long-standing strategy of growth; 10-year lumber production volume CAGR of 11%
- Acquisitions in the past two years have increased production capacity by 69%

Top tier lumber margins and returns on capital

- Industry leading EBITDA margins and returns on capital employed
- Well capitalized, high-margin portfolio of sawmills

Balanced capital allocation with significant financial flexibility

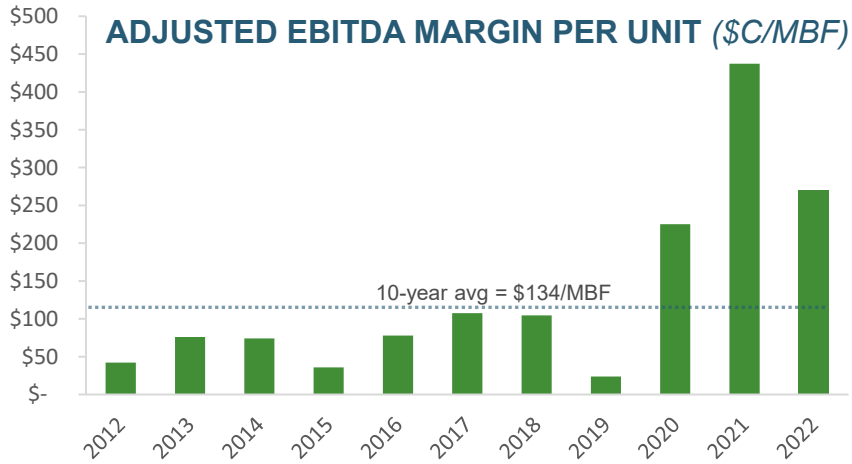
- Disciplined approach across growth capex, M&A and returns to shareholders
- Strong balance sheet and ~\$480 Million of liquidity as of December 31, 2022

Positive ESG and carbon story

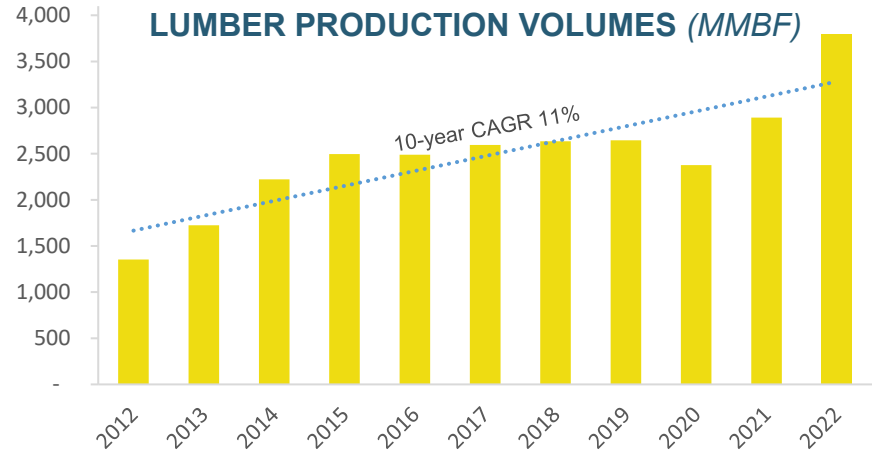
- Sustainable forest management practices
- Producer of climate-friendly building products

INVESTOR VALUE PROPOSITION

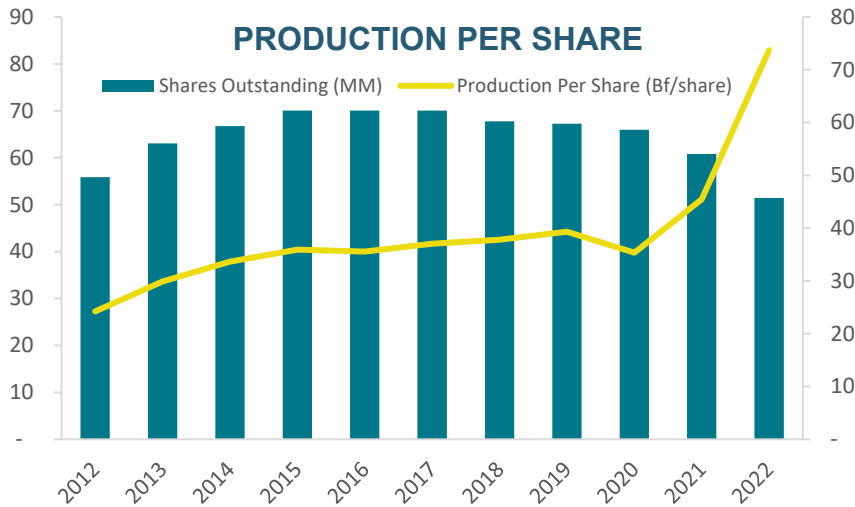
Attractive Earnings Through the Cycle



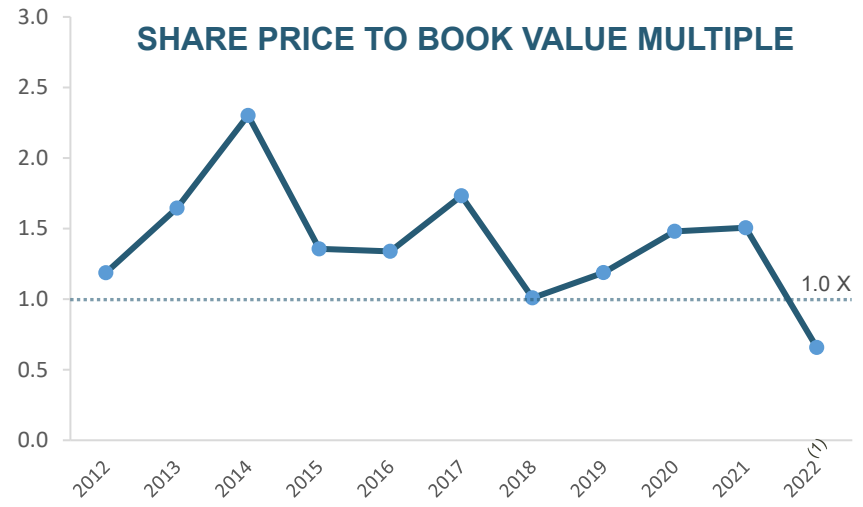
Consistently Growing Volumes



Increasing Leverage to Production



Attractive Valuation Metrics



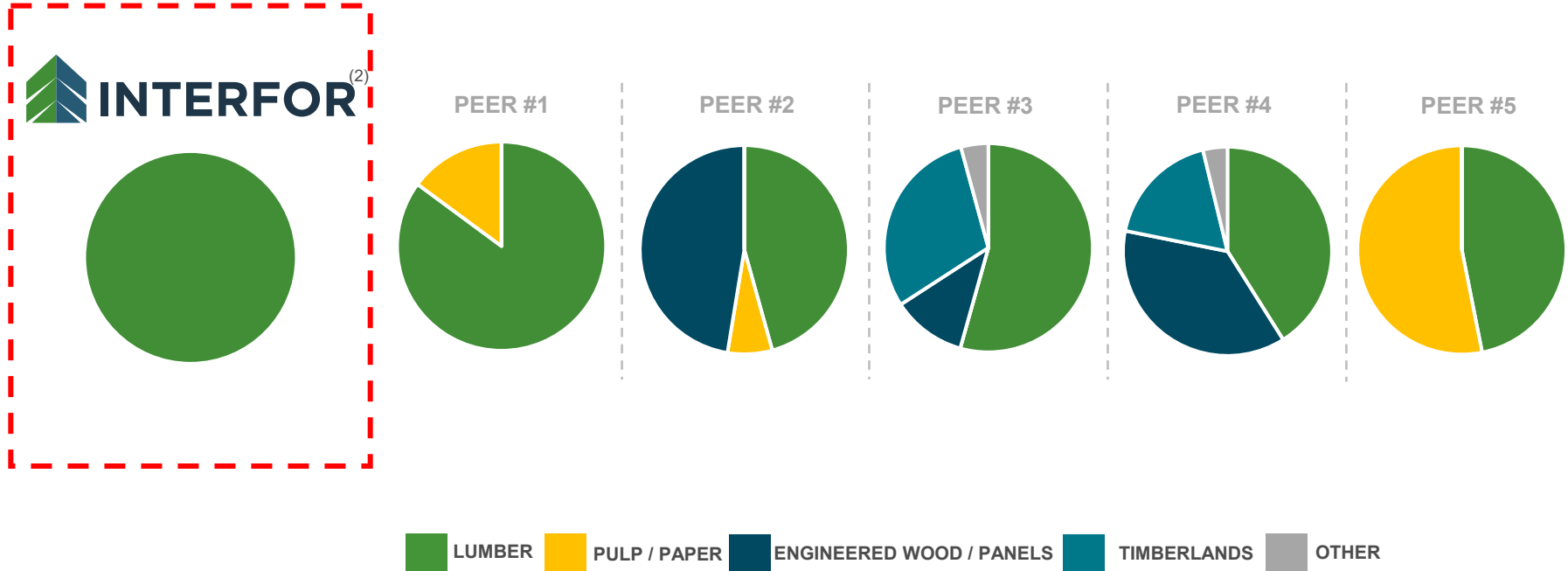


PURE-PLAY NORTH AMERICAN LUMBER PRODUCER

PURE-PLAY LUMBER PRODUCER

Interfor is the only publicly traded pure-play lumber producer of scale

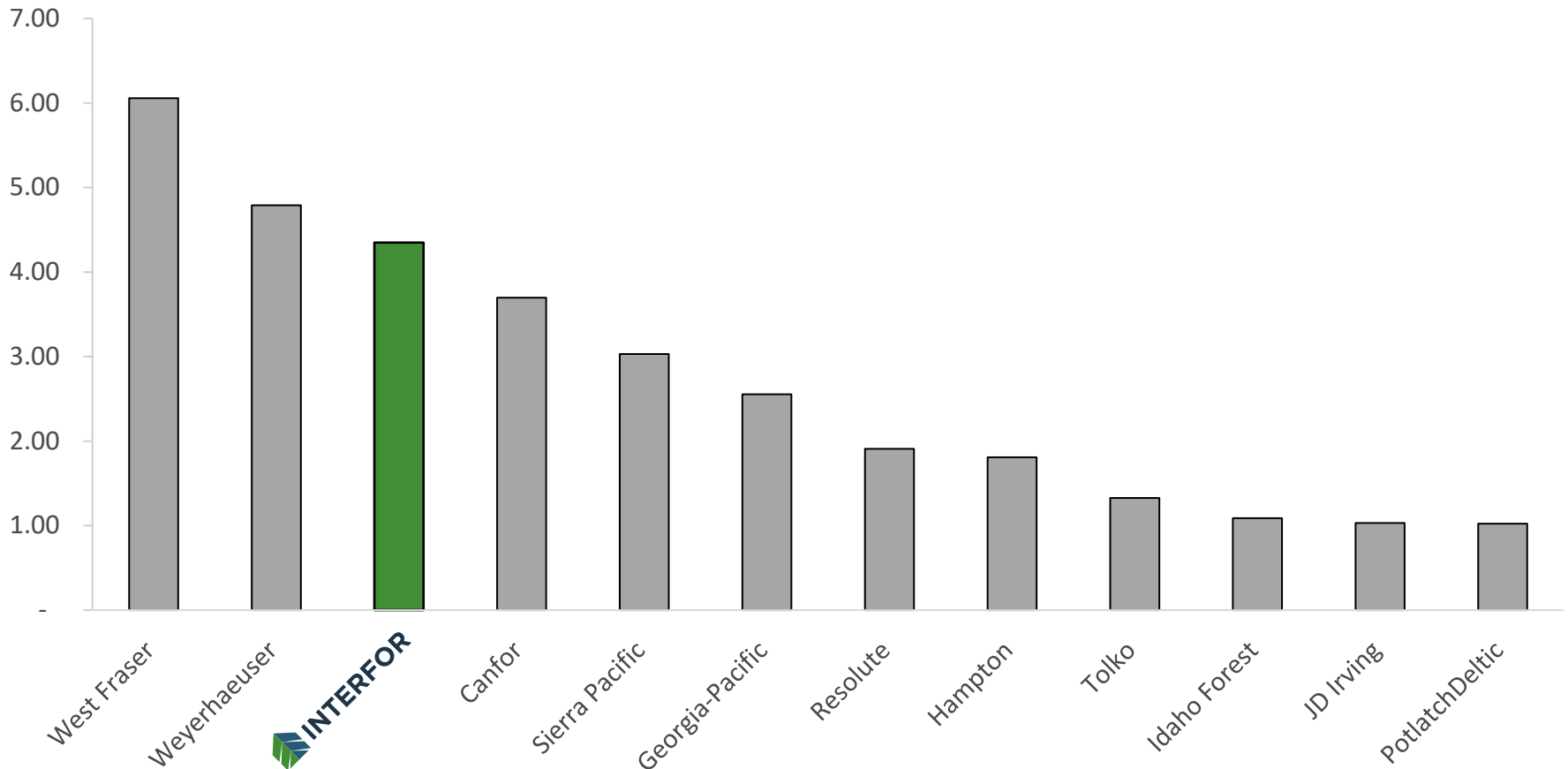
REVENUES BY BUSINESS SEGMENT (1)



INDUSTRY LANDSCAPE

Interfor is a top three lumber producer in North America

NORTH AMERICAN LUMBER PRODUCTION BY COMPANY – 2021 (BBF) ⁽¹⁾



INTERFOR OPERATING REGIONS

BC INTERIOR

750 MMBF (14%)

- 3 dimension mills; 1 remanufacturing facility (Sumas, WA)
- Douglas-Fir, Hem-Fir, SPF, Cedar
- Efficient, modern, low-cost, well-capitalized

US NORTHWEST

770 MMBF (15%)

- 3 stud mills; 1 dimension mill
- Douglas-Fir, Hem-Fir
- Efficient, modern, low-cost, well-capitalized

EASTERN CANADA

985 MMBF (19%)

- 4 stud mills; 3 dimension mills; 1 I-Joist facility; 1 remanufacturing facility
- Spruce – Pine – Fir (SPF)
- Efficient, well-run, well-maintained

ATLANTIC CANADA

350 MMBF (7%)

- 2 stud mills; woodlands management division
- Spruce – Pine – Fir (SPF)
- Efficient, modern, low-cost, well-capitalized

US SOUTH

2,335 MMBF (45%)

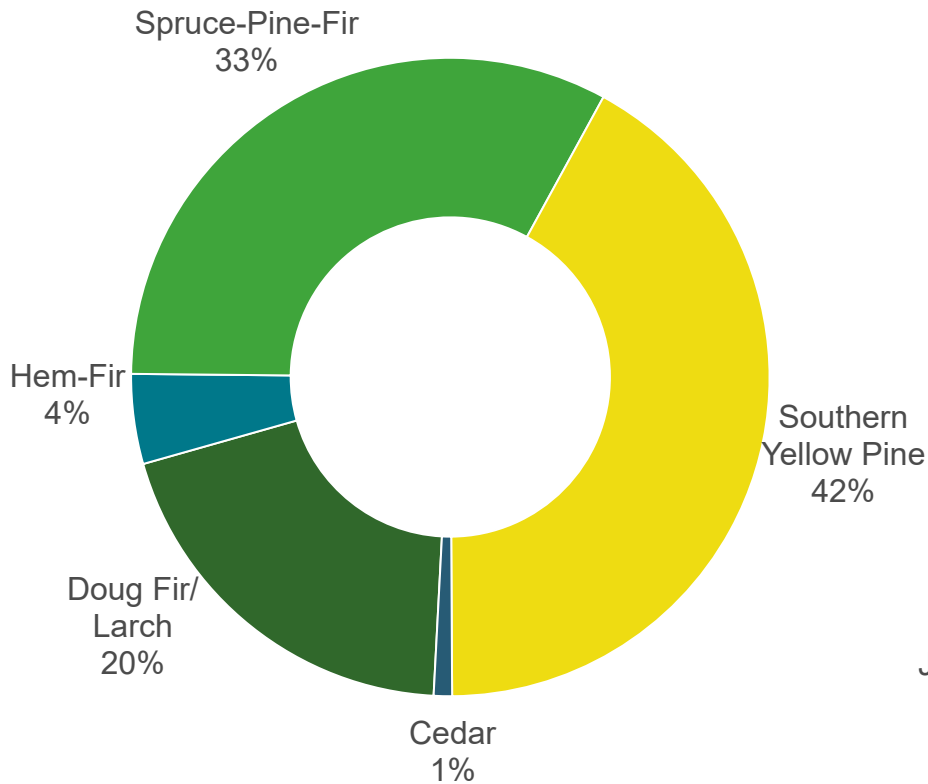
- 12 dimension mills; 1 stud mill
- Southern Yellow Pine (SYP)
- Ongoing capex investment upside

5.2 Billion board feet of lumber production capacity, with operations in all major timber baskets

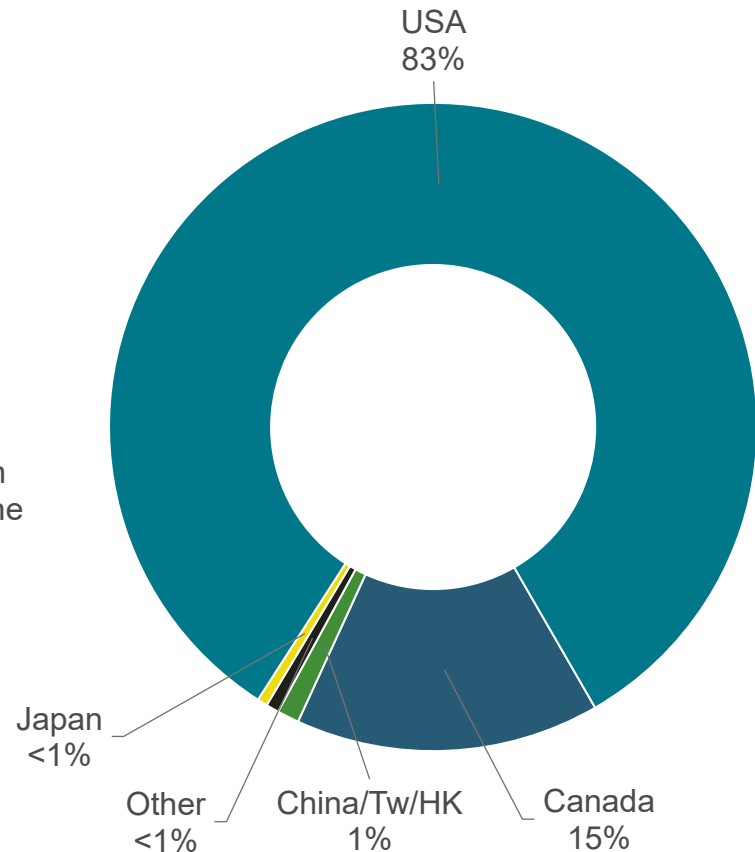
KEY PRODUCTS & MARKETS

Diverse lumber species and end-use mix; high leverage to key US market

LUMBER SALES BY SPECIES (1)



LUMBER SALES BY MARKET (1)



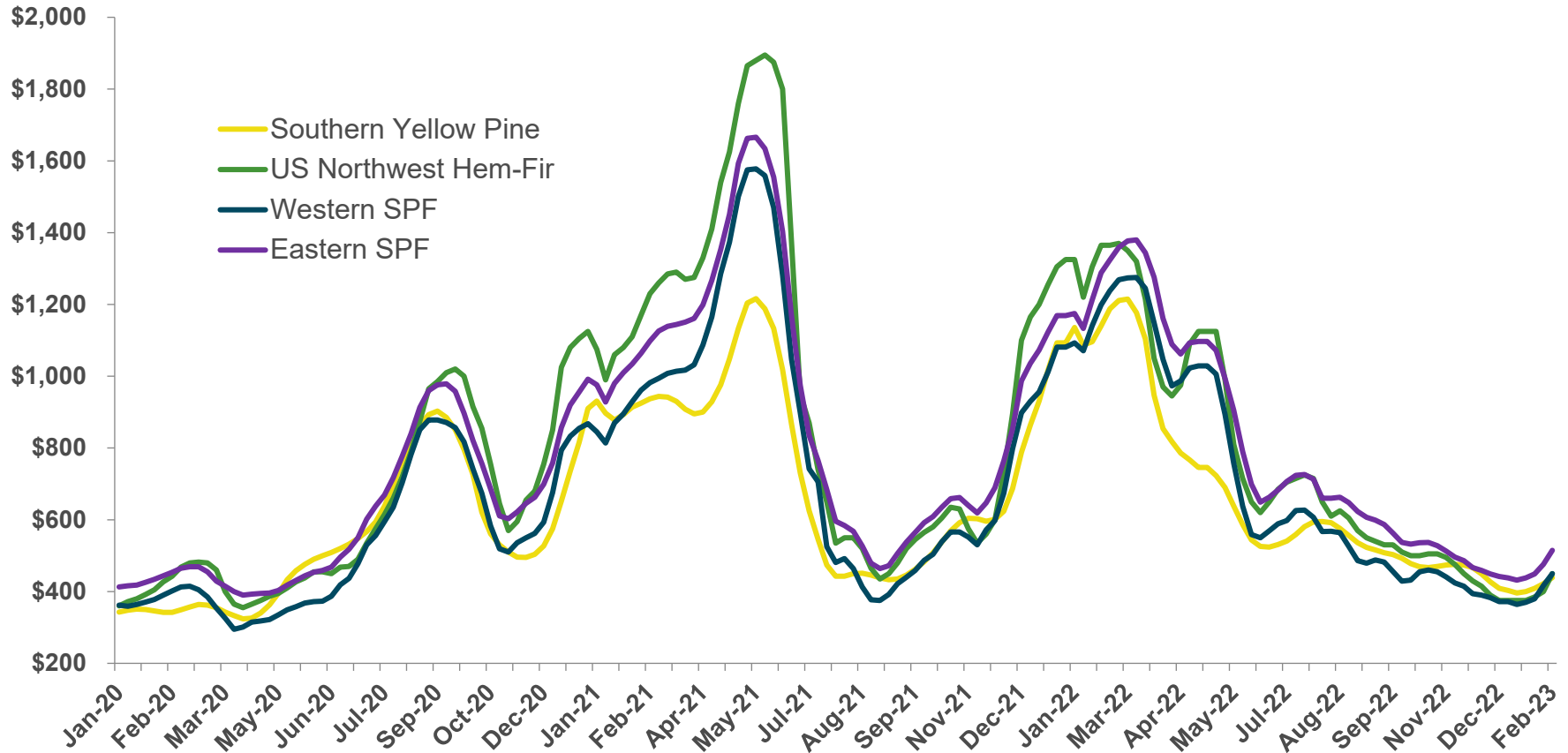


COMPELLING LUMBER MARKET FUNDAMENTALS

LUMBER PRICES

Recent prices finding support at historically attractive levels

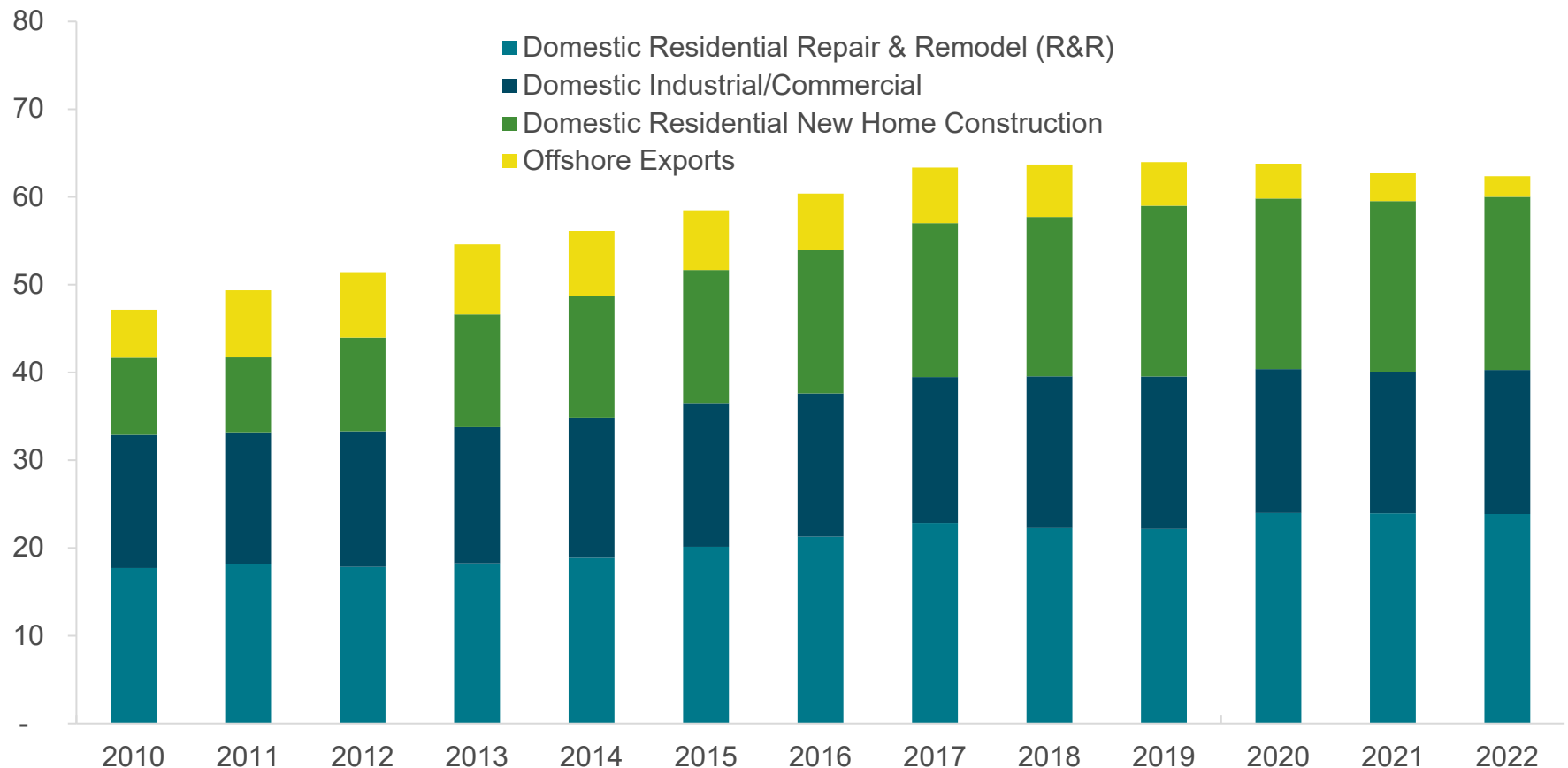
NORTH AMERICAN BENCHMARK LUMBER PRICES (US\$/MBF)



LUMBER DEMAND

Diversified end-use demand drivers across R&R, industrial and housing

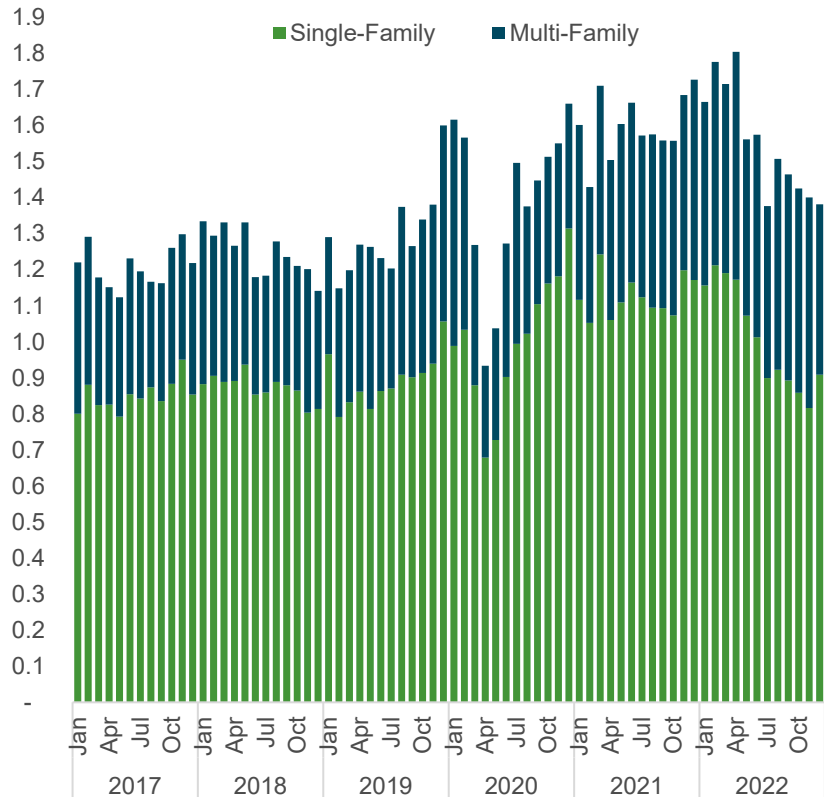
NORTH AMERICAN LUMBER DEMAND BY END-USE (BBF)



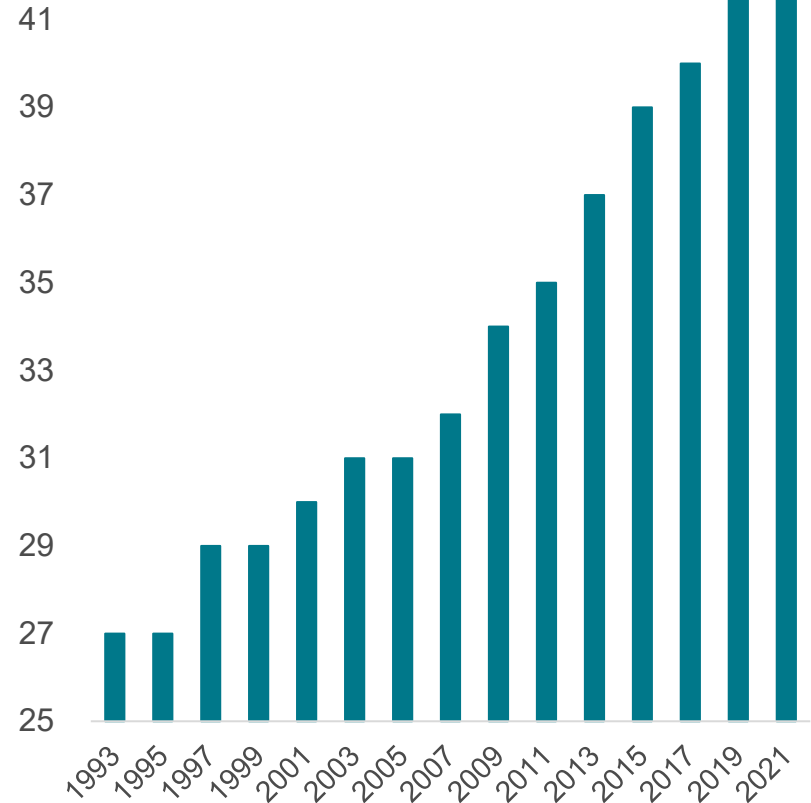
LUMBER DEMAND: KEY DRIVERS

Underlying housing fundamentals remain favourable, despite near-term volatility

US HOUSING STARTS (MILLIONS SEASONALLY ADJUSTED)



AGE OF US HOUSING STOCK (MEDIAN AGE IN YEARS)



LUMBER SUPPLY

Measured supply growth in the US South, offset by ongoing declines in BC

NORTH AMERICAN LUMBER PRODUCTION (BBF)

<u>Region</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u> ⁽¹⁾
South	18.8	19.4	20.8	20.9	22.1
West	14.4	14.3	14.5	14.7	14.1
Other	1.6	1.5	1.7	1.7	1.7
USA	34.9	35.2	36.9	37.3	37.9
Rest of Canada	14.9	14.3	14.1	14.5	13.8
BC	12.4	9.7	8.9	9.2	8.2
Canada	27.3	24.0	23.1	23.7	21.9
North America	62.2	59.2	60.0	61.0	59.8
Offshore Imports	1.5	1.5	2.1	2.3	2.6

US SOUTH

Measured growth (five-year CAGR of 3%), limited by labour availability and long equipment lead times

US WEST & CANADA (NON-BC)

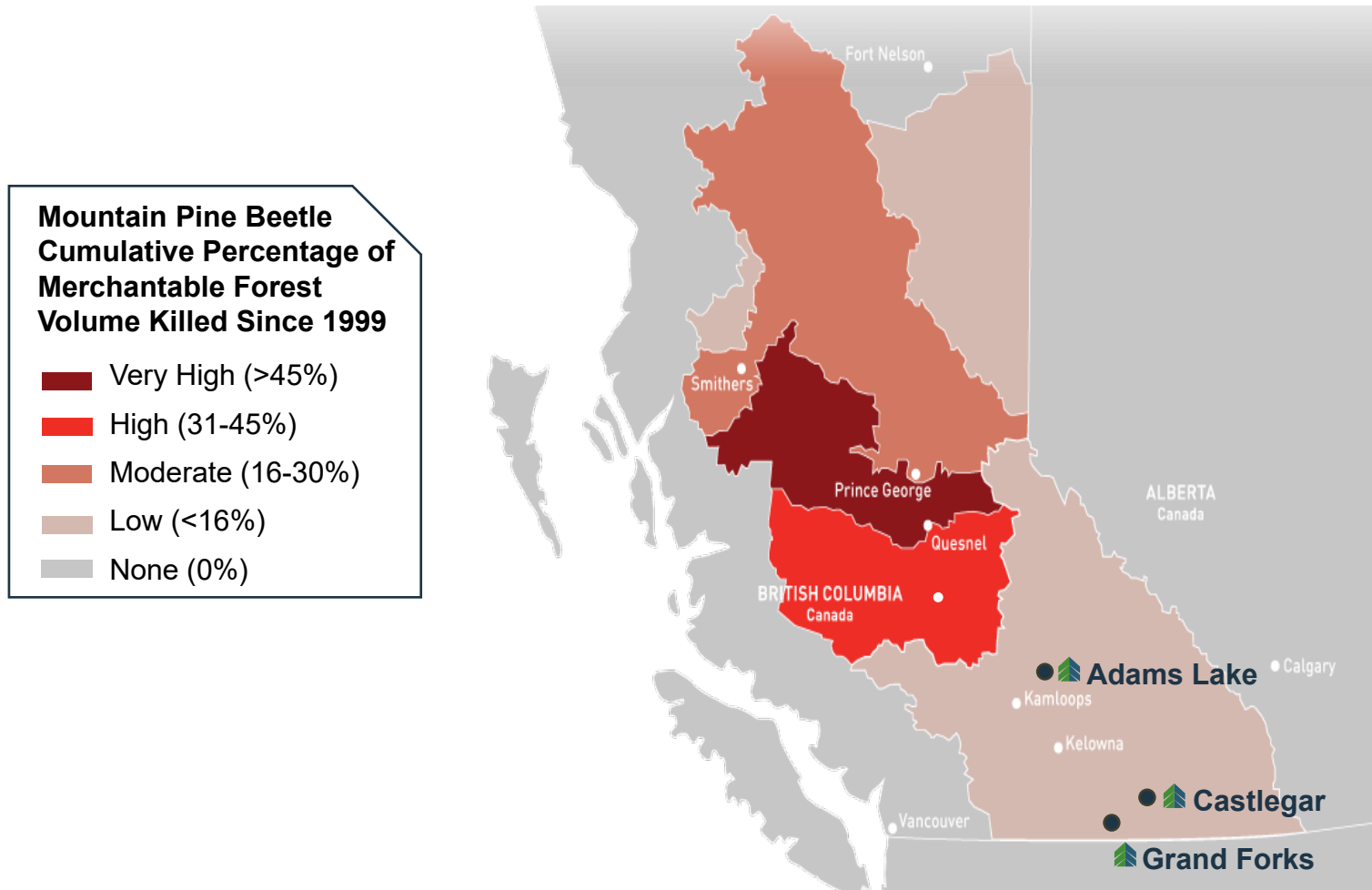
Relatively stable; good balance between available timber supply and manufacturing capacity

BRITISH COLUMBIA (BC)

Structural declines and permanent capacity reductions due to impacts of Mountain Pine Beetle forest infestation (~34% decline in production since 2018)

LUMBER SUPPLY: BC INTERIOR

Declining log supply across BC, but Interfor well-positioned in southern BC



SOFTWOOD LUMBER DISPUTE

Moderate exposure to duties with 60% of lumber capacity based in the US

U.S. COUNTERVAILING & ANTI-DUMPING CASH DEPOSIT RATES

<u>COMPANY</u>	<u>2017-20</u> ⁽¹⁾	<u>2020-21</u> ⁽²⁾	<u>2021-22</u> ⁽³⁾	<u>2022-23</u> ⁽⁴⁾	<u>2023-24</u> ⁽⁵⁾
West Fraser	23.56%	8.97%	11.14%	8.25%	9.38%
Canfor	20.52%	4.62%	19.54%	5.87%	7.29%
Resolute	17.90%	20.25%	29.66%	14.86%	8.24%
All Others (Includes Interfor)	20.23%	8.99%	17.91%	8.59%	8.24%

INTERFOR SOFTWOOD LUMBER DUTIES HIGHLIGHTS

US\$512 MM

Duties on Deposit

Duties paid by Interfor and held in trust by the US Gov.; ~70% are off-balance sheet

~C\$10/Share

Potential Value

After-tax basis assuming 100% refund of all duties on deposit

~25% of Shipments

Exposed to Duties

Shipments into the US from Canada as a % of Interfor's total company-wide shipments

(1) Reflects final cash deposit rates announced by the US Department of Commerce on December 28, 2017.

(2) Reflects final AR1 cash deposit rates announced by the US Department of Commerce on November 24, 2020.

(3) Reflects final AR2 cash deposit rates announced by the US Department of Commerce on January 10, 2022.

(4) Reflects final AR3 cash deposit rates announced by the US Department of Commerce on August 4, 2022.

(5) Reflects preliminary AR4 cash deposit rates announced by the US Department of Commerce on January 24, 2023.



VALUE CREATION: GUIDING PRINCIPLES

GUIDING PRINCIPLES TO VALUE CREATION

Multi-pronged approach to creating value

	Principle	Comments
1	Drive Operational Excellence	<ul style="list-style-type: none"> <i>Rationale:</i> Achieving operational excellence maximizes the earnings potential of the business. Approach: Orientate the organization around operations and stay focused on executing the basics from woodlands, through manufacturing through to sales and administration
2	Increase Scale in Lumber	<ul style="list-style-type: none"> <i>Rationale:</i> Scale has many advantages, including reduced risk, a better ability to withstand economic shocks and economies of scale/synergies Approach: Lead growth with lumber beyond BC and transform into THE major global lumber producer
3	Reduce Volatility Via Diversification	<ul style="list-style-type: none"> <i>Rationale:</i> A diversified portfolio approach reduces overall earnings volatility – within the broader lumber market, which reduces risk Approach: Expand North American geographies and consider adjacent product lines
4	Deliver a Track Record of Leading Returns on Capital	<ul style="list-style-type: none"> <i>Rationale:</i> There is a strong positive long-term correlation between return on capital and equity returns over time Approach: Deliver a track record of leading returns on capital through a focus on operational excellence, maintaining discipline with return hurdles and improving and/or dealing with underperforming assets
5	Take a Balanced Approach to Capital Allocation	<ul style="list-style-type: none"> <i>Rationale:</i> Investors value a balanced approach to capital allocation that is tailored to market conditions and circumstances that change over time Approach: Balance growth (M&A and capex) with share buybacks and dividends, as appropriate depending on market conditions and the stage/level of company maturity
6	Optimize Capital Structure & Cost	<ul style="list-style-type: none"> <i>Rationale:</i> A lower cost of capital enhances growth and returns Approach: Maintain an efficient and effective capital structure and optimize leverage, liquidity and the investor base



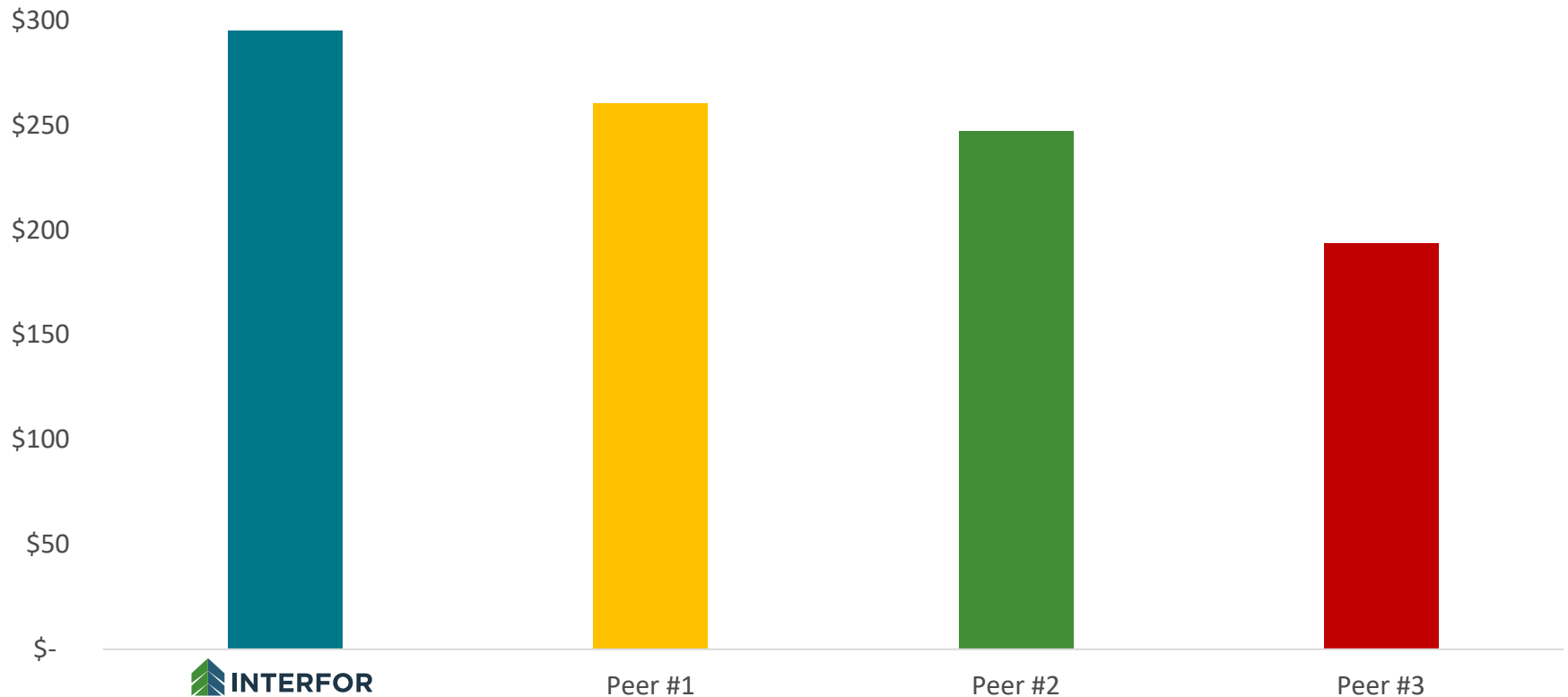
GUIDING PRINCIPLE: 1

DRIVE OPERATIONAL EXCELLENCE

OPERATIONAL EXCELLENCE: MARGINS

Focus on operational excellence reflected in superior margin performance

LUMBER SEGMENT ADJ. EBITDA MARGINS – 2019 TO Q3-2022 YTD (C\$/MBF) ⁽¹⁾

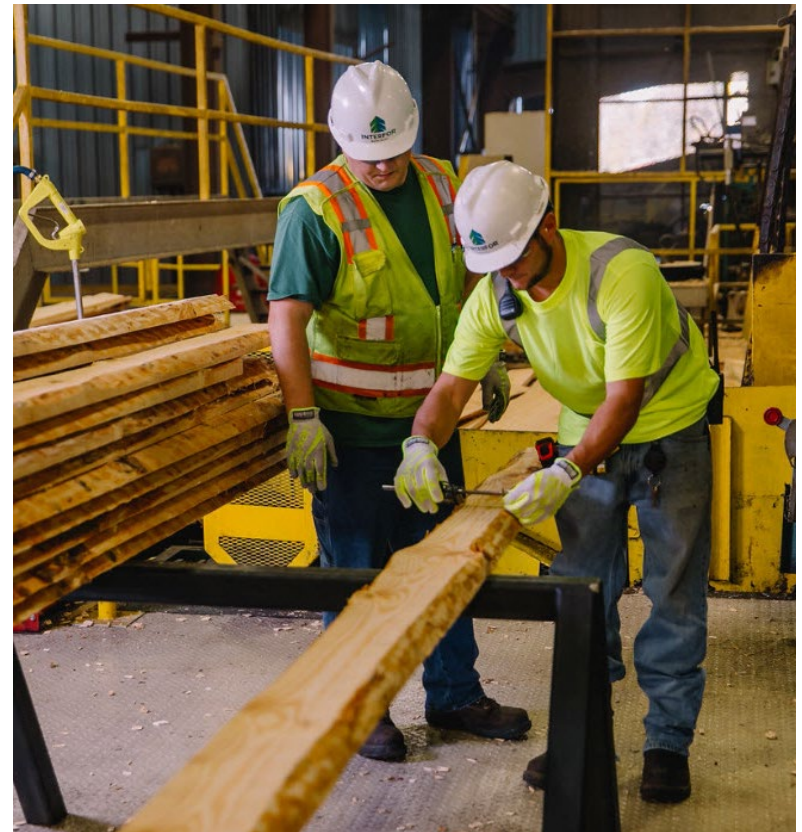
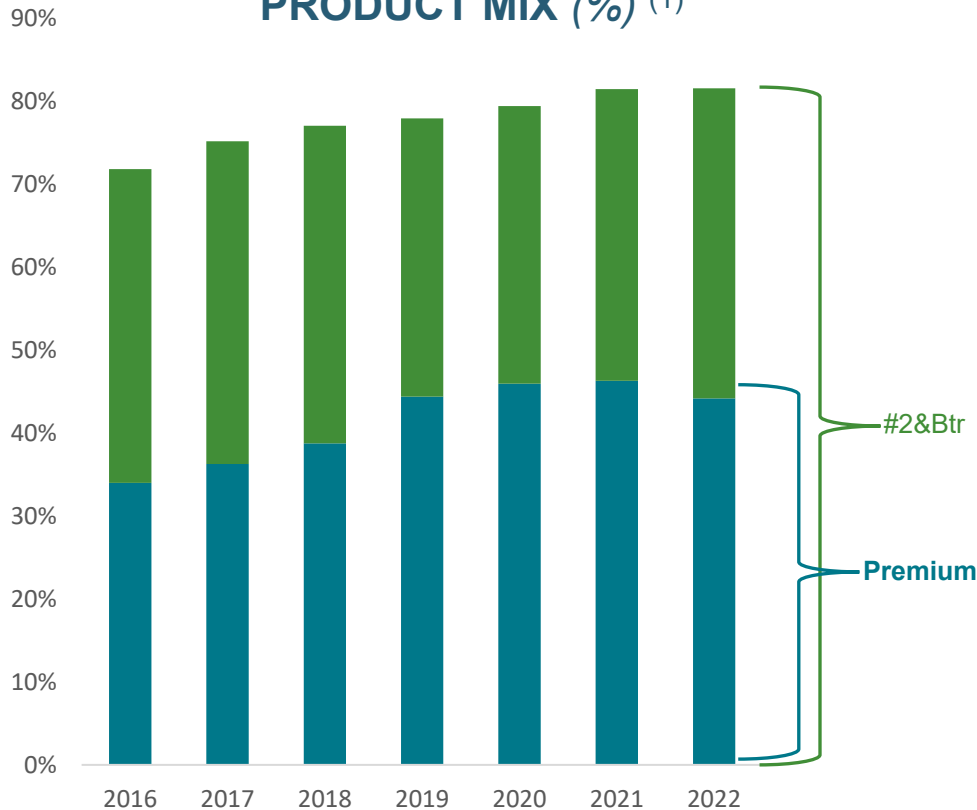


⁽¹⁾ Peers include Canfor North America, Weyerhaeuser and West Fraser; reflects lumber segments only, adjusted to reflect duties paid and FX for \$US companies, figures are YTD September 30, 2022.

OPERATIONAL EXCELLENCE: PRODUCT OPTIMIZATION

Margin improvements driven by all aspects of manufacturing excellence, including product quality, product mix optimization, improved log-to-lumber recovery, and conversion cost improvements

INTERFOR US SOUTH PRODUCT MIX (%) (1)



(1) Includes 9 mills acquired between 2013-2015 only, excludes acquisitions made in 2021.



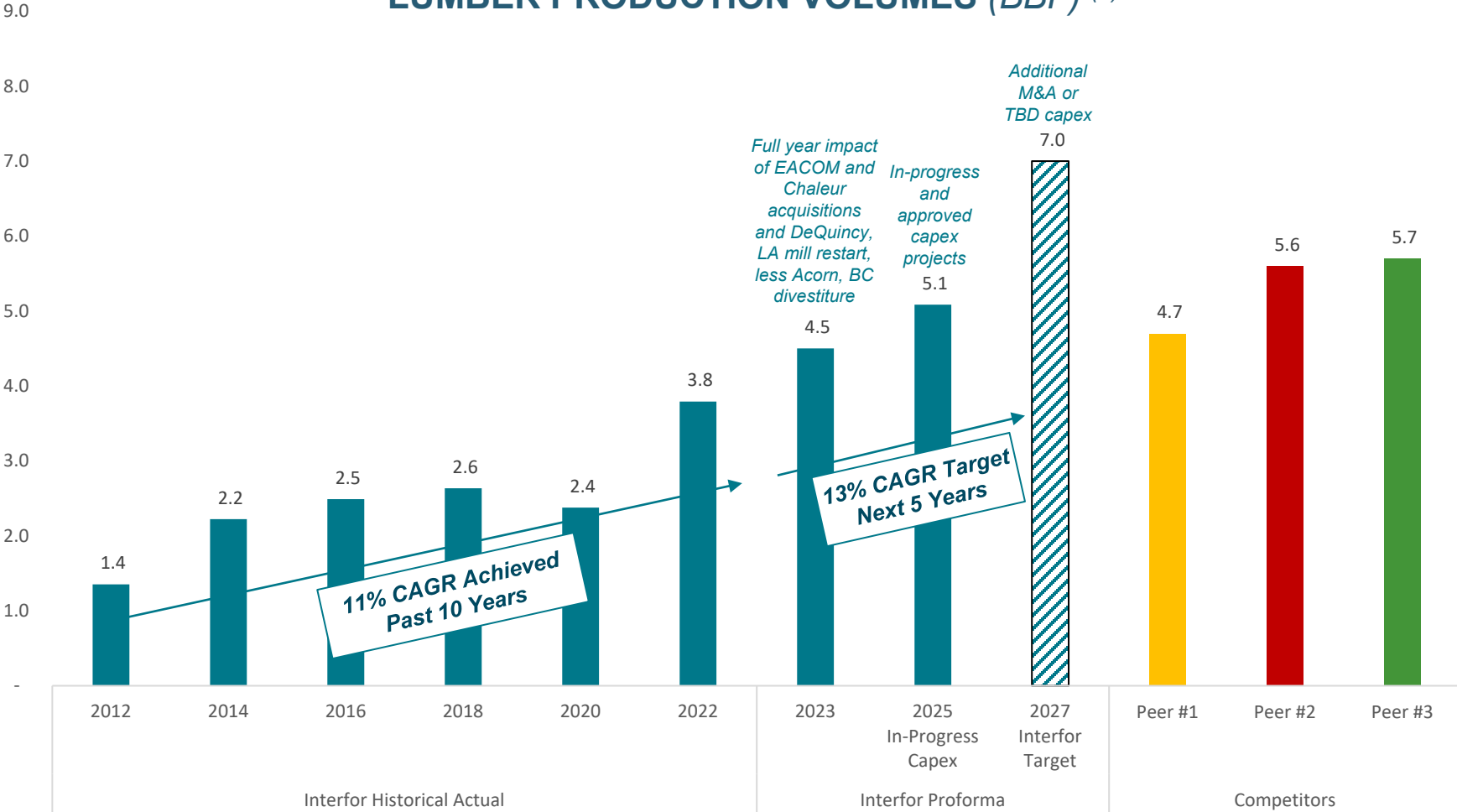
GUIDING PRINCIPLE: 2

INCREASE SCALE IN LUMBER

TRANSFORMATIONAL GROWTH

Aspirational goal to transform into THE major global lumber producer

LUMBER PRODUCTION VOLUMES (BBF) (1)

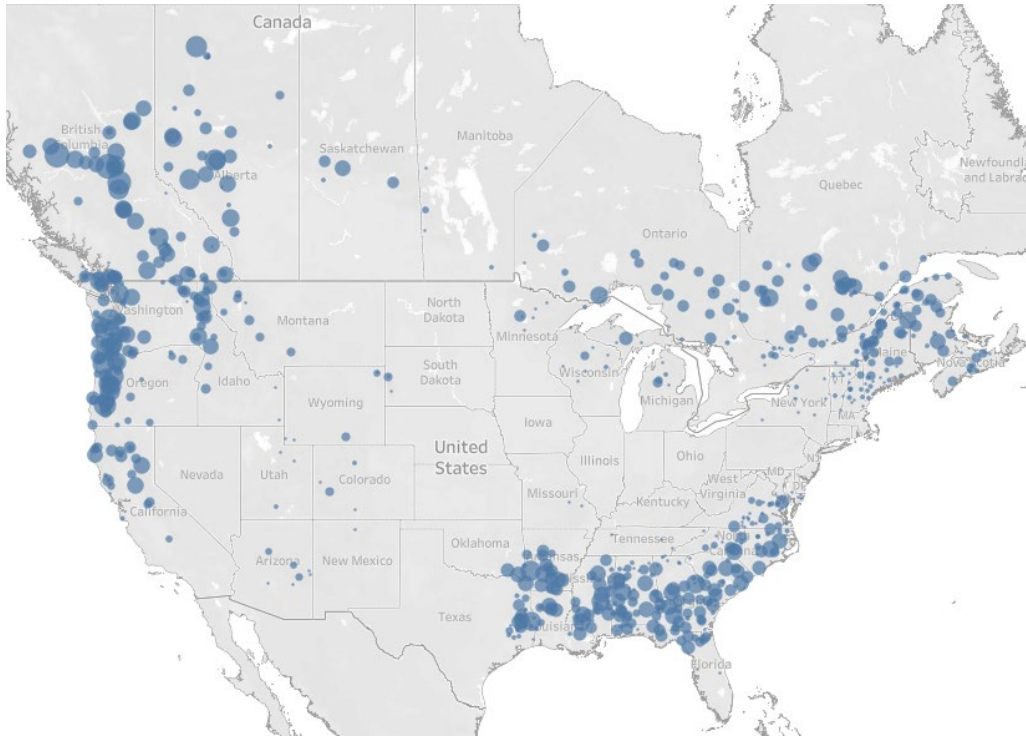


(1) Competitors include Weyerhaeuser, Canfor and West Fraser and volumes reflect the last 12 months ended Q3-2022.

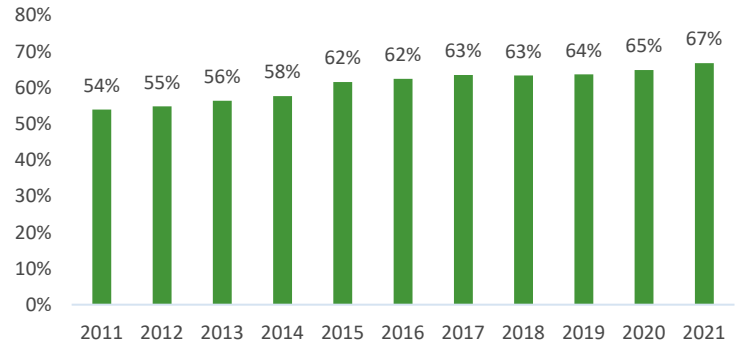
GROWTH OPPORTUNITIES

The North American lumber industry remains highly fragmented, with significant consolidation opportunity

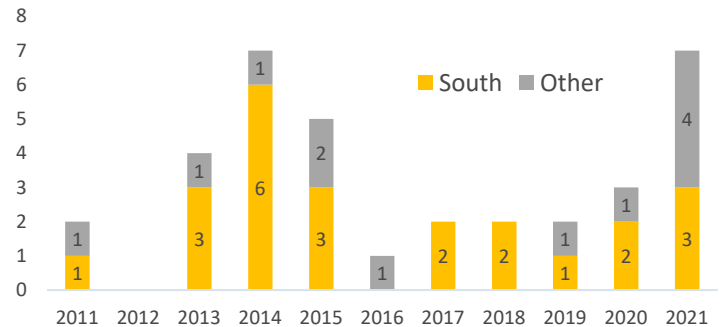
N.A. SOFTWOOD LUMBER MILLS



% SHARE TOP 30 N.A. PRODUCERS



OF N.A. M&A DEALS BY REGION

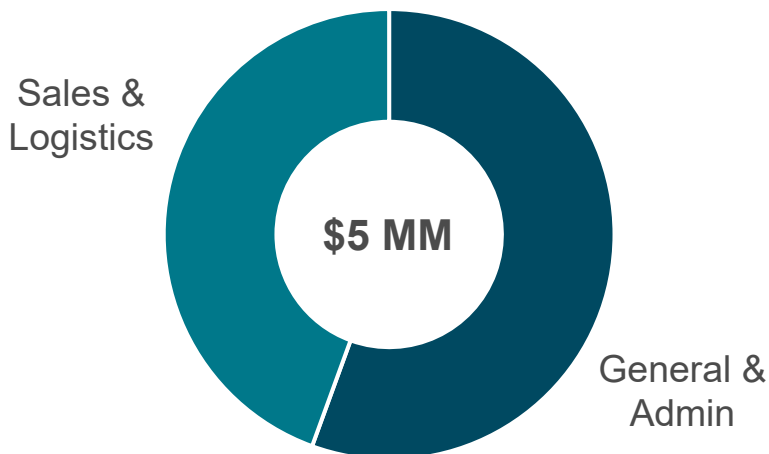


CHALEUR ACQUISITION

35% increase to Interfor's Eastern Canada platform capacity

- Acquisition of top quartile New Brunswick, Canada operations that closed on November 30, 2022, including:
 - Two well-capitalized sawmills located in Belledune and Bathurst with capacity of 350 MMbf.
 - A woodlands management division based in Miramichi that manages approximately 30% of the total Crown forest, providing a secure source of timber supply and a long-term stream of stable cash flows.
- Cash purchase price of C\$325 MM including ~C\$31 MM of net working capital, plus 55% of the total softwood lumber deposits on an after-tax basis.
- Expected synergies of C\$5 MM/year from combined sales and marketing opportunities, shared purchasing programs and general and administrative expense reductions, to be realized within 12 months.

CHALEUR ACQUISITION TARGETED ANNUAL SYNERGIES (C\$MM)



CHALEUR OPERATIONS

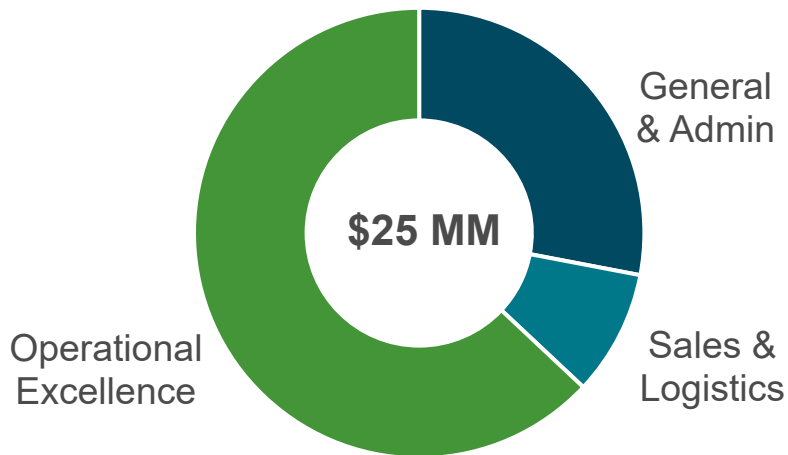


EACOM ACQUISITION

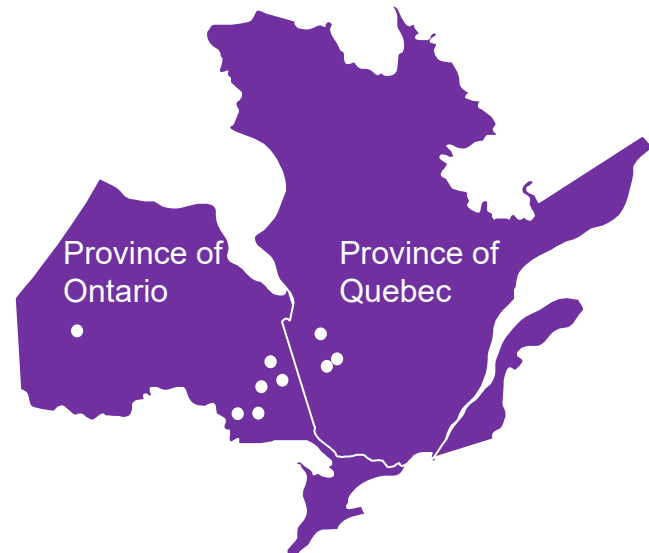
25% increase to Interfor's capacity at an attractive valuation

- 100% equity acquisition of high-quality Canadian operations which closed on February 22, 2022.
 - Includes 7 sawmills, 1 I-joist plant, 1 reman plant;
 - 985 MMbf of production capacity; 25% increase to Interfor's current platform.
 - Synergies of C\$25 MM from operations, sales & administration to be realized within two years.
- Cash purchase price of C\$490 MM, including C\$120 MM of net working capital, plus 55% of the total softwood lumber deposits on an after-tax basis.
- Geographic diversity, attractive log costs, and new regional platform with additional opportunities for disciplined growth.

EACOM ACQUISITION TARGETED ANNUAL SYNERGIES (C\$MM)

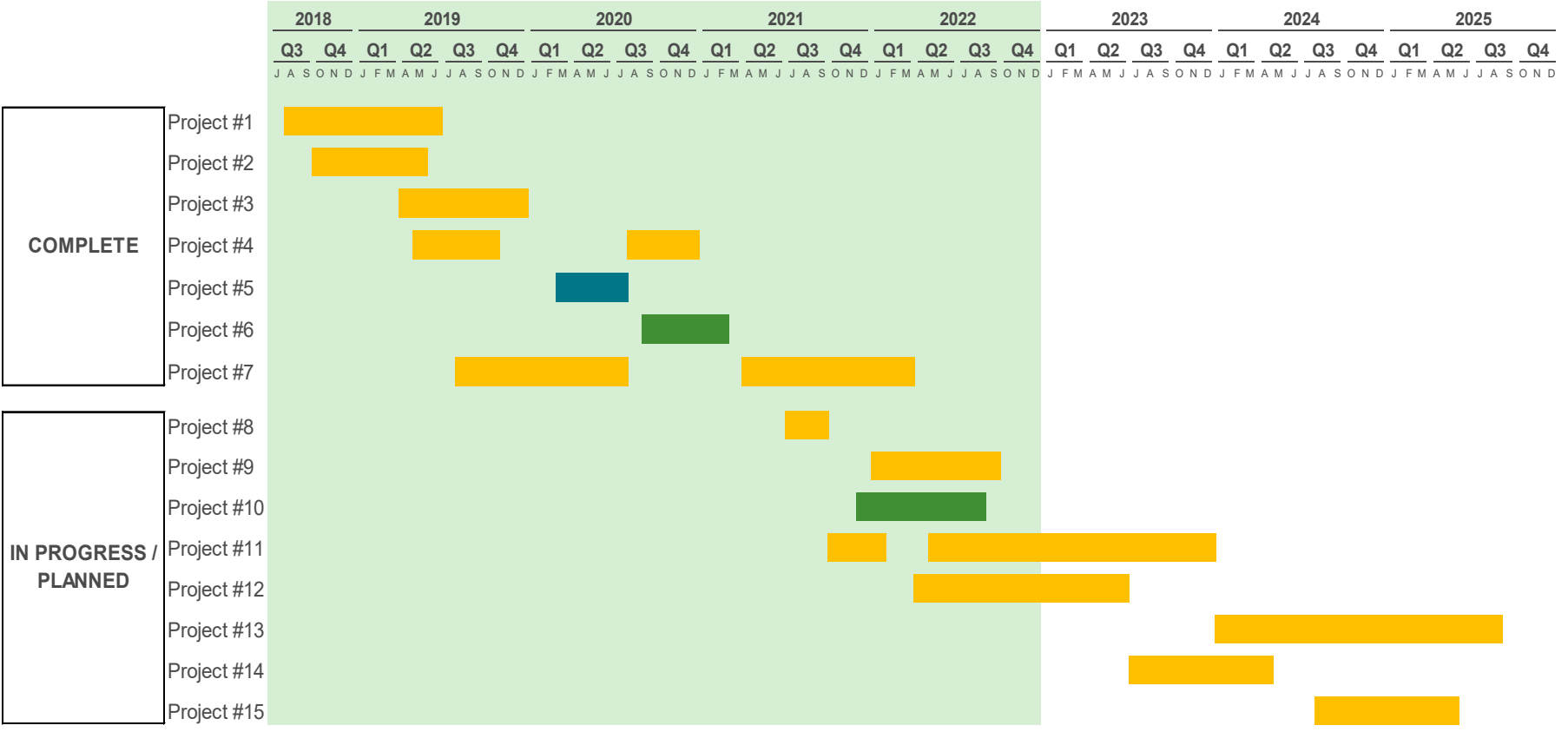


INTERFOR EASTERN CANADA OPERATIONS



MULTI-YEAR STRATEGIC CAPEX PLAN

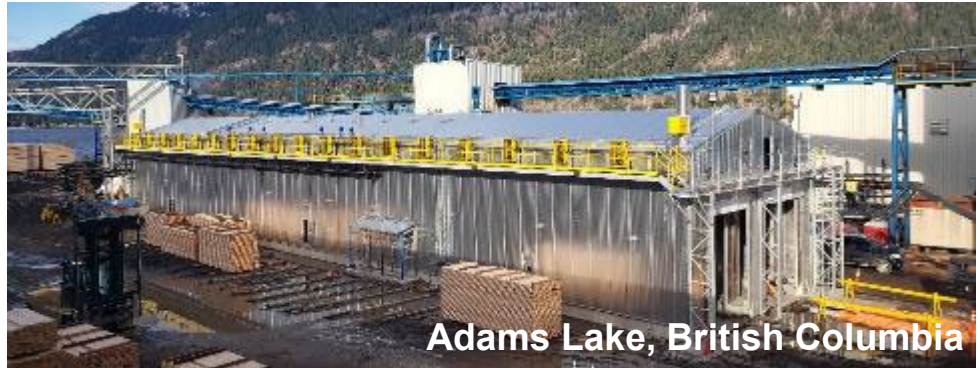
Multi-year strategic capex plan underway, primarily focused in the US South, adding ~0.6 Bbf of production between 2022 – 2025, as well as cost, efficiency and product quality improvements



■ US SOUTH
 ■ US NORTHWEST
 ■ BC INTERIOR

MULTI-YEAR STRATEGIC CAPEX PLAN

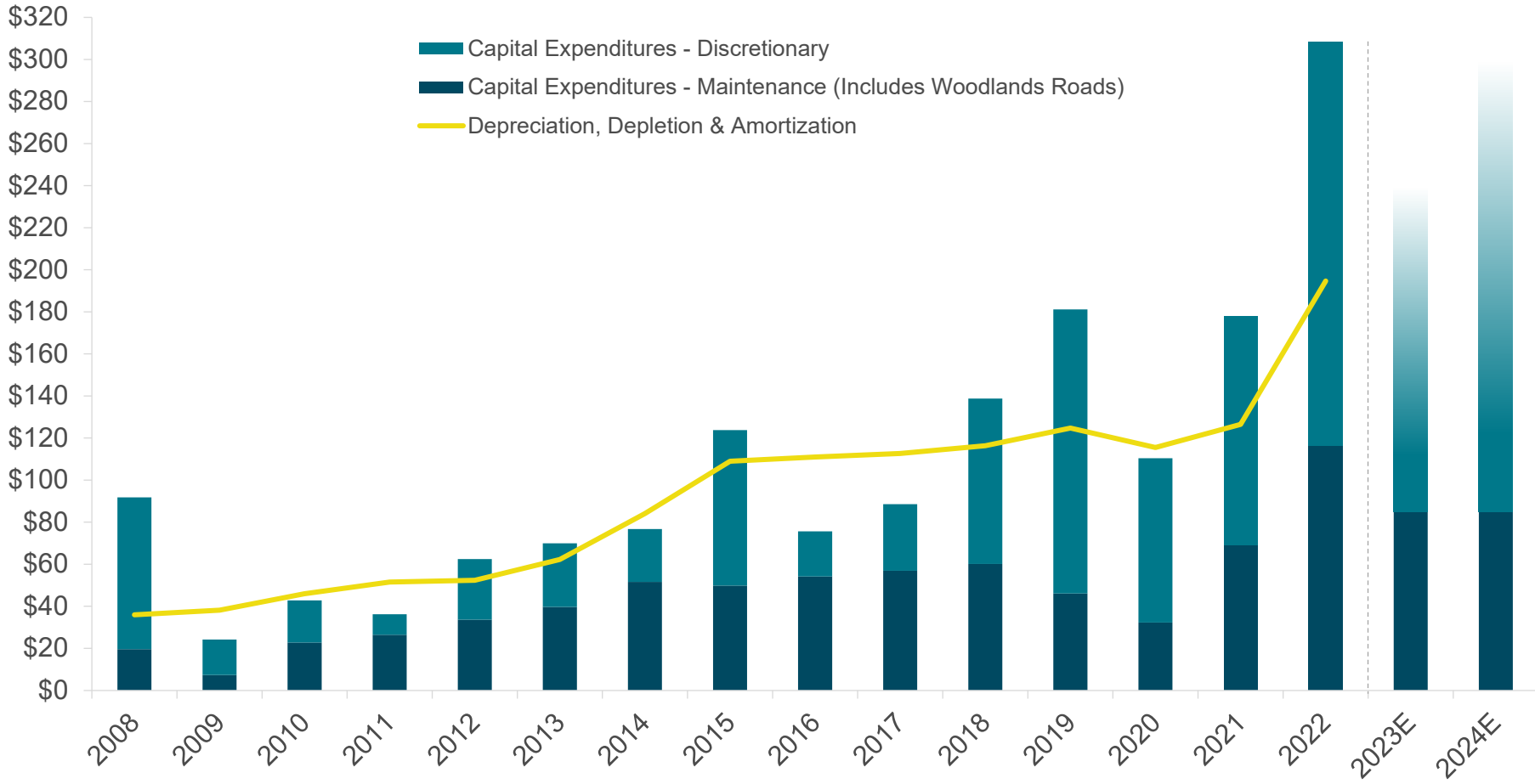
Mill rebuilds, machine center upgrades, debottlenecking & optimization projects



CAPITAL SPENDING PROFILE

Strategic investments resulting in a well-capitalized, high-margin sawmill portfolio

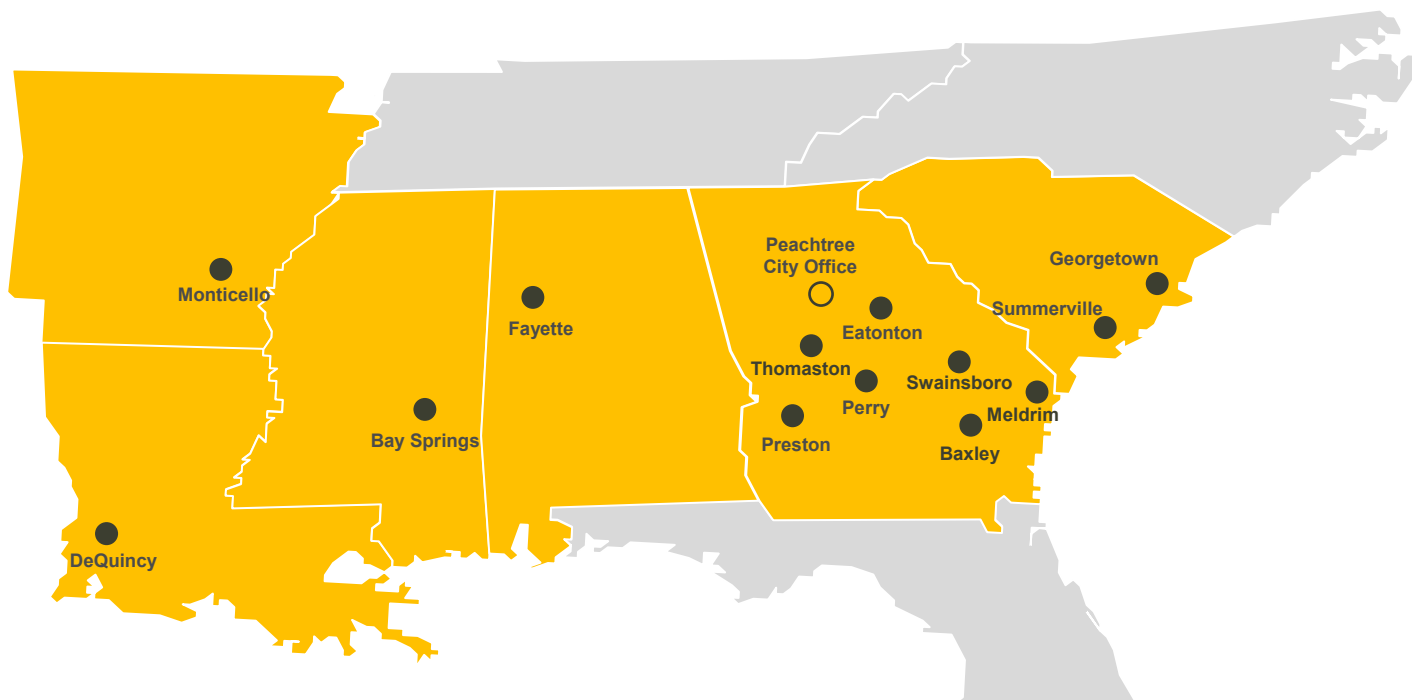
HISTORICAL CAPITAL EXPENDITURES & OUTLOOK (\$MM)



US SOUTH: CURRENT PLATFORM

In under 10 years the platform has evolved from an idea to now being one of the largest in the US South

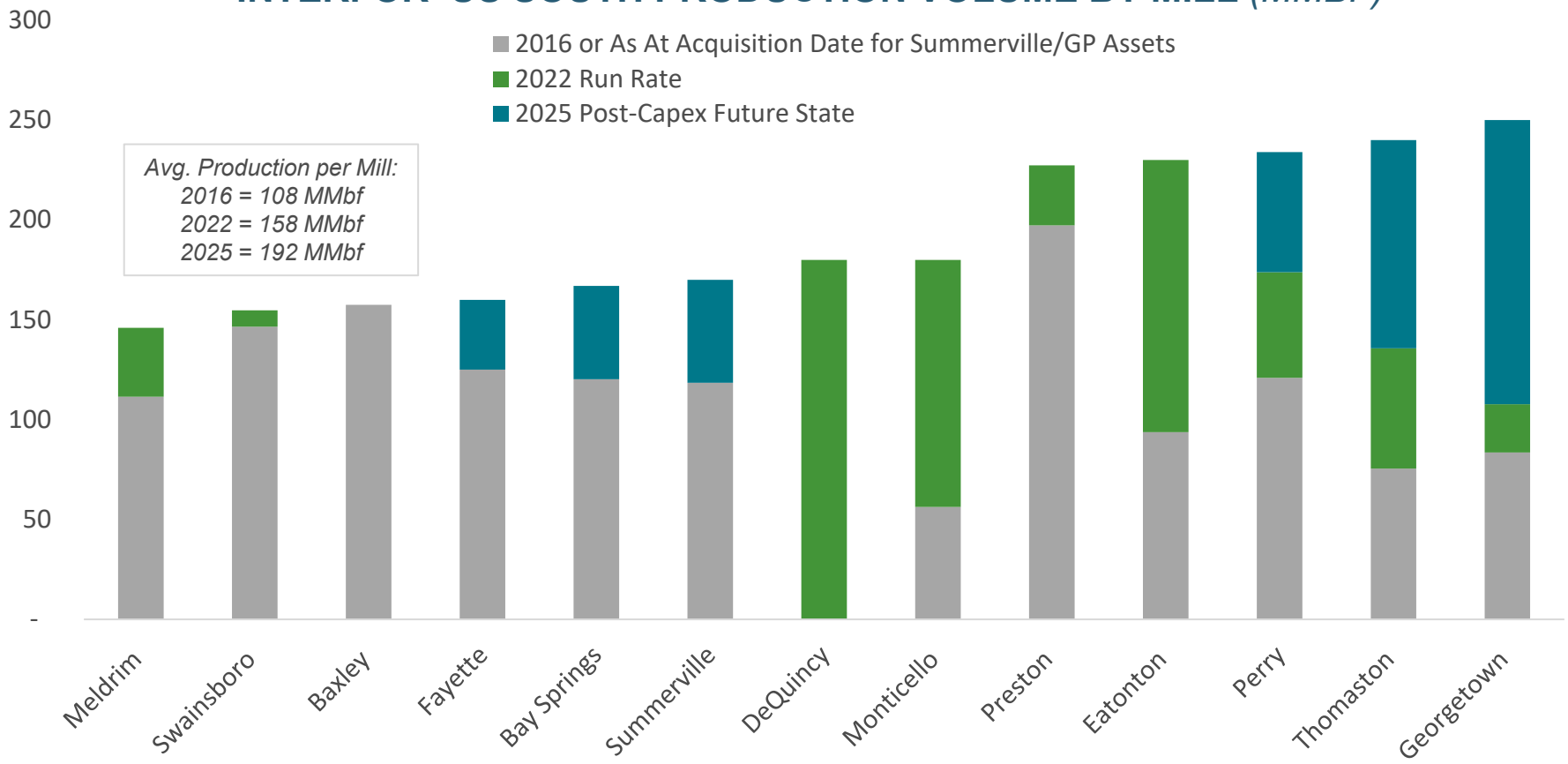
- 13 sawmills, across 6 states covering all of the east, west and central regions
- Regional office in Peachtree City
- ~2,100 employees
- 2.3 Bbf of capacity, with additional upside opportunity
- 3rd largest producer in the US South
- Largest producer in Georgia



US SOUTH: PAST, PRESENT & FUTURE STATE

Platform-wide transformation by 2025, with benefits being realized throughout the entire improvement period

INTERFOR US SOUTH PRODUCTION VOLUME BY MILL (MMBF)

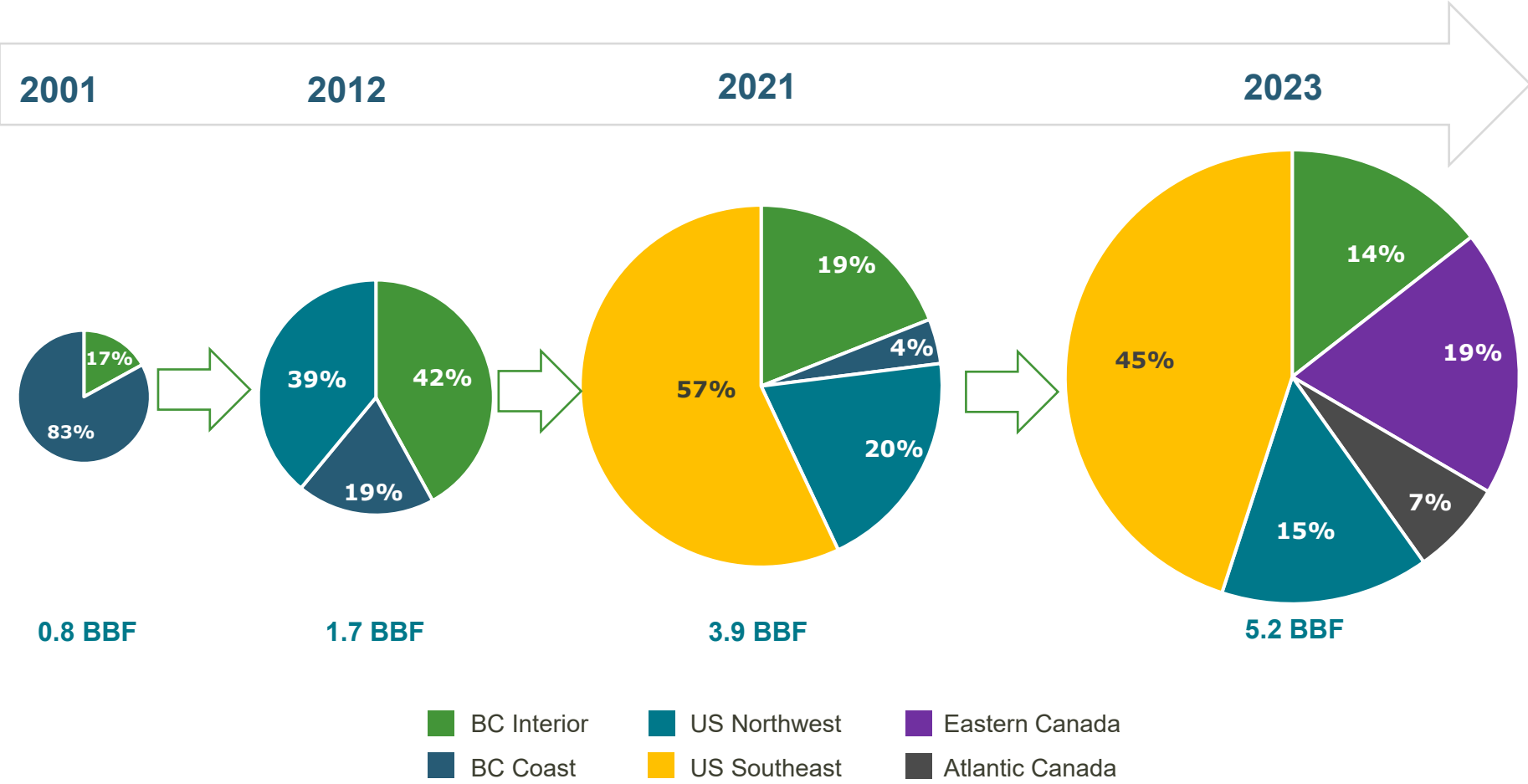




GUIDING PRINCIPLE: 3
REDUCE VOLATILITY VIA DIVERSIFICATION

GROWTH & DIVERSIFICATION STRATEGY

Long-standing strategy of growth and geographic lumber diversification (1)

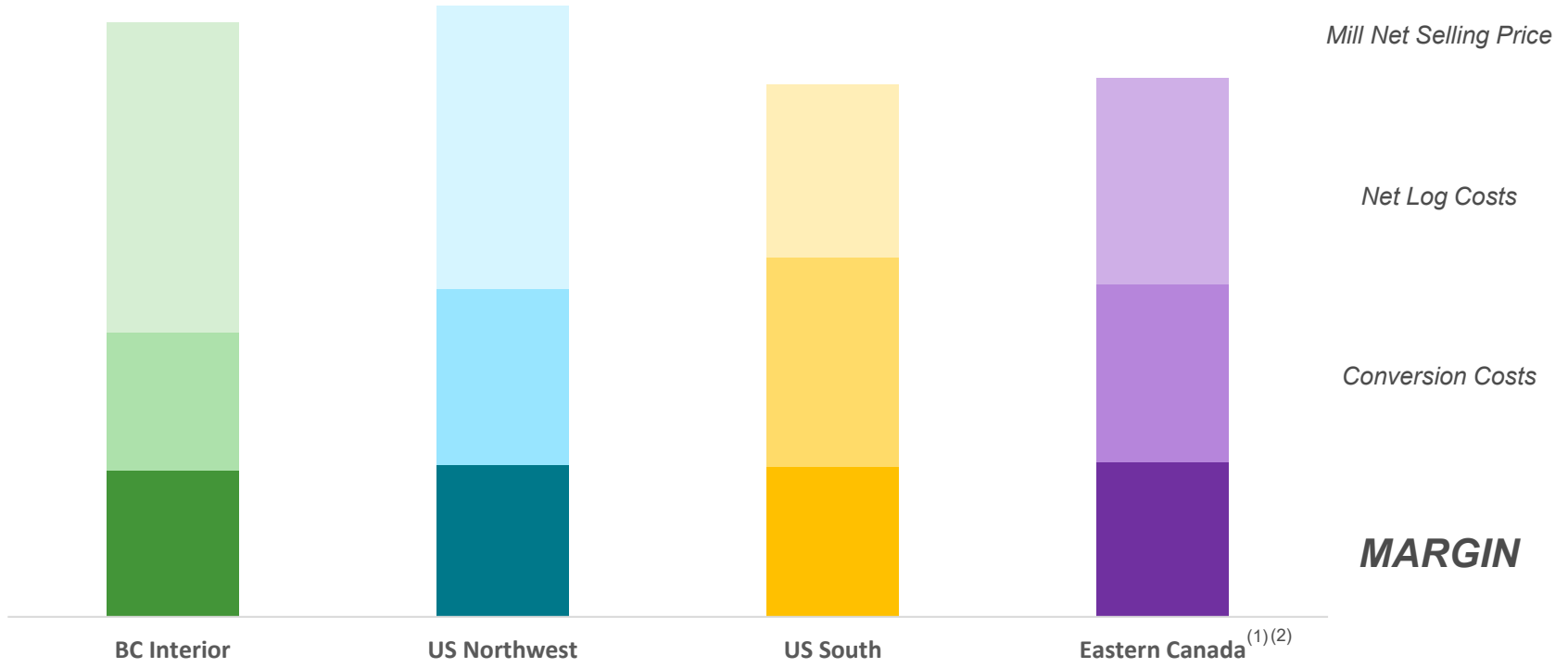


(1) Charts reflect production capacity.

REGIONAL PERFORMANCE

Consistent margins across regions over time, but achieved via different routes

INTERFOR CASH MARGIN (AVG. OF 2016-2022) (C\$/MBF)



(1) Eastern Canada includes historical results pre-acquisition of EACOM.
(2) Does not include the acquisition of Chaleur by Interfor November 30, 2022.



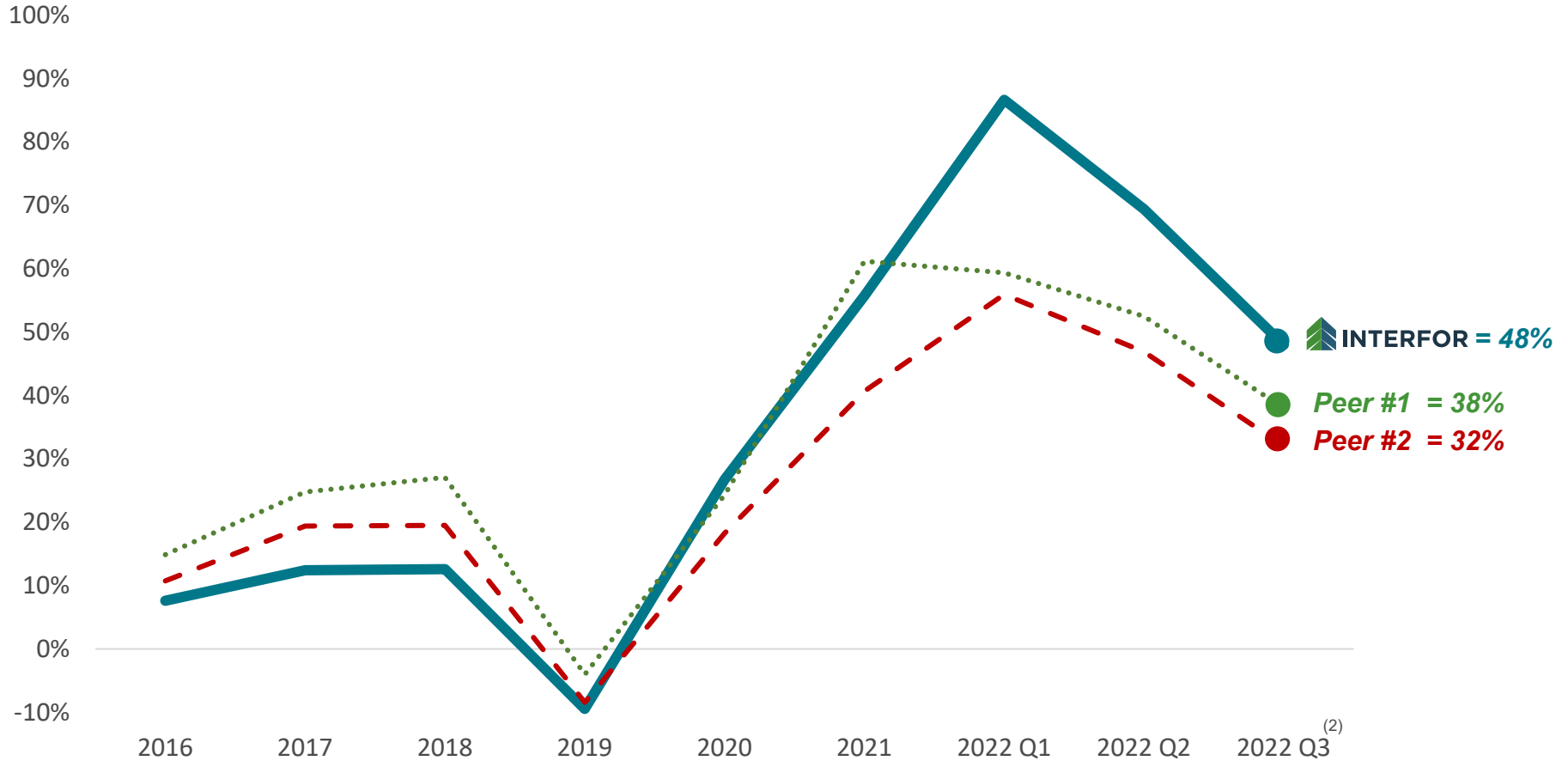
GUIDING PRINCIPLE: 4

DELIVER TRACK RECORD OF LEADING RETURNS ON CAPITAL

TOP TIER RETURN ON CAPITAL

Disciplined and balanced capital deployment is having an impact

EBIT RETURN ON CAPITAL EMPLOYED (%) ⁽¹⁾

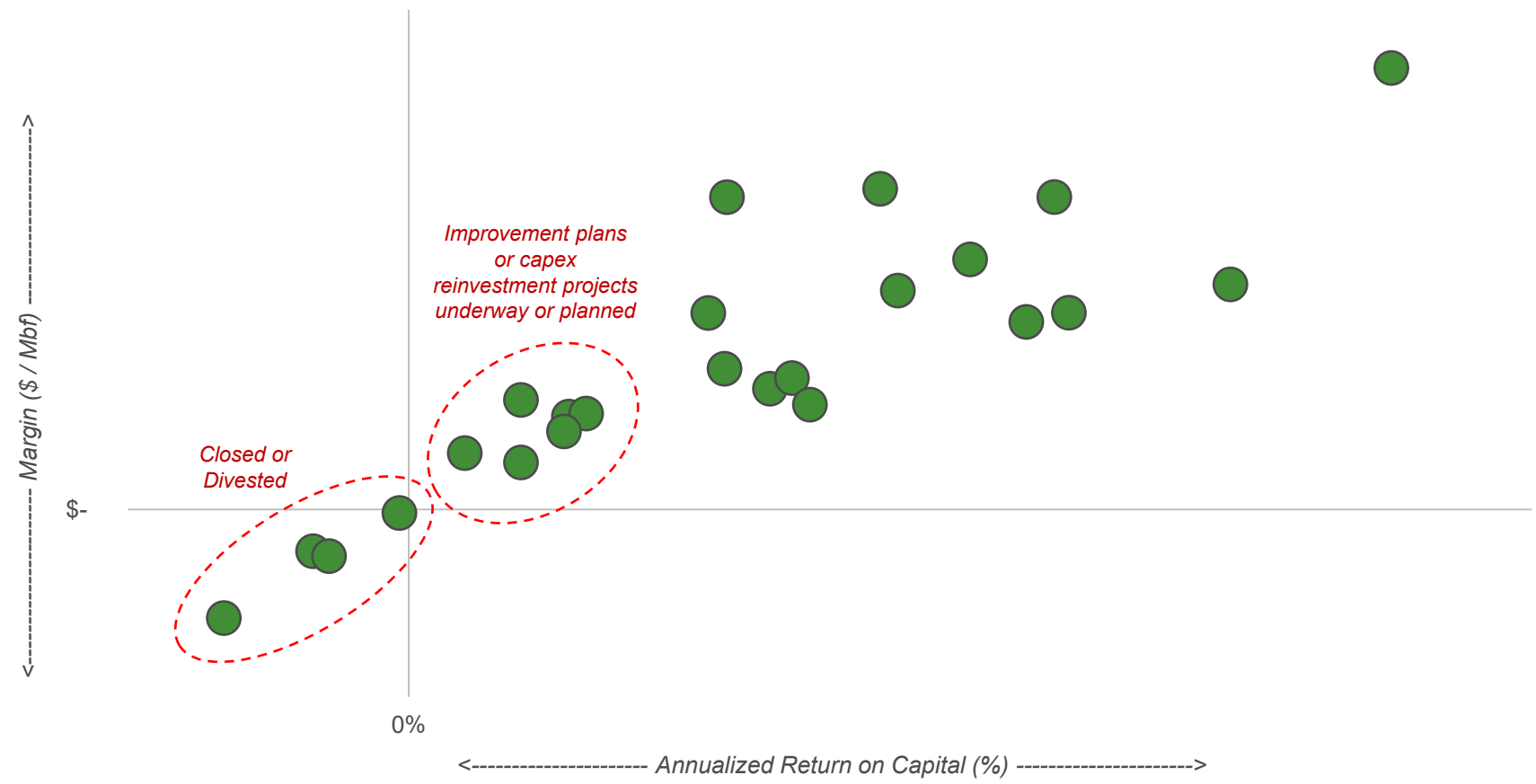


(1) Based on public filings; peers include West Fraser and Canfor.
(2) Reflects YTD through Q3-2022.

PORTFOLIO OPTIMIZATION

Proactive and regular portfolio management and optimization based on disciplined return hurdles and profitability metrics

ILLUSTRATIVE MILL-BY-MILL RETURN ON CAPITAL (%/YEAR) & MARGINS (C\$/MBF)





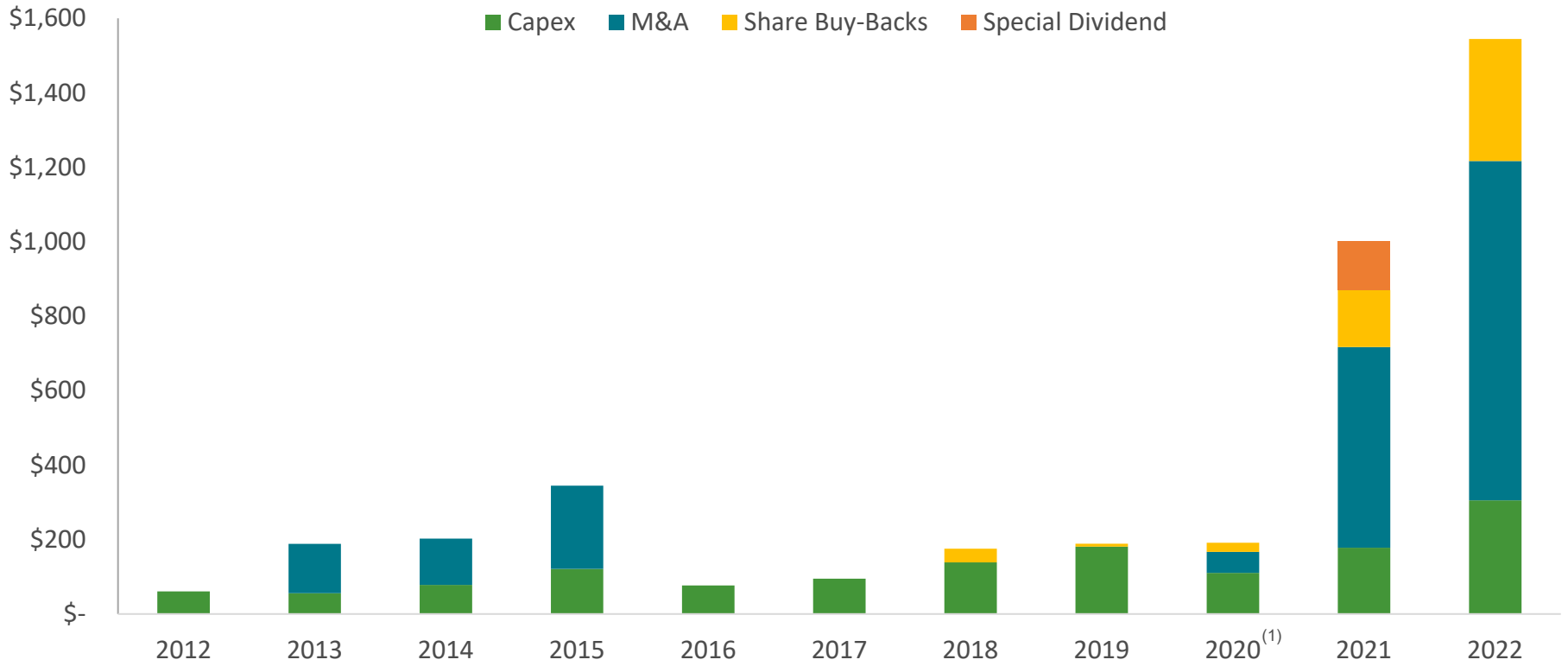
GUIDING PRINCIPLE: 5

TAKE A BALANCED APPROACH TO CAPITAL ALLOCATION

BALANCED CAPITAL ALLOCATION

Disciplined and multi-faceted capital allocation tailored to maximize returns

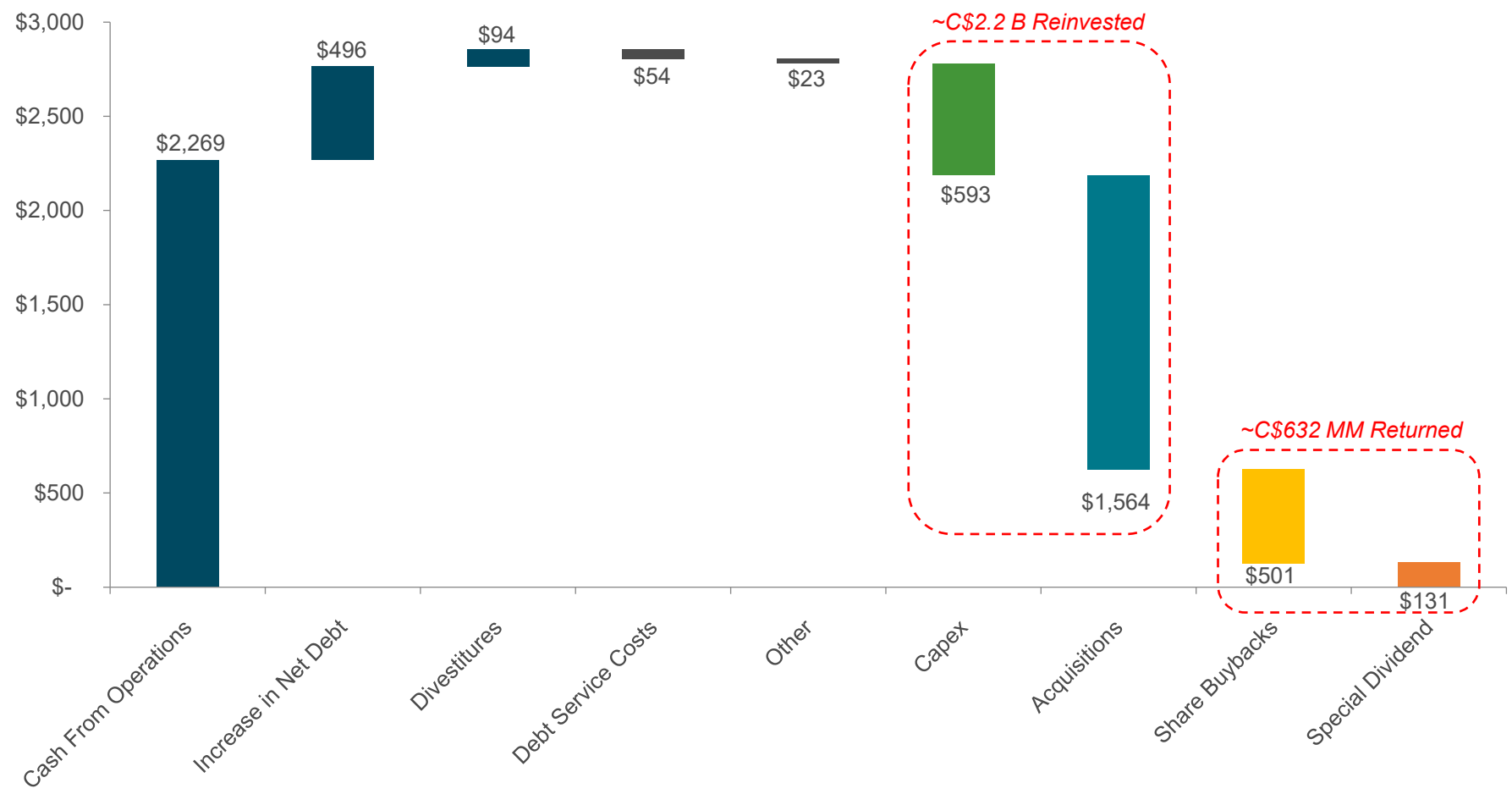
HISTORICAL CAPITAL DEPLOYMENT (\$MM)



CAPITAL DEPLOYMENT SUMMARY

Cash influx over last 3 years deployed in a disciplined and balanced manner

CAPITAL DEPLOYMENT SUMMARY – 2020 TO 2022 (\$MM) ⁽¹⁾



(1) Reflects January 1, 2020 to December 31, 2022.



GUIDING PRINCIPLE: 6

OPTIMIZE CAPITAL STRUCTURE & COST

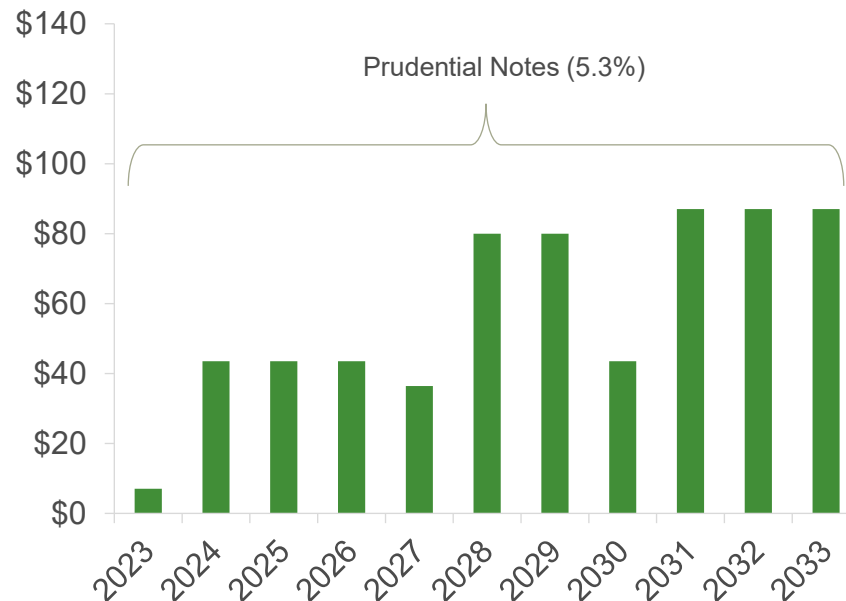
OPTIMIZED & LOW-COST CAPITAL STRUCTURE

Focused on maintaining an efficient, flexible and low-cost capital structure. Combination of long-term fixed-rate debt with no significant near-term maturities and flexible variable-rate revolving facility

CAPITAL STRUCTURE AS OF DEC 31, 2022 (\$MM)

Cash	\$78
Debt	\$798
Net Debt	\$720
Book Equity	\$2,027
Invested Capital	\$2,747
NET DEBT/INVESTED CAPITAL (%)	26.2%
Available Liquidity ⁽¹⁾	\$481
Lumber Duties on Deposit	US\$512

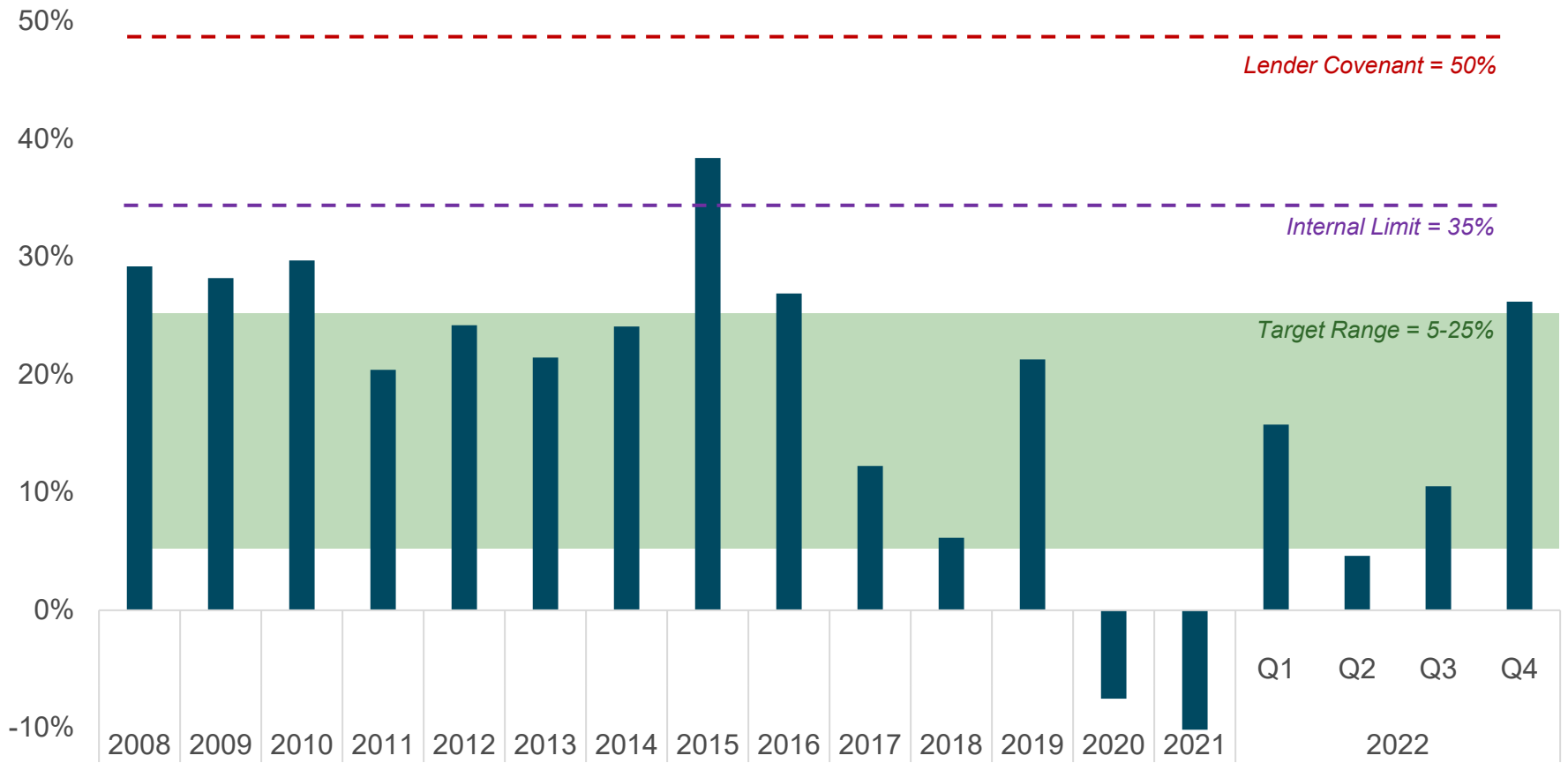
DEBT MATURITY SCHEDULE AS OF DEC 31, 2022 (\$MM)



TARGET LEVERAGE RANGE

Conservative target leverage range provides significant financial flexibility

HISTORICAL NET DEBT (CASH) – TO – INVESTED CAPITAL RATIO (%) ⁽¹⁾

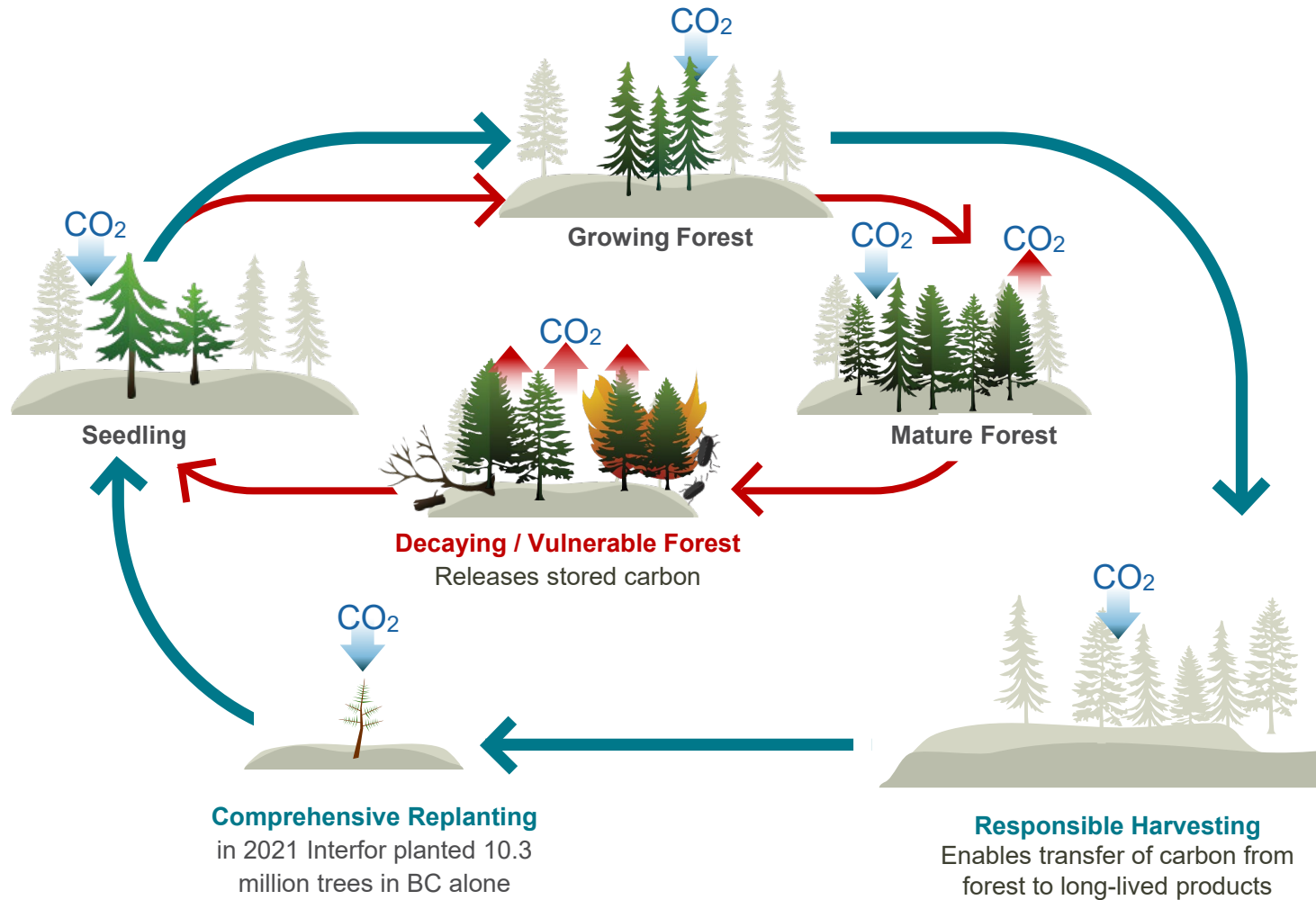




POSITIVE ESG & CARBON STORY

ENHANCING THE NATURAL CARBON CYCLE

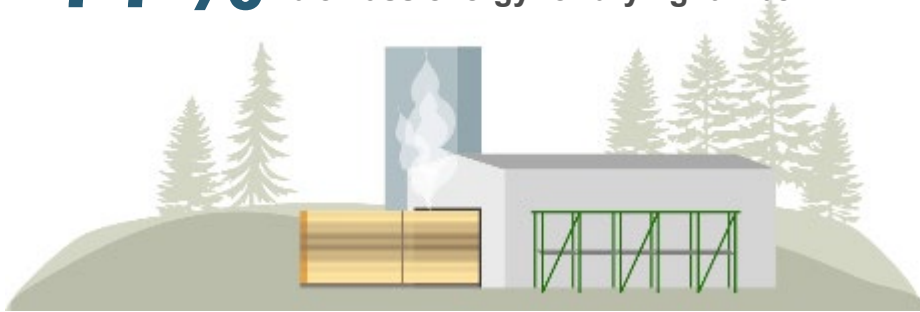
Responsible forest management increases long-term carbon storage



SUSTAINABLE MANUFACTURING

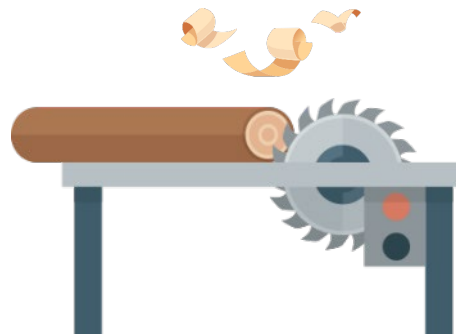
Lumber produced by Interfor stores 4x the carbon emitted in all phases of its production

77% of Interfor sites with kilns use renewable biomass energy for drying lumber



~400,000 tonnes of CO₂e avoided annually by using biomass instead of burning fossil fuels

100%
usage of every log delivered



4.4 MM

tonnes of CO₂ stored in lumber sold by Interfor in 2021

VS.

1.1 MM

tonnes of CO₂e emitted by Interfor and the upstream supply chain combined in 2021, comprising direct fossil fuel, biogenic and electricity emissions

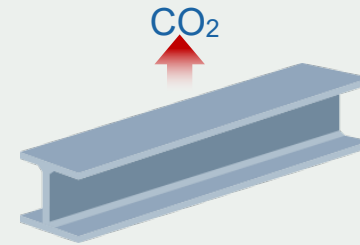
LUMBER: LOW-CARBON BUILDING MATERIAL

Lumber is a climate-friendly building product vs. other alternatives

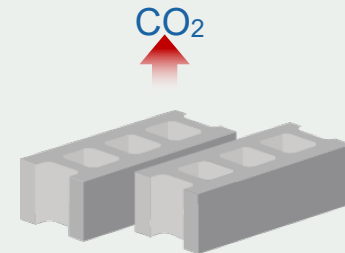


1m² of a building constructed using
wood wall studs
Stores net 16.7kg CO₂*

Compared to the use of:



Steel
Emits 18.0kg CO₂*



Concrete
Emits 27.5kg CO₂*

RESPONSIBILITY AT THE HEART OF THE COMPANY

Integrating ESG standards throughout our business and strategy

ENVIRONMENT



Climate:

- We contribute meaningfully to the global effort to combat climate change, through sustainable forest management and manufacturing sustainable building materials
- Our climate strategy assesses climate-related risks and opportunities; we are positioned for resilience
- We manage our own environmental impacts and minimize waste, through using renewable energy, optimizing logistics, and investing in our sawmills to improve their efficiency

Biodiversity and Conservation:

- We are leaders in protecting biodiversity, wildlife, and forests of high conservation value
- We have independent, third party sustainable forestry and chain-of-custody certifications

Environmental Management:

- We maintain an environmental management system (EMS) for all our manufacturing facilities and harvesting operations
- We have environmental monitoring programs for water use, air emissions, waste management, fuel handling and spill prevention

SOCIAL



Safety:

- We embrace world-leading safety standards and target zero Medical Incident Rate (MIR) and Lost Time Frequency Rate (LTFR) metrics, because our goal is to never hurt anyone
- We are leaders in safety: Our MIR and LTFR are at levels well below the industry average and trending downward

People:

- Our focus on employee training, development, internal promotion, competitive compensation, and diversity demonstrates our commitment to our people
- We have goals and action plans to increase the representation of women and people of color in our workforce

Community Partnerships:

- We have signed agreements with 35 of the First Nations with whom we work, supporting shared business opportunities, training and capacity building
- We engage meaningfully with, support, and give back to the communities in which we operate

GOVERNANCE



ESG Oversight:

- 91% of directors are independent; 30% of directors are women; Chair of the Board is independent
- Board-level oversight of all ESG factors, including Board committees with oversight over:
 - Environmental and safety
 - Employees and compensation
 - Governance, corporate responsibility and human rights
 - Financial reporting and information system security
- Our annual Sustainability Report provides in-depth and meaningful information to investors
- Our Code of Conduct & Ethics, including our core values, applies to all directors, officers and employees
- We have a confidential whistleblower hotline to encourage employees, contractors, vendors and the general public to report any concerns



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