



US SOUTH OPERATIONS TOUR

SEPTEMBER 2022

Picture Above: In-progress rebuild of Interfor's Eatonton, Georgia mill in 2021

FORWARD-LOOKING INFORMATION & NON-GAAP MEASURES

Forward-Looking Information:

This release contains forward-looking information about Interfor Corporation's ("Interfor" or the "Company") business outlook, objectives, plans, strategic priorities and other information that is not historical fact. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. Statements containing forward-looking information in this release, include but are not limited to, statements regarding production capacity, facility restart plans and ramp-up timelines, pro-forma capacity, expected earnings and returns, pro-forma debt ratios, liquidity, borrowing capacity, regulatory approvals and the expected closing date, and other relevant factors. Readers are cautioned that actual results may vary from the forward-looking information in this release, and undue reliance should not be placed on such forward-looking information. Risk factors that could cause actual results to differ materially from the forward-looking information in this release are described in Interfor's annual Management's Discussion & Analysis under the heading "Risks and Uncertainties", which is available on www.interfor.com and under Interfor's profile on www.sedar.com. Material factors and assumptions used to develop the forward-looking information in this report include volatility in the selling prices for lumber, logs and wood chips; the Company's ability to compete on a global basis; the availability and cost of log supply; natural or man-made disasters; currency exchange rates; changes in government regulations; 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 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.

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.



WELCOME & OBJECTIVES

IAN FILLINGER

TOUR OBJECTIVES

EXTERNAL STAKEHOLDERS / TOUR GUESTS

**Enhance Confidence in Interfor's
Strategic Plan & Ability to Execute**

Better Understand Interfor's Strategy &
Approach to Value Creation

Meet the Team & Understand the Depth
of Interfor's Organization

Strengthen Relationships With Interfor
Management



**Enhance Shareholder Value &
Demonstrate That a Premium Valuation
Multiple is Warranted**

Strengthen Relationships With Key
External Stakeholders

AGENDA

1. **Welcome & Objectives** Ian Fillinger
2. **Introductions & Itinerary** Ian Fillinger
3. **Value Creation:**
 - **Track Record** Rick Pozzebon
 - **Guiding Principles** Rick Pozzebon / Mike Mackay / Mike Standbrook
4. **US South Operations:**
 - **Evolution of the Region** Ian Fillinger
 - **Operational Excellence:**
 - Woodlands Wes Godbee
 - Manufacturing Bruce Luxmoore
 - People Tim Hartnett
 - Product Mix, Sales & Logistics Bart Bender / Donna Whitaker
 - DeQuincy Restart Case Study Bruce Luxmoore
 - **Capital Investments:**
 - Approach to Capital Investments Steve Scott / Jamie Griffin
 - Eatonton, Georgetown & Summerville Bruce Luxmoore
5. **Sustainability** Xenia Kritsos
6. **Wrap-Up & Key Takeaways** Ian Fillinger



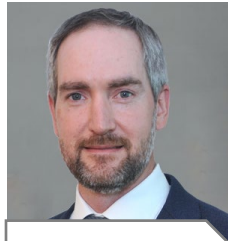
INTRODUCTIONS & ITINERARY

IAN FILLINGER

INTERFOR TEAM



IAN FILLINGER
PRESIDENT &
CEO



RICK POZZEBON
SVP & CFO



BRUCE LUXMOORE
SVP, SOUTHERN
OPERATIONS



BART BENDER
SVP, SALES &
MARKETING



TIM HARTNETT
SVP, HUMAN
RESOURCES



XENIA KRITSOS
GENERAL
COUNSEL &
CORPORATE
SECRETARY



MIKE MACKAY
VP, CORP.
DEVELOPMENT &
STRATEGY



**MIKE
STANDBROOK**
VP & CORP.
TREASURER



STEVE SCOTT
VP, CAPITAL
PROJECTS



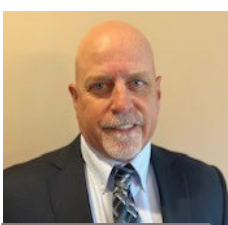
WES GODBEE
VP, SOUTHERN
WOOD
PROCUREMENT



**DONNA
WHITAKER**
VP, SALES &
MARKETING,
SOUTH



DAN CADWALADR
VP, SOUTHERN
OPERATIONS



NICK AUSMAN
VP, SOUTHERN
OPERATIONS



JAMIE GRIFFIN
VP, OPERATIONS
FINANCE



**SVETLANA
KAYUMOVA**
MGR, CORP.
AFFAIRS

TOUR ITINERARY

Time	Event
Tuesday September 20	
AM	Management Presentations
AM	Peachtree City Office Tour
PM	Eatonton Mill Tour
Wednesday September 21	
AM	Logging Site Tour
PM	Georgetown Mill Tour
Thursday September 22	
AM	Summerville Mill Tour
PM	Group Activities - Depart



VALUE CREATION

RICK POZZEBON



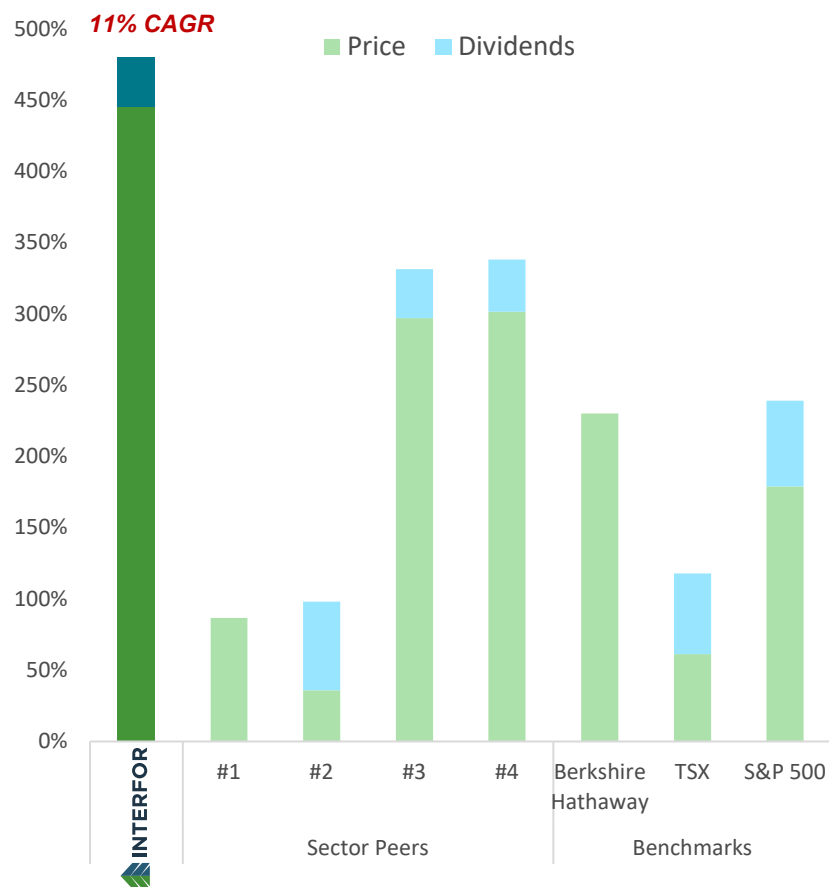
VALUE CREATION: TRACK RECORD

RICK POZZEBON

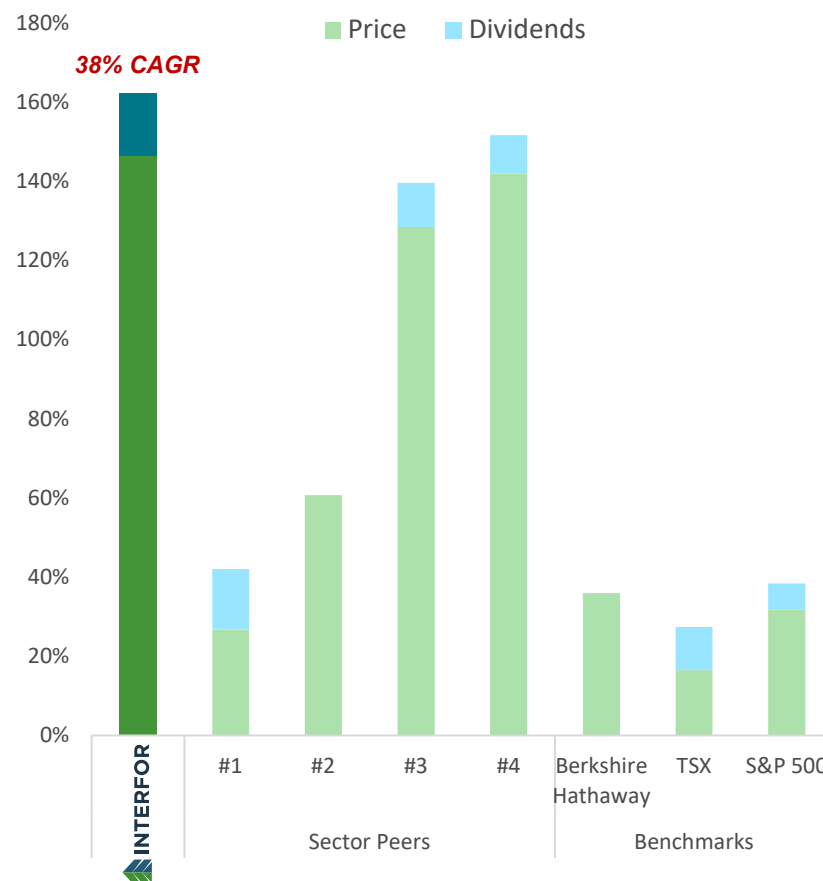
TRACK RECORD OF VALUE CREATION

Track record of leading returns, both long-term and shorter-term

TOTAL RETURN – PAST 15 YEARS ⁽¹⁾ (%)

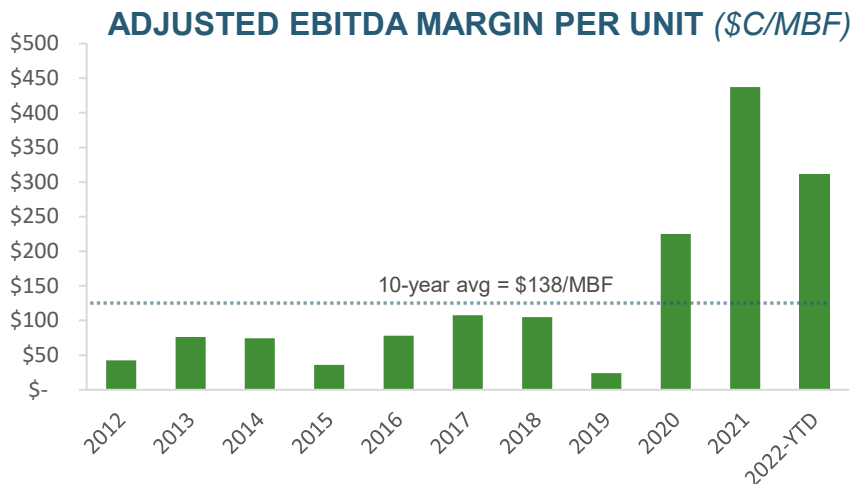


TOTAL RETURN – PAST 3 YEARS ⁽¹⁾ (%)

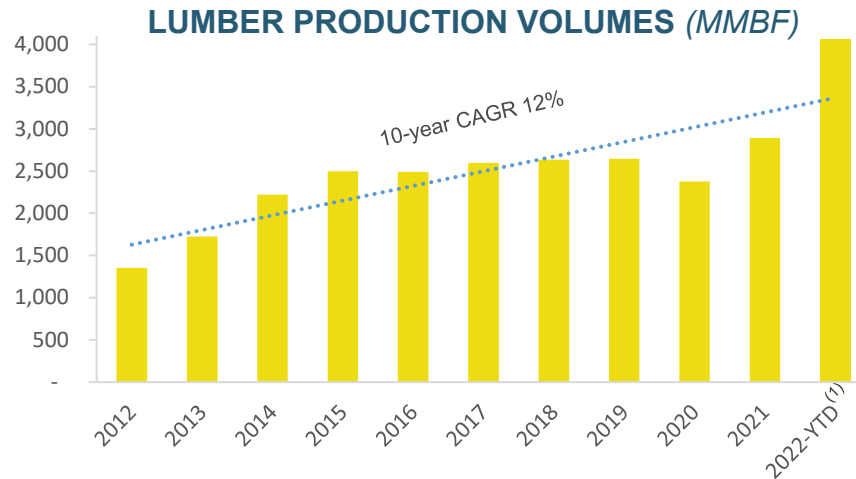


CURRENT VALUE PROPOSITION

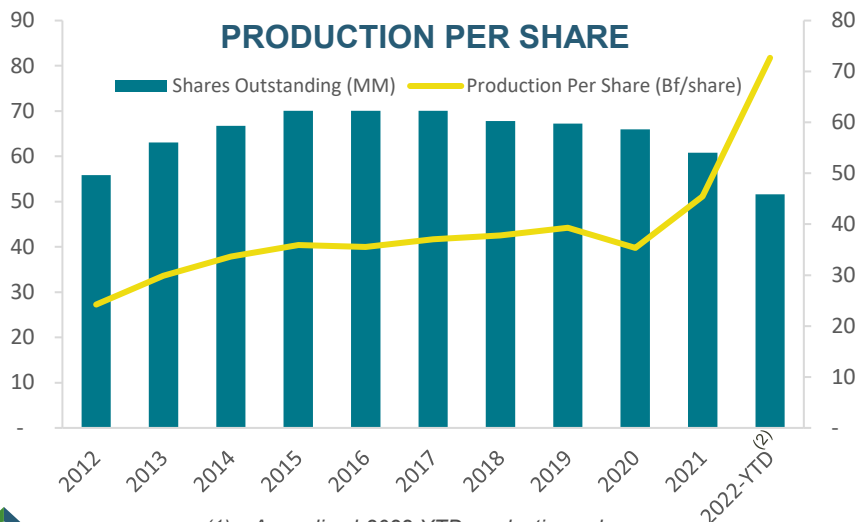
Attractive Earnings Through the Cycle



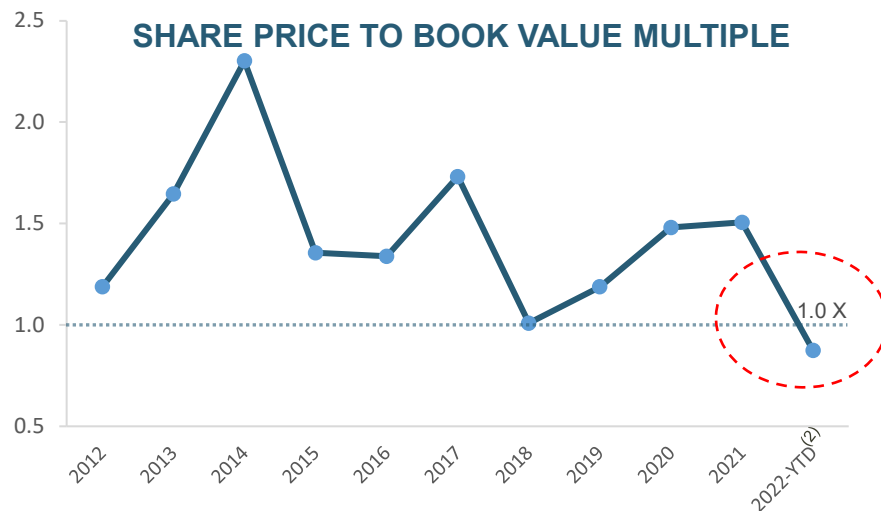
Consistently Growing Volumes



Increasing Leverage to Production



Attractive Valuation Metrics



(1) Annualized 2022-YTD production volume.

(2) Pro forma \$100 MM Substantial Issuer Bid announced July 26, 2022; market and book value prices per share as of December 31st each year, except 2022 market price as of August 3, 2022



VALUE CREATION: GUIDING PRINCIPLES

RICK POZZEBON / MIKE MACKAY / MIKE STANDBROOK

GUIDING PRINCIPLES TO VALUE CREATION

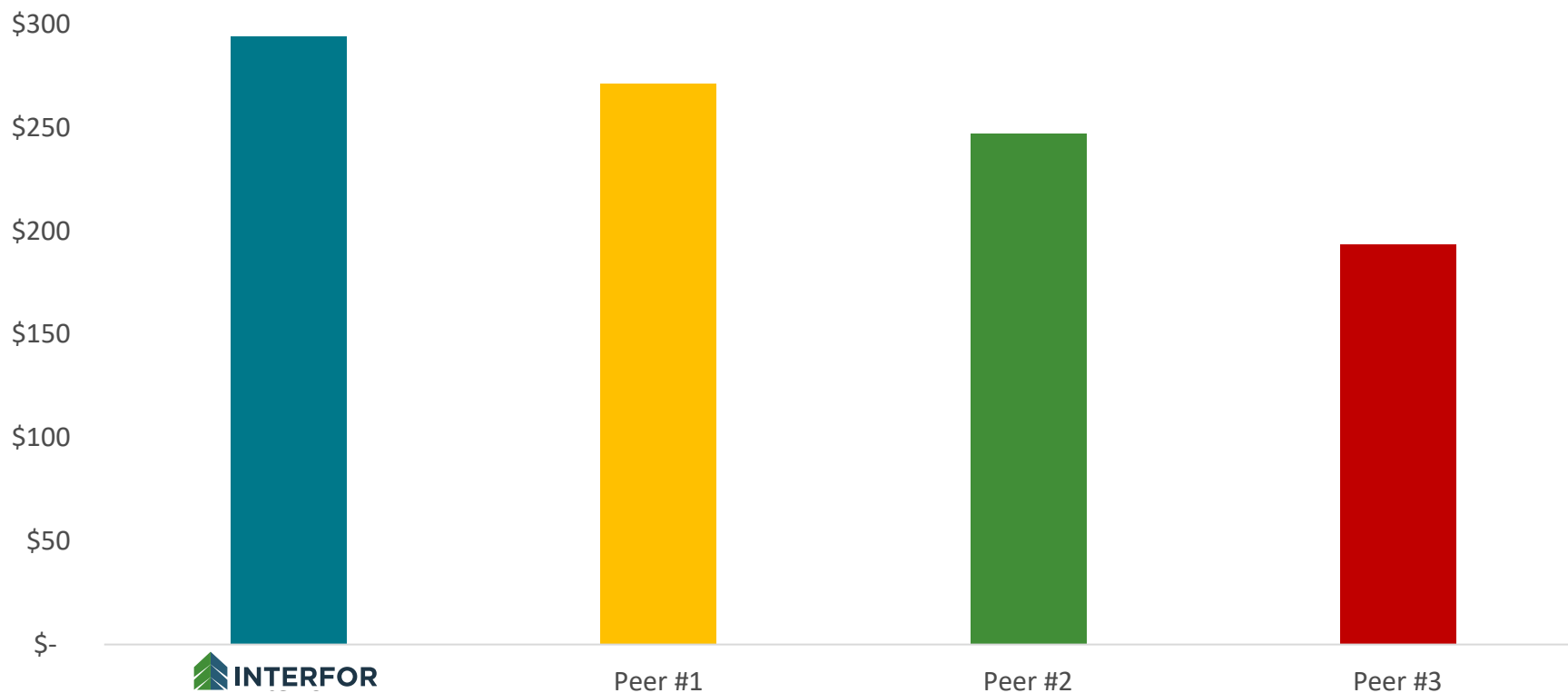
Multi-pronged approach to creating value; all items required for success

	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

OPERATIONAL EXCELLENCE

Focus on operational excellence reflected in superior margin performance

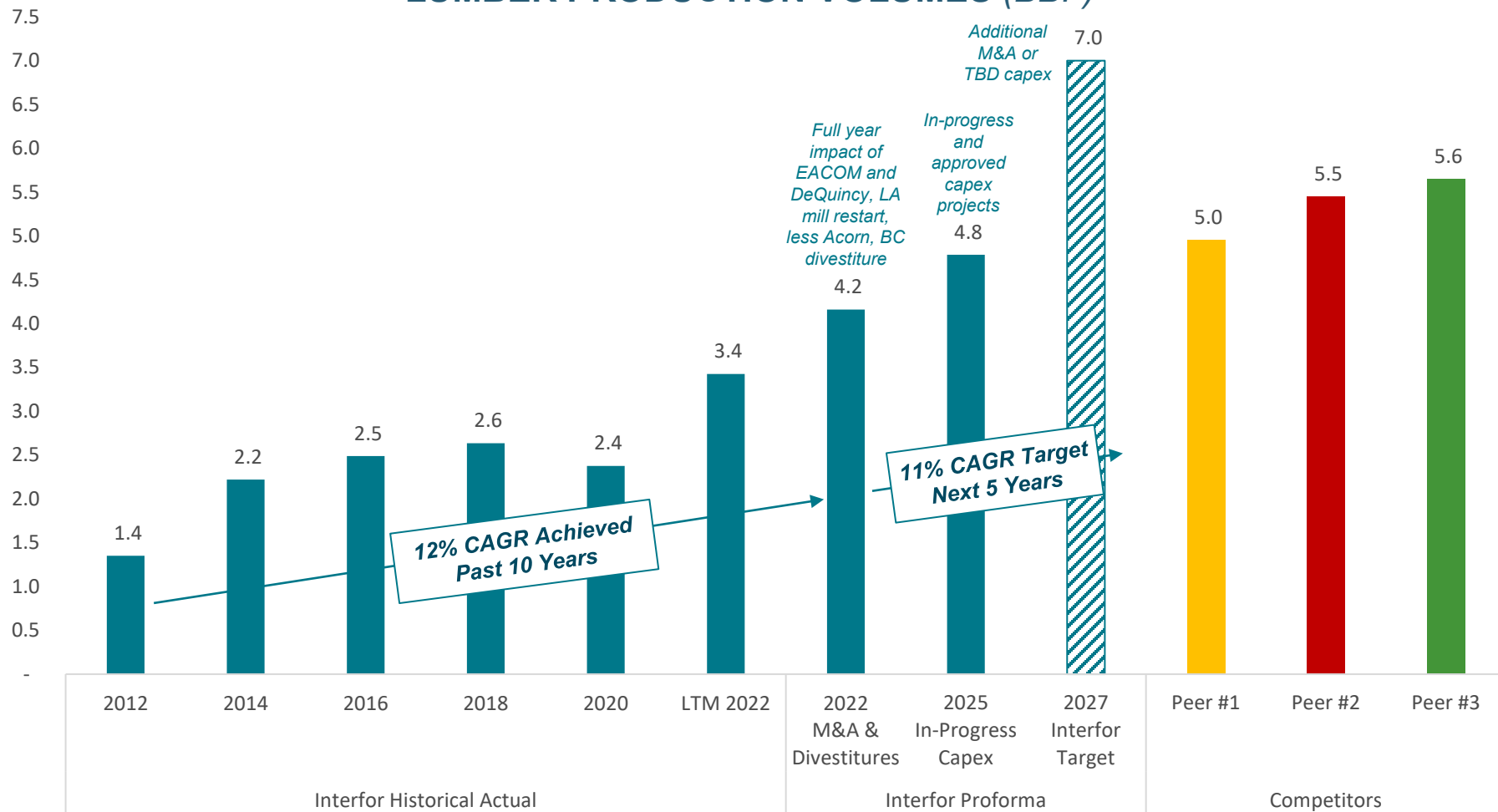
LUMBER SEGMENT ADJ. EBITDA MARGINS – 2019 TO 2022 YTD (C\$/MBF) ⁽¹⁾



TRANSFORMATIONAL GROWTH

Goal is to transform into THE major global lumber producer

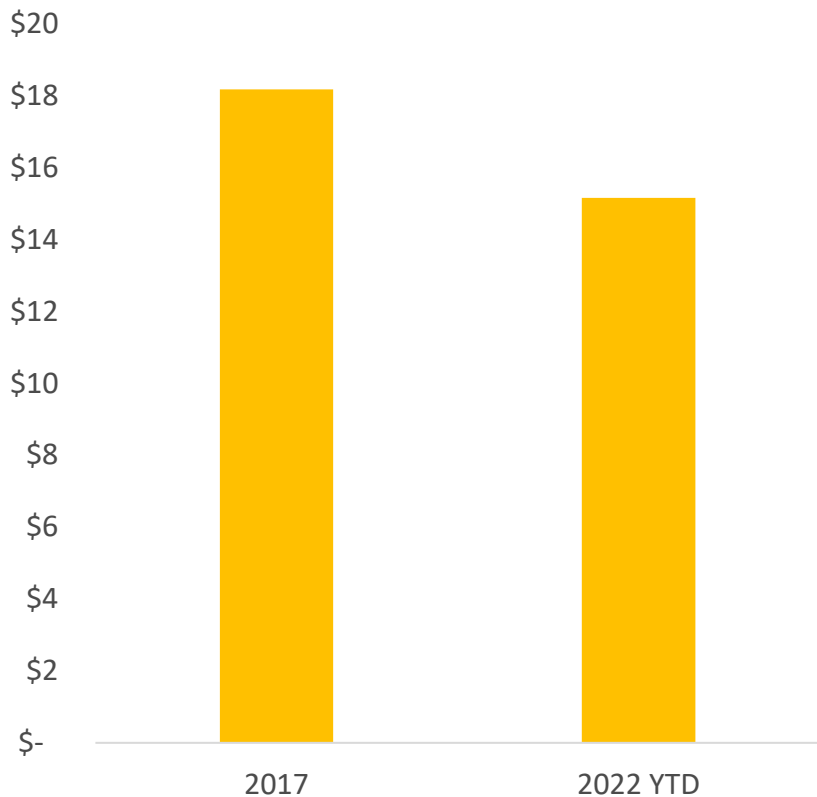
LUMBER PRODUCTION VOLUMES (BBF) (1)



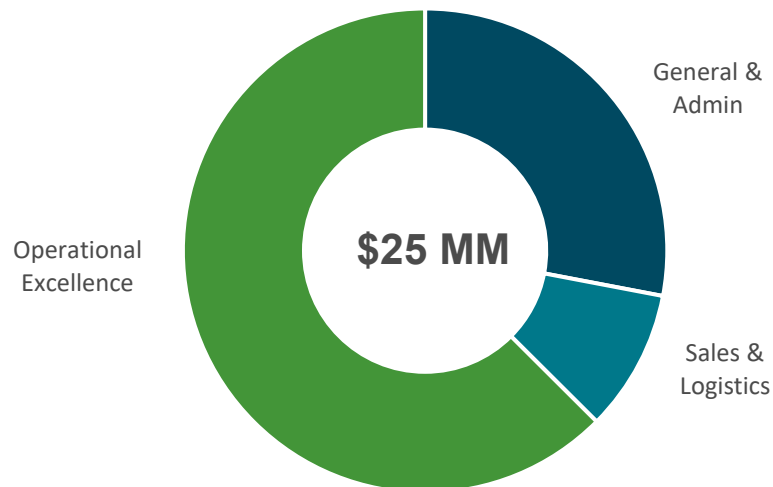
BENEFITS OF SCALE

Leveraging growth for corporate and operational economies and synergies

SG&A (1) EXPENSES / SHIPMENT (\$/MBF)



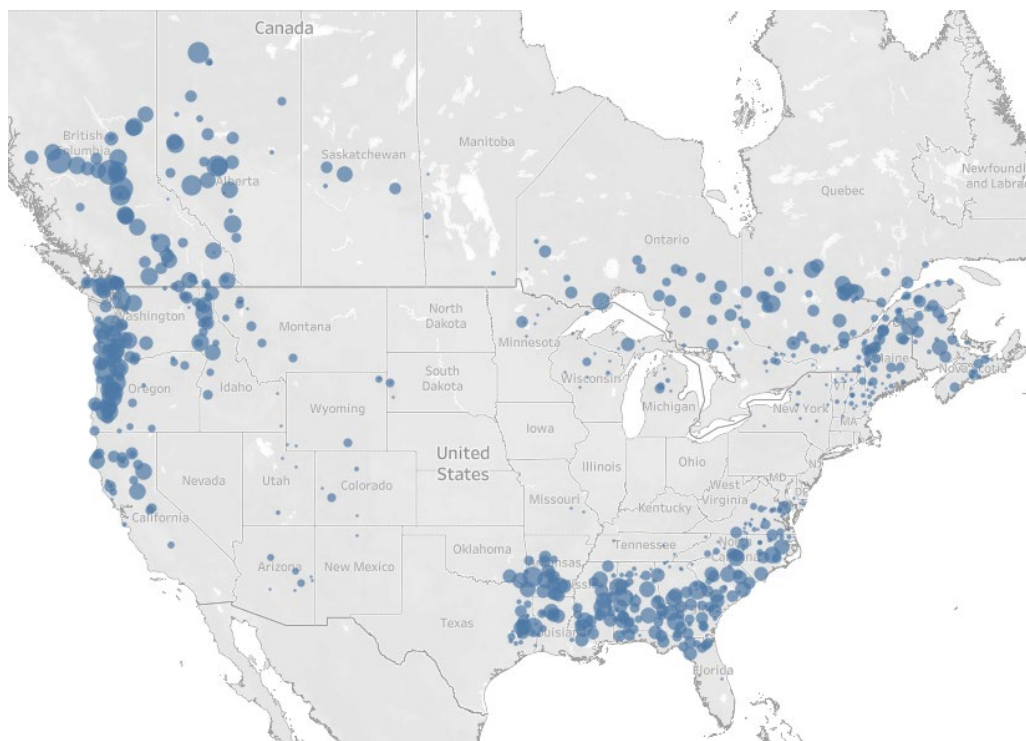
2022 EACOM ACQUISITION ANNUAL SYNERGIES (\$MM)



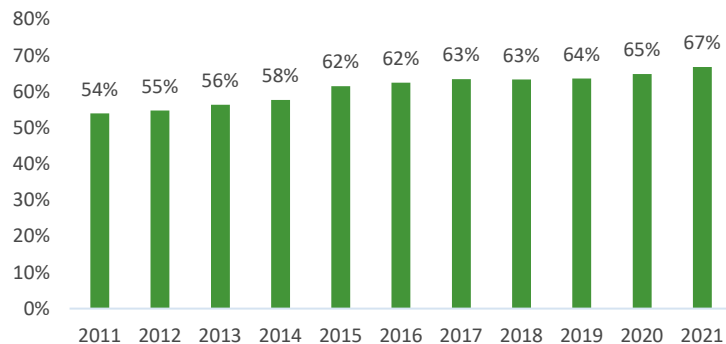
GROWTH OPPORTUNITY

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

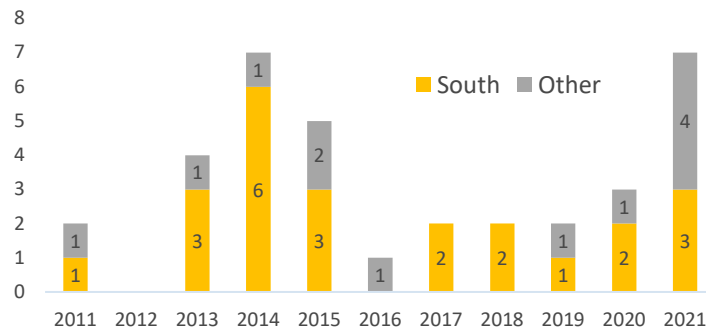
N.A. SOFTWOOD LUMBER MILLS



% SHARE TOP 30 N.A. PRODUCERS

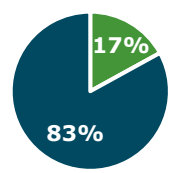
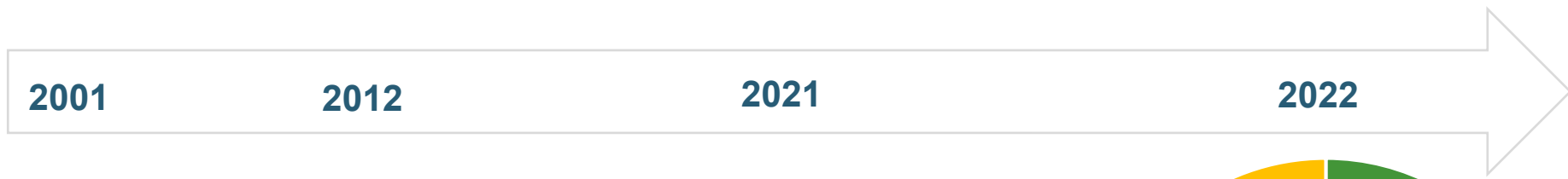


OF N.A. M&A DEALS BY REGION

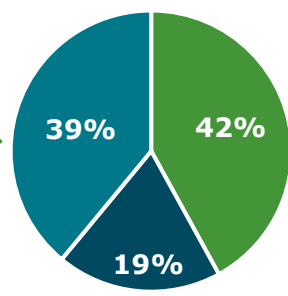


REGIONAL DIVERSIFICATION STRATEGY

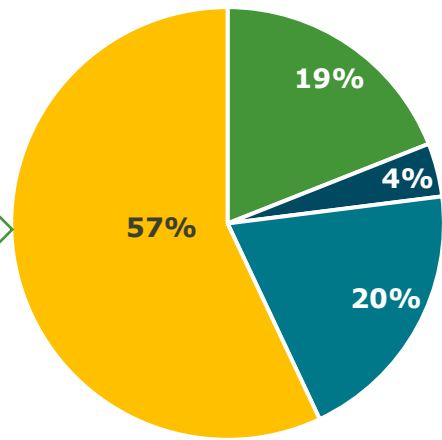
Long-standing strategy of geographic lumber diversification (1)



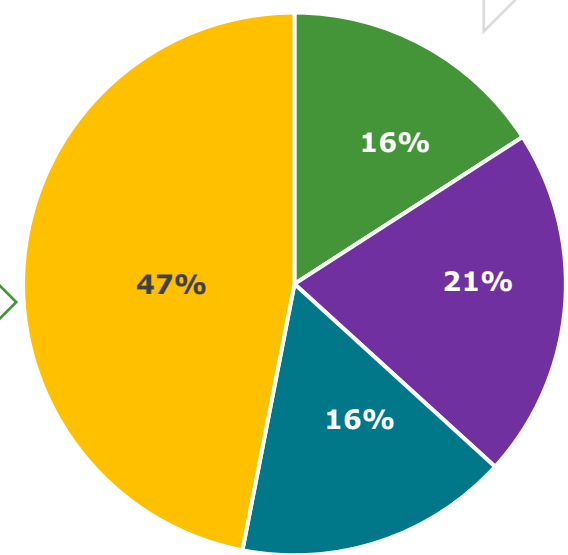
0.8 BBF



1.7 BBF



3.9 BBF



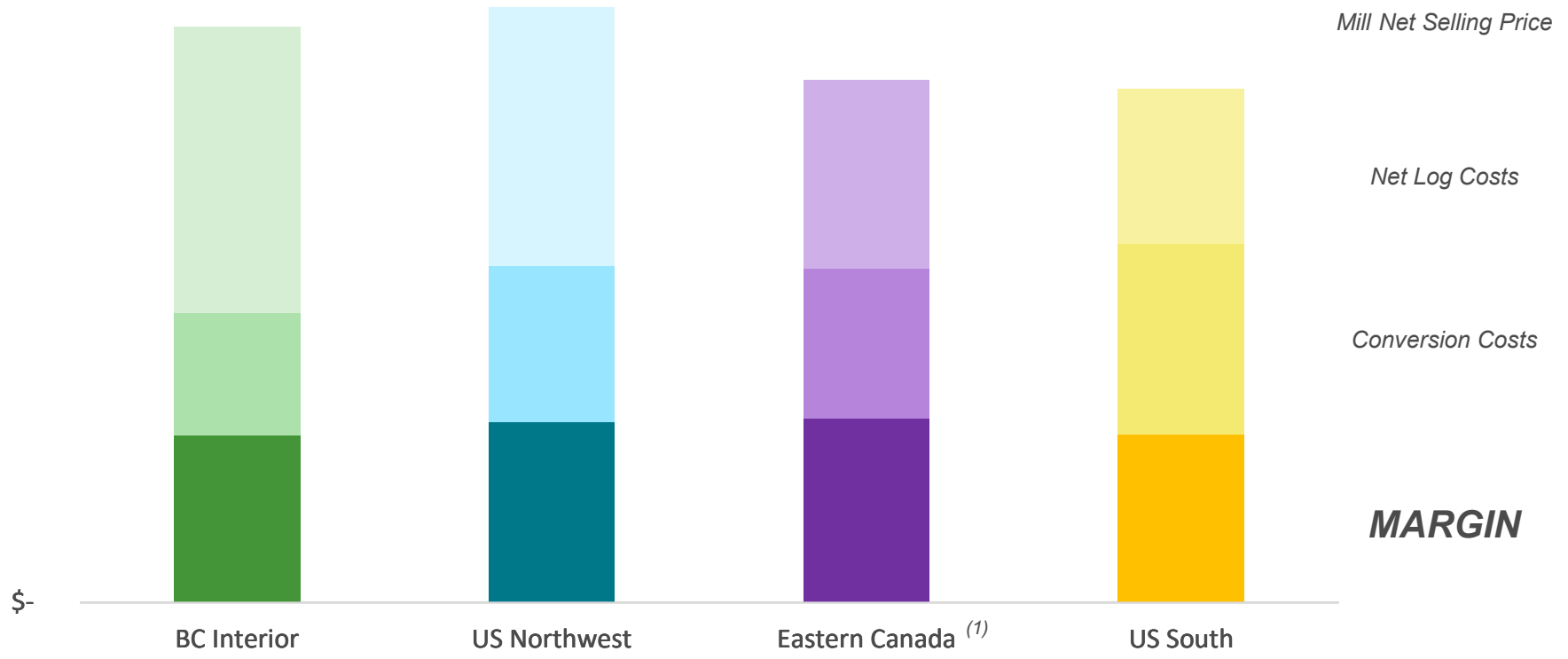
4.7 BBF

- BC Interior
- US Northwest
- Eastern Canada
- BC Coast
- US Southeast

REGIONAL DIVERSITY & PERFORMANCE

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

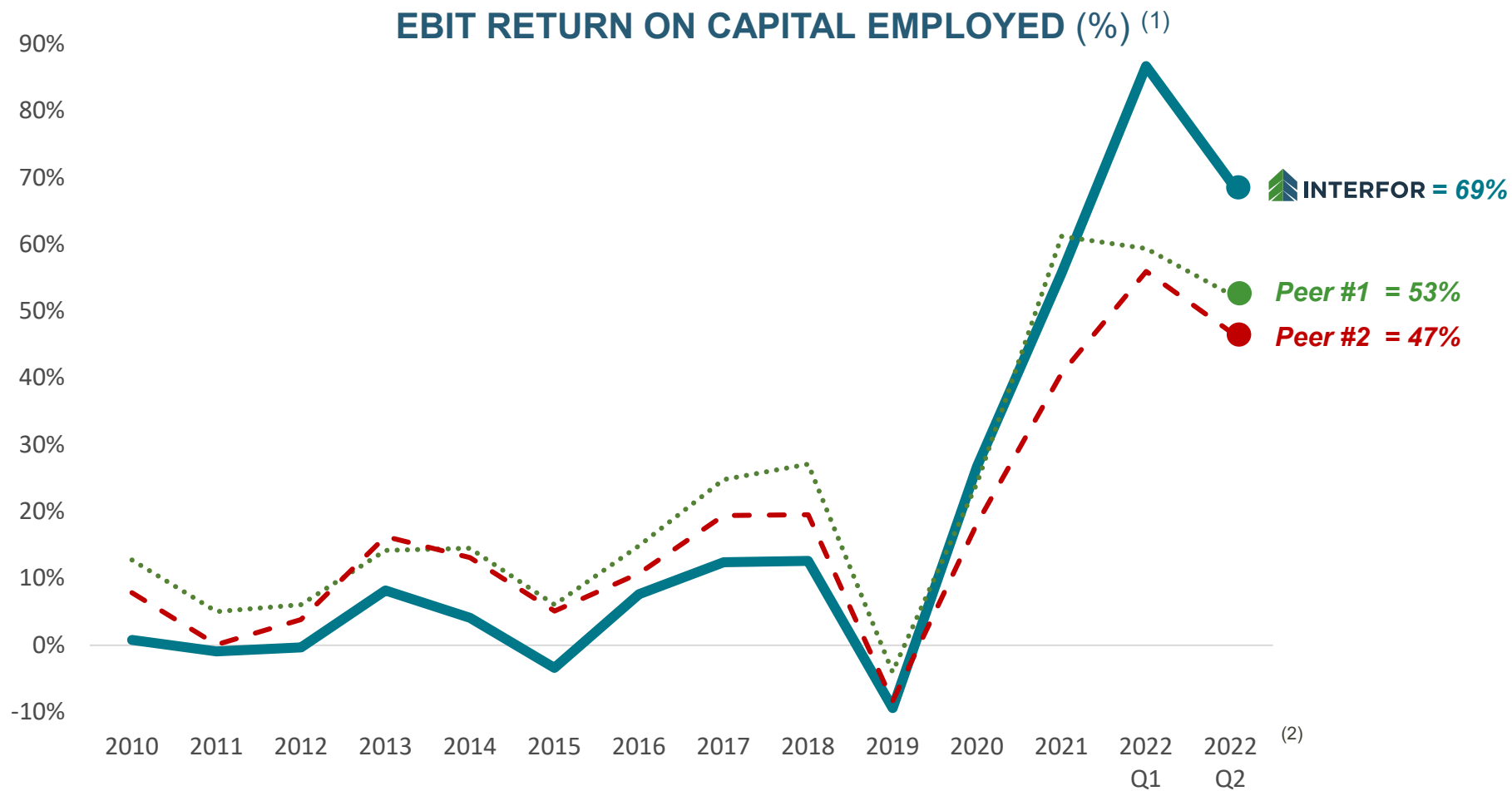
INTERFOR CASH MARGIN (AVG. OF 2016-2022 YTD-JUNE) (C\$/MBF)



(1) Eastern Canada includes historical results pre-acquisition of EACOM

RETURN ON CAPITAL TRACK RECORD

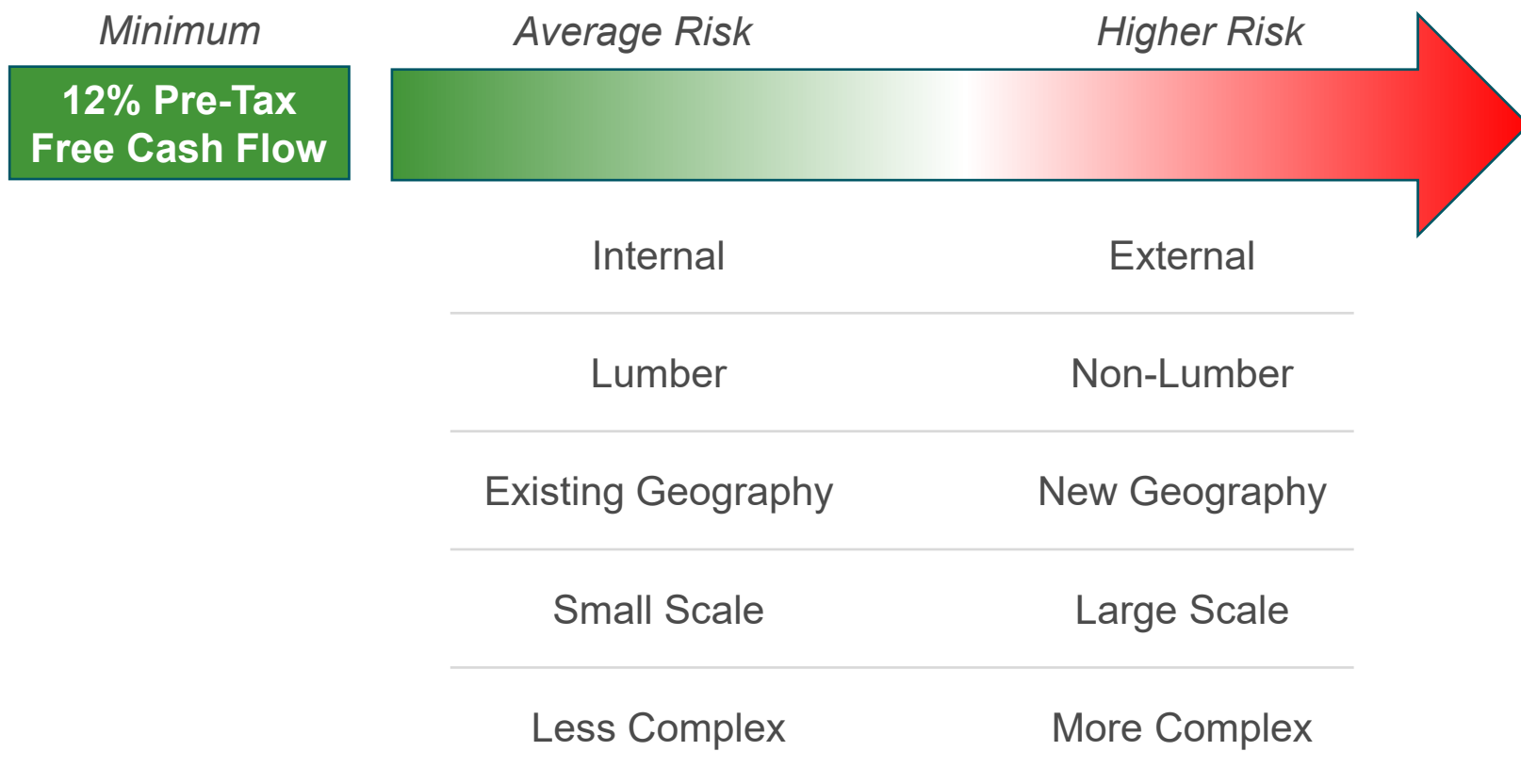
Disciplined approach beginning to have an impact, but longer-term track record required to gain market confidence



INVESTMENT RETURN HURDLE DISCIPLINE

Risk-adjusted return hurdle framework for all capital allocation decisions to drive returns greater than the cost of capital through the cycle

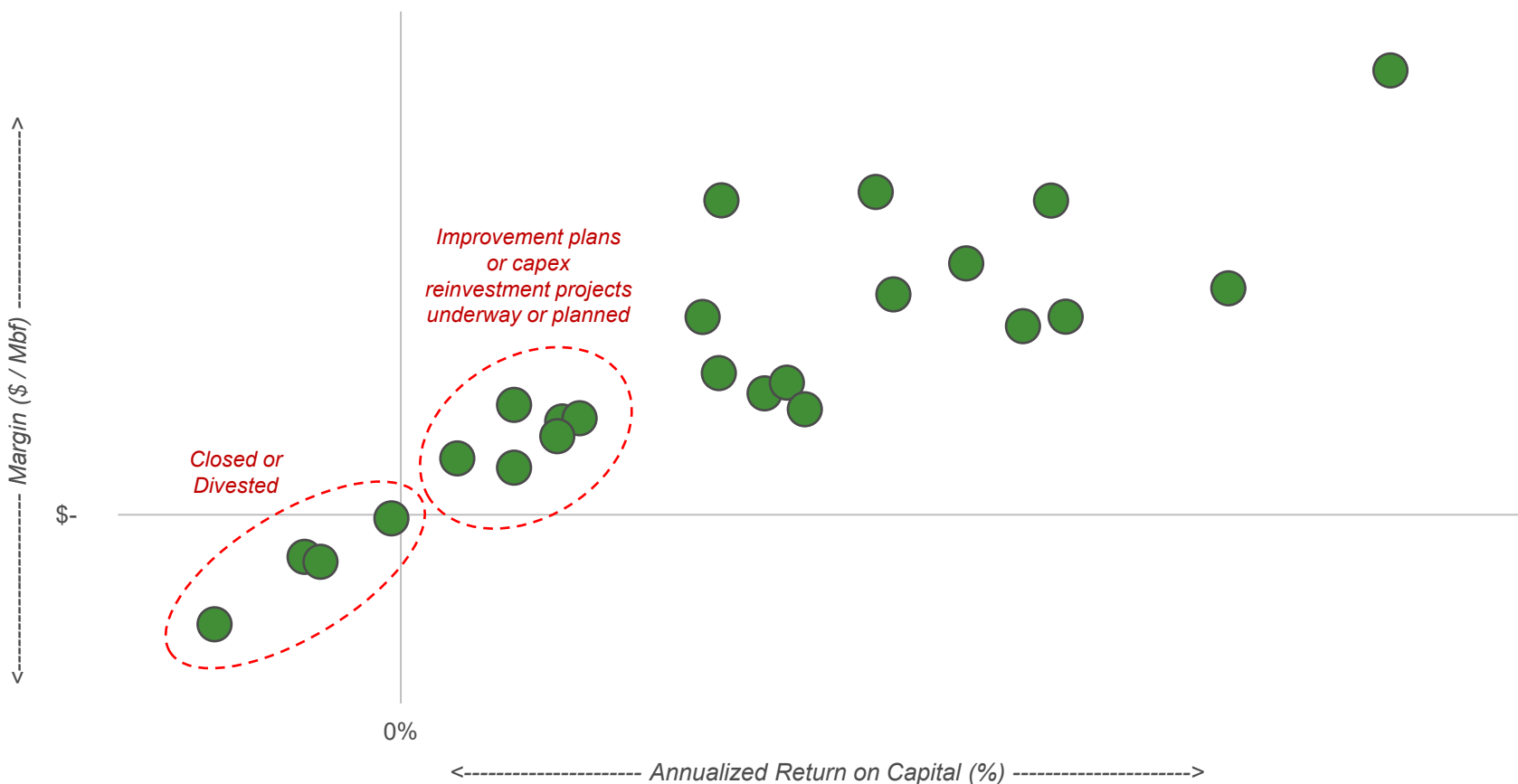
INVESTMENT RISK FACTOR ADJUSTMENT FRAMEWORK



PORTFOLIO OPTIMIZATION

Proactive and regular portfolio management and optimization

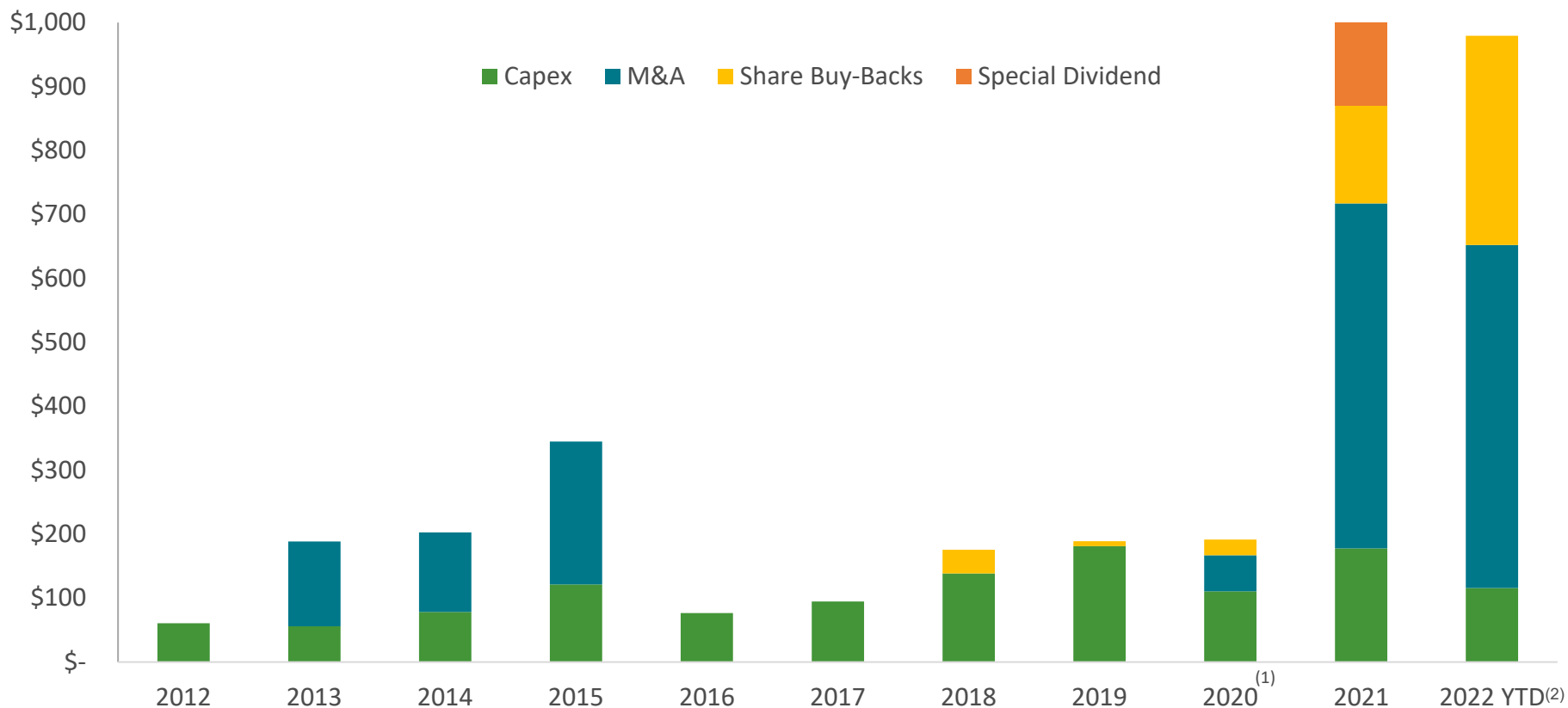
ILLUSTRATIVE MILL-BY-MILL RETURN ON CAPITAL (%/YEAR) & MARGINS (C\$/MBF)



BALANCED CAPITAL ALLOCATION

Disciplined and multi-faceted capital allocation tailored to maximize returns

HISTORICAL CAPITAL DEPLOYMENT (\$MM)



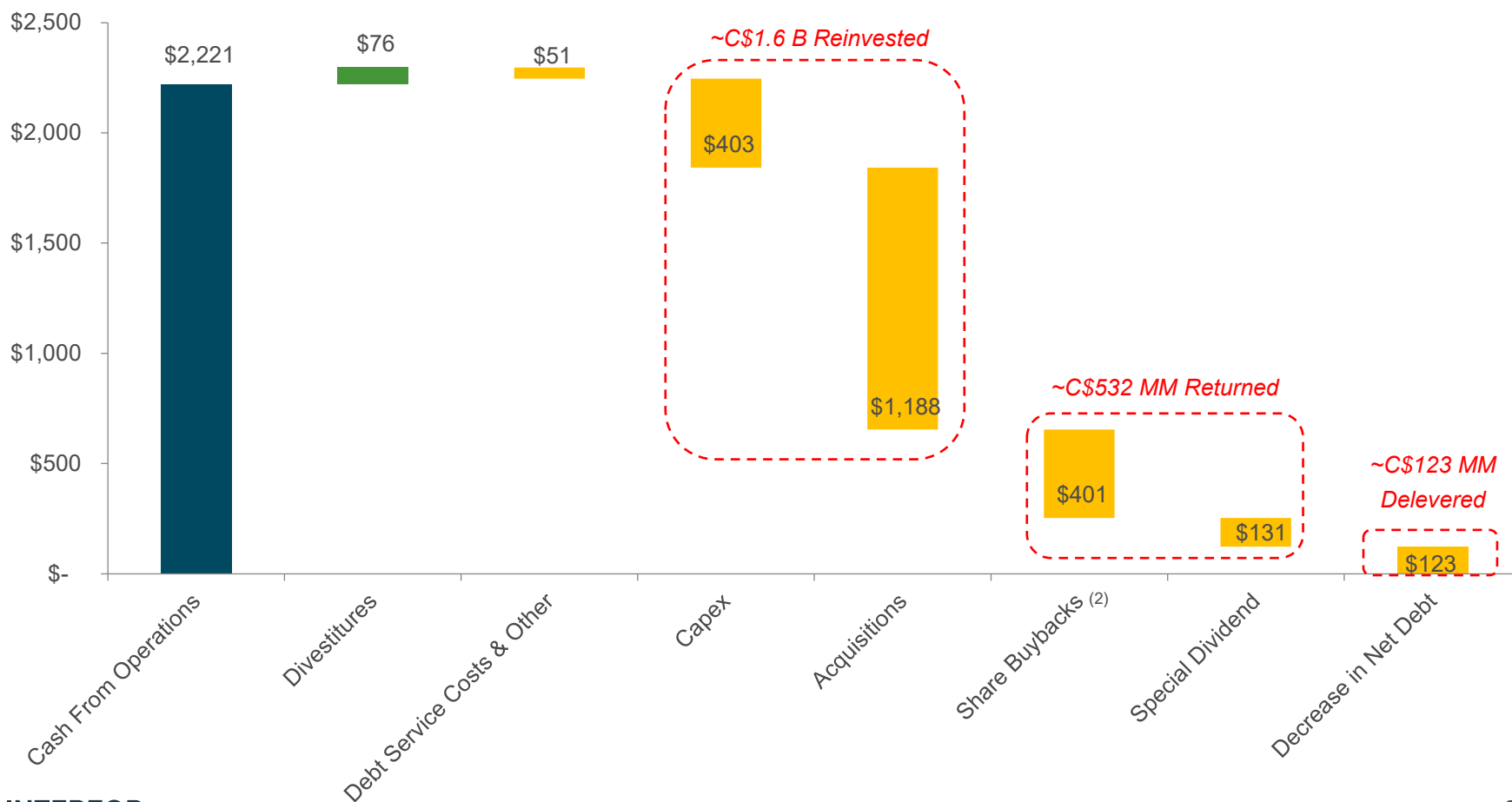
(1) M&A in 2020 includes acquisition of wood cutting right tenures in BC.

(2) Includes \$100 MM Substantial Issuer Bid announced July 26, 2022 and completed on September 8, 2022.

RECENT CAPITAL ALLOCATION LOOKBACK

Cash influx over last 2.5 years deployed in a disciplined and balanced manner

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



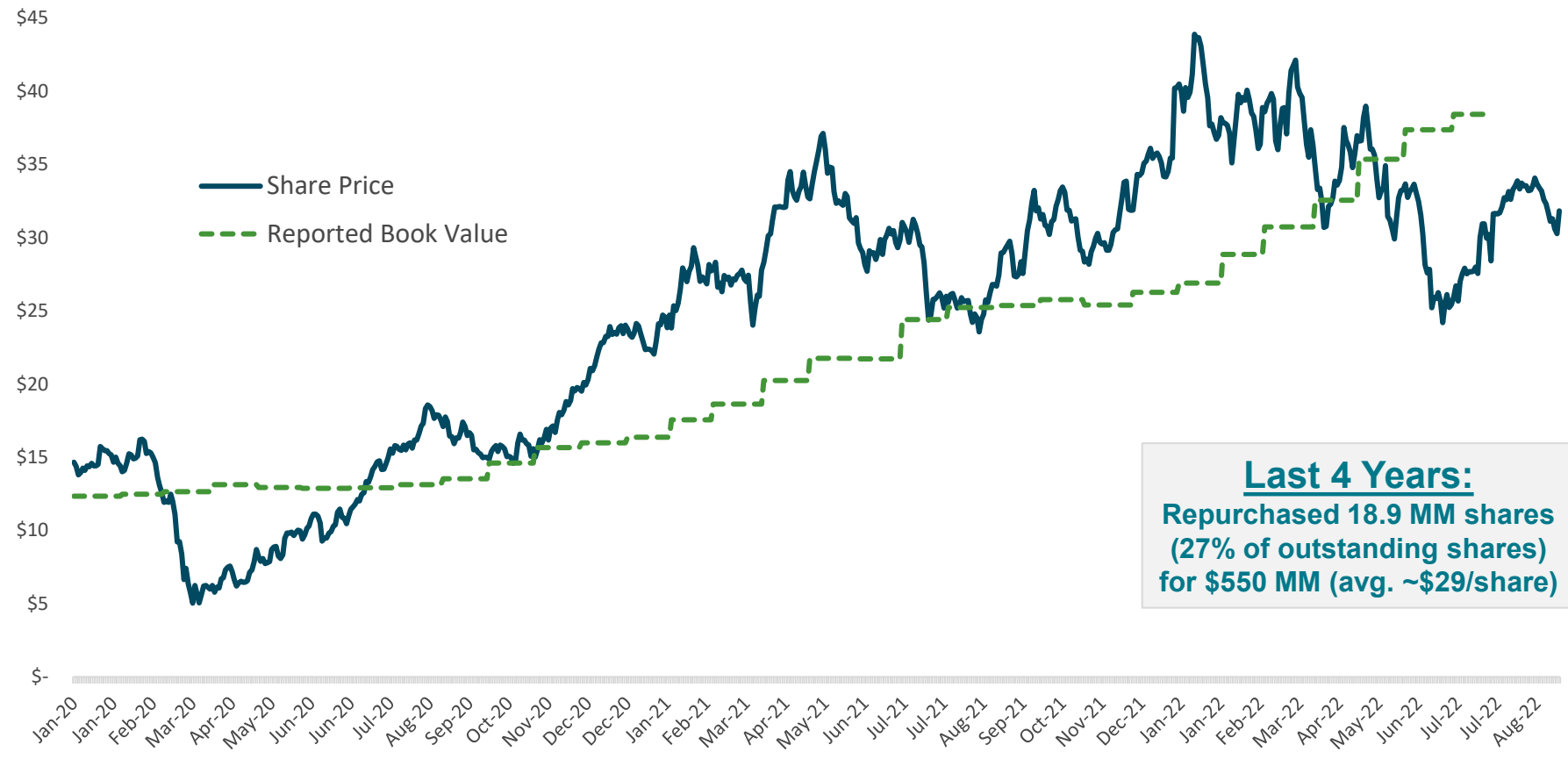
(1) Reflects January 1, 2020 to June 30, 2022

(2) Does not include Substantial Issuer Bid of C\$100 MM announced in Q3-2022

SHARE BUYBACK FRAMEWORK

Structured and disciplined approach in place to buy-back shares at attractive valuations

INTERFOR SHARE PRICE VS. BOOK VALUE PER SHARE (C\$/SHARE)



Last 4 Years:
 Repurchased 18.9 MM shares
 (27% of outstanding shares)
 for \$550 MM (avg. ~\$29/share)

OPTIMIZED & LOW COST CAPITAL STRUCTURE

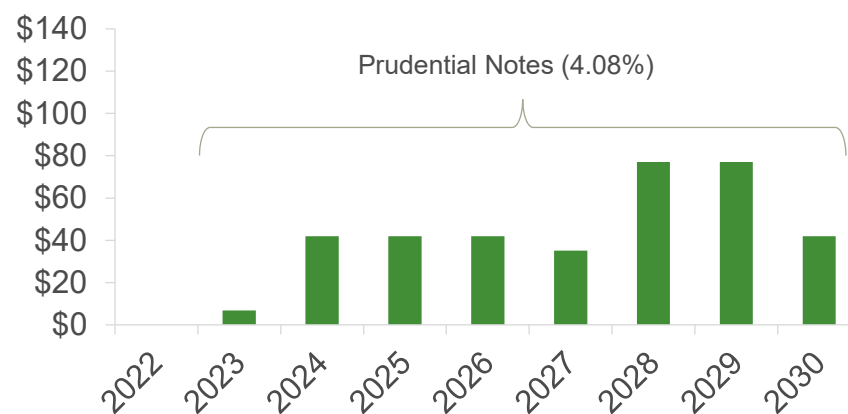
Focused on maintaining an efficient, flexible and low-cost capital structure

Area	Comments
Target Leverage	<ul style="list-style-type: none"> Remain disciplined with leverage given the volatility of the industry. Target a wider and lower net debt/invested capital range than in the past (i.e. 5% - 25%).
Form of Debt	<ul style="list-style-type: none"> Maintain revolving credit facility through a syndicate of top-tier banks. Maintain long-term (~10 year) debt as a core/structural part of the financing strategy.
Equity	<ul style="list-style-type: none"> Minimize shareholder dilution. Issue equity opportunistically.

CAPITAL STRUCTURE AS OF JUNE 30, 2022 (\$MM)

Cash	\$271
Debt	\$373
Net Debt	\$102
Book Equity	\$2,106
Invested Capital	\$2,208
NET DEBT/INVESTED CAPITAL (%)	4.6%
Available Liquidity ⁽¹⁾	\$727
Lumber Duties on Deposit	US\$401

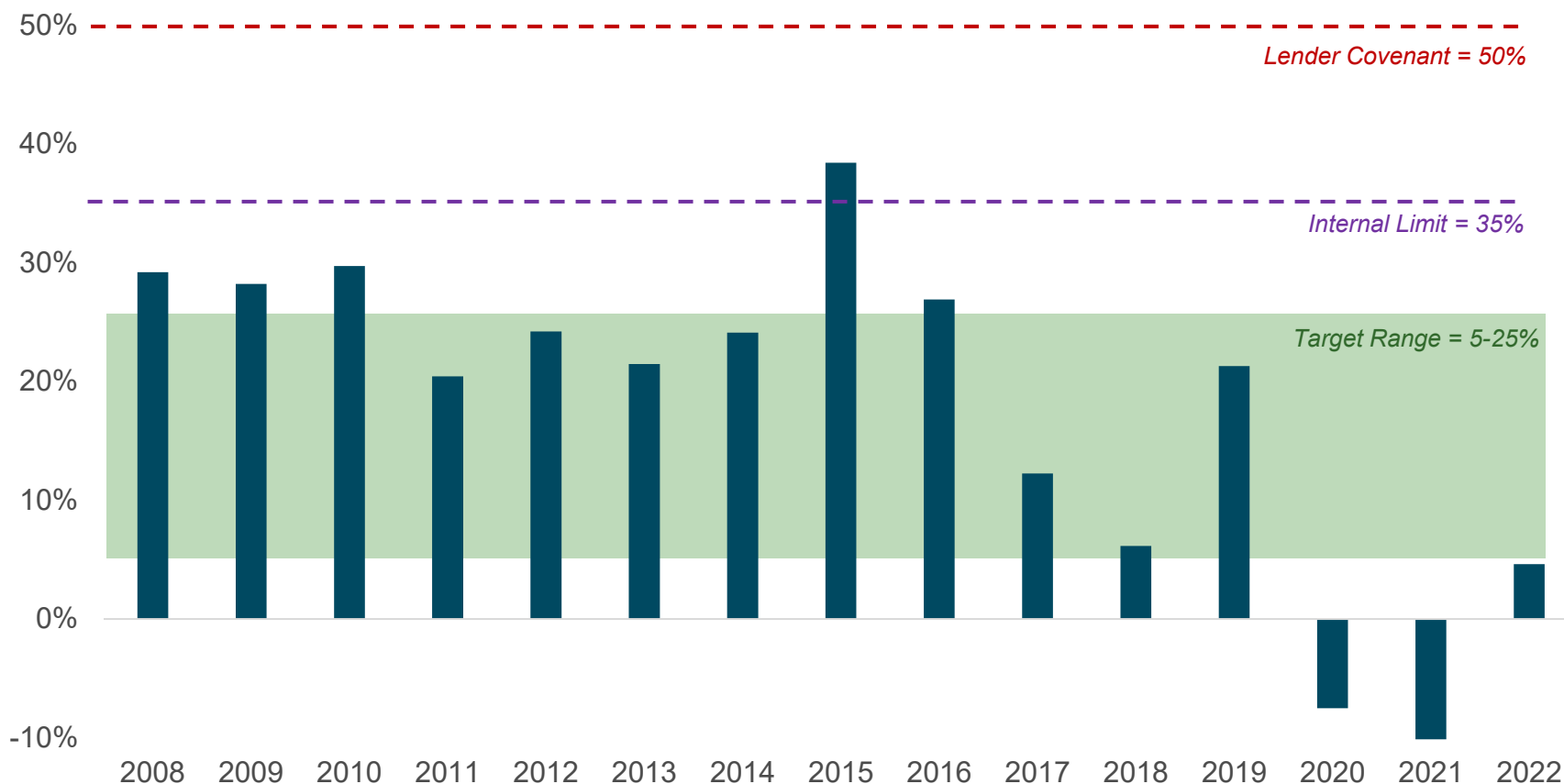
DEBT MATURITY SCHEDULE AS OF JUN 30, 2022 (\$MM)



TARGET LEVERAGE RANGE

Conservative target leverage range provides significant financial flexibility

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



ILLUSTRATIVE PATH TO VALUE CREATION

Significant potential value creation

	<u>2022</u>	<u>2025</u>	
Run-Rate Lumber Production Volume:	4.2 Bbf	4.8 Bbf	<ul style="list-style-type: none"> Incremental benefits from in-progress strategic capex through 2025
Mid-Cycle EBITDA Margin:	\$100 / Mbf	\$105 / Mbf	<ul style="list-style-type: none"> Last 10 year avg = C\$138/Mbf Last 10 year avg, excluding 2 best years (2021 & 2022) and two worst years (2015 & 2019) = C\$101/Mbf Incremental margin from capex investment and economies/synergies
Mid-Cycle EBITDA:	\$420 MM	\$504 MM	
Less:			
Interest Expense:	\$(16) MM	\$(18) MM	<ul style="list-style-type: none"> Average debt fixed interest rate ~ 4%
Maintenance Capex:	\$(60) MM	\$(60) MM	<ul style="list-style-type: none"> Approx. \$2 MM per mill per year
Cash Taxes:	\$(86) MM	\$(107) MM	<ul style="list-style-type: none"> 25% weighted-average cash tax rate
FREE CASH FLOW:	\$258 MM	\$320 MM	
Shares Outstanding:	51 MM	51 MM	<ul style="list-style-type: none"> Ignores potential additional buy-backs
FREE CASH FLOW / SHARE:	\$5.02 / Share	\$6.21 / Share	



Q&A SESSION



US SOUTH OPERATIONS

IAN FILLINGER



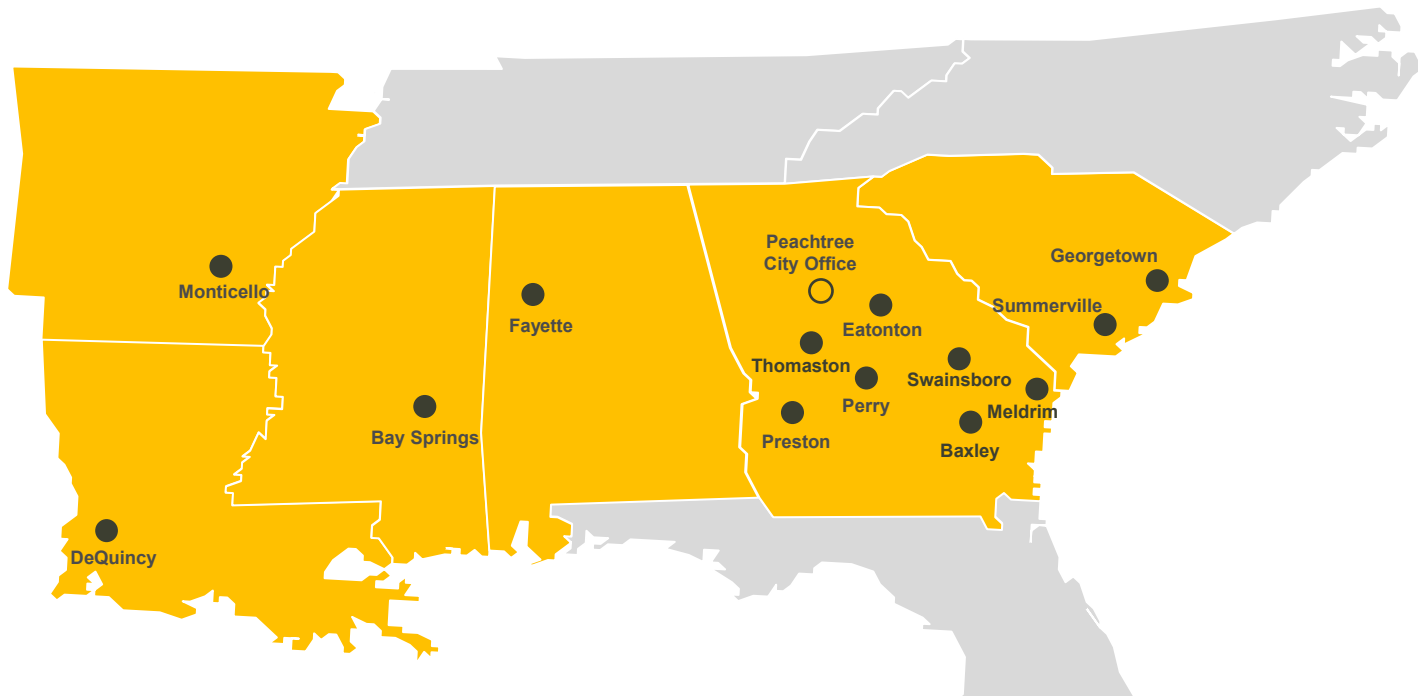
EVOLUTION OF THE US SOUTH

IAN FILLINGER

US SOUTH EVOLUTION: 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
- 2.2 Bbf of capacity, with additional upside opportunity
- 3rd largest producer in the US South
- Largest producer in Georgia



US SOUTH EVOLUTION: CONSISTENT STRATEGY

Interfor's strategy has been consistent over time and across regions

Acquisitions have favored assets with upside potential

Efforts post-acquisition are then focused on operational excellence and the establishment of best practices, followed by capital investment

US NORTHWEST



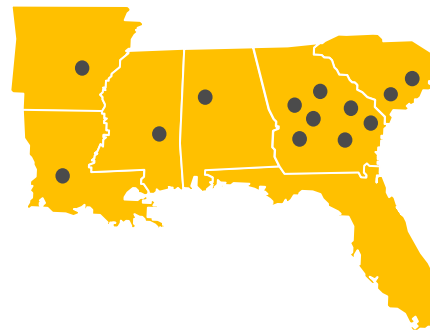
2004 - 2020

BC INTERIOR



2007 - 2022

US SOUTH



2013 - 2025

EASTERN CANADA



2022 - ONWARDS



US SOUTH OPERATIONAL EXCELLENCE

BRUCE LUXMOORE

OPERATIONAL EXCELLENCE: WOODLANDS

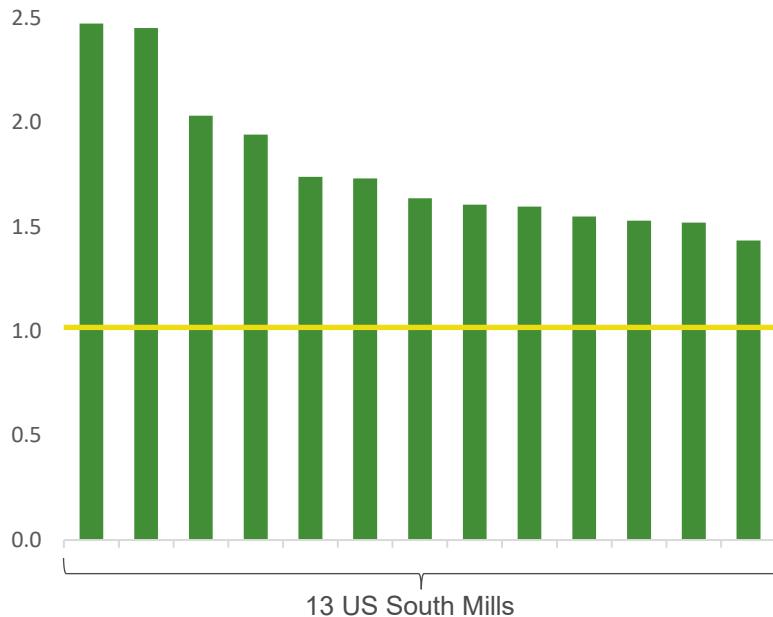
US South log availability and costs remain very attractive

- Overall availability remains very strong
- Some pockets of localized tension
- Favorable growth-to-drain ratios for all of Interfor's mills

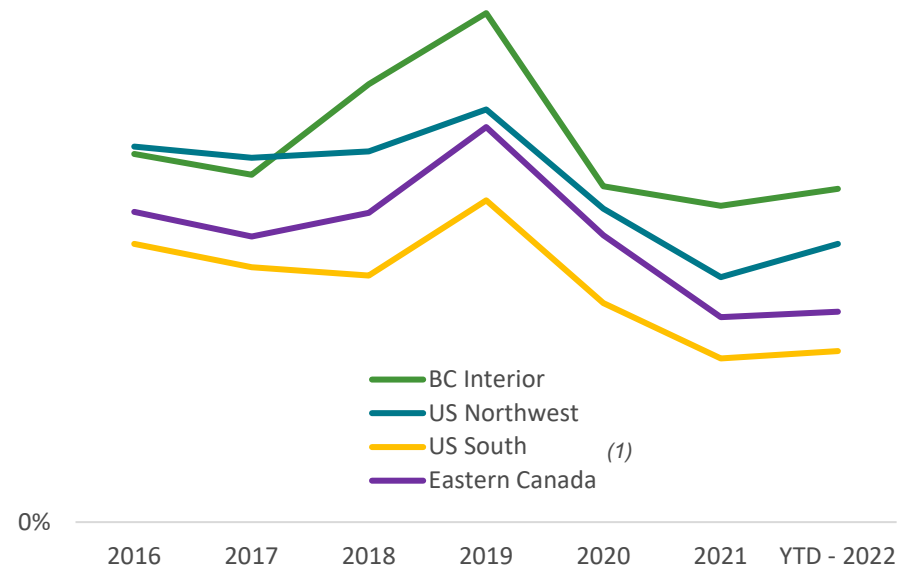
Factors impacting US South delivered log costs:

- Seasonal weather access
- Contractor/people availability and capacity
- Fuel cost inflation on logging and hauling

INTERFOR US SOUTH MILLS CURRENT TIMBER GROWTH-TO-DRAIN RATIOS



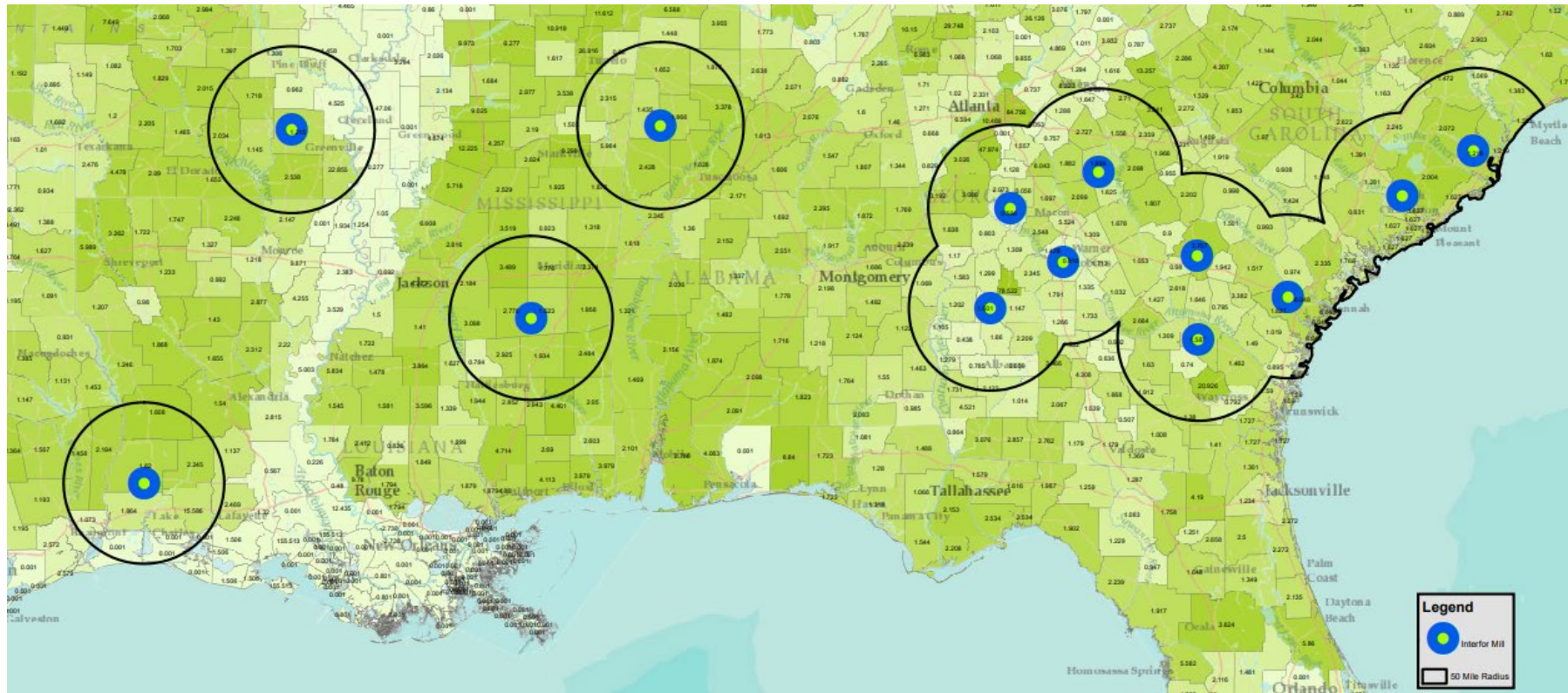
INTERFOR NET LOG COSTS AS A % OF REALIZED SELLING PRICE



OPERATIONAL EXCELLENCE: WOODLANDS

Condensed platform allows for optimized log procurement and log mix utilization

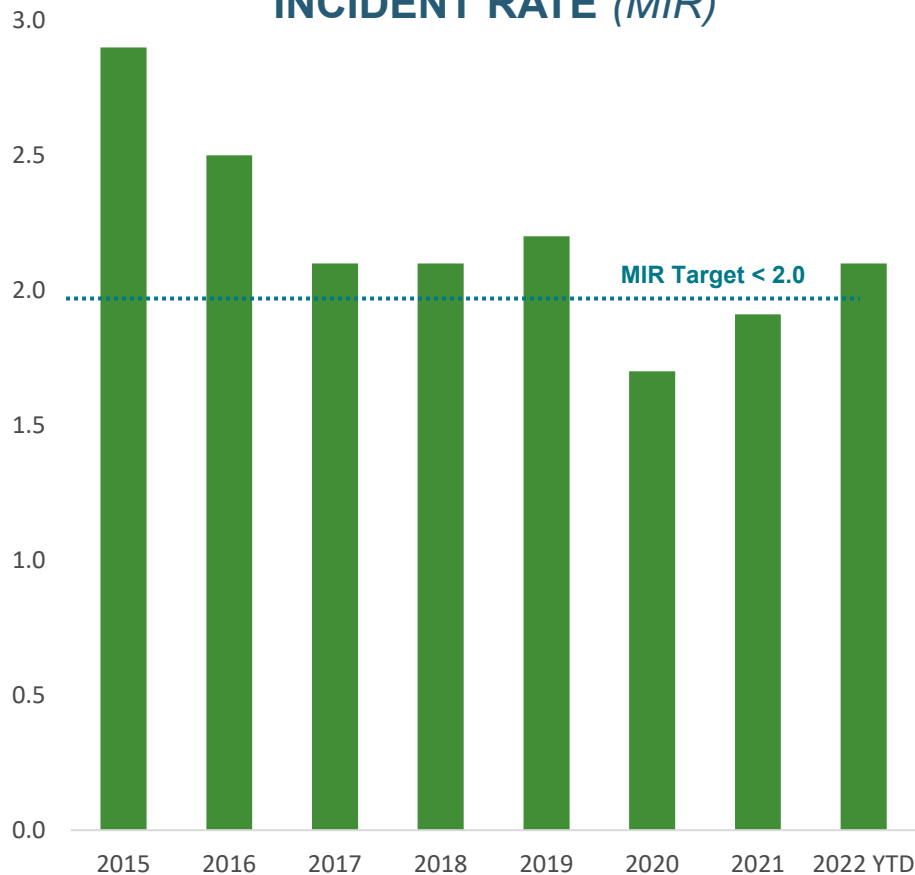
- Optimize right log to right mill
- Long-term contractor partnerships
- Stumpage purchases to manage weather
- Wet yards/flex storage for wet weather



OPERATIONAL EXCELLENCE: MANUFACTURING

Strong safety practices and programs drive strong operating results

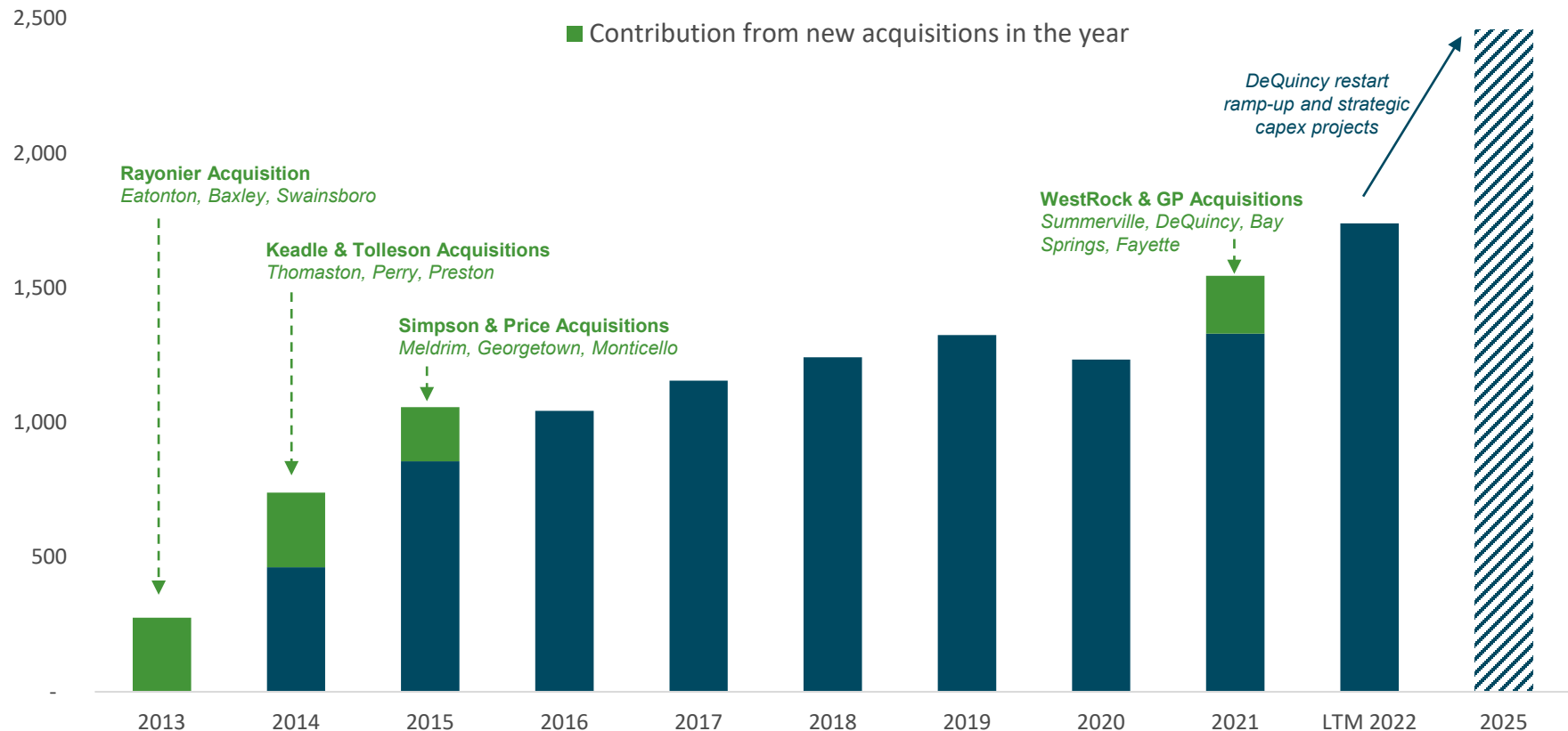
**INTERFOR US SOUTH MEDICAL
INCIDENT RATE (MIR)**



OPERATIONAL EXCELLENCE: MANUFACTURING

Steady growth via combination of M&A, operational improvements and capex, with further upside via go-forward multi-year capex program

INTERFOR US SOUTH PRODUCTION VOLUME (MMBF) ⁽¹⁾



OPERATIONAL EXCELLENCE: PEOPLE

Enhanced retention and development efforts help counter global labor challenges

INTERFOR VS. INDUSTRY US SOUTH TURNOVER RATES (%)



INTERFOR DEVELOPMENT & RETENTION PROGRAMS

Associate Certificate from BCIT

- 1 year, online and in-person program
- Modules include Lumber Fundamentals, Sawmill Technology Wood Processing Tools, Quality Control, Kiln Drying

Millwright Apprenticeship Program

- 3 year, online and in-person program
- Annual cohorts enrolled since 2019

Lead-X In-House Training

- Leadership & management skills for various front-line levels

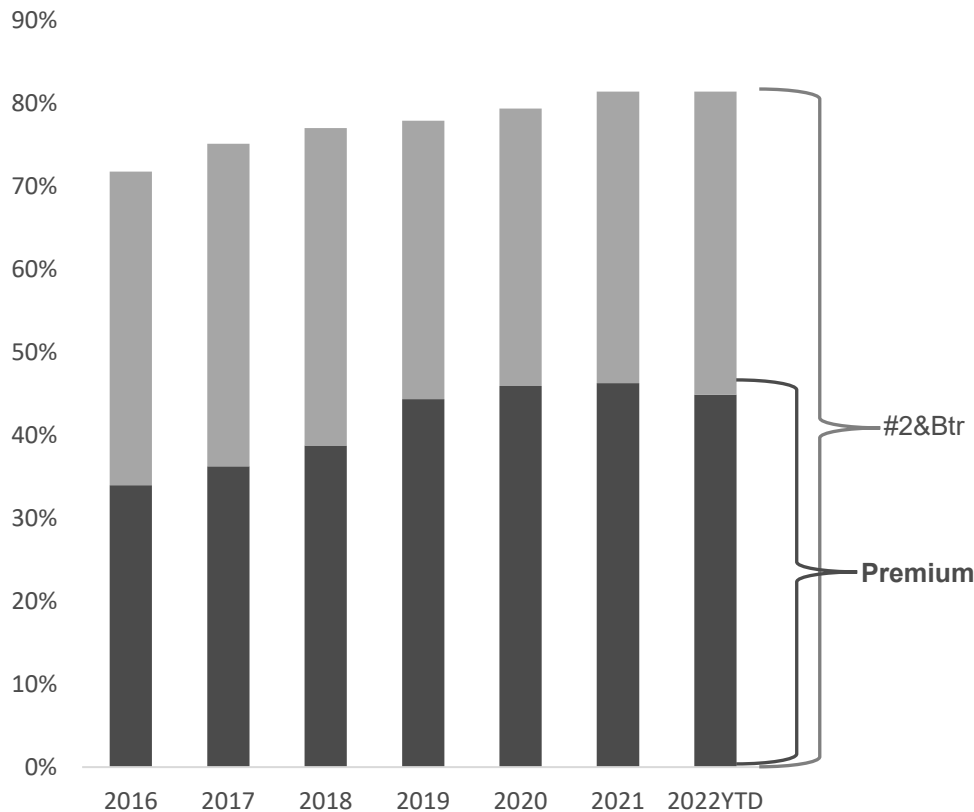
Intern/Co-Op Student Programs

- Sawmill Operations Trainee Program

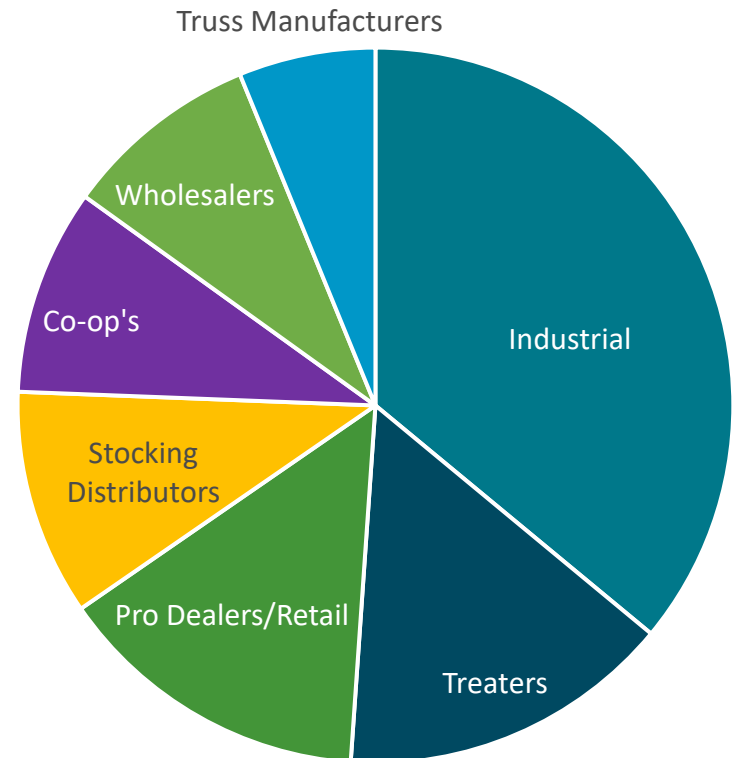
OPERATIONAL EXCELLENCE: PRODUCTS & CUSTOMERS

Evolving, higher-value product mix and diverse end-use customer base

**INTERFOR US SOUTH
PRODUCT MIX (%) ⁽¹⁾**



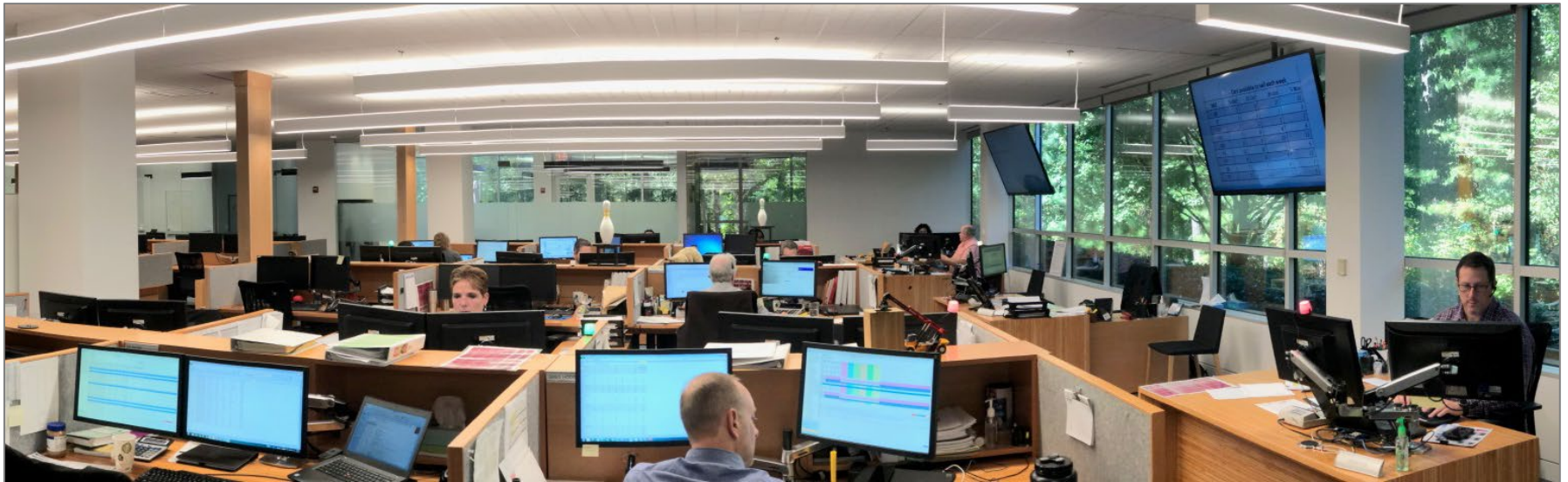
**INTERFOR US SOUTH 2021/22
VOLUME BY CUSTOMER (%)**



OPERATIONAL EXCELLENCE: SALES

Dedicated SYP sales and logistics team in Peachtree City

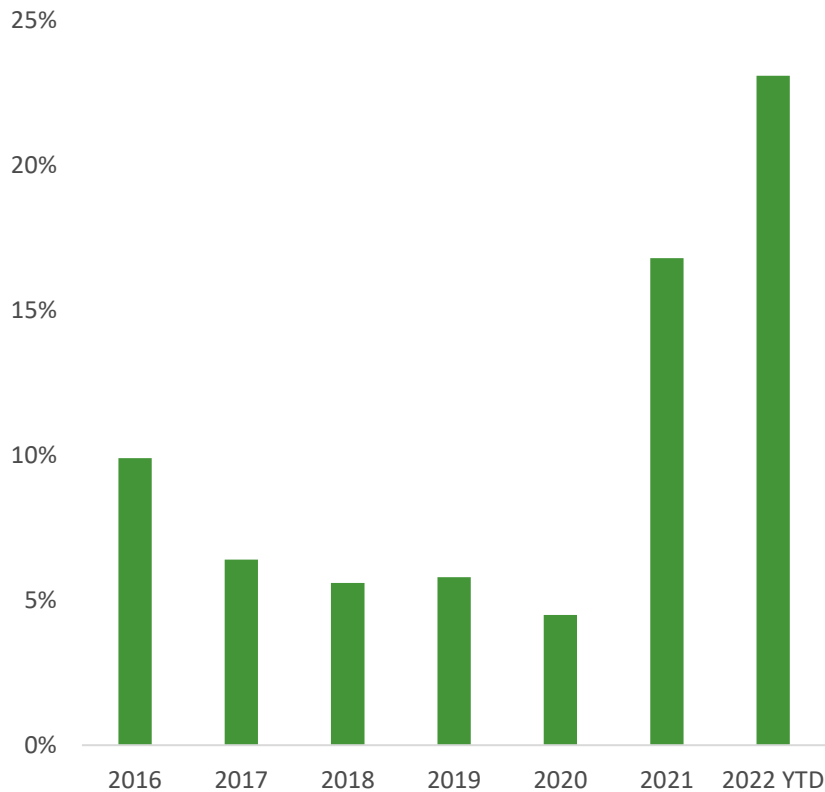
- Dedicated US South team:
 - 28 sales staff
 - 8 logistics staff
- Seamless integration and synergies with Vancouver and Montreal sales desks, servicing national accounts and multi-species offerings
- Significant leverage of transport management system (TMS) and advanced business analytics
- Optimize orders, freight and inventory management



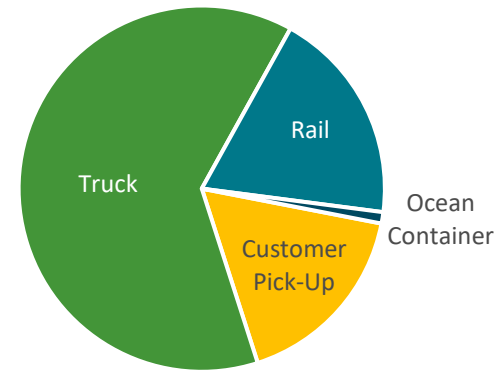
OPERATIONAL EXCELLENCE: LOGISTICS

Logistics availability enhanced through proactive focus on dedicated carriers

INTERFOR US SOUTH TRUCKLOAD SHIPMENTS VIA DEDICATED CARRIERS (%)



INTERFOR % VOLUME SHIPPED BY MODE 2022-YTD (%)





DEQUINCY CASE STUDY

BRUCE LUXMOORE

DEQUINCY: OVERVIEW

Interfor saw opportunity where others saw risk; successful restart and ramp-up supported by Interfor skill set and operational excellence

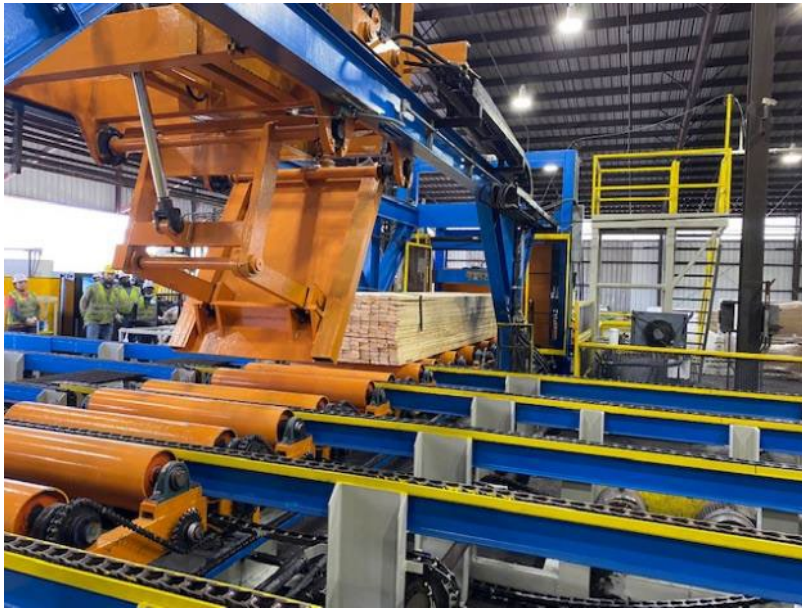
- Acquired in an idle state as part of a four sawmill transaction with Georgia-Pacific in July 2021.
- Restarted in January 2022 with ramp-up progressing very well.



DEQUINCY: EQUIPMENT REFURBISHMENT

Interfor standards implemented during refurbishment and ramp-up phase

- New paint, new lighting, facility upgrades, etc).
- Improved work conditions.
- Pride of ownership.
- Pride from employees.



DEQUINCY: FIRST SHIPMENT CEREMONY

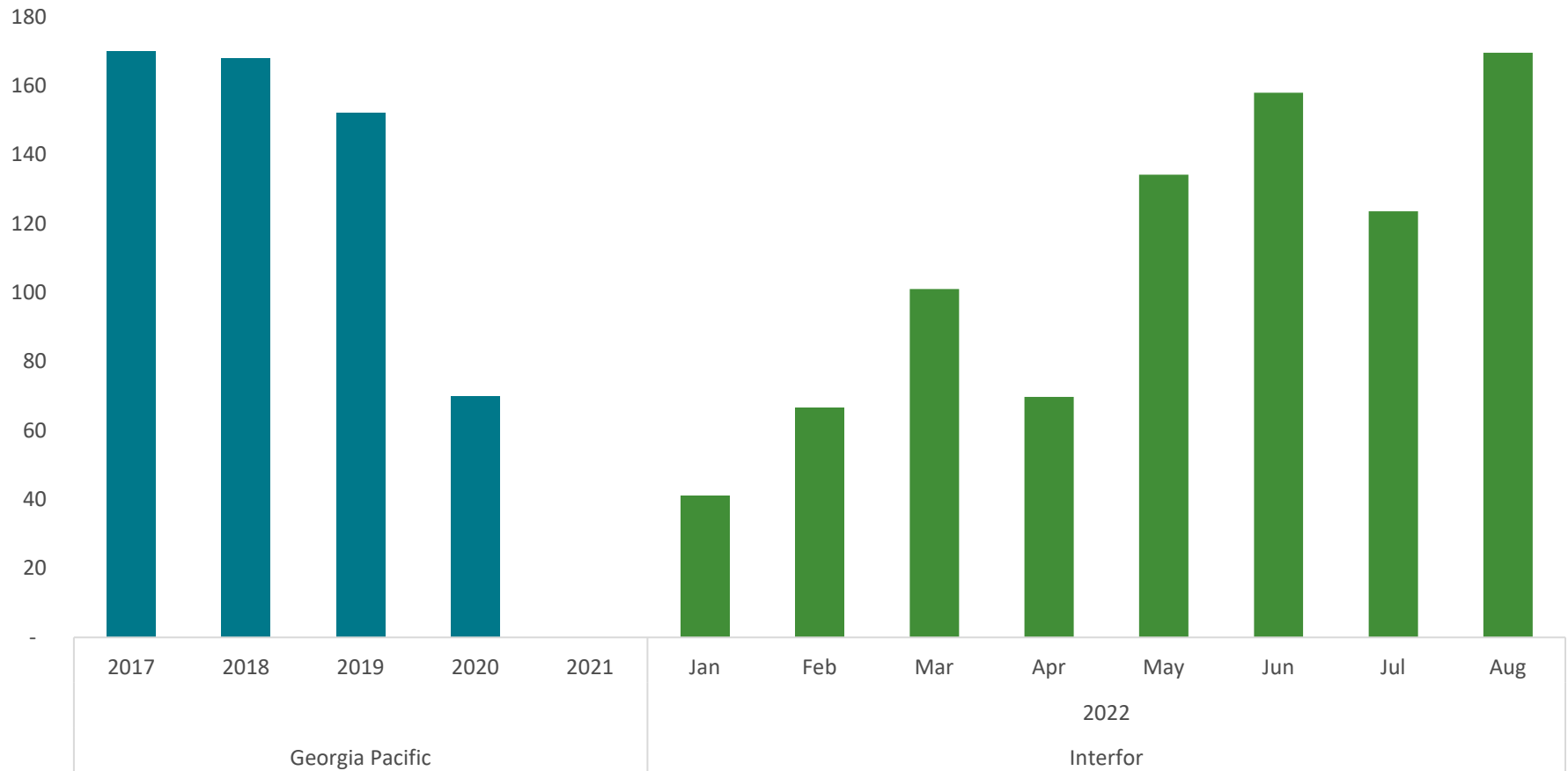
Tremendous community support and reputational benefits in the region



DEQUINCY: PRODUCTION RAMP-UP

Start-up has progressed very well; already achieving historical production levels

ANNUALIZED PRODUCTION VOLUME (MMBF)





Q&A SESSION



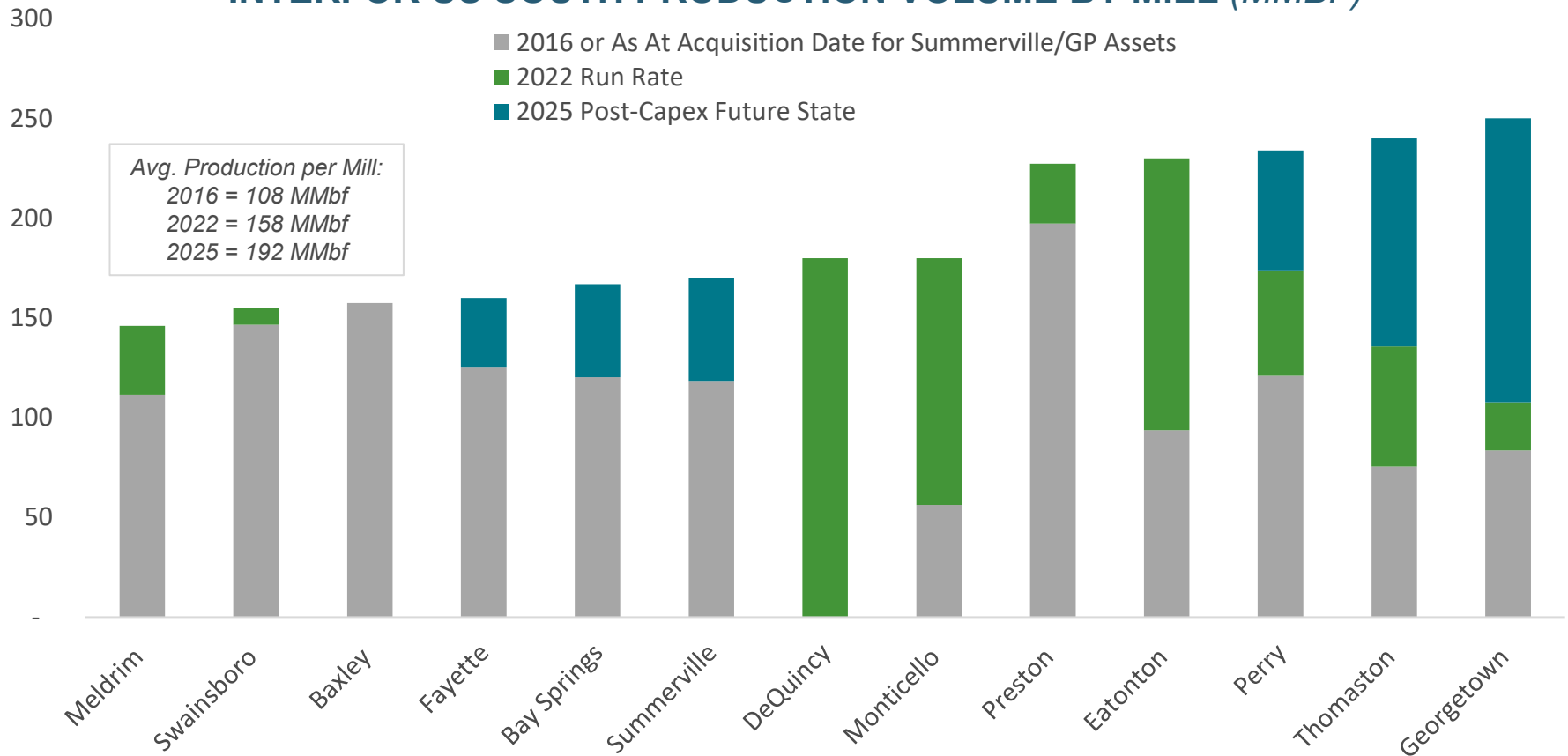
US SOUTH CAPITAL INVESTMENTS

BRUCE LUXMOORE

US SOUTH PAST, PRESENT & FUTURE STATE

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

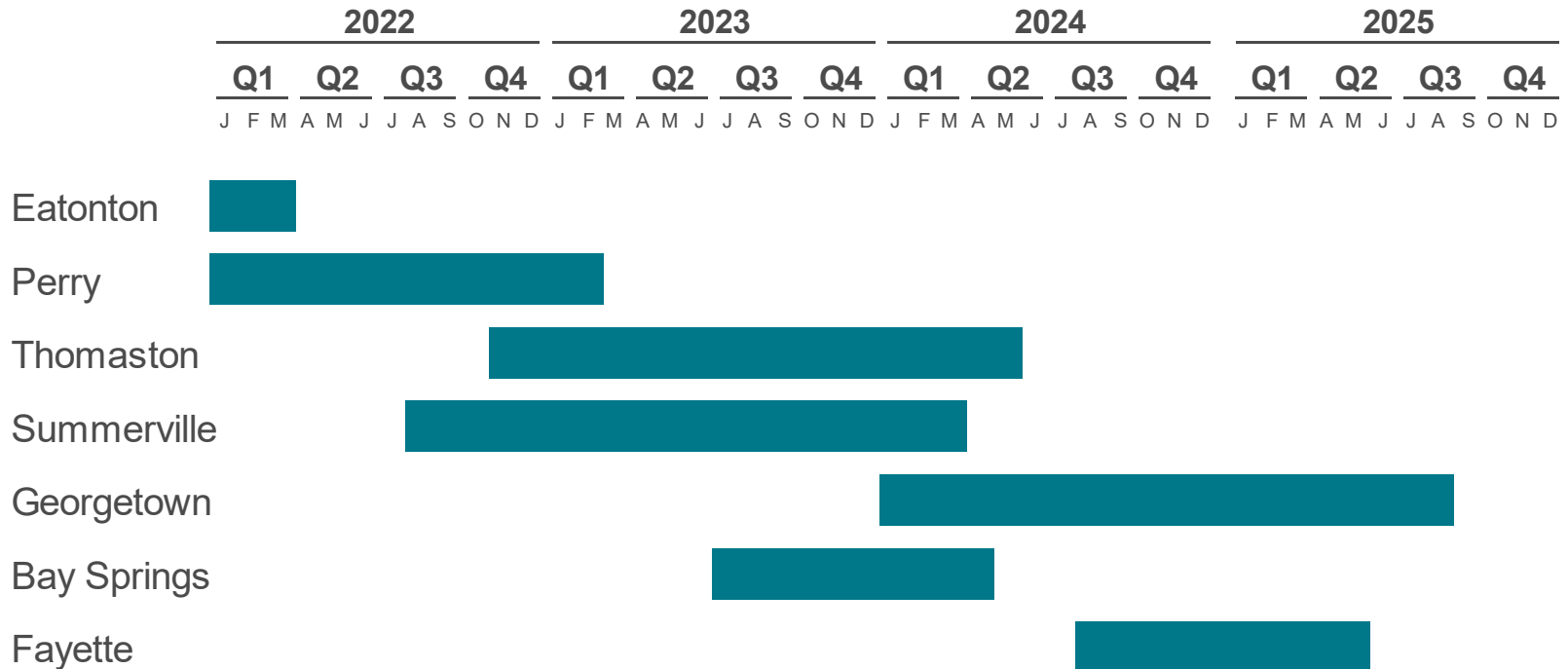
INTERFOR US SOUTH PRODUCTION VOLUME BY MILL (MMBF)



STRATEGIC CAPEX PROJECTS TIMELINE

Projects sequenced to ensure full support from internal team, contractors and equipment suppliers; ~US\$450 MM strategic capex spend in the US South between H2-2022 & 2025

INTERFOR US SOUTH STRATEGIC CAPEX TIMELINE





APPROACH TO CAPITAL INVESTMENTS

JAMIE GRIFFIN / STEVE SCOTT

CAPITAL PROJECTS APPROACH

Well established approach to scoping, approving and executing projects

Business Case Approach

- Prioritize best returning projects
- Consider log supply, residuals, logistics, human resources and site readiness
- 15% contingency on capital costs
- Conservative base line metrics to compare to proforma
- Conservative mid-cycle pricing for any volume uplift drivers (US\$400 - \$500/Mbf)



Project Execution Approach

- Offline builds, wherever possible
- Minimize operational downtime
- Upgrade infrastructure / fire protection
- Utilize proven and tested equipment
- Phased approach
- Back-to-front build
- No vendor turnkeys, except kilns



CAPITAL PROJECTS TEAM

Dedicated, in-house, predominantly US South-based capital projects team

- 26 staff, 16 based in the US South
- Continuity of key team members from other successful capital projects (BC Interior / US Northwest)
- Act as in-house project management / general contractor
- Involved in all project stages, including upfront design and engineering
- Preferred relationships with top tier equipment vendors and engineering firms
- Secured a number of future delivery slots for key machine centers
- History of delivering large, complex projects on-time and on-budget





EATONTON, GEORGETOWN & SUMMERVILLE

BRUCE LUXMOORE

CAPITAL PROJECTS: TOUR COMPARISONS

Tour will highlight varying stages of Interfor's capital project program

EATONTON, GA



GEORGETOWN, SC



SUMMERVILLE, SC



Project Scope	Comprehensive Site-Wide Rebuild	Comprehensive Site-Wide Rebuild	New Kiln & Targeted Machine Center Upgrades
Status	Complete	Partially Complete	Civil Work Just Beginning
Completion	2022	2025	2024
Budget	US\$140 MM	US\$130 MM	US\$50 MM
Proforma Capacity	230 MMbf	250 MMbf	170 MMbf



Q&A SESSION



SUSTAINABILITY

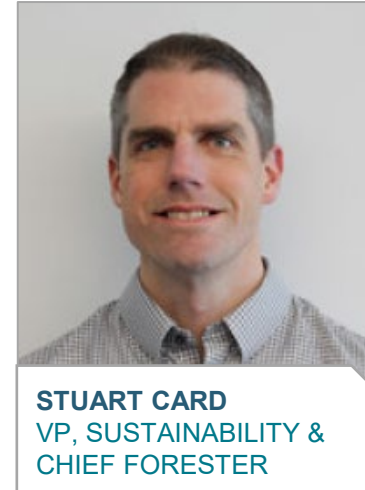
XENIA KRITSOS

SUSTAINABILITY & ESG

Developing a sustainability strategy that matches our growth ambitions

Leadership & Resourcing

- Dedicated sustainability leader appointed in September 2022
- Resources being added and building a dedicated sustainability team



Near-Term Priorities

- Developing a sustainability strategy that matches our growth ambitions
- Gathering internal and external feedback
- Developing meaningful goals that are important to the business and key stakeholders





WRAP-UP & KEY TAKE-AWAYS

IAN FILLINGER

KEY TAKE-AWAYS

Focus on **operational excellence** as the underlying driver of the organization

Transform into **THE major global lumber producer** ...grow to seven billion board feet across North America



Take a balanced approach to capital allocation **disciplined growth combined with returns to shareholders**

Generate **leading returns on capital** through the cycle and adhere to return hurdles



THANK YOU!

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