

ANNUAL INFORMATION FORM

Prepared as of February 12, 2026

In this Annual Information Form ("AIF"), the term "Company", "Interfor", "we" or "our" means Interfor Corporation together with its subsidiaries. The financial results reported herein have been prepared in accordance with IFRS Accounting Standards. All information in this Annual Information Form is presented as at December 31, 2025, and all amounts are in Canadian Dollars, unless otherwise specified herein.

FORWARD LOOKING INFORMATION

This report contains forward-looking information. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. All statements other than statements of historical fact contained in this report constitute forward-looking information including, without limitation: statements regarding the future plans, prospects, objectives and expectations of or involving the Company, as well as information under the headings "Recent Developments", "Manufacturing and Timber Supply", "Sales and Marketing", "Environment", "Research and Development" and "Risk Factors". Generally, but not always, forward-looking information is identifiable by the use of words such as "believe", "expects", "plans", "forecasts", "targets", "outlook", "will", "may", "could", "should", "intends", "projects", "anticipates", "estimates", "continues", and similar words or variations or the negative thereof.

Forward-looking information is used to describe management expectations and plans, and although management believes that the expectations are reasonable, there can be no assurance that they will prove to be correct.

By its nature, forward-looking information requires the Company to make assumptions and, accordingly, forward-looking information is subject to inherent risks and uncertainties, and there is significant risk that the forward-looking information will not prove to be accurate. The Company cautions readers not to place undue reliance on its forward-looking information because a number of factors may cause actual future circumstances, results, conditions, actions or events to differ materially from the plans, expectations, estimates or intentions expressed in the forward-looking information and the assumptions underlying the forward-looking information.

Forward looking information includes assumptions and analyses about the performance of the Company, the markets in which it competes and the prospects and values that are considered in setting its business plan, in evaluating and forecasting its availability of credit, capital investments and outlook for operations and financial position, results and cash flow and other plans and objectives and in making related forward-looking statements.

A number of assumptions and factors on which the forward-looking information is based, which could cause actual results to differ materially from the forward-looking information in this report include but are not limited to the following: impact of general economic conditions; demand for products and price volatility; softwood lumber trade between Canada and the U.S.; the tariffs and other trade measures recently enacted or proposed by the U.S. administration, and the potential for further escalating trade measures between the U.S., Canada and other jurisdictions, as well as the applicability, scope and timing of any such measures; the timing and value of proceeds received from the disposition of Coastal B.C. forest tenures; availability and cost of logs; availability of credit; competition; currency exchange sensitivity, such as changes in the value of the Canadian dollar relative to the U.S. dollar; government regulation, including environmental legislation; health and safety; Indigenous reconciliation in Canada; information technology and cyber security; labour availability; logistics availability and cost; natural and manmade disasters and climate change; residual fibre revenue; and tax exposures. For a more detailed discussion of these factors, see the section entitled "Risks and Uncertainties" in the Company's Annual MD&A, which is available on www.interfor.com and under Interfor's profile on www.sedarplus.ca. The Company cautions readers that this list of factors is not exhaustive and that, when relying on forward-looking information to make decisions with respect to the Company, readers should carefully consider the factors discussed, as well as other uncertainties and potential events, and the inherent risks and uncertainties of forward-looking information. The forward-looking information in this report is based on the assumption that the Company will not be affected by such risks, but if the Company is affected by such risks, the forward-looking information may become inaccurate.

The forward-looking information contained in this report is expressly qualified in its entirety by this cautionary statement. The forward-looking information in this report is based on the Company's expectations at the date of this report and should not be relied upon as representing management's views as of any later date. The Company does not undertake to update any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable law.

DESCRIPTION OF THE BUSINESS

Interfor is a growth-oriented forest products company with operations in Canada and the United States ("U.S."). As of the date of this AIF, the Company has annual lumber production capacity of approximately 4.4 billion board feet and offers a diverse line of lumber products to customers in North America and around the world.

As of the date of this AIF, the Company has sawmilling operations in British Columbia ("B.C."), Ontario and New Brunswick in Canada and in Washington, Oregon, Georgia, South Carolina, Arkansas, Mississippi, Alabama and Louisiana in the U.S.

COMPANY HISTORY AND DESCRIPTION

Our business originated in the 1930's with a sawmill in Whonnock, about 48 kilometres east of Vancouver, B.C. Since that time, we have made significant investments in the acquisition of manufacturing plants and timber resources and to expand, upgrade and diversify our production facilities and timber base through capital programs.

The Company was incorporated under the *Company Act* (British Columbia) on May 6, 1963 and, on December 1, 1979, was amalgamated with subsidiary Whonnock Forest Products Limited. On January 1, 1988, a change in name from Whonnock Industries Limited to International Forest Products Limited occurred. On February 10, 2006, we transitioned under the *Business Corporations Act* (British Columbia). Effective on May 6, 2014, the Company's name was changed to Interfor Corporation. Our head office, principal address and records office are located at Suite 1600, 4720 Kingsway, Burnaby, B.C., V5H 4N2.

The Company's significant indirectly wholly-owned subsidiary, Interfor U.S. Inc., is incorporated in the State of Washington and owns and operates our U.S. sawmills. Interfor U.S. Timber Inc. and Interfor Cedarprime Inc. (both incorporated in the State of Washington) are also indirectly wholly owned subsidiaries of Interfor.

The Company's direct wholly-owned subsidiary, Interfor East Ltd., is incorporated in B.C. and wholly owns EACOM Timber Corporation, also a B.C. company. EACOM Timber Corporation owns and operates our Ontario manufacturing facilities and woodlands divisions.

Interfor East Ltd. is also the sole limited partner of Chaleur Forest Products Limited Partnership, a Manitoba limited partnership, and the sole shareholder of Chaleur Forest Products GP Inc. and Chaleur Forest Products Inc., both New Brunswick companies. The Chaleur entities own and operate our sawmills and woodlands division in New Brunswick.

Other directly wholly-owned subsidiaries of the Company include Interfor U.S. Holdings Inc. (incorporated in Washington), Interfor Sales & Marketing Ltd. (incorporated in B.C.) and Interfor Japan Ltd. (incorporated in B.C.).

RECENT DEVELOPMENTS

2023

On January 11, 2023, the Company announced a temporary reduction in lumber production for the first quarter of 2023 by at least 100 million board feet mostly concentrated outside of the U.S. South region. The temporary curtailment was in response to economic conditions and market uncertainty that continued to impact lumber demand.

On October 3, 2023, the Company entered into an agreement to settle certain contractual obligations in order to facilitate monetization of its Coastal B.C. operations. The settlement resulted in an \$85.0 million provision being recognized in the fourth quarter of 2023. The provision was fully paid as at December 31, 2025.

In November 2023, the Company sold Coastal B.C. forest tenures totalling approximately 181,000 cubic metres of allowable annual cut ("AAC") and related liabilities for net proceeds of \$23.5 million and a gain of \$23.6 million.

2024

On February 15, 2024, the Company announced the indefinite curtailment of the Philomath, Oregon sawmill, which had an annual capacity of 220 million board feet. The curtailment was in response to persistent high log costs in the region and ongoing weak lumber market conditions. In addition, Interfor announced a temporary reduction in lumber production at its B.C. operations by approximately 30 million board feet in the first quarter of 2024. The temporary curtailment was in response to a combination of weak market conditions, low log inventory levels and unseasonably warm weather that continued to negatively impact log deliveries across many areas of B.C.

On March 26, 2024, the Company issued US\$33.3 million in additional long-term debt financing with PGIM Private Capital. The senior secured notes have an annual interest rate of 6.37% and a final maturity in 2030. All other terms were consistent with Interfor's existing senior secured notes. The proceeds were used to settle US\$33.3 million of principal under the Company's existing senior secured notes due in 2024.

On April 30, 2024, the Company announced plans to temporarily reduce its lumber production by approximately 175 million board feet between May and September of 2024, representing just under 10% of its normal operating stance. The temporary curtailments impacted all of Interfor's operating regions and were in response to persistently weak market conditions.

On June 27, 2024, the Company sold property and assets of the former Philomath, Oregon sawmill for cash consideration of US\$15.0 million.

On August 8, 2024, the Company announced plans to temporarily reduce its total lumber production by approximately 280 to 350 million board feet between August and December of 2024, representing 15 to 18% of its normal operating stance. This was in response to ongoing market weakness.

On August 19, 2024, in response to persistently weak lumber market conditions, the Company announced the indefinite curtailment of operations at its sawmills in Meldrim, Georgia and Summerville, South Carolina, which had a combined annual capacity of 330 million board feet.

During 2024, the Company sold Coastal B.C. forest tenures totalling approximately 491,000 cubic metres of AAC and related assets and liabilities for proceeds of \$67.1 million and a gain of \$64.9 million.

2025

On January 10, 2025, the Company completed the sale of its Quebec operations to Les Chantiers Chibougamau Ltée. for net cash consideration of \$16.3 million, inclusive of certain working capital items and assumed liabilities. The sale included the Company's sawmills in Val-d'Or and Matagami as well as its Sullivan remanufacturing plant in Val-d'Or, along with all associated forestry and business operations. The Val-d'Or and Matagami sawmills had a combined lumber production capacity of 255 million board feet per year.

Between March 4, 2025 and March 6, 2025, a 25% tariff on all products imported from Canada to the U.S., including softwood lumber, was imposed under the *International Emergency Economic Powers Act* ("IEEPA"). On March 6, 2025, an executive order was issued temporarily pausing IEEPA tariffs on Canadian goods compliant with the United States-Mexico-Canada Agreement ("USMCA"), including the Company's lumber products.

On April 2, 2025, the U.S. administration imposed "reciprocal" tariffs under IEEPA on all countries, and later increased the reciprocal tariff rate on Canadian goods to 35%, however goods compliant with the USMCA, including the Company's lumber products, are exempt from reciprocal tariffs.

On July 25, 2025, the Company completed an early renewal of its Revolving Term Line at a committed facility size of \$562.5 million and extended the maturity from December 17, 2026 to July 25, 2029.

On October 1, 2025, the Company completed a bought deal offering of 12,437,800 common shares of the Company and the concurrent exercise of an over-allotment option to purchase an additional 1,865,670 common shares at a price of \$10.05 per common share for gross proceeds of \$143.8 million. The net proceeds of \$137.1 million, after payment of fees and expenses, were used to pay down existing indebtedness.

Effective October 14, 2025, the U.S. imposed a tariff of 10% under Section 232 of the *Trade Expansion Act*, on all imports of softwood timber and lumber into the U.S., including from Canada. This tariff is in addition to the existing countervailing ("CV") and anti-dumping ("AD") softwood lumber duties payable on Canadian lumber imported into the U.S. as a result of the softwood lumber dispute. See "Legal Proceedings" below, for a description of developments related to the softwood lumber dispute.

On October 17, 2025, Interfor announced plans to temporarily reduce its lumber production in the fourth quarter of 2025 by approximately 250 million board feet, or 26%, as compared to the second quarter of 2025, which reflected a more normal operating stance. These curtailments were due to persistently weak market conditions and ongoing economic uncertainty. The curtailment volumes were approximately evenly split between Interfor's Canadian and U.S. operations.

On December 8, 2025, Interfor announced the appointment of Mike Mackay as Executive Vice President & Chief Financial Officer and Andrew Horahan as Executive Vice President & Chief Operating Officer.

During 2025, the Company sold Coastal B.C. forest tenures totalling approximately 324,000 cubic metres of AAC and related assets and liabilities for proceeds of \$22.9 million and a gain of \$28.0 million. Interfor held approximately 574,000 cubic metres of AAC for disposition at December 31, 2025, subject to approvals from the Ministry of Forests.

MANUFACTURING AND TIMBER SUPPLY

We own ten sawmills in Canada located in B.C., Ontario and New Brunswick, one I-Joist plant in Ontario and woodlands management divisions in B.C. and New Brunswick. We own fourteen sawmills in the U.S. located in Washington, Oregon, Georgia, South Carolina, Arkansas, Mississippi, Alabama and Louisiana and one value-added remanufacturing plant in Sumas, Washington. These operations produce a wide range of products for sale in North American and offshore markets. The products range from commodity structural lumber through to engineered wood products and specialty products.

The mills can cut logs of various species and grades. Many of our manufacturing facilities have recently been upgraded and modified to improve the matching of timber resources with our customers' lumber requirements.

Rated capacity and production of lumber for each region is set out in the following table:

Sawmills	Rated Capacity (⁽¹⁾)	Production for years ended December 31		
		2025	2024	2023
(millions of board feet)				
B.C. Interior	750	647	660	609
Eastern Canada⁽⁴⁾	1,080	781	1,015	1,020
U.S. Northwest⁽²⁾	550	418	457	626
U.S. South⁽³⁾	2,005	1,655	1,824	1,897
Total	4,385	3,501	3,956	4,152

(1) Based on two shifts per day and adjusted for regional operating parameters as of December 31, 2025.

(2) On February 15, 2024, Interfor announced the indefinite curtailment of the Philomath, Oregon sawmill and on June 27, 2024, the Company sold the property and assets of the sawmill.

(3) On August 19, 2024, Interfor announced the indefinite curtailment of its sawmills in Meldrim, Georgia and Summerville, South Carolina and their rated capacity have been excluded from the table above.

(4) On January 10, 2025, the Company sold its Val-d'Or and Matagami sawmills in Quebec with a combined lumber production capacity of 255 million board feet per year.

CANADIAN OPERATIONS

B.C. Interior

We own three sawmill operations within the B.C. Interior region and timber tenures having a total AAC of 1.7 million cubic metres. Our Adams Lake operation is located near Kamloops, B.C., while our Castlegar and Grand Forks operations are located in the southern interior of B.C.

These mills manufacture kiln-dried lumber for the U.S. and Canadian construction markets as well as for offshore markets, and have the capability to cut Douglas-fir, spruce-pine-fir, fir-larch, western red cedar and hemlock dimension lumber. The Adams Lake and Castlegar operations include systems for transporting logs on Adams Lake and Arrow Lakes, respectively.

Eastern Canada

We own seven sawmill operations and timber tenures having a total AAC of 3.7 million cubic metres, one I-Joist plant and a woodlands management division within the Eastern Canada region. Our Elk Lake, Nairn Centre and Timmins operations are located in Ontario and these mills produce spruce-pine-fir dimension lumber. Our Ear Falls and Gogama mills in Ontario and our Belledune and Bathurst mills in New Brunswick produce spruce-pine-fir stud lumber.

These mills manufacture lumber for the U.S. and Canadian markets. The Sault Ste. Marie facility located in Ontario manufactures engineered wood I-Joists. The woodlands management division located in Miramichi, New Brunswick manages approximately 30% of the total Crown forest in New Brunswick and provides a secure source of fibre supply for the sawmill operations in New Brunswick.

Canada Timber Supply

In Canada, provinces provide access to Crown forests for the purpose of harvesting timber through the granting of various forms of tenures. These tenure agreements provide timber harvesting rights in exchange for annual rent and stumpage fees payable to the Crown.

Interfor manages forest resources under our tenures in accordance with the requirements of the applicable laws and regulations. Forest management is guided by a team of forest professionals that are engaged in a wide array of activities such as resource planning, forest development, road building and harvesting, reforestation, forest protection and environmental certification.

Our timber supply needs are met by a combination of logs harvested from our own timber tenures, long-term trade and supply agreements and log purchases on the open market. Logging operations are seasonal due to several factors including weather, ground conditions and fire season restrictions.

B.C. Interior Timber Supply

In the Province of B.C., the government or "Crown" owns 94% of the land from which the majority of the timber the Company consumes is harvested. Forest management and timber harvesting operations on Crown land in B.C. are regulated under the *Forest and Range Practices Act (British Columbia)* and the *Forest Act (British Columbia)*. The Government of B.C. is responsible for setting sustainable harvest levels, approving strategic level forest stewardship plans and cutting permits, determining the stumpage system and managing compliance and enforcement within the legislative framework.

The Company holds various Forest Licence and Tree Farm Licence tenures that currently provide for an AAC of approximately 1.7 million cubic metres. The majority of Interfor's tenures are long-term (15 and 25 year) renewable agreements that are replaced every five to ten years.

In the B.C. Interior, the species mix consists primarily of spruce, pine, balsam fir, Douglas-fir, larch, hemlock, and western red cedar.

The following table shows the AAC under our tenures as well as the volume of timber harvested in the periods specified. It also presents the volume of log purchases and sales during the periods.

B.C. Interior Timber Supply	Years ended December 31		
	2025	2024	2023
('000 m3)			
Allowable Annual Cut⁽¹⁾			
— Forest Licences	976	976	1,034
— Tree Farm Licences	718	718	783
Total AAC	1,694	1,694	1,817
Log Production	1,337	1,627	1,438
Log Purchases	1,065	964	719
Log Sales	304	345	340

(1) AAC status at the end of each year (includes a provision for non-recoverable fibre).

Forest Health

The Mountain Pine Beetle ("MPB") infestation has resulted in the mortality of a significant portion of the mature pine trees in the B.C. Interior. The greatest impact has been in the central interior region where there is a high percentage (over 60%) of pine in the forest. Interfor operations are in the southern interior which have a much lower percentage of pine (less than 30%) and are less affected by the MPB. The longer-term timber supply effects of the MPB are not expected to have a significant impact on the Company's operating areas.

Eastern Canada Timber Supply

Forestry on Crown lands in Ontario is governed by the provisions of the Crown Forest Sustainability Act (CDSA, 1994). The purpose of the CDSA is to provide for the sustainability of Ontario's Crown forests and, in accordance with that objective, to manage the Crown forests to meet the social, economic and environmental needs of present and future generations. Sustainability with respect to this act means "long-term Crown forest health". In Ontario, the Ministry of Natural Resources and Forestry is responsible for the long-term health of Crown forests. This responsibility is shared with forest product companies or groups of companies and communities.

As part of planning for forest sustainability, a 10-year forest management plan is prepared for each forest management unit in Ontario. The plan must be approved prior to any forestry activities taking place. The Government of Ontario is responsible for setting sustainable harvest levels, approving Sustainable Forestry Licences ("SFLs"), determining the stumpage system and managing compliance and enforcement within the legislative framework.

The Company holds two single-entity SFLs, is a shareholder in four cooperative SFLs and holds a number of Forest Resource Licences that provide for an AAC of approximately 2.9 million cubic metres. The majority of Interfor's tenures are long-term (20 year) renewable agreements. The primary species harvested are spruce, pine and balsam fir.

In the Province of New Brunswick, approximately 50% of the land base is Crown land managed under six Timber Licences. The amount of Crown timber available for use at wood processing facilities across the province is determined by the Crown Forest Management Plan under the authority of the Crown Lands and Forests Act. The Government of New Brunswick is responsible for setting sustainable harvest levels, approving cutting permits, determining the stumpage system and managing compliance and enforcement within the legislative framework.

The Company has entered into a renewable 25-year Forest Management Agreement with the Minister of Natural Resources and Energy Development for Timber Licence #3, which covers nearly 1.0 million hectares or 30% of the total Crown land in New Brunswick. The Company is also a sub-licencee on two additional Timber Licences. The combined AAC allocated to the Company from these licences is 0.8 million cubic metres and the primary species harvested are spruce, pine and balsam fir.

The following table shows the AAC under our tenures as well as the volume of timber harvested in the periods specified. It also presents the volume of log purchases and sales during the periods.

Eastern Canada Timber Supply	Years ended December 31		
	2025	2024	2023
('000 m3)			
Allowable Annual Cut⁽¹⁾			
— Sustainable Forest Licences	1,100	1,100	1,100
— Forest Resource Licences	1,804	1,804	1,804
— Supply Guarantee ⁽²⁾	-	586	632
— Crown Timber Licences	615	615	615
— Crown Timber Sub-Licences	191	191	191
Total AAC	3,710	4,296	4,342
Log Production	2,807	3,302	3,403
Log Purchases	463	613	663
Log Sales	631	748	580

(1) AAC status at the end of each year (includes a provision for non-recoverable fibre).

(2) On January 10, 2025, the Company sold its operations in Quebec, Canada.

Forest Health

The Ontario Government has completed four years of proactive spruce budworm management. The Company is working with the Ministry of Natural Resources to incorporate management strategies such as salvage harvest of stands affected by spruce budworm to coincide with other treatment programs. To date the management has been effective and has not impacted timber supply or harvest opportunities.

The New Brunswick Department of Natural Resources and Energy Development ("DNRED") continuously evaluates the risk that insects and diseases pose to sustainable forest management values. When these risks exceed acceptable thresholds, management interventions are designed and implemented within an integrated pest management context. A variety of forest health surveys are conducted every year on both native and invasive insects and diseases, with analyses to support risk evaluations and planning activities. At the end of each year, DNRED compiles these results and publishes the Summary of Forest Pest Conditions in New Brunswick.

Indigenous Reconciliation

Indigenous peoples have claimed title and rights over substantial portions of Canada. Both the provincial and federal governments have been seeking to negotiate settlements with Indigenous peoples to address these claims, which includes a duty to consult with, and where appropriate, accommodate the interests of Indigenous peoples.

Interfor tenures overlap with the traditional territories of approximately 100 different First Nations, and the Company has numerous agreements and initiatives in place to develop economic opportunities of mutual benefit. The Company is committed to working with Indigenous peoples and our forestry operations are conducted in accordance with our Indigenous Relations Policy. In addition, our operations in Ontario have achieved Bronze level certification in the Progressive Aboriginal Relations Program of the Canadian Council for Aboriginal Business.

In November 2019, the Government of B.C. passed legislation to start the process to reconcile provincial laws with the United Nations Declaration on the Rights of Indigenous Peoples ("UNDRIP"). This legislation is a framework and commitment document that, over time through implementation, will provide mechanisms for consent-based decision making. While the Province retains authority for making decisions in the public interest, UNDRIP will result in an increased role of First Nations in resource-based activities.

In October 2023, the B.C. Government announced that harvesting has now been temporarily deferred on 2.4 million hectares of old growth in the province. Final decisions on the status of deferral areas will be driven by Indigenous communities and regional landscape planning processes. Interfor continues to work with First Nations and the Province and does not currently anticipate any significant impact on its lumber production volumes in B.C. as a result of the proposed old growth deferrals, though other impacts may arise depending on the nature and alignment of decisions by First Nations. Interfor's operations within the B.C. Interior account for 17% of its total lumber production capacity.

In May 2018, the Government of Ontario announced that it had signed historic resource revenue sharing agreements for forestry with First Nations. The communities included in the agreements include Grand Council Treaty #3, Wabun Tribal Council and Mushkegowuk Council, and commit Ontario to sharing 45% of government revenues from forestry stumpage.

In New Brunswick, there are fifteen First Nation communities that have commercial harvesting agreements with the Minister of Natural Resources and Energy Development. Approximately 5% of the total Crown Forest annual allowable harvest has been allocated under these agreements. Each First Nation community generates economic benefits from their Crown wood allocation through the harvesting and selling of the wood to local mills, including those owned by Interfor. First Nation communities may harvest the wood through their community members or contracting forestry companies. Through these agreements, the province shares royalties generated from the sale of the harvested Crown timber with each community to support important community programs.

Furthermore, in June 2021, the federal government passed legislation respecting UNDRIP. The UNDRIP Act affirms UNDRIP as a universal international human rights instrument with application in Canadian law and provides a framework for the government of Canada to implement the UNDRIP. This framework will guide the changes required for implementation of federal laws to be consistent with the UNDRIP and the establishment of an action plan to achieve UNDRIP's objectives.

Engineered Wood Products

We own an I-Joist plant in Sault Ste. Marie, Ontario that manufactures engineered wood I-Joists. The I-Joist plant buys black spruce MSR lumber from both internal and external sources and oriented strand board from regional producers. External raw material supply is established based on long-term contracts.

U.S. OPERATIONS

U.S. Northwest

We own three sawmill operations in the U.S. Northwest. The sawmills located in Port Angeles, Washington and Molalla, Oregon produce hemlock and Douglas-fir kiln-dried stud lumber. The Longview, Washington sawmill produces green Douglas-fir stud lumber.

We also own a value-added cedar remanufacturing facility in Sumas, Washington.

U.S. South

We own eleven operating sawmill operations in the U.S. South. Six of these sawmills are located in Georgia (Baxley, Eatonton, Swainsboro, Thomaston, Preston and Perry), along with one each in Alabama (Fayette), Arkansas (Monticello), Louisiana (DeQuincy), Mississippi (Bay Springs) and South Carolina (Georgetown). These sawmills produce southern yellow pine lumber in a range of dimensions from 2x4 through 2x12 products, with 4x4 products also produced at certain mills.

In 2024, the Company indefinitely curtailed its sawmills in Meldrim, Georgia and Summerville, South Carolina. The Company plans to sell certain property, plant and equipment of these sawmills in 2026 and these assets were classified as held for sale as at December 31, 2025.

U.S. Timber Supply

U.S. Northwest

Timber supply in the U.S. Northwest is sourced from a broad distribution of forest land ownership (forest industrial lands, small private landowners and State and Federal lands). These sources represent a long-term supply base from which mills purchase their timber supply. In 2025, approximately 58% of the log supply in the U.S. Northwest came from land that is owned by industrial and small private landowners, while the remainder was sourced from state, federal and tribal lands.

Our timber supply requirements at the Port Angeles and Molalla sawmill locations are predominately Douglas-fir, with smaller volumes of western hemlock and white fir. At our Longview location, we only process Douglas-fir.

U.S. South

Timber in the U.S. South is sourced primarily from privately held timberlands with only minor volumes coming from publicly owned timberlands. Private timberland ownership includes non-industrial private owners, timber real estate investment trusts ("timber REITs") and various institutional investors such as pension funds, who are typically represented by a timberland investment management organization ("TIMO"). Both timber REITs and TIMOs are considered industrial timberland owners. Interfor's sawmills in the U.S. South purchase timber comprised exclusively of southern yellow pine, originating from each of these sources.

The total 2025 log supply requirement for the mills in the U.S. was supplied from the following sources:

Sources of Timber 2025	U.S. Northwest	U.S. South
State, Federal and tribal lands	42%	1%
Industrial lands	42%	28%
Private lands	<u>16%</u>	<u>71%</u>
	<u>100%</u>	<u>100%</u>

SALES AND MARKETING

The following table shows our lumber sales by geographic area and total sales by product line for the past three years:

	Years ended December 31		
	2025	2024	2023
	(millions of dollars)		
Lumber and other wood products			
— U.S.A.	\$2,077.2	\$2,201.5	\$2,398.4
— Canada	305.4	321.3	328.0
— Other export	42.3	32.0	21.5
— Japan	21.3	16.3	15.2
— China/Taiwan	12.8	14.0	16.1
Offshore transportation and handling	5.6	5.8	6.4
	2,464.6	2,590.9	2,785.6
Wood chips and other by-products	237.8	283.7	305.6
Logs	83.1	110.3	182.5
Timber management and other	20.4	38.7	42.0
Total sales	\$2,805.9	\$3,023.6	\$3,315.7

Lumber Sales

In North America, the demand for lumber is influenced by four distinct end use sectors. New home construction, repair and remodel, industrial and non-residential sectors all together substantially make up the total consumption of lumber. The level of demand from each of these end use sectors is influenced by macro-economic factors such as interest rates, foreign currency exchange rates, tariffs and weather. Micro-economic factors are also relevant to demand, such as housing starts, household formation rates, household balance sheets and affordability.

To mitigate many of these uncontrollable influences on the demand for lumber, diversification is an important element of our market strategy. Diversification is controllable and influenced by the regions that we manufacture lumber, the markets that we sell and distribution strategy we employ. Presently, we operate in four distinct regions within North America: B.C. Interior, Eastern Canada, U.S. Northwest and the U.S. South. Each region produces a slightly different product mix differentiated primarily by log species, size and grade. Strategically, we diversify where we ship our products to mitigate variability in demand, cost and availability of freight and competition. Finally, we access several levels of distribution within each market including retail stores, pro dealer lumber yards, distribution centers, lumber treaters, truss manufacturers and buying cooperatives.

To service our customers, we have Sales and Logistics support operating out of two offices. Our head office in Burnaby, B.C, provides sales and logistics services for our lumber products manufactured in B.C., Washington and Oregon as well as specialty and export markets across our operating platform. Our regional office in Peachtree City, Georgia provides sales and logistics services for our lumber products manufactured in Ontario, New Brunswick and the U.S. South.

Engineered Wood Product Sales

Wood I-Joists are sold primarily to lumber and building material distributors across the U.S. and Canada and are designed specifically for use in new construction of residential and light commercial structures. Our sales and support services for wood I-Joists are based in our regional office in Peachtree City, Georgia. The macro and micro economic factors relevant to wood I-Joists are generally the same as lumber.

Interfor's wood I-Joists are marketed under the brand name P3 Joist, supported by all the necessary technical documents and guides, as well as marketing collateral. To increase market penetration, we also "private label" for customers. The distribution strategy for this product is more refined than lumber in that distributors and end users do not generally mix and match competing I-Joist brands. We partner with select distributors in target geographic regions across North America.

Log Sales

We buy or trade logs through agreements and open market transactions and sell logs that are either unsuitable for cutting due to inappropriate size, grade, or species of log to suit market conditions and each mill's cutting profile or which are in excess of our manufacturing requirements.

Wood Chips and Other Residuals Sales

Our sawmills produce wood chips and other residuals as natural by-products of lumber production. In Canada, nearly all wood chips are sold through a combination of short and long-term agreements to pulp, newsprint and specialty paper and packaging producers. Pricing generally reflects prevailing market conditions and regional supply-demand dynamics. In New Brunswick, a portion of our chips support third party production of dissolving pulp for global apparel and textile markets. In the U.S. Northwest and U.S. South, our wood chips are supplied to pulp and paper producers and to fiberboard manufacturers under short and long-term arrangements.

Our remaining residuals, such as sawdust, bark and shavings, serve diversified end markets. These include medium density fiberboard and particleboard plants, wood-pellet producers, soil and mulch manufacturers, biomass facilities for heat and power generation, feedstock for export pellet production and animal bedding applications.

DISTRIBUTION

We use various modes of surface transportation to deliver our lumber products. Shipments of lumber within North America are moved using truck, rail and intermodal vans while shipments to export markets are moved in containers by ocean carriers. Wood residual products and logs are normally delivered by railcar and truck. In Grand Forks, B.C. we own a short line railroad that connects to Class 1 railroads for shipping lumber.

HUMAN RESOURCES

In B.C., we directly employ approximately 790 people in our logging and manufacturing operations and corporate offices. The Canadian United Steel Workers ("USW Canada") is the certified bargaining agent for approximately 244 of these people. The agreement with USW Canada for the southern interior expires on June 30, 2027. The Canadian Merchant Service Guild represents 19 employees and their collective agreement expires March 31, 2027.

In Ontario, we employ approximately 845 employees in our logging, sawmill and I-Joist operations and regional offices. Unifor National ("Unifor") is the certified bargaining agent for approximately 387 of these people employed in the Ear Falls, Nairn Centre and Sault Ste. Marie operations. The collective agreement expires for Ear Falls on April 30, 2026, Nairn Centre on February 28, 2027 and Sault Ste. Marie on May 15, 2027. The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union ("USW") is the certified bargaining agent for approximately 165 people employed in the Gogama and Timmins sawmills. The collective agreement for the Timmins sawmill expired on August 31, 2025, but remains in effect while the Company and USW negotiate a new agreement. The collective agreement for the Gogama sawmill expires on March 31, 2026. At the Elk Lake sawmill approximately 129 employees are unionized under a registered employee association represented by employees and the agreement expires on May 31, 2027.

In New Brunswick, we employ approximately 400 employees in our forestry management and manufacturing operations. Unifor is the certified bargaining agent for approximately 304 people employed in the Belledune and Bathurst sawmills. The collective agreement for the Bathurst sawmill expires on December 31, 2028. The collective agreement for the Belledune sawmill expired on December 31, 2025, but remains in effect while the Company and Unifor negotiate a new agreement.

In the U.S., we employ approximately 2,200 employees in our sawmill and remanufacturing operations in Washington, Oregon, Georgia, Arkansas, South Carolina, Mississippi, Alabama, Louisiana and in our corporate office located in Peachtree City, Georgia. None of our U.S. employees are unionized.

Interfor is an industry leader in health and safety, and we believe nothing is more important than the safety of our employees.

ENVIRONMENT

Interfor's Environment Policy sets out our commitment to responsible stewardship of the environment. We maintain an Environmental Management System ("EMS") for all of our woodlands and manufacturing facilities. The EMS provides a structure for identifying, addressing and correcting environmental issues. Internal and external audits are performed regularly in both the woodlands and manufacturing operations to verify its effectiveness and identify opportunities to improve our systems.

Regulatory Compliance

Extensive provincial, state, federal or other laws and regulations apply to most aspects of our business activities. Interfor has incurred and will continue to incur, capital expenditures and operating costs to ensure compliance with environmental laws and regulations, including U.S. Maximum Achievable Control Technology and continuous monitoring requirements applicable to certain of our boilers.

Forest Management Certification

Interfor has achieved the internationally recognized Sustainable Forestry Initiative ("SFI") forest management certification for all of our woodlands operations. Independent third-party certification audits are conducted annually by Intertek for all Canadian Operations.

Chain of Custody and Responsible Purchasing

Interfor's Sustainable Forestry & Log Procurement Policy sets out our commitment to sustainable forest management and sourcing logs from sustainable managed and non-controversial sources.

Interfor maintains SFI Chain-of-Custody certification at all our sawmills to track logs through production and manufacturing to the end product. This enables Interfor to track and communicate how much of our product is from certified vs non-certified forests.

Interfor has achieved SFI Fiber Sourcing certification for all procured logs associated with our sawmills that promotes responsible forest practices from our log suppliers.

Continual Improvement

Each year a formal management review of the Company's sustainable forest management, fibre sourcing and chain of custody programs and performance are completed as part of the process of continual improvement.

Reforestation and Other Forestry-related Costs

Crown legislation in certain jurisdictions requires the Company to complete reforestation activities on its forest and timber tenures.

Forestry legislation in B.C. requires the Company to incur the cost of reforestation on its forest, timber and tree farm licences and to deactivate logging roads once harvesting is complete and access is no longer required.

Forestry legislation in Ontario and New Brunswick require the Company to incur the cost of reforestation on its sustainable forest licences and Crown timber licences, respectively, and subsequently claim a reimbursement from the government.

HUMAN RIGHTS

Interfor's Human Rights Policy sets out our commitment to respecting the dignity, well-being and human rights of our employees, workers in our supply chain, and local communities. This policy is implemented through our respect of workers' rights, including freedom of peaceful assembly and association, collective bargaining, fair working hours and conditions, and fair compensation.

Interfor is an equal opportunity employer committed to providing safe workplaces that are free from harassment and discrimination, and we promote a professional and inclusive work environment through our training programs, workshops and employee engagement. We do not tolerate or engage in forced labour or child labour. Our commitment is backed by a whistleblower hotline where employees and others can confidentially raise concerns.

We respect our employees' and local communities' right to a healthy environment through implementing our Environment Policy. Our engagement and forestry operations are conducted in accordance with our Indigenous Relations Policy, which recognizes the UNDRIP and reflects our commitment to expanding Indigenous participation and benefits within the forest industry.

Our Supplier Code of Conduct conveys to our partners, vendors, suppliers, haulers and other service providers our expectation that they uphold the principles in our Human Rights Policy and Environment Policy.

The Corporate Governance, Responsibility and Nominating Committee of our Board has oversight over corporate responsibility generally, including the implementation of our Human Rights Policy.

Our annual report on our supply chains sets out the steps we take to prevent and reduce the risk that forced labour or child labour is used at any step of our production of goods in Canada or elsewhere, or in the production of goods we import into Canada. This report is prepared under Canada's *Fighting Against Forced Labour and Child Labour in Supply Chains Act*.

ENVIRONMENT, SOCIAL AND GOVERNANCE PRACTICES

Interfor is committed to building value through sound environmental, social, and governance practices. We are proud to be a company that provides sustainable and environmentally friendly forest products to our customers around the world.

We continue implementing our company-wide Sustainability Strategy that addresses aspirational goals and near-term targets to support our commitment to sustainable operations. In 2025, we continued to ensure a clear alignment between our strategic priorities and our work to implement our Sustainability Strategy.

The Company maintains a structure to implement the strategy including Board of Directors oversight, an Executive Steering Committee and a Sustainability Team.

Our annual Sustainability Report provides detailed information on the Company's commitments and actions, including progress against key metrics. The report also includes details on Interfor's practices and disclosures as recommended by the Task Force on Climate-related Financial Disclosure (TCFD). In 2025 and 2024, Interfor contracted ERM CVS to conduct independent limited assurance on our Scope 1 and Scope 2 greenhouse gas emissions and assurance for the 2025 reporting year is still in progress. Sustainability is at the core of Interfor's culture and integrated within its strategy, and the targets we pursue represent an ongoing commitment to improving performance.

Additional information about our environmental work and third party certifications is available on our website at www.interfor.com and in our sustainability report at <https://interfor.com/sustainability>.

RESEARCH AND DEVELOPMENT

We contribute to and participate in industry research organizations that have made numerous technical developments beneficial to us in areas such as sawing technology, drying techniques and anti-sap stain applications. We are committed to applied research and development in the areas of environment, health and safety, forest management, and product and market development. We also conduct product and market research on our own in Canada and the U.S.

RISK FACTORS

Discussion of risk factors relating to the Company and its operations is included under the heading Risks and Uncertainties within Interfor's 2025 annual Management's Discussion and Analysis prepared as of February 12, 2026, which is incorporated by reference and available on SEDAR+ at www.sedarplus.ca.

CAPITAL STRUCTURE

The authorized share structure of the Company consists of:

- 150,000,000 common shares without Par Value with Special Rights and Restrictions; and
- 5,000,000 preference shares without Par Value with Special Rights and Restrictions.

As at February 12, 2026, there were 65,766,951 common shares outstanding. There were no preference shares outstanding.

Common Shares

Each holder of a common share is entitled to receive notice of and to attend and vote in person or by proxy at all meetings of the shareholders of the Company and is entitled to one vote for each such share held.

Each holder of a common share is entitled to receive such dividends as the directors may in their sole discretion declare from time to time. No holder of a common 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 directors have the discretion to declare dividends on the common shares.

In the event of the liquidation, dissolution or winding-up of the Company or other distribution of its assets for the purpose of winding up its affairs, holders of the common shares will not receive any amount, property or asset, until the holders of the preference shares and any other class or series of shares entitled to receive assets of the Company in priority to the holders of the common shares, have first received the amount to which they are entitled.

Thereafter, the holders of the common shares will be entitled to all remaining property and assets of the Company on a share for share basis.

Preference Shares

The preference shares may be issued in one or more series. The 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.

The preference shares rank in priority over the common shares and any other shares ranking junior to the preference shares with respect to the payment of dividends and the distribution of assets of the Company in the event of the liquidation, dissolution or winding-up of the Company.

The registered holders of the preference shares shall not be entitled as a class to receive notice of or to attend or to vote at any meeting of shareholders of the Company, except in the event of matters affecting the priority rights or any other rights or restrictions attaching to the preference shares.

MARKET FOR SECURITIES OF THE COMPANY

The common shares are listed on the Toronto Stock Exchange ("TSX") under the symbol IFP. The following table sets out the market price range and trading volumes of the common shares on the TSX for the periods indicated:

Month	Toronto Stock Exchange (TSX)		
	2025 Trading Volumes		
	Ticker: IFP	\$ Low	\$ High
January		16.19	18.78
February		15.22	18.33
March		14.25	16.74
April		12.84	15.27
May		12.17	14.55
June		12.38	13.67
July		12.38	13.72
August		12.15	13.51
September		10.05	13.50
October		7.63	10.38
November		7.05	9.14
December		7.77	8.91

TRANSFER AGENT

The transfer agent for our common shares is Computershare Investor Services Inc. at its principal offices in Vancouver, B.C.

MATERIAL CONTRACTS

The following material contracts were entered into by the Company either during 2025, or before 2025 and are still in effect:

1. Interfor 2022 Amended and Restated Credit Agreement, dated for reference December 16, 2022, between the Company and a syndicate of major banks co-led by RBC Capital Markets, TD Securities, Wells Fargo, and the Bank of Nova Scotia as amended on June 21, 2024, July 25, 2025, November 7, 2025, and February 12, 2026. The commitment under this revolving credit facility totals \$540.0 million and the maturity date is July 25, 2029.
2. Fifth Amended and Restated Note Purchase Agreement dated as of June 10, 2022 between the Company and the purchasers named therein, as amended on November 9, 2022, July 25, 2025, November 7, 2025, and February 12, 2026, pursuant to which the Company has issued Senior Secured Notes with an aggregate principal amount of US\$450.4 million and laddered maturities spanning 2026-2033.

Each of these contracts is available on www.sedarplus.ca.

DIRECTORS AND OFFICERS

Directors of the Company

As of February 12, 2026, the directors of Interfor are as follows:

Name and Municipality of Residence	Director Since	Positions Held and Principal Occupations during the Past 5 Years	From	To ⁽¹⁾
IAN FILLINGER Kamloops, BC, Canada	January 2020	President & Chief Executive Officer Interfor Corporation	2020	Present
NICOLLE BUTCHER ⁽²⁾⁽³⁾ Toronto, ON, Canada	May 2023	President & Chief Executive Officer Ontario Power Generation, a provincial electricity provider	2025	Present
		Chief Operations Officer Ontario Power Generation	2022	2024
		Senior Vice President, Renewable Generation and Power Markets Ontario Power Generation	2020	2022
GEOFFREY EVANS ⁽²⁾⁽³⁾ Fort Myers, FL, USA	October 2023	Founder and President Evans Enterprises, a consultancy	2018	Present
CHRISTOPHER GRIFFIN ⁽⁴⁾⁽⁵⁾ Chicago, IL, USA	August 2019	Director National Association of Manufacturers	2021	Present
		President and Chief Executive Officer USG Corporation, private building products manufacturer and distributor	2019	Present
RHONDA HUNTER ⁽⁴⁾⁽⁵⁾ Newhope, AR, USA	May 2019	Director Schnitzer Steel Industries, Inc. dba Radius Recycling (NASDAQ: RDUS)	2017	2025
THOMAS V. MILROY ⁽⁴⁾⁽⁵⁾ Toronto, ON, Canada	February 2016	Director API Group Corporation (NYSE: APG)	2017	Present
		Director Generation Capital Limited	2015	Present
GILLIAN PLATT ⁽³⁾⁽⁵⁾ Port Severn, ON, Canada	October 2016	Director CRH plc (LSE: CRH, NYSE: CRH)	2017	Present
E. LAWRENCE SAUDER ⁽⁶⁾ Vancouver, BC, Canada	April 1984	Director Metrie Canada Ltd. (formerly Sauder Industries Limited)	2010	2023
		Director and Chair ADENTRA Inc. (formerly Hardwoods Distribution Inc.) (TSX: ADEN)	2008	2021
CHRISTINA SISTRUNK ⁽²⁾⁽³⁾ Lumberton, MS, USA	March 2024	Senior Advisor Boston Consulting Group	2022	Present
		President and CEO Aera Energy, LLC	2015	2020
CURTIS M. STEVENS ⁽⁴⁾⁽⁵⁾ Portland, OR, USA	May 2018	Director Quanex Building Products Corporation (NYSE: NX)	2010	2025

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Name and Municipality of Residence	Director Since	Positions Held and Principal Occupations during the Past 5 Years	From	To ⁽¹⁾
THOMAS TEMPLE ⁽²⁾⁽⁴⁾ Kingston, WA, USA	August 2022	VP, Wood Products and Southern Resources PotlatchDeltic Corporation	2008	2021

(1) The directors of the Company are elected each year at the annual general meeting of the Company and hold office until the close of the next annual general meeting, or until their successors are elected or appointed.

(2) Member, Environment & Safety Committee
 (3) Member, Corporate Governance, Responsibility & Nominating Committee
 (4) Member, Audit Committee
 (5) Member, Management Resources & Compensation Committee
 (6) Chair of Board

Officers of the Company

As of February 12, 2026, the officers of Interfor are as follows:

Name and Municipality of Residence	Positions Held and Principal Occupations During the Past 5 Years	From	To
IAN FILLINGER Kamloops, BC, Canada	President & Chief Executive Officer Interfor Corporation	2020	Present
MICHAEL MACKAY North Vancouver, BC, Canada	Executive Vice President & Chief Financial Officer Interfor Corporation	2025	Present
	Vice President, Corporate Development & Treasury Interfor Corporation	2022	2025
	Vice President, Corporate Development & Strategy Interfor Corporation	2020	2022
BART BENDER West Vancouver, BC, Canada	Senior Vice President, Sales & Marketing Interfor Corporation	2015	Present
ANDREW HORAHAN Christina Lake, BC, Canada	Executive Vice President & Chief Operating Officer Interfor Corporation	2025	Present
	Executive Vice President, Canadian Operations Interfor Corporation	2022	2025
	Senior Vice President, Western Operations Interfor Corporation	2021	2022
	Vice President, Western Operations Interfor Corporation	2017	2021
TIMOTHY HARTNETT Fayetteville, GA, USA	Senior Vice President, Human Resources Interfor Corporation	2022	Present
	Senior Vice President, Off-Site Construction Louisiana-Pacific Corporation	2019	2021

Name and Municipality of Residence	Positions Held and Principal Occupations During the Past 5 Years	From	To
XENIA KRITSOS Vancouver, BC, Canada	Senior Vice President, General Counsel & Corporate Secretary Interfor Corporation	2025	Present
	General Counsel & Corporate Secretary Interfor Corporation	2015	2025

As at February 12, 2026, the directors and officers of the Company as a group owned, directly or indirectly, or exercised control of or direction over 526,146 common shares representing approximately 0.80% of the outstanding common shares^[1].

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Since the commencement of our current financial year, and for the three most recently completed financial years, no director or executive officer of the Company, no person or company that is the direct or indirect beneficial owner of, or who exercises control or direction over, more than 10% of the Company's voting securities or any associate or affiliate of such persons, has had any material interest in any transaction involving the Company.

LEGAL PROCEEDINGS

Except as described below, we are not a party to, and our property is not the subject of, any material legal or regulatory proceedings during 2025, which are currently underway, or which we know to be contemplated.

Softwood Lumber Dispute

The 2006 Softwood Lumber Agreement between Canada and the U.S. expired on October 12, 2015. Following expiry of the one-year moratorium on trade sanctions, in November 2016 a petition was filed by the U.S. Lumber Coalition and other petitioners seeking CV and AD duties on Canadian softwood lumber imports to the U.S. and since that time, CV and AD duties have been imposed by the U.S Department of Commerce on Canadian shipments of softwood lumber into the U.S. Interfor is defending its position through various appeals processes, in conjunction with the Canadian provincial and federal governments. For further information on the softwood lumber dispute, see Note 21(a) of our audited consolidated financial statements for the year ended December 31, 2025.

Liquidated Duties Claim

The Company believes that U.S. Customs and Border Protection has inappropriately designated as liquidated US\$43.3 million of duties paid related to AR1. US\$25.7 million of this amount, along with US\$7.5 million of related accrued interest, is recorded as a long-term receivable at December 31, 2025. Interfor has filed an appeal before the U.S. Court of International Trade to rectify this matter, and based on the information known at this time, believes the amounts recorded as a long-term receivable at December 31, 2025, remain collectable in full.

^[1] Based on Insider Reports filed on SEDI and holdings through the Interfor Employee Share Purchase Plan.

Canada Revenue Agency Notices of Reassessment

In early 2026, Interfor received Notices of Reassessment from the Canada Revenue Agency in relation to cross border preferred share financing used between 2014 and 2019 to fund U.S. subsidiaries ("repo structure"). The reassessments would result in an increase to federal and B.C. income and logging taxes payable of \$14.2 million, along with accrued interest to date of \$4.9 million. Interest will continue to accrue until the matter is resolved. The Company believes it has complied with Canadian tax laws and intends to vigorously defend its filing position, including through litigation if necessary.

INTEREST OF EXPERTS

KPMG LLP are the auditors of the Company and have confirmed with respect to the Company that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

AUDIT COMMITTEE INFORMATION

The Company's Audit Committee (the "Committee") is mandated to oversee the accounting and financial reporting processes of the Company and audits of its financial statements in accordance with the Board's objectives. The Committee's functions include:

- reviewing and, if appropriate, recommending approval by the Board of the Company's annual and quarterly financial statements, management's discussion and analysis and earnings press releases;
- reviewing and approving disclosures required to be included in the Company's Annual Information Form and Management Information Circular relating to the Audit Committee and audit and non-audit services and fees;
- reviewing the process for certification, and the certification, of the interim and annual financial statements by the Chief Executive Officer and Chief Financial Officer;
- reviewing all public disclosure containing financial results or financial information;
- overseeing the Company's Internal Audit department and reviewing reports by the Internal Audit department regarding disclosure controls, internal controls over financial reporting of the Company and any fraud involving employees who have a significant role in the Company's internal controls, and ensuring the Company has adequate internal controls procedures in place and that measures are taken to follow up on recommendations from the auditor's reports;
- reviewing the principal risks of the Company, other than the risks associated with the Company's compensation policies and practices, and ensuring that an effective risk management strategy is in place;
- reviewing the Company's derivatives policies and activities, including details of exposures to banks and other counterparties;
- reviewing the Company's information systems security risk exposure and the policies, procedures and mitigation plans in place to protect the security and integrity of the Company's information systems and data;
- overseeing the activities of and directly communicating and meeting with the Company's external auditor;

- reviewing the independence and performance of the auditor;
- satisfying itself that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the Company's financial statements and periodically assessing the adequacy of those procedures;
- establishing and periodically reviewing the policies and procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submissions by the employees of the Company regarding questionable accounting or auditing matters;
- reviewing and approving the Company's hiring policies regarding partners, employees and former partners and employees of the former and present external auditor; and
- reviewing the Company's insurance programs, including the Company's directors' and officers' insurance coverage, and making recommendations for their renewal or replacement.

The Committee's Terms of Reference, attached as Appendix "A" to this Annual Information Form, sets out its duties and responsibilities.

The Committee met four times in 2025, in conjunction with regularly scheduled Board meetings.

Members' Financial Literacy, Expertise and Simultaneous Service

The Board of Directors has determined that the members of the Audit Committee during 2025 were, and all current members of the Audit Committee are, financially literate and independent as defined in *National Instrument 52-110 – Audit Committees*, including an Audit Committee member who is a financial expert and has prior experience as the Chief Financial Officer of a public company. The table below indicates the relevant education and experience of each member of the Audit Committee:

Relevant Education and Experience

Director	Past Occupation
Chris Griffin Chair since May 2024, Member since May 2023 (and from August 2019 to May 2021)	Mr. Griffin is President & Chief Executive Officer of USG Corporation and was appointed to that role in April, 2019. He has also been a Director of the National Association of Manufacturers since March, 2021 and a member of the Group Management Committee for the Knauf Group since 2017. Mr. Griffin's previous roles with USG include Chief Operating Officer from 2013 to 2015; Executive Vice President, Operations; President, International; President of USG's Canadian subsidiary CGC and several other roles in sales, product management, manufacturing and operations. He also served as Regional Chief Executive Officer (North America), and then Chief Executive Officer, of Knauf Insulation North America from 2016 to 2019. Mr. Griffin is a past member of the Board of Directors of Chicagoland Habitat for Humanity and Make-A-Wish Illinois. He is a past member of the Board of Directors for the Construction Technology for Women association, a past member of the Board of Governors for George Brown Community College and has served volunteer roles with Junior Achievement. Mr. Griffin holds a bachelor's degree in economics from Wilfrid Laurier University in Ontario, Canada, and has completed the advanced management program at the Wharton School of the University of Pennsylvania.

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Rhonda Hunter Member since May 2024 (and from May 2019 to May 2021)	Ms. Hunter was the Senior Vice President, Timberlands of Weyerhaeuser Company from 2013 to 2018, after having held multiple operations, sales, logistics and finance roles at Weyerhaeuser since 1987. From 2017 to 2025 Ms. Hunter was a director of Schnitzer Steel Industries, Inc. <i>dba Radius Recycling</i> (NASDAQ: RDUS). Ms. Hunter has been active in a number of industry organizations, including the American Forest Foundation (2014-2018), National Council for Air and Stream Improvement (2014-2018), Arkansas Forestry Association (2002-2013), and Nature Conservancy of Arkansas (2007-2014). She has a Bachelor of Science degree in Accounting from Henderson State University and completed executive education at Harvard Business School and Duke University.
Thomas V. Milroy Member since April 2016 (Chair from May 2018 to May 2024)	Mr. Milroy is a director of APi Group Corporation (NYSE: APG) and serves as a member of its Nominating & Corporate Governance Committee and as Chair of the Compensation Committee. He is also a director of Generation Capital Limited, a private investment company. He also serves on the boards of a number of not-for-profit organizations, including the Centre for Addiction and Mental Health (CAMH) and Evergreen. Prior to that, Mr. Milroy served on the board of Restaurant Brands International Inc. (TSX/NYSE: QSR, TSX: QSP) and one of its predecessor companies, from 2013 to 2018. He worked for BMO Financial Group from 1993 to 2015 and served as Chief Executive Officer of BMO Capital Markets from 2008 to 2014, where he was responsible for all of BMO's business involving corporate, institutional and government clients globally. Mr. Milroy holds a Bachelor of Law and Master of Law from Cambridge University, an LLB from Dalhousie University, and a Bachelor of Arts from McGill University. He has completed the Advanced Management Program at the Harvard Business School. Mr. Milroy is a member of the Law Society of Upper Canada.
Curtis M. Stevens Member since May 2018	Mr. Stevens served as the CEO and a director of Louisiana-Pacific Corporation (NYSE: LPX), a building materials manufacturer, from 2012 until his retirement in June 2017. Mr. Stevens holds a Certified Public Accountant (CPA) designation and served as Louisiana-Pacific's Chief Operating Officer and Executive Vice President (2011-2012), Chief Financial Officer (1997-2011) and Executive Vice President, Administration (2002-2011). Mr. Stevens also served as a director of Quanex Building Products Corporation (NYSE: NX) from 2010-2025. Mr. Stevens holds a Bachelor of Arts in Economics and a Master of Business Administration with a concentration in Finance from the University of California at Los Angeles. Mr. Stevens is considered a financial expert with relevant knowledge and experience of financial administration and accounting for listed companies, due to his CPA qualification and his experience as Chief Financial Officer during his extensive tenure at Louisiana-Pacific.
Thomas Temple Member since May 2024	Mr. Temple held the position of Vice-President at PotlatchDeltic from 2008 until his retirement in 2021, with responsibilities that included the Wood Products Division and the Southern Timberlands. His prior roles include Vice President, International Sales and Panel Marketing at Canfor (2004 – 2007); Vice President, Sales and Marketing at Slocan Forest Products (2003); Executive Vice President at Rossi American Hardwoods (1998 – 2002); and various management positions in Forestry, Sales, and Manufacturing at Plum Creek Timber Company (1981 – 1998). Prior to his retirement, Mr. Temple also served as Chairman, Vice-Chairman and Trustee for the APA and served on the Board of Directors of Western Wood Products Association, Southern Pine Inspection Bureau and the Canadian Wood Council. He holds a Master of Science (Forestry) from the State University of New York at Syracuse and a Bachelor of Science (Forestry) from Oregon State University.

AUDIT FEES

The Committee annually recommends the appointment of the Company's external auditors and approves the annual audit plan and compensation of the external auditors for all audit, audit related and non-audit services. In the case of non-audit services, the services and compensation are approved by the Committee before the services commence.

KPMG LLP, Chartered Professional Accountants, Vancouver, are the independent auditors of the Company. Fees paid or accrued to KPMG LLP for audit and other services for the years ended December 31, 2025 and 2024, were as follows:

	2025	2024
Audit fees Fees billed for professional services rendered.	\$1,354,657	\$1,070,797
Audit-related fees Audit-related fees for professional services rendered with respect to the audits of defined benefit pension plans and French translation services.	111,375	47,080
Tax fees Tax fees for tax compliance and planning services.	27,966	22,172
All Other fees Payroll assessment and forestry certification.	93,764	21,939
TOTAL	<hr/> \$1,587,762	<hr/> \$1,161,988

CODE OF ETHICS

Interfor's code of ethics applies to all our directors, officers and employees. A copy of the code, entitled "Code of Conduct & Ethics", can be found on our website at www.interfor.com.

ADDITIONAL INFORMATION

Additional information relating to the Company, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the Company's Information Circular which will be issued for its upcoming annual meeting of shareholders that involves the election of directors.

Additional financial information about the Company is provided in the Company's audited consolidated financial statements and Management's Discussion and Analysis for the year ended December 31, 2025.

Copies of the documents referred to above and additional information relating to the Company are available on SEDAR+ at www.sedarplus.ca, on the Company's website www.interfor.com and may also be obtained upon request from:

Interfor Corporation
Senior Vice President, General Counsel & Corporate Secretary
1600 - 4720 Kingsway
Burnaby, British Columbia
Canada, V5H 4N2
Telephone: 604 422 3400
E-mail: corporatesecretary@interfor.com

Appendix "A"

**AUDIT COMMITTEE
Terms of Reference**

PURPOSE

The Audit Committee has been established by the Board and under powers delegated to it by the Board is mandated to oversee the accounting and financial reporting processes of the Company and audits of its financial statements in accordance with the Board Objective.

COMPOSITION AND TERM OF OFFICE

1. The Audit Committee shall consist of four or more Directors.
2. All members of the Audit Committee shall be independent within the meaning of *National Instrument 52-110* ("NI 52-110").
3. All members must be financially literate within the meaning of NI 52-110 or become financially literate within a reasonable period following appointment and at least one member should have accounting or related expertise.
4. The Chair of the Audit Committee along with other Audit Committee members will be appointed annually by the Board following the AGM to hold office until the next AGM, unless any member becomes unable to serve or is removed by the Board. A casual vacancy may be filled and additional members may be appointed at any time by the Board to hold office until the next AGM.
5. A quorum shall consist of a simple majority.

DUTIES AND RESPONSIBILITIES

The Audit Committee shall perform the following functions, as well as any other functions specifically authorized by the Board:

Financial Disclosure, Risk Management and Internal Controls

1. Review the following documents before the public disclosure of same by the Company, and, if appropriate, recommend approval by the Board of the Company's:
 - a. annual and quarterly financial statements;
 - b. Management's Discussion and Analysis; and
 - c. annual and interim earnings press releases.

The review will involve direct discussions with Management and the Company's external auditor (the "Auditor"), including an opportunity for an in-camera meeting with the Auditor independent of Management.

2. Review and approve the disclosures required by applicable securities laws to be included in the Company's Annual Information Form and Management Information Circular relating to the Audit Committee and audit and non-audit services and fees.
3. Review the process for certification of the interim and annual financial statements by the CEO and Chief Financial Officer ("CFO") and the certification made by the CEO and CFO.
4. Review all news releases announcing financial results, containing financial information based on unreleased financial results or non-GAAP financial measures or providing earnings guidance, forward-looking financial information and future-oriented financial information or financial outlooks before the public disclosure of same by the Company.
5. Review financial information contained in any prospectus, take-over bid circular, issuer bid circular, rights offering circular and any other document that the Audit Committee is to review before the public disclosure of same by the Company, and, if appropriate, recommend approval by the Board.
6. Oversee the Company's Internal Audit department, including approval of the Internal Audit Terms of Reference. Designate a member of the Committee to approve the appointment/termination of the Internal Audit Group Lead, set their remuneration, and provide performance management oversight.
7. Review reports by the Internal Audit department regarding disclosure controls, internal controls over financial reporting and any fraud involving employees who have a significant role in the Company's internal controls. Ensure that the Company has adequate procedures in place in respect thereof and that measures are taken to follow up on recommendations from the Auditor's reports.
8. Review the principal risks of the Company, other than the risks associated with the Company's compensation policies and practices, and ensure that an effective risk management strategy is in place.
9. Review the Company's derivatives policies and activities, including details of exposures to banks and other counterparties.
10. Review the Company's information systems security risk exposure and the policies, procedures, and mitigation plans in place to protect the security and integrity of the Company's information systems and data, including crisis management and business continuity plans.

External Auditor

11. Review and recommend to the Board the appointment of the Auditor to be nominated for the purposes of preparing or issuing an Auditor's report and performing other audit, review or attest services for the Company.
12. Establish the mandate of the Auditor, including the annual engagement, audit plan, audit scope and compensation for the audit services, subject to shareholder approval.
13. Oversee the activities of the Auditor. The Auditor shall report directly to the Audit Committee.

14. Directly communicate and meet with the Auditor, with and without Management present, to discuss the results of their examinations.
15. Review the independence of the Auditor, any rotation of the partners assigned to the audit in accordance with applicable laws and professional standards, the internal quality control findings of the Auditor's firm and peer reviews.
16. Review the performance of the Auditor, including the relationship between the Auditor and Management and the evaluation of the lead partner of the Auditor.
17. Resolve disagreements between Management and the Auditor regarding financial reporting.
18. Review material written communications between the Auditor and Management.

Non-Audit Services

19. Pre-approve non-audit services. The Audit Committee may delegate to one or more of its members the authority to pre-approve non-audit services. The pre-approval of non-audit services by any member to whom authority has been delegated shall be presented to the Committee at its first scheduled meeting following such pre-approval.

Company Policies

20. Satisfy itself that adequate procedures are in place for the review of the public disclosure of financial information extracted or derived from the Company's financial statements and periodically assess the adequacy of those procedures.
21. Establish and periodically review the policies and procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters, and the confidential, anonymous submissions by the employees of the Company regarding questionable accounting or auditing matters.
22. Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the former and present Auditor.

Insurance

23. Review the Company's insurance programs, including the Company's directors' and officers' insurance coverage, and make recommendations for their renewal or replacement.

MEETINGS AND PROCEDURES

1. The Audit Committee shall meet a minimum of four (4) times per year and, subject to these Terms of Reference and applicable law, otherwise establish its procedures and govern itself as the members of the Audit Committee may see fit in order to carry out and fulfill its duties and responsibilities hereunder. Extraordinary meetings of the Audit Committee may be called at the request of a member on the Audit Committee or the Chair of the Board to be held at such times and places as the person calling such meeting may determine.

2. A majority of members of the Audit Committee will constitute a quorum (provided that a quorum shall not be less than two (2) members). Decisions of the Audit Committee will be by an affirmative vote of the majority of those members of the Audit Committee voting at a meeting. In the event of an equality of votes, the Chair will not have a casting or deciding vote. The Audit Committee may also act by resolution in writing signed by all the members of the Audit Committee.
3. The Audit Committee shall appoint a Secretary who shall keep minutes or other records of its meetings and proceedings.
4. The Chair of the Audit Committee shall report to the Board at its next regular meeting the Audit Committee's deliberations and recommendations, if any, requiring the Board's approval.

OTHER MATTERS

1. The Audit Committee is authorized to engage any outside advisor it deems necessary to carry out its duties and responsibilities and to arrange payment of the advisor's compensation by the Company.
2. The Audit Committee may, at the request of the Board or at its own initiative, investigate such other matters as it considers appropriate in furtherance of the Audit Committee's purpose.