



Interfor Corporation

Vancouver, B.C.

March 18, 2020

Interfor Announces Initiatives to Address Prevailing COVID-19 Environment Capital Expenditure Reductions in 2020 and 2021 Production Curtailments in All Regions

INTERFOR CORPORATION (“Interfor” or the “Company”) (TSX: IFP) today announced it will implement a number of initiatives in order to adjust its business to operating conditions being impacted by COVID-19. “We are very focused on ensuring the health and safety of our employees as well as adapting to the evolving market conditions,” said Ian Fillinger, Interfor’s President and Chief Executive Officer. “In addition, Interfor will remain disciplined in its approach to capital deployment as it focuses on retaining a strong capital structure.”

The two primary initiatives are:

Capital Expenditure Reductions

Interfor’s multi-year strategic capital projects are structured in a manner that provides flexibility to adapt to evolving market conditions. As a result of the prevailing environment, the Company is planning to reduce its capital expenditures in 2020 and 2021 by a total of approximately \$140 million. With this reduction, Interfor’s 2020 capital expenditures are expected to be approximately \$100 million and 2021 capital expenditures are expected to be substantially below \$100 million. Interfor will re-evaluate its capital expenditures as market conditions continue to evolve.

Production Curtailments

In order to align production with the prevailing market, Interfor will temporarily reduce production across its operations in British Columbia, the Pacific Northwest and the US South. These curtailments are expected to reduce production by approximately 35 million board feet per week, which represents approximately 60% of Interfor’s production capacity. These curtailments will initially be for a two-week period and will be re-evaluated regularly.

FORWARD-LOOKING STATEMENTS

This release contains forward-looking information about the Company’s business outlook, objectives, plans, strategic priorities and other information that is not historical fact. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. Generally, statements containing forward-looking information can be identified by the use of words such as: believe, expect, intend, forecast, plan, target, budget, outlook, opportunity, risk, strategy or variations or comparable language, or statements that certain actions, events or results may, could, would, should, might, or will occur or not occur. 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 release include assumptions regarding 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; the effects of the COVID-19 pandemic, the effects of natural or man-made disasters; currency exchange rates; changes in government regulations; the availability of the Company’s allowable annual cut (“AAC”); claims by and treaty settlements with

Indigenous peoples; the Company's ability to export its products; the softwood lumber dispute between Canada and the U.S.; stumpage fees payable to the Province of British Columbia; environmental impacts of the Company's operations; labour disruptions; and the efficacy of information systems security. Unless otherwise indicated, the forward-looking information in this release is based on the Company's expectations at the date of this release. Interfor undertakes no obligation to update such forward-looking information, except as required by law.

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ABOUT INTERFOR

Interfor is a growth-oriented forest products company with operations in Canada and the United States. The Company has annual lumber production capacity of approximately 3.0 billion board feet and offers one of the most diverse lines of lumber products to customers around the world. For more information about Interfor, visit our website at www.interfor.com.

For further information:

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