



Interfor Corporation

Peachtree City, Ga

August 2, 2018

Interfor Invests in Eatonton Sawmill to Grow Southern Yellow Pine Lumber Business

Investment to provide increased security for rural jobs in the Southeast

INTERFOR CORPORATION ("Interfor" or the "Company"), one of North America's largest lumber manufacturers, announced its Eatonton mill will be part of Phase II of the Southern Investment Strategy approved by its Board today.

This announcement builds on Phase I of the Southern Investment Strategy, two strategic capital projects, announced in November 2017, at the Meldrim (Georgia) and Monticello (Arkansas) sawmills.

Combining Phases I & II, Interfor is undertaking major modernizations and rebuilds at five sawmills in its US South platform to modernize technology, increase efficiency and boost production. The total combined cost of Phases I & II is expected to be \$US305 million and the projects are designed to increase production capacity by approximately 425 million board feet per year and enhance product mix and grade outturns.

"Forestry has always been a key economic driver in Georgia, and Interfor's commitment to our state is significant," said Georgia Governor Nathan Deal. "Projects like this open the door for more opportunities for our workforce. The impact that Interfor will have in Georgia goes far beyond jobs and investment, and I look forward to their continued growth."

"We are capitalizing on embedded opportunities in the South," said Duncan Davies, President & Chief Executive Officer at Interfor. "That includes an attractive fiber basket, proximity to major end use markets, a supportive business environment, and sawmills with untapped potential."

This capital investment will also protect and improve jobs in Eatonton and the surrounding area. "Well capitalized and efficient mills are better able to weather changing markets. This capital investment means we're also investing in our people through internal training programs to build the skilled workforce we need to run these modern and efficient sawmills," said Davies.

"Interfor's decision to invest in Eatonton and protect nearly 125 jobs here is one that will have a long-lasting impact," Terry Schwindler, Economic Development Director of the Putnam

Development Authority, said. "We are pleased to know Interfor will continue to be an important partner in ushering economic growth and prosperity in our community."

"As a company, Interfor is committed to building value every day—by hiring, partnering and investing in local communities to grow our global business. This investment means the Eatonton sawmill will consume more timber which is good news for local loggers and timberland owners," said Bruce Luxmoore, Vice President, Southern Operations at Interfor. "We are excited to be investing in Eatonton and look forward to a long and strong partnership with the state and the local community."

"Having a global name like Interfor invest in our community is huge, and it is a testament to our ability to partner with world-class companies to get things done. We pledge to do whatever we can to make the Interfor-Eatonton lumber operation a tremendous success," added Schwindler.

The two other sawmills affected by the announcement are Thomaston (Georgia) and Georgetown (South Carolina) which will also see significant investment. The three projects combined will increase production capacity by approximately 275 million board feet per year, and enhance product mix and grade outturns. This is in addition to the two projects announced last fall at Meldrim (Georgia) and Monticello (Arkansas) sawmills. All capital investment projects are expected to be completed in various phases during 2019-2021.

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FORWARD-LOOKING STATEMENTS

This release contains information and statements that are forward-looking in nature, including, but not limited to, statements containing the words "designed", "will", "look forward", "capacity", "expected" and similar expressions. Such statements involve known and unknown risks and uncertainties that may cause Interfor's actual results to be materially different from those expressed or implied by those forward-looking statements. Such risks and uncertainties include, among other things: price volatility, availability of equipment and materials, competition, availability and cost of log supply, natural or man-made disasters, currency exchange sensitivity, regulatory changes, environmental impact and performance, labour disruptions, cyber-security measures, and other factors referenced in Interfor's Annual Report available on www.sedar.com and www.interfor.com. The forward-looking information and statements contained in this release are based on Interfor's current expectations and beliefs. Readers are cautioned not to place undue reliance on forward-looking information or statements. Interfor undertakes no obligation to update such forward-looking information or statements, except where required by law.

ABOUT INTERFOR

Interfor is a growth-oriented lumber company with operations in Canada and the United States. The Company has annual production capacity of approximately 3.1 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.

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