



CONIFEX TIMBER INC.

NEWS RELEASE: via MARKETWIRE

FOR IMMEDIATE RELEASE

Conifex Announces Third Quarter 2011 Results and Entry into Senior Secured Financing Agreement

November 22, 2011, Vancouver, B.C. - Conifex Timber Inc. ("Conifex" or the "Company") (TSX-V: CFF) today reported a net loss of \$2.2 million or \$0.14 per share and positive EBITDA of \$0.6 million on sales of \$38.2 million for the third quarter ended September 30, 2011. Current quarter net loss and EBITDA improved by \$1.4 million or \$0.10 per share over the previous quarter. Net loss during the current quarter improved by \$0.7 million or \$0.05 per share over the third quarter of 2010 while EBITDA improved by \$2.4 million. Overall operating rates based on current total estimated production capacity were approximately 55% during the second and third quarters of 2011 compared to 21% during the third quarter last year.

The Company reported current quarter lumber shipments of 115 million board feet which represented an increase of 42% over the previous quarter and 260% over the same quarter last year. The increase in shipment volume was due to higher operating rates and the fulfillment of shipment orders from the previous quarter. Revenue from lumber shipments increased by 54% compared to the previous quarter and by 262% over the same quarter last year. Current quarter average WSPF 2x4 #2 & Btr prices increased by approximately 4% compared to the previous quarter and the same quarter last year once the effect of exchange rate fluctuations between the Canadian and U.S. dollar is removed.

The Company's geographic sales profile continued to be dominated by export markets. Approximately 72% of total current quarter shipment volumes and 68% of current year-to-date shipment volumes were to offshore markets, primarily China and Japan, compared to 49% of third quarter shipments and 41% of year-to-date shipments last year. The balance of current year-to-date shipments was split equally between the Canadian and U.S. markets.

Lumber production during the third quarter of 2011 totalled 102 million board feet and was flat compared to the previous quarter and an increase of approximately 258% over the third quarter of 2010. Operating results reflect a modest increase in unit log costs during the current quarter and year-to-date periods, modest improvement in unit cash conversion costs during the current quarter and a more significant decrease in current and year-to-date lumber segment selling, general and administration unit costs.

Earnings Release Call

There will be a conference call held by the Company on Wednesday, November 23, 2011 at 8:00 AM (Pacific time) to discuss the third quarter financial and operating results. To participate in the call, please dial 416-695-6616 or toll free 800-355-4959. The call will also be available on instant replay access until December 31, 2011 by dialling 905-694-9451 or 800-408-3053 and entering participant pass code 6307115.

Conifex Enters Into a Senior Secured Financing Agreement

Conifex also announced today that it has entered into a senior secured financing agreement under the terms of which it will issue promissory notes in the aggregate principal amount of \$12 million. The promissory notes will expire on December 31, 2012 and bear interest rates of 10% for the first six months and 12% for the remaining term of the loan. The Company may redeem the notes, in whole or in part, at any time upon 15 days' notice to the holders thereof and payment of interest accrued on the amount redeemed to the date of redemption, but otherwise at par. As additional consideration for the loan, the Company will issue at the time of funding share purchase warrants entitling the holders to purchase up to an aggregate of 325,000 common shares of the unissued capital stock of the Company at a price of \$9.50 per share until December 31, 2014. The warrants (and the underlying common shares) will be subject to a hold period of four months from the date of issue of the warrants. The net proceeds from the notes are intended to be used for general corporate purposes.

For further information, please contact Yuri Lewis, Chief Financial Officer at 778-331-8687.

About Conifex Timber Inc.

Conifex and its subsidiaries' primary business currently includes timber harvesting, reforestation, forest management, sawmilling logs into lumber and wood chips, and value added lumber finishing. Conifex's lumber products are sold in the United States, Chinese, Canadian and Japanese markets. Upon completion of its bioenergy facility at Mackenzie, British Columbia, Conifex's business segments will be expanded to include bioenergy.

Conifex's sawmill complex situated in Fort St. James, British Columbia was purchased in August 2008 and commenced operations on a one-shift basis in March 2009. Conifex's two-mill complex situated in Mackenzie, British Columbia was purchased in June 2010. One mill at Mackenzie started up on a one-shift basis in November 2010. Conifex added a second shift at Fort St. James and Mackenzie in late March 2011 and is expected to be operating at approximately 70% of capacity by the end of the third quarter of 2011. On a combined basis, Conifex now owns sawmills having an annual lumber production capacity of approximately 745 million board feet on a two-shift basis. The sawmill complexes are supported by renewable forestry licences with an allowable annual cut of approximately 1.6 million cubic metres.

Forward-Looking Statements

Certain statements in this news release may constitute "forward-looking statements", including statements with respect to the issuance of the notes and warrants described herein. Forward-looking statements are statements that address or discuss activities, events or developments that the Company expects or anticipates may occur in the future. When used in this news release, words such as "estimates", "expects", "plans", "anticipates", "projects", "will", "believes", "intends" "should", "could", "may" and other similar terminology are intended to identify such forward-looking statements. Forward-looking statements reflect the current expectations and beliefs of the Company's management. Because forward-looking statements involve known and unknown risks, uncertainties and other factors, actual results, performance or achievements of the Company or industry may be materially different from those implied by such forward-looking statements. Forward-looking statements involve significant uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including the ability of the Company to satisfactorily fulfill the conditions precedent contained in the secured financing agreement and those additional matters described in the Company's 2010 annual management's discussion and analysis, available on SEDAR at www.sedar.com. Accordingly, readers should exercise caution in relying upon forward-looking statements and the Company undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.

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