



## CONIFEX TIMBER INC.

NEWS RELEASE: via MARKETWIRE

FOR IMMEDIATE RELEASE

### **CONIFEX TIMBER INC. ANNOUNCES AMENDMENT TO ITS ENERGY PURCHASE AGREEMENT WITH BC HYDRO AND TO ITS BIOENERGY PROJECT SCHEDULE**

Vancouver, British Columbia, October 5, 2011 – Conifex Timber Inc. ("**Conifex**" or the "**Company**") (TSX-V: CFF) today announced that it has entered into an agreement (the "**Amendment Agreement**") modifying certain terms of its Electricity Purchase Agreement (the "**EPA**") with BC Hydro. The EPA specified a period of 150 days from the date that the agreement was entered into within which acceptance for filing by the British Columbia Utilities Commission (the "**Commission**") was required (the "**Acceptance Period**"). The Amendment Agreement extends this Acceptance Period by 90 days. The extension was put in place to allow for the completion of the Province's review of BC Hydro prior to the filing of the EPA with the Commission. As a result of the filing delay, the project schedule has been impacted. Subject to the EPA being accepted by the Commission as an energy supply contract, the Company now expects that delivery of energy under the EPA to BC Hydro will occur in approximately Q2 of 2013.

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 sectors 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 expects to operate at approximately 70% of capacity once the production ramp up phase from the second shifts is completed. 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 regarding acceptance for filing of the EPA by the Commission as an energy supply contract and the expected timing of delivery of energy under the EPA to BC Hydro. 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", "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 involves 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 failure or delay in obtaining acceptance of the EPA for filing by the Commission. 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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