



CONIFEX TIMBER INC.

NEWS RELEASE: via MARKETWIRE

FOR RELEASE: December 6, 2012

NOT FOR DISTRIBUTION TO U.S. NEWS WIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

CONIFEX ANNOUNCES BOUGHT DEAL FINANCING

Vancouver, British Columbia, December 6, 2012 – Conifex Timber Inc. ("Conifex" or the "Company") (TSX-V: CFF) today announced that it has entered into an agreement with Salman Partners Inc. pursuant to which Salman Partners Inc. and a syndicate of underwriters, including Raymond James Ltd., RBC Capital Markets Inc. and CIBC World Markets Inc. (collectively, the "**Underwriters**"), have agreed to purchase, on a "bought deal" private placement basis, 1,000,000 units of the Company (the "**Units**"), with an over-allotment option to purchase up to an additional 428,800 Units, exercisable in whole or in part for a period up to 48 hours prior to closing of the offering to cover over-allotments and for market stabilization purposes, if necessary (the "**Private Placement**").

Each Unit will consist of one common share of the Company (each, a "**Common Share**") and one-half of one common share purchase warrant (each whole common share purchase warrant, a "**Warrant**") at a subscription price of \$7.00 per Unit. Each Warrant will entitle the holder thereof to acquire a Common Share at an exercise price of \$9.00 at any time within 24 months from the closing date. The Private Placement will result in gross proceeds of approximately \$7 million assuming that the over-allotment option is not exercised, and approximately \$10 million if the over-allotment option is fully exercised.

Closing of the Private Placement is expected to occur on or about December 20, 2012 and is subject to the receipt of all necessary regulatory and stock exchange approvals, including the approval of the TSX Venture Exchange. The Company intends to use net proceeds from the Private Placement for working capital purposes.

The Company has agreed to pay the Underwriters, in aggregate, a cash fee equal to 5.0% of the gross proceeds of the Private Placement.

Ken Shields, Chief Executive Officer of Conifex, stated: "We plan to use the proceeds from this financing for working capital purposes while we continue our initiatives to secure financing for our Mackenzie Generation Station. In our lumber segment, we continue to make progress raising our productivity levels and capturing benefits from improved selling prices."

The Private Placement is being made in all provinces of Canada pursuant to applicable exemptions and in the United States in accordance with certain exemptions under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), and such other jurisdictions as may be agreed between the Company and the Underwriters.

The securities offered pursuant to the private placement have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States or to or for the account of a U.S. person unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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.

Forward-Looking Statements

Certain statements in this news release may constitute "forward-looking statements", including statements with respect to the Private Placement 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 to obtain all necessary regulatory and stock exchange approvals and those matters described in the Company's 2012 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.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

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

Conifex Timber Inc.
110-2925 Virtual Way
Vancouver, British Columbia V5M 4X5