



CONIFEX TIMBER INC.

NEWS RELEASE: via MARKETWIRE

FOR IMMEDIATE RELEASE

CONIFEX PROVIDES UPDATE ON BIOENERGY PROJECT

Vancouver, British Columbia, November 20, 2012 – Conifex Timber Inc. ("**Conifex**" or the "**Company**") (TSX-V: CFF) announced today that it has received shipment and delivery of its turbine generator at its power facility situated in Mackenzie, British Columbia in connection with the Company's bioenergy project (the "**Bioenergy Project**"). The Bioenergy Project is approximately 30% complete and is currently on budget and on time. In order to further the continued development of the project and secure satisfactory long-term financing, Conifex is continuing with essential engineering and equipment procurement activities but will temporarily suspend installation and construction activities.

The Company is continuing discussions with several lenders with respect to long-term financing for the Bioenergy Project. Negotiations with a potential lender that was seeking an equity interest in the Bioenergy Project have been terminated. A material delay in securing long-term financing for the Bioenergy Project could delay the overall development of the Bioenergy Project, including the commercial operation date which is currently scheduled for the third quarter of 2013.

Ken Shields, Chief Executive Officer of Conifex, stated: "While it is disappointing to have to reduce expenditures on the project over the next few months, we concluded that it was more important for us to have the best possible financing in place to ensure that an optimal value is realized for Conifex and its shareholders over the 20-year term of our energy purchase agreement with B.C. Hydro. We remain optimistic that we will identify appropriate financing for the Bioenergy Project that makes sense for Conifex."

For further information, please contact:

Bioenergy Project: Antonio Madia, Vice President, Corporate Development at (250) 996-5461
Corporate Matters: 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 be operating at approximately 65% of capacity on an annualized basis during the second half of 2012. 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 project financing and the Bioenergy Project, including the expected commercial operation date. 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 our ability to successfully identify satisfactory financing and enter into definitive documentation in connection therewith, our ability to progress or complete our planned bioenergy project, as contemplated or at all, and the receipt of any necessary regulatory approvals and those matters described in the Company's 2011 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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