

INVESTOR PRESENTATION

March 2024

Photo: Conifex Sawmill —Mackenzie, BC



FORWARD LOOKING INFORMATION

This presentation contains certain forward-looking information that reflects our current views and/or expectations with respect to our beliefs, assumptions, estimates and forecasts about our business and the industries and markets in which we operate. The reader is cautioned that statements comprising forward-looking information are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other factors which are difficult to predict and that may cause actual results or events to differ materially from those anticipated in such forward-looking information. Accordingly, readers should not place undue reliance on forward-looking information. Examples of such forward-looking information that may be contained in this document include statements regarding: the realization of expected benefits of completed, current and any contemplated capital projects and the expected timing and budgets for such projects, including the build-out of any high-performance computing or data center operations; the growth and future prospects of our business; our expectations regarding our results of operations and performance; our planned operating format and expected operating rates; our perception of the industries or markets in which we operate and anticipated trends in such markets and in the countries in which we do business; our ability to supply our manufacturing operations with wood fibre and our expected cost for wood fibre; our expectation for market volatility associated with, among other things, the softwood lumber dispute with the United States of America; that we could be negatively impacted by the duties or other protective measures on our products, such as antidumping duties or countervailing duties on softwood lumber; continued positive relations with Indigenous groups; the development of a longer-term capital plan and the expected benefits therefrom; demand and prices for our products; our ability to develop new revenue streams; the availability and use of credit facilities or proceeds therefrom; future capital expenditures; expectations regarding our liquidity levels; and our expectations for U.S. dollar benchmark prices.

Material factors or assumptions that were applied in drawing a conclusion or making an estimate set out in the forward-looking statements may include, but are not limited to, our future debt levels; that we will complete our projects in the expected timeframes and as budgeted; that we will effectively market our products; that capital expenditure levels will be consistent with those estimated by our management; our ability to ship our products in a timely manner; that there will be no additional unforeseen disruptions affecting the operation of our power generation plant and that we will be able to continue to deliver power therefrom; our ability to obtain financing on acceptable terms, or at all; that interest and foreign exchange rates will not vary materially from current levels; the general health of the capital markets and the lumber industry; and the general stability of the economic environments within the countries in which we operate or do business.

Persons reading this presentation are cautioned that statements comprising forward-looking information are only predictions, and that our actual future results or performance are subject to certain risks and uncertainties including, without limitation: those relating to potential disruptions to production and delivery, including as a result of equipment failures, labour issues, the complex integration of processes and equipment and other similar factors; labour relations; failure to meet regulatory requirements; changes in the market; potential downturns in economic conditions; fluctuations in the price and supply of required materials, including log costs; fluctuations in the market price for products sold; foreign exchange fluctuations; trade restrictions or import duties imposed by foreign governments; availability of financing (as necessary); and other risk factors detailed in our 2022 annual information form dated March 30, 2023 and our 2023 annual MD&A dated March 27, 2024 available under Conifex's profile on SEDAR+ at www.sedarplus.ca and other filings with the Canadian securities regulatory authorities. These risks, as well as others, could cause actual results and events to vary significantly. Conifex does not undertake any obligation to update any forward-looking information, except as required by applicable securities laws.

Further information is available at www.conifex.com and www.sedarplus.ca

DISCUSSION TOPICS

- Recent Developments Have Enabled Our Integrated Sawmill And Power Generation Site At Mackenzie To Migrate To A Lower And More Enviably Positioned Position On The North American Softwood Lumber Industry Cost Curve.
- We Believe A Series Of Recent Mill Closure And Shift Curtailment Announcements In Our Operating Region Will Enhance Cash Flow Generation At Our Mackenzie Site.
- We Believe We Are Well Positioned To Successfully Secure New Credit Facilities In The Near Term That Better Align With The Conifex Business Plan.
- We Update A Revenue Diversification Opportunity We Have Under Consideration To Strengthen Our Company.

RESULTS AT GLANCE

Table 1. The Q4, and full year Summary

Time/Metric	Q4 2023	Q3 2023	Full Year 2023	Full Year 2022
Lumber Shipments WSPF lumber (MMfbm)	39.1	41.9	152.6	174.3
Benchmark Lumber Price (US\$)	402	417	391	771
Revenues (in millions of dollars) CA\$	35.3	38.7	141.2	231.3
EBITDA (in millions of dollars) CA\$	(3.5)	(6.7)	(25.8)	46.7
Net Income (in millions of dollars) CA\$	(5.3)	(8.0)	(30.6)	24.5

Source: Q4, 2023 Financial Statement

THE PROGRESSIVE REFINEMENT OF OUR FIBER BASKET



2018 to 2022 (The Challenge)

55% of the sawlog harvested in Mackenzie TSA required to source from dead and dying beetle-killed stands.



2020 (Critical Insight)

The Chief Forester revealed the loss of commercial value in 70% of the fiber volume.



May 4, 2023 (Turning Point)

The Chief Forester's allowance for the shift to a green log diet.



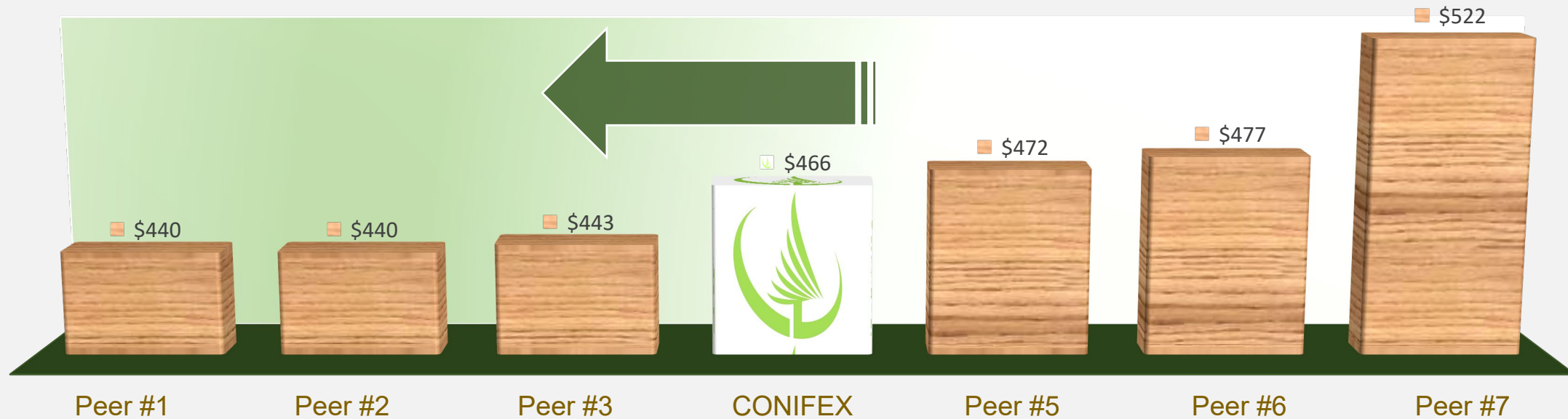
Q4 2023 (Initial Benefits)

Significant improvements and reduced EBITDA losses were observed following the transition

At our Mackenzie site, we are now capturing benefits from our transition to a green log diet.

The North American Softwood Lumber Industry Cost Curve Q4, 2023

USD COST PER THOUSAND BOARD FEET OF LUMBER SHIPPED (US\$/MBF)⁽¹⁾



(1) Internal Document.

The supply side will continue to reflect supply contractions in the interior region of B.C.

The Recent Permanent or Indefinite Closures* Are Leading To:

- Less Competition For Purchase Wood
- Lower Stumpage Cost
- Continued Strong Demand For Residual Chips
- Better Opportunities For Sales To Japan

*Recent Sawmill/Shift Closures/Curtailments:

- Canfor's Chetwynd
- Canfor's Houston
- Canfor's Polar Sawmill
- Sinclair's Nechako
- Skeena's Terrace
- Vaagen Fiber's Miday
- West Fraser's Fraser Lake
- And more...

4.9

Billion Board Feet Lumber Contraction

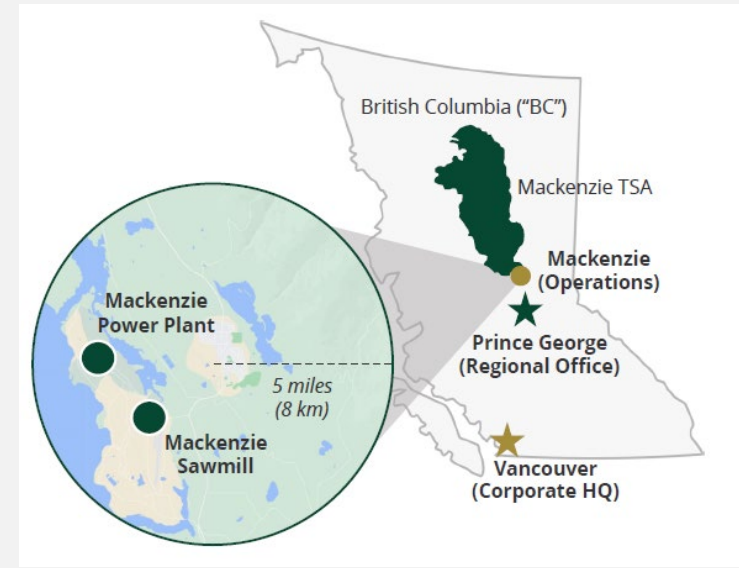
- BC log harvest declined from 47 million cubic metres in 2018 to 27 million in 2023, with a projected annual harvest of 26 million cubic metres for the next three years.
- SPF lumber production dropped by approximately 4.9 billion board feet annually due to the reduced log harvest.
- This reduction equates to 8% of North American softwood lumber consumption.

Conifex operates in the northern interior region of B.C.

The Mackenzie TSA is the 4th largest in BC.

Equivalent in size to the combined land area of the States of Vermont, New Hampshire, and Connecticut.

- Effective May 4, 2023, the Chief Forester for the Province of British Columbia established the allowable annual cut (AAC) for the Mackenzie TSA at 2.39 million cubic metres.
- The harvest level in our fibre catchment area is nearly three times our consumption requirement, since our sawmill consumption averages out at just over 800,000 cubic metres annually
- We are not aware of any other TSA in the interior region of BC with a comparable degree of sawlog self-sufficiency.
- In summary, we believe the dual impact of mill closures and shift curtailments, coupled with plentiful fibre availability in our operating region, will enable us to sustain ongoing positive cash flow generation at our Mackenzie site.



100% Ownership of Forest License Expires 2032 (Replaceable)

Background

- Intent to use power sector expertise to develop industrial-scale power infrastructure for next-generation data center customers in British Columbia (BC).
- Attraction for data center customers: BC's affordable green power.

Challenge Faced

- Provincial cabinet issued an Order in Council denying interconnection services at two key development locations.

Legal Action

- Challenged the Order in Council in the Supreme Court of BC.
- The court ruled against a permanent moratorium but upheld a temporary one.
- Decision to appeal based on the belief that the cabinet exceeded its authority.

Reasons Why Conifex's Next Generation Data Center Business Is Important For British Columbians:

Economic Growth And Job Creation, Especially In Rural Areas.



Lower Rates For BC Hydro Customers.



Enhanced Resiliency Of The Provincial Energy Grid.



Reduction In Global Greenhouse Gas Emissions.



Support For First Nations' Solar And Wind Energy Projects.



Conifex Power Plant



Conifex Data Center
- Trial Phase -



Ken Shields

Chairman & Chief Executive Officer



Andrew McLellan

President and Chief Operating Officer



Trevor Pruden

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CONIFEX LEADERSHIP TEAM

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