



CONIFEX TIMBER INC.

NEWS RELEASE: via MARKETWIRE

FOR IMMEDIATE RELEASE

Conifex Provides Operational Updates

August 22, 2022, Vancouver, BC - Conifex Timber Inc. (“**Conifex**”) (TSX: CFF) announced today that it is reducing its operating schedule to a one-shift basis at its Mackenzie, British Columbia sawmill commencing August 29, 2022. The reduction is the result of acute transportation challenges that have afflicted the overall industry since about November 2021, and which continue to persist. The reduced operating schedule is planned for up to six weeks. Conifex will closely assess and adjust the operating schedule as supply chain conditions evolve. It is anticipated that the reduced operating schedule will impact production capacity by approximately 26 million board feet.

“We have experienced persistent rail transportation challenges that have impacted our operations. These challenges have forced us to align our shift configuration with those in place at other interior BC operations to manage unsustainable inventory levels. The decision to reduce our operating schedule was difficult, and we regret the impact this may have on our employees, their families, and the community,” said Ken Shields, Chairman and CEO.

As the rail network is a critical connector to communities and businesses, Conifex appreciates the initiative launched by the Resource Municipalities Coalition to study the freight rail network and rail service in northern British Columbia. Conifex looks forward to hearing of their progress and the response by rail carriers to their recommendations.

Conifex continues to work with its engineers and contractors on a work plan to resume operations at its power plant. Conifex currently expects to resume power generation in or about late October 2022. Conifex has commenced an insurance claim to recover business interruption and property damage costs, subject to customary deductibles and limits.

For further information, please contact:

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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 and distribution. Conifex's lumber products are sold in the United States, Canadian and Japanese markets. Conifex also produces bioenergy at its power generation facility at Mackenzie, BC.

Forward-Looking Statements

Certain statements in this news release may constitute “forward-looking statements”. Forward-looking statements are statements that address or discuss activities, events or developments that Conifex 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 Conifex’s management. Because forward-looking statements involve known and unknown risks, uncertainties and other factors, actual results, performance or achievements of Conifex or the industry may be materially different from those implied by such forward-looking statements. Examples of such forward-looking information that may be contained in this news release include, but are not limited to, statements regarding delayed operational restart at the power facility, the resumption of two-shift operations at the mill and the duration of the current reduced operating schedule, operating results, and other relevant factors. 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, risk factors described in Conifex’s management’s discussion and analysis for the year ended December 31, 2021 and the quarter ended June 30, 2022, each of which is available on SEDAR at www.sedar.com. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should exercise caution in relying upon forward-looking statements and Conifex undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.