CONIFEX

CONIFEX TIMBER INC.

NEWS RELEASE: via GLOBENEWSWIRE FOR IMMEDIATE RELEASE

Conifex Receives Large Enterprise Tariff Loan

Tariff Loan provides for up to $30.0 million in financing

September 18, 2026, Vancouver, BC - Conifex Timber Inc. ("**Conifex**") (TSX: CFF) announced today that it has secured a Government of Canada loan under the Large Enterprise Tariff Loan program (LETL). The loan provides Conifex with enhanced financial flexibility and liquidity to support operations while it positions itself for a recovery in the lumber market. Through the LETL facility, Conifex will receive up to $30 million repayable loan as it navigates the current market conditions and other global impacts. Key terms of the facility include:

- Additional liquidity of up to $30M to support operations, bearing a market-based interest rate;
- A 7-year term secured by substantially all of Conifex's property, with portions of the facility ranking either *pari passu* with, or junior to, Conifex's existing secured lenders;
- Sustaining jobs in the Mackenzie region.

"On behalf of Conifex, we appreciate the financial support provided by the Government of Canada during a period of significant disruption and challenging market conditions for the Canadian forest products sector. As we previously indicated to our stakeholders, this financing, together with the continued support of our existing lenders, provides Conifex with critical financial liquidity as we work to strengthen our operations and position the company for a recovery", commented Ken Shields, Conifex CEO and Chair.

Mr. Shields continued: "Importantly, the financing provides us with an opportunity to focus on the initiatives necessary to reestablish normalized two-shift operations at our Mackenzie sawmill. We remain focused on our employees, our operations in Mackenzie, and the communities and supply chains that depend on them. We believe this loan is an important step that positions Conifex to do that."

Andrew McLellan, Conifex President and COO added: "Mackenzie has been an important natural resource hub for decades, and this financing gives us the confidence to plan a restart and bring people back to work, producing renewable electricity for BC and sustainable lumber for domestic and international markets through an extraordinary period in our industry. We deeply value the commitment shown by our employees, contractors, the District of Mackenzie and the First Nations whose territories we operate within. We look forward to continuing to work with the Province, as we see this restart as the foundation for a stronger and more sustainable future together."

In addition, Conifex's existing lumber lender has agreed to reimburse Conifex up to $11.0 million for capital expenditures that are designed to improve operating performance and EBITDA at the Mackenzie mill.

In connection with the LETL Facility, Conifex has agreed to issue common share purchase warrants to CEEFC. The number of warrants, exercise price, term and other material terms will be set out in the definitive warrant documentation to be entered into. Conifex has also agreed to issue PenderFund up to an additional 1,584,000 common share purchase warrants, with each warrant being exercisable into one common share on payment of $0.50 per warrant having an expiry of January 17, 2031. Concurrently, Conifex has agreed to extend the expiry of PenderFund's existing 4,320,000 warrants by one year to January 17, 2031. All of the foregoing remains subject to Toronto Stock Exchange approval.

For further information, please contact:

Trevor Pruden
Chief Financial Officer
(604) 216-2949

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 statements regarding the availability of the LETL Facility and the CAPEX Loan, and the purposes for which they may be used, the expected benefits of the LETL Facility and the CAPEX Loan, including to Conifex's liquidity and to the operating performance and EBITDA of the Mackenzie mill, and Conifex's plans to restart and reestablish normalized two-shift operations at its Mackenzie sawmill. They also include statements regarding an anticipated recovery in the lumber market, the issuance of warrants to CEEFC and PenderFund, the extension of the expiry of PenderFund's existing warrants, and the Toronto Stock Exchange granting its approval of the foregoing. Assumptions underlying Conifex's expectations regarding forward-looking information contained in this news release include, among others, that Conifex will be able to fund its matching share of capital expenditures in order to obtain reimbursement under the CAPEX Loan, that Conifex will be able to restart its Mackenzie operations as currently anticipated, that lumber market conditions will improve, and that Conifex will successfully negotiate and execute definitive warrant documentation with CEEFC and obtain Toronto Stock Exchange approval for the warrants and warrant extension. 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, without limitation, that Conifex may not obtain all expected benefits from the LETL Facility or the CAPEX Loan; that the LETL Facility and the CAPEX Loan may not be sufficient to sustain Conifex's operations; that lumber market conditions may not improve; that the warrants to CEEFC and PenderFund may not be issued, and the extension of PenderFund's existing warrants may not be completed, on the anticipated terms or at all; that Toronto Stock Exchange approval may not be obtained; and other risk factors detailed in our filings with the Canadian Securities Regulatory Authorities available on SEDAR+ at www.sedarplus.ca. 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.