



Interfor Corporation

Burnaby, B.C.

May 12, 2021

Interfor Announces Special Cash Dividend of \$2 Per Share

INTERFOR CORPORATION ("Interfor" or the "Company") (TSX: IFP) announced today that its Board of Directors has declared a one-time special cash dividend of \$2.00 per share, which will be paid on or before June 28, 2021 to shareholders of record on May 28, 2021.

Based on the current number of shares outstanding, the special dividend will result in an aggregate distribution of approximately \$130 million. The dividend will be funded from cash on hand, which amounted to \$750 million as at April 30, 2021, an increase of \$137 million from March 31, 2021. Interfor's available liquidity, comprising cash on hand and amounts available under its revolving credit facility totalled \$1.1 billion as at April 30, 2021.

"This special dividend reflects a partial distribution of the extraordinary cash flows being generated from record lumber markets" said Ian Fillinger, President and Chief Executive Officer. "We are able to reward our shareholders with this return of capital, while retaining ample financial flexibility to complete our multi-year strategic capital plans, grow significantly through acquisitions and continue to buy back Interfor shares. We are confident that our balanced and disciplined approach to capital allocation will continue to maximize value for our shareholders."

The dividend will be designated an "eligible dividend" for Canadian tax purposes.

The declaration and payment of dividends is at the discretion of the Board of Directors of the Company and any future declaration of dividends will depend on the Company's financial results, market conditions, capital allocation opportunities, cash requirements, and any other factors deemed relevant by the Board of Directors of the Company.

FORWARD-LOOKING STATEMENTS

This release contains forward-looking information about the Company's business outlook, objectives, plans, strategic priorities and other information that is not historical fact. A statement contains forward-looking information when the Company uses what it knows and expects today, to make a statement about the future. Statements containing forward-looking information in this release, include but are not limited to, statements regarding any future dividends, financial results, market conditions capital allocation, cash requirements, and other relevant factors. Readers are cautioned that actual results may vary from the forward-looking information in this release, and undue reliance should not be placed on such forward-looking information. Risk factors that could cause actual results to differ materially from the forward-looking information in this release are described in Interfor's annual Management's Discussion & Analysis under the heading "Risks and Uncertainties", which is available on www.interfor.com and under Interfor's profile on www.sedar.com. Material factors and assumptions used to develop the forward-looking information in this report include volatility in the selling prices for lumber, logs and wood chips; the Company's ability to compete on a global basis; the availability and cost of log supply; natural or man-made disasters; currency exchange rates; changes in government regulations; the availability of the Company's allowable annual cut ("AAC"); claims by and treaty settlements with Indigenous peoples; the Company's ability to export its products; the softwood lumber trade dispute between Canada and the U.S.; stumpage fees payable to the Province of British Columbia ("B.C."); environmental impacts of the Company's operations; labour disruptions; information systems security; and the existence of a public health crises (such as the current COVID-

19 pandemic). Unless otherwise indicated, the forward-looking statements in this release are based on the Company's expectations at the date of this release. Interfor undertakes no obligation to update such forward-looking information or statements, except as required by law. The Company's independent auditor, KPMG LLP, has not audited, reviewed or performed any procedures with respect to the interim financial results and other data included in this release, and accordingly does not express an opinion or any other form of assurance with respect thereto.

ABOUT INTERFOR

Interfor is a growth-oriented forest products company with operations in Canada and the United States. The Company has annual production capacity of approximately 3.2 billion board feet and offers a diverse line of lumber products to customers around the world. For more information about Interfor, visit our website at www.interfor.com.

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