

For Immediate Release

December 12, 2019

ISS and Egan-Jones Recommend Canfor Shareholders Vote For the Proposed Arrangement with Great Pacific

Vancouver, BC, Canada — **Canfor Corporation** (TSX:CFP) ("**Canfor**") announces the results of reports issued by independent proxy advisory firms, Institutional Shareholder Services Inc. ("**ISS**") and Egan-Jones Proxy Services ("**Egan-Jones**"), both of which have recommended that Canfor shareholders vote FOR the proposed plan of arrangement (the "**Arrangement**") with 1227738 B.C. Ltd., a wholly-owned subsidiary of Great Pacific Capital Corp. ("**Great Pacific**").

The Arrangement is to be considered at the upcoming special meeting of Canfor shareholders ("**Shareholders**") being held on Wednesday, December 18, 2019 at 9:00 a.m. (Vancouver time), at the Vancouver Marriott Pinnacle Downtown Hotel, 1128 West Hastings Street, Vancouver, British Columbia (the "**Special Meeting**").

Canfor felt compelled to release the recommendations of all three proxy advisory firms after the recommendation of Glass, Lewis & Co. ("**Glass Lewis**") was publicized by a Shareholder in a misleading and selective manner by press release without noting that both ISS and Egan-Jones had recommended that Shareholders vote FOR the Arrangement. Canfor believes that the report issued by Glass Lewis, which recommended that Shareholders not vote in favour of the Arrangement, contains material errors and omissions regarding the facts of the matter on which the opinion is based. Canfor has relayed its views to Glass Lewis.

The Board of Directors of Canfor continues to recommend that Shareholders vote FOR the resolution approving the Arrangement at the Special Meeting.

Shareholders are encouraged to read the Special Meeting materials in detail and cast their votes prior to the proxy voting deadline. To ensure that your Canfor shares will be represented at the Special Meeting, you should carefully follow the voting instructions provided in the Special Meeting materials.

The deadline for the receipt of proxies is 9:00 a.m. (Vancouver time) on December 16, 2019. Shareholders may vote online, by telephone or other methods listed on their form of proxy or voting instruction form.

Copies of the Special Meeting materials are available on SEDAR under Canfor's profile at www.sedar.com.

Your vote is important regardless of the number of securities you own. Whether or not you are able to attend the Special Meeting, we urge you to vote.

If you have any questions or require assistance with voting, please contact our proxy solicitation agent:

Laurel Hill Advisory Group

North American Toll-Free Number: 1-877-452-7184

Collect Calls Outside North America: 416-304-0211

Email: assistance@laurelhill.com

Forward Looking Statements

Certain statements in this press release constitute “forward-looking statements” which involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. These forward-looking statements include, among others, statements relating to the upcoming Special Meeting. Words such as “expects”, “anticipates”, “projects”, “intends”, “plans”, “will”, “believes”, “seeks”, “estimates”, “should”, “may”, “could”, and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are based on current expectations and beliefs and actual events or results may differ materially.

Although Canfor believes that the forward-looking statements in this news release are based on information and assumptions that are current, reasonable and complete, these statements are by their nature subject to a number of factors that could cause actual results to differ materially from management’s expectations and plans as set forth in such forward-looking statements, including, without limitation, the following factors, many of which are beyond Canfor’s control and the effects of which can be difficult to predict: the possibility that the Arrangement will not be completed on the terms and conditions, or on the timing, currently contemplated, and that it may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required Shareholder, Court and regulatory approvals and other conditions of closing necessary to complete the Arrangement or for other reasons; the possibility of adverse reactions or changes in business relationships resulting from the announcement or completion of the Arrangement; risks relating to Canfor’s ability to retain and attract key personnel during the interim period; the possibility of litigation relating to the Arrangement; credit, market, currency, operational, liquidity and funding risks generally and relating specifically to the Arrangement, including changes in economic conditions, interest rates or commodity prices; risks and uncertainties relating to information management, technology, supply chain, product safety, changes in law, competition, seasonality, commodity price and business; and other risks inherent to Canfor’s business and/or factors beyond its control which could have a material adverse effect on Canfor or the ability to consummate the Arrangement.

Canfor cautions that the foregoing list of important factors and assumptions is not exhaustive and other factors could also adversely affect its results. For more information on the risks, uncertainties and assumptions that could cause Canfor’s actual results to differ from current expectations, please refer to the “Risks and Uncertainties” section of Canfor’s Management’s Discussion & Analysis for the year ended December 31, 2018, as well as Canfor’s other public filings, available at www.sedar.com and at www.canfor.com.

The forward-looking statements contained in this news release describe Canfor’s expectations at the date of this news release and, accordingly, are subject to change after such date. Except as may be required by applicable Canadian securities laws, Canfor does not undertake any obligation to update or revise any forward-looking statements contained in this news release, whether as a result of new information, future events or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements.

About Canfor

Canfor is a leading integrated forest products company based in Vancouver, British Columbia (“BC”) with interests in BC, Alberta, North and South Carolina, Alabama, Georgia, Mississippi and Arkansas, as well as in Sweden with its recent majority acquisition of Vida Group. Canfor produces primarily softwood lumber and also owns a 54.8% interest in Canfor Pulp Products Inc., which is one of the largest global producers of market northern bleached softwood kraft pulp and a leading producer of high performance kraft paper. Canfor Shares are traded on The Toronto Stock Exchange under the symbol CFP.

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