

Early Warning Reporting for Blue Wolf regarding Conifex Timber Inc.

New York, NY – December 21, 2021 – BW SLC AIV III, L.P. (“**BW LP**”) announced today that, as a result of the substantial issuer bid by Conifex Timber Inc. (“**Conifex**”) to which BW LP tendered all 7,036,526 of its common shares in the capital of Conifex (“**Shares**”), it understands that 1,141,609 Shares held by BW LP will be repurchased by Conifex at a price of \$2.25 per Share for aggregate consideration of \$2,568,620.25. In addition, BW SLC Holdings, LLC (“**BW Holdings**”) and Caddo River Forest Products Investment Holdings, LLC (“**Caddo**”), affiliates of BW LP, surrendered for cancellation 2,125,000 and 179,878 warrants to purchase Shares (collectively, the “**Warrants**”), respectively, for nil consideration.

Prior to the completion of the issuer bid and the surrender of the Warrants, BW LP and its joint actors beneficially owned, and had control or direction over, 9,341,404 Shares (assuming the permitted exercise of the Warrants), representing approximately 19.99% of the issued and outstanding Shares. Following the completion of the issuer bid and the surrender of the Warrants, BW LP and its joint actors will beneficially own, and will have control or direction over, 5,894,917 Shares, representing approximately 14.68% of the issued and outstanding Shares after giving effect to the issuer bid.

BW LP tendered its Shares to the issuer bid, and BW Holdings and Caddo surrendered the Warrants for cancellation, in the normal course of their investment activities. BW LP holds its Shares for investment purposes. Subject to the terms and conditions of the nomination and standstill agreement dated July 9, 2018 between Conifex, BW Holdings and Blue Wolf Capital Advisors III, LLC and applicable law, BW LP and its joint actors may, in the future, acquire or dispose of Shares or other securities of Conifex depending upon a number of factors including, but not limited to, general market and economic conditions and other available investment opportunities.

This news release is being disseminated as required by National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* in connection with the filing of an early warning report, a copy of which will be available on SEDAR under Conifex’s profile at www.sedar.com or by contacting Joshua Cherry-Seto at 212.488.1347.

BW LP is a limited partnership organized under the laws of the State of Delaware. The address of BW LP is 175 Greenwich Street, 65th Floor, New York, New York, 10007. The address of the head office of Conifex is 980 - 700 West Georgia Street, Vancouver, British Columbia, V7Y 1B6.