

CONIFEX TIMBER INC.

MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

Conifex Timber Inc.
980 – 700 West Georgia Street
Vancouver, British Columbia V7Y 1B6

Item 2: Date of Material Change

December 20, 2021

Item 3: News Release

On December 21, 2021, Conifex Timber Inc. ("**Conifex**" or the "**Company**") issued a news release through the facilities of Globenewswire.

Item 4: Summary of Material Change

On December 21, 2021, Conifex announced the final results of its substantial issuer bid (the "**SIB**") to purchase for cancellation up to 4.0 million of its common shares (the "**Shares**") at a price of \$2.25 per Share (the "**Purchase Price**") for an aggregate purchase price not to exceed \$9.0 million and that the Company would take up and pay for 4.0 million Shares.

Further to the announcement of the SIB, Conifex completed the take-up of 3,999,999 Shares and made payment for such Shares at the Purchase Price in accordance with the terms of the SIB.

Item 5: Full Description of Material Change

On December 21, 2021, Conifex announced the final results of the SIB. Further to the announcement, Conifex completed the take-up of 3,999,999 Shares at the Purchase Price. After giving effect to the SIB, 40,149,111 Shares remained outstanding. The SIB expired at 5:00 p.m. (Toronto time) on December 20, 2021.

A total of 24,511,992 Shares were properly tendered to the SIB and not withdrawn. As the SIB was oversubscribed, shareholders who deposited Shares pursuant to the SIB had approximately 16.22% of their successfully tendered Shares purchased by Conifex, except for "odd lot" tenders (of holders beneficially owning fewer than 100 Shares) which were not subject to pro ration.

Item 6: Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

The following senior officer of Conifex is knowledgeable about the material change and this report:

Winnie Tang
Chief Financial Officer
(604) 216-6821

Item 9: Date of Report

December 30, 2021