

FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1: Name and Address of Company

GreenFirst Forest Products Inc. (“**GreenFirst**” or the “**Company**”)
10 Four Seasons Place, 10th Floor
Toronto, ON
M9B 6H7

Item 2: Date of Material Change

December 12, 2024

Item 3: News Release

A news release with respect to the material change referred to in this report was disseminated by Newsfile Corp. on December 13, 2024. The news release is available on GreenFirst’s profile at www.sedarplus.ca.

Item 4: Summary of Material Change

On December 13, 2024, GreenFirst announced it has closed its rights offering pursuant to which the Company issued rights to the eligible holders of its common shares at the close of business (Toronto time) on November 7, 2024. Each Right entitled the holder to purchase one (1) Common Share at a price of \$5.47 per Common Share.

A copy of the news release is attached as Schedule “A” hereto.

Item 5: Full Description of Material Change

5.1 – Full Description of Material Change

GreenFirst announced that further to the press releases dated October 31, 2024, November 11, 2024 and November 29, 2024 it has closed its rights offering (the “**Rights Offering**”) pursuant to which the Company issued rights (the “**Rights**”) to the eligible holders of its common shares (the “**Common Shares**”) at the close of business (Toronto time) on November 7, 2024. Each Right entitled the holder to purchase one (1) Common Share at a price of \$5.47 per Common Share.

Including the Standby Commitment (as defined below) the Company received subscriptions for 4,718,886 Common Shares, resulting in aggregate gross proceeds of \$25,812,306.42. The net proceeds of the Rights Offering will be used to support an off-cycle capital expenditure program that will drive great operational productivity and future earnings.

Insiders of the Company subscribed for 39,000 of the 4,718,886 Common Shares subscribed for, for aggregate gross proceeds of \$213,330.

In connection with the Rights Offering the Company entered in a standby purchase agreement dated October 31, 2024 (the “**Standby Purchase Agreement**”), with Ravenswood Investments III, L.P. (“**RI3**”) and The Ravenswood Investment Company L.P., (“**RIC**”) two funds managed by Robotti & Company Advisors, LLC (RI3 and RIC, collectively, the “**Standby Purchasers**” or the “**Ravenswood**”).

Funds”) pursuant to which the Standby Purchasers agreed to purchase up to an aggregate of 3,656,307 Common Shares not otherwise purchased under the Rights Offering for a commitment of up to \$20,000,000. (the “**Standby Commitment**”). The Standby Purchasers acquired an aggregate of 3,656,307 Common Shares pursuant to the Standby Commitment for aggregate gross proceeds of \$19,999,999.29 and subscribed for an additional 3,640 Common Shares by exercising their basic subscription privilege and additional subscription privilege (the “**Subscription Shares**”) in respect of the existing Rights they held.

As consideration for the commitments contained in the Standby Purchase Agreement, the Company paid a cash fee of \$1,000,000 to the Standby Purchasers and issued an aggregate of 161,454 Common Shares (the “**Consideration Shares**”) to the Standby Purchasers. Collectively with the Standby Commitment, the Subscription Shares and the Consideration Shares, the Standby Purchasers acquired an aggregate of 3,821,401 Common Shares (the “**Acquired Shares**”).

The Standby Purchasers and the Company also entered into an investor rights agreement dated December 12, 2024 (the “**Investor Rights Agreement**”) and a registration rights agreement December 12, 2024 (the “**Registration Rights Agreement**”).

The Investor Rights Agreement provides the Standby Purchasers with the right to nominate one individual to the Company’s board of directors, provided the Standby Purchasers’ ownership interest in the Company is at least 5% (on a non-diluted basis). The Investor Rights Agreements also includes customary participation and top-up rights in favour of the Standby Purchasers, in the event of a proposed distribution or issuance of Common Shares or other securities convertible or exchangeable into Common Shares (other than stock options or other securities issued under security based compensation arrangements with respect to the participation right), in order that the Standby Purchasers may continue to maintain its pro rata equity ownership interest in Company.

The Registration Rights Agreement provides the Standby Purchasers with customary prospectus qualification and registration rights, as well as piggyback distribution rights.

As at the date hereof, the Standby Purchasers have nominated Bruce Berger to be a director of the Company and the Company is pleased to announce his appointment to the Company’s board of directors.

About Bruce Berger

Mr. Berger has over 30 years of experience investing in, operating, and valuing private and public companies. Mr. Berger brings a unique perspective by combining his professional experience as a certified public accountant, and certified valuation analyst, with decades of experience buying, selling, and operating underperforming private companies.

Mr. Berger is currently a Managing Partner at Lindenwood Associates providing Interim CFO and financial advisory services for companies. He also has over 10 years of experience working with a large investment partnership focused on investing in and turning around underperforming companies.

Mr. Berger received his Bachelor of Arts in Economics from Rutgers University, Newark NJ.

Copies of the Investor Rights Agreement and Registration Rights Agreement are available under the Company's SEDAR+ profile at www.sedarplus.com.

The Company now has 22,602,750 Common Shares issued and outstanding.

Early Warning Disclosure Regarding The Standby Purchasers

The Acquired Shares represent approximately 16.90% of the issued and outstanding Common Shares in the capital of the Company as of the date hereof. Immediately prior to the closing of the Rights Offering, the Ravenswood Funds owned 1,820 Common Shares, representing less than 1% of the Common Shares outstanding as of such date. Following the closing of the Rights Offering, the Ravenswood Funds beneficially own or exercise control or direction over an aggregate of 3,823,221 Common Shares, representing approximately 16.91% of the Common Shares outstanding as of the date hereof. RIC acquired 60% of the Acquired Shares and RI3 acquired 40% of the Acquired Shares.

The Ravenswood Funds acquired the Acquired Shares for investment reasons. Subject to applicable law, the Ravenswood Funds may, from time to time, acquire or dispose of beneficial ownership of or control or direction over additional Common Shares and/or other equity, debt or other securities or instruments of the Company (collectively, "Securities") in the open market or otherwise, and reserve the right to dispose of any or all of its Securities, including the Common Shares, in the open market or otherwise at any time and from time to time, depending on market conditions, the business and prospects of the Company and other relevant factors.

The address of the Company is 10 Four Seasons Place, 10th Floor, Toronto, Ontario M9B 6H7. The address of the Ravenswood Funds is 125 Park Avenue, Suite 1607, New York, New York 10017-8501, U.S.A.

5.2 – Disclosure of Restructuring Transactions

Not applicable.

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

For further information please contact:

Peter Ferrante
Chief Financial Officer
(416) 775 2800

Item 9: Date of Report

December 13, 2024.

SCHEDULE 'A'



GreenFirst Announces Closing of Rights Offering and Early Warning Disclosure of Ravenswood Funds

TORONTO, ON, December 13, 2024 / Business Wire / GreenFirst Forest Products Inc. (TSX: GFP) ("**GreenFirst**" or the "**Company**") is pleased to announce that further to the press releases dated October 31, 2024, November 11, 2024 and November 29, 2024 it has closed its rights offering (the "**Rights Offering**") pursuant to which the Company issued rights (the "**Rights**") to the eligible holders of its common shares (the "**Common Shares**") at the close of business (Toronto time) on November 7, 2024. Each Right entitled the holder to purchase one (1) Common Share at a price of \$5.47 per Common Share.

Including the Standby Commitment (as defined below) the Company received subscriptions for 4,718,886 Common Shares, resulting in aggregate gross proceeds of \$25,812,306.42. The net proceeds of the Rights Offering will be used to support an off-cycle capital expenditure program that will drive great operational productivity and future earnings.

Insiders of the Company subscribed for 39,000 of the 4,718,886 Common Shares subscribed for, for aggregate gross proceeds of \$213,330.

In connection with the Rights Offering the Company entered in a standby purchase agreement dated October 31, 2024 (the "**Standby Purchase Agreement**"), with Ravenswood Investments III, L.P. ("**RI3**") and The Ravenswood Investment Company L.P., ("**RIC**") two funds managed by Robotti & Company Advisors, LLC (RI3 and RIC, collectively, the "**Standby Purchasers**" or the "**Ravenswood Funds**") pursuant to which the Standby Purchasers agreed to purchase up to an aggregate of 3,656,307 Common Shares not otherwise purchased under the Rights Offering for a commitment of up to \$20,000,000. (the "**Standby Commitment**"). The Standby Purchasers acquired an aggregate of 3,656,307 Common Shares pursuant to the Standby Commitment for aggregate gross proceeds of \$19,999,999.29 and subscribed for an additional 3,640 Common Shares by exercising their basic subscription privilege and additional subscription privilege (the "**Subscription Shares**") in respect of the existing Rights they held.

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In expressing his confidence in GreenFirst, Bob Robotti, Chief Investment Officer of Robotti & Company Advisors, LLC, the investment adviser for the Standby Purchasers, commented that "GreenFirst Common Shares represent an investment in a cyclical industry at an opportune time. We believe that the Company is now under a capable management team which is following a plan to unlock the potential of the Company's assets. We are pleased to assist management in taking advantage of this point of the lumber cycle." Robotti & Company Advisors, LLC, a U.S. Securities and Exchange Commission-registered investment adviser, has a history of investing in cyclical industries during off-cycles.



Joel Fournier, Chief Executive Officer of GreenFirst echoed that confidence, stating “This unique opportunity for GreenFirst will help us execute our strategic plan, which we have presented to our shareholders. It will enable us to achieve our goal of becoming a top quartile cost producer in lumber and takes us another step closer to being the largest wood producer in Ontario. We are ready to execute our projects and will soon announce some key capital projects planned for early 2025.”

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The address of the Company is 10 Four Seasons Place, 10th Floor, Toronto, Ontario M9B 6H7. The address of the Ravenswood Funds is 125 Park Avenue, Suite 1607, New York, New York 10017-8501, U.S.A.

This press release is issued pursuant to *National Instrument 62-103 - The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, which also requires a report to be filed with regulatory authorities in each of the jurisdictions in which the Company is a reporting issuer containing information with respect to the foregoing matters (the "**Early Warning Report**"). A copy of the Early Warning Report will appear with the Company's documents on the System for Electronic Document Analysis and Retrieval Plus at www.sedarplus.ca.

For further information or to obtain a copy of the Early Warning Report, please contact:

Ravenswood Management Company, LLC

Dennis Kelleher

(212) 986-4800, extension 6719

About GreenFirst

GreenFirst Forest Products is a forest-first business, focused on sustainable forest management and lumber production. The Company owns four sawmills located in rich wood baskets proudly operating over six million hectares of FSC® certified public Ontario forest lands (FSC®-C167905). The Company believes that responsible forest practices, coupled with the long-term green advantage of lumber, provide GreenFirst with significant cyclical and secular advantages in building products.



Forward Looking Information

Certain information in this news release constitutes forward-looking statements under applicable securities laws. Any statements that are contained in this news release that are not statements of historical fact are forward-looking statements. Forward looking statements are often identified by terms such as “may”, “should”, “anticipate”, “expect”, “potential”, “believe”, “intend”, “estimate” or the negative of these terms and similar expressions. Forward-looking statements are based on certain assumptions and, while GreenFirst considers these assumptions to be reasonable, based on information currently available, they may prove to be incorrect. In addition, forward-looking statements necessarily involve known and unknown risks, including those set out in GreenFirst’s public disclosure record filed under its profile on www.sedarplus.com. Readers are further cautioned not to place undue reliance on forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are placed will occur. Such information, although considered reasonable by management at the time of preparation, may prove to be incorrect and actual results may differ materially from those anticipated. Forward-looking statements contained in this news release are expressly qualified by this cautionary statement and reflect our expectations as of the date hereof, and thus are subject to change thereafter. GreenFirst disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

For more information, please visit: www.greenfirst.ca or contact Investor Relations (416) 775 2821