



INVESTOR PRESENTATION

MAY 2022

FORWARD-LOOKING INFORMATION & NON-GAAP MEASURES

Forward-Looking Information:

This release contains forward-looking information about Interfor Corporation's ("Interfor" or the "Company") 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 production capacity, facility restart plans and ramp-up timelines, pro-forma capacity, expected earnings and returns, pro-forma debt ratios, liquidity, borrowing capacity, regulatory approvals and the expected closing date, 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. 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.

Non-GAAP Measures:

This presentation makes reference to certain non-GAAP measures, such as EBITDA, Adjusted EBITDA and Net debt to invested capital, which are used by the Company and certain investors to evaluate operating performance and financial position. These non-GAAP measures do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. Definitions and reconciliations of terms can be found in Interfor's annual and quarterly Management's Discussion & Analysis which are available on www.interfor.com and under Interfor's profile on www.sedar.com.

Currency:

All financial references in this presentation are expressed in Canadian dollars, unless otherwise noted.

INTERFOR INVESTMENT HIGHLIGHTS



Pure-play North American lumber producer

- Top five lumber producer in North America, with 31 strategically located facilities
- High exposure to US South and Eastern Canada with attractive log costs

Compelling lumber market fundamentals

- Robust demand across all end-use segments, including housing and repair & remodel
- Measured supply growth near-term in the US South; declining supply medium-term in BC

Growth-focused strategy

- Long-standing strategy of growth; 10-year lumber production volume CAGR of 9%
- EACOM acquisition closed Q1-2022 increasing production capacity by 25%

Top tier lumber margins and returns on capital

- Industry leading EBITDA margins and returns on capital employed
- Well capitalized, high-margin portfolio of sawmills

Balanced capital allocation with significant financial flexibility

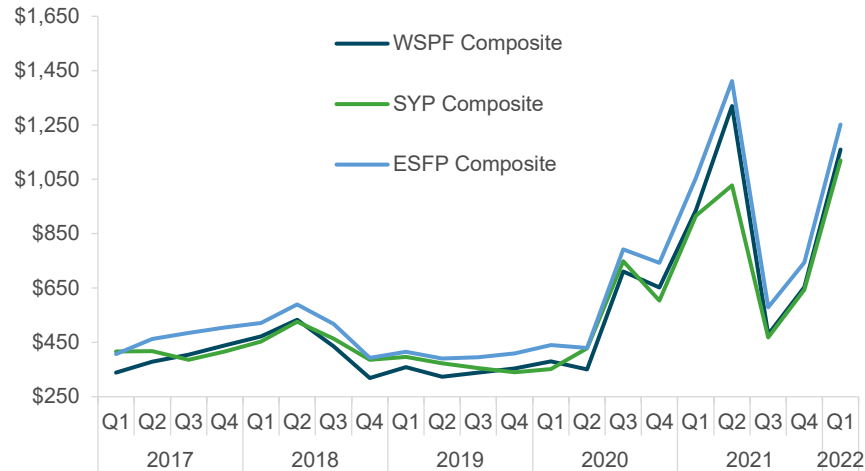
- Disciplined approach across growth capex, M&A, share-buybacks and special dividend
- Strong balance sheet and ~\$485 Million of liquidity as of March 31, 2022

Positive ESG and carbon story

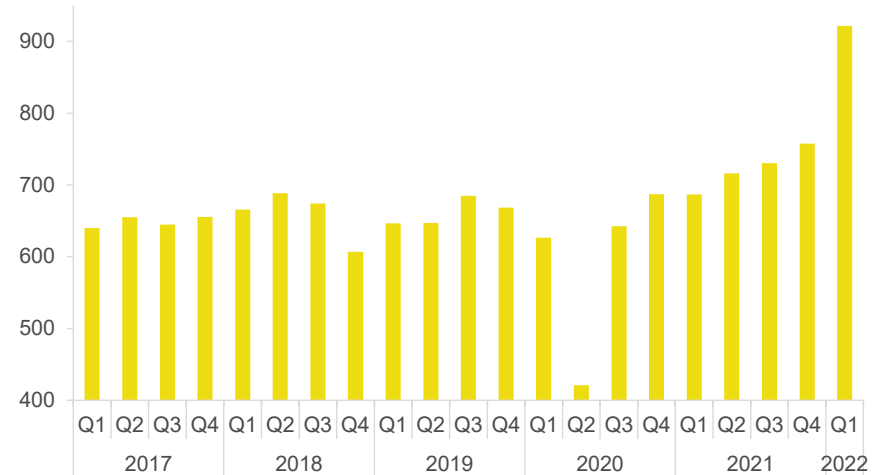
- Sustainable forest management practices
- Producer of climate-friendly building products

FINANCIAL & OPERATING SNAPSHOT

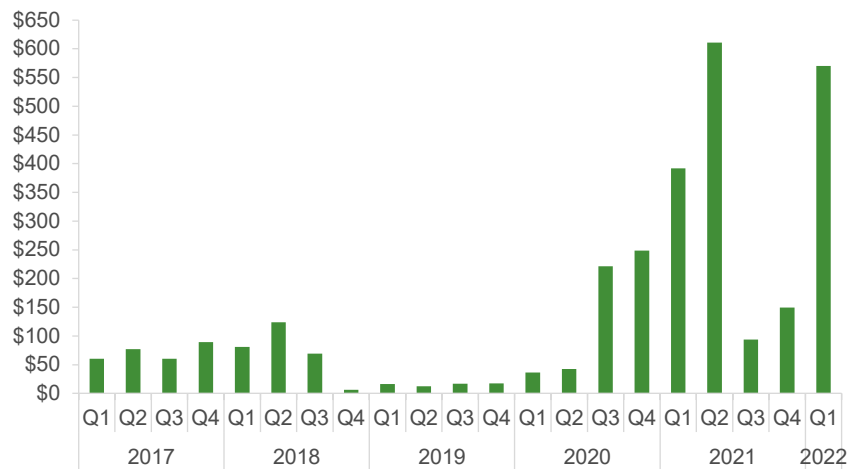
BENCHMARK LUMBER PRICES (US\$/MBF)



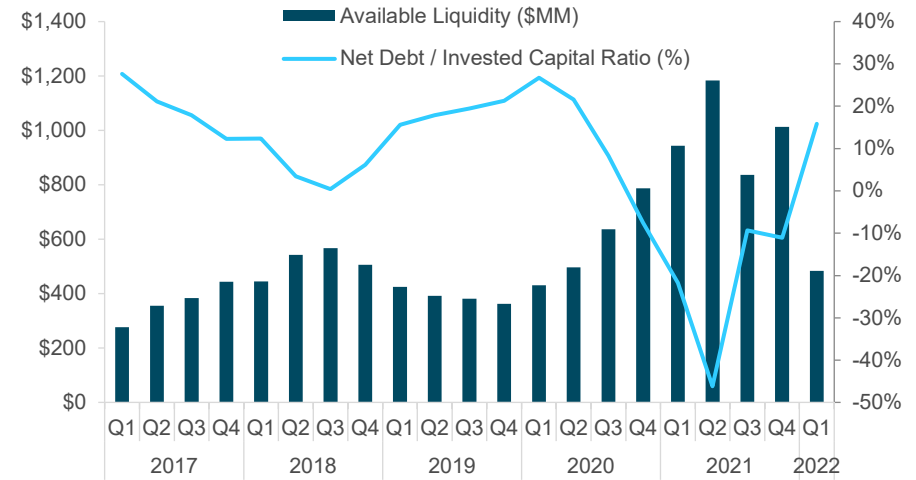
PRODUCTION VOLUMES (MMBF)



ADJUSTED EBITDA (\$MM)



LEVERAGE & LIQUIDITY (% & \$MM) (1)



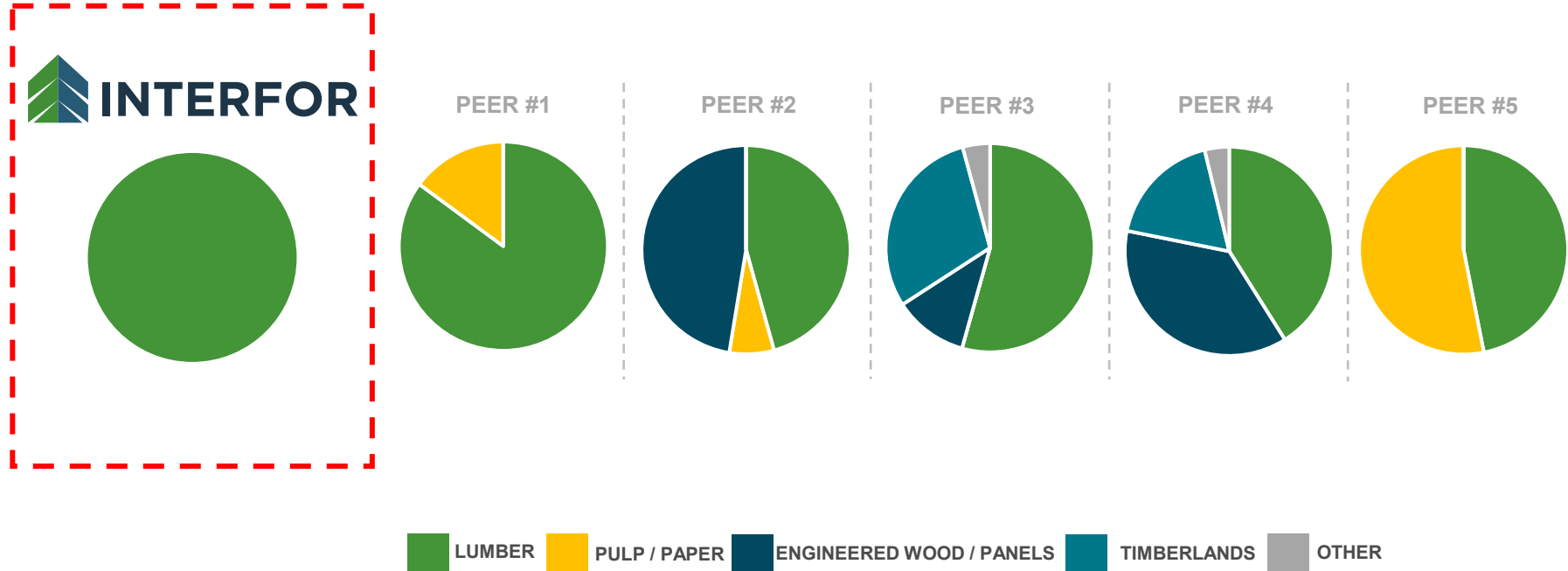


PURE-PLAY NORTH AMERICAN LUMBER PRODUCER

PURE-PLAY LUMBER PRODUCER

Interfor is the only publicly traded pure-play lumber producer of scale

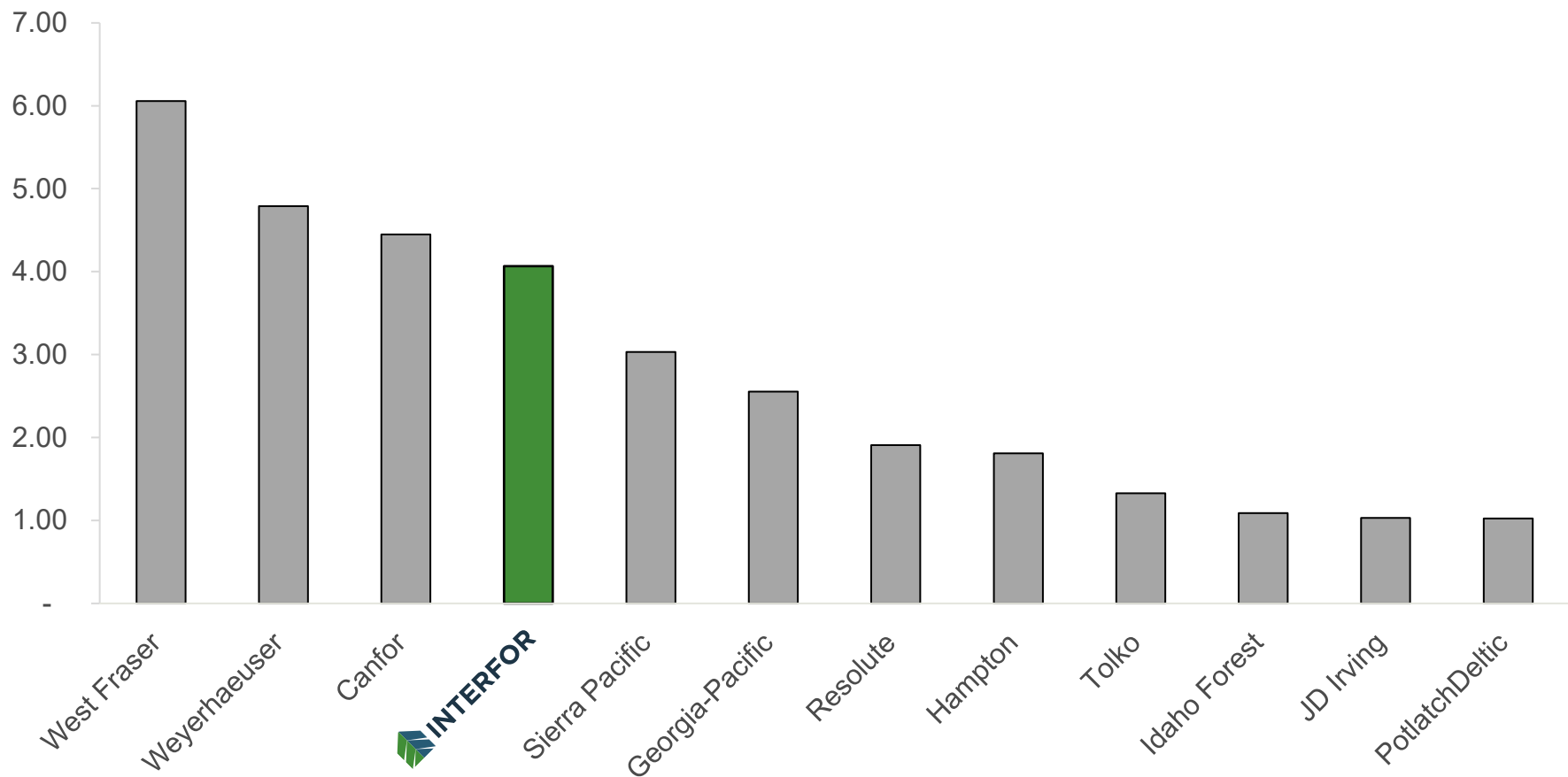
REVENUES BY BUSINESS SEGMENT (1)



INDUSTRY LANDSCAPE

Interfor is a top five lumber producer in North America

NORTH AMERICAN LUMBER PRODUCTION BY COMPANY – 2021 (BBF)⁽¹⁾



INTERFOR OPERATING REGIONS

BC INTERIOR

750 MMBF (15%)

- 3 dimension mills; 1 remanufacturing facility (Sumas, WA)
- Douglas-Fir, Hem-Fir, SPF, Cedar
- Efficient, modern, low-cost, well-capitalized

BC COAST

140 MMBF (3%) ⁽¹⁾

- 1 specialty/high-value mill
- Hem-Fir, Douglas-Fir
- Woodlands logging business

US NORTHWEST

770 MMBF (16%)

- 3 stud mills; 1 dimension mill
- Hem-Fir, Douglas-Fir
- Efficient, modern, low-cost, well-capitalized

EASTERN CANADA

985 MMBF (20%)

- 4 stud mills; 3 dimension mills; 1 I-Joist facility; 1 remanufacturing facility
- SPF
- Efficient, well-maintained and low-cost

US SOUTH

2,215 MMBF (46%)

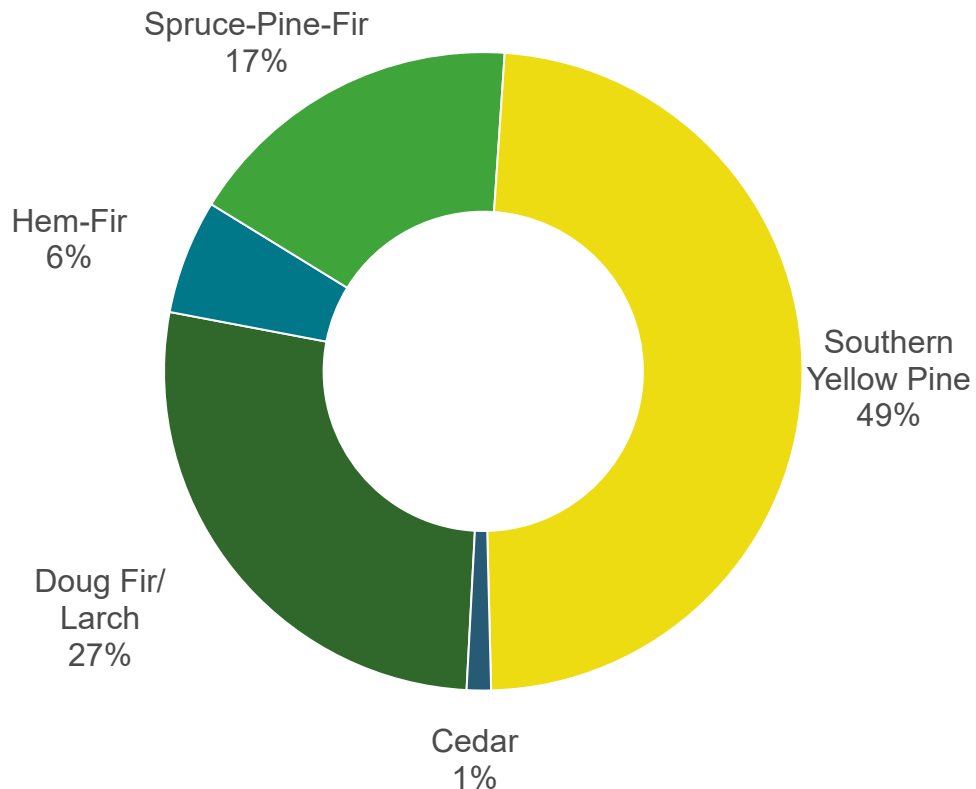
- 13 dimension mills
- Southern Yellow Pine
- Ongoing capex investment upside

4.9 Billion board feet of lumber production capacity, with operations in all major timber baskets

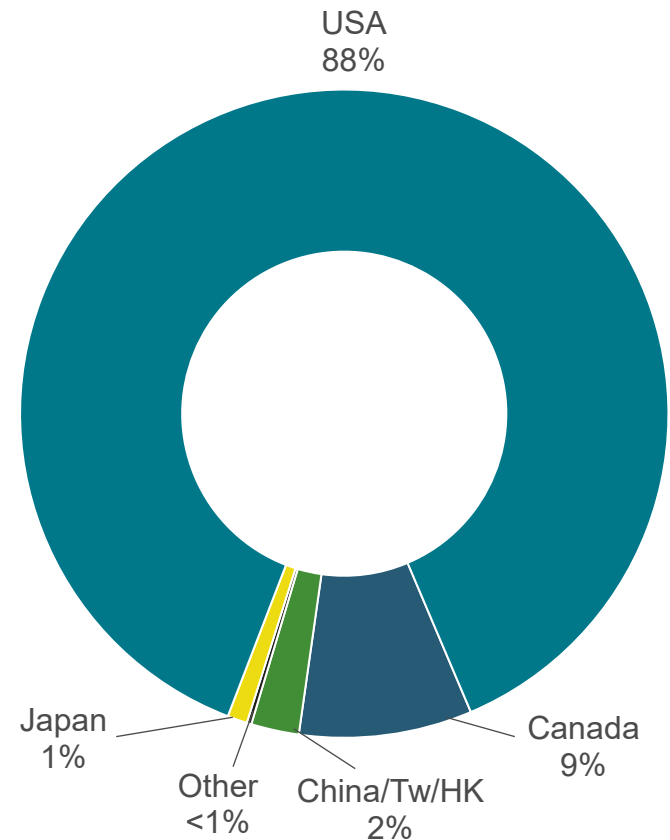
KEY PRODUCTS & MARKETS

Diverse lumber species and end-use mix; high leverage to key US market

LUMBER SALES BY SPECIES (1)



LUMBER SALES BY MARKET (1)



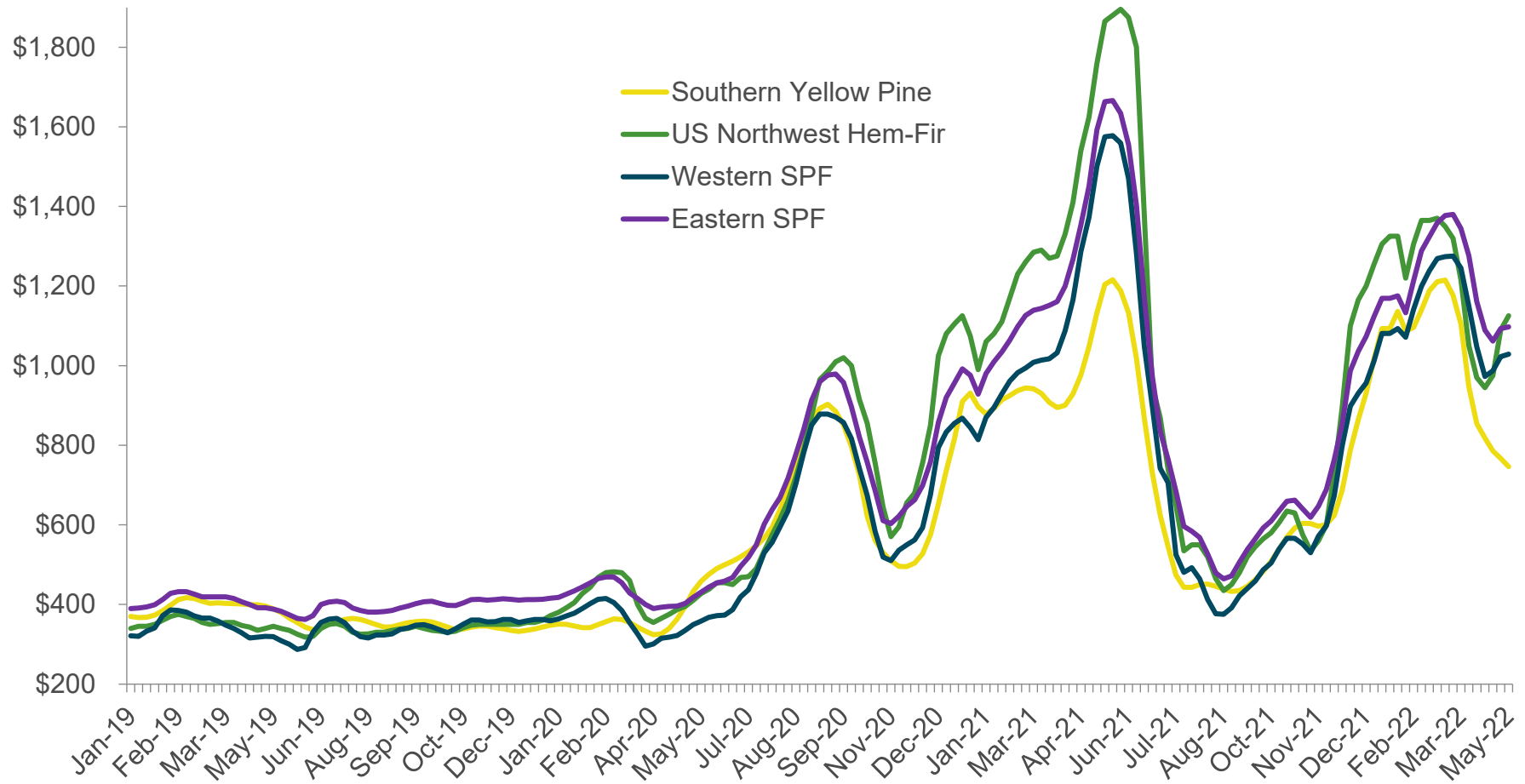


COMPELLING LUMBER MARKET FUNDAMENTALS

LUMBER PRICES

Robust pricing continues to be driven by strong demand fundamentals

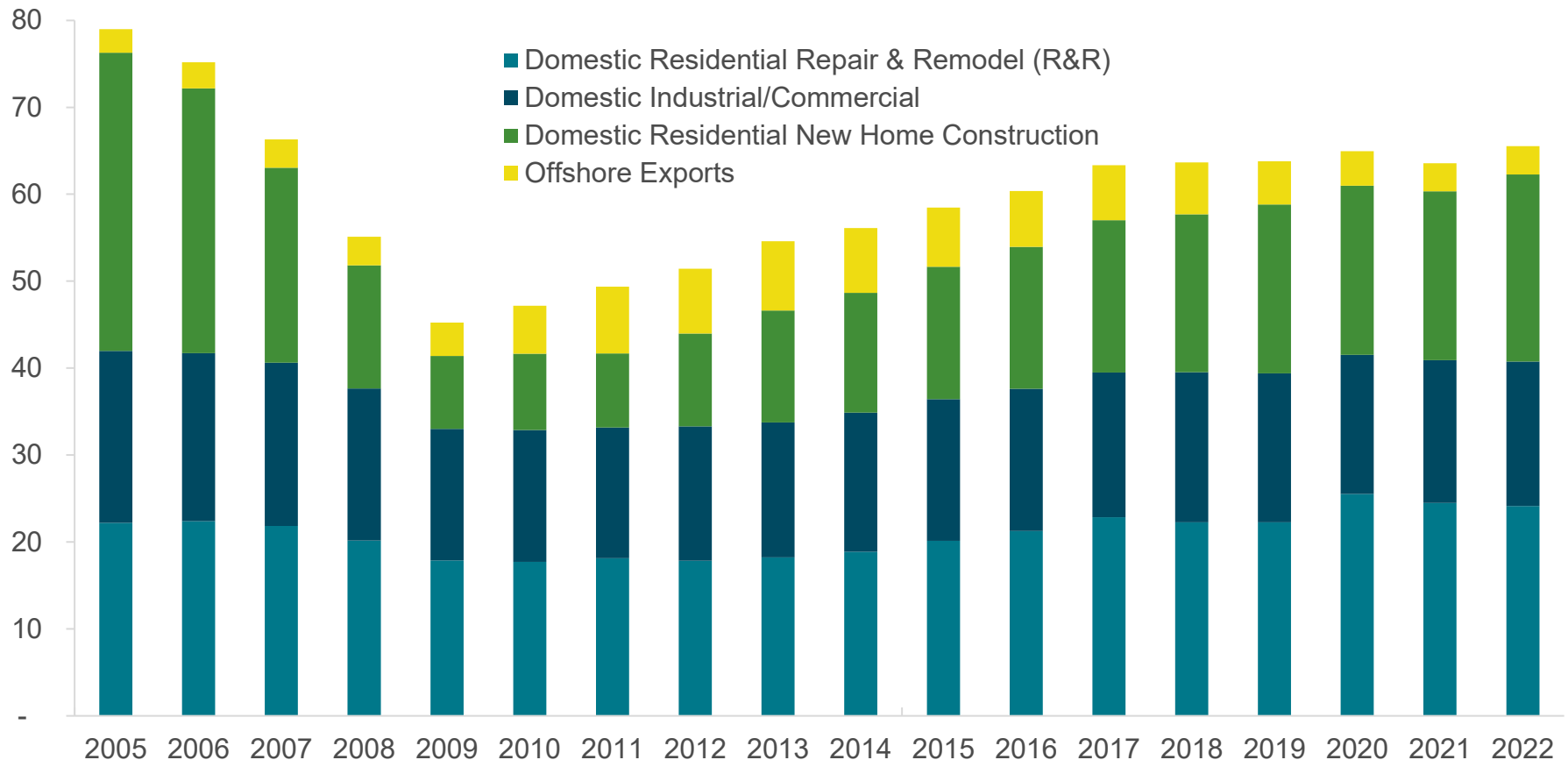
NORTH AMERICAN BENCHMARK LUMBER PRICES (US\$/MBF)



LUMBER DEMAND

Relatively stable R&R & industrial demand, with upside leverage to housing

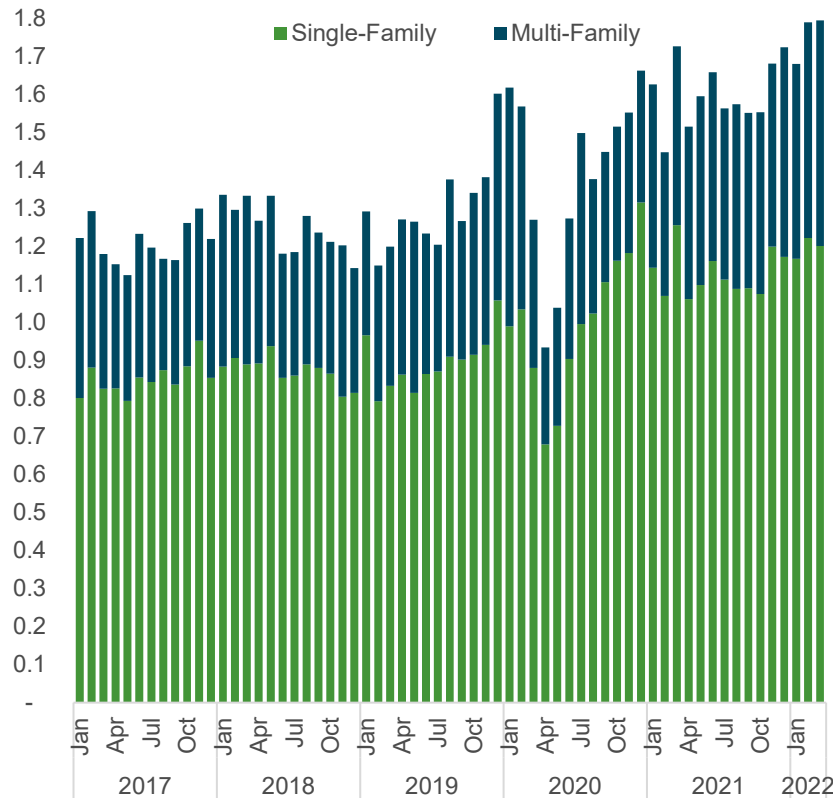
NORTH AMERICAN LUMBER DEMAND BY END-USE (BBF)



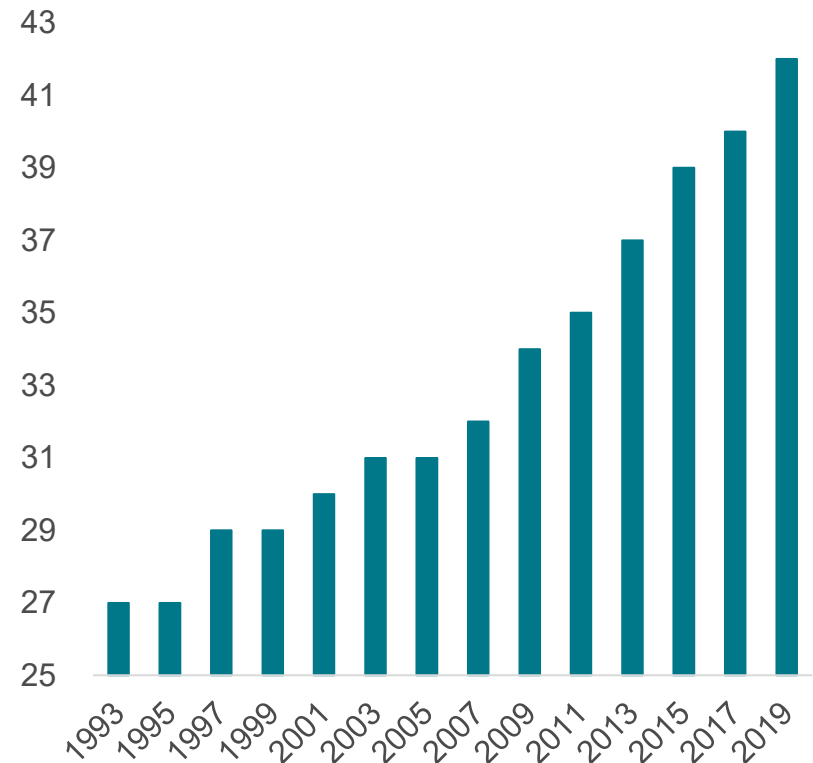
LUMBER DEMAND: KEY DRIVERS

Single-family US housing starts remain robust despite rising interest rates

US HOUSING STARTS
(MILLIONS SEASONALLY ADJUSTED)



AGE OF US HOUSING STOCK
(MEDIAN AGE IN YEARS)



LUMBER SUPPLY

Measured supply growth in the US South, offset by ongoing declines in BC

NORTH AMERICAN LUMBER PRODUCTION (BBF)

<u>Region</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
South	18.8	19.4	20.8	20.9
West	14.4	14.3	14.5	14.5
Other	1.6	1.5	1.7	1.7
USA	34.9	35.2	36.9	37.2
Rest of Canada	14.9	14.3	14.1	14.5
BC	12.4	9.7	8.9	9.3
Canada	27.3	24.0	23.1	23.7
North America	62.2	59.2	60.0	60.9
Offshore Imports	1.5	1.5	2.1	2.3

US SOUTH

Measured growth (three-year CAGR of 4%), limited by labour availability and long equipment lead times

US WEST & CANADA (NON-BC)

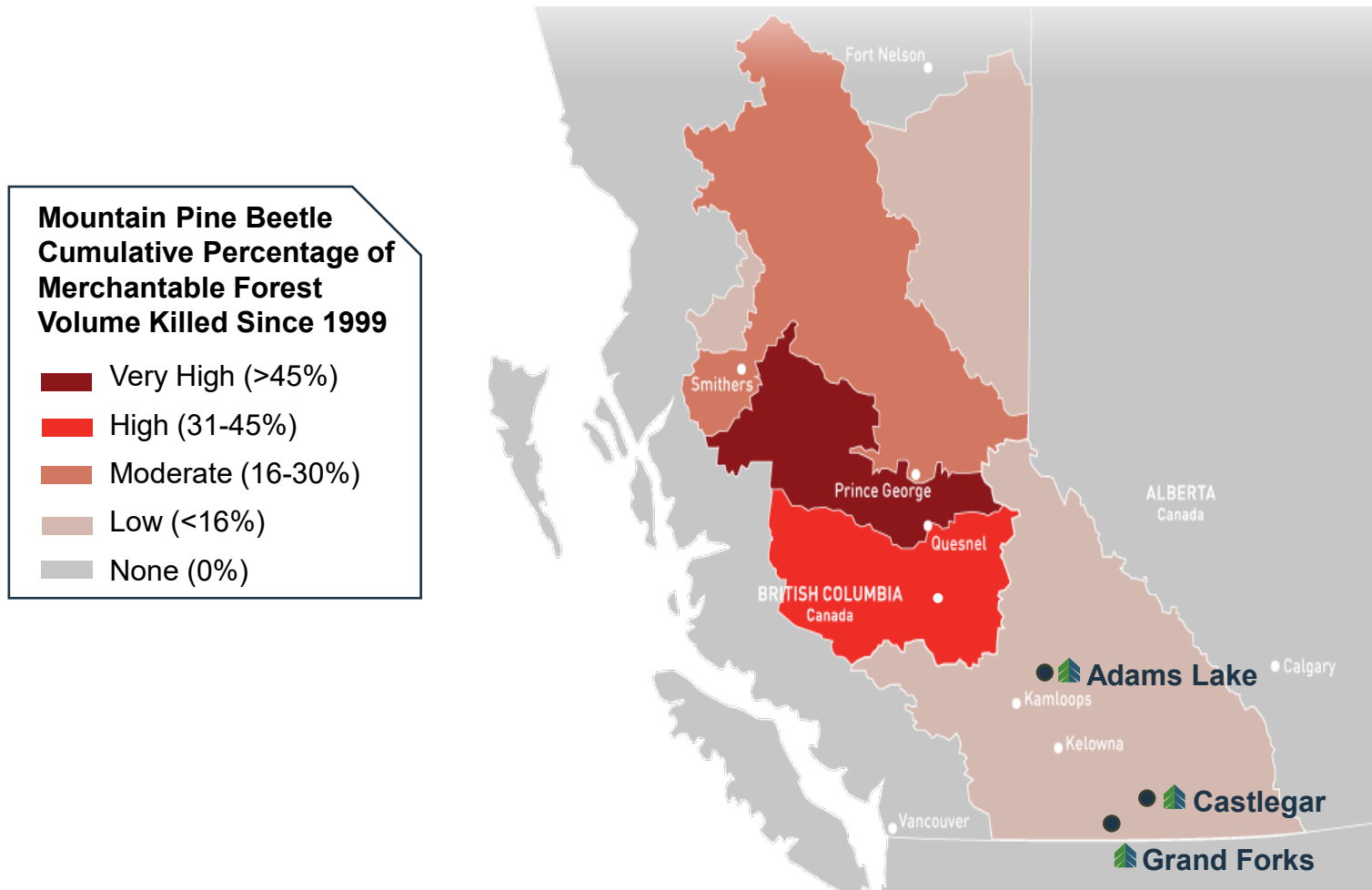
Relatively stable; good balance between available timber supply and manufacturing capacity

BRITISH COLUMBIA (BC)

Structural declines and permanent capacity reductions due to impacts of Mountain Pine Beetle forest infestation (~24% decline in production since 2018)

LUMBER SUPPLY: BC INTERIOR

Declining log supply across BC, but Interfor well-positioned in southern BC



SOFTWOOD LUMBER DISPUTE

Measured exposure to duties with 62% of lumber capacity based in the US

U.S. COUNTERVAILING & ANTI-DUMPING CASH DEPOSIT RATES

<u>COMPANY</u>	<u>2017-20</u> ⁽¹⁾	<u>2020-21</u> ⁽²⁾	<u>2021-22</u> ⁽³⁾	<u>2022-23</u> ⁽⁴⁾
West Fraser	23.56%	8.97%	11.14%	13.09%
Canfor	20.52%	4.62%	19.54%	6.75%
Resolute	17.90%	20.25%	29.66%	20.24%

**All Others
(Includes
Interfor)**

20.23%

8.99%

17.91%

11.64%

INTERFOR SOFTWOOD LUMBER DUTIES HIGHLIGHTS

US\$362 MM

Duties on Deposit

Cumulative duties of US\$362 MM have been paid by Interfor since the inception of the current trade dispute and are held in trust by the US Government; most of which are off-balance sheet

<25%

***Shipments Exposed to
Duties***

Interfor's shipments into the US from Canada represent <25% of Interfor's total company-wide sales volumes

(1) Reflects final cash deposit rates announced by the US Department of Commerce on December 28, 2017.

(2) Reflects final AR1 cash deposit rates announced by the US Department of Commerce on November 24, 2020.

(3) Reflects final rates announced by the US Department of Commerce on January 10, 2022.

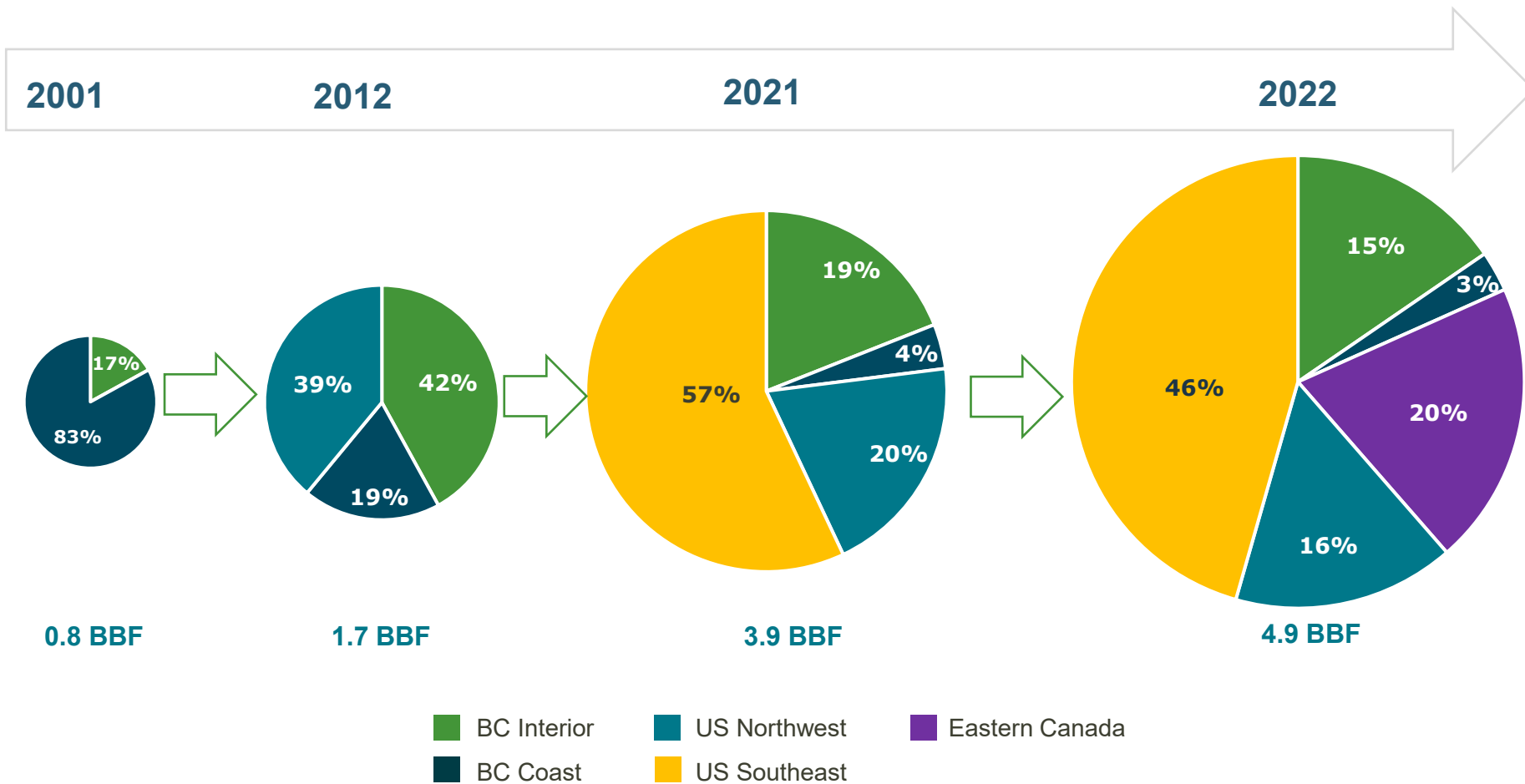
(4) Reflects preliminary rates announced by the US Department of Commerce on January 31, 2022 – subject to change.



GROWTH-FOCUSED STRATEGY

INTERFOR GROWTH STRATEGY

Long-standing strategy of growth and geographic lumber diversification ⁽¹⁾



INTERFOR GROWTH STRATEGY

Interfor's strategy has been consistent over time and across regions

Acquisitions have focused on assets with upside potential

Efforts post-acquisition are then focused on operational integration and the establishment of best practices, followed by capital investment, if necessary

US NORTHWEST



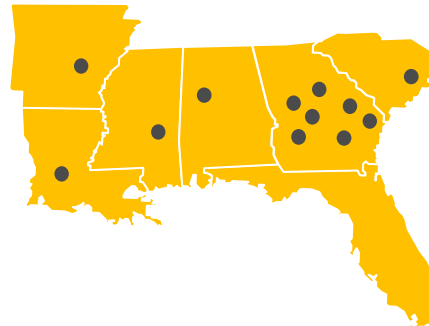
2004 - 2020

BC INTERIOR



2007 - 2022

US SOUTH



2013 - 2024

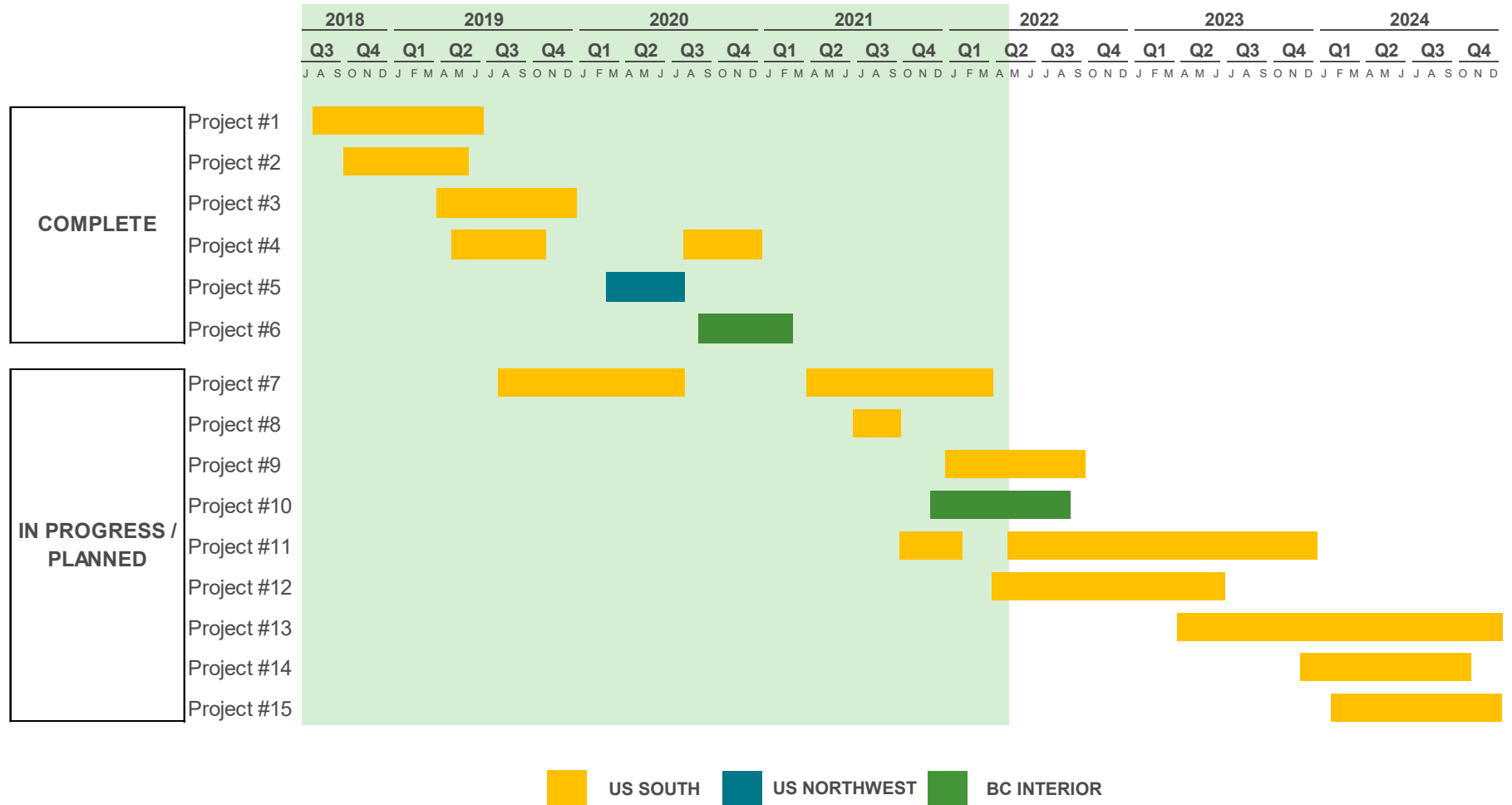
EASTERN CANADA



2022 - ONWARDS

MULTI-YEAR STRATEGIC CAPEX PLAN

Multi-year strategic capex plan underway, primarily focused in the US South



MULTI-YEAR STRATEGIC CAPEX PLAN

Mill rebuilds, machine center upgrades, debottlenecking & optimization projects



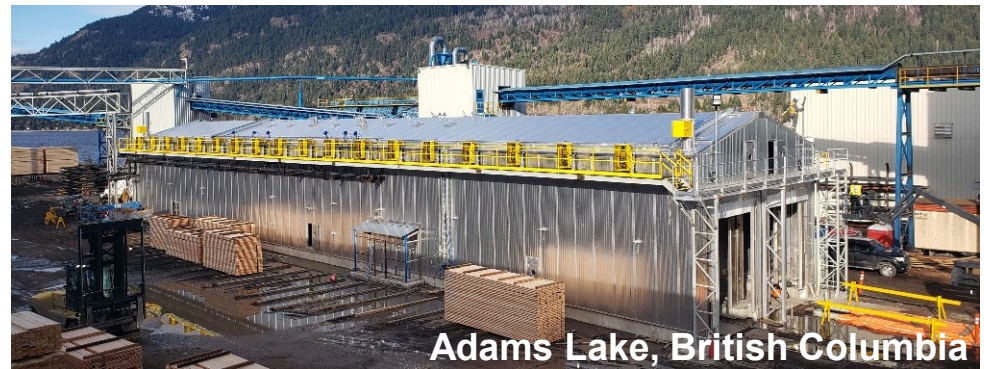
Monticello, Arkansas



Eatonton, Georgia



Molalla, Oregon

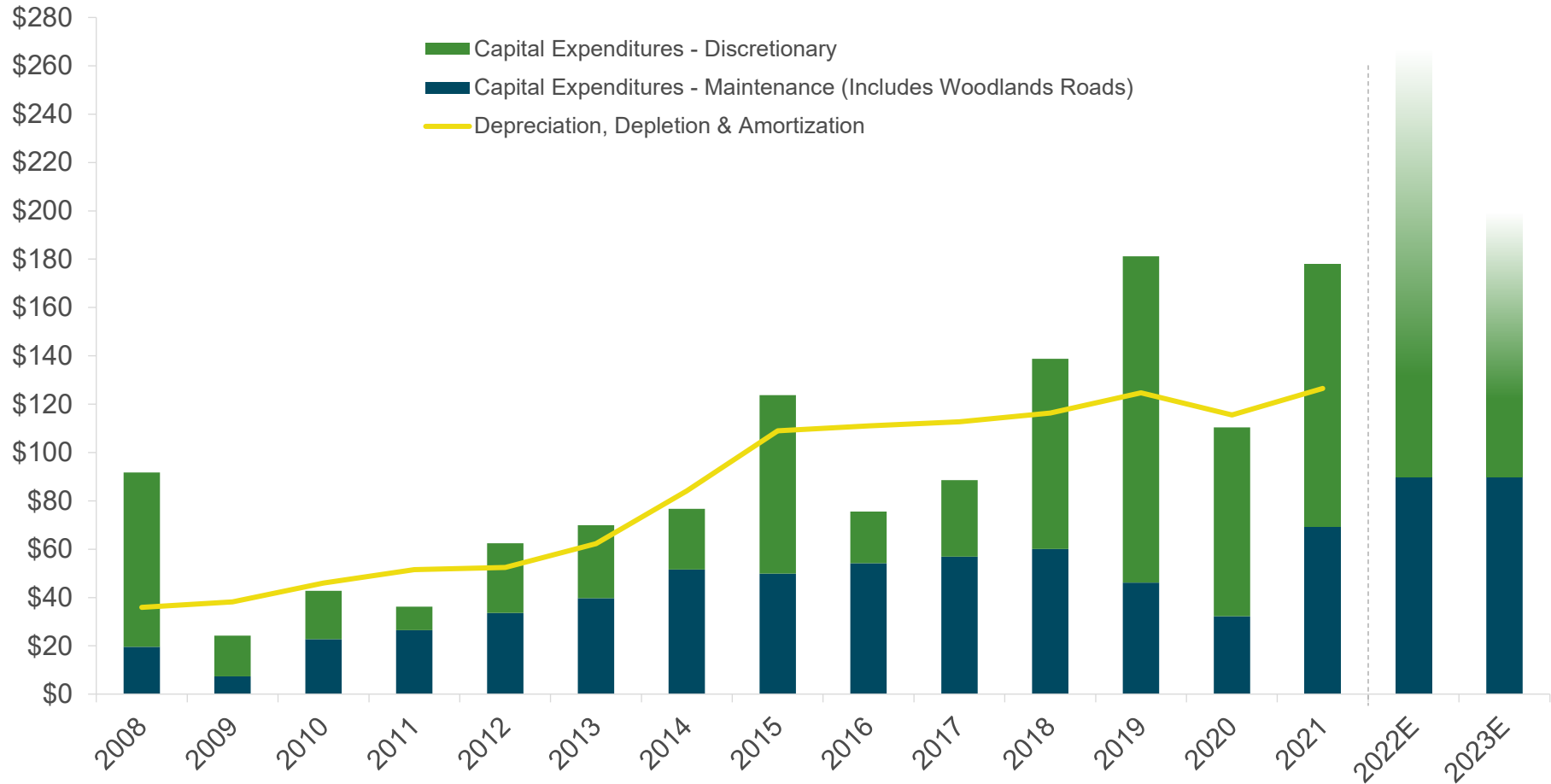


Adams Lake, British Columbia

CAPITAL SPENDING PROFILE

Strategic investments resulting in a well-capitalized, high-margin sawmill portfolio

HISTORICAL CAPITAL EXPENDITURES & OUTLOOK (\$MM)

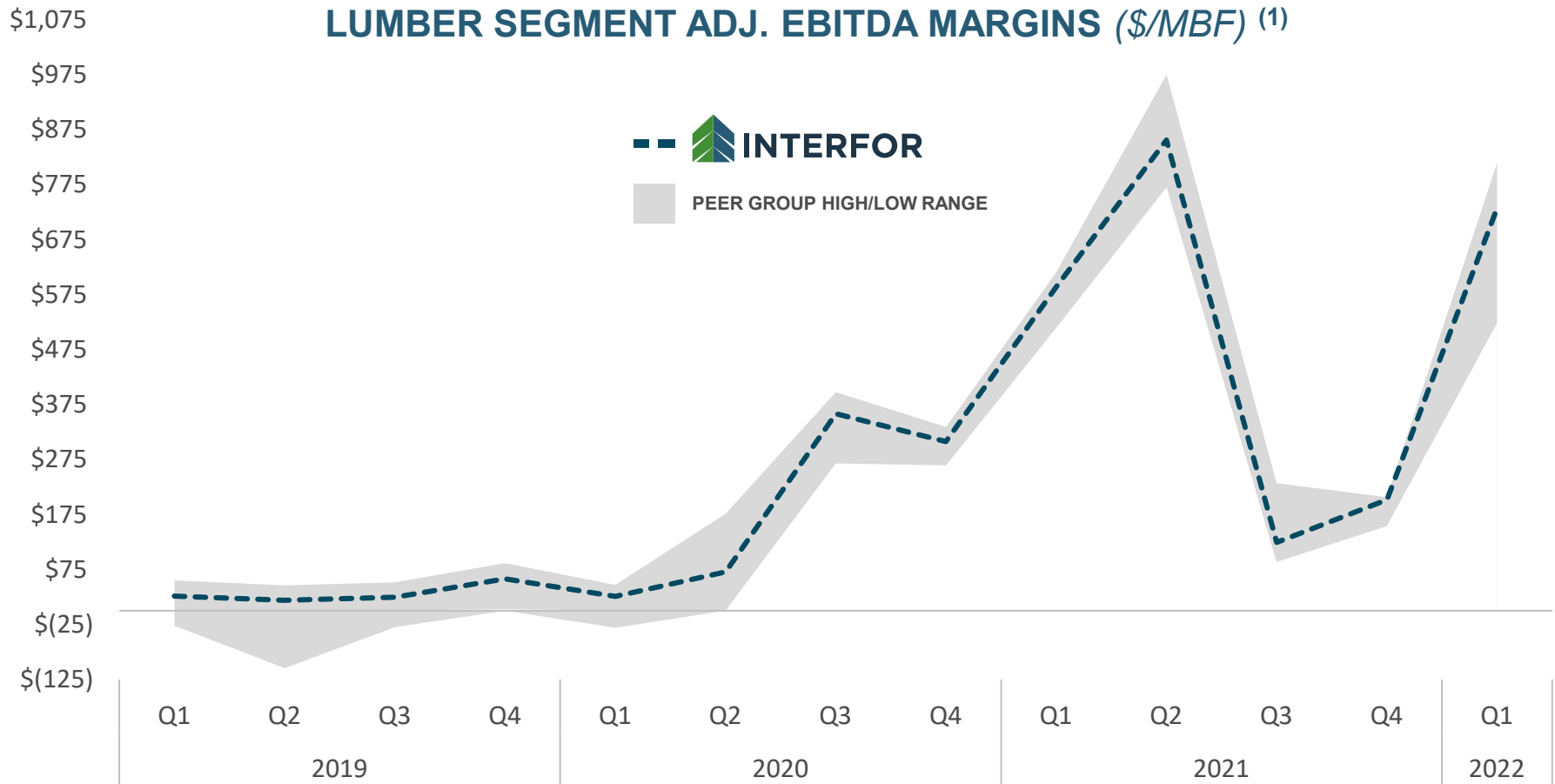




TOP TIER LUMBER MARGINS & RETURNS

TOP TIER LUMBER MARGINS

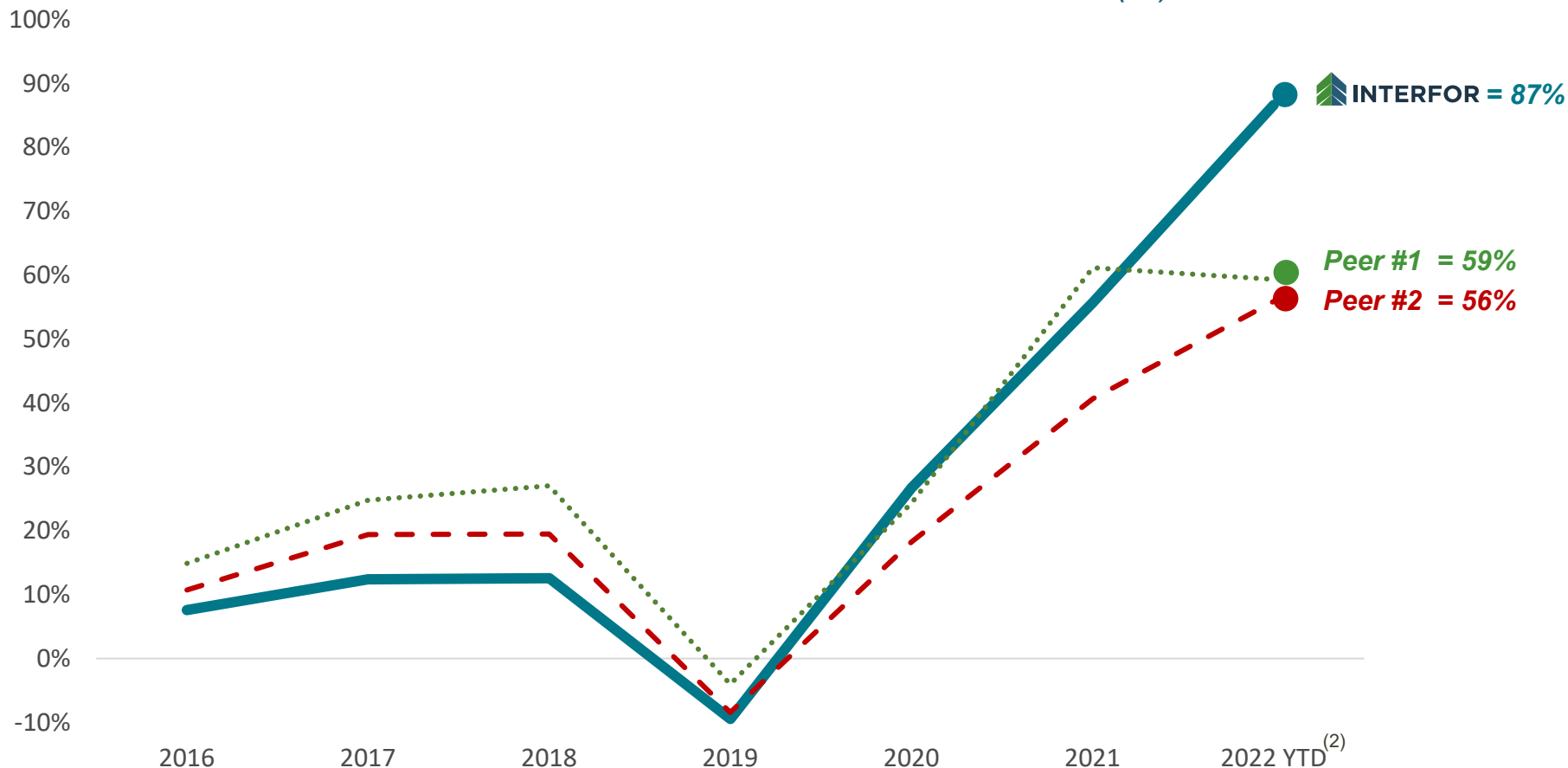
Top tier margin performance across all market conditions



TOP TIER RETURN ON CAPITAL

Strategic capex plan and other capital deployment are having an impact

EBIT RETURN ON CAPITAL EMPLOYED (%) ⁽¹⁾



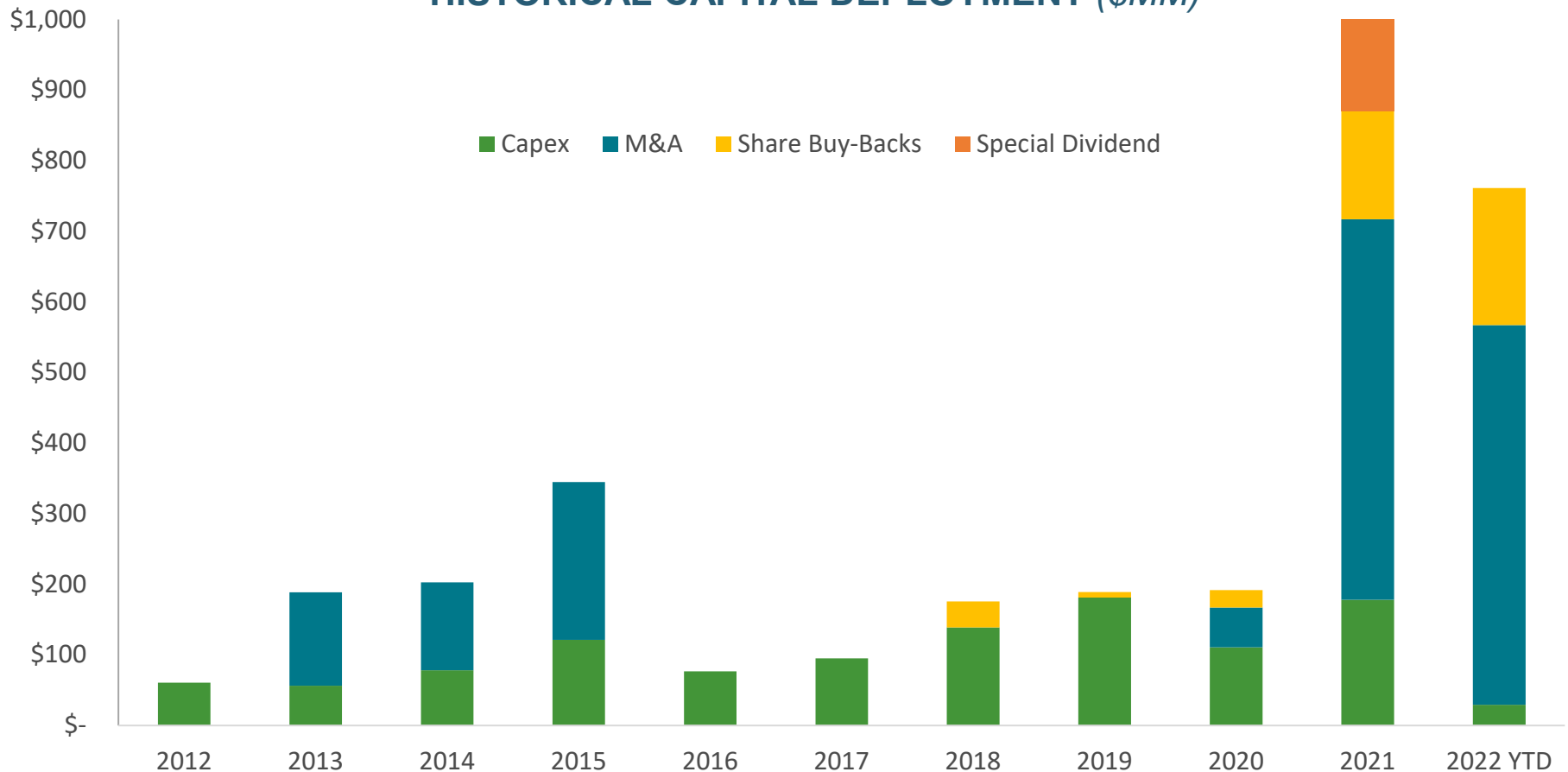


**BALANCED CAPITAL ALLOCATION WITH
SIGNIFICANT FINANCIAL FLEXIBILITY**

BALANCED CAPITAL ALLOCATION

Disciplined, multi-faceted approach to capital allocation depending on the circumstances

HISTORICAL CAPITAL DEPLOYMENT (\$MM) ⁽¹⁾



RECENT CAPITAL ALLOCATION

Balanced approach to recent capital deployment initiatives

Internal Growth

Multi-year strategic capital program; total capex spend of approx. \$178 MM in 2021 and \$225-275 MM/year in 2022-2023

External Growth

Disciplined lumber-focused M&A;
WestRock in Q1-2021
Georgia-Pacific in Q3-2021
EACOM in Q1-2022



INTERFOR

Return of Capital to Shareholders

Deployed ~\$450 MM repurchasing 15.5 MM shares since Aug'18 at avg cost of <\$29/share or <1x book value.
Paid \$2/share special dividend on June 28'21

Ongoing Portfolio Optimization

Sale or closure of select operations to optimize the portfolio; Hammond, BC (2019), Gilchrist, OR (2020), and Acorn, BC (2022) specialty mills

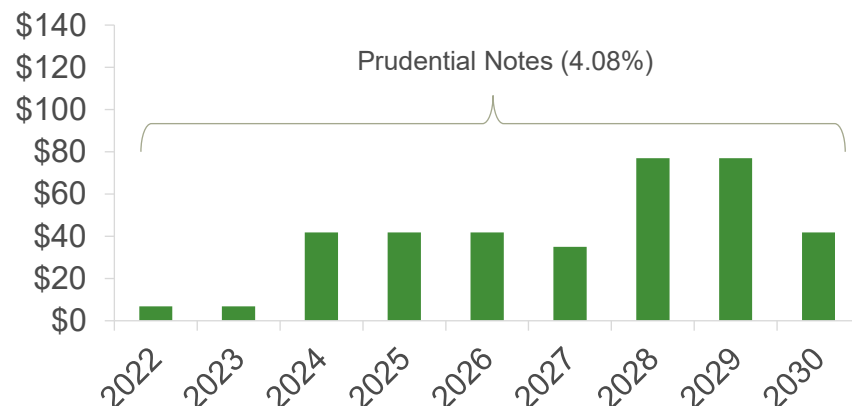
CAPITAL STRUCTURE

Significant financial flexibility to consider a variety of capital deployment options

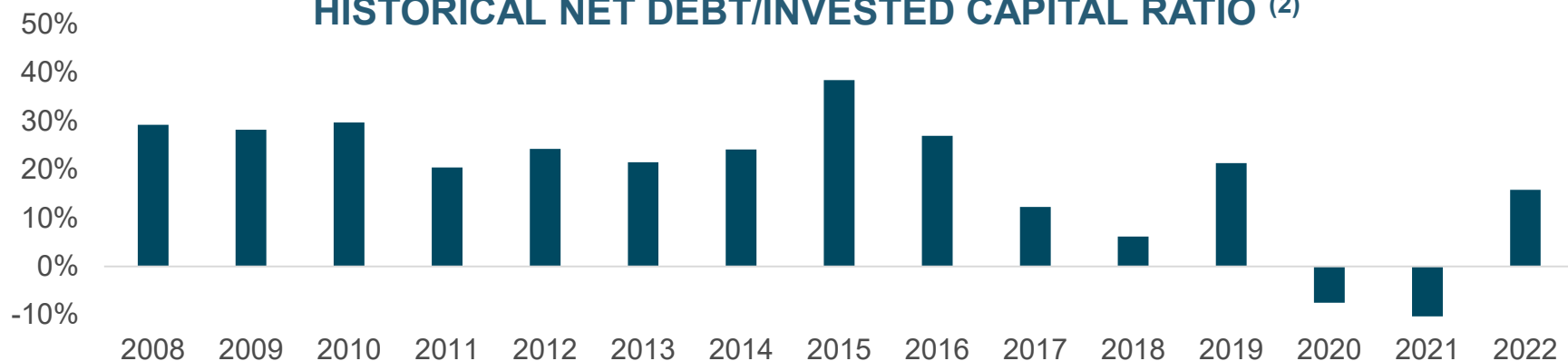
CAPITAL STRUCTURE AS OF MAR 31, 2022 (\$MM)

Cash	\$63
Debt	\$403
Net Debt	\$340
Book Equity	\$1,817
Invested Capital	\$2,158
NET DEBT/INVESTED CAPITAL (%)	16%
Available Liquidity ⁽¹⁾	\$483

DEBT MATURITY SCHEDULE AS OF MAR 31, 2022 (\$MM)



HISTORICAL NET DEBT/INVESTED CAPITAL RATIO ⁽²⁾

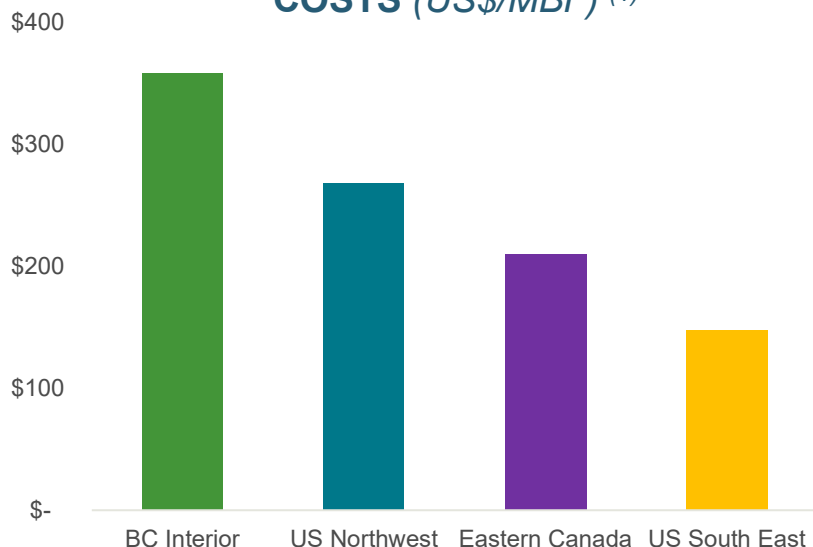


EACOM ACQUISITION

25% increase to Interfor's capacity at an attractive valuation

- 100% equity acquisition of high-quality Canadian operations which closed on February 22, 2022.
 - Includes 7 sawmills, 1 I-joist plant, 1 reman plant;
 - 985 MMbf of production capacity; 25% increase to Interfor's current platform.
 - Synergies of \$25 MM from operations, sales & administration to be realized within two years.
- Geographic diversity and new regional platform with additional opportunities for disciplined growth.
- Attractive log costs, second only to the US South.
- Cash purchase price of \$490 MM, including \$120 MM of net working capital.

INTERFOR 2021 REGIONAL NET LOG COSTS (US\$/MBF) ⁽¹⁾



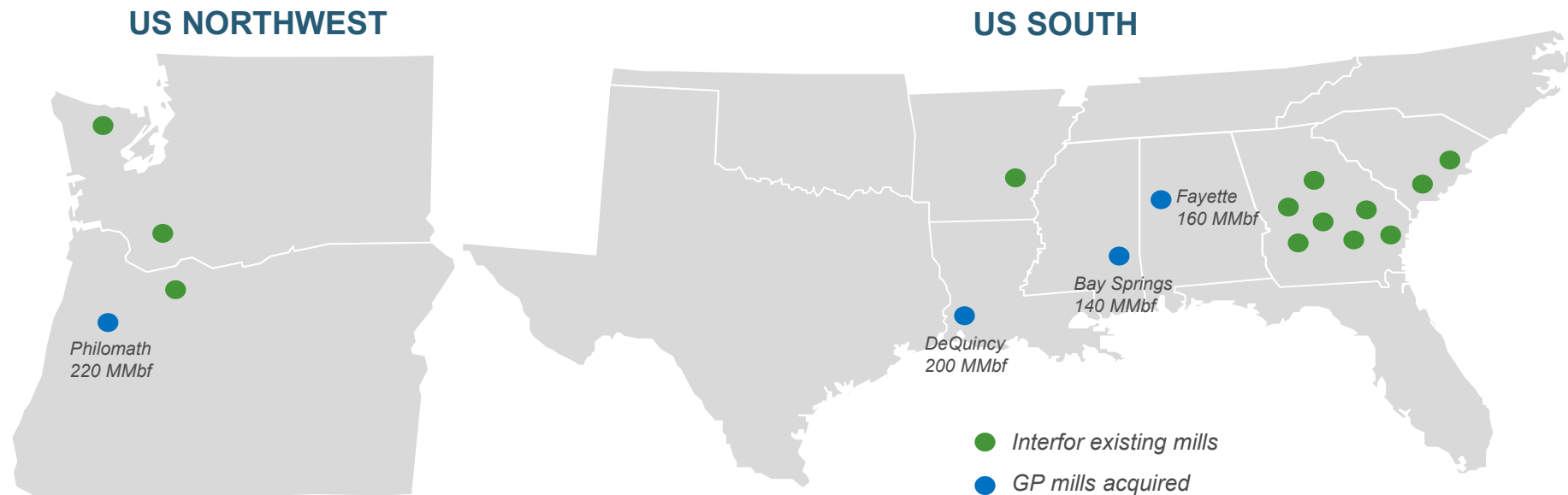
INTERFOR EASTERN CANADA OPERATIONS



GEORGIA-PACIFIC ACQUISITION

23% increase to Interfor's capacity at an attractive valuation

- Acquisition of four high-quality US sawmills from Georgia-Pacific, closed on July 9, 2021
- Cash purchase price of US\$372 MM, including working capital
- Highly complementary to existing operations:
 - Regional operating synergies and economies of scale
- 720 MMbf of production capacity; 23% increase to Interfor's current platform
 - Immediately accretive; three operating mills generating significant cash flows
 - DeQuincy, LA mill (curtailed by Georgia-Pacific in May 2020 during COVID) restarted Q1-2022

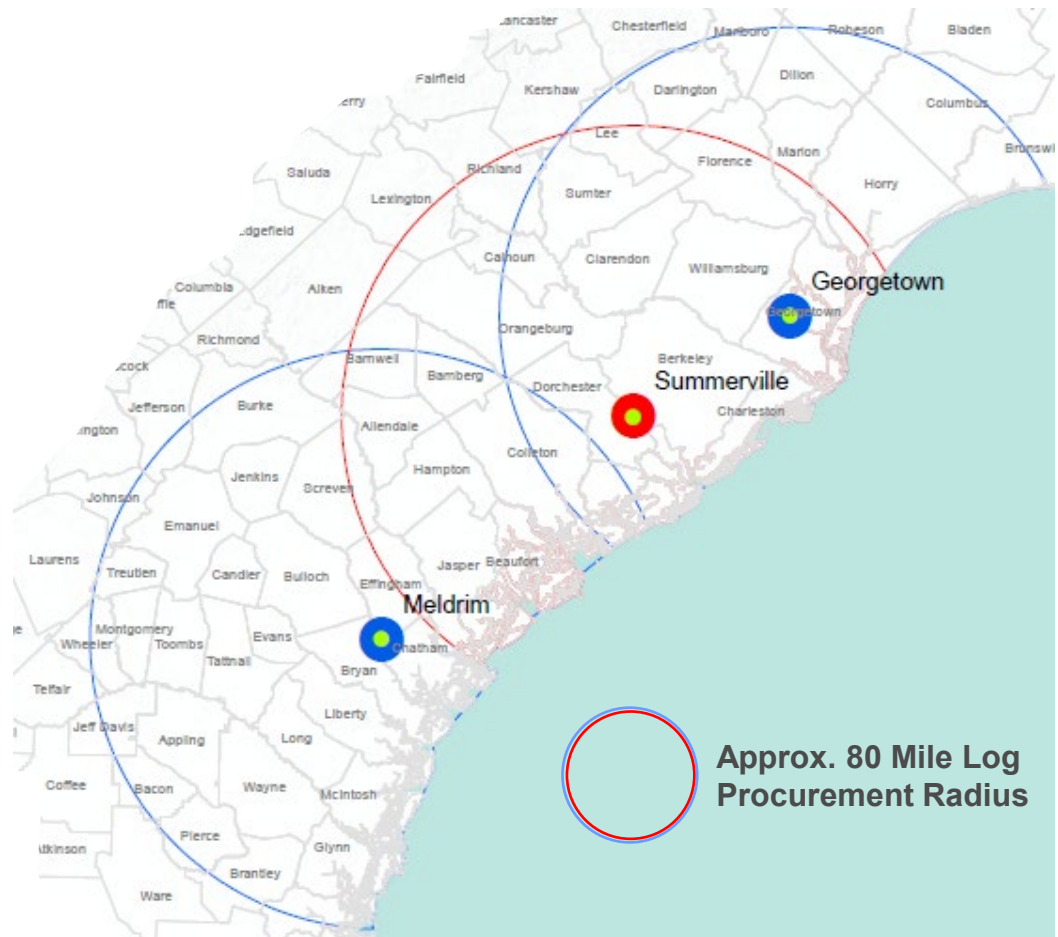


WESTROCK ACQUISITION

Logical tuck-in acquisition with operational and capital investment upside

- Acquisition of WestRock's sawmill in Summerville, South Carolina closed on March 12, 2021.
- Cash consideration of US\$59 MM, included log and lumber inventories.
- Mill produced 125 MMbf in 2020.
- New permit received in 2020 allowing for an increase in production of up to 200 MMbf/year.
- Strategic capital investment announced in August 2021 to significantly increase production.
- Significant log sort optimization and procurement synergies with existing mills (Meldrim/Georgetown).
- Long-term residuals off-take agreement with WestRock's Charleston, SC paper mill.

APPROX. LOG PROCUREMENT AREAS

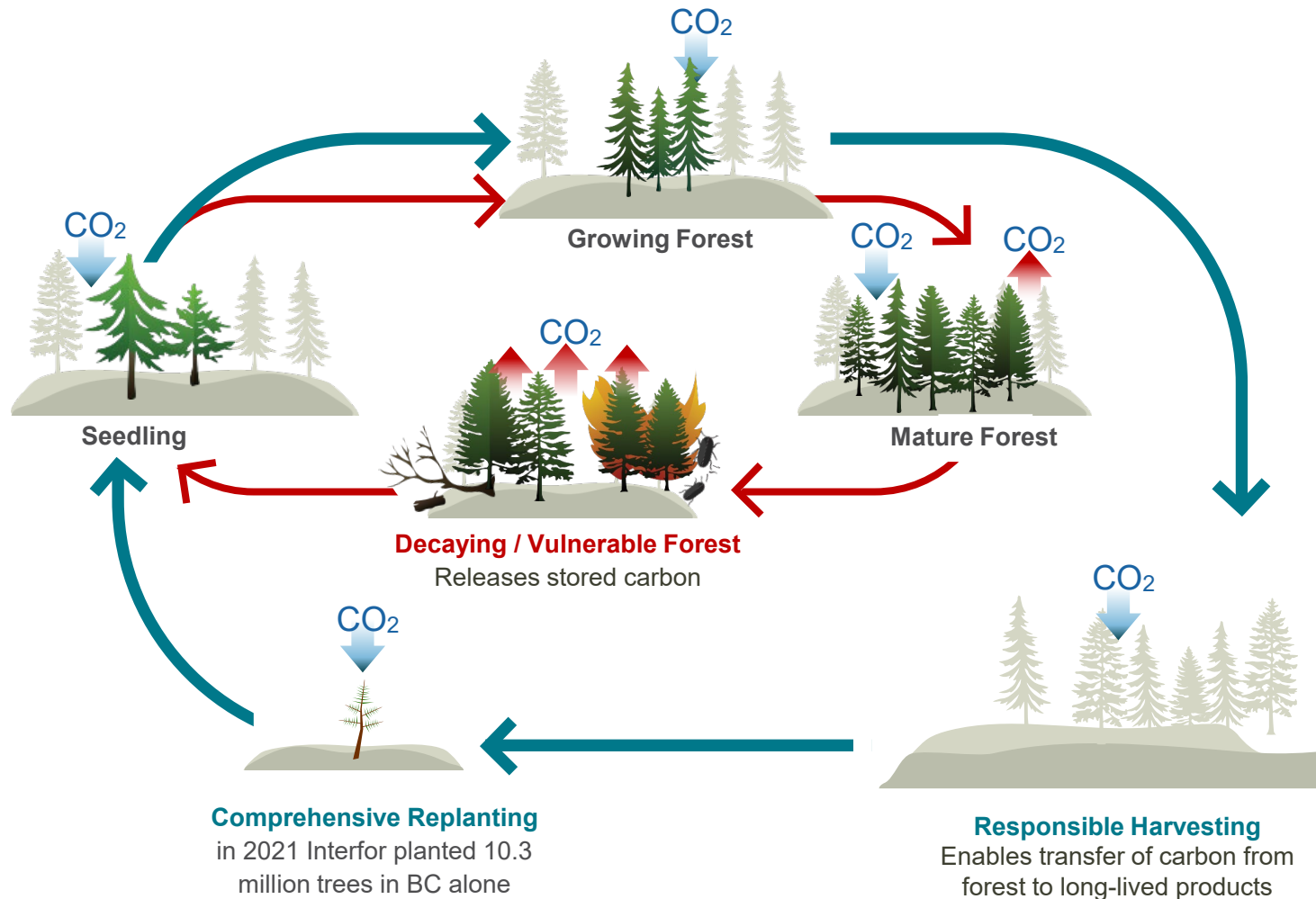


A young evergreen sapling, possibly a spruce or fir, stands prominently in the center of the frame. It has vibrant green, needle-covered branches and a thin, brown trunk. The sapling is growing from a forest floor covered in a thick layer of brown, fallen leaves and twigs. The background is a soft-focus view of the forest floor, with more fallen leaves and some blurred green foliage. A dark blue horizontal band spans the width of the image, partially obscuring the lower part of the sapling and the forest floor. The text "POSITIVE ESG & CARBON STORY" is written in white, bold, sans-serif capital letters across this band. A short, thick yellow horizontal line is positioned at the bottom left of the image, below the blue band.

POSITIVE ESG & CARBON STORY

ENHANCING THE NATURAL CARBON CYCLE

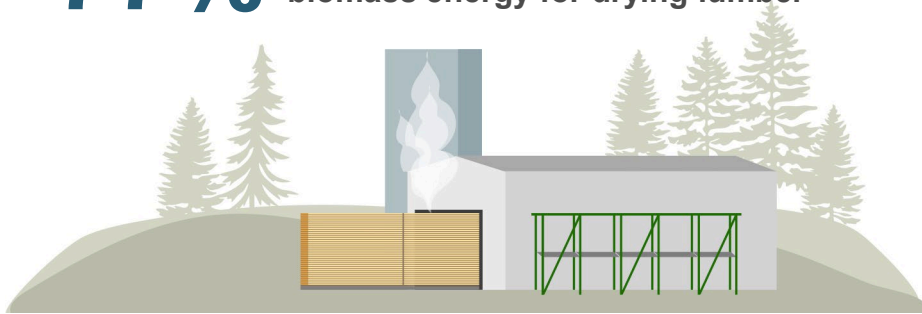
Responsible forest management increases long-term carbon storage



SUSTAINABLE MANUFACTURING

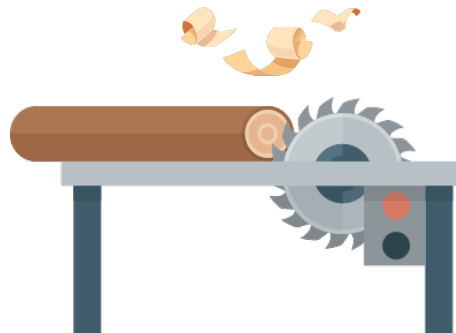
Lumber produced by Interfor stores 4x the carbon emitted in all phases of its production

77% of Interfor sites with kilns use renewable biomass energy for drying lumber



~400,000 tonnes of CO₂e avoided annually by using biomass instead of burning fossil fuels

100%
usage of every
log delivered



4.4 MM

tonnes of CO₂ stored in lumber
sold by Interfor in 2021

VS.

1.1 MM

tonnes of CO₂e emitted by Interfor
and the upstream supply chain
combined in 2021, comprising direct
fossil fuel, biogenic and electricity
emissions

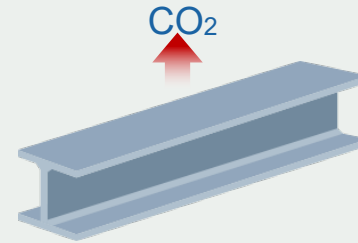
LUMBER: LOW-CARBON BUILDING MATERIAL

Lumber is a climate-friendly building product vs. other alternatives

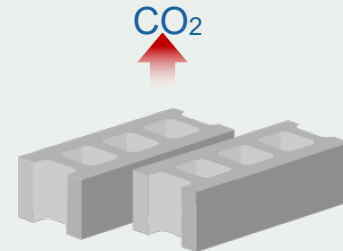


1m² of a building constructed using
wood wall studs
Stores net 16.7kg CO₂*

Compared to the use of:



Steel
Emits 18.0kg CO₂*



Concrete
Emits 27.5kg CO₂*

RESPONSIBILITY AT THE HEART OF THE COMPANY

Integrating ESG standards throughout our business

ENVIRONMENT



Climate:

- We contribute meaningfully to the global effort to combat climate change, through sustainable forest management and manufacturing sustainable building materials
- Our climate strategy assesses climate-related risks and opportunities; we are positioned for resilience
- We manage our own environmental impacts and minimize waste, through using renewable energy, optimizing logistics, and investing in our sawmills to improve their efficiency

Biodiversity and Conservation:

- We are leaders in protecting biodiversity, wildlife, and forests of high conservation value
- We have independent, third party sustainable forestry and chain-of-custody certifications

Environmental Management:

- We maintain an environmental management system (EMS) for all our manufacturing facilities and harvesting operations
- We have environmental monitoring programs for water use, air emissions, waste management, fuel handling and spill prevention

SOCIAL



Safety:

- We embrace world-leading safety standards and target zero Medical Incident Rate (MIR) and Lost Time Frequency Rate (LTFR) metrics, because our goal is to never hurt anyone
- We are leaders in safety: Our MIR and LTFR are at levels well below the industry average and trending downward

People:

- Our focus on employee training, development, internal promotion, competitive compensation, and diversity demonstrates our commitment to our people
- We have goals and action plans to increase the representation of women and people of color in our workforce

Community Partnerships:

- We have signed agreements with 35 of the First Nations with whom we work, supporting shared business opportunities, training and capacity building
- We engage meaningfully with, support, and give back to the communities in which we operate

GOVERNANCE



ESG Oversight:

- 91% of directors are independent; 30% of directors are women; Chair of the Board is independent
- Board-level oversight of all ESG factors, including Board committees with oversight over:
 - environmental and safety
 - Employees and compensation
 - Governance, corporate responsibility and human rights
 - financial reporting and information system security
- Our annual Sustainability Report provides in-depth and meaningful information to investors
- Our Code of Conduct & Ethics, including our core values, applies to all directors, officers and employees
- We have a confidential whistleblower hotline to encourage employees, contractors, vendors and the general public to report any concerns



CONTACT INFORMATION

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