News Release

For Immediate Release **August 4, 2015**

Canfor Announces Investment Agreement

Vancouver, BC — Canfor Corporation (TSX:CFP) announced today that it has completed an investment agreement (the "Agreement") with Conifex Inc. ("Conifex"), a subsidiary of Conifex Timber Inc. (TSX-CFF) pursuant to which Canfor loaned $30,000,000 to Conifex. The loan is represented by a senior secured note (the "Note") which has a term of 5 years and is secured by a first lien on a forest licence with 200,000 cubic metres of annual cut held by a subsidiary of Conifex. Canfor has the option, exercisable after one year, to convert the loan into an ownership interest in the forest licence.

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 and Mississippi. Canfor produces primarily softwood lumber and specialized wood products. Canfor also owns a 51.0% interest in Canfor Pulp Products Inc., which is one of the largest producers of market northern bleached softwood kraft pulp and a leading producer of high performance kraft paper and also produces bleached chemi-thermo mechanical pulp. Canfor shares are traded on the Toronto Stock Exchange under the symbol CFP.

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