

GreenFirst Announces Preliminary Operating Results, Intention to List Rights and Director Appointments

VANCOUVER, BC, May 17, 2021 /CNW/ - GreenFirst Forest Products Inc. (TSXV: GFP) ("**GreenFirst**" or the "**Company**") today announces its preliminary operating results for the three months ended March 31, 2021 as set out below. GreenFirst is also pleased to announce its intention to apply to list its Rights (as defined below) on the TSX Venture Exchange (the "**TSXV**") and the appointment of Marty Proctor and William G. Harvey to the board of directors of GreenFirst (the "**Board**"). Michael Powell and Lewis Johnson have also resigned from the Board, effective today.

Summary of Preliminary First Quarter Results

Based on preliminary financial information, the Company expects to report a net loss attributable to common shareholders of \$1.6 million, or \$0.07 loss per share, and a total comprehensive loss of \$1.7 million in the quarter ended March 31, 2021. This is compared to a net loss attributable to common shareholders of \$0.3 million, or \$0.01 loss per share, and total comprehensive income of \$0.8 million (as a result of a currency translation gain) in the first quarter of 2020. The expected increased net loss for the quarter was due to higher professional fees associated with the previously announced Asset Purchase Agreement (as defined below).

As at March 31, 2021, the Company expects to report a consolidated cash balance of \$4.2 million and net working capital of \$2.9 million.

The Company will provide full details of its financial results when it releases its first quarter results for the interim period ended March 31, 2021 on or before May 30th, 2021, after market close.

All amounts are in Canadian dollars unless otherwise indicated.

Rights Offering Update

GreenFirst is pleased to announce that it intends to apply to have the Rights listed for trading on the TSXV.

In connection with the previously announced asset purchase agreement (the "**Asset Purchase Agreement**") dated April 10, 2021 pursuant to which a wholly-owned subsidiary of GreenFirst agreed to acquire (the "**Acquisition**") a portfolio of forest and paper product assets from Rayonier A.M. Canada G.P. and Rayonier A.M. Canada Industries Inc., each a subsidiary of Rayonier Advanced Materials Inc., GreenFirst announced that it intends to file a prospectus to conduct a backstopped rights offering to finance a portion of the purchase price payable pursuant to the Asset Purchase Agreement. GreenFirst intends to issue three rights (each a "**Right**") for each of its outstanding common shares with each Right being exercisable, at a subscription price of \$1.50 to acquire a subscription receipt (each a "**Subscription Receipt**"). Each Subscription Receipt will, upon closing of the Asset Purchase Agreement and without any further consideration, automatically be exchanged into a common share of GreenFirst.

Changes to the Board

GreenFirst is pleased to announce the appointment of Marty Proctor and William G. Harvey to the Board effective Monday, May 17, 2021.

Marty Proctor is the Vice-Chair of ARC Resources Ltd. and served as President and CEO of Seven

Generations Energy for four years prior to its merger with ARC Resources. Previously, Marty was President and Chief Operating Officer of Seven Generations Energy from May 2014 to mid-2017, and Chief Operating Officer of Baytex Energy Corp. from January 2009 until May 2014. Marty has more than 30 years of experience in the Canadian and international oil and natural gas industries. Before Baytex, Marty was Senior Vice President responsible for upstream operations at Statoil Hydro Canada, and previously Senior Vice President of North American Oil Sands Corporation and Vice President of Murphy Oil Company. Earlier in his career, Marty held technical and management positions at Maxx Petroleum, Central Resources (USA), BP Resources Canada and Husky Oil. His international work included assignments in Russia, Kazakhstan, China, Norway and the United States. A professional engineer and a member of APEGA and the Society of Petroleum Engineers, Marty earned Bachelor's and Master's degrees in Petroleum Engineering from the University of Alberta.

William G. Harvey is a Chartered Financial Analysts and holds a Master of Business Administration degree from the University of Toronto and a degree in mechanical engineering from Queens University. He has served as Executive Vice President – Finance of Kirby Corporation since February 2018. Prior to joining Kirby, Mr. Harvey served as Executive Vice President and Chief Financial Officer of Walter Energy, Inc. from 2012 to 2017, Senior Vice President and Chief Financial Officer of Resolute Forest Products Inc. from 2008 to 2011, and as Executive Vice President and Chief Financial Officer of Bowater Inc., a predecessor company of Resolute, from 2004 to 2008.

GreenFirst also announces that Michael Powell and Lewis Johnson have resigned from the Board effective today. Larry G. Swets, Jr., Chief Executive Officer, stated "On behalf of GreenFirst, I would like to thank Michael and Lewis for their valuable contributions to our progress and, in particular, during this transformational phase of GreenFirst's growth and development. We wish them both all the best in their future endeavours."

About GreenFirst

GreenFirst is a forest-first business, focused on environmentally sustainable forest management and lumber production. We believe that sustainable forest planting and harvesting, coupled with the long-term green advantage of lumber, provide GreenFirst with significant cyclical and secular advantages in building products. GreenFirst's long-term pursuit is to be a global leader in environmentally sustainable lumber. For more information, please visit: www.gffp.ca.

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 in this news release include, but are not limited to statements regarding: the expected financial results of the Company; the timing for the expected filing of the financial results; the details of the proposed offering of Rights; the expectation of the Rights being listed on the TSXV; and details with respect to the shares for debt transaction. 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.sedar.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.

Neither TSXV nor its Regulation Services Provider (as that term is defined in policies of the TSXV) accepts responsibility for the adequacy or accuracy of this news release.

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