



CONIFEX TIMBER INC.

NEWS RELEASE: via MARKETWIRE

FOR IMMEDIATE RELEASE

Conifex Announces Acquisition of Sawmill Assets in El Dorado, Arkansas

August 6, 2015, Vancouver, B.C. - Conifex Timber Inc. ("Conifex" or the "Company") (TSX: CFF) announced today that it has completed the purchase (the "Purchase") of 100% of the outstanding shares and shareholder loans of a private Delaware company ("AcquisitionCo"). The consideration consisted of 100,000 common shares of the Company at a deemed price of CAD\$6.75, as well as the reimbursement of certain costs previously incurred by the vendor.

AcquisitionCo had the exclusive rights to acquire a sawmill and related facilities and equipment, including approximately 186 acres of land, located near El Dorado, Arkansas, United States (the "El Dorado Mill"). Concurrent with the closing of the Purchase, AcquisitionCo exercised its right to acquire the El Dorado Mill for total consideration of US\$21 million, comprised of US\$12.36 million in cash and an US\$8.64 million vendor mortgage.

Ken Shields, Chief Executive Officer of Conifex commented: "It's important to Conifex to secure this ideal site and high quality infrastructure in one of the most advantaged softwood supply regions in North America." Mr. Shields further added, "The uncertainties flowing from the expiry and renegotiation of the Softwood Lumber Agreement could potentially impact the timing of the modernization and upgrade of our Canadian sawmills, while we expect the SLA will have less impact on capital expenditure decisions for mills located in the US."

The El Dorado Mill is situated in an area well regarded for its availability of high quality sawlogs within cost effective proximity and a skilled labor pool. The Company is currently completing its review to evaluate the optimal capital upgrade for the El Dorado site, following which management expects to determine the priority in which to rebuild its currently idled Mackenzie Site I mill or the El Dorado Mill. Over the longer term, the Company expects to undertake capital upgrades to rebuild both of these mills.

The common shares issued pursuant to the Purchase Agreement will be subject to a hold period expiring four months and one day following closing.

For further information, please contact:

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About Conifex Timber Inc.

Conifex and its subsidiaries' primary business currently includes timber harvesting, reforestation, forest management, sawmilling logs into lumber and wood chips, and value added lumber finishing and distribution. Conifex's lumber products are sold in the United States, Chinese, Canadian and Japanese markets. Conifex has expanded its operations to include bioenergy production following the commencement of commercial operations of its power generation facility at Mackenzie, British Columbia.

Forward-Looking Statements

Certain statements in this news release may constitute “forward-looking statements”. Forward-looking statements are statements that address or discuss activities, events or developments that the Company expects or anticipates may occur in the future. When used in this news release, words such as “estimates”, “expects”, “plans”, “anticipates”, “projects”, “will”, “believes”, “intends” “should”, “could”, “may” and other similar terminology are intended to identify such forward-looking statements. Forward-looking statements reflect the current expectations and beliefs of the Company’s management. Because forward-looking statements involve known and unknown risks, uncertainties and other factors, actual results, performance or achievements of the Company or industry may be materially different from those implied by such forward-looking statements. Examples of such forward-looking information that may be contained in this news release include statements regarding: timing of completion of capital upgrade reviews; impact of the SLA on capital expenditures; timing and completion of capital upgrades, if any, to the El Dorado Mill and Mackenzie Site I mill; growth and future prospects of our business; our perceptions of the industry and markets in which we operate and anticipated trends in such markets and in the countries in which we do business; and benefits that may accrue to the Company as a result of certain capital expenditure programs. Assumptions underlying the Company’s expectations regarding forward-looking information contained in this news release include, among others: that the Company will be able to effectively market its products; that the U.S. housing market will continue to improve; therefrom; that softwood lumber will experience sustained demand in the marketplace; the general stability of the economic, political and regulatory environments within the countries where the Company conducts operations; the ability of the Company to obtain financing (if necessary) on acceptable terms or at all; that interest and foreign exchange rates will not vary materially from current levels; and that the equipment at our mills will operate at expected levels. Forward-looking statements involve significant uncertainties, should not be read as a guarantee of future performance or results, and will not necessarily be an accurate indication of whether or not such results will be achieved. A number of factors could cause actual results to differ materially from the results discussed in the forward-looking statements, including, without limitation: those relating to potential disruptions to production and delivery, including as a result of equipment failures, labour issues, the complex integration of processes and equipment and other factors; labour relations; failure to meet regulatory requirements; changes in the market; potential downturns in economic conditions; fluctuations in the price and supply of required materials, including log costs; fluctuations in the market price for products sold; foreign exchange fluctuations; trade restrictions or import duties imposed by foreign governments; availability of financing (as necessary); shipping or logging disruptions; and other risk factors described in the Company’s 2014 annual information form, available on SEDAR at www.sedar.com. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should exercise caution in relying upon forward-looking statements and the Company undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.