TERM SHEET MAY 25, 2018

A preliminary short form prospectus containing important information relating to the securities described in this document has been filed with securities regulatory authorities in each of the provinces of Canada (other than Quebec). A copy of the preliminary short form prospectus, and any amendment, is required to be delivered to any investor that received this document and expressed an interest in acquiring the securities.

The preliminary prospectus is still subject to completion. There will not be any sale or any acceptance of an offer to buy the securities until a receipt for the final short form prospectus has been issued.

This document does not provide full disclosure of all material facts relating to the securities offered. Investors should read the preliminary short form prospectus, the final short form prospectus and any amendment, for disclosure of those facts, especially risk factors relating to the securities offered, before making an investment decision.

ISSUER:	Conifex Timber Inc. ("**Conifex**" or the "**Company**").
OFFERING:	US$50-$55 million (in $Cdn equivalent) of subscription receipts (the "**Subscription Receipts**")
OFFERING PRICE:	$● per Subscription Receipt.
OVER-ALLOTMENT OPTION:	The Company will grant the underwriters (the "Underwriters") an option, exercisable for a period of 30 days following completion of the Offering, to acquire up to 15% of additional Subscription Receipts at the Offer Price solely to cover over-allotments, if any, and for market stabilization purposes.
USE OF PROCEEDS:	Unless the Subscription Receipts are cancelled as described below, the net proceeds of the Offering will be used to partially finance the indirect acquisition by the Company of the Suwannee sawmill and Caddo River sawmill from a group of vendors including affiliates of Blue Wolf Capital Partners LLC (the "Acquisition"). Pending satisfaction of the Escrow Release Conditions, the gross proceeds of the Offering less 50% of the Underwriting Fee (the "Escrowed Funds") will be deposited with the subscription receipt agent (the "Subscription Receipt Agent") and invested in one or more interest-bearing accounts.
ESCROW RELEASE CONDITIONS:	"Escrow Release Conditions" means the satisfaction or waiver of all conditions to the Acquisition in all material respects in accordance with the Acquisition Agreement (other than the payment of the Purchase Price and such conditions precedent that by their nature are to be satisfied at the Acquisition Closing Time in accordance with the terms thereof), without material amendment or waiver which would result in a material adverse effect to the Corporation, unless the consent of the Sole Book-Runner is given to such amendment or waiver.
SUBSCRIPTION RECEIPTS:	If the Escrow Release Conditions are satisfied at or prior to 5:00 pm (Vancouver time) on ●, 2018 (the "Acquisition Outside Date"), each Subscription Receipt will entitle the holder thereof to receive, without payment of additional consideration or further action, one common share of the Company (a "Common Share"). Upon the occurrence of a Termination Event (as defined below), the Subscription Receipts will be cancelled and each holder will be entitled to receive a full refund of the subscription proceeds for the Subscription Receipts held by such holder and pro rata shares of any interest earned on the Escrowed Funds (including deemed interest on the portion of the Underwriting Fee paid to the Underwriters at closing of the Offering). To the extent that there is any shortfall resulting from the fact that 50% of the Underwriting Fee is payable to the Underwriters at the closing of the Offering, the Company will be responsible for funding such amount from cash on hand or other sources of

	capital.
TERMINATION EVENT:	A "Termination Event" shall have occurred if (i) the Escrow Release Conditions are not satisfied prior to the Acquisition Outside Date or (ii) at any time prior to the Acquisition Outside Date, the Acquisition is terminated or the Company advises the Subscription Receipt Agent and Raymond James, or announces to the public by way of press release, that it does not intend to proceed with the Acquisition.
LISTING:	Application will be made to list the Subscription Receipts and the Common Shares issuable in exchange therefor on the Toronto Stock Exchange.
FORM OF OFFERING:	Public offering in all the provinces of Canada other than Quebec pursuant to a short form prospectus, to qualified institutional buyers in the United States pursuant to Rule 144(a) under the United States Securities Act of 1933, as amended, and internationally as permitted.
UNDERWRITING FEE:	5.00% of the gross proceeds of the Offering, of which (i) 50% shall be payable upon completion of the Offering and (ii) 50% shall be payable upon satisfaction of the Escrow Release Conditions. If a Termination Event occurs and the Subscription Receipts are cancelled, the Underwriters shall only be entitled to the portion of the Underwriting Fee payable upon completion of the Offering.
ELIGIBILITY FOR INVESTMENT:	Eligible under the usual statutes and for RRSPs, RRIFs, RESPs, DPSPs and TFSAs.
SOLE BOOK RUNNER:	Raymond James Ltd.
CLOSING DATE:	June 15, 2018