



## **CONIFEX TIMBER INC.**

NEWS RELEASE: via MARKETWIRE

FOR IMMEDIATE RELEASE

### **Conifex Provides Corporate Update**

December 16, 2016, Vancouver, B.C. - Conifex Timber Inc. ("Conifex") (TSX: CFF) announced today that it has satisfied and discharged in full its outstanding \$12 million aggregate principal amount of unsecured subordinated convertible notes issued in 2014 in accordance with the terms and conditions of the indenture governing the notes. In connection with the repayment, Conifex deposited in trust with the note trustee an aggregate amount of \$12,420,000, such amount being sufficient to pay in full the aggregate principal amount of the notes and accrued and unpaid interest to the maturity date of December 15, 2016. Interest on the notes ceased to accrue on and after the maturity date, and the only remaining rights of the holders is to receive payment upon surrender of the notes to the note trustee.

Conifex also announced today that its wholly-owned subsidiary Conifex Power received additional property damage and business interruption insurance proceeds in the amount of \$5.45 million from its insurance claim related to the previous unexpected outage at its Mackenzie power project. Conifex Power received a total of \$17 million under the insurance claim, which has now been fully settled. Conifex expects that it will recognize additional earnings of approximately \$0.10 per share in the fourth quarter of 2016 as a result of the additional insurance proceeds.

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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 Conifex 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 Conifex's management. Because forward-looking statements involve known and unknown risks, uncertainties and other factors, actual results, performance or achievements of Conifex and its 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 our future earnings. 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 risks 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 Conifex 2015 annual information form, available on SEDAR at [www.sedar.com](http://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 Conifex undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.