



CONIFEX

CONIFEX TIMBER INC.

NEWS RELEASE: via MARKETWIRE

FOR IMMEDIATE RELEASE

CONIFEX ANNOUNCES COORDINATED HARVESTING COOPERATION AGREEMENT

Conifex realizes \$20 million from the agreement to be applied to debt reduction, capital expenditure at its BC mills and working capital

April 12, 2016, Vancouver, B.C. - Conifex Timber Inc. ("Conifex") (TSX: CFF) announced today that it has completed a timber harvesting cooperation agreement with Dunkley Lumber Ltd. ("Dunkley") to conduct coordinated joint timber harvesting operations on certain portions of Conifex's harvesting areas in the Mackenzie Timber Supply Area. Conifex believes that the coordinated harvesting operations will enhance fibre optimization between the two companies, improve supply chain efficiencies, and contribute to more stable harvest levels in the Mackenzie Timber Supply Area. Conifex also believes that this innovative arrangement with Dunkley can provide additional volumes of affordable feedstock to its power generation unit at Mackenzie through increased utilization of lower quality wood and harvest residuals.

Pursuant to the agreement, Dunkley paid Conifex \$20 million to acquire half of the shares of a Conifex subsidiary which holds a forest licence having a 300,000 cubic metre annual harvest of timber.

Conifex intends to use the net proceeds from the transaction to repay indebtedness, augment working capital and fund high-return capital projects at its BC harvesting and manufacturing operations.

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 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 or industry may be materially different from

those implied by such forward-looking statements. Examples of such forward-looking statements contained in this news release include statements about Conifex future plans, expectations and objectives for its business, and the closing of the timber harvesting cooperation agreement and related transactions. 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, the conditions precedent to the transactions not being satisfied as required or in the necessary time, the transactions not be completed for the amount or on the terms expected, in the anticipated time frame or at all, as well as any risk factors described in Conifex'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 Conifex undertakes no obligation to publicly revise them to reflect subsequent events or circumstances, except as required by law.