



FOR IMMEDIATE RELEASE

Western Forest Products Completes Sale of Ownership Interest in Newly Formed Mid-Island Partnership

March 28, 2024 – Vancouver, British Columbia – The Tlowitsis, We Wai Kai, Wei Wai Kum and K’ómoks First Nations (the “Nations,” all member First Nations of the Nanwakolas Council), and Western Forest Products Inc. (TSX: WEF) (“Western”) announced today the completion of the previously announced agreement for the Nations to acquire a 34% interest from Western in a newly formed Limited Partnership (the “Partnership”) for \$35.9 million (the “Transaction”). The parties also announced the new name for the Partnership, which will be known as La-kwa sa muqw Forestry (pronounced la-KWAH-sa-mook) going forward. The name means ‘the wood of four’ in the Kwak’wala language.

The Partnership consists of certain assets and liabilities of Western’s Mid Island Forest Operation, including the newly-established Tree Farm Licence 64, created through the subdivision of Block 2 from Tree Farm Licence 39. The operations of the new Partnership cover approximately 157,000 hectares of forest land in the traditional territories of the Nations near the communities of Campbell River and Sayward on eastern Vancouver Island. The Partnership will manage an allowable annual cut of 904,540 cubic metres of timber and includes a long-term fibre agreement to support Western’s British Columbia coastal manufacturing operations.

“Today we celebrate a significant and positive step toward the sustainable and effective management of our forests for the benefits of future generations,” said Dallas Smith, President of the Nanwakolas Council. “Congratulations to the Nations for their leadership in making this new business venture a reality and Western for their partnership.”

“The closing of the Transaction marks a key milestone in the journey towards a stronger, more inclusive forestry sector where everyone has the opportunity to benefit,” said Steven Hofer, Western’s President and CEO. “We’re looking forward to working with our partners to realize the benefits the Transaction holds for the partners, our workers and the communities where we operate.”

An event with the participating Nations, provincial and municipal government leaders, and Western representatives will be held in Campbell River on April 5 to celebrate this landmark transaction. Members of the media are asked to contact Western’s media relations to confirm their attendance and obtain event details.

About Nanwakolas Council

The Nanwakolas Council provides its member First Nations with advocacy and information services, technical support, coordination, and advice to assist them in their decision-making work. That work includes reviewing applications for provincial tenures and permits referred to the member First Nation for their decision and watching over Aweenak’ola through the Ha-ma-yas Stewardship Network. Through Nanwakolas Council, the member First Nations come together to make decisions on matters in which they share common interests. They unite to uphold their Aboriginal rights and title, using the powerful collective voice on the Nanwakolas Council. The Nanwakolas Council engages with governments, industry, and partners of the member First Nations to protect the rights of the First Nations, and to ensure they are honoured and respected. For more information - www.nanwakolas.com

About Western Forest Products Inc.

Western is an integrated forest products company building a margin-focused log and lumber business to compete successfully in global softwood markets. With operations and employees located primarily on the coast of British Columbia and Washington State, Western is a premier supplier of high-value, specialty forest products to worldwide markets. Western has a lumber capacity in excess of 1.0 billion board feet from seven sawmills, as well as operates four remanufacturing facilities and two glulam manufacturing facilities. The Company sources timber from its private lands, long-term licenses, First Nations arrangements, and market purchases. Western supplements its production through a wholesale program providing customers with a comprehensive range of specialty products.

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Forward-looking Statements

This press release contains statements that may constitute forward-looking statements under the applicable securities laws. Readers are cautioned against placing undue reliance on forward-looking statements. All statements herein, other than statements of historical fact, may be forward-looking statements and can be identified by the use of words such as "will", "intends" and similar references to future periods. Forward-looking statements in this news release include, but are not limited to statements relating to: the potential benefits from the Transaction and the future allowable annual cut of the Licence. Although such statements reflect Western management's current reasonable beliefs, expectations and assumptions, there can be no assurance that forward-looking statements are accurate, and actual outcomes, results and performance may materially vary. Many factors could cause our actual results or performance to be materially different, including general economic conditions; relations with First Nations groups; changes in annual allowable cut; changes in laws, regulations or public policy affecting the forest industry; and other factors referenced under the "Risks and Uncertainties" section of our MD&A in our 2023 Annual Report dated February 13, 2024.