



Western Forest Products Inc.
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FOR IMMEDIATE RELEASE

**Western Completes Kiln Upgrade at Saltair Sawmill and
Kicks-off Additional \$35 Million Investment in B.C. Operations**

February 26, 2024 – Ladysmith, British Columbia – Local government representatives joined Western Forest Products employees to celebrate the completion of the first continuous dry kiln on the coast of B.C. at the Company's Saltair sawmill. The Company also plans to continue accelerating its transition to higher value products with approximately \$35 million of investments for two additional continuous dry kilns.

First Continuous Dry Kiln on B.C. Coast

The newly installed \$12 million continuous dry kiln at the Saltair Sawmill increases the mill's capacity for continuous drying of lumber, and also provides environmental benefits by reducing energy consumption. The new kiln adds to the three existing kilns on site for drying lumber. The Saltair sawmill is the largest single-line sawmill on the coast of B.C. following previous multi-phase strategic capital investments of over \$42 million to modernize the sawmill since 2013.

Additional Investment in B.C. Coastal Operations

Following the successful completion of its first continuous dry kiln, Western is pushing ahead with two additional continuous dry kiln projects. One of the kilns will be constructed at the Company's Duke Point sawmill in Nanaimo, B.C. and the other one at its Value-Added Division in Chemainus, B.C. Each of the new kilns will have an annual capacity of approximately 70 million board feet. The additional capacity will support increased volumes of kiln dried products, including lumber used to produce glued laminated timber for mass timber applications.

Western has made significant investments in its B.C. Coastal manufacturing operations to modernize its primary manufacturing facilities, increase kiln drying and planing capacity and expand its engineered wood products and remanufacturing capacity. The approximately \$35 million investment in two new continuous dry kilns is on top of the \$29 million in investments announced in 2022. The previously announced projects are in various stages of advancement, with the Company most recently having completed the installation of a machine stress rated lumber grader at its Duke Point sawmill to support increased production of higher value lumber destined for mass timber applications. All remaining projects are expected to be completed by mid-2024. The two new continuous dry kilns are slated to be completed over 2024 and 2025.

Western is the largest private employer on Vancouver Island with six sawmills and two remanufacturing plants, sustaining 3,500 jobs that support nearly 20 healthy and vibrant communities across the province. These operational upgrades are an extension of the Company's unparalleled investment in value-added manufacturing on the B.C. Coast. Over the past ten years, Western has invested over half a billion dollars in its B.C. operations to meet demand for sustainable, specialty building products in markets around the world.

Quotes

"This mill upgrade is great news for our community and a testament to our workforce in Ladysmith. The forest sector is the backbone of the B.C. economy and increasing its competitiveness through investments, such as these by Western Forest Products, support the communities and individuals who rely on these industries."

Aaron Stone, Mayor of the Town of Ladysmith

“We are pleased to see the investment Western is making to upgrade its facilities to support further value-added manufacturing on the B.C. coast. Increasing the company’s competitiveness paves the way for employment and opportunities for our members.”

Brian Butler, United Steel Workers local 1-1937, President

“Our investments to modernize our mills on the B.C. coast, underscore the strategic shift we are making to increase our production of value-added products with world-class facilities on Vancouver Island. The new kilns will deliver efficiency and productivity gains that further position our mills and our employees to meet the needs of our customers for high-value, specialty products over the long term.”

Steven Hofer, President and CEO, Western Forest Products

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.

For further information, please contact:

Babita Khunkhun
Senior Director, Communications
(604) 648-4562

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”, “plans”, “expected” and similar references to future periods. Forward-looking statements in this news release include, but are not limited to statements relating to: the Company’s planned investments; the impacts of the Company’s investments on its production capacity and volumes; the completion of the Company’s previously announced projects and the expected timing thereof; and the completion of the Company’s two additional continuous dry kilns and the expected timing thereof. Although such statements reflect management’s current reasonable beliefs, expectations and assumptions, there can be no assurance that forward-looking statements are accurate, and actual results or performance may materially vary. Many factors could cause our actual results or performance to be materially different, including a change in the Company’s financial situation, U.S. and international economic conditions, and other factors referenced under the “Risks and Uncertainties” section of our MD&A in our 2021 Annual Report dated February 16, 2022.