



Western Forest Products Inc.
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FOR IMMEDIATE RELEASE

TSX: WEF

Labour Dispute Update

November 18, 2019 – Vancouver, British Columbia – Western Forest Products Inc. (TSX: WEF) (“Western” or the “Company”) announced today that after resuming discussions with the United Steelworkers Local 1-1937 (“Union”) this week, active negotiations are no longer occurring and no future mediation dates have been scheduled at this time.

Don Demens, President and Chief Executive Officer, had the following statement:

“This weekend, Western tabled a fair proposal with the goal of ending the strike and bringing people back to work. After approximately 14 hours of bargaining occurring over Saturday and Sunday morning, we were informed by independent mediators Vince Ready and Amanda Rogers that talks were over.

We offered a five-year agreement, which included a \$2,000 signing bonus and wage increases of 2% per year for the first four years and 2.5% in the fifth year. After previously dropping pension plan alternatives opposed by the Union, we also dropped all remaining proposals that the Union opposed, including modernizing agreements dating back to 1986 which would support future employment. Our offer is aligned with recent forest industry collective bargaining settlements and provides certainty for employees, customers, contractors, and communities.

Our goal is to get people back to work, end the strike and enable us to supply products to our customers. To achieve this goal, we asked the Local Union Bargaining Committee (“Committee”) to allow employees to return to work while they ask membership to vote on our proposal. To date, the Committee has rejected this proposal as well as our request to go to binding arbitration.

The Committee continues to demand a shorter-term agreement, with wage increases which are nearly 40 per cent higher than recent industry agreements and changes that would eliminate current shift flexibility required to operate the business. Western carefully considered all of the Committee’s proposals, including demonstrating openness to a four-year term. However, in an industry already challenged to compete in global markets, the Committee’s proposals in their entirety are not sustainable; challenging future capital investment, decreasing operational certainty and restricting our ability to operate efficiently. While Western is doing what it can to end the strike, we must also protect the future of our business so we can continue to employ thousands of people in British Columbia.

Western remains willing to honour our proposal, go to binding arbitration, or explore other opportunities to get our employees back to work and end the strike. We are urging the Committee to reconsider its decision and allow employees to vote on this offer so we can return people to work as soon as possible.”

The strike, which commenced on July 1, 2019, affects all the Company’s United Steelworkers certified manufacturing and timberlands operations in British Columbia, impacting approximately 1,500 of the Company’s hourly employees and approximately 1,500 employees working for the Company’s timberland operators and contractors.

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 1.1 billion board feet from eight sawmills and four remanufacturing 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.

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", "may", "expect", "would" and similar references to future periods. 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 performance or outcomes may materially vary. Many factors could cause our actual results or performance to be materially different, including strike activity, the inability to predict the outcomes of any such activity, the inability to predict the outcome of mediation or arbitration, the timing it may take to resolve a labour dispute, a change in the Company's financial situation, general economic conditions, and other factors referenced under the "Risks and Uncertainties" section of our MD&A in our 2018 Annual Report dated February 12, 2019.

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