Annual Information Form

GREENFIRST FOREST PRODUCTS INC.

For the year ended December 31, 2022

Dated as of March 14, 2023

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PRELIMINARY NOTES

This Annual Information Form ("**AIF**") is prepared in the form prescribed by National Instrument 51-102 *Continuous Disclosure Obligations* of the Canadian Securities Administrators. All dollar amounts in this AIF are expressed in Canadian dollars unless otherwise indicated. All information in this AIF is as of December 31, 2022, unless otherwise indicated.

FORWARD-LOOKING INFORMATION

Certain information contained in this AIF and any documents incorporated by reference herein may constitute forward-looking statements, as such term is defined under Canadian, U.S. and any other applicable securities laws. These statements relate to future events or future performance and reflect management's expectations and assumptions regarding the growth, results of operations, performances and business prospects and opportunities of the Company. All statements other than statements of historical fact are forward-looking statements. The use of any of the words "anticipate", "plan", "continue", "estimate", "expect", "may", "intend", "will", "project", "could", "believe", "predict", "potential", "should" or the negative of these terms or other similar expressions are intended to identify forward-looking statements. In particular, information regarding the Company's future operating results and economic performance is forward-looking information. These statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance, achievements or events to differ materially from those anticipated, discussed or implied in such forward-looking statements.

The forward-looking information included in this AIF is based on the Company's current expectations, estimates, projections and assumptions. Such forward-looking information has been made by the Company in light of information available at the time the statements were made and reflect the Company's experience and its perception of historical trends, including expectations and assumptions concerning: interest and foreign exchange rates; capital efficiencies, cost saving and synergies; the average sales price of lumber, as based on prevailing market conditions; the sufficiency of budgeted capital expenditures in carrying out planned activities; the availability and cost of labour and services; that success in the Company's industry will continue to depend on expertise; future capital expenditures to be made by the Company; the Company's future debt levels; the effect of competition on the Company; the Company's ability to grow and future sources of funding for such growth; and the Company's ability to obtain future financing on acceptable terms.

Forward-looking information is not a guarantee of future performance and involves a number of associated risks and uncertainties, some that are similar to other companies in the same industry as the Company and some that are unique to the Company. Actual results may differ materially from those expressed or implied by the forward-looking information included herein, and prospective purchasers are cautioned not to place undue reliance on such forward-looking information. Although the Company believes that the expectations represented by such forward-looking information is reasonable, there can be no assurance that such expectations will prove to be correct and the Company makes no representation that actual results achieved will be the same, in whole or in part, as those set out in the forward-looking information. There are a number of risks and uncertainties that could cause actual results to differ materially from those expressed in or implied by the forward-looking information, including: risks relating to the COVID-19 pandemic; general economic, political, market, business and financial conditions, including fluctuations in interest rates, foreign exchange rates and stock market volatility; the highly cyclical nature of the forest products; any difficulties in obtaining timber or wood fiber at favorable prices, or at all; physical, financial and regulatory risks associated with global, regional, and local weather conditions, and climate change; industry risks associated with establishing and maintaining systems of internal controls; competition for, among other things, capital, the acquisition of resources and skilled personnel; any disruption in operations or increased labour costs due to labour disputes; difficulties in our employee relations, attraction or retention; disruptions to our supply chain, operations, or the delivery of our products; actions by governmental authorities, including changes in government regulation and taxation; the availability of capital on acceptable terms; additional indebtedness; fluctuations in the costs of borrowing; the terms of our outstanding indebtedness, which could restrict our current and future operations; volatility in the market price of the Common Shares; the effect that the issuance of additional securities by the Company could have on the market price of the Common Shares; failure to engage or retain key personnel; failure by counterparties to make payments or perform their operational or other obligations to the Company in compliance with the terms of contractual arrangements between the Company and such counterparties; negative publicity, even if unjustified; losses that are not covered by insurance; any additional closure costs and long-lived asset or goodwill impairment or accelerated depreciation charges; our exports from one country to another country becoming or remaining subject to duties; any additional environmental or health and safety liabilities; any violation of trade laws, export controls, or other laws relating to our international sales and operations; adverse outcomes of legal proceedings, claims and governmental inquiries, investigations, and other disputes in which we are involved; the actions of holders of a significant percentage of our Common Shares; and the occurrence of unexpected events. Readers are cautioned that the foregoing list of important risks and uncertainties is not exhaustive. You should also carefully consider the matters discussed under "Risk Factors" in this AIF.

The forward-looking information contained herein is made as of the date of this AIF. Except as required by applicable securities law, the Company does not undertake any obligation to update publicly or otherwise revise any forward-looking information or the foregoing list of risks and assumptions affecting those statements, whether as a result of new information, future events or otherwise. Readers are cautioned that the foregoing list of risk factors is not exhaustive. The forward-looking information and forward-looking information contained in this AIF are expressly qualified by this cautionary statement.

MARKET AND INDUSTRY DATA

This AIF includes market and industry data and forecasts that were obtained from third-party sources, industry publications and publicly available information as well as industry data prepared by management on the basis of its knowledge of the applicable markets in which the Company operates (including management's estimates and assumptions relating to the industry based on that knowledge). Certain of these third-party sources are proprietary, subscription, payment-based or otherwise not available to the public. Management's knowledge of the Company's industry, including in Canada and the U.S., has been developed through its experience and participation in the industry. Management believes that its industry data is accurate and that its estimates and assumptions are reasonable, but there can be no assurance as to the accuracy or completeness of this data.

NON-GAAP MEASURES

This AIF contains references to certain non-GAAP measures that are not defined under International Financial Reporting Standards ("**IFRS**"). These non-GAAP measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these non-GAAP measures are provided as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS.

EBITDA and Adjusted EBITDA are used by the Company and its investors as a means of assessing the performance of its core operations in comparison to prior periods. EBITDA and Adjusted EBITDA are non-GAAP measures and are not intended to replace net earnings (loss), or other measures of financial performance and liquidity reported in accordance with IFRS. These measures are presented by the Company on a consistent basis from period to period, thereby allowing for consistent comparability of its operating performance. They are not intended to replace net earnings (loss), or other measures of financial performance and liquidity reported in accordance with GAAP.

References to EBITDA in this document are measures of earnings (loss) before interest and finance costs, income taxes, depreciation and amortization, while references to Adjusted EBITDA reflect EBITDA plus other non-operating costs such as acquisition and transaction-related costs, impact of valuation changes on the Company's investments, the impact of foreign exchange on the Company's long-term debt, loss on extinguishment of debt, gain on sale of assets and other non-operating losses. Management believes that certain lenders, investors, and analysts use EBITDA and Adjusted EBITDA as a common valuation measurement and to measure the Company's ability to service debt and meet other payment obligations.

Please refer to the Company's annual Management Discussion and Analysis for the year ended December 31, 2022 ("**MD&A**") for the reconciliation, where applicable, to the most directly comparable IFRS measure.

CORPORATE STRUCTURE

NAME, ADDRESS AND INCORPORATION

GreenFirst Forest Products Inc. (the "**Company**" or "GreenFirst") was incorporated in British Columbia under the Company Act (British Columbia, Canada) on September 17, 1979, as Gold Star Resources Ltd. Subsequent to the Company's incorporation, it went through various reorganizations and name changes including:

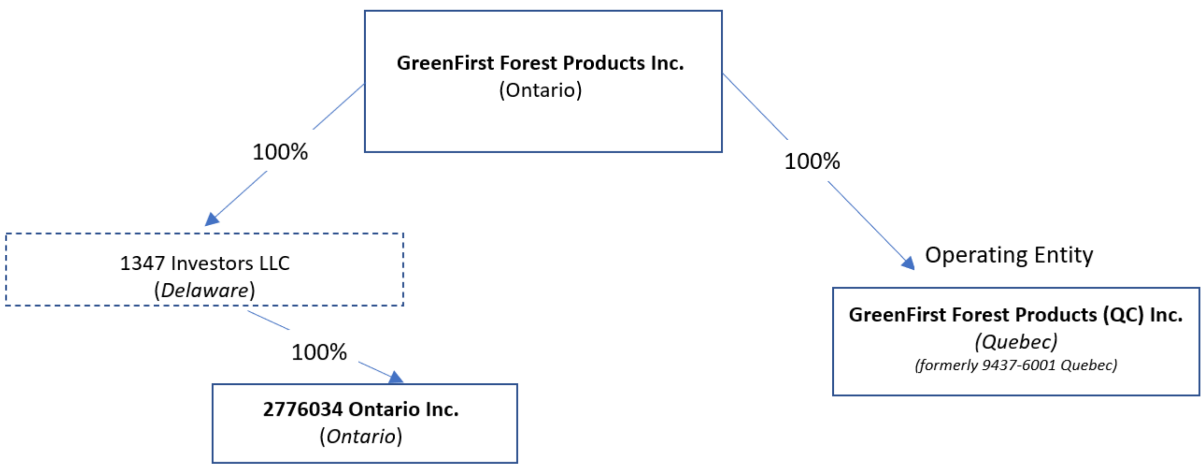
- On May 1, 1990, changing its name to "EEC Marketing Corp."
- On January 13, 1992, changing its name to "Amera Industries Corp."
- On February 9, 1995, changing its name to "International Amera Industries Corp."
- On February 20, 1996, changing its name to "IMA Resource Corp."
- On July 7, 1998, changing its name to "IMA Exploration Inc."

- On September 30, 2009, in connection with a business combination with Kobex Minerals Inc. (“Kobex”) and Baytex Resources Ltd., changing its name to “Kobex Minerals Inc.” and effecting a share consolidation.
- On August 27, 2014, the Company changed its name to “Kobex Capital Corp.” pursuant to an amendment to its notice of articles.
- On June 23, 2016, the Company changed its name from “Kobex Capital Corp.” to “Itasca Capital Ltd.” pursuant to an amendment to its notice of articles.
- On July 21, 2016, the Company closed a subscription for 10,000,000 Class A Preference Interests of 1347 Investors LLC (“1347 LLC”), a privately held limited liability company formed under the laws of Delaware, for a purchase price of US$1.00 per Class A Preference Interest, for an aggregate total of US$10 million. Shortly thereafter, 1347 LLC became a wholly owned investee company of the Company.
- On October 6, 2020, 1347 LLC completed an investment in a sawmill and related assets located in Kenora, Ontario from the court-appointed receiver of a resource-based vendor. In connection with such investment, the Company determined to focus its investments in forestry.
- To reflect the nature of the Company’s evolving strategy more accurately, on January 11, 2021, the Company announced a change of name from “Itasca Capital Ltd.” to “GreenFirst Forest Products Inc.” pursuant to an amendment to its notice of articles. Effective at the opening of trading on January 13, 2021, the common shares of the company (the “Common Shares”) began trading on the TSX-V under the new name and under the trading symbol “GFP”.
- On August 28, 2021, the Company completed the Rayonier Asset Acquisition as described below under the heading “General Development of the Business-The Acquisition.
- On February 10, 2022 the Company graduated to trading on the Toronto Stock Exchange under the symbol “GFP”.
- On February 22, 2022 the Company continued under the Business Corporations Act (Ontario).
- The Company’s registered and head office is located at 401 The West Mall, Suite 1000, Toronto, Ontario M9C 5J5.

INTER-CORPORATE RELATIONSHIPS

Set out below is the corporate structure of the Company and its material subsidiaries, including the corporate jurisdiction of the subsidiary owned, controlled or directed by its parent.

GreenFirst Forest Products Inc.
Corporate Structure
As of March 14, 2023



GENERAL DEVELOPMENT OF THE BUSINESS

GreenFirst began operating as a forest products business on August 28, 2021, with the acquisition of sawmill and paper mill assets (the "**Rayonier Asset Acquisition**") from certain Canadian subsidiaries of Rayonier Advanced Materials Inc. ("**Rayonier**"). The acquisition positioned GreenFirst as one of the leading Canadian lumber producers in eastern Canada, at an attractive acquisition price. Prior to the completion of the acquisition, GreenFirst purchased an idle sawmill and related assets in Kenora, Ontario, on October 6, 2020. At December 31, 2022, GreenFirst owned 7 sawmills and 1 paper mill with the following capacities:

Sawmill	**Annual Production Capacity (Mfbm)**
Ontario	
Chapleau	135,000
Cochrane	160,000
Hearst	110,000
Kapuskasing	105,000
Kenora[(1)]	150,000
Québec	
La Sarre[(2)]	135,000
Béarn[(2)]	110,000
Total	**905,000**
Paper Mill	**Annual Production Capacity (MT)**
Kapuskasing	205,000

Notes: (1) Currently inactive. The Company continues to work on a potential relocation of its Kenora sawmill. The Company is evaluating a proposal by the Ontario Government to rebuild the sawmill at a different site in Kenora. The decision to relocate also involves access to sufficient fibre supply.
(2) On December 21, 2022, the Company signed a definitive agreement to sell its two Quebec sawmills and related forestry operations to Chantiers Chibougamau Ltée ("Chantiers Chibougamau"), the transaction closed on March 14, 2023.

On December 21, 2022, the Company signed a definitive agreement to sell its two Quebec sawmills and related forestry operations to Chantiers Chibougamau. The transaction closed on March 14, 2023 for approximately $94.0 million, subject to final adjustments, including $43.0 million for specific working capital items, after receiving regulatory approvals and meeting all customary closing conditions. This reduced the annual production capacity for lumber by 245,000 Mfbm, to a total of 660,000 Mfbm thereafter. Our four operating sawmills currently have a combined capacity of 510,000 Mfbm.

BUSINESS STRATEGY

GreenFirst is a forest-first business, focused on sustainable forest management. Our business involves the manufacturing, selling, marketing and distributing of lumber and paper products. We believe that responsible forest practices, coupled with the long-term green advantage of lumber, provide GreenFirst with significant cyclical and secular advantages in building products. GreenFirst's long-term vision is to be an environmental leader in the global forestry industry.

The Company has chosen to focus its operations in the province of Ontario. Its Quebec sawmills and related forest operations were sold on March 14, 2023 for approximately $94.0 million, subject to final adjustments (See *Sale of Quebec Sawmills and Related Operations*). Going forward, GreenFirst has four operating sawmills, one paper mill, timber licenses on crown forests in Ontario and land parcels in Kenora. Its head office is in Toronto, which is supported by its office in North Bay.

We aim to maximize value by achieving strong financial results while fostering a culture that emphasizes safe and responsible operations with cost-control awareness. We are conscious that we operate in an industry that is prone to cyclicality and price volatility, as demonstrated by recent swings in lumber prices. As a Company, we are committed to being prudent and fiscally responsible in order to manage through these cycles and ensure sustainable operations in the communities where we operate. Our capital allocation is carefully monitored by management and our Board of Directors to ensure that we maintain a strong balance sheet and liquidity profile.

Our goal is to strategically invest in our Ontario operations to enhance productivity, capacity and lower our cost of production. We believe that a strong balance sheet also provides the financial flexibility to capitalize on growth opportunities.

With a prudent focus on capital projects and mill productivity, lumber production from our four Ontario sawmills is expected to see improvement in the foreseeable future. These productivity gains are to be supported by the annual allowable cutting rights in the stable, business-friendly jurisdiction of Ontario, amid a reducing Canadian lumber fibre basket. The Company remains committed to maintaining its FSC certified forest licences.

GreenFirst continues to reinforce its ongoing commitment to environmental sustainability and responsible stewardship over the forests that it manages. GreenFirst has tenure through Sustainable Forest Licenses and Wood Supply Guarantees. Forest Management Plans approved by the province are in place to ensure we harvest and renew our forests in a manner consistent with sustainable forest management practices. We use sophisticated wood supply analysis to ensure our mills are supplied with quality certified fibre at reasonable cost.

All forests that we manage are FSC® (Forest Stewardship Council®) (FSC® – C167905) certified, which is among the most stringent certification in the industry. Independent third-party verification provides assurance to customers that our products originate from well-managed forests. On October 16, 2021, GreenFirst announced it was the recipient of a 2021 FSC® Leadership Award, recognizing uncommon excellence that advances responsible forest management and forest conservation.

We believe healthy forests are an important element of maintaining a healthy planet and addressing climate change. Growing trees and healthy forests help sequester carbon, hence reduce emissions. GreenFirst is committed to increasing its understanding of the science around carbon capture and to help meet the need of addressing global climate change.

THREE YEAR HISTORY

The following is a description of how the Company's business has developed over the last three completed financial years.

2020

On September 17, 2020, the Company announced that 1347 LLC agreed to acquire, for consideration of $11.5 million in cash, a sawmill and related assets located in Kenora, Ontario from the court-appointed receiver of a resource-based vendor (the "**Kenora Acquisition**"). The Kenora Acquisition was approved by a court vesting order of the Manitoba Court of Queen's Bench granted on September 9, 2020.

On October 6, 2020, 1347 LLC closed the Kenora Acquisition. The purchased assets pursuant to the Kenora Acquisition consisted of a sawmill and related equipment and lands of approximately 114 acres. The sawmill sits on a 42-acre site located near major transportation routes.

In connection with the Kenora Acquisition, the Company closed a non-brokered private placement (the "**Non-Brokered Private Placement**") on October 22, 2020, which consisted of 2,000,000 units (the "**Units**") at a purchase price of $0.50 per Unit and of 4,000 convertible debentures (the "**Convertible Debentures**") at a purchase price of $1,000 per Convertible Debenture, for aggregate gross proceeds of $5,000,000. Concurrently with the closing of the Non-Brokered Private Placement, each of Messrs. Paul Rivett and Rick Doman were appointed to the Board of Directors. Each Unit was comprised of one Common Share and one Common Share purchase warrant of the Company (a "**Warrant**"). Each Warrant entitled the holder thereof to purchase one Common Share at a purchase price of $0.60 until the date that is five years after the date that the Warrant is issued. Each Convertible Debenture was secured and had a maturity date of two years from the date of issuance. The Convertible Debentures bore interest at a rate of 4% per annum. On June 24, 2021, Shareholders approved amendments to the Convertible Debentures permitting their early conversion, and, on June 25, 2021, all of the Convertible Debentures were converted into Units at a price of $0.50 composed of one Common Share and one Warrant and the interest accrued to the date of the conversion was paid in cash. 3,205,334 of these Warrants were exercised in July of

2021. The completion of the Rights Offering in 2021, described below, triggered the anti-dilution provisions of the Warrants resulting in an increase in the number of Warrants outstanding and a decrease in the exercise price. There are currently 16,060,118 Warrants exercisable at $0.2538 per share outstanding. These Warrants expire on October 22, 2025.

Effective on December 14, 2020, Michael Liggett was appointed as Chief Financial Officer and Corporate Secretary of the Company pursuant to a services agreement. In connection with Mr. Liggett's appointment, Mr. Baqar resigned as Chief Financial Officer and Corporate Secretary of the Company.

2021

On January 11, 2021, the Company announced a change of name from "Itasca Capital Ltd." to "GreenFirst Forest Products Inc." pursuant to an amendment to its notice of articles and, effective at the opening of trading on January 13, 2021, the Common Shares began trading on the TSX-V under the new name and under the trading symbol "GFP".

On January 13, 2021, 1347 LLC announced it had initiated a strategic review process to explore and evaluate a broad range of alternatives, to increase and maximize shareholder value with respect to its real estate assets following the Kenora Acquisition and related surplus lands located in Kenora, Ontario.

On April 12, 2021, the Company announced the acquisition of four sawmills and a paper mill in Ontario, and two sawmills in Québec from certain Canadian subsidiaries of Rayonier (the Quebec sawmills were subsequently sold in a transaction that closed on March 14, 2023, see below). On August 28, 2021, the Rayonier Asset Acquisition closed and GreenFirst began operating as a forest products business. The sawmills produce random length lumber (approximately 50% of production) and studs (approximately 50% of production), as well as chips, shavings, and bark as by-products. Historically, the sawmills have shipped between 45- 65% of their production to US customers with the remaining production shipped to domestic customers. The paper mill manufacturers and markets paper grade products used to print newspapers, advertising materials, food service bags and other publications.

As a result of the Rayonier Asset Acquisition, logging rights for 2.7 million cubic metres (presently, 2.6 million cubic metres) of annual cut associated with the Ontario sawmills (via Sustainable Forest Licenses) and 0.7 million cubic metres associated with the Quebec mills (via Quebec Wood Supply Guarantees) were transferred to GreenFirst from the provincial governments.

GreenFirst entered into a chip supply agreement (the "**CS Agreement**") with the vendor that extends to 2040 and provides market-based chip pricing, and this agreement, in addition to our paper mill chip requirements, means 90% of the chips produced annually by the sawmills are committed over the long-term.

In addition, the parties entered into a non-competition agreement (the "**Non-Competition Agreement**") whereby, subject to customary terms, conditions and exclusions contained therein, Rayonier will, during the period commencing on the date of the Non-Competition Agreement and ending on the date which is five years after the date of the thereof (the "Restricted Period") not, on its own behalf or on behalf of, or together with, any other person, directly or indirectly, in any capacity whatsoever (including by or through an affiliate of Rayonier or a person being or acting as employee, independent contractor, director, officer of, or for, Rayonier): (i) carry on, be engaged in or have any financial or other interest in any endeavour, activity or business in all or any part of the Provinces of Ontario and Québec which is the same as, or substantially similar to, or competes with the operations sold to the Company; or (ii) advise, assist, invest in, lend money to, guarantee the debts or obligations of any person that carries on any endeavour, activity or business in all or any part of the Provinces of Ontario and Québec which is the same as, or substantially similar to, or competes with the operations sold to the Company. Rayonier also agreed to non-solicitation provisions with respect to customers and employees.

The parties also entered into a harvesting services agreement (the "**Services Agreement**") under which the Company is retained by Rayonier to perform services related to, among other things, the harvesting and delivery of hardwood timber allocated to Rayonier by the Province of Québec under certain supply guarantees and to perform other forestry operations (including infrastructure development) for a term ending March 31, 2041, unless sooner terminated.

The parties had also entered into a transition services agreement for an initial term of six months ending February 28, 2022, subject to 3-month extensions.

The Rayonier Asset Acquisition was completed for aggregate consideration of $296.1 million consisting of $245.1 million in cash (US$193.5 million), $54.2 million in common shares, partially offset by net receivables and estimated final adjustment balances of $3.1 million, which includes a $7.9 million credit note ("Rayonier Credit Note") issued to the vendor to be paid in five equal annual installments. *Please see Note 4 - Acquisition of Sawmills and Paper Mill in the Company's Financial Statements.*

The common share consideration resulted in the issuance of 28,684,433 Common Shares of the Company with a fair value of $1.89 per Common Share. The credit note consideration is non-interest bearing, and is payable in five equal 6 annual installments on the anniversary of the closing of the Rayonier Asset Acquisition. The Company intends to setoff the principal amount of the credit note against amounts owing to the Company under the CS Agreement.

On July 9, 2021, the Company initiated a rights offering (the “**Rights Offering**”), by issuing three rights (“**Rights**”) for each common share outstanding to shareholders of record at on that date. Each Right entitled the holder to subscribe for one subscription receipt for an exercise price of $1.50 per subscription receipt for a period up to July 30, 2021. Each subscription receipt entitled the holder thereof to receive, upon satisfaction of certain escrow release conditions, and without payment of additional consideration or further action, one common share. On July 30, 2021, the Rights Offering closed resulting in the issuance of 111,665,880 subscription receipts (the “**Subscription Receipts**”) for gross proceeds of $167,499,000 which was deposited in escrow pending the completion of the escrow release conditions, primarily the completion of the Rayonier Asset Acquisition discussed in note 4 to our audited consolidated financial statements for the year ended December 31, 2021.

On August 28, 2021, each Subscription Receipt was automatically exchanged, without payment of additional consideration or further action by the holders thereof, for a total of 111,665,880 common shares of the Company.

In consideration for providing a backstop commitment in connection with the Rights Offering, on July 30, 2021, Senvest Management, LLC (together with its affiliates and funds of which Senvest Management, LLC acts as investment manager, the “**Standby Purchaser**”) was issued 15,692,500 warrants to acquire Common Shares for a period of five years at an exercise price of $3.18. The Standby Purchaser has been granted nomination rights in respect of one independent director for so long as it beneficially holds at least 5% of the issued and outstanding Common Shares of the Company pursuant to the Nomination Rights Agreement described under the heading “Material Contracts”). In addition, registration rights were granted to the Standby Purchaser, whereby it can require the Company to file a prospectus to qualify for trading the Common Shares issuable under the warrants, for so long as it holds at least 15%of the issued and outstanding Common Shares pursuant to the Standby Purchases Registration Rights Agreement described under the heading “Material Contracts”.

On August 28, 2021, the Company closed a $65 million asset-backed, revolving loan (the “**ABL**”) with a term of three years. The facility bore a variable interest rate (based on LIBOR, Bankers Acceptances, or Royal Bank of Canada prime rate) plus an applicable premium, which varied based on the amount of borrowing base availability remaining. Amounts available drawn on the facility were subject to a borrowing base calculation that was based on specified percentages of eligible accounts receivable and inventories, as defined in the ABL agreement. The facility was secured by first-priority security interests in inventory, accounts receivable, cash, deposit accounts and securities accounts.

The ABL agreement required the Company to meet a fixed charge coverage ratio once the availability under the ABL dropped below a certain threshold. The fixed charge coverage ratio could not be less than 1:1 and was calculated on a trailing twelve-month basis, pro-rated for shorter periods.

The ABL covenants were fully complied with and the facility was never drawn on before the ABL was retired in September 2022 as part of a refinancing with a different Schedule-A lender.

On August 30, 2021, the Company closed US$100 million (CAD$126.1 million at closing) senior secured term credit facility (the "**Term Loan**") with a term of four years. The Term Loan bore interest at a fixed rate of 10% until a referenced variable rate (based on LIBOR, Federal Funds Rate, or US Prime Rate) exceeded certain thresholds, at which time the interest rate became variable. The threshold rate for a LIBOR rate loan, above which the interest rate became variable was 2% and for loans based on the Federal Fund Rate or US Prime Rate the threshold rate was 3%. The Term Loan was repaid in September 2022 as part of a refinancing with a Canadian Schedule-A bank.

On October 8, 2021, the Company announced the resignation of Kyle Cerminara from the board and the appointment of Michael Mitchell as a director.

On November 30, 2021, GreenFirst completed an investment in Boreal Carbon Corporation ("**Boreal**"), a company that seeks to invest in and manage a portfolio of carbon credit projects through sustainable forest management. GreenFirst acquired shares of Boreal for cash consideration of $0.5 million (representing less than 5% of its shares outstanding). Two directors of GreenFirst are also directors and shareholders of Boreal.

On December 2, 2021, at its annual meeting, the Company elected three new directors, Barbara Anie, David Chartrand and W. Sean Willy, following the decisions of Hassan Baqar, Richard Govignon and Andrew McIntyre not to stand for re-election.

2022

Commencing in 2022, the Company set up its North Bay office, including adding key back-office roles in Human Resources, Information Technology and financial control and reporting.

On February 9, 2022 the Company announced it had received approval for the up-listing of GreenFirst's common shares to the Toronto Stock Exchange, continuing to trade under the symbol "GFP" while it delisted from the TSX Venture exchange. Trading on the main TSX exchange commenced on the morning of February 10, 2022.

On February 22, 2022, the Company continued under the *Business Corporations Act* (Ontario).

On April 4, 2022, the Company hired Alfred Colas as Chief Financial Officer and Corporate Secretary. Mr. Liggett resigned as Chief Financial Officer and Corporate Secretary of the Company

On April 22, 2022 the Company announced it had been offered support from the province of Ontario for the relocation and rebuilding of its sawmill in Kenora. This offer is contingent on the Company receiving sufficient wood fibre from the government, without which the Kenora sawmill is not economically viable. The Company remains in communication with the government.

On June 16, 2022, at its annual meeting the Company elected Christopher Hodgson as director. David Chartrand did not stand for re-election.

On September 23, 2022, the Company entered into a credit agreement with a Tier 1 Canadian Bank for up to $140.0 million including a $125 million asset-backed revolving credit facility (36-month term) and a $15 million term loan (24-month term). The Credit Facility replaced the high yield Term Loan and the ABL facility, which had been secured in 2021 connected with the acquisition of the operating assets from RYAM. Under the Credit Facility's credit agreement, the Company is subject to certain financial covenants , including a minimum fixed-charge coverage ratio of 1.1:1 (as long as the term loan portion of the Credit Facility is outstanding), calculated on a 12-month trailing basis, and maximum annual capital expenditures relative to budget.

On November 9, 2022, the Company announced it sold its interest in approximately 203,000 acres of private forest land to Perimeter Forest Limited Partnership for net cash consideration totaling $48.7 million. This property was located in the boreal forest south of Kapuskasing, Ontario.

On November 18, 2022, the Company announced that the Board of Directors of the Company has approved the adoption of a shareholder rights plan pursuant to a shareholder rights plan agreement entered into with Computershare Investor Services Inc., as Rights Agent, dated November 17, 2022.

On December 21, 2022, the Company announced it entered a definitive agreement to sell its La Sarre and Béarn sawmills and its Abitibi and Témiscamingue forestry operations, as well as their related assets and business operations to Chantiers Chibougamau Ltée, a long-standing Quebec-based and family-controlled forestry company. This transaction closed on March 14, 2023 for approximately $94 million, subject to final adjustments, including approximately $43 million for specific working capital items. Quebec-based employees broadly continued to be employed by Chantiers Chibougamau post-closing.

On January 3, 2023, the Company announced the retirement of Rick Doman as Chief Executive Officer for personal reasons, effective December 31, 2022. GreenFirst's Chairman, Paul Rivett, assumed the role of Executive Chair and interim Chief Executive Officer for a period of transition.

Business results in 2022

2022 was GreenFirst's first full year of operations following the August 2021 acquisition of six sawmills and one paper mill in northern Ontario and Quebec. During the first half of 2022, market prices for lumber were at record levels, which enabled strong earnings and EBITDA during Q1 and Q2, however as rising inflation led to monetary policy tightening and higher interest raises, the demand for lumber fell, and market prices in the second half of 2022 were lower.

Based on its continuing operations, in the year ended December 31, 2022, GreenFirst realized an Adjusted EBITDA from continuing operations of $39.4 million, driven by revenues of $492.1 million and operating income of $23.8 million.

Key milestones in 2022:

- Graduated from the TSX Venture exchange to the TSX main board;
- Partnered with a Tier-1 Canadian bank to provide a credit facility to replace acquisition-related financing;
- Sold 203,000 of land near Kapuskasing, Ontario, for net proceeds of $48.7 million; and
- Announced the sale of the La Sarre and Béarn sawmills in Quebec, along with related forest management operations, for approximately $94 million, subject to final adjustments, which closed on March 14, 2023.

The sale of the Kapuskasing land and our two Quebec sawmills and related forest operations is part of a strategic plan to optimize our business, and ensure a clear focus on capital allocation and return on invested capital. Over the course of 2023, we will evaluate the highest and best use for funds from these dispositions.

DESCRIPTION OF THE BUSINESS

GENERAL

Based on the completed sale of its two Quebec sawmills and related forest operations, the Company's current operating sawmills have an annual production capacity of 510 million board feet and are capable of producing a wide range of forest products used in the construction of residential and multi-family homes, light industrial and commercial facilities and the home repair and remodel markets, including spruce, pine, or fir ("SPF") lumber, wood chips and other by-products. Wood chips and other by-products that may be produced at the sawmills are used as raw materials in cellulose, pulp and paper operations or for fuel in industrial applications.

The Company also has a paper mill that is located in Kapuskasing, Ontario, with an annual production capacity of 205,000 MT and is capable of producing paper-grade products used for newspapers, advertising materials, paper bags and other publications.

The Company employs qualified personnel across its four operating sawmills and one paper mill. The ability to attract a qualified workforce in remote and rural regions is instrumental to the continued operations of the mills. The Company's management team is committed to supporting its employees and promoting their training and development across the organization.

The Company is committed to being an employer of choice in the regions in which the mills operate. In addition, the Company is working to maintain strong ties to indigenous and local communities, fostering long-standing commercial relationships.

The Company has rights to access approximately 2.6 million cubic metres of guaranteed fibre supply across Ontario, representing sufficient long-term fibre supply for all its operating mills. The Company believes that access to this fibre supply is sufficient to support the Company's plans that aim to increase lumber production capacity.

GreenFirst is committed to ensuring health and safe workplaces for all employees across its business operations. The Company's aim is to get everybody home, safe and healthy every day. The health and safety of our employees is our highest priority. The Company is committed to preventing injuries and ill health issues by proactively evaluating and continually reducing the health and safety risks of its workers and its partners, throughout the value chain, with rigorous safety management programs and training.

Kenora sawmill

On October 6, 2020, the Company acquired an idled sawmill and related assets located in Kenora, Ontario from the court-appointed receiver of a resource-based vendor. The cash consideration for the purchased assets was $11.5 million including capitalized costs and is comprised of a sawmill, related equipment, and land of approximately 114 acres plus a 4-acre island. The Kenora sawmill was a stud mill and had the capacity to produce up to 150 MMfbm annually when operating on two shifts. On April 22, 2022, GreenFirst was offered Ontario government support to possibly relocate the Kenora sawmill, and this redevelopment remains contingent on sufficient fibre supply to make the rebuilding economic. In the interim, commencing in Q3 2022, the Company began dismantling the existing Kenora sawmill and prepared to relocate the equipment to its other operating sawmills in Ontario. This equipment redeployment is expected to be complete by the third quarter of 2023.

PRODUCTS

The Company operates in two business segments, Forest Products and Paper Products. Through its Forest Products segment, the Company manufactures and markets a wide range of SPF lumber products for use in residential and commercial construction, with by-products from production sold to pulp-producers and the Paper Products segment. The Paper Products segment manufactures and markets paper products used to print newspapers, advertising materials, food service bags and other publications.

PRINCIPAL MARKETS

The Company's lumber products are used in home construction, repair and remodeling, and industrial applications. Our principal customers are major retail chains, contractor supply yards and wholesalers, as well as industrial customers for further processing or as components for other products. Our markets are volatile and prices can change quickly. Changes in new home construction activity levels in the U.S. are a significant driver of volatility in lumber demand. Our business can be affected by the level of housing starts, the level of home repairs, the availability and cost of financing, changes in industry capacity, changes in raw material prices, changes in the exchange rate between the Canadian and the US dollar and other operating costs. Our principal markets are highly competitive and characterized by product pricing volatility. Our products are sold in markets open to a number of companies with similar products and we compete with global producers. Our competitive position is affected by factors such as cost and availability of raw materials, energy and labour, the ability to maintain high operating rates and low per unit manufacturing costs, the quality of our final products and our ability to transport products to our customers. Some of our products may also compete with non-wood, fibre based alternatives or with alternative products in certain market segments. Purchasing decisions by customers are generally based on price, quality, service and availability of supply. However, because commodity products such as ours have few distinguishing properties from producer to producer, competition for these products is based primarily on price. Prices and sales volumes are influenced by general economic conditions, the balance of supply and demand for the product, and the availability of transportation.

DESCRIPTION OF CROWN TIMBER LICENSES AND OF TIMBER SUPPLY APPLICATION

Substantially all timberlands in Ontario are government-owned, and the right to harvest timber is acquired through provincially-granted licenses ("**SFLs**"). Licenses grant the holder the right to harvest, in exchange for a fee, up to a specified quantity of timber annually. Government objectives in granting licenses include responsible management of timber, soils, wildlife, water and fish resources, and the preservation of biodiversity, and the protection of cultural values. The objectives also include achieving the fullest possible economic utilization of forest resources and employment in local communities. In addition, license holders are required to undertake silvicultural activities to ensure forest renewal following harvest. Forest Management Plans ("FMPs") are developed and implemented by the SFL manager and are subject to approval by relevant government authorities. The Company undertakes some timber harvesting operations directly, while the majority are carried out by independent contractors.

The Company currently has access to licenses that provide long term access to over 2.6 million cubic metres of fiber from Ontario SFLs.

The Company augments its public land timber supply through purchases from other sources, where feasible, such as other forest products companies, private, municipal and First Nations lands, fibre exchanges and business-to-business arrangements to support the full utilization of forest resources, optimize operating costs and reduce hauling distances to mills.

Forest and Chain of Custody Certification

All forests we manage are Forest Stewardship Council® certified (FSC® – C167905), which is amongst the most stringent in the industry. Independent, third-party verification provides assurance to customers that our products originate from well-managed forests.

A portfolio of FSC® forest management certificates provides a substantial base of certified wood supply for company facilities. The Company leads certification on three certified forests in Ontario comprising 6.1 million hectares of public land. Further, the Company is a shareholder in three FSC-certified Sustainable Forest Licenses in Ontario. Forest certificates are renewed prior to a five-year anniversary date and significant commitment is made annually in collaboration with provincial authorities, stakeholders and Indigenous communities to maintain certification.

Forest management certification provides the opportunity for sale of third-party certified paper and forest products to customers through Chain of Custody ("COC") certification. All fibre sources are tracked from forest source to mill destination. Third party audited FSC and PEFC COC systems are in place to support customer needs.

SOFTWOOD DUTIES

The Company's softwood lumber sales to US customers are subject to countervailing and anti-dumping duties as determined by the US Department of Commerce. The Company expenses all softwood lumber duties and includes the impact in cost of sales. The Company is initially subject to 14.19% countervailing duties and 6.04% anti-dumping duties. The Company has challenged these levels by requesting that the US Department of Commerce undertake a Changed-Circumstances Review, aiming to recognize that GreenFirst's exports are a continuation of RYAM exports from same lumber mills before the acquisition, when RYAM was paying much lower combined duty rates. To date, the US Department of Commerce has denied the Company's request for a review. The Company is appealing this decision. In November 2022, the US Court sided with the Company and remanded the matter to the US Department of Commerce. In February 2022, the US Department of Commerce filed its remand redetermination with the Court of International Trade, where it continued to refuse to initiate a review for the Company. The Company is considering its next course of action related to this appeal.

COMPETITIVE ADVANTAGES

Management believes that the following business strengths will enable the Company to achieve strong financial performance and to grow the Company's business as a supplier of lumber in the Company's markets:

- Proximity to relevant end-markets; and
- Relationships with local communities and a commitment to hiring from those communities.
- 100% FSC-certified products, sourced sustainably.

EXPERIENCED MANAGEMENT TEAM

The Company has an accomplished management team with substantial experience in timber, and other commodity industries, and strong capability to carry out timber planning, harvesting, marketing, sales and distribution activities. Those leading the Company's operations have substantial operating experience in the forestry sector in Canada.

PRICING OF ITS PRODUCTS AND BY-PRODUCTS

Pricing is determined through direct negotiation with each customer and is, consequently, dependent on wood species, size, quality, location and other factors. The reference pricing for the sawmill production will be for delivery to Great Lakes adjusted for freight costs or FOB mill. Pricing is based on supply and demand, and there is a robust marketplace for determining price which is accessible to all producers and buyers. Order files typically extend several weeks ahead and their duration is influenced by market participants' expectation of future prices given the volatile nature of the market. Lumber sales terms are typically net 10 days FOB mill.

HARVESTING OPERATIONS

The Company conducts its harvesting operations through third-party contractors and management believes that all of its third-party harvesting crews are well-trained and focused on working safely, and they have implemented efficient operating measures. Management expects to be able to maintain the appropriate resources to harvest its timberlands for the foreseeable future.

EMPLOYEES

As of December 31, 2022, the Company had approximately 1,500 active employees (unionized and staff). Following the March 14, 2023 closing of the sale of its two Quebec sawmills and related forest-resource management businesses, the Company has approximately 1,000 active employees (unionized and staff).

SEASONALITY

The Company's forest operations activity is seasonal, specifically in remote locations such as Hearst, Kapuskasing and Cochrane. Harvesting activity is highest during the winter months, with a significant decrease in activity during the spring as winter roads thaw and access is limited. Operations planners target higher-elevation, well-drained sites for spring, summer and fall harvesting, to balance mill inventories and contractor business opportunities. Working capital requirements are highest during the first quarter and lowest at the end of the second quarter.

COMPETITION

Lumber companies operate in a highly competitive business environment in which companies compete, to a large degree, on the basis of price and also on the basis of their operational ability to provide a steady supply of products over the long term. In the Great-Lakes region of eastern Canada, the Company's prime competitors are other sawmill companies. There are many suppliers of softwood lumber located in Canada and the U.S. which compete in the Company's markets, including: Tolko Industries Ltd., Resolute Forest Products Inc., EACOM Timber Corporation, Interfor Corporation, West Fraser Timber Co. Ltd., Canfor Corporation and Weyerhaeuser Company. Management believes that the Company may also be subject to import competition from worldwide suppliers of forest products.

ENVIRONMENT, SOCIAL AND GOVERNANCE PRACTICES ("ESG")

GreenFirst is committed to robust environmental, social, and governance practices and we believe our long-term growth is closely tied to these practices. The Company is currently finalizing its goals and commitments and the process will be released later in 2023.

GreenFirst is committed to maintaining and elevating high standards of sustainability throughout its operations. GreenFirst produces quality lumber and paper products in a safe and responsible manner to protect our employees and the environment, create long-term value for our stakeholders, and contribute positively to our collective future. We believe the Company's renewable building materials, which sequester carbon, are a natural solution in the fight against climate change.

GreenFirst is founded and its activities are built on our value system ("Px4 Values") which puts our Principles, our People, our Planet, and our Progress clearly focused in everything we do as a company. We intend to expand and intensify our sustainability practices throughout all our operations and activities by using our Px4 Values as a backdrop to ensure that we protect, revive and enrich the resources, the products and the communities on which we all depend on and thrive within. Action plans continue to be developed for each of our Px4 Values, moving us towards a comprehensive ESG plan.

Principles

GreenFirst promotes business practices that are aligned with principles of good governance, transparency, inclusivity and shared prosperity for our employees, stakeholders and communities.

People

Value our employees and stakeholders as our most important assets. Fostering diversity in the workplace with an environment that welcomes all people equally.

Planet

Strive to become a global leader in sustainability, complying with certified Forest Management practices, recognizing that trees are an integral part of addressing climate change.

Progress

Prioritizing long-term value and creating prosperity while making a positive impact on the environment, benefiting our employees, stakeholders and local communities from our success.

GreenFirst's ***environmental stewardship*** is rooted in our sustainable forest management practices which maximize biodiversity and forest health and promote efficient energy consumption, striving to use the whole tree. The green advantages of lumber include the fact it is carbon-negative and is the only renewable building material. Lumber building materials require less energy to produce and transport than alternatives. By-products from lumber production, such as wood chips, can be used to generate energy with net-zero carbon emissions.

The Company's ***social responsibility*** centres around our commitment to a safe workplace, promoting diversity and expanding long-standing relationships with indigenous and rural communities, while welcoming all people equally.

ESG – *FOREST MANAGEMENT*

Sustainable forest management planning and forest renewal practices undertaken by the Company, follow Ontario legislation, manuals and guidelines. Professional foresters and resource technicians employed by the Company are accountable for implementing forestry planning and operations with a focus on safety, regulatory compliance, operational efficiency and following company directives. In Ontario, forest renewal is undertaken by the Company using natural or assisted regeneration (planting or seeding) techniques.

Provisions to protect critical forest values such as wildlife, eco-tourism, Indigenous sites, wetlands, fisheries habitat, water quality and species at risk are included in forest operations prescriptions, FSC certification requirements support the protection of high conservation values and collaborative efforts to protect the habitat of woodland caribou.

The Company recognizes the role of healthy forests in mitigating climate change. Prompt forest renewal using species adapted to local site conditions, minimizing the footprint of forest roads and processing sites and protecting wetlands are important strategies to minimize carbon emissions and support carbon sequestration. Through participation and membership in forest research organizations and collaborations, the Company is focused on obtaining a greater understanding of forest carbon science to better contribute to the global need to address climate change.

ESG- *ENVIRONMENTAL AND SAFETY*

The Company recognizes that protecting the environment is fundamental to our business, and management supports leadership in forest stewardship. The Company strives to continually improve our environmental performance and management of forest land using an environmental management system to support regulatory compliance, maintain third-party forest certification, ensure strong contractor relationships, and support forest science research and partnerships with Indigenous communities and stakeholders.

The Company uses safety, environmental and operational inspection systems to ensure compliance with regulations, policies and best operating practices. Safety, environmental and operational inspection systems are heavily regulated by Ontario laws and regulations. These requirements, coupled with labour agreements, result in daily, weekly and monthly operational inspections and compliance measures. The Company expects to further improve on safety performance as a result of a renewed focus on best operating practices and through planned capital expenditures.

ESG - *RELATIONSHIPS WITH INDIGENOUS COMMUNITIES*

The Company recognizes that its operations occur on traditional territories on which Indigenous communities assert rights and interests. Through structured agreements, joint activities include provision of building materials for homes and community infrastructure, protection of community values through modification of forestry practices, support for Indigenous forestry practitioners, contracts with Indigenous businesses, youth engagement and employment outreach. The Company values its relationships with First Nations and Metis, and works in a spirit of partnership in a variety of priority areas of mutual interest. In Ontario, the Company leads forest management on two sustainable forest licenses and manages a third, in collaboration with Indigenous, municipal and industry organizations. The Company counts four Indigenous timber harvesting businesses as key suppliers of fibre to its operations.

ESG - *PUBLIC RELATIONS*

The Company regularly meets with a wide variety of stakeholders in the course of developing forest management plans and undertaking harvesting and forest renewal activities. Interested parties include municipalities, tourism organizations, businesses, cottagers, anglers and hunters, other forest-industry users, recreationalists, environmental advocates, trappers and wilderness enthusiasts. All forest management plans give significant opportunities for public review and input to address local issues and concerns. Publicly-available information exists in the form of maps and documents for review by the public.

Company forest management personnel participate in forest advisory committees established by the Ontario government to support forest management activities on public land. The Company is proud of long-standing relationships that exist with national and provincial forestry, environmental and research organizations. Regular engagement including field visits and collaborative projects support the Company’s efforts to meet its forest stewardship objectives.

INTANGIBLE PROPERTIES

The Company's intangible assets are an important part of its business and its ability to compete in the markets in which it operates. These intangible assets mostly include its forest licences, trademarks, and the principal brands of its offered products. The Company's intangible assets are wholly owned by it.

FOREIGN OPERATIONS

The Company operates only in Canada but a significant portion of its revenue is derived from sales to customers in the United States.

SEGMENTATION

The following table shows the details of sales from continuing operations for the years ended December 31, 2022 and December 31, 2021.

	December 31, 2022 (in thousands)	December 31, 2021 (in thousands) [2]
Forest Products [1]	$ 398,098	$ 108,612
Paper Products	$ 94,011	$ 24,703

Notes:
[1]Only includes results from continuing operations. Please refer to the Company's Financial Statements for the year ended December 31, 2022 for further information.
[2]The Company was pre-operational in the prior year up until the RYAM Acquisition on August 28, 2021.

RISK FACTORS

The Company's business involves numerous inherent risks as a result of the nature of the business, global economic trends, as well as local social, political, environmental and economic conditions in Canada, the Company's areas of operation. As such, the Company is subject to several financial and operational risks that could have a significant impact on its ability to generate any future profitability and its levels of operating cash flows.

Below is a summary of the principal risks and related uncertainties facing the Company. Such risk factors could have a material adverse effect on the Company's business, financial condition and results of operations or the trading price of its Common Shares.

GENERAL

Forward-looking information may prove to be inaccurate

Investors are cautioned not to place undue reliance on forward-looking information. By their nature, forward-looking information involve numerous assumptions, known and unknown risks and uncertainties, of both general and specific nature, that could cause actual results to differ materially from those suggested by the forward-looking information or contribute to the possibility that predictions, forecasts or projections will prove to be materially inaccurate. Additional information on the risks, assumptions and uncertainties can be found in this AIF under the heading " Forward- Looking Information".

The forestry industry is highly competitive, and the Company is subject to the cyclical nature of the industry

The forest products industry is highly competitive in terms of price and quality. Lumber and log markets are subject to competition from worldwide suppliers. Many of these competitors possess greater financial, technical, personnel and other resources than the Company. The Company may not be able to compete effectively against such competitors and as a result, its business, financial condition and results of operations could be materially adversely affected.

The Company's results of operations are, and will continue to be, affected by the cyclical nature of the forest products industry. Market prices and demand for lumber have been, and in the future are expected to be, subject to cyclical fluctuations, which have a significant effect on the Company's business. Lumber markets are affected by the prices and demand for including construction and industrial materials. The markets for wood products are sensitive to changes in industry capacity and output levels, general timber industry conditions and cyclical changes in the world economy, any of which can have a significant impact on selling prices of wood products. The demand for wood products is also substantially affected by the level of new construction activity, which is subject to fluctuations that may or may not correspond to overall economic trends. Decreases in the level of construction activity generally reduce demand for wood products. These activities are, in turn, subject to fluctuations due to, among other factors: (i) changes in domestic and international economic conditions; (ii) changes in market prices of commodities; (iii) governmental regulations and policies; (iv) interest rates; (v) population growth and changing demographics; and (vi) seasonal weather cycles. Cyclical changes in the forest products industry, including changes in demand and pricing for logs and the other factors described above, could have a material adverse effect on the Company's business, financial condition and results of operations.

Developments in non-print media and changes in consumer habits regarding the use of paper are expected to adversely affect the demand for some of our key products

Trends in non-print media are expected to continue to adversely affect demand for traditional print media, including paper and our customers' products. Neither the timing nor the extent of these trends can be predicted with certainty. Our newspaper, magazine, book and catalog publishing customers could increase their use of, and compete with, non-print media, including multimedia technologies, electronic storage and communication platforms such as websites and social media, which could further reduce their consumption of paper, commercial printing papers or other products we manufacture, including market pulp. The demand for our paper products may weaken significantly in the future and could be accelerated by the COVID-19 pandemic as confinement and work from home has altered consumer habits. Such consumer habits could become permanent and also impact the demand for pulp.

Risks related to the COVID-19 pandemic

The outbreak of the pandemic caused by COVID-19 has had, and could continue to have a negative impact on financial markets, economic conditions and may impact portions of our business. While we are unable to predict the extent, nature and duration of these impacts at this time, the global COVID-19 pandemic could negatively affect our business and results of operations, as well as the market price of our securities, in a number of ways, including the following:

- The COVID-19 pandemic has accelerated the secular demand decline for paper products as widespread confinement alters consumer habits, which has had, and could continue to have an impact on paper demand. The decline in demand and altered habits could have a permanent effect.

- Any construction slowdown in North America may result in a decline in demand for wood products. If the demand for wood products falls and we reduce harvesting and sawmill activity as a result, we could have greater difficulty obtaining the supply of timber and wood fibre required for our operations at favorable prices, or at all.

- There is increased risk that we may not obtain raw materials and other required supplies or services in a timely fashion and at favorable prices due to the impact of the reduced economic activity as a result of the COVID-19 pandemic on our suppliers, which could affect our production output and profitability.

- Additional trade restrictions or barriers could also negatively affect our supply chain as well as the sales or distribution of our products.

- Although the forest products industry has generally been recognized as critical or essential in locations where we operate, health restrictions, including social distancing measures, could impact how our employees fulfill their duties, and limit the number of employees we can have at our operations, which in turn could impact our production output and costs.

- Should certain employees become ill from COVID-19 or unable to work, our mills might have to cancel shifts or temporarily cease operations.

- The reduced operations and staffing at our facilities, remote working conditions and increased risk of obtaining supplies or services could increase the risk of non-compliance and incidents.

If necessary, to preserve liquidity, we could suspend or defer capital projects, as well as other strategic initiatives. If we do not generate enough cash to fund our short-term or long-term obligations, we may have to draw further on existing or future credit facilities to meet our obligations or seek additional sources of liquidity. The economic uncertainty resulting from the COVID-19 pandemic could lead to greater difficulty in obtaining additional financing on favorable terms.

The COVID-19 pandemic, including related governmental responses and economic impacts, market disruptions and changes in consumer habits, has heightened the risks and uncertainties described in the risk factors below, and should be read in conjunction therewith.

OPERATIONAL RISKS

Disruptions to our supply chain, operations or the delivery of our products, could adversely affect our financial condition or results of operations

The success of our businesses is largely contingent on the availability of, and direct access to, raw materials, as well as our ability to operate in a timely and cost-efficient basis. As a result, any event that disrupts or limits the operations of the Company or of our suppliers could materially and adversely affect our business. Interruptions of operations at our facilities, including interruptions caused by the events described below, could materially reduce the productivity and profitability of a particular facility, or our business as a whole, during and after the period of such operational difficulties.

Our operations, supply chain and transportation and delivery services are currently experiencing a wide range of inflationary cost pressures and higher energy costs. For commodity products, the relationship between supply and demand, rather than changes in the cost of raw materials, determines out ability to increase prices. Consequently, we may be unable to pass along increases in our operating costs to our customers. Any sustained increase in our costs would reduce our operating margins, and potentially require us to limit or cease operation of one or more of our mills.

Our business is also subject to potential hazards, including fires, severe weather and natural disasters, mechanical and power failures, structural failures, supplier disruptions, labour shortages or other difficulties, public health measures to prevent or eradicate epidemics or pandemics, transportation interruptions, remediation complications, environmental, workplace risks, timber disease and insect infestation and other events.

Some of these hazards can cause personal injury and loss of life, severe damage to or destruction of property, equipment, or the environment, and can result in, among other things: the suspension of operations; the shutdown of affected facilities; reputational damage; the imposition of civil or criminal penalties; workers' compensation; and claims against us with respect to workplace matters. Any of the foregoing could adversely affect the Company's financial results, including as a result of decreased production output or increased operating costs.

We may be unable to grow our business or to manage growth

A principal component of our strategy is to continue our growth in the long term, both by increasing earnings from operations in existing markets through execution of our organic growth strategies, as well as expansion into new geographic markets, and acquisitions. We may not be successful in growing our business or in managing growth. Our growth depends on our ability to accomplish a number of things, including:

- identifying and developing new geographic markets;
- the cost of capital;
- identifying suitable acquisition candidates on favourable terms;
- successfully integrating any acquired businesses or assets with our existing operations;
- establishing and maintaining favourable relationships with customers and suppliers in new markets and market segments, and maintaining these relationships in existing markets; and
- successfully managing expansion and obtaining required financing.

Any growth we achieve may require additional people talent, and increase the scope of both our operating and financial systems, and the geographic area of our operations. This will increase our operating complexity and the level of responsibility of existing and new management personnel. We may be unable to attract and retain qualified management and employees, and our existing operating and financial systems and controls may not be adequate to support any growth. Our ability to improve our systems and controls may be limited by increased costs, technological challenges, or lack of qualified employees.

Acquisitions involve a number of risks, including: (i) the possibility that we, as a successor owner, may be legally and financially responsible for liabilities of prior owners; (ii) the possibility that we may pay more than the acquired company or assets are worth; (iii) the possibility of incurring additional expenses associated with completing an acquisition and amortizing any acquired intangible assets; (iv) the difficulty of integrating the operations and personnel of an acquired business; (v) the challenge of implementing standard controls, procedures and policies throughout an acquired business; (vi) the inability to integrate, train, retain and motivate key personnel of an acquired business; and (vii) the potential disruption of our ongoing business and the distraction of our management from our day-to-day operations. These risks and difficulties, if they materialize, may result in the loss of key personnel, increased expenses and otherwise have an adverse effect on our business, results of operations and financial condition.

Inability to finance our strategy

It is possible that the Company may need to raise additional funds by way of equity or debt financings or a combination of both in the future in order to pursue its acquisition strategy. If the Company is unable to raise additional funds when needed, its ability to execute its acquisition strategy could be impaired, which could lead to a material adverse impact on its business. The Company does not currently know whether, if required, it will be able to secure additional funding or funding on terms acceptable to the Company. The Company's ability to obtain additional funding will be subject to a number of factors, including market conditions, investor sentiment and the Company's operating performance. These factors may take the timing, amount, terms and conditions of additional funding unattractive to the Company. If the Company were to issue additional Common Shares or other convertible securities, in connection with future acquisitions, existing Shareholders may experience dilution.

The Company depends on the business and technical expertise of its management team

The Company is dependent on the business and technical expertise of its management team. If it is unable to rely on this business and technical expertise, or if any of the expertise is inadequately performed, the business, financial condition and results of operations of the Company could be materially adversely affected until such time as the expertise could be replaced.

We depend on key personnel, the loss of any of which could harm our business

Our ability to achieve our future goals and objectives is dependent, in part, on maintaining good relations with our employees and minimizing employee turnover at our corporate offices, mills, and woodlands operations. Approximately 75% of our employees are represented by unions under collective bargaining agreements. We could experience disruptions in operations or increased labour costs due to labour disputes or safety issues. Work stoppages, excessive employee turnover, or difficulty in attracting and retaining employees, particularly for work in remote locations and certain positions with specialized skill sets, could lead to operational disruptions or increased costs.

Disruptive technologies could lead to reduced revenues or a change in our business model

Technology continues to evolve at a rapid pace, which has the potential to influence how the Company's industry uses materials, conducts transactions, and how the Company manages its business. Technological innovation includes the use of web based and mobile technology as an alternative for customers to place orders. Disruptive technologies that cause significant changes in our industry could reduce our sales and opportunities for growth and adversely affect our business, financial condition and results of operations.

We are subject to disruptions to the information technology systems used to manage our operations and other business processes, including cybersecurity and privacy incidents that could involve sensitive Company, employee, customer, vendor, and Shareholder information

We use information technology to securely manage operations and various business functions. We rely on various technologies to process, store, and report on our business and interact with employees, customers, vendors, and Shareholders. The secure and reliable processing, maintenance, and transmission of this information is critical to our operations and business strategy. Despite our security design and controls, and those of our third-party providers, our information technology and infrastructure may be vulnerable to interruptions, breakdowns, cyberattacks or breaches due to employee error, malfeasance, hackers, computer viruses, ransomware, natural disasters, power or telecommunications failures, as well as other disruptions. A cybersecurity breach could result in operational disruptions or the misappropriation of sensitive data or personal information and could subject us to civil and criminal penalties, litigation, or have a negative impact on our reputation. We may be required to expend capital and other resources to protect against such security breaches or cyberattacks, or to remediate problems caused by such breaches, attacks, or other disruptions. We have been the subject of cyberattacks from time to time, none of which have had a material impact on our business information systems or operations. There can be no assurance that such disruptions or misappropriations and the resulting repercussions will not negatively impact our cash flows and materially affect our results of operations or financial condition. Recent developments in cybersecurity and privacy legislation in different jurisdictions are imposing additional obligations on us and could expand our potential liability in the event of a cybersecurity or privacy incident.

Negative publicity, even if unjustified, could have a negative impact on our brand and the marketability of the Company

We strive to establish a reputation for transparent communications, social and corporate governance, responsible forestry practices, and overall sustainability leadership. We also believe that our commitment to sustainable and responsible forestry practices extends well beyond strict compliance with applicable forestry regulations. Negative publicity, whether or not justified, relating to our operations and our business could tarnish our reputation or reduce the value of our brand and marketability of the Company. In addition, the actions of activists, whether or not justified, could impede or delay our ability to access raw materials, or obtain third-party certifications with respect to forest management and chain of custody standards that we seek in order to supply certified products to our customers. In these cases, we may have to incur significant expenses and dedicate additional resources to defend ourselves against activist campaigns, rebuild our reputation, and restore the value of our brand.

FINANCIAL RISKS

Timber and wood market price volatility and other general risk factors relating to timberlands

The financial performance of the Company is dependent on the selling prices of its products. The forest products industry is also highly cyclical. The overall levels of demand for the products we manufacture, and consequently, our sales and profitability, reflect fluctuations in levels of end user demand. End user demand depends at least in part on general economic conditions, and the effect can be significant. In addition to end user demand, we may experience cyclical changes in prices, sales volume and margins for our commodity products as a result of changing market trends and the effect of capacity fluctuations on supply and demand as well as the relative competitiveness of producers.

In addition to impacting the Company's sales, cash flows and earnings, weakness in the market prices of its timber products may also have an effect on the Company's ability to attract additional capital, the cost of that capital, and the value of its timberland assets.

Our results are dependent upon the general state of the economy

The demand for our products depends significantly upon the residential and commercial construction markets and industrial manufacturing market. The level of activity in the residential construction market depends on many factors, including the general demand for housing, interest rates, availability of financing, housing affordability, levels of unemployment, shifting demographic trends, gross domestic product growth, consumer confidence, changes in the rate of housing starts and other general economic conditions. The level of activity in the commercial construction market depends largely on vacancy and absorption rates, interest rates, regional economic outlooks, availability of financing and general economic conditions. Similarly, the industrial manufacturing market depends on interest rates, availability of financing, general economic conditions, consumer confidence and other factors. All of these factors are outside our control. Erosion in levels of activity in any of these markets, including due to cyclical changes in the economy, downturns in the economy, natural disasters or disease outbreaks, could have a negative impact on our business, financial condition and results of operations.

An economic downturn in the U.S. or Canada could negatively affect the U.S. or Canadian housing industry, which is a significant driver of demand for our lumber. In addition, with less lumber demand, sawmills could generate fewer wood chips than what is required under our CS Agreement and paper mill, requiring us to purchase wood chips from the open market, where prices can fluctuate with market conditions.

We could also have less wood residue to use internally, which would increase our fossil fuel consumption and, as a result, our costs and environmental impact.

Transportation requirements

Our business depends on our ability to transport a high volume of products and raw materials to and from our production facilities to market. We rely primarily on third-party transportation providers for both the delivery of raw materials to our production facilities and the transportation of our products to market. These third-party transportation providers include truckers and railways. Our ability to obtain transportation services from these transportation service providers is subject to risks which include, without limitation, availability of equipment and operators, disruptions due to weather, natural disasters and labour disputes. Transportation services may also be impacted by seasonal factors, which could impact the timely delivery of raw materials and distribution of products to customers. As a result of trucking and rail capacity constraints, access to adequate transportation capacity has at times been strained and could affect our ability to transport our products to markets, and could result in increased product inventories. Any failure of third-party transportation providers to deliver materials in a timely manner, including failure caused by adverse weather conditions or work stoppages, could harm our reputation, negatively affect customer relationships or disrupt production at our mills. Transportation costs are also subject to risks that include, without limitation, increased rates due to competition and increased fuel costs. Increases in transportation costs will increase our operating costs and adversely impact our profitability. If we are unable to obtain transportation services or if our transportation costs increase, our revenues may decrease due to our inability to deliver products to market and our operating expenses may increase, each of which would adversely affect our results of operations.

Trade restriction

In late 2016, a petition was filed by the U.S. Lumber Coalition and other petitioners seeking countervailing ("**CV**") and anti-dumping ("**AD**") duties on Canadian softwood lumber imports to the U.S. Subsequently, the U.S. Department of Commerce ("DoC") imposed duties on Canadian shipments of softwood lumber into the U.S. The

Government of Canada is appealing the U.S. findings. As in previous trade cases, the softwood lumber dispute may take years to resolve through the legal process and remains open to a negotiated settlement at any time.

A significant portion of the products manufactured in Canada, use timber accessed through our SFL's are exported to the United States, which are subject to CV and AD duties. These duties are subject to change from year to year by the DoC.

Duties and other trade barriers that restrict or prevent access represent a continuing risk to the Company's revenues and the break-even level of its operations.

Exchange rate fluctuations between the Canadian and U.S. dollar could affect our performance

We conduct business in both Canada and the United States. Although we report our financial results in Canadian dollars, anywhere from 60%-80% of our sales may be generated in the United States. Changes in the currency exchange rates of the Canadian dollar against the U.S. dollar will affect the results presented in our consolidated financial statements and cause our earnings to fluctuate. An increase or decrease in the value of the Canadian dollar against the U.S. dollar will affect our business, financial condition and results of operations. We do not maintain a currency hedging program.

Availability and cost of log supply

The log requirements of the Company's sawmills are met using logs harvested from its timber tenures and by purchases on the open market. Fluctuations in the price, quality or availability of log supply can have a material effect on the Company's business, financial position, results of operations and cash flow. In addition, weather-related issues can restrict timely access to log supply.

The Company relies on third-party independent contractors to harvest timber in areas over which it holds timber tenures. Increases in rates charged by these independent contractors or the limited availability of these independent contractors may increase the Company's timber harvesting costs.

Additionally, in order to ensure uninterrupted access to logs harvested from its timber tenures in Canada, the Company must also focus on the continuous development of road networks. This encompasses an integrated plan by foresters, engineers and logging operations personnel to identify future logging areas and develop the engineering for roads.

Stumpage fees increasing with the price of lumber

Ontario charges stumpage fees for harvesting timber from Crown Lands which vary depending upon the price of lumber. There can be no assurance that future changes in provincial administration policy will not have a material impact on stumpage rates.

The Company's insurance coverage may be insufficient to cover losses

Consistent with forestry industry practice, the Company has a policy of obtaining external insurance coverage for key insurable risks relating to its operations. However, not all risks are covered by insurance and no assurance can be given that insurance will be consistently available or will be consistently available on an economically feasible basis. The Company may elect to not insure against certain liabilities due to high premium costs or for other reasons. The Company insures its properties against certain accident and disaster related losses such as fires, lightning, explosion, flooding and windstorms, but does not, however, insure against losses from all natural and other disasters, such as pest and disease, and does not carry business interruption insurance. As a result, its insurance coverage may be insufficient to cover losses that may be incurred. If the Company was to suffer an uninsured loss or a loss in excess of its insurance coverage, its business, financial condition and results of operations could be materially and adversely affected.

Leverage and restrictive covenants agreements relating to indebtedness

The ability of the Company and its subsidiaries to pay dividends or make other payments or advances is subject to applicable laws and contractual restrictions contained in the instruments governing its indebtedness. The degree to which the Company is leveraged could have important consequences to the Shareholders including: (i) the Company's ability to obtain additional financing for working capital; (ii) capital expenditures or acquisitions; (iii) a significant portion of the Company's cash flow from operations may be dedicated to the payment of the principal and interest on its indebtedness, thereby reducing funds available for future operations; and (iv) the Company may be more vulnerable to economic downturns and be limited in its ability to withstand competitive pressures.

The terms of the Company's debts will include numerous restrictive covenants that limit the discretion of the Company's management with respect to certain business matters. These covenants will place significant restrictions on, among other things, the ability of the Company and its subsidiaries to create liens or other encumbrances, or make certain other payments, investments, loans and guarantees and to sell or otherwise dispose of assets and merge or consolidate with another entity. In addition, the terms include financial covenants that require the Company to meet certain financial ratio tests. A failure by the Company to comply with the obligations relating to the credit facilities could result in a default which, if not cured or waived, could result in accelerated repayment of the relevant indebtedness. If the repayment of indebtedness of the debt were to be accelerated, there can be no assurance that the assets of the Company would be sufficient to repay in full that indebtedness. There can be no assurance that the Debt Financing will be able to be refinanced or refinanced on acceptable terms or that future borrowings or equity financings will be available to the Company, or available on acceptable terms, in an amount sufficient to fund the Company's needs. This could, in turn, have a material adverse effect on the business, financial condition and results of operations of the Company and could therefore affect the ability of the Company to pay dividends on its Common Shares.

Employee Future Benefits

The Company has a defined-benefit pension plan which provides pension and post-retirement benefits to certain salaried and hourly employees. The defined benefit plan is currently in a surplus position, but the Company needs to make additional cash contributions if investment returns are lower than expected or interest rates decline. The Company has a Senior Executive Retirement Plan with obligations that are unfunded.

The Company's share price has been and is likely to continue to be volatile and an investment in Common Shares may suffer a decline in value

Investors should consider an investment in Common Shares as risky and invest only if such purchaser can withstand a significant loss and wide fluctuations in the market value of your investment. The Company receives only limited attention by securities analysts and frequently experiences an imbalance between supply and demand for Common Shares. The market price of the Common Shares has been highly volatile and is likely to continue to be volatile. This leads to a heightened risk of securities litigation pertaining to such volatility. Factors such as: (i) the financial position of the Company and the ability of the Company to continue as a going concern; (ii) the ability to raise additional capital; (iii) general market conditions; (iv) announcements of technological innovations by the Company, the Company collaborators or its competitors; (v) published reports by securities analysts; developments in patent or other intellectual property rights; and (vi) Shareholder interest in the Common Shares all contribute to the volatility of the share price.

LEGAL AND COMPLIANCE RISKS

The Company relies on its relationship with governments and communities for licences and permits

The Company relies on its relationship with local governments and communities to enter into licence agreements on commercially acceptable terms, including those pursuant to which the Company will gain access to timber. The alteration or termination of these relationships could have a substantial impact on the future success of the Company and may adversely impact the Company's business, financial condition and operating results. The

Company cannot give any assurance that it will be able to enter into any such agreements on commercially acceptable terms.

The Company could encounter regulatory or permitting delays. The Company will endeavour to ensure timely application for any government permits necessary for carrying out its business in the jurisdictions in which it operates. However, any current or past ability of the Company to obtain necessary permits in a timely fashion is not a guarantee of future results as there are factors that are beyond the Company's control such as bureaucratic impediments, changes in government policies and legislation and even government holidays could substantially impede the approval of permits. The Company's business, financial condition, and results of operations could be materially and adversely affected should our applications for permits are delayed or denied.

Restrictions imposed by governmental, forestry and environmental regulations

The Company's operations are subject to extensive provincial, state, federal or other laws and regulations that apply to most aspects of its business activities. Where applicable, the Company is required to obtain approvals, permits and licenses for its operations as a condition to operate. Such provincial, state and federal government regulations relating to forestry practices and the sale of timber may result in increased costs for the Company and accordingly, impact its financial results and operations.

In addition, forestry and environmental regulations may restrict timber harvesting and may otherwise restrict the ability of the Company to conduct its business. Although the Company believes that it is in material compliance with these requirements, there can be no assurance that it will not incur significant costs, civil and criminal penalties and liabilities, including those relating to claims for damages to property or natural resources, resulting from its operations.

Failure by us to comply with applicable laws and regulations may subject us to civil, criminal or regulatory proceedings which, or the cost of compliance with more stringent laws, may have a material adverse effect on our financial condition and results of operations. The Company is subject to laws and regulations which relate to, among other things: the protection of timberlands, the protection of endangered species, air and water quality, and timber harvesting practices.

Laws, regulations and related judicial decisions and administrative interpretations affecting the Company's business are subject to change and new laws and regulations that may affect the Company's business are enacted from time to time. Until the details of all such changes are announced and implemented, the full impact of these changes on the Company's production, costs, financial position and results of operations cannot be determined.

In connection with a variety of the Company's operations, the Company may be required to make regulatory filings. Any of the government agencies could delay the review of or reject any of the Company's filings, which could result in a delay or restriction in harvesting, replanting, thinning, insect control or fire control.

We are subject to physical, financial and regulatory risks associated with global, regional, and local weather conditions, and climate change

Our operations and the operations of our suppliers are subject to climate variations, which impact the productivity of forests, the frequency and severity of wildfires, the availability of water, the distribution and abundance of species, and the spread of disease or insect epidemics, which in turn may adversely or positively affect timber production and availability. Over the past several years, changing weather patterns and climatic conditions due to natural and man-made causes have added to the unpredictability and frequency of natural disasters such as hurricanes, earthquakes, hailstorms, wildfires, drought, flooding, snow, ice storms, the spread of disease, and insect infestations. Any of these natural disasters could also affect woodlands or cause variations in the cost of raw materials, including logs. Changes in precipitation could make wildfires more frequent or more severe, and could adversely affect timber harvesting or our hydroelectric production. The effects of global, regional, and local weather conditions, and climate change, including the costs of complying with evolving climate change regulations and transition costs relating to a low carbon economy could also adversely impact our results of operations.

Undetected environmental liabilities

The Company may currently own or may acquire properties subject to environmental and other liabilities, such as obligations to clean up or pay for the cleanup of contamination. While timberlands do not generally carry as high of a risk of environmental contamination as industrial properties, the cost of cleanup of contaminated properties could increase the Company's operating costs.

Aboriginal claims

Aboriginal claims could adversely affect the Company's ability to conduct its business. Canadian courts have recognized that aboriginal people may possess rights at law in respect of land used or occupied by their ancestors where treaties have not been concluded to deal with these rights. In Canada, aboriginal groups have made claims in respect of land governed by Canadian authorities, which could affect a portion of the land covered by the Company's current or future operations (including with respect to its permits and licenses). Any settlements in respect of these potential claims could, among other adverse effects, lower the volume of timber managed by the Company and could increase the cost to harvest timber on such lands.

Future sales or purchases by significant Shareholders

Certain Shareholders of the Company own a substantial percentage of the outstanding Common Shares, and could increase percentage ownership further. Such Shareholders could be in a position to influence the outcome of actions requiring Shareholder approval, including, among other things, the election of members of the Board of Directors. The concentration of ownership could also facilitate or hinder a negotiated change of control and consequently, impact the value of our Common Shares. In addition, the possibility that such Shareholders may sell all or a large portion of the Common Shares in a short period of time may adversely affect the trading price of the Common Shares.

We are and may become a party to a number of legal proceedings, claims, governmental inquiries, investigations, and other disputes, and adverse judgments could have a material adverse effect on our financial condition

We may become involved in various legal proceedings, claims, governmental inquiries, investigations, and other disputes in the normal course of business. These could include, for example, matters related to contracts, transactions, commercial and trade disputes, taxes, environmental issues, activist damages, employment and workers' compensation claims, grievances, human rights complaints, pension and benefit plans and obligations, health and safety, product safety and liability, asbestos exposure, intellectual property, financial reporting and disclosure obligations, corporate governance, Indigenous peoples' claims, antitrust, governmental regulations, and other matters. In addition to claims against us and our consolidated subsidiaries, these matters may involve claims asserted by others against unconsolidated partnerships and joint ventures in which we have an interest. Although the final outcome of these matters is subject to many variables and cannot be predicted with any degree of certainty, we regularly assess the status of the matters and establish provisions (including legal costs expected to be incurred) when we believe an adverse outcome is probable, and the amount can be reasonably estimated. If our assessment of the probable outcome or materiality of a matter is not correct, we may not have made adequate provision for such loss and our financial condition, cash flows, or results of operations could be adversely impacted.

Some matters that we may be involved in from time to time result from claims brought by us against third parties, including customers, suppliers, Shareholders, governments or governmental agencies, activists and others. Even if such a matter does not involve a claim for damages or other penalty or remedial action against us, such a matter could nevertheless adversely affect our relationships with those and other third parties.

DIVIDENDS

The Company has never paid any dividends on any of its Common Shares and presently has no intention of paying dividends. The future dividend policy will be determined by the Company's board of directors (the "**Board**") on the basis of earnings, financial requirements and other relevant factors.

DESCRIPTION OF CAPITAL STRUCTURE

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value and 100,000,000 Preferred Shares without par value. As at December 31, 2022, there were 177,572,272 Common Shares issued and outstanding and no preferred shares outstanding. As of the date here of there are 177,572,272 Common Shares issued and outstanding and no preferred shares outstanding.

As of December 31, 2022, the Corporation also had outstanding 31,752,618 warrants, 6,462,663 stock options and no other convertible securities. As of the date here of there are 31,752,618 warrants, 7,636,913 stock options and no other convertible securities.

COMMON SHARES

Voting

The holders of Common Shares are entitled to receive notice of and to attend all meetings of the Shareholders and have one (1) vote for each Common Share held at all meetings of Shareholders, except meetings at which only holders of another specified class or series of shares of the Company are entitled to vote separately as a class or series.

Dividends

Subject to the prior rights of the holders of the Preferred Shares and any other shares ranking senior to the Common Shares with respect to priority in the payment of dividends, the Shareholders shall be entitled to receive dividends and the Company shall pay dividends thereon, as and when declared by the Board of Directors out of moneys or property applicable to the payment of dividends, in such amount and in such form as the Board of Directors may from time to time determine and all dividends which the Board of Directors may declare on the Common Shares shall be declared and paid in equal amounts per share on all Common Shares at the time outstanding.

Liquidation, Dissolution or Winding-Up

In the event of the dissolution, liquidation or winding-up of the Company, whether voluntary or involuntary, or any other distribution of assets of the Company among its Shareholders for the purpose of winding-up its affairs, subject to the prior rights of the holders of the Preferred Shares and any other shares ranking senior to the Common Shares with respect to priority in the distribution of assets upon dissolution, liquidation, winding-up or distribution for the purpose of winding-up, the Shareholders shall be entitled to receive the remaining property and assets of the Company.

PREFERRED SHARES

Issuance of Shares

The Board of Directors may issue the Preferred Shares at any time and from time to time in one or more series. Before the first shares of a particular series are issued, the Board of Directors shall fix the number of shares in such series and shall determine, subject to the limitations set out in the notice of articles, the designation, rights, privileges, restrictions and conditions to be attached to the shares of such series including, without limitation, the rate or rates, amount or method or methods of calculation of dividends thereon, the time and place of payment of dividends, whether cumulative or non-cumulative or partially cumulative and whether such rate, amount or method of calculation shall be subject to change or adjustment in the future, the currency or currencies of payment of dividends, the consideration and the terms and conditions of any purchase for cancellation, retraction or redemption (if any), the conversion, exchange or reclassification rights attached thereto (if any), the voting right attached thereto (if any), the terms and conditions of any share purchase plan or sinking fund with respect thereto, and any other terms not inconsistent with these provisions.

Voting

Except as hereinafter referred to or as otherwise required by law or in accordance with any voting rights which may from time to time be attached to any series of Preferred Shares, the holders of the Preferred Shares as a class shall not be entitled as such to receive notice of, to attend or to vote at any meeting of the Shareholders.

Dividends

No rights, privileges, restrictions or conditions attached to a series of Preferred Shares shall confer upon a series a priority in respect of dividends or return of capital over any other series of Preferred Shares then outstanding. The Preferred Shares shall be entitled to priority over the Common Shares and over any other shares of the Company ranking junior to the Preferred Shares with respect to priority in the payment of dividends and the distribution of assets in the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company among its Shareholders for the purpose of winding-up its affairs. If any cumulative dividends or amounts payable on a return of capital in respect of a series of Preferred Shares are not paid in full, the Preferred Shares of all series shall participate rateably in respect of such dividends, including accumulations, if any, in accordance with the sums that would be payable on such shares if all such dividends were declared and paid in full, and in respect of any repayment of capital in accordance with the sums that would be payable on such repayment of capital if all sums so payable were paid in full; provided however, that in the event of there being insufficient assets to satisfy in full all such claims to dividends and return of capital, the claims of the holders of the Preferred Shares with respect to repayment of capital shall first be paid and satisfied and any assets remaining thereafter shall be applied towards the payment and satisfaction of claims in respect of dividends. The Preferred Shares of any series may also be given such other preferences, not inconsistent with other provisions, over the Common Shares and over any other shares ranking junior to the Preferred Shares as may be determined in the case of such series of Preferred Shares.

Amendments to Rights and Restrictions

The rights privileges, restrictions and conditions attaching to the Preferred Shares as a class may be added to, changed or removed but only with the approval of the holders of the Preferred Shares given as hereinafter specified. The approval of the holders of the Preferred Shares to add to, change or remove any right, privilege, restriction or condition attaching to the Preferred Shares as a class or to any other matter requiring the consent of the holders of the Preferred Shares as a class shall be given in such manner as may then be required by law, subject to a minimum requirement that such approval shall be given by resolution passed by the affirmative vote of at least two-thirds of the votes cast at a meeting of the holders of Preferred Shares duly called for that purpose.

MARKET FOR SECURITIES

TRADING PRICE AND VOLUME

Common Shares

From January 1, 2022 to February 9, 2022, the Common Shares were listed for trading on the TSX Venture Exchange (the “TSXV”) under the trading symbol “GFP”. The Common Shares graduated to commence trading on the Toronto Stock Exchange on February 10, 2022, under the trading symbol “GFP”. The following table sets out the high and low closing market prices and the volume traded of the Common Shares on the TSXV and the TSX for each month of the financial year ended December 31, 2022:

2022	HIGH ($)	LOW ($)	VOLUME
January	2.26	1.87	4,392,700
February	2.28	1.97	2,111,600
March	2.53	1.34	8,198,200
April	2.05	1.78	4,172,900
May	2.05	1.74	2,549,100
June	1.89	1.34	2,294,000
July	1.85	1.53	1,022,200
August	1.80	1.57	1,036,400
September	1.80	1.47	1,135,300
October	1.61	1.44	775,500
November	1.60	1.38	2,315,000
December	1.56	1.35	1,571,100

PRIOR SALES

The following tables set out summaries of securities issued by the Company during the year ended December 31, 2022, which are not listed or quoted on a marketplace.

Stock Options

Date of Issue	Number of Securities Issued	Exercise Price	Expiry Date
June 24, 2022	329,800 options	$1.92	June 24, 2027
December 23, 2022	2,076,613 options	$1.50	December 23, 2027

DIRECTORS AND OFFICERS

The following table sets forth all current directors and executive officers of the Company as at the date hereof, their names, municipality of residence, their principal occupation and the period of service. The Board currently consists of nine (9) directors to be elected annually. The term of office of each director will be from the date of the meeting at which he or she is elected until the next annual meeting, or until his or her successor is elected or appointed.

Name and Place of Residence[1]	**Position(s) with GreenFirst**	**Present Principal Occupation, Business or Employment and Principal Occupation, Business or Employment During the Preceding Five Years**[1]	**Director/Officer Since**
PAUL RIVETT Ontario, Canada	Executive Chair	Principal of Tevir Capital LPP prior to 2023 Co-Owner of Nordstar Capital and Chairman and Co-Proprietor of Torstar Corporation Prior to 2020, President of Fairfax Financial Holdings Ltd and Vice President and Chief Operating Officer of Hamblin Watsa Investment Counsel Ltd	October 22, 2020
BARBARA ANIE[5] Ontario, Canada	Independent Director	Senior Manager Strategy, Innovations & Partnerships since Nov 2022, Senior Manager, Key Accounts & Partnership Strategy, Torstar Corporation since October 2021. Strategic Solutions Lead, Star Metroland Media from 2015 to 2021.	December 2, 2021
CANDICE BERGEN Winnipeg, Canada	Independent Director	Former Member of Parliament of 15 years.	March 14,2023
CHRIS HODGSON[4] Ontario, Canada	Independent Director,	President, Ontario Mining Association, Director of Northstar Gaming and two Fairfax subsidiary corporations. For over 12 years, lead director of The Brick Ltd and director for EACOM (public and private phases). Director of Hemlo Explorers Inc	June 16, 2022
MARTY PROCTOR[3] Alberta, Canada	Lead Independent Director	Vice-Chair of ARC Resources Ltd. since April, 2021. Chair of Tenaz Energy Corp. since October 2021. President and CEO of Seven Generations Energy Ltd. from July 2017 until April 2021, and President and COO of Seven Generations Energy Ltd. from May 2014 to June 2017.	May 17, 2021
MICHAEL MITCHELL[4] Colorado, USA	Independent Director	Chief Operating Officer of Children's Eye Care of Northern Colorado, P.C. since 2021 Partner at Locust Wood Capital from 2011 to 2019	November 17, 2021
LARRY G. SWETS, JR.[5] Chicago, USA	Non-Executive Non-Independent Director	Chief Executive Officer, FG Financial Group Inc. since November 2020. Interim Chief Executive Officer, FG Financial Group Inc. from June 2020 to November 2020. Director & Chief Executive Officer of FG New America Acquisition Corp. from July 2020 to July 2021. Managing Member, Itasca Financial LLC since 2005. President of Itasca Golf Managers, Inc. since September 2018.	June 9, 2016
RICK DOMAN[6] Alberta, Canada	Non- Independent Director	Chief Executive Officer of the Company from 2021 to 2023 Private investor and a consultant for a major Canadian financial institution since 2014.	October 22, 2020

W. SEAN WILLY(5) Saskatchewan, Canada	Independent Director	President and Chief Executive Officer of Des Nedhe Development.	December 2, 2021
WILLIAM HARVEY(2) South Carolina, USA	Independent Director	Executive Vice President and Chief Financial Officer of Kirby Corporation from February 2018 to March 2022. Executive Vice President and Chief Financial Officer of Walter Energy, Inc. from 2012 to 2017. Chief Financial Officer of Resolute Forest Products Inc. from 2008 to 2011.	May 17, 2021
ALFRED COLAS Ontario, Canada	Chief Financial Officer	CFO of Excellon Resources (TSX:EXN) from October 2020 through March 2022; Group CFO for Arch Corporation from 2017 through Sept 2020.	April 4, 2022
MICHEL LESSARD Quebec, Canada	President	Vice-President, Forestry Operations for Rayonier Advanced Materials 2008-August 28, 2021.	August 29, 2021

Notes:
(1) The information as provided in this table, is, in each instance, based upon information furnished by the Nominees.
(2) Denotes chair of the Audit Committee.
(3) Denotes chair of the Governance and Compensation Committee.
(4) Denotes member of the Audit Committee.
(5) Denotes member of the Governance and Compensation Committee.
(6) Retired at CEO as January 2023.

BIOGRAPHICAL INFORMATION

The following are brief biographical descriptions for each director and officer of the Company.

Paul Rivett

Paul Rivett is the President of Tevir Capital Inc., a Canadian wealth management firm he founded. Mr. Rivett previously served as the Chair and CEO of Torstar and before that he served as the President of Fairfax Financial, a global insurance holdings and value investing company, where he worked for nearly two decades. Mr. Rivett currently serves as Chairman of the boards of GreenFirst Forest Products and Chorus Aviation. He also sits on the Board of Boreal Carbon, a forest-based carbon credit company. Mr. Rivett previously served as Chair of Recipe Unlimited, Canada's leading restaurant company, and VerticalScope. He has previously been a member of a number of notable boards, including Fairfax Africa, PEAK Athletics (Bauer & Easton Sports), TeamSnap, Golf Town & Sporting Life, Dexterra, Arctic Gateway Group, AGT Foods, MEGA Brands, Resolute Forest Products, Blue Ant Media, Canadian Press, Northstar Gaming and The Brick.

Mr. Rivett holds a Bachelor's Degree in Economics from the University of Toronto, a Master's Degree in Industrial Relations from Queen's University, and a Law Degree from Queen's University. He is also a Canadian Securities Registered Portfolio Manager.

Barbara Anie

Ms. Anie is an experienced media marketer with over 18 years of expertise specializing in Brand & Strategic Partnerships/ Strategic Solutions and Digital Sales/strategy with a Bachelor of Commerce degree from Ryerson University. Currently she leads revenue-based strategy and partnerships across Torstar with key clients and corporate partners. Prior to Torstar her marketing media experience was sought through her employment at Bell Media and the Canadian Broadcasting Corporation. Ms.Anie specializes in matching advertisers and brands by developing appropriate opportunities and insights through all phases of the purchase funnel with expertise around various brand building strategies.

Ms. Anie is an active volunteer with a focus on philanthropy and advocacy including being member board of directors, Ms. Anie is a member board of director for West Park Foundation, Toronto Botanical Gardens where she is an active Governance committee member for both organizations. She also leads a volunteer based charity, Schools of Dreams (re-build schools in Ghana) since 2018. In addition, she is a co-chair of Torstar's Diversity & Inclusion committee's leading the Talent, Acquisitions and Outreach pillar. Ms. Anie is a member of ICD, Institute of Corporate Directors and resides in Toronto, Ontario, Canada.

Candice Bergen

Hon. Candice Bergen is the former Leader of the Official Opposition and Conservative Party. She was a Member of Parliament for 15 years serving in Prime Minister Stephen Harper's cabinet as Minister of State for Social Development, as well as Opposition House Leader, Deputy Leader and Shadow Minister for Natural Resources. As Deputy Leader Candice lead the party's approach to ESG, and thus is a fierce champion of the benefits of Canadian natural resources to the world. Candice brings experience in collaborating to provide and execute solutions to complex organizational and national issues. She is known for her strong communication abilities as a media spokesperson, panelist and keynote speaker both in Canada and internationally. Candice has done volunteer work in palliative care as well as with youth at risk and prison ministry.

Chris Hodgson

Chris Hodgson is the President of the Ontario Mining Association and he is on the board of directors of Northstar Gaming, Hemlo Explorers Inc, Fairfax Partners Corporation and Fairfax India Holdings Corporation. Mr. Hodgson previously was lead director for The Brick Ltd and director for EACOM Timber Corporation as a public company and during its private phase, for over 12 years. In the 1990's, Mr. Hodgson was a Member of the Provincial Parliament for Ontario where he served as Minister of Natural Resources, Minister of Northern Development and Mines, Chairman of the Management Board of Cabinet, Deputy House Leader for Premier Mike Harris, and Minister of Municipal Affairs and Housing. Mr. Hodgson has a background in real-estate development and municipal politics in Ontario's Haliburton County. Mr Hodgson is an Honours Bachelor of Arts graduate from Trent University.

Marty Proctor

Mr. Proctor has been a director of the Company since May 17, 2021. Mr. Proctor is the Vice-Chair of Arc Resources Ltd, the Chair of Tenaz Energy Corp. and served as President and CEO of Seven Generations Energy Ltd. for four years prior to its merger with ARC Resources Ltd. Previously, Mr. Proctor was President and Chief Operating Officer of Seven Generations Energy Ltd. from May 2014 to mid-2017, and Chief Operating Officer of Baytex Energy Corp. from January 2009 until May 2014. Mr. Proctor has more than 30 years of experience in the Canadian and international oil and natural gas industries. A professional engineer and a member of APEGA and the Society of Petroleum Engineers, Mr. Proctor earned Bachelor's and Master's degrees in Petroleum Engineering from the University of Alberta. Mr. Proctor has also earned the ICD.D designation from the Institute of Corporate Directors.

Larry G. Swets, Jr.

Mr. Swets has been a director of GreenFirst since June 9, 2016. Mr. Swets has over 25 years of experience within financial services encompassing both non-executive and executive roles. Mr. Swets founded Itasca Financial LLC, an advisory and investment firm, in 2005 and has served as its managing member since inception. Mr. Swets also founded and is the President of Itasca Golf Managers, Inc.. Mr. Swets is a member of the board of directors of FG Financial Group, Inc. (Nasdaq: FGF) since November 2013; GreenFirst Forest Products Inc. (TSXV: GFP), since June 2016; Harbor Custom Development, Inc. (Nasdaq: HCDI) since February 2020; Ballantyne Strong Inc. (NYSE American: BTN) since October 2021; Insurance Income Strategies Ltd. since October 2017; Alexian Brothers Foundation since March 2018; and Unbounded Media Corporation since June 2019. Mr. Swets earned a Master's Degree in Finance from DePaul University in 1999 and a Bachelor's Degree from Valparaiso University in 1997. He is a member of the Young Presidents' Organization and holds the Chartered Financial Analyst (CFA) designation.

Michael Mitchell

Mr. Mitchell has been a director since October 8, 2021. Mr. Mitchell has extensive experience as an institutional investor, asset manager, board advisor, founder and operator. He has been investing in both public and private markets for multiple decades, most recently as a Partner at Locust Wood Capital, which he retired from in 2019 after approximately 8 years with the firm in analytical positions in the consumer, industrial, real estate, and media industries. Prior to Locust Wood Capital, he was a senior analyst at Breeden Capital LP working with former SEC Chairman Richard C. Breeden. At Breeden Capital, Mr. Mitchell was primarily focused on consumer businesses and was actively involved in board engagements at Applebee's (Nasdaq: APPB) and Zale's Corp (NYSE: ZLC) as an advisor to the board. Prior to these roles, Mr. Mitchell worked as an analyst for Kellogg Capital Group, LLC, the private investment firm founded by Peter Kellogg, from 2005 to 2006. From 2004 to 2005, Mr. Mitchell served as an equity research analyst at Jefferies and Company, Inc. covering post-reorganization equities. Michael is currently the Chief Operating Officer of Children's Eye Care of Northern Colorado, P.C., a Pediatric Ophthalmology practice based in Fort Collins, CO, which he co-founded and operates with his wife Dr. Carolyn G. Mitchell. Additionally, he serves on the board of FG Group Holdings (NYSE American: FGH), the board of BK Technologies Corp (NYSE American: BKTI), and the advisory board of the Michael F. Price College of Business at the University of Oklahoma.

Rick Doman

Mr.Doman has over four decades of extensive experience in the forest industry. Mr.Doman started working at a young age at Doman Industries (currently named Western Forest Products Inc.) where he went on to become a director of the company from 1988 to 1999, and was the President, Chief Executive Officer and a director from 2001 to 2004. Mr. Doman also founded EACOM Timber Corporation and was the President, Chief Executive Officer and a director from 2008 to 2013 and then Chairman from 2013 to 2015. Mr. Doman worked with a financial company 2014 until early 2020. Mr. Doman has been a director of the Company since October 22, 2020, and was appointed Chief Executive Officer on June 28, 2021 until his retirement from GreenFirst management effective January 2023.

W. Sean Willy

W. Sean Willy is President and Chief Executive Officer of Des Nedhe Development, the economic development entity for English River First Nation, which includes a broad portfolio of businesses and investments that range from construction and mining to retail and communications, a role he has held since August 2017, and prior thereto he was a Vice-President of Des Nedhe Development since June 2016. From 2010 to 2016, he was the Director of Corporate Responsibility for Cameco Corporation, a publicly traded uranium producer. Mr. Willy is an experienced business executive, with a 25-year history of creating, developing and leading inclusive practices in the resource sector and building opportunities with Indigenous communities. In his career, Mr. Willy has developed and implemented progressive and innovative Indigenous inclusion and value-added corporate social responsibility strategies for two leading resource companies, Rio Tinto and Cameco Corporation. Mr. Willy has always worked to ensure Indigenous Peoples are seen as full partners in long-term relationships, and this has led to Mr. Willy building partnerships in Australia, the United States and throughout Canada. Mr. Willy is currently a member of the Canadian Government's Indigenous Innovation Housing Committee. In the past, he has served as Chair of the Mining Association of Canada's Indigenous Affairs Committee, Co-Chair of the Canadian Council for Aboriginal Business, Chair of the successful Northern Career Quest and a board member of Indigenous Works. He holds a Bachelor of Commerce from the Edwards School of Business of the University of Saskatchewan.

William Harvey

Mr.Harvey has served as Executive Vice President and Chief Financial Officer of Kirby Corporation until he retired in March 2022. Prior to joining Kirby Corporation, Mr. Harvey served as Executive Vice President and Chief Financial Officer of Walter Energy, Inc. from 2012 to 2017, Senior Vice President and Chief Financial Officer of Resolute Forest Products Inc. from 2008 to 2011, and as Executive Vice President and Chief Financial Officer of Bowater Inc., a predecessor company of Resolute, from 2004 to 2008. Mr. Harvey has been a director of GreenFirst since May

17, 2021. Mr. Harvey earned a Bsc (honours) in mechanical engineering from Queens University and Master of Business Administration from the University of Toronto and holds Chartered Financial Analyst (CFA) designation.

Michel Lessard (President)

Michel Lessard was appointed President and an Officer of GreenFirst after its acquisition of Rayonier's Advanced Material's lumber and paper Canadian assets on August 28, 2021. He holds a bachelor's degree in forest engineering, in addition he is a member in good standing with the Order of Forest Engineers of Quebec since 1990. He has extensive experience as a forester and manager. He notably worked as Director of Forest Operations and Chief Forester at Tembec between 1991 and 2004. He joined Kruger Inc. in 2004 as Vice-President, Forestry Operations. Mr. Lessard returned to Tembec in 2008 as Vice-President, Forest Resource and Fiber Management, and then as Vice-President, Forestry Operations for Rayonier Advanced Materials operations in Canada, until joining GreenFirst.

Alfred Colas (Chief Financial Officer)

Alfred Colas joined GreenFirst as Chief Financial Officer on April 4, 2022. He holds a Bachelor of Commerce degree from the University of Toronto (1992) and qualified as a Chartered Accountant in 1995 while working and articling with Price Waterhouse in Toronto. In 1997, Mr. Colas joined Barrick Gold Corporation where he spent the subsequent 13 years in progressively senior finance and operational roles, culminating in his 3.5 years as a key member of the team that successfully turned around the Veladero gold mine in Argentina, following a troubled construction and first year of operation. Since 2010, Mr. Colas has had executive roles with mostly publicly-traded companies, as controller of a junior gold exploration company from 2010 to 2013, as CFO of a small nickel producer from 2013-2015, and as CFO of a private real-estate family office invested in solar power and long-term-care redevelopment strategies (from 2015-2020). From 2020 through Q1 2022, Mr. Colas was CFO of dual-listed (TSX/ NYSE) Excellon Resources, a company with two Mexican mining operations.

SHAREHOLDINGS OF THE DIRECTORS AND OFFICERS

The directors and officers of the Company as a group, beneficially owned or controlled or directed, directly or indirectly, 19,573,788 Common Shares of the Company as at March 14, 2023, representing 11.02% of the issued and outstanding Capital.

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

For the purposes of this section "Order" means:

(a) a cease trade order;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation;

that was in effect for more than 30 days.

Except as noted below, none of the directors or executive officers of the Company or any shareholder holding a sufficient number of securities of the Company to materially affect control of the Company:

(a) is, as of the date of this AIF, or has been, within 10 years before the date of this AIF, a director or executive officer of any company that:

  (i) was the subject of an Order that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer;

  (ii) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or

(iii) while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceeding, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the 10 years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

On December 1, 2022, the Court of King's Bench for Saskatchewan issued an Order approving a Proposal filed with the Office of the Superintendent of Bankruptcy on October 21, 2022 and as accepted by requisite majorities of the creditors of Tron Construction & Mining Inc. (TCMI) and Tron Construction & Mining Limited Partnership (TCMLP). Sean Willy is the President and CEO of Des Nedhe Development Corporation, which, among other portfolio investments, owns TCMLP. In connection with such ownership, Mr. Willy is the Chair of TCMI.

None of the directors or executive officers of the Company, or a shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company has, within the last 10 years, been subject to: (i) any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered a settlement agreement with a Canadian securities regulatory authority; or (ii) any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

CONFLICTS OF INTEREST

There are no known existing or potential conflicts of interest among the Company and the directors and officers of the Company as a result of their outside business interests except that certain of the directors and officers may serve as directors, officers, promoters and members of management of other companies and therefore it is possible that a conflict may arise between their duties as a director and officer of the Company and their duties as a director, officer, promoter or member of management of such other companies.

The directors and officers of the Company have been advised of the existence of laws governing accountability of directors and officers regarding corporate opportunity and requiring disclosures by directors of conflicts of interest, and the Company will rely upon such laws in respect of any directors' and officers' conflicts of interest or in respect of any breaches of duty by any of the directors or officers. All such conflicts shall be disclosed by such directors or officers and treated in accordance with the applicable laws of Jersey, Channel Islands and the Company's constating documents.

PROMOTERS

Rick Doman and Paul Rivett may each be considered to be a promoter of the Company since each have had significant involvement in the Rayonier Asset Acquisition, which may be viewed as a substantial reorganization of the business of the Company. Directly and through Timber Country Investment Corporation, as of the date of this AIF, Mr. Doman holds 6,747,667 Common Shares, 8,030,059 Warrants, 432,583 options, representing approximately 3.80% of the outstanding Common Shares (8.18% on a partially diluted basis). Directly and through Rivett Capital Syndicate Inc., as of the date of this AIF, Mr. Rivett holds 5,682,667 Common Shares, 5,666,423 warrants and 1,329,560 options, representing approximately 3.20% of the outstanding Common Shares (6.87% on a partially diluted basis). These stock options are exercisable for a period of one to five years from the date of grant at an exercise price of $1.50 to $1.80 per Common Share, and are subject to immediate to three year vesting periods. As CEO of the Company during 2022, Mr. Doman received remuneration of $400,000. As Chairman of the Company's Board of Directors, Mr. Rivett received $200,000 in directors fees in fiscal 2022.

Other than as disclosed above, no person who was a promoter of the Company:

1. received anything of value directly or indirectly from the Company;

2. sold or otherwise transferred any asset to the Company within the last 2 years;

3. is as of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days while that person was acting in the capacity as director, CEO or CFO;

4. is at of the date hereof, or was within 10 years before the date hereof, a director, CEO or CFO of any person or company that was the subject of a cease trade order or similar order or an order that denied the relevant person or company access to any statutory exemptions for a period of more than 30 consecutive days that was issued after the person ceased to be a director, CEO or CFO and which resulted from an event that occurred while the person was acting in the capacity as director, CEO or CFO;

5. is at of the date hereof, or was within 10 years before the date hereof, a director or executive officer of any person or company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver or receiver manager or trustee appointed to hold its assets;

6. has, within 10 years before the date hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the person;

7. has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

8. has been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

The Company was not subject to any material legal proceedings during its most recently completed financial year, nor is the Company or any of its properties a party to or the subject of any such proceedings, and no such proceedings are known to be contemplated. The Company may be involved in routine, non-material litigation arising in the ordinary course of business, from time to time.

There were no penalties or sanctions imposed against the Company by a court relating to provincial and territorial securities legislation or by a securities regulatory authority during its most recently completed financial year, nor have there been any other penalties or sanctions imposed by a court or regulatory body against the Company, and the Company has not entered into any settlement agreements before a court relating to provincial and territorial securities legislation or with a securities regulatory authority.

INTERESTS OF MANAGEMENT IN MATERIAL TRANSACTIONS

To the knowledge of management of the Company, no director or executive officer of the Company, person or company that beneficially owns, controls or directs, directly or indirectly, more than 10% of the Common Shares, or any associate or affiliate of any such persons, has or had any material interest, direct or indirect, in any transaction within the Company’s three most recently completed financial years which has materially affected or will materially affect the Company or any of its subsidiaries other than as set out herein.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Common Shares is Computershare Investor Services Inc., at its principal office in Vancouver, British Columbia.

MATERIAL CONTRACTS

Other than as listed below and those entered into in the ordinary course of business, there were not material contracts of the Company that were entered into in the most recently completed financial year or which were entered into before the most recently completed financial year but are still in effect as of the date of this AIF:

1. Nomination Rights Agreement

   In connection with the standby commitment provided by Senvest Management, LLC ("Senvest") in respect of the Rights Offering the Company and Senvest entered into a nomination rights agreement (the "Nomination Rights Agreement") whereby, subject to customary terms and conditions contained therein, the Company has granted certain rights and obligations to Senvest with respect to its ownership of Common Shares.

   In accordance with the terms of the Nomination Rights Agreement, so long as the Standby Purchaser holds at least a 5% equity interest in the Company:

- the size of the Board of Directors will not be increased without the prior written consent of the Standby Purchaser;

  - one director nominee of the Standby Purchaser will be included among the Board of Directors' nominees as directors of the Company to be nominated at each meeting of Shareholders of the Company at which directors of the Company are to be elected, and the Board of Directors will recommend that Shareholders vote in favour of the election or re-election of such nominee;

  - the Standby Purchaser will, in its sole discretion, be entitled to remove its nominee from office as a director of the Company and to name for appointment to the Board of Directors another person designated by the Standby Purchaser in his or her place; and

  - if at any time, as a result of his or her death, resignation, disqualification, removal (with or without cause) or otherwise, there exists a vacancy on the Board of Directors with respect to the director nominated by the Standby Purchaser, or entitled to be nominated, by the Standby Purchaser, or for any other reason there is at any time no director nominated by the Standby Purchaser serving on the Board of Directors, the Company will take all steps required to fill such vacancy or replace such nominee with an individual selected by the Standby Purchaser, and the Company will not, without the written consent of the Standby Purchaser, permit the vacancy to be otherwise filled.

   The Nomination Rights Agreement may be terminated at any time by mutual consent of the Company and the Standby Purchaser, and will automatically terminate after the Standby Purchaser ceases to hold or control (beneficially or otherwise) at least a 5% equity interest in the Company.

   In connection with the Standby Purchase Agreement, Marty Proctor was selected by the Standby Purchaser as its initial director nominee. Mr. Proctor was appointed to the Board of Directors on May 17, 2021.

2. Standby Purchaser Registration Rights Agreement

   In connection with the Standby Commitment, the Company and the Standby Purchaser entered into a registration rights agreement (the "Standby Purchaser Registration Rights Agreement") whereby, subject to customary terms and conditions contained therein, the Standby Purchaser will be entitled to certain registration rights pursuant to the Standby Purchaser Registration Rights Agreement.

In accordance with the terms of the Standby Purchaser Registration Rights Agreement:

- once per year the Standby Purchaser may by notice in writing given to the Company require the Company to prepare and file a prospectus in those jurisdictions designated by the Standby Purchaser in which the Company is a "reporting issuer" to assist the Standby Purchaser in making a distribution of all or a portion of the Registrable Securities beneficially owned it, subject to specified conditions, procedures, limitations and exceptions included in the Standby Purchaser Registration Rights Agreement; and

- at any time after the one year anniversary of the execution of the Standby Purchaser Registration Rights Agreement, if the Company proposes to qualify by prospectus a secondary offering of any Common Shares for the account of other securityholders of the Company (other than the Standby Purchaser), the Company will give the Standby Purchaser written notice of the proposed distribution and, subject to certain exceptions, upon the written request of the Standby Purchaser given within a specified period that the Standby Purchaser wishes to include a specified number of its Registrable Securities in the distribution, the Company will, subject to applicable securities laws, cause the Registrable Securities requested to be qualified by the Standby Purchaser to be included in the distribution, subject to specified conditions, procedures, limitations and exceptions included in the Standby Purchaser Registration Rights Agreement.

In connection with the foregoing, the Standby Purchaser will pay: (i) all of the fees and expenses incurred by its legal counsel, and other advisors; (ii) all underwriting or agency commissions or discounts in respect of the number of Registrable Securities that are being distributed by the Standby Purchaser pursuant to the prospectus; and (iii) the proportion of expenses equal to the percentage that the number of Registrable Securities sold by the Standby Purchaser is of the total number of Common Shares sold pursuant to a distribution.

The term of the Standby Purchaser Registration Rights Agreement will automatically terminate in accordance with its terms on the earlier of: (i) the mutual written agreement between the Company and the Standby Purchaser terminating the Standby Purchaser Registration Rights Agreement; and (ii) the date upon which the Standby Purchaser beneficially owns and/or exercises control or direction over, less than 15% of the issued and outstanding number of Common Shares.

3. Shareholder Rights Plan

A Shareholder rights plan agreement entered into with Computershare Investor Services Inc., as Rights Agent, dated November 17, 2022. The Rights Plan is substantially similar to shareholder rights plans adopted by other Canadian issuers and the Rights Plan is not being adopted in response to any specific proposal to acquire control of the Company, and the Board is not aware of any pending or threatened take-over bid for the Company. The adoption of the Rights Plan is intended to ensure, to the extent possible, that all shareholders of the Company are treated fairly in connection with any unsolicited take-over bid or other acquisition of control of or a significant interest in the Company and to protect against acquisitions of control of the Company through purchases of common shares that are exempt from applicable Canadian take-over bid rules, also referred to as "creeping" take-over bids.

The Rights Plan has been approved by the Toronto Stock Exchange. While the Rights Plan is effective as of the date it was adopted, it is subject to shareholder ratification within six months of its adoption, failing which it will terminate. The Board intends to recommend the ratification of the Rights Plan for approval by its shareholders at the Company's next meeting of shareholders.

4. Credit Agreement related to its Credit Facility entered on September 23, 2022

5. CS Agreement

6. Non-Competition Agreement

7. Service Agreement

EXPERTS AND INTERESTS OF EXPERTS

The auditor of the Company is KPMG LLP Chartered Professional Accountants, Licensed Public Accountants, located at 333 Bay Street, Suite 4600, Toronto, ON M5H 2S5. KPMG has been the auditor of the Company since October 18, 2021. KPMG has issued an independent auditors' report dated March 14, 2023 in respect of the Company's consolidated financial statements as at and for the year ended December 31, 2022. KPMG, has informed the Company that it is independent with respect to the Company within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and applicable legislation or regulations.

AUDIT COMMITTEE

OVERVIEW

The Company is required to have an Audit Committee comprised of not less than three (3) directors, all of whom are, subject to certain exceptions, independent and financially literate (as such terms are defined in National Instrument 52-110 - *Audit Committees* ("N**I 52-110**")).

The purpose of the Audit Committee is to provide assistance to the Board in fulfilling its legal and fiduciary obligations with respect to matters involving:

- accounting and financial reporting processes;
- audits of the Company's annual financial statements;
- the integrity of financial statements;
- compliance with legal and regulatory requirements;
- the qualification and independence of the external auditor; and
- the performance of the external independent auditor.

It is the objective of the Audit Committee to maintain a free and open means of communication among the members of the Board, the auditor and the management.

To satisfy such purposes and objectives, the Audit Committee is responsible for:

- recommending to the Board an external auditor to be nominated for election by the GreenFirst Shareholders at each annual general meeting and approving the compensation of such external auditor;
- overseeing the work of the external auditor, including the resolution of disagreements between the auditor and the management regarding the Company's financial reporting;
- pre-approving all non-audit services to be provided to the Company and its subsidiaries by the auditor;

- reviewing the Company's annual and interim financial statements, management discussion and analysis ("**MD&A**") and press releases regarding earnings before they are submitted for review and approval by the Board and publicly disseminated by the Company; and

- reviewing and approving the Company's hiring policies regarding current and former partners and employees of the Company's current and former auditors.

The Company's auditor reports directly to the Audit Committee.

AUDIT COMMITTEE CHARTER

The Board has adopted a charter for the Audit Committee which sets out the committee's mandate, organization, powers and responsibilities. The text of the Audit Committee's charter is attached as Appendix "A" to this AIF.

COMPOSITION OF AUDIT COMMITTEE AND INDEPENDENCE

NI 52-110 requires that an audit committee consist of a minimum of three (3) members. The Audit Committee currently consists of consists of William Harvey (Chairman), Chris Hodgson and Michael Mitchell.

NI 52-110 provides that a member of an audit committee is "independent" if the member has no direct or indirect material relationship with the Company, which could, in the view of the Board, reasonably interfere with the exercise of the member's independent judgment. In the Board's opinion, all three (3) members of the Audit Committee are independent.

FINANCIAL LITERACY, RELEVANT EDUCATION AND EXPERIENCE

NI 52-110 provides that an individual is "financially literate" if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements. In the Board's opinion, all three members of the Audit Committee are financially literate for the following reasons:

Mr. Harvey was Executive Vice President and Chief Financial Officer of Kirby Corporation, a NYSE-listed company, until retirement in March 2022 and has been the Chief Financial Officer of other NYSE and TSE listed companies. Mr. Harvey has a Master of Business Administration degree from the University of Toronto, a degree in mechanical engineering from Queens University and holds the Chartered Financial Analyst designation.

Mr. Hodgson is President of the Ontario Mining Association and he has been on boards of public and private companies for the last 20 years, and before this, he spent several years as Member of the Provincial Parliament for Ontario, heading several Ministries and also acting as Chief of Staff for the Premier of Ontario. This extensive background has equipped Mr. Hodgson with the strong business acumen that this experience affords.

Mr. Mitchell is Chief Operating Officer of Children's Eye of Northern Colorado, PC and formerly was a Partner and Senior Analyst at Locust Wood Capital Advisors LLC, a hedge fund based in New York. Mr. Mitchell has a Masters of Business Administration degree from the University of Oklahoma and a Bachelor's degree in Business Administration from Oklahoma State University.

In these positions, each member of the Audit Committee has been responsible for receiving financial information relating to the various companies for which they have acted. Additionally, each member has obtained an understanding of financial position statements, comprehensive income statements and statements of cash flows and how these statements are integral in assessing the financial position of the Company and its operational results. Each member of the Audit Committee has an understanding of the business in which the Company is engaged in and has an appreciation for the relevant accounting principles for the business of the Company.

RELIANCE ON CERTAIN EXEMPTIONS

Since the commencement of the Company's most recent financial year (year ended December 31, 2022), the Company has not relied on the exemptions in:

1. section 2.4 (De Minimis Non-audit Services) of NI 52-110;

   (a) subsection 6.1.1(4) (Circumstances Affecting the Business or Operations of the Venture Issuer) of NI 52-110;

   (b) subsection 6.1.1(5) (Events Outside the Control of Member) of NI 52-110; or

   (c) subsection 6.1.1(6) (Death, Incapacity or Resignation) of NI 52-110.

The Company has also not relied on any exemption from NI 52-110, in whole or in part, granted under Part 8 (*Exemption*). The Company is relying upon the exemption under section 6.1 of NI 52-110.

AUDIT COMMITTEE OVERSIGHT

Since the commencement of the Company's most recent financial year (year ended December 31, 2022), the Audit Committee has not made any recommendations to nominate or compensate an external auditor which were not adopted by the Board.

PRE-APPROVAL POLICIES AND PROCEDURES

A policy of pre-approving the engagement of any non-audit services with the Company's auditor has been adopted by the Audit Committee. The Audit Committee pre-approves the engagement of non-audit services prior to such services being provided.

AUDIT FEES

The following table provides details of all fees billed by KPMG LLP, the current auditor of the Company:

External Auditor Service Fees	**2022 KPMG**	**2021 KPMG**
Audit Fees[1]	$640,930	$517,880
Audit-Related Fees[2]	Nil	42,800
Tax fees	Nil	Nil
Total fees	$640,930	560,680

[1] Audit fees include the aggregate fees billed by the external auditor for the audit of the annual financial statements and review of interim financial statements and services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years

[2.] Audit-related fees consist for services by the external auditor that are reasonably related to the performance of the audit or review of the issuer's financial statement and are not reported under audit fees and consist of French translation service fees.

COMPLAINTS

The Audit Committee has established a written "Whistleblower Policy" which creates procedures for the confidential and anonymous submission by employees of complaints and concerns regarding the Company's accounting, auditing and financial reporting procedures and obligations, without fear of retaliation of any kind.

The policy provides that if an employee has any information, complaints or concerns regarding such matters being questionable, incorrect, misleading or fraudulent they are urged under the Whistleblower Policy to present such information, complaints or concerns to the Audit Committee, without regard to the position of the persons responsible for the subject matter of the information, complaint or concern. Promptly following the receipt of any information, complaints and concerns submitted to it, the Audit Committee will investigate each matter and take appropriate corrective actions.

The Audit Committee will retain, as part of its records, any information, complaints or concerns received. Furthermore, it will keep a written record of all such reports or inquiries and make quarterly reports on any ongoing investigation which will include steps taken to satisfactorily address each complaint.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found through a database search at SEDAR at www.sedar.com. Additional information on the Company, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities, and securities authorized for issuance under equity compensation plans, is contained in the Company's management information circular dated April 29, 2022, which may be found on SEDAR.

Additional financial information regarding the Company is provided in the Company's audited annual financial statements and management's discussion and analysis for the year ended December 31, 2022, which may be found on SEDAR.

SCHEDULE A
AUDIT COMMITTEE CHARTER

GREENFIRST FOREST PRODUCTS INC.

(the "Corporation")

AUDIT COMMITTEE CHARTER

A. PURPOSE

The Audit Committee (the "**Committee**") is a committee of the Board of Directors (the "**Board**") of GreenFirst Forest Products Inc. (the "**Corporation**") with the primary function to:

(a) assist the Board in fulfilling its responsibilities by reviewing:

(i) the financial statements provided by the Corporation to any governmental or regulatory body exercising authority over the Corporation (each a "**Regulatory Body**" and collectively, the "**Regulatory Bodies**"), the Corporation's shareholders or to the general public, and

(ii) the Corporation's internal financial and accounting controls;

(b) monitor the qualifications, independence and performance of the Company's independent auditors;

(c) monitor the performance of the Company's internal audit function; and

(d) recommend, establish and monitor procedures including, without limitation, those relating to risk management and those designed to improve the quality and reliability of the disclosure of the Corporation's financial condition and results of operations.

While the Committee has the responsibility and authority set forth in the Charter, the Committee serves in an oversight role and is not responsible for planning or conducting audits or determining that the Company's financial statements are complete and accurate and are in accordance with generally accepted accounting principles and applicable rules and regulations. Those are the responsibilities of the independent auditors and management respectively.

B. COMPOSITION & MEETINGS PROCEDURE

The Committee shall be comprised of a minimum of three directors as appointed by the Board, each of whom will meet the criteria for independence and financial literacy established by applicable laws and the rules of any stock exchanges upon which the Corporation's securities are listed, including National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). Provided that so long as the Corporation is a "venture issuer" as such term is defined in National Instrument 51-102 – *Continuous Disclosure Obligations*, the Corporation can, if necessary, rely on the exemptions from the independence requirements contained in Part 6 of NI 52-110. In addition, each member of the Committee (a "**Member**") will be free of any relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

The Members of the Committee shall be appointed by the Board at the meeting of the Board following each annual meeting of the shareholders, and shall serve until their successors shall be duly appointed and qualified or until their earlier death, resignation or removal. The Board may remove a Member at any time and may fill any vacancy occurring on the Committee. A Member may resign at any time and a Member will automatically cease to be a Member upon ceasing to be a director.

Meetings of the Committee may be called at the request of any member of the Committee, the CFO or the external auditor or otherwise as required by law. Any such request will set out in reasonable detail the business proposed to be conducted at the meeting so requested. The Committee shall fix its own procedure at meetings and for the calling of meetings. The Committee shall meet at least each quarter and otherwise as necessary.

The CFO shall have direct access to the Committee and shall attend all meetings of the Committee as requested, and the CEO and the Board Chair and other directors shall receive notice of and have the right to attend all meetings of the Committee, except in each case such part of the meeting, if any, which is a private session not involving all or some of these officers as determined by the Committee. The external auditor of the Corporation is given notice of Committee meetings and, at the expense of the Corporation, is requested to attend and be heard thereat, except such part of the meeting, if any, which is a private session not involving the external auditor. As requested by a Committee member, the external auditor will attend every Committee meeting as invited held during such external auditor's term of office.

Unless otherwise determined, from time to time, by resolution of the Board, a majority of the Committee constitutes a quorum. No business may be transacted by the Committee except by resolution in writing signed by all the Committee members (whether in writing or electronically) or at a Committee meeting at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communication facilities that permits all participants to communicate adequately with each other during the meeting. At Committee meetings, Committee actions shall require approval of a majority of the votes cast by Committee members, except where only two (2) members are present, in which case any question shall be decided unanimously.

The Committee and the Chair may invite any directors, officers or employees of the Corporation and any advisors or such other persons as it sees fit, from time to time, to attend Committee meetings (or any part thereof) and assist in the discussion and consideration of matters relating to the Committee, and may exclude from all or any portion of its meetings any person it deems appropriate in order to carry out its responsibilities.

The Committee meets in camera, in the absence of management and the external auditor, at each regularly scheduled meeting.

The Corporate Secretary will be the secretary of all meetings. If the Corporate Secretary is not in attendance at any meeting, the Committee appoints a secretary to the Committee who need not be a director or officer of the Corporation. Minutes of Committee meetings will be recorded and maintained by the Committee's secretary and will be presented to the Chair for review and approval.

The Committee may delegate authority to one or more subcommittees or members provided that decisions of such subcommittee or members shall be presented to the full Committee at its next scheduled meeting.

C. RESPONSIBILITIES

To fulfill its responsibilities and duties, the Committee shall:

Document Review

1. Review with representatives of management and representatives of the Corporation's independent accounting firm the Corporation's audited annual financial statements, Management's Discussion & Analysis document, and annual results press release, prior to their filing. After such review and discussion, the Committee shall recommend to the Board whether such audited financial statements, and Management's Discussion & Analysis should be included in the Corporation's Annual Report. The Committee shall also review the Corporation's interim financial statements, Management's Discussion & Analysis document, and interim results press releases, prior to their filing.

2. Review and discuss the Corporation's interim financial statements with the independent accounting firm prior to their inclusion in the Corporation's interim reports;.

3. At least annually, assess the adequacy of procedures in place for the review of the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, other than the public disclosures noted in (2) above.

Independent Accounting Firm

1. Be responsible for the selection, compensation and oversight of any independent accounting firm engaged by the Corporation for the purpose of preparing or issuing an audit report or related work. The Committee shall have the ultimate authority and responsibility to select, evaluate and, when warranted, replace such independent accounting firm (or to recommend such replacement for shareholder approval in any proxy statement).

2. Instruct the independent accounting firm that it should report directly to the Committee on matters pertaining to the work performed during its engagement and on matters required by the rules and regulations of any applicable Regulatory Body.

3. On an annual basis, receive from the independent accounting firm a formal written statement identifying all relationships between the independent accounting firm and the Corporation. The Committee shall actively engage in a dialogue with the independent accounting firm as to any disclosed relationships or services that may impact its independence. The Committee shall take appropriate action to oversee the independence of the independent accounting firm.

4. On an annual basis, discuss with representatives of the independent accounting firm the matters required to be discussed by the rules, regulations and guidelines governing the independent accounting firm.

5. Meet with the independent accounting firm prior to the audit to review the planning and staffing of the audit, and consider whether or not to approve the auditing services proposed to be provided.

6. Evaluate the performance of the independent accounting firm and consider the discharge of the independent accounting firm when circumstances warrant. The independent accounting firm shall be ultimately accountable to the Board and the Committee.

7. Consider in advance whether or not to approve any non-audit services to be performed by the independent accounting firm, which are required to be approved by the Committee pursuant to the rules and regulations of any applicable Regulatory Body.

Financial Reporting Process

1. In consultation with the independent accounting firm and management, review annually the adequacy of the Corporation's internal financial and accounting controls.

2. Review disclosures made by the Corporation's CEO and CFO as required by applicable laws, and prior to the filing of the Annual Report or any interim reports, a report, date of filing of the Annual Report or any interim reports, to the Committee which evaluates the design and operation of the Corporation's internal financial and accounting controls, and which discloses (a) any significant deficiencies discovered in the design and operation of the internal controls which could adversely affect the Corporation's ability to record, process, summarize, and report financial data; and (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Corporation's internal controls. The Committee shall direct the actions to be taken and/or make recommendations to the Board of actions to be taken, to the extent such report indicates the finding of any significant deficiencies in internal controls or fraud.

3. Review and discuss reports from the independent auditors on the Corporation's critical accounting policies and accounting estimates resulting from the application of these policies, and inquire at least

annually of both the Corporation's management and the independent accounting firm as to whether either has any concerns relative to the quality or aggressiveness of management's accounting policies.

4. Review with the Corporation's CFO the use of non-GAAP measures to ensure compliance with all applicable disclosure requirements

Oversight of Internal Audit & Risk

1. Assess the adequacy of the Internal Audit & Risk Mandate periodically as conditions dictate, but at least annually and update the mandate if and when appropriate.

2. On an annual basis, review and approve the Internal Audit & Risk Plan, including the proposed scope, and on a quarterly basis, review the status of such plan and a summary of audit reports and assessment of risk.

3. On an annual basis, review the effectiveness, degree of independence and objectivity of the Internal Audit & Risk function.

4. Review the internal audit function of the Corporation, including the qualifications, performance and authority of the internal auditor, proposed internal audits, progress on proposed internal audits, findings from completed internal audits, the status of any recommended remedial actions and the reasons for any deviations from the audit plan.

Risk Management

1. Discuss with management the Corporation's major financial risk exposure and the steps management has taken to monitor and control such exposures including the Corporation's policies with respect to risk assessment and risk management.

2. On an annual basis, review the risk profile of the Corporation, including risk tolerances, processes, accountabilities and limits of authorities.

3. On a quarterly and annual basis, review the Management's Discussion & Analysis and Annual Report to ensure it accurately reflects the risk profile of the Corporation.

4. Encourage an open and risk-conscious environment where the Board and management actively promote and discuss areas relating to risk management.

Compliance

1. To the extent deemed necessary by the Committee, it shall have the authority to engage outside counsel, independent accounting consultants and/or other experts, in each case at the Corporation's expense, to review any matter under its responsibility.

2. Establish procedures for (a) receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) confidential, anonymous submissions by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

3. Investigate any allegations that any officer or director of the Corporation, or any other person acting under the direction of any such person, took any action to fraudulently influence, coerce, manipulate, or mislead any independent public or certified accountant engaged in the performance of an audit of the financial statements of the Corporation for the purpose of rendering such financial statements

materially misleading and, if such allegations prove to be correct, take or recommend to the Board appropriate disciplinary action.

4. The Committee shall ensure that any options grants approved by the Board are issued at the grant date with the appropriate exercise price and the correct amount of options provided in total.

5. Discuss with the legal counsel legal matters that may have an impact on the Corporation's financial statements and compliance and internal control.

6. Discuss with management and independent auditors the effect of regulatory and accounting initiatives as well as off-balance sheet structures on the financial statements.

Reporting

1. Prepare, in accordance with the rules of any Regulatory Body, a written report of Committee to be included in the Corporation's annual proxy statement for each annual meeting of shareholders.

2. Instruct the Corporation's management to disclose in its Annual Report and in any interim reports the approval by the Committee of any non-audit services performed by the independent accounting firm, and review the substance of any such disclosure.

Conflicts of Interest

1. Review all related party transactions involving executive officers and members of the Board and, as required by any Regulatory Body, consider approval of such transactions, or recommendation for approval to the Corporate Governance and Compensation Committee of the Corporation.

D. AUDIT COMMITTEE CHAIR

In addition to the responsibility and specific duties as an individual director, and any other applicable charter or position description, the chair ("**Chair**") of the Committee has the responsibility and specific duties described below.

Appointment

The Chair will be a duly elected member of the Board and be appointed by the Board as the Chair each year. The Chair will be independent as defined from time to time under applicable securities laws and will have the appropriate competencies and skills as determined by the Board.

Responsibility

The Chair provides independent, effective leadership to the Committee and leads the Committee in fulfilling the duties set out in its Charter.

Specific Duties

The Chair will:

1. Provide overall leadership to enhance the effectiveness of the Committee.

2. Take all reasonable steps to provide that the responsibilities and duties of the Committee, as outlined in its Charter, are executed as effectively as possible.

3. Foster ethical and responsible decision-making by the Committee and its individual members.

4. Provide effective Committee leadership, overseeing all aspects of the Committee's direction and administration in fulfilling the terms of its Charter.

5. With the Corporate Governance and Compensation Committee, oversee the structure, composition, membership and activities delegated to the Committee.

6. With the Corporate Governance and Compensation Committee, ensure that the Committee's composition complies with applicable law.

7. With the other Committee members, and members of management as appropriate, establish the agenda for each Committee meeting.

8. Chair all meetings of the Committee, including closed sessions and in-camera sessions. If the Committee Chair is not present at a meeting, the Committee members present will choose a Committee member to chair the meeting.

9. Encourage Committee members to ask questions and express viewpoints during meetings.

10. Deal effectively with dissent, and work constructively towards arriving at decisions and achieving consensus.

11. Take all reasonable steps to ensure that the Committee meets in separate, regularly scheduled, non-management, in-camera sessions.

12. Following each meeting of the Committee, report to the Board on the activities, findings and any recommendations of the Committee.

13. Facilitate effective communication between Committee members and management, both inside and outside of Committee meetings.

14. Have an effective working relationship with members of management.

15. Coordinate with the Committee to retain, oversee, compensate and terminate independent advisors to assist the Committee in its activities.

16. Carry out any other appropriate duties and responsibilities assigned by the Board or delegated by the Committee.

To honour the spirit and intent of applicable law as it evolves, authority to make minor technical amendments to this position description is delegated to the secretary, who will report any amendments to the Corporate Governance and Compensation Committee at its next meeting.

Once or more annually, as the Corporate Governance and Compensation Committee decides, this position description will be fully evaluated and updates recommended to the Board for consideration.

E LIMITATION ON DUTIES

Notwithstanding the foregoing and subject to applicable law, nothing contained in the present Charter is intended to require the Committee to ensure the Corporation's compliance with applicable laws.

The Committee shall discharge its responsibilities and shall assess the information provided by the Corporation's management and any external advisors, including the external auditor, in accordance with its business judgment. Committee members are not full-time Corporation employees and are not, and do not represent themselves to be, professional accountants or auditors. The authority and responsibilities set forth in this Charter do not create any duty or obligation of the Committee to (i) plan or conduct any audits, (ii) determine or certify that the

Corporation's financial statements are complete, accurate, fairly presented or in accordance with International Financial Reporting Standards, as applicable, and applicable laws, (iii) guarantee the external auditor's reports, or (iv) provide any expert or special assurance as to internal controls or management of risk. Committee members are entitled to rely, absent knowledge to the contrary, on the integrity of the persons from whom they receive information, the accuracy and completeness of the information provided and management's representations as to any audit or non-audit services provided by the external auditor.

Nothing in this Charter is intended or may be construed as to impose on any Committee member or the Board a standard of care or diligence that is in any way more onerous or extensive than the standard to which the directors are subject under applicable laws. This Charter is not intended to change or interpret the Corporation's constating documents or applicable laws to which the Corporation is subject, and this Charter should be interpreted in a manner consistent with all such applicable laws. The Committee is a committee of the Board and is not and shall not be deemed to be an agent of the Corporation's shareholders for any purpose whatsoever. The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability on the part of the Corporation or its directors or officers to shareholders, security holders, customers, suppliers, competitors, employees or other persons, or to any other liability whatsoever on their part.

Any action that may or is to be taken by the Committee may, to the extent permitted by law or regulation, be taken directly by the Board.

F RESOURCES

To fulfill its roles, duties and responsibilities effectively, the Committee may communicate directly with the Corporation's external auditors and the Corporation's officers and employees and request Corporation information and documentation from these persons. The Committee may investigate any matter relating to the Corporation's audit and accounting practices, or anything else within its scope of responsibility, and obtain full access to all Corporation books, records, facilities and personnel. In addition, the Committee may, in its sole discretion, retain and obtain the advice and assistance of independent outside counsel and such other advisors as it deems necessary to fulfil its duties and responsibilities under this Charter. The Committee may set the compensation and oversee the work of any outside counsel and other advisors to be paid by the Corporation.

G EVALUATION OF COMMITTEE AND CHARTER REVIEW

On an annual basis, the Committee shall review and evaluate its performance. In conducting this review, the Committee shall address such matters that the Committee considers relevant to its performance and evaluate whether this Charter appropriately addresses the matters that are or should be within its scope. The review and evaluation shall be conducted in such a manner as the Committee deems appropriate. Among other things, the Committee shall evaluate and assess the financial literacy of its members. The Committee shall deliver to the Board a report, which may be oral, setting forth the results of its review and evaluation, including any recommended changes to this Charter and any recommended changes to the Corporation's or the Board's policies or procedures, as it deems necessary or appropriate.

APPROVED by the Board of Directors on 19 November, 2021.