



CIRCULAR 168-19
December 17, 2019

**ANTICIPATED CONTRACT ADJUSTMENT (Follow-Up)
Canfor Corporation (CFP)
Plan of Arrangement - Terminated**

THE FOLLOWING INFORMATION IS PREPARED FOR THE CONVENIENCE OF CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) MEMBERS AND BOURSE DE MONTRÉAL INC. (THE BOURSE) APPROVED PARTICIPANTS. THIS DOCUMENT IS AN UNOFFICIAL SUMMARY OF CERTAIN TERMS OF THE AFOREMENTIONED ADJUSTMENT. CDCC AND THE BOURSE ACCEPT NO RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF THE SUMMARY. CDCC MEMBERS AND BOURSE APPROVED PARTICIPANTS MUST ENSURE THEY HAVE REVIEWED THE DOCUMENTATION PUBLISHED BY THE ISSUERS INVOLVED IN THIS CORPORATE ACTION.

The Bourse and CDCC wish to inform you that Canfor Corporation (TSX: CFP) ("Canfor") has agreed with Great Pacific Capital Corp. ("Great Pacific") and 1227738 B.C. Ltd. (the "Purchaser"), a wholly-owned subsidiary of Great Pacific, to terminate the previously announced arrangement agreement dated October 28, 2019 (the "Arrangement Agreement") with respect to the proposed plan of arrangement (the "Arrangement") of Canfor.

Based on the Canfor shareholder votes cast by proxy prior to the December 16, 2019 proxy cutoff, the "majority of the minority" vote required to approve the Arrangement pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions, would not be achieved.

The special meeting of Canfor shareholders, scheduled for Wednesday, December 18, 2019 at 9:00 a.m. (Vancouver time), has been cancelled.

PLEASE ENSURE THAT ALL CLIENTS WHO HAVE EITHER LONG OR SHORT POSITIONS IN THIS OPTION CLASS ARE ADVISED OF THIS NOTICE.

For further information, please contact Market Operations Department at (514) 871-7877. Clearing members may contact CDCC Corporate Operations Department.

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