



For Immediate Release

January 6, 2023

Temporary shutdown of log scales at Skeena Sawmills

TERRACE, B.C. – Skeena Sawmills Ltd. announced that as of January 6th, 2023 it will be curtailing log deliveries to its Terrace operation for a period of three weeks. Sawmill and chipping operations will continue to run out the inventory on site for the remainder of January. The reopening of the log scales will be evaluated at the end of the month and will be dependant on improved economic conditions.

“The ongoing current high-cost economic environment has continued to put pressures on our operating margins” said Greg DeMille, Skeena’s Chief Operating Officer. “Over the past month there have been several curtail announcements from major forestry companies. Skeena is not immune to the same pressures that the rest of the industry is under including high operating costs, limited secure fibre availability, and adjusting government policy pressures on permitting and fibre access. When combined these pressures create very challenging operating conditions.” DeMille further noted.

Strong market conditions and economic fibre access are critical for Skeena to continue to operate at current levels and provide the conditions necessary for success as the Northwest region has very high operating costs and challenging fibre quality. Skeena remains committed to investing in its facilities over the next few years and is hopeful that conditions will improve in the near term.

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Skeena Sawmills is one of the largest employers in Terrace, employing 150 local residents plus contractors and suppliers. Skeena is a diversified forest products company and a key supplier for both the domestic and international markets.

About Skeena Sawmills

Skeena Sawmills Ltd. (<http://skeenasawmills.com>) is a Canadian corporation headquartered in Vancouver, British Columbia, with sawmill and forest operations in Terrace, BC. Its sawmill has a capacity of approximately 120 million board feet of lumber production annually and is located 135 kilometres from the Port of Prince Rupert. Skeena Sawmills is one of the largest Pacific Coast Hemlock sawmilling facilities in British Columbia, producing a wide variety of quality Hem-Fir products.

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