

ACADIAN TIMBER

INVESTOR FACT SHEET

ACADIAN TIMBER CORP. (“Acadian”, the “Company” or “we”) is one of the largest timberland owners in Eastern Canada and the Northeastern U.S. and has a total of approximately 2.4 million acres of land under management. Acadian owns and manages approximately 761,000 acres of freehold timberlands in New Brunswick (“New Brunswick Timberlands” or “NB Timberlands”) and approximately 300,000 acres of freehold timberlands in Maine (“Maine Timberlands”), and provides timber services relating to approximately 1.3 million acres of Crown licensed timberlands in New Brunswick. Acadian’s timber products include softwood and hardwood sawlogs, pulpwood, and biomass by-products, sold to approximately 90 regional customers. Acadian also develops carbon credits for sale in voluntary carbon credit markets.

Acadian’s business strategy is to maximize cash flows from its existing timberland assets through sustainable forest management and other land use activities while growing its business by acquiring assets and actively managing these assets to drive improved performance.

SHARE INFORMATION (\$CDN)

(AT DECEMBER 31, 2023)

TICKER	SHARES OUTSTANDING	52-WEEK LOW/HIGH
<u>ADN (TSX)</u>	<u>17,182,558</u>	<u>\$13.97/\$18.69</u>
PRICE	QUARTERLY DIVIDEND	MARKET CAPITALIZATION
<u>\$17.15</u>	<u>\$0.29</u>	<u>\$295 MILLION</u>



2023 HIGHLIGHTS

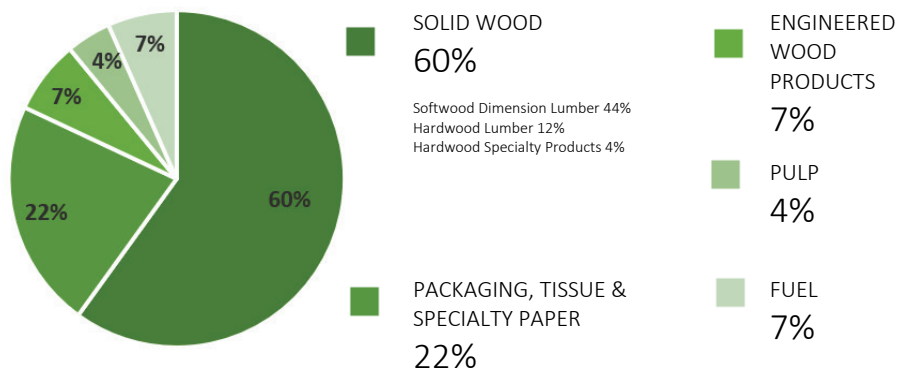
- Registered 770,071 carbon credits related to our first carbon credit project
- Effected our first carbon credit sales at \$24.85 U.S. per carbon credit
- Generated sales of \$93.5 million, Adjusted EBITDA¹ of \$20.6 million, Free Cash Flow¹ of \$15.0 million and net income of \$29.4 million in a challenging operating environment
- Declared dividends to shareholders of \$19.8 million, or \$1.16 per share
- Successfully renewed Sustainable Forestry Initiative® certification

FOREST AREAS	ACRES	HECTARES
MAINE TIMBERLANDS	300,000	121,000
NEW BRUNSWICK TIMBERLANDS	761,000	308,000
CROWN LANDS UNDER MANAGEMENT	1,326,000	537,000
AREA UNDER MANAGEMENT	2,387,000	966,000

PRODUCT MIX BY END USE*

Acadian sells a wide variety of products to a broad group of customers. Acadian’s greatest exposure is to softwood sawlogs; however, markets for hardwood sawlogs, hardwood and softwood pulpwood, and biomass diversify our sales.

* Percentage of log sales by value for the year ended December 31, 2023.



ENVIRONMENTAL, HEALTH & SAFETY

Acadian recognizes that our environment is fundamental to our existence, and that our businesses and the communities where we operate depend upon its health. We strive for excellence, leadership, sustainability, and competitive advantage – with integrity – through continual improvement in our environmental performance and management of forest land. For Acadian, sustainable development means creating economic growth while caring for society and the environment.

We incorporate environmental protection into our business processes and decisions. Our belief in sustainable development is reflected through our commitment to the following principles:

- **Full Compliance** with applicable environmental legislation and regulations governing our activities
- **Open Communications with Stakeholders** on the establishment of scientifically and economically sound practices
- **Continual Improvement** in our environmental performance through optimal resource utilization, waste reduction and pollution prevention
- **Understanding Our Environmental Performance** and implementing systematic environmental management within our operations
- **Sustainable Forest Management** consistent with the principles of sustainable forestry under the Sustainable Forestry Initiative®

YEARS ENDED DECEMBER 31 (CAD THOUSANDS, EXCEPT WHERE INDICATED)	2023	2022
SALES VOLUME (000s m ³)	894.2	917.8
SALES	\$ 93,477	\$ 90,473
ADJUSTED EBITDA ¹	\$ 20,586	\$ 18,194
FREE CASH FLOW ¹	\$ 14,999	\$ 12,151

1. Adjusted EBITDA and Free Cash Flow are key performance measures in evaluating Acadian's operations and are important in enhancing investors' understanding of the Company's operating performance. Adjusted EBITDA is indicative of the underlying profitability of Acadian's operating segments and is used to evaluate operational performance. Free Cash Flow is used to evaluate Acadian's ability to generate sustainable cash flows from our operations. Acadian's management defines Adjusted EBITDA as net income before interest, income taxes, fair value adjustments, recovery of or impairment of land and roads and depreciation and amortization. "Free Cash Flow" is defined as Adjusted EBITDA less interest paid, current income tax expense, and capital expenditures plus net proceeds from the sale of timberlands and fixed assets (proceeds less gains or losses). As these performance measures do not have standardized meanings prescribed by International Financial Reporting Standards, they may not be comparable to similar measures presented by other companies. Please refer to Management's Discussion and Analysis for further details.

2. SFI Marks are registered marks owned by Sustainable Forestry Initiative Inc.

Trees produce a variety of products:



BIOMASS

Organic matter used as fuel

6%

OF FREEHOLD SALES

PULPWOOD

Wood suitable for making pulp for producing paper

37%

OF FREEHOLD SALES

SAWLOGS

A felled tree trunk suitable for cutting up into lumber and other specialty products

57%

OF FREEHOLD SALES

Year ended December 31, 2023

For more information, please visit www.acadiantimber.com or contact:

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This Investor Fact Sheet may contain statements that are forward-looking in nature. Forward looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results or performance to be materially different from results or performance expressed or implied by the forward-looking statements. The risks, uncertainties and other factors that could influence actual results are described in Acadian's Annual Information Form and other documents filed with regulatory authorities.