

**ACADIAN TIMBER CORP. ANNOUNCES INTERNALIZATION OF ASSET
MANAGEMENT FUNCTION**

Vancouver, British Columbia, September 9, 2019 – Acadian Timber Corp. (“Acadian” or the “Company”) (TSX: ADN) today announced that it has entered into an agreement with its external manager, Brookfield Timberlands Management LP (“Brookfield LP”), a subsidiary of Brookfield Asset Management (“BAM”), to terminate the asset management agreement (the “Management Agreement”) between Acadian and Brookfield LP and internalize Acadian’s asset management and administrative services functions (the “Internalization”).

As a result of the Internalization, the annual base management fee, the annual performance fee and any other fees payable by the Company to Brookfield LP will be eliminated effective immediately. The aggregate consideration payable to Brookfield LP in connection with the Internalization is \$18 million, which will be satisfied in cash. In addition, the exclusivity agreement between BAM and a subsidiary of Acadian has been terminated.

Strategic Rationale

Acadian’s board of directors (the “Board”) undertook an extensive evaluation of the merits of the Internalization and has unanimously determined that it is in the best interest of Acadian to fully internalize Acadian’s asset management and administrative services functions. In evaluating the Internalization, the Board considered a number of factors, which included:

- The elimination of the asset management fee and the annual performance fee will reduce Acadian’s corporate costs and, in turn, increase free cash flow;
- The Internalization is immediately accretive to Acadian’s free cash flow per common share by approximately 5%;
- Acadian will continue to benefit from the expertise, platform and industry relationships of certain BAM employees who will continue on with Acadian under a more efficient cost structure; and
- The capital markets’ preference for internal management and more simplified management structures.

“We believe that the internalized management structure will be more efficient and that it is better aligned with Acadian’s strategy to be a leading primary forest products company in New Brunswick and Maine,” said Malcolm Cockwell, Chairman of the Board. “The Internalization is expected to surface value immediately with minimal impact to Acadian’s operations.”

Internal Asset Management Team

In connection with the Internalization, BAM representatives Mark Bishop and Matthew Gross have each resigned from their positions as Chief Executive Officer and Chief Financial Officer of Acadian, respectively, effective immediately.

“Since Acadian’s inception, Brookfield LP has established a successful track record of managing the Company,” said Mr. Cockwell. “The entire management team and Board would like to thank Mr. Bishop and Mr. Gross for their hard work, dedication and significant contributions to Acadian.”

Erika Reilly, former Chief Financial Officer of Acadian and current Senior Vice President of BAM has been seconded as interim President and Chief Executive Officer of Acadian. Brian Banfill, also a former Chief Financial Officer of Acadian, has assumed the role of interim Chief Financial Officer.

Transition Services Agreement

In connection with the Internalization, Acadian has entered into a transition services agreement with BAM (the "Transition Services Agreement"), pursuant to which BAM will provide certain transition services to Acadian (the "Transition Services") for a period of up to 24 months (the "Transition Period"). The Transition Services will be provided by BAM at no cost to Acadian. In addition, the Transition Services Agreement includes exclusivity provisions that are to Acadian's benefit and restrict BAM during the Transition Period from owning or managing timberlands in the jurisdictions in which Acadian operates, subject to certain limited exceptions.

Acadian Timber Corp. is a leading supplier of primary forest products in Eastern Canada and the Northeastern U.S. With a total of 2.4 million acres of land under management, Acadian is one of the largest timberland operators in New Brunswick and Maine.

Acadian owns and manages approximately 1.1 million acres of freehold timberlands in New Brunswick and Maine, and provides timber services relating to approximately 1.3 million acres of Crown licensed timberlands in New Brunswick. Acadian's products include softwood and hardwood sawlogs, pulpwood and biomass by-products, sold to approximately 85 regional customers.

Acadian's business strategy is to maximize cash flows from its existing timberland assets while growing our business by acquiring assets on a value basis and utilizing our operations-oriented approach to drive improved performance.

Acadian's shares are listed for trading on the Toronto Stock Exchange under the symbol ADN.

For further information on Acadian, please visit our website at www.acadiantimber.com or contact:

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Cautionary Statement Regarding Forward-Looking Information and Statements

This news release contains forward-looking information and statements within the meaning of applicable Canadian securities laws that involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Acadian, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. When used in this news release, such forward-looking statements may contain such words as "may," "will," "intend," "should," "suggest," "expect," "believe," "outlook," "forecast," "predict," "remain," "anticipate," "estimate," "potential," "continue," "plan," "could," "might," "project," "targeting" or the negative of these terms or other similar terminology. Forward-looking information in this news release includes, without limitation, statements regarding the expected benefits of the Internalization and the period for which

Transition Services will be provided. These statements, which reflect management's expectations regarding future events are based on information currently available and speak only as of the date of this news release. All forward-looking statements in this news release are qualified by these cautionary statements. Forward-looking statements involve significant risks and uncertainties, should not be read as guarantees of future performance or results, should not be unduly relied upon, and will not necessarily be accurate indications of whether or not such results will be achieved.

Forward-looking information is based on various material factors or assumptions, which are based on information currently available to Acadian. Although the forward-looking statements contained in this news release are based upon what Acadian believes are reasonable assumptions, Acadian cannot assure readers that actual results will be consistent with these forward-looking statements. Acadian does not assume any obligation to update or revise these forward-looking statements to reflect new information, events, circumstances or otherwise, except as may be required by applicable law.