



Tree Island Steel Announces Agreement to Sell and Leaseback Etiwanda Facility

VANCOUVER, British Columbia, Canada – December 15, 2021 - Tree Island Steel Ltd. ("**Tree Island**" or the "**Company**") (TSX: TSL) announced today an agreement (the "**Sale Agreement**") by the Company to sell its Etiwanda facility located in Rancho Cucamonga, California, US ("**Etiwanda Facility**") for gross proceeds of US\$55.3 million (the "**Sale**").

Tree Island Wire (USA), Inc., an indirect wholly-owned subsidiary of the Company and the registered owner of the Etiwanda Facility, entered into the Sale Agreement with Newcastle Partners, Inc. ("**Newcastle**") pursuant to which the Company will sell the Etiwanda Facility to Newcastle for US\$55.3 million, subject to customary closing adjustments. The Sale is subject to a number of customary closing conditions for a transaction of this nature and is expected to close on or about December 17, 2021.

On closing of the Sale, the Company will lease back the Etiwanda Facility by entering into a two-year commercial lease agreement with Newcastle.

About Tree Island Steel

Tree Island Steel, headquartered in Richmond, British Columbia, since 1964, through its four operating facilities in Canada and the United States, produces wire products for a diverse range of industrial, residential construction, commercial construction and agricultural applications. Its products include galvanized wire, bright wire; a broad array of fasteners, including packaged, collated and bulk nails; stucco reinforcing products; concrete reinforcing mesh; fencing and other fabricated wire products. The Company markets these products under the Tree Island®, Halsteel®, K-Lath®, TI Wire®, Tough Strand® and ToughPanel™ brand names.

Forward-Looking Statements

This press release includes forward-looking information with respect to Tree Island including its business, operations and strategies, completion and the terms and conditions of the Sale. The use of forward-looking words such as, "may," "will," "expect" or similar variations generally identify such statements. Any statements that are contained herein that are not statements of historical fact may be deemed to be forward looking statements. Although management believes that expectations reflected in forward-looking statements are reasonable, such statements involve risks and uncertainties including risks and uncertainties discussed under the heading "Risk Factors" in Tree Island's most recent annual information form and management discussion and analysis.

The forward-looking statements contained herein reflect management's current beliefs and are based upon certain assumptions that management believes to be reasonable based on the information currently available to management. By their very nature, forward looking statements involve inherent risks and uncertainties, both general and specific, and a number of factors could cause actual events or results to differ materially from the results discussed in the forward-looking statements. In evaluating these statements, prospective investors should specifically consider various factors including the risks

outlined in the Company's most recent annual information form and management discussion and analysis which may cause actual results to differ materially from any forward-looking statement. Such risks and uncertainties include, but are not limited to: risks and uncertainties relating to the Sale not closing when planned or on terms and conditions set out in the Sale Agreement, the benefits of the Sale not being realized, the length of the lease of the Etiwanda Facility, general economic, market and business conditions, the COVID-19 pandemic impact on the Company, the cyclical nature of our business and demand for our products, financial condition of our customers, competition, volume and price pressure from import competition, deterioration in the Company's liquidity, disruption in the supply of raw materials, volatility in the costs of raw materials, transportation costs, foreign exchange fluctuations, leverage and restrictive covenants, labour relations, trade actions, dependence on key personnel and skilled workers, intellectual property risks, energy costs, un-insured loss, credit risk, operating risk, management of growth, changes in tax, environmental and other legislation, and other risks and uncertainties set forth in our publicly filed materials.

This press release has been reviewed by the Company's Board of Directors and contains information that is current as of the date of this press release, unless otherwise noted. Events occurring after that date could render the information contained herein inaccurate or misleading in a material respect. Readers are cautioned not to place undue reliance on this forward-looking information and management of the Company undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise except as required by applicable securities laws.

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