



For Immediate Release

## **Canfor Advises on Status of Cash Holdings and Short Term Investments**

August 27, 2007

Vancouver, B.C. – Canfor Corporation (TSX:CFP) advised today that its exposure to the non-bank Canadian Asset Backed Commercial Paper (“ABCP”) market is \$85M, or 17% of the Company’s total cash position. Coventree Capital Group Inc manages \$46M of that amount. At the time of purchase, these investments were rated R1 – High by the Dominion Bond Rating Service and continue to be at present. Despite liquidity concerns in the ABCP market, the Company has sufficient cash to meet its financial and operational requirements. Canfor will continue to monitor the situation.

### **Forward Looking Statements**

Certain statements in this press release constitute “forward-looking statements” which involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Words such as “expects”, “anticipates”, “intends”, “plans”, “will”, “believes”, “seeks”, “estimates”, “should”, “may”, “could”, and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are based on management’s current expectations and beliefs and actual events or results may differ materially. There are many factors that could cause such actual events or results expressed or implied by such forward-looking statements to differ materially from any future results expressed or implied by such statements. Forward-looking statements are based on current expectations and the Company assumes no obligation to update such information to reflect later events or developments, except as required by law.

*Canfor is a leading integrated forest products company based in Vancouver, British Columbia (BC) with interests in 33 facilities in BC, Alberta, Quebec, Washington state, and North and South Carolina. The company is the largest producer of softwood lumber in Canada while also producing oriented strand board (OSB), plywood, remanufactured lumber products and specialized wood products. Canfor also owns a 50.2% interest in Canfor Pulp Limited Partnership, which is one of the largest producers of northern softwood kraft pulp in Canada and a leading producer of high performance kraft paper. Canfor shares are traded on the Toronto Stock Exchange (TSX: CFP).*

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