



## For Immediate Release

### **CANFOR ANNOUNCES THE INDEFINITE CLOSURE OF ITS TACKAMA PLYWOOD OPERATION**

October 8, 2008 Vancouver, BC, Canada – Canfor Corporation (TSX:CFP) announced today that due to the continued poor demand and low prices for plywood across North America, it will be closing indefinitely its Tackama plywood plant in Fort Nelson, British Columbia, once the existing log and veneer inventories are depleted. This is expected to occur by the end of October. Approximately 290 employees will be impacted by this closure. The plant has an annual capacity of 220 million square feet (3/8" basis) of plywood.

The current market conditions and future outlook for plywood prices are not encouraging, with no evidence of a turnaround in the near future and consequently Canfor must curtail production to address the reduced market demand.

"This difficult decision is in no way a reflection on the good efforts and performance of our employees at the Tackama site who have continued to make operational and cost improvements throughout these unprecedented and challenging market conditions and we would like to thank them for their efforts" said Jim Shepard, Canfor's President and CEO.

#### **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 BC, Alberta, Quebec, Washington state, and North and South Carolina. The company is the largest producer of softwood lumber in British Columbia 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 under the symbol CFP.*

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