



For Immediate Release

CANFOR REDUCES PRODUCTION TO REFLECT MARKET DEMAND

March 4, 2009 – Vancouver, B.C. – Canfor Corporation (TSX:CFP) announced today that due to the continued falling demand and poor pricing for softwood lumber with no indications of a market recovery in the near future, the Company is reducing its production volume to reflect these realities. As a result, Canfor will be reducing workweek schedules at its Clear Lake, Rustad, Polar and Vavenby sawmills. The Company will be taking further curtailments at its Isle Pierre and Quesnel sawmills for a one week period, beginning March 15, 2009. In addition, effective March 23, 2009, the Company will remove the third shift at its Isle Pierre operation. These decisions will reduce Canfor's annualized lumber production by approximately 284 million board feet.

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", "projects", "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), 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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