



For Immediate Release

CANFOR CORPORATION ANNOUNCES QUESNEL MILL RESTART

May 10, 2010 – Vancouver, BC, Canada – Canfor Corporation (TSX:CFP) announced today that it will be restarting operations at its Quesnel sawmill in June. The decision to restart operations in Quesnel comes as a result of the Company's ability to find alternative markets for the mill's softwood lumber.

The sawmill will produce approximately 200 million board feet of SPF (Spruce-Pine-Fir) lumber on an annual basis. The mill will produce metric sizes and its entire output (approximately 700,000 cubic metres) is destined for various regions of China. The Company will recall approximately 155 employees.

"This is a good example of Canfor's commitment to China. It marks the first time our Company has aligned a sawmill to one country. Providing this dedicated production into the Chinese market shows our confidence in the growing demand in this developing market," said Canfor President and CEO Jim Shepard.

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 operations in BC, Alberta, Quebec, Washington state, and North and South Carolina. The Company produces primarily softwood lumber and also produces 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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