

March 2, 2012

Canfor Pulp Products Inc. Completes Canadian Forest Products Ltd. Election to Exchange Interest in Partnership

Vancouver, B.C. - Canfor Pulp Products Inc. ("CPPI") (TSX:CFX) today announced that it has completed the previously announced exchange with Canadian Forest Products Ltd. ("CFP"), which has resulted in CFP now holding a 50.2% interest in CPPI and CPPI holding a 100% interest in each of Canfor Pulp Limited Partnership (the "Partnership") and its general partner, Canfor Pulp Holding Inc.

About Canfor Pulp Products Inc.

Canfor Pulp Products Inc. ("CPPI") is the successor to the Canfor Pulp Income Fund (the "Fund") following the completion of the conversion of the Fund from an income trust structure to a corporate structure by court approved plan of arrangement under the Business Corporations Act (British Columbia) (the "BCBCA") on January 1, 2011 (the "Conversion"). The Conversion involved the exchange, on a one-for-one basis, of all outstanding Fund Units for common shares of CPPI ("CPPI Shares"). Upon completion of the Conversion, on January 1, 2011, the unitholders of the Fund became the sole shareholders of CPPI which became sole owner of all of the outstanding Fund Units.

Immediately following the conversion, the Fund was wound up, CPPI received all of the assets and assumed all of the liabilities of the Fund and CPPI became the direct holder of the 49.8% interest in the Partnership previously held by the Fund.

About Canfor Pulp Limited Partnership

The Partnership is a limited partnership formed on April 21, 2006, under the laws of Manitoba to acquire and carry on the Northern Bleached Softwood Kraft ("NBSK") pulp and paper business of Canfor. The business consists of two NBSK pulp mills and one NBSK pulp and paper mill located in Prince George, BC and a marketing group based in Vancouver, BC.

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