

For Immediate Release

January 28, 2015

## **CANFOR SELLS TAYLOR PULP MILL TO CANFOR PULP PRODUCTS INCORPORATED**

**Vancouver, B.C.** – Canfor Corporation (TSX: CFP) announced today the sale of its Taylor, BC pulp mill to its subsidiary company, Canfor Pulp Products Incorporated (TSX: CFX). This transaction will impact the management reporting structure of Taylor Pulp within Canfor Corporation but is not anticipated to have any operational impacts. The agreement includes a purchase price of approximately \$15 million including working capital, along with additional consideration to be paid by Canfor Pulp over a three year period contingent on the financial results of Taylor Pulp over that time.

“This transaction serves to align all of our pulp and paper operations under the expertise of our Canfor Pulp leadership team,” said Canfor Corporation President and CEO Don Kayne. “Our excellent employees at Taylor Pulp will continue to make high-quality products for our customers around the globe, and this agreement will simplify the management of our operating divisions.”

Taylor Pulp employs 106 people and has an annual production capacity of 220,000 tonnes of bleached chemi-thermo-mechanical pulp.

### **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”, “projects”, “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 Canfor 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, North and South Carolina and Alabama. Canfor produces primarily softwood lumber, and also produces bleached chemi-thermo-mechanical pulp and specialized wood products. Canfor also owns a 50.5% interest in Canfor Pulp Products Inc., 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 Canfor.*

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