

For Immediate Release

September 28, 2015

Canfor Announces the Purchase of Anthony Forest Products

Vancouver, BC — Canfor Corporation (TSX:CFP) announces that it has entered into an agreement to purchase Anthony Forest Products Company located in El Dorado, Arkansas ("AFP") for a purchase price of \$93.5 million US which includes approximately \$15 million US of working capital.

AFP operates 6 facilities producing lumber, engineered wood and wood chips with a combined capacity of 250 mmbf equivalent. AFP owns a sawmill located in Urbana, Arkansas which produces premium Southern pine lumber and has an operational capacity of 150 mmbf per year. It also owns laminating facilities in El Dorado, Arkansas and Washington, Georgia, which produce beams, columns and other glulam products with an annual combined capacity of 75 mmbf, and owns chip mills in Louisiana and Texas with a total annual capacity of 800,000 tons. AFP also owns a 50% interest in Anthony EACOM Inc. a joint venture with EACOM Timber Corporation, located in Sault Ste. Marie, Ontario which manufactures I-joists, with an annual capacity of 54 million lineal feet.

AFP's trailing 12 month EBITDA through August 2015 was approximately \$16 million US, while EBITDA for its most recent fiscal year ended April 30, 2015 approximated \$19 million US.

Concurrent with the acquisition, the Company has priced a US\$100 million long term debt financing with Prudential Capital Group. The senior unsecured notes will carry an interest rate of 4.40% and will have an average maturity in 2024. The financing will close on October 2, 2015.

"We are proud to add AFP to our family of Canfor Operations in the US South" said Canfor Corporation President and CEO Don Kayne, AFP has a reputation for quality products and excellent customer service and with facilities located in abundant and high quality fibre supply areas in Arkansas, Louisiana and Georgia this partnership adds exceptional value to our growing US South presence"

The transaction is expected to close in the fourth quarter 2015 and is subject to customary closing conditions.

Canfor is a leading integrated forest products company based in Vancouver, British Columbia ("BC") with interests in BC, Alberta, North and South Carolina, Alabama, Georgia and Mississippi. Canfor produces primarily softwood lumber and also owns a 51% interest in Canfor Pulp Products Inc., which is one of the largest producers of market northern bleached softwood kraft pulp 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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