



For Immediate Release

CANFOR ANNOUNCES CAPITAL INVESTMENTS AT VAVENBY, POLAR AND PLATEAU OPERATIONS

February 11, 2011 – Vancouver, B.C. – Canfor Corporation (TSX:CFP) announced today that, following a review with its Board of Directors, the Company will be proceeding with capital improvement projects totaling \$62 million at its Vavenby, Polar and Plateau operations in British Columbia.

The projects are part of a capital spending plan for 2011 totaling \$145 million, and a three year strategic plan that calls for total investment in sawmill improvement projects of \$300 million.

Following completion of the capital upgrades at its Vavenby mill, Canfor will be restarting this operation sometime in the third quarter and recalling approximately 140 employees including staff. When at full production, the mill will produce approximately 240 million board feet of SPF (Spruce-Pine-Fir) lumber on an annual basis.

"This continues our strategy to invest in our mills, creating efficient and low cost operations," said Jim Shepard, Canfor President and CEO.

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 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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