



For Immediate Release

CANFOR RESUMES OPERATIONS AT VAVENBY SAWMILL

Vancouver, British Columbia, Canada. Canfor is pleased to announce the successful restart of the corporation's Vavenby sawmill. The September 6, 2011 restart follows a \$24 million capital investment which included a new canter line, a new grade optimizer in the planer and an upgraded planer feed system. At full production, Vavenby will add 240 million board feet of SPF to company capacity on an annual basis.

"Our committed, exceptional workforce in Vavenby, the company's capital investment program and the excellent work that government has done to partner with industry in developing new markets for our products has allowed us to restart this facility" said Canfor CEO Don Kayne. "Lumber from Vavenby will go to valued Canfor customers around the world."

Since 2002, the Province of British Columbia and the Government of Canada have worked in parallel with the forest industry in opening new markets for BC lumber. Increased global demand means that facilities like Vavenby are able to re-open, providing employment and economic benefits.

British Columbia's Minister of Environment Terry Lake and Clearwater Mayor John Harwood attended the opening event. "It was exciting to see the restart of this sawmill, which will create 96 jobs at the mill by the end of September and a further 30 jobs in logging and trucking" remarked Terry Lake MLA for Kamloops-North Thompson. "The significance in a community the size of Vavenby – Clearwater can't be overstated, and emphasizes the continuing importance of the work to develop new markets for forest products."

Vavenby is a community with an approximate population of 700 in the BC interior. It is nearby the larger town of Clearwater, population approximately 5,000. The communities are both closely linked to the forest industry.

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 product, bleached chemi-thermo-mechanical pulp 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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