

For Immediate Release

October 31, 2012

## CANFOR REOPENS RADIUM SAWMILL

**Vancouver, British Columbia, Canada.** Canfor Corporation officially reopened its operations at Radium Hot Springs, B.C. on October 29, following a \$38.5-million capital investment to upgrade the sawmill and build a new planer mill. When the mill is running at full capacity in 2013, it is expected to produce 240 million board feet annually and directly employ 144 people.

“This investment shows how optimistic Canfor is about the future of our industry and this region,” Canfor President and CEO Don Kayne said at the official reopening event October 31. “The mill has been totally reconfigured so it can produce high-quality lumber products for customers around the globe, and do so efficiently and competitively.”

“Today is a dream come true for our village and the entire Columbia Valley,” said Radium Mayor Dee Conklin. “I want to congratulate Canfor for its vision, and thank Don Kayne and his team for delivering this long-term commitment to our community.”

“This is clear evidence of the success of innovative and progressive measures British Columbia has taken to strengthen our forest industry,” Forests Minister Steve Thomson said. “Our government, in partnership with the Canadian government and the BC forest industry, has developed new markets and increased demand for our forest products – leading to jobs and economic benefits for families in communities like Radium Hot Springs.”

Radium Hot Springs, a village of about 800 people located in the East Kootenays, is named after the hot springs in nearby Kootenay National Park. A popular tourist destination, its economy is also 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 Canfor and the Purchaser assume 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. Canfor 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 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 CFP.*

-30-

For further information, please contact:

**Corinne Stavness**

Manager, Public Affairs &  
Corporate Communications  
Direct line: (604) 661-5225  
Corinne.Stavness@canfor.com