



For Immediate Release

October 24, 2013

Canfor Corporation Announces the Closure of Quesnel Sawmill and Tenure Exchange Agreement with West Fraser

Vancouver, BC, Canada – Canfor Corporation (TSX: CFP) announced today that it will permanently close its sawmill located in Quesnel, British Columbia. The Company anticipates that the closure will occur in March, 2014. Canfor's 209 Quesnel-based employees will be offered positions elsewhere in the Company.

Canfor has entered into an agreement with West Fraser Mills Ltd. for an exchange in forest tenure rights. Canfor is exchanging 382,194 m³ of replaceable forest licence allowable annual cut in the Quesnel Timber Supply Area as well as 53,627 m³ of replaceable forest licence allowable annual cut in the Lakes Timber Supply Area with West Fraser in exchange for receiving 324,500 m³ of replaceable forest licence allowable annual cut in the Morice Timber Supply Area. The companies are also exchanging non-replaceable licenses and undercut volumes.

"The timber availability in the Quesnel region following the mountain pine beetle infestation unfortunately leaves us unable to continue operation of our Quesnel sawmill," said Don Kayne, President and CEO of Canfor Corporation. "The additional fibre we have been able to secure in the exchange agreement with West Fraser enhances the fibre requirements for our Houston facility. We are committed to minimizing the impacts of this closure on our Quesnel employees."

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 and North and South Carolina. Canfor produces primarily softwood lumber, and also produces 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.

News Release



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