



For Immediate Release

April 9, 2014

## **Canfor Recommends Shareholders Reject TRC Capital's "Mini-Tender" Offer**

Vancouver, BC — Canfor Corporation ("Canfor") (TSX: CFP) has been notified of an unsolicited mini-tender offer made by TRC Capital Corporation ("TRC Capital") to purchase up to 3,000,000 of Canfor's outstanding Common Shares ("Shares"), or approximately 2.14% of the Shares, at a price of \$24.95 per Share. Canfor cautions shareholders that the mini-tender offer has been made at a price below market, representing a discount of 4.41% to the \$26.10 closing price of the Shares on the Toronto Stock Exchange on March 31, 2014, the last trading day before the mini-tender offer was commenced.

**Canfor does not endorse this unsolicited mini-tender offer and recommends that shareholders reject the offer and do not tender their Shares in response to the offer.** Canfor's recommendation is based upon the fact that this offer is at a price below the market price for the Shares and the offer is highly conditional. TRC Capital's offer states that it may terminate the offer if, among other things, the market price of the Shares declines since the close of business on March 31, 2014, or if it is unable to enter into a credit facility satisfactory to it to obtain the financing necessary to consummate the offer.

Canfor is not associated with TRC Capital, the mini-tender offer, or the mini-tender offer documentation. TRC Capital has made similar unsolicited mini-tender offers for shares of other public companies. Mini-tender offers are designed to seek less than 5% of a company's outstanding shares, thereby avoiding many disclosure and procedural requirements applicable to most bids under Canadian and United States securities legislation.

**TRC Capital's mini-tender offer is not related to the previously announced renewal by Canfor of its normal course issuer bid pursuant to which Canfor may purchase for cancellation up to 6,995,228 Common Shares or approximately 5% of the 139,904,563 Shares outstanding as of February 28, 2014, at prevailing market prices, in accordance with the rules of The Toronto Stock Exchange.** The Company repurchased a total of 2,847,838 Shares for cancellation between March 5, 2013 and March 4, 2014 under its prior bid, at a volume weighted average price of \$21.05 per Share. The renewed normal course issuer bid commenced on March 5, 2014 and will continue until March 4, 2015, unless completed or terminated earlier. **Canfor continues to believe its normal course issuer bid is in the best interests of the Company and its shareholders.**

The Canadian Securities Administrators ("CSA") have expressed serious concerns about mini-tender offers, such as the possibility that investors might tender to a mini-tender offer based upon a misunderstanding of the terms of the offer, including the per securities price available under the offer relative to the market price of such securities. Comments from the CSA on mini-tenders can be found on the Ontario Securities Commission website at:

[http://www.osc.gov.on.ca/en/SecuritiesLaw\\_csa\\_19991210\\_61-301.jsp](http://www.osc.gov.on.ca/en/SecuritiesLaw_csa_19991210_61-301.jsp). The U.S. Securities and Exchange Commission ("SEC") has also issued comments about mini-tender offers. The SEC states: "Some bidders make mini-tender offers at below-market prices, hoping that they will catch investors off guard if the investors do not compare the offer price to the current market price." The SEC advisory can be found at <http://www.sec.gov/investor/pubs/minitend.htm> and provides guidance for investors receiving such an offer.

Canfor urges investors to obtain current market quotations for their Shares, consult with their broker or financial advisor and exercise caution with respect to TRC Capital's offer. According to TRC Capital's offer documents, Canfor shareholders who have already tendered their Shares may withdraw their Shares under certain limited conditions described in section 6 of the offer document at any time before 5:00 p.m. (Toronto time) on April 30, 2014 by following the procedures described therein.

Canfor requests that a copy of this press release be included with all distributions of materials relating to TRC Capital's mini-tender offer.

*Canfor is a leading integrated forest products company based in Vancouver, British Columbia (BC) with operations in BC, Alberta, North and South Carolina and Alabama. Canfor produces primarily softwood lumber, and also produces bleached chemi-thermo-mechanical pulp and specialized wood products. Canfor also owns a 50.4% 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.*

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