



## For Immediate Release

### **CANFOR ANNOUNCES CAPITAL INVESTMENTS IN MACKENZIE SAWMILL**

January 18, 2013 – Vancouver, B.C. - Canfor Corporation (TSX:CFP) announced today that the Company will be proceeding with capital improvement projects totalling approximately \$40 million to increase productivity and recovery at its sawmill in Mackenzie, British Columbia (B.C.).

The investment will include modifications and upgrades to the sawmill, kilns and planer.

“Our fibre supply in the Mackenzie region is strong and this announcement reflects confidence in our ability to operate an internationally-competitive mill in this community,” said Don Kayne, President and CEO of Canfor Corporation.

The capital project will commence in January 2013, with anticipated completion in November 2013.

This announcement brings the total dollar value of the Company's capital investments to ensure competitive operation of its British Columbia solid wood, pulp and paper facilities to \$600 million over the last three years. The reopening of our Vavenby and Radium mills after significant capital investments resulted in the creation of 305 direct jobs, combined with significant downstream benefits to local economies.

### **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***

# News Release

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*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.*

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