



CanWel Building Materials  
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## Press Release

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### CANWEL BUILDING MATERIALS ANNOUNCES DISTRIBUTION AGREEMENT

VANCOUVER, CANADA – January 19, 2011 – CanWel Building Materials Group Ltd. (“CanWel” or “the Company”) (TSX:CWX) announced the following today:

#### AINSWORTH AND CANWELBROADLEAF SIGN NATIONAL AGREEMENT FOR CANADIAN DISTRIBUTION

##### *CanWelBroadleaf now exclusive distributor for Ainsworth pointSIX™ Durastrand Flooring*

The CanWelBroadleaf division of the Company<sup>(1)</sup> (“CanWelBroadleaf”) announced today that it has signed a multi-year agreement with Ainsworth<sup>®(2)</sup> (TSX:ANS) to be its exclusive supplier of the Ainsworth’s Oriented Strand Board (OSB) enhanced subfloor product line. CanWelBroadleaf expects that it will start distributing **AinsworthEngineered®** pointSIX Durastrand Flooring throughout Canada commencing in late-January.

Based in Vancouver, BC, CanWelBroadleaf is a leading national Canadian building material distributor, supplying commodity, engineered wood, industrial and allied products to regional dealers, lumberyards and home improvement centres.

PointSIX Durastrand Flooring is an engineered subfloor solution that utilizes a patented tapered-edge technology to counteract the effects of swelling due to moisture exposure. Introduced in Spring 2010, the pointSIX technology involves a thin layer of the highly compressed fibre along all four edges of the OSB panel being milled off, removing the part of the subfloor that’s most prone to swelling. PointSIX takes its name from research results indicating a .6mm taper depth to be the most effective in reducing edge swell.

The engineered solution was developed over five years of extensive research and testing, where pointSIX was subjected to repeated wet and dry cycles to simulate severe, wet jobsite conditions. In one rigorous test, the engineered panel was flooded for 14 days; after drying out the average edge swell was contained to 0.01 inch, not much more than a sheet of paper.

According to Bob Simko, President of CanWelBroadleaf, the pointSIX Durastrand Flooring product will be a key component of CanWelBroadleaf’s extensive product line offering. “Ainsworth is an innovative company that is committed to meeting the needs of the diverse Canadian customer base,” Simko stated.

“We are very pleased to be moving forward in a long term partnership with CanWelBroadleaf,” said Rick Huff, President and CEO of Ainsworth. “As the largest building materials distributor to the Canadian market, CanWelBroadleaf offers a wide selection of top quality products. It’s exciting to have pointSIX Durastrand added to their product line up.” Ainsworth offers a Lifetime Limited Warranty against delamination and a 180-day No-Sand Guarantee on pointSIX Durastrand Flooring. More information, including a technical white paper and educational webinar, is available for download at [www.pointsixflooring.com](http://www.pointsixflooring.com)

## **About CanWel Building Materials**

CanWel Building Materials trades on the TSX under the symbol CWX and is Canada’s largest national distributor in the building materials and related products sector, operating distribution centres coast to coast in all major cities and strategic locations across Canada. CanWel Building Materials distributes a wide range of lumber, building materials, hardware, and renovation products. Further information can be found in the disclosure documents filed by the Company (and its predecessor, CanWel Building Materials Income Fund) with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com).

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## **About Ainsworth**

Known for its innovation, quality and service, Ainsworth is a leading manufacturer and supplier of engineered wood products for residential, commercial and industrial applications. For more than half a century, Ainsworth has been respected as a successful forest products company. Current operations are located in British Columbia, Alberta and Ontario, Canada. **AinsworthEngineered®** OSB is APA-certified and known for its consistent quality and reliability. Ainsworth trades on the Toronto Stock Exchange under the symbol ANS. For more information about Ainsworth products, visit [www.ainsworthengineered.com](http://www.ainsworthengineered.com).

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## Cautionary Statements

Certain statements in this press release, including statements relating to CanWel's expectations regarding its partnership with Ainsworth and its distribution of *AinsworthEngineered*® pointSIX Durastrand Flooring, may constitute "forward-looking" statements. When used in this press release, such statements use words, including but not limited to, "may", "will", "expect", "believe", "plan", "intend", "anticipate" and other similar terminology. These forward-looking statements reflect the current expectations of CanWel's management regarding future events but involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CanWel, including the performance of CanWel on a consolidated basis, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Actual events could differ materially from those projected herein and depend on a number of factors. These factors include the risk that the implementation of the distribution agreement may not be completed successfully, or at all, or that any disintegration of other product lines will cause negative financial results for CanWel; sales of product may not occur at the levels or in the quantities management anticipated, the risk that any cost savings or any synergies from the agreement may not be fully realized or may take longer to realize than expected; or any disruptions, including the reaction of competitors, resulting howsoever from the agreement or entering into of the agreement, making it more difficult to maintain relationships with customers, suppliers industry participants or employees. Additional risks and uncertainties include, among others: general economic and business conditions, product selling prices, commodity price fluctuations, information systems risk, operating costs, interest rate risk, credit risk, competitive conditions and other factors referenced herein and in CanWel's AIF dated March 30, 2010 and our public filings on [www.sedar.com](http://www.sedar.com). These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this press release. In addition, a number of assumptions were utilized or applied in making the forward-looking statements. Some of the key assumptions include, without limitation, assumptions regarding the nature of the relationship between CanWel and Ainsworth and the availability of Ainsworth products for distribution by CanWel, the performance of the Canadian economy, the Canadian housing and building materials market and activity levels therein, the timing, implementation and sales of the new products. There is a risk that some or all of these assumptions may prove to be incorrect. Additional factors that could cause results to differ materially from those described in the forward-looking statements can be found in the periodic and other reports filed by CanWel with Canadian Securities Commissions and available on Sedar (<http://www.sedar.com>). CanWel does not undertake, and specifically disclaims, any obligation to update or revise any forward looking information, whether as a result of new information, future developments or otherwise, unless required by law.

- (1) CanWelBroadleaf is a division of CanWel Building Materials Ltd., a wholly owned subsidiary of the Company.
- (2) Information regarding Ainsworth® and its products has been obtained from public information which CanWel expects to be reliable, however CanWel has not independently verified such information, and disclaims any liability arising therefrom.

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