



Press Release

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CANWEL COMPLETES NORTHWEST WOOD PRESERVERS ACQUISITION

VANCOUVER, Canada – February 1, 2012 – CanWel Building Materials Group Ltd. (“CanWel” or the “Company”) (TSX:CWX, CWX.DB) is pleased to announce that it has completed the acquisition of NorthWest Wood Preservers’ (the “Vendor”) assets including the Vendor’s lumber pressure treating plant and related equipment and property (the “Plant”).

The Plant is located in Prince George, British Columbia and has been a supplier to CanWel. As a result of this acquisition, CanWel’s assets now include four operating treating plants and 18 distribution centres strategically located across Canada. The purchase price for the Plant has been satisfied fully in cash from the Company’s existing credit facilities.

“We are very pleased to conclude this acquisition that further vertically integrates our business and is expected to be accretive for the Company this fiscal year,” noted Amar Doman, Chairman and CEO of CanWel. “I would also like to welcome all of our new and valued employees to the CanWel family.”

About CanWel Building Materials

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

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Certain statements in this press release may constitute “forward looking” statements, including statements with respect to the anticipated benefits associated with CanWel’s acquisition of the Plant (the “Acquisition”). 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 the Company’s management regarding future events and operating performance, but involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, including the performance of, and distributable cash generated by the Company, 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 but are not limited to (i) the risk the integration of the Acquisition may result in significant challenges, and management of CanWel may be unable to accomplish the integration smoothly or successfully or without spending significant amounts of money; any inability of management to

successfully integrate the operations of the combined business, including, but not limited to, information technology and financial reporting systems, could have a material adverse effect on the business, financial condition and results of operations of CanWel; (ii) the risk that Plant revenues, profits and margins may not remain consistent with historical levels, (iii) the risk that competing firms which manufacture or distribute competitive product lines will aggressively defend or seek market share, or that existing customers of the Plants (some of whom are competitors of CanWel) cease doing business with the Plants or CanWel, in each case reducing, eliminating or reversing any potential positive economic impact on the Company of the Acquisition; (iv) the risk that any increased sales, margin, profit or distributable cash resulting from the Acquisition may not be fully realized, realized at all or may take longer to realize than expected; (v) the risk of disruption from the introduction and implementation of the Acquisition making it more difficult to maintain relationships with customers, employees or suppliers, and (vi) risks related to the operation of pressure treatment facilities, including but not limited to environmental and remediation risks, risks related to the timing of receipt of final permits, labour risks, risks related to maintenance capital expenditures for manufacturing and processing facilities and risks related to capital expenditures for environmental risks. Additional risks and uncertainties affecting the Company, which could cause results to differ materially from those described in these forward-looking statements, include, among others: increased debt and interest costs, general economic and business conditions, product selling prices, product performance, consumer preferences, design and liability risk, environmental risks software and software design risk, commodity price fluctuations, information systems risk, interest rate changes, operating costs, political or economic instability in local or nation markets, chemical or commodity prices, exchange rate risks for product inputs and competitive conditions. A further description of these additional factors can be found in the periodic and other reports filed by the Company with Canadian securities commissions and available on Sedar (<http://www.sedar.com>). These forward-looking statements speak only as of the date of this press release. The Company 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, except as required by applicable law.