



CanWel Building Materials
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Press Release

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CanWel Announces Distribution Agreement with James Hardie

VANCOUVER, CANADA – September 28, 2010 – CanWel Building Materials Group Ltd. (“CanWel” or “the Company”) (TSX:CWX) announced the following today:

CanWel+Broadleaf signs National Distribution Agreement with James Hardie

The CanWel+Broadleaf division of the Company⁽¹⁾ (“CanWel+Broadleaf”) announced today that it has entered into a multi-year agreement with James Hardie Building Products Inc.⁽²⁾ (“James Hardie”) for distribution of its fibre cement products throughout Canada. CanWel+Broadleaf will be the exclusive distributor of James Hardie products in the two step Lumber and Building Materials channel across all provinces in Canada, with the lone exception of Quebec, where a dual distribution platform will be maintained.

“James Hardie is the market leader in the manufacturing and sales of fibre cement products within the Building Materials industry in North America,” stated Mr. Bob Simko, President of CanWel+Broadleaf. “We are excited to extend our existing long term relationship with a company such as James Hardie that is committed to superior technology and an optimized supply chain,” noted Mr. Simko.

“We are very pleased to continue our business partnership with the CanWel+Broadleaf family, moving forward,” noted John Arneil, Canadian Regional Sales Manager for James Hardie. “We believe that CanWel+Broadleaf’s focus on operational excellence complemented by the knowledge and integrity of its people will allow James Hardie to best meet the needs of the diverse dealer base throughout Canada,” added Mr. Arneil.

About CanWel Building Materials

CanWel Building Materials trades on the Toronto Stock Exchange 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 hardware, building materials, lumber, and renovation products. Further information can be found in the disclosure documents filed by CanWel Building Materials (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. 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. These statements reflect management's current expectations regarding future events and operating performance and speak only as of the date of this press release. 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) CanWel +Broadleaf is a division of CanWel Building Materials Ltd., a wholly owned subsidiary of the Company.
- (2) Information regarding James Hardie 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.