



Press Release

CANWEL ANNOUNCES INCREASE IN PREVIOUSLY ANNOUNCED BOUGHT DEAL EQUITY FINANCING TO \$21.75 MILLION

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CanWel Building Materials Group Ltd. (“CanWel”) (TSX:CWX) is pleased to announce that it has increased the size of its previously announced bought deal private placement to 5,305,000 subscription receipts (the "Subscription Receipts") at a price of \$4.10 per Subscription Receipt (the "Offering Price") for aggregate gross proceeds to CanWel of \$21,750,500 (the "Offering"). The Offering will be underwritten by a syndicate of underwriters led by GMP Securities L.P. and including Raymond James Ltd., Canaccord Genuity Corp., Cormark Securities Inc., Haywood Securities Inc., and Paradigm Capital Inc. (the “Underwriters”).

The Underwriters will also have the option, exercisable up to two business days prior to the closing date of the Offering, to arrange for the purchase of up to an additional 795,750 Subscription Receipts at the Offering Price for additional gross proceeds of up to \$3,262,575. In the event that the option is exercised in its entirety, the aggregate gross proceeds would increase to \$25,013,075.

The terms of the financing and use of proceeds remain as previously disclosed in all other respects.

About CanWel Building Materials

Founded in 1989, CanWel is headquartered in Vancouver, British Columbia and 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. CanWel operates multiple treating plant and planing facilities in Canada and the United States, and operates distribution centres coast to coast in all major cities and strategic locations across Canada and near San Francisco and Los Angeles, California. CanWel distributes a wide range of building materials, lumber and renovation products. For more information, visit www.canwel.com. Further information can be found in the disclosure documents filed by CanWel with the securities regulatory authorities, available at www.sedar.com

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Cautionary Statements Regarding Forward Looking Statements

Certain statements in this press release may constitute "forward-looking" statements including statements regarding the Offering and the anticipated terms thereof). The following statements are or may constitute forward-looking statements (1) statements preceded by, followed by, or that included words like "may", "will", "would", "should", "expect", "believe", "plan", "intend", "anticipate", "predict", "remain", "anticipate", "estimate", "potential", "continue", "plan", "could", "might", "project", "targeting", "future" and other similar terminology, and (2) other statements regarding matters that are not historical facts. The matters addressed in these statements are subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to, the potential inability to satisfy the conditions required to complete the Offering on the expected terms and schedule; and the effect of general economic conditions, including market demand for the Subscription Receipts. These and other factors could cause or contribute to actual results differing materially from those contemplated by forward-looking statements. Accordingly, readers should not place undue reliance on any forward-looking statements or information. Forward-looking statements contained in this press release speak only as of the date of this press release. CanWel does not undertake and specifically disclaims any obligation to update or revise any forward looking statements or information, whether as a result of new information, future developments or otherwise, except as required by applicable law.