



Press Release

**NOT FOR RELEASE OR DISSEMINATION INTO THE UNITED STATES
For Immediate Release**

CANWEL BUILDING MATERIALS GROUP LTD. CLARIFIES NORMAL COURSE ISSUER BID

Vancouver, Canada – December 4, 2012 - CanWel Building Materials Group Ltd. (“CanWel” or the “Company”) (TSX:CWX; TSX:CWX.DB) wishes to clarify pursuant to its previous announcement that the Toronto Stock Exchange (“TSX”) has accepted CanWel’s notice of intention to proceed with a normal course issuer bid (“NCIB”) through the facilities of the Toronto Stock Exchange, that purchases under the NCIB may also happen on other Canadian marketplaces, as indicated on the original application for the NCIB that was accepted by TSX.

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, and renovation products. 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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References herein to ‘normal course issuer bid’ or ‘NCIB’ may refer to such program in respect of the Company’s common shares, convertible debentures, or both, as the case may be or the context may require. 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”, “should”, “expect”, “believe”, “plan”, “intend”, “anticipate”, “future” and other similar terminology. These forward-looking statements reflect the current expectations of CanWel’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 CanWel, including the cash flow from operations, dividends or EBITDA(1) generated or paid by CanWel, 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) fluctuations in the market price of the Company’s listed securities from time to time, (ii) the availability of funding under CanWel’s existing senior credit facility to finance acquisitions of securities of the Company pursuant to the NCIB, (iii) the risk that the integration of the acquisition of the assets of Northwest Wood Preservers (“NWP”) completed in quarter 1, 2012 or the acquisition of Broadleaf Logistics Company completed on February 1, 2010 or (collectively the “Acquisition”) may result in significant challenges, and management of CanWel may be unable to accomplish the integration of the Acquisition smoothly or successfully or without spending significant amounts of time, money or other resources thereon; any inability of management to successfully integrate the operations of the combined business, including, but not limited to, sales and marketing, operations, information technology and financial reporting systems, any of which could have a material adverse effect on the business, financial condition and results of operations of CanWel, thereby impacting CanWel’s ability to make purchases under the normal course issuer bid; (iv) the risk that revenues, profits and margins of CanWel or the CanWel Broadleaf Division post integration of NWP or Broadleaf Logistics Company may not remain consistent with historical levels, thereby impacting CanWel’s ability to make purchases under the normal course issuer bid; (v) the risk that competing firms which manufacture or distribute competitive product lines will aggressively defend or seek market share, or that former customers or suppliers of NWP or Broadleaf Logistics Company (some of whom are competitors of CanWel) will cease doing business with CanWel, or that current customers or suppliers of CanWel will cease doing business with CanWel, in each case reducing, eliminating or reversing any potential positive economic impact on CanWel of the Acquisition, and thereby impacting CanWel’s ability to make purchases under the normal course issuer bid; (vi) 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, thereby impacting CanWel’s ability to make purchases under the normal course issuer bid; (vii) the risk of disruption from the integration

of the Acquisition making it more difficult to maintain relationships with customers, employees or suppliers, thereby impacting CanWel's ability to make purchases under the normal course issuer bid; and (viii) additional risks and uncertainties affecting the Company, any of which may impact upon, among other things, the number of securities, if any, to be acquired by CanWel pursuant to the above notice of intention. Factors also include, but are not limited to, dependence on market and economic conditions, sales and margin risk, competition, information system risks, availability of supply of products, risks associated with the introduction of new product lines, product design risk, environmental risks, volatility of commodity prices, inventory risks, customer and vendor risks, acquisition and integration risks, availability of credit, credit risks, litigation risks and interest rate risks. A further description of these and other risks which could cause results to differ materially from those described in these 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>). In addition, a number of material factors or assumptions were utilized or applied in making the forward-looking statements, and may include, but are not limited to, assumptions regarding the performance of the Canadian economy, relatively stable interest rates, volatility of commodity prices, more limited availability of access to equity and debt capital markets to fund, at acceptable costs, the Company's normal course issuer bid or future growth plans, the implementation and success of the integration of the Acquisition, and to enable the Company to refinance its debts as they mature, the Canadian housing and building materials market; the direct and indirect effect of the U.S. housing market and economy, the amount of the Company's cash flow from operations; tax laws; and the extent of the Company's future acquisitions and capital spending requirements or planning as well as the general level of economic activity, in Canada, and abroad, discretionary spending and unemployment levels. These forward-looking statements 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 information, whether as a result of new information, future developments or otherwise, except as required by applicable law.

⁽¹⁾ In the discussion, reference is made to EBITDA, which represents earnings from continuing operations before interest, provision for income taxes, gain or loss on sale of fixed assets, depreciation and amortization, goodwill impairment loss and stock-based compensation. This is not generally accepted earnings measure under International Financial Reporting Standards ("IFRS") and does not have a standardized meaning under IFRS, the measure as calculated by the Company may not be comparable to similarly-titled measures reported by other companies. EBITDA is presented as we believe it is a useful indicator of relative operating performance. EBITDA should not be considered by an investor as an alternative to net income or cash flows as determined in accordance with IFRS.