



Press Release

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CANWEL BUILDING MATERIALS ANNOUNCES QUARTERLY DIVIDEND

VANCOUVER, CANADA – December 15, 2016 – CanWel Building Materials Group Ltd. (“CanWel” or “the Company”) (TSX:CWX) is pleased to announce that its Board of Directors has declared a quarterly dividend of \$0.14 per share, for the 19th consecutive quarter, which will be paid on January 13, 2017, to shareholders of record on December 30, 2016.

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 Canada’s only fully integrated national distributor 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. In addition, through its Jemi Fibre division, CanWel operates a vertically-integrated forest products company based in Western Canada, operating from British Columbia to Saskatchewan, also servicing the US Pacific Northwest. CanWel owns approximately 136,000 acres of private timberlands, strategic Crown licenses and tenures, log harvesting and trucking operations, several post and pole peeling facilities and two pressure-treated specialty wood production plants.

For further information regarding CanWel please contact:

Ali Mahdavi
Investor Relations
416-962-3300
ali.mahdavi@canwel.com

Cautionary Statements Regarding Forward Looking Statements

Certain statements in this press release may constitute “forward-looking” statements including statements regarding CanWel’s proposed activities, including but not limited to the payment of a dividend (and the anticipated terms and benefits thereof). The following statements are or may constitute forward-looking statements (1) statements proceeded 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 or the negative or inverse of such words or terminology, and (2) other statements regarding matters that are not historical facts. 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. 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 risk that acquisitions will not be completed in the manner contemplated or at all; the risk that the acquisitions will not be integrated successfully into CanWel’s existing business; the risk that cost savings and synergies expected to result from transactions may not be fully realized or may take longer to realize than expected; disruption from transactions or acquisitions making it more difficult to maintain relationships with customers, employees or suppliers; the effect of general economic conditions, including market demand for CanWel’s products, and prices for such products; the availability, cost and other terms of capital; the efficiency and consequences of operations improvement initiatives; the effect of environmental and other governmental regulations; and the risk of losses from fires, floods, weather and other natural disasters. There

is a risk that some or all of these assumptions may prove to be incorrect. These and other factors could cause or contribute to actual results differing materially from those contemplated by forward-looking statements, therefore potentially impacting the Company's dividends or dividend policy (for further details please see our MD&A in our most recent financial filing). Accordingly, readers should not place undue reliance on any forward-looking statements or information. There are numerous risks associated with an investment in Common Shares, which are also further described in the "Risk Factors" sections of the Company's annual information form dated March 30, 2016 and final short form prospectus dated August 26, 2016, as well as its other public filings on SEDAR. These forward-looking statements speak only as of the date of this press release. We caution that the foregoing factors that may affect future results are not exhaustive. When relying on our forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider the foregoing factors and other uncertainties and potential events. Except as required by applicable securities laws, 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.

- (1) In the discussion, reference is made to EBITDA, which represents earnings from continuing operations before interest, provision for income taxes, depreciation and amortization, goodwill impairment loss and share-based compensation. This is not a generally accepted earnings measure under IFRS and does not have a standardized meaning under IFRS, and therefore 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 a Company's ability to meet debt service and capital expenditure requirements and because we interpret trends in EBITDA as an indicator of relative operating performance. EBITDA should not be considered by an investor as an alternative to net earnings or cash flows as determined in accordance with IFRS. For a reconciliation of EBITDA to the most directly comparable measures calculated in accordance with IFRS refer to "Reconciliation of Net Earnings to Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)" in our most recent quarterly filing.