



CanWel Building Materials
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Press Release

NOT FOR RELEASE OR DISSEMINATION INTO THE UNITED STATES

CANWEL BUILDING MATERIALS ANNOUNCES QUARTERLY DIVIDEND

VANCOUVER, CANADA – December 20, 2010 – 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 \$0.10 per share that will be paid on January 14, 2011, to shareholders of record on December 31, 2010.

About CanWel Building Materials

CanWel Building Materials trades on the TSX 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 lumber, building materials, hardware, and renovation products. Further information can be found in the disclosure documents filed by the Company (and its predecessor, CanWel Building Materials Income Fund) with the securities regulatory authorities, available at www.sedar.com.

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Cautionary Statements

Certain statements in this press release, including but not limited to statements about the Company’s dividend payment or policy, 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”, “future” and other similar terminology. These forward-looking statements reflect the current expectations of the Company’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 the Company 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 would 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, interest rate risks, regulatory risks and

employee retention risks. In addition, a number of assumptions were utilized or applied in making the forward-looking statements. Some of the key assumptions include, without limitation, assumptions regarding the performance of the Canadian economy, interest rates, capital and loan availability, the Canadian housing and building materials market; 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. There is a risk that some or all of these assumptions may prove to be incorrect. There are numerous risks associated with an investment in the debentures or common shares of the Company, which are also further described in the "Risk Factors" section of the Company's annual information form dated March 30, 2010 and its other public filings on SEDAR. These forward-looking statements speak only as of the date of this press release. 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.