



CanWel Building Materials Group Ltd.  
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## Press Release

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### **CANWEL EXPANDS IN ONTARIO WITH TOTAL FOREST INDUSTRIES ACQUISITION**

**VANCOUVER, Canada** – August 29, 2016 – CanWel Building Materials Group Ltd. (“CanWel” or the “Company”) (TSX:CWX, CWX.DB) is pleased to announce that it has agreed in principle to acquire the business of Total Forest Industries, a lumber pressure treating plant in Hagersville, ON (the “Plant”), from a privately held arm’s length vendor. The transaction remains subject to the execution of a definitive purchase agreement and is expected to be completed on September 6, 2016. The purchase price for the Plant will be paid in cash from the Company’s existing credit facilities.

The Plant is located in the Greater Toronto area, serves Southern Ontario and will complement CanWel’s treating facilities in Cambridge and Combermere, ON, deepening CanWel’s reach and capacity to service its customers. Upon closing of this acquisition, CanWel will now own ten treating plants in North America. CanWel’s assets also include several post and pole peeling facilities, two planer facilities and 16 distribution centres strategically located across Canada, as well as near San Francisco, CA. In addition, CanWel owns approximately 136,000 acres of private timberlands in Western Canada, anchoring the CanWel footprint.

“The addition of these newly acquired assets to our existing solid wood pressure treating platform will further strengthen our vertically integrated business model, the depth of offering of our suite of services, and is expected to be accretive to earnings as early as the current fiscal year,” noted Amar Doman, Chairman and CEO of CanWel. “We look forward to welcoming and working with our new colleagues in the CanWel family.”

#### **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:**

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## **Cautionary Statements Regarding Forward Looking Statements**

Certain statements in this press release may constitute "forward-looking" statements including statements regarding CanWel's proposed acquisition of the Plant (and the anticipated terms and benefits 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 risk that the acquisition of the Plant will not be completed in the manner contemplated in this press release or at all; the risk that the Plant will not be integrated successfully into CanWel's existing business; the risk that cost savings and synergies expected to result from the transaction may not be fully realized or may take longer to realize than expected; disruption from the transaction 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 and other natural disasters. 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.