

### **CANWEL ANNOUNCES COMPLETION OF EARLY REDEMPTION OF 5.85% CONVERTIBLE DEBENTURES**

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**VANCOUVER, CANADA** – September 30, 2016 – CanWel Building Materials Group Ltd. (“CanWel” or the “Company”) (TSX:CWX, CWX.DB) is pleased to announce today that it has completed the early redemption of all \$43,679,000 of its outstanding 5.85% convertible unsecured subordinated debentures due April 30, 2017 (the “**Debentures**”). The Debentures were redeemed at a redemption amount equal to \$1,024.37 for each \$1,000 principal amount of Debentures, being equal to the aggregate of (i) \$1,000 principal amount of Debentures, and (ii) \$24.37 of accrued and unpaid interest up to but excluding September 30, 2016.

“CanWel’s continuing fiscal responsibility along with our growth strategy will bode well for the future. The early retirement of our convertible debentures will further strengthen our balance sheet with this significant debt reduction. We will continue to be financially prudent as we move forward with our strategic plans,” commented Amar Doman, CanWel Chairman and CEO.

#### **About CanWel**

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 but not limited to statements about the Company’s redemption of the Debentures. 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 Debenture repayment may not result in the benefits described herein, in total or in part, or that the deployment of CanWel’s strategic or other plans or acquisitions will not be completed in the manner contemplated as press released or at all; the risk that such acquisitions will not be integrated successfully into CanWel’s existing business; the risk that cost savings and synergies expected to result from such transactions may not be fully realized or may take longer to realize than expected; disruption from such 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 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. Accordingly, readers should not place undue reliance on any

forward-looking statements or information. 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" 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.