



## Press Release

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For Immediate Release

### **CANWEL BUILDING MATERIALS GROUP LTD. ANNOUNCES NORMAL COURSE ISSUER BID**

Vancouver, Canada – November 17, 2011 - CanWel Building Materials Group Ltd. (“CanWel” or the “Company”) (TSX:CWX) announced that the Toronto Stock Exchange (“TSX”) has accepted today CanWel’s notice of intention to proceed with a normal course issuer bid through the facilities of the Toronto Stock Exchange.

CanWel intends to purchase for cancellation up to 3,475,000 of its common shares by way of a normal course issuer bid through the facilities of the Toronto Stock Exchange. The 3,475,000 common shares represent approximately 10% of the public float per TSX policies. Pursuant to such TSX policies, daily purchases made by CanWel will not exceed 45,905 common shares or 25% of the average daily trading volume of 183,622 common shares on the TSX, subject to certain prescribed exceptions. As of November 15, 2011, there were 60,937,753 issued and outstanding common shares of CanWel.

Although CanWel intends to purchase common shares for cancellation under its normal course issuer bid, there can be no assurances that any such purchases will be completed. Such purchases, if any, may commence on November 21, 2011 and will terminate on November 20, 2012, or on such earlier date as CanWel may complete its purchases pursuant to the notice of intention filed today with the Toronto Stock Exchange or provide notice of termination. Any such purchases will be made by CanWel at the prevailing market price at the time of acquisition and through the facilities of the Toronto Stock Exchange.

CanWel believes that the market price of its common shares, at certain times throughout the duration of the normal course issuer bid, may not be reflective of their value, based solely on CanWel’s opinion.

To the best of the knowledge of the directors and senior officers of CanWel, no director, senior officer, associate of a director or senior officer, or person holding 10% or more of the common shares of CanWel intends at present to sell common shares during the course of this bid. However, sales by such persons through the facilities of the Toronto Stock Exchange or elsewhere may occur as the personal circumstances or decisions of any such person, unrelated to the bid, determine. The benefits to any such person whose common shares are purchased would be the same as the benefits available to all other holders whose common shares are purchased.

## 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, hardware and renovation products. Further information can be found in the disclosure documents filed by CanWel (and its predecessor, CanWel Building Materials Income Fund) with the securities regulatory authorities, available at [www.sedar.com](http://www.sedar.com).

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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 common shares from time to time, (ii) the availability of funding under CanWel's existing senior credit facility to finance acquisitions of common shares of the Company, (iii) the risk that the integration of the acquisition of Broadleaf Logistics Company completed on February 1, 2010 (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 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 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 common shares, 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.

<sup>(1)</sup> 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.