



CanWel Building Materials Income Fund
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Press Release

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CANWEL BUILDING MATERIALS INCOME FUND RECEIVES COMPETITION ACT CLEARANCE FOR CONVERSION TO A CORPORATION AND ACQUISITION OF BROADLEAF LOGISTICS COMPANY

PRESS RELEASE

For Immediate Release

VANCOUVER, January 21, 2010 - CanWel Building Materials Income Fund (“**CanWel**” or the “**Fund**”) (TSX: CWX.UN) is pleased to announce that the Canadian Commissioner of Competition has issued a “no action letter” in connection with CanWel's conversion to a corporation and its proposed acquisition of Broadleaf Logistics Company (“**Broadleaf**”) as announced on December 7, 2009, and which unitholders approved on January 15, 2010. The Commissioner has confirmed that she does not intend to challenge the transaction. The issuance of the no action letter satisfies the condition to the amended and restated Broadleaf acquisition agreement dated December 11, 2009 that Competition Act clearance be obtained.

Amar Doman, Chairman of CanWel said, “This is a significant milestone for this transaction. Now that we have received the no action letter, we will continue our focus on obtaining final court approval on January 22nd, and moving to closing on February 1st.”

Completion of the conversion and the acquisition remains subject to various conditions including receipt of a final order of the Supreme Court of British Columbia approving the plan of arrangement implementing the conversion. CanWel currently anticipates that the conversion and the acquisition will be completed on or about February 1, 2010. The shares of New CanWel have been conditionally approved for trading on the Toronto Stock Exchange under the symbol “CWX”.

About CanWel

The Fund trades on the Toronto Stock Exchange under the symbol CWX.UN and is one of Canada's largest national distributors in the building materials and related products sector, operating 16 distribution centres across Canada. The Fund distributes a wide range of hardware, building materials, lumber, and renovation products. Further information can be found in the disclosure documents filed by the Fund with the securities regulatory authorities, available at www.sedar.com

For more information:

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Cautionary Statements

Certain statements in this press release, including in particular statements regarding the proposed Acquisition, Conversion and Private Placement, 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 Fund’s management regarding future events and operating performance, but involve known and unknown risks, uncertainties and other factors which may cause the outcome of the Acquisition, the Private Placement and/or the Conversion or the actual results, performance or achievements of the Fund, Broadleaf and/or the combined 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. There can be no assurance that the Acquisition, the Private Placement or the Conversion will be completed on the terms described in this press release or at all. In addition, there are numerous risks associated with an investment in units of the Fund, which are also further described in the “Risk Factors” section of our annual information form dated March 31, 2009 and our 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 Fund 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.

The securities offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registrations requirements of such Act. This press release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction.