



CanWel Building Materials Group Ltd.
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Press Release

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Louisiana-Pacific Selects CanWel to Exclusively Distribute CanExel® Siding in Canada

Vancouver, Canada – October 2, 2015 – CanWel Building Materials Group Ltd. (TSX – CWX) (“CanWel” or the “Company”) announced today the signing of a multi-year distribution agreement with Louisiana-Pacific Canada Ltd. (“LP” or “Louisiana-Pacific”) as its exclusive distributor of CanExel® prefinished siding products in Canada beginning January 1, 2016. The agreement will provide both CanWel and Louisiana-Pacific with synergies in the Canadian market that will better support the increasing demand and sales of the high value-added siding product category.

“Our agreement with CanWel is an exciting new partnership for LP with expansion and refocus on our existing relationship with CanWel on CanExel,” noted Mike Sims, Louisiana-Pacific Vice President for Sales and Marketing.

“Louisiana-Pacific is an innovative company that is committed to meeting the needs of the diverse Canadian customer base. We are very excited to grow our relationship with LP and further support their well respected products in Canada,” said Marc Seguin, President of CanWel Building Materials Division.

“Through the Growth and Innovation initiative, Louisiana-Pacific has redefined its focus in Canada to highlight its products. CanWel has a record of driving value-added product lines in the Canadian market. With a strong group of product specialists focused on our products and demand creation, CanWel is extremely well aligned with our focus on value-added services and products. We look forward to a strong future with CanWel,” said Sims.

LP CanExel prefinished siding delivers the authentic look of traditional wood with the strength of treated engineered wood at a cost-effective price.

About Louisiana-Pacific Corporation⁽¹⁾

Louisiana-Pacific Corporation is a leading manufacturer of quality engineered wood building materials including OSB, structural framing products, and exterior siding for use in residential, industrial and light commercial construction. From manufacturing facilities in the U.S., Canada, Chile and Brazil, LP products are sold to builders and homeowners through building materials distributors and dealers and retail home centers. Founded in 1973, LP is headquartered in Nashville, Tennessee and traded on the New York Stock Exchange under LPX. For more information, visit www.lpcorp.com.

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 one of Canada's largest national distributors in the building materials and related products sector. CanWel operates multiple treating plant and planing facilities in Canada and the US, 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. For more information, visit www.canwel.com. Further information can be found in the disclosure documents filed by CanWel with the securities regulatory authorities, available at www.sedar.com

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Forward Looking Statements

Certain statements in this press release may constitute "forward-looking" statements including statements regarding the Company's expectation regarding the anticipated benefits of the distribution agreement with LP. When used in this press release, such statements use words, including but not limited to, "may", "will", "would", "should", "expect", "believe", "plan", "intend", "anticipate", "predict", "remain", "anticipate", "estimate", "potential", "continue", "plan", "could", "might", "project", "targeting", "future", the inverse or plural of such words, 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 earnings, cash flow from operations, dividends, leverage or EBITDA⁽²⁾ 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. These factors include the risk that the implementation of the distribution agreement may not be completed successfully, or at all, or that any disintegration of other product lines will cause negative financial results for CanWel; sales of product may not occur at the levels or in the quantities management anticipated, the risk that any cost savings or any synergies from the agreement may not be fully realized or may take longer to realize than expected; or any disruptions, including the reaction of competitors, customers or other suppliers, resulting howsoever from the agreement or entering into of the agreement, making it more difficult to maintain relationships with customers, suppliers, industry participants or employees. Actual events could differ materially from those projected herein and depend on a number of factors and there can be no assurance that the distribution agreement or relationship with LP will result in the anticipated benefits described.

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, regulatory risk, differing law or regulations across jurisdictions, 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, the relative stability of interest rates, exchange rates, volatility of commodity prices, more limited availability of access to equity and debt capital markets to fund, at acceptable costs, the Company's future growth plans, the implementation and success of the distribution agreement, the ability of the Company to refinance its debts as they mature, the Canadian and United States housing and building materials markets; 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.

- (1) Information regarding LP has been obtained from public information which CanWel expects to be reliable, however CanWel has not independently verified such information, and disclaims any liability arising therefrom.
- (2) 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 a generally accepted earnings measure under 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.