CanWel Building Materials
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Press Release

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For immediate release

CanWel Building Materials reports results for the Three Months Ended September 30, 2010

- **Revenues total a Q3 record $348 million(1)**
- **EBITDA(2) amounts to $10.8 million or $0.18 per share(3)**
- **Net Income of $5.2 million or $0.09 per share(3)**

Vancouver, British Columbia, Canada – November 4, 2010 – CanWel Building Materials Group Ltd. ("CanWel" or "the Company") (TSX:CWX) announced today its third quarter fiscal 2010 financial results for the period ended September 30, 2010. A significant factor when comparing the results for the quarter ended September 30, 2010 to those for the quarter ended September 30, 2009, is that this year's quarter includes the results of the operations of the Broadleaf Logistics division ("BLC") for the full quarter.

During the three-month period ended September 30, 2010, CanWel reported record third quarter sales of $348 million compared to $188 million for the comparable period in 2009, an increase of 85.0 percent. For the quarter, the Company reported gross margin of $35.8 million or 10.3 percent of sales versus $24.5 million or 13.7 percent of sales in 2009. The change in margin percentage is due both to the increase in construction materials in the Company's sales mix, flowing from the BLC operations, as well as the effect of the substantial declines in commodity prices in the third quarter compared to the second quarter of 2010. Net income amounted to $5.2 million compared to net income of $7.0 million during the same period in 2009.

For the quarter, EBITDA increased by 6.9 percent to $10.8 million compared to $10.1 million for the comparable period last year. Excluding the impact of one-time costs, EBITDA amounted to $11.2 million during the third quarter.

"We are pleased to announce that we attained record sales for our third quarter, while lumber and panel pricing, which represent a significant portion of our business, remained at depressed levels due to the continued weak US housing market," stated Amar Doman, Chairman and CEO of CanWel. "Our business fundamentals remain solid with our record year to date sales of $1.02 billion(1) and EBITDA of $36.3 million, and we are on track to significantly reduce costs with the continued integration of the BLC operations."

Reconciliation of Net Earnings to EBITDA:

(in thousands of dollars)	Three months ended September 30 2010	2009	Nine months ended September 30 2010	2009
Net Earnings	$5,208	$6,996	$19,408	$13,964
Income tax provision (recovery)	2,417	690	7,726	(1,056)
Cash interest expense	1,488	564	4,302	2,068
Depreciation of property plant and equipment	864	1,312	2,577	3,953
Amortization of intangible and other assets	455	400	1,320	1,192
Amortization of deferred gain	(18)	(19)	(55)	(55)
Amortization of financing costs	315	64	783	192
Amortization of promissory notes	-	32	11	96
Stock-based compensation	24	66	223	343
EBITDA	$10,753	$10,105	$36,295	$20,697
Acquisition and conversion costs	146	-	742	-
Reorganization costs	252	-	252	-
Realized foreign exchange gain	-	-	(1,102)	-
Adjusted EBITDA before one time items	$11,151	$10,105	$36,187	$20,697

About CanWel Building Materials

CanWel Building Materials trades on the Toronto Stock Exchange under the symbol CWX and is Canada's largest national distributor in the building materials and related products sector, operating distribution centres coast to coast in all major cities and strategic locations across Canada. CanWel Building Materials distributes a wide range of hardware, building materials, lumber, and renovation products. Further information can be found in the disclosure documents filed by CanWel Building Materials (and its predecessor, CanWel Building Materials Income Fund) with the securities regulatory authorities, available at 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", "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 free cash flow(2), dividends or EBITDA(2) generated 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 would include (i) 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, 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; (ii) the risk that revenues, profits and margins of Broadleaf Logistics Company may not remain consistent with historical levels, (iii) the risk that competing firms which manufacture or distribute competitive product lines will aggressively defend or seek market share, or that existing customers or suppliers of Broadleaf Logistics Company (some of whom are competitors of CanWel) will cease doing business with the Broadleaf Logistics Company or CanWel, in each case reducing, eliminating or reversing any potential positive economic impact on CanWel of the Acquisition; (iv) 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; (v) the risk of disruption from the integration of the Acquisition making it more difficult to maintain relationships with customers, employees or suppliers. 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. In addition, there are numerous risks associated with an investment in units/shares, as well as other risks and factors, which are also further described in the "Risk Factors" section of our annual information form dated March 30, 2010, our management information circulars dated December 17, 2009 and March 31, 2010, and our other public filings on SEDAR. Additional risks and uncertainties affecting CanWel, which could cause results to differ materially from those described in these forward-looking statements, include, among others: increased debt and interest costs, general economic and business conditions, pension funding risk, product selling prices, product performance, design and liability risk, software and software design risk, information systems risk, interest rate changes, operating costs, legislative changes, accounting pronouncements and competitive conditions. A further description of these and other factors can be found in the periodic and other reports filed by CanWel with Canadian securities commissions and available on SEDAR (http://www.sedar.com). 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) Please refer to our Q3 2010 MD&A for further information.

(2) Reference is made above to EBITDA. We define EBITDA as earnings before interest expense, provision for income taxes, gain or loss on sale of fixed assets, depreciation and amortization, goodwill impairment and stock-based compensation expense. We also consider free cash flow in our financial planning, which we define as operating earnings before changes in non-cash working capital and after maintenance of business capital expenditure and contributions to any reserves the Board of Directors of the Company deem to be reasonable and necessary for the operations of the Company. Please refer to our Q3 2010 MD&A for further information.

EBITDA is a measure used by management of CanWel to evaluate financial performance. EBITDA is not a measure of earnings or financial performance recognized by Canadian generally accepted accounting principles (''GAAP'') and does not have standardized meanings prescribed by GAAP. Items excluded from EBITDA are significant to understanding and assessing financial performance. EBITDA should not be considered in isolation or as alternatives to net income, cash flows generated by operations or other financial statement data presented in the consolidated financial statements of the Company, as indicators of financial performance or liquidity under GAAP. Because EBITDA is not a measure determined in accordance with GAAP, as presented, investors are cautioned that EBITDA may not be comparable to similarly-titled measures presented by other issuers.

(3) Basic and Diluted weighted average number of shares outstanding used for Q3 2010 per share calculations were 60,701,599, and 60,929,599, respectively.