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Press Release

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CANWEL BUILDING MATERIALS ANNOUNCES Q1 2010 DIVIDEND, FOURTH QUARTER AND FULL YEAR 2009 FINANCIAL RESULTS

VANCOUVER, CANADA – March 23, 2010 – CanWel Holdings Corporation (“New CanWel” or “the Company”) (TSX:CWX) today announced a dividend payable for the first quarter of 2010, and reported fourth quarter and 2009 year-end financial results for the period ended December 31, 2009, for CanWel Building Materials Income Fund (the “Fund”⁽¹⁾).

For the year ended December 31, 2009⁽²⁾, revenues amounted to \$650 million compared to \$804 million in 2008. Sales were negatively impacted in 2009 primarily due to the slowdown in the Canadian economy and the continued industry wide downward price pressure in lumber and panel products. However, the Fund’s focus remained on the sales of higher margin products, resulting in a year over year improvement in gross margin percentage to 12.9 per cent (\$84 million) from 12.6 per cent (\$101 million) in the prior year. Excluding the impact of one-time charges incurred during the fourth quarter related to the Fund’s acquisition of Broadleaf Logistics Company and costs related to converting to a corporation, adjusted EBITDA⁽³⁾ and net earnings for the twelve-month period ended December 31, 2009 would amount to \$24.2 million and \$15.7 million, compared to \$32.0 million and \$16.9 million in 2008 respectively. Including such costs, EBITDA for the year amounted to \$22.3 million and net earnings amounted to \$13.8 million.

In 2009, the Fund generated distributable cash⁽³⁾ of 55.6 cents per unit⁽⁴⁾, versus 70.4 cents per unit in 2008. Excluding the one-time charges, the distributable cash for 2009 was 61.0 cents per unit.

For the three month period ended December 31, 2009⁽²⁾, the Fund reported revenues of \$140.2 million compared to \$165.5 million for the same period in 2008. Gross margin during the fourth quarter of 2009 amounted to 12.6 percent or \$18 million versus 12.2 percent or \$20 million in 2008. Excluding the impact of one-time charges incurred during the fourth quarter discussed above, adjusted EBITDA and net earnings for the three-month period ended December 31, 2009 amount to \$3.5 million and \$1.7 million respectively, compared to EBITDA of \$4.4 million and net earnings of \$2.5 million for the comparable period last year. Including such one time costs, EBITDA and net loss for the fourth quarter amounted to \$1.6 million and \$199 thousand.

During the fourth quarter of 2009, the Fund generated distributable cash, adjusted for the one time costs discussed above, of 8.7 cents per unit, versus 3.3 cents unadjusted and 8.8 cents per unit during the corresponding period in 2008.

“2009 proved to be a trying period for many businesses due to the economic environment. This was not an exception for CanWel, however given the strength of our business, we had the ability to stay focused on driving the business forward, protect margins, while identifying a

transformational acquisition in Broadleaf,” noted Amar S. Doman, Chairman and CEO of the Company. “We are looking forward to a better year ahead of us with the addition of Broadleaf to the CanWel family and look forward to sharing our successes with all stakeholders in the months and years to come.”

Reconciliation of Net Income to EBITDA:

	Three months ended December 31		Year ended December 31	
(in thousands of dollars)	2009	2008	2009	2008
Net Earnings	\$(199)	\$2,467	\$13,765	\$16,896
Income tax provision (recovery)	(428)	39	(1,484)	8
Cash interest expense	436	998	2,504	5,783
Depreciation of property plant and equipment	1,293	271	5,246	5,353
Amortization of intangible and other assets	396	371	1,588	1,576
Amortization of deferred gain	(18)	(18)	(73)	(73)
Amortization of financing costs	65	65	257	257
Amortization of promissory notes	33	33	129	129
Loss on disposal and write down of fixed assets	-	17	-	953
Unit-based compensation	40	191	383	1,163
EBITDA	\$1,618	\$4,434	\$22,315	\$32,045
Acquisition and conversion costs	\$1,904	\$-	\$1,904	\$0
Adjusted EBITDA before one time costs	\$3,522	\$4,434	\$24,219	\$32,045

The Company also announced today its first quarter dividend payout of \$0.0667 cents per common share, pro-rated for the quarter. The dividend will be paid on April 15, 2010 to shareholders of record at the close of business on March 31, 2010.

New CanWel intends to change its name to “CanWel Building Materials Group Ltd.” following its annual shareholders meeting in May 2010. Until then, it will carry on business under the name “CanWel Building Materials”.

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, the 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 New 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 New CanWel, including the distributable cash⁽³⁾, distributions or EBITDA⁽³⁾ generated by New 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 New 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 New 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 of Broadleaf Logistics Company (some of whom are competitors of New CanWel) will cease doing business with the Broadleaf Logistics Company or New CanWel, in each case reducing, eliminating or reversing any potential positive economic impact on New 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 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 31, 2009, our management information circular dated December 17, 2009, and our other public filings on SEDAR. Additional risks and uncertainties affecting New 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 New 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. New 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⁾ References to the Fund, New CanWel or CanWel include references to CanWel Building Materials Ltd. as the context may require.

⁽²⁾ Please refer to our Q4 and Full Year 2009 MD&A for further information.

⁽³⁾ Reference is made above to EBITDA and distributable cash. 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 unit-based compensation expense. We define distributable cash as cash flow from operating activities before changes in non-cash working capital and pension and other post-retirement benefits and after maintenance of business capital expenditure and contributions to any reserves the Board of Trustees of the Fund deem to be reasonable and necessary for the operations of the Fund. Please refer to our Q4 and Full Year 2009 MD&A for further information.

EBITDA is a measure used by management of CanWel to evaluate financial performance. In addition, management of CanWel believes that distributable cash is a useful financial measure as it provides investors with an indication of cash available for distribution and is a measure generally used by Canadian income funds as an indicator of financial performance. EBITDA and distributable cash, however, are not measures of earnings or financial performance recognized by Canadian generally accepted accounting principles ("GAAP") and do not have standardized meanings prescribed by GAAP. Items excluded from EBITDA and distributable cash are significant to understanding and assessing financial performance. EBITDA and distributable cash 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 Fund, as indicators of financial performance or liquidity under GAAP. Because neither EBITDA nor distributable cash is a measure determined in accordance with GAAP, as presented, investors are cautioned that EBITDA and distributable cash may not be comparable to similarly-titled measures presented by other issuers (such as other income funds).

⁽⁴⁾ Per unit figures are based on the weighted average number of fund units outstanding. The weighted average number of fund units outstanding for the period is the number of units determined by relating the portion of time within the reporting period that the fund units have been outstanding to the total time in the period.

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