



For Immediate Release

CANFOR ANNOUNCES CHETWYND MILL RESTART

December 16, 2009 – Vancouver, BC, Canada – Canfor Corporation (TSX:CFP) announced today that it will be restarting operations at its Chetwynd sawmill this spring. The decision to restart operations in Chetwynd comes as a result of a new labour agreement with the United Steelworkers and the recent Company approval for a capital expenditure of \$16 million. The new labour agreement includes cost reductions that are tied to a profit-sharing component when markets improve. The mill will return to operation with a single shift this spring in a phased-in start-up. The initial restart of the first shift in Chetwynd will directly employ approximately 70 employees, and when the mill is in full operation will employ more than 100 people. In addition, it will also create jobs for suppliers and contractors associated with the operation.

Forward Looking Statement

Canfor is a leading integrated forest products company based in Vancouver, British Columbia (BC) with interests in BC, Alberta, Quebec, Washington state, and North and South Carolina. The Company produces the most softwood lumber in BC while also producing oriented strand board (OSB), remanufactured lumber products and specialized wood products. Canfor also owns a 50.2% interest in Canfor Pulp Limited Partnership, which is one of the largest producers of northern softwood kraft pulp in Canada and a leading producer of high performance kraft paper. Canfor shares are traded on the Toronto Stock Exchange under the symbol CFP.

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