

March 1, 2013

For Immediate Release

Canfor Announces Normal Course Issuer Bid

Vancouver, BC — Canfor Corporation announced today that it has received regulatory approval for a normal course issuer bid to purchase for cancellation up to 7,137,621 Common Shares or approximately 5% of the 142,752,431 Shares outstanding on February 25, 2013, at prevailing market prices in accordance with the rules of The Toronto Stock Exchange. The normal course issuer bid will commence on March 5, 2013 and continue until March 4, 2014, unless completed or terminated earlier. Canfor believes the normal course issuer bid is in the best interests of the company. Purchases of Common Shares made under the bid will be effected through the facilities of the TSX, alternative trading systems, or as otherwise previously approved by the TSX.

The Company's subsidiary, Canfor Pulp Products Inc., has today also announced its initiation of a normal course issuer bid for the purchase of up to 5% of its issued share capital, through the facilities and in accordance with the Rules of The Toronto Stock Exchange.

Purchases will be made at the discretion of the Company at prevailing market prices, through the facilities of the TSX, in compliance with regulatory requirements. Daily purchases will be restricted to not more than 68,619 shares, representing 25% of the average daily trading volume of the Company's shares on the TSX, subject to certain prescribed exemptions. There can be no assurance as to the precise number of shares that will be repurchased under the share repurchase program. The Company may discontinue its purchases at any time, subject to compliance with applicable regulatory requirements. The Company intends to hold all shares acquired under the issuer bid for cancellation. The Company has not purchased any of its common shares in the last 12 months.

Forward Looking Statements

Certain statements in this press release constitute "forward-looking statements" which involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Words such as "expects", "anticipates", "projects", "intends", "plans", "will", "believes", "seeks", "estimates", "should", "may", "could", and variations of such words and similar expressions are intended to identify such forward-looking statements. These statements are based on management's current expectations and beliefs and actual events or results may differ materially. There are many factors that could cause such actual events or results expressed or implied by such forward-looking statements to differ materially from any future results expressed or implied by such statements. Forward-looking statements are based on current expectations and Canfor and the Purchaser assume no obligation to update such information to reflect later events or developments, except as required by law.

Canfor is a leading integrated forest products company based in Vancouver, British Columbia (BC) with operations in BC, Alberta, Quebec and North and South Carolina. Canfor produces primarily softwood lumber, and also produces bleached chemi-thermo-mechanical pulp and specialized wood products. Canfor also owns a 50.2% interest in Canfor Pulp Products Inc., 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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