



CanWel Building Materials Group Ltd.
1600-1100 Melville Street,
P.O. Box 39
Vancouver, BC V6E 4A6

Press Release

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CANWEL BUILDING MATERIALS ANNOUNCES NATIONAL DISTRIBUTION PARTNERSHIP WITH CERTAINTEED CANADA

VANCOUVER, CANADA – June 9, 2020 – CanWel Building Materials Group Ltd. (“CanWel” or “the Company”) (TSX: CWX; CWX.NT.A) is pleased to announce that effective immediately its CanWel Building Materials Division has entered into a multi-year partnership with CertainTeed Canada for the distribution of its glass mineral wool insulation products to the Lumber, Building Materials (LBM) and OEM channels across Canada. CertainTeed Canada is one of the world leaders in manufacturing and sales of sustainable glass mineral wool insulation. CanWel will extend its product offering for the LBM channel to include this high quality product line and to partner with one of the world's largest manufacturers of glass mineral wool insulation.

CanWel's national stocking and LTL infrastructure, supported by its logistics and sales services, will enable dealers across Canada to experience CertainTeed Insulation's quality and value with proven performance and support.

“I would like to personally welcome CertainTeed Canada to the CanWel team,” said Amar S. Doman, Chairman and Chief Executive Officer of CanWel. “We are very excited about the value proposition that the CertainTeed partnership brings to CanWel and look forward to working together in the months and years to come.”

About CanWel

Founded in 1989, CanWel is headquartered in Vancouver, British Columbia and trades on the Toronto Stock Exchange under the symbol CWX and is Canada's only fully integrated national distributor in the building materials and related products sector. CanWel operates: multiple treating plant and planing facilities in Canada and the United States; distribution centres coast-to-coast in all major cities and strategic locations across Canada; in the United States near Portland, Oregon, San Francisco and Los Angeles, California and in 14 locations in the State of Hawaii through its wholly owned Honsador Building Products Group. CanWel distributes a wide range of building materials, lumber, renovation and electrical products. In addition, through its CanWel Fibre division, CanWel operates a vertically integrated forest products company based in Western Canada, operating from British Columbia to Saskatchewan, also servicing the US Pacific Northwest. CanWel owns approximately 117,000 acres of private timberlands, strategic Crown licenses and tenures, log harvesting and trucking operations, several post and pole peeling facilities and two pressure-treated specialty wood production plants and a specialty saw mill.

For further information regarding CanWel please contact:

Ali Mahdavi
Investor Relations
416-962-3300
ali.mahdavi@canwel.com

Certain statements in this press release, including statements relating to CanWel's expectations regarding its distribution agreement with CertainTeed Canada, Inc. and its distribution of CertainTeed products thereunder, may constitute "forward looking" statements. 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 CertainTeed Canada 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, product liability risks, environmental risks, regulatory risk, trade and tariff risks, differing law or regulations across jurisdictions, volatility of commodity prices, inventory risks, resource industry risks, resource extraction risks, risks relating to remote operations, forestry management and silviculture risks, fire, flood and natural disaster risks, customer and vendor risks, contract performance risks, acquisition and integration risks, availability of credit, credit risks, performance bond risks, litigation risks, interest rate risks, insurance risks, risks related to climate change and risks related to the impact of local, national, and international health concerns, including but not limited to the novel coronavirus COVID-19. A further description of these additional factors 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 and U.S. economies, the relative stability of or level of interest rates, exchange rates, volatility of commodity prices, availability or more limited availability of access to equity and debt capital markets to fund, at acceptable costs, CanWel's future growth plans, the implementation and success of the integration of the distribution agreement, the demand for products distributed by CanWel pursuant to same; the availability and supply of products by CertainTeed Canada pursuant to same; the impact of any 'supply allocation' by CertainTeed Canada; the ability of CanWel to refinance its debts as they mature, the Canadian and United States housing and building materials markets; the direct and indirect effect of the U.S. housing market and economy; international trade and tariff risks, political risks, the amount of CanWel's cash flow from operations; tax laws; and the extent of CanWel's future acquisitions and capital spending requirements or planning as well as the general level of economic activity, in Canada and the US, and abroad, discretionary spending and unemployment levels; the effect of general economic conditions, including market demand for CanWel's products, and prices for such products; the effect of forestry, land use, environmental and other governmental regulations; and the risk of losses from fires, floods and other natural disasters and unemployment levels. There is a risk that some or all of these assumptions may prove to be incorrect. These and other factors could cause or contribute to actual results differing materially from those contemplated by forward-looking statements. Accordingly, readers should not place undue reliance on any forward-looking statements or information. There are numerous risks associated with an investment in CanWel's common shares or senior unsecured notes, which are also further described in the "Risk Factors" sections of CanWel's annual information form dated March 31, 2020 as well as its other public filings on SEDAR. These forward-looking statements speak only as of the date of this press release. We caution that the foregoing factors that may affect future results are not exhaustive. When relying on our forward-looking statements to make decisions with respect to CanWel, investors and others should carefully consider the foregoing factors and other uncertainties and potential events.

Neither CanWel nor any of its associates or directors, officers, partners, affiliates, or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in these communications will actually occur. You are cautioned not to place undue reliance on these forward-looking statements. Except as required by applicable securities laws and legal or regulatory obligations, CanWel is not under any obligation, and expressly disclaims any intention or obligation, to update or revise any forward looking statements, whether as a result of new information, future events or otherwise.

- (1) Information regarding CertainTeed 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.