



SLOCAN-LP OSB CORP

Slocan-LP OSB Corp.

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SLOCAN-LP OSB CORP. BREAKS GROUND FOR NEW MILL

Fort St. John, BC – Slocan-LP OSB Corp. today hosted an official “ground breaking” ceremony at the site of its new OSB (Oriented Strand Board) mill in Fort St. John. More than 100 community, business, government and First Nations leaders from around the Peace River region were on hand for the celebration. The event marks the start of construction of the new state-of-the-art OSB mill that will be the largest in North America. Slocan-LP OSB Corp. is a 50-50 joint venture company owned by Canadian Forest Products Ltd. based in Vancouver, BC and Louisiana-Pacific Corporation based in Portland, Oregon. Over the next 15 months, 300 construction employees will build the plant and once in production, 150 people will be required to operate it while another 300 contract harvesting (harvesting, hauling & silviculture) employees will supply the wood and help manage the forest lands required to keep the mill operating. The new mill is expected to begin production in September 2005.

Slocan-LP OSB Corp. President William (Bill) Hebert said, “the official ground breaking for the new OSB plant marks a special day for the people of Fort St. John, the Peace River region and the province of British Columbia. It is fitting for a forestry province like BC to be home to the most modern, world-class OSB mill anywhere. I want to thank the people of Fort St. John for their cooperation in helping our company with this project.”

“The Fort St. John OSB mill strengthens Canfor’s position in the panels business, complementing our lumber and pulp and paper operations” said Canfor CEO Jim Shepherd. “The timing of this project is right as prices for OSB remain high and demand is expected to remain strong as the North American housing market continues to grow. The construction of the new mill will allow us to efficiently deliver high quality products to these markets while benefiting Fort St. John and the Peace River region.”

“The combination of a supportive community and access to adequate resources, such as a skilled work force and raw material base, makes Fort St. John an ideal site for the mill,” said Mark Suwyn, LP Chairman and CEO. “The new mill will not only be the most modern, state-of-the-art OSB plant in North America, but it will also be a model of efficiency, safety and environmental stewardship.”

Also taking part in the official “ground breaking” ceremony were the Minister of Forests, Hon. Michael de Jong and Minister of Energy and Mines and local MLA (Member of the Legislative Assembly) Hon. Richard Neufeld representing the BC government, Chief Roland Willson of the West Moberly Band representing the Treaty 8 First Nations and Fort St. John Mayor Steve Thorlakson.

The Fort St. John OSB mill will be large enough to cover the equivalent of 10 football fields or 28 hockey rinks and will cost more than \$200 million to construct. At its tallest point, the plant will measure 29 meters which is equivalent to the tallest hotel in Fort St. John. At full capacity the new mill will be capable of producing up to 820 million square feet of panel annually or enough OSB to help construct approximately 75,000 average North American homes.

About Canadian Forest Products Ltd.

Established in 1938, Canfor is a Canadian integrated forest products company based in Vancouver, British Columbia, employing approximately 10,000 people in its wholly owned forest products and affiliate operations in British Columbia, Alberta, Quebec and Washington State. Canfor is the largest softwood lumber producer and kraft market pulp producer in Canada and a significant player in the plywood and OSB markets. Canfor’s products are exported primarily to the United States, Europe and the Far East. Canfor maintains wood products sales offices in Vancouver and Toronto, Canada, and Tokyo, Japan and maintains pulp and paper sales offices in Vancouver, Canada; Brussels, Belgium; and Tokyo, Japan.

About Louisiana-Pacific Canada Ltd.

Louisiana-Pacific Canada Ltd., a subsidiary of Louisiana-Pacific Corporation (LP), has more than 2,200 employees located in five provinces. LP is headquartered in Portland, Oregon and operates more than 30 manufacturing facilities in 13 U.S. states, Canada and in Chile. Incorporated in 1973, the company provides a wide variety of commodity and specialty building products, and is the world’s leading producer of oriented strand board (OSB) structural panels.

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