



WESTERN FOREST PRODUCTS INC.

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FOR IMMEDIATE RELEASE

TSX: WEF

Western positioning for the future with a \$6.7 million investment in Autograding Technology

July 11, 2012 – Vancouver, British Columbia. Western Forest Products Inc. (TSX: WEF) (“Western” or “the Company”) is continuing to implement our strategic capital plan which will position the company to be more competitive in the global marketplace. The latest investment is a \$6.7 million dollar installation of automatic lumber grading technology into the Alberni Pacific Division (APD) planer mill in Port Alberni, BC.

Automatic lumber grading technology has been used in the commodity lumber business around the world for over a decade. The technology has proven effective in assessing lumber grades quickly, accurately, and consistently, increasing value, recovery and efficiency.

Western, in partnership with Lucidyne Technologies Inc., is refining the technology necessary to address the complexity of coastal species lumber grading, resulting in the first installation of autograding on the BC Coast. The equipment will deliver a significant increase in operating speeds, improve value, and increase lumber recovery. This installation will make APD a more competitive mill in the global marketplace and more resilient to market fluctuations.

“Western is proud to be leading the coastal milling industry with the first installation of autograding technology. We are continuing with our commitment to Coastal BC by investing back into our facilities—positioning them for the future and building on our globally competitive coastal forest products company” said Dominic Gammiero, Chairman and CEO.

Western Forest Products

Western is an integrated Canadian forest products company and the largest coastal British Columbia woodland operator and lumber producer with an annual available harvest of approximately 6.4 million cubic metres of timber of which approximately 6.2 million cubic metres is from Crown lands and lumber capacity in excess of 1 billion board feet from eight sawmills and three remanufacturing plants. Principal activities conducted by the Company include timber harvesting, reforestation, sawmilling logs into lumber and wood chips and value-added remanufacturing. Substantially all of Western’s operations, employees and corporate facilities are located in the coastal region of British Columbia while its products are sold in over 25 countries worldwide.

Lucidyne Technologies

Lucidyne Technologies, Inc. is based in Corvallis, Oregon, and has provided the wood products industry with Trimmer/Sorter Control Systems, ColorScan® Grade Mark Readers and scanning and optimization systems since its founding in 1985.

Forward-Looking Statements

This press release contains statements which constitute forward-looking statements and information within the meaning of applicable securities laws, including statements regarding a sale of timber tenures and our current intentions not to sell any other Crown timber tenure in the future. Readers are cautioned that it would be unreasonable to rely on any such forward-looking statements and information as creating legal rights, and that the statements and information provided are not guarantees either that the announced transaction will be completed, or that the Company will not in the future sell any additional tenures if circumstances or management's intentions in that regard should change.

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