



WESTERN FOREST PRODUCTS INC.

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FOR IMMEDIATE RELEASE

TSX: WEF

**Western Announces Agreement for Sale of
Tree Farm Licence 60 to Taan Forest Limited Partnership**

October 11, 2011 – Vancouver, British Columbia. Western Forest Products Inc. (TSX: WEF) (“Western” or “the Company”) announces that it has reached an agreement to sell Tree Farm Licence 60 (“TFL 60”) and related assets on Haida Gwaii to Taan Forest Limited Partnership (“Taan”), a partnership of the Council of the Haida Nation and Haida Enterprise Corporation, the business arm of the Haida Nation. Under the terms of the sale, Western will receive net proceeds of approximately \$11.6 million and certain ongoing rights to cedar logs harvested by Taan. Taan will assume substantially all of the obligations of Western on Haida Gwaii. The net proceeds from the sale will be used to pay down the Company’s debt in accordance with its lending agreements. It is expected that the agreement will close before the end of the year.

“We have been in discussions regarding this sale with the Haida Nation for more than two years and the Minister of Forests has already provided notice that the TFL sale can now proceed. As the average annual timber harvested off TFL 60 by Western over the past five years has been modest, the sales will have no impact on our long term operating rates at our eight lumber mills. Proceeds from the sale will further strengthen our balance sheet and provide us with additional flexibility to pursue strategic initiatives. We have no plans to sell any other Crown timber tenures” said Dominic Gammiero, Chairman and Chief Executive Officer.

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 7.4 million cubic metres of timber of which approximately 7.2 million cubic metres is from Crown lands and lumber capacity in excess of 1.5 billion board feet from eight sawmills and four 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.

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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