



WESTERN FOREST PRODUCTS INC.

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FOR IMMEDIATE RELEASE

TSX: WEF

Western Announces Sale of Interest in Joint Venture

January 4, 2011 – Vancouver, British Columbia. Western Forest Products Inc. (TSX: WEF) ("Western" or the "Company") today announced that it has completed the exercise of an option to sell its interest in the joint venture established in 2009 between the Company and Brookfield Properties Ltd. ("Brookfield"), a wholly-owned subsidiary of Brookfield Office Properties (TSX: BPO).

As previously announced by the Company in October 2009, under the joint venture arrangements, Western held less than 5% of the equity of the entity that holds the joint venture and had a right to sell its interest in the entity to Brookfield for its fair market value at any time on or after January 1, 2011. Brookfield is the manager of the joint venture entity, which holds certain undeveloped property acquired from the Company in 2009 and also holds Carma Developers LP, a limited partnership that carries on a land development business across Western Canada. The Company received \$2.359 million for the sale of its interest.

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 7.1 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.

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