



Doman Building Materials Group Ltd.
1600 – 1100 Melville Street,
Vancouver BC V6E 4A6

Press Release

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DOMAN BUILDING MATERIALS GROUP LTD. COMPLETES ACQUISITION OF FONTANA WHOLESALE LUMBER AND WOOD PRESERVING

VANCOUVER, June 22, 2021 – Doman Building Materials Group Ltd. (“Doman” or “the Company”) (TSX:DBM; DBM.NT) today announced that its wholly owned subsidiary L.A. Lumber Treating, Ltd. (“L.A. Lumber”) has acquired the lumber pressure treating plant, related equipment and business (the “Plant”) formerly owned by Fontana Wood Preserving, Inc. and Fontana Wholesale Lumber, Inc. (the “Acquisition”). L.A. Lumber joins the Company’s California Cascade family of businesses.

The Plant is in Fontana, California and is strategically located near another California Cascade facility, adding fire retardant treating along with an almost doubling of our overall capacity for Southern California, complementing our suite of US West Coast offerings. The purchase price for the Plant was satisfied in cash from existing credit facilities of the Doman group and is expected to be accretive to earnings immediately.

Amar Doman, Chairman and CEO of Doman said, “We are very excited with this Acquisition. The Plant complements our US West Coast operations and strengthens our footprint in the strong Southern California and southwestern US markets. This strategic acquisition exemplifies our strategy of adding scale and volume to the US West Coast in pressure treated lumber and specialty wood products.”

About Doman Building Materials Group Ltd.

Doman is headquartered in Vancouver, British Columbia and trades on the Toronto Stock Exchange under the symbol DBM and is a leading North American distributor of building materials and is Canada's only fully integrated national distributor in the building materials and related products sector. Doman operates several distinct divisions: CanWel Building Materials with multiple treating plant, planing facilities and distribution centres coast-to-coast in all major cities and strategic locations across Canada; founded in 1959, Hixson Lumber Company in the central United States, with 19 treating plants, two specialty planing mills and five specialty sawmills located in eight states, headquartered in Dallas, Texas, distributing, producing and treating lumber, fencing and building materials; California Cascade in the western United States near Portland, Oregon, San Francisco and Los Angeles, California with treating facilities and distribution of building materials, lumber and renovation products; founded in 1935, the Honsador Building Products Group in 14 locations in the State of Hawaii, with treating facilities, truss plants and distribution of a wide range of building materials, lumber, renovation and electrical products. In addition, through its CanWel Fibre division, the Company operates a vertically integrated forest products company based in Western Canada, operating from British Columbia to Saskatchewan, also servicing the US Pacific Northwest. CanWel Fibre owns approximately 117,000 acres of private timberlands, strategic 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 sawmill. Please see our filings on SEDAR under Doman Building Materials Group Ltd. (formerly, CanWel Building Materials Group Ltd.) for additional information.

For further information regarding Doman please contact:

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

Certain statements in this press release may constitute "forward-looking" statements including statements regarding the Transaction and the anticipated benefits of the Transaction (including earnings accretion). The following statements are or may constitute forward-looking statements (1) statements preceded by, followed by, or that included words like "may", "will", "would", "should", "expect", "believe", "plan", "intend", "predict", "remain", "anticipate", "estimate", "potential", "continue", "could", "might", "project", "targeting", "future" and other similar terminology, and (2) other statements regarding matters that are not historical facts. The matters addressed in these statements are subject to a number of risks, uncertainties and assumptions that may cause actual results to differ materially from those projected, including, but not limited to: the risk that the existing and acquired businesses will not be integrated successfully; the risk that cost savings, synergies and enhanced financial performance expected to result from the Transaction may not be fully realized or may take longer to realize than expected; disruption from the Transaction making it more difficult to maintain relationships with customers, employees or suppliers; the effect of general economic conditions, including market demand for Doman's or L.A. Lumber's products, and prices for such products; the availability, cost and other terms of capital; the efficiency and consequences of operations improvement initiatives; the effect of forestry, land use, environmental and other governmental regulations; and the risk of losses from fires, floods and other natural disasters. These and other factors, including the risk factors set out in Doman's annual information dated March 12, 2021, 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. Forward-looking statements contained in this press release speak only as of the date of this press release. Doman does not undertake, and specifically disclaims, any obligation to update or revise any forward-looking statements or information, whether as a result of new information, future developments or otherwise, except as required by applicable law.