



West Fraser Timber Co. Ltd

**858 Beatty Street
Suite 501
Vancouver, B.C. V6B 1C1**

**NEWS RELEASE
WEST FRASER TIMBER CO. LTD.
(TSX:WFT)**

(For release at 13:00 Pacific / 16:00 Eastern - Wednesday, November 29, 2006)

Attention: Business & Financial Editors
Financial Analysts

West Fraser Announces Major U.S. Acquisition

– Transaction Creates North America’s Second Largest Lumber Producer –

– Conference Call and Webcast at 2:00 p.m. Pacific / 5:00 p.m. Eastern Today –

Vancouver, B.C – November 29, 2006 / CNW -- **West Fraser Timber Co. Ltd.** (TSX: WFT) today announced that it has entered into an agreement to acquire 13 sawmills from International Paper (NYSE: IP) for approximately US\$325 million, subject to certain post-closing adjustments. The transaction, which is also subject to U.S. regulatory approvals and customary conditions, is expected to close in the first quarter of 2007.

The acquisition marks a significant expansion of West Fraser’s presence in the United States. The 13 mills, which are located in North and South Carolina, Georgia, Florida, Alabama, Arkansas and Texas, employ approximately 2,200 people and have a combined annual production capacity of approximately 1.8 billion board feet of lumber. West Fraser currently owns two sawmills in the U.S. located in Huttig, Arkansas and Joyce, Louisiana which employ approximately 400 people and have a combined annual production capacity of 420 million board feet. All of the mills produce lumber from southern yellow pine. Southern yellow pine (SYP) lumber is used extensively in treated wood and strength applications such as treated decks, trusses and joists, while

spruce/pine/fir (SPF) lumber, which the Company's western Canadian sawmills produce, is the preferred species for use in house framing. Currently, 10% of West Fraser's total lumber production capacity is SYP. Following this transaction that percentage will increase to approximately 36%.

Upon completion of the transaction, West Fraser will be the second largest lumber producer in North America with combined Canadian and U.S. production capacity of approximately 6.2 billion board feet.

"This is a long-term strategic move that strengthens our core lumber business, gives us significant new geographic, fibre and product diversification, and establishes West Fraser as a major presence in the U.S. South," said Hank Ketcham, West Fraser's Chairman, President & Chief Executive Officer.

"It's a unique growth opportunity, both in terms of size and diversification, and one that follows logically on our entry into the U.S. South back in 2000," added Ketcham. "By operating two mills in this region for six years, we've gained first-hand knowledge of the significant potential that exists there. Because of the recent decline in U.S. housing starts, the U.S. South lumber industry is currently experiencing the same downturn as our Canadian operations. However, the market fundamentals and longer-term outlook for the industry are positive. The southern region of the U.S. is North America's fastest growing market for wood products, currently representing approximately 40% of all North American housing starts. The fibre supply is also excellent, with harvests of southern yellow pine projected to continue increasing."

The transaction will include the assignment of multi-year market price log supply agreements with the current owners of International Paper's former southern timberlands. These agreements are expected to provide approximately 15% of the acquired mills' current requirements. West Fraser will also enter into long-term agreements to sell residual wood chips to International Paper at market prices. The transaction will result in the termination of certain pulp supply contracts which were entered into as part of West

Fraser's 2004 acquisition of Weldwood and were related to businesses that International Paper has since sold. West Fraser anticipates no significant changes to the employee base at its newly acquired operations.

"We look forward to welcoming our new employees to the West Fraser organization. The combination of their local expertise and experience with our focus on efficient solid wood operations creates the foundation for a strong and successful future for these mills," said Ketcham.

Transaction Details and Synergies

West Fraser intends to finance the acquisition with cash on hand and available lines of credit. The Company is expected to receive duty refunds under the 2006 Softwood Lumber Agreement of approximately US\$260 million, after taking into account all interest, charges, taxes and amounts payable to third parties in respect of the refunds.

West Fraser anticipates annual synergies of approximately US\$23 million as a result of the transaction. The majority of the projected synergies, likely to be obtained over three years, are expected to be achieved through non-capital operational improvements at the acquired mills and through the implementation of best practices.

About West Fraser

Headquartered in Vancouver, B.C., West Fraser is an integrated forest products company producing lumber, LVL, MDF, plywood, pulp, linerboard, kraft paper and newsprint. The Company currently has 6,900 employees and operations in British Columbia, Alberta and the Southern United States. All of West Fraser's managed Canadian woodlands are certified to a third-party and independently-verified sustainable forest management standard, either the Sustainable Forestry Initiative (SFI) or Canada's national standard for sustainable forest management (CAN/CSA Z809).

Conference Call Details

West Fraser will host a conference call for the investment community at 2:00 p.m. Pacific / 5:00 p.m. Eastern today. Participants may access the call by dialing 1-866-898-9626 or 416-340-2216 approximately 10 minutes prior to the start time. This call will also be available via webcast at

<http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=1677060> or

on the Company's website at <http://www.westfraser.com>

Supporting presentation materials will be available online at both addresses at the time of the call. Members of the media are welcome to listen to the call and ask questions after the investment community portion is completed.

For those unable to attend the live conference call, an instant replay will be available until December 13, 2006 at 1-800-408-3053 or 416-695-5800, Passcode: 3205568#

Forward-Looking Statements

This release contains forward-looking statements, including statements regarding the anticipated timing and benefits of the transaction between the Company and International Paper. Forward-looking statements, which include all statements that are not historical facts, are subject to certain risks and uncertainties that could cause actual results to differ materially from those anticipated in or suggested by the forward-looking statements. Factors that could cause actual results to differ materially from those expressed in the forward-looking statements include the successful implementation of the Company's business plan for the acquired facilities including management and administration and anticipated integration with the Company's current business, processes and systems, the timing and extent to which the Company realizes anticipated synergies and other benefits of the acquisition, the reaction of customers, suppliers and other third parties, the diversion of Management's time on acquisition-related issues and other risks and uncertainties, including those disclosed by the Company from time to time. All forward-looking statements in this news release are qualified by these cautionary statements. Readers should not place undue reliance on the forward-looking statements, which reflect Management's plans, estimates, projections and views only as of the date hereof. The Company undertakes no

obligation to publicly revise these forward-looking statements to reflect subsequent events or circumstances.

Contacts:

For West Fraser Timber Co. Ltd.

Investors: Martti Solin, Executive Vice-President, Finance & Chief Financial Officer;
Rodger Hutchinson, Vice-President, Corporate Controller (604) 895-2700

Media: Ann Gibbon (778) 999-0064

<http://www.westfraser.com>