



PRESS RELEASE

International Forest Products Limited

Vancouver, BC

June 30, 2006

INTERFOR MAKES PROGRESS ON RESTRUCTURING INITIATIVES

Vancouver, B.C. - **International Forest Products Limited** (“Interfor” or the “Company”) (TSX: IFP.A) announced today that it has concluded the sale of additional surplus properties along the Mamquam Channel in Squamish, B.C. In addition, a number of other restructuring initiatives were completed in the second quarter, including:

- The sale of surplus properties in Bella Coola, B.C.;
- The sale of the Saltair remanufacturing facility in Chemanius, B.C.;
- The sale of equipment from the former Field sawmill site in Comox, B.C.;
- The sale of surplus logging equipment; and
- Additional staff restructuring.

In total, the initiatives completed in the quarter have generated net cash proceeds after payment of severance of approximately \$12 million. These initiatives are consistent with the Company’s strategy to focus on its core operations. The above net proceeds do not include anticipated proceeds from the sale of Mackenzie Seizai or Helifor Industries which were announced earlier and which are expected to close in the 3rd quarter.

Interfor is one of the Pacific Northwest’s largest producers of quality wood products, with operations in British Columbia, Washington and Oregon.

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