

Canfor Pulp Income Fund Announces Increased Monthly and Supplemental Distributions

December 15, 2006 – Vancouver, B.C. – Canfor Pulp Income Fund (the “Fund”) (TSX:CFX.UN) announced today that it has declared an increased monthly cash distribution of \$0.14 per Fund unit, for the month of December, to be paid on January 15, 2007 to unitholders of record at the close of business on December 29, 2006. In addition to the monthly distribution, the Fund also declared an increased supplemental cash distribution of \$0.22 per Fund unit also payable on January 15, 2007 to unitholders of record at the close of business on December 29, 2006, resulting in a total December distribution of \$0.36 per Fund unit. By comparison, the distributions paid for November totalled \$0.24 per Fund unit, consisting of monthly and supplemental distribution of \$0.12 each.

The increased level of distributions is due to the continued favourable pricing in the NBSK market coupled with the weakening of the Canadian dollar in relation to the U.S. dollar and also very good mill productivity.

Future supplemental distribution is not anticipated in the near term.

About Canfor Pulp Income Fund

The Fund is an unincorporated, open-ended trust established under the laws of Ontario, created to indirectly acquire and hold an interest in the Canfor Pulp Limited Partnership (the “Partnership”). The Fund indirectly holds a 49.8% interest in the Partnership with Canadian Forest Products Ltd. (a subsidiary of Canfor Corporation) holding the remaining 50.2% interest.

For more information about Canfor Pulp Income Fund and the Partnership, please visit www.canforpulp.com.

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Certain statements in this press release constitute “forward-looking statements” which involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Words such as “expects,” “anticipates,” “intends,” “plans,” “will,” “believes,” “seeks,” “estimates,” “should,” “may,” “could” and variations of such words and similar expressions are intended to identify such forward-looking statements. The risks and uncertainties are detailed from time to time in reports filed by the Fund with the securities regulatory authorities in all of the provinces and territories of Canada to which recipients of this press release are referred to for additional information concerning the Fund, its prospects and uncertainties relating to the Fund and its prospects. These statements are based on management’s current expectations and beliefs and actual events or results may differ materially. New risk factors may arise from time to time and it is not possible for management to predict all of those risk factors or the extent to which any factor or combination of factors may cause actual results, performance and achievements of the Fund to be materially different from those contained in forward-looking statements. The forward-looking statements are based on current information and expectations and the Fund assumes no obligation to update such information to reflect later events or developments, except as required by law.