



NEWS RELEASE

/NOT FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES OR FOR DISSEMINATION
IN THE UNITED STATES/

Note: Financial references in US dollars unless otherwise indicated

NORBORD FILES FINAL PROSPECTUS FOR CAD\$240 MILLION RIGHTS OFFERING

TORONTO, ON (November 17, 2008) – Norbord Inc. (TSX:NBD) announced today that it has filed a final short form prospectus in relation to its previously announced rights offering (the "Offering"). Gross proceeds under the Offering will be approximately CAD\$240 million.

The final prospectus along with the rights certificates will be mailed to eligible shareholders beginning on or about December 1, 2008. Registered shareholders wishing to exercise their Rights must forward the completed Rights certificates, along with the applicable funds to CIBC Mellon Trust Company by December 22, 2008 (the "Expiry Date"). Shareholders who own their shares through an intermediary, such as a bank, trust company, securities dealer or broker, will receive materials and instructions from their intermediary.

Under the amended terms of the Offering, shareholders of record on November 27, 2008 will receive one Right for each common share held. Each Right will entitle the holder to purchase 1.81 Units at the price of CAD\$0.88 per Unit. Each Unit will be comprised of one common share and one half of a common share purchase warrant ("Warrant"). Each whole Warrant will entitle the holder to purchase one common share at a price of CAD\$1.36 at any time over the five years following the Expiry Date. Purchase of the Units must be completed by 5:00 p.m. (Toronto time) on the Expiry Date. Shareholders who fully exercise their Rights are entitled to subscribe pro-rata for additional Units, if available, that were not subscribed for initially on or before the Expiry date.

Brookfield Asset Management Inc. ("Brookfield") (TSX:BAM; NYSE:BAM), who has provided a standby purchase commitment in respect of the Offering, has consented to the final terms of the Offering.

The common shares of the Company are expected to commence trading on the TSX on an ex-rights basis at the opening of business on November 25, 2008 meaning that common shares purchased on, or following, that date will not be entitled to receive the Rights under this Offering. At that time, the Rights are expected to be posted for trading on the TSX on a "when-issued" basis and will thereafter trade under the symbol "NBD.RT". Trading of the Rights is expected to continue until noon (Toronto time) on the Expiry Date. The Company's common shares trade on the TSX under the symbol "NBD".

Shareholders should consult the final prospectus and their financial advisors to determine their rights and entitlements under the Offering.

This press release should be read together with, and is qualified in its entirety by, the more detailed information contained in the final short form prospectus.

This news release does not constitute an offer to sell or the solicitation of an offer to buy these securities. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the United States Securities Act of 1933, as amended. The Company does not intend to register any portion of this offering in the United States.

Norbord Profile

Norbord Inc. is an international producer of wood-based panels with assets of \$1.1 billion, employing approximately 2,700 people at 15 plant locations in the United States, Europe and Canada. Norbord is one of the world's largest producers of oriented strand board (OSB). In addition to OSB, Norbord manufactures particleboard, medium density fibreboard (MDF), hardwood plywood and related value-added products. Norbord is a publicly traded company listed on the Toronto Stock Exchange under the symbol NBD.

-end-

Contact:

Anita Veel
Director, Corporate & Regulatory Affairs
(416) 643-8838
anita.veel@norbord.com

This news release contains forward-looking statements, as defined in applicable legislation. Often, but not always, words such as "will be," "will," "are expected to" and other expressions which are predictions of or indicate future events, trends or prospects and which do not relate to historical matters identify forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Norbord to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Although Norbord believes it has a reasonable basis for making these forward-looking statements, readers are cautioned not to place undue reliance on such forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, which contribute to the possibility that the predictions, forecasts and other forward-looking statements will not occur. Factors that could cause actual results to differ materially from those contemplated or implied by forward-looking statements include: general economic conditions; risks inherent with product concentration; effects of competition and product pricing pressures; risks inherent with customer dependence; effects of variations in the price and availability of manufacturing inputs; risks inherent with a capital intensive industry; and other risks and factors described from time to time in filings with Canadian securities regulatory authorities.

Except as required by applicable laws, Norbord does not undertake to update any forward-looking statements, whether as a result of new information, future events or otherwise, or to publicly update or revise the above list of factors affecting this information. See the "Caution Regarding Forward-Looking Information" statement in the March 1, 2008 Annual Information Form and the cautionary statement contained in the "Forward-Looking Statements" section of the 2007 Management's Discussion and Analysis dated January 31, 2008.