

PWEagle

FOR: PW Eagle, Inc.
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(Nasdaq-NMS: "PWEI")

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PW EAGLE ANNOUNCES GOVERNANCE CHANGES

Eugene, Oregon – April 24, 2006 – PW Eagle, Inc. (Nasdaq: PWEI) (the "Company") announced today proposed changes to its governance structure as well as its nominees for the Board of Directors.

The primary goals of the current Board of Directors have been to build PW Eagle into a strong, viable public company, to enhance shareholder value and to provide liquidity to the shareholders. These goals have now been accomplished. The Company is the second largest manufacturer of polyvinyl chloride (PVC) pipe in the United States and has a significant share of the polyethylene (PE) pipe market. The Company has grown from one plant in Hastings, Nebraska in 1993 to 14 plants across the United States with the capacity to produce over 900 million pounds of plastic pipe a year. Revenues last year were almost \$700 million. With the exception of approximately \$19.7 million of real estate capital leases, PW Eagle is essentially debt free. The Company is paying a quarterly dividend, and during the first quarter of 2006, the stock traded an average of over 500,000 shares a day.

As PW Eagle has evolved as a public company, its shareholder base has also changed. Recently, two new significant shareholders made filings with the Securities and Exchange Commission proposing, or expressing support for, changes in the structure and membership of the Company's Board of Directors. Pirate Capital LLC stated in its filings that it intended to encourage the Company to "actively pursue strategic alternatives to maximize shareholder value, including the potential sale of the company." Caxton Associates stated in its filing that it too believed that the Company "should undertake a process to actively consider strategic alternatives for the purpose of maximizing shareholder value." However, Caxton also stated that they believed "that the Company should promptly take steps to reduce its current base of shares through repurchases funded from free cash flow and the proceeds of a modest amount of borrowings."

Since these filings, the Company has been in discussions with representatives of Pirate Capital and separate discussions with representatives of Caxton. These discussions have led to separate agreements between the Company and Pirate Capital and the Company

and Caxton that the Company believes to be in the best interests of the Company and its shareholders. Pursuant to these agreements, the governance structure that served the Company well as it grew rapidly and successfully built its business will be modified to meet the demands and requirements of the Company's new circumstances and shareholder constituencies.

The Company's proxy statement for the 2006 annual meeting of shareholders will provide for the expansion of the Board from five to seven members and the elimination of the staggered board elections. The current members of the Board of Directors do not intend to stand for reelection, and the Company's proxy will nominate Jerry Dukes, CEO of the Company; Zachary George, a director and senior analyst at Pirate Capital LLC; Todd Goodwin, a retired investment banker with Gibbons, Goodwin, van Amerongen; Thomas Hudson, the managing member of Pirate Capital LLC; Lee Meyer, the CEO of Ply Gem Industries and former chair of the Vinyl Siding Institute; Stephen Rathkopf, a partner with the New York law firm of Herrick, Feinstein specializing in corporate law, litigation and real estate; and Martin White, a retiring executive of OxyVinyls. The detailed biographies of the Company's nominees will be disclosed in the Company's proxy statement.

The proposed new Board of Directors will be an independent board with no single shareholder or group of shareholders in control and one that has significant industry expertise, financial acumen and public company board experience. The Company anticipates that the new Board of Directors will undertake a thorough exploration of all the strategic alternatives available to the Company for maximizing shareholder value.

William Spell, chairman of PW Eagle, said, "The changes in our governance and Board that we announced today are the natural consequence of PW Eagle's growth as a public company with a broad shareholder base including many institutional investors. The Board of Directors that the Company will nominate will be a strong, independent Board that can represent all constituencies of PW Eagle and determine the best strategic direction for the Company. I want to thank the current Board members, management and employees of the Company for their hard work which has resulted in making PW Eagle a great company that is financially strong and has a future full of opportunity."

The Company also announced that it has postponed its annual meeting of shareholders. The Company plans to file its proxy statement with the Securities and Exchange Commission no later than April 28, 2006. It will set the date for the annual meeting and mail the proxy statement as soon as permitted thereafter.

THIS PRESS RELEASE CONTAINS FORWARD-LOOKING INFORMATION AND ACTUAL RESULTS MAY DIFFER

Statements that PW Eagle, Inc. may publish, including those in this announcement that are not strictly historical are "forward-looking" statements made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements made in this press release include the statement regarding the Company's

anticipation that the new Board of Directors will undertake a thorough exploration of all the strategic alternatives available to the Company for maximizing shareholder value. This statement and other forward-looking statements involve known and unknown risks and uncertainties that may cause the actual results to differ materially from those expected and stated in this announcement. Whether the Company's future Board of Directors undertakes an exploration of strategic alternatives will depend upon events and circumstances that cannot be predicted currently and the Board's evaluation of those events and circumstances. Even if an evaluation is undertaken, there is no assurance that strategies will be available that are more likely to increase value than maintaining current operations consistent with past practice. If the Company's operating performance declines, the number and quality of strategic alternatives available to the Company will likely decline as well. The Company's performance could be adversely affected as a result of: (i) a slowdown in the United States economy; (ii) the failure of the Gross Domestic Product to improve during the remainder of 2006 and thereafter; (iii) an increase in interest rates; (iv) a decline in the construction of commercial and residential buildings; (v) a fluctuation in raw material prices; and (vi) a greater supply of PVC and PE pipe than market demand for such products caused by cyclical fluctuations in the supply and demand for pipe. It is not possible to foresee or identify all factors that could cause actual results to differ from expected or historical results. As such, you should not consider any list of such factors to be an exhaustive statement of all risks, uncertainties or potential inaccurate assumptions. We undertake no obligation to update "forward-looking" statements.

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