

MCGUINTY GOVERNMENT STRENGTHENS FOREST INDUSTRY IN ONTARIO

\$6-Million Investment Will Help Secure 140 High-Value Jobs, Boost Province's Energy Supply



February 28 2007 TRENTON — Premier Dalton McGuinty today announced that the government is strengthening the forest sector and expanding renewable energy in Ontario by helping to build a new biomass co-generation plant at Norampac's Trenton mill.

"We're proud to partner with Norampac to secure local jobs and build a better quality of life for families in rural Ontario," said Premier McGuinty. "This new co-generation plant will create high-skill jobs, strengthen surrounding communities and help to build a stronger, greener and healthier province for years to come."

Through its Forest Sector Prosperity Fund, the government is investing \$6 million to help build a new \$27-million biomass co-generation plant. Building the plant will help secure about 140 jobs in Trenton.

The plant will produce steam and electricity, reducing the mill's dependence on natural gas and fuel oil. It will be fuelled by biomass made up of waste from southern Ontario sawmills. As a result, the mill will become more self-sufficient.

Premier McGuinty joined Natural Resources Minister David Ramsay, Northumberland MPP Lou Rinaldi, Mayor John Williams and Norampac executives and employees for today's announcement.

"We are committed to investing in the businesses that help rural Ontario prosper," said Ramsay. "Our prosperity fund is supporting a key engine of our economy — the forest sector — making that industry more competitive, developing clean, renewable energy sources and securing good jobs."

"Today's announcement is good news for Trenton and for the forest industry," said Rinaldi. "Through significant partnership investments, like this initiative with Norampac, the McGuinty government is helping to foster innovation by local businesses."

"The upgrades we are making, with the assistance of the government, will help make our Trenton operation more efficient and competitive," said Marc-André Dépin, President and Chief Executive Officer of Norampac. "The \$6-million contribution from the Forest Sector Prosperity Fund was critical to our decision to go ahead with these measures."

The government created the \$150-million Forest Sector Prosperity Fund to help forest companies invest in their own futures, and those of the communities that depend on them.

Strengthening Ontario's forest sector is just the latest example of how the McGuinty government is working to create a stronger and more prosperous rural Ontario. Other initiatives include:

- Providing a loan guarantee of \$8 million to Tembec for an engineered wood products facility in Kirkland Lake
- Giving a \$1.65-million grant to Flakeboard Company Ltd. to upgrade its Sault Ste. Marie mill
- Investing \$1.39 million in Bowater Canadian Forest Products Incorporated's Thunder Bay complex
- Helping to build a coated structural board facility in Earlton, the first of its kind in North America, with a \$2-million grant to Grant Forest Products.

"Investing in alternative fuels, like biomass, will help boost our province's supply of energy," said Premier McGuinty. "It will also strengthen Ontario's economic advantage and build opportunity for future generations."