



September 12, 2024

MEDIA STATEMENT:

Prince Albert pulp mill restart project will not proceed

Due to market and economic conditions, we will not proceed with our project to restart the Prince Albert pulp mill. Instead, we have decided to explore options to divest the mill.

This was a difficult decision that was made with a lot of thought and care. After a significant amount of planning, engineering and economic study, we could not produce a viable economic business case to proceed with the project as previously planned. Market demand for unbleached kraft pulp (UKP), which is the kind of pulp PA Pulp would produce, is weak. It is also extremely competitive with lower cost producers from other regions of the world. While prices are currently stable, the market is relatively small. Injecting additional capacity would only further soften the market, which is why we cannot justify the significant costs associated with the restart project.

We appreciate the community's ongoing interest. Going forward, we are committed to continuing to operate in Saskatchewan. Our Meadow Lake Mill, which employs 200 people and generates \$470 million in economic contributions annually, is a leading producer of Bleached Chemi-Thermo Mechanical Pulp (BCTMP) used in tissue paper, paper towels, and food and board packaging."

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Paper Excellence Canada, headquartered in British Columbia, is a diversified manufacturer of pulp and specialty, printing, writing, and packaging papers in Canada with a production capacity of over 2.5 million tonnes annually and a workforce of more than 2,000. Paper Excellence is pleased to work in partnership with communities where we operate as a major employer of choice and market leader.