

KRUGER PROLONGS MARINE TRANSPORTATION PROJECT**Greenhouse Gas Reduction of 9,000 t/year**

Trois-Rivières (Québec), December 6, 2005 – Today, in the presence of Transport Minister Mrs. Julie Boulet, Kruger Inc. announced that it will prolong the project to transport chips from the North Shore sawmills to the Kruger Wayagamack mill in Trois-Rivières by water rather than by road. “Last year we initiated a pilot project which proved to be very conclusive, but its pursuit depended largely on government support,” said Mr. Daniel Archambault, Vice President – Manufacturing, Trois-Rivières and Kruger Wayagamack mills.

“Thanks to the support from Transport Minister, Mrs. Julie Boulet, under the marine transport assistance program, restoration of the Kruger Wayagamack Mill dock was possible, and we are now in a position to optimize river transport performance so that barges may be unloaded directly at the mill dock. The status of the pilot project is therefore positive and we are happy to announce that we are prolonging the project,” Mr. Archambault indicated. The project will have a significant impact on highway traffic, sustainable development and protection of the environment. It is estimated that a reduction in greenhouse gas emissions equal to 9,000 t/year will result from this initiative, which will eliminate 18,000 one-way truck trips (9,000 round-trips) per year, involving both highways and the Tadoussac ferry.

By reducing fuel consumption, and thereby greenhouse gas emissions, this project will help improve the environmental performance of both the Kruger organization and that of Quebec, in accordance with Kyoto Protocol objectives.

Kruger is a major pulp and paper company engaged in the manufacturing and sale of newsprint, specialty grades, lightweight coated paper, directory paper, tissue, recycled linerboard, corrugated containers, lumber and other wood products. In March 2004, Kruger Inc. established a new business unit, the Kruger Energy Group, to achieve its growth objectives in the energy sector. Scott Paper Limited, a member of the Kruger Company, is the leading tissue manufacturer in Canada. Scott Paper serves the Canadian consumer market with well-known brands including Cashmere from Cottonelle, Purex, SpongeTowels, Scotties, White Swan, Capri and Viva, as well as away from home products for industrial and commercial use across Canada. The Kruger company has operations in Québec, Ontario, Alberta, British Columbia and Newfoundland and Labrador, the United States, United Kingdom and employs over 10,500 people.

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