



Forest and Wood Products

PRESS RELEASE – For Immediate Distribution

**KRUGER OBLIGED TO HALT NORTH SHORE AND ABITIBI
SAWMILL ACTIVITIES FOR FOUR WEEKS**

Due to unfavorable market conditions

Montréal (Québec), August 15, 2006 - Kruger Inc. today announced that it is obliged to interrupt saw mill activities for four weeks at its three mills on the North Shore (Ragueneau, Forestville and Longue Rive) and at the Launay Sawmill in Abitibi. This temporary interruption will only affect mill employees (forest activities will continue as usual) and will occur from September 17 to October 15 inclusively. It will affect 164 workers on the North Shore and 60 more in Abitibi.

This temporary interruption is essentially attributable to currently unfavorable North American lumber market conditions and the increased value of the Canadian dollar. All forest companies in Quebec and elsewhere in Canada are seriously affected by these conditions, as evidenced by the numerous shutdowns and interruptions recently announced.

Kruger is a major producer of publication papers – newsprint, specialty grades, coated paper, directory paper; tissue manufacturer (Cashmere, Scotties, SpongeTowels, White Swan, Purex and White Cloud); linerboard, corrugated containers, lumber and other wood products. A producer of green and renewable energy, and leader in recycling, Kruger has operations in Québec, Ontario, Alberta, British Columbia and Newfoundland and Labrador, the United States, United Kingdom and employs over 10,500 people.

– 30 –

INFORMATION

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NORTHERN WILDLIFE FUND
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