



Publication
Papers

PRESS RELEASE – For immediate release

**KRUGER TO SHUT DOWN PRODUCTION
OF ONE NEWSPRINT MACHINE AT ITS CORNER BROOK MILL**

Corner Brook (Newfoundland-and-Labrador), October 22, 2007 – Kruger Inc. announced that it will shutdown the Paper Machine No. 1 at its Corner Brook Pulp and Paper Mill, in Newfoundland-and-Labrador, for an indefinite period as of November 5, 2007. Annual production for this machine is 80,000 metric tonnes of newsprint.

“The Company regrets having to make such a decision. Unfortunately, the high value of the Canadian dollar leaves us with no other choice”, said Daniel Archambault, Senior Vice President, Publication Papers of Kruger Inc. “Our Corner Brook mill remains an important asset for Kruger and we are committed to ensure its long term viability”, added Mr. Archambault.

Founded in 1904, Kruger Inc. is a major producer of publication papers, tissue, lumber and other wood products, corrugated cartons from recycled fibers, green and renewable energy and wines and spirits. The Company is also a leader in paper and paperboard recycling in North America. Kruger operates facilities in Quebec, Ontario, Alberta, British Columbia, Newfoundland and Labrador, in the United States and the United Kingdom and has 10,000 employees.

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