



PRESS RELEASE – For immediate release

**KRUGER ENERGY SELECTED FOR A SECOND
101.2-MEGAWATT WIND FARM IN ONTARIO**

Montreal, Quebec, January 23, 2009 – The Ontario Power Authority (OPA) has selected Kruger Energy to develop and construct a 101.2-MW wind farm in Chatham-Kent, the municipality where the Company commissioned a wind farm of the same capacity in October 2008. Selected by the OPA through the *RES III Request for Proposals for Renewable Energy Supply*, Kruger Energy will install 44 new wind turbines as part of the Kruger Energy Chatham Wind Project, which is scheduled to be commissioned in 2011 and represents an investment estimated at \$310 million.

Kruger Energy Port Alma L.P. (KEPA), an affiliate of Kruger Energy, had been selected in November 2005 to develop and construct a wind farm subsequent to the OPA's *RES II Request for Proposals*. Like the energy produced by the KEPA Wind Farm, the energy produced by the Kruger Energy Chatham Wind Project will be sold to the OPA under a 20-year supply contract. It will power the equivalent of 25,000 households annually.

"This decision affirms that Kruger Energy can provide a high-quality, competitively priced project in Ontario and we are most pleased," said Mr. Jacques Gauthier, Senior Vice President and Chief Operating Officer, Kruger Energy. "We are proud to contribute to Ontario's efforts to maximize the development of renewable energy, and we are especially delighted to work again with the Municipality of Chatham-Kent, which was an outstanding partner during the development of our first wind farm."

About Kruger Energy

Kruger Energy is a business unit of Kruger Inc. that specializes in the development and management of green and renewable energy power plants. Kruger and Kruger Energy manage and operate 10 production sites, ranging from hydroelectric and wind power plants to biomass cogeneration and biogas plants, and whose total installed capacity is approximately 300 MW.

About Kruger

Founded in 1904, Kruger Inc. is a major producer of publication papers, tissue, lumber and other wood products, corrugated cartons from recycled fibres, 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 9,000 employees.

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