

**NEWS RELEASE - For immediate release**

**KRUGER PRODUCTS COMPLETES IMPLEMENTATION OF INNOVATIVE  
HEAT RECOVERY TECHNOLOGY IN ITS GATINEAU MILL**

CO<sub>2</sub> emissions will go down 14.5 percent

**Gatineau (Québec), December 2, 2010** — Kruger Products, Canada’s leading manufacturer of quality tissue products, today announced that an innovative heat recovery technology is now operational in its Gatineau mill, which manufactures a wide range of tissue products for consumer and industrial use. This technology will lower the mill’s total energy consumption by 11 per cent and CO<sub>2</sub> emissions by 14.5 per cent (10,000 tonnes per year), a reduction equivalent to removing 2,500 cars from the road or planting 1.3 million trees.

This project, which represents a \$4.8 million investment, is one of several initiatives that Kruger Products has implemented as part of Sustainability 2015, the Company’s five-year plan to reduce its environmental footprint. “Kruger Products is taking a leadership role in incorporating green technology in our business practices,” said Mario Gosselin, COO of Kruger Products. “Our goal is to be North America’s foremost provider of quality tissue products that embrace a commitment to sustainability for future generations and with innovations such as Gatineau’s new heat recovery technology, we are well positioned to continue to lead the way in the future.”

Kruger Products partnered with Thermal Energy International to develop and install the heat recovery technology and the project was financed in part by Québec’s *Agence de l’efficacité énergétique*, which granted \$1.9 M in financial assistance through its Heavy Oil Consumption Reduction Program.

**How the technology works**

The central heat recovery system will capture hot, humid air from two of the mill’s three paper machines and reuse it to heat process water as well as the facility itself during the winter. Through the technology, the hot exhaust is pulled from the two paper machines and forced through an energy recuperation tower, into which water is sprayed. The energy is drawn from the exhausted air to the water. This water is filtered and circulated through separate heat exchangers to transfer the energy to the process. The third paper machine is already using heat recovery technology.

### **About Kruger Products L.P.**

Kruger Products is Canada's leading tissue manufacturer and serves the Canadian consumer market with such well-known brands as Cashmere, Purex, SpongeTowels, Scotties and White Swan, as well as away-from-home products for industrial and commercial use across Canada. The Company recently launched Sustainability 2015, an initiative to reduce its overall energy consumption and emissions by 15 per cent by streamlining manufacturing processes and implementing an array of energy-reduction and efficiency initiatives. For complete information on Sustainability 2015, visit [www.krugerproducts.ca/sustainability](http://www.krugerproducts.ca/sustainability).

### **About Kruger Inc.**

Founded in Canada in 1904, Kruger Inc., the parent company of Kruger Products, 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. It is also a leader in paper and paperboard recycling in North America. Kruger operates facilities in Quebec, Ontario, British Columbia, Newfoundland and Labrador, and the United States.

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