

NOTICE OF ISSUANCE OF CERTIFICATE OF VARIANCE

Pursuant to s.78 of the *Environmental Protection and Enhancement Act*, R.S.A. 2000, Chapter E-12, as amended, Millar Western applied for and, on November 8, 2018, was granted a Certificate of Variance (CoV) by the Minister of Environment and Parks.

The CoV permits Millar Western to restart its Fox Creek wood-waste burner, which was decommissioned in July 2016, and to operate it for a period of 18 months from the date of CoV issuance. Once restarted, the burner will be used to safely and efficiently incinerate surplus wood residuals that have accumulated due to a lack of disposal options. Millar Western commits to fulfilling all obligations as specified under the CoV's terms and conditions, including decommissioning the burner by May 8, 2020.



According to No. CV 39/2018, Millar Western was awarded a CoV for the following reasons:

- a) Due to factors beyond Millar Western Forest Products Ltd.'s control, the activity to which the Certificate of Variance relates will, without a Certificate of Variance, be operating in contravention of section 14.1(1) of the *Substance Release Regulation* (AR 124/93), as amended, and the requirements of section 4.1.10(b) the Code;
- b) The proposed variance over the timeline requested will not likely cause a significant adverse effect, based on the application made for the variance; and
- c) Refusal to grant the variance would result in serious economic hardship since not operating the wood waste incinerator would significantly impact Millar Western Forest Product Ltd.'s Fox Creek operations and would in turn have a significant impact on the economy of Fox Creek and area, without a demonstrable offsetting benefit to others.

Any related inquiries may be directed to:

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About us:

In business for over a century, Millar Western Forest Products Ltd. is an Alberta-based forest products company producing lumber, pulp and bioenergy from sustainably managed forest resources. Our Fox Creek operations produce 120 million board feet of lumber per year, for markets in Canada, the U.S. and overseas.

MILLAR WESTERN FOREST PRODUCTS LTD.
a resourceful company

