



**Flakeboard**

**Press Release**

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### **Flakeboard Plans to Optimize Sault Ste. Marie MDF Mill**

**Markham, CANADA** - Flakeboard announced their plans to invest \$16,500,000 at their MDF plant in Sault Ste. Marie, in a series of projects designed to improve the mill's competitiveness. This investment will be backed by a 10% grant generously awarded by the Ontario Government.

Flakeboard President & CEO, Kelly Shotbolt, remarks: "We acknowledge the ongoing and significant support of the government. Such investments are necessary to combat the pressures faced by our industry, including low cost imports, a high Canadian dollar and escalating energy costs. Flakeboard will continue to do everything possible to ensure that our plants remain competitive and that we continue to support our customer base."

The company's investment will consist of an energy recovery system, press line upgrades to broaden the range of products and the installation of Flakeboard's patented resin application technology.

The Sault Ste. Marie plant represents the largest and most modern, single line MDF plant in North America. Flakeboard has recently expanded the operation by adding decorative surfacing capabilities to the mill with the addition of two melamine laminate production lines.

"We have shown a willingness to invest in the community in the past and with this most recent announcement, will continue to demonstrate our commitment to Sault Ste. Marie and value-added forestry activities," says Shotbolt.

Flakeboard, a privately-held company, is the largest manufacturer of particleboard and medium density fiberboard panels in North America. Since its incorporation in 1960, Flakeboard has been focused on growth within the composite panel industry, and on the formation of a highly integrated business model through constant reinvestment and optimization.

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