



MILLAR WESTERN FOREST PRODUCTS LTD.

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Fire destroys Millar Western's Fox Creek sawmill

Edmonton, Alberta -- On Friday, August 29, the Millar Western Forest Products Ltd. sawmill at Fox Creek, Alberta, was lost to a fire. The blaze, which started shortly after 4 pm, was brought under control later that night and extinguished by noon the next day.

The sawmill was in operation at the time the fire started. Employees took immediate steps to employ mill fire suppression equipment, then followed emergency protocols to evacuate the building once the fire became too large to fight safely. There were no injuries. The Fox Creek and Whitecourt fire departments brought the fire under control, working with mill staff and other emergency responders.

The fire appears to have started with the motor and motor control centre of a piece of equipment called a chip-n-saw, before rapidly spreading through the mill. Fire and insurance investigators, along with our own staff, are conducting an investigation to determine the exact cause.

The extensive damage caused by the fire was confined to the sawmill itself, which has been rendered inoperable. Other operation facilities were unaffected. While the mill was fully covered by insurance, it will be some time before an insurance assessment can be completed, and the company can begin to formulate plans for the site's future.

The company will be working to keep the mill's 56 employees, as well as community leaders and other stakeholders, informed of near- and long-term plans for the operation. Today, the site's planer mill resumed operation, to begin processing the one-month's supply of rough lumber on hand. With planer, yard, woodlands and other staff resuming work, about two-thirds of the operation's workforce is currently back on the job.

Millar Western's Fox Creek operation had been running very well prior to the fire, with productivity and efficiency increasing steadily since the company acquired the mill one year ago. The sawmill, which was producing at a rate of roughly 60 million board feet per year, was one of three owned and operated by Millar Western Forest Products Ltd., a privately held forest company that produces dimension lumber and high-yield pulp at operations in Whitecourt, Boyle and Fox Creek, Alberta.

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