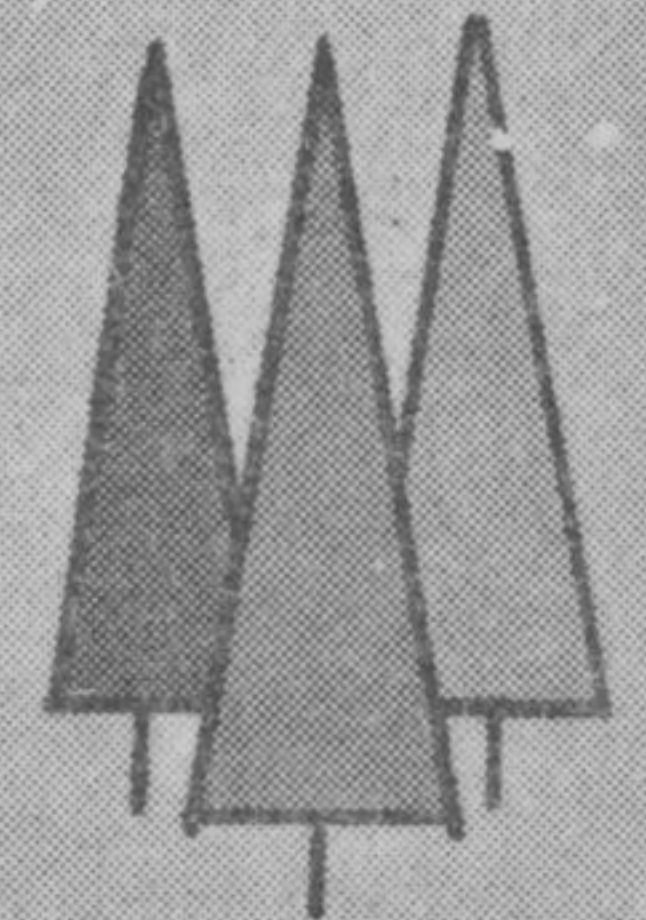


TERRACE BAY NEWS



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\$200 MILLION MILL EXPANSION

Premier William Davis today announced that Kimberly-Clark of Canada Limited has approved in principle a \$200 million expansion of its bleached kraft pulp mill at Terrace Bay by 280,000 tons a year.

He said the expansion will make a major contribution to the employment and the economy of Northwestern Ontario.

Speaking on behalf of Kimberly-Clark, President Grant L. Puttock said the expansion, when completed in late 1977, would increase bleached kraft pulp production capacity from 450 to 1,250 tons per day.

Premier Davis said the expansion program would also provide a number of improvements to the company's existing mill, including installation of modern pollution control equipment. Construction is scheduled to begin next spring, the Premier said.

Mr. Puttock said the new facilities will provide employment for an additional 140 people in the mill and an extra 525 in woodlands operations. Currently 450 people are employed in the mill and 600 in the woodlands.

"We have an experienced and capable mill and woodlands complement at Terrace Bay and the neighboring communities of Longlac, Geraldton, Schreiber and Nakina," said Mr. Puttock.

"Every effort will be exerted to assure that the impact of this investment will be to improve the over-all environment of the area."

Mr. Puttock noted that the expansion is the largest ever undertaken by Kimberly-Clark in Canada. The company first began operating in Canada in 1922 and now employs 2,845 in this country.

"We are tremendously excited about this new development and it is a very firm indication of the confidence we have in the future of the economy," he said.

Following lengthy discussions with Natural Resources Minister Leo Bernier, a license was authorized by the Ministry for Kimberly-Clark to cut Crown timber on approximately 4,500 square miles of land north of Nakina. When the new facilities go on stream, the company will harvest 900,000 cords of wood annually for all its Terrace Bay-Longlac operations compared with a previous cut of 465,000 cords.

The company utilizes a wide variety of wood species in the Terrace Bay-Longlac area, including saw logs for its saw mills at Terrace Bay and Longlac and logs for Weldwood of Canada Limited, flakeboard and plywood plants at Longlac.

In 1950, the company established a forest tree nursery 10 miles east of Longlac. It now plants 800,000 trees annually on its limits in addition to two million trees planted by the Ontario Ministry of Natural Resources.

"This reforestation program is in line with our long established practice of developing woodlands resources to ensure a continued supply of timber to accommodate public demand and also to perpetuate a valuable resource," Mr. Puttock said.

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