



Peace Valley OSB

The Power of the Peace

May 12, 2006

BC's BIGGEST OSB MILL OFFICIALLY OPENS

Fort St. John, BC – Peace Valley OSB officially opened its state-of-the-art oriented strand board (OSB) mill in Fort St. John today with a Grand Opening ceremony attended by over 125 people while the mill was in full operation. Peace Valley OSB is jointly owned by Canadian Forest Products Ltd. (Canfor) and Louisiana-Pacific Canada (LP). The Grand Opening ceremonies included speeches by Canfor CEO Jim Shepherd, LP CFO Curt Stevens, Hon. Rich Coleman, Minister of Forests, Hon. Richard Neufeld, Minister of Energy, Mines and Petroleum Resources, Chief Roland Willson of the West Moberly First Nations and others. Peace Valley OSB was presented with recognition certificates from WorkSafeBC and BC Hydro. A tour of the new mill followed the speeches and the ceremonies concluded with a celebration luncheon and a tribute to some of the people including industry leader I.K. "Ike" Barber, who were instrumental in guiding the project from concept to operation.

The \$250 million project took 18 months to complete from the start at the official Ground Breaking on June 1, 2004. The mill is built on a 230 acre site. 400,000 cubic meters of soil were moved during construction and 26,500 cubic meters of concrete were used to build the massive plant. It took over 1.2 million person hours to complete the mill and at the high point of construction 550 contractors were on site each day. There were no time loss accidents recorded during construction of the mill.

Peace Valley OSB General Manager, Chris Baby said, "Today's Grand Opening of BC's biggest OSB mill closes the circle of a vision that Ike Barber held for many, many years. He always knew the boreal forests of Northeast BC could sustain a viable, globally competitive forest industry. Ike brought his company, Slocan Forest Products Ltd. together with LP to form Slocan-LP OSB Corp. in 2000 and he became the joint-venture's first President. It was a proud moment for Ike in January 2004 when he announced in Fort St. John that the long anticipated OSB mill project would proceed. I know he is extremely proud today to see his vision realized in the form of Peace Valley OSB."

Baby continued "From the official Ground Breaking on June 1, 2004 through to the pressing of the 1st Board on November 21 last year, hundreds of highly skilled workers constructed what is one of the largest OSB mills in the world without a time loss accident. To everyone involved in building this mill, thank you from all of us at Peace Valley OSB. To the team now in place and operating the mill, I am confident Peace Valley OSB will achieve its goal to become a leader in the OSB sector in North America."

Peace Valley OSB is currently operating at about 80% of productive capacity. When the new mill reaches full production it will produce about 820 million square feet of panel on a 3/8th inch basis making it one of the largest OSB mills in the world. This is equivalent to 5,460 railcars or 75,000 average North American homes. The plant itself is the largest building by far in Fort St. John. Measuring around 500,000 sq. ft. Peace Valley OSB is large enough to cover 10 football fields or 28 hockey rinks. Peace Valley OSB employs about 130 people to operate the mill and another 300 people are required to harvest and haul the wood and to deliver forestry and silviculture services.

Peace Valley OSB has involved area First Nations from the beginning. The company has an agreement with Six Nations Ventures to manage aspects of the yard operations. Six Nations Ventures is owned by all six of the Treaty 8 communities that are signatories to a Memorandum of Agreement (MOA) with Peace Valley OSB. The MOA includes provisions for education scholarships and training, harvesting and business opportunities.

Peace Valley OSB will use 1.1 million cubic meters of timber each year from the Fort St. John Timber Supply Area to meet its fibre supply needs. During the winter months 130-170 truck loads of wood will be delivered each weekday.

For more information contact:

Chris Baby
General Manager
Peace Valley OSB
(250) 263-6600