

## McKinley announces startup of conversion plan for its Port Angeles paper mill

Port Angeles, WA, September 24, 2018.

McKinley Paper Company announces the conversion plan startup at its Port Angeles paper mill to produce 250,000 tons of containerboard, increasing to 500,000 tons its capacity in the USA and bringing its total capacity to 2'000,000 tons in Mexico and USA.

McKinley will replicate its sustainability model to produce paper without cutting trees in the middle of the forest heart of USA: The State of Washington, contributing to further enhancing the environmental status in the region.

By recycling paper, the company aims to reduce energy and water consumption and landfill disposal in the region as well as to become a net capturer of CO<sub>2</sub>, helping to build a green economy.

State of the art machinery and equipment orders are in place. Maritime infrastructure will be enhanced to improve input and output freight options and minimize costs. Additionally, the cogeneration system will be upgraded to efficiently produce green energy.

We expect to start production by September 2019 and look forward to positively impact local and regional employment and the overall economy.

The company would consider additional investments and strategic alliances in the Northwest USA to deploy a corrugated box system to integrate its paper production into more value-added paper products.



McKinley is the U.S.A. subsidiary of Bio PAPPÉL, the integrated producer of containerboard, uncoated free sheet, newsprint, corrugated boxes, cut size paper, notebooks, paper sacks, and other paper specialties. Bio PAPPÉL operates 30 production facilities and 13 recycled fibers collection centers in Mexico, U.S.A. and Colombia.

Currently, Bio PAPPÉL employs 11,178 personnel and produces approximately 3.2 million tons per year of paper, paper products, and paper for printing and writing. Bio PAPPÉL is the leader in bio-sustainability, paper recycling and 100% biodegradable production of recyclable and recycled products in Mexico and Latin America.

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