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Atlas Holdings Becomes Majority Shareholder of Millar Western Forest Products

Will Partner with Millar Western Team to Strengthen and Grow Company

Edmonton, Alberta – Atlas Holdings LLC announced today that it has acquired a controlling stake in Millar Western Forest Products Ltd. following the successful completion of a note exchange transaction and share exchange transaction. Established over a century ago, Millar Western is a privately-held, Alberta-based company that has long been a leader in the forest products industry. These transactions will significantly reduce the company's indebtedness and strengthen its financial position, enhancing its ability to respond to and capitalize on developments in the forest products industry.

Millar Western employs 544 people operating sawmills in Whitecourt and Fox Creek, Alberta, a pulp mill in Whitecourt and woodlands operations supplying all three mills based on sustainable forest management practices.

"For over 100 years, the Millar Western name has been synonymous with excellence in the forest products industry," said Timothy J. Fazio, Managing Partner and Co-Founder of Atlas Holdings. "This is very much an 'Atlas-style' investment; we're combining our resources and industry-specific experience, both in Canada and the United States, with a company whose distinguished history, skilled workforce, strong management team and sound fundamentals offer the roadmap to a vibrant future. We are thrilled to welcome the Millar Western team to the Atlas family."

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“Atlas is the ideal partner for Millar Western at this important time for our company,” said J. Craig Armstrong, President and Chief Executive Officer of Millar Western. “Atlas shares our core values and our commitment to the safety and wellbeing of our people. Their record is one of investing both human and financial capital to spur innovation, preserve and create jobs in Canada and strengthen local economies.”

“These transactions ensure that Millar Western is well-positioned to build upon its long history and continue as a strong player in the Alberta forest products industry well into the future,” said H. MacKenzie Millar, outgoing Chairman of the Millar Western Board of Directors. “We are excited to join forces with Atlas.”

Last month, Millar Western announced a Plan of Arrangement pursuant to the *Canada Business Corporations Act* to implement a note exchange transaction with respect to the Company’s US \$210 million of 8.5% Senior Notes due 2021. These notes were exchanged for newly issued 9% Senior Secured Notes due 2022 pursuant to the Plan of Arrangement effective today. Immediately upon the effectiveness of the Senior Secured Note exchange, Atlas Holdings LLC then exchanged a portion of its 9% Senior Secured Notes for 80% of the outstanding shares of the company.

With roots that trace back to 1906, Millar Western has long been recognized as a leader in Alberta’s forest products sector. The company has a solid reputation as a trusted employer, community supporter and responsible steward of the forest and the environment. Under the terms of the transaction with Atlas, the Millar family will remain a significant shareholder in the company and the company’s current leadership team will remain in place. The company’s name will stay the same and its headquarters will continue to be in Edmonton, Alberta.

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About Millar Western

Founded in 1906, Millar Western is an integrated forest products company based in Alberta, Canada. With 544 people operating multiple mills, the company produces and markets hardwood and softwood bleached chemi-thermo-mechanical pulp, or BCTMP, as well as softwood lumber. www.millarwestern.com

About Atlas Holdings LLC

Headquartered in Greenwich, Connecticut, Atlas and its affiliates own 18 platform businesses. These companies collectively employ approximately 23,000 associates and operate from more than 120 facilities across the globe, generating more than \$4.5 billion in revenue annually. Atlas companies are engaged in a variety of industries, including steel, paper and tissue, packaging, aluminum processing, automotive, building materials, capital equipment, construction, energy, industrial services, power generation, and supply chain management. www.atlasholdingsllc.com.