

Millar Western Announces Cash Tender Offer for its 7.75% Senior Notes Due 2013

EDMONTON, ALBERTA, March 24, 2011– Millar Western Forest Products Ltd. today announced that it has commenced a cash tender offer for any and all of its US\$190.0 million aggregate principal amount of 7.75% Senior Notes due 2013 (referred to below as the "notes"). The tender offer is being made pursuant to an "Offer to Purchase" dated today, which sets forth a more comprehensive description of the terms of the offer. The table below sets forth information with respect to the notes and the tender offer.

CUSIP Numbers	Title of Security	Aggregate Principal Amount Outstanding	Tender Offer Consideration	Early Tender Payment	Total Consideration
599908AE0	7.75% Senior Notes due 2013	US\$190,000,000.00	US\$1,000	US\$15.42	US\$1,015.42 per US\$1,000 principal amount

The tender offer is scheduled to expire at the expiration date, which is at 12:00 midnight, New York City time, on April 20, 2011, unless extended or earlier terminated. Holders of notes must tender and not withdraw their notes at or before the early tender date, which is 5:00 p.m., New York City time, on April 6, 2011, unless extended, to receive the "Total Consideration."

The Total Consideration payable for each US\$1,000 principal amount of notes validly tendered at or before the early tender date and accepted for payment is equal to US\$1,015.42. Holders who tender their notes after the early tender date will, if such notes are purchased by us, receive the "Tender Offer Consideration," which is the Total Consideration minus an early tender payment of US\$15.42 per US\$1,000 principal amount of notes, which will be payable promptly following the expiration date. In addition to the Total Consideration or Tender Offer Consideration, as applicable, holders of notes accepted for payment will receive accrued and unpaid interest from the last interest payment date for the notes to, but not including, the applicable settlement date.

Except as required by applicable law, notes tendered may be withdrawn only at or before the withdrawal date, which is 5:00 p.m., New York City time, on April 6, 2011, and notes tendered after the withdrawal date and before the expiration of the tender offer may not be withdrawn.

Millar Western may elect to accept for purchase prior to the expiration of the tender offer all notes validly tendered on or before the early tender date. It is anticipated that the settlement date for notes validly tendered on or before the early tender date will be April 11, 2011, if Millar Western elects to accept such notes for purchase prior to the expiration of the tender offer. It also is anticipated that the settlement date for notes validly tendered after the early tender date and on or before the expiration date (as well as for notes validly tendered on or before the early tender date if Millar Western does not elect to accept such notes for purchase prior to the expiration of the tender offer) will be April 21, 2011.

Millar Western has retained Goldman, Sachs & Co. to serve as dealer manager for the tender offer. Millar Western has retained Global Bondholder Services Corporation to act as information agent and depository for the Offer. Requests for documents may be directed to Global Bondholder Services Corporation at 1-866-470-3800 (U.S. toll free), or in writing to 65 Broadway, Suite 404, New York, NY 10006, Attention: Corporate Actions. Questions regarding the tender offer may be directed to Goldman, Sachs & Co. at (800) 828-3182 or collect at (212) 357-4692.

The tender offer is subject to the satisfaction of certain conditions. If any of the conditions is not satisfied, Millar Western is not obligated to accept for payment, purchase or pay for, and may delay the acceptance for payment of, any tendered notes, in each event subject to applicable laws, and may terminate the tender offer. The tender offer is not conditioned on the tender of a minimum principal amount of notes. Millar Western is not soliciting consents from holders of notes in connection with the tender offer. This press release is neither an offer to purchase nor a solicitation of an offer to sell the notes or any other securities. The tender offer is made only by and pursuant to the terms of the Offer to Purchase and the related Letter of Transmittal and the information in this press release is qualified by reference to the Offer to Purchase and the related Letter of Transmittal. None of Millar Western, the dealer manager or the depository and information agent makes any recommendations as to whether holders should tender their notes pursuant to the tender offer. Holders must make their own decisions as to whether to tender notes, and, if so, the principal amount of notes to tender.

About Millar Western

Millar Western is an integrated forest products company based in Alberta, Canada that produces and markets hardwood and softwood bleached chemi-thermo-mechanical pulp, or BCTMP, and softwood lumber. Millar Western is Alberta's largest privately held forest products company, a leading global marketer of BCTMP, the lowest-cost producer of softwood market BCTMP in the world and among the lowest-cost lumber producers in North America.

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