

Millar Western Announces Offering of US\$200.0 Million of Senior Notes

EDMONTON, ALBERTA, March 24, 2011– Millar Western Forest Products Ltd. today announced that it intends to offer, subject to market and other conditions, US\$200.0 million aggregate principal amount of Senior Notes due 2021. Millar Western intends to use the net proceeds from the offering and approximately C\$4.0 million of cash on hand to purchase or redeem all of its outstanding US\$190.0 million aggregate principal amount of 7.75% Senior Notes due 2013, including related premiums, accrued interest and fees. The notes will be offered only to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended, and to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the U.S. Securities Act.

The notes have not been and will not be registered under the U.S. Securities Act and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the U.S. Securities Act and other applicable securities laws. This press release is not an offer of notes for sale in the United States and shall not constitute an offer to sell or the solicitation of an offer to buy any notes, nor shall there be any sale of any notes, in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

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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