

Rockshield Engineered Wood Products ULC
For immediate release

COCHRANE, ONTARIO, February 18, 2021 - On February 8, 2021, Rockshield Engineered Wood Products ULC announced that it had commenced restructuring proceedings to restructure its business and financial affairs. Rockshield operates a premium hardwood core plywood manufacturing mill in Cochrane, Ontario. The mill is located in the heart of Northern Ontario's renewable hardwood forest.

Rockshield acquired the mill in 2014 and currently employs 165 full-time employees and generates income for a further 300 people in Cochrane, Ontario. As the largest source of economic activity in Cochrane, Rockshield is focused on preparing its operations for long-term growth to ensure the longevity of the mill and sustainable forestry in Northern Ontario.

Rockshield's revenues have continued to grow on a year over year basis since it restarted the mill in 2015 shortly after acquiring it. The mill is operating at full capacity and requires capital improvements in order to maintain the level of operations required going forward.

"Rockshield is taking advantage of the breathing room afforded by the restructuring proceeding to focus on renewing the mill and restructuring its balance sheet so we can be here for Cochrane for years to come" said Tom Scott, CEO. "We feel a great sense of responsibility and obligation to the Northern Ontario community including our employees, Cochrane residents, community partners and suppliers, so we want to make sure we are set up for long-term growth. I am confident that this restructuring will result in a revitalized mill and a continued source of high quality employment and stability for Cochrane."

The mill's operations will continue uninterrupted during the restructuring proceeding and the restructuring will have no impact on the jobs of any of Rockshield's employees. "It is business as usual at Rockshield" said Mr. Scott, "we are working with our suppliers and vendors to make sure that we have the inventory to operate through the summer season until log shipments begin again in the colder months."

As part of the restructuring, Rockshield has secured a commitment from its existing lender, the Bank of Nova Scotia, to fund the restructuring proceeding. "We are very pleased that Scotiabank has faith in our vision and has extended financing to allow us to realize our restructuring plan" said Mr. Scott.

Rockshield continues to deliver premium hardwood core plywood products to Canadian and US markets and is poised to emerge from the restructuring proceeding well positioned for the future.