



January 8, 2007

The Honorable Mitchell E. Daniels, Jr.
Governor
State of Indiana
Statehouse
Indianapolis, IN 46204-2797

Dear Governor Daniels:

It has come to my attention that pending changes in the Solid Waste Management hierarchy, including altering the definition of recycling in the State of Indiana, are currently being considered by you and other state leaders.

As one of the leading recyclers in the State of Indiana and the United States' largest recycler of newspaper and magazines, Abitibi-Consolidated fully supports current recycling initiatives and desires to see the already allocated funds supporting recycling projects continue. Solid Waste Management Districts (SWMD) are an essential part of the State of Indiana's efforts to reach waste diversion goals and provides the framework for the development of source reduction, reuse, recycling and composting programs. Allowing already allocated recycling funds to be spent on new initiatives, such as waste-to-energy activities, poses a great risk to the progress already being achieved by Solid Waste Management Districts (SWMD) in the State of Indiana. Moreover, based on dialogue with industry leaders I am convinced it would most likely have a negative adverse reaction on current and prospective recycling providers, participants and consumers.

Governor Daniels, the State of Indiana has come a long way since 1986 when the Indiana Department of Environmental Management was established. Under your leadership, I am confident working together with the Solid Waste Management Districts (SWMD), forward-thinking businesses and community-based recycling programs such as the Abitibi Paper Retriever®, the State of Indiana could significantly enhance its support of recycling, strengthen Indiana's economy and serve as a national model for statewide recycling and collaboration.

If you would like to meet and discuss my concerns about the pending Solid Waste Management hierarchy definition changes and/or learn more about the community-based recycling success of the Abitibi Paper Retriever®, please feel free to contact me directly at 317-631-2820 or email: Melinda_antell@abitibiconsolidated.com.

I look forward to hearing from you and again urge you to reconsider the pending changes that would negatively impact recycling in the State of Indiana.

Respectfully,

Melinda Antell

Melinda Antell
Market Area Manager (Indianapolis)
Abitibi-Consolidated, Recycling Division

About Abitibi-Consolidated:

Abitibi-Consolidated is a global leader in newsprint and commercial printing papers, as well as a major producer of wood products. Serving clients in 70 countries from 45 operating facilities, Abitibi-Consolidated is among the largest recyclers of newspapers and magazines in the United States diverting approximately 1.9 million tons of paper annually from municipal landfills.

Shares of Abitibi-Consolidated are traded on the New York Stock Exchange (NYSE: ABY) and on the Toronto Stock Exchange (TSX: A). More information about Abitibi-Consolidated can be found on our website located at www.abitibiconsolidated.com.

About Abitibi Paper Retriever®

Abitibi Paper Retriever® is a simple, free community drop-off recycling program. Distinctive green and yellow containers are placed on highly visible locations for easy, convenient recycling of virtually all household recyclable paper.

With more than 20,000 Abitibi Paper Retriever® containers already placed throughout the United States, the Company not only recovers newspaper and magazines, but also helps educate communities on environmental awareness and the benefits of recycling. The program financially contributes to schools, churches and other not-for-profit organizations for their paper recovery efforts. In 2006, Abitibi Paper Retriever® contributed more than \$3.6 million for their paper recovery efforts while diverting more than 6.5 million cubic yards of recyclable paper from municipal landfills.

More information about the Abitibi Paper Retriever® can be found on our website located at www.PaperRetriever.com.