

Carton Recycling Markets

Victor Storelli

Storelli Recycling

Carton Council Markets and Materials Brokerage

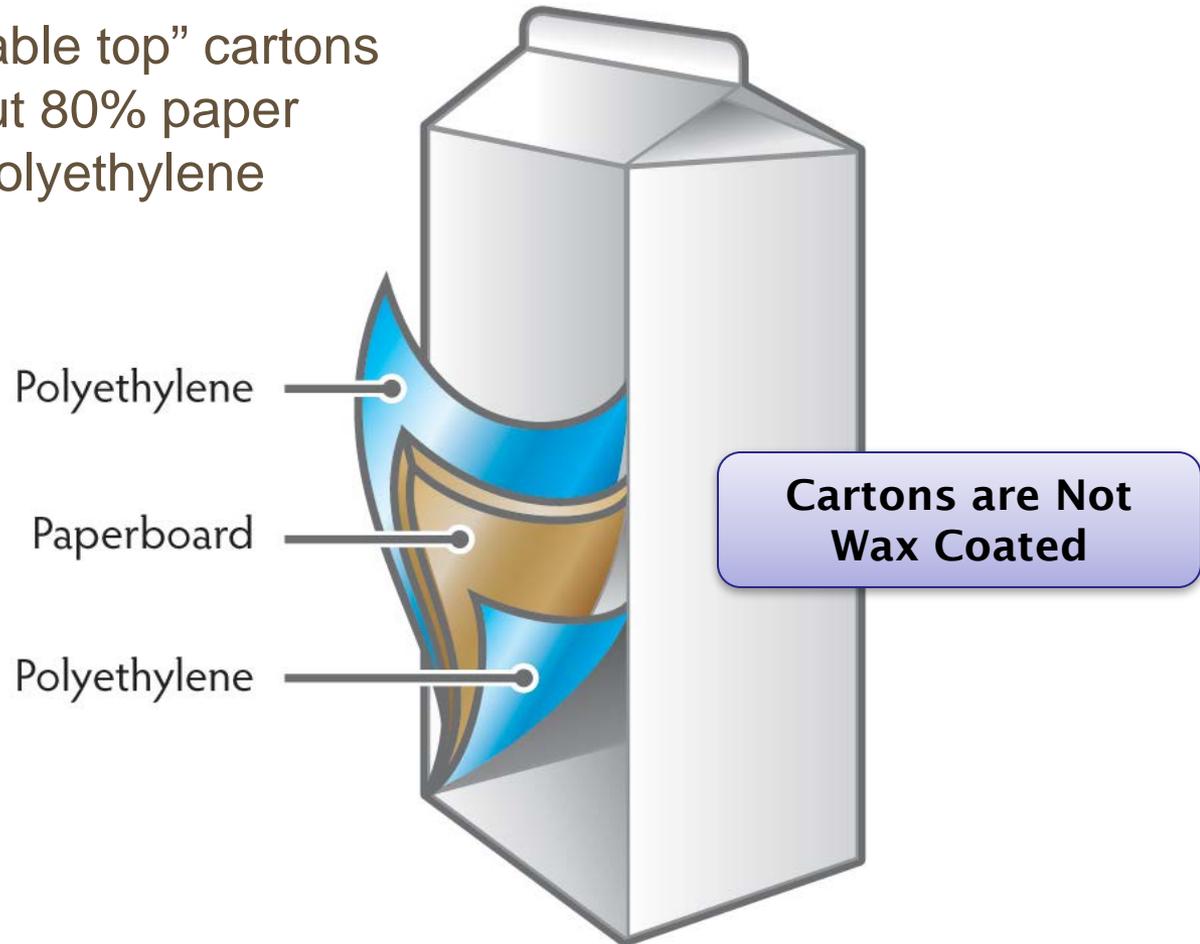


Carton Council
RecycleCartons.com



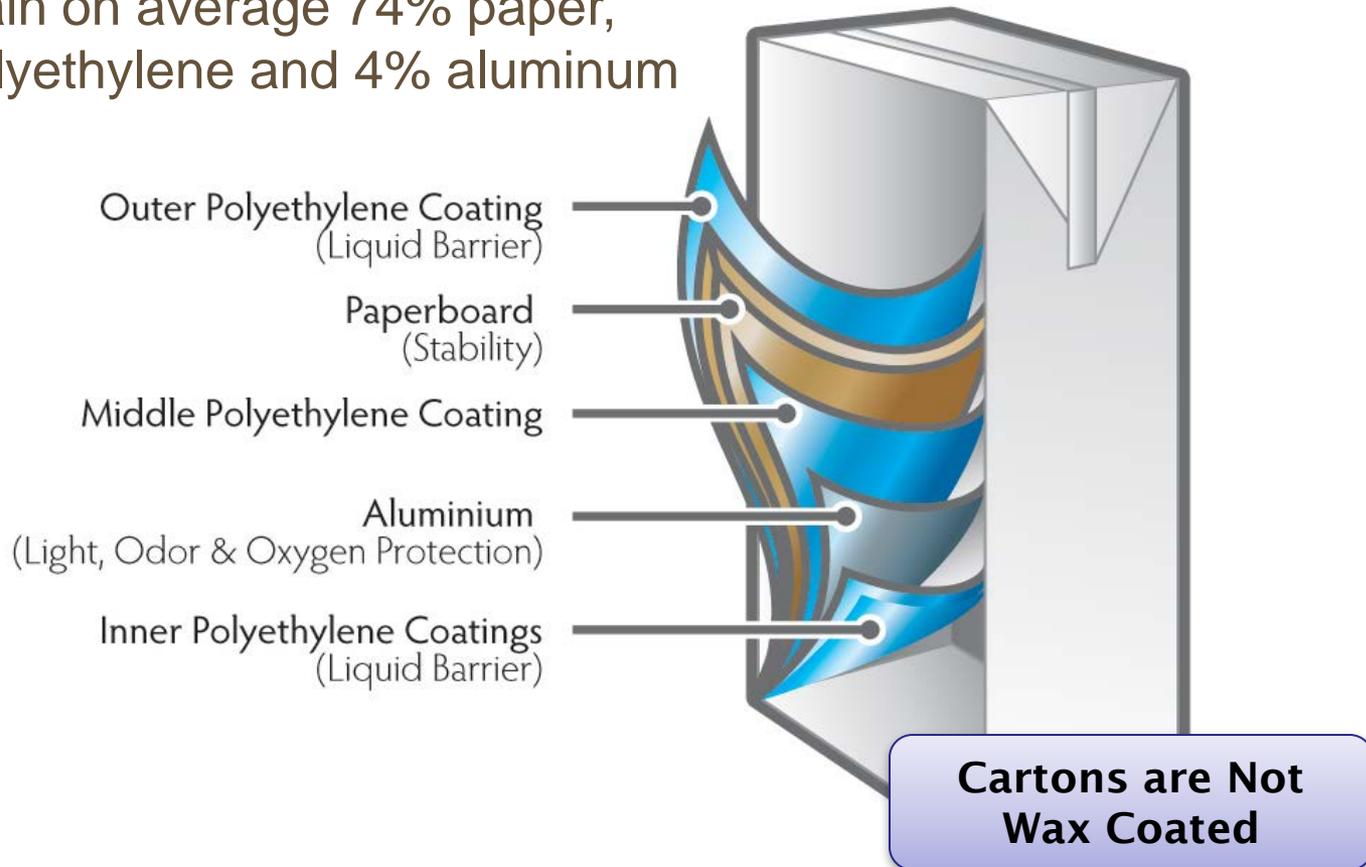
What are Cartons Made From?

Refrigerated “gable top” cartons contain about 80% paper and 20% polyethylene



What are Cartons Made From?

Shelf-stable “aseptic” cartons contain on average 74% paper, 22% polyethylene and 4% aluminum



New PSI* Spec Grade #52 Aseptic/Gable Top Cartons

- Consists of liquid packing board containers including empty, used PE coated, printed one-side aseptic and gable-top cartons containing no less than 70% bleached chemical fiber and may contain up to 6% aluminum foil and 24% PE film.
- Prohibitive materials may not exceed 2%
- Total out-throws may not exceed 5%

**PSI = The Paper Stock Industries (PSI) Chapter is a national chapter of the Institute of Scrap Recycling Industries, Inc. (ISRI). It is dedicated to the recovered paper industry*

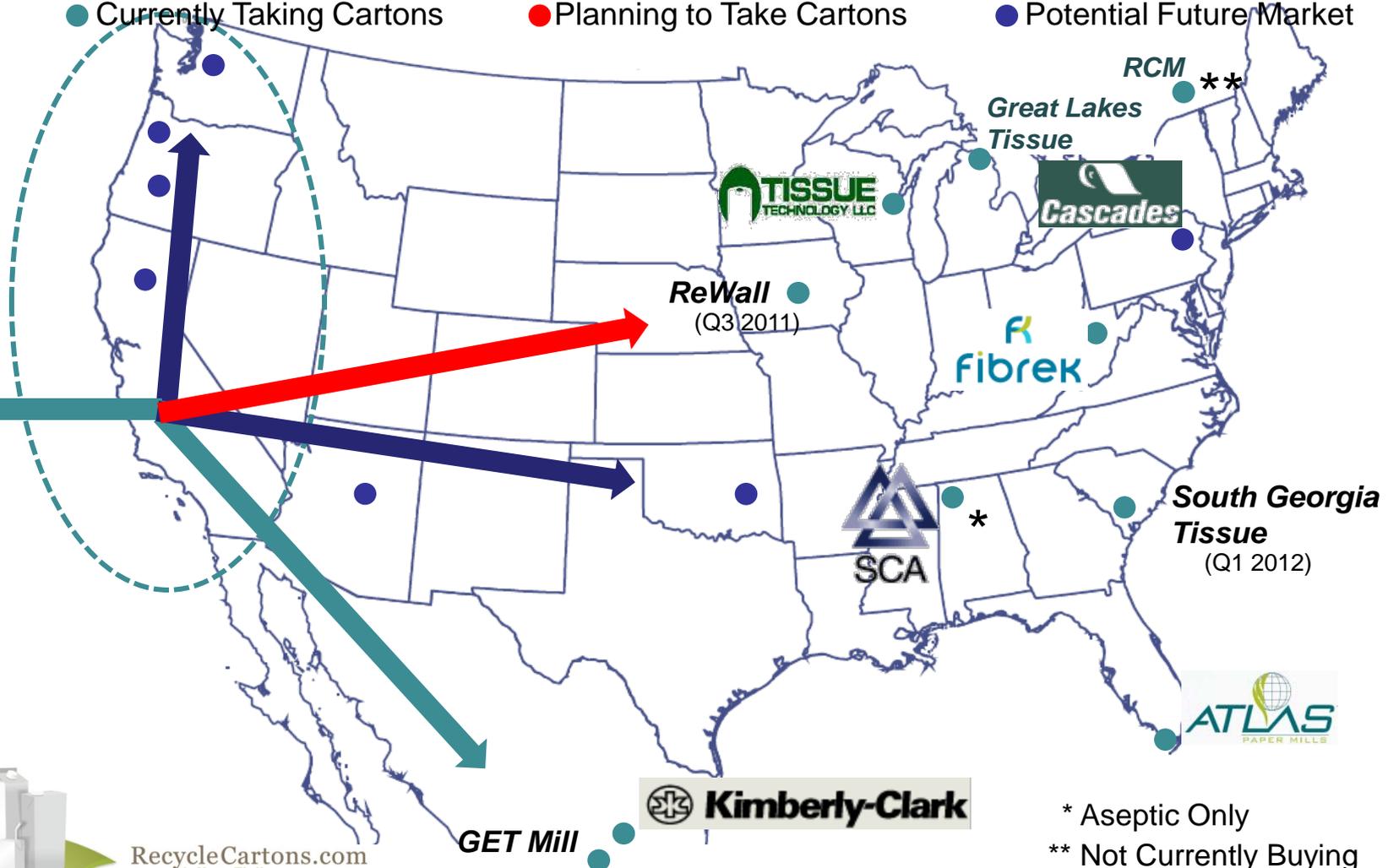
Focus on Results

- Building Domestic Markets - Forecast

● Currently Taking Cartons

● Planning to Take Cartons

● Potential Future Market



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* Aseptic Only
** Not Currently Buying

Mexico Mill Profile

GET Pulp Mill – San Juan Del Rio



Transforma

“We are successfully marketing all processing streams” from poly-coated cartons “with less than 5% waste”



Jose J. Masvidal, CEO

Groupe Empresarial
Transforma (GET)



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US Mill Profile

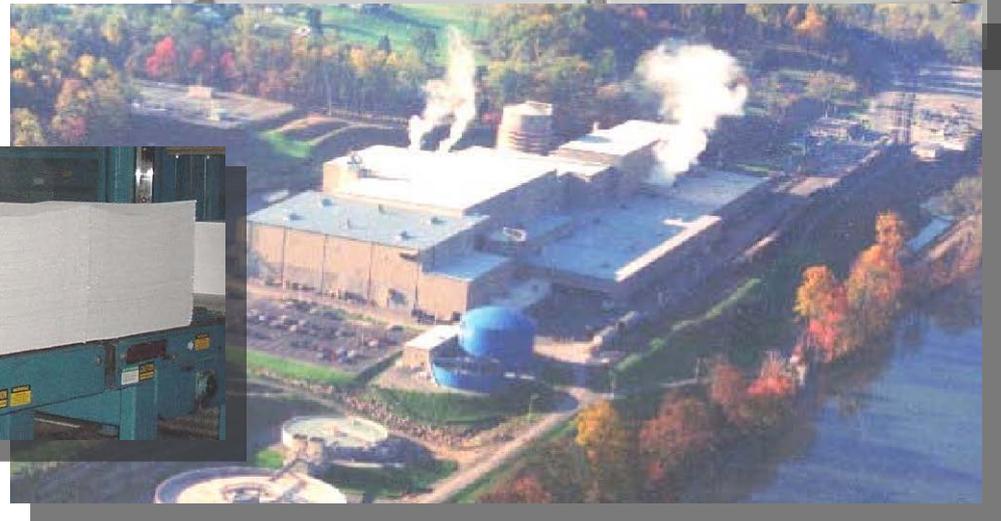
Fibrek Pulp Mill – Fairmont WV



Recycled Bleached Kraft pulp
“Mountain Pulp” Brand

215,000 tons per year

Chlorine free bleaching process
Recycled process



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US Mill Profile

South Georgia Tissue - Barnwell, SC

“Using poly cartons as a fiber source will yield high quality fiber similar to southern softwood kraft, and keep up to 34,000 tons of poly-cartons from going to landfill. The poly and foil recovered will be sold for use as an energy source, in building products and other plastic based products”

South Georgia Tissue, LLC.
657 Technology Drive
Barnwell, SC 29813

September 9, 2011

September 9, 2011

Storelli Recycling Company, Inc.
6617 Middle River Drive
Fort Lauderdale, FL 33304

Attn: Mr. Victor Storelli

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Dear Victor,

As you know South Georgia Tissue, LLC, is building a new 34,000 ton per year state of the art sanitary tissue mill in Barnwell, SC. We expect to have tissue off the machine in the 4th quarter of 2012. We will produce high quality bath tissue, toweling and napkin grades.

The mill will have the capability of using various furnish grades including direct entry, deinked, virgin and poly-carton depending on the customer requirements.

Our poly processing equipment supplier has successful international experience processing poly-cartons. Our poly processing equipment supplier has successful international experience

Using poly cartons as a fiber source will yield high quality fiber similar to southern softwood kraft, and keep up to 34,000 tons of poly-cartons from going to landfill. The poly and foil recovered can be sold for use as an energy source, in building products and other plastic based products.

We are planning a second tissue machine in 2014 - 2015 in Barnwell and expect to expand our use of poly-cartons with the expansion.

Regards,

Ray Stovenken
CEO South Georgia Tissue, LLC
Ray Stovenken
CEO South Georgia Tissue, LLC

Ray Stovenken, CEO

South Georgia Tissue, LLC
(SGT)

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Mill Profile

Fibre Pattana - Thailand

**MILL OPERATION AND PRODUCTION OF GREEN
ECO-ROOF – 100% RECOVERY OF POST-
CONSUMER CARTON**

Carton Council
RecycleCartons.com
Jeffrey Fielkow



Sustainable Carton Pricing

- Grade #52 announced in April, reflecting industry recognition of this grade – eventual use of index expected
- Carton pricing now is tracking Sorted Office Paper (SOP) pricing—varies by location of source, fiber mix, etc.
- Export pricing varies based on shipping container weights and locations—strong export demand—over 140 mills consuming cartons worldwide