CANADA

PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No. : 500-11-036133-094

SUPERIOR COURT

Commercial Division
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., c. C-36, as amended)

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF:

ABITIBIBOWATER INC.,

and

ABITIBI-CONSOLIDATED INC.,

and

BOWATER CANADIAN HOLDINGS INC.,

and

the other Petitioners listed herein

Petitioners

and

ERNST & YOUNG INC.,

Monitor

and

THE LAND REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION DIVISION OF CHICOUTIMI

and

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS

Mis-en-cause

MOTION FOR THE ISSUANCE OF AN ORDER AUTHORIZING THE SALE OF CERTAIN ASSETS OF THE PETITIONERS
(St-Fulgence Assets)
(Section 11 of the *Companies' Creditors Arrangement Act* ("CCAA"))

TO ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN COMMERCIAL DIVISION, IN AND FOR THE JUDICIAL DISTRICT OF MONTRÉAL, THE PETITIONERS RESPECTFULLY SUBMIT THE FOLLOWING:

A. PREAMBLE

1. On April 17, 2009, this Honourable Court issued an order (as amended and restated, the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") in respect of (i) Abitibi-Consolidated Inc. ("**ACI**") and subsidiaries thereof (collectively with ACI, the "**Abitibi Petitioners**")[1]; (ii) Bowater Canadian Holdings Inc. and subsidiaries and affiliates thereof (collectively, the "**Bowater Petitioners**")[2] and (iii) certain partnerships.[3]

2. Pursuant to the terms of the Initial Order, Ernst & Young Inc. (the "**Monitor**") was named monitor of the Abitibi Petitioners and Bowater Petitioners (collectively the "**Petitioners**").

3. Any undefined capitalized expressions used herein shall have the meaning set forth in the Initial Order and in the Purchase Agreement (as defined hereinafter).

B. ORDERS SOUGHT

4. The Petitioners hereby seek the issuance of the following orders (the "**Authorization and Vesting Order**") in connection with the sale of the Purchased Assets (as defined hereinafter) :

   (a) an order authorizing and approving the execution by Produits Forestiers Saguenay Inc. of the agreement entitled *Convention d'achat d'actifs* (the "**Purchase Agreement**") dated May 26, 2010, by and between Produits Forestiers Saguenay Inc. (the "**Vendor**"), as vendor, and 9137-7122 Québec inc. (the "**Purchaser**"), as purchaser, an executed copy of which is communicated herewith under confidential seal as **Exhibit R-1** and the completion of all transactions contemplated therein;

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[1] The Abitibi Petitioners are Abitibi-Consolidated Inc., Abitibi-Consolidated Company of Canada, 3224112 Nova Scotia Limited, Marketing Donohue Inc., Abitibi-Consolidated Canadian Office Products Holdings Inc., 3834328 Canada Inc., 6169678 Canada Incorporated., 4042140 Canada Inc., Donohue Recycling Inc., 1508756 Ontario Inc., 3217925 Nova Scotia Company, La Tuque Forest Products Inc., Abitibi-Consolidated Nova Scotia Incorporated, Saguenay Forest Products Inc., Terra Nova Explorations Ltd., The Jonquière Pulp Company, The International Bridge and Terminal Company, Scramble Mining Ltd. and 9150-3383 Québec Inc. Abitibi-Consolidated (U.K.) Inc. was added to the schedule of Abitibi Petitioners on November 10, 2009.

[2] The Bowater Petitioners are Bowater Canadian Holdings Incorporated., Bowater Canada Finance Corporation, Bowater Canadian Limited, 3231378 Nova Scotia Company, AbitibiBowater Canada Inc., Bowater Canada Treasury Corporation, Bowater Canadian Forest Products Inc., Bowater Shelburne Corporation, Bowater LaHave Corporation, St. Maurice River Drive Company Limited, Bowater Treated Wood Inc., Canexel Hardboard Inc., 9068-9050 Québec Inc., Alliance Forest Products (2001) Inc., Bowater Belledune Sawmill Inc., Bowater Maritimes Inc., Bowater Mitis Inc., Bowater Guérette Inc. and Bowater Couturier Inc.

[3] The partnerships are Bowater Canada Finance Limited Partnership, Bowater Pulp and Paper Canada Holdings Limited Partnership and Abitibi-Consolidated Finance LP.

(b) the issuance of a vesting order in connection with the transactions contemplated in the above-mentioned agreement; and

(c) a number of orders typically requested along with the above-mentioned orders;

the whole as set forth in the conclusions to this Motion.

5. The Purchase Agreement contemplates the sale of all the Vendors' right, title and interest in and to certain assets (as more particularly set out in the Purchase Agreement) situated near St-Fulgence, in the Province of Quebec (the "**Purchased Assets**"), including:

   - a property described at *Annexe 1.1.20* of the Purchase Agreement (the "**Property**");
   - all wood residues located on the Property and on the designated site (as described at *Annexe 1.1.22* of the Purchase Agreement); and
   - the certificates of approval described at *Annexe 1.1.1* of the Purchase Agreement;

C. BACKGROUND

6. On or about January 26, 2010, the Petitioners sent five letters to solicit offers to purchase the Purchased Assets (the "**Solicitation Letters**").

7. The costs associated with the transportation of the old bark significantly reduced the pool of potential purchasers and explain why the Petitioners did not conduct a broader solicitation process.

8. In the Solicitation Letters, the Petitioners mentioned, *inter alia*, that environmental remediation needed to be completed before the end of the summer, as required by the appropriate governmental authority (the "**Environmental Remediation**"). The projected cost associated with the Environmental Remediation is $75,000 for the year 2010 and $15,000 every following year for the monitoring of the leachate.

9. On February 22, 2010, the Petitioners received an offer from the Purchaser (the "**Offer**"). This Offer remains the only offer received by the Petitioners to date.

10. The Petitioners then contacted all the other parties which had received Solicitation Letters to confirm that they were not interested in a purchase of the Purchased Assets. Due to the costs associated with the Environmental Remediation and the monitoring costs, no other potential purchaser expressed any interest in the Purchased Assets.

11. On March 11, 2010, the Petitioners accepted the Offer.

12. On May 26, 2010, after agreeing on the terms and conditions, the Vendor and the Purchaser executed the Purchase Agreement.

13. It is expected that the transactions contemplated in the Purchase Agreement will close as soon as the Authorization and Vesting Order sought by this Motion is rendered, subject to the satisfaction of the conditions set forth in the Purchase Agreement.

D. GROUNDS FOR THIS MOTION

14. The Petitioners submit that the sale of the Purchased Assets as contemplated in the Purchase Agreement is in the best interest of and will generally benefit all of their stakeholders, in that, *inter alia*:

    (a) the sale of the Purchased Assets forms part of Petitioners' continuing objective and strategy to elaborate a restructuring plan, which will allow them (or any successor thereof) to be profitable over time. Such plan will include the following previously announced measures: (a) disposing of non-strategic assets, (b) reducing indebtedness, and (c) reducing financial costs;

    (b) the Purchased Assets are not required to continue the operations of the Petitioners, nor are they vital for the Petitioners to successfully restructure their business;

    (c) the proposed transaction involving the Purchased Assets is on attractive terms in the current market and will provide the Petitioners with additional liquidity;

    (d) the Petitioners' creditors will not suffer any prejudice as a result of the proposed sale of the Purchase Assets and the issuance of the Authorization and Vesting Order since the proceeds of such transaction will be remitted to the Monitor in trust and shall stand in the place and stead of the Purchased Assets. As a result, all liens, charges and encumbrances on the Purchased Assets will attach to such proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale;

    (e) the Purchase Agreement provides that the Purchased Assets are to be sold "as is", at the risk of the Purchaser and without representation and warranty of any kind whatsoever.

15. The Petitioners are in the process of restructuring their business and of disposing of certain assets, including assets which present characteristics that are similar to those of the Purchased Assets. In this context, the Petitioners submit that it is appropriate for the Purchase Agreement, Exhibit R-1, to remain under seal even after the closing of the contemplated transactions.

16. Indeed, the Purchase Agreement contains information on the pricing of the products which are ordinarily sold in the Petitioners' ordinary course of business (i.e. wood residues and bark). The public release of this information could prove detrimental to

negotiations, by the Petitioners, of sales contracts in relation to similar products.

17. The Petitioners respectfully submit that this Motion should be granted in accordance with its conclusions.

18. The present Motion is well founded in fact and in law.

WHEREFORE, MAY THIS COURT:

[1] **GRANT** this *Motion for the Issuance of an Order Authorizing the Sale of Certain Assets of the Petitioners (St-Fulgence)* (the "**Motion**").

[2] **EXEMPT**, if applicable, the Petitioners from having to serve this Motion and from any notice or delay of presentation.

[3] **ISSUE** an order substantially in the form of the draft order communicated as **Exhibit R-2** in support of the Motion.

[4] **THE WHOLE WITHOUT COSTS.**

Montréal, June 16, 2010

Stikeman Elliott LLP

Stikeman Elliott LLP
Attorneys for the Petitioners

AFFIDAVIT

I, the undersigned, Roger Boileau, having my principal place of business at Suite 800, 1155 Metcalfe Street, Montréal, Quebec, H3B 5H2 solemnly declare the following:

1. I am the Director, Fiber Supply and Asset Optimization of AbitibiBowater Inc.

2. All the facts alleged in the *Motion of the Issuance of an Order Authorizing the Sale of Certain Assets of the Petitioners (St-Fulgence Assets)* are true.

AND I HAVE SIGNED

Roger Boileau

Solemnly declared before me at Montréal, on the 16th day of June, 2010

Commissioner for oaths

Commissioner of Oaths
STEPHANIE PEREIRA
174752
For All Judicial Districts of Quebec

NOTICE OF PRESENTATION

TO : SERVICE LIST

TAKE NOTICE that the *Motion for the Issuance of an Order Authorizing the Sale of Certain Assets of the Petitioners (St-Fulgence Assets)* will be presented for adjudication before the Honourable Judge Clément Gascon of the Superior Court, sitting in practice in and for the District of Montreal, in the **Montreal Court House, 1 Notre-Dame Street East**, at a date and time to be announced to the Service List.

DO GOVERN YOURSELVES ACCORDINGLY.

Montreal, June 16, 2010

Stikeman Elliott LLP

STIKEMAN ELLIOTT LLP
Attorneys for Petitioners

SUPERIOR COURT
Commercial Division
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*)

N°. 500-11-036133-094

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBIBOWATER INC. *& al*
Petitioners

- and –

ERNST & YOUNG INC.
Monitor

- and –

THE LAND REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION DIVISION OF CHICOUTIMI

- and -

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS
Mis-en-cause

BS0350 **n/dos.:** 041053-1170

MOTION FOR THE ISSUANCE OF AN ORDER AUTHORIZING THE SALE OF CERTAIN ASSETS OF THE PETITIONERS
(St-Fulgence Assets)
(Section 11 of the *Companies' Creditors Arrangement Act* ("CCAA"))

ORIGINAL

Me Guy P. Martel **(514) 397-3163**
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CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

No. : 500-11-036133-094

SUPERIOR COURT

Commercial Division
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., c. C-36, as amended)

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF:

ABITIBIBOWATER INC.,

and

ABITIBI-CONSOLIDATED INC.,

and

BOWATER CANADIAN HOLDINGS INC.,

and

the Petitioners listed on Schedules A , B and C

Petitioners

and

ERNST & YOUNG INC.

Monitor

and

THE LAND REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION DIVISION OF CHICOUTIMI

and

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS

Mis-en-cause

LIST OF EXHIBITS OF THE PETITIONERS

(In support of the *Motion for the Issuance of an Order Authorizing the Sale of certain assets of the Petitioners (St-Fulgence assets)*

DESCRIPTION		TAB
R-1:	*Convention d'achat d'actifs* dated May 26, 2010, by and between Produits Forestiers Saguenay Inc. and 9137-7122 Québec inc. **UNDER SEAL OF CONFIDENTIALITY**	1
R-2:	Draft Order	2

Montréal, this 16th day of June, 2010

Stikeman Elliott LLP

STIKEMAN ELLIOTT LLP
Attorneys for Petitioners

EXHIBIT R-1

UNDER SEAL OF CONFIDENTIALITY

SUPERIOR COURT
Commercial Division
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*)

N°. 500-11-036133-094

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBIBOWATER INC. *& al*
Petitioners

- and -

ERNST & YOUNG INC.
Monitor

- and -

THE LAND REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION DIVISION OF CHICOUTIMI
Respondents

- and -

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS
Mis-en-cause

BS0350 n/dos.: 041053-1170

EXHIBIT R-1

ORIGINAL

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EXHIBIT R-2

SUPERIOR COURT

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTREAL

No: 500-11-036133-094

DATE: ●, 2010

PRESENT: THE HONOURABLE CLÉMENT GASCON, J.S.C.

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF:

ABITIBIBOWATER INC.

and

ABITIBI-CONSOLIDATED INC.

and

BOWATER CANADIAN HOLDINGS INC.

and

THE OTHER PETITIONERS LISTED ON SCHEDULES "A", "B" AND "C"

Petitioners

and

THE LAND REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION DIVISION OF CHICOUTIMI

and

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS

Mis-en-cause

and

ERNST & YOUNG INC.

Monitor

VESTING ORDER IN RESPECT OF THE ST-FULGENCE ASSETS

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[1] **CONSIDERING** Petitioners' *Motion for the Issuance of a Vesting Order in respect of the St-Fulgence Assets* (the "**Motion**");

[2] **CONSIDERING** the representations of the parties;

[3] **GIVEN** the provisions of the *Companies' Creditors Arrangement Act* ("**CCAA**");

FOR THESE REASONS, THE COURT:

[1] **AUTHORIZES and APPROVES** the execution by Produits Forestiers Saguenay Inc. ("**PFS**") of the agreement entitled *Convention d'achat d'actifs* (the "**Purchase Agreement**") dated May 26, 2010, filed under confidential seal as Exhibit R-1 to the Motion, by and between PFS, as vendor, and 9173-7122 Québec Inc. (the "**Purchaser**"), as purchaser and the completion of the transactions contemplated therein (the "**Sale Transactions**") with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to with the consent of the Monitor.

[2] **ORDERS** that Exhibit R-1 remains confidential and kept under confidential seal in the Court record.

[3] **ORDERS** and **DECLARES** that this Order shall constitute the only authorization required by PFS to proceed with the Sale Transactions and that no shareholder or regulatory approval shall be required in connection therewith, save and except for those contemplated in the Purchase Agreement.

[4] **ORDERS** and **DECLARES** that upon the filing with this Court's registry of a Monitor's certificate substantially in the form appended as **Schedule D** hereto, (the "**Monitor's Certificate**"), all rights, title and interests in and to the assets described in the Purchase Agreement (the "**St-Fulgence Assets**"), shall vest absolutely and exclusively in and with the Purchaser, free and clear of and from any and all claims, liabilities, obligations, interests, prior claims, hypothecs, security interests (whether contractual, statutory or otherwise), liens, assignments, judgments, executions, writs of seizure and sale, options, adverse claims, levies, charges, liabilities (direct, indirect, absolute or contingent), pledges, executions, rights of first refusal or other pre-emptive rights in favour of third parties, mortgages, hypothecs, trusts or deemed trusts (whether contractual, statutory or otherwise), restrictions on transfer of title, or other claims or encumbrances, whether or not they have attached or been perfected, registered, published or filed and whether secured, unsecured or otherwise (collectively, the "**St-Fulgence Assets Encumbrances**"), including without limiting the generality of the foregoing: (i) any St-Fulgence Assets Encumbrances created by the Order issued on April 17, 2009 by Justice Clément Gascon, J.S.C., as amended, and/or any other CCAA order; and (ii) all charges, security interests or charges evidenced by registration, publication or filing pursuant to the *Civil Code of Québec*, the *Bank Act* or any other applicable legislation providing for a security interest in personal or immovable property, excluding however the servitudes (i) dated August 27, 2009 in favour of Solifor Charlevoix-Saguenay, Société en Commandite, published at the Land Register of the Land Registry Office for the Registration

Division of Chicoutimi under number 16 495 252; (ii) dated June 6, 1950 and June 20, 1950 in favour of La Compagnie Électrique du Saguenay - Saguenay Electric Company (now Hydro-Québec), respectively published under numbers 99 510 and 99 731, as amended by a deed of partial renunciation dated December 8, 2003 and published under number 10 947 311, all at the Land Register of the Land Registry Office for the Registration Division of Chicoutimi with respect to the St-Fulgence Assets; and (iii) dated June 4, 2010 and published at the Land Register of the Land Registry Office for the Registration Division of Chicoutimi under number 17 248 416 (the "**Permitted Encumbrances**") and, for greater certainty, **ORDERS** that all of the St-Fulgence Assets Encumbrances, affecting or relating to the St-Fulgence Assets, with the exception of the Permitted Encumbrances, be expunged and discharged as against the St-Fulgence Assets, in each case effective as of the applicable time and date set out in the Purchase Agreement.

[5] **ORDERS** the Land Registrar of the Land Registry Office for the Registry Division of Chicoutimi, upon presentation of the Monitor's Certificate, in the form appended as Schedule D hereto, and a certified copy of this Order accompanied by the required application for registration and upon payment of the prescribed fees, to publish this Order and (i) to proceed with an entry on the index of immovables showing the Purchaser as the absolute owner in regards to the St-Fulgence Assets, located at St-Fulgence, in the Province of Québec, and being hereinafter described (the "**St-Fulgence Property**"); and (ii) proceed with the reduction and cancellation of any and all St-Fulgence Assets Encumbrances <u>but only insofar as</u> concerns the St-Fulgence Property as described below, including, without limitation, the following registrations published at the said Land Registry Office for the Registration Division of Chicoutimi but excluding the Permitted Encumbrances:

- Hypothec dated June 13, 2006 published under number 13 379 485 at the said Land Registry Office for the Registration Division of Chicoutimi;
- Hypothec dated May 8, 2009 published under number 16 145 470 at the said Land Registry Office for the Registration Division of Chicoutimi;
- Hypothec dated December 9, 2009 published under number 16 791 342 at the said Land Registry Office for the Registration Division of Chicoutimi; and
- Deed of Subrogation and Assignment dated January 7, 2010 published under number 16 851 032 at the said Land Registry Office for the Registration Division of Chicoutimi.

The St-Fulgence Property may be described as follows:

"<u>**Partie du lot 72**</u>

Un certain terrain connu et désigné comme étant formé d'une **partie du lot 72**, du **rang 3**, du cadastre officiel du **Canton de Harvey**, circonscription foncière de Chicoutimi. De figure irrégulière, cedit terrain est borné et décrit comme suit :

- vers l'ouest par une partie du lot 72, mesurant le long de cette limite **deux cent soixante-seize mètres et quatre-vingt-trois centièmes (276,83 m)**;

- vers le nord-est par une partie du lot 72 étant un ruisseau, mesurant le long de cette ligne sinueuse de **cent vingt-neuf mètres et neuf dixièmes (129,9 m)**;

- vers l'est par une partie du lot 73, étant la ligne séparatrice des lots 72 et 73, mesurant le long de cette limite **deux cent quatre-vingt-treize mètres et soixante-seize centièmes (293,76 m)**;

- vers le sud-ouest par une partie du lot 72, mesurant le long de cette limite **cent trente-trois mètres et dix-neuf centièmes (133,19 m)**;

et contenant une superficie de **trois hectares et six cent trente-deux millièmes.**

<u>SUPERFICIE </u>: 3,632 ha

L'intersection des limites sud-ouest et est de ce terrain est située à une distance de **quatre cent quarante-huit mètres et deux centièmes (448,02 m)** de l'emprise nord-est de la route 172, distance mesurée sur la ligne séparatrice des lots 72 et 73 desdits rang et canton.

<u>Partie du lot 73</u>

Un certain terrain connu et désigné comme étant formé d'une **partie du lot 73**, du **rang 3**, du cadastre officiel du **Canton de Harvey**, circonscription foncière de Chicoutimi. De figure irrégulière, cedit terrain est borné et décrit comme suit :

- vers l'ouest par une partie du lot 72, étant la ligne séparatrice des lots 72 et 73, mesurant le long de cette limite **deux cent quatre-vingt-treize mètres soixante-seize centièmes (293,76 m)**;

- vers le nord-est par une partie du lot 73 étant un ruisseau, mesurant le long de cette ligne sinueuse de **cent quatre-vingt-dix-neuf mètres et un dixième (199,1 m)**;

- vers l'est par une partie du lot 74, étant la ligne séparatrice des lots 73 et 74, mesurant le long de cette limite **trois cent dix mètres et vingt-sept centièmes (310,27 m)**;

- vers le sud-ouest par une partie du lot 73, mesurant le long de cette limite **quatre-vingt-deux mètres et cinquante-trois centièmes (82,53 m)** puis **trente-quatre mètres et cinquante-quatre centièmes (34,54 m)**;

- vers le sud par une partie du lot 73, mesurant le long de cette limite **cent seize mètres et trente-neuf centièmes (116,39 m)**;

et contenant une superficie de **cinq hectares et deux cent soixante et un millièmes.**

SUPERFICIE : 5,261 ha

L'intersection des limites sud et ouest de ce terrain est située à une distance de **quatre cent quarante-huit mètres et deux centièmes (448,02 m)** de l'emprise nord-est de la route 172, distance mesurée sur la ligne séparatrice des lots 72 et 73 desdits rang et canton.

Partie du lot 74

Un certain terrain connu et désigné comme étant formé d'une **partie du lot 74**, du **rang 3**, du cadastre officiel du **Canton de Harvey**, circonscription foncière de Chicoutimi. De figure irrégulière, cedit terrain est borné et décrit comme suit :

- vers l'ouest par une partie du lot 73, étant la ligne séparatrice des lots 73 et 74, mesurant le long de cette limite **trois cent dix mètres et vingt-sept centièmes (310,27 m)**;

- vers le nord par une partie du lot 74 étant un ruisseau, mesurant le long de cette ligne sinueuse de **deux cent trente-six mètres et trois dixièmes (236,3 m)**;

- vers l'est par une partie du lot 75, étant la ligne séparatrice des lots 74 et 75, mesurant le long de cette limite **trois cent trente et un mètres et quatre-vingt-sept centièmes (331,87 m)**;

- vers le sud-est par une partie du lot 74, mesurant le long de cette limite **quatre-vingt-sept mètres (87,00 m)**;

- vers le sud par une partie du lot 74, mesurant le long de cette limite **soixante et onze mètres et un centième (71,01 m)** et **soixante-quatorze mètres et quarante-deux centièmes (74,42 m)**;

et contenant une superficie de **six hectares et cent quatre-vingt-dix-neuf millièmes.**

SUPERFICIE : 6,199 ha

L'intersection des limites sud et ouest de ce terrain est située à une distance de **trois cent soixante dix mètres et quatre vingt-dix neuf centièmes (370,99 m)** de l'emprise nord-est de la route 172, distance mesurée sur la ligne séparatrice des lots 73 et 74 desdits rang et canton. »

[6] **ORDERS** the Québec Personal and Movable Real Rights Registrar, upon presentation of the required form with a true copy of this Vesting Order and the Monitor's Certificate, to reduce the scope of the hypothecs published under numbers: 04-0279470-0002, 08-0163791-0002, 08-0163796-0002, 09-0256803-0017 and 09-0762559-0002 in connection with the St-Fulgence Assets and to cancel, release and discharge all of the St-Fulgence Assets Encumbrances in order to allow the transfer to the Purchaser of the St-Fulgence Assets free and clear of any and all encumbrances created by those hypothecs.

[7] **ORDERS** that the proceeds from the sale of the St-Fulgence Assets, net of all transaction-related costs, including without limitation, attorney's fees (the "**Net Proceeds**") shall be remitted to Ernst & Young Inc., in its capacity as Monitor of the Petitioners, until the issuance of directions by this Court with respect to the allocation of said Net Proceeds.

[8] **ORDERS** that for the purposes of determining the nature and priority of the St-Fulgence Assets Encumbrances, the Net Proceeds from the sale of the St-Fulgence Assets shall stand in the place and stead of the St-Fulgence Assets, and that upon payment of the purchase price (as defined in the Purchase Agreement) by the Purchaser, all St-Fulgence Assets Encumbrances, except the Permitted Encumbrances, shall attach to the Net Proceeds from the sale of the St-Fulgence Assets with the same priority as they had with respect to the St-Fulgence Assets immediately prior to the sale, as if the St-Fulgence Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior the sale.

[9] **ORDERS** that notwithstanding:

(i) the proceedings under the CCAA;

(ii) any petitions for a receiving order now or hereafter issued pursuant to the Bankruptcy and Insolvency Act ("**BIA**") and any order issued pursuant to any such petition; or

(iii) the provisions of any federal or provincial legislation;

the vesting of the St-Fulgence Assets, contemplated in this Vesting Order, as well as the execution of the Purchase Agreement pursuant to this Vesting Order, are to be binding on any trustee in bankruptcy that may be appointed, and shall not be void or voidable nor deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it give rise to an oppression or any other remedy.

[10] **ORDERS** the provisional execution of this Vesting Order notwithstanding any appeal and without the necessity of furnishing any security.

[11] **THE WHOLE WITHOUT COSTS.**

CLÉMENT GASCON, J.S.C.

●

Stikeman Elliott LLP
Attorneys for Petitioners

SCHEDULE "A"

ABITIBI PETITIONERS

1. ABITIBI-CONSOLIDATED INC.
2. ABITIBI-CONSOLIDATED COMPANY OF CANADA
3. 3224112 NOVA SCOTIA LIMITED
4. MARKETING DONOHUE INC.
5. ABITIBI-CONSOLIDATED CANADIAN OFFICE PRODUCTS HOLDINGS INC.
6. 3834328 CANADA INC.
7. 6169678 CANADA INC.
8. 4042140 CANADA INC.
9. DONOHUE RECYCLING INC.
10. 1508756 ONTARIO INC.
11. 3217925 NOVA SCOTIA COMPANY
12. LA TUQUE FOREST PRODUCTS INC.
13. ABITIBI-CONSOLIDATED NOVA SCOTIA INCORPORATED
14. SAGUENAY FOREST PRODUCTS INC.
15. TERRA NOVA EXPLORATIONS LTD.
16. THE JONQUIERE PULP COMPANY
17. THE INTERNATIONAL BRIDGE AND TERMINAL COMPANY,
18. SCRAMBLE MINING LTD.
19. 9150-3383 QUÉBEC INC.
20. ABITIBI-CONSOLIDATED (U.K.) INC.

SCHEDULE "B"

BOWATER PETITIONERS

1. BOWATER CANADIAN HOLDINGS INC.
2. BOWATER CANADA FINANCE CORPORATION
3. BOWATER CANADIAN LIMITED
4. 3231378 NOVA SCOTIA COMPANY
5. ABITIBIBOWATER CANADA INC.
6. BOWATER CANADA TREASURY CORPORATION
7. BOWATER CANADIAN FOREST PRODUCTS INC.
8. BOWATER SHELBURNE CORPORATION
9. BOWATER LAHAVE CORPORATION
10. ST-MAURICE RIVER DRIVE COMPANY LIMITED
11. BOWATER TREATED WOOD INC.
12. CANEXEL HARDBOARD INC.
13. 9068-9050 QUÉBEC INC.
14. ALLIANCE FOREST PRODUCTS (2001) INC.
15. BOWATER BELLEDUNE SAWMILL INC.
16. BOWATER MARITIMES INC.
17. BOWATER MITIS INC.
18. BOWATER GUÉRETTE INC.
19. BOWATER COUTURIER INC.

SCHEDULE "C"
18.6 CCAA PETITIONERS

1. ABITIBIBOWATER INC.
2. ABITIBIBOWATER US HOLDING 1 CORP.
3. BOWATER VENTURES INC.
4. BOWATER INCORPORATED
5. BOWATER NUWAY INC.
6. BOWATER NUWAY MID-STATES INC.
7. CATAWBA PROPERTY HOLDINGS LLC
8. BOWATER FINANCE COMPANY INC.
9. BOWATER SOUTH AMERICAN HOLDINGS INCORPORATED
10. BOWATER AMERICA INC.
11. LAKE SUPERIOR FOREST PRODUCTS INC.
12. BOWATER NEWSPRINT SOUTH LLC
13. BOWATER NEWSPRINT SOUTH OPERATIONS LLC
14. BOWATER FINANCE II, LLC
15. BOWATER ALABAMA LLC
16. COOSA PINES GOLF CLUB HOLDINGS LLC

SCHEDULE "D"

MONITOR'S CERTIFICATE

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

No. : 500-11-036133-094

SUPERIOR COURT

Commercial Division
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., c. C-36, as amended)

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF:

ABITIBIBOWATER INC.,

and

ABITIBI-CONSOLIDATED INC.,

and

BOWATER CANADIAN HOLDINGS INC.,

and

THE OTHER PETITIONERS LISTED HEREIN

Petitioners

and

ERNST & YOUNG INC.,

Monitor

CERTIFICATE OF THE MONITOR

RECITALS:

WHEREAS on April 17, 2009, the Superior Court of Quebec (the "**Court**") issued an order (as subsequently amended and restated, the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**") in respect of (i) Abitibi-Consolidated Inc. ("**ACI**") and subsidiaries thereof (collectively, the "**Abitibi Petitioners**"),[1] (ii) Bowater Canadian Holdings Inc. and subsidiaries and affiliates thereof (collectively, the "**Bowater Petitioners**")[2] and (iii) certain partnerships[3]. Any undefined capitalized expression used herein has the meaning set forth in the Initial Order and in the Vesting Order (as defined below);

WHEREAS pursuant to the terms of the Initial Order, Ernst & Young Inc. (the "**Monitor**") was named monitor of, *inter alia*, the Abitibi Petitioners; and

WHEREAS on ●, 2010, the Court issued an Order (the "**Vesting Order**") thereby, *inter alia*, authorizing and approving the execution by Produits Forestiers Saguenay Inc. ("**PFS**") of an agreement entitled *Convention d'achat d'actifs* (the "**Purchase Agreement**") dated May 26, 2010 by and between PFS, as vendor, and 9173-7122 Québec Inc. (the "**Purchaser**"), as purchaser and into all the transactions contemplated therein (the "**Sale Transactions**") with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to with the consent of the Monitor.

THE MONITOR CERTIFIES THAT IT HAS BEEN ADVISED BY PFS AND THE PURCHASER AS TO THE FOLLOWING:

(a) the Purchase Agreement has been executed and delivered;

(b) the purchase price *(*as defined in the Purchase Agreement*)* and all applicable taxes have been paid by the Purchaser;

(c) all conditions under the Purchase Agreement have been satisfied or waived by the parties thereto.

This Certificate was delivered by the Monitor at ____ **[TIME]** on ____________ **[DATE].**

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1 The Abitibi Petitioners are Abitibi-Consolidated Inc., Abitibi-Consolidated Company of Canada, 3224112 Nova Scotia Limited, Marketing Donohue Inc., Abitibi-Consolidated Canadian Office Products Holdings Inc., 3834328 Canada Inc., 6169678 Canada Incorporated., 4042140 Canada Inc., Donohue Recycling Inc., 1508756 Ontario Inc., 3217925 Nova Scotia Company, La Tuque Forest Products Inc., Abitibi-Consolidated Nova Scotia Incorporated, Saguenay Forest Products Inc., Terra Nova Explorations Ltd., The Jonquière Pulp Company, The International Bridge and Terminal Company, Scramble Mining Ltd., 9150-3383 Québec Inc. and Abitibi-Consolidated (U.K.) Inc.

2 The Bowater Petitioners are Bowater Canadian Holdings Incorporated., Bowater Canada Finance Corporation, Bowater Canadian Limited, 3231378 Nova Scotia Company, AbitibiBowater Canada Inc., Bowater Canada Treasury Corporation, Bowater Canadian Forest Products Inc., Bowater Shelburne Corporation, Bowater LaHave Corporation, St. Maurice River Drive Company Limited, Bowater Treated Wood Inc., Canexel Hardboard Inc., 9068-9050 Québec Inc., Alliance Forest Products (2001) Inc., Bowater Belledune Sawmill Inc., Bowater Maritimes Inc., Bowater Mitis Inc., Bowater Guérette Inc. and Bowater Couturier Inc.

3 The partnerships are Bowater Canada Finance Limited Partnership, Bowater Pulp and Paper Canada Holdings Limited Partnership and Abitibi-Consolidated Finance LP.

Ernst & Young Inc. in its capacity as the monitor for the restructuration proceedings under the *CCAA* undertaken by AbitibiBowater Inc., Abitibi-Consolidated Inc., Bowater Canadian Holdings Inc. and the other Petitioners listed herein, and not in its personal capacity.

Name: ______________________________

Title: ______________________________

*****

SUPERIOR COURT
Commercial Division
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*)

N°. 500-11-036133-094

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBIBOWATER INC. *& al*
Petitioners

- and -

ERNST & YOUNG INC.
Monitor

- and -

THE LAND REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION DIVISION OF CHICOUTIMI
Respondents

- and -

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS
Mis-en-cause

BS0350 n/dos.: 041053-1170

EXHIBIT R-2

ORIGINAL

Me Guy P. Martel (514) 397-3163
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SUPERIOR COURT
Commercial Division
(Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*)

N°. 500-11-036133-094

CANADA
PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

In the matter of Plan of Compromise or Arrangement of:

ABITIBIBOWATER INC. *& al*
Petitioners

- and -

ERNST & YOUNG INC.
Monitor

- and -

THE LAND REGISTRAR FOR THE LAND REGISTRY OFFICE FOR THE REGISTRATION DIVISION OF CHICOUTIMI

- and -

THE REGISTRAR OF THE REGISTER OF PERSONAL AND MOVABLE REAL RIGHTS
Mis-en-cause

BS0350 n/dos.: 041053-1170

LIST OF EXHIBITS AND EXHIBITS R-1 AND R-2

ORIGINAL

Me Guy P. Martel (514) 397-3163
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