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 Applicants listed herein

Petitioners

-and-

ERNST & YOUNG INC.,

Monitor

MOTION FOR THE ISSUANCE OF A RECTIFIED VESTING ORDER IN RESPECT OF THE KENORA ASSETS (#771)

TO THE HONOURABLE CLÉMENT GASCON J.S.C. OR ONE OF THE HONOURABLE JUDGES OF THE SUPERIOR COURT, SITTING IN COMMERCIAL DIVISION, IN AND FOR THE JUDICIAL DISTRICT OF MONTRÉAL, THE ABITIBI PETITIONERS RESPECTFULLY SUBMIT THE FOLLOWING:

I. PREAMBLE

1. On April 17, 2009, this Honourable Court issued an order (as subsequently amended and restated, the "**Initial Order**") pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA**" and the "**CCAA Proceedings**") in respect of (i) Abitibi-Consolidated Inc. ("**ACI**") and subsidiaries thereof (collectively, the

"**Abitibi Petitioners**"),[1] (ii) Bowater Canadian Holdings Inc. and subsidiaries thereof (collectively, the "**Bowater Petitioners**")[2] and (iii) certain partnerships.[3]

2. On December 10, 2010, ACI was renamed AbiBow Canada Inc. as a result of the corporate reorganization undertaken pursuant to these CCAA Proceedings. The Abitibi Petitioners and Bowater Petitioners are referred together in this Motion, along with their successor entities, where applicable, as the "**Petitioners**" and, without Bowater Canada Finance Corporation[4], as the "**Applicants**".

3. Pursuant to the terms of the Initial Order, Ernst & Young Inc. (the "**Monitor**") was named monitor of the Petitioners.

4. On April 16, 2009, AbitibiBowater Inc., Bowater Inc. and certain of their U.S. and Canadian subsidiaries[5] (the "**U.S. Debtors**") filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code (the "**Chapter 11 Proceedings**") before the United States Bankruptcy Court for the District of Delaware (the "**U.S.**

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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.

[4] On September 14, 2010, the Affected Unsecured Creditors of BCFC voted against the approval of the CCAA Plan and as a result, were treated as Unaffected Creditors under the CCAA Plan. On December 31, 2010, BCFC made an assignment in bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) and appointed Green Hunt Wedlake Inc. as trustee in bankruptcy.

[5] These subsidiaries are AbitibiBowater US Holding 1 Corp., AbitibiBowater US Holding LLC, AbitibiBowater Canada Inc., Abitibi-Consolidated Alabama Corporation, Abitibi-Consolidated Corporation, Abitibi-Consolidated Finance LP, Abitibi Consolidated Sales Corporation, Alabama River Newsprint Company, Augusta Woodlands, LLC, Bowater Alabama LLC, Bowater America Inc., Bowater Canada Finance Corporation, Bowater Canadian Forest Products Inc., Bowater Canadian Holdings Incorporated, Bowater Canadian Limited, Bowater Finance Company Inc., Bowater Finance II LLC, Bowater LaHave Corporation, Bowater Maritimes Inc., Bowater Newsprint South LLC, Bowater Newsprint South Operations LLC, Bowater Nuway Inc., Bowater Nuway Mid-States Inc., Bowater South American Holdings Incorporated, Bowater Ventures Inc., Catawba Property Holdings, LLC, Coosa Pines Golf Club Holdings LLC, Donohue Corp., Lake Superior Forest Products Inc. and Tenex Data Inc. On December 21, 2009, ABH LLC 1 and ABH Holding Company LLC also commenced Chapter 11 cases, which were jointly administered with the Chapter 11 Proceedings.

Bankruptcy Court").

5. On September 23, 2010, this Court issued an order (the "**Sanction Order**") sanctioning a *Plan of Reorganization and Compromise* (as amended, the "**CCAA Plan**") in respect of the Applicants.

6. In the meantime, the U.S. Debtors had filed with the U.S. Bankruptcy Court a plan related to the joint reorganization of the U.S. Debtors under the U.S. Bankruptcy Code (the "**U.S. Plan**"). The joint implementation of the CCAA Plan and the U.S. Plan was conditional upon the CCAA Plan and the U.S. Plan having been sanctioned by the CCAA Court and the U.S. Bankruptcy Court respectively.

7. On November 23, 2010, the U.S. Bankruptcy Court entered a confirmation order approving the U.S. Plan.

8. On December 9, 2010 (the "**Implementation Date**"), the Applicants and the U.S. Debtors emerged from the CCAA Proceedings and the Chapter 11 Proceedings respectively.

9. All otherwise undefined capitalized terms used herein shall have the meaning attributed to them in the Initial Order.

II. ORDERS SOUGHT

10. On September 29, 2010, this Court issued a *Vesting Order in Respect of the Kenora Assets (#771)* (the "**Vesting Order**") approving the sale by Abitibi-Consolidated Company of Canada ("**ACCC**") to 5901058 Manitoba Ltd. (the "**Purchaser**") of certain real property assets located in the region of Kenora, in the Province of Ontario.

11. The Applicants hereby seek the issuance of a rectified vesting order that includes certain minor amendments to the Vesting Order (the "**Proposed Amendments**"), the whole as outlined in a blackline communicated herewith as **Exhibit P-1**.

III. PROPOSED AMENDMENTS

Permitted Encumbrances

12. It was recently brought to the attention of the Applicants that the definition of "Permitted Encumbrances" in Schedule "F" of the Vesting Order should be amended in order to add an easement which had been omitted due to an error in the Land Registry for the Land Titles Division of Kenora.

13. Following an update of the information contained in the Land Registry of said division, the registration number associated with this easement was inadvertently erased and therefore did not appear on the land titles search done by the Applicants prior to the issuance of the Vesting Order. The Proposed Amendments therefore seek to correct this shortcoming.

14. It is paramount that this servitude remains effective as it is necessary to the Hydro

electrical operations of the Applicants' subsidiary in Kenora.

Real Property

15. Further to discussions between ACCC and the Purchaser, it has been agreed upon by all parties that one lot that was originally to be transferred to the Purchaser should be exchanged with a similar lot on the other side of the street.

16. Both lots are vacant and serve as parking lots. The exchange of one lot for the other will result in a more adequate situation for both parties as they shall be the owner of the lot which is nearer to their respective operations.

17. The exchanged lot is not necessary for the operations of the Applicants in the region of Kenora and the Proposed Amendments therefore seek to correct Schedule "E" of the Vesting Order to reflect the new agreement reached between ACCC and the Purchaser with respect to the land titles to be transferred.

IV. GROUNDS FOR THIS MOTION

18. The issuance of the Proposed Amendments is necessary for the Vesting Order to be successfully registered on title to the purchased assets.

19. The Proposed Amendments are the object of consensus between the parties to the transaction and the Applicants do not foresee any prejudice deriving therefrom to anyone.

20. The Applicants respectfully submit that this Motion should be granted in accordance with its conclusions.

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

WHEREFORE, MAY THIS COURT:

[1] **GRANT** this *Motion for the Issuance of a Rectified Vesting Order in Respect of the Kenora Assets (#771)* (the "**Motion**");

[2] **EXEMPT**, if applicable, the Applicants 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 P-1** in support of the Motion.

THE WHOLE WITHOUT COSTS, save and except in case of contestation.

Montréal, February 16, 2011

Stikeman Elliott LLP

Stikeman Elliott LLP
Attorneys for the Petitioners

AFFIDAVIT

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

1. I am a Senior Legal Counsel of AbitibiBowater Inc.;

2. All the facts alleged in the *Motion for the Issuance of a Rectified Vesting Order in Respect of the Kenora Assets (#771)* are true.

AND I HAVE SIGNED

Alice Minville

Alice Minville

Solemnly declared before me at Montréal, on the 16 th day of February, 2011

Commissioner for oaths

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

#10645593 v2

NOTICE OF PRESENTATION

TO : SERVICE LIST

TAKE NOTICE that the *Motion for the Issuance of a Rectified Vesting Order in Respect of the Kenora Assets (#771)* will be presented for adjudication before Justice C. Gascon or one of the Honourable Judges of the Superior Court, sitting in practice in and for the District of Montreal, on a date and at a time to be communicated to the Service List.

DO GOVERN YOURSELVES ACCORDINGLY.

Montréal, February 16, 2011

Stikeman Elliott LLP

STIKEMAN ELLIOTT LLP
Attorneys for Petitioners

EXHIBIT P-1

SUPERIOR COURT

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

No: **500-11-036133-094**

DATE: ~~**SEPTEMBER 29,**~~ ____________________, **2010**

PRESENT: THE HONOURABLE MR. JUSTICE 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

ERNST & YOUNG INC.

Monitor

RECTIFIED VESTING ORDER IN RESPECT OF THE KENORA ASSETS (#771 and #___)

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[1] **CONSIDERING** Petitioners' *Motion for the Issuance of* ~~*an*~~*Rectified Vesting Order* ~~*Authorizing the Sale of Certain Assets of the Petitioners (*~~*in Respect of the Kenora Assets (#771)* dated ~~September 27, 2010~~February 9, 2011 (the "**Motion**");

[2] **CONSIDERING** the *Vesting Order in Respect of the Kenora Assets (#771)* issued by this Court on September 29, 2010;

[3] **CONSIDERING** the nature of the amendments sought to correct Schedules "E" and "F" of the *Vesting Order in Respect of the Kenora Assets (#771)*;

[4] **CONSIDERING** the representations of the parties~~, the 62nd Report of the Monitor, the amendments sought by the Province of Ontario~~ and the absence of contestation by anyone~~ to the terms of this Vesting Order, as amended~~;

[5] ~~[3]~~ **GIVEN** the provisions of the *Companies' Creditors Arrangement Act* (the "**CCAA**");

FOR THESE REASONS, THE COURT:

[1] **AUTHORIZES AND APPROVES** the execution by Abitibi-Consolidated Company of Canada ("**ACCC**") and Abitibi-Consolidated Inc. ("**ACI**") of the Asset Purchase Agreement dated September 8, 2010, filed as **Exhibit R-1** to the Motion (the "**APA**"), by and between ACCC (the "**Vendor**"), as vendor, ACI, as intervener, and 5901058 Manitoba Ltd. (the "**Purchaser**"), as purchaser, and the completion of all the transactions contemplated therein (the "**Proposed Transactions**") with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to with the consent of the Monitor;

[2] **ORDERS AND DECLARES** that this Order shall constitute the only authorization required by the Petitioners to proceed with the Proposed Transactions and that no shareholder or regulatory approval shall be required in connection therewith save and except for those contemplated in the APA;

[3] **ORDERS AND DECLARES** that upon the filing of a Monitor's certificate, substantially in the form appended as **Schedule** "**D**" hereto (the "**Monitor's Certificate**"), with this Court's registry, all right, title and interest of the Vendor and ACI in and to the Purchased Assets as defined in the APA (the "**Purchased 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 "**Purchased Assets Encumbrances**"), other than the permitted encumbrances, easements and restrictive covenants listed on **Schedule** "**F**" hereto (the "**Permitted Encumbrances**"), including without limiting the generality of the foregoing: (i) any Purchased 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 Purchased Assets Encumbrances evidenced by registration, publication or filing pursuant to the Ontario *Personal Property Security Act* (the "**PPR**") or any other applicable legislation providing for a security interest in personal or movable property, the *Bank Act* or any other applicable legislation and, for greater certainty, **ORDERS** that all of the Purchased Assets Encumbrances affecting or relating to the Purchased Assets, other than the Permitted Encumbrances, be expunged and discharged as

against the Purchased Assets, in each case effective as of the applicable time and date set out in the APA;

[4] **ORDERS AND DECLARES** that subject to any further order of this Court, nothing in this Order reduces or makes inapplicable (i) any obligation under any enactment of the Province of Ontario that ACCC, ACI or the Purchaser or any other person may have by virtue of having been or becoming the owner or operator of the Purchased Assets or any of them; or (ii) any consent by, approval of, notice to or other similar requirement involving the provincial government or a regional or municipal government under any enactment of the Province of Ontario relating to the transfer of the Purchased Assets or any of them.

[5] **ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Kenora of a certified copy of this Order, the lands identified in **Schedule "E"** hereto (collectively, the "**Lands**") together with all buildings and other structures, facilities and improvements located thereon and fixtures, systems, interests, licences, rights, covenants, restrictive covenants, commons, ways, profits, privileges, rights, easements and appurtenances to the said hereditaments belonging, or with the same or any part thereof, held or enjoyed or appurtenant thereto shall, as to the Lands, be transferred to and vest in the Purchaser as registered owner in fee simple, without further instrument of transfer, assignment or discharge, free and clear of all Purchased Assets Encumbrances, other than the Permitted Encumbrances, and for the purpose of this paragraph 4, the Land Registrar is hereby directed to vest the Purchaser as the registered owner of the Lands in fee simple with indefeasible title, and is hereby directed to discharge, cancel and release from title to the Lands all of the Purchased Assets Encumbrances, other than the Permitted Encumbrances;

[6] **ORDERS** the Land Registrar for the Land Titles Division of Kenora, upon presentation of a certified copy of this Order and a copy of the Monitor's Certificate, to discharge, cancel and release from title to the Lands the mortgages and charges filed in said land registry;

[7] **ORDERS** that upon the filing of the Monitor's Certificate with this Court's registry, the Vendor and ACI shall be authorized to take all such steps as may be necessary to effect the discharge of all liens, charges and encumbrances registered against the Purchased Assets, including filing such financing change statements in the PPR as may be necessary, from any registration filed against the Vendor or ACI in the PPR, provided that the Vendor and ACI shall not be authorized to effect any discharge that would have the effect of releasing any collateral other than the Purchased Assets, and the Vendor and ACI shall be authorized to take any further steps by way of further application to this Court;

[8] **ORDERS AND DECLARES** that the Purchaser shall be deemed to have taken an assignment of only those agreements enumerated in the APA, including the Schedules thereto, and under no circumstances shall the Purchaser be deemed to have taken an assignment of, assumed, be bound by or have any obligations under any other agreement between the Vendor or any of the other Petitioners;

[9] **ORDERS** that the proceeds from the sale of the Purchased 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;

[10] **ORDERS** that for the purposes of determining the nature and priority of Purchased Assets Encumbrances, the Net Proceeds shall stand in the place and stead of the Purchased Assets, and that upon payment of the Purchase Price (as defined in the APA) by the Purchaser all Purchased Assets Encumbrances shall attach to the Net Proceeds with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale;

[11] **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 Purchased Assets, contemplated in this Vesting Order, as well as the execution of the APA 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;

[12] **ORDERS AND DECLARES** that the Vendor and the Purchaser shall be at liberty to amend the Schedules to the APA to include any Purchased Assets not identified by those parties prior to the Time of Closing (as defined in the APA) without the need for further Order of this Court;

[13] **ORDERS AND DECLARES** that the Vendor, ACI and the Purchaser shall be at liberty to apply for such further and other directions as may be necessary to carry out the terms of this Order;

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

[15] **WITHOUT COSTS.**

CLÉMENT GASCON, J.S.C.

~~Guy P. Martel and~~ Joseph Reynaud and Guillaume Boudreau-Simard
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~~[DELETED]
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"

DRAFT MONITOR'S CERTIFICATE

CANADA	**SUPERIOR COURT**
PROVINCE OF QUEBEC **DISTRICT OF MONTRÉAL**	Commercial Division (Sitting as a court designated pursuant to the *Companies' Creditors Arrangement Act*, R.S.C., c. C-36, as amended)
No. : 500-11-036133-094	

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

[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.,

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 Kenora 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 ~~●,~~ September 29, 2010, the Court issued an Order (the "**Kenora Vesting Order**") thereby, *inter alia*, authorizing and approving the execution by Abitibi-Consolidated Company of Canada ("**ACCC**") and Abitibi-Consolidated Inc. ("**ACI**") of the Asset Purchase Agreement dated September 8, 2010 (the "**APA**"), by and between ACCC (the "**Vendor**"), as vendor, ACI, as intervener, and 5901058 Manitoba Ltd. (the "**Purchaser**"), as purchaser, and the completion of all the transactions contemplated therein (the "**Proposed Transactions**") with such alterations, changes, amendments, deletions or additions thereto, as may be agreed to with the consent of the Monitor.

WHEREAS on ●, 2011, the Court issued an order rectifying the Kenora Vesting Order (the "**Rectified Kenora Vesting Order**").

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

(a) *the **APA** has been executed and delivered;*

(b) *the portion of the Purchase Price (as defined in the **APA**) payable at closing and all applicable taxes have been paid;*

(c) *all conditions to closing under the **APA (save and except for the registration of the Rectified Kenora Vesting Order in the appropriate** Land Registrar) have been satisfied or waived by the parties thereto.*

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

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: ________________________________

SCHEDULE "E"

REAL PROPERTY

Cameron Bay Area (as defined in section 1.1 of the APA):

PIN 42161-0498
PIN 42161-0568
PIN 42161-0400

Intended to include Transfer of Licence of Occupation #LO 456 and all water lots

Clarifier Area (as defined in section 1.1 of the APA):

PIN 42163-0260	PIN 42179-0094
PIN 42163-0255	PIN 42179-0095
PIN 42179-0077	~~PIN 42179-0115~~
PIN 42179-0093	

Mill Site Area (as defined in section 1.1 of the APA):

PIN 42170-0246	PIN 42171-0052
PIN 42170-0244	PIN 42171-0053
PIN 42170-0163	

Includes the Recycle Building and Warehouse, Training Building and Storage building located on the afore-mentioned Real Property

East Mill Area (as defined in section 1.1 of the APA):

PIN 42169-0164	PIN 42169-0165
PIN 42169-0237	PIN 42169-0159
PIN 42169-0160	PIN 42169-0163

Veterans Drive Area (as defined in section 1.1 of the APA):

PIN 42179-0425
PIN 42179-0440
PIN 42179-0434
PIN 42179-0441

Where applicable, water lots and mineral rights associated with aforementioned Real Property are to be included and transacted, to the Purchaser at appropriate Closing(s).

SCHEDULE "F"

PERMITTED ENCUMBRANCES

PIN	PERMITTED ENCUMBRANCES
42161 – 0498	LT234356
42161 – 0568	LT234356; LT239397; LT239398; 23R-10648
42161 – 0400	LT234356; 23R-8470
42163 – 0260	LT64681; KR1535; LT89483; LT114360; 23R-2411; LT195466; 23R-9753; LT258390; 23R-11385; KN10483; KN26039; LT234356; KN10525
42163 – 0255	LT234356; KN10483; 23R-11389
42179 – 0077	LT234356
42179 – 0093	LT234356
42179 – 0094	LT234356
42179 – 0095	LT234356
~~42179 – 0115~~	~~LT234356~~
42170 – 0244	LT234356; LT82407; KR918
42170 – 0246	LT78161; LT82407; LT234356; LT114360; KN26039; KR918; KR793; 23R-2411
42170 – 0163	RP9384; LT82407; LT194975Z; LT234356~~; 23R-2411~~
42171 – 0052	LT234356
42171 – 0053	LT234356
42169 – 0159	R27680
42169 – 0160	R27680
42169 – 0163	R27680
42169 – 0164	LT234356; LT194975Z; LT82407; KR985
42169 – 0165	R27680; R13753
42169 – 0237	LT234356; KN26039
42179 – 0425	LT234356
42179 – 0434	LT234356
42179 – 0440	LT234356
42179 – 0441	LT234356

Document comparison by Workshare Professional on Tuesday, February 15, 2011 7:25:10 PM

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Document 2 ID	PowerDocs://MONTREAL/10598495/5
Description	MONTREAL-#10598495-v5-Abitibi_-_Vesting_Order_(Kenora)
Rendering set	standard

Legend:	
Insertion	
~~Deletion~~	
~~Moved from~~	
Moved to	
Style change	
Format change	
~~Moved deletion~~	
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:	
	Count
Insertions	25
Deletions	15
Moved from	0
Moved to	0
Style change	0
Format changed	0
Total changes	40

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. *et al*

Petitioners

- and –

ERNST & YOUNG INC.

Monitor

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

MOTION FOR THE ISSUANCE OF A RECTIFIED VESTING ORDER IN RESPECT OF THE KENORA ASSETS (#771) AND EXHIBIT P-1

ORIGINAL

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