Ernst & Young Inc.
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August 10, 2010

To the Creditors of White Birch Paper Company and its affiliates[1] ("Companies")

RE: Proceedings under the *Companies' Creditors Arrangement Act*[2]

Notice is hereby given that the Monitor prepared a report, dated August, 2010, that pertains to the Companies' Motion to Approve a Stalking Horse Bidder, to Approve an Asset sale Agreement, to Approve Bidding Procedures for the Sale of Substantially all of the WB Group's Assets, and to Schedule an Auction and Sale Hearing .

A copy of the Monitor's report and of the Companies' Motion and related documents can be found at www.ey.com/ca/WhiteBirch.

Yours very truly,

ERNST & YOUNG INC.
in its capacity as Court appointed Monitor in the matter of
the proposed plan of arrangement of
White Birch Paper Company and its affiliates

Per: Martin P. Rosenthal, CA, CIRP
Senior Vice President

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1 The entities subject to the Initial Order are White Birch Paper Holding Company, White Birch Paper Company, Stadacona General Partner Inc., Black Spruce Paper Inc., F.F. Soucy General Partner Inc., 3120772 Nova Scotia Company, Arrimage De Gros Cacouna Inc., Papier Masson Ltée., Stadacona Limited Partnership, F.F. Soucy Limited Partnership, and F.F. Soucy, Inc. & Partners, Limited Partnership.

2 R.S.C. 1985, c. C-36, as amended.