

AMENDMENT NO. 16 TO THE ASSET SALE AGREEMENT

THIS AMENDMENT No. 16 TO THE ASSET SALE AGREEMENT (this “**Sixteenth Amendment**”) is entered into as of May 30, 2012 by and among BD White Birch Investment LLC, a limited liability company organized under the Laws of Delaware (the “**Purchaser**”), White Birch Paper Company, a company organized under the Laws of Nova Scotia (“**White Birch**”), and the subsidiaries of White Birch listed in Exhibit A hereto (together with White Birch, the “**Sellers**”). All capitalized terms not otherwise defined herein shall have such meanings as ascribed to them in the ASA (as defined below).

W I T N E S S E T H :

WHEREAS, the Purchaser and the Sellers have entered into that certain Asset Sale Agreement, dated as of August 10, 2010, as amended by the First Amendment thereto, dated as of August 23, 2010, the Second Amendment thereto, dated as of August 31, 2010, the Third Amendment thereto, dated as of September 22, 2010, the Fourth Amendment thereto, dated as of November 19, 2010, the Fifth Amendment thereto, dated as of December 28, 2010, the Sixth Amendment thereto, dated as of January 28, 2011, the Seventh Amendment thereto, dated as of March 25, 2011, the Eighth Amendment thereto, dated as of April 29, 2011, the Ninth Amendment thereto, dated as of May 26, 2011, the Tenth Amendment thereto, dated as of July 28, 2011, the Eleventh Amendment thereto, dated as of September 14, 2011, the Twelfth Amendment thereto, dated as of September 29, 2011, the Thirteenth Amendment thereto, dated as of October 14, 2011, the Fourteenth Amendment thereto, dated as of December 20, 2011 and the Fifteenth Amendment thereto, dated as of February 28, 2012 relating to the purchase and sale of the Assets (as amended, the “**ASA**”); and

WHEREAS, the Parties wish to amend the terms of the ASA, pursuant to Section 10.4 thereof, to the extent provided herein.

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the parties hereto hereby agree as follows:

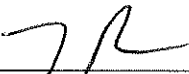
1. Amendment. Section 9.1(b)(iii) of the ASA is hereby amended by deleting the phrase “May 31, 2012” and replacing it with the phrase “August 31, 2012”.
2. Full Force and Effect. The ASA shall not be amended or otherwise modified by this Sixteenth Amendment except as set forth in Section 1 of this Sixteenth Amendment. Except as amended by this Sixteenth Amendment, the ASA shall continue to be and shall remain in full force and effect in accordance with its terms, and the parties hereto hereby ratify and confirm the ASA in all respects, as amended hereby. All references to the “Agreement,” “herein,” “hereof,” “hereunder” or words of similar import in the ASA shall be deemed to include the ASA as amended by this Sixteenth Amendment.
3. Miscellaneous. The provisions of Article X (Miscellaneous) of the ASA shall apply to this Sixteenth Amendment as if such provisions were set out herein in full and as if each reference therein to “this Agreement” included a reference to this Sixteenth Amendment.

IN WITNESS WHEREOF, the parties have duly executed this Sixteenth Amendment as of the date first above written.

WHITE BIRCH PAPER COMPANY

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

STADACONA GENERAL PARTNER INC.

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

STADACONA L.P., by White Birch Paper Company, a General Partner

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

F.F. SOUCY GENERAL PARTNER INC.

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

F.F. SOUCY, INC. & PARTNERS, LIMITED PARTNERSHIP, by White Birch Paper Company, a General Partner

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

F.F. SOUCY L.P., by White Birch Paper
Company, a General Partner

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

ARRIMAGE DE GROS CACOUNA INC.

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

PAPIER MASSON LTÉE

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

BEAR ISLAND PAPER COMPANY, L.L.C.

By: 
Name: TIM BUTLER
Title: VP FINANCE + TREASURER

BD WHITE BIRCH INVESTMENT LLC

By: _____
Name: _____
Title: _____

F.F. SOUCY L.P., by White Birch Paper
Company, a General Partner

By: _____
Name:
Title:

ARRIMAGE DE GROS CACOUNA INC.

By: _____
Name:
Title:

PAPIER MASSON LTÉE

By: _____
Name:
Title:

BEAR ISLAND PAPER COMPANY, L.L.C.

By: _____
Name:
Title:

BD WHITE BIRCH INVESTMENT LLC

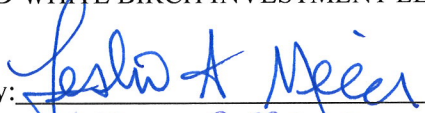
By: 
Name: LESLIE A. MEIER
Title: PRESIDENT AND SECRETARY

Exhibit A
White Birch Subsidiaries

- Stadacona General Partner Inc.
- Stadacona L.P.
- F.F. Soucy General Partner Inc.
- F.F. Soucy, Inc. & Partners, Limited Partnership
- F.F. Soucy L.P.
- Arrimage de Gros Cacouna Inc.
- Papier Masson Ltée.
- Bear Island Paper Company, L.L.C.