

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN:

INTERNATIONAL FOREST PRODUCTS CORPORATION

Applicant

- and -

ST. MARYS PAPER CORP.

Respondent

**APPLICATION UNDER SECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED AND SECTION 101 OF
THE COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED**

SUPPLEMENTAL AFFIDAVIT OF DANIEL J. MOORE
(Sworn September 27, 2011)

I, DANIEL J. MOORE, of the Town of Needham, in the Commonwealth of
Massachusetts, in the United States of America, **MAKE OATH AND SAY AS
FOLLOWS:**

1. I am the Chief Operating Officer of the Applicant, International Forest Products Corporation ("**IFP**"). As such, I have knowledge of the matters deposed to in this affidavit. Where this affidavit is not based on personal knowledge, it is based on information and belief and I verily believe such information to be true.

2. This affidavit is supplemental to my affidavit sworn August 31, 2011 (the "**August 31 Affidavit**") in support of an application by IFP for the appointment of Ernst & Young Inc. ("**E&Y**") as receiver and receiver and manager (in such capacity, the "**Receiver**") of all of the property, assets and undertaking of the Respondent St. Marys Paper Corp. ("**St. Marys**"), pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") and section 101 of the *Courts of Justice Act* (Ontario).
3. All capitalized terms and phrases used and not otherwise defined herein have the meanings given to them in the August 31 Affidavit.

Delivery of Notice of Application

4. On August 31, 2011, IFP provided St. Marys and the service list with a copy of its Notice of Application seeking the appointment of the Receiver (the "**Notice of Application**") and advised St. Marys that IFP had arranged for the Notice of Application to be heard on September 7, 2011. A true copy of the Notice of Application is attached hereto as **Exhibit "A"**.

Settlement Discussions

5. On September 1, 2011, St. Marys contacted IFP to discuss a potential settlement of the Current Indebtedness. In order to allow for good faith settlement discussions to continue, IFP agreed not to serve its Notice of Application and related materials.

6. In the course of these discussions, St. Marys advised that they were in discussions with a third party lender (the “**New Lender**”) who was prepared to make advances to St. Marys, which advances would be applied by St. Marys against the Current Indebtedness. In consideration, the New Lender sought certain accommodations from IFP.
7. By close of business on September 1, 2011, IFP and St. Marys had reached an agreement on the material terms of the settlement and IFP had instructed its counsel to prepare a forbearance agreement setting out these terms. The draft forbearance agreement was conditional upon, among other things, St. Marys obtaining financing from the New Lender in a prescribed amount, which would be applied against the Current Indebtedness, and St. Marys directing to IFP, upon receipt, a Harmonized Sales Tax refund in the amount of \$773,127 (the “HST Refund”). The draft forbearance agreement also contemplated a full and final satisfaction of the balance of the Current Indebtedness on certain terms.
8. On September 1, 2011, IFP agreed to seek an adjournment of the September 7 hearing to allow the parties to continue to discuss a potential settlement of the Current Indebtedness.

Notice to Service List

9. By letter dated September 2, 2011, IFP’s counsel advised the service list that IFP and St. Marys had been engaged in discussions to resolve the matter and had agreed to seek an adjournment of application to a date to be determined by the Court. A true copy of the September 2 letter is attached hereto as **Exhibit “B”**.

September 7 Appearance

10. On September 7, 2011, IFP's counsel sought and obtained an adjournment of the matter until September 14, 2011 to allow settlement discussions to continue.
11. By letter dated September 8, 2011, IFP's counsel advised the service list of the new date. A true copy of the September 8 letter is attached hereto as **Exhibit "C"**.

September 14 Appearance

12. On September 14, 2011, IFP's counsel sought and obtained a further adjournment of the matter until September 28, 2011 to allow settlement discussions to continue.
13. By letter dated September 15, 2011, IFP's counsel advised the service list of the new date. A true copy of the September 15 letter is attached hereto as **Exhibit "D"**.

Further Settlement Discussions

14. Over the course of the settlement discussions the transaction structure changed from a loan to St. Marys to an acquisition by the New Lender from IFP of a participating interest in the Current Indebtedness. The material terms set out in paragraph 7 were consistent throughout the discussions.
15. In light of the liquidity crisis facing St. Marys, as more particularly described in the August 31 Affidavit, IFP set a deadline to close the settlement transaction.

Neither St. Marys nor the New Lender provided a meaningful response by the deadline, and the cause of the delay was not explained.

16. On September 26, 2011, St. Marys advised IFP that the New Lender was no longer interested in doing a transaction with IFP. At this time, St. Marys advised IFP that it had scheduled a shareholders' meeting on September 27, 2011 to discuss further settlement options.
17. On September 27, 2011, St. Marys made a final settlement proposal to IFP. IFP rejected the proposal and advised St. Marys that it would be proceeding with its application to appoint the Receiver.

Need for Relief

18. As set out in the August 31, 2011 Affidavit, St. Marys faces an immediate liquidity crisis. St. Marys has secured no new financing since the August 31 Affidavit and has been unable to reach a settlement with IFP.
19. St. Marys is expected to receive the HST Refund in the coming weeks. The HST Refund is a refund of monies that were paid by IFP on behalf of St. Marys. If received, IFP expects that the HST Refund proceeds will be used by St. Marys to maintain the idled Mill, which will represent a further erosion of IFP's collateral.
20. For these reasons, and all of the reasons set out in the August 31 Affidavit, IFP believes that it is necessary to appoint a receiver in order to allow for an orderly, court-supervised forum for the realization upon St. Marys' assets, including a

potential going concern sale, for the benefit of all stakeholders and to prevent any further erosion of IFP's security position.

21. This affidavit is made in support of IFP's application for the appointment of a receiver and receiver and manager of St. Marys, and for no other or improper purpose.

SWORN BEFORE ME at the Town of Foxborough)
 in the Commonwealth of Massachusetts)
 this 27 day of September, 2011)
)
)

 A Commissioner of Oaths, etc.

 DANIEL J. MOORE

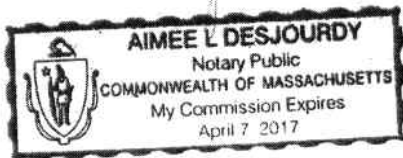


EXHIBIT "A"

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

INTERNATIONAL FOREST PRODUCTS CORPORATION

Applicant

- and -

ST. MARYS PAPER CORP.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND
INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED, AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, C. C.43, AS AMENDED

NOTICE OF APPLICATION

TO THE RESPONDENT:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following page.

THIS APPLICATION will come on for a hearing before a judge of the Commercial List on Wednesday, September 7, 2011, at 10:00 a.m., at 330 University Avenue, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

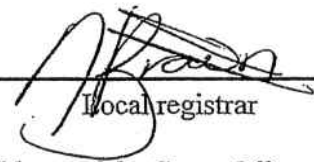
IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the

applicants' lawyer or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2 days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: August 30 2011

Issued by


Local registrar

Address of the Court Office:

330 University Avenue
Toronto, Ontario
M5G 1E6 MS

TO: THE SERVICE LIST ATTACHED

**ST. MARYS PAPER CORP.
FACSIMILE & E-MAIL SERVICE LIST**

ERNST & YOUNG INC. Royal Bank Plaza 200 Bay Street, 19 th Floor Toronto, ON M5J 2P9 Alex Morrison Tel: (416) 941-7743 Fax: (416) 943-3300 Email: alex.morrison@ca.ey.com	ASSETLINK CAPITAL INC. 6655 Kitimat Road, Unit 4 Mississauga, ON L5N 6J4 Fax: (866) 585-4812
Russell French Tel: (416) 943-2215 Fax: (416) 943-3300 Email: russell.w.french@ca.ey.com <i>Proposed Receiver</i>	ST. MARYS PAPER CORP. 75 Huron Street Sault Ste Marie, ON P6A 5P4 Dennis Bunnell Fax: (705) 942-4791 Email: bunne_d@stmarys-paper.com
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO, AS REPRESENTED BY THE MINISTER OF NORTHERN DEVELOPMENT, MINES AND FORESTRY Suite 200, 70 Foster Drive Sault Ste Marie, ON P6A 6V8 Fax: (705) 670-5818 (mines/minerals) and Fax: (705) 945-5977 (forestry)	MINISTRY OF NORTHERN DEVELOPMENT, MINES & FORESTRY – LEGAL SERVICES BRANCH RM M2-24 900 Bay Street Toronto, ON M7A 1C3 Fax: (416) 327-0646
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE (Income Tax, PST) PO Box 620 33 King Street West, 6 th Floor Oshawa, ON L1H 8E9 Kevin J. O'Hara Email: kevin.ohara@ontario.ca Fax: (905) 436-4310	DEPARTMENT OF JUSTICE. The Exchange Tower 130 King Street West, Suite 3400 Toronto, ON M5X 1K6 Diane Winters Tel: (416) 973-3172 Fax: (416) 973-0810 Email: diane.winters@justice.gc.ca

DELOITTE & TOUCHE LLP 181 Bay Street, Suite 1400 Toronto, ON M5J 2V1 R.M. Graham Fax: (416) 601-6690	ROYAL BANK OF CANADA 180 Wellington St. W. 3 rd Floor Toronto, ON M5J 1J1 – and – 602 Queen St. East Sault Ste Marie, ON P6A 2A4 Tel: (705) 759-7050 Fax: (705) 759-4186
NEW NORTH FUELS INC. 154 Highway 540B Box 520 Gore Bay, ON P0P 1H0 -and- 1000 Barrydowne Road Sudbury, ON P3A 3V3 Email: sudbury@newnorthfuels.com Fax: (705) 566-9095	AVERY CONSTRUCTION LIMITED 940 Second Line West Sault Ste Marie, ON P6C 2E8 Tel: (705) 759-4800 Fax: (705) 759-6775 Email: jeff_averyconstruction@shaw.ca
THE CORPORATION OF THE CITY OF SAULT SAINT MARIE 99 Foster Drive Sault Ste Marie, ON P6A 5X6 Nuala Kenny Tel: (705) 759-5407 Fax: (705) 759-5405 Email: n.kenny@cityssm.on.ca	CATERPILLAR FINANCIAL SERVICES LIMITED 5575 North Service Road Suite 600 Burlington, ON L7L 6M1 Tel: (289) 313-1293 Fax: (289) 313-3003
BLANEY MCMURTRY LLP 2 Queen Street East Suite 1500 Toronto, ON M5C 3G5 Domenico Magisano Tel: (416) 593-2996 Fax: (416) 593-2977 Email: dmagisano@blaney.com	TMS TRUCK CENTRE LTD. 987 Great Northern Road Sault Ste Marie, ON P6A 5K7 Dave Harrington Tel: (705) 759-8280 Fax: (705) 759-8343 Email: dave@tmstruck.com

1022013 ONTARIO INC.

1231 Peoples Road
Sault Ste Marie, ON P6C 3W7

Fax: (705) 759-4816

**HENSON AND TREGONNING LOGGING
LIMITED**

211 Brule Road
Sault Ste Marie, ON P6A 5K8

Tel: (705) 254-6114

Fax: (705) 254-6995

1. International Forest Products Corporation ("IFP"), make an application for an Order, *inter alia*:

- (a) abridging the time for service of the Notice of Application and the Application Record and dispensing with further service thereof;
- (b) appointing Ernst & Young Inc. ("E&Y") as receiver and receiver and manager (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of St. Marys Paper Corp. ("**St. Marys**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O 1990 c. C.43, as amended (the "**CJA**"); and,
- (c) such further and other relief as counsel may request and this Honourable Court may permit.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

- (a) St. Marys is an Ontario corporation operating a groundwood pulp and supercalendered specialty paper mill in Sault Saint Marie, Ontario (the "**Mill**");
- (b) The Mill, and the equipment, inventory and other personal property located at or relating to the operations of the Mill are St. Marys' primary assets;
- (c) On or about March 28, 2011, the Mill ceased operations due to numerous unexpected and repeated mechanical defects and component failures on its largest paper machine. The Mill remains idle as of the date hereof, all hourly employees are on indefinite layoff, and salaried employees have been reduced to a skeleton staff of fewer than ten;

Debtor Obligations & Defaults

- (d) As at August 31, 2011, St. Marys is indebted to IFP in the aggregate amount of \$7,621,606.13, plus interest accrued but unpaid as of the date hereof, plus any other discounts, expenses, costs, fees and/or other amounts that are or may be recoverable by IFP (collectively, the “**Current Indebtedness**”);
- (e) ~~The Current Indebtedness has been incurred pursuant to certain loan agreements, pulp supply contracts and sales and marketing agreements with IFP;~~
- (f) The obligations of St. Marys to IFP are secured by a mortgage on 17 parcels of land located at 75 Huron Street, Sault Ste. Marie, Ontario (including the Mill) and comprehensive personal property security;
- (g) St. Marys is in default of its obligations to IFP, and has been since early April, 2011;
- (h) The requisite demands and notices in connection with such defaults have been delivered by IFP to St. Marys, and the notice periods provided therein have expired. IFP is therefore in a position to enforce its security against the St. Marys;
- (i) Despite good faith and diligent efforts by the parties to come to a negotiated resolution, terms of repayment of the outstanding indebtedness acceptable to IFP have not been reached;
- (j) As at August 13, 2011, St. Marys had only approximately \$260,000 in cash and has no access to further credit facilities to fund future operating costs or ordinary expenses incurred in keeping the Mill idle, and unless additional financing is secured, St. Marys will consume its diminished cash reserves by early to mid-September;

Need for a Receiver

- (k) As no going concern solution has been achieved for St. Marys liquidity crisis and attempts to reach a negotiated solution have been unsuccessful, it is just, convenient and necessary to appoint the Receiver in order to protect the interests of St. Marys' stakeholders, including IFP, and to realize on St. Marys' estates, under the Court's supervision;

-
- (l) As E&Y, a licensed trustee in bankruptcy, has been acting as financial advisor to IFP, with access to St. Marys' books, records and operations, E&Y is best positioned to realize on the property of St. Marys;

- (m) E&Y has consented to being appointed receiver and manager, without security, of St. Marys' assets;

Additional Grounds

- (n) Subsection 243(1) of the BIA;
- (o) Section 101 of the CJA;
- (p) Rules 1.04, 2.03, 3.02 and 38 of the Rules of Civil Procedure, R.R.O. 1990, Reg 194, as amended;
- (q) The reasons described in the affidavit of Daniel J. Moore (the "**Moore Affidavit**"); and
- (r) Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- (a) The Moore Affidavit, and the exhibits thereto, to be filed;

- (b) The consent of E&Y to act as receiver, to be filed; and
- (c) Such further and other materials as counsel may advise and this Honourable Court may permit.

August 30, 2011

BLAKE, CASSELS & GRAYDON LLP

Box 25, Commerce Court West

Toronto, Ontario M5L 1A9

Michael McGraw LSUC#: 46679C

Tel: (416) 863-4247

Fax: (416) 863-2653

Marc Flynn LSUC# 52831B

Tel: (416) 863-2685

Fax: (416) 863-2653

Lawyers for International Forest Products
Corporation

INTERNATIONAL FOREST PRODUCTS CORPORATION
Applicant

-and-

ST. MARYS PAPER CORP.
Respondent

ONTARIO

SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

NOTICE OF APPLICATION
(Returnable September 7, 2011)

BLAKE, CASSELS & GRAYDON LLP
Box 40, Commerce Court West
Toronto, Ontario M5L 1A9

Michael McGraw LSUC#: 46679C
Tel: (416) 863-4247
Fax: (416) 863-2653

Marc Flynn LSUC# 52831B
Tel: (416) 863-2685
Fax: (416) 863-2653

Lawyers for International Forest Products
Corporation

EXHIBIT "B"



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

September 2, 2011

VIA FACSIMILE & E-MAIL

Chris Burr
Dir: 416-863-3301
chris.burr@blakes.com

Reference: 77162/2

TO: ATTACHED SERVICE LIST

Re: St. Marys Paper Corp.
Re: Receivership Application by International Forest Products Corporation

Dear Sir or Madam,;

On August 31, 2011, you were sent the Notice of Application of International Forest Products Corporation ("IFP") in respect of IFP's application to appoint a receiver over the assets and undertakings of St. Marys Paper Corp. ("St. Marys"). This application was scheduled to be heard by the Honourable Madam Justice Mesbur on Wednesday, September 7, 2011 on the Commercial List in Toronto.

In the intervening period, IFP and St. Marys have been engaged in discussions to resolve the matter and in order to continue these discussions have agreed to adjourn the hearing of the application to a date to be determined by the Commercial List. Accordingly, we will be attending before Justice Mesbur on a 9:30 a.m. Chambers appointment on Wednesday morning to seek an adjournment of IFP's application. As such, the application will not be heard by the Court on Wednesday, September 7, 2011.

We will notify you in writing of any resolution of this matter and/or the new date for the hearing (or future attendances before Justice Mesbur with respect to this matter) in due course.

Please don't hesitate to contact me should you have any questions.

Sincerely,

Chris Burr

encl.

12503455.2

**ST. MARYS PAPER CORP.
FACSIMILE & E-MAIL SERVICE LIST**

ERNST & YOUNG INC. Royal Bank Plaza 200 Bay Street, 19th Floor Toronto, ON M5J 2P9 Alex Morrison Tel: (416) 941-7743 Fax: (416) 943-3300 Email: alex.morrison@ca.ey.com Russell French Tel: (416) 943-2215 Fax: (416) 943-3300 Email: russell.w.french@ca.ey.com <i>Proposed Receiver</i>	ASSETLINX CAPITAL INC. 6655 Kitimat Road, Unit 4 Mississauga, ON L5N 6J4 Fax: (866) 585-4812 ST. MARYS PAPER CORP. 75 Huron Street Sault Ste Marie, ON P6A 5P4 Dennis Bunnell Fax: (705) 942-4791 Email: bunne_d@stmarys-paper.com
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HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE Revenue Collections Branch, Insolvency Unit PO Box 620 33 King Street West, 6th Floor Oshawa, ON L1H 8H5 L.W. (Larry) Brunt Senior Insolvency Officer Email: larry.brunt@ontario.ca	DEPARTMENT OF JUSTICE The Exchange Tower 130 King Street West, Suite 3400 Toronto, ON M5X 1K6 Diane Winters Tel: (416) 973-3172 Fax: (416) 973-0810 Email: diane.winters@justice.gc.ca

Tel : (905) 4335760 Fax: (905) 436-4524	
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1022013 ONTARIO INC. 1231 Peoples Road Sault Ste Marie, ON P6C 3W7 Fax: (705) 759-4816	HENSON AND TREGONNING LOGGING LIMITED 211 Brule Road Sault Ste Marie, ON P6A 5K8 Tel: (705) 254-6114 Fax: (705) 254-6995
COMMUNICATIONS, ENERGY & PAPERWORKERS UNION OF CANADA 5915 Airport Road, Suite 510 Mississauga, ON L4V 1T1 Tel: (905) 678-0800 Fax: (905) 678-7868	

EXHIBIT "C"



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

September 8, 2011

Jackie Moher
Dir: 416-863-3174
jackie.moher@blakes.com

VIA FACSIMILE & E-MAIL

Reference: 00077162/000002

TO: ATTACHED SERVICE LIST

Re: St. Marys Paper Corp.
Re: Receivership Application by International Forest Products Corporation

Dear Sir or Madam:

We attended before Justice Mesbur yesterday in respect of the above-captioned matter. The application has been adjourned to a 9:30 a.m. chambers appointment on Wednesday, September 14, 2011.

Sincerely,

Jackie Moher

MOH/sobb

12504517.1

NEW YORK CHICAGO MONTREAL OTTAWA TORONTO CALGARY VANCOUVER
LONDON BAHRAIN AL-KHOBAR* BEIJING SHANGHAI*

* Associated Office

blakes.com

**ST. MARYS PAPER CORP.
FACSIMILE & E-MAIL SERVICE LIST**

ERNST & YOUNG INC. Royal Bank Plaza 200 Bay Street, 19th Floor Toronto, ON M5J 2P9 Alex Morrison Tel: (416) 941-7743 Fax: (416) 943-3300 Email: alex.morrison@ca.ey.com Russell French Tel: (416) 943-2215 Fax: (416) 943-3300 Email: russell.w.french@ca.ey.com <i>Proposed Receiver</i>	ASSETLINX CAPITAL INC. 6655 Kitimat Road, Unit 4 Mississauga, ON L5N 6J4 Fax: (866) 585-4812 ST. MARYS PAPER CORP. 75 Huron Street Sault Ste Marie, ON P6A 5P4 Dennis Bunnell Fax: (705) 942-4791 Email: bunne_d@stmarys-paper.com
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DELOITTE & TOUCHE LLP 181 Bay Street, Suite 1400 Toronto, ON M5J 2V1 R.M. Graham Fax: (416) 601-6690	ROYAL BANK OF CANADA 180 Wellington St. W. 3 rd Floor Toronto, ON M5J 1J1 – and – 602 Queen St. East Sault Ste Marie, ON P6A 2A4 Tel: (705) 759-7050 Fax: (705) 759-4186
NEW NORTH FUELS INC. 154 Highway 540B Box 520 Gore Bay, ON P0P 1H0 -and- 1000 Barrydowne Road Sudbury, ON P3A 3V3 Email: sudbury@newnorthfuels.com Fax: (705) 566-9095	AVERY CONSTRUCTION LIMITED 940 Second Line West Sault Ste Marie, ON P6C 2E8 Tel: (705) 759-4800 Fax: (705) 759-6775 Email: jeff_averyconstruction@shaw.ca
THE CORPORATION OF THE CITY OF SAULT SAINT MARIE 99 Foster Drive Sault Ste Marie, ON P6A 5X6 Nuala Kenny Tel: (705) 759-5407 Fax: (705) 759-5405 Email: n.kenny@cityssm.on.ca	CATERPILLAR FINANCIAL SERVICES LIMITED 5575 North Service Road Suite 600 Burlington, ON L7L 6M1 Tel: (289) 313-1293 Fax: (289) 313-3003
BLANEY MCMURTRY LLP 2 Queen Street East Suite 1500 Toronto, ON M5C 3G5 Domenico Magisano Tel: (416) 593-2996 Fax: (416) 593-2977 Email: dmagisano@blaney.com	TMS TRUCK CENTRE LTD. 987 Great Northern Road Sault Ste Marie, ON P6A 5K7 Dave Harrington Tel: (705) 759-8280 Fax: (705) 759-8343 Email: dave@tmstruck.com

1022013 ONTARIO INC. 1231 Peoples Road Sault Ste Marie, ON P6C 3W7 Fax: (705) 759-4816	HENSON AND TREGONNING LOGGING LIMITED 211 Brule Road Sault Ste Marie, ON P6A 5K8 Tel: (705) 254-6114 Fax: (705) 254-6995
COMMUNICATIONS, ENERGY & PAPERWORKERS UNION OF CANADA 5915 Airport Road, Suite 510 Mississauga, ON L4V 1T1 Tel: (905) 678-0800 Fax: (905) 678-7868	MINISTRY OF THE ATTORNEY GENERAL FOR ONTARIO Crown Law Office – Civil Law 720 Bay Street, 8 th Floor Toronto, ON M7A 2S9 Eunice Machado Tel: (416) 326-4576 Fax: (416) 326-4181 Email: Eunice.machado@ontario.ca Lawyers for Her Majesty The Queen In Right Of The Province Of Ontario, As Represented By The Minister Of Northern Development, Mines And Forestry
WISHART LAW FIRM LLP 390 Bay Street, Suite 500 Sault Ste. Marie, ON P6A 1X2 Gordon P. Acton Tel: (705) 949-6700 Fax: (705) 949-2465 Email: gacton@wishartlaw.com	

EXHIBIT “D”



Blake, Cassels & Graydon LLP
Barristers & Solicitors
Patent & Trade-mark Agents
199 Bay Street
Suite 4000, Commerce Court West
Toronto ON M5L 1A9 Canada
Tel: 416-863-2400 Fax: 416-863-2653

September 15, 2011

Jackie Moher
Dir: 416-863-3174
jackie.moher@blakes.com

VIA FACSIMILE & E-MAIL

Reference: 00077162/000002

TO: THE ATTACHED SERVICE LIST

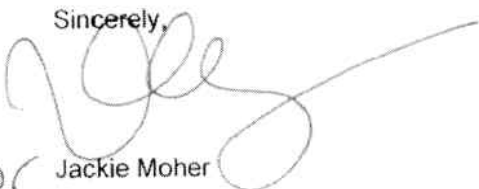
Dear Sir or Madam:

Re: St. Marys Paper Corp.

Re: Receivership Application by International Forest Products Corporation

We attended before the Honourable Madam Justice Mesbur yesterday in respect of the above-captioned matter. The application has been adjourned to a 9:30 a.m. chambers appointment on Tuesday, September 20, 2011.

Sincerely,


for Jackie Moher


MOH/cdlu

12505974.1

NEW YORK CHICAGO LONDON BAHRAIN AL-KHOSAR* BEIJING SHANGHAI*
MONTREAL OTTAWA TORONTO CALGARY VANCOUVER

* Associated Office

blakes.com

**ST. MARYS PAPER CORP.
FACSIMILE & E-MAIL SERVICE LIST**

ERNST & YOUNG INC. Royal Bank Plaza 200 Bay Street, 19th Floor Toronto, ON M5J 2P9 Alex Morrison Tel: (416) 941-7743 Fax: (416) 943-3300 Email: alex.morrison@ca.ey.com Russell French Tel: (416) 943-2215 Fax: (416) 943-3300 Email: russell.w.french@ca.ey.com Simone Carvalho Tel: (416) 943-2085 Fax: (416) 943-3300 Email: simone.carvalho@ca.ey.com <i>Proposed Receiver</i>	ASSETLINX CAPITAL INC. 6655 Kitimat Road, Unit 4 Mississauga, ON L5N 6J4 Fax: (866) 585-4812 ST. MARYS PAPER CORP. 75 Huron Street Sault Ste Marie, ON P6A 5P4 Dennis Bunnell Fax: (705) 942-4791 Email: bunne_d@stmarys-paper.com
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO, AS REPRESENTED BY THE MINISTER OF NORTHERN DEVELOPMENT, MINES AND FORESTRY Suite 200, 70 Foster Drive Sault Ste Marie, ON P6A 6V8 Fax: (705) 670-5818 (mines/minerals) and Fax: (705) 945-5977 (forestry)	MINISTRY OF NORTHERN DEVELOPMENT, MINES & FORESTRY – LEGAL SERVICES BRANCH RM M2-24 900 Bay Street Toronto, ON M7A 1C3 Fax: (416) 327-0646
HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF ONTARIO AS REPRESENTED BY THE MINISTER OF FINANCE Revenue Collections Branch, Insolvency Unit PO Box 620 33 King Street West, 6th Floor Oshawa, ON L1H 8H5	DEPARTMENT OF JUSTICE The Exchange Tower 130 King Street West, Suite 3400 Toronto, ON M5X 1K6 Diane Winters Tel: (416) 973-3172 Fax: (416) 973-0810 Email: diane.winters@justice.gc.ca

L.W. (Larry) Brunt Senior Insolvency Officer Email: larry.brunt@ontario.ca Tel : (905) 4335760 Fax: (905) 436-4524	
DELOITTE & TOUCHE LLP 181 Bay Street, Suite 1400 Toronto, ON M5J 2V1 R.M. Graham Fax: (416) 601-6690	ROYAL BANK OF CANADA 180 Wellington St. W. 3 rd Floor Toronto, ON M5J 1J1 – and – 602 Queen St. East Sault Ste Marie, ON P6A 2A4 Tel: (705) 759-7050 Fax: (705) 759-4186
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INTERNATIONAL FOREST PRODUCTS CORPORATION Applicant	V. ST. MARYS PAPER CORP. Respondents	Court File No.
		ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST Proceeding commenced at Toronto
		AFFIDAVIT OF DANIEL J. MOORE (SWORN SEPTEMBER 27, 2011)
		BLAKE, CASSELS & GRAYDON LLP Box 25, Commerce Court West Toronto, Ontario M5L 1A9 Michael McGraw LSUC#: 46679C Tel: (416) 863-4247 Fax: (416) 863-2653 Marc Flynn LSUC#: 52831B Tel: (416) 863-2685 Fax: (416) 863-2653 Lawyers for the Applicant