

Affidavit No. 9
sworn on April 13, 2021

No. S206189
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF 1057863 B.C.
LTD., NORTHERN RESOURCES NOVA SCOTIA CORPORATION, NORTHERN PULP NOVA
SCOTIA CORPORATION, NORTHERN TIMBER NOVA SCOTIA CORPORATION, 3253527
NOVA SCOTIA LIMITED, 3243722 NOVA SCOTIA LIMITED and NORTHERN PULP NS GP
ULC,

PETITIONERS

AFFIDAVIT

I, Bruce Chapman, business person of Stellarton, Nova Scotia, SWEAR THAT:

I. INTRODUCTION

1. I am the general manager (Northern Pulp) of Paper Excellence Canada Holdings Corporation ("**PEC**") and hold the office of General Manager of the Petitioners other than 105 BC. PEC is a corporation incorporated pursuant to the laws of British Columbia and owns a 30% interest in the Petitioners; the remaining 70% ownership interest in the Petitioners is held by Hervey Investment BV (Netherlands), a company under common control with PEC. In the course of my role and duties with PEC and the Petitioners I have had responsibility for and involvement in the business operations and management of the Petitioners and, as such, I have personal knowledge of the matters sworn to in this Affidavit, except where I state that my knowledge is based on information from others, in which case I set out the source of that information and believe same to be true. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the affidavits I have sworn earlier in the within CCAA Proceedings, including affidavits sworn on June 16, 2020 (the "**First Chapman Affidavit**"), June 23, 2020 (the "**Second Chapman Affidavit**"), June 30, 2020 (the "**Third Chapman Affidavit**"), July 17, 2020 (the

“**Fourth Chapman Affidavit**”), July 23, 2020 (the “**Fifth Chapman Affidavit**”), July 30, 2020 (the “**Sixth Chapman Affidavit**”), September 18, 2020 (the “**Seventh Chapman Affidavit**”) and December 4, 2020 (the “**Eighth Chapman Affidavit**”), each of which was filed in these proceedings (the “**CCAA Proceedings**”). Attached hereto and marked as **Exhibit “A”** to this my Affidavit is a listing of various acronyms used in my previous Affidavits and in this Affidavit.

2. On June 19, 2020 (the “**Filing Date**”), the Petitioners sought and obtained an Initial Order in these CCAA Proceedings granting a stay of proceedings for a 10-day period (the “**Stay Period**”). The Stay Period was subsequently extended on numerous occasions, most recently by an order of this Honourable Court granted on December 11, 2020 (the “**December Order**”), pursuant to which the Stay Period was extended until and including April 30, 2021.

3. As described in greater detail in the First Chapman Affidavit, the Petitioners commenced the CCAA Proceedings to, among other things: (i) preserve their material assets by completing a safe and orderly decommission and hibernation of the Mill; and, (ii) pursue alternatives to the Replacement ETF project described in the First Chapman Affidavit for re-starting the Mill, which remains the preferred outcome for the Petitioners in these CCAA Proceedings. On August 6, 2020, this Honourable Court granted an order amending and restating the Initial Order (as so amended and restated, the “**ARIO**”) and, among other things, approving an interim financing facility (the “**Interim Financing Facility**”) and associated charge.

4. The Interim Financing Facility addressed the immediate liquidity crisis that the Petitioners faced in the late summer and early fall of last year and provides the Petitioners with the benefit of further financing to advance the within case. As authorized by the ARIO, the Petitioners have drawn \$15.0 million under the Interim Financing Facility. As set out in the Eighth Chapman Affidavit, the Petitioners projected that, after accounting for the \$15.0 million draw under the Interim Financing Facility, they would have sufficient liquidity to meet their obligations in the ordinary course until at least the second quarter of 2021. That prediction was accurate. The Petitioners now project that, in order to meet their obligations until and including October 31, 2021, a further draw under the Interim Financing Facility, in the amount of \$6.0 million, will be required in July 2021.

5. Since the issuance of the December Order the Petitioners have taken a number of steps to advance their contemplated restructuring with the assistance of the Monitor and in consultation with material stakeholders and have established a timeline for obtaining EA approval for the New

Replacement ETF Project, resolving outstanding issues regarding its remaining obligations pursuant to the Ministerial Orders, re-engaging in Settlement Discussions with the Province and ongoing engagement with the PLFN, a true copy of which timeline is attached hereto and marked as **Exhibit “B”** to this my Affidavit (the “**Gantt Chart**”). For ease of reference, I have summarized these actions below:

- (a) BH-ETF - The Petitioners have made significant progress with respect to the shutdown and decommissioning of the BH-ETF in compliance with their obligations pursuant to the Ministerial Orders. As described in further detail hereinafter, Northern Pulp and the Province have mutually agreed that the Province will assume operational control of the removal of all ASB Solids from the Aerated Stabilization Basin (“**ASB**”) and a containment cell, which is anticipated to increase efficiency in the cleanup process, without prejudice to their respective other legal rights. The Petitioners anticipate working with the Province to negotiate the transfer of operational control of the BH-ETF and receive a revised Ministerial Order that removes such obligations from the Petitioners according to the timeline set forth in the Gantt Chart;
- (b) Contribution Agreement - The Petitioners engaged with the Monitor in connection with the Monitor’s review of the Contribution Agreement expenditures (the “**Contribution Agreement Review**”). The Monitor’s Report in respect of the Contribution Agreement Review was completed and provided to the Province and Northern Pulp on February 24, 2021;
- (c) ELC - The Environmental Liaison Committee (“**ELC**”) issued an interim report on February 19, 2021 (the “**February ELC Report**”), detailing its recommendations with respect to its findings to date. The ELC has continued to meet with stakeholders to assess further issues and potential solutions to the ongoing issues at the Mill. The February ELC Report details (at pages 8 and 9) a vision for future Mill operations, based on respect for community and the environment, and the vision document adopted by the Petitioners substantively aligns with these forward- thinking objectives. Further, and as described in further detail hereinafter, the Petitioners have incorporated ELC recommendations in preliminary revised plans for the New Replacement ETF Project, propose to revise the ELC’s mandate,

and seek approval to makes advances in accordance with the Committee Budget (as defined below);

- (d) PLFN Engagement - The ELC and Northern Pulp have continued to pursue engagement with the PLFN, including in relation to the undertakings of the ELC and proposed solutions to be recommended for inclusion in a New Replacement ETF Project. Northern Pulp has engaged, and the PLFN has participated, in the completion of the removal of a 900-meter section of effluent pipeline located at Indian Cross Point to Highway 348, Pictou Landing (the “**Pipeline Section**”);
- (e) Mill Hibernation - The Petitioners have progressed the Mill hibernation activities in consultation with NSE. The remaining Mill hibernation activities are described in further detail herein;
- (f) Second KERP - The Petitioners have formulated the Second KERP to incentivize the Second KERP Employees (as defined below) to remain engaged with the Petitioners until at least December 31, 2021, as described in further detail below;
- (g) Special Pension Payments - In consultation with various stakeholders, the Petitioners have determined that paying Special Pension Payments (as defined herein) utilizing funds advanced under the Subordinated Interim Financing Facility is advisable in the circumstances described herein and likely to materially advance the Petitioners’ restructuring, however, the funding of these Special Pension Payments can only come from PEC under the terms of the Subordinated Interim Financing Facility as described below;
- (h) EA Process / New Replacement ETF Project - The Petitioners continue to engage with NSE regarding the preliminary revised plans for the New Replacement ETF Project and the EA process with respect to the proposed New Replacement ETF Project according to the timeline set out in the Gantt Chart and have commenced the establishment of the EA Team (as defined hereinafter);
- (i) Woodlands Operations - The Petitioners have continued their woodlands operations in the ordinary course and project that the woodlands operations will be cash flow positive, on a net basis, during the extended Stay Period;

- (j) EA Consultant - As described in further detail below, the Petitioners have commenced the process of engaging an EA consultant to work with leadership to further and develop and progress the EA process, including proposing to engage actively with NSE in a “real-time” approach to issue identification and resolution;
- (k) Litigation and Settlement Discussions Update - The Petitioners have continued to engage in discussions with the Province regarding the outstanding litigation matters and legal disputes. For ease of reference, I note that the outstanding litigation matters and disputes include: (i) the Appeal;¹ (ii) the 2020 Judicial Review Application;² and, (iii) the BHA Claim Resolution.³ As discussed above, the Petitioners have made significant progress in satisfying their obligations under the Ministerial Orders, revising designs and plans for the New Replacement ETF Project to include stakeholder concerns, and initiating discussions with the Province on the EA Process for such New Replacement ETF Project in accordance with the timeline set out in the Gantt Chart. As discussed above, the Petitioners anticipate that they will resolve remaining issues pursuant to the Ministerial Orders in accordance with the timeline set out in the Gantt Chart. The Petitioners also expect to re-engage in Settlement Discussions with the Province to attempt to resolve disputes with the Province relating to the passage of the *Boat Harbour Act* and the closure of the Mill in order to allow for the restart of operations. The Petitioners expect that these Settlement Discussions will be an important focus for them in the coming months; and
- (l) Interim Financing Term Sheet – The Petitioners have negotiated an amendment to the Interim Financing Term Sheet with PEC and the Pacific Harbor Group to extend the first milestone date from June 30, 2021 until October 31, 2021.

6. This Affidavit is sworn in support of an application (the “**Application**”) by the Petitioners seeking an order:

¹ As defined in paragraph 40(a) of the Fourth Chapman Affidavit, concerning the appeal of the May 14, 2020 Ministerial Order.

² As defined in paragraph 32 of the First Chapman Affidavit, concerning the judicial review of the Minister’s decision to require an Environmental Assessment Report concerning the Replacement ETF.

³ As defined in paragraph 40(c) of the Fourth Chapman Affidavit, concerning the assessment and ultimate pursuit with a goal of resolving through settlement but, if not, litigation against the Province for claims that Northern Pulp has arising from the passing of the *Boat Harbour Act*.

- (a) deeming service of the Application to be good and sufficient and, to the extent necessary, abridging the time for service of the Application, this Affidavit, and the Confidential Chapman Affidavit (as defined hereinafter);
- (b) extending the Stay Period until and including October 31, 2021;
- (c) approving the Petitioners' second key employee retention plan (the "**Second KERP**") to secure the continued service of the Second KERP Employees, as described in further detail hereinafter, and amending the KERP Charge (as defined in the ARIO) to the maximum amount of \$482,516.62;
- (d) declaring that the conversion of the ELC into the Standing *Ad Hoc* Committee (as defined hereinafter) is approved by this Honourable Court, and authorizing the Petitioners to make distributions to the Standing *Ad Hoc* Committee in accordance with the Committee Budget (as defined hereinafter);
- (e) approving amendments to the Subordinated Interim Financing Term Sheet described herein to provide Northern Pulp capacity to make Special Pension Payments (as defined hereinafter), subject to the amended terms of the Subordinated Interim Financing Facility, and amending the Subordinated Interim Financing Charge (as defined in the September Order) to the maximum amount of \$8,900,000;
- (f) approving amendments to the Interim Financing Term Sheet described herein to extend the first milestone date from June 30, 2021 to October 31, 2021;
- (g) authorizing the Petitioners to make a further draw on the Interim Financing Facility, in the maximum amount of \$6 million, in addition to the \$15 million draw previously authorized under the ARIO, for the purpose of funding the Petitioners' continued restructuring efforts and operations during the extended Stay Period; and,
- (h) sealing the Confidential Chapman Affidavit on the Court file.

II. THE PETITIONERS' ACTIVITIES SINCE DECEMBER 4, 2020

a. Introduction

7. In connection with their application seeking the granting of the ARIO, the Petitioners prepared an initial interim financing forecast for the period from June 2020 through June 2022 (the “**Initial Forecast**”). The Initial Forecast was attached as Exhibit “C” to the Fourth Chapman Affidavit. The Petitioners subsequently revised the Interim Forecast, in consultation with the Monitor, for the period from December 2020 through June 2022 (the “**December Forecast**”), as described more fully in the Eighth Chapman Affidavit at paragraphs 6 - 7 and 45 - 76. The December Forecast was attached as Exhibit “B” to the Eighth Chapman Affidavit.

8. The Petitioners have further revised the December Forecast (such revised forecast being, the “**Revised Forecast**”), in consultation with the Monitor, for the period from April 2021 through June 2022 (the “**April 2021 - June 2022 Projection Period**”). Attached hereto and marked as **Exhibit “C”** to this my Affidavit, is a true copy of the Revised Forecast.

9. As described in further detail below, the Revised Forecast projects that the Petitioners will have sufficient liquidity to fund their operations and restructuring until the end of July 2021, without requiring any further draws under the Interim Financing Facility. However, if the relief sought by the Petitioners with respect to the Stay Period is granted, the Petitioners will require an additional draw under the Interim Financing Facility, in the amount of \$6,000,000, to satisfy their obligations during such extended Stay Period. The Petitioners anticipate making the draw under the Interim Financing Facility in July 2021, to accord with their projected liquidity requirements. The Revised Forecast is described in further detail under heading “**III. REVISED FORECAST**”, below.

10. As described in further detail below, the Petitioners have worked in good faith and with due diligence to advance their restructuring, engage with stakeholders, pursue the orderly hibernation of the Mill, advance the planning to commence the EA process, and have either worked towards achieving the milestones (the “**Milestones**”) set out in the Initial Milestones Activities Schedule (the “**Interim Financing Budget**”) attached as Appendix “A” to the Supplement to the Second Report of the Monitor dated July 30, 2020 or, in consultation with the Province and other stakeholders, have restated and revised certain of the Milestones as set out in further detail below.

11. The following sub-sections of this Affidavit describe the Petitioners' recent activities in connection with their restructuring, the EA process concerning the New Replacement ETF Project, the establishment of the Standing *Ad Hoc* Committee, and other matters in connection with these activities.

b. Environmental Liaison Committee (ELC) Update; Establishment of Standing *Ad Hoc* Committee; Committee Budget

12. As described in the Sixth Chapman Affidavit and the Eighth Chapman Affidavit, Northern Pulp initiated the establishment of a Community Liaison Committee to promote stakeholder engagement and to permit Northern Pulp to gather community input, including the development of alternatives and the identification of the local communities' preferred solution to incorporate into the New Replacement ETF Project. The Community Liaison Committee was later renamed, and is now referred to as the ELC.

13. On February 19, 2021, after completing 18 meetings in accordance with its mandate (including the nine meetings completed as of the date of the Eighth Chapman Affidavit), the ELC issued the February ELC Report, recommending that Northern Pulp undertake certain actions to build trust in the community; address various stakeholder concerns with the EA process; address and promote sustainable forestry practices and environmental protection; and, to strengthen Northern Pulp's response to, *inter alia*, effluent, odour and air quality issues. Attached hereto and marked as **Exhibit "D"** to this my Affidavit is a true copy of the February ELC Report.

14. Among other things, the February ELC Report recommended that Northern Pulp should: (i) seek additional stakeholder input when submitting any future EA; (ii) ensure that communications to stakeholders are made in a timely manner; (iii) mobilize non-government stakeholders who support a safe and environmentally sound Mill to communicate with government stakeholders throughout the EA process; (iv) facilitate and engage in additional industry outreach to the government that focuses on forestry practices and the environment, in addition to economic impact; (v) consider methods of increasing transparency and building stakeholder confidence; (vi) continue to seek methods of addressing odour; and, (vii) cure the existing default in making Special Pension Payments.

15. The Petitioners and PEC are continuing to review the recommendations set out in the February ELC Report and have incorporated ELC recommendations in preliminary revised plans

for the New Replacement ETF Project, with a view to ensuring that their stakeholders' concerns will be appropriately addressed over the course of the Petitioners' restructuring.

16. To that end, the Petitioners propose that the ELC be converted into a standing advisory committee (the "**Standing Ad Hoc Committee**"). The Standing *Ad Hoc* Committee will consist of unpaid, volunteer members as with the ELC, who are individuals representing various stakeholder groups in connection with the Mill. The Standing *Ad Hoc* Committee's mandate will be to assist stakeholders in engaging with and understanding the progress of these CCAA Proceedings; to report to the Monitor and other stakeholders; to make recommendations to Northern Pulp regarding the EA process and the CCAA Proceedings more generally; to advise on both technical and non-technical issues relevant to the EA process generally; and to ensure that otherwise unrepresented stakeholders have a voice in the future of the Petitioners. Attached hereto and marked as **Exhibit "E"** to this my Affidavit, is a true copy of the proposed Terms of Reference of the Standing *Ad Hoc* Committee.

17. While the members of the Standing *Ad Hoc* Committee will not be paid a fee or remuneration for serving in such capacity, the Standing *Ad Hoc* Committee requires funding to cover administrative and other expenses in order to ensure that it is capable of meaningfully engaging with its mandate.

18. Accordingly, the Petitioners have proposed a budget in the annual amount of \$231,000 for the Standing *Ad Hoc* Committee (the "**Committee Budget**"). The Committee Budget contemplates that: (i) the Standing *Ad Hoc* Committee members will not receive a salary or wage but will receive a stipend intended to cover travel costs and out-of-pocket expenses, in the base amount of \$1,500 per committee member annually, with the Chairperson, Vice Chairperson, Sub-Chairpersons, and Secretary/Treasurer receiving additional stipends as set out in the Committee Budget; (ii) there will be a minimum of fourteen (14) Standing *Ad Hoc* Committee members plus the Chairperson and Vice Chairperson; (iii) the Standing *Ad Hoc* Committee will hold approximately twenty-four (24) meetings and one hundred (100) conference calls per year; (iv) there shall be no stipend payable for participation in individual meetings; (v) the Committee Budget includes support costs including capital expenditures, an administrator, meeting rooms and supplier, conference call costs, and miscellaneous other support costs, in the total amount of \$36,500 in 2021 and \$22,000 in 2022; and, (vi) professional resources (technical and administrative) at a cost of approximately \$75,000 per year to facilitate the Standing *Ad Hoc*

Committee's work. Attached hereto and marked as Exhibit "F" to this my Affidavit, is a true copy of the Committee Budget.

19. The Petitioners propose to fund the Committee Budget using funds advanced under the Interim Financing Facility. The Petitioners seek authorization to utilize such funds for this purpose and have included the expenditures in the Revised Forecast.

20. Additionally, the Petitioners are of the view that it would be beneficial to have the establishment of the Standing *Ad Hoc* Committee recognized and approved by this Honourable Court, particularly to ensure that its mandate is clear and that it has authority to proceed in accordance with the Committee Budget. The Petitioners therefore seek an order approving the establishment of the Standing *Ad Hoc* Committee on the basis set out in this my Affidavit.

21. The Petitioners are advised that it is a recommendation of the Monitor that the Court authorize and grant status to the ELC as a Standing *Ad Hoc* Committee with the budget stipulated herein. The Petitioners are further advised by the Monitor that the Standing *Ad Hoc* Committee will play a key role in advancement of the EA process to assist the Petitioners in engaging the broad community in meaningful and substantive consultation.

c. Second KERP

22. As described in greater detail in the Fourth Chapman Affidavit (at paragraphs 71 - 81 thereof) and the Seventh Chapman Affidavit (at paragraphs 28 - 29 thereof), under the ARIO, the Court approved a key employee retention plan (the "**Original KERP**"), for the purpose of incentivizing certain key employees to maintain their employment with the Petitioners. The Original KERP was subsequently amended to increase the quantum by \$16,140, for a total of \$358,347, because the Petitioners determined that there was a mathematical error in the calculation of the Original KERP amounts.

23. The Original KERP consisted of two parts: (i) the Management KERP; and, (ii) the Technical KERP. The Management KERP expired at the end of 2020. The Technical KERP is ongoing, and is anticipated to continue for the duration of the within CCAA Proceedings, in accordance with its terms.

24. The Petitioners have since determined that, due to recent events including the departure of certain employees, it will be necessary to entice many remaining Woodlands and Management

employees (collectively, the “**Second KERP Employees**”) of Northern Pulp, other than Northern Pulp’s accounts payable clerks, who are not: (i) employed at the BH-ETF; or, (ii) already included within the Technical KERP, to remain employed with Northern Pulp. The Petitioners have substantially reduced their active workforce, and the Second KERP Employees’ services are required to ensure that the Petitioners’ ongoing operations and restructuring continues without unnecessary and costly interruption. Since December 8, 2020, three (3) employees who the Petitioners originally intended to include in the Second KERP have resigned.

25. I will be swearing a separate affidavit (the “**Confidential Chapman Affidavit**”) in support of the Application in these CCAA Proceedings, and filing it with the Court, which will include documents describing the terms of the Second KERP, the identities of the beneficiaries of the Second KERP, and the proposed incentive payments. The Petitioners are requesting the protection of a Court-approved sealing order with respect to the Confidential Chapman Affidavit, to protect the confidentiality of personal and commercially sensitive information, the general disclosure of which could harm the interests of the Petitioners and the beneficiaries of the Second KERP.

26. The Second KERP contemplates a retention program for the remainder of the 2021 calendar year which will apply to five (5) management employees and seven (7) woodlands employees. At a high level, the terms of the Second KERP are as follows:

- (a) Each Second KERP Employee who remains employed by the Petitioners on June 30, 2021, will receive an incentive payment in the amount of one (1) months’ wages and/or salary (as applicable); and,
- (b) Each Second KERP Employee who remains employed by the Petitioners on December 31, 2021, will receive a further incentive payment in the amount of two (2) months’ wages and/or salary (as applicable).

27. In connection with Second KERP, the Petitioners seek an amendment to the existing KERP Charge, to account for both their proposed obligations under the Second KERP and their remaining obligations under the Original KERP. The Management KERP terminated on December 31, 2020, and the first payment under Technical KERP was made on or around January 15, 2021, leaving remaining obligations under the Original KERP in the amount of \$193,392 (with respect to the remaining installments under the Technical KERP). Accordingly, the Petitioners seek an increase the amount of the KERP Charge from \$358,347 to \$482,517.

d. **BH-ETF Operations, Shutdown and Decommissioning; Update Regarding ASB and BH-ETF**

28. The Petitioners have made significant progress since the date of the Eighth Chapman Affidavit with respect to the operation, shutdown and decommissioning of the BH-ETF in compliance with their obligations pursuant to the Ministerial Orders. These activities include:

- (a) Sampling, monitoring and reporting on air emissions, water usage and wastewater discharges;
- (b) Completing an annual report for the 2020 hydrology and hydrogeology analyses of the Mill site and the BH-ETF; and
- (c) Completing the decommissioning of the pipeline, settling basins and ditches.

29. At the time of the Eighth Chapman Affidavit, the Petitioners anticipated that: (i) the Petitioners would remediate the top layer of ASB Solids; (ii) the Province would remediate the Pre 1997 ASB Solids; and, (iii) the Petitioners would work with TIR and NSE to submit a revised Decommissioning Plan in a form acceptable to TIR, NSE, and Northern Pulp. A summary of related activities undertaken by the Petitioners since the date of the Eighth Chapman Affidavit is provided below:

- (a) Northern Pulp retained a licensed surveyor to confirm the results of the solids survey performed in July 2020 to determine the volume of ASB Solids in the ASB. The surveyor confirmed that the July 2020 solids survey was accurate based on verification of elevation measurements. Northern Pulp and TIR reached agreement on the volume of ASB Solids in the ASB in late January 2021;
- (b) Northern Pulp provided further details on the ASB Solid removal methodology, sent out requests for proposals for the removal and dewatering of ASB Solids in February 2021 and received responses in March 2021;
- (c) Northern Pulp retained the services of a consultant to identify options for offsite disposal of ASB Solids; review the regulations and the ASB sample results to determine the proper characterization of the ASB Solids for disposal purposes;

- (d) Northern Pulp had meetings with NSE and received confirmation of the characterization of ASB Solids in January 2021 that would allow the potential acceptance of the ASB Solids in the Northern Pulp landfill subject to receipt of required environmental approvals; and
- (e) Northern Pulp sought a project determination from NSE in March 2021 to determine approvals required for use of the Northern Pulp landfill to store ASB Solids.

30. Notwithstanding the efforts to finalize an ASB Decommissioning Plan described above, the Petitioners and the Province mutually agreed that a single project plan to dredge and dispose of the ASB Solids will ensure that the Boat Harbour remediation project is completed in a timely way, and will provide clarity and closure to the PLFN and other local communities. Northern Pulp and the Province have mutually agreed pursuant to a reservation of rights letter dated March 22, 2021 that the Province will assume operational control of the removal of all ASB Solids from the ASB and a containment cell without prejudice to their respective other legal rights. On March 22, 2021, the Province announced that Nova Scotia Lands Inc. ("**NS Lands**") will remove all ASB Solids from the ASB as part of a single cleanup process that is anticipated to commence in 2022, after NS Lands receives approval under the federal EA process in late 2021, with the ultimate goal to return Boat Harbour, or A'se'k, to its original state as a tidal estuary.

31. As described in the Eighth Chapman Affidavit, at paragraph 46(f)(ii), the December Forecast did not include costs associated with the removal and treatment of the ASB Solids (due to a lack of certainty with respect to the amount of ASB Solids and respective responsibility of Northern Pulp and TIR for their removal and treatment), but did include projected dredging and piling costs. The Revised Forecast includes certain costs in connection with the BH-ETF decommissioning efforts until June 2021, including: (i) the salary payroll with respect to BH-ETF employees; (ii) utilities costs, which will decrease after June 2021 as a result of the drop in BH-ETF usage; (iii) washroom maintenance costs until June 2021 to account for BH-ETF usage; (iv) groundwater and surface water testing at the BH-ETF until June 2021; (v) ambient air maintenance and calibration, which will continue until July 2021; (vi) toxicity testing, which will continue until July 2021; (vii) monitoring and testing effluent at certain locations until June 2021; and, (viii) effluent sludge assessment through April 2021. Such costs are described in further detail below.

32. The Petitioners are working with (i) NS Lands to coordinate the transfer of operational control of the BH-ETF to NS Lands and (ii) NSE to receive a revised Ministerial Order issued by NSE that removes Northern Pulp's obligations with respect to the BH-ETF, in accordance with the timelines set forth in the Gantt Chart.

e. Mill Hibernation and Maintenance Update

33. The Petitioners have continued to maintain the Mill and to advance the Mill hibernation process in compliance with their obligations pursuant to the Ministerial Orders.

34. As described in the Eighth Chapman Affidavit, the Petitioners' Mill maintenance activities are an ongoing and recurring cost. These activities are projected to continue during the extended Stay Period. The Petitioners are on schedule with respect to the majority of Mill hibernation activities and have revised their projections regarding Mill hibernation and maintenance, until and including December 31, 2021, based upon actual expenditures to date and recent developments in the hibernation process. The activities that are required to advance the hibernation process were described in the Eighth Chapman Affidavit, at paragraph 16 thereof. By way of update, such activities include:

- (a) **landfill capping** - The landfill capping process was temporarily suspended during the winter months due to weather conditions, and recommenced in April 2021. The 2021 landfill capping project is projected to continue until September 2021, with certain additional work to be completed in December 2021. As I explained in the Eighth Chapman Affidavit, historic landfill capping expenditures exceeded the projections set out in the Initial Forecast, because the Petitioners determined during testing and assessment of the landfill in August and September 2020 that the total area of land to be capped, and the total amount of clay required to cap that land, exceed the original projections. NSE subsequently confirmed the current landfill capping requirements. The Revised Forecast includes additional landfill capping expenditures in June through September 2021, and lower landfill capping expenditures in April 2021, as compared with the December Projection. The primary drivers of the increased landfill capping expenditures include: (i) adverse weather conditions leading to increased labour requirements; (ii) additional capping requirements as a result of soil and waste settling over time; and, (iii) further revised calculations of the total area of land to be capped as a result of

ongoing exploration and assessment efforts. The landfill capping process is anticipated to reduce water flow, in turn reducing wastewater treatment costs over time;

- (b) **roof scuppering** - the Northern Pulp roof scuppering project, as described in the Eighth Chapman Affidavit at paragraph 16(b), was completed on schedule and no further roof scuppering expenditures are projected during the April 2021 - June 2022 Projection Period;
- (c) **Mill inspection rounds** – as described in the Eighth Chapman Affidavit, daily rounds were implemented to monitor the infrastructure at the Mill and ensure surface storm water and landfill leachate is collected for offsite treatment. This project is anticipated to continue during the Stay Period;
- (d) **hibernation of the boilers** - the Mill boiler system must be maintained and placed into hibernation while the Mill is not operating. The Petitioners' boiler hibernation activities are ongoing and deliveries of hibernation materials are projected to continue four times per month. The hibernation activities are on schedule, and are projected to continue on the same budget set out in the December Projection. Specifically, the costs associated with the hibernation process are projected to decrease in Spring 2021, as the Petitioners' forklifts will be able to operate outside and specialized winter delivery trucks will no longer be required;
- (e) **utilities expenditures** - Northern Pulp requires the continued supply of electricity to the Mill and office facilities, notwithstanding that the Mill is currently in hibernation, to enable hibernation and maintenance activities to continue. The Petitioners' utilities expenditures have trended downward and the Petitioners anticipate decreased utilities expenditures during the Stay Period, as compared with the December Forecast; and
- (f) **maintenance and cleaning** - as described in the Eighth Chapman Affidavit at paragraph 16(e), there are a number of maintenance and cleaning projects that are associated both with ongoing operations and with hibernation of the Mill, including industrial cleaning, washroom cleaning and maintenance, and manlift and elevator inspections. These projects have continued on schedule and generally within the budget set out in the December Projection, subject to certain

additional projected expenditures, namely: (i) snow clearing costs incurred in April 2021, which were not previously anticipated in the December Forecast but were required due to weather conditions; and, (ii) increased industrial cleaning costs, which relate to an intensified cleaning schedule which now includes monthly industrial cleaning, to ensure leachate piping remains free of deposits. The intensified cleaning scheduled is required as, based upon their experience since the commencement of the CCAA Proceedings, the Petitioners have determined that the pipes used to direct wastewater to the proper locations for collection and treatment must be cleaned more frequently than previously anticipated in order to minimize maintenance issues.

35. The Petitioners have negotiated a renewal of their wastewater treatment contract, which I described in further detail in the Eighth Chapman Affidavit at paragraph 19 thereof, and additional wastewater transportation contracts to meeting current requirements. As noted in the Eighth Chapman Affidavit, wastewater treatment was previously significant under budget. The anticipated costs of wastewater treatment during the Stay Period have increased significantly, particularly in April and May 2021, as a result of higher than forecasted spring run-off and wet weather. After May 2021, it is assumed that the Petitioners will be able to divert fifty percent of the wastewater to the irrigation of the Mill grounds, but until such time additional transportation and treatment will be required.

f. Woodland Activities

36. The Petitioners' woodland activities are cash-flow positive and are projected to remain cash-flow positive, on a net basis, during the Stay Period. The Petitioners' woodland activities were described in detail in the Eighth Chapman Affidavit, at paragraphs 30 through 35 thereof. The Petitioners have continued their woodland operations in the ordinary course, on the same basis as set out in the Eighth Chapman Affidavit. As part of their ongoing woodlands operations, the Petitioners support the full implementation of the recommendations set out in *An Independent Review of Forest Practices in Nova Scotia* (the "**Lahey Report**").⁴ The Petitioners are working toward implementing the Lahey Report recommendations in their operations on Crown tenures.

⁴ *An Independent Review of Forestry Practices in Nova Scotia*, August 2018, William Lahey. The Lahey Report made forty-five (45) recommendations on forestry practices in Nova Scotia which are intended to balance environmental, social, and economic objectives.

g. Disclaimer Notice Update

37. As described in the Eighth Chapman Affidavit, on December 2, 2020, the Petitioners issued a fourth Disclaimer Notice and subsequently received correspondence from that counterparty's counsel that it intended to object to the disclaimer. The Petitioners and the counterparty have since amended the contract that was subject to the Disclaimer Notice and the Disclaimer Notice has been rescinded on mutually agreeable terms.

h. Environmental Assessment Process Update; New Replacement ETF Project Update

38. The Petitioners implemented a Pause (as defined in the Fourth Chapman Affidavit) in the environmental assessment process for the Replacement ETF while they pursued alternatives to the Replacement ETF project described in the First Chapman Affidavit for re-starting the Mill. As discussed above, the Petitioners have made substantial progress with the ELC and have incorporated the contextual objectives of the ELC recommendations in preliminary revised plans for the New Replacement ETF Project. The Petitioners re-engaged with NSE in January 2021 to seek clarity in the EA process to seek approval for the New Replacement ETF Project. The process is ongoing but, among other things, the Petitioners and NSE have discussed adopting a phased methodology that includes a "look back" at the prior EA process, including the focus report and stakeholder engagement and comments to assess perceived and real deficiencies such that opportunity exists to address same in the current EA process. To this end, recently NSE and the Petitioners have engaged in discussions regarding perceived deficiencies in the prior EA process which will need to be addressed in order to obtain approval of the EA for the New Replacement ETF Project. While the Petitioners continue to have concerns regarding the level of clarity and guidelines applicable to such EA process, meaningful progress has occurred and the Petitioners are hopeful that such progress will continue.

39. In order to address the stakeholder concerns raised by the ELC and NSE with respect to the need for a credible, professional, and qualified team dedicated specifically to the EA process, the Petitioners have begun the process of established a working committee (the "**EA Team**") which will include one or more third-party consultants with experience in environmental assessments. Certain employees of Northern Pulp will also be assigned to the EA Team on a full-time basis. The EA Team will focus on advancing the EA process with respect to the New Replacement ETF Project in a timely manner, while engaging with local communities, the PLFN,

NSE, and other relevant stakeholders, to ensure that the issues raised in the February ELC Report are addressed.

40. Pursuant to the aforementioned discussions, NSE and the Petitioners have discussed certain timelines and conditions with respect to the EA process for the New Replacement ETF Project. The Petitioners anticipate submitting an EA project description document on or before May 13, 2021, so that NSE can make a determination regarding the classification of the New Replacement ETF Project on a timely basis. The classification of the New Replacement ETF Project will determine certain other timelines. If the New Replacement ETF Project is again classified as a Class 1 project (a modification of an existing infrastructure project), as anticipated, the decision with respect to the EA will occur within fifty days of registration of the Petitioners' Environmental Assessment Registration Document in respect of the New Replacement ETF Project (the "**New Replacement ETF Project EARD**"). In that case, it is expected that the EA decision will be issued on or before June 29, 2022.

41. The Gantt Chart summarizes the Petitioners' working timeline with respect to the EA process for the New Replacement ETF Project based on discussions with NSE they have had to date. The Petitioners will also require an industrial approval to construct the New Replacement ETF from NSE and federal approvals pursuant to the Fisheries Act and Navigation Protection Act.

42. The timeline set forth in the Gantt Chart for obtaining EA approvals is premised on the development of a Class 1 EA process for the New Replacement ETF Project. Among other things, the Gantt Chart contemplates the following material dates regarding the major activities required to complete the EA process (most of which contain various sub-activities, as set out in further detail in the Gantt Chart), exclusive of those steps which have already been completed by the Petitioners:

- (a) The EA requirements will be clarified, including by way of a proposed detailed review of the previous Environmental Assessment Registration Document in respect of the prior Replacement ETF project, which was submitted to NSE on January 31, 2019, and the related Focus Report, which was submitted to NSE on October 2, 2019. Such review is anticipated to be completed by or before April 22, 2021. The Petitioners have requested such review but have not yet received confirmation of the timing of same;
- (b) The EA Team will be hired (or assigned, as applicable) before May 7, 2021;

- (c) Key details of the New Replacement ETF Project will be communicated to certain key stakeholders between March 8, 2021 and April 28, 2021, and will be distributed more broadly by May 12, 2021;
- (d) EA scoping, which commenced March 30, 2021 and is expected to continue until June 24, 2021, including, among other things;
 - (i) The project description document is to be completed by April 19, 2021;
 - (ii) Review with NSE, Provincial and Federal regulators, and the PLFN is to occur by May 10, 2021;
 - (iii) Final revisions to the project description will be completed on or before May 6, 2021; and
 - (iv) The project description will be submitted on or before May 13, 2021. The Petitioners anticipate that the resulting NSE decision regarding the project class of the New Replacement ETF Project will be completed by June 24, 2021;
- (e) marine geotechnical studies; pipeline designs (marine and land-based); a receiving water study; effluent characterization; air dispersion modelling; various baseline environmental tests; testing on key marine species; wetland, flora and fauna studies; a PLFN country food survey; and groundwater/surface water studies, all to be substantially completed by the end of March 2022;
- (f) detailed design engineering and ice scouring are to be completed by early 2022;
- (g) various steps in connection with stakeholder engagement will be completed by early June 2021:
 - (i) preliminary engagement with NSE regarding the EA process for the New Replacement ETF Project commenced on March 29, 2021 and is expected to conclude by June 9, 2021;
 - (ii) engagement with the Province regarding the Settlement Discussions with a view to concluding Settlement Discussions by June 30, 2021;

(iii) engagement with the PLFN is anticipated to commence by April 29, 2021. Among other steps, the Petitioners intend to hire a dedicated liaison to assist in building trust and maintaining open lines of communication between the Petitioners and the PLFN, and to facilitate the development of a memorandum of understanding between the Petitioners and the PLFN; and

(h) The New Replacement ETF Project EARD is to be submitted on or before April 11, 2022, with the corresponding EA decision expected on or before June 29, 2022.

43. The Petitioners understand that the Monitor remains supportive of the efforts to seek clarity in the EA process and to continue the engagement of the ELC (including, as indicated above, as the Standing *Ad Hoc* Committee).

i. Special Pension Payments; Employee and Retiree Obligations Update

44. The December Forecast did not include the payment of \$342,267 in special defined benefits pension contributions due in 2020 (the “**2020 Special Pension Payments**”), or the payment of additional special defined benefits pension contributions (collectively, the “**Special Pension Payments**”) in the total amount of approximately \$3.34 million for each of 2021 and 2022. The Petitioners’ pension funds will have Special Pension Payments arrears of approximately \$1.327 million as at April 30, 2021, which will increase to \$2.8 million by October 31, 2021.

45. The Petitioners have consistently indicated throughout these CCAA Proceedings that their employees are a crucial constituency group, and that the maintenance of a coherent workforce is an important part of the plan to restart operations at the Mill. Indeed, it is because of these considerations that the Petitioners negotiated with PEC in its capacity as Lender under the Subordinated Interim Financing Facility (when referred to in this capacity, the “**Subordinated Lender**”) to obtain advances of \$3,700,000 under the Subordinated Interim Financing Facility to fund Employee and Retiree Obligations. The hibernation of the Mill and winding down of operations has caused some hardship in the local communities, which has been partially alleviated by this Honourable Court’s approval of the Subordinated Interim Financing Facility, which the Petitioners are using to fund the Employee and Retiree Obligations. However, the Petitioners believe that the Special Pension Payments must also be addressed in order to protect the Petitioners’ employees and retirees, and to maintain the viability of their skilled workforce.

The February ELC Report expressly recommended that the Petitioners should seek a means of addressing the Special Pension Payments. The Petitioners also understand that the Superintendent of Pensions is supportive of the Petitioners agreeing to pay the Special Pension Payments. Notwithstanding the foregoing, the funding required for the Special Pension Payments is material and based on extensive discussions with the Subordinated Lender, the Petitioners have been informed by the Subordinated Lender that it is prepared to fund the 2020 Special Pension Payments, but that the funding of any further Special Pension Payments (the “**Post-2020 Special Pension Payments**”) under the Subordinated Interim Financing Facility will be subject to the condition precedent that the Subordinated Lender has provided written notice to Northern Pulp that is satisfied that the Petitioners have made satisfactory progress in Settlement Discussions (such condition precedent being hereinafter referred to as the “**Satisfactory Progress Condition**”).

46. As a result of the aforementioned considerations, the Petitioners seek approval for an amendment to the Subordinated Interim Financing Term Sheet to permit them to use funds advanced under the Subordinated Interim Financing Facility to pay: (a) the 2020 Special Pension Payments; and, (b) subject to the Satisfactory Progress Condition, the Post-2020 Special Pension Payments. Specifically, the Petitioners seek approval of payments of Special Pension Payments up to an aggregate amount of \$2.8 million on or after June 30, 2021, provided, however, that solely in respect of the Post-2020 Special Pension Payments, the payments of such amounts are subject to the condition precedent that the Subordinated Lender provides written notice to Northern Pulp of compliance with the Satisfactory Progress Condition. For clarity, the proposed payment of the 2020 Special Pension Payments is not subject to the receipt of written notice of compliance with the Satisfactory Progress Condition. The Petitioners and the Subordinated Lender are finalizing the proposed amendments to the Subordinated Interim Financing Term Sheet and anticipate having finalized the amendments prior to the return date of the Application.

47. For ease of reference, I note that an order issued by the Court on September 25, 2020 (the “**September Order**”) approved the Subordinated Interim Financing Facility up to the maximum amount of \$6,100,000. On September 30, 2020, the Petitioners received an initial advance of approximately \$2,700,000 (the “**First Subordinated Interim Financing Advance**”) under the Subordinated Interim Financing Facility. The First Subordinated Interim Financing Advance was greater than the anticipated \$2,170,000 draw referred to in the Seventh Chapman Affidavit, as it included Employee and Retiree Obligations owing in the fourth calendar quarter of 2020. The Petitioners deposited the First Subordinated Interim Financing Advance into a

separate, segregated bank account and all subsequent disbursements in respect of Employee and Retiree Obligations have been paid from that account. The Petitioners received further advances under the Subordinated Interim Financing Facility of \$500,000 on December 15, 2020 and \$500,000 on February 26, 2021.

48. Since the approval of the Subordinated Interim Financing Facility, the Petitioners have paid approximately \$2.9 million in respect of Employee and Retiree Obligations, including in respect of severance and salary continuance. During the Stay Period, the Petitioners anticipate making additional payments in satisfaction of their severance and salary continuation obligations, in the total amount of approximately \$735,000.

49. The Petitioners seek approval of an amendment to the Subordinated Interim Financing Term Sheet, and authorization to pay Special Pension Payments solely with proceeds received from the Subordinated Interim Financing Facility in accordance with the amended terms set forth and described herein.

50. The amendment to the Subordinated Interim Financing Term Sheet is conditional upon, *inter alia*, the approval of this Honourable Court.

51. The amendment to the Subordinated Interim Financing Term Sheet contemplates deleting the “Initial Subordinated Interim Financing Facility Amount and Advances” and “Purposes” sections of the Subordinated Interim Financing Term Sheet and replacing them with the sections set forth below:

Subordinated Interim Financing Facility Amount	Subject to the satisfaction of the conditions precedent set forth in the Subordinated Interim Financing Term Sheet, the Subordinated Interim Financing Facility will be available in the maximum principal amount of \$8,900,000 (CAD).
Purposes	Advances are to be made available pursuant to the Subordinated Interim Financing Facility based on the cash flow projections to be approved by the Subordinated Lender and filed in support of this Application (the “ Application Cash Flow Projections ”), subsequent orders issued in the CCAA Proceedings or any other cash flow projections that the Subordinated Lender requests of the Borrower for the purposes of the Subordinated Interim Financing Facility, as the case may be, solely and exclusively to: (a) make payments to current and former employees of Northern Pulp associated with (i) severance, (ii) salary continuation and (iii) retiree benefits up to a maximum aggregate amount of \$6,100,000;

	<p>(b) make special defined benefits pension contributions (i) up to a maximum aggregate amount of \$ 342,267 on or after June 30, 2021; and, (ii) provided that the Subordinated Lender has provided written notice to Northern Pulp that it is satisfied, in its reasonable discretion, that the Petitioners have made satisfactory progress in settlement discussions with the Province (and, in particular, with respect to the financial consequences of the passage of the Boat Harbour Act and the closing of the pulp mill), make additional special defined benefits pension contributions up to a further \$2,457,733 on or after June 30, 2021; and</p> <p>(c) pay fees and expenses of the Subordinated Lender pursuant to the terms of the Subordinated Interim Financing Term Sheet incurred in connection with the Subordinated Interim Financing Facility, the CCAA Proceedings and all transactions contemplated thereunder.</p>
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j. Litigation and Settlement Discussions Update

52. As discussed above, the Petitioners have made significant progress in satisfying their obligations under the Ministerial Orders, revising designs and plans for the New Replacement ETF Project to include stakeholder concerns, and initiating discussions with the Province on the EA Process for such New Replacement ETF Project.

53. The Petitioners also expect to re-engage in Settlement Discussions with the Province to attempt to resolve disputes with the Province relating to the passage of the *Boat Harbour Act* and the closure of the Mill, in order to allow for the restart of operations.

54. The Petitioners remain committed to negotiating a mutually agreeable settlement with the Province. Nonetheless, in the event that the Petitioners and the Province are unable to reach an agreement with respect to clarity in the EA process for the New Replacement ETF, or if the Settlement Discussions stall, it may be necessary to commence litigation to resolve disputes with the Province relating to the passage of the *Boat Harbour Act* and the closure of the Mill. Potential limitations issues may necessitate the filing of “placeholder” actions if a satisfactory settlement is not reached in the near term, and the Petitioners and the Province are unable to agree to a tolling agreement or similar arrangement.

k. Interim Financing Term Sheet

55. Section 25 of the Interim Financing Term Sheet requires that, by not later than June 30, 2021, the Petitioners shall have provided evidence satisfactory to the Interim Lender (acting

reasonably) that there is no existing or anticipated matter, event or circumstances that would reasonably be expected to have a material adverse effect on the ability of the Petitioners to, on or before June 30, 2022: (i) obtain all material regulatory approvals required to commence construction of a Replacement ETF; (ii) enter into an agreement with the Province to compensate the Petitioners for losses associated with the shutdown of the BH-ETF, hibernation of the Mill and cessation of operations and share the costs associated with obtaining approvals for and construction of the Replacement ETF; and, (iii) obtain financing for the Replacement ETF.

56. As discussed above in this my Affidavit, the Petitioners have made significant progress in satisfying their obligations under the Ministerial Orders, revising designs and plans for the New Replacement ETF Project to include stakeholder concerns expressed by the ELC, and initiating discussions with the Province on the EA process for such New Replacement ETF Project in accordance with the timeline in the Gantt Chart. The Petitioners anticipate that they will resolve remaining issues pursuant to the Ministerial Orders in accordance with the timeline in the Gantt Chart. The Petitioners also expect to re-engage in Settlement Discussions with the Province to attempt to resolve disputes with the Province relating to the passage of the *Boat Harbour Act* and the closure of the Mill in order to allow for the restart of operations. The Petitioners expect that the Settlement Discussions and the discussions with the Province on the EA process for the New Replacement ETF Project will be an important focus for them in the coming months and desire to provide sufficient time to permit these activities to succeed. Therefore, the Petitioners are negotiating an amendment to the Interim Financing Term Sheet with PEC and the Pacific Harbor Group to extend the first milestone date from June 30, 2021 until October 31, 2021.

57. As a result of the aforementioned considerations, the Petitioners seek approval for an amendment to the Interim Financing Term Sheet to extend the first milestone date from June 30, 2021 until October 31, 2021. The Petitioners, PEC and the Pacific Harbor Group are finalizing the proposed amendments to the Interim Financing Term Sheet and anticipate having finalized the amendments prior to the return date of the Application.

58. The amendment to the Interim Financing Term Sheet is conditional upon, *inter alia*, the approval of this Honourable Court.

III. REVISED FORECAST

a. Introduction

59. The Revised Forecast shows the projected interim financing requirements of the Petitioners during the April 2021 - June 2022 Projection Period. The Petitioners expect that these Proceedings will continue over an extended period, and financial projections are by their nature subject to various assumptions and a degree of uncertainty. The Revised Forecast is based on assumptions regarding the successful outcome of these Proceedings; including the successful shutdown of the BH-ETF and hibernation of the Mill, identifying, designing, and obtaining approvals for a New Replacement ETF Project, and negotiating contributions and financing. As of today, the Petitioners have not made any further draws under the Interim Financing Facility, beyond the initial advance of \$15 million. As noted above, if the Stay Period is extended to October 31, 2021, the Petitioners anticipate that a further draw in the amount of \$6,000,000 will be required under the Interim Financing Facility during such extended Stay Period.

60. A detailed description of the sections of the Revised Forecast is below. The Revised Forecast currently projects aggregate Interim Financing Facility draws, fees, and interest during the April 2021 - June 2022 Projection Period in the amount of approximately \$41.7 million and total projected related spend of approximately \$33.73 million during such period (exclusive of expenditures prior to the April 2021 - June 2022 Projection Period).

61. Of the \$50 million Initial Forecast amount, assuming that the 2020 Special Pension Payments are satisfied (and including such payments in the balance), the Petitioners will have spent approximately \$17.1 million to date since the commencement of the CCAA Proceedings, with accounts receivable collections of approximately \$7.3 million resulting in a net cash expense of approximately \$9.8 million to date, and \$6.1 million of Employee and Retiree Obligations is now being funded by the Subordinated Interim Financing Facility (of which, approximately \$2.9 million has been spent to date).

62. The major expenditures under the Revised Forecast during the April 2021 - June 2022 Projection Period, and material changes between the Revised Forecast and the Interim Financing Forecast, are as follows:

- (a) the Administration section of the Revised Forecast has been revised to account for actual fees incurred to date, and the trends in connection with such fees, and has extended such trends during the April 2021 - June 2022 Projection Period;
- (b) the Finance section of the Revised Forecast accounts for Mill property taxes and significant insurance premium payments coming due during the April 2021 - June 2022 Projection Period;
- (c) the Human Resources (HR) section of the Revised Forecast continues to segregate all PEC-funded payroll and pension obligations, which are not included in the primary cash flow projections, but unlike the December Projection, now includes payments with respect to the Special Pension Payments during the Stay Period. Such payments are included in the cash flow forecasts as a separate sub-heading under the Revised Forecast, as they will be paid from the Subordinated Interim Financing Facility;
- (d) the Technical and Environment section of the Revised Forecast has been revised to include extended projections, as follows:
 - (i) wastewater treatment and testing activities are anticipated to continue until the end of 2022, rather than December 2021 as previously forecasted in the December Projection, and the costs associated with wastewater treatment have increased due to a wetter than anticipated spring with associated uncommon increase in volumes of run-off, as described herein;
 - (ii) the BH-ETF decommissioning costs have been removed from the Revised Forecast and are to be discussed in further negotiations; and
 - (iii) the Environmental Assessment process costs have been revised to account for the revised timeline set out in the Gantt Chart, and such costs are now projected to be incurred beginning in May 2021;
- (e) the Operations and Maintenance section of the Revised Forecast has been revised to account for actual fees to date, and certain recent developments relating to maintenance requirements, including:

- (i) as described above, the roof scuppering project has been completed and no further expenditures will be required;
 - (ii) the anticipated cost of electricity purchases has been revised downward to account for recent trends; and
 - (iii) landfill capping cost estimates have been revised upward, as a result of adverse weather conditions, soil and waste settling, and revised estimates of the total capping requirements;
- (f) the Woodlands section of the Revised Forecast has been revised to account for recent developments and trends in the Petitioners' woodlands operations, and still projects a net positive cash flow for woodlands operations during both the Stay Period and the April 2021 - June 2022 Projection Period; and
- (g) the DIP Breakdown section of the Revised Forecast indicates that the Petitioners will have sufficient cash on hand to fund their restructuring and operations, without requiring an additional Interim Financing Facility draw, until August 2021. The Petitioners propose to make a \$6.0 million draw under the Interim Financing Facility, in July 2021, to ensure that there is sufficient cash on hand to attend to the various aspects of their restructuring and the Mill hibernation process.

b. Ongoing Employee Obligations

63. The Petitioners currently employ two full-time hourly employees at the Mill; 12 seasonal hourly employees at the nursery; and 16 salaried employees. The Petitioners' monthly payroll obligations will soon include salary obligations with respect to employees engaged in the environmental assessment process. For the Stay Period, the Petitioners' typical monthly payroll obligations with respect to current employees total approximately \$164,000 at present (excluding payroll obligations in respect of the EA Team, which has not yet been hired or appointed, as applicable), and are projected to drop to an average of \$150,000 commencing in June 2021 (including payroll obligations in respect of the EA Team). The net result is a decrease by approximately \$14,000 per month after May 2021, at which time the remaining BH-ETF salaried employees will cease working. Salaries fluctuate over the Stay Period, depending upon the number of hourly employees anticipated to be employed, and the nature of the anticipated work,

in any given month. During the Stay Period, the Petitioners anticipate a total spend of approximately \$1.35 million in respect of salary, benefits, and human resources costs, including:

- (a) approximately \$1.385 million in aggregate salary and hourly payroll obligations, which consists of (A) approximately \$573,000 in active salary payroll; (B) approximately \$28,900 in active BH-ETF salary payroll; (C) approximately \$286,000 in EA salaried payroll; and, (D) approximately \$188,000 in active hourly payroll;
- (b) approximately \$58,000 in active benefits payments for current employees; and
- (c) approximately \$250,000 in aggregate human resources operations costs, which includes security; janitorial services; training (both professional development and regulatory training); actuarial support for the Petitioners' pension plans; events; food purchases; required employee travel; certain labour and employment-related legal fees; and other miscellaneous human resources expenses.

64. During the April 2021 - June 2022 Projection Period, the total anticipated spend in respect of current employees is approximately \$2.40 million, consisting of (i) Mill salary payroll in the amount of approximately \$1.23 million (ending in June 2022); (ii) BH-ETF salary payroll in the amount of approximately \$28,900 (ending in May 2021); (iii) EA salary payroll in the amount of approximately \$613,000 (ending in June 2022); (iv) hourly payroll in the amount of approximately \$360,000 (ending in June 2022); and (v) Benefits payments in the amount of approximately \$127,000 (ending in June 2022).

65. The Petitioners previously sought and received Canadian Employee Wage Subsidy (“**CEWS**”) in connection with the COVID-19 pandemic, as described in the Eighth Chapman Affidavit at paragraph 49. The Petitioners do not project that they will receive further CEWS payments during the Stay Period.

c. Employee and Retiree Obligations

66. The Petitioners anticipate paying approximately \$735,000 in satisfaction of Employee and Retiree Obligations during the Stay Period, to be funded solely from the Subordinated Interim Financing Facility, pursuant to the September Order. The Petitioners do not anticipate making

any further draws under the Subordinated Interim Financing Facility during the Stay Period, except in connection with the Special Pension Payments.

67. During the April 2021 - June 2022 Projection Period, the Petitioners anticipate total Employee and Retiree Obligations in the amount of approximately \$903,000, consisting of: (i) salary continuance payments of approximately \$429,000; (ii) total hourly severance payments in the amount of approximately \$51,000; (iii) total retiree benefits in the amount of \$350,000; and, (iv) total retiree pay in the amount of approximately \$74,000.

d. Special Pension Payments

68. The Revised Forecast includes five monthly payments of \$560,453 each in respect of Special Pension Payments, commencing in June 2021, subject to the Satisfactory Progress Condition being met. For clarity, under the proposed amendments to the Subordinated Interim Financing Term Sheet and assuming Court approval is obtained, the payment of the 2020 Special Pension Payments is not conditional upon the satisfaction of the Satisfactory Progress Condition. However, the proposed payments are in equal installments because, assuming that the Satisfactory Progress Condition is met, the Petitioners anticipate that the first of the \$560,453 payments will include a portion of the Post-2020 Special Pension Payments (in addition to the 2020 Special Pension Payments).

e. Financial Expenses

69. The Revised Forecast is generally consistent with the Initial Forecast with respect to the quantum of financial expenses. As described in the Fourth Chapman Affidavit at paragraph 63, the Petitioners' financial expenses include (i) travel and property insurance premiums; (ii) information technology costs, including software, cell phone, land line, and internet services; (iii) audit fees; (iv) property taxes; and (v) certain management fees under the PEC Management Services Agreement, which are provided on a cost recovery basis in respect of the administration, financial reporting, environmental oversight, investment strategy, marketing and sales, product export and procurement, and other business functions of the Petitioners. The financial expenses exclude principal and interest payments owed to PEC and the Province, and also exclude certain management fees under the PEC Management Services Agreement.

70. The total projected spend during the Stay Period in respect of financial expenses is approximately \$2.453 million, consisting of (i) approximately \$343,000 in property tax payable

during the Stay Period; (ii) approximately \$1.159 million in respect of PEC administrative services; (iii) \$10,000 in audit costs; (iv) approximately \$38,000 in information technology costs; and, (v) approximately \$901,000 in travel or property insurance premiums payable during the Stay Period. The travel and property insurance premiums will come due during the Stay Period in accordance with the terms of the underlying policies.

71. The total projected spend during the April 2021 - June 2022 Projection Period in respect of financial expenses is approximately \$4.682 million. The Initial Forecast had projected a total amount of \$7.124 million for financial expenses. The Petitioners have paid approximately \$2.5 million in respect of such expenses since the approval of the Interim Financing Facility on August 6, 2020.

f. Woodlands Operations

72. The Petitioners anticipate that the woodlands operations will remain cash flow positive during the Stay Period. Specifically, during the Stay Period, the Petitioners project total receipts from woodlands operations in the amount of approximately \$3.902 million, with associated disbursements in the amount of approximately \$3.626 million. During the April 2021 - June 2022 Projection Period, the Petitioners project a total net income of approximately \$1.126 million from the woodlands operations, inclusive of the Stay Period and all receipts and disbursements.

73. The woodlands operations income includes the net income of (i) the Northern Pulp nursery; (ii) Northern Timber's operations; and (iii) Northern Pulp's woodlands operations.

74. The Northern Pulp nursery income consists of receipts from seedling sales. The nursery expenses include wages and benefits; mileage allowance for nursery employees, electricity and fuel costs; general operation expenses; maintenance costs; seedling (inventory) costs; equipment leasing costs; and property tax. During the April 2021 - June 2022 Projection Period, the net operating income for the nursery is projected to be approximately \$624,000, inclusive of the aforementioned receipts and disbursements.

75. The Northern Timber woodland operations include receipts from camp leases; windmill and tower site receipts; mineral exploration receipts; and rock quarry receipts. Northern Timber's expenses during the April 2021 - June 2022 Projection Period are limited to property taxes. During the April 2021 - June 2022 Projection Period, the net operating income for Northern Timber's

operations is projected to be approximately \$(95,386), inclusive of the aforementioned receipts and disbursements.

76. The Northern Pulp woodlands operations include receipts from stumpage revenue; road expense rebates; silviculture rebates; and, contract services revenue. The Petitioners do not anticipate any material amount of pulpwood sale revenues during the April 2021 - June 2022 Projection Period. The Northern Pulp woodlands operations expenses include, *inter alia*, salary and wages; Crown stumpage fees incurred to maintain licenses in respect of Crown lands; road construction fees; silviculture expenses; various audit and certification costs; employee-related expenses (including mileage expenses); operational expenses (including phone service, internet, and software expenses); drone and satellite imaging for use in operations; equipment maintenance and repair costs; and accounting, software, and information technology costs. During the April 2021 - June 2022 Projection Period, the net operating income for Northern Pulp's woodlands operations is projected to be approximately \$595,000, inclusive of the aforementioned receipts and disbursements.

g. Mill Operations, Closure Activities and Maintenance

77. During the April 2021 - June 2022 Projection Period, operating and maintenance costs are anticipated to total approximately \$2.872 million. Of that amount, total operating and maintenance costs during the Stay Period are projected to be approximately \$2.067 million, consisting of: (i) approximately \$450,000 in utilities costs (electricity purchases); and, (ii) approximately \$1.617 million in Mill closure and maintenance activities.

78. The Mill closure and maintenance activities include industrial cleaning; snow clearing (anticipated to end in April 2021); boiler hibernation costs (inclusive of additional winter transportation costs through April 2021, with costs anticipated to decrease thereafter); manlift and elevator inspections; landfill capping; washroom cleaning and maintenance; and miscellaneous other maintenance in respect of the Mill and Northern Pulp's property.

79. The major operations, closure activities, and maintenance expenditures that the Petitioners expect will occur during the Stay Period are landfill capping (in the amount of \$1,237,000 including HST) and electricity purchases (in the amount of \$450,000 including HST). The balance of the anticipated expenditures relate to the other miscellaneous maintenance activities.

h. Technical and Environmental Costs (Environmental Assessment; BH-ETF Update)

80. The technical and environmental costs during the April 2021 - June 22 Projection Period consist of: (i) Environmental Assessment costs; and, (ii) BH-ETF operating costs (including Mill wastewater operations costs). As described above, the Revised Forecast does not include any costs with respect to the decommissioning of the BH-ETF after June 2021, which are no longer anticipated to be incurred by the Petitioners.

81. In the Eighth Chapman Affidavit, at paragraph 66, I testified that Environmental Assessment costs would first be incurred in December 2020, with a subsequent month-over-month increase in April 2021. Due to the revised timeline set out in the Gantt Chart and described above, the Petitioners anticipate incurring Environmental Assessment costs beginning in May 2021.

82. The total Environmental Assessment costs during the April 2021 - June 22 Projection Period are estimated to be approximately \$9.733 million, as compared with the December Projection's estimate of approximately \$11.460 million during the December 2020 - June 2022 Projection Period (as defined in the Eighth Chapman Affidavit). In the Initial Forecast, the Petitioners had projected total Environmental Assessment costs during these CCAA Proceedings in the amount of approximately \$11.776 million.

83. The primary difference between the Revised Forecast and the December Projection, with respect to technical and environmental costs, is the exclusion of BH-ETF decommissioning costs from the Revised Forecast. Such costs were previously estimated to total approximately \$1.196 million, inclusive of HST, to be incurred between December 2020 and April 30, 2021. During the December 2020 - June 2022 Projection Period, the total expenditures in respect of the BH-ETF decommissioning process were anticipated to be approximately \$4.646 million, as compared with the current estimate of \$0 during the April 2021 - June 2022 Projection Period. The Petitioners spent approximately \$247,000 in respect of the BH-ETF decommissioning before entering into the agreement with the Province with respect to the BH-ETF. The Interim Financing Forecast originally projected total decommissioning costs in the amount of approximately \$7.204 million during these CCAA Proceedings.

84. BH-ETF operating costs (which are now referred to as Waste Water Operations in the Revised Forecast) during the Stay Period are anticipated to total approximately \$2.547 million

(inclusive of HST), consisting of approximately: (i) \$13,800 in respect of the washroom facilities; (ii) \$17,400 in respect of groundwater and surface water testing at the Mill site; (iii) \$5,600 in respect of groundwater and surface water testing at the BH-ETF site; (iv) \$40,250 in respect of effluent testing; (v) \$3,850 in respect of ambient air maintenance and calibration; (vi) \$6,900 in respect of toxicity testing; (vii) \$2,300 in respect of monitoring and testing effluent at certain other locations pursuant to the Ministerial Order; (viii) \$17,250 in respect of assessment of effluent sludges; (ix) \$28,750 in respect of chemical removal; and (x) \$1,980,000 in respect of wastewater disposal and treatment. These costs primarily relate to the requirements of the Ministerial Order.

85. Additionally, the Petitioners project costs of approximately \$431,250 during the Stay Period in connection with the Canso ditching project.⁵

86. During the April 2021 - June 2022 Projection Period, the total expenditures in respect of the Mill Wastewater Operations are anticipated to be approximately \$5.436 million, as compared with the previous estimate of approximately \$2.676 million during the December 2020 - June 2022 Projection Period. The increase primarily relates to the additional wastewater treatment expenses described above. The Petitioners have spent approximately \$2,133,000 in connection with BH-ETF operating costs since the commencement of these CCAA Proceedings. The Initial Forecast originally projected total BH-ETF operating costs in the amount of approximately \$5.256 million during these CCAA Proceedings.

i. Administration Costs

87. The professional fee and administration costs in the Revised Forecast are generally consistent with the Initial Forecast, and include the same expenses described in the Fourth Chapman Affidavit at paragraphs 61(iii) and 64, and in the Eighth Chapman Affidavit at paragraphs 69 through 71. The Revised Forecast extrapolates spending trends throughout the April 2021 - June 2022 Projection Period based on actual costs to date.

88. The Petitioners anticipate spending approximately \$2.577 million on non-restructuring professional fees during the Stay Period. The aggregate projected non-restructuring professional fees during the April 2021 - June 2022 Projection Period, inclusive of HST, total approximately

⁵ As described in the Fourth Report of the Monitor, dated October 30, 2020, at paragraph 30(b), the Canso ditching project relates to a non-operating chemical chlorine facility located adjacent to the Mill, which has been closed for a number of years. Storm water runs between the Canso and Mill properties. The Petitioners have determined, after discussions with Canso and NSE, that a ditch must be dug to ensure that the Canso run-off does not affect the Northern Pulp property. The work is anticipated to occur in August 2021.

\$5.2 million. The Initial Forecast had anticipated total non-restructuring professional fees during the CCAA Proceedings in the amount of \$4.459 million. The non-restructuring professional fees include (i) legal fees in respect of corporate counsel (including regarding the EA process, the Appeal process, litigation with respect to the closing of the BH-ETF, and the Judicial Review), environmental matters, and collective bargaining agreement expenses; (ii) public relations and government relations fees; (iii) polling fees; and (iv) consulting fees.

89. The Petitioners anticipate spending approximately \$1.708 million on restructuring professional fees during the Stay Period, which includes (i) the Monitor's fees; (ii) the Petitioners' counsel's fees; and (iii) the Monitor's counsel's fees. The aggregate projected restructuring professional fees during the April 2021 - June 2022 Projection Period, inclusive of HST, total approximately \$3.202 million. The Initial Forecast had anticipated total restructuring professional fees during the CCAA Proceedings in the amount of \$4.475 million.

j. HST Receipts

90. The Petitioners project total HST rebate receipts in the amount of approximately \$2.1 million during the Stay Period.

k. Summary of Operating and Restructuring Disbursements During Stay Period

91. In sum, the net operating disbursements in the Revised Forecast during the Stay Period total approximately \$22.6 million, while total collections are forecast to be approximately \$6.3 million. The operating disbursements during the Stay Period are anticipated to include:

- (a) utility payments in the amount of approximately \$449,000;
- (b) property taxes in the amount of approximately \$343,000;
- (c) Mill closure activities in the amount of approximately \$1.617 million;
- (d) wastewater disposal in the amount of approximately \$1.980 million;
- (e) environmental testing in the amount of approximately \$567,000;
- (f) Environmental Assessment costs in the amount of approximately \$7.139 million, with the majority of such costs to be incurred between July and September 2021;

- (g) non-restructuring professional fees in the amount of approximately \$2.576 million;
- (h) no costs with respect to the BH-ETF decommissioning;
- (i) salary and benefits and human resources costs in the total amount of approximately \$1.098 million;
- (j) EA Team HR costs in the amount of approximately \$286,000;
- (k) payments to PEC for administrative services in the amount of approximately \$1.159 million;
- (l) woodlands costs in the amount of approximately \$3.626 million;
- (m) miscellaneous expenditures in the amount of approximately \$1.418 million; and
- (n) a contingency amount of \$350,000.

92. The Petitioners' operating receipts during the extended Stay Period are anticipated to include: (i) woodlands collections in the aggregate amount of approximately \$3.9 million; and, (ii) HST receipts in the amount of approximately \$2.4 million.


93. As a result, the Petitioners' net operating cash flow during the extended Stay Period is projected to be a loss of approximately \$16.3 million.

94. In addition, the Petitioners anticipate restructuring disbursements during the Stay Period of approximately \$1.889 million, consisting of : (i) KERP payments in the total amount of \$181,255 and, (ii) professional restructuring fees in the amount of approximately \$1.708 million.

95. As the Participants had an opening cash balance of approximately \$12.497 million at April 1st, 2021, their projected ending cash balance (inclusive of operating and restructuring disbursements and the proposed \$6.0 million draw under the Interim Financing Facility) as of October 2021 is \$0.322 million. Provided that the \$6.0 million draw under the Interim Financing Facility is approved, the Petitioners project to have sufficient liquidity to meet their obligations over the proposed extension of the Stay Period.

96. I swear this Affidavit for the purposes identified at paragraph 6 of this Affidavit, and not for any other or improper purpose.

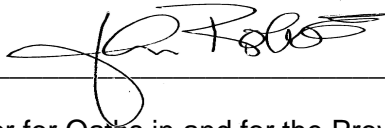
SWORN BEFORE ME at the Regional)
Municipality of Halifax in the Province of)
Nova Scotia, this 13th day of April, 2021)


A COMMISSIONER FOR OATHS)
in and for the Province of Nova Scotia)

JOHN ROBERTS
Partner
McInnes Cooper
1969 Upper Water Street, Suite 1300
Halifax, NS B3J 3R7
Tel: 902 444-8677


BRUCE CHAPMAN

This is Exhibit "A" referred to in the Affidavit of
Bruce Chapman
sworn before me this 13th day of April, 2021.

A handwritten signature in black ink, appearing to read "J. Ross", is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Nova Scotia

INDEX OF ACRONYMS

“**105 BC**” means 1057863 B.C. Ltd.;

“**ARIO**” means the Amended and Restated Initial Order issued on August 6, 2020;

“**ASB**” means the Aerated Stabilization Basin;

“**BH-ETF**” means the existing Boat Harbour Effluent Treatment Facility;

“**Dillon**” means Dillon Consulting Limited;

“**EARD**” means the Environmental Assessment Registration Document with respect to the original Replacement ETF;

“**ELC**” means the Environmental Liaison Committee (previously the Community Liaison Committee; to be reconstituted as the Standing *Ad Hoc* Committee);

“**EY**” or “**Monitor**” means Ernst & Young Inc.;

“**Hervey**” means Hervey Investment BV (Netherlands);

“**KSH**” means KSH Solutions Inc.;

“**LP’s**” means Northern Timber Nova Scotia LP and Northern Pulp NS LP;

“**Northern Pulp**” means Northern Pulp Nova Scotia Corporation;

“**Northern Resources**” means Northern Resources Nova Scotia Corporation;

“**Northern Timber**” means Northern Timber Nova Scotia Corporation;

“**NPNS GP**” means 3253527 Nova Scotia Limited;

“**NPNS GP ULC**” means Northern Pulp NS GP ULC;

“**NPNS LP**” means Northern Pulp NS LP;

“**NS**” or “**Province**” means the Province of Nova Scotia;

“**NS Lands**” means Nova Scotia Lands Inc.;

“**NSE**” means Nova Scotia Environment;

“**NTNS GP**” means 3243722 Nova Scotia Limited;

“**NTNS LP**” means Northern Timber Nova Scotia LP;

“**PEC**” means Paper Excellence Canada Holdings;

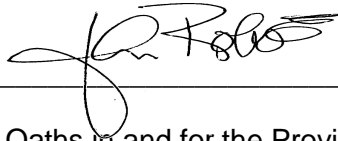
“**PLFN**” means Pictou Landing First Nation;

“Stantec” means Stantec Consulting Ltd.;

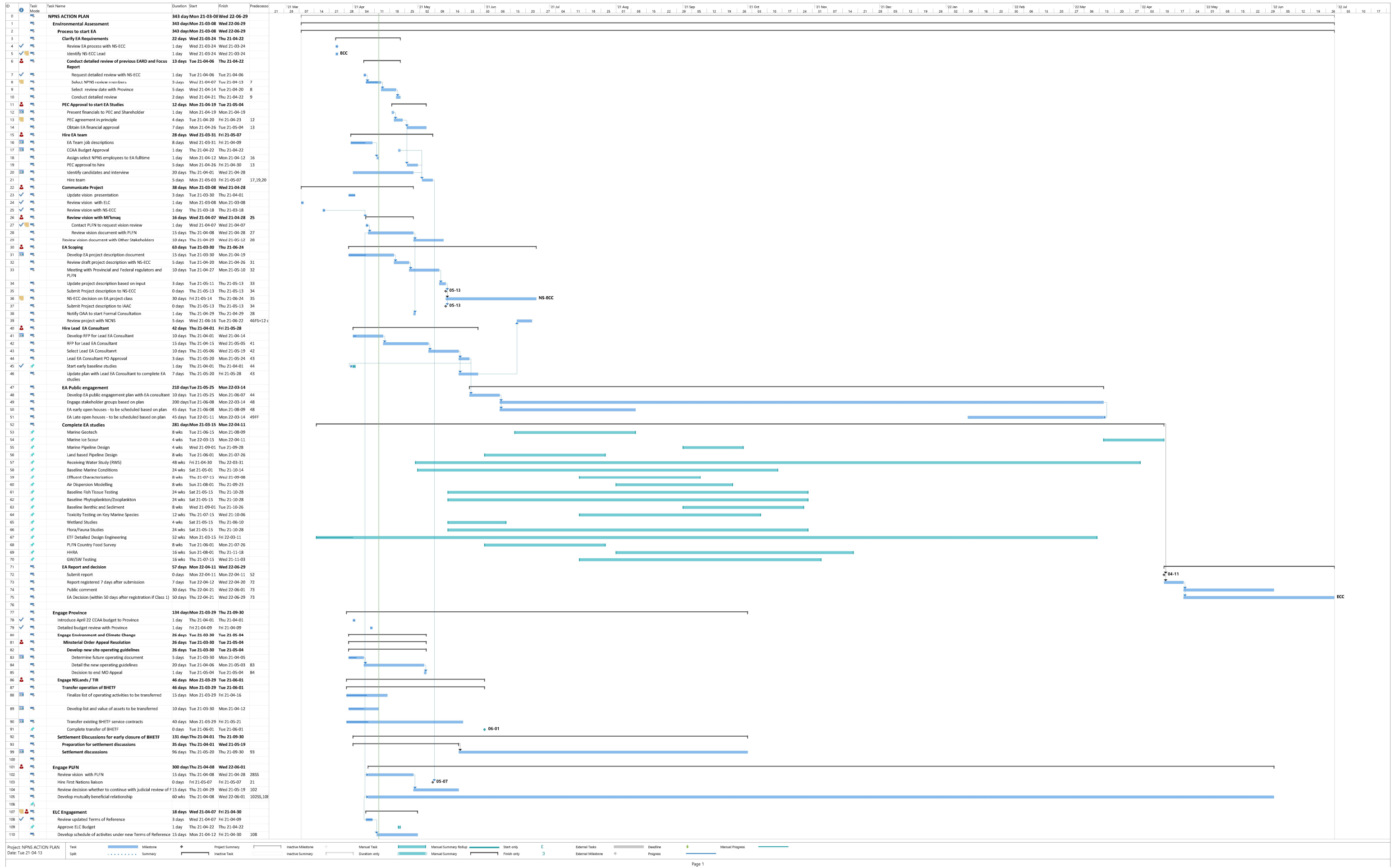
“TIR” means Department of Transportation and Infrastructure Renewal;






































“UNIFOR” means Unifor Local 440 and Unifor Local 440-1;

This is Exhibit "B" referred to in the Affidavit of
Bruce Chapman
sworn before me this 13th day of April, 2021.




















A handwritten signature in black ink, appearing to read "J. R. Fols", is written over a horizontal line.




































A Commissioner for Oaths in and for the Province of Nova Scotia






















ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors	21 Mar 28 07 14
0			NPNS ACTION PLAN	343 day	Mon 21-03-08	Wed 22-06-29		
1			Environmental Assessment	343 days	Mon 21-03-08	Wed 22-06-29		
2			Process to start EA	343 days	Mon 21-03-08	Wed 22-06-29		
3			Clarify EA Requirements	22 days	Wed 21-03-24	Thu 21-04-22		
4			Review EA process with NS-ECC	1 day	Wed 21-03-24	Wed 21-03-24		
5			Identify NS-ECC Lead	1 day	Wed 21-03-24	Wed 21-03-24		
6			Conduct detailed review of previous EARD and Focus Report	13 days	Tue 21-04-06	Thu 21-04-22		
7			Request detailed review with NS-ECC	1 day	Tue 21-04-06	Tue 21-04-06		
8			Select NPNS review members	5 days	Wed 21-04-07	Tue 21-04-13	7	
9			Select review date with Province	5 days	Wed 21-04-14	Tue 21-04-20	8	
10			Conduct detailed review	2 days	Wed 21-04-21	Thu 21-04-22	9	
11			PEC Approval to start EA Studies	12 days	Mon 21-04-19	Tue 21-05-04		
12			Present financials to PEC and Shareholder	1 day	Mon 21-04-19	Mon 21-04-19		
13			PEC agreement in principle	4 days	Tue 21-04-20	Fri 21-04-23	12	
14			Obtain EA financial approval	7 days	Mon 21-04-26	Tue 21-05-04	13	
15			Hire EA team	28 days	Wed 21-03-31	Fri 21-05-07		
16			EA Team job descriptions	8 days	Wed 21-03-31	Fri 21-04-09		
17			CCAA Budget Approval	1 day	Thu 21-04-22	Thu 21-04-22		
18			Assign select NPNS employees to EA fulltime	1 day	Mon 21-04-12	Mon 21-04-12	16	
19			PEC approval to hire	5 days	Mon 21-04-26	Fri 21-04-30	13	
20			Identify candidates and interview	20 days	Thu 21-04-01	Wed 21-04-28		
21			Hire team	5 days	Mon 21-05-03	Fri 21-05-07	17,19,20	
22			Communicate Project	38 days	Mon 21-03-08	Wed 21-04-28		

























Project: NPNS ACTION PLAN
Date: Tue 21-04-13

Task		Inactive Summary		External Tasks	
Split		Manual Task		External Milestone	
Milestone		Duration-only		Deadline	
Summary		Manual Summary Rollup		Progress	
Project Summary		Manual Summary		Manual Progress	
Inactive Task		Start-only			
Inactive Milestone		Finish-only			




















ID		Task Mode	Task Name	Duration	Start	Finish	Predecessor	21 Mar	28	07	14
23			Update vision presentation	3 days	Tue 21-03-30	Thu 21-04-01					
24			Review vision with ELC	1 day	Mon 21-03-08	Mon 21-03-08					
25			Review vision with NS-ECC	1 day	Thu 21-03-18	Thu 21-03-18					
26			Review vision with Mi'kmaq	16 days	Wed 21-04-07	Wed 21-04-28	25				
27			Contact PLFN to request vision review	1 day	Wed 21-04-07	Wed 21-04-07					
28			Review vision document with PLFN	15 days	Thu 21-04-08	Wed 21-04-28	27				
29			Review vision document with Other Stakeholders	10 days	Thu 21-04-29	Wed 21-05-12	28				
30			EA Scoping	63 days	Tue 21-03-30	Thu 21-06-24					
31			Develop EA project description document	15 days	Tue 21-03-30	Mon 21-04-19					
32			Review draft project description with NS-ECC	5 days	Tue 21-04-20	Mon 21-04-26	31				
33			Meeting with Provincial and Federal regulators and PLFN	10 days	Tue 21-04-27	Mon 21-05-10	32				
34			Update project description based on input	3 days	Tue 21-05-11	Thu 21-05-13	33				
35			Submit Project description to NS-ECC	0 days	Thu 21-05-13	Thu 21-05-13	34				
36			NS-ECC decision on EA project class	30 days	Fri 21-05-14	Thu 21-06-24	35				
37			Submit Project description to IAAC	0 days	Thu 21-05-13	Thu 21-05-13	34				
38			Notify OAA to start Formal Consultation	1 day	Thu 21-04-29	Thu 21-04-29	28				
39			Review project with NCNS	5 days	Wed 21-06-16	Tue 21-06-22	46FS+12 c				
40			Hire Lead EA Consultant	42 days	Thu 21-04-01	Fri 21-05-28					
41			Develop RFP for Lead EA Consultant	10 days	Thu 21-04-01	Wed 21-04-14					
42			RFP for Lead EA Consultant	15 days	Thu 21-04-15	Wed 21-05-05	41				
43			Select Lead EA Consultant	10 days	Thu 21-05-06	Wed 21-05-19	42				
44			Lead EA Consultant PO Approval	3 days	Thu 21-05-20	Mon 21-05-24	43				
45			Start early baseline studies	1 day	Thu 21-04-01	Thu 21-04-01	44				

Project: NPNS ACTION PLAN
Date: Tue 21-04-13




















Task		Inactive Summary		External Tasks	
Split		Manual Task		External Milestone	
Milestone		Duration-only		Deadline	
Summary		Manual Summary Rollup		Progress	
Project Summary		Manual Summary		Manual Progress	
Inactive Task		Start-only			
Inactive Milestone		Finish-only			





















ID		Task Mode	Task Name	Duration	Start	Finish	Predecessor	21	28	07	14
46			Update plan with Lead EA Consultant to complete EA studies	7 days	Thu 21-05-20	Fri 21-05-28	43				
47			EA Public engagement	210 days	Tue 21-05-25	Mon 22-03-14					
48			Develop EA public engagement plan with EA consultant	10 days	Tue 21-05-25	Mon 21-06-07	44				
49			Engage stakeholder groups based on plan	200 days	Tue 21-06-08	Mon 22-03-14	48				
50			EA early open houses - to be scheduled based on plan	45 days	Tue 21-06-08	Mon 21-08-09	48				
51			EA Late open houses - to be scheduled based on plan	45 days	Tue 22-01-11	Mon 22-03-14	49FF				
52			Complete EA studies	281 days	Mon 21-03-15	Mon 22-04-11					
53			Marine Geotech	8 wks	Tue 21-06-15	Mon 21-08-09					
54			Marine Ice Scour	4 wks	Tue 22-03-15	Mon 22-04-11					
55			Marine Pipeline Design	4 wks	Wed 21-09-01	Tue 21-09-28					
56			Land based Pipeline Design	8 wks	Tue 21-06-01	Mon 21-07-26					
57			Receiving Water Study (RWS)	48 wks	Fri 21-04-30	Thu 22-03-31					
58			Baseline Marine Conditions	24 wks	Sat 21-05-01	Thu 21-10-14					
59			Effluent Characterization	8 wks	Thu 21-07-15	Wed 21-09-08					
60			Air Dispersion Modelling	8 wks	Sun 21-08-01	Thu 21-09-23					
61			Baseline Fish Tissue Testing	24 wks	Sat 21-05-15	Thu 21-10-28					
62			Baseline Phytoplankton/Zooplankton	24 wks	Sat 21-05-15	Thu 21-10-28					
63			Baseline Benthic and Sediment	8 wks	Wed 21-09-01	Tue 21-10-26					
64			Toxicity Testing on Key Marine Species	12 wks	Thu 21-07-15	Wed 21-10-06					
65			Wetland Studies	4 wks	Sat 21-05-15	Thu 21-06-10					
66			Flora/Fauna Studies	24 wks	Sat 21-05-15	Thu 21-10-28					
67			ETF Detailed Design Engineering	52 wks	Mon 21-03-15	Fri 22-03-11					
68			PLFN Country Food Survey	8 wks	Tue 21-06-01	Mon 21-07-26					




















Project: NPNS ACTION PLAN
Date: Tue 21-04-13

Task		Inactive Summary		External Tasks	
Split		Manual Task		External Milestone	
Milestone		Duration-only		Deadline	
Summary		Manual Summary Rollup		Progress	
Project Summary		Manual Summary		Manual Progress	
Inactive Task		Start-only			
Inactive Milestone		Finish-only			

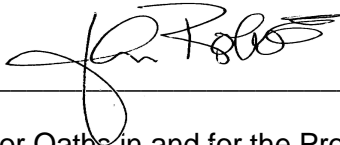
ID		Task Mode	Task Name	Duration	Start	Finish	Predecessors				
69			HHRA	16 wks	Sun 21-08-01	Thu 21-11-18		21	'21 Mar	07	14
70			GW/SW Testing	16 wks	Thu 21-07-15	Wed 21-11-03					
71			EA Report and decision	57 days	Mon 22-04-11	Wed 22-06-29					
72			Submit report	0 days	Mon 22-04-11	Mon 22-04-11	52				
73			Report registered 7 days after submission	7 days	Tue 22-04-12	Wed 22-04-20	72				
74			Public comment	30 days	Thu 22-04-21	Wed 22-06-01	73				
75			EA Decision (within 50 days after registration if Class 1)	50 days	Thu 22-04-21	Wed 22-06-29	73				
76											
77			Engage Province	68 days	Mon 21-03-29	Wed 21-06-30					
78			Introduce April 22 CCAA budget to Province	1 day	Thu 21-04-01	Thu 21-04-01					
79			Detailed budget review with Province	1 day	Fri 21-04-09	Fri 21-04-09					
80			Engage Environment and Climate Change	26 days	Tue 21-03-30	Tue 21-05-04					
81			Ministerial Order Appeal Resolution	26 days	Tue 21-03-30	Tue 21-05-04					
82			Develop new site operating guidelines	26 days	Tue 21-03-30	Tue 21-05-04					
83			Determine future operating document	5 days	Tue 21-03-30	Mon 21-04-05					
84			Detail the new operating guidelines	20 days	Tue 21-04-06	Mon 21-05-03	83				
85			Decision to end MO Appeal	1 day	Tue 21-05-04	Tue 21-05-04	84				
86			Engage NSLands / TIR	46 days	Mon 21-03-29	Tue 21-06-01					
87			Transfer operation of BHETF	46 days	Mon 21-03-29	Tue 21-06-01					
88			Finalize list of operating activities to be transferred	15 days	Mon 21-03-29	Fri 21-04-16					
89			Develop list and value of assets to be transferred	10 days	Tue 21-03-30	Mon 21-04-12					
90			Transfer existing BHETF service contracts	40 days	Mon 21-03-29	Fri 21-05-21					

Project: NPNS ACTION PLAN Date: Tue 21-04-13	Task		Inactive Summary		External Tasks	
	Split		Manual Task		External Milestone	
	Milestone		Duration-only		Deadline	
	Summary		Manual Summary Rollup		Progress	
	Project Summary		Manual Summary		Manual Progress	
	Inactive Task		Start-only			
	Inactive Milestone		Finish-only			

ID		Task Mode	Task Name	Duration	Start	Finish	Predecessor	21	28	07	14
91			Complete transfer of BHETF	0 days	Tue 21-06-01	Tue 21-06-01					
92			Settlement Discussions for early closure of BHETF	65 days	Thu 21-04-01	Wed 21-06-30					
93			Preparation for settlement discussions	35 days	Thu 21-04-01	Wed 21-05-19					
99			Settlement discusssions	30 days	Thu 21-05-20	Wed 21-06-30	93				
100											
101			Engage PLFN	300 days	Thu 21-04-08	Wed 22-06-01					
102			Review vision with PLFN	15 days	Thu 21-04-08	Wed 21-04-28	28SS				
103			Hire First Nations liaison	0 days	Fri 21-05-07	Fri 21-05-07	21				
104			Review decision whether to continue with judicial review of F	15 days	Thu 21-04-29	Wed 21-05-19	102				
105			Develop mutually beneficial relationship	60 wks	Thu 21-04-08	Wed 22-06-01	102SS,108				
106											
107			ELC Engagement	18 days	Wed 21-04-07	Fri 21-04-30					
108			Review updated Terms of Reference	3 days	Wed 21-04-07	Fri 21-04-09					
109			Approve ELC Budget	1 day	Thu 21-04-22	Thu 21-04-22					
110			Develop schedule of activites under new Terms of Reference	15 days	Mon 21-04-12	Fri 21-04-30	108				

Project: NPNS ACTION PLAN Date: Tue 21-04-13	Task		Inactive Summary		External Tasks	
	Split		Manual Task		External Milestone	
	Milestone		Duration-only		Deadline	
	Summary		Manual Summary Rollup		Progress	
	Project Summary		Manual Summary		Manual Progress	
	Inactive Task		Start-only			
	Inactive Milestone		Finish-only			

This is Exhibit "C" referred to in the Affidavit of
Bruce Chapman
sworn before me this 13th day of April, 2021.

A handwritten signature in black ink, appearing to read "J. R. Fols", is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Nova Scotia

Highlights

Budget reflects a 6 month Stay, Requiring a \$6 Million DIP Draw

Woodlands Operations is Cash Positive for the Stay period. Contributing \$275,000 to the mill operations

Waste Water Disposal Costs for the period will be \$3.1 Million (Includes \$1 Million for Landfill Capping)

Environmental Assessment costs will be \$7.2 Million

HR Costs of \$1.39 Million (Excl Payroll Costs not Covered under DIP)

PEC Management Fees, Administration, Taxes and Insurance will be \$2.9 Million

Professional Fees and Consulting will be \$4.3 Million (\$1.8 Million for CCAA, \$1 Million for EA External Communications & ELC Operatic

Budget updated till December 31st, 2021

DIP Draw of \$6M will last till October 31st, 2021

Northern Pulp Group of Companies
CCAA Cash Flow Forecast
For the Period April 1st, 2021 to October 31st, 2021

All figures in Canadian dollars

All figures in Canadian dollars	Month	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021	October 2021	Forecast Total
Beginning Cash	Ref	12,497,851	9,864,381	7,474,013	11,291,221	8,612,773	5,368,923	1,784,555	12,497,851
Receipts									
Woodlands Collections	[1]	105,000	569,463	750,968	734,645	408,173	433,206	900,708	3,902,162
Other AR Collections	[2]	-	-	-	-	-	-	-	-
HST	[3]	-	280,626	363,639	402,127	402,127	484,939	484,939	2,418,399
Total Collections		105,000	850,089	1,114,607	1,136,772	810,300	918,145	1,385,647	6,320,561
Operating Disbursements									
Utilities	[4]	78,200	78,200	58,650	58,650	58,650	58,650	58,650	449,650
Property Taxes	[5]	175,750	-	-	-	-	-	-	343,250
Mill Closure Activities	[6]	117,300	154,100	326,600	326,600	326,600	326,600	39,100	1,616,900
Waste Water Disposal	[7]	759,000	600,875	161,000	112,700	112,700	112,700	120,750	1,979,725
Environmental Testing	[8]	40,825	22,253	38,468	11,558	437,000	5,750	11,558	567,410
Environmental Assessment	[8]	-	774,496	875,696	1,191,946	1,577,771	1,815,275	904,475	7,139,660
Non-restructuring Professional Fees	[9]	345,000	419,750	419,750	411,125	323,150	323,150	323,150	2,565,075
BHETF Decommissioning	[10]	-	-	-	-	-	-	-	0
Pension Funding	[11]	-	-	-	-	-	-	-	-
Salary and Benefits & HR Costs	[12]	203,628	175,439	157,052	145,792	136,718	136,718	143,043	1,098,390
EA Project Team HR Costs	[13]	40,899	40,899	40,899	40,899	40,899	40,899	40,899	286,295
PEC Administrative Services	[14]	165,600	165,600	165,600	165,600	165,600	165,600	165,600	1,159,200
Wood Costs	[15]	452,171	288,350	710,837	509,668	431,129	676,488	557,058	3,625,700
Miscellaneous Expenditures	[16]	28,348	36,239	39,848	560,683	163,933	560,683	28,348	1,418,079
Contingency	[17]	50,000	50,000	50,000	50,000	50,000	50,000	50,000	350,000
Total Operating Disbursements		2,456,720	2,806,201	3,044,400	3,585,220	3,824,150	4,272,513	2,610,130	22,599,335
NET OPERATING CASH FLOW		(2,351,720)	(1,956,112)	(1,929,792)	(2,448,448)	(3,013,850)	(3,354,368)	(1,224,483)	(16,278,774)
Restructuring Disbursements									
DIP Lender cost		-	-	-	-	-	-	-	-
- Interest		-	-	-	-	-	-	-	-
- Fees		-	-	-	-	-	-	-	-
- KERP		-	(181,255)	-	-	-	-	-	(181,255)
Professional Fees - Restructuring	[18]	(281,750)	(253,000)	(253,000)	(230,000)	(230,000)	(230,000)	(230,000)	(1,707,750)
Total Restructuring Disbursements		(281,750)	(434,255)	(253,000)	(230,000)	(230,000)	(230,000)	(230,000)	(1,889,005)
NET MONTHLY CASH FLOW		(2,633,470)	(2,390,367)	(2,182,792)	(2,678,448)	(3,243,850)	(3,584,368)	(1,454,483)	(18,167,779)
Ending Cash Balance		9,864,381	7,474,013	5,291,221	8,612,773	5,368,923	1,784,555	330,072	(5,669,928)
DIP DRAW	[30]	-	-	6,000,000	-	-	-	-	6,000,000
Ending cash after DIP		9,864,381	7,474,013	11,291,221	8,612,773	5,368,923	1,784,555	330,072	330,072

This budget excludes all cost of disposal of the ASB Solids. Discussion with NS Gov have them taking over the responsibility of this process

All figures in Canadian dollars

All figures in Canadian dollars	Month	April 2021	May 2021	June 2021	July 2021	August 2021	September 2021	October 2021	Forecast Total
Beginning Cash	Ref	811,068	710,484	3,346,895	2,642,577	1,972,163	1,322,813	673,462	811,068
Operating Disbursements									
Pension Funding		-	-	560,453	560,453	560,453	560,453	560,453	2,802,267
Severance and Salary Continuation		100,584	113,589	143,865	109,960	88,897	88,897	88,897	734,689
Total Operating Disbursements		100,584	113,589	704,318	670,414	649,350	649,350	649,350	3,536,956
NET OPERATING CASH FLOW		(100,584)	(113,589)	(704,318)	(670,414)	(649,350)	(649,350)	(649,350)	(3,536,956)
Restructuring Disbursements									
DIP Lender cost									
- Interest		-	-	-	-	-	-	-	-
- Fees		-	-	-	-	-	-	-	-
Total Restructuring Disbursements		-	-	-	-	-	-	-	-
NET WEEKLY CASH FLOW		(100,584)	(113,589)	(704,318)	(670,414)	(649,350)	(649,350)	(649,350)	(3,536,956)
Ending Cash Balance		710,484	596,895	2,642,577	1,972,163	1,322,813	673,462	24,112	(2,725,888)
DIP DRAW			2,750,000	-	-	-	-	-	2,750,000
Ending cash after DIP		710,484	3,346,895	2,642,577	1,972,163	1,322,813	673,462	24,112	24,112

	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Woodlands Operations Earnings (Income)	\$347,171	-\$281,113	-\$40,131	-\$224,977	\$22,956	\$243,282	-\$343,650	-\$234,794	-\$14,976	-\$233,958	\$109,883	-\$248,108	\$146,885	\$8,409	-\$383,064
Operations & Maintenance	\$195,500	\$232,300	\$385,250	\$385,250	\$385,250	\$385,250	\$97,750	\$103,500	\$138,000	\$86,250	\$86,250	\$86,250	\$109,250	\$97,750	\$97,750
Waste Water Operations Costs	\$799,825	\$623,128	\$199,468	\$124,258	\$549,700	\$118,450	\$132,308	\$485,875	\$126,500	\$132,480	\$123,625	\$681,375	\$687,183	\$523,250	\$129,433
BH Decommission Costs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Environmental Assessment Costs	\$0	\$774,496	\$875,696	\$1,191,946	\$1,577,771	\$1,815,275	\$904,475	\$600,875	\$506,000	\$537,625	\$379,500	\$569,250	\$0	\$0	\$0
Payroll & HR	\$244,527	\$216,338	\$197,951	\$367,947	\$177,618	\$177,618	\$183,943	\$194,618	\$193,017	\$473,940	\$181,643	\$175,893	\$181,643	\$175,893	\$246,106
Insurance, Taxes and Finance costs	\$369,698	\$201,598	\$205,448	\$597,283	\$297,283	\$597,283	\$361,448	\$193,948	\$193,948	\$193,948	\$193,948	\$199,698	\$361,448	\$194,698	\$899,698
Restructuring Professional Fees	\$281,750	\$253,000	\$253,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$172,500	\$172,500	\$172,500	\$172,500	\$172,500	\$172,500
Professional Fees	\$345,000	\$419,750	\$419,750	\$411,125	\$323,150	\$323,150	\$323,150	\$323,150	\$323,150	\$323,150	\$323,150	\$323,150	\$323,150	\$323,150	\$323,150
	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Environmental Protection															
Hibernation Costs *	\$440,027	\$448,638	\$583,201	\$753,197	\$562,868	\$562,868	\$281,693	\$298,118	\$331,017	\$560,190	\$267,893	\$262,143	\$290,893	\$273,643	\$343,856
Environmental Protection & Compliance	\$799,825	\$623,128	\$199,468	\$124,258	\$549,700	\$118,450	\$132,308	\$485,875	\$126,500	\$132,480	\$123,625	\$681,375	\$687,183	\$523,250	\$129,433
Environmental Assessment	\$0	\$774,496	\$875,696	\$1,191,946	\$1,577,771	\$1,815,275	\$904,475	\$600,875	\$506,000	\$537,625	\$379,500	\$569,250	\$0	\$0	\$0
Environmental Assessment Professional Co:	\$320,000	\$394,750	\$394,750	\$386,125	\$298,150	\$298,150	\$298,150	\$298,150	\$298,150	\$298,150	\$298,150	\$298,150	\$298,150	\$298,150	\$298,150
Sub-total	\$1,559,852	\$2,241,012	\$2,053,115	\$2,455,526	\$2,988,489	\$2,794,743	\$1,616,625	\$1,683,018	\$1,261,667	\$1,528,445	\$1,069,168	\$1,810,918	\$1,276,225	\$1,095,043	\$771,439
DIP Professional Fees	\$281,750	\$253,000	\$253,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000	\$172,500	\$172,500	\$172,500	\$172,500	\$172,500	\$172,500
Other Professional Fees	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Other (Woodlands (Income) & Misc Operati	\$716,868	-\$79,515	\$165,317	\$372,305	\$320,239	\$840,565	\$17,797	-\$40,847	\$178,972	-\$40,010	\$303,831	-\$48,411	\$508,333	\$203,106	\$516,633
Fees Arranger and the Lenders pursuant			\$5,000												
Total Monthly Costs	\$2,583,470	\$2,439,497	\$2,501,432	\$3,082,831	\$3,563,727	\$3,890,307	\$1,889,422	\$1,897,171	\$1,695,639	\$1,685,934	\$1,570,498	\$1,960,007	\$1,982,058	\$1,495,649	\$1,485,572
Cumulative Costs	\$2,583,470	\$5,022,967	\$7,524,399	\$10,607,229	\$14,170,957	\$18,061,264	\$19,950,687	\$21,847,857	\$23,543,496	\$25,229,431	\$26,799,929	\$28,759,936	\$30,741,994	\$32,237,642	\$33,723,214
DIP Interest Payments															
DIP Value	\$15,698,283	\$15,698,283	\$16,093,966	\$16,093,966	\$22,093,966	\$22,650,855	\$22,650,855	\$22,650,855	\$29,373,014	\$29,373,014	\$29,373,014	\$30,113,375	\$36,113,375	\$36,113,375	\$37,023,629
DIP Borrowed	\$0	\$0	\$0	\$6,000,000	\$0	\$0	\$0	\$6,000,000	\$0	\$0	\$0	\$6,000,000	\$0		\$639,439
DIP Fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,883,153
Interest	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$314,478
Standby fee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,883,153
Beg Cash	\$12,497,851	\$9,864,381	\$7,474,013	\$11,291,221	\$14,612,773	\$5,368,923	\$1,784,555	\$6,330,072	\$4,432,901	\$2,737,262	\$1,051,328	\$5,480,829	\$3,520,822	\$1,538,764	\$682,555
Ending Cash	\$9,864,381	\$7,474,013	\$11,291,221	\$8,612,773	\$5,368,923	\$1,784,555	\$330,072	\$4,432,901	\$2,737,262	\$1,051,328	-\$519,171	\$3,520,822	\$1,538,764	\$43,116	-\$803,017
This budget excludes all cost of disposal of the ASB Solids. Discussion with NS Gov have them taking over the responsibility of this process															

FINAL DIP BALANCE
\$41,743,854

Activity	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Woodlands Operations	\$347,170.53	-\$281,112.65	-\$40,130.59	-\$224,977.24	\$22,956.05	\$243,282.03	-\$343,650.16	-\$234,794.13	-\$14,975.61	-\$233,957.84	\$109,883.21	-\$248,108.39	\$146,885.44	\$8,408.71	-\$383,064.48
Operations & Maintenance	\$195,500.00	\$232,300.00	\$385,250.00	\$ 385,250.00	\$ 385,250.00	\$ 385,250.00	\$ 97,750.00	\$ 103,500.00	\$ 138,000.00	\$86,250.00	\$86,250.00	\$86,250.00	\$109,250.00	\$97,750.00	\$97,750.00
Finance	\$344,397.50	\$176,297.50	\$180,147.50	\$571,982.50	\$271,982.50	\$571,982.50	\$336,147.50	\$168,647.50	\$168,647.50	\$168,647.50	\$168,647.50	\$174,397.50	\$336,147.50	\$169,397.50	\$874,397.50
Admin	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00	\$25,300.00
Professional Fees	\$626,750.00	\$672,750.00	\$672,750.00	\$641,125.00	\$553,150.00	\$553,150.00	\$553,150.00	\$553,150.00	\$553,150.00	\$495,650.00	\$495,650.00	\$495,650.00	\$495,650.00	\$495,650.00	\$495,650.00
Total Operations Cost	\$1,539,118.03	\$825,534.85	\$1,223,316.91	\$1,398,680.26	\$1,258,638.55	\$1,778,964.53	\$668,697.34	\$615,803.37	\$870,121.89	\$541,889.66	\$885,730.71	\$533,489.11	\$1,113,232.94	\$796,506.21	\$1,110,033.02
Environmental Assessment	\$ -	\$ 774,496.25	\$ 875,696.25	\$ 1,191,946.25	\$ 1,577,771.25	\$ 1,815,275.00	\$ 904,475.00	\$ 600,875.00	\$ 506,000.00	\$ 537,625.00	\$ 379,500.00	\$ 569,250.00	\$ -	\$ -	\$ -
Environmental Cleanup and Ongoing BH & Treatment costs	\$ 799,825.00	\$ 623,127.50	\$ 199,467.50	\$ 124,257.50	\$ 549,700.00	\$ 118,450.00	\$ 132,307.50	\$ 485,875.00	\$ 126,500.00	\$ 132,480.00	\$ 123,625.00	\$ 681,375.00	\$ 687,182.50	\$ 523,250.00	\$ 129,432.50
Total Environment Cost	\$799,825.00	\$1,397,623.75	\$1,075,163.75	\$1,316,203.75	\$2,127,471.25	\$1,933,725.00	\$1,036,782.50	\$1,086,750.00	\$632,500.00	\$670,105.00	\$503,125.00	\$1,250,625.00	\$687,182.50	\$523,250.00	\$129,432.50
Payroll & HR	\$ 244,527.14	\$ 216,338.00	\$ 197,951.10	\$ 367,946.96	\$ 177,617.62	\$ 177,617.62	\$ 183,942.62	\$ 194,617.62	\$ 193,016.65	\$ 473,939.82	\$ 181,642.62	\$ 175,892.62	\$ 181,642.62	\$ 175,892.62	\$ 246,106.03
Total Payroll Cost	\$244,527.14	\$216,338.00	\$197,951.10	\$367,946.96	\$177,617.62	\$177,617.62	\$183,942.62	\$194,617.62	\$193,016.65	\$473,939.82	\$181,642.62	\$175,892.62	\$181,642.62	\$175,892.62	\$246,106.03
Financing of DIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Total DIP	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

	\$2,583,470.17	\$2,439,496.60	\$2,496,431.75	\$3,082,830.97	\$3,563,727.41	\$3,890,307.15	\$1,889,422.46	\$1,897,170.99	\$1,695,638.54	\$1,685,934.48	\$1,570,498.33	\$1,960,006.73	\$1,982,058.06	\$1,495,648.82	\$1,485,571.55
Cumulative Costing	\$2,583,470.17	\$5,022,966.78	\$7,519,398.53	\$10,602,229.50	\$14,165,956.91	\$18,056,264.05	\$19,945,686.51	\$21,842,857.50	\$23,538,496.03	\$25,224,430.52	\$26,794,928.85	\$28,754,935.58	\$30,736,993.64	\$32,232,642.46	\$33,718,214.01

Activity	Reason for Activity	Vendor	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Northern Pulp Woodlands																	
Stumpage Revenue			\$0.00	-\$387,957.71	-\$387,957.71	-\$380,639.71	-\$380,672.75	-\$380,705.79	-\$347,207.71	-\$347,207.71	-\$347,207.71	-\$333,850.00	-\$333,850.00	-\$333,850.00		-\$333,850.00	-\$333,850.00
Road Expense Rebate			\$0.00	\$0.00	\$0.00	\$0.00	-\$25,000.00	-\$25,000.00	-\$25,000.00	\$0.00	\$0.00	-\$27,272.73	-\$27,272.73	-\$27,272.73	-\$27,272.73	-\$27,272.73	-\$110,606.06
Silviculture Rebate			-\$75,000.00	\$0.00	\$0.00	-\$170,000.00	\$0.00	\$0.00	-\$275,000.00	\$0.00	-\$100,000.00	\$0.00	-\$99,431.00	\$0.00	\$0.00	-\$99,431.00	\$0.00
Contract Services Revenue			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$15,000.00	-\$15,000.00	-\$15,000.00	-\$15,000.00	-\$15,000.00	\$0.00
Pulpwood Sale Revenue			\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Salary & Wages		Employees	\$ 75,923.00	\$ 75,923.00	\$ 79,588.93	\$ 79,022.81	\$ 79,022.81	\$ 84,359.94	\$ 84,359.94	\$ 84,359.94	\$ 84,359.94	\$ 84,359.94	\$ 84,359.94	\$ 84,359.94	\$ 84,359.94	\$ 85,982.45	\$ 85,982.45
Crown Stumpage	Maintain Crown License	Department of Lands & Forestry	\$ -	\$ -	\$ 275,000.00	\$ -	\$ -	\$ 275,000.00	\$ -	\$ -	\$ 275,000.00		\$ 435,861.82			\$ 435,861.82	
Road construction	Maintain roads/block access	Various	\$ -	\$ 55,000.00	\$ 130,000.00	\$ 152,000.00	\$ 162,000.00	\$ 147,000.00	\$ 90,000.00	\$ -	\$ -	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ -	\$ 103,000.00	\$ 131,000.00
Silviculture	Improve forest land	Various	\$ 37,000.00	\$ 35,000.00	\$ 50,000.00	\$ 188,000.00	\$ 50,000.00	\$ 50,000.00	\$ 268,750.00	\$ -	\$ 77,500.00	\$ -	\$ -	\$ -	\$ -	\$ 41,666.67	\$ 41,666.67
SFI Certification	Maintain certification	SFI Forestry	\$ 2,550.00	\$ -	\$ -	\$ 3,600.00	\$ -	\$ -	\$ -	\$ 3,600.00	\$ -						
SFI Audit	Required for certification		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,000.00	\$ -	\$ -						
Mileage	Employee Mileage	Employees	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 11,859.38	\$ 11,859.38	\$ 11,859.38	\$ 11,859.38	\$ 11,859.38	\$ 11,859.38
ESRI			\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,850.00	\$ -	\$ -	\$ -		\$ 21,850.00				
Remsoft			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,600.00					
LIMS			\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Drone Deploy	On the ground planning tool	Drone Deploy	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -	\$ -						
NS Gov't Fees	Licences, renewals, permits	NS Govt	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00						
Satellite Imagery	Capture harvest block area	Spot LLC	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00	\$ 160.00						\$ 5,000.00
Property Online	Property Information	NS Government	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00	\$ 115.00
Satellite Imagery	Capture harvest block area	Sentinel Hub	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000.00	\$ -	\$ -						
Cell			\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00
Land Line and Internet			\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
ATV/Snowmobile	Maintenance/Repairs	Adventure Motors/Others	\$ -	\$ -	\$ 500.00	\$ -	\$ -	\$ -	\$ -	\$ 500.00	\$ -	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
Veeam Backups			\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,500.00	\$ -	\$ -	\$ -						
vmWare			\$ -	\$ -	\$ -	\$ -	\$ 2,010.00	\$ -	\$ -	\$ -	\$ -						
Next Cloud			\$ -	\$ -	\$ -	\$ -	\$ 800.00	\$ -	\$ -	\$ -	\$ -						
Dameware			\$ -	\$ -	\$ -	\$ -	\$ 150.00	\$ -	\$ -	\$ -	\$ -						
IT-ONX Renewal Contract(Nov-Oct)			\$ -	\$ -	\$ -	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -						

Membership	Stakeholder Engagement	Forest NS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
Membership	Stakeholder Engagement	CWF	\$ -	\$ 10,000.00	\$ 15,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
Legal Fees	Contracts, forestry issues	Various	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 6,646.90	\$ 6,646.90	\$ 6,646.90	\$ 6,646.90	\$ 6,646.90	\$ 6,646.90
RPF Dues	Employee Professional fees	RPF Association of NS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -						
Office Supplies		Various	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67	\$ 1,666.67
AON (UAV Liability)(Aeronautic Act or Transport Act) (Jan-Dec)			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 595.00	\$ -	\$ -	\$ 595.00					
SAP	Accounting		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
IT Support	Server maintenance & operations		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
	NPNS Woodlands Expense (Income)		\$60,873.00	-\$191,634.71	\$182,531.23	-\$92,616.89	-\$91,289.93	\$201,999.16	-\$154,697.76	-\$238,347.76	\$10,052.24	-\$253,229.84	\$97,855.98	-\$260,424.84	\$69,425.16	\$218,295.16	-\$153,469.00
Northern Pulp Nursery																	
Seedling Sales			\$0.00	-\$181,505.05	-\$363,010.10	-\$181,505.05	\$0.00	\$0.00	-\$221,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$416,250.00	-\$416,250.00
Wages & Benefits			\$ 39,684.70	\$ 63,305.11	\$ 83,744.62	\$ 44,597.70	\$ 27,429.84	\$ 40,005.20	\$ 18,409.42	\$ 16,981.63	\$ 4,550.15	\$ 14,515.00	\$ 15,871.00	\$ 15,871.00	\$ 24,819.00	\$ 50,200.00	\$ 94,756.00
Mileage & Travel			\$ 600.00	\$ 700.00	\$ 700.00	\$ 600.00	\$ 600.00	\$ 700.00	\$ 600.00	\$ 600.00	\$ 600.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 1,150.00
Electricity & Fuel			\$ 7,400.00	\$ 6,600.00	\$ 5,350.00	\$ 3,200.00	\$ 1,400.00	\$ 2,250.00	\$ 1,000.00	\$ 2,250.00	\$ 1,600.00	\$ 2,700.00	\$ 813.24	\$ 964.55	\$ 1,900.00	\$ 8,600.00	\$ 5,700.00
General Operating			\$ 20,978.55	\$ 3,922.00	\$ 3,222.00	\$ 1,547.00	\$ 2,622.00	\$ 2,172.00	\$ 3,547.00	\$ 16,222.00	\$ 722.00	\$ 722.00	\$ 263.98	\$ 401.89	\$ 2,922.00	\$ 19,978.55	\$ 1,722.00
Maintenance			\$ 11,400.00	\$ -	\$ -	\$ -	\$ 6,000.00	\$ 4,000.00	\$ 1,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 6,350.00	\$ 200.00
Seedling Costs			\$ 192,750.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 250.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 160,400.00	\$ -
Truck lease			\$ -	\$ 17,500.00	\$ 17,500.00	\$ 1,700.00	\$ -	\$ 8,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,500.00
Property tax			\$ -	\$ -	\$ -	\$ -	\$ 10,020.00	\$ -	\$ -	\$ -	\$ -	\$ 835.00	\$ 829.01	\$ 829.01	\$ 835.00	\$ 835.00	\$ 835.00
	NPNS Nursery Expense (Income)		\$272,813.25	-\$89,477.94	-\$252,493.48	-\$129,860.35	\$48,071.84	\$59,627.20	-\$195,693.58	\$36,053.63	\$7,472.15	\$19,272.00	\$18,277.23	\$18,566.45	\$33,976.00	-\$168,886.45	-\$301,387.00
Northern Timber																	
NT Camp Leases												\$0.00	-\$6,250.00	-\$6,250.00	\$0.00	\$0.00	\$0.00
NT Windmills & Tower Sites			-\$30,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$35,000.00	-\$10,000.00
NT Mineral Exploration			\$0.00	\$0.00	\$0.00	-\$2,500.00	-\$2,500.00	-\$27,500.00	-\$32,500.00	-\$32,500.00	-\$32,500.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	-\$10,714.29
NT Rock Quarries												\$0.00	\$0.00	\$0.00	\$0.00	-\$6,000.00	-\$6,000.00
Property Tax		HRM	\$ 39,202.02						\$ 39,241.18						\$ 39,202.02		
Property Tax		East Hants	\$ 4,282.26						\$ 4,283.05						\$ 4,282.26		
Property Tax		Pictou			\$ 4,876.53				\$ 4,872.62								\$ 4,876.53
Property Tax		Cumberland			\$ 17,657.91												\$ 17,657.91
Property Tax		St. Mary's			\$ 7,297.22												\$ 7,297.22
Property Tax		Colchester					\$ 68,674.14										\$ 68,674.14
	NTNS Operations Expense (Income)		\$13,484.28	\$0.00	\$29,831.66	-\$2,500.00	\$66,174.14	-\$18,344.33	\$6,741.18	-\$32,500.00	-\$32,500.00	\$0.00	-\$6,250.00	-\$6,250.00	\$43,484.28	-\$41,000.00	\$71,791.51
Total Woodlands (Income)			-\$105,000.00	-\$569,462.76	-\$750,967.81	-\$734,644.76	-\$408,172.75	-\$433,205.79	-\$900,707.71	-\$379,707.71	-\$479,707.71	-\$376,122.73	-\$481,803.73	-\$382,372.73	-\$42,272.73	-\$932,803.73	-\$887,420.35
Total Woodlands Expense			\$452,170.53	\$288,350.11	\$710,837.21	\$509,667.51	\$431,128.79	\$676,487.81	\$557,057.54	\$144,913.57	\$464,732.09	\$142,164.89	\$591,686.94	\$134,264.34	\$189,158.17	\$941,212.43	\$504,355.87
Total Woodlands Expense (Income)			\$347,170.53	-\$281,112.65	-\$40,130.59	-\$224,977.24	\$22,956.05	\$243,282.03	-\$343,650.16	-\$234,794.13	-\$14,975.61	-\$233,957.84	\$109,883.21	-\$248,108.39	\$146,885.44	\$8,408.71	-\$383,064.48
Excludes																	
Loan Payments		Government of Nova Scotia	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34	\$ 428,291.34
			\$775,461.87	\$147,178.69	\$388,160.75	\$203,314.10	\$451,247.39	\$671,573.37	\$84,641.18	\$193,497.21	\$413,315.73	\$194,333.50	\$538,174.55	\$180,182.95	\$575,176.78	\$436,700.05	\$45,226.86

Activity	Reason for Activity	Vendor	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Industrial Cleaning	Balance of tank cleaning and Wood Yard vacuum truck work	Various	\$ 25,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000				\$ 20,000	\$ 10,000	\$ 10,000
Snow Clearing		Blaine MacLaine	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Buy Electricity	Leachate pumps, office heating and lights, etc. - Trend is \$21,000 / Week - Includes BHETF Costs	NS Power	\$ 68,000	\$ 68,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000	\$ 51,000
Hibernation of Boilers	4 skids per month - Winter has more cost to Delivery and Unloading	Air Liquide	\$ 10,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000
Manlift and Elevator Monthly inspections		TBD	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Roof scupper installation	Assume we will install scuppers on main mill building only	TBD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Landfill Capping	Adding Capping to Areas that Settle and Hydroseeding and fixing up areas after Winter	TBD	\$ 25,000	\$ 50,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ 25,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Maintenance Costs	\$10,000 for other	TBD	\$ 25,000	\$ 60,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Washrooms		Alantra	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000	\$ 6,000
Operations Costs			\$ 170,000.00	\$ 202,000.00	\$ 335,000.00	\$ 335,000.00	\$ 335,000.00	\$ 335,000.00	\$ 85,000.00	\$ 90,000.00	\$ 120,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 95,000.00	\$ 85,000.00	\$ 85,000.00
	Cash Cost (incl HST)		\$ 195,500.00	\$ 232,300.00	\$ 385,250.00	\$ 385,250.00	\$ 385,250.00	\$ 385,250.00	\$ 97,750.00	\$ 103,500.00	\$ 138,000.00	\$ 86,250.00	\$ 86,250.00	\$ 86,250.00	\$ 109,250.00	\$ 97,750.00	\$ 97,750.00

Activity	Reason for Activity	Vendor	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Washroom Facility	No black water discharge allowed	XX	\$ 6,000.00	\$ 6,000.00													
GW / SW Testing - Mill Site	As required by Ministerial Order	Dillon	\$ 5,050.00			\$ 5,050.00			\$ 5,050.00			\$ 5,050.00			\$ 5,050.00		\$ 5,050.00
GW / SW Testing - BHETF Site	As required by Ministerial Order	Dillon		\$ 4,900.00													
GHG Audit for 2020	Required by NSE	Pricewaterhouse Cooper															
Effluent Testing	As required by Ministerial Order	Bureau Veritas Lab	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Ambient Air Maintenance/Calibration	As required by Ministerial Order	Ferro Environmental	\$ 1,450.00	\$ 450.00	\$ 1,450.00							\$ 2,650.00					
Toxicity Testing	As required by Ministerial Order	Harris Industrial	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00												
Monitor/Test Effluent at Point's C & D	As required by Ministerial Order	BHETF	\$ 1,000.00	\$ 1,000.00													
Assessment of Effluent Sludges	As required by Ministerial Order		\$ 15,000.00														
Ditching around Canso	Waste Water Treatment						\$ 375,000.00										
Removal of Remaining Chemicals	As required by Ministerial Order				\$ 25,000.00												
Waste Water Treatment			\$ 660,000.00	\$ 522,500.00	\$ 140,000.00	\$ 98,000.00	\$ 98,000.00	\$ 98,000.00	\$ 105,000.00	\$ 417,500.00	\$ 105,000.00	\$ 105,000.00	\$ 105,000.00	\$ 590,000.00	\$ 590,000.00	\$ 452,500.00	\$ 105,000.00
Environmental Insurance	As required by Ministerial Order																
Mill Waste Water Operations Costs			\$ 695,500.00	\$ 541,850.00	\$ 173,450.00	\$ 108,050.00	\$ 478,000.00	\$ 103,000.00	\$ 115,050.00	\$ 422,500.00	\$ 110,000.00	\$ 115,200.00	\$ 107,500.00	\$ 592,500.00	\$ 597,550.00	\$ 455,000.00	\$ 112,550.00
	Cash Cost (incl HST)		\$ 799,825.00	\$ 623,127.50	\$ 199,467.50	\$ 124,257.50	\$ 549,700.00	\$ 118,450.00	\$ 132,307.50	\$ 485,875.00	\$ 126,500.00	\$ 132,480.00	\$ 123,625.00	\$ 681,375.00	\$ 687,182.50	\$ 523,250.00	\$ 129,432.50
DECOMMISSIONING																	
Clean/Decommission North Settling Pond	As required by Ministerial Order	Blaine MacLane															
Clean/Decommission South Settling Pond	As required by Ministerial Order	Blaine MacLane															
Clean/Decommission Open Ditches	As required by Ministerial Order	Blaine MacLane															
Sludge Survey of Lagoon (ASB)	To determine sludge quantity																
Clean/Decommission Lagoon (ASB)	As required by Ministerial Order																
BH Decommission Costs			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Cash Cost (incl HST)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Environmental Assessment																	
Marine Geotech	EA Process	CSR Geotech					\$ 300,000.00	\$ 250,000.00									
Marine Ice Scour	EA Process	CSR Geotech												\$ 150,000.00			
Marine Pipeline Design	EA Process	Makai						\$ 300,000.00									
Land based Pipeline Design	EA Process	Wood				\$ 50,000.00	\$ 50,000.00										
Receiving Water Study (RWS)	EA Process	Stantec		\$ 50,000.00	\$ 75,000.00	\$ 75,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00			\$ 25,000.00					
Baseline Marine Conditions	EA Process	Stantec	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00								
Effluent Characterization	EA Process	Stantec				\$ 50,000.00	\$ 50,000.00										
Air Dispersion Modelling	EA Process	Stantec					\$ 50,000.00	\$ 50,000.00									
Baseline Fish Tissue Testing	EA Process	EcoMetrix	\$ 100,000.00	\$ 125,000.00	\$ 125,000.00	\$ 100,000.00	\$ 100,000.00	\$ 50,000.00									
Baseline Phytoplankton/Zooplankton	EA Process	EcoMetrix	\$ 22,250.00	\$ 22,250.00	\$ 22,250.00	\$ 22,250.00	\$ 10,000.00										
Baseline Benthic and Sediment	EA Process	EcoMetrix						\$ 100,000.00	\$ 100,000.00								
Toxicity Testing on Key Marine Species	EA Process	Toxicity Testing				\$ 100,000.00	\$ 100,000.00	\$ 100,000.00									
Wetland Studies	EA Process	Dillon		\$ 25,000.00													
Flora/Fauna Studies	EA Process	Dillon		\$ 50,000.00		\$ 50,000.00		\$ 50,000.00									
ETF Detailed Design Engineering	EA Process	KSH Engineering	\$ 100,000.00	\$ 200,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00	\$ 300,000.00			
PLFN Country Food Survey	EA Process	TBD		\$ 15,000.00													
HHRA	EA Process	EcoMetrix					\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00							
GW/SW Testing	EA Process	Dillon			\$ 20,000.00	\$ 20,000.00			\$ 40,000.00								
Report Writing	EA Process	TBD		\$ 150,000.00	\$ 150,000.00	\$ 100,000.00	\$ 100,000.00	\$ 50,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00					
Contingency - 10%	EA Process		\$ -	\$ 61,225.00	\$ 69,225.00	\$ 94,225.00	\$ 124,725.00	\$ 143,500.00	\$ 71,500.00	\$ 47,500.00	\$ 40,000.00	\$ 42,500.00	\$ 30,000.00	\$ 45,000.00	\$ -	\$ -	\$ -
Environmental Assessment Costs			\$ -	\$ 673,475.00	\$ 761,475.00	\$ 1,036,475.00	\$ 1,371,975.00	\$ 1,578,500.00	\$ 786,500.00	\$ 522,500.00	\$ 440,000.00	\$ 467,500.00	\$ 330,000.00	\$ 495,000.00	\$ -	\$ -	\$ -
	Cash Cost (incl HST)		\$ -	\$ 774,496.25	\$ 875,696.25	\$ 1,191,946.25	\$ 1,577,771.25	\$ 1,815,275.00	\$ 904,475.00	\$ 600,875.00	\$ 506,000.00	\$ 537,625.00	\$ 379,500.00	\$ 569,250.00	\$ -	\$ -	\$ -

BHTP ASSUMPTIONS:

This budget excludes all cost of disposal of the ASB Solids. Discussion with NS Gov have them taking over the responsibility of this process

Activity		Reason for Activity	Vendor	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Security	keep property secure		Maritech	\$ 17,200.00	\$ 17,200.00	\$ 17,200.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00	\$ 17,000.00
Janitorial	keep premises cleaned		Maritech	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
training	Professional development and regulatory		TBD	\$ 3,000.00	\$ 3,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Pension	Actuary support for pension plans		Willis Towers Watson	\$ 10,000.00		\$ 5,000.00		\$ -		\$ 5,000.00		\$ 5,000.00		\$ 5,000.00		\$ 5,000.00		\$ 5,000.00
Legal Fees	Human Rights Complaint		McInnes Cooper		\$ 8,000.00	\$ 8,000.00												
Misc expense				\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Memberships & Dues	Keep Designations		TBD			\$ 4,500.00												
Events	Employee Moral and appreciation		TBD			\$ 500.00				\$ 500.00		\$ 500.00						
Food Purchases	Water/coffee/Meals		TBD	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Travel	meetings at Head office																	
HR Operations Costs				\$ 36,700.00	\$ 34,700.00	\$ 42,700.00	\$ 24,500.00	\$ 24,500.00	\$ 24,500.00	\$ 30,000.00	\$ 24,500.00	\$ 30,000.00	\$ 23,000.00	\$ 28,000.00	\$ 23,000.00	\$ 28,000.00	\$ 23,000.00	\$ 28,000.00
	Cash Cost (incl HST)			\$ 42,205.00	\$ 39,905.00	\$ 49,105.00	\$ 28,175.00	\$ 28,175.00	\$ 28,175.00	\$ 34,500.00	\$ 28,175.00	\$ 34,500.00	\$ 26,450.00	\$ 32,200.00	\$ 26,450.00	\$ 32,200.00	\$ 26,450.00	\$ 32,200.00
				\$ 70,552.50	\$ 75,152.50	\$ 88,952.50	\$ 59,857.50	\$ 59,857.50	\$ 59,857.50	\$ 62,847.50	\$ 56,522.50	\$ 62,847.50	\$ 54,797.50	\$ 60,547.50	\$ 60,547.50	\$ 60,547.50	\$ 54,797.50	\$ 66,297.50
Salary Payroll	Maintenance of Operational Strategy			\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69	\$ 81,798.69
BH Salary Payroll	Maintenance of Operational Strategy			\$ 14,440.00	\$ 14,440.00													
Salary EA Comm	Maintenance of Operational Strategy			\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34	\$ 40,899.34
Hourly Payroll	Maintenance of Operational Strategy			\$ 57,184.11	\$ 31,294.96	\$ 18,148.06	\$ 27,222.10	\$ 18,148.06	\$ 18,148.06	\$ 18,148.06	\$ 35,148.06	\$ 27,222.10	\$ 18,148.06	\$ 18,148.06	\$ 18,148.06	\$ 18,148.06	\$ 18,148.06	\$ 18,148.06
Hourly Severance	Hibernation Costs																	
Retiree pay																		
KERP							\$ 181,255.31						\$ 298,047.20					\$ 64,463.42
DB Pension	Maintenance of Operational Strategy																	
Benefits (Active)	Maintenance of Operational Strategy			\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52	\$ 8,596.52
Benefits (retire)	Maintenance of Operational Strategy																	
Payroll Costs				\$ 202,322.14	\$ 176,433.00	\$ 148,846.10	\$ 339,771.96	\$ 149,442.62	\$ 149,442.62	\$ 149,442.62	\$ 166,442.62	\$ 158,516.65	\$ 447,489.82	\$ 149,442.62	\$ 149,442.62	\$ 149,442.62	\$ 149,442.62	\$ 213,906.03
				\$ 202,322.14	\$ 176,433.00	\$ 148,846.10	\$ 339,771.96	\$ 149,442.62	\$ 149,442.62	\$ 149,442.62	\$ 166,442.62	\$ 158,516.65	\$ 447,489.82	\$ 149,442.62	\$ 149,442.62	\$ 149,442.62	\$ 149,442.62	\$ 213,906.03

Cash Flow Excludes:

DB Pension	Maintenance of Operational Strategy	TBD			\$ 560,453.40	\$ 560,453.40	\$ 560,453.40	\$ 560,453.40	\$ 560,453.40									
Salary Continuance	Maintenance of Operational Strategy	Financed Through PEC DIP	\$ 41,245.00	\$ 37,615.00	\$ 84,525.93	\$ 33,985.93	\$ 33,985.93	\$ 33,985.93	\$ 33,985.93	\$ 33,985.93	\$ 33,985.93	\$ 31,942.89	\$ 14,754.72	\$ 12,010.72	\$ 2,802.50			
Hourly Severance	Hibernation Costs	Financed Through PEC DIP	\$ 4,427.56	\$ 21,063.05	\$ 4,427.56	\$ 21,063.05												
Benefits (retire)	Maintenance of Operational Strategy	Financed Through PEC DIP	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00								
Retiree pay		Financed Through PEC DIP	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16	\$ 4,911.16
			\$ 100,583.72	\$ 113,589.21	\$ 143,864.65	\$ 109,960.14	\$ 88,897.09	\$ 88,897.09	\$ 88,897.09									

ASSUMPTIONS:

DB Pension payments funding based on Dec 31, 2019 valuation.

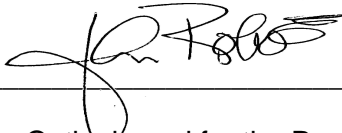
Activity	Reason for Activity	Vendor	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Insurance																	
SSQ Insurance (Travel Accident) (May to April)				\$ 750.00												\$ 750.00	
AON (Property) (Jun to Jun)					\$ -	\$ 400,000.00	\$ 100,000.00	\$ 400,000.00									\$ 700,000.00
			\$ -	\$ 750.00	\$ -	\$ 400,000.00	\$ 100,000.00	\$ 400,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 750.00	\$ 700,000.00
IT Costs																	
IT-Intele Software (Oct to Sept)through PEC - 1license			\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
365 Email from PEC			\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
Conference Lines			\$ 500.00	\$ 500.00	\$ 500.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Mill and BH Land Line and Internet			\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 2,800.00	\$ 2,800.00	\$ 2,800.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Radios				\$ 6,000.00		\$ 600.00	\$ 600.00	\$ 600.00									
Cell			\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00	\$ 750.00
			\$ 2,650.00	\$ 8,650.00	\$ 2,650.00	\$ 5,550.00	\$ 5,550.00	\$ 5,550.00	\$ 2,650.00	\$ 2,650.00	\$ 2,650.00	\$ 2,650.00	\$ 2,650.00	\$ 2,650.00	\$ 2,650.00	\$ 2,650.00	\$ 2,650.00
Audit																	
2019 Pension		GT															
2020		GT			\$ 10,000.00									\$ 5,000.00			\$ 5,000.00
			\$ -	\$ -	\$ 10,000.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00
PE Management Fee			\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00	\$ 144,000.00
Property Tax																	
Mill		Munc of Pictou	\$ 167,500.00						\$ 167,500.00						\$ 167,500.00		
Boat Harbour		Munc of Pictou	\$ 8,250.00														
			\$ 175,750.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,500.00	\$ -	\$ -
Finance Costs			\$ 322,400.00	\$ 153,400.00	\$ 156,650.00	\$ 549,550.00	\$ 249,550.00	\$ 549,550.00	\$ 314,150.00	\$ 146,650.00	\$ 146,650.00	\$ 146,650.00	\$ 146,650.00	\$ 151,650.00	\$ 314,150.00	\$ 147,400.00	\$ 851,650.00
	Cash Cost (incl HST)		\$ 344,397.50	\$ 176,297.50	\$ 180,147.50	\$ 571,982.50	\$ 271,982.50	\$ 571,982.50	\$ 336,147.50	\$ 168,647.50	\$ 168,647.50	\$ 168,647.50	\$ 168,647.50	\$ 174,397.50	\$ 336,147.50	\$ 169,397.50	\$ 874,397.50

Activity	Reason for Activity	Vendor	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22
Professional Fees	Legal	McInnes Cooper	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Professional Fees	Legal	Ernst & Young	\$ 120,000	\$ 120,000	\$ 120,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Professional Fees	Legal	Osler	\$ 10,000	\$ 10,000	\$ 10,000	\$ 2,500	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Professional Fees	Legal	McCarthy Tetrault	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Professional Fees	Legal	Merrick Jamieson	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Professional Fees	Legal	Stikeman Elliott	\$ 50,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Professional Fees	Legal	Pink Larkin	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Professional Fees	PR/GR	Environmental Assessment Communications Team	\$ 95,000	\$ 160,000	\$ 160,000	\$ 160,000	\$ 76,000	\$ 76,000	\$ 76,000	\$ 76,000	\$ 76,000	\$ 76,000	\$ 76,000	\$ 76,000	\$ 76,000	\$ 76,000	\$ 76,000
Professional Fees	Legal	Settlement Negotiations															
Professional Fees	Consulting	Benton Services	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Professional Fees	Consulting	Other	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Professional Fees			\$ 545,000.00	\$ 585,000.00	\$ 585,000.00	\$ 557,500.00	\$ 481,000.00	\$ 481,000.00	\$ 481,000.00	\$ 481,000.00	\$ 481,000.00	\$ 431,000.00	\$ 431,000.00	\$ 431,000.00	\$ 431,000.00	\$ 431,000.00	\$ 431,000.00
	Cash Cost (incl HST)		\$ 626,750.00	\$ 672,750.00	\$ 672,750.00	\$ 641,125.00	\$ 553,150.00	\$ 553,150.00	\$ 553,150.00	\$ 553,150.00	\$ 553,150.00	\$ 495,650.00	\$ 495,650.00	\$ 495,650.00	\$ 495,650.00	\$ 495,650.00	\$ 495,650.00
Other Administration Costs																	
Travel	Accommodations	Hotels	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Travel	Air	Air	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
Consultation	First Nation/Stakeholder																
Equipment Loans	Komatsu Finance																
Other Costs	Office Supplies, Leases, Postage etc	TBD	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
Admin Fees			\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00
	Cash Cost (incl HST)		\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00	\$ 25,300.00

Professional fees

These firms are for the CCAA Process.			\$ 281,750	\$ 253,000	\$ 253,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 230,000	\$ 172,500	\$ 172,500	\$ 172,500	\$ 172,500	\$ 172,500	\$ 172,500
			\$ 345,000	\$ 419,750	\$ 419,750	\$ 411,125	\$ 323,150	\$ 323,150	\$ 323,150	\$ 323,150	\$ 323,150	\$ 323,150	\$ 323,150	\$ 323,150	\$ 323,150	\$ 323,150	\$ 323,150

This is Exhibit "D" referred to in the Affidavit of
Bruce Chapman
sworn before me this 13th day of April, 2021.

A handwritten signature in black ink, appearing to read "J. R. Fols", is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Nova Scotia

Environmental Liaison Committee Mid-February Update

**Submitted to
Paper Excellence Canada and Northern Pulp Nova Scotia**

February 19, 2021

Contact:
EnvironmentalLiaison@Gmail.com

Environmental Liaison Committee

As part of its desire to re-start its Northern Pulp Nova Scotia (Northern Pulp) kraft pulp mill, Paper Excellence Canada (PE Canada) is seeking feedback and input from the community to better understand and formulate an operation and stakeholder engagement plan. An independent, community-based Environmental Liaison Committee (ELC) has been established to act as an advisory body for the company by providing input on existing or potential concerns and solutions.

In October 2020, the ELC, comprised of individuals from the local community with forestry, fishery, labour, environmental science, and business backgrounds, was formed to develop an understanding of the issues that led to the closure of Northern Pulp's kraft pulp mill.

The objectives of the ELC are to:

1. Attempt to identify, review and prioritize potential environmental, forestry, marine, and community engagement issues and solutions related to Northern Pulp's operations;
2. Consider Northern Pulp's commitment to build long-term, mutually beneficial relationships with stakeholders and rightsholders when proposing potential solutions related to Northern Pulp's operations;
3. Reach a consensus on the issues and potential solutions related to Northern Pulp's operations; and,
4. Present findings to Northern Pulp Nova Scotia for further action related to the company's operations.

The ELC consists of individuals with diverse backgrounds and views on Northern Pulp's operations throughout Nova Scotia, and at the mill site. The Committee members do not represent any stakeholder groups specifically and are volunteering their time as individuals. ELC members include:

- | | |
|-------------------------|------------------------------|
| • Mr. Marshall Bateman | • Mr. David MacMillan |
| • Mr. Stuart Beaton | • Mrs. Julia MacMillan |
| • Mr. John Boyd | • Mrs. Kathy McMullen |
| • Mr. John Carruthers | • Mr. David Parker |
| • Mr. Jack Fraser* | • Dr. Michael van den Heuvel |
| • Mr. Sandy MacDonald* | • Mr. Andy Thompson |
| • Mrs. Kim MacLaughlin* | • Mr. Kevin Thompson |

*Former Northern Pulp Nova Scotia employee

Meetings are being facilitated by Mr. Jol Hunter.

Work undertaken by the Environmental Liaison Committee

ELC members have met weekly since October 2020 to:

- Identify and discuss stakeholder and rightsholder issues and concerns with Northern Pulp's operations;
- Review alternatives to existing practices or previously proposed solutions; and,
- Identify opportunities that may lead to solutions for a modernized mill using best available technology, while following progressive forestry practices.

The ELC wants to ensure the concerns of stakeholders and rightsholders are clearly understood and addressed in Northern Pulp's potential proposed solutions and have been meeting with and reviewing input from the public.

An engineering firm with pulp and paper expertise has provided technical guidance and support to the ELC as it prepares an initial summary on potential solutions to address identified stakeholder and rightsholder concerns.

As of February 15, 2021, the ELC has undertaken 18 meetings, which included presentations by representatives of Nova Scotia Environment, Northern Pulp, Paper Excellence Canada, forestry groups and politicians. They have also reviewed written submissions received directly, reviewed comments Nova Scotia Environment received regarding Northern Pulp's Focus Report and Draft Terms of Reference for the Preparation of an Environment Assessment Report, and had informal discussions in the community.

The findings in this report reflect what the committee heard through these engagements and are mostly limited in scope to the committee's first two objectives:

1. To attempt to identify, review and prioritize potential environmental, forestry, marine, and community engagement issues and solutions related to Northern Pulp's operations.
2. Consider Northern Pulp's commitment to build long-term, mutually beneficial relationships with stakeholders and rightsholders when proposing potential solutions related to Northern Pulp's operations.

Going forward, the ELC will continue to reach out to individuals and groups who have previously expressed concerns about Northern Pulp's operations. Future reports will provide findings related to the committee's further objectives to reach a consensus on the issues and potential solutions related to Northern Pulp's operations; and present findings to Northern Pulp for consideration and further action related to the company's operations.

The ELC hopes its findings will be used to transform Northern Pulp's operations and strengthen the company's relationships within the communities in which it operates.

Preliminary Findings

The following is a summary of the Environmental Liaison Committee's (ELC) identification of key factors that contributed to Northern Pulp Nova Scotia's failure to obtain the necessary approvals to build a new effluent treatment facility (ETF), resulting in the mill's hibernation. The objective of this summary is to provide a starting point for addressing the issues in future operations.

The thoughts and ideas presented below are the result of ELC member discussions, meetings, interviews, and correspondence with representatives of Northern Pulp, the Government of Nova Scotia, and other stakeholders who have a vested interest in the mill's operations and proposed ETF. It should be noted that the ELC members recognize they may not have intimate or direct knowledge of the specific events that led to the hibernation of Northern Pulp. As such, the ideas presented below, represent the combined perspectives of Committee members after consultation with stakeholders and their own deliberations.

The factors identified below are current as of the report date and may change or expand as additional input is gathered from stakeholders.

The ELC has grouped all identified factors into six main areas:

1. Lack of Community Trust and Leadership
2. Effluent Treatment Facility
3. Odour
4. Air Quality
5. Forestry Practices
6. Community Involvement

1. Lack of Community Trust and Leadership

Some stakeholders and rightsholders do not trust Northern Pulp and PE Canada. This lack of trust on the part of some stakeholders and rightsholders resulted in a reluctance by some to even meet to have a conversation with the ELC. Many stakeholders feel there is a long history of pollution and an apparent lack of caring on the part of Northern Pulp and PE Canada.

Trust in the company through day-to-day operations of the mill and the Environmental Assessment (EA) process for the proposed ETF were brought forward as concerns from almost all stakeholders. The ELC has categorized the trust issue into the following topics:

- Leadership
- Stakeholder and Rightsholder Communication and Engagement
- Transparency and Confidence in the Data

Leadership

The ELC heard concerns from many stakeholders regarding the leadership at the mill. It was the view of stakeholders that leadership prioritized mill production over managing public issues and stakeholder concerns related to both mill operations and the stakeholder engagement process around the EA.

Possibly due to tight timing limitations within the EA process, the mill's management did not take the time to earn the trust of stakeholders—employees, forest contractors, sawmillers, private woodlot owners, community, retirees, government, etc.—and took for granted that traditional allies would continue to support the mill because of its significant economic impact and the region's dependence on its operations. Similarly, mill management was perceived to believe the mill was too important to fail. It was evident to stakeholders over the last number of years that managing its environmental performance (perceived or real) and maintaining a strong social license to operate were not as important to management as maintaining mill production.

In terms of the EA, stakeholders did not feel their concerns were being taken seriously and, in some cases, felt their concerns or criticisms were dismissed. Stakeholders feel that going forward PE Canada and Northern Pulp need to establish a talented team of professionals who can prepare and submit an EA that sincerely seeks and addresses stakeholder input and feedback.

Stakeholder and Rightsholder Communication and Engagement

The above-mentioned mill's management team's focus on operations and not on external relations, is believed by many stakeholders to have contributed to Northern Pulp's approach to stakeholder and rightsholder communication and engagement, and ultimately stakeholder and rightsholder distrust of the company.

Stakeholder communication and engagement should be a two-way process. Stakeholders did not feel that Northern Pulp took the time to truly consult or involve those impacted by their operations and the proposed solutions.

Additionally, the main overarching message that mill management presented stakeholders was an ultimatum—if you do not agree with our plan then we cannot operate—instead of addressing the questions, issues and concerns being raised.

Stakeholders felt that Northern Pulp remained too quiet during the final months of the EA process instead of engaging with stakeholders and providing facts and science to offset the emotion being expressed. This left stakeholders with the impression that Northern Pulp was not listening and responding to what was being presented to them by way of questions, comments and concerns.

Stakeholders also believe the mill's communications were overly focused on economic impact and lacked data and information related to environmental concerns and questions.

Lastly, Northern Pulp did not mobilize stakeholders who supported a safe and environmentally sound mill to communicate with government decision makers throughout the EA process. In the final months before the EA decision, the industry did mobilize to communicate their support of Northern Pulp, but the messaging was the same as the company's, focused on jobs and economic impact, and fell flat.

Stakeholders felt that long-term and consistent industry outreach to government that focused on forestry practices and the environment, in addition to economic impact, could have had a more positive impact.

The ELC acknowledges the importance of the relationship between the mill and its First Nations

rightsholder neighbour, specifically Pictou Landing First Nation. Their concerns have a far-reaching impact on many aspects of the mill's operations. The ELC will continue to encourage meetings and dialogue between the ELC and Pictou Landing First Nation to be held to build trust and better understand their concerns.

Transparency & Confidence in the Data

Both in relation to day-to-day operations at the mill as well as the EA process for the new ETF, stakeholders did not feel they had adequate data from Northern Pulp to properly understand the environmental impacts of the mill and/or the new ETF in relation to air emissions, effluent, water impacts, etc.

The company's lack of transparency around these issues as they related to day-to-day operations, combined with a perceived failure to provide timely and relevant information as requested by stakeholders through the EA process, further negatively impacted stakeholder perception. This increased distrust in both the operations of the mill and the potential impacts of the proposed ETF.

As a solution, some stakeholders have suggested that an independent third-party review confirm the validity of on-site testing, such as air emissions and water effluent, on a regular basis. This would show Northern Pulp is being transparent in its reporting and respects the desire of its host community to know what is happening.

2. Effluent Treatment Facility

Stakeholders echoed many of the same concerns that were expressed during the EA for Northern Pulp's proposed ETF. Many stakeholders continue to voice concerns around the environmental impact to fish habitat if the treated effluent is piped into the Northumberland Strait. Other stakeholders continue to be concerned about the potential impacts of the proposed pipeline going through the Town of Pictou's watershed. Overall stakeholders did not feel that concerns and questions raised around the proposed ETF were adequately addressed and want to ensure that any new proposal provides more information on the quality of the effluent.

It is not clear if it was the principle of having no treated effluent discharged into the Northumberland Strait, regardless of its composition, that caused the intense opposition. The combination of lack of trust in the company and/or the vagueness of the composition of the treated effluent created very high stakeholder concerns about discharge into the Strait. The concerns and feelings are quite acute and greater clarity should be sought to determine a possible harmonious path forward, if possible.

3. Odour

Many stakeholders expressed long time frustration with the constant odour caused by the operations of the mill and notice the absence of any foul odour since the mill was shut down. Stakeholders feel the constant odour impacts their enjoyment of their community and would look to Northern Pulp to find ways to eliminate odours that result from the day-to-day operations of the mill.

4. Air Quality

Although many stakeholders recognized improvements in Northern Pulp's air emissions, stakeholders expressed concerns around the air quality in the community due to emissions from mill operations and the lack of transparency that would allow citizens to know in real time the levels of emissions and their impacts on air quality in the local area.

Stakeholders expressed the desire for Northern Pulp to implement stronger air emissions targets and to provide better quality and real time information to the public should the mill restart.

5. Forestry Practices

Most stakeholders felt strongly that forestry in Nova Scotia must be done in accordance with best practices as outlined in the Lahey Report, and in a manner that foresters can make a living. Stakeholders expressed a desire for PE Canada and Northern Pulp to show leadership in supporting the full implementation of the Lahey Report and its sustainable forest practices. The ELC heard from some stakeholders who feel the Lahey Report cannot be effectively implemented without a kraft mill operating in Nova Scotia.

Further to Lahey implementation, some stakeholders would also like to see Northern Pulp take a public role in addressing negative perceptions of forestry practices within and outside their operations throughout Nova Scotia. It is believed by some that Northern Pulp's lack of involvement in the past resulted in many external parties, who may otherwise not have become part of the vocal opposition, wanting the mill closed due to its perceived negative impact on the forests of Nova Scotia. It will be important going forward for the mill to demonstrate its support for forestry across the province by helping educate Nova Scotians on the important forestry benefits of an operating mill.

6. Community Involvement

It is felt that Northern Pulp has not been living up to several of the values stated on PE Canada's website, specifically those related to building constructive relationships with stakeholders. There are many examples of this, including several listed above, but stakeholders are also concerned about retirees whose pension is underfunded and foresters who are suffering financial and other losses.

If PE Canada and Northern Pulp wish to restart the mill, stakeholders believe they will need to commit to being good corporate citizens. This means addressing the concerns listed above as well as committing to address the pension fund deficit and helping to provide an interim market solution. This will ensure forestry suppliers are available to the mill should it re-start after further environmental assessment, construction and commissioning activity.

A Vision of the Future (Preliminary)

It is clear from stakeholder input and discussions among ELC members that Northern Pulp must change its operations and practices if it is to reopen and satisfy various rightsholder and stakeholder concerns. While not a complete picture, the ELC has developed the following preliminary picture of a reimagined operation of the mill:

First Nations, including Pictou Landing First Nation

- In response to their requests as a condition to work with Northern Pulp going forward, withdraw the current Environmental Assessment and application to the Nova Scotia Supreme Court for judicial review of the December 17, 2019, decision by the Minister of Environment requiring a full environmental assessment report for the current design;
- Develop and implement a mutually agreed upon plan to build trust and undertake consultations on the path forward; and,
- Work together to identify partnership opportunities and synergies from mill operations that could support first nations economic development.

Mill Leadership

- Separate leadership functions between mill production and external relations (e.g., rightsholder and stakeholder engagement, environmental assessment);
- Develop mutually respectful relationships with elected and non-elected representatives at all levels of government; and,
- Act in a timely manner on matters and issues of importance to stakeholders and rightsholders.

Environment

- Ensure the effluent being discharged meets the highest environmental standards in the world;
- Ensure the effluent being discharged is similar in composition to the receiving water;
- Minimize the quantity of effluent released by better managing water usage;
- Remove odour from normal pulp mill operations;
- Implement real-time transparent disclosure of environmental effects;
- Retain an independent third-party to verify the environmental effects of mill operation; and,
- Establish a third-party certified Environmental Management System (ISO 14001) for the mill operations.

Forestry

- Implement the full Lahey Report recommendations on all Northern Pulp owned and managed land;
- Develop and implement a detailed plan for an interim solution to support the forestry supply chain through the Environmental Assessment and upgrades to Northern Pulp;
- Continue to support the recreational use of Northern Pulp owned and managed land;
- Where appropriate, designate lands of biological significance and uniqueness better suited to conservation and preservation; and
- Develop and maintain mutually beneficial business relationships with all its forestry suppliers.

Community

- Develop mutually beneficial and trusted relationships with the communities in which Northern Pulp operates; and
- Live Paper Excellence's espoused values with all stakeholders and rightsholders.

Operations

- Provide a safe and respectful environment for all employees, suppliers and stakeholders;
- Instill a culture of continuous improvement that produces an excellent product, is recognized by peers as a best-in-class environmental performer, a best-in-class employer, and provides a sustainable return on investment for its shareholders;
- Develop and maintain mutually beneficial business relationships with all its suppliers; and,
- As part of the transformation of mill operations and business operating principles, improve the visual appearance of the mill site.

Recommended Engineering Solutions

An engineering firm with pulp and paper expertise is developing recommendations for potential solutions to address the concerns identified by the ELC, stakeholders, and rightsholders, as outlined in this report. Among the preliminary conceptual solutions are:

- The conversion of the recovery boiler to a low odour configuration;
- The addition of a tertiary treatment system on the treated effluent;
- The update and third-party certification of the mill's environmental management system; and,
- Implementation of process changes, including replacement of the power boiler venturi scrubber with a wet electrostatic precipitator, to reduce the number of visible plumes emitting from the mill.

The ELC encourages PE Canada and Northern Pulp to further explore potential solutions, and to engage in two-way dialogue with stakeholders and rightsholders to determine if proposed solutions are suitable and viable options for transforming the mill.

Next Steps

ELC members believe there remains significant work to do to achieve the Mandate of the committee.

The ELC will continue to reach out to individuals and groups who have previously expressed concerns about Northern Pulp's operations. Over the next several months, the ELC will provide interim updates and make recommendations covering many aspects of Northern Pulp's operations from forestry practices through to community engagement.

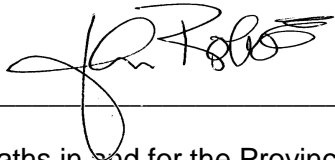
Acknowledgement

The Environmental Liaison Committee (ELC) would like to acknowledge and thank the stakeholders, government representatives, and Northern Pulp Nova Scotia management who have met with them and participated in open, frank, and sometimes difficult, discussions over the past few months. The ELC continues to contact and encourage other stakeholders and rightsholders to participate in our process.

This is Exhibit "E" referred to in the Affidavit of

Bruce Chapman

sworn before me this 13th day of April, 2021.

A handwritten signature in black ink, appearing to read "John F. [unclear]", is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Nova Scotia

ENVIRONMENTAL LIAISON COMMITTEE (ELC)

Terms of Reference

Effective Date: April 08, 2021

Background

- On June 19, 2020, Northern Resources Nova Scotia Corporation (NP), et al sought and was granted an Order (the “**CCAA Order**”) by the Supreme Court of British Columbia (the “**Court**”) pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the “**CCAA**”) See Appendix A for more detail
- In furtherance of the foregoing, a self-funded, independent, standing committee of principal stakeholders (the “**ELC**”) has been formed, through the CCAA Monitor at the request of Northern Pulp, to consider the broader question related to the holistic interaction of kraft mill operations with the environment, associated business and the broad stakeholder community interests. To this end, the ELC has defined its purpose as:

To encourage that any transformation of the mill be done in accordance with a manner that respects the environment (land, sea and air) and promotes economic and social well being for its community partners; while respecting the unique cultural and traditional requirements of our Indigenous communities

Objectives

- The objectives of the ELC include the following:
 - Attempt to identify, review and prioritize potential environmental, forestry, marine, and community engagement issues and solutions related to Northern Pulp’s operations.
 - Monitor Northern Pulp’s plan for a mill restart, including every aspect of community engagement, planning, communications, and its building of mutually beneficial relationships with its stakeholders.
 - Aid Northern Pulp in the identification and initial development of mutually beneficial relationships with its stakeholders by facilitating open and honest two-way communications with stakeholders committed to finding mutually beneficial solutions.
 - Provide findings and feedback to the CCAA monitor and Northern Pulp for further action related to the company’s operation.

Guidance

- In furtherance of its purpose, the ELC is seeking to remain consistent with, but not limited to the following questions relative to its objective:
 - Is the undertaking solution oriented to facilitate a positive outcome for the community of constituents at large?
 - Does the work being undertaken by the ELC move all parties closer to the mill reopening and the greater good for the community?
 - How will the ELC undertaking, reporting, statements, or other means of communication be interpreted by the readers, attendees, others that do not possess the contextual background information - how will this affect their behaviour or frame their opinions?

- Will all the communications of the ELC be clearly understood and be seen as leading to a positive outcome?
- Does the ELC governance structure promote transparency and equal access (equity) for stakeholders to promote confidence in the collective voice of the ELC?
- Do all members of the ELC feel valued and their opinions and efforts matter?
- Does the undertaking promote an equitable, transparent, and open process for the free exchange of ideas and solutions to create an environment for acceptance of outcome – positive or negative?
- Do all ELC exchanges, internal or external, show their comments and opinions are appreciated and have had time to be expressed and understood?
- Does the undertaking promote stakeholder engagement in a manner that provides for an exchange of principled perspective and provides the recipients information of value?
- Are the ELC exchanges open to new and different ideas and are educational to all parties involved?
- Is the undertaking aligned with the defined objectives of the ELC? (see above)

Structure

- The ELC is structured as a self-funded, independent, standing committee under the auspices and recognition of the Court with: (i) a self-directed reporting responsibility to principal constituents of the process, including but not limited to, Northern Pulp, Paper Excellence Corporation, the Province of Nova Scotia (and associated departments and regulatory bodies), current and former employees, pensioners, industry sectors (forestry, fishing), First Nations and the public community, ; (ii) indirect reporting responsibility to Ernst & Young Inc, in its sole capacity as the monitor of NP, and not in its personal capacity (the “**Monitor**”) to ensure the efficacy of financial compliance; and (iii) self-defined policies and operating protocols that promote the achievement of the objectives.
 - The Chairperson of the ELC will discharge the duty of reporting to the committee members, the community at-large, Northern Pulp and the Monitor.
 - The ELC will discharge its fiduciary oversight responsibilities for its activities by ensuring compliance with and adherence to self-determined policy protocols, which may be considered by the Monitor and/or Court from time-to-time.
 - When necessary the ELC shall appoint subcommittee to cover detail sector specific subjects.
- The ELC shall be constituted as follows:

Individual Representation:

- The Committee shall consist of a “minimum” of twelve (12) individual representatives selected by its nomination committee with membership representing a balance of society and their appointment confirmed by resolution of the ELC.

The membership will comprise of the following:

- The Chairperson (the “initial” appointment of the Chairperson shall be by designate of NP, which may be confirmed or altered by vote of the ELC);
- The Vice Chairperson (the “initial” appointment of the Chairperson shall be by designate of NP, which may be confirmed or altered by vote of the ELC);

-
- The Secretary / Treasurer (the initial appointment of the Secretary / Treasurer shall be by designate of the Chairperson, which may be confirmed or altered by vote of the ELC);
- Two or more appointee representatives of the forestry sector;
- Two or more appointee representatives of the community from fisheries, and the community at-large;
- Two or more appointee representatives with kraft pulp mill experience (employees and/or former employees);
- Two or more appointee representatives with a technical background or experience pertaining to environmental considerations associated with mill operations; and
- Two or more at-large member appointees.
- The ELC shall appoint one or more *ex officio* members to the Committee, including:
 - A representative of the PLFN. It is recognized by the ELC that given the unique status of the PLFN, including in respect of a required First Nation consultation process that the PLFN may desire to refrain from participation in the ELC;
 - A representative of the Monitor; and
 - A representative of NP.
- Once the ELC is formed, a member of the ELC shall be elected thereby as Chairperson (as provided above). Further a Steering Committee may be formed from the ELC to assist the Chairperson's responsibility of:
 - Compiling: (i) pre-meeting documents for consideration of the committee, including defining the agenda therefor (subject to committee approval and amendment), and (ii) post-meeting summarization of undertakings, collaboration with members for advancement of initiatives and such other activities necessary to advance the objectives of the ELC;
 - Soliciting input of ELC members, outside of meetings, when time is of the essence;
 - Chairing the ELC meetings;
 - Reporting to the committee on the fulfilment of the duties and obligations of the ELC, including on compliance with and adherence to policy and protocols;
 - Reporting the undertakings of the ELC to the Monitor and / or Court from time to time and as may be reasonably requested; and
 - Evaluating the performance of the ELC in advancing its purpose, answering the critical questions and advancing the objectives of the committee.
- Administrative support will be provided to the ELC via a third-party secretariat, including sufficient budgetary allocation for such purpose, to, *inter alia*, perform the responsibility thereof:
 - Assisting the Chairperson and Secretary / Treasurer to fulfill its responsibilities to the ELC;
 - Providing notice of ELC meetings to the members of the committee;
 - Keeping minutes of the meeting and obtaining approval of same at the next official meeting of the ELC. Such approved minutes shall be maintained in good order in a book on minutes, which book shall be available for inspection and review by the Chair, Monitor and / or Court; and

- Undertaking such additional duties as may be reasonably requested by the ELC.
- Each member of the ELC shall possess relevant experience and an interest in advancing the purpose of the committee.
- All members, except for *ex-officio* members, of the Committee shall be independent of NP.

Term of appointment:

- Each member of the ELC shall be appointed at the invitation of the Chairperson and based on the nomination committee report, on resolution of the ELC, to hold office for a continuous period until such time as a successor is appointed by vacancy (following a resignation), immediately if removed by resolution of the ELC, or the ELC is disbanded;
- The ELC will fill any vacancies of the Committee in a timely manner to permit the members of the committee to effectively discharge their responsibilities and advance the mandate of the committee. In filling the vacancies on the Committee, the ELC will consider the perspective and recommendations of the Chairperson.

Operation of the ELC:

- If the position of the Chairperson becomes vacant, or if the Chairperson is absent or unable to act, the Chairperson of the ELC may designate a successor (interim or permanent) and the committee or the ELC will confirm or amend such successorship designation by resolution at the first meeting of the ELC following such designation.
- The Committee may supplement or engage the services of legal counsel, technical expertise, media consultation, public relations, executive writers, facilitators or other consultants on terms and conditions that the ELC deem reasonable (including reasonable fees) to carry out its duties and responsibilities.
- The ELC shall remain a standing committee in fulfilment of its on-going mandate. This includes beyond the completion of the CCAA, if deemed appropriate. In such instance these terms of reference will be amended as appropriate for such purpose.
- The ELC will be responsible for:
 - **Strategic Planning** for the ELC planning on an annual basis:
 - Develop a path to advance its mandate and achieve the objectives set out herein;
 - The schedule of activities and agenda for future meetings;
 - Fix a budget for the undertakings of the ELC;
 - Confirm the Terms of Reference, including the member responsibilities;
 - Establish milestones and performance indicators (“KPIs”), to progress the objectives of the committee for the coming year;
 - Define the assessment process for committee performance against the KPIs and Terms of Reference; and
 - Define the assessment process of individual members in contributing to advancement of the committee mandate.

- **Guidance Documents** – establishing, from time-to-time, policies and protocols, and amendments thereto, including the Terms of Reference, incidental to and governing the mandate of the Committee.
- **Evaluation** – reviewing the objectives and undertakings of the ELC for alignment with purpose.
- **Performance** – reviewing semi-annually, or more frequently, the KPIs and financial undertakings of the ELC and individual committee members against pre-established benchmarks.
- **Incidental Duties** – assisting the Monitor and/or Court to fulfill its duties based on reasonable requests.

Meetings:

Frequency

- Meetings of the committee shall be held monthly, or more frequently, as required to achieve the objectives of the committee. It is acknowledged that the frequency of meetings will be dictated by the number, materiality, and urgency to resolve matters to be considered by the committee.

Quorum

- To achieve a quorum at a meeting, the committee shall have a minimum of eight (8) representatives present for such meeting.

Voting

- All resolutions of the committee shall be resolved based on majority of those members present and voting on such resolution (which shall exclude each *ex officio* member as a voting member). In the case of an equality of votes at a meeting of the committee, the vote of the Chairperson (in the affirmative or dissent) shall be determinative of the outcome of the resolution before the committee.

Minutes

- Meeting minutes will be maintained and approved subsequent to each meeting to memorialize the agenda and topics of discussion.

In-Camera

- The committee will meet in camera, from time-to-time, with committee members only, and as necessary, with members of management and/or special advisors.

Meeting Operations

- Committee meetings will, generally, be conducted as follows:
 - In person, except where prevented from same, in which case via conference call, as appropriate;
 - Meetings will be scheduled for a period of 2.0 hours; exceptions will be undertaken if required with advance notice to members of any such extension;
 - The Chairperson shall fix the agenda for each meeting and members may vote to adopt or alter the agenda prior to the commencement of the meeting;
 - In-camera meetings, if necessary, shall be conducted at the end of the regular meeting of the committee; and

- The agenda and supporting materials for each meeting shall be circulated to the committee members under pen of the Chairperson a minimum of one business day in advance of the scheduled meeting date and time, to the extent possible.

Confidentiality:

- All in-camera committee discussions and the results of resolutions (including the identification of those members that voted in the affirmative or dissent of a resolution) shall be treated as confidential, except where explicitly acknowledged as not confidential.
- All regular meeting Committee discussions shall be treated as confidential, except where reported in the minutes of the meeting.

Conflict of Interest

- All members of the Committee shall execute an annual declaration and acknowledgement declaring that:
 - They are free of a conflict of interest, whether in fact or perceived, and eligible to sit as a member in good standing of the ELC;
 - If a conflict of interest arises in respect of a matter being considered by the ELC, the member will self-identify the nature of the conflict for the benefit of the committee and abstain from participating in discussions and voting thereon;
 - They have committed no criminal or other act that if came to light could cause harm to the reputation of the ELC; and
 - They will participate diligently and fully in the execution of the mandate of the ELC in furtherance to these Terms of Reference.
- Committee members may be removed from office by a resolution of the ELC, excluding the subject member of the discussion and resolution, where undisclosed conflicts of interest arise and/or the member has breached the good conduct of the committee or Terms of Reference.

Stipend / Honorarium

- Members of the Committee will be paid:
 - A reimbursement of their out-of-pocket cost on an annual basis in the amount of \$1,500;
 - The Chairperson shall, in addition to the other stipends and honorariums provided herein, be paid an additional monthly stipend of \$5,000 (for the first 12 months following inception of the ELC pursuant to these Terms of Reference and; thereafter, the monthly stipend paid will be reduced to \$2,500 for the remainder of the Chairperson's term); and
 - The Vice Chairperson shall, in addition to the other stipends and honorariums provided herein, be paid an additional monthly stipend of \$2,500 (for the first 12 months following inception of the ELC pursuant to these Terms of Reference and; thereafter, the monthly stipend paid will be reduced to \$1,250 for the remainder of the Chairperson's term); and
 - The Secretary / Treasurer shall, in addition to the other stipends and honorariums provided herein, be paid an additional annual stipend in the amount of \$1,500.
- Should a member cease to be a member of the ELC, for any reason (except where such committee member was removed by the ELC for: (i) acting with negligence, (ii) acting in bad faith, (iii)

bringing disrepute to the reputation of the ELC, or (iv) otherwise violating the Terms of the Reference, entitlement will be forfeited), the annual stipend / honorarium entitlement of the member shall be prorated for that portion of the year that the member was a member of the ELC.

Recognition

- The mandate of the ELC is central to achieving the objectives as set out above and advancing the interests of the community at-large.
- To carry out its' objectives, the ELC will be able to access, in a timely manner, all necessary information required to perform the task.

Appendix A

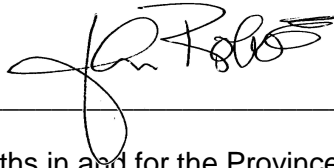
Background

- On June 19, 2020 Northern Resources Nova Scotia Corporation, 1057863 B.C. Ltd., Northern Pulp Nova Scotia Corporation, Northern Timber Nova Scotia Corporation, 3253527 Nova Scotia Limited, 3243722 Nova Scotia Limited, Northern Pulp NS GP ULS (collective hereafter, "**NP**") sought and was granted by the Supreme Court of British Columbia (the "**Court**") an Order (the "**CCAA Order**") pursuant to the Companies' Creditors Arrangement (Canada) (the "**CCAA**")
- The affect of the CCAA Order was to:
 - Stay all actions of creditors, excepting regulators, against NP for a period of time to permit NP, in collaboration with its parent enterprise Paper Excellence, to consider options related to future kraft pulp mill operations in Abercrombie, Nova Scotia;
 - Permit NP to access capital to permit it to:
 - Undertake activities to protect the environment and preserve a resumption of future mill operations, if warranted, including plant hibernation and continued and active site remediation activities (including retention pond dewatering activities);
 - Commence decommissioning of those components of mill operations prohibited for use by Ministerial Order of the Province of Nova Scotia (including the area stabilization basin (ASB) and pipeline); and
 - Reformulating a scope and vision of future mill operations that would achieve a successful outcome to a future environmental assessment process;
 - Permit NP time to engage in an environmental assessment process for the recommencement of kraft pulp mill operations that:
 - Satisfies the environmental benchmark requirements of the Nova Scotia Environment (NSE);
 - Achieves the basis for a social license to operate principled on garnering support of the key stakeholders, including, inter alia, the Province of Nova Scotia, current and former employees, pensioners, suppliers, municipal officials, foresters, residents of Pictou Landing (including broader Provincial resident support) and others; and
 - Given the potential impact of mill operations on the environment (including land, sea and air) associated with the traditions and culture of our Indigenous family, achieves a standard that protects the varied assets associated with traditions and culture of Pictou Landing First Nation ("PLFN") and provides economic and sustainable benefits to the community and members.

This is Exhibit "F" referred to in the Affidavit of

Bruce Chapman

sworn before me this 13th day of April, 2021.

A handwritten signature in black ink, appearing to read "John F. [unclear]", is written over a horizontal line.

A Commissioner for Oaths in and for the Province of Nova Scotia

Environmental Liaison Committee
Preliminary Budget
12 months ending March 31, 2022

Stipend/Honorarium	#	\$ Per #	Total	2 nd year
Members-annual*	16 members	1,500	24,000	24,000
Additional stipend :				
Chairperson(per month)	12 Months	5,000	60,000	36,000
Vice chairperson	12 Months	2,500	30,000	15,000
Sub Chairpersons	4 Sub chairs	1,000	4,000	4,000
Secretary/Treasurer		1,500	<u>1,500</u>	<u>1,500</u>
Annual Stipend			119,500	80,500
Professional resource			<u>75,000</u>	<u>75,000</u>
			<u>194,500</u>	<u>155,500</u>
Support Cost:				
Capital (laptop, Software, projector, etc.			2,500	0
Meeting room, supplies	24 meetings	250	6,000	3,000
Administrator	8hr for 50	30	12,000	6,000
Conference calls	100 @\$60		6,000	3,000
Misc			<u>10,000</u>	<u>10,000</u>
			36,500	22,000
Total ELC annual Budget			<u>231,000</u>	<u>177,500</u>
* these fees are to cover members incidental cost not services				

Data support:

Dale's experience in putting together the meetings and the weekly activity

1. Laptop purchase for Teams viewing and work...\$1000
2. Software for laptop...\$200
3. Case for computer and projector...\$100
4. Speakers....\$80
5. Projector.....\$1000
6. Extension cords...\$30
7. Hall rental...Abercrombie...\$125 per night
8. Paper 150 sheets per night...\$36 per night
9. Telephone conference calls..\$60 per call
10. Hand sanitizer, masks....\$10 per month
11. Water....\$10 per month

First year assumptions:

1. 14 ELC members
2. 24 meeting per year
3. 100 conference call per year
4. Annual stipend would cover travel cost, other out of pocket
- 5.No meeting stipend would be paid
6. Availability of support staff could be an issue