

Affidavit No. 1
sworn on June 16, 2020

No. _____
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

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AFFIDAVIT

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

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 (as defined below) other than 105 BC (as defined below). 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) ("**Hervey**"), 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.

2. Other than a limited stay in respect of PEC's directors (as testified to further herein), PEC is not seeking relief in the within proceedings. The following persons are seeking relief:

- (a) 1057863 B.C. Ltd. ("**105 BC**"), Northern Resources Nova Scotia Corporation ("**Northern Resources**"), Northern Pulp Nova Scotia Corporation ("**Northern Pulp**") and Northern Timber Nova Scotia Corporation ("**Northern Timber**"), 3253527 Nova Scotia Limited ("**NPNS GP**"), Northern Pulp NS GP ULC ("**NPNS GP ULC**") and 3243722 Nova Scotia Limited ("**NTNS GP**") (collectively referred to as, the "**Petitioners**"); and
- (b) Northern Timber Nova Scotia LP ("**NTNS LP**") and Northern Pulp NS LP ("**NPNS LP**", and collectively referred to as, the "**LP's**").

3. I am authorized to make this Affidavit on behalf of each of the Petitioners.

I. SUMMARY OF RELIEF SOUGHT

4. This Affidavit is sworn in support of an application for an Order (the "**Initial Order**") by the Petitioners pursuant to the *Companies' Creditors Arrangement Act* (Canada) c. C-36, as amended (the "**CCAA**"), granting, among other things, the following relief:

- (a) deeming service of the application for the Initial Order to be good and sufficient;

- (b) declaring that the Petitioners are companies to which CCAA applies;
- (c) extending the benefits and protection of the Initial Order, and imposing the restrictions contained in the Initial Order, to and on each of the LP's;
- (d) authorizing the Petitioners to carry on business in a manner consistent with the preservation of their business and property;
- (e) authorizing the Petitioners to pay the reasonable expenses incurred in carrying out their business in the ordinary course;
- (f) staying all proceedings, rights, and remedies against or in respect of the Petitioners, the LP's, their business or property, the Monitor (as defined below), and the directors of PEC (but only as such proceedings relate to the Petitioners), except as otherwise set forth in the Initial Order;
- (g) appointing Ernst & Young Inc. ("**EY**") as the monitor (the "**Monitor**") of the Petitioners in these proceedings;
- (h) authorizing the Petitioners to pay the reasonable and documented fees and disbursements of their counsel, the Monitor and its counsel;
- (i) granting the Administration Charge and the Director and Officer Charge (each as defined below); and
- (j) providing for a comeback hearing in respect of the relief granted under the Initial Order, on a date to be fixed by the Court (the "**Comeback Hearing**").

5. In the event that the Initial Order is granted, the Petitioners intend to seek additional relief at the Comeback Hearing through the granting of various amendments to the Initial Order (the "**Amended and Restated Initial Order**"). While the exact relief that will be sought by the Petitioners at the Comeback Hearing is still being developed, it is currently anticipated that the Amended and Restated Initial Order will include:

- (a) an extension of the stay for a ninety day period;
- (b) approval of an interim financing term sheet to allow future operational expenses to be satisfied;

- (c) a key employee retention program to secure the continued retention of a select subset of critical employees and the granting of associated charges;
- (d) a critical suppliers charge or, alternatively, authorization to pay pre-filing obligations that may be owing to critical vendors with the consent of the Monitor; and
- (e) authorization to pay severance obligations to employees of the Mill (as defined herein) that are currently not working, with the consent of the Monitor.

6. Northern Pulp owns and previously operated a pulp mill (the “**Mill**”) that discharged effluent into the Boat Harbour Effluent Treatment Facility (the “**BH-ETF**”) in Pictou County, Nova Scotia. On January 12, 2020, Northern Pulp ceased producing pulp at the Mill and using the BH-ETF for its intended purpose in accordance with the provisions of the *Boat Harbour Act*, SNS 2015, c. 4 (the “**BHA**”) and a subsequent decision made by the Province of Nova Scotia (“**NS**” or the “**Province**”) on or about December 17, 2019 to not delay the implementation of the closure of the BH-ETF. The forced closure of the BH-ETF has left the Mill with no ability to treat pulp effluent and resulted in the cessation of commercial operations at the Mill.

7. The closure of the Mill and cessation of pulp production resulted in 302 employees being laid off, has had a devastating effect on the Petitioners and their partners in the forestry industry, and threatens the Petitioners’ ability to continue as a going-concern.

8. The fact that the Mill is not currently producing pulp along with related operational issues are the primary causes of the Petitioners seeking protection under the CCAA. The Petitioners face immediate and multiple challenges to their continued viability and project that they will run out of cash and access to any further capital in late July 2020. PEC and Hervey are not willing to provide further liquidity to the Petitioners under the current situation.

9. The Petitioners are focused on a permanent and comprehensive solution to their fiscal challenges so as to improve liquidity, strengthen their financial position in order to be able to resume operations at the Mill and maximize value for all stakeholders. In light of their current financial circumstances, the Petitioners believe that the commencement of these proceedings is necessary to preserve the value of the timberlands owned by Northern Timber and the Mill owned by Northern Pulp, to ensure compliance with regulatory requirements, to place operations into hibernation in a responsible and sustainable manner, to provide additional time to pursue potential

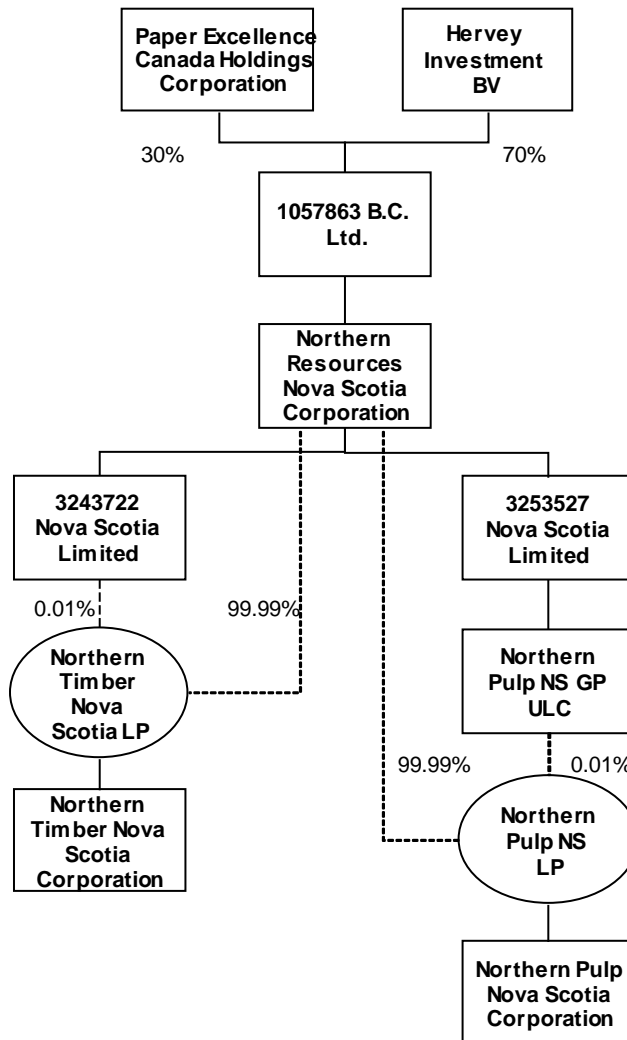
restructuring alternatives including seeking approvals required for a replacement facility for the BH-ETF (the “**Replacement ETF**”), and to provide time and a framework to facilitate discussions between the Petitioners, the Province, Pictou Landing First Nation (“**PLFN**”) and other stakeholders to resolve some or all of the outstanding issues.

II. CORPORATE STRUCTURE

10. PEC is a British Columbia corporation whose registered office are located at 300 – 638 Smithe Street, Vancouver, British Columbia, V6B 1E3 and whose head office is at 3600 Lysander Ln, Richmond, BC V7B 1C3. Now shown to me and marked as **Exhibit “A”** to this, my Affidavit, is a true copy of the British Columbia Corporate Registry search concerning PEC, dated June 5, 2020.

11. PEC’s subsidiaries or affiliates under common control with Hervey are collectively one of the largest pulp and paper producers in Canada and produce approximately 1.5 million tonnes of pulp and 1.1 million tonnes of paper annually (excluding the Mill and other mills that are not currently operating) that is used in the manufacture of tissue, writing and photocopy paper, paper towels, toilet paper, and related paper products.

12. A corporate chart outlining the relationship of the Petitioners and the LP's is set out below:



Now shown to me and marked as **Exhibit “B”** to this, my Affidavit, are true copies of the corporate registry searches concerning each of Northern Resources, Northern Pulp, NPNS GP, NPNS GP ULC, Northern Timber, and NTNS GP and the limited partnership corporate registry searches concerning NPNS LP and NTNS LP, respectively, dated June 1, 2020.

13. PEC’s subsidiaries or affiliates under common control with Hervey currently produce pulp and paper products primarily for export at four northern bleached softwood kraft (“**NBSK**”) pulp mills and two paper mills in British Columbia, as follows:

- (a) Skookumchuck Pulp Inc. (“**Skookumchuck**”) (NBSK production, British Columbia);

- (b) Mackenzie Pulp Mill Corporation ("**Mackenzie**") (NBSK production, British Columbia);
- (c) Howe Sound Pulp & Paper Corporation ("**Howe**") (NBSK production, British Columbia); and
- (d) Catalyst Paper Corporation (paper production, Powell River, British Columbia, paper production, Port Alberni, British Columbia, NBSK production, Crofton, British Columbia).

14. 105 BC is a British Columbia corporation whose registered office is located at 300 – 638 Smithe Street, Vancouver, British Columbia, V6B 1E3 and whose head office is located at 3600 Lysander Ln, Richmond, BC V7B 1C3. All of 105 BC's operations take place within British Columbia. Now shown to me and marked as **Exhibit "C"** to this, my Affidavit, is a true copy of the British Columbia Corporate Registry search concerning 105 BC, dated June 5, 2020.

15. The business of the Petitioners is managed by PEC. Pursuant to a Management Agreement, dated September 1, 2011, between PEC and Northern Pulp, as subsequently amended from time to time (the "**PEC Management Services Agreement**"), PEC provided integral assistance and services with respect to: (a) strategic marketing and planning; (b) financial matters; (c) formulating management development strategy and policy; and (d) managing the litigation risks of Northern Pulp. Now shown to me and marked as **Exhibit "D"** to this, my Affidavit, is a true copy of the PEC Management Services Agreement.

16. In addition to the foregoing:

- (a) the senior management of PEC and the controlling minds of the Petitioners, all of whom are key to the successful restructuring of the Petitioners, are located in British Columbia;
- (b) the sole Director of the Petitioners and PEC, Tan Choong Wei (also known as Robin Tan), resides and works in British Columbia;
- (c) PEC is the Petitioners' largest creditor, in terms of funded secured and unsecured debt, and is located in British Columbia;

- (d) all material finance and non-operational services to the Petitioners are provided from British Columbia pursuant to the PEC Management Services Agreement;
- (e) the accounting records of the Petitioners are maintained in the offices of PEC in British Columbia; and
- (f) the Petitioners' banking and treasury functions are based and domiciled in British Columbia, including the main bank accounts being located at the Royal Bank of Canada at 550 Victoria Street, Prince George, BC V2L 2K1, Canada.

III. BACKGROUND AND OPERATION OF THE MILL

17. In order to describe the adverse financial situation currently facing the Petitioners, it is necessary to set out some background and history of the Mill, the use of land adjacent to Boat Harbour as an effluent treatment site, the related agreements between the Province and owners of the Mill, negotiations and consultation with PLFN, the events leading to the passing of the BHA requiring Northern Pulp to cease using the BH-ETF for the reception and treatment of pulp effluent, and the Petitioners' good faith efforts to identify, design, and obtain approvals for a Replacement ETF.

18. The Mill had been in operation since its construction by Scott Maritimes Limited ("**Scott**") in 1967. The Mill was subsequently sold to and operated by Kimberly-Clark Inc. ("**KC**", from 1995 to 2004), Neenah Paper Company of Canada ("**Neenah**", from 2004-2008), and Northern Pulp (from 2008 to the discontinuance of its operations in January 2020).

19. Northern Pulp (as successor to Scott) and the Province are parties to a number of agreements concerning the operation of the Mill, including, among others, the following:

- (a) the rights to a license to use Crown land pursuant to the agreement attached to the *Scott Maritimes Limited Agreement* (1965) Act, R.S.N.S. 1989, c. 415;
- (b) a memorandum of understanding dated December 1, 1995 (the "**MOU**"), which includes, in part, covenants from the Province that it will (i) impose operating limits on Northern Pulp that reflect (without exceeding or applying more stringently) the standards set out in the Pulp and Paper Effluent Regulations (Can.) (the "**PPER**"); and, (ii) use its best efforts to assist Northern Pulp to obtain all necessary permits, consents and approvals to permit the construction and operation of a replacement

effluent treatment facility to replace the Facility at the expiration of the term of the Lease;

- (c) Lease Agreement dated December 31, 1995 (the “**Lease**”), as between Northern Pulp and the Province, as subsequently amended and extended pursuant to the Lease Extension Agreement, dated October 22, 2002 (the “**Lease Extension**”), authorizing Northern Pulp to operate the BH-ETF until December 31, 2030;
 - (d) a license agreement dated December 31, 1995 (the “**License**”), providing the right to use lands owned by the Province (the Boat Harbour stabilization basin) for the purpose of transmitting effluent from the BH-ETF to the Northumberland Strait;
 - (e) an indemnity agreement, dated December 31, 1995 (“**Indemnity Agreement**”), whereby the Province indemnified Northern Pulp (as successor to Scott) and its officers, directors, shareholders, employees, agents, consultants, advisors and their respective heirs, successors (including successors in title), assigns, and legal representatives, shareholders and their respective officers, directors, shareholders, employees, agents, consultants and advisers from, amongst other things, any and all liabilities, losses, claims, demands, actions, causes of action, damages, (including, without limitation, lost profits, consequential damages, interest, penalties, fines and monetary sanctions) including amounts paid to settle actions, whether before or after litigation or other proceedings or activities of any nature, or to satisfy judgments, orders or directives including, without limitation, any judgment, order or directive imposing joint and several liability on the Indemnified Parties and any costs (including the cost of diverting or altering components of the Facility in response to Claims), liability or damages arising out of the construction or location of the BH-ETF;
 - (f) a water supply agreement between Northern Pulp (as successor to Scott) and the Province, dated June 30, 1995; and
 - (g) an acknowledgement agreement by the Province, dated May 12, 2008, in favor of NPNS LP, its affiliates, and Northern Pulp (“**Acknowledgement Agreement**”),
- (collectively, the “**Agreements**”).

20. The Mill is situated on Abercrombie Point in Pictou County, NS. The process of producing pulp at the Mill creates wastewater that must be treated before discharge. The wastewater created by the Mill has been pumped to and treated at the BH-ETF since 1972. The BH-ETF is adjacent to a body of water commonly known as “Boat Harbour” and to the reserve set apart by Her Majesty the Queen in Right of Canada for the use and benefit of PLFN and other lands owned or controlled by PLFN. Boat Harbour feeds into the Northumberland Strait on the southern part of the Gulf of Saint Lawrence.

21. The process for the treatment of effluent at the BH-ETF is straightforward:

- (a) effluent from the Mill is piped into ponds where solid materials are separated and periodically transferred to a landfill site;
- (b) the remaining water is transferred to an aeration stabilization basin adjacent to Boat Harbour; and
- (c) the treated wastewater is released into Boat Harbour and flows into the Northumberland Strait. The treated wastewater is tested at the point of discharge into Boat Harbour in compliance with federal and provincial environmental regulations.

22. The BH-ETF is critical to the Mill as pulp production cannot occur without the creation and release of effluent. The BH-ETF is owned by the Province and was operated by the Province pursuant to agreements with owners of the Mill from 1972 until entering into the Lease in 1995. Northern Pulp operated the BH-ETF pursuant to the Lease and the Lease Extension from 2008 until January 30, 2020.

23. Efforts to upgrade the BH-ETF and to construct the Replacement ETF have been underway for several decades.

IV. PURCHASE OF NORTHERN RESOURCES AND INVESTMENT IN THE MILL BY PEC

24. One of PEC’s business strategies is to purchase older mills and invest heavily in operational and environmental improvements to extend and maintain the long-term life of the assets and increase the economic activity and employment associated with older mills, in an environmentally responsible manner.

25. PEC acquired an ownership interest in Northern Resources in 2011 with a goal to improve safety, efficiency, productivity, and environmental performance at the Mill. Since then the Petitioners have spent more than \$118 million towards capital improvements, including \$70 million towards efforts and projects to (i) reduce effluent flow; (ii) reduce odorous emissions, particulate, and greenhouse gas emissions; and (iii) improve air quality monitoring. In addition to these direct financial investments, PEC has also contributed to the community by the Petitioners employing over 300 people, creating more than 2,679 jobs in Nova Scotia, spending \$279 million annually and supporting a supply chain of 1,379 companies.

26. PEC and the Petitioners, including in particular Northern Pulp, have worked with the Province and the Department of Environment (“**NSE**”) towards establishing plans for the Replacement ETF.

27. PEC has made and is ready to continue making significant financial investments in Northern Pulp for the construction of the Replacement ETF. The Replacement ETF is proposed to consist of a new effluent treatment facility constructed on Northern Pulp’s property and a transmission pipeline that will carry treated effluent overland for discharge into the Northumberland Strait via an engineered diffuser. The development process for the Replacement ETF has been beset by a series of delays.

V. EVENTS LEADING TO CURRENT FINANCIAL DIFFICULTIES

28. In 2014, the pipeline from the Mill to the BH-ETF suffered an effluent leak that led to a blockade of the access road to the effluent pipeline by PLFN. As part of resolving the blockade, the Province agreed with PLFN to introduce legislation that established a deadline for the closure of the BH-ETF. In 2015, the Province passed the BHA which, *inter alia*, required Northern Pulp to cease using the BH-ETF for the reception and treatment of effluent by January 31, 2020, despite the terms of the Lease and Lease Extension which contemplates the operation of the BH-ETF up to and until December 31, 2030.

29. Northern Pulp then had concerns regarding the January 31, 2020 deadline, as it did not provide sufficient time to allow to complete the environmental review process, consultations with PLFN and other stakeholders, obtain required approvals, negotiate an agreement with the Province to share the cost of the Replacement ETF in settlement of claims pursuant to the Agreements, and then construct and commission the Replacement ETF. The length of time

required for the environmental approval process alone was unknown but was expected to run for two to three years.

30. Northern Pulp experienced significant challenges in renewing its industrial approval and completing the environmental review process, delays in settlement discussions as a result of court decisions imposing additional consultation requirements, and lost time resulting from an illegal blockade led by a local fisherman's group in October and November 2018. As a result, in October 2018, Northern Pulp communicated to the Province that it was not possible to complete the Replacement ETF prior to January 31, 2020 and commenced discussions regarding the potential issue of an extension of the deadline in the BHA with the Province.

31. Northern Pulp submitted the Environmental Assessment Registration Document ("**EARD**") for the Replacement ETF to the NSE on January 31, 2019. On March 29, 2019, then Nova Scotia Minister, NSE (Hon. Margaret Miller) announced her Department's decision that the Northern Pulp EARD was insufficient to make a decision on the Replacement ETF, and requiring the preparation and submission of a detailed focus report ("**Focus Report**") by Northern Pulp containing additional information. Northern Pulp completed the Focus Report on October 2, 2019 and delivered it to NSE, at which time Northern Pulp was informed that a Ministerial decision on the EA was to be delivered on or before December 17, 2019.

32. On December 17, 2019, the NS Minister of Environment determined that a further Environmental Assessment Report ("**EAR**") was required in respect of the Replacement ETF. On January 23, 2020, Northern Pulp, Unifor and other applicants filed an application seeking judicial review of the Minister's decision to require an Environmental Assessment Report concerning the Replacement ETF (the "**2020 Judicial Review Application**"), and is currently waiting for detailed disclosure from the Province in connection with the record relating to the Minister's decision to require an Environmental Assessment Report. The NS Minister of Environment issued final terms of Reference ("**TOR**") for the EAR on April 28, 2020. The TOR did not include provisions requested by Northern Pulp to ensure a clear risk-based EAR process with agreed to outcomes and valued-ecosystem components that can ultimately be achievable within an 18 to 24-month window. Without a clear understanding of what is required from regulators and what Northern Pulp will be measured against, Northern Pulp is doubtful this process will have a different outcome from the previous two processes. Northern Pulp is reviewing the TOR and considering alternative options in respect of the Replacement ETF.

33. Northern Pulp's expectation was that the January 31, 2020 deadline would be extended if an environmental approval for the Replacement ETF was received following filing of the Focus Report. Northern Pulp's belief was based in part on the importance of the Mill to the forest industry in Nova Scotia and its belief that the Province wished to mitigate damages from the breach of its obligations pursuant to the Agreements, which provide Northern Pulp the right to utilize the BH-ETF until December 30, 2030.

34. On December 20, 2019, the Province announced its refusal to extend the January 31, 2020 deadline for ceasing to use the BH-ETF. At present, there are no practical short term alternative treatment options available to the Mill. As a result, the Mill immediately ceased producing pulp on January 12, 2020.

35. Since being notified in December 2019 that the January 31, 2020 deadline would not be extended, the Petitioners have focused on their most immediate and pressing concern, being a safe and orderly hibernation of the Mill and the Petitioners' operations in general. Specifically, Northern Pulp (the operator of the timber licenses) ceased harvesting trees for the Mill the day after the decision not to extend the deadline for closure of the BH-ETF was announced and Northern Pulp ceased accepting wood chips at the Mill, shortly thereafter. All pulp production halted on January 12, 2020. The Mill is currently not operating and, based on current projections, it will take approximately two years following receipt of necessary regulatory approvals for the Replacement ETF to be constructed and commissioned so as to allow the Mill to resume operations.

36. As of April 30, 2020 Northern Pulp had spent approximately \$11.1 million on the Replacement ETF. The Province had provided an aggregate of \$6.1 million in total contributions to Northern Pulp towards the cost of the Replacement ETF pursuant to contribution agreements between Northern Pulp and the Province dated December 28, 2016 and December 13, 2017.

37. The Minister of Environment issued an order on January 29, 2020 ordering Northern Pulp take steps to effect an orderly shutdown of the Mill, and to continue to use the BH-ETF for such purposes. The Minister of Environment issued another order on May 14, 2020 imposing additional obligations on Northern Pulp. On June 8, 2020, Northern Pulp appealed the May 14, 2020 order of the Minister of Environment to the Supreme Court of Nova Scotia pursuant to Section 138 of the *Environment Act*, S.N.S. 1994-1995, c.1.

VI. DEBT STRUCTURE

38. The Petitioners have two primary creditors, PEC and the Province.

a. Indebtedness Owed to PEC

39. Northern Pulp currently owes PEC \$163,387,165 (the “**NP PEC Indebtedness**”) of which \$29,859,548.23 (the “**PEC Secured Indebtedness**”) is secured and the remainder (the “**NP Note Indebtedness**”) arises under various unsecured promissory notes.

40. 105 BC currently owes PEC \$49,925,965 (the “**105 BC Note Indebtedness**”, together with the NP Note Indebtedness, the “**Note Indebtedness**”) arising under an unsecured promissory note.

b. Secured Indebtedness owed to PEC

41. PEC is the assignee of the PEC Secured Indebtedness and related security, as described below.

42. The PEC Secured Indebtedness arises pursuant to the Secured Credit Agreement, dated June 24, 2008 (the “**Azure Initial Credit Agreement**”), as between Azure Mountain Capital Financial Corporation (“**Azure**”), as lender, and Northern Pulp, as borrower. Pursuant to the Azure Initial Credit Agreement, Azure made available to Northern Pulp a secured credit facility, in the initial amount of \$25,000,000, with an original maturity date of June 24, 2011.

43. The Azure Initial Credit Agreement was subsequently amended, pursuant to:

- (a) the First Amendment to the Secured Credit Agreement, dated January 27, 2009, between Azure, as lender, and Northern Pulp, as borrower which, among other amendments, increased the facility amount from \$25,000,000 to \$30,000,000;
- (b) the Second Amendment to the Secured Credit Agreement, dated March 23, 2009, as between Azure, as lender, and Northern Pulp, as borrower, which, among other amendments, increased the facility amount from \$30,000,000 to \$31,000,000;
- (c) the Third Amendment to the Secured Credit Agreement, dated August 21, 2009, as between, Azure, as lender, and Northern Pulp, as borrower, which, among other amendments, increased the facility amount from \$31,000,000 to \$32,000,000; and,

- (d) the Fourth Amendment to the Secured Credit Agreement, dated March 7, 2011, as between, Azure, as Lender, and Northern Pulp, as borrower, which among other amendments extended the maturity date from June 24, 2011 to June 24, 2012.

(collectively, the **"Azure Credit Amending Agreements"**, the Azure Credit Amending Agreements and the Azure Initial Credit Agreement are collectively referred to as, the **"Azure Credit Agreements"**)

Now shown to me and attached as **Exhibits "E", "F", "G", "H" and "I"**, to this, my Affidavit, are true copies of the Initial Azure Credit Agreement and the Azure Credit Amending Agreements, respectively.

44. To secure the obligations due and owing under the Azure Credit Agreements, Northern Pulp entered into and provided the following security agreements:

- (a) Collateral Mortgage, dated June 24, 2008, as granted by Northern Pulp to Azure, concerning PIDs 00864538, 00864082, 65166829, 65168130, 01045442, 65076366, 65168163, 65076358, 65076382, 65166837 and 00957290;
- (b) Collateral Mortgage, dated June 24, 2008, as granted by Northern Pulp to Azure, concerning PID 20451761;
- (c) Collateral Mortgage, dated June 24, 2008, as granted by Northern Pulp to Azure, concerning PIDs 65168148 and 65076374; and,
- (d) General Security Agreement, dated June 24, 2008, as granted by Northern Pulp to and in favour of Azure, concerning all present and after acquired property of Northern Pulp.

(collectively, the **"Azure Security"**)

Now shown to me and attached as **Exhibits "J", "K", "L", and "M"** to this, my Affidavit, are true copies of the Azure Security, in the same order as set out above.

45. Pursuant to the Assignment and Assumption Agreement, dated May 12, 2011 (the **"Secured Howe Assignment Agreement"**), between Azure, as assignor, and Howe, as assignee, Azure assigned and conveyed, to Howe, all interests in, to, and under the Azure Credit Agreements (which secured debt as at such date amounted to approximately \$31,958,035) and

the Azure Security. Now shown to me and attached as **Exhibit “N”**, to my Affidavit, is a true copy of the Secured Howe Assignment Agreement.

46. PEC obtained its interest in, to, and under the PEC Secured Indebtedness and the Azure Security pursuant to the Assignment of Debt Agreement, dated effective as of November 30, 2015 (the “**Howe Assignment Agreement**”) wherein Howe irrevocably assigned and transferred, and conveyed, to PEC, among other rights and interest, all of Howe’s right, title, and interest in, to, and under: (i) the PEC Secured Indebtedness; and (ii) the Azure Security.

i. Unsecured Promissory Notes Owed to PEC

47. In addition to being the assignee of the aforementioned secured obligations, PEC is also the assignee of the Note Indebtedness.

48. PEC obtained its interest in, to, and under the NP Note Indebtedness, pursuant to:

- (a) the Howe Assignment Agreement, wherein Howe irrevocably assigned and transferred, and conveyed, to PEC, among other rights and interest, all of Howe’s right, title, and interest in, to, and under: (i) the \$70,390,016 Promissory Note, dated September 10, 2012; (ii) the \$20,500,000 Promissory Note, dated May 27, 2013; (iii) the US\$27,300,000 Promissory Note (Canadian equivalent \$29,294,988.73), dated June 24, 2014; (iv) the \$3,000,000 Promissory Note, dated September 30, 2014; and (v) the \$1,000,000 Promissory Note, dated November 30, 2015;
- (b) Assignment of Debt Agreement, dated November 30, 2015 (the “**Mackenzie Assignment Agreement**”), wherein Mackenzie irrevocably assigned and transferred, and conveyed, to PEC, all of Mackenzie’s right, title, and interest in, to, and under the \$17,225,050 Promissory Note dated November 30, 2014;
- (c) Assignment of Debt Agreement, dated November 30, 2015 (the “**Meadow Assignment Agreement**”), wherein Meadow Lake Mechanical Pulp Inc. (“**Meadow**”) irrevocably assigned and transferred, and conveyed, to PEC, all of Meadow’s right, title, and interest in, to, and under: (i) the \$37,000,000 Promissory Note, dated October 31, 2014; and, (ii) the \$9,924,600 Promissory Note, dated November 30, 2015; and

- (d) Assignment of Debt Agreement, dated November 30, 2015 (the “**Skookumchuck Assignment Agreement**”), wherein Skookumchuck irrevocably assigned and transferred, and conveyed, to PEC, all of Skookumchuck’s right, title, and interest in, to, and under the \$3,646,800 Promissory Note, dated November 30, 2015.

Now shown to me and attached as **Exhibits “O”, “P”, “Q” and “R”** to this, my Affidavit, are true copies of the Howe Assignment Agreement, the Mackenzie Assignment Agreement, the Meadow Assignment Agreement and the Skookumchuck Assignment Agreement, respectively.

49. PEC obtained its interest in, to, and under the 105 BC Note Indebtedness, pursuant to the Assignment of Debt Agreement, dated December 11, 2015 (the “**0909959 BC Ltd Assignment Agreement**”), wherein 0909959 B.C. Ltd (“**090 BC**”) irrevocably assigned and transferred, and conveyed, to PEC, all of 090 BC’s right, title, and interest in, to, and under the \$49,925,965 Promissory Note, dated December 11, 2015. Now shown to me and attached as **Exhibit “S”** to this, my Affidavit, is a true copy of the 0909959 BC Ltd Assignment Agreement.

c. Obligations Owed to the Province

i. Loans and Security concerning Northern Pulp

50. Northern Pulp currently owes \$20,093,700 on account of funded debt (the “**Northern Pulp NS Indebtedness**”) to the Province.

51. The Northern Pulp NS Indebtedness arises under the:

- (a) Letter of Offer, dated March 17, 2009, from the Province to Northern Pulp, as subsequently amended and restated pursuant to the Letter of Offer, dated April 19, 2013 (“**NS Offer Letter “A”**”), pursuant to which the Province agreed to provide Northern Pulp with a \$15,000,000 loan for a term of ten (10) years, commencing on January 1, 2013; and
- (b) Letter of Offer, dated April 19, 2013 (“**NS Offer Letter “B”**”), from the Province to Northern Pulp, pursuant to which the Province agreed to provide Northern Pulp with a \$17,200,000 loan for a term of ten (10) years commencing on January 1, 2013,

(collectively the “**NS Offer Letters**”).

Now shown to and attached as **Exhibit “T”** to this, my Affidavit, are true copies of the NS Offer Letters, in the same order as set out above.

52. All of the NS Offer Letters were subsequently amended pursuant to an Amendment Letter, dated September 25, 2013 (the **“NS Offer Amendment”**), between Northern Pulp and the Province which amended the disbursement period from 180 days to 24 months under the NS Offer Letters.

53. The NS Offer Letter “A” and the NS Offer Letter “B” were further amended pursuant to:

- (a) an Extension Letter, dated June 27, 2019 (the **“NS 2017 Extension Letter”**), as set forth by the Province and acknowledged by Northern Pulp, Northern Timber, and Northern Resources. Pursuant to the NS Extension Letter, the Province consented to an extension to the November 30, 2019 filing of financial statements for Northern Pulp and Northern Resources under the NS Offer Letter “A” and NS Offer Letter “B”;
- (b) an Amendment Letter, dated September 4, 2019 (the **“NS Amendment Letter”**), as set forth by the Province and acknowledged by Northern Pulp, Northern Timber, and Northern Resources. Pursuant to the NS Amendment Letter, among other amendments: (i) the required annual principal payment under NS Offer Letter “A” for 2019 (based on Northern Pulp’s 2018 fiscal year financial statements) was amended and extended so that such payments would be due on January 31, 2020; and, (ii) the required annual principal payments under NS Offer Letter “B” for 2018 and 2019, (based on Northern Pulp’s 2017 and 2018 fiscal year financial statements, respectively) were amended and extended so that such payments would be due on January 31, 2020;
- (c) a letter dated May 19, 2020 (the **“NP May 2020 Extension Letter”**), as set forth by the Province and acknowledged by Northern Pulp, Northern Timber, and Northern Resources. Pursuant to the NS May 2020 Extension Letter, the required loan payments under NS Offer Letter “A” and NS Offer Letter “B” for the April to June 2020 period were postponed and will recommence on July 1, 2020; and
- (d) a letter dated June 3, 2020 (the **“June 2020 Extension Letter”**, together with the NP May 2020 Extension Letter, the **“NP 2020 Extension Letters”**) from counsel

to the Province to counsel to Northern Pulp and Northern Timber. Pursuant to the June 2020 Extension Letter, the Province agreed to defer all interest and principal payments on loans granted to Northern Pulp and Northern Timber so long as Northern Pulp is actively taking steps to obtain regulatory approval for the Mill as determined by the Province in their absolute discretion. In the event the Province determines that Northern Pulp is not actively taking steps to obtain regulatory approval, the Province will provide Northern Pulp with 60 days' notice of the cessation of the deferral of payments.

Now shown to me and marked as **Exhibits “U”, “V” and “W”** to this, my Affidavit, are true copies of the NS 2017 Extension Letter, the NS Amendment Letter and the NP 2020 Extension Letters, respectively.

54. To secure the obligations due and owing under the NS Offer Letters, Northern Pulp entered into and provided the Province with the following security agreements:

- (a) Collateral Mortgage, dated April 14, 2009 (the **“Northern Pulp NS Collateral Mortgage”**), as granted by Northern Pulp to and in favour of the Province, as subsequently amended pursuant to the Collateral Mortgage Amending Agreement, dated September 17, 2013, concerning PIDs 00864082, 00864538, 01045442, 65076358, 65076366, 65076374, 65076382, 65166829, 65166837, 65168130, 65168148, 65168163 and 20451761; and
- (b) General Security Agreement, dated April 14, 2009 (the **“Northern Pulp NS GSA”**), as granted by Northern Pulp to and in favour of the Province, as subsequently amended pursuant to the Security Amending Agreement, dated September 19, 2013, concerning all of Northern Pulp's present and after-acquired personal property,

(collectively, the **“Northern Pulp NS Security”**).

Now shown to me and marked as **Exhibits “X” and “Y”** to this, my Affidavit, are true copies of the Northern Pulp NS Collateral Mortgage and the Northern Pulp NS GSA, respectively.

55. To further secure the payment and the Province's security interests:

- (a) Azure and the Province entered into, the Postponement Agreement, made effective April 15, 2009 (the "**Azure Postponement Agreement**"), as between Azure and the Province, pursuant to which Azure agreed to postpone and subordinate the Azure Security, to and in favour of the Province, in all respects; and
- (b) Howe and the Province entered into, the Postponement Confirmation Agreement, dated September 17, 2013 (the "**Howe Postponement Agreement**"), as between Howe and the Province, pursuant to which Howe confirmed and agreed to postpone and subordinate the Azure Security, to and in favour of the Province, in all respects.

Now shown to me and marked as **Exhibits "Z"** and **"AA"** to this, my Affidavit, are true copies of the Azure Postponement Agreement and the Howe Postponement Agreement, respectively.

56. In addition to the Northern Pulp NS Security, the following guarantees were provided to and in favour of the Province, concerning the Northern Pulp NS Indebtedness:

- (a) Guarantee, dated September 19, 2013 (the "**NT Province Guarantee**"), as granted by Northern Timber to and in favour of the Province; and
- (b) Guarantee, dated September 19, 2013 (the "**NR Province Guarantee**"), as granted by Northern Resources to and in favour of the Province.

Now shown to me and marked as **Exhibits "BB"** and **"CC"** to this, my Affidavit, are true copies of the NT Province Guarantee and the NR Province Guarantee.

57. The Northern Pulp NS Indebtedness as guaranteed by Northern Timber, is further secured pursuant to a Collateral Mortgage, dated September 17, 2013 (the "**NT Guarantee Collateral Mortgage**"), granted by Northern Timber to and in favour of the Province, concerning the PIDs described in Schedule "A" thereto. Now shown to me and marked as **Exhibit "DD"** to this, my Affidavit, is a true copy of the NT Guarantee Collateral Mortgage.

ii. Loans and Security Concerning Northern Timber

58. Northern Timber currently owes \$64,780,546.45 to the Province (the “**Northern Timber NS Indebtedness**”).

59. The Northern Timber Indebtedness arises under the Letter of Offer, dated February 24, 2010 (the “**NT Offer Letter**”), between the Province, as Lender, and Northern Timber, as borrower, pursuant to which the Province provided Northern Timber with a \$75,000,000 loan, for a term of thirty (30) years commencing on the date of disbursement, which occurred on March 11, 2010. The NT Offer Letter was amended by a letter dated May 19, 2020 (the “**NT 2020 Extension Letter**”), as set forth by the Province and acknowledged by Northern Pulp, Northern Timber, and Northern Resources. Pursuant to the NT 2020 Extension Letter, the required loan payments under the NT Offer Letter for the April to June 2020 period were postponed and will recommence on July 1, 2020. Now shown to me and marked as **Exhibits “EE”** and “**FF**” to this, my Affidavit, is a true copy of the NT Offer Letter and the NT 2020 Extension Letter.

60. Pursuant to the June 2020 Extension Letter, the Province agreed to defer all interest and principal payments on loans granted to Northern Timber so long as Northern Pulp is actively taking steps to obtain regulatory approval for the Mill as determined by the Province in their absolute discretion. In the event the Province determines that Northern Pulp is not actively taking steps to obtain regulatory approval, the Province will provide Northern Pulp with 60 days' notice of the cessation of the deferral of payments.

61. To secure the obligations due and owing under the NT Offer Letter, Northern Timber entered into and provided a \$75,000,000 Debenture, dated March 11, 2010, as granted by Northern Timber, to and in favour of the Province.

62. The obligations arising under the NT Offer Letter are also guaranteed pursuant to a Guarantee, dated March 11, 2010 (the “**NP Province Guarantee**”), as granted by Northern Pulp to and in favour of the Province. Now shown to me and marked as **Exhibit “GG”** to this, my Affidavit, is a true copy of the NP Province Guarantee.

63. The obligations owed by Northern Pulp under the NP Province Guarantee are secured pursuant to a General Assignment of Rents and Other Monies, dated March 11, 2010 (the “**Assignment of Rents**”), as granted by Northern Pulp to and in favour of the Province, pursuant to which Northern Pulp assigned to the Province the rents and leases concerning PIDs 00864082,

00864538, 01045442, 65076358, 65076366, 65076374, 65076382, 65166829, 65166837, 65168130, 65168148, 65168163, 20451761. Now shown to me and marked as **Exhibit “HH”** to this, my Affidavit, is a true copy of the Assignment of Rents.

64. Finally, as additional security for the obligations due and owing under the NT Offer Letter, Northern Timber’s sole shareholder, NTNS LP entered into and provided the Province with a Share Pledge Agreement, dated March 11, 2010 (the “**NT Share Pledge**”), as granted by NTNS LP to and in favour of the Province pursuant to which NTNS LP pledged all shares in the capital stock of Northern Timber, in favour of the Province. Now shown to me and marked as **Exhibit “II”** to this, my Affidavit, is a true copy of the NT Share Pledge.

VII. THE PETITIONERS ARE INSOLVENT

a. 105 BC and Northern Resources are Insolvent

65. 105 BC is the parent of the other Petitioners. 105 BC’s sole asset is its 100% equity interest in Northern Resources. 105 BC’s liabilities are comprised of the 105 BC Note Indebtedness, in favour of PEC. Based on the assets and liabilities of the remaining Petitioners, as set out below, the realizable value of 105 BC’s assets is materially less than its obligations. Furthermore, 105 BC’s obligations under the 105 BC Note Indebtedness are repayable on demand. 105 BC does not have sufficient assets or liquidity to satisfy its obligations under the 105 BC Note Indebtedness. As a result, 105 BC is currently insolvent. Now shown to me and marked as **Exhibit “JJ”** to this, my Affidavit, is a true copy of 105 BC’s audited 2019 consolidated financial statements.

66. Northern Resources is a wholly-owned subsidiary of 105 BC. Pursuant to the NR Province Guarantee, Northern Resources is a guarantor of Northern Pulp’s obligations under the NS Offer Letters. In accordance with the Section 15 of the NR Province Guarantee, if: (a) Northern Pulp defaults in the payment of its liabilities; or (b) Northern Pulp becomes insolvent or any application is made under the CCAA, such actions are deemed to be an automatic default under the terms of the NR Province Guarantee, which entitle the Province to take enforcement action against Northern Resources, without further notice or demand and to proceed to enforce any security held by the Province with respect to the obligations of Northern Pulp. Now shown to me and marked as **Exhibit “KK”** to this, my Affidavit, is a true copy of Northern Resources unaudited 2019 consolidated financial statements and unconsolidated financial statements for the four months ended April 30, 2020.

67. As the filing of these proceedings by Northern Pulp constitutes an automatic default under the NR Province Guarantee and based on the realizable value of Northern Resources' holdings, as set out below and the fact that the Petitioners have been forced to cease operations, Northern Resources does not have sufficient assets or liquidity to satisfy its obligations under the NR Province Guarantee.

b. Northern Pulp is Insolvent

68. The cessation of pulp production by Northern Pulp has resulted in Northern Pulp's operating revenues declining from \$275,827,329 for the year ended December 31, 2019 to \$13,320,167 for the four months ended April 30, 2020 (which includes \$10,641,005 in revenues from sales of pulp produced before pulp production ceased on January 12, 2020). With no material operating revenue, Northern Pulp is unable to meet its ongoing obligations as they become due and is insolvent.

69. As of April 30, 2020, the approximate book value of Northern Pulp's assets was as follows:

<u>Nature:</u>	<u>Approximate Book Value:</u>
Current Assets	\$13,603,876
Property Plant and Equipment	\$99,120,786
TOTAL	\$112,724,662

70. Similarly, as at April 30, 2020, Northern Pulp had liabilities which amounted to approximately \$244,017,507, including, among others, trade payables and accruals in the approximate amount of \$4,791,347.10. As a result, Northern Pulp liabilities currently exceed its book value by approximately \$131,292,845. The realizable value of Northern Pulp's assets is materially less than its obligations, given the Mill is unable to operate without the Replacement ETF. As a result, Northern Pulp is currently insolvent. Now shown to me and marked as **Exhibit "LL"** to this, my Affidavit, is a true copy of Northern Pulp's unaudited 2019 financial statements and financial statements for the four months ended April 30, 2020.

c. Northern Timber is Insolvent

71. Northern Timber's only material source of revenue is from the sale of fibre to Northern Pulp. With no material operating revenue, Northern Timber is also unable to meet its ongoing obligations as they become due and is insolvent. Now shown to me and marked as **Exhibit "MM"**

to this, my Affidavit, is a true copy of Northern Timber's unaudited 2019 financial statements and financial statements for the four months ended April 30, 2020.

72. Pursuant to the NT Province Guarantee, Northern Timber is a guarantor of Northern Pulp's obligations under the NS Offer Letters. In accordance with the Section 15 of the NT Province Guarantee, if: (a) Northern Pulp defaults in the payment of its liabilities; or (b) Northern Pulp becomes insolvent or any application is made under the CCAA, such actions are deemed to be an automatic default under the terms of the NT Province Guarantee, which entitles the Province to take enforcement action against Northern Timber without further notice or demand and to proceed to enforce any security held by the Province with respect to the obligations of Northern Pulp. This would include immediate enforcement of the NT Guarantee Collateral Mortgage.

73. Additionally, any defaults by Northern Timber under the NT Province Guarantee and the NT Guarantee Collateral Mortgages likely also constitute a cross-default under the NT Province Debenture, in accordance with section 12(i) thereof. Northern Timber does not have the liquidity or current assets to satisfy its obligations under the NT Province Guarantee let alone the NT Province Debenture. As a result, Northern Timber, which currently has no material ongoing operations, is or will be, immediately upon the filing of Northern Pulp, unable to meet its obligations as they become due.

d. NPNS GP, NPNS GP ULC and NTNS GP Are Insolvent

74. Each of Northern Pulp and Northern Timber are unlimited companies. The 100% member of Northern Pulp is NPNS LP and the 100% member of Northern Timber is NTNS LP. NPNS LP and NTNS LP do not conduct business operations and their member interests in Northern Pulp and Northern Timber, respectively, are their only material assets. I am advised by my Nova Scotia counsel that the LP's, by virtue of being members of Northern Pulp and Northern Timber, respectively, are liable to contribute an amount sufficient for payment of the Northern Pulp and Northern Timber debts and liabilities upon a wind-up of Northern Pulp and Northern Timber. Northern Pulp and Northern Timber are presently insolvent and neither of the LP's have the ability to satisfy the contribution obligations that arise on a wind-up of Northern Pulp or Northern Timber; accordingly, the LP's are insolvent and seek the benefit of the stay of proceedings (as testified to further herein).

75. Each of NPNS GP ULC, as general partner of NPNS LP, and NTNS GP, as general partner of NTNS LP, are liable for the indebtedness for their respective insolvent LP. Neither of

these corporations has any material assets. These corporations are insolvent as they are liable for the obligations of their respective insolvent LP and have no ability to satisfy such obligations. In addition, NPNS GP ULC is also an unlimited liability corporation and its sole shareholder is NPNS GP. NPNS GP has no material assets other than its shareholder interest in NPNS GP ULC, is liable for the obligations of NPNS GP ULC and is insolvent as it has no ability to satisfy such obligations.

76. Now shown to me and marked as **Exhibit “NN”** to this, my Affidavit, are true copies of NPNS GP, NPNS GP ULC and NTNS GP unaudited 2019 unconsolidated financial statements

VIII. PURPOSE OF RESTRUCTURING PROCEEDINGS

77. If the Petitioners are granted a stay of proceedings under the CCAA the Petitioners intend to work diligently towards the restructuring of their affairs, by:

- (a) ensuring the orderly hibernation, care and maintenance of the Mill facilities and equipment and forestry assets, and supporting existing industry partnerships until such time as comprehensive restructuring or any asset sale alternatives are implemented;
- (b) working with the Monitor and other professional advisers to assess various options available to remain a viable enterprise, going forward;
- (c) pursuing the 2020 Judicial Review Application and reviewing the TOR while working with provincial and federal regulators to determine the most efficient manner to proceed to obtain required approvals for the Replacement ETF;
- (d) exploring alternatives to the Replacement ETF for re-starting the Mill;
- (e) engaging in settlement discussions with the Province in relation to claims pursuant to the Agreements in connection with or arising from the reduction in the term of the Lease from December 31, 2030 to January 31, 2020 as a result of the BHA;
- (f) working with regulators from the Province, representatives of the Monitor, PLFN and other stakeholders to explore potential alternative means to preserve going concern asset value and prospects for re-starting the Mill; and

- (g) reorganizing, re-negotiating, or eliminating any existing contracts of an onerous nature or any non-performing assets.

78. I believe that if the Petitioners are not granted protection under the CCAA, the Petitioners will not be able to emerge from their present financial condition or retain any hope of resuming operations. If CCAA protection is not granted:

- (a) the Petitioners will be unable to transition the Mill and their operations into a state of hibernation and preservation, in an environmentally responsible manner;
- (b) the Petitioners will be unable to carefully monitor and regulate their operations at the Mill and ensure proper compliance with applicable laws;
- (c) the Mill and the corresponding forestry assets will likely not be restored to any operational state and the workforce will likely not be re-engaged;
- (d) creditors' recourse will be to pursue their individual remedies resulting in serious prejudice and damage to all affected stakeholders, further eliminating the possibility of the Petitioners successfully restructuring their operations and restoring the Mill and relevant forestry assets to an operational state and re-engaging workforces; and
- (e) the value of the Mill and forestry assets will be significantly impaired without a responsible hibernation and maintenance program put in place.

79. In addition to the aforementioned, I believe that the only way to avoid ongoing and additional environmental and regulatory problems, in relation to the Mill, is to engage in a responsible, Court and Monitor-supervised CCAA restructuring process. The Mill hibernation process must be properly completed, which will take several months. A significant degree of effort and capital is required in order to preserve the Mill and forestry assets, which are spread over a wide section of rural NS.

80. The senior management of Northern Pulp estimates that the BH-ETF shutdown and Mill hibernation process will require work through June 2021 and that total overall estimated out of pocket expenses for the safe shutdown of the BH-ETF ("**Overall Costs**") will be in excess of \$20.0 million. Northern Pulp and Northern Timber entered into a contribution agreement with the Province dated March 17, 2020 (the "**2020 Contribution Agreement**"), pursuant to which the

Province contributed \$10 million to be used to pay expenses (“**Eligible Expenses**”) to arm’s length third parties related to the removal and/or treatment of leachate and runoff, including but not limited to trucking and processing, and planning for and decommissioning of the pipeline, ditches, settling basins and aeration basin of the BH-ETF Eligible Expenses, and Northern Pulp agreed to complete such work. The 2020 Contribution Agreement provides that Northern Pulp’s loans to the Province will be increased by up to \$10 million in the event the Province’s contribution is not used to pay Eligible Expenses or that Northern Pulp spends less than \$20 million on Overall Costs. A copy of the 2020 Contribution Agreement is attached hereto and marked as **Exhibit “OO”**.

81. Northern Pulp has incurred approximately \$7.63 million in third party supplier costs and other costs related to the hibernation of the Mill in an environmentally responsible manner since January 12, 2020. While Northern Pulp projects to have sufficient liquidity to continue the Mill hibernation and BH-ETF shut down process through July 2020, it does not project to have the required financial resources to complete the safe shutdown of the BH-ETF (which, as testified to above, is expected to continue through to June 2021). Discussions between Northern Pulp and the Province on funding matters that began in early 2020 have continued since the execution of the 2020 Contribution Agreement, including Northern Pulp’s financing its proportionate share of Overall Costs under the 2020 Contribution Agreement to be financed consensually and in priority to the Province. Most recently, the Province has agreed to defer principal and interest payments on indebtedness owed by Northern Pulp and Northern Timber to the Province in accordance with the June 2020 Extension Letter, but Northern Pulp and the Province have been unable to agree on go-forward funding arrangements to complete the BH-ETF shutdown and Mill hibernation costs. At present, Northern Pulp does not have access to sufficient funds to complete the hibernation of the Mill in an environmentally responsible manner and does not have any reasonable prospect of obtaining the required funds to complete such work outside of securing interim financing in these proceedings.

82. Without an orderly restructuring under the CCAA, there is a strong likelihood that the subject assets will lose all, or considerably all, of their going concern value. Over the next few months the Petitioners intend to specifically focus on and undertake a number of critical and immediate steps and expenditures to properly transition the Mill and their operations into a safe and reversible state of hibernation, as outlined above.

Registered Pension Plans and Status

83. Northern Pulp sponsors the following three registered contributory pension plans (collectively, the “**Plans**”):

- (a) Northern Pulp Nova Scotia Corporation Hourly Pension Plan (the “**Hourly Plan**”), comprised of defined benefit provisions (the “**Hourly Plan DB Provision**”) and, for employees hired on or after June 1, 2014, defined contribution provisions (the “**Hourly Plan DC Provision**”);
- (b) Northern Pulp Nova Scotia Corporation Salaried Pension Plan (the “**Salaried Plan**”) comprised of defined benefit provisions in respect of service before April 1, 2009 (the “**Salaried Plan DB Provision**”, the Salaried Plan DB Provision and the Hourly Plan DB Provision are collectively referred to as, the “**DB Provisions**”) and for service after March 31, 2009, defined contribution provisions (the “**Salaried Plan DC Provision**”); and
- (c) Northern Pulp Nova Scotia Corporation Pension Plan for Chip Plant Employees comprised of defined contribution provisions only (the “**Chip Plant DC Plan**”, and, collectively, with the Hourly Plan DC Provision and the Salaried Plan DC Provision, the “**DC Plans**”).

84. The Plans are registered pursuant to the provisions of the *Pension Benefits Act (Nova Scotia)* and regulations made thereunder (collectively, the “**PBA**”) and *the Income Tax Act (Canada)* and regulations made thereunder (collectively, the “**ITA**”). Northern Pulp is the administrator of the Plans for purposes of the PBA and the ITA.

IX. STATUS OF DB PLANS

85. As administrator of the Plans, Northern Pulp causes periodic actuarial valuations of the DB Provisions to be carried out by Willis Towers Watson, the actuarial firm retained by Northern Pulp for the DB Provisions. Gavin Benjamin, Senior Director at Willis Towers Watson (“**Gavin Benjamin**”) is the actuary with responsibility for the preparation of valuations for the DB Provisions, as well as other plan-related services. Willis Towers Watson prepared a valuation for the Hourly DB Provision with an effective date of December 31, 2019 (the “**Hourly 2019 Valuation**”) which was filed pursuant to the PBA on May 15 2020. I am informed by Gavin Benjamin and do verily believe that the Hourly 2019 Valuation sets out the funded position of the

Hourly DB Provision as of December 31, 2019, and the minimum required contributions under the PBA for the Hourly DB Provision by Northern Pulp commencing December 31, 2019 and continuing until the filing of the next valuation with an effective date no later than December 31, 2022.

86. Willis Towers Watson prepared a valuation for the Salaried DB Provision with an effective date of December 31, 2019 (the “**Salaried 2019 Valuation**”) which was filed pursuant to the PBA on May 15, 2020. I am informed by Gavin Benjamin and do verily believe that the Salaried 2019 Valuations set out the funded position of the Salaried DB Provision as of December 31, 2019, and the minimum required contributions under the PBA for the Salaried DB Provision by Northern Pulp commencing December 31, 2019 and continuing until the filing of the next valuation, with an effective date no later than December 31, 2022.

87. I am further informed by Gavin Benjamin and do verily believe that the DB Provisions’ solvency liabilities as at December 31, 2019 (the “**Valuation Date**”) for the Hourly DB Provision and the Salaried DB Provision have been calculated on a going-concern, solvency and wind-up basis pursuant to the requirements of the PBA. These liabilities are intended to provide an estimate of the Plans’ obligations at the Valuation Date. The going-concern valuations assumes that the Plans remain operative indefinitely; the solvency valuation assumes that certain Plan entitlements as prescribed by the PBA are settled on the Valuation Date for all beneficiaries of the DB Provisions, and the wind-up basis assumes that the Plans are terminated on the Valuation Date and that all liabilities are settled in the manner prescribed by the PBA. Solvency liabilities may be less than the wind-up liabilities due to the fact that the PBA allows certain benefits provided on plan termination to be excluded from the solvency valuation.

88. An estimate of the DB Provisions’ financial or funded position at the Valuation Date can be derived by comparing the DB Provisions’ solvency liabilities as at the Valuation Date to the market value of the assets held under the DB Provisions at the same date. The following chart sets out this funded position for each of the DB Provisions as of the Valuation Date on a going-concern, solvency and wind-up basis as well as the ratio of Market Value of Assets to Solvency Liabilities (the Solvency Ratio):

Plan	Going Concern Funding Deficit	Solvency Funding	Wind-Up Deficit/ (Surplus)	Solvency Ratio
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		Deficit/ (Surplus)		
Hourly DB Provision	\$28,346,221	\$9,607,063	\$18,199,385	0.96
Salaried DB Provision	\$1,267,424	(\$2,752,899)	\$(2,535,481)	1.07

89. I am further informed by Gavin Benjamin, and do verily believe that the minimum required contributions are calculated by Willis Towers Watson in accordance with the PBA and based in part on the funded status of the DB Provisions as of the Valuation Date. There are no current service costs for the Salaried Plan DB Provision since the Salaried Plan DB Provision was closed April 1, 2009 and there has been is no further accrual of DB service or DB benefits since that date.

90. The following chart sets out the categories of total annual employer contributions required in 2020 for the Hourly DB Provision commencing January 1, 2020, based on the Hourly 2019 Valuation. Northern Pulp's contributions for the Hourly DB Provision in 2020 prior to the filing of the Hourly 2019 Valuation on May 15, 2020 exceeded the amount required pursuant to the Hourly 2019 Valuation. Northern Pulp has determined that, as a result of the excess contributions, no further employer contributions will be required for the Hourly DB Provision until September, 2020. For this reason, the Consolidated Cash Flow Projection does not project for contributions towards the Hourly DB Provision over the 13 week forecast period. No further employer contributions are required in 2020 for the Salary DB Provision, based on the Salaried 2019 Valuation. The employer contribution amounts set out below are estimates and actual contributions may differ materially from the estimates. For example, actual required contributions for current service will depend on the actual pensionable earnings and pension service accruals of the Hourly Plan DB Provision members. In addition, the amounts are subject to change in the event of the declaration of the wind-up of the Plans. Also, the estimated current service contributions do not reflect the potential effect of the layoff of Hourly Plan DB Provision members due to any slowdown or closure of the Mill:

Year	Estimated Northern Pulp Current Service Contributions	Special Payments by Northern Pulp for Deficits	Total Northern Pulp Contributions
Hourly DB Provision	\$ 1,458	\$ 1,357,000	\$ 1,358,458

91. I am further informed by Gavin Benjamin and do verily believe that the actuary has provided more recent estimates (the “**2020 Estimates**”) to Northern Pulp as of April 30, 2020 (the “**Estimate Date**”) regarding the funded positions of the DB Provisions on a going-concern, solvency and on a Plan termination basis. Except as noted below, the funding estimates contained in the Valuations are based on asset information, membership data, assumptions, methods, and plan provisions described in the Valuations. The 2020 Estimates are based on an extrapolation of the liabilities from the Valuations and updated asset values and discount rates (using sensitivities) as of the Estimate Date, but without consideration of any changes in member demographic data. The 2020 Estimates are order of magnitude estimates only and may differ materially from the funding positions that would result from a full actuarial valuation performed as of the Estimate Date. The 2020 Estimates may also differ materially from the funding positions revealed in a wind-up valuation report or from the actual cost of settling the obligations of the DB Provisions in the event of actual plan wind-ups. Material variations may arise due to a number of factors, including performance of the investment markets, fluctuations in certain interest rates and changes in membership subsequent to the Valuation Date.

92. Subject to the foregoing, the following chart sets out the estimated funded position for each of the DB Provisions as of the Estimate Date on a going-concern, solvency and wind-up basis as well as the ratio of Market Value of Assets to Wind-Up Liabilities (the Wind-Up Ratio):

Plan	Going Concern Funding Deficit	Solvency Funding Deficit	Wind up Deficit	Wind-Up Ratio
Hourly DB Provision	\$39,910,000	\$32,787,000	\$42,156,000	82%
Salaried DB Provision	\$2,644,000	\$389,000	\$618,000	99%

93. I am further informed by Gavin Benjamin and do verily believe that as of December 31, 2019, the DB Provisions have 610 beneficiaries, summarized as follows:

Plan	Active and Disabled Members	Retired Members	Terminated Vested Members	Total Members
Hourly Plan DB Provision	132	339	5	476
Salaried Plan DB Provision	13*	115	6	134

*Note - the 13 “Active” Members of the Salaried Plan DB Provision are current employees who have a defined benefit entitlement for service prior to April 1, 2009, but have not accrued Salaried Plan DB Provision service or benefits since that date. They are presently participating in the Salaried Plan DC Provision for current service and benefits.

X. STATUS OF THE DC PLANS

94. The DC Plans are administered in accordance with the provisions of the PBA and the ITA. Under the terms of the DC Plans, a beneficiary is entitled to the balance in the beneficiary’s individual account at the relevant time – retirement, termination of employment or death. As a result, there cannot be deficits or special payments that arise in relation to the DC Plans. The financial obligation of Northern Pulp in respect of the DC Plans is to make current service contributions as required under the terms of the DC Plans. Subject to sufficient cash flow, Northern Pulp’s current intention is to continue to fund current service contributions due in respect of service arising under the terms of the DC Plans before, on and after the date of the Order sought in this proceeding for the duration of the initial stay period.

95. I am informed by Gavin Benjamin and do verily believe that as of December 31, 2019, the DC Plans have 185 beneficiaries, summarized by Plan and category of member as follows:

Plan	Active Members	Retired Members	Inactive Members	Deferred Members	Total Members
Chip Plan DC Plan	10	n/a	0	0	10

Hourly Plan DC Provision	69	n/a	2	0	71
Salaried Plan DC Provision	94*	n/a	10	0	104

*Note – Active members for the Salaried Plan DC Provision includes the 13 active members for the Salaried Plan DB Provision referenced above.

XI. NOTICE RELATED TO THE PLANS

96. I am informed by Northern Pulp's counsel and do verily believe that, if the Initial Order is granted:

- (a) via written mailed notice, a true copy of which is attached hereto and marked as **Exhibit "PP"**, Northern Pulp will advise the beneficiaries of the Plans of the commencement of these proceedings and a website address where copies of documents may be obtained;
- (b) Northern Pulp will advise the Superintendent of Pensions of the commencement of these proceedings and provide copies of all Court documents to be filed in this Application; and
- (c) the Initial Order will not prime any deemed trust claims that are available to beneficiaries of the Plans.

XII. BENEFITS AND SUPPLEMENTARY PENSIONS

97. Northern Pulp provides certain life insurance and supplementary health benefits to its current salary and hourly employees and certain benefits to retired employees pursuant to insurance contracts with insurance providers. The monthly cost is approximately \$145,000 for June, \$140,000 for July and \$75,000 from August onward. Subject to sufficient cash flow, Northern Pulp's current intention is to continue to fund these benefits (the "**Insurance and Supplementary Health Payments**"), on and after the date of the Order sought in this proceeding

for the duration of the initial stay period subject to the employees continuing to meet the normal eligibility criteria.

98. Northern Pulp provides certain short term disability income for employees who meet the eligibility criteria through:

- (a) For unionized employees, a Weekly Indemnity Program to a maximum of 52 weeks;
- (b) For salaried employees, through a Salary Continuation Program to a maximum of 16 weeks; and
- (c) For unionized employees who are off work due to an injury eligible for benefits under the *Workers Compensation Act*, a top up on the benefits received from the Workers Compensation Board to 75% of earnings,

(collectively, the “**STD Benefits**”).

99. Northern Pulp currently provides self-Insured STD Benefits to five employees with a total monthly payment of \$14,000. Northern Pulp’s current intention is to continue to pay the STD Benefits (the “**STD Payments**”) on and after the date of the Order sought in this proceeding for the duration of the initial stay period, subject to sufficient cash flow and the employees continuing to meet the eligibility criteria.

100. Northern Pulp also provides certain long-term disability income (“**LTD Benefits**”) to employees who meet the eligibility criteria. The LTD Benefits are fully insured through an insurance provider. The monthly cost is approximately \$2,600. Subject to sufficient cash flow, Northern Pulp’s current intention is to continue LTD Benefits premium payments (the “**LTD Payments**”) on and after the date of the Order sought in this proceeding for any active employees for the duration of the initial stay period subject to the employees continuing to meet the eligibility criteria.

XIII. EMPLOYEES AND EMPLOYEE OBLIGATIONS

101. I verily believe that the current total number of employees of Northern Pulp as at December 31, 2019 was 312. This includes salaried and hourly union Mill employees, as well as

the salaried and hourly union Chip Plant employees, and the breakdown of these employees is as follows:

- (a) Hourly Union Employees at the Mill: 187;
- (b) Hourly Union Employees at the Chip Plant: 13;
- (c) Salaried Employees: 62;
- (d) Temporary Employees: 7;
- (e) Other Employees (includes woodland workers, BH-ETF staff and student interns): 31; and
- (f) Employees on Long Term Disability and Medical Leave: 12.

102. The Mill bargaining unit is represented by Unifor, Local 440. This operation contains the vast majority of the unionized employees.

103. The Chip Plant is a separate bargaining unit with its own collective agreement, which is also represented by Unifor, Local 440-1.

104. Northern Pulp's annual gross payroll and benefit obligations (including pension) for 2019 were \$29,299,167 and \$4,438,394, respectively.

105. As a result of being unable to continue pulp production, Northern Pulp was required to provide advance notice and/or severance to its employees, as follows:

- (a) On December 22, 2019 notice was provided to the Minister of Business pursuant to Section 3(2) of the Industry Closing Act that it would have to layoff employees, effective January 31, 2020;
- (b) On December 22, 2019 notice was provided to the Minister of Labour and Advanced Education pursuant to the provisions of Section 75(2) of the Labour Standards Code of Nova Scotia that it would be laying off between 100 and 300 employees within a 30 day period;
- (c) On December 23, 2019 notice was provided to Unifor Local 440 unionized employees that it would be laying off employees effective April 21, 2020. This

notice was in compliance with Collective Agreement provisions that required the employer to provide 120 days of advance notice of termination;

- (d) On December 23, 2019 notice was provided to Unifor Local 440-1 that it would be laying off all of the employees covered by this Collective Agreement, effective March 22, 2020; and
- (e) On or about January 22, 2020 notice was provided to 80 salaried employees that they would be receiving twelve weeks of group notice of termination in accordance with Section 72(2) of the Labour Standards Code, plus one month of notice or pay in lieu for each year of completed service that is greater than three years.

106. As of May 26, 2020, approximately 32 employees of Northern Pulp are actively working to ensure an orderly hibernation and to care for and maintain mill facilities, equipment and forestry assets. Thirty of these employees are salaried and two are unionized. Of the salaried employees, approximately nine have not yet been provided with notice of termination.

107. Northern Pulp's anticipated obligations for pay in lieu of providing notices for its employees are estimated to be \$8,818,809. Additional severance payouts are estimated to cost Northern Pulp \$7,115,340.

XIV. RELIEF SOUGHT

108. With no ordinary course operational prospects to recommence producing pulp in the near future, Northern Pulp and the other Petitioners, as a whole, find themselves in a liquidity crisis. The Petitioners' obligations and liabilities greatly exceed \$5,000,000.

109. The Province has significant obligations to PEC and the Petitioners pursuant to the Agreements. PEC and the Petitioners relied upon the Province to comply with its obligations in making their respective decisions to acquire the shares of Northern Resources, loan and invest significant money in the Petitioners and to work cooperatively with the Province, PLFN and others to seek a resolution that would result in the closure of the BH-ETF, remediation of Boat Harbour and the continued operation of the Mill in a manner that respected the environment, respected the rights of PEC and the Petitioners under the Agreements, and acknowledged the substantial contribution of the Petitioners to partners in the forestry industry and the economy of Nova Scotia. The Petitioners believe they have various claims against the Province arising from the Agreements.

110. PEC and the Petitioners wish to continue discussions with the Province with the objective of resolving claims the Petitioners have against the Province pursuant to the Agreements, restoring the Mill and relevant forestry assets to an operational state and re-engaging workforces as soon as possible. If the discussions are not successful and the Petitioners are not able to restore the Mill and their relevant forestry assets to an operational state and re-engage their workforce, they and their affiliates will need to consider alternative strategies to maximize value for stakeholders, including liquidating the tangible assets of the Petitioners and enforcing legal rights pursuant to the Agreements.

XV. STAY OF PROCEEDINGS

111. As the Petitioners are in dire financial circumstances resulting in their insolvency, the Petitioners require a stay of proceedings for an initial period of ten (10) days. The Petitioners intend to subsequently request the stay period be extended for a further period of 90 days at the Comeback Hearing and seek additional relief through the Amended and Restated Initial Order.

XVI. STATEMENT OF PROJECTED CASH FLOW

112. The Petitioners, with the assistance of EY, have prepared a consolidated thirteen (13) week cash flow forecasts (the “**Consolidated Cash Flow Projection**”). Now shown to me and attached as **Exhibit “QQ”** to this, my Affidavit, is a true copy of the Consolidated Cash Flow Projection.

XVII. ADMINISTRATION CHARGE

113. The Petitioners also request that this Honourable Court grant a charge in favour of its counsel and in favour of the Monitor and the Monitor’s counsel, to secure the payment of fees and expenses incurred in connection with any CCAA proceedings in priority to existing creditors (including secured creditors). Accordingly, the Petitioners seek an administration charge (the “**Administration Charge**”), as provided for in the draft Initial Order, in the amount of \$500,000. The Petitioners have sought and obtained guidance from the Monitor in proposing this amount and anticipate seeking to increase this amount at the Comeback Hearing.

XVIII. DIRECTOR AND OFFICER CHARGE

114. Mr. Wei is the sole director of each of the Petitioners other than 105 BC. Mr. Hardi Wardhana and Mr. Wei are the directors of 105 BC. I am the sole officer of each of the Petitioners

other than 105 BC. Each of Mr. Wei and myself have considerable knowledge and experience in dealing with the business and affairs of the Petitioners. In addition, Mr. Wei serves on the board of directors of PEC. The Initial Order contemplates that the directors of PEC will have the benefit of director and officer protections for claims that may be made against any of them that relate to the obligations of the Petitioners. For clarity, this relief does not seek to afford the directors of PEC any protection for the obligations of PEC itself.

115. The Petitioners estimate that the priority payables in respect of which the director and officers have potential liability at any point in time during the CCAA process is approximately \$500,000. Accordingly, the Petitioners seek a director and officer charge (the “**Director and Officer Charge**”), as provided for in the draft Initial Order, in the amount of \$500,000. The Petitioners have sought and obtained guidance from the Monitor in proposing this amount and anticipate seeking to increase this amount at the Comeback Hearing. The proposed Director and Officer Charge will be in addition to the existing directors’ and officers’ insurance policies.

116. PEC has a directors and officers liability insurance policy issued by AIG Insurance Company of Canada providing coverage for PEC and all of its subsidiaries (including the Petitioners), until December 31, 2020, with an aggregate limit of liability of \$10 million, with the following coverage and applicable sub-limits.

Coverage Applicable to Policy	Limit of Liability
Directors and Officers Liability	\$10,000,000 Shared
Employment Practices Liability	\$10,000,000 Shared
Pension Trustee Liability	\$10,000,000 Shared

117. The amount sought for the Director & Officer Charge is supported by the Monitor **and** has been calculated based on the estimated amount of the Petitioners’ priority payables for which the director and officers have potential personal liability.

118. The Director & Officer Charge will encourage the involvement of the director and officers, who are critical to the success of a restructuring under the CCAA, as they can provide institutional knowledge of the Petitioners and continuity and stability through the process.

119. The Director & Officer Charge provides a reasonable level of protection for the director and officers that will continue to occupy such roles through the Petitioners' restructuring proceedings under the CCAA. The Director & Officer Charge also provides for the protection of the director and officers if the insurance cannot be renewed due to an increase in premiums or if they otherwise cannot rely on the insurance.

XIX. THE APPLICABILITY OF THE CCAA

120. Each of the Petitioners is a body corporate and is insolvent. The Petitioners have all resolved to authorize the within proceedings.

121. I am advised by my counsel that the LP's are not "debtor companies" under the CCAA. Absent the extension of the stay of proceedings to the LP's, creditors will be able to enforce rights and remedies against the LP's and seize their shareholder interests in Northern Pulp and Northern Timber. This could be utilized to effect a change of control in Northern Pulp and Northern Timber and jeopardize or interfere with their restructuring efforts. The purpose of these proceedings is to afford the collective Petitioners an opportunity to maximize the value of their assets and restructure their affairs through the continuation of the Mill. Each of the LP's is integral to the Petitioners' business and organizational structure, such that any proceedings against the LP's must also be stayed, if the Petitioners, as a whole, are to be successful in these restructuring proceedings.

XX. MONITOR

122. I have been advised by Kevin Brennan of EY, and do verily believe, that EY has consented to act as Monitor for the Petitioners should this Honourable Court grant the stay requested under the CCAA. A copy of the consent provided by EY is attached hereto as **Exhibit "RR"**.

SWORN BEFORE ME at the Regional)
Municipality of Halifax in the Province of)
Nova Scotia, this 16th day of June, 2020)
_____)
A COMMISSIONER FOR OATHS)
in and for the Province of Nova Scotia)



BRUCE CHAPMAN

This is Exhibit "A" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For

PAPER EXCELLENCE CANADA HOLDINGS CORPORATION

Date and Time of Search: June 05, 2020 10:21 AM Pacific Time

Currency Date: February 28, 2020

ACTIVE

Incorporation Number: BC0877457

Name of Company: PAPER EXCELLENCE CANADA HOLDINGS CORPORATION

Recognition Date and Time: Incorporated on March 31, 2010 10:49 AM Pacific Time **In Liquidation:** No

Last Annual Report Filed: March 31, 2020 **Receiver:** No

COMPANY NAME INFORMATION

Previous Company Name

0877457 B.C. LTD.

Date of Company Name Change

April 20, 2010

REGISTERED OFFICE INFORMATION

Mailing Address:

300 - 638 SMITHE STREET
VANCOUVER BC V6B 1E3
CANADA

Delivery Address:

300 - 638 SMITHE STREET
VANCOUVER BC V6B 1E3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

300 - 638 SMITHE STREET
VANCOUVER BC V6B 1E3
CANADA

Delivery Address:

300 - 638 SMITHE STREET
VANCOUVER BC V6B 1E3
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Tan, Choong Wei

Mailing Address:

2ND FLOOR - 3600 LYSANDER LANE
RICHMOND BC V7B 1C3
CANADA

Delivery Address:

2ND FLOOR - 3600 LYSANDER LANE
RICHMOND BC V7B 1C3
CANADA

Last Name, First Name, Middle Name:

Wardhana, Hardi

Mailing Address:

2ND FLOOR - 3600 LYSANDER LANE
RICHMOND BC V7B 1C3
CANADA

Delivery Address:

2ND FLOOR - 3600 LYSANDER LANE
RICHMOND BC V7B 1C3
CANADA

NO OFFICER INFORMATION FILED AS AT March 31, 2020.



**BC Registry
Services**

CORPORATE *Online*

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Online Help Centre

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your work

your companies

Corporate Information

You are currently logged
in as:

pb87142

Corporate Search
Corporate Name Index
Corporate Information
Corporate Summary

Back

New Search

Date and Time of Search:

June 05, 2020 10:20 AM Pacific Time

Currency Date:

February 28, 2020

Paper filings received at the Corporate Registry after the currency date may not have been filed.

Active

HELP ?

Number:

BC0877457

Name:

PAPER EXCELLENCE CANADA HOLDINGS CORPORATION

Type:

BC Company

Business Number:

818779068BC0001

NWPTA:

101214058 in Saskatchewan

Corporate Name
Index Free

Corporate
Information Free

Corporate Details
and documents \$7

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Company?

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information package](#)

There is a \$7 charge to view any or all electronic documents listed below including the
Corporate Summary.

HELP ?

Documents that are available on paper only may be accessed at the Corporate Registry for a fee.

Proceed to
Payment

[How long can I view documents after I pay?](#)

colin 5.1.2 - 5725

Corporate Summary

Click the "View Corporate Summary" button below to see a summary of information about the
company, including office addresses and directors.

HELP ?

View Corporate Summary

June 05, 2020 10:20 AM

Corporate History

HELP ?

Corporate History

Date and Time Filed
(Pacific Time)

View Documents

BC Annual Report -
MAR 31, 2020

April 17, 2020 4:38 PM

[BC Annual Report - MAR 31,
2020](#)

Notice of Change of
Directors - Address
Change or Name
Correction Only

September 05, 2019
3:53 PM

[Notice of Change of Directors
Notice of Articles](#)

BC Annual Report -
MAR 31, 2019

May 27, 2019 2:38 PM

[BC Annual Report - MAR 31,
2019](#)

Notice of Change of
Address

January 29, 2019 11:29
AM

Effective Date: January 30, 2019 12:01 AM

[Notice of Change of Address
Notice of Articles](#)

BC Annual Report -
MAR 31, 2018

August 13, 2018 9:43
AM

[BC Annual Report - MAR 31,
2018](#)

BC Annual Report -
MAR 31, 2017

April 21, 2017 1:55 PM

[BC Annual Report - MAR 31,
2017](#)

BC Annual Report -
MAR 31, 2016

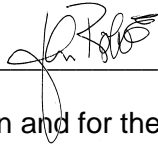
December 15, 2016
9:39 AM

[BC Annual Report - MAR 31,
2016](#)

Notice of Change of Directors	September 26, 2016 3:25 PM	Date of Change: September 22, 2016	Notice of Change of Directors Notice of Articles
BC Annual Report - MAR 31, 2015	July 09, 2015 2:55 PM		BC Annual Report - MAR 31, 2015
Notice of Change of Directors - Address Change or Name Correction Only	August 16, 2014 1:15 PM		Notice of Change of Directors Notice of Articles
BC Annual Report - MAR 31, 2014	June 28, 2014 1:58 PM		BC Annual Report - MAR 31, 2014
BC Annual Report - MAR 31, 2013	March 06, 2014 11:29 AM		BC Annual Report - MAR 31, 2013
BC Annual Report - MAR 31, 2012	May 16, 2012 2:18 PM		BC Annual Report - MAR 31, 2012
Notice of Change of Directors	May 04, 2012 2:02 PM	Date of Change: January 05, 2012	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	May 04, 2012 2:00 PM	Date of Change: December 14, 2011	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	April 12, 2012 3:28 PM	Date of Change: February 15, 2012	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	December 10, 2011 6:02 PM	Date of Change: December 01, 2011	Notice of Change of Directors Notice of Articles
Notice of Change of Address	June 09, 2011 2:51 PM	Effective Date: June 10, 2011 12:01 AM	Notice of Change of Address Notice of Articles
BC Annual Report - MAR 31, 2011	May 02, 2011 7:32 PM		BC Annual Report - MAR 31, 2011
Notice of Change of Directors	March 25, 2011 12:37 PM	Date of Change: March 25, 2011	Notice of Change of Directors Notice of Articles
Notice of Change of Directors	November 22, 2010 10:49 AM	Date of Change: November 17, 2010	Notice of Change of Directors Notice of Articles
Notice of Alteration	September 27, 2010 11:35 AM		Notice of Alteration Notice of Articles
Notice of Alteration	April 20, 2010 6:55 PM		Notice of Alteration Notice of Articles Certificate
Notice of Change of Directors - Address Change or Name Correction Only	April 05, 2010 2:01 PM		Notice of Change of Directors Notice of Articles
Incorporation Application	March 31, 2010 10:49 AM		Incorporation Application Notice of Articles Certificate

[Back](#)[New Search](#)

This is Exhibit "B" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

Name History

NORTHERN TIMBER NOVA SCOTIA CORPORATION

Profile

Type: N.S. Unlimited Liability

Status: Active

Status Date: 2010-Jan-18

Next Renewal Date: 2021-Jan-31

Jurisdiction: Nova Scotia

Mailing Address:

PO BOX 730
HALIFAX NS B3J 3N2
Canada

Civic Address/Registered Office:

1969 UPPER WATER STREET, SUITE 1300
HALIFAX NS B3J 3R7
Canada

Original CA#:

Original CRA#:

Nature Of Business:

E Mail:

Phone:

Fax:

Activity History

<u>Activity</u>	<u>Filed Date</u>
Incorporated and Registered	2010-Jan-18
Change of Directors	2010-Jan-18
Address Change	2010-Jan-18
Appoint an Agent	2010-Jan-18
Change of Directors	2010-Jan-18
Change of Directors	2011-Feb-04
Address Change	2011-Feb-04
Appoint an Agent	2011-Feb-04
Change of Directors	2011-Feb-11
Change of Directors	2011-Feb-11
Annual Renewal	2011-Feb-11
Annual Statement Filed	2011-Feb-11
Special Resolution	2011-Mar-08
Special Resolution	2011-Mar-08
Filed Document	2011-Mar-08
Change of Directors	2011-Jun-13
Change of Directors	2011-Dec-16
Annual Renewal	2012-Jan-25
Annual Statement Filed	2012-Jan-26
Change of Directors	2012-Apr-13
Annual Statement Filed	2013-Jan-07
Annual Renewal	2013-Jan-07

Activity History (cont'd)

<u>Activity</u>	<u>Filed Date</u>
Change of Directors	2013-Jun-20
Change of Directors	2013-Aug-29
Annual Statement Filed	2014-Feb-19
Annual Renewal	2014-Feb-19
Change of Directors	2014-Mar-03
Annual Statement Filed	2015-Feb-18
Annual Renewal	2015-Feb-18
Change of Directors	2015-Mar-25
Change of Directors	2015-Jul-20
Special Resolution	2015-Aug-10
Annual Statement Filed	2016-Feb-16
Annual Renewal	2016-Feb-16
Change of Directors	2016-Nov-16
Special Resolution	2016-Dec-05
Annual Statement Filed	2016-Dec-21
Annual Renewal	2016-Dec-21
Change of Directors	2017-Mar-16
Annual Statement Filed	2018-Feb-27
Annual Renewal	2018-Feb-27
Annual Statement Filed	2019-Feb-05
Annual Renewal	2019-Feb-05
Change of Directors	2020-Jan-27
Annual Statement Filed	2020-Feb-10
Annual Renewal	2020-Feb-10

People

Name: ROBERTS, JOHN

Position: Recognized Agent

Civic Address:

1969 UPPER WATER STREET, SUITE 1300
HALIFAX NS B3J 3R7
Canada

Mailing Address:

PO BOX 730
HALIFAX NS B3J 2V1
Canada

Name: Tan, Choong Wei

Position: Director

Civic Address:

Airport Executive Park - Bldg. 2, #95 - 10551
Shellbridge Way
Richmond BC V6X 2W8
Canada

Mailing Address:

Occupation:

People (cont'd)

Name: Chapman, Bruce

Position: Officer

Civic Address:

132 Cardinal Court
New Glasgow NS B2H 5S5
Canada

Mailing Address:

Office Held: General Manager

Registry # 3243946

Date of Printout 2020-Jun-01

Page 1 of 2

Name History

NORTHERN TIMBER NOVA SCOTIA LP

Profile

Type: N.S. Limited Partnership

Status: Active

Status Date: 2011-Dec-02

Next Renewal Date: 2021-Mar-31

Jurisdiction: Nova Scotia

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 3R7
Canada

Civic Address/Registered Office:

1300 - 1969 UPPER WATER STREET
HALIFAX NS B3J 3R7
Canada

Original CA#:

Original CRA#:

Nature Of Business:

TO CARRY ON SUCH ACTIVITIES AS MAY BE DETERMINED FROM TIME TO TIME BY ITS GENERAL PARTI

E Mail:

Phone:

Fax:

Activity History

<u>Activity</u>	<u>Filed Date</u>
Registered	2010-Mar-08
Amendment to The Limited Partnership Agreement	2011-Mar-15
Amendment to The Limited Partnership Agreement	2011-Mar-15
Amendment to The Limited Partnership Agreement	2011-Mar-15
Default for Non-Payment	2011-Sep-01
Reactivated	2011-Dec-01
Annual Renewal	2012-Aug-29
Annual Renewal	2013-Jun-28
Annual Renewal	2014-Aug-22
Annual Renewal	2015-Jun-23
Annual Renewal	2016-Jul-20
Annual Renewal	2017-Jul-14
Annual Renewal	2018-Aug-21
Appoint an Agent	2019-Aug-07
Annual Renewal	2019-Aug-22
Annual Renewal	2020-Mar-19

Registry # 3243946

Date of Printout 2020-Jun-01

Page 2 of 2

People

Name: ROBERTS, JOHN

Position: Recognized Agent

Civic Address:

1300 - 1969 UPPER WATER ST, PURDYS
WHARF TWR II
HALIFAX NS B3J 3R7
Canada

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 3R7
Canada

Related Registrations

Has General Partner 3243722: 3243722 NOVA SCOTIA LIMITED

Has Limited Partner 3249154: NORTHERN RESOURCES NOVA SCOTIA
CORPORATION

Name History

NORTHERN PULP NS GP ULC

Profile

Type: N.S. Unlimited Liability

Status: Active

Status Date: 2008-Apr-28

Next Renewal Date: 2021-Apr-30

Jurisdiction: Nova Scotia

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 2V1
Canada

Civic Address/Registered Office:

1969 UPPER WATER STREET, SUITE 1300
HALIFAX NS B3J 3R7
Canada

Original CA#:

Original CRA#:

Nature Of Business:

E Mail:

Phone:

Fax:

Activity History

<u>Activity</u>	<u>Filed Date</u>
Incorporated and Registered	2008-Apr-28
Change of Directors	2008-Apr-28
Address Change	2008-Apr-28
Appoint an Agent	2008-Apr-28
Special Resolution	2008-Apr-29
Change of Directors	2008-Apr-29
Annual Renewal	2009-May-13
Annual Statement Filed	2009-May-13
Annual Renewal	2010-May-19
Annual Statement Filed	2010-May-19
Special Resolution	2010-Oct-14
Special Resolution	2010-Oct-14
Change of Directors	2010-Oct-14
Change of Directors	2011-Feb-04
Address Change	2011-Feb-04
Appoint an Agent	2011-Feb-04
Address Change	2011-Feb-04
Annual Renewal	2011-May-31
Annual Statement Filed	2011-May-31
Change of Directors	2011-Jun-22
Change of Directors	2011-Dec-16
Annual Renewal	2012-Apr-11

Activity History (cont'd)

<u>Activity</u>	<u>Filed Date</u>
Change of Directors	2012-Apr-13
Annual Statement Filed	2012-Apr-20
Annual Statement Filed	2013-May-02
Annual Renewal	2013-May-02
Change of Directors	2013-Jun-20
Change of Directors	2013-Aug-29
Change of Directors	2014-Mar-03
Annual Statement Filed	2014-May-05
Annual Renewal	2014-May-05
Change of Directors	2015-Mar-25
Annual Statement Filed	2015-Apr-27
Annual Renewal	2015-Apr-27
Change of Directors	2015-Jul-20
Special Resolution	2015-Aug-10
Annual Statement Filed	2016-Apr-01
Annual Renewal	2016-Apr-01
Change of Directors	2016-Nov-16
Special Resolution	2016-Dec-05
Change of Directors	2017-Mar-16
Annual Statement Filed	2017-May-31
Annual Renewal	2017-May-31
Annual Statement Filed	2018-Mar-16
Annual Renewal	2018-Mar-16
Annual Statement Filed	2019-Mar-15
Annual Renewal	2019-Mar-15
Change of Directors	2020-Jan-27
Annual Renewal	2020-May-12
Annual Statement Filed	2020-May-12

People

Name: ROBERTS, JOHN

Position: Recognized Agent

Civic Address:

1969 UPPER WATER STREET, SUITE 1300
HALIFAX NS B3J 3R7
Canada

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 2V1
Canada

People (cont'd)

Name: Tan, Choong Wei

Position: Director

Civic Address:

Airport Executive Park - Bldg. 2, #95 - 10551
Shellbridge Way
Richmond BC V6X 2W8
Canada

Mailing Address:

Occupation:

Name: Chapman, Bruce

Position: Officer

Civic Address:

132 Cardinal Court
New Glasgow NS B2H 5S5
Canada

Mailing Address:

Office Held: General Manager

LIMITED PARTNERSHIPS REPORT

Firm name registered under the *Limited Partnerships Act*
NORTHERN PULP NS LP

Business Identification Number
180466591

Business Type
LIMITED PARTNERSHIP

Mailing Address

36 KING STREET EAST

No. 400
TORONTO
ONTARIO
CANADA, M5C 3B2

Address of Principal Place of Business in Ontario

36 KING STREET EAST

No. 400
TORONTO
ONTARIO
CANADA, M5C 3B2

General Nature of Business
INVESTMENT ENTITY - FORESTRY

Jurisdiction of Formation
ONTARIO

Declaration Date
2008/04/29

Expiry Date
2023/04/26

Renewal Date
2020/02/24

Change Date(s)
NOT APPLICABLE

Last Document Filed
RENEWAL

Dissolution/Withdrawal Date
NOT APPLICABLE

Last Document Filed Date
2020/02/24

Current Partnership Business Names Exist:
NO

Expired Partnership Business Names Exist:
NO

Former Names
NOT APPLICABLE

Date of Name Change

LIMITED PARTNERSHIPS REPORT

Firm name registered under the *Limited Partnerships Act*
NORTHERN PULP NS LP

Business Identification Number
180466591

Business Type
LIMITED PARTNERSHIP

Information Regarding General Partner(s)

Name (Individual/Corporation/Other)
NORTHERN PULP NS GP ULC

Corporate Number: 1766784

Address

36 KING STREET EAST

No. 400
TORONTO
ONTARIO
CANADA, M5C 3B2

Name of Signatory
WHITLEY, R. SCOTT

Power of Attorney
YES

Former Limited Partnership Names will only be displayed for Declarations registered on or after April 1, 1994.

This Report sets out the most recent information registered on or after April 1, 1994 and recorded in the Ontario Business Information System as of the last business day.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.



Corporate Affairs Registry Database

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General Information

Reference Number: 654492
Name: WMD Timber Trust Ltd.
Registration Date: 2010-11-30
Category Code: 60
Category: corporation – Business Corporations Act
Status Code: B
Status: Active
Last Status Change Date: 2019-12-31

Available Documents

Click [here](#) to view electronic documents for this record.

Click [here](#) to order paper copies of documents.

Click [here](#) to order certified copies of documents.

Annual Return Information

Last Annual Return Filed: 2018

Registered Office

Address: 644 Main Street Suite S400 Moncton NB E1C 1E2

Mailing Address

Name: c/o McInnes Cooper

Address: c/o McInnes Cooper Post Office Box 1368 Moncton NB E1C 8T5

Directors

Name: Tan, Choong Wei

Address: Airport Executive Park Building 2 10551 Shellbridge Way Suite 95
Richmond BC V6X 2W8

Annual Return Deficiencies

Annual Returns: 2019

Filing Fees: 2019

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[A-Z Categories List](#) • [Privacy & Security](#) • [Français](#)

Name History

3243722 NOVA SCOTIA LIMITED

Profile

Type: N.S. Limited Company

Status: Active

Status Date: 2010-Mar-05

Next Renewal Date: 2020-Mar-31

Jurisdiction: Nova Scotia

Mailing Address:

PO Box 730
Halifax NS B3J 2V1
Canada

Civic Address/Registered Office:

Suite 1300 1969 Upper Water Street Purdy's
Wharf Tower II
Halifax NS B3J 3R7
Canada

Original CA#:

Original CRA#:

Nature Of Business:

E Mail:

Phone:

Fax:

Activity History

<u>Activity</u>	<u>Filed Date</u>
Incorporated and Registered	2010-Mar-05
Address Change	2010-Mar-05
Appoint an Agent	2010-Mar-05
Special Resolution	2010-Mar-10
Special Resolution	2010-Mar-10
Change of Directors	2010-Mar-10
Change of Directors	2011-Feb-04
Annual Renewal	2011-Apr-09
Annual Statement Filed	2011-Apr-09
Change of Directors	2011-Jun-22
Change of Directors	2011-Dec-16
Annual Renewal	2012-Mar-30
Annual Statement Filed	2012-Apr-02
Change of Directors	2012-Apr-13
Annual Statement Filed	2013-Mar-08
Annual Renewal	2013-Mar-08
Change of Directors	2013-Jun-20
Change of Directors	2013-Aug-29
Appoint an Agent	2014-Mar-03
Change of Directors	2014-Mar-03
Annual Statement Filed	2014-Apr-17
Annual Renewal	2014-Apr-17



Service Nova Scotia

Registry of Joint Stock Companies

Information on File at the Registry for

Registry # 3243722

Date of Printout 2020-Jun-01

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Page 2 of 2

Activity History (cont'd)

<u>Activity</u>	<u>Filed Date</u>
Change of Directors	2015-Mar-25
Annual Statement Filed	2015-Apr-27
Annual Renewal	2015-Apr-27
Change of Directors	2015-Jul-20
Special Resolution	2015-Aug-10
Annual Statement Filed	2016-Feb-26
Annual Renewal	2016-Feb-26
Change of Directors	2016-Nov-16
Special Resolution	2016-Dec-05
Change of Directors	2017-Mar-16
Annual Statement Filed	2017-Apr-28
Annual Renewal	2017-Apr-28
Annual Statement Filed	2018-Mar-05
Annual Renewal	2018-Mar-05
Annual Statement Filed	2019-Apr-01
Annual Renewal	2019-Apr-01
Change of Directors	2020-Jan-27

People

Name: Roberts, John

Position: Recognized Agent

Civic Address:

Suite 1300 - 1969 Upper Water Street Purdy's
Wharf Tower II
Halifax NS B3J 3R7
Canada

Mailing Address:

P.O. Box 730
Halifax NS B3J 2V1
Canada

Name: Tan, Choong Wei

Position: Director

Civic Address:

Airport Executive Park - Bldg. 2, #95 - 10551
Shellbridge Way
Richmond BC V6X 2W8
Canada

Mailing Address:

Occupation:

Name: Chapman, Bruce

Position: Officer

Civic Address:

132 Cardinal Court
New Glasgow NS B2H 5S5
Canada

Mailing Address:

Office Held: General Manager

Related Registrations

Is General Partner of 3243946: NORTHERN TIMBER NOVA SCOTIA LP

Name History

3253527 NOVA SCOTIA LIMITED

Profile

Type: N.S. Limited Company

Status: Active

Status Date: 2011-Apr-14

Next Renewal Date: 2020-Apr-30

Jurisdiction: Nova Scotia

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 2V1
CANADA

Civic Address/Registered Office:

1300-1969 UPPER WATER ST.
HALIFAX NS B3J 3R7
Canada

Original CA#:

Original CRA#:

Nature Of Business:

E Mail:

Phone:

Fax:

Activity History

<u>Activity</u>	<u>Filed Date</u>
Incorporated and Registered	2011-Apr-14
Address Change	2011-Apr-14
Appoint an Agent	2011-Apr-14
Special Resolution	2011-Apr-21
Special Resolution	2011-Apr-21
Change of Directors	2011-Apr-21
Change of Directors	2011-Jun-22
Change of Directors	2011-Dec-16
Annual Renewal	2012-Apr-11
Change of Directors	2012-Apr-13
Annual Statement Filed	2012-Apr-20
Annual Statement Filed	2013-Apr-23
Annual Renewal	2013-Apr-23
Change of Directors	2013-Jun-20
Change of Directors	2013-Aug-29
Change of Directors	2014-Mar-03
Annual Statement Filed	2014-Apr-29
Annual Renewal	2014-Apr-29
Change of Directors	2015-Mar-25
Annual Statement Filed	2015-Apr-27
Annual Renewal	2015-Apr-27
Change of Directors	2015-Jul-20

Activity History (cont'd)

<u>Activity</u>	<u>Filed Date</u>
Special Resolution	2015-Aug-10
Annual Statement Filed	2016-Apr-01
Annual Renewal	2016-Apr-01
Change of Directors	2016-Nov-16
Special Resolution	2016-Dec-05
Change of Directors	2017-Mar-16
Annual Statement Filed	2017-May-31
Annual Renewal	2017-May-31
Annual Statement Filed	2018-Mar-16
Annual Renewal	2018-Mar-16
Annual Statement Filed	2019-Mar-18
Annual Renewal	2019-Mar-18
Change of Directors	2020-Jan-27

People

Name: ROBERTS, JOHN

Position: Recognized Agent

Civic Address:

1300-1969 UPPER WATER ST.
HALIFAX NS B3J 3R7
Canada

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 2V1
Canada

Name: Tan, Choong Wei

Position: Director

Civic Address:

Airport Executive Park - Bldg. 2, #95 - 10551
Shellbridge Way
Richmond BC V6X 2W8
Canada

Mailing Address:

Occupation:

Name: Chapman, Bruce

Position: Officer

Civic Address:

132 Cardinal Court
New Glasgow NS B2H 5S5
Canada

Mailing Address:

Office Held: General Manager

Name History

NORTHERN PULP NOVA SCOTIA CORPORATION

Profile

Type: N.S. Unlimited Liability

Status: Active

Status Date: 2008-Apr-28

Next Renewal Date: 2021-Apr-30

Jurisdiction: Nova Scotia

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 2V1
Canada

Civic Address/Registered Office:

1969 UPPER WATER STREET, SUITE 1300
HALIFAX NS B3J 3R7
Canada

Original CA#:

Original CRA#:

Nature Of Business:

E Mail:

Phone:

Fax:

Activity History

<u>Activity</u>	<u>Filed Date</u>
Incorporated and Registered	2008-Apr-28
Change of Directors	2008-Apr-28
Special Resolution	2008-Apr-28
Address Change	2008-Apr-28
Appoint an Agent	2008-Apr-28
Change of Directors	2008-Apr-29
Filed Document	2008-Jun-03
Special Resolution	2008-Jun-03
Special Resolution	2008-Sep-08
Special Resolution	2008-Sep-08
Change of Directors	2008-Sep-12
Change of Directors	2008-Nov-19
Annual Renewal	2009-May-13
Annual Statement Filed	2009-May-13
Special Resolution	2009-Oct-23
Change of Directors	2009-Dec-08
Special Resolution	2010-Feb-08
Change of Directors	2010-Feb-08
Annual Renewal	2010-May-19
Annual Statement Filed	2010-May-19
Change of Directors	2011-Feb-03
Address Change	2011-Feb-03

Activity History (cont'd)

<u>Activity</u>	<u>Filed Date</u>
Appoint an Agent	2011-Feb-03
Address Change	2011-Feb-03
Change of Directors	2011-Feb-11
Annual Renewal	2011-May-31
Change of Directors	2011-Jun-13
Change of Directors	2011-Dec-16
Annual Renewal	2012-Apr-11
Change of Directors	2012-Apr-13
Annual Statement Filed	2012-Apr-20
Annual Statement Filed	2013-May-02
Annual Renewal	2013-May-02
Change of Directors	2013-Jun-20
Change of Directors	2013-Aug-29
Change of Directors	2013-Aug-29
Change of Directors	2014-Mar-03
Annual Statement Filed	2014-May-05
Annual Renewal	2014-May-05
Change of Directors	2015-Apr-02
Annual Statement Filed	2015-Apr-27
Annual Renewal	2015-Apr-27
Annual Statement Filed	2016-Apr-01
Annual Renewal	2016-Apr-01
Change of Directors	2016-Nov-16
Special Resolution	2016-Dec-05
Change of Directors	2017-Mar-16
Annual Statement Filed	2017-May-31
Annual Renewal	2017-May-31
Annual Statement Filed	2018-Mar-16
Annual Renewal	2018-Mar-16
Annual Statement Filed	2019-Mar-15
Annual Renewal	2019-Mar-15
Change of Directors	2020-Jan-27
Annual Renewal	2020-Apr-23
Annual Statement Filed	2020-Apr-23

People

Name: ROBERTS, JOHN

Position: Recognized Agent

Civic Address:

1969 UPPER WATER STREET, SUITE 1300
HALIFAX NS B3J 3N2
Canada

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 2V1
Canada

People (cont'd)

Name: Tan, Choong Wei

Position: Director

Civic Address:

Airport Executive Park - Bldg. 2, #95 - 10551
Shellbridge Way
Richmond BC V6X 2W8
Canada

Mailing Address:

Occupation:

Name: Chapman, Bruce

Position: Officer

Civic Address:

132 Cardinal Court
New Glasgow NS B2H 5S5
Canada

Mailing Address:

Office Held: General Manager

Related Registrations

Registered 3228674: NORTHERN PULP

Registered 3228675: NORTHERN PULP NOVA SCOTIA

Registry # 3249154

Date of Printout 2020-Jun-01

Page 1 of 2

Name History

NORTHERN RESOURCES NOVA SCOTIA CORPORATION

Profile

Type: N.S. Unlimited Liability

Status: Active

Status Date: 2010-Oct-14

Next Renewal Date: 2020-Oct-31

Jurisdiction: Nova Scotia

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 2V1
Canada

Civic Address/Registered Office:

Suite 1300 1969 Upper Water Street Purdy's
Wharf Tower II
Halifax NS B3J 3R7
Canada

Original CA#:

Original CRA#:

Nature Of Business:

E Mail:

Phone:

Fax:

Activity History

<u>Activity</u>	<u>Filed Date</u>
Incorporated and Registered	2010-Oct-14
Appoint an Agent	2010-Oct-14
Address Change	2010-Oct-26
Change of Directors	2010-Dec-03
Special Resolution	2011-Mar-08
Filed Document	2011-Mar-08
Change of Directors	2011-Jun-13
Annual Renewal	2011-Nov-23
Annual Statement Filed	2011-Nov-25
Change of Directors	2011-Dec-16
Change of Directors	2012-Apr-13
Annual Statement Filed	2012-Oct-02
Annual Renewal	2012-Oct-02
Special Resolution	2013-May-16
Filed Document	2013-May-17
Change of Directors	2013-Jun-20
Change of Directors	2013-Aug-29
Annual Statement Filed	2013-Nov-06
Annual Renewal	2013-Nov-06
Change of Directors	2014-Mar-03
Annual Statement Filed	2014-Nov-25
Annual Renewal	2014-Nov-25

Activity History (cont'd)

<u>Activity</u>	<u>Filed Date</u>
Change of Directors	2015-Mar-25
Change of Directors	2015-Jul-20
Special Resolution	2015-Aug-10
Annual Statement Filed	2015-Sep-25
Annual Renewal	2015-Sep-25
Change of Directors	2016-Jun-23
Annual Statement Filed	2016-Oct-04
Annual Renewal	2016-Oct-04
Change of Directors	2017-Mar-16
Annual Statement Filed	2017-Oct-16
Annual Renewal	2017-Oct-16
Change of Directors	2018-Jul-17
Annual Statement Filed	2018-Oct-18
Annual Renewal	2018-Oct-18
Annual Statement Filed	2019-Sep-16
Annual Renewal	2019-Sep-16
Change of Directors	2020-Jan-27

People

Name: ROBERTS, JOHN

Position: Recognized Agent

Civic Address:

1300-1969 UPPER WATER ST.
HALIFAX NS B3J 3R7
Canada

Mailing Address:

P.O. BOX 730
HALIFAX NS B3J 2V1
Canada

Name: Tan, Choong Wei

Position: Director

Civic Address:

10551 Shellbridge Way
Richmond BC V6X 2W8
Canada

Mailing Address:

Occupation:

Name: Chapman, Bruce

Position: Officer

Civic Address:

132 Cardinal Court
New Glasgow NS B2H 5S5
Canada

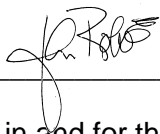
Mailing Address:

Office Held: General Manager

Related Registrations

Is Limited Partner of 3243946: NORTHERN TIMBER NOVA SCOTIA LP

This is Exhibit "C" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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



**BC Registry
Services**

Mailing Address:
PO Box 9431 Stn Prov Govt
Victoria BC V8W 9V3
www.corporateonline.gov.bc.ca

Location:
2nd Floor - 940 Blanshard Street
Victoria BC
1 877 526-1526

BC Company Summary

For
1057863 B.C. LTD.

Date and Time of Search: June 05, 2020 10:21 AM Pacific Time

Currency Date: February 28, 2020

ACTIVE

Incorporation Number: BC1057863

Name of Company: 1057863 B.C. LTD.

Recognition Date and Time: Incorporated on December 09, 2015 11:46 AM Pacific Time

In Liquidation: No

Last Annual Report Filed: December 09, 2019

Receiver: No

REGISTERED OFFICE INFORMATION

Mailing Address:

300 - 638 SMITHE STREET
VANCOUVER BC V6B 1E3
CANADA

Delivery Address:

300 - 638 SMITHE STREET
VANCOUVER BC V6B 1E3
CANADA

RECORDS OFFICE INFORMATION

Mailing Address:

300 - 638 SMITHE STREET
VANCOUVER BC V6B 1E3
CANADA

Delivery Address:

300 - 638 SMITHE STREET
VANCOUVER BC V6B 1E3
CANADA

DIRECTOR INFORMATION

Last Name, First Name, Middle Name:

Tan, Choong Wei

Mailing Address:

2ND FLOOR - 3600 LYSANDER LANE
RICHMOND BC V7B 1C3
CANADA

Delivery Address:

2ND FLOOR - 3600 LYSANDER LANE
RICHMOND BC V7B 1C3
CANADA

Last Name, First Name, Middle Name:

Wardhana, Hardi

Mailing Address:

2ND FLOOR - 3600 LYSANDER LANE
RICHMOND BC V7B 1C3
CANADA

Delivery Address:

2ND FLOOR - 3600 LYSANDER LANE
RICHMOND BC V7B 1C3
CANADA

NO OFFICER INFORMATION FILED AS AT December 09, 2019.


**BC Registry
Services**
CORPORATE *Online*
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Corporate Information

 You are currently logged
in as:

pb87142

 Corporate Search
Corporate Name Index
Corporate Information
Corporate Summary

Back

New Search

Date and Time of Search:

June 05, 2020 10:21 AM Pacific Time

Currency Date:

February 28, 2020

Paper filings received at the Corporate Registry after the currency date may not have been filed.

Active

HELP ?

Number:

BC1057863

Name:

1057863 B.C. LTD.

Type:

BC Company

Business Number:

793512690BC0001

 Corporate Name
Index Free

 Corporate
Information Free

 Corporate Details
and documents \$7

 Need to Restore your
Company?

[Click here to view the
information package](#)

 There is a \$7 charge to view any or all electronic documents listed below including the
Corporate Summary.

HELP ?

Documents that are available on paper only may be accessed at the Corporate Registry for a fee.

 Proceed to
Payment

[How long can I view documents after I pay?](#)

Corporate Summary

Click the "View Corporate Summary" button below to see a summary of information about the company, including office addresses and directors.

HELP ?

View Corporate Summary

Corporate History

HELP ?

Corporate History	Date and Time Filed (Pacific Time)	Details	View Documents
BC Annual Report - DEC 09, 2019	February 18, 2020 8:39 AM		BC Annual Report - DEC 09, 2019
BC Annual Report - DEC 09, 2018	February 18, 2020 8:38 AM		BC Annual Report - DEC 09, 2018
Registrar's Notation - Dissolution or Cancellation Delay	February 12, 2020 11:40 AM	View Comments	
Notice of Change of Directors - Address Change or Name Correction Only	September 05, 2019 2:47 PM		Notice of Change of Directors Notice of Articles
Notice of Change of Address	December 09, 2018 10:01 PM	Effective Date: December 10, 2018 12:01 AM	Notice of Change of Address Notice of Articles
BC Annual Report - DEC 09, 2017	December 11, 2017 9:18 AM		BC Annual Report - DEC 09, 2017
BC Annual Report - DEC 09, 2016	December 04, 2017 11:12 AM		BC Annual Report - DEC 09, 2016

June 05, 2020 10:21 AM

Notice of Change of
Directors

September 26, 2016
3:16 PM

Date of Change: September 22, 2016

[Notice of Change of Directors](#)
[Notice of Articles](#)

Incorporation
Application

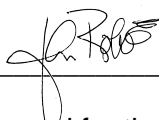
December 09, 2015
11:46 AM

[Incorporation Application](#)
[Notice of Articles](#)
[Certificate](#)

Back

New Search

This is Exhibit "D" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

THIS AGREEMENT is made on 1st September, 2011 BETWEEN: -

- (1) Paper Excellence Canada Holdings Corporation ("Paper Excellence"), a company existing under the law of British Columbia with its office at 218, 4940 No. 3 Road, Richmond, BC, Canada V6X 3A5;
- (2) Northern Pulp Nova Scotia Corporation (the "Company"), a company existing under the provincial law of Nova Scotia, with its office at 260 Granton Abercrombie Branch Road, Abercrombie, NS, B2H 5E8

W H E R E A S:-

(A) Paper Excellence has capability to provide certain services to the Company.

(B) Paper Excellence has, at the request of the Company, from time to time provided the services hereinafter mentioned and Paper Excellence has agreed to provide such services subject to and upon the terms and conditions of this Agreement.

IT IS AGREED as follows:-

1. INTERPRETATION

In this Agreement unless the context otherwise requires:-

- (a) words importing a person shall include a firm, company or corporation and vice versa;
- (b) the expression "Paper Excellence Group" means Paper Excellence and its subsidiaries from time to time;
- (c) the expression "Effective Date" means 1st October 2011;
- (d) the expression "this Agreement" means this Agreement as amended, modified or supplemented from time to time;
- (e) the expression "Material Adverse Effect" means a material adverse effect on the business, prospects or financial condition of the Company;
- (f) the expression "Relevant Authorization" means any authorization necessary or advisable under any applicable law or regulation in connection with the day-to-day operations of the Company.

The headings in this Agreement are inserted for convenience only and shall be ignored in construing this Agreement.

2. AGREEMENT TO PROVIDE SERVICES

(A) Subject to the terms and conditions of this Agreement, Paper Excellence shall provide to the Company certain services (together the "Services"), each of which is more particularly described in the Schedule and the Company shall use the Services.

The services may be performed by Paper Excellence through transmitted letters, facsimiles, telephone conferences, and electronic mail from its offices.

In performing the Services, Paper Excellence may, in consultation with the Company, send its staff to the Company's facility.

(B) This Agreement shall be deemed to take effect as between the parties hereto from the Effective Date.

3. STANDARD OF CARE

In carrying out the Services hereunder, Paper Excellence shall act in good faith and exercise the care, diligence, and skill that a reasonably prudent person having responsibility for the management (under the terms hereof) of a similar business would exercise in comparable circumstances.

4. INFORMATION AND DOCUMENTS

The Company shall during the continuance of this Agreement submit and make available to Paper Excellence all information and documents as Paper Excellence requests and is agreed by the Company so that Paper Excellence can effectually fulfill and discharge its obligations and perform its duties and render the Services under this Agreement. Upon the termination of this Agreement, all such information and documents (including copies thereof) in the possession or under the control of Paper Excellence shall immediately be delivered up to the Company or to the order of the Company.

5. FEES AND EXPENSES

In consideration of the premises, the Company undertakes during the continuance of this Agreement to pay Paper Excellence a monthly management fee (which shall be payable on a monthly basis) calculated on the following basis:-

F = $\frac{\text{the Company's Sales for the relevant Fee Period}}{\text{Total Sales of all companies under Management Fee Agreement with PE for the relevant Fee Period}} \times \text{PE's Net Operating Expenses} \times 1.05^{*1}$

Where: -

The value of " * " shall be subject to the Parties' review on a yearly basis;

"PE's Net Operating Expenses" means the total operating expenses of Paper Excellence in rendering services to member companies (including without limitation, the Services) during the relevant Fee Period after deduction to any direct reimbursed expenses and/or management fees charged in fixed amount to any member companies;

"F" means the monthly management fee payable to Paper Excellence;

"Fee Period" means the period commencing on the first day of each month and ended on the last day of such month;

"the Company's Sales" means the total gross sales by the Company during the relevant Fee Period in respect of its operations in the country in which it is located; and

"Total Sales" means the total gross sales during the relevant Fee Period by all Member Companies within the Paper Excellence Group.

"Member Companies" means Meadow Lake Mechanical Pulp Inc., Mackenzie Pulp Mill Development Corporation, Howe Sound Pulp & Paper Corporation and Prince Albert Pulp Inc., including all future additional subsidiaries of Paper Excellence Group, which carry on, inter alia, the business of pulp products;

The monthly management fee shall be paid by the Company to Paper Excellence no later than fifteen (15) days after receiving the original invoice.

6. CONFIDENTIALITY

(A) Subject to Clause 6(B), Paper Excellence undertakes to keep strictly confidential, and under no circumstances to disclose to any person or entity which is not a party hereto, any information regarding the existence, subject matter or terms of this Agreement, unless disclosure of such information is expressly permitted by the prior written consent of the Company.

(B) Notwithstanding the above provision, the confidentiality obligation shall not apply to:

- (a) any information obtained from any party hereto which becomes generally known to the public, other than by reason of any willful or negligent act or omission or any party hereto or any of its agents, advisors or employees;
- (b) any information required to be disclosed to any competent governmental or statutory authority or pursuant to rules or regulations of any relevant regulatory body and;
- (c) any information which is required to be disclosed by law or pursuant to any legal process issued by any court or tribunal whether in Canada or elsewhere provided however that Paper Excellence hereby agrees to give the Company reasonable and adequate opportunity to object to any such disclosure.

7. NO LIABILITIES

In carrying out its obligations under this Agreement, Paper Excellence shall comply with all laws and regulations applicable thereto but save for willful default or gross negligence on the part of Paper Excellence or its employees, Paper Excellence shall not be liable for any loss or damage resulting from the performance of the Services to be rendered hereunder.

8. INDEMNITY

(A) The Company will indemnify and hold harmless Paper Excellence and its officers, advisors, delegates and employees (each being an "Indemnified Party") from and against any and all losses, costs, expenses, claims, damages and liabilities (the "Liabilities") that such Indemnified Party may suffer, to the extent they relate to or arise out of the performance of the Services under this Agreement by Paper Excellence, provided that no claim shall be made under this indemnity and this indemnity shall not apply to any Liability arising as a result of or in connection with a dispute or claim by and between or among any of the parties and any of their affiliates or

the breach, negligence, fraud, misconduct or willful default of Paper Excellence or its officers, Advisors, Delegates and employees.

(B) The Company will reimburse any Indemnified Party for all reasonable costs and expenses (including reasonable fees and expenses of one counsel for all Indemnified Parties provided that the engagement, shall be subject to the prior approval in writing of the Company, which approval shall be in its sole discretion) (the Company in its sole discretion shall be entitled to determine the reasonableness of such costs, fees and expenses) in connection with the investigation of, preparation for or defense of any claim for which the Indemnified Party is entitled to indemnification under the terms of the previous sentence, provided that, subject to the following sentence, the Company shall be entitled to assume the defense thereof at its own expense. Any Indemnified Party may, at its own expense, retain separate counsel to participate in such defense, and in any action, claim or proceeding in which the Company, on the one hand, and an indemnified Party, on the other hand, is, or is reasonably likely to become a party. Any such Indemnified Party shall also have the right to employ separate counsel at the Company's expense (the choice of such counsel, however, being subject to the Company's prior written approval) and to control its own defense of such action, claim or proceeding if, in the reasonable opinion of counsel to such Indemnified Party, a conflict or potential conflict exists between the Company, on the one hand, and such Indemnified Party, on the other hand, that would make such separate representation advisable. Provided that the Company is not in breach of its indemnification obligations hereunder, no Indemnified Party shall settle or compromise any claim subject to indemnification hereunder without the prior written consent, of the Company. If an Indemnified Party is reimbursed hereunder for any expenses, such reimbursement of expenses shall be refunded to the extent it is finally judicially determined that the liabilities in question resulted solely from the negligence, fraud, misconduct, or willful default of an Indemnified Party.

9. FORCE MAJEURE

In the event that either party hereto shall be rendered wholly or partly unable to observe or perform the terms of this Agreement on its part to be observed or performed by reason of causes beyond its control including by way of illustration (but specifically not limited to) fire, flood, explosion, acts of elements, act of God, accidents, epidemics, strikes, lockouts, labor disputes, insurrection, riots or other civil commotion, war, enemy action, acts, demands or requirements of the governments of any country or state or by other causes which it cannot reasonably be expected to avoid, the performance of the obligations of either party or both as they are affected by such causes shall be excused during the continuance of any inability so caused but such inability shall as far as possible be remedied with all reasonable dispatch.

10. TAXATION

(A) All payment of fees, costs and expenses under this Agreement will be made without deduction or withholding for or on account of any taxes, duties or other levies (including but not limited to any goods and services, value added or other similar taxes, duties or other levies).

(B) In the event that any taxes are incurred with respect to the provision of the Services by Paper Excellence to the Company, including but not limited to any penalty, back tax payment, tax assessment or other charge arising out of or in connection with this transaction, all such taxes shall be borne by each Party.

11. DURATION AND TERMINATION

(A) This Agreement shall be deemed to come into force on the Effective Date and shall continue in force for a term of five years from the Effective Date and thereafter until terminated by any party by giving not less than one month's prior notice in writing to the other party.

(B) Notwithstanding the provisions of sub-clause (A), either party hereto shall have the right at any time by giving notice in writing to the other party to terminate this Agreement with immediate effect in any of the following events;-

- (a) if such other party commits any continuing or material breach of any of the terms of this Agreement on its part to be observed or performed and shall not remedy such breach within 30 days after notice is given to it requiring such remedy; or
- (b) if such other party shall enter into liquidation whether it be compulsory or voluntary (not being a voluntary liquidation for the purpose of amalgamation or reconstruction) or have a receiver or judicial manager appointed over any of its assets or shall make any assignment for the benefit of its creditors or take or suffer any similar action.

(C) No termination whatsoever shall in any way prejudice any rights of action on the part of either party in respect of any antecedent breach of this Agreement by such other party.

12. NO ASSIGNMENT OR TRANSFER

The rights and obligations arising out of this Agreement shall not be assignable or transferable by Paper Excellence without the prior written consent of the Company.

13. NON WAIVER

No failure to exercise, nor delay in exercising on the part of either party, any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of their right, power or remedy preclude any other or further exercise thereof of any other right, power or remedy.

14. ENTIRE AGREEMENT

This Agreement supersedes any previous agreement in relation to the matters dealt with herein between any or all of the parties hereto all of which are hereby deemed to have been terminated by the agreement of the parties concerned and represents the entire understanding between the parties hereto in relation thereto.

15. VARIATION

Any variation, modification or amendment to this Agreement shall be writing and signed by the parties hereto.

16. NON-EXCLUSIVITY

The services of Paper Excellence hereunder are not to be deemed exclusive and Paper Excellence shall be free to render similar services to others on such terms as may be arranged so long as its services hereunder are not impaired thereby and to retain for its own use and benefit fees or other moneys payable thereby and Paper Excellence shall not be deemed to be affected with notice of or to be under any duty to disclose to the Company any fact or thing which may come to the notice of Paper Excellence or any servant or agent of it in the course of its rendering similar services to others or in the course of its business in any other capacity or in any manner whatsoever otherwise than in the course of carrying out its duty hereunder.

17. NOTICES

All notices, demands or other communications required or permitted to be given or made under this Agreement shall be in writing and delivered personally or sent by prepaid registered post to the intended recipient thereof (marked for the attention for the person (if any) so designated by each party) at its address, (if any) as set out in this Agreement (or to such other address (if any) as each party may from time to time notify (in accordance with this Clause) to the other parties). Any such notice, demand or communication shall, in the absence of evidence of earlier receipt, when the proper answer-back is received of (if delivered personally) at the time of delivery or (if sent by prepaid registered post or by prepaid registered air-mail if overseas) seven days after posting and in providing the same it shall be sufficient to show that the envelope containing the same was duly addressed, stamped and posted.

18. POWER TO DELEGATE

(A) Paper Excellence shall have full power to engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other professional (the "Advisor") whenever Paper Excellence considers it expedient in the interests of the effective performance of its duties and obligations pursuant to or in connection with this Agreement.

(B) Paper Excellence shall have full power to delegate the whole or any part of its functions, powers, duties, authorities and discretion's under this Agreement to any individual, firm or company, whether or not a lawyer, accountant, surveyor or other professional person (the "Delegate") whenever Paper Excellence considers it expedient in the interests of the effective performance of its duties and obligations pursuant to or in connection with this Agreement, to advise, transact or conduct, or concur in advising, transacting or conducting, any business and to do or concur in doing all acts required to be done by Paper Excellence.

(C) Paper Excellence shall use reasonable endeavors to ensure that such Advisors and Delegates are competent and capable and appropriately qualified to carry out Paper Excellence's functions hereunder on any terms (including power to sub-delegate) all or any of its functions and shall, as soon as reasonably practicable thereafter, give written notice thereof to the Company.

(D) For the avoidance of doubt, such delegation shall not relieve Paper Excellence of any of its obligations or liabilities under this Agreement. Any such delegation may be by power of attorney or in such other manner as Paper Excellence may think fit and may be made upon such terms and subject to such conditions as Paper Excellence may think fit.

(E) All expenses incurred from the fees shall form part of, and be deducted from, the Annual Management Fee.

19. SETTLEMENT OF DISPUTES

(A) All disputes arising out of or in connection with this Agreement, or in respect of any legal relationship associated with or derived from this agreement, shall be finally resolved by arbitration pursuant to the National Arbitration Rules of the ADR Institute of Canada, Inc. The place of arbitration shall be in Vancouver, British Columbia, Canada. The language of the arbitration shall be English.

(B) Unless otherwise agreed, the tribunal shall consist of one arbitrator to be appointed by mutual agreement in writing between the parties to the dispute. If the parties fail to reach agreement within 21 days or in the event of the death of the arbitrator or his unwillingness or inability to act, the arbitrator shall be appointed by the Chairman of the ADR Institute of Canada.

20. GOVERNING LAW

This Agreement shall be governed by, and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

21. COUNTERPARTS

This Agreement may be executed by one or more of the parties to this Agreement in any number of separate counterparts, each of which, when so executed, shall be deemed as original, and all of said counterparts taken together shall be deemed to constitute one and the same instrument.

SCHEDULE

THE SERVICES

1. Assistance with respect to strategic marketing and planning, including:-
 - (i) Advice on worldwide market trends on pulp products;
 - (ii) Advice on marketing strategy, including sales policy and information of market situation;
 - (iii) Assistance in establishing marketing contacts;
 - (iv) Assistance in taking all action and doing all things necessary to promote and/or maintain the reputation of the Company;
 - (v) Advice on the marketing strategy of its products based on the annual performance of its products and its business in Canada, from time to time;
 - (vi) Assistance in supervising and coordinating the general marketing activities of the Company to ensure that the Company shall not knowingly do or suffer any act or matter or thing which would or might be expected to prejudice materially or bring into disrepute the business or reputation of the Company; and
 - (vii) Strategic advice on all other such marketing matters.
2. Assistance with respect to financial matters, including:
 - (i) Advice on the credit control policy in order to support achieving the target of marketing and secure the financial aspects in other hand; and
 - (ii) Strategic advice on other financial matters;
3. Assistance with respect to formulating management development strategy and policy, including:
 - (i) Assistance in consolidating and reviewing the financial statements of the Company for the purposes of preparing the annual management report;
 - (ii) Assistance in forecasting and analyzing the business prospects of the Company;
4. Assistance with respect to managing the litigation risks of the Company, including:-
 - (i) The review of contracts and other legal documentations;
 - (ii) The coordination of advice on relevant laws and regulations which affect the operations of the Company;
 - (iii) Advising the Company of details of any revocation, suspension, refusal to grant or renew, any change in the form of or breach of any Relevant Authorization;

- (iv) Informing the Company, promptly upon Paper Excellence becoming aware of its occurrence, of the details of any litigation, arbitration or administrative proceedings by or against the Company, which are current, threatened or pending and where, if adversely determined, could reasonably be expected to have a Material Adverse Effect, together, in each case, with details of how it proposes to conduct the litigation, arbitration or proceedings or otherwise resolve the dispute in question; and
- (v) Assistance in maintaining a record of all assets of the Company that are the subject of any mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

5. Such other matters as may be agreed from time to time.

This Agreement has been entered into on the date stated at the beginning.

Signed by Sugiarto Kardiman
For and on behalf of
Paper Excellence Canada
Holdings Corporation

)
)
) 
)

Signed by
Hardi Wardhana
For and on behalf of
Northern Pulp Nova Scotia
Corporation

)
)
) 
)

FIRST AMENDMENT TO
MANAGEMENT AGREEMENT

This First Amendment is entered into by and between Paper Excellence Canada Holdings Corporation ("Paper Excellence") and Northern Pulp Nova Scotia Corporation (the "Company").

Whereas, Paper Excellence and the Company entered into the Management Agreement dated 1 September 2011 (the "Management Agreement"); and

Whereas, the Parties now wish to make certain changes to the fees and expenses with regard to the Management Agreement effective January 1, 2013,

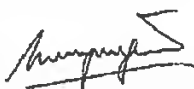
NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Section 5 of the Management Agreement regarding Fees and Expenses shall be revised wherein the monthly management fee shall be decreased from 5% to 2%, e.g., the multiplier shall be decreased from 1.05 to 1.02.
2. Other than the change expressly made in this First Amendment, all the terms and conditions of the Management Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed by the duly authorized representatives of the parties.

PAPER EXCELLENCE CANADA HOLDINGS
CORPORATION

By:



Name: BYUNG WATAR

Title: Director

Date: Jan 28, 2013

NORTHERN PULP NOVA SCOTIA
CORPORATION

By:



Name: HARSI WARSHAW

Title: Director

Date: Jan 28, 2013

SECOND AMENDMENT TO MANAGEMENT AGREEMENT

This Second Amendment is entered into by and between Paper Excellence Canada Holdings Corporation ("Paper Excellence") and Northern Pulp Nova Scotia Corporation (the "Company").

Whereas Paper Excellence and the Company entered into the Management Agreement dated 1 September 2011 (the "Management Agreement"); and

Whereas, the Parties now wish to make certain changes to the fees and expenses with regard to the Management Agreement (and as amended by the First Amendment),

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Section 5 of the Management Agreement (as amended by Section 1 of the First Amendment) regarding Fees and Expenses shall be revised wherein the monthly management fee shall be decreased from 2% to 1.5%, e.g., the multiplier shall be decreased from 1.02 to 1.015.
2. Other than the change expressly made in this Second Amendment, all the terms and conditions of the Management Agreement (and as amended by the First Amendment) shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed by the duly authorized representative of the parties.

PAPER EXCELLENCE CANADA HOLDINGS
CORPORATION

NORTHERN PULP NOVA SCOTIA
CORPORATION

By: 

By: 

Name: BIJUNG WAHAB

Name: PETER WARDHANA

Title: DIRECTOR

Title: DIRECTOR

Date: July 22, 2013

Date: July 23, 2013

THIRD AMENDMENT TO
MANAGEMENT AGREEMENT

This Third Amendment, dated October 1, 2013 ("Effective Date"), is entered into by and between Paper Excellence Canada Holdings Corporation ("Paper Excellence") and Northern Pulp Nova Scotia Corporation (the "Company").

Whereas, Paper Excellence and the Company entered into the Management Agreement dated 1 September 2011 (the "Management Agreement"); and

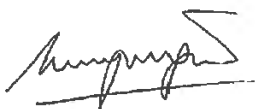
Whereas, the Parties now wish to make certain changes to the fees and expenses with regard to the Management Agreement (and as amended by the First and Second Amendment),

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Section 5 of the Management Agreement (as amended by Section 1 of the Second Amendment) regarding Fees and Expenses shall be revised wherein the monthly management fee shall be provided at cost, based on PE's Net Operating Expenses, e.g., the multiplier shall be decreased from 1.015 to 1.00.
2. Section 5 of the Management Agreement regarding the timing of the monthly management fee ("[t]he monthly management fee shall be paid by the Company to Paper Excellence no later than fifteen (15) days after receiving the original invoice") shall be revised as: "For a particular month or months, Paper Excellence may, after consultation with the Company, defer from invoicing the Company for that month or months. The deferment does not mean the monthly management fee is waived; it is only deferred. The monthly management fee that has been deferred over the month or months shall be added to the amount to be paid in the subsequent month and the entire sum shall be paid back before December 31 of that year in full."
3. Other than the change expressly made in this Third Amendment, all the terms and conditions of the Management Agreement (and as amended by the First and Second Amendment) shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed by the duly authorized representatives of the parties.

PAPER EXCELLENCE CANADA HOLDINGS
CORPORATION

By: 

Name: BUJUNG WAHAB

Title: DIRECTOR

Date: OCT 1, 2013

NORTHERN PULP NOVA SCOTIA CORPORATION

By: 

Name: HARSI WARSI

Title: DIRECTOR

Date: OCT 1, 2013

FOURTH AMENDMENT TO MANAGEMENT AGREEMENT

This Fourth Amendment, effective January 1, 2014, is entered into by and between Paper Excellence Canada Holdings Corporation ("Paper Excellence" or "PEC") and Northern Pulp Nova Scotia Corporation (the "Company") (individually the "Party" and collectively the "Parties").

Whereas, PEC and the Company entered into the Management Agreement dated 1 September 2011 (the "Management Agreement"); and

Whereas, the Parties now wish to make certain changes to the Management Agreement (and as amended by the First, Second and Third Amendment) regarding fees and expenses charged to the Company and the PEC Member Companies by PEC in order to better reflect the value of the Services that were provided, while providing the proper incentives to PEC in optimizing its services to the Company and the PEC Member Companies.

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Section 5 of the Management Agreement (and as amended by the First, Second and Third Amendment) shall be amended as follows:

Definitions

"**EBITDA**" means the Company's earnings before interest depreciation (and) amortization;

"**EBITDA-related services**" means those services performed by PEC on behalf of the PEC Member Companies which vary directly with the EBITDA of the PEC Member Companies. The Parties agree that these Services shall include all PEC departmental services other than Pulp Sales and Logistics, and other than HSPP Paper Sales expenses;

"**Fee Period**" means the respective fiscal year in which the expenses were

incurred by PEC in providing the Services to the PEC Member Companies;
"HSPP Paper Sales" means the expenses incurred by the paper sales department at Paper Excellence in providing services to Howe Sound Pulp & Paper Corporation. This expense shall only be allocated solely to Howe Sound Pulp & Paper;

"Net Operating Expenses" or **"Net OPEX"** means the total operating expenses, including both expenses that vary directly with the Company's sales as well as those expenses that vary directly with the Company's EBITDA, as defined in this section, incurred by PEC in rendering services to PEC Member Companies (including without limitation, the Services) during the relevant Fee Period, less expenses incurred solely for PEC's benefit (**"Other OPEX"**) and less financial expenses including, but not limited to, interest, foreign exchange, and accounting gains or losses on disposal of assets;

"Other OPEX" means operational expenses which are incurred solely for PEC's benefit, and which are excluded from the Net Operating Expenses charged to the Company and PEC Member Companies. An example is Human Resources costs, e.g., costs to administer payroll and benefits for staff at PEC. Other OPEX will include not only parts of Human Resources but also Accounting, IT and Legal costs. Because this amount does not readily lend itself to precise quantification, the Parties agree that a reliable approximation of these expenses is 10% of the actual Legal, Human Resources, Accounting and IT expenses incurred by PEC during the relevant Fee Period;

"PEC Member Companies" means the Company and other companies and mills to which PEC provides the Services: Meadow Lake Mechanical Pulp Inc., Mackenzie Pulp Mill Corporation, Northern Resources Nova Scotia Corporation, Howe Sound Pulp & Paper Corporation, Prince Albert Pulp Inc., and Skookumchuck Pulp Mill Inc., including all future additional subsidiaries of PEC Group, which carry on, *inter alia*, the business of pulp and paper products;

"Sales" means the total gross sales by the Company during the relevant Fee Period in respect of its operations in the country in which it is located;

"Sales-Related Services" means those services performed by PEC on behalf of the PEC Member Companies which have a direct impact on the sales of the PEC Member Companies. The Parties agree that these Services shall include Pulp Sales and Logistics; and

"Total Sales" means the total gross sales during the relevant Fee Period by all PEC Member Companies within the PEC Group."

PEC Management Fee Allocation to Company and PEC Member Companies


In consideration of the premises, the Company undertakes during the continuance of this Agreement to pay PEC a management fee calculated on the following basis:

- (a) PEC's Net OPEX, excluding the costs incurred by PEC's HSPP Paper Sales Department, marked up by ten (10) percent, shall be allocated to the Company and the PEC Member Companies to which the Services were provided.
- (b) The Costs Incurred by PEC's HSPP Paper Sales Department, marked up by ten (10) percent, shall be allocated solely to Howe Sound Pulp & Paper Corporation.
- (c) PEC's expenses incurred in pulp sales and logistics in providing these Sales-Related Services to the Company and the PEC Member Companies shall be charged and allocated to the Company and the PEC Member Companies based on the respective Sales of the Company and the PEC Member Companies.
- (d) The remaining PEC expenses incurred (less the ten (10) percent deduction for the expenses incurred for PEC's sole benefit, as defined in more detail below) in providing the Services (other than pulp sales and logistics) to the Company and the PEC Member Companies shall be charged and allocated to the Company and the PEC Member Companies based on the respective EBITDA of the Company and the PEC Member Companies.
- (e) Where any of the PEC Member Companies have negative EBITDA for the year, which results in a cost recovery (negative expense) of management fees, rather than an expense to the PEC Member Company, nil (0) PEC expenses shall be charged to this company. In such case, the remaining PEC expenses shall be reallocated to the PEC Member Companies that have positive EBITDA and a management fee expense. This cost recovery will be accordingly allocated to the other PEC Member Companies based on the proportion of fees that the other PEC Member Companies are paying for the entire year. This adjustment will be made once annually, at the end of PEC's fiscal year.
- (f) If for any reason the deductibility of any management fee, or portion thereof, paid by any of the PEC Member Companies is denied by the Minister of National Revenue, through the Canada Revenue Agency (CRA), the amount so denied will be refunded by PEC to that company.

2. Other than the change expressly made in this Fifth Amendment, all the terms and conditions of the Management Agreement (and as amended by the First, Second and Third Amendment) shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment has been executed by the duly authorized representatives of the Parties.

PAPER EXCELLENCE CANADA HOLDINGS
CORPORATION

By: 

Name: Byung Wahab

Title: Director

NORTHERN PULP NOVA SCOTIA
CORPORATION

By: 

Name: Hardi Wardhana

Title: Director.

FIFTH AMENDMENT TO
MANAGEMENT AGREEMENT

This Fifth Amendment, effective April 1, 2020 ("Effective Date"), is entered into by and between Paper Excellence Canada Holdings Corporation ("Paper Excellence") and Northern Pulp Nova Scotia Corporation (the "Company" and, together with Paper Excellence, the "Parties").

WHEREAS Paper Excellence and the Company entered into the Management Agreement dated 1 September 2011, as amended by the First Amendment effective January 1, 2013, the Second Amendment dated July 23, 2013, the Third Amendment dated October 1, 2013, and the Fourth Amendment dated effective January 1, 2014 (collectively, the "Management Agreement"); and

WHEREAS the Parties wish to further amend the Management Agreement with respect to the fees and expenses charged by Paper Excellence to the Company to better reflect the value of the Services that are currently being provided;

NOW THEREFORE, in consideration of the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Section 5 of the Management Agreement regarding Fees and Expenses shall be amended by deleting it in its entirety and replacing it with the following:

“5. FEES AND EXPENSES

- (a) In consideration for the Services, the Company shall pay to Paper Excellence a fee equal to the Costs incurred by Paper Excellence to perform the Services, plus a representative arm's length mark up (collectively, the “**Service Fees**”) as reasonably determined by the Parties on a periodic basis. For greater clarity, the arm's length mark-up determined and agreed by the Parties as of the date of this Amendment is 10%.

“Costs” means fully loaded costs incurred by Paper Excellence to perform the Services, including all or an appropriate proportion of:

- (i) all direct costs (including compensation, bonuses and fringe benefits payable to Paper Excellence's employees and to subcontractors and all costs of materials and supplies consumed) incurred by Paper Excellence in connection with the Services; and

(ii) all indirect costs (including a reasonable portion of occupancy and facilities costs, utilities, supervisory and clerical support, and other overhead, general and administrative costs (including depreciation) reasonably allocable to a particular service or activity) incurred by Paper Excellence in connection with the Services. For greater certainty, Costs will be determined in accordance with IFRS.

If Paper Excellence pays fees or other costs to third parties for services or items used by Paper Excellence in the performance of the Services and those third party services or items are passed on directly to the Company without material value-added activities performed by Paper Excellence, then Paper Excellence will accept direct reimbursement for those fees or other costs rather than including those fees or other costs in the cost base subject to the mark-up, provided that and to the extent that approach is consistent with the arm's length principle described in this Section 5.

- (b) Notwithstanding the foregoing, the fees to be charged hereunder for the Services are not to be in excess of fees charged between arm's length parties having similar requirements in respect of the standard and extent of the services provided.
- (c) It is the intention of Paper Excellence and the Company that the Service Fees paid by the Company to Paper Excellence for Services rendered under this Agreement represent the actual fair market value of the Services as of the date of the performance of the Services.

If, following completion of payment of any Service Fees under this Agreement, it is determined by Paper Excellence and the Company that the Service Fees paid are not equal to the fair market value of the Services rendered (the "**Value Paid**"), the Parties hereby agree to adopt as the fair market value thereof the amount finally determined as the fair market value of the Services by Paper Excellence and the Company, acting reasonably (in each case, the "**Adjusted Value**"). In the event of any such determination of an Adjusted Value in respect of the Service Fees: (a) if the Value Paid exceeds such Adjusted Value, Paper Excellence shall pay to the Company the amount by which the Value Paid exceeds such Adjusted Value; or (b) if such Adjusted Value exceeds the Value Paid, the Company shall pay to Paper Excellence the amount by which such Adjusted Value exceeds the Value Paid (in both cases, such payment being a "**Fair Value Adjustment Payment**"), and such Fair Value Adjustment Payment shall be effected in a manner agreeable to both Paper Excellence and the Company.

- (d) At the beginning of each month, Paper Excellence shall calculate the Service Fees owing for the previous and promptly provide to the Company a summary thereof, such amount which shall be due and payable by the Company to Paper Excellence on or before the 15th day of the month.
 - (e) In the event that an invoice is disputed in whole or in part, the Company shall pay the portion of the invoice not in dispute in accordance with this Section 5, and shall discuss the item(s) in dispute with Paper Excellence to arrive at an equitable resolution. In the event that disputes regarding the Services or the fees charged therefor or any other matter cannot be resolved in a timely fashion by discussion between the Parties, such unresolved disputes shall be referred to and finally resolved by arbitration in accordance with section 19.
2. The Schedule to the Management Agreement shall be amended by deleting it in its entirety and replacing it with the following:



"SCHEDULE

SERVICES

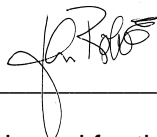
- (a) IT services, including, without limitation, email services, network maintenance and services, SAP software management and maintenance, IT equipment and hardware, and general IT system management and maintenance;
- (b) Human resource services, including, without limitation, the administration of salary payroll, benefits, and pensions, and the provision of access to and management and maintenance of the human resource information system;
- (c) Accounting services, including the preparation of or assistance in the preparation of financial statements, expense account processing, bookkeeping, budgeting and invoice payments;
- (d) Treasury and finance services, including, without limitation, banking management, credit card management, and certain funding arrangements;
- (e) Legal services, including, without limitation, contract review, legal consulting, and corporate legal documentation services; and
- (f) Such other services as may be agreed from time to time."

3. Other than the changes expressly made in this Fifth Amendment, all the terms and conditions of the Management Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Fifth Amendment has been executed by the duly authorized representatives of the Parties.

PAPER EXCELLENCE CANADA HOLDINGS CORPORATION	NORTHERN PULP NOVA SCOTIA CORPORATION
By:  _____	By:  _____
Authorized Signatory	Authorized Signatory

This is Exhibit "E" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to be "J. P. [unclear]", is written over a horizontal line.

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

\$25,000,000

SECURED CREDIT FACILITY

NORTHERN PULP NOVA SCOTIA CORPORATION
as Borrower

- and -

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
as Lender

CREDIT AGREEMENT

Made as of June 24, 2008

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SCHEDULE A FORM OF DRAWDOWN NOTICE

CREDIT AGREEMENT

THIS CREDIT AGREEMENT made as of June 24, 2008,

BETWEEN:

**NORTHERN PULP NOVA SCOTIA
CORPORATION,**
an unlimited liability company existing under the
laws of the Province of Nova Scotia,
as Borrower,

- and -

**AZURE MOUNTAIN CAPITAL FINANCIAL
CORPORATION,**
an unlimited liability company existing under the
laws of the Province of Nova Scotia,
as Lender.

THIS AGREEMENT WITNESSES that, in consideration of the premises, the covenants contained herein, and other valuable consideration, the parties hereto agree as follows:

ARTICLE 1

INTERPRETATION

1.1 Definitions

In this Agreement:

"Additional Compensation" has the meaning specified in Section 9.1(b).

"Advance" means either a Canadian Dollar Advance or a U.S. Dollar Advance under the Facility.

"Affiliate" means, with respect to a specified Person, another Person that directly, or indirectly through one or more intermediaries, Controls or is Controlled by or is under common Control with the specified Person.

"Applicable Law" or "Law" means, with respect to any Person, property, transaction or event, any present or future (a) domestic or foreign statute, law (including common and civil law), treaty, code, ordinance, convention, rule, regulation, restriction or by-law (zoning or otherwise); (b) judgment, order, writ, injunction, decision, direction, determination, ruling, decree or award; (c) regulatory policy, practice, ruling, interpretation, guideline or directive; or (d) Authorization, binding on or affecting the Person, property, transaction or event referred to in the context in which the term is used.

"Applicable Margin" means 4.00% per annum.

"Assets" means, with respect to any Person, any property, assets and undertakings of such Person of every kind and wheresoever situate, whether now owned or hereafter acquired (and, for greater certainty, includes any equity or like interest of any Person in any other Person).

"Authorization" means, with respect to any Person, any order, permit, approval, grant, licence, consent, right, franchise, privilege, certificate exemption, waiver, registration or other authorization of any Governmental Authority having jurisdiction over such Person or the property and assets of such Person.

"Benefit Plans" means all plans, arrangements, agreements, programs, policies, practices or undertakings, whether oral or written, formal or informal, funded or unfunded, insured or uninsured, registered or unregistered, to which the Borrower is a party or bound or in which its employees participate or under which the Borrower has, or will have, any liability or contingent liability or pursuant to which payments are made or benefits are provided, or an entitlement to payments or benefits may arise with respect to any of its current employees, former Employees, retired Employees, directors or officers, individuals working on contract with the Borrower or other individuals providing services to the Borrower of a kind normally provided by employees (or any spouses, dependants, survivors or beneficiaries of any such Persons), in each case relating to the Business.

"Borrower" means Northern Pulp Nova Scotia Corporation and its successors and permitted assigns.

"Borrower's Counsel" means Davies Ward Phillips & Vineberg LLP or such other firm of counsel as may be selected by the Borrower from time to time and approved by the Lender acting reasonably.

"Buildings and Fixtures" means all plants, buildings, structures, erections, improvements, appurtenances and fixtures (including fixed machinery and fixed equipment) situate on the Owned Real Properties and Leased Real Properties.

"Business" means the business of the Borrower consisting of the operation of a pulp mill in Pictou, Nova Scotia and businesses ancillary thereto.

"Business Day" means any day of the year, other than a Saturday, Sunday or other day on which banks are required or authorized to close in Halifax, Nova Scotia and is also a day on which banks are not required or authorized to close in Toronto, Ontario and dealings are carried on in the London interbank market.

"Canadian Dollar Advance" means a loan made pursuant to the Facility which is advanced in Canadian Dollars.

"Canadian Dollars" and **"Cdn. \$"** each means lawful money of Canada.

"Capitalized Lease Obligation" of any Person means any obligation of such Person to pay rent or other amounts under a Capital Lease.

"Capital Leases" means any and all lease obligations of a lessee that are capitalized for financial reporting purposes in accordance with GAAP.

"Change in Law" means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any Applicable Law, (b) any change in any Applicable Law or in the administration, interpretation or application thereof by any Governmental Authority or (c) the making or issuance of any Applicable Law by any Governmental Authority.

"Change of Control" means (a) any Person, other than the Lender and its Affiliates, acting alone or together, or one or more Related Parties shall acquire beneficial ownership of (i) more than 50% of the voting shares of the Borrower or all or substantially all of the assets of the Borrower, or (ii) succeed in having a sufficient number of nominees elected to the board of directors of the Borrower such that such nominees, when added to any existing director remaining on the board of directors of the Borrower after such election who is a nominee of such Person or Related Parties, will constitute a majority of the board of directors of the Borrower, or (b) any other merger, consolidation, amalgamation, arrangement or other transaction that results in any Person or one or more Related Persons (other than the Lender or its Affiliates) having Control of the Borrower.

"Claim" means, with respect to any Person, any actual or prospective action, suit, order, charge, penalty, claim, litigation, investigation or proceeding of any kind or nature whatsoever against or otherwise involving such Person or the property or assets of such Person.

"Closing Date" means June 24, 2008.

"Collateral" means those Assets of the Borrower in respect of which the Lender has or purports to have or will have or will purport to have a security interest pursuant to the Security Documents.

"Compliance Certificate" means a certificate of the Borrower delivered to the Lender pursuant to Section 5.2(e).

"Consolidated Fixed Charge Coverage Ratio" means, with respect to the Borrower, as determined as at the end of any period of measurement, EBITDA for such period less an amount equal to the current provision for income taxes for the period determined in accordance with GAAP and an amount equal to the amount of cash dividends paid or distributed by the Borrower during such period and less the amount of capital expenditures made during such period, all divided by, without duplication, the sum of Interest Expense, scheduled principal payments in respect of Debt and the principal component of payments under Capital Leases during such period.

"Consolidated Net Income" means for any fiscal period of the Borrower, determined in accordance with GAAP, net income less extraordinary gains or losses for that fiscal period.

"Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise. **"Controlling"** and **"Controlled"** have corresponding meanings.

"Credit Documents" means this Agreement, the Security Documents, the Compliance Certificates and all other documents to be executed and delivered to the Lender by the Borrower in connection with the Facility.

"Debt" of any Person means, at any time, all liabilities of such Person which, in accordance with GAAP, would be classified as indebtedness of such Person, including without limitation or duplication, (a) all obligations of such Person for borrowed money including borrowings of commodities, bankers' acceptances, letters of credit or letters of guarantee; (b) all obligations of such Person for the deferred purchase price of property or services (other than trade payables and other current liabilities incurred in the ordinary course of business); (c) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person (even though the rights and remedies of the seller or lender under such agreement in the event of default are limited to repossession or sale of such property); (d) all indebtedness of another Person secured by an Encumbrance on any properties or assets of such Person (other than Encumbrances being contested in good faith on a timely basis by appropriate proceedings); (e) all Capital Lease Obligations of such Person; (f) the aggregate amount at which any shares in the capital of such Person which are redeemable or retractable at the option of the holder may be retracted or redeemed for cash or Debt provided all conditions precedent for such retraction or redemption have been satisfied; (g) all other obligations of such Person upon which interest charges are customarily paid by such Person; (h) the net marked-to-market obligations of such Person under interest rate or currency swaps, options, forwards, and other derivatives instruments; and (i) all Debt Guaranteed by such Person.

"Debt Guaranteed" by any Person means the maximum amount which may be outstanding at the relevant time of all Debt which is directly or indirectly guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, or in respect of which such Person has otherwise assured a creditor or other Person against loss, provided that in circumstances in which less than such amount has been guaranteed by such Person, only the guaranteed amount shall be taken into account in determining such Person's Debt Guaranteed.

"Default" means any event or condition that constitutes an Event of Default or that would constitute an Event of Default except for satisfaction of any condition subsequent required to make the event or condition an Event of Default, including giving of any notice, passage of time, the making of any determination, or any combination thereof.

"Disposition" means, with respect to any Asset of any Person, any direct or indirect sale, lease (where such Person is the lessor of such Asset), assignment, cession, transfer (including any transfer of title or possession), exchange, conveyance, release or gift of such Asset, or any reorganization, consolidation, amalgamation or merger of such Person pursuant to which such Asset becomes the property of any other Person; and **"Dispose"** and **"Disposed"** have meanings correlative thereto.

"Dollar Equivalent" means, as of a date of determination with respect to any amount calculated in U.S. Dollars, the equivalent of such amount in Canadian Dollars calculated by the Lender using the Exchange Rate.

"Drawdown" means a drawdown of an Advance.

"Drawdown Date" means, in relation to any Advance, the date, which shall be a Business Day, on which the Drawdown of such Advance is made by the Borrower pursuant to a Drawdown Notice.

"Drawdown Notice" means a notice substantially in the form set out in Schedule A.

"EBITDA" means, with respect to any fiscal period of a Person, the Consolidated Net Income of the Person for that period, plus, to the extent deducted in determining that net income, (i) interest and income taxes accrued during, and depreciation, depletion and amortization expenses deducted for, that period, and (ii) expenses incurred in connection with the annual maintenance shutdown of the Borrower's pulp mill facility, all computed and consolidated in accordance with GAAP.

"Encumbrance" means any hypothec, mortgage, pledge, security interest, encumbrance, lien, charge, deposit arrangement, lease, adverse claim, right of set-off or agreement, trust, deemed trust or any other arrangement or condition that in substance secures payment or performance of an obligation of the Borrower, statutory and other non-commercial leases or encumbrances and includes the filing of a financing statement or similar instrument and the interest of a vendor or lessor under any conditional sale agreement, capital lease or other title retention agreement.

"Environmental Claims" include, without limitation: (a) any Claim by any Governmental Authority instituted, pending or completed or, to the best of the knowledge of the Borrower, threatened or anticipated, pursuant to any Environmental Laws against the Borrower, the Owned Real Properties, the Leased Real Properties, any other real property used by the Borrower, the Business, other Assets of the Borrower or any other property that the Borrower had charge, management or control over; and (b) any Claim made or, to the best of the knowledge of the Borrower, threatened or anticipated, by any third party against the Borrower or any such properties or Assets resulting from or relating to any Environmental Liabilities.

"Environmental Laws" means all Applicable Laws relating to the environment, occupational health and safety Hazardous Substances, pollution or protection of the environment, including Applicable Laws relating to (a) on-site or off-site contamination; (b) occupational health and safety relating to Hazardous Substances; (c) chemical substances or products; (d) Releases of Hazardous Substances into the environment; and (e) the manufacture, processing, distribution, use, treatment, storage, transport or handling of, or containment, investigation, clean-up or other remediation of or corrective action for Hazardous Substances.

"Environmental Liabilities" means any liability, contingent or otherwise (including any liability for any Losses, costs of Remedial Action or indemnities), of the Borrower directly or indirectly resulting from or based upon: (a) violation of any Environmental Law or any Environmental Permit; (b) the generation, use, handling, collection, treatment, storage, transportation, recovery, recycling, presence or disposal of any Hazardous Substances; (c) exposure to any Hazardous Substances; (d) the Release or threatened Release of any Hazardous Substances into the environment; or (e) any contract, agreement or other consensual arrangement pursuant to which liability is assumed or imposed with respect to any of the foregoing.

"Environmental Permits" include, without limitation, all Authorizations issued to the Borrower or to the Business pursuant to Environmental Laws and required for the operation of the

Business or the use or ownership of the Owned Real Properties, Leased Real Properties, any other real property used by the Borrower or other Assets of the Borrower.

"Equity Securities" means, with respect to any Person, any and all shares, interests, participations, rights in, or other equivalents (however designated and whether voting and non-voting) of, such Person's capital, whether outstanding on the date hereof or issued after the date hereof, including any interest in a limited liability company, partnership, limited partnership or other similar Person and any beneficial interest in a trust, and any and all rights, warrants, options or other rights exchangeable for or convertible into any of the foregoing.

"Event of Default" has the meaning specified in Section 8.1.

"Exchange Rate" means on any day, with respect to any currency other than Canadian Dollars, the rate at which such currency may be exchanged into Canadian Dollars, as set forth at approximately 11:00 A.M. (New York time) on such day on the applicable Reuters World Spot Page. If any such rate does not appear on any Reuters World Spot Page, the Exchange Rate shall be determined by reference to such other publicly available service for displaying exchange rates reasonably selected by the Lender for such purpose, provided that if at the time of any such determination, for any reason, no such spot rate is being quoted, the Lender may use any other reasonable method it deems appropriate to determine such rate, and such determination shall be presumed correct absent manifest error.

"Excluded Taxes" means any Taxes imposed by any jurisdiction or any political subdivision thereof on or measured by the overall net income of the Lender, and all franchise taxes and taxes measured by capital or net worth imposed on the Lender, as a result of the Lender (a) carrying on a trade or business or having a permanent establishment in such jurisdiction or political subdivision thereof; (b) being organized under the laws of such jurisdiction or political subdivision thereof; or (c) being or being deemed to be resident in such jurisdiction or political subdivision thereof.

"Facility" means the revolving credit facility in an aggregate principal amount of up to the Facility Amount, to be made available by the Lender to the Borrower in accordance with Article 2.

"Facility Amount" means initially Cdn. \$25,000,000, as such amount may be reduced in accordance with the terms hereof.

"Fees" means the fees payable by the Borrower under this Agreement or under any other Credit Document.

"Financial Quarter" means, in respect of the Borrower, a period of three consecutive months in each Financial Year ending on March 31, June 30, September 30, and December 31, as the case may be, of such year.

"Financial Year" means, in respect of the Borrower, its financial year commencing on January 1 of each calendar year and ending on December 31 of the next calendar year.

"GAAP" means, at any time, accounting principles generally accepted in Canada applied on a consistent basis.

"Governmental Authority" means the government, parliament or legislature of Canada or any other nation, or of any political subdivision thereof, whether provincial, state, municipal or local, and any agency, authority, instrumentality, ministry, tribunal, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any supra-national bodies such as the European Union or the European Central Bank and including a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency.

"Hazardous Substance" means any substance, material or waste regulated, listed or prohibited by Environmental Laws including, without limitation: (a) those things included in the definition of "contaminants", "pollutants", "substances", "hazardous wastes", "deleterious substances", "dangerous goods", "hazardous substances", "toxic substances" or "waste" under Environmental Laws; or (b) any substance, material or waste that is (i) petroleum, ii) asbestos, (iii) polychlorinated biphenyls, (iv) flammable explosives or (v) radioactive materials.

"Indemnified Taxes" means all Taxes other than Excluded Taxes.

"Indemnitee" has the meaning specified in Section 12.2(a).

"Intellectual Property" has the meaning specified in Section 6.1(i).

"Interest Expense" means, for any fiscal period of a Person, the aggregate cost to the Person of all advances of credit outstanding during that period that are included as interest expense in accordance with GAAP, including, without limitation, interest charges, capitalized interest, the interest component of Capital Leases and discounts incurred and fees payable in respect of bankers' acceptances, all computed and consolidated in accordance with GAAP.

"Interest Period" means each period for the calculation of interest ascertained pursuant to Section 2.5.

"Law" shall have the meaning attributed thereto in the definition of **"Applicable Law"**.

"Leased Real Properties" means the leasehold interests in the real properties at the municipal addresses listed in Schedule 6.1(g) forming the subject matter of the Leases to which the Borrower is a party.

"Lender" means Azure Mountain Capital Financial Corporation and its successors and permitted assigns.

"Lender's Counsel" means Patton Boggs LLP, and such other firms of counsel as may be selected by the Lender from time to time.

"Libor Rate" means, for each Interest Period, the greater of: (a) 3% per annum and (b) the rate of interest per annum calculated on the basis of a year of 360 days, equal to the London interbank offered rate for the relevant currency at approximately 11:00 a.m. (London, England time) on the day that is two Business Days before the first day of such Interest Period published by Telerate Systems Inc. (or such other company or service as may be nominated by the British Bankers' Association for the purpose of displaying British Bankers' Association Interest Settlement Rates for deposits in the relevant currency) and having a term equal to such Interest

Period, as such rate is displayed as page 3750 (or any replacement page) by "Telerate – the Financial Information Network".

"Loss" means any loss whatsoever, whether direct or indirect, including expenses, costs, damages, judgments, penalties, fines, charges, Claims, demands, liabilities and any and all legal fees and disbursements.

"Material Adverse Effect" means any event, occurrence or condition which could reasonably be expected to have a material adverse effect on or results in a material adverse change in (a) the business, assets, operations, liabilities, prospects or condition, financial or otherwise, of the Borrower; (b) the ability of the Borrower to perform its Obligations in accordance with the terms of this Agreement or any of the other Credit Documents; (c) the validity or enforceability of any of the Credit Documents or the rights or remedies of the Lender thereunder which could reasonably be considered to be material having regard to the Credit Documents taken as a whole and the rights or remedies under the Credit Documents taken as a whole, (d) the amount which the Lender would be likely to receive (after giving effect to delays in payment and costs of enforcement) upon the liquidation of the Collateral or (e) any Encumbrance on the Collateral in favour of the Lender or the perfection or priority thereof.

"Material Agreements" means (a) those agreements listed on Schedule 6.1(q) (as amended, restated, supplemented or replaced as permitted hereunder); and (b) those agreements (as amended, supplemented, revised or restated as permitted herein from time to time) of the Borrower the breach, non-performance or cancellation of which or the failure of which to renew would reasonably be expected to have a Material Adverse Effect and which cannot promptly be replaced by all alternative comparable contracts with comparable commercial terms.

"Material Permits" means the Authorizations the breach, non-performance or cancellation of which or failure of which to renew would reasonably be expected to have a Material Adverse Effect.

"Maturity Date" means June 24, 2011.

"Moody's" means Moody's Investors Service, Inc. or any successor thereto.

"Obligations" means all debts, liabilities and other obligations whatsoever (monetary and otherwise) of the Borrower arising under or in connection with this Agreement or any of the other Credit Documents.

"Original Currency" has the meaning specified in Section 15.2(a).

"Other Currency" has the meaning specified in Section 15.2(a).

"Other Taxes" means all present or future stamp or documentary taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or under any other Credit Document or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement or any other Credit Document.

"Owned Real Properties" means, collectively, the land and premises listed on Schedule 6.1(g) and the Buildings and Fixtures thereon.

"Permitted Debt" means,

- (a) Debt hereunder or under any other Credit Document;
- (b) Debt existing on the date hereof and set forth in Schedule 7.2(a);
- (c) Capitalized Lease Obligations in an aggregate amount of not more than \$100,000 at any time outstanding;
- (d) Debt secured by Purchase Money Mortgages in an aggregate amount of not more than \$100,000 at any time outstanding;
- (e) trade accounts and normal business expenses due and payable within 60 days and considered unsecured obligations incurred in the ordinary course of business (but excluding Debt for borrowed money); and
- (f) Subordinated Debt.

"Permitted Dispositions" means (a) Dispositions of inventory in the ordinary course of business; (b) Dispositions of Assets which are obsolete, redundant or of no material economic value; and (c) Dispositions of Assets in each Financial Year to a Person that is not an Affiliate of the Borrower the total value of which does not exceed \$500,000 in the aggregate during such Financial Year.

"Permitted Encumbrances" means, with respect to any Person, the following:

- (a) Encumbrances for Taxes, rates, assessments or other governmental charges or levies the payment of which is not yet due, or for which instalments have been paid based on reasonable estimates pending final assessments, or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person and in respect of which reserves have been maintained in accordance with GAAP;
- (b) undetermined or inchoate Encumbrances, rights of distress and charges incidental to current operations which have not at such time been filed or exercised, or which relate to obligations not due or payable or if due, the validity of which is being contested diligently and in good faith by appropriate proceedings by that Person and in respect of which reserves have been maintained in accordance with GAAP;
- (c) reservations, limitations, provisos and conditions expressed in any original grant from the Crown or other grant of real or immovable property, or interests therein, which will not individually, in the aggregate or in combination with the Permitted Encumbrances referred to in clauses (d) and (e) of this definition, in the opinion of the Lender, acting reasonably, materially affect the use of the affected land for the purpose for which it is used by that Person;
- (d) licences, permits, reservations, covenants, servitudes, easements, rights-of-way and rights in the nature of easements (including, without limiting the generality of

the foregoing, licences, easements, rights-of-way and rights in the nature of easements for sidewalks, public ways, sewers, drains, gas, steam and water mains or electric light and power, or telephone and telegraph conduits, poles, wires and cables) and zoning, land use and building restrictions, by-laws, regulations and ordinances of federal, provincial, regional, state, municipal and other governmental authorities, which will not individually or in combination with the Permitted Encumbrances referred to in clauses (c) and (e) of this definition, in the opinion of the Lender, acting reasonably, materially impair the use of the affected land for the purpose for which it is used by that Person;

- (e) title defects, encroachments or irregularities which are of a minor nature and which in the aggregate will not individually or in combination with the Permitted Encumbrances referred to in clauses (c) and (d) of this definition, in the opinion of the Lender, acting reasonably, materially impair the use of the affected property for the purpose for which it is used by that Person;
- (f) the right reserved to or vested in any Governmental Authority by the terms of any lease, licence, franchise, grant or permit acquired by that Person or by any statutory provision to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition to the continuance thereof;
- (g) the Encumbrances resulting from the deposit of cash or securities in connection with contracts, tenders or expropriation proceedings, or to secure workers' compensation, unemployment insurance, surety or appeal bonds, costs of litigation when required by Applicable Law, liens and claims incidental to current construction, mechanics', warehousemen's, carriers' and other similar liens, and public, statutory and other like obligations incurred in the ordinary course of business;
- (h) Encumbrances given to a public utility or any Governmental Authority when required by such utility or Governmental Authority in connection with the operations of that Person in the ordinary course of its business;
- (i) Encumbrances created by a judgment of a court of competent jurisdiction, as long as the judgment is being contested diligently and in good faith by appropriate proceedings by that Person and does not result in a Default;
- (j) operating leases of vehicles or equipment which are entered into in the ordinary course of the Business;
- (k) Encumbrances securing Purchase Money Mortgages permitted hereunder;
- (l) Encumbrances created by the Security Documents;
- (m) subdivision agreements, site plan control agreements, development agreements, facilities sharing agreements, cost sharing agreements and other similar agreements which do not materially impair the use of the real property subject thereto for the purpose for which it is used by that Person;

- (n) the rights of any tenant, occupant or licensee under any lease, occupancy agreement or licence which do not materially impair the use of the real property subject thereto for the purpose for which it is used by that Person;
- (o) Encumbrances set forth in Schedule 7.2(b);
- (p) Encumbrances securing Capital Lease Obligations permitted hereunder;
- (q) Encumbrances arising solely by virtue of any statutory or common law provision relating to banker's liens, rights of combination of accounts or similar rights in the ordinary course of conducting day-to-day banking business in relation to deposit accounts or other funds maintained with a creditor depository institution provided that such Encumbrances (i) do not relate to any deposit account that is a dedicated cash collateral account which is subject to restrictions against access by the depositor or account holder, (ii) do not relate to any deposit account intended by the depositor or account holder to provide collateral to the depository institution, and (iii) are not intended directly or indirectly to secure the payment or performance of Debt or any other obligation;
- (r) Encumbrances or covenants restricting or prohibiting access to or from lands abutting on controlled access highways or covenants affecting the use to which lands may be put; provided, however, that such Encumbrances or covenants do not materially and adversely affect the use of the lands by the Borrower;
- (s) statutory Encumbrances incurred or pledges or deposits made in favour of a Governmental Authority to secure the performance of obligations of the Borrower under Environmental Laws to which any assets of such Person are subject, provided that no Default shall have occurred and be continuing;
- (t) Encumbrances arising from the right of distress enjoyed by landlords outside of the Province of Quebec to secure the payment of arrears of rent in respect of leased properties in such provinces;
- (u) other Encumbrances expressly consented to in writing by the Lender; and
- (v) any extension, renewal or replacement of any Permitted Encumbrance referred to in clauses (k), (l), and (o) of this definition.

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity.

"PPSA" means the *Personal Property Security Act* (Nova Scotia).

"Prime Rate" means, for any period, a fluctuating interest rate per annum as shall be in effect from time to time, which rate per annum shall at all times be equal to the percentage rate per annum (rounded up to two decimal places) equal to the rate of interest which the Canadian Imperial Bank of Commerce establishes at the time as the reference rate of interest for determination of interest rates it will charge for commercial loans in Canadian Dollars at its head

office in Toronto, Canada and which it refers to as its prime rate (or its equivalent or analogous such rate).

"Purchase Money Mortgage" means, in respect of any Person, any Encumbrance charging property acquired by such Person, which is granted or assumed by such Person, reserved by the transferor (including, Capitalized Lease Obligations) or which arises by operation of Law in favour of the transferor concurrently with and for the purpose of the acquisition of such property, in each case where (i) the principal amount secured by such Encumbrance is not in excess of the cost to such Person of the property acquired; and (ii) such Encumbrance extends only to the property acquired.

"real property used" means, in respect of any Person, any real property used or occupied by such Person.

"Related Parties" means, with respect to any Person, such Person's Affiliates and the directors, officers, employees, agents and advisors of such Person and of such Person's Affiliates.

"Release" when used as a verb, includes release, spill, leak, emit, deposit, discharge, leach, migrate or dispose of into the environment and the term **"Release"** when used as a noun has a correlative meaning.

"Remedial Action" means any investigation, sampling, monitoring, assessment, audit, containment, control, management, clean-up, removal, treatment, reporting, restoration or other remedial action with respect to Hazardous Substances.

"Reorganization" has the meaning specified in Section 13.1.

"Restricted Payment" means, with respect to any Person, any payment by such Person (a) of any dividends or other distribution on any of its Equity Securities, (b) on account of, or for the purpose of setting apart any property for a sinking or other analogous fund for, the purchase, redemption, retirement or other acquisition of any of its Equity Securities or any warrants, options or rights to acquire any such shares, or the making by such Person of any other distribution in respect of any of its Equity Securities, (c) of any principal of or interest or premium on or of any amount in respect of a sinking or analogous fund or defeasance fund for any Debt of such Person ranking in right of payment subordinate to any liability of such Person under the Credit Documents, (d) of any principal of or interest or premium on or of any amount in respect of a sinking or analogous fund or defeasance fund for any indebtedness of such Person to a shareholder of such Person or to an Affiliate of a shareholder of such Person, or (e) of any management, consulting or similar fee or any bonus payment or comparable payment, or by way of gift or other gratuity, to any Affiliate of such Person or to any director or officer thereof (except as permitted pursuant to Section 7.2(g)). Notwithstanding the foregoing, Restricted Payments shall not include payments that are (i) employee bonuses and compensation; (ii) director's fees and reasonable reimbursed expenses, and (iii) distributions to a shareholder made solely in order to fund such shareholders' current tax liabilities incurred as a result of its ownership interest in the Borrower.

"S&P" means Standard & Poor's, a Division of the McGraw-Hill Companies, Inc.

"Security" has the meaning specified in Section 4.1(a).

"Security Documents" means the agreements described in Section 4.1 and any other security granted to the Lender, as security for the obligations of the Borrower under this Agreement and the other Credit Documents.

"Subordinated Debt" means Debt incurred by the Borrower at any time after the date hereof, provided that (a) such Debt is unsecured and, in any bankruptcy, insolvency, liquidation, receivership, winding-up or other similar proceeding, is subordinated in right of payment to the prior payment of all obligations of the Borrower under the Credit Documents on terms satisfactory to the Lender, (b) such Debt accrues interest at a rate determined in good faith by the board of directors of the Borrower to be a market rate of interest for such Debt at the time of issuance thereof, (c) no amount is payable on account of such Debt (whether on account of principal, interest, fees or otherwise) if a Default or Event of Default has occurred and is continuing, either before or immediately after giving effect to the payment, and (d) such Debt is otherwise on terms and conditions satisfactory to the Lender, in its sole discretion.

"Subsidiary" means, at any time, as to any Person, any corporation, company or other Person (other than a natural person), (a) if at such time the first mentioned Person owns, directly or indirectly, securities or other ownership interests in such corporation, company or other Person having ordinary voting power to elect a majority of the board of directors or Persons performing similar functions for such corporation, company or other Person or (b) such corporation, company or other Person is Controlled by the first mentioned Person.

"Successor" has the meaning specified in Section 13.1.

"Taxes" includes all present and future income, capital gains, gross receipts, capital sales, use, value-added employment, franchise, profits, property or other taxes, fees, levies, imposts, deductions, duties, assessments or charges of any kind whatsoever (whether payable directly or by withholding) imposed by any Governmental Authority, together with interest and penalties with respect thereto, if any, and charges, fees and other amounts made on or in respect thereof.

"U.S. Dollar Advance" means a loan made pursuant to the Facility which is advanced in U.S. Dollars.

"U.S. Dollars" and **"U.S. \$"** mean lawful money of the United States of America.

1.2 **Gender and Number**

Any reference in the Credit Documents to gender includes all genders, and words importing the singular number only include the plural and vice versa.

1.3 **Interpretation Not Affected by Headings, etc.**

The provision of a table of contents and the division of this Agreement into Articles and Sections are for convenience of reference only and shall not affect the interpretation of this Agreement. The terms **"this Agreement"**, **"hereof"**, **"hereunder"** and similar expressions refer to this Agreement and not to any particular Article, Section, paragraph, clause or other portion hereof and include any agreement supplemental hereto. Save as expressly provided herein, references herein to Articles, Sections and clauses are to Articles, Sections and clauses of this Agreement.

1.4 **Currency**

All references in the Credit Documents to dollars or \$, unless otherwise specifically indicated, are expressed in Canadian Dollars.

1.5 **Certain Phrases, etc.**

In any Credit Document, unless otherwise expressly provided, (i) (A) the words **"including"** and **"includes"** mean **"including (or includes) without limitation"**, (B) the phrase **"the aggregate of"**, **"the total of"**, **"the sum of"**, or a phrase of similar meaning means **"the aggregate (or total or sum), without duplication, of"**, (C) the word **"will"** has the same meaning as the word **"shall"**, and (D) any reference to any Person shall be construed to include such Person's successors, permitted assigns and legal personal representatives, and (ii) in the computation of periods of time from a specified date to a later specified date the word **"from"** means **"from and including"** and the words **"to"** and **"until"** each mean **"to (or until) but excluding"**.

1.6 **Accounting Terms**

(a) Unless otherwise provided herein, all accounting terms not specifically defined in this Agreement shall be interpreted in accordance with GAAP and all financial data submitted pursuant to the Agreement shall be prepared in accordance with such principles, applied in a manner consistent with the financial statements referred to in Section 6.1(e).

(b) If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Credit Document, and either the Borrower or the Lender shall so request, the Lender and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Lender); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Lender a written reconciliation in form and substance reasonably satisfactory to the Lender, between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.7 **Non-Business Days**

Whenever any payment is stated to be due or any action shall be stated to be required to be taken on a day which is not a Business Day, such payment shall be made or such action shall be taken on the next succeeding Business Day, and such extension of time shall be included in the computation of interest or Fees, as the case may be.

1.8 **References to the Lender**

Any reference in this Agreement to the Lender shall be construed so as to include its successors and permitted transferees or assigns hereunder in accordance with its interests.

1.9 **References to a Time of Day**

Except as otherwise specified herein, a time of day shall be construed as a reference to the time of day in Toronto, Ontario.

1.10 **Severability**

In the event that any provision contained in this Agreement or any other Credit Document shall be invalid, illegal or unenforceable in any jurisdiction, the invalidity, illegality or unenforceability of that provision will not affect:

- (a) the validity, legality or enforceability of the remaining provisions hereof or thereof; or
- (b) the validity, legality or enforceability of that provision in any other jurisdiction.

1.11 **References to Statutes**

Except as otherwise provided herein, any reference in this Agreement or any other Credit Document to a statute, legislation or regulation shall be construed to be a reference thereto as the same may have been, or may from time to time be, amended, re-enacted or replaced.

1.12 **References to Agreements**

Except as otherwise provided herein, any reference in this Agreement or any other Credit Document to this Agreement or any other agreement or document shall be construed to be a reference to this Agreement or such other agreement or document, as the case may be, as the same may have been, or may from time to time be, amended, varied, novated, restated or supplemented.

1.13 **Incorporation of Schedules**

The schedules attached to this Agreement shall, for all purposes of this Agreement, form an integral part of it.

1.14 **Paramountcy**

In the event of a conflict in or between the provisions of this Agreement and the provisions of any of the other Credit Documents then, notwithstanding anything contained in such other Credit Document, the provisions of this Agreement shall govern. Notwithstanding the foregoing, if any act or omission of the Borrower is expressly permitted under this Agreement but is expressly prohibited under another Credit Document, such act or omission shall be prohibited. If any act or omission is expressly prohibited under a Credit Document (other than this Agreement), but this Agreement does not expressly permit such act or omission, or if any act is expressly required to be performed under such Credit Document but this Agreement does not expressly relieve the Borrower from such performance, such circumstance shall not constitute a conflict in or between the provisions of this Agreement and the provisions of such Credit Document.

ARTICLE 2

THE FACILITY

2.1 **Availability**

The Lender agrees, on the terms and conditions of this Agreement, to make the Facility available to the Borrower.

2.2 **Use of Proceeds**

The Borrower shall use the proceeds of any borrowing under the Facility for the Borrower's general corporate purposes, including its working capital requirements.

2.3 **Term and Availability of Advances**

(a) The Facility shall be available for Drawdown by the Borrower, at the option of the Borrower, by way of Advances, each in a minimum amount of \$250,000 and integral multiples of \$50,000 in excess thereof in either Canadian Dollars or U.S. Dollars. Each Drawdown shall be made by Drawdown Notice, which Drawdown Notice shall be given by the Borrower to the Lender (which shall be irrevocable) not later than three (3) Business Days prior to the relevant Drawdown Date. The Facility shall be a revolving credit facility and the Borrower may borrow, repay and reborrow the Facility as it sees fit, subject to the terms of this Agreement, at any time prior to the Maturity Date. The Facility shall terminate on the Maturity Date. The Borrower may not make a Drawdown under the Facility if, as a result of such Drawdown, the aggregate principal amount of all Advances outstanding under the Facility would exceed the then current Facility Amount.

(b) For the purposes of determining the aggregate amount of Advances outstanding under the Facility, each U.S. Dollar Advance outstanding shall be calculated as the Dollar Equivalent thereof.

2.4 **Exchange Rates**

Any Advances made in U.S. Dollars shall, for purposes of determining the amount of such Advance, be considered to be the Dollar Equivalent thereof on the date of such Advance.

2.5 **Interest Periods**

(a) Relative to any Advance, the initial Interest Period shall begin on (and include) the date on which such Advance is made and shall end on (but exclude) the last day of the Financial Quarter in which such Advance is made, and thereafter, each subsequent Interest Period shall begin on the last day of the immediately preceding Interest Period and shall end on the date three months later, provided that any Interest Period that would otherwise end after the Maturity Date shall instead end on the Maturity Date.

(b) If an Interest Period should end on a day which is not a Business Day such Interest Period shall be extended to the next Business Day unless the next Business Day is in the

following calendar month in which case the Interest Period shall end on the preceding Business Day.

2.6 Interest

(a) The Borrower shall pay to the Lender, interest on the outstanding principal amount of each Canadian Dollar Advance and on the Dollar Equivalent of each U.S. Dollar Advance, both before and after default and judgment, at a rate which is equivalent to the Applicable Margin plus the Libor Rate.

(b) Interest shall be calculated on a day to day basis on a year of 360 days and shall be paid no later than 11:00 a.m. (Toronto time) on the last Business Day of each Interest Period. If any payment of interest falls due on a day that is not a Business Day, then such payment shall instead be due on the next following Business Day and interest shall continue to accrue during the extension.

(c) Where the Borrower fails to pay any amount required to be paid by it under this Agreement or any other Credit Document when due, the Borrower shall pay interest on such amount, both before and after default and judgment, from the due date until the date of actual payment at a rate of 3% per annum plus the Applicable Margin plus the Libor Rate for the Interest Period (determined initially on the date such payment was due). Interest incurred under this Section 2.6(c) shall be calculated on a day to day basis and be compounded monthly in arrears and shall be payable on demand.

2.7 Fees

(a) **Standby Fees.** The Borrower shall pay quarterly in arrears to the Lender a non-refundable standby fee (the "Standby Fee") of 0.50% per annum of the amount equal to the Facility Amount less the aggregate principal amount of Advances outstanding on such day. The Standby Fee shall be paid on the first Business Day following the end of each Financial Quarter in each year during the term of this Credit Facility (from the Closing Date to the Maturity Date) and on the Maturity Date (each a "Standby Fee Payment Date").

(b) **Calculations.** The Standby Fee shall be payable for the period from and including the Closing Date or the last Standby Fee Payment Date, as the case may be, to but excluding the next Standby Fee Payment Date or the Maturity Date, as applicable, and shall be calculated on a daily basis, based on the actual number of days elapsed and a year of 365 days or 366 days, as the case may be.

(c) **Upfront Fee.** The Borrower shall on the Closing Date, pay to the Lender a non-refundable Fee equal to 1% of the Facility Amount.

2.8 Computation of Interest and Fees

(a) For purposes of the *Interest Act* (Canada), (i) whenever any interest or Fee under this Agreement is calculated using a rate based on a number of days less than a full year, such rate determined pursuant to such calculation, when expressed as an annual rate, is equivalent to (x) the applicable rate, (y) multiplied by the actual number of days in the calendar year in which the period for which such interest or fee is payable (or compounded) ends, and (z) divided by the

number of days comprising such calculation basis; (ii) the principle of deemed reinvestment of interest does not apply to any interest calculation under this Agreement; and (iii) the rates of interest stipulated in this Agreement are intended to be nominal rates and not effective rates or yields.

(b) Notwithstanding any provision herein to the contrary, in no event will the aggregate "interest" (as defined in section 347 of the *Criminal Code* (Canada)) payable by the Borrower under any Credit Document exceed the maximum effective annual rate of interest on the "credit advanced" (as defined in that section 347) permitted under that section and, if any payment, collection or demand pursuant to such Credit Document in respect of "interest" (as defined in that section 347) is determined to be contrary to the provisions of such section 347, such payment, collection or demand will be deemed to have been made by mutual mistake of such Borrower, the Lender and the amount of such payment or collection will be refunded to such Borrower only to the extent of the amount which is greater than the maximum effective annual rate permitted by such laws. For purposes of determining compliance with such section 347, the effective annual rate of interest will be determined in accordance with generally accepted actuarial practices and principles over the term commencing on the Closing Date and ending on the Maturity Date and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Lender will be prima facie evidence for the purposes of such determination.

(c) Interest hereunder shall not be payable in an amount in excess of the maximum rate permitted by applicable law.

ARTICLE 3

REPAYMENT AND PREPAYMENT

3.1 Repayment of Facility

(a) Advances may be repaid in Canadian Dollars or U.S. Dollars as determined by the Borrower. The amount of a repayment made in U.S. Dollars shall be the Dollar Equivalent thereof on the date of such repayment.

(b) Provided that the Facility is not prepaid or reduced in accordance with Section 3.2 or the Maturity Date accelerated in accordance with Article 8, the Borrower shall repay the principal amount of all Advances outstanding under the Facility and any other amounts due hereunder, together with accrued and unpaid interest and Fees thereon, on the Maturity Date.

3.2 Optional Prepayments or Reduction

(a) The Borrower may, subject to the provisions of this Agreement, prepay without penalty or bonus the Facility, in whole or, subject to the next sentence, in part. Each partial prepayment or reduction shall be in a minimum aggregate principal amount of \$250,000 and in an integral multiple of \$50,000 thereafter.

(b) The Borrower may at any time permanently cancel undrawn amounts of the Facility without premium or penalty. Each such reduction shall be in a minimum amount of

\$1,000,000 and in integral multiples of \$50,000 thereafter, subject to giving the Lender two Business Days prior written notice. Amounts so cancelled will not be reinstated and the Facility Amount will be reduced accordingly.

3.3 **Payments under this Agreement**

Unless otherwise expressly provided in this Agreement, the Borrower shall unconditionally make any payment required to be made by it to the Lender by electronic transfer, without set-off, counterclaim or other deduction of any type, to the account of the Lender maintained at such financial institution in Canada as the Lender may advise the Borrower from time to time; provided that all such payments must be received for value by the Lender not later than 10:00 a.m. (Toronto time) on the date the payment is due. Payments received after such time shall be deemed to have been made on the next following Business Day.

3.4 **Application of Payments and Prepayments**

All amounts received by the Lender from or on behalf of the Borrower and not otherwise required to be applied pursuant to this Agreement shall be applied by the Lender as follows: (i) first, in reduction of the Borrower's obligation to pay any unpaid interest and any Fees which are due and owing; (ii) second, in reduction of the Borrower's obligation to pay any claims or losses referred to in Section 12.1; (iii) third, in reduction of the Borrower's obligation to pay any amounts due and owing on account of any unpaid principal amount of the Facility which is due and owing; (iv) fourth, in reduction of any other obligation of the Borrower under this Agreement and the other Credit Documents; and (v) fifth, to the Borrower or such other Persons as may lawfully be entitled to or directed to receive the remainder.

3.5 **Evidence of Indebtedness**

The Lender shall open and maintain in accordance with its usual practice books of account evidencing the indebtedness of the Borrower resulting from all Advances and the amounts of principal, interest, Fees and other amounts owing by the Borrower to the Lender hereunder. The Lender shall enter in the foregoing accounts details of the Advances and of all amounts from time to time owing or paid by the Borrower to the Lender hereunder. The information entered in the foregoing accounts shall constitute, in the absence of manifest error, prima facie evidence of the obligations of the Borrower to the Lender hereunder, the date the Lender made each Advance available to the Borrower and the amounts the Borrower has paid from time to time on account of the principal of and interest on the Advances and other amounts owing hereunder.

ARTICLE 4

SECURITY

4.1 **Security**

(a) On or prior to the Closing Date, the Borrower shall provide to the Lender, as continuing collateral security for the Obligations, the following security (the "Security"), in form and substance satisfactory to the Lender, together with any relevant power of attorney,

registrations, filings and other supporting documentation deemed necessary by the Lender or its counsel to perfect the same or otherwise in respect thereof:

- (i) a general security agreement constituting a first-ranking charge on all Assets of the Borrower, subject, if and to the extent applicable, to any Permitted Encumbrance; and
- (ii) such other security documents as the Lender may request as security for the Obligations.

(b) The Borrower will from time to time at its expense duly authorize, execute and deliver to the Lender such further instruments and documents and take such further action as the Lender may reasonably request for the purpose of obtaining or preserving the full benefits granted or intended to be granted to the Lender or any other Person by the Credit Documents and of the rights and remedies therein granted to the Lender or any other Person including the filing of financing statements or other documents under any Applicable Law with respect to the Encumbrances created thereby. The Borrower acknowledges that the Credit Documents have been prepared on the basis of Applicable Law in effect on the date hereof, and that changes to Applicable Law may require the execution and delivery of different forms of documentation, and accordingly the Lender shall have the right (acting reasonably) to require that the Credit Documents be amended, supplemented or replaced (and the Borrower shall duly authorize, execute and deliver to the Lender any such amendment, supplement or replacement reasonably requested by the Lender with respect to any of the Credit Documents) promptly and in any event within 30 days of written request therefor (i) to reflect any change in Applicable Law, whether arising as a result of statutory amendments, court decisions or otherwise; (ii) to facilitate the creation and registration of appropriate forms of security in applicable jurisdictions; or (iii) to confer upon the Lender or any other applicable Person similar to the Encumbrances created or intended to be created by the Credit Documents.

(c) The documents constituting the Security shall secure the Obligations and all such Obligations shall rank *pari passu* with each other and any proceeds from any realization of the Collateral shall be applied to the Obligations ratably.

ARTICLE 5

CONDITIONS PRECEDENT

5.1 Conditions to Closing

The following conditions shall be satisfied by the Borrower on or prior to the Closing Date or such later date as may be agreed to by the Lender:

(a) this Agreement and the other Credit Documents, in form and on terms satisfactory to the Lender shall have been duly authorized, executed and delivered to the Lender by the Borrower and shall constitute legal, valid and binding obligations of the Borrower;

(b) the representations and warranties set forth in Section 6.1 shall be true and correct in all respects on and as of the Closing Date by reference to the facts and circumstances then existing;

(c) no Default or Event of Default shall have occurred and be continuing;

(d) the Lender shall be satisfied that all registrations and other actions necessary to perfect the security interest created by the Security Documents and maintain the priority of the Encumbrances in favour of the Lender have been made;

(e) none of the Borrower's undertaking, property or assets shall be subject to any Encumbrances other than Permitted Encumbrances;

(f) all Fees and expenses payable on or prior to the Closing Date under the Credit Documents shall have been paid in full; and

(g) a certificate of the Borrower executing and delivering any Documents dated the Closing Date certifying:

(i) the names and the specimen signatures of the Persons authorized to sign this Agreement, the Security Documents and the other Credit Documents to be executed and delivered by the Borrower under this Agreement;

(ii) that the constating documents and the by-laws of the Borrower which shall be attached thereto, are complete and correct copies and that the constating documents and the by-laws have not been amended, modified or supplemented and are in full force and effect; and

(iii) the resolutions of the Borrower and all other authorizations necessary to authorize the execution and delivery of and the performance by the Borrower of its obligations under this Agreement, the Security Documents and the other Credit Documents to which it is a party and all the transactions contemplated thereby; and

(h) the Lender shall have received copies of all additional documents from the Borrower which the Lender may reasonably request in connection with the transactions contemplated by this Agreement.

5.2 Conditions for Drawdown

The following conditions shall be satisfied by the Borrower at or prior to the time of each Drawdown of an Advance under the Facility subsequent to the Closing Date:

(a) the Borrower shall have given to the Lender a Drawdown Notice in accordance with the provisions of Section 2.3;

(b) the representations and warranties set forth in Section 6.1 shall be true and correct in all material respects on and as of the Drawdown Date, both before and after

giving effect to the Drawdown of such Advance and to the application of proceeds therefrom, by reference to the facts and circumstances then existing;

- (c) no Default or Event of Default shall have occurred and be continuing, nor shall any such event occur as a result of making the Advances or the application of proceeds therefrom on the Drawdown Date;
- (d) from and after the first full Financial Quarter to occur after the Closing Date, Borrower shall have complied with its Obligations under Section 7.1(a)(iii); and
- (e) the Borrower shall have delivered to the Lender a Compliance Certificate current as of the date of Drawdown certifying (b), (c) and (d) above.

5.3 **Waiver**

The conditions set forth in Sections 5.1 and 5.2 are inserted for the sole benefit of the Lender and may be waived by the Lender in whole or in part, with or without terms or conditions.

ARTICLE 6

REPRESENTATIONS AND WARRANTIES

6.1 **Representations and Warranties**

The Borrower represents and warrants to the Lender, acknowledging and confirming that the Lender is relying thereon without independent inquiry that:

(a) **Incorporation and Qualification.** The Borrower is an unlimited liability company duly incorporated, existing and in good standing with respect to filing its annual returns under the laws of the Province of Nova Scotia and has all requisite corporate power and capacity to own, lease and operate its assets, properties and business and to carry on its business as currently conducted and to enter into and perform its obligations under this Agreement and the other Credit Documents to which it is a party.

(b) **Conflict with Other Instruments.** The execution and delivery by the Borrower of the Credit Documents to which it is a party and the performance by the Borrower of its obligations thereunder and compliance with the terms, conditions and provisions thereof, will not (i) conflict with or result in a breach of any of the terms, conditions or provisions of (A) its constating documents or by-laws, (B) any resolution of its security holders or directors, (C) any Applicable Law, or (D) any contractual restriction binding on or affecting it or its Assets; or (ii) result in, require or permit the imposition of any Encumbrance in, on or with respect to the Assets now owned or hereafter acquired by it other than pursuant to the Security Documents.

(c) **No Other Authorization or Consents Necessary.** No action (including, without limitation, the giving of any consent, licence, right, approval, authorization, registration, order or permit) of, or filing with, any Governmental Authority or other Person is required to authorize, or is otherwise required in connection with, the execution, delivery and performance by the

Borrower of the Credit Documents or in order to render this Agreement or any other Credit Document legal, valid, binding or enforceable except those actions which have been obtained or filings which have been made.

(d) **No Action for Winding-Up or Bankruptcy.** There has been no voluntary or involuntary action taken either by or against the Borrower for its winding-up, dissolution, liquidation, bankruptcy, receivership, administration or similar or analogous events in respect of the Borrower or all or any material part of its assets or revenues.

(e) **Financial Condition; No Material Adverse Effect.** The Borrower has furnished to the Lender its year end financial statements as of and for the most recently completed fiscal year and its interim financial statements as of and for the most recently completed fiscal quarter, in each case presented in accordance with GAAP (with the exception of the exclusion of the statement of cash flows, the statement of equity and the notes thereto and the exclusion from the income statement of pulp and currency hedging, miscellaneous transaction charges and corporate overhead allocations) applied on a basis consistent with prior periods and present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Borrower as at their respective dates and the sales, earnings and results of operations of the Borrower for the respective periods covered by them. There has been no event, development or circumstance of which the Borrower is aware that has had or would reasonably be expected to have a Material Adverse Effect.

(f) **Litigation.** There are no Claims (including any Tax-related matter) by or before any arbitrator or Governmental Authority pending against or, to the knowledge of the Borrower, threatened against or affecting the Borrower or any of its undertaking, property or assets (i) that, if adversely determined, could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect, or (ii) that involve this Agreement or any other Credit Document or the rights of the Lender or the obligations of the Borrower thereunder.

(g) **Location of Business.** As of the date hereof, the only jurisdictions (or registration districts within such jurisdictions) in which the Borrower has any place of business or possesses any Assets are the jurisdictions of the Owned Real Properties and the Leased Real Properties as set forth on Schedule 6.1(g).

(h) **Material Permits.** The Borrower possesses all Material Permits as may be necessary to properly conduct its business and has complied in all material respects with all terms and provisions required to be complied with by it in all such Material Permits.

(i) **Trademarks, Patents, etc.** The Buyer is the beneficial owner of the trade marks, trade mark applications, trade names, service marks, copyrights and other similar property relating to the Business (the "**Intellectual Property**"), free and clear of all Encumbrances other than Permitted Encumbrances, and is not a party to or bound by any Contract or any other obligation whatsoever that affects, the Intellectual Property.

(j) **Insurance.** All policies of fire, liability, workers' compensation, casualty, flood, business interruption and other forms of insurance owned or held by the Borrower (i) are sufficient for compliance with all requirements of Applicable Law and of all material agreements to which the Borrower is a party, (ii) are valid, outstanding and enforceable policies, and (iii)

provide adequate insurance coverage in at least such amounts and against at least such risks (but including in any event, public liability) as are usually insured against in the same general area by Persons engaged in the same or a similar business for the assets and operations of the Borrower. All such material policies are in full force and effect, all premiums with respect thereto have been paid in accordance with their respective terms, and no notice of cancellation or termination has been received with respect to any such policy.

(k) **Expropriation.** No part of the Assets of the Borrower has been taken or expropriated by any Governmental Authority, nor is the Borrower aware of any intent or proposal to give any notice of or to commence any proceedings for expropriation, in each case, which could reasonably be expected to have a Material Adverse Effect.

(l) **Compliance with Laws.** The Borrower is in compliance with all Applicable Laws (including Environmental Laws), non-compliance with which could reasonably be expected to have a Material Adverse Effect.

(m) **No Default.** No Default or Event of Default has occurred and is continuing.

(n) **Existing Encumbrances.** There are no existing Encumbrances relating to the Assets of the Borrower other than Permitted Encumbrances.

(o) **Benefit Plans.** All Benefit Plans to which the Borrower is a party are in full force and effect. There has not been any improper withdrawal or application of any asset of the Benefit Plans. There is no proceeding, action, suit or claim, including by any Governmental Authority, (other than routine claims for benefits) pending or threatened involving the Benefit Plans, and no fact exists which could give rise to that type of proceeding, action, suit or claim. Each pension plan is funded (both on a going concern and solvency basis) in accordance with the assumptions disclosed in the most recent actuarial reports filed with the Governmental Authorities and all contributions required pursuant to such reports have been made, or will be made, for the period up to the Closing Date, and no notice of under funding, non-compliance, failure to be in good standing or otherwise has been received by Seller from any such Governmental Authorities. All contributions or premiums required to be made or paid by the Borrower in respect of the Benefit Plans (other than a pension plan) have been made or paid in accordance with the terms of such plans and all Applicable Laws. All contributions to the Benefit Plans by way of authorized payroll deduction or otherwise have been properly withheld or collected by the Borrower and have been fully paid into those plans in compliance with the plans and Applicable Laws. All reports and disclosures relating to the Benefit Plans required by those plans and any Applicable Laws to be filed or distributed have been filed or distributed in compliance with the plans and Applicable Laws.

(p) **Labour Matters.**

(i) The Borrower has paid all wages, vacation pay and other forms of compensation due and owing and have made and remitted all required statutory and other deductions and there are no outstanding or pending labour or employment-related liabilities; and

- (ii) there is no pending or threatened, strike, work stoppage, material unfair labour practice claim, or other material labour dispute against or affecting the Borrower or its employees.

(q) **Material Agreements.** All Material Agreements are in full force and effect, unamended, and neither the Borrower nor to the Borrower's knowledge, any other party to any such agreement is in material default with respect thereto.

(r) **Tax Liability.** The Borrower has timely filed or caused to be filed all returns in respect of Taxes and reports required to have been filed and has paid or caused to be paid all Taxes required to have been paid by it (including all instalments with respect to the current period) and has made adequate provision for Taxes for the current period, except Taxes that are being contested in good faith by appropriate proceedings and for which the Borrower has set aside on its books adequate reserves in accordance with GAAP. There are no actions, audits, assessments, reassessments, suits, proceedings, investigations or claims pending or threatened against the Borrower in respect of any Taxes or any matters under discussion with any Governmental Authority relating to any Taxes which have a reasonable possibility of being determined adversely and, if so determined, could reasonably be expected to have a Material Adverse Effect.

(s) **Environmental Matters.** Except as set forth on Schedule 6.1(s), (i) the Borrower and the Owned Real Property and the Leased Real Property and all operations thereon have been and are in material compliance with all applicable Environmental Laws; (ii) the Borrower has all Permits required under Environmental Laws that are material to the Business and to own, use and operate its Assets and each such environmental Permit is valid, subsisting and in good standing, and the Borrower is not in default or breach of any such environmental Permit, and, to the Borrower's knowledge, no proceeding is pending or threatened and no grounds exist to revoke or limit any such environmental Permit; (iii) the Borrower has not used or permitted to be used, except in material compliance with all Environmental Laws, the Assets, the Owned Real Property or the Leased Real Property in conjunction with the Release, generation, manufacture, process, distribution, use, treatment, storage, transportation or handling of any Hazardous Substance; (iv) or except in material compliance with Environmental Laws, there are no Hazardous Substances located on, in, under or from the Owned Real Property or the Leased Property and all Hazardous Substances relating in any way to the Business have been disposed of, treated and stored in material compliance with all Environmental Laws and in such manner that there is no actual, alleged, nor (to the knowledge of the Borrower) potential, material liability of the Borrower for such Hazardous Substances; and (v) the Borrower has not received any written notice of, nor has it been prosecuted for, any actual or alleged non-compliance with any Environmental Laws, nor has the Borrower settled any allegation of non-compliance prior to prosecution and there are no actions, proceedings, notices, orders, written demands or directions relating to environmental matters requiring, or notifying the Borrower that it is or may be responsible for, any investigation, containment, clean-up, remediation or other corrective action or any work, repairs, construction or capital expenditures to be made under Environmental Laws with respect to the Business or the Assets.

(t) **Accuracy of Information.** All factual information heretofore or contemporaneously furnished by or on behalf of the Borrower in writing to the Lender for the purposes of or in connection with this Agreement, is true and accurate in every material respect

on the date as of which such information is dated or certified and as of the date of execution and delivery of this Agreement, and such information is not incomplete by omitting to state any material fact necessary to make such information not misleading.

6.2 Survival of Representations and Warranties

The representations and warranties herein set forth or contained in any certificates or documents delivered to the Lender pursuant hereto shall not merge in or be prejudiced by and shall survive the making of any Advance hereunder and shall continue in full force and effect (as of the date when made or deemed to be made) so long as any amounts are owing by the Borrower to the Lender hereunder or under any other Credit Document, notwithstanding any investigations or examinations which may be made or conducted by or on behalf of the Lender.

6.3 Deemed Repetition of Representations and Warranties

Each of the representations and warranties set out in Section 6.1 shall be true and correct in all material respects and shall be deemed to be given on the occurrence of the Drawdown of an Advance by reference to the facts and circumstances existing on the date of such Drawdown.

ARTICLE 7

COVENANTS OF THE BORROWER

7.1 Affirmative Covenants

So long as any amount owing under any Credit Document remains unpaid or the Lender has any obligation under this Agreement or under any other Credit Documents, the Borrower shall:

(a) **Reporting Requirements.** During the term of this Agreement, prepare (where applicable, in accordance with GAAP) and deliver to the Lender, in a form satisfactory to the Lender:

- (i) as soon as practicable and in any event within 20 days of the end of each Financial Quarter of the Borrower (including the fourth Financial Quarter), the interim unaudited financial statements of the Borrower as at the end of such Financial Quarter prepared in accordance with GAAP including, without limitation, a balance sheet, statement of income and retained earnings and a statement of changes in financial position in each case as at the end of and for such Financial Quarter and the then elapsed portion of the Financial Year which includes such Financial Quarter, setting forth in each case in comparative form the figures for the corresponding period or periods of (or in the case of the balance sheet, as at the end of) the previous Financial Year;
- (ii) as soon as practicable and in any event within 45 days after the end of each Financial Year of the Borrower, the annual audited financial

statements of the Borrower prepared in accordance with GAAP including, without limitation, a balance sheet, statement of income and retained earnings and a statement of changes in financial position for such Financial Year (which financial statements shall be audited by an internationally recognized accounting firm acceptable to the Lender), setting forth in each case in comparative form the figures for the previous Financial Year;

- (iii) within 10 days after the last day of each Financial Quarter, a certificate demonstrating compliance with Section 7.3, in reasonable detail; and
- (iv) such other information respecting the condition or operations, financial or otherwise, of the Borrower as the Lender may from time to time reasonably request.

(b) **Notice of Event of Default.** The Borrower shall deliver to the Lender, forthwith upon becoming aware of any Default or Event of Default, a certificate of an officer of the Borrower specifying such Default or Event of Default together with a statement of an officer of the Borrower setting forth details of such Default or Event of Default and the action which has been, or is proposed to be, taken with respect thereto.

(c) **Environmental Notifications.** The Borrower shall promptly notify the Lender of the non-compliance with any Environmental Law or any environmental claim, complaint, notice or order issued to the Borrower or any other environmental condition or event where such non-compliance, condition or event would reasonably be likely to have a Material Adverse Effect. As soon as practicable thereafter, the Borrower shall advise the Lender as to the actions which the Borrower intends to take in connection with any such claim, complaint, notice or order.

(d) **Existence; Conduct of Business; Permits.** Do or cause to be done all things necessary to preserve, renew and keep in full force and effect its legal existence and obtain, preserve, renew and keep in full force and effect any and all Material Permits.

(e) **Payment Obligations.** Pay its obligations hereunder when due and pay any other obligations, including Tax liabilities, before the same shall become delinquent or in default, except where (i) the validity or amount thereof is being contested in good faith by appropriate proceedings, (ii) the Borrower has, if required, set aside on its books adequate reserves with respect thereto in accordance with GAAP, and (iii) the failure to make payment pending such contest could not reasonably be expected to result in a Material Adverse Effect.

(f) **Maintenance of Business and Properties.** Operate the Business in accordance with industry practice and Applicable Law and keep and maintain all property and Assets material to the conduct of its business in good working order and condition, ordinary wear and tear excepted, except to the extent that the failure to do so, individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

(g) **Books and Records; Inspection Rights.** Keep proper books of record and account in which full, true and correct entries are made of all dealings and transactions in relation to its business and activities. Permit any representatives designated by the Lender, upon reasonable prior notice and during normal business hours, to visit and inspect its properties, to

examine and make extracts from its books and records, and to discuss its affairs, finances and condition with its officers and auditors, all at such reasonable times and as often as reasonably requested by the Lender.

(h) **Compliance with Applicable Laws and Material Contracts.** Comply in all material respects with Applicable Laws and orders of any Governmental Authority applicable to the Borrower or its property and with all Material Agreements.

(i) **Insurance.** Maintain or cause to be maintained, with financially sound and reputable insurers acceptable to the Lender, acting reasonably, insurance with respect to the Borrower's properties and Business against such liabilities, casualties, risks and contingencies and in such types (including business interruption insurance) and amounts as is customary in the case of Persons of similar size engaged in the same or similar businesses and operating in the same geographic area and in accordance with any requirement of any Governmental Authority. In the case of any fire, accident or other casualty causing loss or damage to any properties of the Borrower used in generating cash flow or required by Applicable Law, all proceeds of such policies shall be used promptly to repair or replace any such damaged properties. The Borrower will, on the request of the Lender, obtain endorsements to all such policies naming the Lender as a loss payee or additional insured (as applicable), and containing provisions that such policies will not be cancelled without 30 days' prior written notice having been given by the insurance company to the Lender.

(j) **Status of Accounts and Collateral.** With respect to the Collateral, report immediately to the Lender any matters adversely affecting the value, enforceability or collectability of any of the Collateral where such matter would reasonably be expected to have a Material Adverse Effect.

(k) **Accounts Receivable.** Collect or cause to be collected accounts receivable in the ordinary course of business in a commercially reasonable manner.

(l) **Cure Defects.** Promptly cure or cause to be cured any defects in the execution and delivery of any of the Credit Documents or any of the other agreements, instruments or documents contemplated thereby or executed pursuant thereto or any defects in the validity or enforceability of any of the Credit Documents and, at its expense, execute and deliver or cause to be executed and delivered all such agreements, instruments and other documents as the Lender may consider necessary or desirable for the foregoing purposes.

(m) **Payment of Taxes.** Pay all Taxes when due except any such Taxes which are being contested diligently and in good faith by appropriate proceedings and in respect of which adequate provision has been made in the books and Financial Statements of the Borrower in accordance with GAAP.

(n) **Withholding Taxes.** Withhold from each payment made to any of its past or present employees, officers or directors, and to any non-resident of the country in which it is resident, the amount of all Taxes and other deductions required to be withheld therefrom and pay the same to the proper Governmental Authorities within the time required by Applicable Laws.

(o) **Collection of Taxes.** Collect from all Persons the amount of all Taxes required to be collected from them and remit the same to the proper Governmental Authorities within the time required by Applicable Laws.

(p) **Registration of Security.** From time to time, register or cause to be registered, and cooperate in the registration of, the Security, and any public notices or filings in respect thereof, on a timely basis and do, observe and perform all of its obligations and all matters and things that may be necessary or reasonably required for the purposes of creating and maintaining the Encumbrances intended to result from the Security as valid, effective and perfected first priority Encumbrances (subject only to Permitted Encumbrances) at all times and shall comply with all requirements of Section 4.1(b).

(q) **Further Assurances.** At the Borrower's cost and expense, upon request of the Lender, duly execute and deliver or cause to be duly executed and delivered to the Lender such further instruments and do and cause to be done such further acts as may be necessary or proper in the reasonable opinion of the Lender to carry out more effectually the provisions and purposes of the Credit Documents.

(r) **Accuracy of Information.** All factual information hereafter furnished by or on behalf of the Borrower in writing to the Lender for the purposes of or in connection with this Agreement, shall be true and accurate in every material respect on the date as of which such information is dated or certified and shall not be incomplete by the omission to state any material fact necessary to make such information not misleading.

7.2 **Negative Covenants**

So long as any amount owing hereunder remains unpaid or the Lender has any obligation under this Agreement or under any other Credit Document, the Borrower shall not:

- (a) **Debt.** Create, incur, assume or suffer to exist any Debt other than Permitted Debt.
- (b) **Encumbrances.** Create, incur, assume or suffer to exist any Encumbrance on any of its Assets, other than Permitted Encumbrances, provided, however, that no reference in this Agreement to Encumbrances permitted under this Section 7.2(b) (including Permitted Encumbrances), including any statement or provision as to the acceptability of any Encumbrances (including Permitted Encumbrances), shall in any way constitute or be construed so as to provide for a subordination or postponement of any rights of the Lender hereunder or arising under any Credit Documents in favour of such Encumbrances (including Permitted Encumbrances).
- (c) **Fundamental Changes.** Merge into or amalgamate or consolidate with any other Person, or permit any other Person to merge into or amalgamate or consolidate with it, or sell, transfer, lease or otherwise dispose of (in one transaction or in a series of transactions) all or substantially all of its assets, or liquidate, dissolve or be wound up or create or acquire any Subsidiaries.
- (d) **Carry on Business.** Engage in any business which is different from the Business on the Closing Date and businesses reasonably related thereto.

(e) **Disposal of Assets Generally.** Dispose of any Assets to any Person, other than Permitted Dispositions.

(f) **Transactions with Affiliates.** Dispose of any Assets to, or purchase, lease or otherwise acquire any Assets from, or otherwise engage in any other transactions with, any of its Affiliates, except (a) in the ordinary course of business at prices and on terms and conditions not less favourable to the Borrower than could be obtained on an arm's-length basis from unrelated third parties, (b) any Restricted Payment permitted by Section 7.2(g), and (c) as otherwise expressly permitted pursuant to this Agreement and the other Credit Documents.

(g) **Restricted Payments.** Declare, make or pay or agree to declare, make or pay, directly or indirectly, any Restricted Payment.

(h) **Change of Name; Business Outside Certain Jurisdictions.** (i) Change its name, registered office, chief executive office or jurisdiction of incorporation, or (ii) have any place of business or keep or store any material tangible property outside of those jurisdictions (or registration districts within such jurisdictions) set forth in Schedule 6.1(g), (A) except upon 30 days' prior written notice thereof to the Lender; and (B) unless the Borrower has done or caused to be done all such acts and things and executed and delivered or caused to be executed and delivered all such deeds, transfers, assignments and instruments as the Lender may reasonably require for perfecting or maintaining the perfection of the Encumbrances created by the Security and the priority thereof in the Collateral in favour of the Lender.

(i) **Financial Year.** Change its Financial Year, or, subject to Section 1.6, make any material change to its accounting or reporting or financial reporting practices, except as consistent with GAAP or Applicable Law, which changes shall be promptly disclosed to the Lender in writing.

(j) **Amendments.** Allow (i) any amendments to its constating documents or by-laws; or (ii) any amendments to, or grant any waivers in respect of Material Agreements or any guarantee or security in respect thereof in a manner adverse to the Lender's interests hereunder or under any other Credit Document.

(k) **Change of Auditors.** Change its auditors other than to a nationally recognized accounting firm approved by the Lender acting reasonably.

7.3 **Financial Covenant**

While any amount owing under this Agreement or any of the other Credit Documents remains unpaid, or the Borrower has any obligations to the Lender under this Agreement or any of the other Credit Documents, the Borrower covenants with the Lender that it shall maintain a Consolidated Fixed Charge Coverage Ratio of not less than 1:1, measured on the dates and for the periods set forth as follows: (i) initially, on the last day of the first full Financial Quarter to be completed following the Closing Date, for the period of such Financial Quarter (for clarity, not including any portion of the Financial Quarter during which the Closing Date occurs unless the Closing Date occurs on the first day of such Financial Quarter); (ii) thereafter, on the last day of each of the subsequent three (3) Financial Quarters, for the respective periods since the first day of such initial full Financial Quarter; and (iii) thereafter, on the last day of each Financial Quarter for the period of four (4) consecutive Financial Quarters then ended.

ARTICLE 8

EVENTS OF DEFAULT

8.1 Events of Default

Each of the following events shall constitute an Event of Default under this Agreement:

(a) the Borrower shall fail to pay any amount (including interest, principal and Fees) owing under any Credit Document when such amount becomes due and payable and such non-payment continues for a period of three (3) days;

(b) any representation or warranty or certification made or deemed to be made by the Borrower in this Agreement or any other Credit Document shall prove to have been incorrect in any material respect when made or deemed to be made;

(c) the Borrower shall fail to perform, observe or comply with any of the covenants contained in Section 7.1(a), Section 7.1(b), Section 7.2, or Section 7.3;

(d) the Borrower shall fail to perform or observe any other term, covenant or agreement contained in any Credit Document (other than a covenant or agreement whose breach or default in performance is elsewhere in this Section 8.1 specifically dealt with) and such default shall not be remedied (if capable of remedy) shall remain unremedied for 21 days;

(e) the Borrower shall fail to pay the principal of or premium or interest on any Debt (excluding any Debt hereunder) which is outstanding in an aggregate principal or notional amount exceeding \$250,000 (or the equivalent amount in any other currency), when such amount becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise) and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt whether or not such default has been waived by the applicable creditor; or any other event shall occur or condition shall exist, and shall continue after the applicable grace period, if any, specified in any agreement or instrument relating to any such Debt whether or not such default has been waived by the applicable creditor, if the effect of such event is (or if waived, would have been) to accelerate, or permit the acceleration or redemption of such Debt; or any such Debt shall be declared to be due and payable or mandatorily redeemable in accordance with its terms prior to the stated maturity thereof;

(f) any process of execution is enforced or levied upon Assets of the Borrower having a value of \$250,000 (or the equivalent amount in any other currency) or more;

(g) any judgment or order for the payment of money in excess of \$250,000 (or the equivalent amount in any other currency), net of any amounts available for the satisfaction of such judgment or order pursuant to an enforceable contract of insurance, shall be rendered against the Borrower and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order; or (ii) there shall be any period of 30 consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect;

- (h) if the Borrower:
- (i) becomes insolvent, or generally does not or becomes unable to pay its debts or meet its liabilities as the same become due, or admits in writing its inability to pay its debts generally, or declares any general moratorium on its indebtedness, or proposes a compromise or arrangement between it or any class of its creditors;
 - (ii) commits an act of bankruptcy under the *Bankruptcy and Insolvency Act* (Canada) or under analogous foreign law, or makes an assignment of its property for the general benefit of its creditors under such Act or under analogous foreign law, or makes a proposal (or files a notice of its intention to do so) under such Act or under analogous foreign law;
 - (iii) commences a voluntary case, or consents to the entry of an order for relief in an involuntary case or the conversion of an involuntary case to a voluntary case under, the U.S. Federal Bankruptcy Code, or institutes any other proceeding seeking to adjudicate it an insolvent, or seeking liquidation, dissolution, winding-up, reorganization, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of its or its debts or any other relief, under any federal, provincial or foreign law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, reorganization, receivership, plans of arrangement or relief or protection of debtors (including the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) and any applicable corporations legislation) or at common law or in equity, or files an answer admitting the material allegations of a petition filed against it in any such proceeding;
 - (iv) applies for the appointment of, or the taking possession by, a receiver, interim receiver, receiver/manager, sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official for it or any substantial part of its property; or
 - (v) threatens to do any of the foregoing, or takes any action, corporate or otherwise, to approve, effect, consent to or authorize any of the actions described in this Section 8.1(h) or otherwise acts in furtherance thereof or fails to act in a timely and appropriate manner in defence thereof;
- (i) any petition is filed, application made or other proceeding instituted against or in respect of the Borrower:
- (i) seeking to adjudicate it an insolvent;
 - (ii) seeking a receiving order against it under the *Bankruptcy and Insolvency Act* (Canada) or under analogous foreign law;

- (iii) in an involuntary case under the U.S. Federal Bankruptcy Code, or otherwise seeking liquidation, dissolution, winding-up, reorganization, compromise, arrangement, adjustment, protection, moratorium, relief, stay of proceedings of creditors generally (or any class of creditors), or composition of it or its debts or any other relief under any federal, provincial or foreign law now or hereafter in effect relating to bankruptcy, winding-up, insolvency, reorganization, receivership, plans of arrangement or relief or protection of debtors (including the *Bankruptcy and Insolvency Act* (Canada), the *Companies' Creditors Arrangement Act* (Canada) and any applicable corporations legislation or at common law or in equity); or
- (iv) seeking the entry of an order for relief or the appointment of, or the taking of possession by, a receiver, interim receiver, receiver/manager, sequestrator, conservator, custodian, administrator, trustee, liquidator or other similar official for it or any substantial part of its property;

and such petition, application or proceeding continues undismissed, or unstayed and in effect, for a period of 30 days after the institution thereof, provided that if an order, decree or judgment is granted or entered (whether or not entered or subject to appeal) against such Person thereunder in the interim, such grace period will cease to apply, and provided further that if such Person files an answer admitting the material allegations of a petition filed against it in any such proceeding, such grace period will cease to apply;

(j) any other event occurs which, under the Laws of any applicable jurisdiction, has an effect equivalent to any of the events referred to in either Section 8.1(h) or 8.1(i) and if the event is equivalent to the event referred to in Section 8.1(i), the 30-day grace period will apply as set out in Section 8.1(i);

(k) there shall occur a Change of Control;

(l) any of the Credit Documents executed and delivered by the Borrower shall cease to be in full force and effect, or security interests granted by the Security Documents shall not be valid, prior and perfected, or the Borrower shall so assert;

(m) the validity of any of the Credit Documents or the applicability thereof to the Facility or any other obligations purported to be secured or guaranteed thereby or any part thereof shall be disaffirmed by or on behalf of the Borrower or any other party thereto (other than the Lender);

(n) any Material Permit shall be adversely modified, revoked or cancelled by the issuing party or other Governmental Authority having jurisdiction, the effect of which has a Material Adverse Effect; or

(o) the occurrence of any event which has a Material Adverse Effect.

8.2 **Acceleration and Termination of Rights**

(a) If any Event of Default occurs and is continuing, the Lender may give notice to the Borrower declaring the Obligations or any of them to be forthwith due and payable, whereupon they shall become and be forthwith due and payable without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by the Borrower.

(b) Notwithstanding the preceding paragraph, if an Event of Default under Section 8.1(h), 8.1(i) or 8.1(j) occurs and is continuing, then without prejudice to the other rights of the Lender as a result of any such event, without any notice or action of any kind by the Lender (all of which are hereby expressly waived by the Borrower), and without presentment, demand or protest (all of which are hereby expressly waived by the Borrower), the Obligations shall immediately become due and payable.

8.3 **Remedies**

(a) Upon the occurrence of any event by which any of the Obligations become due and payable under Section 8.2, the Security shall become immediately enforceable and the Lender may take such actions or proceedings and in compliance with any Applicable Law as the Lender in its sole discretion deems expedient to enforce the same, all without any additional notice, presentment, demand, protest or other formality, all of which are hereby expressly waived by the Borrower.

(b) The Borrower acknowledges that when any of the Obligations become due and payable as aforesaid, the Lender is entitled to exercise any and all rights and remedies of enforcement and realization as are available to it under the terms of any Security or under any Applicable Law. The Borrower acknowledges that the ability of the Lender to appoint or cause the appointment of a receiver, receiver and manager, trustee, interim receiver, custodian, sequestrator or other Person with similar powers of or in respect of it or any of its Collateral promptly following the occurrence and during the continuance of an Event of Default is of the utmost importance to the Lender, and the Borrower therefore agree, to the fullest extent permitted by Applicable Laws, that it shall not oppose or challenge the appointment of any such Person by or on behalf of or at the suit of the Lender.

8.4 **Saving**

The Lender shall not be under any obligation to any Person to realize any Collateral or enforce the Security or any part thereof or to allow any of the Collateral to be sold, dealt with or otherwise disposed of. The Lender shall not be responsible or liable to any Person for any loss or damage upon the realization or enforcement of, the failure to realize or enforce the Collateral or any part thereof or the failure to allow any of the Collateral to be sold, dealt with or otherwise disposed of or for any act or omission on their respective parts or on the part of any director, officer, agent, servant or adviser in connection with any of the foregoing, except that the Lender may be responsible or liable for any loss or damage arising from the wilful misconduct or gross negligence of the Lender or any of its directors, officers, agents, servants or advisors acting entirely within the scope of their respective authority only where and to the extent that a court of competent jurisdiction, from whose final non-appealable order or judgment,

finds wilful misconduct or gross negligence as the case may be, and that such Person is responsible for same.

8.5 Perform Obligations

If an Event of Default has occurred and is continuing and the Borrower has failed to perform any of its covenants or agreements in the Credit Documents, the Lender may, but shall be under no obligation to, perform any such covenants or agreements in any manner deemed fit by the Lender without thereby waiving any rights to enforce the Credit Documents. The expenses (including any legal costs on a full indemnity basis) paid by the Lender in respect of the foregoing shall be payable by the Borrower promptly on demand and shall be secured by the Security.

8.6 Third Parties

No Person dealing with the Lender or any agent of the Lender shall be concerned to inquire whether the Security has become enforceable, or whether the powers which the Lender is purporting to exercise have become exercisable, or whether any Obligations remain outstanding, or as to the necessity or expediency of the stipulations and conditions subject to which any sale shall be made, or otherwise as to the propriety or regularity of any sale or other disposition or any other dealing with the collateral charged by such Security or any part thereof.

8.7 Remedies Cumulative

The rights and remedies of the Lender under the Credit Documents are cumulative and are in addition to and not in substitution for any rights or remedies provided by Applicable Law. Any single or partial exercise by the Lender of any right or remedy for a default or breach of any term, covenant, condition or agreement herein contained shall not be deemed to be a waiver of or to alter, affect, or prejudice any other right or remedy or other rights or remedies to which the Lender may be lawfully entitled for the same default or breach. Any waiver by the Lender of the strict observance, performance or compliance with any term, covenant, condition or agreement herein contained, and any indulgence granted by the Lender shall be deemed not to be a waiver of any subsequent default.

ARTICLE 9

YIELD PROTECTION

9.1 Increased Costs

(a) **Increased Costs Generally.** If any Change in Law (or change in the interpretation or application thereof by any Governmental Authority), other than as dealt with under Section 9.2, shall:

- (i) subject (whether directly, or as a result of any withholding or deduction by the Borrower) the Lender to any Tax of any kind whatsoever with respect to this Agreement or the Facility, or change the basis of taxation or increase any existing Tax (in each case, except for the coming into

force of any Tax or change in the rate of Tax charged on the income of the Lender as a whole) (and including any Other Tax that is payable by the Lender on, or as required by Applicable Law to be withheld by the Borrower from, any Additional Compensation) on any payment to the Lender under any of the Credit Documents or by any reference to the amount of any Advance or on or by reference to the commitment of the Lender to advance the Facility hereunder; or

- (ii) impose on the Lender or any applicable interbank market any other condition, cost or expense affecting this Agreement or the Facility;

and the result of any of the foregoing shall be to increase the cost to the Lender of making or maintaining the Facility, or to reduce the amount of any sum received or receivable by the Lender hereunder (whether of principal, interest or any other amount), then upon written request of the Lender the Borrower will pay to the Lender such additional amount or amounts as will compensate the Lender for such additional costs incurred or reduction suffered.

(b) **Certificates for Reimbursement.** A certificate of the Lender setting forth the amount or amounts necessary to compensate the Lender as specified in Section 9.1(a) ("**Additional Compensation**"), including a description of the event by reason of which it believes it is entitled to such Additional Compensation, and supplying reasonable supporting evidence (including, in the event of a Change of Law, a photocopy of the Applicable Law evidencing such change) and reasonable detail of the basis of calculation of the amount or amounts, and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay the Lender the amount shown as due on any such certificate within 10 Business Days after receipt thereof and any such amount will be secured by the Security. The Lender shall provide the certificate referred to above to the Borrower within a reasonable time of learning about circumstances giving rise to the Additional Compensation. The obligation to pay such Additional Compensation for subsequent periods will continue until the earlier of termination of the Facility, change in capital requirement or the lapse or cessation of the Change in Law giving rise to the initial Additional Compensation. The Lender shall make reasonable efforts to limit the incidence of any such Additional Compensation and seek recovery for the account of the Borrower upon the Borrower's request at the Borrower's expense, provided the Lender in its reasonable determination suffers no appreciable economic, legal, regulatory or other disadvantage. In the event the Applicable Lender subsequently recovers all or part of the Additional Compensation paid by the Borrower, it shall promptly repay an equal amount to the Borrower provided that no Lender shall have any obligation to arrange its affairs in such a way as to ensure that all or any part of such Additional Compensation is recovered.

(c) **Delay in Requests.** Failure or delay on the part of the Lender to demand Additional Compensation pursuant to this Section or failure to deliver the certificate referred to in Section 9.1(b) within a reasonable period of time shall not constitute a waiver of the Lender's right to demand such Additional Compensation.

(d) **Substitute Basis of Advance.** If, at any time during the term of this Agreement, the Lender acting in good faith determines (which determination shall be final, conclusive and binding upon the Borrower) that:

- (i) adequate and fair means do not exist for ascertaining the Libor Rate, or
- (ii) The Libor Rate does not accurately reflect the effective cost to the Lender of making, funding or maintaining an Advance and the costs to the Lender is increased or the income receivable by the Lender is reduced in respect of an Advance, or
- (iii) the making, funding or maintaining of an Advance or a portion thereof by the Lender has become impracticable by reason of circumstances which materially and adversely affect the London interbank market,

the Lender shall promptly notify the Borrower setting forth the basis of that determination and the Borrower hereby instructs the Lender to repay each affected Advance with the proceeds of an Advance bearing interest at Prime Rate, in the amount of the Advance, to be drawn down on the last day of the then current Interest Period. The Lender shall not be required to make any further Advances bearing interest based on the Libor Rate available under this Agreement so long as any of the circumstances referred to in this Section 9.1(d) continue.

9.2 **Taxes**

(a) **Payments Subject to Taxes.** All payment by the Borrower hereunder or under any other Credit Document shall be made free and clear of and without deduction or withholding for any and all Indemnified Taxes (including Other Taxes), unless such Indemnified Taxes or Other Taxes are required by Applicable Law or the administration thereof to be withheld or deducted. If the Borrower is required by Applicable Law or the administration thereof to deduct or withhold any such Indemnified Taxes (including any Other Taxes) in respect of any payment by or on account of any obligation of the Borrower hereunder or under any other Credit Document, then (i) the sum payable by the Borrower shall be increased by such amount as is necessary so that after making or allowing for all required deductions or withholdings (including deductions or withholdings applicable to additional sums payable under this Section) the Lender receives an amount equal to the sum it would have received had no such deductions or withholdings been required, (ii) the Borrower shall make any such deductions or withholdings and (iii) the Borrower shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with Applicable Law.

(b) **Payment of Other Taxes by the Borrower.** Without limiting the provisions of Section 9.2(a), the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with Applicable Law.

(c) **Indemnification by the Borrower.** The Borrower shall indemnify the Lender, within 10 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section) paid or payable by the Lender and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by the Lender shall be conclusive absent manifest error.

(d) **Evidence of Payments.** As soon as practicable after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority, the Borrower shall deliver to the Lender the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Lender.

(e) **Refunds.** If the Lender determines, in its sole discretion, that it has received a refund of Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 9.2, it shall pay to the Borrower an amount equal to such refund or reduction (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 9.2 with respect to Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the Lender, without interest (other than any net after-Tax interest paid by the relevant Governmental Authority with respect to such refund). The Borrower, upon the request of the Lender, agrees to repay the amount paid over to the Borrower (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Lender if the Lender is required to repay such refund or reduction to such Governmental Authority. This paragraph shall not be construed to require the Lender to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person, to arrange its affairs in any particular manner or to claim any available refund or reduction.

(f) **Survival.** The provisions of this Section 9.2 shall survive repayment of the Facility and termination of this Agreement.

9.3 **Illegality**

If the Lender determines that any Applicable Law has made it unlawful, or that any Governmental Authority has asserted, ruled or determined that it is unlawful, for the Lender to fund, make or maintain all or any portion of the Facility or its commitment thereunder, or to determine or charge interest rates based upon any particular rate, then, on notice thereof by the Lender to the Borrower, the Lender may (by notice in writing to the Borrower) declare any obligation of the Lender with respect to the activity that is unlawful to be terminated, whereupon the same shall be forthwith terminated. Upon receipt of such notice, the Borrower shall prepay the Facility in order to avoid the activity that is unlawful. Upon any such prepayment or conversion, the Borrower shall also pay accrued interest on the amount so prepaid or converted. If any such change shall affect only that portion of the Lender's obligations under this Agreement that is, in the *bona fide* opinion of the Lender, severable from the remainder of this Agreement so that the remainder of this Agreement may be continued in full force and effect without otherwise affecting any of the obligations of the Lender or the Borrower hereunder, the Lender shall declare its obligations under only that portion so terminated.

ARTICLE 10

RIGHT OF SET-OFF

10.1 **Right of Set-off**

The Lender and each of its Affiliates is hereby authorized at any time and from time to time to set-off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by the Lender or any such Affiliate to or for the credit or the account of the Borrower against any and all of the obligations of the Borrower now or hereafter existing under this Agreement or any other Credit Document to the Lender, irrespective of whether or not the Lender has made any demand under this Agreement or any other Credit Document and although such obligations of the Borrower may be contingent or unmatured. The rights of the Lender and its Affiliates under this Section are in addition to other rights and remedies (including other rights of set-off and consolidation of accounts) that the Lender or its Affiliates may have. The Lender agrees to promptly notify the Borrower after any such set-off and application, but the failure to give such notice shall not affect the validity of such set-off and application.

ARTICLE 11

NOTICES: EFFECTIVENESS; ELECTRONIC COMMUNICATION

11.1 **Notices, etc.**

(a) **Notices Generally.** Unless otherwise specified herein, all notices, requests, demands or other communications to or from the parties hereto shall be in writing and shall be given by overnight delivery service, by hand delivery or by fax to the addressee at its address set forth below or at such other address as shall be designated by such party in a written notice to the other party hereto:

(i) if to the Lender, at:

Azure Mountain Capital Financial Corporation
c/o Azure Mountain Capital Corp. c/o Atlas Holdings, LLC
One Sound Shore Drive
Suite 302
Greenwich, CT 06830
USA

Facsimile: 203-622-0151
Attention: Andrew Bursky, Co-President

(ii) if to the Borrower, at:

Northern Pulp Nova Scotia Corporation
260 Abercrombie Granton Branch Road
New Glasgow, NS B2H 5E8 Canada

Fax: 902-752-5404
Attention: General Manager

If any such notice, request, demand or other communication is delivered or transmitted on a day other than a Business Day or after 3:00 p.m. on any Business Day, the same shall be deemed to have been effectively given and received on the next following Business Day.

(b) **Change of Address, etc.** Any party hereto may change its address, fax number or e-mail address for notices and other communications hereunder by notice to the other party hereto given in accordance with the foregoing provisions of this Section 11.1.

ARTICLE 12

EXPENSES; INDEMNITY; DAMAGE WAIVER

12.1 **Costs and Expenses**

(a) **Costs and Expenses.** The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Lender and its Affiliates, including the reasonable fees, charges and disbursements of counsel for the Lender, the preparation, negotiation, execution, and delivery and administration of this Agreement and the other Credit Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), and (ii) all out-of-pocket expenses incurred by the Lender including the fees, charges and disbursements of counsel, in connection with the administration, interpretation, enforcement or protection of its rights in connection with this Agreement and the other Credit Documents, including its rights under this Section, or in connection with the Facility, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of the Facility.

(b) In addition to any liability of the Borrower to the Lender under Section 12.1(a), the Borrower shall indemnify the Lender and hold the Lender harmless against any costs or expenses incurred by the Lender as a result (i) of any failure by the Borrower to fulfil any of its obligations hereunder or under any other Credit Document; or (ii) the failure of the Borrower to pay any other amount including, without limitation, any interest or Fee due hereunder on its due date; or (iii) as a result of the prepayment or repayment by the Borrower of the Facility prior to the last day of the then current Interest Period, including, without limiting the generality of the foregoing, any repayment or prepayment resulting from the circumstances referred to in Section 9.3.

12.2 **Indemnities**

(a) **General Indemnity.** The Borrower shall indemnify the Lender (and any agent thereof) and each Related Party of any of the foregoing Persons (each such Person being called an "Indemnatee") against, and hold each Indemnatee harmless from, any and all Losses and Claims, (including all related fees, charges, costs and expenses of any counsel or consultant) incurred by any Indemnatee or asserted against any Indemnatee by any third party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Credit Document or any agreement or instrument contemplated hereby or thereby, the

performance or non-performance by the Borrower of its obligations hereunder or thereunder or the consummation or non-consummation of the transactions contemplated hereby or thereby or the untruth of any representation or warranty of the Borrower, or any officer or director thereof, in any such document or (ii) the Facility or the use or proposed use of the proceeds therefrom.

(b) **Environmental Indemnity.** The Borrower shall indemnify against, and hold each Indemnitee harmless from, any and all Losses and Claims (including all related fees, charges, costs and expenses of any counsel or consultant) incurred by any Indemnitee or asserted against any Indemnitee by any third party arising out of, in connection with, or as a result of any Environmental Liabilities related in any way to the Borrower or its Affiliates or any property owned, used, licensed or occupied by any of them, including, without limitation (i) any actual or alleged presence or Release of Hazardous Substances into, onto, under or from any property which at any time was owned, leased, used, operated or under the control of, or which arises out of or in connection with any action of, or any failure to act by, the Borrower or any predecessor or successor thereof and, (ii) the costs of defending, settling and counter claiming or claiming over against third parties in respect of any Environmental Claim. The obligations of indemnification to any Indemnitee in this Section 12.2(b) shall survive into perpetuity including, without limitation, the repayment of the Facility.

(c) **Limitations on Indemnification.** The obligations of indemnification to any Indemnitee in Sections 12.2(a) and 12.2(b) shall not apply to:

- (i) Losses or Claims that are determined by a court of competent jurisdiction by final and non-appealable judgment to have resulted from the gross negligence or wilful misconduct of such Indemnitee;
- (ii) Loss or Claims arising from the ability of the Lender to enter into the Credit Documents or make available the Facility; or
- (iii) Losses or Claims in respect of loss of profits or consequential, punitive or aggravated damages.

(d) **Notification.** Whenever the Lender shall have received notice that a Claim has been commenced or threatened, which, if successful, would subject the Borrower to the indemnity provisions of this Section 12.2, the Lender shall as soon as reasonably possible notify (to the extent permitted by Law) the Borrower in writing of the Claim and of all relevant information the Lender possesses relating thereto; provided, however, that failure to so notify the Borrower shall not release the Borrower from any liability which it may have on account of the indemnity set forth in this Section 12.2, except to the extent that the Borrower shall have been materially prejudiced by such failure.

(e) **Defence and Settlement.** The Borrower shall have the right, but not the obligation, to assume the defence of any Claim in any jurisdiction with legal counsel of reputable standard in order to protect the rights and interest of the Indemnitees. In such respect, (i) the Borrower shall require the consent of the Indemnitees of the choice of legal counsel in connection with the Claim, which consent shall not be unreasonably withheld or delayed; and (ii) without prejudice to the rights of the Indemnitees to retain counsel and participate in the defence of the Claim, the Borrower and the Indemnitees shall make all reasonable efforts to co-ordinate

their course of action in connection with the defence of such Claim. The related costs and expenses sustained in such respect by the Indemnitees shall be at the expense of the Borrower, provided that the Borrower shall only be liable for the costs and expenses of one firm of separate counsel in addition to the cost of any local counsel that may be required. If the Borrower fails to assume defence of the Claim within 10 Business Days after receipt of notice thereof from the Lender, the Indemnitees will (upon further notice to the Borrower) have the right to undertake, at the expense of the Borrower, the defence, compromise or settlement of the Claim on behalf and for the account and risk of the Borrower, subject to the right of the Borrower to assume the defence of the Claim at any time prior to settlement, compromise or final determination thereof.

Notwithstanding the foregoing, in the event any Indemnatee, acting reasonably, does not agree with the manner or timeliness in which the legal counsel of the Borrower is carrying on the defence of the Claim, or, pursuant to the opinion of a reputable counsel retained by the Indemnatee, there may be one or more legal defences available different from the one carried on by the legal counsel of the Borrower, the Indemnatee shall have the right to assume its own defence in the Claim by appointing its own legal counsel. The costs and the expenses sustained by the Indemnatee shall be at the expense of the Borrower provided that the Borrower shall only be liable for the costs and expenses of one firm of separate counsel, in addition to the costs of any local counsel that may be required.

The Borrower shall not be liable for any settlement of any Claim effected without its written consent (which shall not be unreasonably withheld or delayed). In addition, the Borrower will not, without the prior written consent of the Indemnatee (which consent shall not be unreasonably withheld or delayed), settle, compromise or consent to the entry of any judgment in or otherwise seek to terminate any Claim or threatened Claim in respect of which indemnification or contribution may be sought hereunder.

If an offer for settlement limited solely to payment of monies made to any Indemnatee and which the Borrower has recommended for acceptance is rejected by the Indemnatee and the final liability of the Indemnatee in respect of such claim and all related damages is greater than such offer, the liability of the Borrower will only be to indemnify the Indemnatee up to the amount of such offer.

12.3 **Payments**

All amounts due under Sections 12.1 or 12.2 shall be payable by the Borrower promptly after demand therefor. A certificate of the Lender setting forth the amount or amounts owing to the Lender or an agent or Related Party, as the case may be, as specified in Sections 12.1 or 12.2, including reasonable detail of the basis of calculation of the amount or amounts, and delivered to the Borrower shall be conclusive absent manifest error.

12.4 **Damage Waiver**

The Borrower hereby irrevocably waives any claim for punitive, consequential, or other non-compensatory damages.

ARTICLE 13

SUCCESSOR COMPANIES

13.1 Certain Requirements in Respect of Merger, etc.

The Borrower shall not enter into any transaction (whether by way of reconstruction, reorganization, consolidation, amalgamation, merger, transfer, sale or otherwise) (collectively, a "**Reorganization**"), whereby all or substantially all of its undertaking, property and assets would become the property of any other Person or, in the case of any such amalgamation, of the continuing company resulting therefrom (such other Person or continuing company being herein referred to as the "**Successor**") provided that (i) the foregoing provisions of this Section 13.1 are not applicable to a Reorganization involving the Borrower and one or more wholly-owned Subsidiaries of the Borrower; provided, however, in the event of such a Reorganization which involves an amalgamation or merger of the Borrower and one or more wholly-owned Subsidiaries of the Borrower, the Successor shall be required to execute and deliver the supplemental agreement referred to in Section 13.1(a) and take such other actions and deliver such other documents and agreements as may be reasonably necessary to ensure that the perfection and priority of the Security is not impaired; and (ii) it may do so, and the Successor shall become a party to this Agreement and the other applicable Credit Documents, if:

- (a) the Successor shall execute and/or deliver to the Lender an agreement supplemental hereto in form and terms reasonably satisfactory to the Lender and execute and/or deliver such other instruments, if any, which to the reasonable satisfaction of the Lender and in the opinion of counsel to the Borrower addressed to the Lender, are necessary to evidence the agreement of the Successor to observe and perform all the covenants and obligations of the Borrower under this Agreement and any other Credit Documents and to be bound by all the terms of this Agreement and any other Credit Documents so far as they relate to the Borrower, which instruments, if any, shall be in form and on terms reasonably satisfactory to the Lender;
- (b) such transaction shall, to the reasonable satisfaction of the Lender, be upon such terms as to preserve and not to impair any of the rights and powers of the Lender and will not result in a Material Adverse Effect;
- (c) the perfection and priority of the Security shall not be impaired;
- (d) all Other Taxes payable as a result of such transaction have been paid by such Successor;
- (e) such transaction will not result in any Tax being levied on or payable by the Lender (except for Taxes on the overall net income of the Lender provided there is no increase in such Taxes as a result of such transaction);
- (f) such transaction will not cause, or have the result of the Lender being in default under, non-compliance with, or violation of, any Applicable Law;

- (g) an opinion of counsel to the Successor in the form and as to matters addressed requested by the Lender shall have been delivered to the Lender;
- (h) the creditworthiness of the Successor (as determined by the Lender in its sole discretion) shall not be less than the creditworthiness of the Borrower immediately prior to giving effect to such transaction; and
- (i) no Default or Event of Default shall have occurred and be continuing or will occur as a result of such transaction.

13.2 **Vesting of Powers in Successor**

Except in the case of an amalgamation or other transaction pursuant to which the Successor is liable for all of the obligations of the Borrower by operation of Law, whenever the conditions of Section 13.1 above have been duly observed and performed, the Lender shall execute and deliver the supplemental agreement provided for in Section 13.1(a) and thereupon:

- (a) the Successor shall possess and from time to time may exercise each and every right and power of the Borrower under this Agreement and the other Credit Documents in its own name or in the name of the Borrower and any act or proceeding by any provision of this Agreement or the Security Documents required to be done and performed with like force and effect by the like directors or officers of the Successor; and
- (b) at the request of the Borrower, the Borrower shall be released from its liability and obligations under this Agreement and the other Credit Documents and the Lender, at the request and at the expense of the Borrower, shall execute and deliver to the Borrower such instruments as shall reasonably be requisite to evidence such release.

ARTICLE 14

GOVERNING LAW, JURISDICTION, ETC.

14.1 **Governing Law, Jurisdiction, etc.**

(a) **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

(b) **Submission to Jurisdiction.** The Borrower irrevocably and unconditionally submits, for itself and its Assets, to the non-exclusive jurisdiction of the courts of the Province of Ontario, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement or any other Credit Document, or for recognition or enforcement of any judgment, and each of the parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court. Each of the parties hereto agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other

manner provided by Law. Nothing in this Agreement or in any other Credit Document shall affect any right that the Lender may otherwise have to bring any action or proceeding relating to this Agreement or any other Credit Document against the Borrower or its Assets in the courts of any jurisdiction.

(c) **Waiver of Venue.** The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by Applicable Law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement or any other Credit Document in any court referred to in Section 14.1(b). Each of the parties hereto hereby irrevocably waives, to the fullest extent permitted by Applicable Law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

(d) **Jury Trial Waiver.** The parties hereto mutually and irrevocably waive any right to trial by jury in any action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

ARTICLE 15

MISCELLANEOUS

15.1 Amendments and Waivers

No acceptance, amendment or waiver of any provision of any of the Credit Documents, nor consent to any departure by the Borrower or any other Person from such provisions, shall be effective unless in writing and approved by the Lender. Any acceptance, amendment, waiver or consent shall be effective only in the specific instance and for the specific purpose for which it was given.

15.2 Judgment Currency

(a) If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due to the Lender in any currency (the "**Original Currency**") into another currency (the "**Other Currency**"), the parties agree, to the fullest extent that they may effectively do so, that the rate of exchange used shall be that at which, in accordance with normal banking procedures, the Lender could purchase the Original Currency with the Other Currency on the Business Day preceding the day on which final judgment is given or, if permitted by Applicable Law, on the day on which the judgment is paid or satisfied.

(b) The obligations of the Borrower in respect of any sum due in the Original Currency from it to the Lender under any of the Credit Documents shall, notwithstanding any tender (including by way of judgment) in any Other Currency, be discharged only to the extent that on the Business Day following receipt by the Lender of any sum adjudged to be so due in the Other Currency, the Lender may, in accordance with normal banking procedures, purchase the Original Currency with such Other Currency. If the amount of the Original Currency so purchased is less than the sum originally due to the Lender in the Original Currency, the Borrower agrees, as a separate obligation and notwithstanding the judgment, to indemnify the Lender, against any loss, and, if the amount of the Original Currency so purchased exceeds the

sum originally due to the Lender in the Original Currency, the Lender shall remit such excess to the Borrower.

15.3 **Successors and Assigns**

The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby; provided that neither the Borrower nor the Lender may assign or otherwise transfer any of their respective rights or obligations hereunder or under any other Credit Document without the prior written consent of the other Person.

15.4 **Entire Agreement**

This Agreement and the other Credit Documents to which the Borrower is a party constitute the entire agreement between the Borrower and the Lender with respect to the subject matter hereof and thereof, and supersede all prior agreements and understandings, if any, relating to the subject matter hereof or thereof. Any promises, representations, warranties or guarantees not herein contained and hereinafter made shall have no force and effect unless in writing signed by the parties hereto. Each party hereto acknowledges that it has been advised by counsel in connection with the negotiation and execution of this Agreement and is not relying upon oral representations or statements inconsistent with the terms and provisions hereof.

15.5 **Time**

Time is of the essence.

15.6 **Counterparts**

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts with the same effect as if all parties had all signed and delivered the same document and all counterparts will be construed together to be an original and will constitute one and the same agreement.

15.7 **Facsimile and Electronic Mail Delivery**

To evidence the fact that it has executed this Agreement or any other document contemplated by or delivered under or in connection with this Agreement, a party may transmit a copy of its executed counterpart to all other parties thereto by facsimile (fax) or by electronic mail and, unless the parties agree to some other date as the date of delivery, the transmitting party shall be deemed to have delivered this Agreement on the date it transmitted such counterpart by facsimile (fax) or by electronic mail or such later date as the transmitting party specifies in a written notice to the other parties given with or prior to the transmission of its executed counterpart.

Any party transmitting an executed counterpart of this Agreement or such other document by facsimile (fax) or electronic mail shall promptly thereafter deliver to the other parties a counterpart bearing its original signature (but any failure or delay in so doing, shall not

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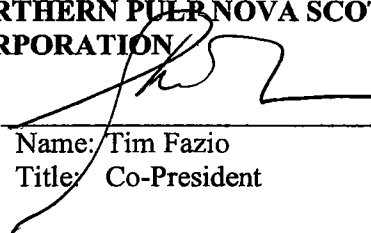
derogate in any way from the sufficiency or effectiveness of that party having transmitted its executed counterpart by facsimile (fax) or electronic mail).

The signature of an individual executing this Agreement (or any notice, certificate or other document contemplated by this Agreement) on behalf of a party, if sent and received by electronic mail or facsimile (fax) transmission, will be deemed to be genuine in the absence of evidence to the contrary and thus effective in the hands of the recipient, and binding upon the individual whose signature it reproduces and upon the party on whose behalf that individual signed, for all purposes and with the same effect as if it were the original signature of that individual.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective authorized officers as of the date first above written.

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

by


Name: Tim Fazio
Title: Co-President

Name:
Title:

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by

Name: Josh Wolf-Powers
Title: Co-President and Assistant
Secretary

Name:
Title:

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derogate in any way from the sufficiency or effectiveness of that party having transmitted its executed counterpart by facsimile (fax) or electronic mail).

The signature of an individual executing this Agreement (or any notice, certificate or other document contemplated by this Agreement) on behalf of a party, if sent and received by electronic mail or facsimile (fax) transmission, will be deemed to be genuine in the absence of evidence to the contrary and thus effective in the hands of the recipient, and binding upon the individual whose signature it reproduces and upon the party on whose behalf that individual signed, for all purposes and with the same effect as if it were the original signature of that individual.


IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their respective authorized officers as of the date first above written.

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

by _____
Name: Tim Fazio
Title: Co-President

Name:
Title:

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by 
Name: Josh Wolf-Powers
Title: Co-President and Assistant
Secretary

Name:
Title:

SCHEDULE A

FORM OF DRAWDOWN NOTICE

TO: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION (the "Lender")

Dear Sirs & Mesdames:

This Drawdown Notice is delivered to you pursuant to Section 2.3 of a credit agreement made as of the ____ day of ____, 2008 between Northern Pulp Nova Scotia Corporation and the Lender (together with all amendments, modifications, supplements and restatements, if any, from time to time made thereto, the "Credit Agreement"). Unless otherwise defined herein or the context otherwise requires, capitalized terms used herein which are defined in the Credit Agreement shall have the respective meanings provided in the Credit Agreement.

The undersigned hereby requests that an Advance be made in the aggregate principal amount of \$_____ on _____, _____.

The undersigned hereby acknowledges that, pursuant to Section 6.3 of the Credit Agreement, the delivery of this Drawdown Notice and the acceptance by the undersigned of the proceeds of the Advances requested hereby, constitutes a representation and warranty by the undersigned that on the occurrence of such Advances the representations and warranties set out in Section 6.1 of the Credit Agreement are true and correct in all material respects.

The undersigned agrees that if prior to the time of the Drawdown requested hereby any matter certified to herein by it will not be true and correct at such time as if then made, it will immediately so notify the Lender. Except to the extent, if any, that prior to the time of the Drawdown requested hereby the Lender shall receive written notice to the contrary from the undersigned, each matter certified to herein shall be deemed once again to be certified as true and correct at the date of such Drawdown as if then made.

Please wire transfer the proceeds of the Drawdown to the accounts of the following persons at the financial institutions indicated respectively:

<u>Amount to be Transferred</u>	<u>Name of Person to be Paid</u>	<u>Designated Account No.</u>	<u>Name, Address, etc. of Transferee</u>
\$	_____	_____	_____
		Attention:	_____

\$	_____	_____	_____
		Attention:	_____

<u>Amount to be Transferred</u>	<u>Name of Person to be Paid</u>	<u>Designated Account No.</u>	<u>Name, Address, etc. of Transferee</u>
Balance of the undersigned of such proceeds			
		Attention:	

The undersigned has caused this Drawdown Notice to be executed and delivered, and the certification and warranties contained herein to be made, by its duly authorized officer this _____ day of _____, 20__.

NORTHERN PULP NOVA SCOTIA CORPORATION

by _____
Name:
Title:

Name:
Title:

NPNS APA

Schedule 3.1(h)(i)

Description of Owned Real PropertyMill Site, Abercrombie, Pictou County

Parcel Identification No. ("PID")	Approximate Acres
00864538	496.0
00864082	1.0
65166829	11.0
65168130	0.5
01045442	5.24
65076366	2.5
65168163	16.92
65076358	1.4
65076382	0.02
65166837	5.5
65168148	0.25
65076374	4.25
20451761	266.3 – Tree Nursery Site

Company House, 298 Willow Avenue, New Glasgow

PID 00957290 2.92 acres

(Detailed parcel descriptions attached, including benefits, burdens and encumbrances.)

All Owned Real Property parcels are subject to a Debenture in favor of JP Morgan Chase Bank, N.A., Toronto Branch, as detailed in the attached parcel descriptions. The lien of such Debenture will be released at the Closing.



Detailed parcel
descriptions.pdf

PID	00864538	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	496.0 ACRE(S)	Parcel Access	PUBLIC	Manag. Unit	MU1306
Lot		Updated	Jun 13, 2007 09:33:41AM	Created	May 11, 2004 02:22:19PM
PDCA Status	APPROVED	Municipal Unit	MUNICIPALITY OF THE COUNTY OF PICTOU	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Jul 13, 2004 11:00:05AM		

Location	County	Primary Location	Source
118 SCALEHOUSE ROAD ABERCROMBIE	PICTOU COUNTY	Yes	Not Assigned by Municipality
166 SCALEHOUSE ROAD ABERCROMBIE	PICTOU COUNTY	No	Not Assigned by Municipality

Comments

LOC #106 HIGHWAY
 MAP 04B1377NE
 MAP 04B1377SE
 MAP 04B1378NE
 MAP 04B1378SE
 MAP 04B1387NE
 MAP 04B1388NW
 MAP 04B1388SW
 MAP 11E10V4

Assessment Account	Value	Tax District	Tax Ward	Tax Sub
04189531	\$25,915,500 (2008 COMMERCIAL TAXABLE) \$44,300 (2008 COMMERCIAL FOREST)	09	000	0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	FEE SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1G0	DEED	2005	<u>82216828</u> View Doc		Jun 15, 2005	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
NOVA SCOTIA POWER COMMISSION	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT / RIGHT OF WAY	1965	<u>2275</u>	Book 490 Page 33	Nov 22, 1965
NOVA SCOTIA POWER COMMISSION	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT / RIGHT OF WAY	1968	<u>1046</u>	Book 532 Page 131	Jun 10, 1968

PID 00864587	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	ABERCROMBIE NS-CA	DEED	1968	<u>2627</u>	Book 538 Page 354	Dec 10, 1968
NOVA SCOTIA POWER COMMISSION	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT/RIGHT OF WAY	1970	<u>1132</u>	Book 569 Page 191	Jun 08, 1970
CANSO CHEMICALS LTD.	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	NEW GLASGOW NS CA	DEED	1972	<u>2460</u>	Book 602 Page 171	Aug 01, 1972

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registratio Date
JPMORGAN CHASE BANK, N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2T2	CORP TO RECORD/CANCE AN INTEREST	2004	<u>81117526</u> View Doc		Dec 21, 2004

JP MORGAN CHASE BANK, N.A., TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2J2	CORR. TO RECORD/CANCEL AN INTEREST	2005	81640071 View Doc	Mar 31, 2005
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Parcel Description

PI.d. No. 00864538
Pulp Mill Site
KIMBERLY-CLARK INC.
ABERCROMBIE POINT, PICTOU COUNTY, NOVA SCOTIA

Lot No. 1
KIMBERLY-CLARK INC.

ALL THAT CERTAIN LOT, piece or parcel of land situate, lying and being at Abercrombie Point, in the County of Pictou, Province of Nova Scotia, and being more particularly bounded and described as follows:

BEGINNING at a post, said post being at the South-east corner of a lot of land formerly owned by Alexander Ellis, now owned by Kimberly-Clark Inc. and being on the Western boundary of the Abercrombie Road;

THENCE, by the magnet for the year of 1965, North 81 degrees, 45 minutes West, 59.09 chains, along the lands of Karl Crawford, to a post said post being at the South-western corner of said Ellis lot as now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 6.99 chains to a post, said post being the North-western corner of the said Ellis lot now owned by Kimberly-Clark Inc. and also being the South-western corner of a lot of land formerly owned by Elizabeth Grant as also now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 14.22 chains to a post, said post being the North-western corner of the said Elizabeth Grant property as now owned by Kimberly-Clark Inc. and being the South-westerly corner of a lot of land formerly owned by Harland H. Clark and as now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 1.80 chains, more or less, along the Western boundary of the abovementioned lot to post no. 105 and being the North-easterly corner of a lot of land formerly owned by H.I.W. Bigney and now owned by Kimberly-Clark Inc.;

THENCE, by the magnet for the year of 1956, North 38 degrees, 45 minutes

West, 29.17 chains to post no. 106, said post being on the Eastern boundary of the Granton Road, so-called;

~~THENCE, North 38 degrees 45 minutes West, crossing the said road to the Western boundary of same, to post no. 107;~~

THENCE, by the magnet for the year of 1957, South 42 degrees, 23 minutes West, 15.92 chains, along the Western boundary of the said road as now owned by Kimberly-Clark Inc., to post no. 108;

THENCE, North 51 degrees, 30 minutes West, 2.14 chains to post no. 109;

THENCE, North 51 degrees, 30 minutes West, 4.00 chains to the shore of the Middle River;

THENCE Northerly, Easterly and Southerly along the shore of Abercrombie Point, so-called to post no. 100, being the South-eastern corner of a lot of land formerly owned by Erickson;

THENCE, by the magnet for the year of 1956, South 68 degrees, 10 minutes East, 20.72 chains to post no. 101, being on the Eastern boundary of the Abercrombie Road;

THENCE, South 68 degrees, 10 minutes East, across the said Abercrombie Road to post no. 102, being on the Western boundary of the abovementioned Road;

THENCE, South 10 degrees, 35 minutes East, 23.48 chains, along the Western boundary of the abovementioned Road to post no. 103 and being the North-eastern corner of property formerly owned by Raeburn Kennedy and now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the abovementioned Road, South 00 degrees, 00 minutes West, 8.31 chains to a point, being the South-eastern corner of the property formerly owned by Raeburn Kennedy and as now owned by Kimberly-Clark Inc., said point also being the North-eastern corner of the property formerly owned by Harland Clark and as now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the said Abercrombie Road South 00 degrees, 00 minutes West, 6.16 chains to the South-eastern corner of property formerly owned by Clark and now owned by Kimberly-Clark Inc. and also being the North-eastern corner of the property formerly owned by Elizabeth Grant and as now owned by Kimberly-Clark Inc.;

THENCE, South 00 degrees, 30 minutes West, 11.30 chains to a post and being the North-eastern corner of property owned by Peter Sinclair and now owned by Kimberly-Clark Inc.;

THENCE, North 81 degrees, 00 minutes West, 3.56 chains, along said Sinclair property as now owned by Kimberly-Clark Inc., to a point;

THENCE, South 06 degrees, 00 minutes West, 3.33 chains, along said Sinclair

property as now owned by Kimberly-Clark Inc., to a point;

THENCE, South 82 degrees, 15 minutes East, along the said Sinclair property as now owned by Kimberly-Clark Inc., to the Western boundary of the Abercrombie Road and also being the North-eastern corner of property formerly owned by Alexander Ellis and now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the said Abercrombie Road, South 23 degrees, 20 minutes East, 8.78 chains to the PLACE OF BEGINNING;

BEING AND INTENDED to be the lands as conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Indenture dated December 21, 1967 and recorded in the Office of the Registrar of Deeds for Pictou County, Nova Scotia on December 29, 1967, in Book 529, at Page 105.

ALSO BEING AND INTENDED to be land owned by Scott Maritimes Pulp Limited at the time of a change of name to Scott Maritimes Limited and again to Kimberly-Clark Nova Scotia, which company was subsequently amalgamated under the laws of Ontario with Kimberly-Clark Inc. to form Kimberly-Clark Inc.;

SAVING AND EXCEPTING thereout and therefrom, the following parcels:

FOUR LOTS OF LAND CONVEYED TO CANSO CHEMICALS LIMITED together with certain related easements, bounded and described as follows:

PARCEL 1

ALL AND SINGULAR that certain lot, piece or parcel of land lying, being and situate on the South side of the site of Scott Maritimes Pulp Limited Sulphate Pulp Mill at Abercrombie Point, in the County of Pictou and Province of Nova Scotia, all of which may be more particularly described as follows:

BEGINNING at an iron stake set in the North-east corner of said lot to be transferred, which stake having the co-ordinates of North 4922.00 and East 3407.94;

THENCE due West, by the grid North, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake which stake having the co-ordinates of North 4922.00 and East 2407.94;

THENCE due South, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake which stake having the co-ordinates of North 4397.00 and East 2407.94;

THENCE due East, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake, which stake having the co-ordinates of North 4397.00 and East 3407.94;

THENCE due North, along the lands to be retained by Scott Maritimes Pulp Limited, to the PLACE OF BEGINNING;

THE ABOVE DESCRIBED LOT having an area of 12 acres, more or less;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as set up by Scott Maritimes Pulp Limited on their holdings at Abercrombie Point, the grid North being 21 degrees, 40 minutes West of Magnetic North;

THE ABOVE DESCRIBED PARCEL to have a free and uninterrupted right-of-way or passage for ingress and egress to the Canso Chemicals Limited, its successors and assigns, and its agents, servants, employees, customers and other persons having business with the said Canso Chemicals Limited to pass through, along and over that certain parcel of land described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates North 4793.00 and East 3407.94;

THENCE due East to co-ordinates North 4793.00 and East 3641.18;

THENCE Southerly, on an arc, having a radius of 416.07 feet to co-ordinates North 4269.46 and East 4043.15;

THENCE South 14 degrees, 58 minutes West, to co-ordinates North 3987.94 and East 3967.88;

THENCE Southeasterly, along the arc of a curve having a radius of 41.0 feet, to a tangent which is right angles to the existing road;

THENCE Southeasterly, along said tangent, to the West margin of the existing road;

THENCE South 10 degrees, 21 minutes West, along the West margin of said road, 66.0 feet, to a point;

THENCE Westerly, on a tangent perpendicular to said road margin, to an arc having a radius of 107 feet;

THENCE Northwesterly, along said arc, to co-ordinates North 4004.98 and East 3904.12;

THENCE North 14 degrees, 58 minutes East, to an arc having a radius of 350.07 feet;

THENCE, along said arc, Westerly to co-ordinates North 4727.00 and East 3641.18;

THENCE due West, to co-ordinates North 4727.00 and East 3407.94;

THENCE due North, to the PLACE OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott

Maritimes Pulp Limited at the mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

~~TOGETHER WITH the right of way to build, construct, maintain and repair a road~~
along and over the right of way hereinbefore described and for such purpose to bring on the said right of way such equipment and machinery and vehicles as is necessary to build, construct, maintain or repair the said road;

TOGETHER WITH an appurtenant to the lands hereby conveyed and first above described as Parcel 1, the right and easement to use for the purpose of a railway siding or spur running from the railway line or track of the Scott Maritimes Pulp Limited Railway, situate on lands presently owned by Scott Maritimes Pulp Limited, to the lands hereby conveyed and first above described, as Parcel 1, over that lot of land as hereinafter described and for the purposes aforesaid to enter into and upon the said lands as hereinafter described from time to time and to make and construct thereon such railway sidings or spurs as Canso Chemicals Limited may reasonably require and or to use such railway sidings or spurs as may otherwise hereafter be laid or constructed upon the lands described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate, and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at an iron stake having co-ordinates North 4957.00 and East 2407.94;

THENCE due West, to a point on the right of way of the spur line to Scott Maritimes Pulp Limited mill site;

THENCE Southwardly, along the various courses of said spur right of way, to a point, said point being on a line at right angles to the Scott Maritimes Pulp Limited spur line drawn from the Canso Chemicals Limited switch point;

THENCE along the right angle line to a point 60 feet from the centre line of the Scott Maritimes Pulp Limited, spur;

THENCE Easterly, along the various courses of a curve and 60 feet perpendicular to the centre line, to the end of the curve;

THENCE East to co-ordinates North 4837.00 and East 2407.94;

THENCE North, 120 feet, to the PLACE OF BEGINNING;

ALL BEARINGS are related to a local grid used by Scott Maritimes Pulp Limited at the Abercrombie Point mill;

ALL as shown on a certain property plan of Canso Chemicals Limited at Abercrombie Point, Nova Scotia, drawn by Canadian Industries Limited - Engineering Department and dated the 18th day of October, 1968;

BEING AND INTENDED TO BE a lot of land and easements conveyed to Canso Chemicals Limited by Scott Maritimes Pulp Limited by Deed dated November 30, 1968 and recorded at the Registry of Deeds, Pictou, Nova Scotia on December 10, 1968 in Book 538, at Page 354;

PARCEL 2

ALL AND SINGULAR that piece, parcel or tract of land lying, being and situate at Abercrombie Point, in the County of Pictou and Province of Nova Scotia, and which may be more particularly described as follows:

BEGINNING at a wooden stake set at a point being South 44 degrees and 15 minutes East, a distance of 73 links from the Southeastern corner of the Power Station of Canso Chemicals Limited;

THENCE South 10 degrees and 50 minutes East, a distance of 7 chains and 40 links, to a wooden stake;

THENCE South 88 degrees and 00 minutes West, a distance of 8 chains, to a wooden stake;

THENCE North 10 degrees and 50 minutes West, a distance of 4 chains and 70 links, to a wooden stake;

THENCE North 69 degrees and 00 minutes East, a distance of 8 chains and 3 links, to the POINT OF BEGINNING;

A TRACT OF LAND containing 4.8 acres, more or less;

THE SAID TRACT being more particularly shown on the attached plan marked Schedule A and signed by R. J. MacDonald, Nova Scotia Land Surveyor (Plan attached to document recorded in Book 980, at Page 167);

BEING AND INTENDED to be a lot of land as conveyed by Scott Maritimes Limited to Canso Chemicals Limited by Deed dated December 18, 1978 and recorded at the Registry of Deeds, Pictou, Nova Scotia in Book 980, at Page 167.

PARCEL 3

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being to the West of the Abercrombie Point Road, in Abercrombie Point, in the County of Pictou and Province of Nova Scotia, said parcel being shown as Lot No. 88-1 on a plan showing the subdivision of the land of Scott Maritimes Limited as prepared by G. Edward Hingley, N.S.L.S. and dated July 20, 1988 (Registry Plan No. 2850), the said Lot being more particularly described as follows:

BEGINNING at the Southeast corner of lands as acquired by Canso Chemicals Limited from Scott Maritimes Limited and as recorded in the Pictou County Registry of Deeds in Book 980, at Page 167, which point being South 10 degrees, 50 minutes East, a distance of 488.40 feet from the Northeast corner of

said lot;

THENCE South 69 degrees, 00 minutes West, a distance of 949.12 feet, along a Northwest boundary of land to be retained by Scott Maritimes Limited, to a survey marker;

THENCE North 21 degrees, 00 minutes West, a distance of 480.73 feet, along a Northeast boundary of land to be retained by Scott Maritimes Limited, to a survey marker;

THENCE North 69 degrees, 00 minutes East, a distance of 505.56 feet, along a Southeast boundary of land of Canso Chemicals Limited (Book 538, Page 354), to a survey marker;

THENCE South 10 degrees, 47 minutes East, a distance of 313.81 feet, along a Southwest boundary of land of Canso Chemicals Limited (Book 980, Page 167) to a point;

THENCE North 88 degrees, 00 minutes East, a distance of 528.00 feet, along a Southwest boundary of land of the said Canso Chemicals Limited, to the POINT OF BEGINNING;

AN AREA CONTAINING 6.2 acres;

ALL BEARINGS herein are based on the Magnetic meridian for the year 1976;

BEING AND INTENDED TO BE portion of the land as conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Indenture dated December 21, 1967 and as recorded in the Office of the Registrar of Deeds for Pictou County on December 29, 1967, in Book 529, at Page 105;

BEING AND INTENDED to be a lot of land conveyed by Scott Maritimes Limited to Canso Chemicals Limited by confirmatory deed dated December 19, 1994 and recorded in the Registry of Deeds, Pictou, Nova Scotia on January 12, 1995 in Book 1165, at Page 597;

PARCEL 4

ALL THOSE CERTAIN LOTS, pieces or parcels of land, that is to say:

NO. 1

ALL AND SINGULAR that certain parcel or tract of land and premises, situated, lying and being at Abercrombie Point, County of Pictou, Province of Nova Scotia and more particularly described as follows:

PREMISING that the bearings herein mentioned are astronomic, the magnetic declination for 1970 is about 23 degrees 30 minutes West, all co-ordinates are based on the local grid as used by Scott Maritimes Pulp Limited;

BEGINNING at a point at the northern boundary of land formerly conveyed by Scott Maritimes Pulp Limited to Canso Chemicals Limited, said point being at co-

ordinates 4922.00 North and 3036.30 East;

THENCE North 46 degrees West, along co-ordinate 3036.30 East, a distance of 38 feet, to a point, being at co-ordinates 4960.00 North and 3036.30 East;

THENCE South 44 degrees West, along co-ordinate 4960.00 North, a distance of 35 feet, to a point being at co-ordinates 4960.00 North and 3001.30 East;

THENCE South 46 degrees East, along co-ordinate 3001.30 East, a distance of 38 feet, to a point, being at co-ordinates 4922.00 North and 3001.30 East;

THENCE North 44 degrees East, along co-ordinate 4922.00 North, a distance of 35 feet, to the POINT OF BEGINNING;

CONTAINING 1,330 square feet;

SAID DESCRIBED PARCEL of land being of rectangular shape 35 feet by 38 feet and bounded at nominal West, North and East by Scott Maritimes Pulp Limited and at the nominal South by Canso Chemicals Limited, for reference see Plan layout Drawing No. 208 CIL. AEG. 19881 of CAN. INDUSTRIES LIMITED dated December 27, 1968, also see Registry Plan Number P-42;

SAID DESCRIBED PARCEL also being shown on a Property Plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971, and being there designated as EXTRA LAND FOR RETENSION BASIN.

NO. 2

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates East 3407.94, and North 4580.0;

THENCE due South to co-ordinates East 3407.94 and North 4397.0;

THENCE due West to co-ordinates East 3190.0 and North 4397.0;

THENCE due South to co-ordinates East 3190.0 and North 4360.0;

THENCE due East to co-ordinates East 3470.0 and North 4360.0;

THENCE due North to co-ordinates East 3470.0 and North 4580.0;

THENCE due West to co-ordinates East 3407.94 and North 4580.0, the said place also being the PLACE OF BEGINNING;

ALL CO-ORDINATES given in this description are referred to a local grid as used by Scott Maritimes Pulp Limited Mill, Abercrombie Point, Pictou County, Province of Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated as EASEMENT FOR WATER LINE on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL. YDG., 20002, Revision 2, revised October 1971, see Registry Plan Number P-42.

NO. 3

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates East 3407.94 and North 4825.0;

THENCE due East to co-ordinates East 4058.0 and North 4825.0;

THENCE due North to co-ordinates East 4058.0 and North 5120.41;

THENCE due East to co-ordinates East 4085.75 and North 5120.41;

THENCE due South to co-ordinates East 4085.75 and North 4780.0;

THENCE due West to co-ordinates East 3407.94 and North 4780.0;

THENCE due North to co-ordinates East 3407.94 and North 4825.0, the said point also being the PLACE OF BEGINNING;

ALL CO-ORDINATES given in this description are referred to a local grid as used by Scott Maritimes Limited Pulp Mill, Abercrombie Point, Pictou County, Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated as EASEMENT FOR PIPE RACK on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971, see Registry Plan Number P-42.

NO. 4

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates North 4464.38 and East 3470.00;

THENCE South 45 degrees, 00 minutes East to co-ordinates North 4344.38 and East 3590.00;

THENCE due South to co-ordinates North 4247.00 and East 3590.0;

THENCE due East, 20.0 feet to co-ordinates North 4247.00 and East 3610.00;

THENCE due North to co-ordinates North 4352.66 and East 3610.0;

THENCE North 45 degrees 00 minutes West to co-ordinates North 4492.66 and East 3470.0;

THENCE due South, to co-ordinates North 4464.38 and East 3470.0, the said point also being the POINT OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott Maritimes Pulp Limited mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

BEING AND INTENDED to be that parcel of land designated as EASEMENT FOR STANDPIPE on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL, YDG, 20002, Revision 2, revised October 1971, see Registry Plan Number P-42;

AND SCOTT MARITIMES PULP LIMITED hereby further grants to Canso Chemicals Limited, its successors and assigns, the owner or owners for the time being of the lands of Canso Chemicals Limited, which said lands are shown on the property plan annexed to this conveyance (Registry No. P-42) as being the lands of Canso Chemicals Limited, a free and uninterrupted right of way for persons, animals and vehicles, through, along and over that certain parcel of land owned by Scott Maritimes Pulp Limited, to the north of land of and abutting the original access road to Canso Chemicals Limited where it joins the road to Scott Maritimes Pulp Limited, as shown on said Plan, which said parcel of land is more particularly described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, and more particularly described as follows:

BEGINNING at co-ordinates North 3987.94 and East 3967.88;

THENCE South 75 degrees, 02 minutes East to co-ordinates North 3979.42 and East 3999.75;

THENCE southeasterly, along the arc of a curve having a radius of 7.0 feet, to a tangent which is at right angles to the existing road to Scott Maritimes Pulp Limited;

THENCE southeasterly, along said tangent, to the west margin of the existing road;

THENCE South 10 degrees, 21 minutes West, along the west margin of said road 33.0 feet, to the north margin of the original access road to Canso Chemicals Limited;

THENCE westerly, on a tangent to the margin of the first above mentioned road, to an arc of a curve having a radius of 41.0 feet;

THENCE along said arc to the PLACE OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott Maritimes Pulp Limited mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated in the enlargement in a certain property plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971;

AND BEING AND INTENDED TO BE the property conveyed to Canso Chemicals Limited by Scott Maritimes Pulp Limited by deed dated April 12, 1972 and recorded in the Registry of Deeds, Pictou, In Book 602 at Page 171.

TO HER MAJESTY THE QUEEN

GRANTON ROAD

LAND TAKEN by Her Majesty the Queen for construction of the Granton Road, bounded and described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being at or near the District of Begg Brook, in the County of Pictou, Province of Nova Scotia, and more particularly bounded and described as follows:

BEGINNING at the point of intersection of the boundary between lands of Scott Paper Company and the lands now or formerly of Henry Bigney with the Northeasterly boundary of a Diversion to the old Abercrombie Road and 125 feet perpendicularly distant from the centre line of construction thereof;

THENCE In a Southeasterly direction following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 327 feet, more or less, to the end of a curve at chainage station 41 + 99.6;

THENCE at right angles, in a Southwesterly direction, a distance of 75 feet, more or less, to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the several courses of the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 1941 feet, more or less, to a point at chainage station 62 + 00, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Northeasterly direction, a distance of 25 feet, more or less, to a point 75 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line a distance of 700 feet to a point at chainage station 69 + 00 as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 25 feet to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 450 feet, to a point at chainage station 73 + 50, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Northeasterly direction, a distance of 25 feet to a point 75 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line a distance of 400 feet, to a point at chainage station 77 + 50, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 25 feet to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 407.3 feet to the beginning of a curve at chainage station 81 + 57.3 as shown on the annexed plan (Registry Plan No. P-644);

THENCE following a course of North 66 degrees, 47 minutes East, a distance of 210 feet, more or less, to meet the Southwesterly boundary of the existing old Abercrombie Road and 33 feet perpendicularly distant from the centre line thereof.

THENCE in a Southeasterly direction, following the boundary of the aforesaid old road and parallel to the centre line thereof, a distance of 247 feet, more or less, or until it meets the boundary between the lands of Scott Paper Company and the lands formerly of Karl Crawford;

THENCE in a Northwesterly direction, following the alignment of the last mentioned boundary, a distance of 2,893 feet, more or less, to the beginning of a curve at chainage station 55 + 76.8 as shown on the annexed plan (Registry Plan No. P-644), said point being on the Southeasterly boundary of the aforesaid Old Abercrombie Road Diversion and 50 feet perpendicularly distant from the centre line thereof;

THENCE in a Northwesterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 1,427 feet, more or less, to the end of a curve at chainage station 41 + 99.6, as shown on the annexed plan (Registry Plan No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 62 feet, more or less, or until it meets the boundary between the lands of Scott Paper Company and the lands, now or formerly, of Mrs. Kenneth MacDonald;

THENCE in a Northeasterly direction, following and in alignment with the last mentioned boundary, a distance of 355 feet, more or less, to the POINT OF BEGINNING;

BEING AND INTENDED TO BE lands granted, by way of expropriation, to Her Majesty the Queen by Scott Maritimes Pulp Limited by Indenture dated March 12, 1976 and recorded in the Registry of Deeds, Pictou, on April 8, 1976 in Book 686, at Page 122.

HIGHWAY NO. 106

LANDS TAKEN BY HER MAJESTY THE QUEEN for construction of Highway 106, bounded and described as follows:

ALL AND SINGULAR those certain lots, pieces or parcels of land situate, lying and being at or near the District of Begg Brook, in the County of Pictou, Province of Nova Scotia, and more particularly bounded and described as follows:

Lot No. 1

BEGINNING at the point of intersection of the boundary between the lands of Scott Maritimes Pulp Limited and the lands, now or formerly, of Naiff Harris with the Westerly boundary of the approach to the Pictou Causeway on the Trans Canada Highway and 200 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Northerly and Northeasterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 1,055 feet, more or less, or until it meets the mean high water mark of the Middle River;

THENCE in a Northeasterly direction, following the high water mark of the aforesaid River, a distance of 800 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Approach to the Pictou Causeway and 100 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Southwesterly and Southerly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 1,487 feet, more or less, or until it meets the aforesaid boundary between the lands of Naiff Harris and the lands, now or formerly, of Scott Paper Company;

THENCE in a Southwesterly direction, following the alignment of the last mentioned boundary, a distance of 338 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 8.68 acres, more or less.

Lot No. 2

BEGINNING at the point of intersection of the Southeasterly boundary of the Approach to the Pictou Causeway with the Easterly mean high water mark of Middle River;

THENCE in a Northerly, Northeasterly and Northwesterly directions, following the various windings of the aforesaid mean high water mark, a distance of 1,145 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Approach to Pictou Causeway and 100 feet perpendicularly distant from the

centre line of construction thereof;

THENCE in a Southwesterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 867 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 2.50 acres, more or less.

Lot No. 3

BEGINNING at the point of intersection of the Southeasterly boundary of the Approach to Pictou Causeway with the Easterly mean high water mark of Middle River;

THENCE in a Northerly and Northeasterly direction, following the several courses of the aforesaid mean high water mark, a distance of 490 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Causeway Approach and 100 feet perpendicularly distant from the centre line thereof;

THENCE in a Southwesterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 475 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 0.13 acres, more or less;

THE ABOVE DESCRIBED PARCELS of land are shown outlined in red on the annexed plan (Registry Plan No. P-637) and containing 11.31 acres, more or less;

BEING AND INTENDED TO BE lands granted, by way of expropriation, to Her Majesty the Queen by Scott Maritimes Pulp Limited by Indenture dated March 12, 1976 and recorded in the Registry of Deeds, Pictou, Nova Scotia, on March 25, 1976 in Book 685, at Page 158.

ALSO SAVING AND EXCEPTING a certain lot of land created by the expropriation of lands by Her Majesty the Queen for construction of the Granton to Abercrombie Road bounded and described as follows:

Lot No. 2 & KIMBERLY-CLARK INC.

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the North-east by the South-west boundary of the Granton Road at Abercrombie, in the County of Pictou, Province of Nova Scotia, said lot being more particularly described as follows:

BEGINNING at the intersection of a North boundary of land of The Nova Scotia Power Corporation and the South boundary of the said Granton Road;

THENCE South 75 degrees, 40 minutes, 33 seconds West (Grid), a distance of 75 feet, more or less, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE continuing, in the same direction, a distance of 908.0 feet, along the

North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

~~THENCE North 12 degrees, 24 minutes East (Grid), a distance of 925 feet, more or less, along the East boundary of land of others, to the South boundary of the said Granton Road;~~

THENCE Northerly, Easterly and Northerly, a distance of 1500 feet, more or less, along the boundary of the said Granton Road, to the POINT OF BEGINNING;

AN AREA containing 11 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529, at Page 105;

ALSO SAVING AND EXCEPTING a certain lot of land created by the expropriation of lands by Her Majesty the Queen for the construction of Highway No. 106 bounded and described as follows:

Lot No. 3 \hat{c} KIMBERLY-CLARK INC.

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the East by the West boundary of Highway No. 106 and bounded on the West by the ordinary high water mark of the Middle River, in Abercrombie, in the County of Pictou and Province of Nova Scotia, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly owned or occupied by Naiff Harris, now owned by Her Majesty The Queen in the Right of the Province of Nova Scotia and the West boundary of Highway No. 106;

THENCE South 65 degrees, 55 minutes West (Magnetic 1965), a distance of 200 feet, more or less, along the said North-west boundary of land formerly of Naiff Harris, to the mean high water mark of the Middle River;

THENCE Northerly and Easterly, a distance of 1200 feet, more or less, along the said mean high water mark of the Middle River, to the intersection with the West boundary of Highway No. 106;

THENCE Southerly, along the West boundary of the said Highway No. 106, to the POINT OF BEGINNING;

AN AREA containing 5.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529 at Page 105;

ALSO SAVING AND EXCEPTING a certain lot of land conveyed to the Abercrombie Volunteer Fire Department bounded and described as follows:

ALL THAT PARCEL of land situate at Abercrombie, in the County of Pictou, Province of Nova Scotia, and designated as Lot 1-A-B on a Subdivision Plan prepared by Wadden Surveys, having No. 93117 and signed by M.G. Wadden, N.S.L.S. on the 4th day of January, 1994, said Lot 1-A-B more fully shown on Registry Plan Number 4254.

THE SAID LOT 1-A-B intended to be a consolidation of Lot 1, lands formerly leased by Scott Maritimes Limited to Abercrombie Volunteer Fire Department, and registered at the Office of the Registrar of Deeds, Pictou, Nova Scotia on the 20th of September, 1993, in Book 1132 at Page 230, and Parcels A and B, a portion of lands formerly conveyed by Scott Paper Company to Scott Maritimes Pulp Limited, by Deed, registered at the Office of the Registrar of Deeds, Pictou, Nova Scotia on the 29th day of December, 1967, in Book 529, at Page 105;

BEING AND INTENDED to be a lot of land conveyed to the Abercrombie Volunteer Fire Department by Scott Maritimes Limited by Deed dated March 10, 1994 and recorded at the Registry Office, Pictou, Nova Scotia in Book 1132, Page 230;

EASEMENTS OVER KIMBERLY-CLARK INC. LAND

RESERVING THE FOLLOWING POWER LINE EASEMENT as granted by Alexander Ellis and his wife Isabel V. Ellis to The Nova Scotia Power Commission over land as now owned by Kimberly-Clark Inc. said land being that as originally acquired by Scott Paper Company from the said Alexander and Isabel Ellis by an Indenture dated October 14, 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on October 14, 1965 in Book 487, at Page 140, said easement being more fully described as follows:

WHEREAS the said Commission proposes to erect a Transmission Line to convey electric power and energy to certain parts of Pictou County and is acquiring right of way privileges for same to erect and maintain a line of poles or towers and wires with the necessary foundations, anchors and guy wires, hereinafter referred to as the TRANSMISSION LINE, for the purpose of conveying electric power and energy, over and across lands of Alexander and Isabel Ellis, as now owned by Kimberly-Clark Inc., situated in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia;

THE SAID GRANT OF EASEMENT was made from the said Alexander and Isabel Ellis to The Nova Scotia Power Commission by an Indenture dated June 3, 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on November 22, 1965 in Book 490, at Page 33 and shown on plan attached to recorded grant and described as follows:

THE CENTER LINE OF SAID TRANSMISSION LINE to follow the center line now established by the Commissions route survey;

BEGINNING on the Northern boundary of lands of Karl Crawford;

THENCE North 20 degrees, 00 minutes East, a distance of 504.5 feet, more or less, to the Southern boundary of lands of Peter Sinclair, now owned by Kimberly-Clark Inc.;

THE DESCRIBED CENTER LINE being indicated by a red line on the lot numbered 19 on the plan hereto annexed (See plan in Registry Book 490, at Page 33);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line, upon a strip of land 100 feet wide, lying 50 feet on both sides of the said center line of proposed transmission line, hereinafter referred to as the RIGHT OF WAY, and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

ALSO RESERVING the following power transmission easements over lands conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Deed dated December 21, 1967 and recorded in the Registry of Deeds, Pictou, December 29, 1967 in Book 529 at Page 105:

WITNESSETH the said Scott Maritimes Pulp Limited grants and conveys unto The Nova Scotia Power Commission the perpetual privilege, right and easement of erecting, maintaining and fencing an outdoor substation with all poles, anchors, guys, transformers and of erecting and maintaining a line of poles and wires with all necessary anchors, guys and braces for the purpose of conveying, transmitting and transforming electric power and energy over and across lands of Scott Maritimes Pulp Limited situated in the vicinity of Abercrombie, in the County of Pictou, Province of Nova Scotia:

SUBSTATION EASEMENT

A SUBSTATION to be located on a portion of the existing transmission line right of way covered by easement from Alexander Ellis, now owned by Kimberly-Clark Inc., to the Nova Scotia Power Commission, dated June 3, 1965, recorded on November 22, 1965 in Book 490, Page 33, said portion of the existing right of way being described as follows:

BEGINNING on the northern margin of the New Road at a point distant 50 feet westerly along said margin from the centre line of the existing transmission line;

THENCE North 20 degrees East, parallel to the said centre line, a distance of 100 feet;

THENCE South 80 degrees, 35 minutes East, parallel to the said road margin, a distance of 100 feet;

THENCE South 20 degrees West, a distance of 100 feet to meet the aforesaid road margin;

THENCE North 80 degrees, 35 minutes West, along the aforesaid northern margin, a distance of 100 feet to the POINT OF BEGINNING.

TRANSMISSION LINE EASEMENT:

A TRANSMISSION LINE to be located on a strip of land 66 feet wide lying 33 feet on both sides of the hereinafter described centre line:

BEGINNING on the northwestern limits of the hereinbefore described substation lot;

THENCE North 80 degrees, 35 minutes West, parallel to the northern margin of the New Road, a distance of 1,766 feet, more or less, to an angle;

THENCE North 78 degrees, 43 minutes West, a distance of 807 feet, more or less, to an angle;

THENCE North 51 degrees, 26 minutes West, a distance of 400 feet, more or less, to an angle;

THENCE North 15 degrees, 11 minutes West, a distance of 610 feet, more or less, to an angle;

THENCE North 05 degrees, 49 minutes East, a distance of 488 feet, more or less, to an angle;

THENCE North 38 degrees, 11 minutes West, parallel to and 33 feet perpendicularly distant from the southwestern boundary of said lands of Scott Maritimes Pulp Limited, a distance of 2,625 feet, more or less, to an angle;

THENCE North 45 degrees, 48 minutes East, a distance of 2,444 feet, more or less, to an angle;

THENCE North 51 degrees, 09 minutes East, a distance of 1,480 feet, more or less, to an angle;

THENCE North 06 degrees, 47 minutes East, a distance of 165 feet, more or less, to meet the high water line of Pictou Harbour;

SAVING AND EXCEPTING any portions of the said strip, as may be within the limits of any Public Highway;

BEING AND INTENDED to be easements granted by Scott Maritimes Pulp Limited to The Nova Scotia Power Commission by an Indenture dated May 21, 1968 and recorded at the Registry of Deeds, Pictou, Nova Scotia on June 10, 1968 in Book 532, at Page 131 and as shown on the plan attached to the recorded Indenture.

AND FURTHER RESERVING the following power transmission easements over lands conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Deed dated December 21, 1967 and recorded in the Registry of Deeds, Pictou, December 29, 1967 in Book 529, at Page 105:

WHEREAS The Nova Scotia Power Commission proposes to erect additions to its outdoor substation and a transmission line for the purpose of transferring and ~~conveying electric power and energy from the said substation at Abercrombie to~~ the Canso Chemicals plant, at Abercrombie Point, Pictou County, Province of Nova Scotia and is acquiring right of way privileges for same:

SUBSTATION ADDITION EASEMENT

BEGINNING on the northern boundary of the public highway, at the southwestern corner of the substation lot acquired by easement from Scott Maritimes Pulp Limited, dated May 21, 1968, recorded at Pictou, in Book 532, at Page 131;

THENCE North 80 degrees, 35 minutes West, along said highway boundary, a distance of 61 feet;

THENCE North 09 degrees, 25 minutes East, perpendicular to aforesaid highway boundary, a distance of 150 feet;

THENCE South 80 degrees, 35 minutes East, a distance of 79.4 feet;

THENCE South 09 degrees, 25 minutes West, a distance of 51.6 feet to the northwestern corner of said substation lot acquired by an easement dated May 21, 1968;

THENCE South 20 degrees West, along the western boundary of aforesaid substation lot, a distance of 100 feet to the PLACE OF BEGINNING.

TRANSMISSION LINE EASEMENT

A TRANSMISSION LINE to be located on a strip of land 66 feet wide lying 33 feet on both sides of the hereinafter described center line:

BEGINNING on the northern limits of the Commissions aforesaid substation lot, covered by easement from Scott Maritimes Pulp Limited, dated May 21, 1968, recorded at Pictou in Book 532, at Page 131, at a point distant 30 feet, bearing South 80 degrees, 35 minutes East along said limits from the northwestern corner of said substation lot;

THENCE North 15 degrees, 47 minutes East, a distance of 320 feet, more or less, to an angle in said center line;

THENCE North 01 degrees, 46 minutes West, a distance of 2,040 feet, more or less, to an angle;

THENCE North 10 degrees, 34 minutes West, a distance of 548 feet, more or less, to a point marking an angle in said center line, said point being perpendicularly distant 33 feet northeasterly from the center line of the effluent disposal pipeline leading from the Pulp Mill at Abercrombie Point to Boat Harbour;

Thence North 39 degrees, 03 minutes West, parallel to said pipeline center line, a distance of 1,108 feet, more or less, to an angle;

~~THENCE South 66 degrees, 35 minutes West, a distance of 175 feet, more or less, to meet the northeastern boundary of lands of said Canso Chemicals Limited;~~

SAVING AND EXCEPTING those portions of the said strip as lie within the limits of the public highway and within the boundaries of lands of Peter Sinclair, now owned by Kimberly-Clark Inc.;

TO HAVE AND TO HOLD the said privileges, rights, easements and licence hereby granted unto the said Commission, its successors or assigns forever;

BEING AND INTENDED to be easements granted by Scott Maritimes Pulp Limited to Nova Scotia Power Commission by Indenture dated May 9, 1969 and recorded in the Registry of Deeds, Pictou on June 8, 1970 in Book 569, at Page 191 and as depicted on Registry Plan No. 77, File 19 on file at the same Registry.

PID	00864082	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	1.0 ACRE(S)	Parcel Access	PUBLIC	Manag. Unit	MU1306
Lot		Updated	Jun 16, 2005 02:41:10PM	Created	May 04, 2004 09:31:25AM
PDCA Status	APPROVED	Municipal Unit	MUNICIPALITY OF THE COUNTY OF PICTOU	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Jun 04, 2004 12:07:58PM		
Location		County	Primary Location	Source	
GRANTON ABERCROMBIE ROAD ABERCROMBIE		PICTOU COUNTY	Yes	Not Assigned by Municipality	
Comments					
MAP 04B1387NE					
Assessment Account	Value	Tax District	Tax Ward	Tax Sub	
04277619	\$10,800 (2008 RESIDENTIAL TAXABLE)	09	000	0	

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	TEE SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1G0	DEED	2005	82218828 View Doc		Jun 16, 2005	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
MARITIME TELEGRAPH & TELEPHONE COMPANY LIMITED	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT / RIGHT OF WAY	1952	0 View Doc	Book 240 Page 312	Mar 25, 1952
NOVA SCOTIA POWER COMMISSION	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT / RIGHT OF WAY	1965	0 View Doc	Book 490 Page 34	Jan 01, 1965
NOVA SCOTIA POWER COMMISSION	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT / RIGHT OF WAY	1970	0 View Doc	Book 569 Page 192	Jan 01, 1970

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder	Interest Holder	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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(Qualifier)	Type								
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
JP MORGAN CHASE BANK, N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2J2	CORR. TO RECORD/CANCEL AN INTEREST	2004	81137526 View Doc		Dec 21, 2004
JP MORGAN CHASE BANK, N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2J2	CORR. TO RECORD/CANCEL AN INTEREST	2005	81640071 View Doc		Mar 31, 2005

Parcel Description

ALL THAT CERTAIN LOT, piece or parcel of land, situate, lying and being at Abercrombie, in the County of Pictou and Province of Nova Scotia and bounded and more fully described as follows:

BEGINNING on the Western side of the main road leading from New Glasgow to Abercrombie Wharf at the North-east angle of lands formerly belonging to one Maggie Fraser and Lena Fraser, now owned by Kimberly-Clark Nova Scotia;

THENCE Westerly, along the said Northern boundary line of the said lands now owned by Kimberly-Clark Nova Scotia, for the distance of one side of a square of land having an area of one acre;

THENCE Northerly, parallel to the Western margin of aforesaid highway, along lands of Kimberly-Clark Nova Scotia, for the distance of one side of a square of land having an area of one acre;

THENCE in an Easterly direction, along lands of Kimberly-Clark Nova Scotia, parallel to the Northern side line of the aforesaid lands of Maggie Fraser and Lena Fraser as now owned by Kimberly-Clark Nova Scotia, to the Western

boundary of the aforesaid highway;

THENCE along the said Western boundary of the aforesaid highway its several courses to the PLACE OF BEGINNING;

BEING AND INTENDED TO BE a square of land, one acre in area, and being a portion of the lands conveyed by one Annie MacDonald to J. W. Sinclair by deed dated November 19, A.D., 1935 and registered in the Registry of Deeds Office at Pictou, Nova Scotia in Book 253, at Page 238;

ALSO BEING AND INTENDED TO BE the same land conveyed by J. E. (Ted) Scanlan, Trustee to Scott Worldwide, Inc. by Indenture dated June 29, 1990 and as recorded in the Office of the Registrar of Deeds for Pictou County on the same date in Book 1045, at Page 578;

ALSO BEING AND INTENDED TO BE the fourth parcel contained in a deed from Kimberly-Clark Worldwide, Inc. to Kimberly-Clark Nova Scotia, said Indenture dated the 17th day of July, A.D., 1997 and recorded in the Office of the Registrar of Deeds for Pictou County on July 18, 1997 in Book 1244, at Page 764, as Document No. 4195.

THE ABOVE DESCRIBED PROPERTY is subject to a utility easement as granted by Peter A. Sinclair et ux Bessie B. Sinclair to Maritime Telegraph and Telephone Company Limited, said grant dated the 23rd day of February, A.D., 1952 and recorded in the Office of the Registrar of Deeds for Pictou County on March 22, 1952 in Book 240, at Page 312, said grant being more particularly described as follows:

WE HERBY GRANT, bargain and sell unto the said Maritime Telegraph and Telephone Company Limited, its successors and assigns, the right and authority to construct, reconstruct, operate and maintain its line of telephone and telegraph, consisting of such poles, wires, cables, conduits, guys, anchors and other fixtures and appurtenances as Maritime Telegraph and Telephone Company Limited may, from time to time, require upon, across, over and or under the property which Peter A. Sinclair et ux have any interest, in the School Section of Abercrombie, County of Pictou and Province of Nova Scotia, described as follows:

SITUATE on the western side of the New Glasgow to Abercrombie Highway;

BOUNDED on the northerly side by lands, now or formerly, owned by James Grant;

ON THE southerly side by lands, now or formerly, owned by Alexander Ellis;

AND ALSO UPON, along, over and or under the roads, streets or highways crossing and or adjoining the said property in which Peter A. Sinclair et ux have any interest, with the right to have the Maritime Telegraph and Telephone Company Limited employees enter upon the property at any time for the purposes of placing, replacing, maintaining and inspecting its lines and other properties;

AND ALSO THE RIGHT to cut, keep cut and remove such trees and brush as the Maritime Telegraph and Telephone Company Limited may consider necessary for the erection, maintenance and satisfactory operation of the lines, but in no case beyond a distance of 50 feet from the said lines;

AND THE RIGHT TO PERMIT the attachment of and or carry in conduit, wires and cables of any other company;

TO HAVE AND TO HOLD unto the Maritime Telegraph and Telephone Company Limited, its successors and assigns forever;

RESERVING unto Peter A. Sinclair et ux the right of cultivating, tilling and raising industrial crops on such portions of the said lands and premises as are not used by the Maritime Telegraph and Telephone Company Limited for the purposes of this grant;

PETER A. SINCLAIR et ux for himself, his heirs, executors, administrators and assigns, hereby covenants to and with the Maritime Telegraph and Telephone Company Limited, its successors and assigns, that no wire line will be erected or permitted on said property which will interfere with its service or endanger its lines;

THE MARITIME TELEGRAPH AND TELEPHONE COMPANY LIMITED covenants, promises and agrees with Peter A. Sinclair et ux that it will at all times compensate them for any damage which Maritime Telegraph and Telephone Company Limited may do to the industrial crops of Peter A. Sinclair et ux, in the exercise of its right of entry upon the said lands at any time for the purpose of inspection and maintaining the said lines of telephone and telegraph;

THE ABOVE DESCRIBED PROPERTY is also subject to a grant of an easement from Peter A. M. Sinclair to The Nova Scotia Power Commission by an Indenture dated the 2nd day of June, A.D., 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on November 22, 1965 in Book 490, at Page 34, said grant being more particularly described as follows:

WHEREAS the said Commission proposes to erect a transmission line to convey electric power and energy to certain parts of Pictou County and is acquiring right of way privileges for same;

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the sum of One Dollar of lawful money of Canada and of other good and valuable consideration paid by the Commission to the said Peter A. M. Sinclair, the receipt whereof is hereby acknowledged, the said Peter A. M. Sinclair hereby grants and conveys unto the Commission the perpetual privilege, right, easement and license of erecting and maintaining a line of poles or towers and wires with all necessary foundations, anchors and guy wires hereinafter referred to as the TRANSMISSION LINE, for the purpose of conveying electric power and energy, over and across lands of Peter A. M. Sinclair, situated in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia;

THE CENTER LINE OF SAID TRANSMISSION LINE to follow the center line now established by the Commissions route survey;

BEGINNING on the northern boundary of lands of Alexander Ellis;

THENCE North 20 degrees, 00 minutes East, a distance of 70 feet, more or less, to the western boundary of lands of the Abercrombie to New Glasgow Highway;

THE DESCRIBED CENTER LINE being indicated by a red line on the lot numbered 20 on the plan hereto annexed (Plan recorded in Book 490, Page 34);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line, upon a strip of land 100 feet wide, lying 50 feet on both sides of the said center line of proposed transmission line, hereinafter referred to as the RIGHT OF WAY, and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

AND to enter upon and across said land from time to time and at all times with vehicles, machinery, equipment and materials as deemed expedient for all purposes whatsoever, in fulfillment of the privileges granted herein;

PROVIDED HOWEVER that Peter A. M. Sinclair may make claim for actual damage by vehicle and mechanized equipment to field crops, fences and access roads;

TO HAVE AND TO HOLD the said privileges, rights, easement and license hereby granted unto the said Commission, its successors or assigns forever;

AND the said Peter A. M. Sinclair doth hereby for himself and his heirs, executors, administrators and assigns covenant with the said Commission, its successors or assigns that he will not place or cause to be placed any structure or other thing upon said right of way which in the opinion of the Commission is deemed an obstruction;

THE ABOVE DESCRIBED PROPERTY is also subject to a grant of an easement from Peter A. M. Sinclair to The Nova Scotia Power Commission by an Indenture dated the 2nd day of April, A.D., 1969 and as recorded in the Office of the Registrar of Deeds for Pictou County on June 8, 1970 in Book 569, at Page 192, said grant being more particularly described as follows:

WHEREAS the said Commission proposes to erect a transmission line to convey electric power and energy to the Canso Chemicals Plant, Abercrombie, Pictou County and is acquiring right of way privileges for same;

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the sum of One Dollar of lawful money of Canada and of other good and valuable consideration paid by the Commission to the said Peter A. M. Sinclair, the receipt

whereof is hereby acknowledged, the said Peter A. M. Sinclair hereby grants and conveys unto the Commission the perpetual privilege, right, easement and license of erecting and maintaining a line of poles or towers and wires with all necessary foundations, anchors and guy wires, hereinafter referred to as the ~~TRANSMISSION LINE~~, for the purpose of conveying electric power and energy, over and across lands of Peter A. M. Sinclair situate in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia, bounded northeasterly by the public highway leading to Abercrombie Point and on all other sides by lands of Scott Maritimes Pulp Limited;

THE CENTER LINE of said transmission line beginning on the southern boundary of said lands of Peter A. M. Sinclair at a point distant 104 feet, more or less, westerly along said boundary from its intersection with the southwestern boundary of the said public highway;

THENCE northeasterly, a distance of 60 feet, more or less, to an angle in said center line;

THENCE northerly, a distance of 164 feet, more or less, to meet the northern boundary of aforesaid lands of Peter A. M. Sinclair at a point distant 11 feet, more or less, westerly along same from the said southwestern boundary of the aforesaid public highway;

THE DESCRIBED CENTER LINE being indicated by a red line on the plan numbered A2-T15-L2-2 hereto annexed (Plan No. 78 in File 19 at Pictou Registry);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line upon a strip of land 66 feet wide, lying 33 feet on both sides of the said center line of the proposed transmission line, hereinafter referred to as the RIGHT OF WAY and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

AND to enter upon and across said lands from time to time and at all times with vehicles, machinery, equipment and materials as deemed expedient for all purposes whatsoever, in fulfillment of the privileges granted herein;

PROVIDED HOWEVER that the said Peter A. M. Sinclair may make claim for actual damage by vehicles and mechanized equipment to field crops, fences and access roads;

PROVIDED ALSO that the said Peter A. M. Sinclair may maintain all existing buildings that lie within the limits of the aforesaid right of way;

TO HAVE AND TO HOLD the said privileges, rights, easement and license hereby granted unto the said Commission, its successors or assigns forever;

AND the said Peter A. M. Sinclair doth hereby for himself and his heirs, executors, administrators and assigns covenant with the said Commission, its

successors or assigns that he will not place or cause to be placed any structure or other thing upon said right of way which in the opinion of the Commission is deemed as obstruction.

PID	65166829	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	11.0 ACRE(S)	Parcel Access	PUBLIC	Manag. Unit	MU1306
Lot		Updated	Jun 16, 2005 02:44:07PM	Created	May 11, 2004 02:20:28PM
PDCA Status	APPROVED	Municipal Unit	MUNICIPALITY OF THE COUNTY OF PICTOU	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Jul 12, 2004 04:19:31PM		
Location		County	Primary Location	Source	
GRANTON ABERCROMBIE ROAD ABERCROMBIE		PICTOU COUNTY	Yes	Not Assigned by Municipality	
Comments					
Assessment Account	Value		Tax District	Tax Ward	Tax Sub
09759956	\$2,300 (2008 COMMERCIAL FOREST)		09	000	0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	EE - SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1E0	DEED	2005	82218828 View Doc		Jun 16, 2005	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registratio Date
JPMORGAN CHASE BANK N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2J2	CORR TO RECORD/CANCEL AN INTEREST	2004	81117526 View Doc		Dec 21, 2004
JPMORGAN	DEBENTURE	200 BAY	CORR. TO	2005	81640071		Mar 31, 2005

CHASE BANK N.A., TORONTO BRANCH	HOLDER	ST SUITE 1800 TORONTO ON CA M5T 2T2	RECORD/CANCEL AN INTEREST	View Doc
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Parcel Description

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the North-east by the South-west boundary of the Granton Road at Abercrombie, in the County of Pictou, Province of Nova Scotia, said lot being more particularly described as follows:

BEGINNING at the intersection of a North boundary of land of The Nova Scotia Power Corporation and the South boundary of the said Granton Road;

THENCE South 75 degrees, 40 minutes, 33 seconds West (Grid), a distance of 75 feet, more or less, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE continuing, in the same direction, a distance of 908.0 feet, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE North 12 degrees, 24 minutes East (Grid), a distance of 925 feet, more or less, along the East boundary of land of others, to the South boundary of the said Granton Road;

THENCE Northerly, Easterly and Northerly, a distance of 1500 feet, more or less, along the boundary of the said Granton Road, to the POINT OF BEGINNING;

AN AREA containing 11 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529, at Page 105;

PID	65168130	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	0.5 ACRE(S)	Parcel Access	NO ACCESS	Manag. Unit	MU1306
Lot	PARCEL 3	Updated	Mar 31, 2005 01:31:13PM	Created	Jul 19, 2004 10:13:35AM
PDCA Status	APPROVED	Municipal Unit	TOWN OF NEW GLASGOW	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Mar 29, 2005 05:05:59PM		

Location	County	Primary Location	Source
GRANTON ABERCROMBIE ROAD ABERCROMBIE	PICTON COUNTY	Yes	Not Assigned by Municipality

Comments				
MAP 04B137/NE				

Assessment Account	Value	Tax District	Tax Ward	Tax Sub
09529896	\$100 (2008 COMMERCIAL FOREST)	09	000	0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
MEENALL PAPER COMPANY OF CANADA	FEE SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1G0	DEED	2004	76752162 View Doc	Book 1496 Page 344	Nov 30, 2004	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
NOVA SCOTIA POWER INC	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT / RIGHT OF WAY	1968	1046	Book 532 Page 131	Jun 10, 1968

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
JPMORGAN CHASE BANK N.A. TORONTO BRANCH	DEBENTURE HOLDER	HALIFAX NS CA	DEBENTURE	2004	76752303 View Doc	Book 1496 Page 352	Nov 30, 2004

Parcel Description

All and Singular that certain lot, piece or parcel of land, situate, lying and being bounded on the South by the North boundary of the existing diversion to the Abercrombie Road, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being the land over which the old railway formerly owned by the Intercolonial Coal Company was constructed and shown partially on plan No. A.F.E. 17-5-380-138-66, showing the property required for the Begg Brook Interchange, as prepared by the Department of Highways for the Province of Nova Scotia, and dated January 17th, 1967 and being expropriated by an instrument for same dated August 11, 1969 and recorded in the Office of the Registrar of deeds for Pictou County on August 13th, 1969 in File 16 as No. 56, said parcel being more particularly described as follows:

Beginning at the intersection of the Southeast boundary of land as conveyed by Henry I. W. Bigney and Mabel G. Bigney to Her Majesty the Queen, in the Right of Canada for the use of the Canadian Government Railways (Book 493, Page 26) and a Southwest boundary of land formerly of Scott Maritimes Pulp Limited, now Neenah Paper Company of Canada, said point of intersection being South 62 degrees, 35 minutes, 56 seconds East (Astronomic), a distance of 106.6 feet from the intersection of the Northwest boundary of said Railway land and the said boundary of land of Neenah Paper Company of Canada;

Thence South 62 degrees, 35 minutes, 56 seconds East (Astronomic), a distance of 37 feet, more or less, along the said Southwest boundary of land formerly of Scott Maritimes Pulp Limited, now of Neenah Paper Company of Canada, to the East boundary of land formerly of the Intercolonial Coal Company;

Thence Southerly, along a Western boundary of land formerly of Henry T. W. Bigney, now of Neenah Paper Company of Canada, a distance of 480 feet, more or less, or until it meets the North boundary of the abovementioned diversion to the Abercrombie Road, said point being 125 feet perpendicular distance from center line of same;

Thence in a Westerly direction, parallel to and 125 feet perpendicular distance from the center line of the said diversion to the Abercrombie Road, on the arc of a curve to the left, a distance of 65 feet, more or less, to a point of curvature;

Thence South 00 degrees, 10 minutes West (Magnetic 1965), a distance of 25 feet, along a West boundary of the said diversion to the Abercrombie Road, to a point, said point being 100 feet perpendicular distance from the center line of said diversion;

Thence North 89 degrees, 50 minutes West (Magnetic 1965), parallel to and 100 feet perpendicular distance from the center line of said diversion, a distance of 40 feet, more or less, to the West boundary of land formerly of the said Intercolonial Coal Company and an East boundary of land formerly of the said Henry I. W. Bigney and Mabel Bigney;

Thence North 09 degrees, 04 minutes East (Magnetic 1965) a distance of 290 feet, more or less, along the West boundary of the former Coal Company land and the East boundary of land formerly of the said Bigneys to a point in the Southeast boundary of land of Her Majesty the Queen, in the right of Canada as occupied by the Canadian National Railway;

Thence North 07 degrees, 09 minutes, 24 seconds East (Astronomic), a distance of 263.45 feet, along the Southeast boundary of the said land of Her Majesty the Queen, to the Point of Beginning;

An Area containing 0.5 acres, more or less;

Being and Intended to be all of the land formerly owned by the Intercolonial Coal Company which adjoined land recently owned by Henry I. W. Bigney and Mabel Bigney;

Subject to a utility interest of Nova Scotia Power Commission as described in document number 1046 at Book 532, Page 131 registered June 10, 1968;

The subdivision is validated by Section 291 of the Municipal Government Act.

PID	01045442	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	5.24 ACRE(S)	Parcel Access	PRIVATE (BY GRANT)	Manag. Unit	M01306
Lot	LOT 2	Updated	Mar 31, 2005 01:31:45PM	Created	May 20, 2004 01:16:13PM
PDCA Status	APPROVED	Municipal Unit	TOWN OF NEW GLASSBORO	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Mar 29, 2005 05:03:42PM		
Location					
GRANTON ABERCROMBIE ROAD ABERCROMBIE		County	PICTOU COUNTY	Primary Location	Yes
				Source	Not Assigned by Municipality
Comments					
MAP 04B137/NE					
Assessment Account					
Value		Tax District		Tax Ward	Tax Sub
09529853		41,100 (2008 COMMERCIAL FOREST)		09	000 0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	FEF SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1G0	DEED	2004	16752162 View Doc	Book 1496 Page 344	Nov 30, 2004	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
NOVA SCOTIA POWER INC	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT/RIGHT OF WAY	1968	<u>1046</u>	Book 552 Page 131	Jun 10, 1968

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
JPMORGAN CHASE BANK, N.A. (TORONTO BRANCH)	DEBENTURE HOLDER	HALIFAX NS CA	DEBENTURE	2004	<u>76752303</u> View Doc	Book 1496 Page 352	Nov 30, 2004

Parcel Description

Beginning at the point of intersection of the Northwestern boundary of the Canadian National Railways right of way with the Northerly boundary of the Granton-Abercrombie road connector and 100 feet perpendicularly distant from the centre line of construction thereof;

Thence in a Westerly direction following the boundary of the aforesaid connector and parallel to the said centre line a distance of 80 feet, more or less, or until it meets the Easterly boundary of the Access Road to Scott Maritimes Pulp mill and 50 feet perpendicularly distant from the centre line of construction thereof;

Thence following a course of North 04 degrees, 17.5 minutes East along the boundary of the aforesaid Access Road and parallel to the said centre line, a distance of 1047 feet, more or less, or until it meets the boundary between lands of Her Majesty the Queen and the lands of Scott Maritimes Pulp Limited;

Thence following a course of South 39 degrees, 07 minutes East, along the alignment of the last mentioned boundary, a distance of 568 feet, more or less, or until it meets the Northwestern boundary of the Canadian National Railways right of way;

Thence following a course of South 40 degrees, 49.5 minutes West along the boundary of the aforesaid right of way, a distance of 695 feet, more or less, to the point of beginning;

Containing 5.24 acres, more or less;

Subject to a utility interest of Nova Scotia Power Commission as described in document number 1046 at Book 532, Page 131 registered June 10, 1968;

The subdivision is validated by Section 291 of the Municipal Government Act.

PID	65076366	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	2.5 ACRE(S)	Parcel Access	PUBLIC	Manag. Unit	MU1306
Lot	PARCEL 2	Updated	Jun 16, 2005 02:43:12PM	Created	Aug 04, 1999 12:00:00AM
PDCA Status	APPROVED	Municipal Unit	TOWN OF NEW GLASGOW	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Jul 09, 2004 01:16:42PM		
Location					
GRANTON ABERCROMBIE ROAD ABERCROMBIE		County	PICTOU COUNTY	Primary Location	Yes
				Source	Not Assigned by Municipality
Comments					
MAP 04B1377NE					
Assessment Account					
Value		Tax District		Tax Ward	Tax Sub
09089624		1500 (2008 COMMERCIAL FOREST)		09	000 0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	FEF SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1G0	DEED	2005	82218828 View Doc		Jun 16, 2005	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registratio Date
JP MORGAN CHASE BANK N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5T 2T2	CORR TO RECORD/CANCEL AN INTEREST	2004	81117526 View Doc		Dec 21, 2004
JP MORGAN	DEBENTURE	200 BAY	CORR. TO	2005	81640071		Mar 31, 2005

CHASE BANK N.A., TORONTO BRANCH	HOLDER	ST SUITE 1800 TORONTO ON CA M5J 2J2	RECORD/CANCEL AN INTEREST	View Doc
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Parcel Description

ALL AND SINGULAR THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the South by the North boundary of the existing Abercrombie Road, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being land over which the access road to the Kimberly-Clark Nova Scotia pulp mill is constructed and shown on plan no. A.F.E. 17-5-380-138-66 showing the property required for the Begg Brook Interchange as prepared by the Department of Highways for the Province of Nova Scotia and dated January 17, 1967, said parcel being more particularly described as follows:

BEGINNING at the intersection of the West boundary of the said access road to land of Kimberly-Clark Nova Scotia and the North boundary of a diversion to the Abercrombie Road, which point being Easterly a distance of 190 feet, more or less, from the point of intersection of the Easterly boundary of Begg Brook, at the mean high water mark, with the Northerly boundary of the said diversion to the Abercrombie Road, said point of beginning also being 100 feet perpendicular distance from the center line of the said diversion;

THENCE in a Northerly direction, parallel to and 50 feet perpendicular distance from the center line of the said access road, a distance of 1160 feet, more or less, or until it meets the boundary between land formerly of Henry I. W. Bigney, now of Kimberly-Clark Nova Scotia and land formerly of Scott Maritimes Pulp Limited, now also of Kimberly-Clark Nova Scotia;

THENCE in a Southeasterly direction, following the alignment of the last mentioned boundary, a distance of 150 feet, more or less, or until it meets the Easterly boundary of the aforesaid access road to land of Kimberly-Clark Nova Scotia and 50 feet perpendicular distance from the center line thereof;

THENCE in a Southwesterly direction, parallel to and 50 feet perpendicular distance from the center line of the said access road, a distance of 1045 feet, more or less, or until it meets the abovementioned Northerly boundary of a diversion to the Abercrombie Road and 100 feet perpendicular distance from the center line of same;

THENCE in a Westerly direction, parallel to and 100 feet perpendicular distance from the center line of said diversion, a distance of 106 feet, to the POINT OF BEGINNING;

AN AREA CONTAINING 2.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Her Majesty The Queen, in the Right of Her Province of Nova Scotia, from Henry I. W. Bigney and Mabel G. Bigney by an Instrument of Expropriation prepared under the provisions of the Expropriation Act and dated January 31, 1967 and recorded in the Office of the Registrar of Deeds for Pictou County on February 6, 1967 as File 14, No. 43;

ALSO BEING AND INTENDED TO BE PARCEL 2 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated the 24th day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

PID	65168163	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	16.92 ACRES	Parcel Access	PRIVATE (BY GRANT)	Manag. Unit	MU1306
Lot	LOT 1	Updated	Mar 31, 2005 01:45:01PM	Created	Jul 19, 2004 11:04:12AM
PDCA Status	APPROVED	Municipal Unit	TOWN OF NEW GLASGOW	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Mar 29, 2005 04:58:11PM		
Location					
GRANTON ABERCROMBIE ROAD ABERCROMBIE		County	PICTOU COUNTY	Primary Location	Yes
				Source	Not Assigned by Municipality
Comments					
MAP 04B1377NE Portion of Lot 3					
Assessment Account					
Value		Tax District		Tax Ward	Tax Sub
09529969		\$3,600 (2008 COMMERCIAL FOREST)		09	000 0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	FEE SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1G0	DEED	2004	76752162 View Doc	Book 1496 Page 344	Nov 30, 2004	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
NOVA SCOTIA POWER INC.	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)	HALIFAX NS CA	EASEMENT / RIGHT OF WAY	1968	1046	Book 532 Page 131	Jun 10, 1968

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
JPMORGAN CHASE BANK N.A. TORONTO BRANCH	DEBENTURE HOLDER	HALIFAX NS CA	DEBENTURE	2004	76752303 View Doc	Book 1496 Page 352	Nov 30, 2004

Parcel Description

All that certain lot, piece or parcel of land situate lying and being at or near the District of Granton, County of Pictou, Province of Nova Scotia, described as follows:

Beginning at the point of intersection of the Southeastern boundary of the original road leading from Granton to Abercrombie with the boundary between the lands of Her Majesty the Queen under the administration and control of the Department of Lands and Forests and the lands now or formerly of Scott Maritimes Pulp Limited;

Thence following a course of South 39 degrees, 07 minutes East, along the alignment of the last mentioned boundary, a distance of 475 feet, more or less, or until it meets the Westerly boundary of an access road to the Scott Maritimes Pulp Mill and 50 feet perpendicularly distant from the centre line of construction thereof;

Thence following a course of South 04 degrees, 17.5 minutes West along the boundary of the aforesaid access road and parallel to the said centre line, a distance of 1162 feet, more or less, or until it meets the Northerly boundary of the Granton-Abercrombie Road connector and 100 feet perpendicularly distant from the centre line of construction thereof.

Thence following a course of North 89 degrees, 50 minutes West along the boundary of the last mentioned connector, a distance of 190 feet, more or less, or until it meets the Easterly margin of Begg Brook;

Thence in a Northerly, Northeasterly, Northwester, Westerly and Southwesterly direction following the various windings of the margin of the aforesaid brook, a distance of 1625 feet, more or less, or until it meets the Northeasterly boundary of the Begg Brook interchange.

Thence following a course of North 41 degrees, 10 minutes West, along the boundary of the aforesaid interchange, a distance of 48 feet, more or less, or until it meets the Easterly boundary of Trunk Highway #106 and 100 feet perpendicularly distant from the centre line of construction thereof;

Thence in a Northeasterly direction following the boundary of the aforesaid highway and parallel to the said centre line a distance of 330 feet, more or less, or until it meets the Southeasterly boundary of the original Granton-Abercrombie road and 33 feet perpendicularly distant from the centre line thereof;

Thence in a Northeasterly direction following the boundary of the aforesaid original road and parallel to centre line thereof, a distance of 924 feet, more or less, to the point of beginning;

Containing 16.92 acres, more or less;

Subject to a utility interest of Nova Scotia Power Commission as described in
~~document number 1046 at Book 532, Page 131 registered June 10, 1968;~~

The subdivision is validated by Section 291 of the Municipal Government Act.

PID	65076358	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	1.4 ACRE(S)	Parcel Access	PUBLIC	Manag. Unit	MU1306
Lot	PARCEL 1	Updated	Jun 16, 2005 02:42:45PM	Created	Aug 04, 1999 12:00:00AM
PDCA Status	APPROVED	Municipal Unit	TOWN OF NEW GLASGOW	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Jul 09, 2004 01:18:03PM		

Location	County	Primary Location	Source
GRANTON ABERCROMBIE ROAD ABERCROMBIE	PICTOU COUNTY	YES	Not Assigned by Municipality

Comments

MAP 04B137/NE

Assessment Account	Value	Tax District	Tax Ward	Tax Sub
09089616	\$300 (2008 COMMERCIAL FOREST)	09	000	0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	FREE SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1G0	DEED	2005	82218828 View Doc		Jun 16, 2005	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
JP MORGAN CHASE BANK, N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5T 2B2	CORR. TO RECORD/CANCEL AN INTEREST	2004	81117526 View Doc		Dec 21, 2004
JP MORGAN CHASE BANK, N.A.,	DEBENTURE HOLDER	200 BAY ST SUITE 1800	CORR. TO RECORD/CANCEL AN INTEREST	2005	81640671 View Doc		Mar 31, 2005

TORONTO
BRANCH

TORONTO
ON CA
M5J 2J2

Parcel Description

ALL AND SINGULAR THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the South-west by the East boundary of Highway No. 106, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being land over which the Old Granton Road was constructed and shown on plan no. A.F.E. 17-5-380-138-66 showing the property required for the Begg Brook Interchange as prepared by the Department of Highways for the Province of Nova Scotia and dated January 17, 1967, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly of Henry I. W. Bigney, now Kimberly-Clark Nova Scotia and the East boundary of said Highway No. 106, which point being Northerly a distance of 2041 feet, more or less, from the point of intersection of the East boundary of said Highway with the Northerly boundary of land of the Canadian National Railway, said point of beginning also being 100 feet perpendicular distance from the center line of said Highway No. 106 and 33 feet perpendicular distance from the center line of the Old Granton Road;

THENCE in a Northerly direction, parallel to and 33 feet perpendicular distance from the center line of the said Old Granton Road, a distance of 924 feet, more or less, or until it meets the boundary between land formerly of Henry I. W. Bigney, now of Kimberly-Clark Nova Scotia and land formerly of Scott Maritimes Pulp Limited, now also of Kimberly-Clark Nova Scotia;

THENCE North 38 degrees, 45 minutes West, a distance of 66 feet, more or less, or until it meets the North-west boundary of the aforesaid Old Granton Road and a South-east boundary of land of Kimberly-Clark Nova Scotia and 33 feet perpendicular distance from the center line of said Road;

THENCE in a Southwesterly direction, parallel to and 33 feet perpendicular distance from the center line of the said Old Granton Road, a distance of 850 feet, more or less, to a point in the East boundary of Highway No. 106, said point being 100 feet perpendicular distance from the center line of said Highway;

THENCE South 03 degrees, 50 minutes West, parallel to and 100 feet perpendicular distance from the center line of said Highway No. 106, a distance of 106 feet, more or less, to the POINT OF BEGINNING;

AN AREA CONTAINING 1.4 acres, more or less;

BEING AND INTENDED TO BE all of the Old Granton Road lying Northeast of Highway No. 106;

ALSO BEING AND INTENDED TO BE PARCEL 1 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated the 24th

day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

PID	65076382	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	0.02 ACRE(S)	Parcel Access	PUBLIC	Manag. Unit	MU1306
Lot	PARCEL 4	Updated	Jun 16, 2005 02:43:41PM	Created	Aug 04, 1999 12:00:00AM
PDCA Status	APPROVED	Municipal Unit	TOWN OF NEW GLASGOW	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	18/09/2004 12:55:08PM		
Location		County	Primary Location	Source	
GRANTON ABERCROMBIE ROAD ABERCROMBIE		PICTON COUNTY	Yes	Not Assigned by Municipality	
Comments					
MAP 04B1377NE					
Assessment Account	Value		Tax District	Tax Ward	Tax Sub
09089640	\$100 (2008 COMMERCIAL FOREST)		00	000	0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	FREE SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M 1G0	DEED	2005	82218828 View Doc		Jun 16, 2005	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registratio Date
JP MORGAN CHASE BANK N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2J2	CORR. TO RECORD/CANCEL AN INTEREST	2004	81117526 View Doc		Dec 21, 2004
JP MORGAN	DEBENTURE	200 BAY	CORR. TO	2005	81640071		Mar 31, 2005

CHASE BANK, N.A. TORONTO BRANCH	HOLDER	ST SUITE 1800 TORONTO ON CA M5J 2J2	RECORD/CANCEL AN INTEREST	View Doc
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Parcel Description

ALL THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the Southwest by the Eastern boundary of Highway No. 106, at Abercrombie, County of Pictou and Province of Nova Scotia, said parcel being portion of the land expropriated from Naiff Harris, said parcel being more particularly described as follows:

BEGINNING at the intersection of the Eastern boundary of Highway No. 106 and the Northwestern boundary of the North Granton Road, said point being a perpendicular distance of 33 feet Northerly from the centre line of the said Old Granton Road;

THENCE in a Northerly direction parallel to and 100 feet perpendicular distant Easterly from the centre line of Highway No. 106, a distance of 34 feet, more or less, to the Northwestern boundary of lands expropriated from Naiff Harris;

THENCE North 65 degrees, 55 minutes East, along the said Northern boundary, a distance of 70 feet, more or less, to a point, said point being on the Northwestern boundary of the Old Granton Road;

THENCE in a Southwesterly direction along the Northern boundary of said Old Granton Road, a distance of 96 feet, more or less, to the POINT OF BEGINNING;

CONTAINING an area of 0.02 acres, more or less;

BEING AND INTENDED TO BE all that portion of the land expropriated from Naiff Harris that lies North-east of the said Highway No. 106;

ALSO BEING AND INTENDED TO BE PARCEL 4 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated the 24th day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

PID	65166837	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	5.5 ACRE(S)	Parcel Access	PUBLIC	Manag. Unit	MU1306
Lot		Updated	Jun 16, 2005 02:44:31PM	Created	May 11, 2004 02:20:29PM
PDCA Status	APPROVED	Municipal Unit	MUNICIPALITY OF THE COUNTY OF PICTOU	Manner of Tenure	NOT APPLICABLE
LR Status	AND REGISTRATION	LR Date	Jul 12, 2004 04:20:57PM		

Location	County	Primary Location	Source
NO 106 HIGHWAY ABERCROMBIE	PICTOU COUNTY	Yes	Not Assigned by Municipality

Comments

LOC 106 HIGHWAY

Assessment Account	Value	Tax District	Tax Ward	Tax Sub
09759964	\$1,200 (2008 COMMERCIAL FOREST)	09	000	0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	FEE SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M1G0	DEED	2005	82218828 View Doc		Jun 16, 2005	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
JP MORGAN CHASE BANK, N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2J2	CORR. TO RECORD/CANCEL AN INTEREST	2004	81117526 View Doc		Dec 21, 2004
JP MORGAN CHASE BANK, N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2J2	CORR. TO RECORD/CANCEL AN INTEREST	2005	81640071 View Doc		Mar 31, 2005

Parcel Description

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the East by the West boundary of Highway No. 106 and bounded on the West by the ordinary high water mark of the Middle River, in Abercrombie, in the County of Pictou and Province of Nova Scotia, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly owned or occupied by Naiff Harris, now owned by Her Majesty The Queen in the Right of the Province of Nova Scotia and the West boundary of Highway No. 106;

THENCE South 65 degrees, 55 minutes West (Magnetic 1965), a distance of 200 feet, more or less, along the said North-west boundary of land formerly of Naiff Harris, to the mean high water mark of the Middle River;

THENCE Northerly and Easterly, a distance of 1200 feet, more or less, along the said mean high water mark of the Middle River, to the intersection with the West boundary of Highway No. 106;

THENCE Southerly, along the West boundary of the said Highway No. 106, to the POINT OF BEGINNING;

AN AREA containing 5.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529 at Page 105;

PID	65168148	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	0.25 ACRE(S)	Parcel Access		Manag. Unit	MU1306
Lot		Updated	Dec 03, 2004 03:03:41PM	Created	Jul 19, 2004 10:13:37AM
PDCA Status	No Description	Municipal Unit	TOWN OF NEW GLASGOW	Manner of Tenure	NOT APPLICABLE

Location	County	Primary Location	Source
GRANTON ABERCROMBIE ROAD ABERCROMBIE	PICTOU COUNTY	Yes	Not Assigned by Municipality

Comments

MAP 04B1377NF
Portion of Lot 3

Assessment Account	Value	Tax District	Tax Ward	Tax Sub
09529934	\$100 (2008 COMMERCIAL FOREST)	09	000	0

Top of Form

Owner Name	Interest Holder Type	Qualifier	Province	Country
NEENAH PAPER CO OF CANADA	FEE SIMPLE			

Inst Type	Inst No	Year	Type	Book/Page	Registration System	Registration Date
Document	<u>76752303</u> View Doc	2004	DEBENTURE	Book 1496 Page 352	REGISTRY OF DEEDS	Nov 30, 2004
Document	<u>76752162</u> View Doc	2004	DEED	Book 1496 Page 344	REGISTRY OF DEEDS	Nov 30, 2004

Inst Type	Inst No	Year	Type	Plan Name	Drawer Number	Registration Date
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No Plans Found

Inst Type	Inst No	Year	Type	Plan Name	Filing Reference	Instrument Date
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No Non-Registered Instruments Found

Parcel Relationships

Related PID	Type of Relationship
<u>65076374</u>	PARENT PARCEL NUMBER

PID	65076374	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	1.25 ACRE(S)	Parcel Access		Manag. Unit	MU1306
Lot		Updated	Dec 03, 2004 03:03:40PM	Created	Aug 04, 1999 12:00:00AM
PDCA Status	No Description	Municipal Unit	TOWN OF NEW GLASGOW	Manner of Tenure	NOT APPLICABLE

Location	County	Primary Location	Source
GRANTON ABERCROMBIE ROAD ABERCROMBIE	PICTOU COUNTY	Yes	Not Assigned by Municipality

Comments

MAP 04B1377NE
Portion of Lot 3

Assessment Account	Value	Tax District	Tax Ward	Tax Sub
09089632	\$900 (2008 COMMERCIAL FOREST)	09	000	0

Top of Form

Owner Name	Interest Holder Type	Qualifier	Province	Country
NEENAH PAPER CO OF CANADA	FEE SIMPLE			

Inst Type	Inst No	Year	Type	Book/Page	Registration System	Registration Date
Document	76752303 View Doc	2004	DEBENTURE	Book 1496 Page 352	REGISTRY OF DEEDS	Nov 30, 2004
Document	76752162 View Doc	2004	DEED	Book 1496 Page 344	REGISTRY OF DEEDS	Nov 30, 2004
Document	3089 View	1999	ORDER (TRANSFERRING/NOT JUDGMENT)	Book 1316 Page 219	REGISTRY OF DEEDS	Jul 16, 1999

	Doc					
	4195					
Document	View	1997	DEED	Book 1244 Page 764	REGISTRY OF DEEDS	Jul 18, 1997
	Doc					

Inst Type	Inst No	Year	Type	Plan Name	Drawer Number	Registration Date
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No Plans Found

Inst Type	Inst No	Year	Type	Plan Name	Filing Reference	Instrument Date
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No Non-Registered Instruments Found

Parcel Relationships

Related PID	Type of Relationship
65168130	INFANT PARCEL
65168148	INFANT PARCEL

PID	00957290	Parcel Type	STANDARD PARCEL	Status	ACTIVE
Area	2.92 ACRE(S)	Parcel Access	PUBLIC	Manag. Unit	MU1305
Lot		Updated	Jun 16, 2005 02:42:19PM	Created	Apr 28, 2004 11:46:17AM
PDCA Status	APPROVED	Municipal Unit	TOWN OF NEW GLASGOW	Manner of Tenure	NOT APPLICABLE
LR Status	LAND REGISTRATION	LR Date	Jun 21, 2004 04:18:23PM		
Location		County	Primary Location	Source	
298 WILLOW AVENUE NEW GLASGOW		PICTOU COUNTY	Yes	Not Assigned by Municipality	
Comments					
MAP 04C1303NF					
Assessment Account	Value		Tax District	Tax Ward	Tax Sub
04203507	\$258,200 (2008 RESIDENTIAL TAXABLE)		00	030	0

Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date	NS Non-Res?
NEENAH PAPER COMPANY OF CANADA	FEE SIMPLE	251 LANCASTER CRES DEBERT NS CA B0M-1G0	DEED	2005	82218828 View Doc		Jun 16, 2005	No

Farm Loan Board - Occupants & Mailing Addresses

Name	Interest Holder Type	Mailing Address
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No Records Found

Benefits to the Registered Interests

Benefit Details	Interest Holder Type	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Burdens on the Registered Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Textual Qualifications on Title

Qualifications Text

Tenants in Common not registered pursuant to the *Land Registration Act*

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
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No Records Found

Recorded Interests

Interest Holder (Qualifier)	Interest Holder Type	Mailing Address	Type	Year	Doc #	Book/Page/Plan	Registration Date
JP MORGAN CHASE BANK N.A. TORONTO BRANCH	DEBENTURE HOLDER	200 BAY ST SUITE 1800 TORONTO ON CA M5J 2J2	CORR TO RECORD/CANCEL AN INTEREST	2004	81117526 View Doc		Dec 21, 2004
JP MORGAN	DEBENTURE	200 BAY	CORR. TO	2005	81640071		Mar 31, 2005

CHASE BANK N.A., TORONTO BRANCH	HOLDER	ST SUITE 1800 TORONTO ON CA M5J 2J2	RECORD/CANCEL AN INTEREST	View Doc
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Parcel Description

ALL THAT CERTAIN lot, piece or parcel of land, situate, lying and being in the Town of New Glasgow, in the County of Pictou and Province of Nova Scotia and more particularly bounded and described as follows:

BEGINNING at a point on the Southern boundary of Willow Avenue, 450 feet from the intersection of the Southern boundary of Willow Avenue and the Western boundary of Pine View Crescent;

THENCE South 07 degrees, 30 minutes West, along the Western boundary of lands owned by Francis Adamson, 270 feet, to a point;

THENCE North 82 degrees, 00 minutes West, along the Northern boundary of a proposed street extension, 125 feet, to a point;

THENCE South 07 degrees, 30 minutes West, along the Western boundary of lands owned by Dr. Bruce Miller, 299 feet, to a point;

THENCE North 80 degrees, 00 minutes West, along the Northern boundary of lands owned by Francis Adamson and his wife Ellen Margaret Adamson, 198 feet, to a point;

THENCE North 07 degrees, 30 minutes West, along the Eastern boundary of lands owned by Lloyd Millen, a distance of 560 feet, to the boundary of Willow Avenue;

THENCE South 82 degrees, 00 minutes East, along the boundary of Willow Avenue, a distance of 320 feet, to the PLACE OF BEGINNING;

BEING AND INTENDED TO BE the same land as acquired by Scott Maritimes Pulp Ltd. From Francis Adamson and his wife Ellen Margaret Adamson by an Indenture dated the 17th day of June, A.D., 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on June 25, 1965 in Book 482, at Page 8.

Tree Nursery Site

PID 20451761

ALL AND SINGULAR THAT CERTAIN PARCEL OF LAND situate, lying and being at East Mines in the County of Colchester, more particularly described as follows;

Beginning at a survey marker Sn165, located on the Northeastern boundary of the Canadian National Railway and also being the Northwestern corner of lands now or formerly of the Nova Scotia Farm Loan Board, and also being 83 degrees, 45 minutes, 26 seconds, a tie distance of 362.27 metres from Nova Scotia Control Monument 12832;

Thence 75 degrees, 18 minutes, 13 seconds along the Northern boundary of Nova Scotia Farm Loan Board lands a distance of 336.365 metres to point of intersection with a private access road leading to the Plains Road.

Thence 159 degrees, 53 minutes, 13 seconds, along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 204.186 metres to a point;

Thence 138 degrees, 38 minutes, 13 seconds, continuing along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 101.188 metres to a point;

Thence 165 degrees, 18 minutes, 13 seconds, continuing along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 89.319 metres to a point of intersection with the Northern boundary of the Plains Road;

Thence 78 degrees, 17 minutes, 57 seconds, along the Northern boundary of the said road a distance of 18.280 metres to a point, said point also being the Southwestern corner of other lands now or formerly of the Nova Scotia Farm Loan Board;

Thence 345 degrees, 18 minutes, 13 seconds, along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 92.940 metres to a point;

Thence 318 degrees, 38 minutes, 13 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 101.791 metres to a point;

Thence 339 degrees, 53 minutes, 13 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 200.967 metres to a Post and Stones S164;

Thence 339 degrees, 01 minutes, 44 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands, a distance of 99.593 metres to Post and Stones S163;

Thence 74 degrees, 58 minutes, 04 seconds, along the Northern boundary of other Nova Scotia Farm Loan Board lands, a distance of 207.896 metres to Post and Stones S162;

Thence 344 degrees, 42 minutes, 52 seconds, along the Western boundary of lands now or formerly of Carl and Marion Esau, a distance of 838.761 metres to Post and Stones Sn232;

Thence 82 degrees, 19 minutes, 01 seconds, along the Northern boundary of Esau lands and lands now or formerly of Charles and Ardith King, a distance of 576.020 metres to Post and Stones Sn231, and also being the Southwestern corner of lands now or formerly of Kevin and Tracy Bigney;

Thence 345 degrees, 25 minutes, 40 seconds, along the Western boundary of Bigney lands, a distance of 190 metres, more or less, to a point of intersection with the Ordinary High Water Mark of the Southern boundary of a small brook;

Thence following along the Southern boundary of said brook, in a Westerly direction to a point of intersection with the Ordinary High Water Mark of the Eastern boundary of the Folly River;

Thence following along the Eastern boundary of the Folly River in a Southerly direction, a distance of 75 metres, more or less, to survey marker S4044 and being the Northwestern corner of lands now or formerly of Glendon R. Light ;

Thence 81 degrees, 30 minutes, 00 seconds, along the Northern boundary of Light lands, a distance of 296.675 metres to survey marker S4043 and being the Northeastern corner of Light lands.

Thence 162 degrees, 14 minutes, 03 seconds, along the Eastern boundary of Light lands a distance of 608.953 metres to a Post and Stones Sn234 located on the Northeastern boundary of the Canadian National Railway;

Thence following along the Northeastern boundary of the Canadian National Railway in a Southeasterly direction to Survey Marker S165 and being 129 degrees, 11 minutes, 08 seconds, a tie distance of 561.336 metres from last mentioned Post and Stones Sn234, and also being the Point of Beginning;

A plot of land containing 266.3 acres, more or less;

All azimuths are grid derived from the Nova Scotia Control Monument System referenced to the Nova Scotia 3 degrees Transverse Mercator Projection, Zone 5, Central Meridian at 64 degrees, 30 minutes West, unless noted in the description herein.

The parcel is exempt from the subdivision provisions of Part IX of the Municipal Government Act because all lots being created, including the remainder lot, exceed 10 hectares in area as per Section 268 (2)(a) of the Municipal Government Act.

NPNS APA

Schedule 3.1(i)(i)

Tenant Real Property Leases**Property Leases**

- [1] (a) Archive Storage – Glasgow Realities
 (b) Plus Extension Letter

Lessor: Avenue Equities Limited
 Lessee: Neenah Paper Company of Canada
 Title: 100 MacGregor Avenue, Stellarton, Nova Scotia (warehouse for archive storage)
 Date: May 1, 2003
 Term: 60 months plus a 36 month extension letter

- [2] Debert Offices Province of Nova Scotia

Lessor: Province of Nova Scotia
 Lessee: Neenah Paper Company of Canada
 Title: Debert Tree Breeding Center, (Office space for the woodlands staff)
 Date: July 19, 2007
 Term: 60 months

- [3] Pulp Storage – Canso Super port
 (a) Pulp Storage
 (b) Pulp Storage

Lessor: Strait of Canso Superport Corporation Limited
 Lessee: Neenah Paper Company of Canada
 Title: Warehouse space at the Mulgrave dock for pulp storage
 Date: July 1, 2004 and May 1, 2005
 Term: Month to Month

- [4] Pulp Storage – Town of Stellarton (PO)

Lessor: Town of Stellarton
 Lessee: Neenah Paper Company of Canada
 Title: Neenah Paper Purchase Order
 Date: Annual PO

[5] Pulpwood Storage Yard

Lessor: Conform Limited
Lessee: Neenah Paper Company of Canada
Title: Pulpwood Storage Yard
Date: 3 month term. Expiry: May 14, 2008

[6] Pulpwood Storage Yard

Lessor: Parsons Wood Products Limited
Lessee: Neenah Paper Company of Canada
Title: Pulpwood Storage Yard
Date: 3 month term. Expiry: May 14, 2008

[7] Pulpwood Storage Yard

Lessor: Evergreen Forest Products Ltd.
Lessee: Neenah Paper Company of Canada
Title: Pulpwood Storage Yard
Date: 1 year term. Expiry: February 1, 2009

NPNS APA**Schedule 2.1(f)****List of Assumed Contracts**

Except for open purchase orders for the purchase or sale of goods and services in the ordinary course of business or as otherwise discussed in this Schedule, this Schedule 2.1(f) identifies the Contracts of the Purchased Businesses.

Except as stated in the Collective Agreement, there are no contracts relating to the Collective Agreements.

The Benefit Plans are listed in Schedule 3.1(m)(i) hereto.

See also the Boat Harbour documents listed in Schedule 2.3(b).

(See attached)



List of Assumed
Contracts.xls



Pictou Assignment / Notification Log

Category 1P Contracts - Unrestricted Assignment

#	M/M	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Agreement Name	Sent
1	Mr.	Gerrard	Mattie	A&G Crane Rentals	PO Box 1030 BS Angus Macquarrie Dr	Antigonish	NS	B2G2L6	902-863-6836	Blanket Construction Contract NPI BL-2005-0033 Dated 9/1/05	
2	Mr.	Dave	Montgomery	Black & McDonald LTD	10 Payeani Avenue Burnside Ind. Park	Dartmouth	NS	B381Z6	902-468-8101	Blanket Construction Contract NPI BL-2005-0020 Dated 3/7/05	
3	Mr.	Peter	Parnell	Sunny Corner Enterprises, Inc.	255 Dalton Avenue Miramiche	Miramiche	NB	E1V 3C4	506-622-6600	Blanket Construction Contract NPI BL-2005-004 Dated 3/7/05	
4	Mr.	Jim	Dunn	East Coast Capital	100 Windmill Road #4	Dartmouth	NS	B3B1L7	902-481-4455	Radio Lease	
5	Mr.	Gary	Bruin	Superior Propane	470 MacNaughton Avenue	Mdncbton	NS	E1H2K1	877-873-7467	Propane Supply & Equipment Agreement	
6	Ms.	Karen	English	Shred-It	114 Chain Lake Drive	Halifax	NS	B2S1B2	902-468-5706	Document Destruction Agreement	
7	Mr.	Norman	Brissor	Multichem, Inc.	1570 Ampere #106	Boucherville	Quebec	J4B7L4		Methanol Supply Agreement	
8	Mr.	Blair	McIsaac	BDI Canada	6235 Tomken Road	Mississauga	Ontario	L5T1K2	902-753-1168	Partnership Agreement	
9	Mr.	Jerome	Dick	Babcock & Wilcox Canada, Ltd.	PO box 25065 Station A	Toronto	Ontario	M5W 2X8	902-463-0832	Blanket Construction Contract NPI BL-2006-001 Dated 10/1/06	
10	Mr.	Gordon	Ferris	Kent Line Sales	300 Union Street, 2nd Floor	Saint John	NB	E2L 3X1	506-632-1660	Contract for Freight Dated 10/30/06	
11	Mr.	Marlo	Messier	Iogen Corp	300 Hunt Club Road	Ottawa	Ontario	K1V1C1	613-733-9830	Enzyme Treatment Program	
12	Mr.	Terry	Costain	Honeywell, Ltd.	300 Yorkland Blvd	North York	Ontario	M2J1S1	519-383-3707	Services Agreement #12932	
13	Ms.	Kelly	Oddi	Inven Systems Canada, Inc.	880 Laurentian Drive	Burlington	Ontario	L7N3V6	905-637-6015	Avantis XA	
16	Mr.	John	Plgott	T.L. Ashford	525 West 5th Street	Covington	KY	41011	800-541-4839	Barcode Software	
17	Ms.	Cindy	Starck	Hawkeye Information Systems	PO Box 2167	Fort Collins	CO	80522	970-498-9000	Path Finder Software	
18	Ms.	Kate	Reschenburg	Help Systems	6533 Flying Cloud Drive 200	Eden Prairie	MN	55344	952-933-0809	EZ View & Robot Softward	
19	Ms.	Betty	Bailes	Enterprise Resolutions	2905 Shawnee Industrial Way	Suwanee	GA	30024	678-714-3400	Jet Form/ WIZ PAK 400	
20	Mr.	Al	Casas	Ricomm Systems	1300 Route 73 suite 205	Mt Laurel	NJ	8054	856-359-9020	Rtape	
21	Ms.	Kate	Mitchell	Software 2000	25 Communications Way	Hyannis	MA	2601	508-778-2000	Software Schedule	
22	Mr.	Patik	Shah	Advance Systems Concepts	1300 Woodfired Road #310	Schhaumburg	IL	60173	847-605-1311	SQL Database Reporting Tool	
23	Mr.	Jeff	Maddis	Computer Associates	1 Park Plaza 11270 West Park Place #370	Milwaukee	WI	53224	414-359-0880	XCOM Software	
24	Mr.	Paul	Schlieben	Soft Landing Systems	6 MacDowell Road	Peterborough	NH	03458	800-545-9485	Change Control	
25	Ms.	Susan	Grinker	PentSafe, Inc.	333 North Sam Houston Parkway E	Houston	TX	77060	713-418-5159	PS Audit / Secure	

Category 1P Contracts - Unrestricted Assignment

#	M/M	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Agreement Name	Sent
26	Ms.	Susan	Grinker	Showcase						Quer Tool	
28	Mr.	Tom	MacLeod	Honeywell, Ltd.	300 Yorkland Blvd	North York	Ontario	M2J1S1	403-509-1243	Services Agreement # 12931/14503	
29	Ms.	Sheila	Cooper	GMAC/Northumberland Pontiac Buick/GMC	610 West villard	New Glasgow	NS	B2H 5F7	802-755-8904	2002 GMC 2500 Lease	
31	Ms.	Regan	Graves	Caterpillar Financial Services	700 Dorval Drive - #705	Oakville	Ontario	L6K 3V3	800-991-4046	DBT Lease - S/n Catood8TkP200560	
32	Mr.	Matt	Flynn	Pinney Bowes	113 Ilsley Avenue	Dartmouth	NS	3B31S3	902-468-5150	Postage Meter Lease	
33	Ms.	Sheila	Cooper	GMAC/Northumberland Pontiac Buick/GMC	610 West villard	New Glasgow	NS	B2H 5F7	902-755-8904	Pontiac Montana Lease	
34	Mr.	Gordon	Shupe	MacTerra LTD	9156 Highway 224	Upper Musquodoboit	NS	B0N 2M0		A/R Repayment Schedule	
35	Col		Lee	Commissionaires Nova Scotia	PO box 2063	Halifax	NS	B3J 3K5		Security Services	
36	Mr.	Roy	Budgell	Cape Breton & Central Nova Scotia Railway LTD	121 King Street	Stellarton	NS	B0K 1S0	902-752-3351	Customer Agreement dated 4/12/2006	
37	Mr.	Richard	Siegel	Shepell-fgl	1505 Barrington Street #1201	Halifax	NS	B3J 3K5		Employee Services Agreement	
38	Mr.	Tom	Clark	Flexxair Mnfgr	10430-180 Street	Edmonton	NS	T5S 1C3		CD Rom License	
39	Mr.	Mike	Boudreau	BBC Central Security	335 George Street	Sydney	NS	B1P 1J7	888-535-9555	Monitoring Agreements for Acct 6183/6184	
40		Judy		Linen & Uniform	PO Box 9228 - Stn A	Halifax	NS	B3K 5M8	902-830-8404	Mat Agreement	
41		Customer	Service	Nova Scotia Power	PO Box 910	Halifax	NS	B3J 2W5		Truck Entrance Lighting #0545801	
42		Kendal	Sexton	Peak Technologies	272 George Street	Monton	NB	E1C1Wc	506-857-4056	Service Agreements	
43				Pictou Landing First Nation	Site 6, PO Box 55, RR#2	Trenton	NS	B0K 1X0		Memorandum dated 9/27/01	
44	Mr.	Bill	McRae	SPSS	233 South Wacker Drive	Chicago	IL	60606	312-651-3000	Showcase	
45	Mr.	Dick	Easton	Comteck Services	99 Ledgewood Hills Drive	Nashua	NH	03082		NM Server SNMP Agent Lic P4) Software	
46				AutoDesk Inc.	111 McInnis Parkway	San Rafael	CA	94903		CADD License	
47	Mr.	Howard	Diederich	SSA Global	500 West Madison #1600	Chicago	IL	60661	312-258-6000	Infinium	
48	Ms.	Charlotte	Taylor	Weyerhaeuser	Corporate Headquarters	Tacoma	WA	98477		Chip Sizing Process License	
49	Mr.	Billy	Ford	Kemira Chemicals Canada, Inc.	1380 County Road #2	Maitland	Ontario	K0E1P0	800-688-5992	Defoamer Agreement	
50		D.E.	Hiltz	Nova Scotia Dept of Environment	PO Box 2107	Halifax	NS	B3J3B7	902-424-2557	Industrial Approval 98-033 (Operating License	

Category 2P Contracts - Req For Consent

#	M/M	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Agreement Name	Sent
1	Mr	Greg	Sweet	Blue Wave Energy	Unit 8-51	Dartmouth	NS	B3B 1T6	902-481-6220	Indenture of Lease Dated 8/13/1999 between K-C Nova Scotia and Laurant Fuels LTD	
2	Mr.	Samuel		Avenue Equity Ltd.	185 Degrossie Street	Toronto	Ontario	M4M 2K8	416-593-2467	Lease Agreement for 100 MacGregor Ave dated April 30, 2003 + Extension letter for 3 year term.	
3		J.A.	Kurelek	Praxair Canada, Inc.	1 City Centre Drive	Mississauga	Ontario	L5B1M2		Gas Supply and Service Agreement	
4	Mr.	Charles	Witlock	Pioneer Chemicals	700 Louisiana Street #4300	Houston	TX	77002	713-570-3200	Sodium Hydroxide Supply Agreement #CS-05-18	
5	Mr.	Joe	Plut	Norfolco Sales, Inc.	6755 Mississauga Road #304	Mississauga	Ontario	L5N7Y2	619-924-2237	Sulphuric Acid Sales Agreement #S-000480	
6		T.W.	DeWire	Ashland Speciality Chemical Co.	One Drew Plaza	Boonton	NJ	07500	973-236-7886	Drewfax 342 Supply Agreement	
7	Mr.	Alex	Vegega	Arkema	2000 Market Street	Philadelphia	PA	19103	215-419-7190	Hydrogen Peroxide Supply Contract #2004-01730	
8	Mr.	Peter	Otway	EKA Chemicals Canada, Inc.	1775 West Oak Commons Ct.	Marietta	GA	30062	770-321-5803	Sodium Chlorator Supply Agreement	
9	Mr.	Mark	Fartl	New Page	PO Box 9500	Port Hawkesburg	NS	B9A1A1	902-625-6163	Pulp Supply Agreement dated Nov 1, 2006	
10	Mr	Adi	Chindy	Kimberly-Clark Company	2300 Winchester Road	Neenah	WI	54956	920-721-4529	Pulp Supply Agreement as amended 8/29/2006	
11	Mr.	Adam	Bonner	Ekman (Sweden)	Ekelundsgatan 1	Gothenburg	Sweden	401-23	011 44 1865 784380	Pulp Supply Agreement	
12	Mr.	Denis	Castonquay	Verso Paper		BucksPort	ME	04416	207-469-4224	Pulp Supply Agreement	
13	Mr.	Jay	Gammon	Quality Transportation Services	PO Box 6457	Ashland	VA	23005	804-550-5455	Rail Tracking Services	
14	Mr.	Gordon	Colpits	Xerox	1949 Upper Water Street	Halifax	NS	B3J 3N3	902-446-4146	S/N 3et005916 Copier Lease	
15	Mr	Roy	Budgell	Cape Breton & Central Nova Scotia Railway LTD	121 King Street	Stellarton	NS	B0K 1S0	902-752-3351	Rail Car Lease	
16	Ms	Kim	Rodgers	Citicapital	97 Simonds Drive	Dartmouth	NS	B3B 1NK	902-468-1210	Lift Truck Lease - S/N AT87A10249	
17	Ms	Kim	Rodgers	Citicapital	97 Simonds Drive	Dartmouth	NS	B3B 1NK	902-468-1210	Lift Truck Lease - S/N AT87A10259	
18	Ms	Kim	Rodgers	Citicapital	97 Simonds Drive	Dartmouth	NS	B3B 1NK	902-468-1210	Lift Truck Lease - S/N AT87A10261	
19	Ms	Kim	Rodgers	Citicapital	97 Simonds Drive	Dartmouth	NS	B3B 1NK	902-468-1210	Lift Truck Lease - S/N AT87A10280	
20	Ms	Kim	Rodgers	Citicapital	97 Simonds Drive	Dartmouth	NS	B3B 1NK	902-468-1210	Model GC45K-LB SWB	
21	Ms	Kim	Rodgers	Citicapital	97 Simonds Drive	Dartmouth	NS	B3B 1NK	902-468-1210	Crown Lift S/N-9A145503	
22				Elmsdale Lumber LTD	604 Hwy 2	Elmsdale	NS	B25 1A7		Fiber Exchange Agreement Dated 7/18/2005	

Category 2P Contracts - Req For Consent

#	M/M	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Agreement Name	Sent
23	Mr	Michael	O'Donnell	Marwood LTD	PO Box 338- Station A	Fredricton	NB	E3B 4Z9		Fiber Exchange Agreement Dated 10/16/2006	
24		Michele	Russell	Allant						Maintenance Service agreement	
25	Mr	Garry	Belbin	Imperial Oil	1600 Bedford Highway -- 1600	Bedford	NS	B4A 1E8		Heavy Fuel Agreement	
26	Mr			J.D. Irving, LTD	PO Box 5777	Saint John	NB	E2L 4M3		Fiber Exchange Agreement between NPC and J. D. Irving Limited, dated July 27, 2006	
27				Ledwidge Lumber Company LTD	PO Box 39	Enfield	NS	B2T 1C6		Fibre Exchange Agreement between Kimberly - Clark Inc. and Ledwidge Lumber Company Limited, dated May 3, 2004	
28				Hoeg Brothers Lumber LTD	RR 2	Southampton	NS	B0M 1S0		Fibre Exchange Agreement (softwood sawmill chips and sawlogs) between Kimberly - Clark Inc. and Hoeg Brothers Lumber Ltd., dated March 1, 2004	
29				C.E. Harrison & Sons LTD	RR 1	Parrsboro	NS	B0M 1S0		Fibre Exchange Agreement (softwood sawmill chips and sawlogs) between Kimberly - Clark Inc. and C. E. Harrison and Sons Limited, dated January 1, 2004	
30	Mr	Gordon	Shupe	MacTerra LTD	9156 Highway 224	Upper Musquodoboit	NS	B0N 2M0		Fibre Exchange Agreement (softwood sawmill chips, sawlogs, studwood) between Kimberly - Clark Inc. and MacTara Limited, dated December 1, 2003	
31	Mr	Ron	Cresman	Marwood LTD	PO Box 338- Station A	Fredricton	NB	E3B 4Z9		Fibre Exchange Agreement between NPC and Marwood Limited, dated October 16, 2006	
32	Mr	Tim	Gilfoy	Strait of Canso Superport Corp LTD	PO Box 238	Mulgrave	NS	B0E 2G0		Lease Agreement between Strait of Canso Superport Corporation Limited and Kimberly - Clark Nova Scotia, dated May 1, 2005	
33	Mr.	Mark	Comeau	Ancor Motors -- Toyota Financial	80 Micro Court #200	New Glasgow	NS	L3R 9Z5	902-752-4171	Lease agreement between Anchor Motors/Toyota RNR-BU14RP	
34				Nova Scotia Depart. Of Environment and Labour	PO Box 676	New Glasgow	NS	B2H 5E7		Industrial Approval PID: 00864538	
35	Mr.	Gordon	Colpits	Xerox	1949 Upper Water Street	Halifax	NS	B3J 3N3	902-446-4147	Engineering Wide Format Scanner	

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Category 1W Contracts - Unrestricted Assignment

#	Category	Association	M/M	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Agreement Name	Sent
1	Operating	MIHI				Telus Mobility	200 Conslum Place #1600	Scarborough	Ontario	M1H 3J3		Cell Phone Agreements	
2	Operating	MIHI				Remson	77 Westmorland Street, Suite 100	Fredericton	NS	B3B 6Z3		Optimizer Software & Maintenance dated 5/13/07	
3	Operating	MIHI	Dr	David	MacLean	Faculty of Forestry and Environmental Management, University of New Brunswick	PO Box 44555	Fredericton	NB	E3B 6C2	506-453-4501	Forest Modeling	
4													
5	Operating	MIHI	MR	Chuck	Saugater	Nova Scotia Dept. of Environment & Labour	PO Box 2107	Halifax	NS	B3J 3B7		Data Sharing Agreement	
6	Operating	MIHI	MR	Michael	Minick	Nova Scotia Dept. of Transportation & Public Works	PO Box 166	Halifax	NS	B3J 2Z8		Digital Data Redistribution Agreement	
7	Operating	MIHI	MR	Jorge	Beyeler	Nova Scotia Dept. of Natural Resources	PO Box 88	Truro	NS	B2N 5B8		Digital Geographic Data Use License	
8	Operating	MIHI	MR	Wayne	Faulkner	Nova Scotia DeEnvironment & Labour	PO Box 824	Truro	NS	B2N 5G8		Construction of Temporary Bridge Structures within the Province of Nova Scotia	
9	Owned	MIHI				Ducks Unlimited Canada	PO Box 430, #84, Highway 6	Amherst	NS	B4H 3Z5		Data Use Agreement	
10	Operating	MIHI	MR	Tim	McGrath	Nova Scotia Dept. of Natural Resources	PO Box 88	Truro	NS	B2N 5B8	902-393-5685	Nova Scotia Growth & Yield Model	
11	Operating	MIHI	Mr.	Brad	Dillon	Evergreen Forest Products						Lease Agreement dated August 1, 2007	
12	Operating	MIHI	Mr	Carl	Yates	Halifax Regional Water Commission	PO Box 8386, Station "A"	Halifax	NS	B3K 5M1		Land Sale and Stumpage Agreement Dated June 14, 2002	
13	Nursery	MIHI			Multiple	Stora/Bowater/NBDNR/Inving	Multiple in one Agreement					Memorandum of Understanding - Cooperative Tree Breeding Program	
14	Operating	MIHI	Mr.	Bonnie	Gunning	Service Nova Scotia and Municipal Affairs	PO Box 1523	Halifax	NS	B3J2Y3		Data Use License #H0442	
15	Crown	MIHI				Nova Scotia Dept. of Natural Resources	1701 Hollis Street	Halifax	NS	B3J 2I9		Crown Land Agreement dated 9/9/66	
16	Pulp Mill Property	MIHI				K-Vision Limited						Long Term Lease of Abecrombie on Pulp Mill property	
17	Pulp Mill Property	MIHI	Mr	Raeburn	Kennedy		RR# 3 Station Main	New Glasgow	NS	B2H 5C8		Agricultural Lease - Annual renewal (Fields on mill Property)	
18	Woodlot Agreement	MIHI	Mr	Walter	Mumby		2113 Folkway Dr.	Mississauga	ON	L5L 3Q3		Woodlot Management Agreement	28-Aug-09 8003
19	Woodlot Agreement	MIHI				Scouts Canada	3232 Quinpool Rd.	Halifax	NS	B3L 1A5		Woodlot Management Agreement	8-Jun-20 8017
20	Woodlot Agreement	MIHI				Pictou County Scouts	P.O. Box 997	New Glasgow	NS	B2H 6K7		Woodlot Management Agreement	17-Jun-20 8018
21	Woodlot Agreement	MIHI		Ann and Glen	Manthorne	Ann & Glen Manthorne	32 Townsend Ave.	Amherst	NS	B4H 2K2		Woodlot Management Agreement	21-Dec-24 8026
22	Woodlot Agreement	MIHI				Town of New Glasgow	Provost St.	New Glasgow	NS	B2H 5E1		Woodlot Management Agreement	29-Mar-21 8028
23	Woodlot Agreement	MIHI	Mr	Frank	Cullen		261 Washington St.	New Glasgow	NS	B2H 3L9		Woodlot Management Agreement	18-Mar-22 8037
24	Woodlot Agreement	MIHI	Mr	Fraser	King		RR#3	Merigomish	NS	B0K 1G0		Woodlot Management Agreement	22-Mar-23 8050
25	Woodlot Agreement	MIHI				Robert Forbes, Katherine Tutty & Fred Forbes	200 Grant St.	New Glasgow	NS	B2Y 3Y5		Woodlot Management Agreement	17-Apr-23 8051
26	Woodlot Agreement	MIHI				Howard Locke - estate	770 East River Road	New Glasgow	NS	B2H 3S1		Woodlot Management Agreement	19-Apr-23 8054

Category 1W Contracts - Unrestricted Assignment

#	Category	Association	M/M	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Agreement Name	Sent		
27	Woodlot Agreement	Mill				Giles Resources	28 Balmoral St.	Riverview	NB	E1B 2P6		Woodlot Management Agreement		2-Jun-23	8055
28	Woodlot Agreement	Mill	Mr	Robert H.	Butcher		182 North Road	Peacedale	Rt. USA	02803		Woodlot Management Agreement		20-Sep-23	8057
29	Woodlot Agreement	Mill	Mr	Ambrey	Butcher		P.O. Box 846, South Hill Rd.	Pittfield	VT, USA	05702		Woodlot Management Agreement		15-Oct-23	8058
30	Woodlot Agreement	Mill	Mrs	Florence A.	Cameron		C/O R.B. Cameron, Maritime Steel	New Glasgow	NS	B2H 5B9		Woodlot Management Agreement		7-Oct-23	8059
31	Woodlot Agreement	Mill	Mr	Lawrence	Nason		RR#2	Upper Stewiacke	NS	B0N 2P0		Woodlot Management Agreement		15-Jan-24	8062
32	Woodlot Agreement	Mill	Mrs	Eleanor	Anderson		RR#2	Piclou	NS	B0K 1H0		Woodlot Management Agreement		9-Jul-24	8070
33	Woodlot Agreement	Mill	Mr	Blair	Albrecht		685 Middle Road Turnpike	Woodbury	CT, USA	06798		Woodlot Management Agreement		10-Sep-24	8074
34	Woodlot Agreement	Mill	Mr	Alan	Johnston	Mr Alan Johnston and Mrs Mildred Johnston	11080 Hidesaway Lake Dr.	Anchorage	Alaska,	99516		Woodlot Management Agreement		22-Oct-09	8075
35	Woodlot Agreement	Mill	Mr	William	Frasor		4 Briardale Dr.	St. Catharines	ON	L2T 2Z2		Woodlot Management Agreement		31-Dec-23	8078
36	Woodlot Agreement	Mill	Ms	Catherine Mar	Watson		RR#1	New Glasgow	NS	B2H 5C5		Woodlot Management Agreement		17-Jun-25	8088
37	Woodlot Agreement	Mill	Ms	Catherine Gra	MacDonald		RR#3	Merigomish	NS	B0K 1G0		Woodlot Management Agreement		17-Nov-25	8085
38	Woodlot Agreement	Mill				Culverwell Holdings	P.O. Box 2066	Halifax	NS	B3J 2Z1		Woodlot Management Agreement		2-Mar-26	8104
39	Woodlot Agreement	Mill				Culverwell Holdings	P.O. Box 2068	Halifax	NS	B3J 2Z1		Woodlot Management Agreement		2-Mar-26	8105
40	Woodlot Agreement	Mill	Mr	Ronald	Butcher		607 Geneva Park Dr.	Burlington	ON	L7N 3C2		Woodlot Management Agreement		6-Aug-22	8106
41	Woodlot Agreement	Mill	Mr	Douglas Milne	Butcher		600 West Lawrencetown Rd.	Lawrencetown, NS	NS	B2Z 1S5		Woodlot Management Agreement		20-May-22	8107
42	Woodlot Agreement	Mill	Mr	Locke and Ma	Woolley	Locke & Martha Woolley	RR#3	Merigomish	NS	B0K 1G0		Woodlot Management Agreement		18-Apr-11	8108
43	Woodlot Agreement	Mill	Mrs	Isabel	Langlis		11 Ryland Ave.	Dartmouth	NS	B3A 2G4		Woodlot Management Agreement		9-Jun-26	8111
44	Woodlot Agreement	Mill	Mr	Elmer	Williams			Barney's River S	NS	B0K 1A0		Woodlot Management Agreement		25-Mar-26	8114
45	Woodlot Agreement	Mill	Mr	Frank	Cullen		251 Washington St.	New Glasgow	NS	B2H 3L9		Woodlot Management Agreement		12-Jul-17	8119
46	Woodlot Agreement	Mill	Mr	John	Burke		6 Lomond Dr., Apt. 707	Toronto	ON	M8X 2W3		Woodlot Management Agreement		7-Jul-27	8121
47	Woodlot Agreement	Mill				Paujan Limited	115 King St.	Stellarton	NS	B0K 1S0		Woodlot Management Agreement		22-Sep-27	8122
48	Woodlot Agreement	Mill	Mr	Hugh	MacGregor		RR#4	New Glasgow	NS	B2H 5C7		Woodlot Management Agreement		15-Mar-28	8128
49	Woodlot Agreement	Mill				Town of New Glasgow	Provost St.	New Glasgow	NS	B2H 5E1		Woodlot Management Agreement		29-Mar-21	8135
50	Stumpage Agreement	Mill				Atlantic Star Forestry Ltd	150 Oxford Road	Lyme	NH	03768		Non-FSA - Stumpage Agreement between Atlantic Star and Neenah (to harvest on Atlantic Star, at Latties Brook, Hants County) - (Expiry Dec. 31, 2008)			

Category 1W Contracts - Unrestricted Assignment

#	Category	Association	M/M	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Agreement Name	Sent
51	Stumpage Agreement	MIII				Atlantic Star Forestry Ltd	150 Oxford Road	Lyme	NH	03768		Non-FSA - Stumpage Agreement between Atlantic Star and Neenah (to harvest on Atlantic Star, West of Highway 101) - Expiry Dec. 31, 2008	
52	Stumpage Agreement	MIII	Mr	Tom	Colgan	Atlantic Star Forestry Ltd and Nova Star Forestry Ltd	150 Oxford Road	Lyme	NH	03768		As per FSA - Stumpage Agreement between Atlantic Star/Nova Star and Neenah (to harvest on Atlantic Star/Nova Star) - Expiry Dec. 31, 2010	
53	Stumpage Agreement	MIII		James and Sandra	Johnson	Timberland farms	PO Box 1033	TRURO	NS	B2N 5G9		Lump Sum stumpage agreement (West New Annen lands) - Expiry - Dec. 31, 2008	
54	Stumpage Agreement	MIII		Eugene and Jean	Norman		1005 Orchard Dr.	New Minas	NS	B4N 3L5		Lump Sum stumpage agreement (Upper Musquodoboit lands) - Expiry - Jan 24, 2010	
55	Stumpage Agreement	MIII	Mr	Aubrey	Carter		RR # 3	AMHERST	NS	B4H 3Y1		Lump Sum stumpage agreement (West Wentworth lands) - Expiry - Jan 21, 2009	
56	Stumpage Agreement	MIII	Mr	Craig	Harrison	C.E. Harrison and Sons	RR # 1	PARRSBORO	NS	B0M 1S0		Pay as Cut stumpage Agreement (Red River lands) - Expiry - Dec. 31, 2008	
57	Stumpage Agreement	MIII				North Nova Forest Co-operative	11988 Highway 4	WENTWORTH	NS	B0M 1Z0		Pay as Cut stumpage Agreement (East Village lands) - Expiry - March 31, 2009	
58	Stumpage Agreement	MIII	Mrs	Laurie	Langille	E. & R. Langille Contracting Ltd	114 Pinetree Crescent	New Glasgow	NS	B2H 1B2		Lump Sum stumpage agreement - Expiry - Jan 30, 2009	
59	Stumpage Agreement	MIII	Mr	Gerald	Hoeg	Hoeg Bros Lumber Ltd	1164 Route 302	SOUTHAMPTON	NS	B0M 1W0		Pay as Cut stumpage Agreement (Meccan lands) - Expiry - June 30, 2008	
60	Stumpage Agreement	MIII		James and Helen	Rae		2389 Highfield	Westville	NS	B0K 2A0		Lump Sum stumpage agreement (West Branch lands) - Expiry - Dec. 20, 2009	
61	Stumpage Agreement	MIII				Great Northern Timber Inc. (11011)	1889 Upper Water Street	HALIFAX	NS	B3J 1S9		Pay as Cut stumpage Agreement (Various - Queens, Lunenburg, Annapolis, Halifax Co.) - Expired Oct. 14, 2007, in process of being renewed	
62	Stumpage Agreement	MIII				Great Northern Timber Inc. (11012)	1889 Upper Water Street	HALIFAX	NS	B3J 1S9		Pay as Cut stumpage Agreement (Elizabeth Lake, Bang Falls, Queens Co.) - Expired Oct. 14, 2007, in process of being renewed	
63	Stumpage Agreement	MIII				Nova Scotia Dept. Natural Resources	PO Box 598	Halifax	NS	B3J 2T9		Lump Sum Stumpage agreement (Montague Mines) - Expiry - Dec 31, 2008	
64	Access to Stumpage	MIII				Nova Scotia Dept. of Transportation	608 Maclellans Brook Rd.	New Glasgow	NS	B2H 5C5		Ministers Consent for Highway Access	3/25/2009
65	Access to Stumpage	MIII				Nova Scotia Dept. of Transportation	608 Maclellans Brook Rd.	New Glasgow	NS	B2H 5C5		Ministers Consent for Highway Access	2/14/2009
66	Access to Stumpage	MIII				AbitibiBowater (Bowater Mersey Paper Co.)	Box 1150	Liverpool	NS	B0T 1K0		Stumpage Access	2/28/2009
67	Access to Stumpage	MIII				Ledwidge Lumber	195 Old Post Road, Box 39,	Enfield	NS	B0N 1N0		Stumpage Access	11/4/2009
68	Access to Stumpage	MIII	Mr	Roderick	Dean		RR#1	Londonderry	NS	B0M 1M0		Stumpage Access	3/13/2011
69	Access to Stumpage	MIII				John and Nancy Coldrick	223 104 Armstrong Place,	Canmore	AB	T1W 3L5		Stumpage Access	11/4/2008
70	Access to Stumpage	MIII				Ledwidge Lumber Co. Ltd.	195 Old Post Road, Box 39,	Enfield	NS	B0N 1N0		Stumpage Access	12/9/2008
71	Access to Stumpage	MIII				NSDNR	PO Box 598	Halifax	NS	B3J 2T9		Stumpage Access	12/10/2008

Category 1W Contracts - Unrestricted Assignment

#	Category	Association	NUM	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Agreement Name	Sent		
72	Access to Stumpage	MIII				Bowater Mersey	Box 1150	Liverpool	NS	B0T 1K0		Stumpage Access		11/7/2008	
73	Access to Stumpage	MIII				Nova Scotia Dept. of Natural Resources	190 Beech Hill Road	Antigonish	NS	B2G 2L4		Stumpage Access		2/26/2009	
74	Access to Stumpage	MIII				AbitibiBowater (Bowater Mersey Paper Co.)	Box 1150 Liverpool, NS B0T 1K0	Liverpool	NS	B0T 1K0		Stumpage Access		11/6/2008	
75	Access to Stumpage	MIII	Mr	John	Martin		PO Box 62	Blivahve	MD, USA	21814		Stumpage Access		8/8/2010	
76	Access to Stumpage	MIII	Ms	Kim	Fraser		RR#1	Hopewell	NS	B0K 1C0		Stumpage Access		8/9/2010	
77	Access to Stumpage	MIII	Mr	Gordon	Harkin		RR#3	Saksprings	NS	B0K 1P0		Stumpage Access		8/9/2010	
78	Access to Stumpage	MIII				Brian and Marvella Smith	1601 Lengille Road	Pictou	NS	B0K 1H0		Stumpage Access		1/21/2010	
79	Access to Stumpage	MIII	Mr	Douglas	Sellers		368 Old Pictou Road, RR#2	Pictou	NS	B2N 5B1		Stumpage Access		1/21/2010	
80	Access to Stumpage	MIII				Mary and Steven Murdock et al	RR#1	New Glasgow	NS	B2H 5C4		Stumpage Access		1/30/2009	
81	Access to Stumpage	MIII				S&D MacPhee Forestry Ltd	4065 Highway 14	Upper Rawdon	NS	B0N 2H0		Stumpage Access		2/11/2009	
82	Access to Crown Lease	MIII				Ferrous Holdings Ltd.	519 Prince Street	Truro	NS	B2N 1E8		Road Usage License on Private			
83	Access to Crown Lease	MIII				Prest Brothers	Dougal Prest, General Delivery	Mooseland	NS	B0J 2J0		ROW on Private Land			
84	Access to Crown Lease	MIII	Mr	William	Radden		RR#4	Middle Musquodoboit	NS	B0N 1X0		ROW on Private Land			
85	Access to Crown Lease	MIII	Mr	Roger	Levy		11 Avondale Road	Dartmouth	NS	B2V 1H3		ROW on Private Land			
86	Access to Crown Lease	MIII	Mr	Glen	Boling		48 Gourok Avenue	Dartmouth	NS	B2X 2W8		ROW on Private Land			
87	Access to Crown Lease	MIII				Atlantic Star Forestry and Nova Star Forestry	160 Oxford Road	Lyme	NH	03798		ROW on Private Land			
88	Access to Crown Lease	MIII				Jack Brown Limited	RR#2	Upper Musquodoboit	NS	B0N 2M0		ROW on Private Land			
89	Access to Crown Lease	MIII				Jack Brown Limited	RR#2	Upper Musquodoboit	NS	B0N 2M0		ROW on Private Land			
90	Access to Stumpage Land	MIII	Ms	Amy	West		6327 New Truro Road	Tatamagouche	NS	B0K 1V0		Stumpage Access - Road Usage License on Private		13-Mar-09	
91	Access to Stumpage Land	MIII	Mr	Jim	Reeves		1697 New Tower Road	New Glasgow	NS	B2H 5C8		Stumpage Access - Road Usage License on Private		5-Apr-09	
92	Access to Stumpage Land	MIII	Mr	Gary Francis	MacKay		104 Saller Crescent	Kanata	ON	K2K 1Y7		Stumpage Access - Road Usage License on Private		5-Apr-09	

Category 1W Contracts - Unrestricted Assignment

#	Category	Association	M/M	First Name	Last Name	Company	Street Address	City	State	Zip	Phone	Assignment Name	Sent		
93	Access to Stumpage Land	MIII				Brookfield Lumber Company Ltd.	P.O. Box 37	Brookfield	NS	B0N 1C1		Stumpage Access - Road Usage License on Private		13-Mar-11	
94	Access to Stumpage Land	MIII	Ms	Anne Mae	O'Connor		142 Maple Street	Stellarton	NS	B0K 1Y7		Stumpage Access - Road Usage License on Private		8-Apr-09	
94	Short Term Lease	MIII				Conform Limited	PO Box 101	Middle Musquodoboit	NS	B0N 1X0		Pulpwood storage yard - 3 month term - Feb 14/08		14-May-08	
94	Short Term Lease	MIII				Parsons Wood Products Ltd	PO Box 40	Upper Musquodoboit	NS	B0N 2M0		Pulpwood storage yard - 3 month term - Feb 14/09		14-May-08	

[illegible]

[illegible]

[illegible]

[illegible]

[illegible]

NPNS APA

Schedule 2.3(b)

Boat Harbour Documents

The following is a list of material Boat Harbour Documents:

1. Agreement made September 30, 1970 between Her Majesty the Queen in Right of the Province of Nova Scotia and Scott Maritimes Pulp Limited, as amended and restated by a Memorandum of Understanding made December 1, 1995 between her Majesty the Queen in Right of the Province of Nova Scotia and Scott Maritimes Limited;
2. Memorandum of Understanding made December 1, 1995 between Her Majesty the Queen in Right of the Province of Nova Scotia and Scott Maritimes Limited;
3. Lease made December 31, 1995 between Her Majesty the Queen in Right of the Province of Nova Scotia and Scott Maritimes Limited for the Boat Harbour Effluent Treatment Facility;
4. Licence Agreement made December 31, 1995 between Her Majesty the Queen in Right of the Province of Nova Scotia and Scott Maritimes Limited ;
5. Indemnity Agreement made December 31, 1995 between Her Majesty the Queen in Right of the Province of Nova Scotia and Scott Maritimes Limited;
6. Notice of Lease and Licence made May 6, 1996 between Her Majesty the Queen in Right of the Province of Nova Scotia and Kimberly-Clark Inc. and registered at the Registry of Deeds for the County of Pictou (the "Registry") on May 6, 1996 in Book 1203 at Page 483 as document number 2281;
7. Equipment Lease dated January 1, 1996 between Her Majesty the Queen in Right of the Province of Nova Scotia and Scott Maritimes Limited;
8. Lease Extension Agreement made October 22, 2002 between Her Majesty the Queen in Right of the Province of Nova Scotia and Kimberly-Clark Inc. and registered at the Registry on May 16, 2003 in Book 1458 at Page 564 as document number 1955;
9. Letter of Extension of License Agreement dated November 30, 2006 from the Office of the Deputy Minister, Nova Scotia Transportation and Public Works, by David Darrow, Deputy Minister;
10. Memorandum of Understanding made September 21, 2001 between Kimberly-Clark Inc. and Pictou Landing Indian Band;
11. The First Amendment to the Memorandum of Understanding made September 27, 2001 and dated January 1, 2006 between Neenah Paper Company of Canada and Pictou Landing Indian Band.

NPNS APA

Schedule 3.1(v)(iv)

List of Boat Harbour Documents and Material Engineering and Environmental Studies relating to Boat Harbour

Boat Harbour Documents are listed in Schedule 2.3(b).

The following are material engineering and environmental studies of which Seller is aware that have been carried out since 1991 relating to the wastewater treatment system and surrounding areas at Boat Harbour. Since the Province of Nova Scotia conducted several of these studies, there may be other such studies of which Seller is unaware and Seller may not have copies of such studies in its possession. To the extent that any such studies are in Seller's possession, they have been made available to Purchaser.

- Boat Harbour Treatment Facility Remediation Alternatives - Phase II Final Report (1993) – Jacques Whitford
- Wastewater Treatment Study – Evaluation of Options (1991) – Simons
- An Investigation of Sediment Characteristics at Boat Harbour Treatment Facilities (1992) – Jacques Whitford
- Water Usage Survey (1991) – Simons
- Effluent Improvement Programme (1993) – Beak
- Environmental Benefits of Scott Maritimes Mill Process Changes (1993) – Beak
- Proposed Effluent Reduction Program (1993) – Beak
- Ocean Circulation Study of Pictou Road (1994) – ASL Environmental
- Pulp Mill Effluent Dispersion in Pictou Road (1994) – ASA Consulting
- Boat Harbour Marine Outfall Project – Marine Geophysical Survey Report (1994) – Jacques Whitford
- First Cycle Aquatic Environmental Effects Monitoring Program Boat Harbour Waste Water Treatment Facility (1996) – Jacques Whitford
- Cycle 3 EEM Interpretive Report prepared by Stantec Consulting dated March 2004

- Cycle 4 EEM Interpretive Report prepared by Ecometrix Inc. dated March 2007.
- Cycle 2 Environmental Effects Monitor Program Interpretive Report Evaluation (2000)- Environment Canada
- Risk Analysis Report for Remediation of Boat Harbour Stabilization Lagoon Tidal Flushing Option (2002) - Jacques Whitford, Cantox, Coastal Ocean Associates Inc.
- Human Health Risk Assessment of Pictou Landing Community Exposures Associated with Boat Harbour (1997) – Cantox
- Archaeological Assessment of the Proposed Pipeline from the Boat Harbour Effluent Treatment Facility to Northumberland Strait, Pictou County (1994) - Jacques Whitford
- Initial Environmental Assessment of a Pipeline and Diffuser Proposal for the Boat Harbour Treatment Facility (1994) - Jacques Whitford
- Shoreline Remediation, Boat Harbour Stabilization Lagoon (1997) - Jacques Whitford
- Risk Analysis and Decommissioning Study Indian Reserve No. 37, Boat Harbour, Nova Scotia. (1998)- Jacques Whitford
- 2000 Sediment Sampling at the Boat Harbour Treatment Facility Stabilization Lagoon- A (2001) Jacques Whitford
- IR37 – Aquatic and Terrestrial Monitoring Boat Harbour, Nova Scotia-B (2001) Jacques Whitford
- Return of Boat Harbour to a Tidal Estuary, Project Description-A (2003) - Jacques Whitford
- Boat Harbour EA Evaluation: Sediment Transport Modeling and Conservative Tracer Simulation Final Report (2004)-ENSR
- Preliminary Effluent Diffuser Study for Kimberly-Clark Nova Scotia- A (1999) – ENSR
- Preliminary Effluent Diffuser Study Addendum A: Modeling Evaluation at Location D (1999) – ENSR
- Preliminary Effluent Diffuser Study Addendum B: Modeling Evaluation of Boat Harbour Locations E, F, and G (2001)-ENSR

- HDPE Slip Liner Feasibility (2006). – AMEC
- Depth of the A.S. Basin (2006) – JPS Industries
- Evaluation of Effluent Treatment Alternatives (2000) – Simons
- Wetlands Feasibility Report (2006) – Brown & Caldwell
- Boat Harbour Treated Effluent Pipeline Routing Options (2005) – CBCL
- Pre-diffuser System Report (2000) – ENSR
- Phase I Assessment (Parts) (2004) – InteGreyted International
- Phase I Assessment (Parts) (1997) – Adirondack Environmental Services
- Toxicity Prevention & Remediation Plan (2007) – Neenah Paper
- Effluent Treatment Plant Operating Manual (2003) – Kimberly-Clark Nova Scotia
- Reintroduction of Tidal Influence to Boat Harbour, Pictou County, Nova Scotia. Environmental Assessment (2004) - Jacques Whitford
- Assessment of the Potential for Eutrophication of Boat Harbour (2005) – ENSR
- Benthic Invertebrate Community Survey of Pictou Harbour and Surrounding Waters (2004) – Stantec Consulting Ltd
- Predicted Fate of the Boat Harbour Sediments upon Re-Opening of the Harbour (1994) - ASL Environmental Sciences
- Numerous short reports on various wastewater treatment topics (2006-08) – Callan & Brooks, Inc.
- A Supplementary Study to Assess the Sediment Characteristics of the Estuary at the Boat Harbour Treatment Facility. Report prepared for the Nova Scotia Department of Supply and Services by Jacques Whitford Environment Limited and Beak Consultants Limited, 1993 (NSD8908).
- Supporting Documentation for Application for an Industrial Waste Permit, Boat Harbour Treatment Facility, Pictou Landing, Nova Scotia. Report prepared for Nova Scotia Department of Supply and Services and Nova Scotia Department of Environment by Jacques Whitford Environment Limited, June 23, 1994 (NSD9383).

- Bench Scale Settling Test, Boat Harbour Treatment Facility, Boat Harbour, Nova Scotia. Report prepared for Nova Scotia Department of Supply and Services by Jacques Whitford Environment Limited, November 17, 1994 (NSD9561).
- Groundwater Monitoring Network Sludge Disposal Facility, Boat Harbour Treatment Facility, Pictou Landing, Nova Scotia. Report prepared for Nova Scotia Department of Supply and Services by Jacques Whitford Environment Limited, January 25, 1995 (NSD10166).
- Sediment Chemistry and Biototoxicity at the Boat Harbour Treatment Facility Stabilization Lagoon. Report prepared for Nova Scotia Department of Transportation and Public Works by Jacques Whitford Environment Limited, March 31, 1999 (NSD13248).
- Operation and Maintenance Manual, Boat Harbour Disposal Cell, Boat Harbour Treatment Facility, Nova Scotia. Report prepared for Nova Scotia Department of Transportation and Public Works by Jacques Whitford Environment Limited, September 20, 1999 (NSD13109).
- Effluent and Groundwater Monitoring 2001 Annual Review and Fourth Quarter Report Sludge Disposal Facility, Boat Harbour Treatment Facility, Pictou Landing, Nova Scotia. Report prepared for Nova Scotia Department of Transportation and Public Works by Jacques Whitford Environment Limited, June 28, 2002 (NSD10430).
- Boat Harbour Remediation Options Boat Harbour Treatment Facility (1994)

NPNS APA**Schedule 3.1(bb)(i)****Compliance with Environmental Laws**

See Schedule 3.1(bb)(iv).

Items disclosed in the InteGreyted International Phase I Environmental Site Assessments and Environmental, Health and Safety Compliance Evaluations for the Pictou Mill and the Pictou Fixed-Base Operations and Woodlands (April 2004) are incorporated herein by reference to the extent that any of the items specifically disclosed therein could be considered to have created a situation in the past where a material non-compliance with applicable Environmental Laws existed. As of the date of this Agreement, except as otherwise disclosed herein, there are no current material non-compliances with applicable Environmental Laws.

NPNS APA

Schedule 3.1(bb)(ii)

List of Environmental Permits

Pictou Mill Environmental Permits

Industrial Approval No. 96-033 (September 18, 1996)

- Requires written permission from Minister to transfer. Presently being updated, application dated September 18, 2006 submitted and will be reissued by government.

Permit for Industrial Landfill No. 78-288 (November 1979 and Amendment No. 1 dated May 4, 1990)

- The permit does not contain any provisions for transferring ownership.

Air Approval No. 2006-054333 for Air Emissions (January 29, 2008)

- Requires written consent to transfer.

Approval No. 76-294 (April 7, 1977)

- Review of pollution abatement technology and development of an air quality monitoring program.

Approval No. 77-83 (November 9, 1977)

- Scrubber installation on recovery boiler for particulate emissions reduction.

Approval No. 72-184 (November 21, 1972)

- Installation of recaust effluent clarifier.

Approval No. 71-45 (June 20, 1971)

- Installation of the wood room screening system- no longer in use or onsite.

Approval No. 2008-061155 (March 3, 2008)

- Installation of an onsite holding tank for sewage collection for shutdowns.

Registration No. 2002-026118-T01 (May 19, 2005)

- Registration for public (mill use) drinking water supply system.

Petroleum Storage Tank Registry Master No. PST-0973-N (December 2, 2003)

- Pertaining to petroleum storage tanks.

Assignment and Consent Agreement (November 30, 2004)

- Pertaining to transfer of six (6) of these approvals (96-033, 3824, 76-294, 77-83, 2001-024291-R01, & 78-288).

Disposal of Asbestos Waste (July 21, 1988)

- Approval for disposal of asbestos waste in on-site industrial landfill.

Bunker C Tank Abandonment – Tank Registration No. 2006-054369-002 (October 3, 2007).

- Approval for abandonment in place of Bunker C storage tank.

Fuel Safety License – Class 3 No. S1-08-676112

- Pertinent to maintaining propane vehicles. Issue on January 3, 2008 and expires on December 31, 2010.

Water Supply Agreement (June 30, 1995)

- As related to the Memorandum of Understanding between the Province of Nova Scotia and Scott Maritimes Limited dated December 1, 1995.

Notice of Acceptance of Disposal of Hydro-Carbon Impacted Soils (Nova Scotia Department of the Environment) dated November 27, 1990.

Pictou Woodland Environmental Permits**Approval No. 3824, Application No. 2000-015999-A01 to withdraw water (September 25, 2000)**

- Withdrawal of water for woodland's activities.

Approval No. 2001-024291-R01 (October 10, 2002)

- For temporary crossings for watercourse.

Pesticide approval - No. 2007-057789 (August 16, 2007).

- Permit for forestry vegetation control (aerial-helicopter) for total area of 1,727.72 hectares in Pictou, Colchester, Guysborough and Halifax counties.

Pesticide approval – No. 2007-057857 (August 20, 2007).

- Permit for forestry vegetation control (aerial-helicopter) for total area of 1,209.59 hectares in Halifax and Hants counties.

Nursery

None.

NPNS APA**Schedule 3.1(bb)(iv)****Hazardous Substances**

As disclosed in the InteGreyted International Phase I Environmental Site Assessments and Environmental, Health and Safety Compliance Evaluations for the Pictou Mill and the Pictou Fixed-Base Operations and Woodlands (April 2004), which have been provided to the Purchaser, mercury and other Hazardous Substances related to the operations at Canso Chemicals Limited, as such have been deposited on or have migrated to the Owned Real Property, and Hazardous Substances in effluent from the Pictou Pulp Mill discharged into the Boat Harbour Effluent Treatment System may have been, in the past, stored, disposed of or treated in material non-compliance with Environmental Laws..

NPNS APA**Schedule 3.1(bb)(v)****Written Notices of Non-Compliance**

On April 23, 2008 the Pictou mill received notice via email by the Environment Canada Enforcement Branch that the Pictou Pulp Mill's Dioxin and Furan Analysis Report was not received within the 60 day legally mandated time for submission as required under the *Canadian Environmental Protection Act, 1999*.

On September 11, 2007, the Pictou Pulp Mill was notified by the Hazardous Waste Advisor – Compliance Promotion Officer, Environment Canada (Atlantic Region) that the Neenah Paper PCB records were not totally complete as required under *Canadian Environmental Protection Act, 1999*.

Seller does not expect any further action respecting either of the foregoing notices.

On January 29, 2008, the Nova Scotia Department of Environment and Labour issued the Pictou Pulp Mill the Terms and Conditions of Approval for the following activities; Air Emissions associated with the Operation of a Bleached Kraft Pulp Mill and associated works, at or near 260 Granton Abercrombie Road, Abercrombie Point, Abercrombie Pictou County, PID 00864538, in the Province of Nova Scotia. The permit establishes specific contaminant limits that are to be met by the Pictou Pulp Mill or, in the event that the established limits cannot be met, the Approval Holder shall submit plans for phased compliance. The Pictou Pulp Mill is in material compliance with the permit through a combination of meeting emission levels and through plans provided or being prepared by the Pictou Pulp Mill.

NPNS APA**Schedule 1.1(c)****Permitted Encumbrance**

Permitted Encumbrances also include the following:

The encumbrances in respect of the 13 equipment lease agreements identified on the last page of Schedule 2.1(f), Assumed Contracts.

This is Exhibit "F" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.



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

2009. THIS FIRST AMENDMENT OF CREDIT AGREEMENT made as of January 27,

BETWEEN:

NORTHERN PULP NOVA SCOTIA CORPORATION
(the "Borrower")

- and -

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
(the "Lender")

RECITES THAT the parties entered into a credit agreement made as of June 24, 2008 (the "Credit Agreement");

AND WITNESSES that for valuable consideration the receipt and sufficiency of which are hereby acknowledged the parties agree as follows:

1. **Interpretation.** Capitalized terms not defined herein have the meanings ascribed to them in the Credit Agreement.
2. **Facility Increase.** The definition of "Facility Amount" in Section 1.1 of the Credit Agreement is hereby amended by deleting the dollar amount "\$25,000,000" in line 1 thereof and replacing it with the dollar amount "\$30,000,000".
3. **LIBOR Rate.** The definition of "LIBOR Rate" in Section 1.1 of the Credit Agreement is hereby amended by deleting the number and symbol "3%" in the first line thereof and replacing them with the number and symbol "5%".
4. **Consolidated Fixed Charge Coverage Ratio.** The Lender hereby waives the breach occurring and in existence as at December 31, 2008 of the Borrower's covenant set out in Section 7.3 of the Credit Agreement to maintain the Consolidated Fixed Coverage Ratio (the "CFCR Covenant") at not less than 1:1

, provided that such waiver does not and shall be deemed not to extend to:

- (a) any existing breach or default by the Borrower other than the specific default referred to above, of any obligation owed by the Borrower to the Lender, whether such obligation was to be performed before or after the occurrence of the default referred to above; or
- (b) any future breach or default by the Borrower of any obligation owed to the Lender under any of the Credit Documents or Security Documents, including, without limitation, any future default of the Borrower under Section 7.3 of the Credit Agreement.

The parties anticipate that the Borrower will continue in default of the CFCR Covenant throughout the calendar year 2009 and agree that in such event, the Borrower shall apply to the

Lender on a timely basis for further waivers of the CFCR Covenant on similar terms to the waiver granted above.

5. LOC Fee. In consideration for granting the increase in the Facility Amount as set out above, the Borrower agrees to pay to the Lender at the time this First Amendment to Credit Agreement is executed a fee of Cdn. \$100,000.

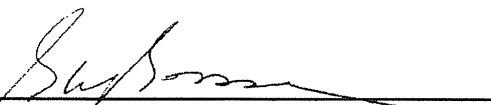
6. Conditions Precedent. This First Amendment to Credit Agreement is conditional upon and shall not come in to force or effect unless and until:

- (a) this First Amendment to Credit Agreement has been executed by each of the respective signatories; and
- (b) legal counsel to the Borrower has provided to the Lender opinions respecting this First Amendment to Credit Agreement in form and substance satisfactory to the Lender.

7. Full Force and Effect. Except as expressly amended hereby, the Credit Agreement continues in full force and effect. Any breach of or default under this Agreement shall constitute an Event of Default. Article 8 of the Credit Agreement shall apply to this Agreement to the same extent as if set out in its entirety herein.

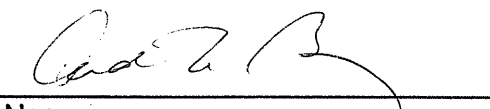
IN WITNESS WHEREOF the parties hereto have properly executed this Second Amendment of Credit Agreement as of the date first above written.

NORTHERN PULP NOVA SCOTIA CORPORATION

By: 
 G. Wayne Gosse
 Sr. Vice-President & Chief Financial Officer

By: 
 T. Fazio
 Co-chairman

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION

By: 
 Name:
 Title:

This is Exhibit "G" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to be "J. P. [unclear]", is written over a horizontal line.

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

SECOND AMENDMENT OF CREDIT AGREEMENT

THIS SECOND AMENDMENT OF CREDIT AGREEMENT made as of the 23rd day of March, 2009.

BETWEEN:

NORTHERN PULP NOVA SCOTIA CORPORATION,
an unlimited company existing under the laws of the
Province of Nova Scotia

(hereinafter referred to as the "**Borrower**"),

- and -

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION,
an unlimited company existing under the laws of the
Province of Nova Scotia

(hereinafter referred to as the "**Lender**").

WHEREAS the Borrower and the Lender entered into that certain credit agreement dated as of June 24, 2008 (as amended by the First Amendment of Credit Agreement made as of January 27, 2009, the "**Credit Agreement**");

AND WHEREAS the Borrower proposes to borrow up to \$15,000,000 (the "**Provincial Loan**") from the Province of Nova Scotia (the "**Province**");

AND WHEREAS it is a requirement of the Borrower receiving the Provincial Loan that certain terms of the Credit Agreement be amended;

AND WHEREAS the Borrower has requested and the Lender has agreed that the Credit Agreement be amended on terms and conditions set out in this agreement (the "**Amendment**");

NOW THEREFORE THIS AGREEMENT WITNESSES THAT for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

- 2 -

ARTICLE 1 **INTERPRETATION**

1.1 **Definitions**

All capitalized terms used in this Amendment and not otherwise defined in this Amendment shall have the respective meanings specified in the Credit Agreement.

ARTICLE 2 **PROVINCIAL LOAN**

2.1 **Lender Consent and Subordination**

(a) The Lender hereby consents to the existence of the Provincial Loan and the creation, execution, delivery, registration, filing and perfection of security in favour of the Province in respect of the Provincial Loan, and confirms that the existence of the Provincial Loan and such security is not prohibited by, and does not create a breach of, the Credit Agreement or any other Credit Document, after giving effect to this Amendment.

(b) The Lender acknowledges and agrees that, subject to the terms of this Amendment, the Borrower's Obligations, and the Security, shall be subordinate to the Province's rights in respect of the Provincial Loan and the security therefor.

ARTICLE 3 **AMENDMENTS TO LOAN AGREEMENT**

With effect on the Effective Date (as hereinafter defined), the Credit Agreement shall be amended as follows:

3.1 **Definitions**

In Section 1.1 of the Credit Agreement:

- (a) the definition of "**Advance**" is hereby deleted in its entirety and replaced with the following:

"Advance" means either a Canadian Dollar Advance or a U.S. Dollar Advance under the Revolving Facility;"

- (b) the definition of "**Facility**" is hereby amended by deleting the word "revolving";
- (c) the definition of "**Facility Amount**" is hereby amended by inserting the words "(or increased pursuant to Section 2.1(c))" after the word "reduced" and by replacing the reference to "\$30,000,000" with "\$31,000,000";

- 3 -

- (d) the definition of "**Material Agreements**" is hereby amended by deleting the "." at the end of the definition and replacing it with ", and (c) the documents evidencing the Provincial Loan.";
- (e) the definition of "**Maturity Date**" is hereby deleted in its entirety and replaced with the following:

"**Maturity Date**" means, in respect of the Revolving Facility, June 24, 2011, and in respect of the Term Loan, the date that is 12 months from and after the maturity date of the Provincial Loan;"

- (f) the definition of "**Permitted Debt**" is hereby amended (i) by deleting from the end of clause (e) the word "and", (ii) by deleting the "." at the end of clause (f) and adding "; and", and (iii) by adding as a new clause (g) the following: "(g) the Provincial Loan.";
- (g) the definition of "**Permitted Encumbrances**" is hereby amended by inserting between clause (x) and clause (w) thereof the following: "(x.1) Encumbrances securing the Provincial Loan;"
- (h) the following definitions shall be inserted (in alphabetical order) into Section 1.1 of the Credit Agreement:

"**Free Cash Flow**" means, in respect of any fiscal period, the sum of EBITDA for such period plus non-cash pension plan and other post-employment benefit expenses ("**OPEB**") determined in accordance with GAAP, less (a) cash pension plan and OPEB payments, (b) interest expense payments (for certainty, excluding any accrued and unpaid interest expense in respect of the Term Loan), (c) unfinanced capital expenditures and (d) changes in working capital, in each case in respect of that fiscal period;

"**Province**" means the Province of Nova Scotia;

"**Provincial Loan**" means a loan in an aggregate amount of up to \$15,000,000 from the Province to the Borrower under the loan agreement between the Borrower and the Province made pursuant to the Order in Council of the Province dated March 23, 2009;

"**Revolving Facility**" has the meaning specified in Section 2.3(a); and

"**Term Loan**" has the meaning specified in Section 2.1(b).

3.2 Availability

Section 2.1 is hereby deleted in its entirety and replaced with the following:

- 4 -

"(a) The Lender agrees, on the terms and conditions of this Agreement, to make the Facility available to the Borrower.

(b) All outstanding Obligations of the Borrower to the Lender as of the date hereof are hereby converted to a term loan in the amount of Cdn\$29,479,532 (as such amount may be increased pursuant to Section 2.3(c), the "**Term Loan**"). The Borrower acknowledges and agrees that some interest on the Obligations has not been paid in cash by the Borrower to the Lender and that the Borrower and the Lender have added interest accrued in the amount of \$1,172,648 to the principal amount of the Obligations as at the date hereof. The Borrower acknowledges that the Aggregate Principal Amount of the Term Loan outstanding on the date hereof is \$28,306,884.

(c) The Lender agrees to lend up to an additional \$3,000,000 in excess of the Facility Amount available to the Borrower on terms and conditions reasonably satisfactory to the Lender in connection with a financing by the Province that is in addition to the Provincial Loan."

3.3 Term and Availability of Advances

(a) Section 2.3(a) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

"The Facility shall be available in two tranches as follows: Tranche A shall consist of the Term Loan and Tranche B shall be a revolving credit facility in an amount equal to the difference between the Term Loan and the Facility Amount (the "**Revolving Facility**") and the Borrower may borrow, repay and reborrow under the Revolving Facility as it sees fit, subject to the terms of this Agreement, at any time prior to the Maturity Date. The Revolving Facility shall be available for Drawdown by the Borrower, at the option of the Borrower, by way of Advances, each in a minimum amount of \$250,000 and integral multiples of \$50,000 in excess thereof in either Canadian Dollars or U.S. Dollars. Each Drawdown under the Revolving Facility shall be made by Drawdown Notice, which Drawdown Notice shall be given by the Borrower to the Lender (which shall be irrevocable) not later than three (3) Business Days prior to the relevant Drawdown Date. The Borrower may not make a Drawdown under the Facility if, as a result of such Drawdown, the aggregate principal amount of the Term Loan and of all Advances outstanding under the Revolving Facility would exceed the then current Facility Amount."

(b) The following provisions shall be added to the end of Section 2.3 of the Credit Agreement:

"(c) The Borrower may, in respect of the Revolving Facility, on five Business Days' prior written notice to the Lender, elect to convert any Advance outstanding thereunder to a term loan as of the last day of the then-current Interest Period and

- 5 -

any Advance so converted shall increase the Term Loan, provided that the aggregate of the Term Loan and all Advances under the Revolving Facility shall not exceed the Facility Amount.

(d) All outstanding Obligations in respect of the Term Loan shall become due and payable on the Maturity Date."

3.4 **Interest**

(a) The following provision shall be added to the end of Section 2.6(a) of the Credit Agreement:

"Interest shall accrue daily on the outstanding principal amount of the Term Loan, both before and after default and judgment, at a rate which is equivalent to the Applicable Margin plus the Libor Rate."

(b) The following provision shall be added to the end of Section 2.6 of the Credit Agreement:

"(d) Interest shall be paid monthly in arrears. Notwithstanding anything to the contrary in this Section 2.6, interest owing hereunder in respect of the Term Loan shall be paid monthly in arrears only if, at the time such payment is required to be made, the Borrower has positive Free Cash Flow, and if, at the time such interest payment is required to be made on the last Business Day of the applicable Interest Period, the Borrower has paid to the Province all amounts owing to the Province in respect of principal and interest due at such time in respect of the Provincial Loan. Interest which has not been paid in respect of the Term Loan shall continue to accrue in accordance with the terms hereof and shall be paid to the Lender by the Borrower within two Business Days following the date on which the amounts owing to the Province on the last Business Day of the applicable Interest Period have been paid to the Province."

3.5 **Standby Fees**

Section 2.7(a) of the Credit Agreement is hereby amended by deleting the first sentence thereof and replacing it with the following:

"**Standby Fees.** The Borrower shall pay quarterly in arrears to the Lender a non-refundable standby fee (the "**Standby Fee**") of 0.50% per annum of the amount equal to the Facility Amount less the Term Loan less the aggregate principal amount of Advances outstanding under the Revolving Facility on such day."

3.6 **Prepayments and Repayments**

(a) Section 3.2(a) of the Credit Agreement is hereby amended by adding at the end thereof the following:

- 6 -

"(c) The Borrower may not exercise any right of prepayment of the Term Loan unless and until the Provincial Loan has been repaid in full.

(d) The Borrower shall pay to the Lender, annually by July 31 of each calendar year in respect of the 12-month period preceding that payment date, commencing July 31, 2010, an amount equal to 15% of the amount of the Free Cash Flow for that 12-month period, as a principal payment in respect of the Term Loan (the "**Required Payment**"). Notwithstanding the foregoing, the Lender acknowledges and agrees that the Borrower shall not be required to make any principal payments in respect of the Term Loan until such time as all principal payments in respect of the Provincial Loan required to be made during the preceding 12-month period have been made in full. If the full amount of the Required Payment has not been paid by the Borrower to the Lender in any 12-month period as a result of the restrictions set out in the Provincial Loan with respect to such payments, then the Borrower shall be entitled to make such payments in any succeeding 12-month period, in addition to the Required Payment in such succeeding 12-month period, subject to compliance with the Provincial Loan."

(b) Section 3.4 of the Credit Agreement is amended by deleting clause (iii) thereof and replacing it with the following:

"(iii) third, in reduction of the Borrower's Obligation to pay any amounts due and owing on account of any unpaid principal amount of (x) the Revolving Facility and (y) after satisfaction of the Revolving Facility, the Term Loan."

ARTICLE 4 CONDITIONS TO EFFECTIVENESS

4.1 Effective Date

This Amendment shall become effective upon satisfaction of the following conditions precedent (the date of satisfaction of such conditions being referred to in this Amendment as the "**Effective Date**") in form and substance satisfactory to the Lender, in its discretion:

- (a) the Borrower delivering to the Lender an original of this Amendment duly executed by the Borrower; and
- (b) the Borrower delivering to the Lender the documentation evidencing the Provincial Loan, duly executed by the Borrower and the Province.

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ARTICLE 5
REPRESENTATIONS AND WARRANTIES

5.1 Confirmation of Representations

The Borrower represents and warrants to the Lender, and acknowledges and confirms that the Lender is relying on such representations and warranties without independent inquiry, that subject to this Amendment, the representations and warranties of the Borrower contained in the Credit Agreement are and will be true, correct and complete in all material respects on and as of the Effective Date to the same extent as though made on and as of that date, except to the extent that such representations and warranties were made as of a particular date, in which case they were true, correct and complete in all material respects on and as of such date.

ARTICLE 6
MISCELLANEOUS

6.1 Obligations

The Borrower reaffirms its Obligations under the Credit Agreement as amended by this Amendment and the other Credit Documents to which it is a party, and agrees that the Credit Agreement as amended by this Amendment and the other Credit Documents to which it is a party remain in full force and effect and are hereby ratified and confirmed.

6.2 Governing Law

This Amendment shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

6.3 Counterparts

This Amendment and all documents contemplated by or delivered under or in connection with this Amendment may be executed and delivered in any number of counterparts, including by facsimile, with the same effect as if all parties had signed and delivered the same document, and all the counterparts will be construed together to be an original and constitute one and the same instrument.

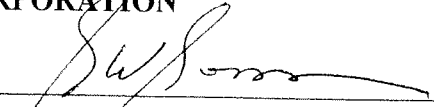
SIGNATURE PAGE TO IMMEDIATELY FOLLOW THIS PAGE

- 8 -

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

**NORTHERN PULP NOVA SCOTIA
CORPORATION**


by


Name: G. Wayne Gosse

Title: Sr. Vice-President and
Chief Financial Officer

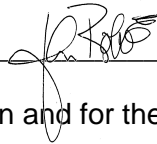
**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by


Name: Josh Wolf-Powers

Title: Co-President and
Assistant Secretary

This is Exhibit "H" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

THIRD AMENDMENT OF CREDIT AGREEMENT

THIS THIRD AMENDMENT OF CREDIT AGREEMENT made as of the
21st day of August, 2009.

BETWEEN:

**NORTHERN PULP NOVA SCOTIA
 CORPORATION,**

an unlimited company existing under the laws of the
 Province of Nova Scotia

(hereinafter referred to as the "**Borrower**"),

- and -

**AZURE MOUNTAIN CAPITAL FINANCIAL
 CORPORATION,**

an unlimited company existing under the laws of the
 Province of Nova Scotia

(hereinafter referred to as the "**Lender**").

WHEREAS the Borrower and the Lender entered into a credit agreement dated as of June 24, 2008 (as amended by the First Amendment of Credit Agreement made as of January 27, 2009 and the Second Amendment of Credit Agreement made as of March 23, 2009, the "**Credit Agreement**");

AND WHEREAS the Province has made available the Provincial Loan to the Borrower;

AND WHEREAS the Borrower and the Province propose to amend the terms of the loan agreement evidencing the Provincial Loan to permit the Borrower to use up to \$4,000,000 of the Provincial Loan for general corporate purposes (the "**Provincial Loan Amendment**");

AND WHEREAS it is a condition precedent to the Provincial Loan Amendment that the Facility Amount under the Credit Agreement be increased by \$1,000,000 and that such amount shall be advanced to the Borrower, and the outstanding Obligations under the Term Loan shall be increased thereby, on the Effective Date (as hereinafter defined);

AND WHEREAS the Borrower has requested and the Lender has agreed that the Credit Agreement shall be amended on terms and conditions set out in this third amendment of credit agreement (the "**Third Amendment**");

- 2 -

NOW THEREFORE THIS THIRD AMENDMENT WITNESSES THAT for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 **Definitions**

All capitalized terms used in this Third Amendment and not otherwise defined in this Third Amendment shall have the respective meanings specified in the Credit Agreement.

ARTICLE 2 **PROVINCIAL LOAN**

2.1 **Confirmation of Lender Consent**

The Lender hereby confirms its consent to the existence of the Provincial Loan, as the terms thereof shall be as amended by the Provincial Loan Amendment.

ARTICLE 3 **AMENDMENTS TO LOAN AGREEMENT**

With effect on the Effective Date (as hereinafter defined), the Credit Agreement shall be amended as follows:

3.1 **Definitions**

In Section 1.1 of the Credit Agreement:

- (a) the definition of "**Facility Amount**" is hereby amended by replacing the reference to "\$31,000,000" with "\$32,000,000"; and
- (b) the definition of "**Provincial Loan**" is hereby amended by adding the phrase ", as amended from time to time" to the end thereof.

3.2 **Additional Amount**

(a) The additional \$1,000,000 increase in the Facility Amount shall be available as a term loan (the "**Additional Term Loan Amount**"). The drawdown of the Additional Term Loan Amount shall increase the amount of the Obligations outstanding under the Term Loan by the amount thereof. The Additional Term Loan Amount shall not be available for drawdown prior to the Effective Date.

- 3 -

(b) The Lender acknowledges and agrees that the increase in the Facility Amount and the advance of the Additional Term Loan Amount to the Borrower as contemplated in this Third Amendment will not reduce or satisfy, in whole or in part, or otherwise affect the Lender's obligation to lend to the Borrower up to an additional \$3,000,000 in excess of the Facility Amount as contemplated in Section 2.1(c) of the Credit Agreement.

ARTICLE 4 **CONDITIONS TO EFFECTIVENESS**

4.1 Effective Date

This Third Amendment shall become effective upon satisfaction of the following conditions precedent (the date of satisfaction of such conditions being referred to in this Third Amendment as the "**Effective Date**") in form and substance satisfactory to the Lender, in its discretion:

- (a) the Borrower delivering to the Lender an original of this Third Amendment duly executed by the Borrower; and
- (b) the Borrower delivering to the Lender written confirmation of the approval of the Governor in Council of the Province as evidenced by the issuance of an Order in Council approving the Provincial Loan Amendment.

ARTICLE 5 **REPRESENTATIONS AND WARRANTIES**

5.1 Confirmation of Representations

The Borrower represents and warrants to the Lender, and acknowledges and confirms that the Lender is relying on such representations and warranties without independent inquiry, that subject to this Third Amendment, the representations and warranties of the Borrower contained in the Credit Agreement are and will be true, correct and complete in all material respects on and as of the Effective Date to the same extent as though made on and as of that date, except to the extent that such representations and warranties were made as of a particular date, in which case they were true, correct and complete in all material respects on and as of such date.

ARTICLE 6 **MISCELLANEOUS**

6.1 Obligations

The Borrower reaffirms its Obligations under the Credit Agreement as amended by this Third Amendment and the other Credit Documents to which it is a party, and agrees that

- 4 -

the Credit Agreement as amended by this Third Amendment and the other Credit Documents to which it is a party remain in full force and effect and are hereby ratified and confirmed.

6.2 Governing Law

This Amendment shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

6.3 Counterparts

This Third Amendment and all documents contemplated by or delivered under or in connection with this Third Amendment may be executed and delivered in any number of counterparts, including by facsimile or PDF, with the same effect as if all parties had signed and delivered the same document, and all the counterparts will be construed together to be an original and constitute one and the same instrument.

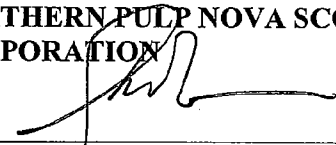
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- 5 -

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

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

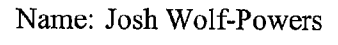
by



Name: Tim Fazio
Title: Co-President

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by



Name: Josh Wolf-Powers
Title: Co-President and
Assistant Secretary

- 5 -

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

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

by _____

Name: Tim Fazio

Title: Co-President

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by _____

Name: Josh Wolf-Powers

Title: Co-President and
Assistant Secretary

This is Exhibit "I" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

FOURTH AMENDMENT OF CREDIT AGREEMENT

04 THIS FOURTH AMENDMENT OF CREDIT AGREEMENT made as of the day of March, 2011

BETWEEN.

**NORTHERN PULP NOVA SCOTIA
CORPORATION,**

an unlimited liability company existing under the laws of the Province of Nova Scotia

(hereinafter referred to as the "Borrower"),

- and -

**AZURE MOUNTAIN CAPITAL FINANCIAL
CORPORATION,**

an unlimited liability company existing under the laws of the Province of Nova Scotia

(hereinafter referred to as the "Lender").

WHEREAS the Borrower and the Lender entered into a credit agreement dated as of June 24, 2008 (as amended to the date hereof, the "Credit Agreement");

AND WHEREAS the Borrower and the Lender have agreed that the Credit Agreement will be amended on terms and conditions specified in this fourth amendment of credit agreement (the "Fourth Amendment");

NOW THEREFORE THIS FOURTH AMENDMENT WITNESSES THAT for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereby agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

All capitalized terms used in this Fourth Amendment and not otherwise defined in this Fourth Amendment shall have the respective meanings specified in the Credit Agreement

- 2 -

ARTICLE 2 AMENDMENT TO CREDIT AGREEMENT

With effect on the Effective Date (as hereinafter defined), the Credit Agreement shall be amended as follows:

2.1 Maturity Date

In Section 1.1 of the Credit Agreement, the definition of "Maturity Date" is hereby amended by replacing the reference to "June 24, 2011" with "June 24, 2012".

ARTICLE 3 CONDITION TO EFFECTIVENESS

3.1 Effective Date

This Fourth Amendment shall become effective upon the Borrower delivering to the Lender a duly executed copy of this Fourth Amendment (the date of satisfaction of this condition being referred to in this Fourth Amendment as the "Effective Date").

ARTICLE 4 REPRESENTATIONS AND WARRANTIES

4.1 Confirmation of Representations

The Borrower represents and warrants to the Lender, and acknowledges and confirms that the Lender is relying on such representations and warranties without independent inquiry, that the representations and warranties of the Borrower contained in the Credit Agreement are and will be true, correct and complete in all material respects on and as of the Effective Date to the same extent as though made on and as of that date, except to the extent that such representations and warranties were made as of a particular date, in which case they were true, correct and complete in all material respects on and as of such date.

ARTICLE 5 MISCELLANEOUS

5.1 Obligations

The Borrower reaffirms its Obligations under the Credit Agreement as amended by this Fourth Amendment and the other Credit Documents to which it is a party, and agrees that the Credit Agreement as amended by this Fourth Amendment and the other Credit Documents to which it is a party remain in full force and effect and are hereby ratified and confirmed.

5.2 Governing Law

This Amendment shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

- 3 -

5.3 Counterparts

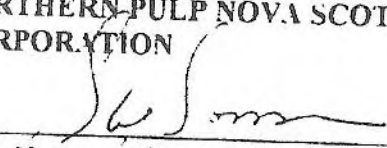
This Fourth Amendment and all documents contemplated by or delivered under or in connection with this Fourth Amendment may be executed and delivered in any number of counterparts, including by facsimile or PDF, with the same effect as if all parties had signed and delivered the same document, and all the counterparts will be construed together to be an original and constitute one and the same instrument.

[The next page is the signature page.]

IN WITNESS WHEREOF the parties have executed this Fourth Amendment

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

by


Name: G.W. Gosse

Title: Chief Financial Officer

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by


Name

Title

IN WITNESS WHEREOF the parties have executed this Fourth Amendment.

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

by

Name:

G.W. GOSSE

Title:

Chief Financial Officer

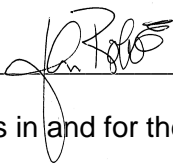
**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by

Name:

Title:

This is Exhibit "J" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

Mill Site & Company House
 PID Nos. 00864538, 00864082, 65166829, 65168130,
 01045442, 65076366, 65168163, 65076358, 65076382,
 65166837 and 00957290

THIS MORTGAGE OF LAND dated as of the 24th day of June, 2008.

BETWEEN:

NORTHERN PULP NOVA SCOTIA CORPORATION

(hereinafter called the "**Mortgagor**")

- and -

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION

(hereinafter called the "**Mortgagee**")

DEFINITIONS

1.01 In this Collateral Mortgage, unless the context otherwise requires:

- (a) "**Credit Agreement**" means a secured credit facility between the Mortgagor, as Borrower, and the Mortgagee, as Lender, dated as of the date hereof, as the same may be amended, restated, modified or supplemented from time to time.
- (b) "**Event of Default**" means an Event of Default under the Credit Agreement or the General Security Agreement;
- (c) "**General Security Agreement**" means a general security agreement between the Mortgagor, as Debtor and the Mortgagee, as Secured Party, dated as of the date hereof, as the same may be amended, restated, modified or supplemented from time to time.
- (d) "**Indebtedness**" means all debts and liabilities present and future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Mortgagor to the Mortgagee and heretofore or hereafter incurred or arising out of or in relation to the Credit Agreement or the General Security Agreement whether incurred by or arising from agreement or dealings between the Mortgagee and the Mortgagor or by or from any agreement or dealings with any third party by which the Mortgagee may be or become in any manner whatsoever a creditor of the Mortgagor or however otherwise incurred or arising anywhere within or outside the Country to a limit of Twenty-Five Million Dollars (\$25,000,000) together with interest thereon at the rate of fifteen per cent (15 %) per annum calculated half yearly, not in advance (the "**Interest Rate**").

RECITALS

1.02 The Mortgagee has requested from the Mortgagor additional security for the payment of the Indebtedness and the Mortgagor has agreed to execute this Collateral Mortgage for the purpose of providing such additional security to the Mortgagee.

CHARGE

2.01 In consideration of the sum of One Dollar (\$1.00) the Mortgagor mortgages to the Mortgagee the Mortgagor's interest in the lands described in Schedule "A" hereto annexed (the "**Lands**") as security for payment of the Indebtedness. Upon the occurrence of an Event of Default this mortgage shall immediately become due and enforceable.

COVENANTS

3.01 The Mortgagor and the Mortgagee covenant with each other as follows:

- (a) this Mortgage shall be void if the Mortgagor well and truly pays the Indebtedness and any other sums and interest thereon paid by the Mortgagee under the provisions hereof, the Credit Agreement and the General Security Agreement, and the Credit Agreement is terminated;
- (b) this Mortgage is collateral security for the payment of the Indebtedness and the Mortgagee may from time to time extend the time for payment of the Indebtedness or any part thereof, so that the time for payment of any of the Indebtedness is extended without in any way affecting the liability of the Mortgagor hereunder or under the Credit Agreement or the General Security Agreement and without in any way affecting or prejudicing the security created hereby or by the General Security Agreement and nothing but the actual payment of the Indebtedness and the termination of the Credit Agreement shall discharge the Mortgagor;
- (c) the Mortgagor will pay or cause to be paid the Indebtedness and, upon the occurrence of an Event of Default, subject to the expiration of all applicable notice and cure periods, the Mortgagee may enter and have quiet enjoyment of the Lands;
- (d) the Mortgagor has a good title in fee simple to the Lands and the right to convey the Lands as hereby conveyed, subject to permitted encumbrances as set out in the Credit Agreement and that the Mortgagor will procure such further assurances as may be reasonably required.

3.02 Provided that upon the occurrence of an Event of Default or if waste be committed or suffered on said Lands and after the expiration of any notice and curative periods set out in the Credit Agreement or the General Security Agreement the whole of the Indebtedness hereby secured remaining unpaid shall become payable; provided that the Mortgagee may waive its right to call in the principal and shall not be therefore debarred from subsequently asserting and exercising its right to call in the principal by reason of such waiver or any reason of any future default and the Mortgagor agrees that neither the execution or registration of this Mortgage nor the advancing of moneys shall bind the Mortgagee to advance additional moneys but the advance of moneys or any part thereof shall be in the sole discretion of the Mortgagee.

3.03 It is hereby agreed that where the context requires words in the singular include the plural, and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders.

3.04 The Mortgagor acknowledges receipt of a copy of this Mortgage.

3.05 In the event of a conflict between the provisions of this Mortgage and the provisions of the General Security Agreement, the provisions of the General Security Agreement shall prevail.

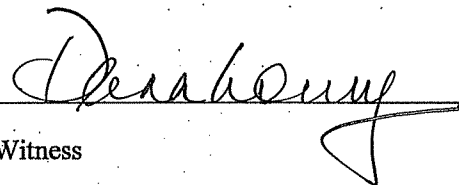
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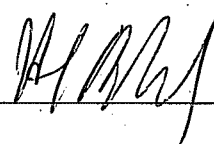
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IN WITNESS WHEREOF the Mortgagor has properly executed this Collateral Mortgage the day and year first above written.

SIGNED AND DELIVERED in the presence
of:

**NORTHERN PULP NOVA SCOTIA
CORPORATION**


Witness



Affidavit of Execution and StatusCountry: USAProvince: NEW YORK

I, Adam Brown of New York [in the State/Province of] New York make oath and say as follows:

1. That I am the CO-PRESIDENT of Northern Pulp Nova Scotia Corporation (the "Company") and have a personal knowledge of the matters herein described;
2. That for the purposes of this my Affidavit, "Matrimonial Home" means the dwelling and real property occupied by a person and that person's spouse or domestic partner as their family residence and in which either or both of them have a property interest other than a leasehold interest;
3. That the lands described in the annexed instrument are not occupied by any shareholder as a Matrimonial Home nor is any shareholder entitled to use the lands as a Matrimonial Home and the lands have never been so occupied while any interest in the lands has been owned by the Company;
4. That I am an Officer of the Company, duly authorized to execute the annexed instrument for and on behalf of the Company;
5. That I have executed the annexed instrument for and on behalf of the Company and thereby bind the Company; and
6. That this affidavit is sworn for the purpose of registering the annexed instrument pursuant to sections 79(1) and 83 of the *Land Registration Act* and in compliance with the provisions of the *Matrimonial Property Act* and the *Vital Statistics Act*.

SWORN TO at 45 Wall,
in the County of NY, the
day of June 2008
before me:

A Notary Public
[affix stamp/seal and date of expiry of
commission]

DIANNE M. BROWN
NOTARY PUBLIC, STATE OF NEW YORK
QUALIFIED IN NEW YORK COUNTY
NO. 01BR6178963
MY COMMISSION EXPIRES 12/17/2011

DIANNE M. BROWN
NOTARY PUBLIC, STATE OF NEW YORK
QUALIFIED IN NEW YORK COUNTY
NO. 01BR6178963
MY COMMISSION EXPIRES _____

SCHEDULE "A"

PID: 00864538

Pulp Mill Site

KIMBERLY-CLARK INC.

ABERCROMBIE POINT, PICTOU COUNTY, NOVA SCOTIA

Lot No. 1

KIMBERLY-CLARK INC.

ALL THAT CERTAIN LOT, piece or parcel of land situate, lying and being at Abercrombie Point, in the County of Pictou, Province of Nova Scotia, and being more particularly bounded and described as follows:

BEGINNING at a post, said post being at the South-east corner of a lot of land formerly owned by Alexander Ellis, now owned by Kimberly-Clark Inc. and being on the Western boundary of the Abercrombie Road;

THENCE, by the magnet for the year of 1965, North 81 degrees, 45 minutes West, 59.09 chains, along the lands of Karl Crawford, to a post said post being at the South-western corner of said Ellis lot as now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 6.99 chains to a post, said post being the North-western corner of the said Ellis lot now owned by Kimberly-Clark Inc. and also being the South-western corner of a lot of land formerly owned by Elizabeth Grant as also now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 14.22 chains to a post, said post being the North-western corner of the said Elizabeth Grant property as now owned by Kimberly-Clark Inc. and being the South-westerly corner of a lot of land formerly owned by Harland H. Clark and as now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 1.80 chains, more or less, along the Western boundary of the abovementioned lot to post no. 105 and being the North-easterly corner of a lot of land formerly owned by H.I.W. Bigney and now owned by Kimberly-Clark Inc.;

THENCE, by the magnet for the year of 1956, North 38 degrees, 45 minutes West, 29.17 chains to post no. 106, said post being on the Eastern boundary of the Granton Road, so-called;

THENCE, North 38 degrees 45 minutes West, crossing the said road to the Western boundary of same, to post no. 107;

THENCE, by the magnet for the year of 1957, South 42 degrees, 23 minutes West, 15.92 chains, along the Western boundary of the said road as now owned by Kimberly-Clark Inc., to post no. 108;

THENCE, North 51 degrees, 30 minutes West, 2.14 chains to post no. 109;

THENCE, North 51 degrees, 30 minutes West, 4.00 chains to the shore of the Middle River;

THENCE Northerly, Easterly and Southerly along the shore of Abercrombie Point, so-called to post no. 100, being the South-eastern corner of a lot of land formerly owned by Erickson;

THENCE, by the magnet for the year of 1956, South 68 degrees, 10 minutes East, 20.72 chains to post no. 101, being on the Eastern boundary of the Abercrombie Road;

THENCE, South 68 degrees, 10 minutes East, across the said Abercrombie Road to post no. 102, being on the Western boundary of the abovementioned Road;

THENCE, South 10 degrees, 35 minutes East, 23.48 chains, along the Western boundary of the abovementioned Road to post no. 103 and being the North-eastern corner of property formerly owned by Raeburn Kennedy and now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the abovementioned Road, South 00 degrees, 00 minutes West, 8.31 chains to a point, being the South-eastern corner of the property formerly owned by Raeburn Kennedy and as now owned by Kimberly-Clark Inc., said point also being the North-eastern corner of the property formerly owned by Harland Clark and as now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the said Abercrombie Road South 00 degrees, 00 minutes West, 6.16 chains to the South-eastern corner of property formerly owned by Clark and now owned by Kimberly-Clark Inc. and also being the North-eastern corner of the property formerly owned by Elizabeth Grant and as now owned by Kimberly-Clark Inc.;

THENCE, South 00 degrees, 30 minutes West, 11.30 chains to a post and being the North-eastern corner of property owned by Peter Sinclair and now owned by Kimberly-Clark Inc.;

THENCE, North 81 degrees, 00 minutes West, 3.56 chains, along said Sinclair property as now owned by Kimberly-Clark Inc., to a point;

THENCE, South 06 degrees, 00 minutes West, 3.33 chains, along said Sinclair property as now owned by Kimberly-Clark Inc., to a point;

THENCE, South 82 degrees, 15 minutes East, along the said Sinclair property as now owned by Kimberly-Clark Inc., to the Western boundary of the Abercrombie Road and also being the North-eastern corner of property formerly owned by Alexander Ellis and now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the said Abercrombie Road, South 23 degrees, 20 minutes East, 8.78 chains to the PLACE OF BEGINNING;

BEING AND INTENDED to be the lands as conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Indenture dated December 21, 1967 and recorded in the Office of the

Registrar of Deeds for Pictou County, Nova Scotia on December 29, 1967, in Book 529, at Page 105.

ALSO BEING AND INTENDED to be land owned by Scott Maritimes Pulp Limited at the time of a change of name to Scott Maritimes Limited and again to Kimberly-Clark Nova Scotia, which company was subsequently amalgamated under the laws of Ontario with Kimberly-Clark Inc. to form Kimberly-Clark Inc.;

SAVING AND EXCEPTING thereout and therefrom, the following parcels:

FOUR LOTS OF LAND CONVEYED TO CANSO CHEMICALS LIMITED together with certain related easements, bounded and described as follows:

PARCEL 1

ALL AND SINGULAR that certain lot, piece or parcel of land lying, being and situate on the South side of the site of Scott Maritimes Pulp Limited Sulphate Pulp Mill at Abercrombie Point, in the County of Pictou and Province of Nova Scotia, all of which may be more particularly described as follows:

BEGINNING at an iron stake set in the North-east corner of said lot to be transferred, which stake having the coordinates of North 4922.00 and East 3407.94;

THENCE due West, by the grid North, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake which stake having the co-ordinates of North 4922.00 and East 2407.94;

THENCE due South, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake which stake having the co-ordinates of North 4397.00 and East 2407.94;

THENCE due East, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake, which stake having the co-ordinates of North 4397.00 and East 3407.94;

THENCE due North, along the lands to be retained by Scott Maritimes Pulp Limited, to the PLACE OF BEGINNING;

THE ABOVE DESCRIBED LOT having an area of 12 acres, more or less;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as set up by Scott Maritimes Pulp Limited on their holdings at Abercrombie Point, the grid North being 21 degrees, 40 minutes West of Magnetic North;

THE ABOVE DESCRIBED PARCEL to have a free and uninterrupted right-of-way or passage for ingress and egress to the Canso Chemicals Limited, its successors and assigns, and its agents, servants, employees, customers and other persons having business with the said Canso Chemicals Limited to pass through, along and over that certain parcel of land described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates North 4793.00 and East 3407.94;

THENCE due East to co-ordinates North 4793.00 and East 3641.18;

THENCE Southerly, on an arc, having a radius of 416.07 feet to co-ordinates North 4269.46 and East 4043.15;

THENCE South 14 degrees, 58 minutes West, to co-ordinates North 3987.94 and East 3967.88;

THENCE Southeasterly, along the arc of a curve having a radius of 41.0 feet, to a tangent which is right angles to the existing road;

THENCE Southeasterly, along said tangent, to the West margin of the existing road;

THENCE South 10 degrees, 21 minutes West, along the West margin of said road, 66.0 feet, to a point;

THENCE Westerly, on a tangent perpendicular to said road margin, to an arc having a radius of 107 feet;

THENCE Northwesterly, along said arc, to co-ordinates North 4004.98 and East 3904.12;

THENCE North 14 degrees, 58 minutes East, to an arc having a radius of 350.07 feet;

THENCE, along said arc, Westerly to co-ordinates North 4727.00 and East 3641.18;

THENCE due West, to co-ordinates North 4727.00 and East 3407.94;

THENCE due North, to the PLACE OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott Maritimes Pulp Limited at the mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

TOGETHER WITH the right of way to build, construct, maintain and repair a road along and over the right of way hereinbefore described and for such purpose to bring on the said right of way such equipment and machinery and vehicles as is necessary to build, construct, maintain or repair the said road;

TOGETHER WITH an appurtenant to the lands hereby conveyed and first above described as Parcel 1, the right and easement to use for the purpose of a railway siding or spur running from the railway line or track of the Scott Maritimes Pulp Limited Railway, situate on lands presently owned by Scott Maritimes Pulp Limited, to the lands hereby conveyed and first above described, as Parcel 1, over that lot of land as hereinafter described and for the purposes aforesaid to enter

into and upon the said lands as hereinafter described from time to time and to make and construct thereon such railway sidings or spurs as Canso Chemicals Limited may reasonably require and or to use such railway sidings or spurs as may otherwise hereafter be laid or constructed upon the lands described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate, and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at an iron stake having co-ordinates North 4957.00 and East 2407.94;

THENCE due West, to a point on the right of way of the spur line to Scott Maritimes Pulp Limited mill site;

THENCE Southwardly, along the various courses of said spur right of way, to a point, said point being on a line at right angles to the Scott Maritimes Pulp Limited spur line drawn from the Canso Chemicals Limited switch point;

THENCE along the right angle line to a point 60 feet from the centre line of the Scott Maritimes Pulp Limited, spur;

THENCE Easterly, along the various courses of a curve and 60 feet perpendicular to the centre line, to the end of the curve;

THENCE East to co-ordinates North 4837.00 and East 2407.94;

THENCE North, 120 feet, to the PLACE OF BEGINNING;

ALL BEARINGS are related to a local grid used by Scott Maritimes Pulp Limited at the Abercrombie Point mill;

ALL as shown on a certain property plan of Canso Chemicals Limited at Abercrombie Point, Nova Scotia, drawn by Canadian Industries Limited - Engineering Department and dated the 18th day of October, 1968;

BEING AND INTENDED TO BE a lot of land and easements conveyed to Canso Chemicals Limited by Scott Maritimes Pulp Limited by Deed dated November 30, 1968 and recorded at the Registry of Deeds, Pictou, Nova Scotia on December 10, 1968 in Book 538, at Page 354;

PARCEL 2

ALL AND SINGULAR that piece, parcel or tract of land lying, being and situate at Abercrombie Point, in the County of Pictou and Province of Nova Scotia, and which may be more particularly described as follows:

BEGINNING at a wooden stake set at a point being South 44 degrees and 15 minutes East, a distance of 73 links from the Southeastern corner of the Power Station of Canso Chemicals Limited;

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THENCE South 10 degrees and 50 minutes East, a distance of 7 chains and 40 links, to a wooden stake;

THENCE South 88 degrees and 00 minutes West, a distance of 8 chains, to a wooden stake;

THENCE North 10 degrees and 50 minutes West, a distance of 4 chains and 70 links, to a wooden stake;

THENCE North 69 degrees and 00 minutes East, a distance of 8 chains and 3 links, to the POINT OF BEGINNING;

A TRACT OF LAND containing 4.8 acres, more or less;

THE SAID TRACT being more particularly shown on the attached plan marked Schedule A and signed by R. J. MacDonald, Nova Scotia Land Surveyor (Plan attached to document recorded in Book 980, at Page 167);

BEING AND INTENDED to be a lot of land as conveyed by Scott Maritimes Limited to Canso Chemicals Limited by Deed dated December 18, 1978 and recorded at the Registry of Deeds, Pictou, Nova Scotia in Book 980, at Page 167.

PARCEL 3

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being to the West of the Abercrombie Point Road, in Abercrombie Point, in the County of Pictou and Province of Nova Scotia, said parcel being shown as Lot No. 88-1 on a plan showing the subdivision of the land of Scott Maritimes Limited as prepared by G. Edward Hingley, N.S.L.S. and dated July 20, 1988 (Registry Plan No. 2850), the said Lot being more particularly described as follows:

BEGINNING at the Southeast corner of lands as acquired by Canso Chemicals Limited from Scott Maritimes Limited and as recorded in the Pictou County Registry of Deeds in Book 980, at Page 167, which point being South 10 degrees, 50 minutes East, a distance of 488.40 feet from the Northeast corner of said lot;

THENCE South 69 degrees, 00 minutes West, a distance of 949.12 feet, along a Northwest boundary of land to be retained by Scott Maritimes Limited, to a survey marker;

THENCE North 21 degrees, 00 minutes West, a distance of 480.73 feet, along a Northeast boundary of land to be retained by Scott Maritimes Limited, to a survey marker;

THENCE North 69 degrees, 00 minutes East, a distance of 505.56 feet, along a Southeast boundary of land of Canso Chemicals Limited (Book 538, Page 354), to a survey marker;

THENCE South 10 degrees, 47 minutes East, a distance of 313.81 feet, along a Southwest boundary of land of Canso Chemicals Limited (Book 980, Page 167) to a point;

THENCE North 88 degrees, 00 minutes East, a distance of 528.00 feet, along a Southwest boundary of land of the said Canso Chemicals Limited, to the POINT OF BEGINNING;

AN AREA CONTAINING 6.2 acres;

ALL BEARINGS herein are based on the Magnetic meridian for the year 1976;

BEING AND INTENDED TO BE portion of the land as conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Indenture dated December 21, 1967 and as recorded in the Office of the Registrar of Deeds for Pictou County on December 29, 1967, in Book 529, at Page 105;

BEING AND INTENDED to be a lot of land conveyed by Scott Maritimes Limited to Canso Chemicals Limited by confirmatory deed dated December 19, 1994 and recorded in the Registry of Deeds, Pictou, Nova Scotia on January 12, 1995 in Book 1165, at Page 597;

PARCEL 4

ALL THOSE CERTAIN LOTS, pieces or parcels of land, that is to say:

NO. 1

ALL AND SINGULAR that certain parcel or tract of land and premises, situated, lying and being at Abercrombie Point, County of Pictou, Province of Nova Scotia and more particularly described as follows:

PREMISING that the bearings herein mentioned are astronomic, the magnetic declination for 1970 is about 23 degrees 30 minutes West, all co-ordinates are based on the local grid as used by Scott Maritimes Pulp Limited;

BEGINNING at a point at the northern boundary of land formerly conveyed by Scott Maritimes Pulp Limited to Canso Chemicals Limited, said point being at co-ordinates 4922.00 North and 3036.30 East;

THENCE North 46 degrees West, along co-ordinate 3036.30 East, a distance of 38 feet, to a point, being at co-ordinates 4960.00 North and 3036.30 East;

THENCE South 44 degrees West, along co-ordinate 4960.00 North, a distance of 35 feet, to a point being at coordinates 4960.00 North and 3001.30 East;

THENCE South 46 degrees East, along co-ordinate 3001.30 East, a distance of 38 feet, to a point, being at co-ordinates 4922.00 North and 3001.30 East;

THENCE North 44 degrees East, along co-ordinate 4922.00 North, a distance of 35 feet, to the POINT OF BEGINNING;

CONTAINING 1,330 square feet;

SAID DESCRIBED PARCEL of land being of rectangular shape 35 feet by 38 feet and bounded at nominal West, North and East by Scott Maritimes Pulp Limited and at the nominal South by Canso Chemicals Limited, for reference see Plan layout Drawing No. 208 CIL. AEG. 19881 of CAN. INDUSTRIES LIMITED dated December 27, 1968, also see Registry Plan Number P-42;

SAID DESCRIBED PARCEL also being shown on a Property Plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971, and being there designated as EXTRA LAND FOR RETENSION BASIN.

NO. 2

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates East 3407.94, and North 4580.0;

THENCE due South to co-ordinates East 3407.94 and North 4397.0;

THENCE due West to co-ordinates East 3190.0 and North 4397.0;

THENCE due South to co-ordinates East 3190.0 and North 4360.0;

THENCE due East to co-ordinates East 3470.0 and North 4360.0;

THENCE due North to co-ordinates East 3470.0 and North 4580.0;

THENCE due West to co-ordinates East 3407.94 and North 4580.0, the said place also being the PLACE OF BEGINNING;

ALL CO-ORDINATES given in this description are referred to a local grid as used by Scott Maritimes Pulp Limited Mill, Abercrombie Point, Pictou County, Province of Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated as EASEMENT FOR WATER LINE on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL. YDG., 20002, Revision 2, revised October 1971, see Registry Plan Number P-42.

NO. 3

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates East 3407.94 and North 4825.0;

THENCE due East to co-ordinates East 4058.0 and North 4825.0;

THENCE due North to co-ordinates East 4058.0 and North 5120.41;

THENCE due East to co-ordinates East 4085.75 and North 5120.41;

THENCE due South to co-ordinates East 4085.75 and North 4780.0;

THENCE due West to co-ordinates East 3407.94 and North 4780.0;

THENCE due North to co-ordinates East 3407.94 and North 4825.0, the said point also being the PLACE OF BEGINNING;

ALL CO-ORDINATES given in this description are referred to a local grid as used by Scott Maritimes Limited Pulp Mill, Abercrombie Point, Pictou County, Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated as EASEMENT FOR PIPE RACK on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971, see Registry Plan Number P-42.

NO. 4

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates North 4464.38 and East 3470.00;

THENCE South 45 degrees, 00 minutes East to co-ordinates North 4344.38 and East 3590.00;

THENCE due South to co-ordinates North 4247.00 and East 3590.0;

THENCE due East, 20.0 feet to co-ordinates North 4247.00 and East 3610.00;

THENCE due North to co-ordinates North 4352.66 and East 3610.0;

THENCE North 45 degrees 00 minutes West to co-ordinates North 4492.66 and East 3470.0;

THENCE due South, to co-ordinates North 4464.38 and East 3470.0, the said point also being the POINT OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott Maritimes Pulp Limited mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

BEING AND INTENDED to be that parcel of land designated as EASEMENT FOR STANDPIPE on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL, YDG, 20002, Revision 2, revised October 1971, see Registry Plan Number P-42;

AND SCOTT MARITIMES PULP LIMITED hereby further grants to Canso Chemicals Limited, its successors and assigns, the owner or owners for the time being of the lands of Canso Chemicals Limited, which said lands are shown on the property plan annexed to this conveyance (Registry No. P-42) as being the lands of Canso Chemicals Limited, a free and uninterrupted right of way for persons, animals and vehicles, through, along and over that certain parcel of land

owned by Scott Maritimes Pulp Limited, to the north of land of and abutting the original access road to Canso Chemicals Limited where it joins the road to Scott Maritimes Pulp Limited, as shown on said Plan, which said parcel of land is more particularly described as follows:

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ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, and more particularly described as follows:

BEGINNING at co-ordinates North 3987.94 and East 3967.88;

THENCE South 75 degrees, 02 minutes East to co-ordinates North 3979.42 and East 3999.75;

THENCE southeasterly, along the arc of a curve having a radius of 7.0 feet, to a tangent which is at right angles to the existing road to Scott Maritimes Pulp Limited;

THENCE southeasterly, along said tangent, to the west margin of the existing road;

THENCE South 10 degrees, 21 minutes West, along the west margin of said road 33.0 feet, to the north margin of the original access road to Canso Chemicals Limited;

THENCE westerly, on a tangent to the margin of the first above mentioned road, to an arc of a curve having a radius of 41.0 feet;

THENCE along said arc to the PLACE OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott Maritimes Pulp Limited mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated in the enlargement in a certain property plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971;

AND BEING AND INTENDED TO BE the property conveyed to Canso Chemicals Limited by Scott Maritimes Pulp Limited by deed dated April 12, 1972 and recorded in the Registry of Deeds, Pictou, in Book 602 at Page 171.

TO HER MAJESTY THE QUEEN
GRANTON ROAD

LAND TAKEN by Her Majesty the Queen for construction of the Granton Road, bounded and described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being at or near the District of Begg Brook, in the County of Pictou, Province of Nova Scotia, and more particularly bounded and described as follows:

BEGINNING at the point of intersection of the boundary between lands of Scott Paper Company and the lands now or formerly of Henry Bigney with the Northeasterly boundary of a Diversion to the old Abercrombie Road and 125 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Southeasterly direction following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 327 feet, more or less, to the end of a curve at chainage station 41 + 99.6;

THENCE at right angles, in a Southwesterly direction, a distance of 75 feet, more or less, to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the several courses of the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 1941 feet, more or less, to a point at chainage station 62 + 00, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Northeasterly direction, a distance of 25 feet, more or less, to a point 75 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line a distance of 700 feet to a point at chainage station 69 + 00 as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 25 feet to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 450 feet, to a point at chainage station 73 + 50, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Northeasterly direction, a distance of 25 feet to a point 75 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line a distance of 400 feet, to a point at chainage station 77 + 50, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 25 feet to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 407.3 feet to the beginning of a curve at chainage station 81 + 57.3 as shown on the annexed plan (Registry Plan No. P-644);

THENCE following a course of North 66 degrees, 47 minutes East, a distance of 210 feet, more or less, to meet the Southwesterly boundary of the existing old Abercrombie Road and 33 feet perpendicularly distant from the centre line thereof.

THENCE in a Southeasterly direction, following the boundary of the aforesaid old road and parallel to the centre line thereof, a distance of 247 feet, more or less, or until it meets the boundary between the lands of Scott Paper Company and the lands formerly of Karl Crawford;

THENCE in a Northwesterly direction, following the alignment of the last mentioned boundary, a distance of 2,893 feet, more or less, to the beginning of a curve at chainage station 55 + 76.8 as shown on the annexed plan (Registry Plan No. P-644), said point being on the Southeasterly boundary of the aforesaid Old Abercrombie Road Diversion and 50 feet perpendicularly distant from the centre line thereof;

THENCE in a Northwesterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 1,427 feet, more or less, to the end of a curve at chainage station 41 + 99.6, as shown on the annexed plan (Registry Plan No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 62 feet, more or less, or until it meets the boundary between the lands of Scott Paper Company and the lands, now or formerly, of Mrs. Kenneth MacDonald;

THENCE in a Northeasterly direction, following and in alignment with the last mentioned boundary, a distance of 355 feet, more or less, to the POINT OF BEGINNING;

BEING AND INTENDED TO BE lands granted, by way of expropriation, to Her Majesty the Queen by Scott Maritimes Pulp Limited by Indenture dated March 12, 1976 and recorded in the Registry of Deeds, Pictou, on April 8, 1976 in Book 686, at Page 122.

HIGHWAY NO. 106

LANDS TAKEN BY HER MAJESTY THE QUEEN for construction of Highway 106, bounded and described as follows:

ALL AND SINGULAR those certain lots, pieces or parcels of land situate, lying and being at or near the District of Begg Brook, in the County of Pictou, Province of Nova Scotia, and more particularly bounded and described as follows:

Lot No. 1

BEGINNING at the point of intersection of the boundary between the lands of Scott Maritimes Pulp Limited and the lands, now or formerly, of Naiff Harris with the Westerly boundary of the approach to the Pictou Causeway on the Trans Canada Highway and 200 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Northerly and Northeasterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 1,055 feet, more or less, or until it meets the mean high water mark of the Middle River;

THENCE in a Northeasterly direction, following the high water mark of the aforesaid River, a distance of 800 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Approach to the Pictou Causeway and 100 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Southwesterly and Southerly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 1,487 feet, more or less, or until it meets the aforesaid boundary between the lands of Naiff Harris and the lands, now or formerly, of Scott Paper Company;

THENCE in a Southwesterly direction, following the alignment of the last mentioned boundary, a distance of 338 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 8.68 acres, more or less.

Lot No. 2

BEGINNING at the point of intersection of the Southeasterly boundary of the Approach to the Pictou Causeway with the Easterly mean high water mark of Middle River;

THENCE in a Northerly, Northeasterly and Northwesterly directions, following the various windings of the aforesaid mean high water mark, a distance of 1,145 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Approach to Pictou Causeway and 100 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Southwesterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 867 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 2.50 acres, more or less.

Lot No. 3

BEGINNING at the point of intersection of the Southeasterly boundary of the Approach to Pictou Causeway with the Easterly mean high water mark of Middle River;

THENCE in a Northerly and Northeasterly direction, following the several courses of the aforesaid mean high water mark, a distance of 490 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Causeway Approach and 100 feet perpendicularly distant from the centre line thereof;

THENCE in a Southwesterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 475 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 0.13 acres, more or less;

THE ABOVE DESCRIBED PARCELS of land are shown outlined in red on the annexed plan (Registry Plan No. P-637) and containing 11.31 acres, more or less;

BEING AND INTENDED TO BE lands granted, by way of expropriation, to Her Majesty the Queen by Scott Maritimes Pulp Limited by Indenture dated March 12, 1976 and recorded in the Registry of Deeds, Pictou, Nova Scotia, on March 25, 1976 in Book 685, at Page 158.

ALSO SAVING AND EXCEPTING a certain lot of land created by the expropriation of lands by Her Majesty the Queen for construction of the Granton to Abercrombie Road bounded and described as follows:

Lot No. 2 ; KIMBERLY-CLARK INC.

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded

on the North-east by the South-west boundary of the Granton Road at Abercrombie, in the County of Pictou, Province of Nova Scotia, said lot being more particularly described as follows:

BEGINNING at the intersection of a North boundary of land of The Nova Scotia Power Corporation and the South boundary of the said Granton Road;

THENCE South 75 degrees, 40 minutes, 33 seconds West (Grid), a distance of 75 feet, more or less, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE continuing, in the same direction, a distance of 908.0 feet, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE North 12 degrees, 24 minutes East (Grid), a distance of 925 feet, more or less, along the East boundary of land of others, to the South boundary of the said Granton Road;

THENCE Northerly, Easterly and Northerly, a distance of 1500 feet, more or less, along the boundary of the said Granton Road, to the POINT OF BEGINNING;

AN AREA containing 11 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529, at Page 105;

ALSO SAVING AND EXCEPTING a certain lot of land created by the expropriation of lands by Her Majesty the Queen for the construction of Highway No. 106 bounded and described as follows:

Lot No. 3 KIMBERLY-CLARK INC.

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the East by the West boundary of Highway No. 106 and bounded on the West by the ordinary high water mark of the Middle River, in Abercrombie, in the County of Pictou and Province of Nova Scotia, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly owned or occupied by Naiff Harris, now owned by Her Majesty The Queen in the Right of the Province of Nova Scotia and the West boundary of Highway No. 106;

THENCE South 65 degrees, 55 minutes West (Magnetic 1965), a distance of 200 feet, more or less, along the said North-west boundary of land formerly of Naiff Harris, to the mean high water mark of the Middle River;

THENCE Northerly and Easterly, a distance of 1200 feet, more or less, along the said mean high water mark of the Middle River, to the intersection with the West boundary of Highway No. 106;

THENCE Southerly, along the West boundary of the said Highway No. 106, to the POINT OF BEGINNING;

AN AREA containing 5.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529 at Page 105;

ALSO SAVING AND EXCEPTING a certain lot of land conveyed to the Abercrombie Volunteer Fire Department bounded and described as follows:

ALL THAT PARCEL of land situate at Abercrombie, in the County of Pictou, Province of Nova Scotia, and designated as Lot 1-A-B on a Subdivision Plan prepared by Wadden Surveys, having No. 93117 and signed by M.G. Wadden, N.S.L.S. on the 4th day of January, 1994, said Lot 1-A-B more fully shown on Registry Plan Number 4254.

THE SAID LOT 1-A-B intended to be a consolidation of Lot 1, lands formerly leased by Scott Maritimes Limited to Abercrombie Volunteer Fire Department, and registered at the Office of the Registrar of Deeds, Pictou, Nova Scotia on the 20th of September, 1993, in Book 1132 at Page 230, and Parcels A and B, a portion of lands formerly conveyed by Scott Paper Company to Scott Maritimes Pulp Limited, by Deed, registered at the Office of the Registrar of Deeds, Pictou, Nova Scotia on the 29th day of December, 1967, in Book 529, at Page 105;

BEING AND INTENDED to be a lot of land conveyed to the Abercrombie Volunteer Fire Department by Scott Maritimes Limited by Deed dated March 10, 1994 and recorded at the Registry Office, Pictou, Nova Scotia in Book 1132, Page 230;

EASEMENTS OVER KIMBERLY-CLARK INC. LAND

RESERVING THE FOLLOWING POWER LINE EASEMENT as granted by Alexander Ellis and his wife Isabel V. Ellis to The Nova Scotia Power Commission over land as now owned by Kimberly-Clark Inc. said land being that as originally acquired by Scott Paper Company from the said Alexander and Isabel Ellis by an Indenture dated October 14, 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on October 14, 1965 in Book 487, at Page 140, said easement being more fully described as follows:

WHEREAS the said Commission proposes to erect a Transmission Line to convey electric power and energy to certain parts of Pictou County and is acquiring right of way privileges for same to erect and maintain a line of poles or towers and wires with the necessary foundations, anchors and guy wires, hereinafter referred to as the TRANSMISSION LINE, for the purpose of conveying electric power and energy, over and across lands of Alexander and Isabel Ellis, as now owned by Kimberly-Clark Inc., situated in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia;

THE SAID GRANT OF EASEMENT was made from the said Alexander and Isabel Ellis to The Nova Scotia Power Commission by an Indenture dated June 3, 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on November 22, 1965 in Book 490, at Page 33 and shown on plan attached to recorded grant and described as follows:

THE CENTER LINE OF SAID TRANSMISSION LINE to follow the center line now established by the Commissions route survey;

BEGINNING on the Northern boundary of lands of Karl Crawford;

THENCE North 20 degrees, 00 minutes East, a distance of 504.5 feet, more or less, to the Southern boundary of lands of Peter Sinclair, now owned by Kimberly-Clark Inc.;

THE DESCRIBED CENTER LINE being indicated by a red line on the lot numbered 19 on the plan hereto annexed (See plan in Registry Book 490, at Page 33);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line, upon a strip of land 100 feet wide, lying 50 feet on both sides of the said center line of proposed transmission line, hereinafter referred to as the RIGHT OF WAY, and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

ALSO RESERVING the following power transmission easements over lands conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Deed dated December 21, 1967 and recorded in the Registry of Deeds, Pictou, December 29, 1967 in Book 529 at Page 105:

WITNESSETH the said Scott Maritimes Pulp Limited grants and conveys unto The Nova Scotia Power Commission the perpetual privilege, right and easement of erecting, maintaining and fencing an outdoor substation with all poles, anchors, guys, transformers and of erecting and maintaining a line of poles and wires with all necessary anchors, guys and braces for the purpose of conveying, transmitting and transforming electric power and energy over and across lands of Scott Maritimes Pulp Limited situated in the vicinity of Abercrombie, in the County of Pictou, Province of Nova Scotia:

SUBSTATION EASEMENT

A SUBSTATION to be located on a portion of the existing transmission line right of way covered by easement from Alexander Ellis, now owned by Kimberly-Clark Inc., to the Nova Scotia Power Commission, dated June 3, 1965, recorded on November 22, 1965 in Book 490, Page 33, said portion of the existing right of way being described as follows:

BEGINNING on the northern margin of the New Road at a point distant 50 feet westerly along said margin from the centre line of the existing transmission line;

THENCE North 20 degrees East, parallel to the said centre line, a distance of 100 feet;

THENCE South 80 degrees, 35 minutes East, parallel to the said road margin, a distance of 100 feet;

THENCE South 20 degrees West, a distance of 100 feet to meet the aforesaid road margin;

THENCE North 80 degrees, 35 minutes West, along the aforesaid northern margin, a distance of 100 feet to the POINT OF BEGINNING.

TRANSMISSION LINE EASEMENT:

A TRANSMISSION LINE to be located on a strip of land 66 feet wide lying 33 feet on both sides of the hereinafter described centre line:

BEGINNING on the northwestern limits of the hereinbefore described substation lot;

THENCE North 80 degrees, 35 minutes West, parallel to the northern margin of the New Road, a distance of 1,766 feet, more or less, to an angle;

THENCE North 78 degrees, 43 minutes West, a distance of 807 feet, more or less, to an angle;

THENCE North 51 degrees, 26 minutes West, a distance of 400 feet, more or less, to an angle;

THENCE North 15 degrees, 11 minutes West, a distance of 610 feet, more or less, to an angle;

THENCE North 05 degrees, 49 minutes East, a distance of 488 feet, more or less, to an angle;

THENCE North 38 degrees, 11 minutes West, parallel to and 33 feet perpendicularly distant from the southwestern boundary of said lands of Scott Maritimes Pulp Limited, a distance of 2,625 feet, more or less, to an angle;

THENCE North 45 degrees, 48 minutes East, a distance of 2,444 feet, more or less, to an angle;

THENCE North 51 degrees, 09 minutes East, a distance of 1,480 feet, more or less, to an angle;

THENCE North 06 degrees, 47 minutes East, a distance of 165 feet, more or less, to meet the high water line of Pictou Harbour;

SAVING AND EXCEPTING any portions of the said strip, as may be within the limits of any Public Highway;

BEING AND INTENDED to be easements granted by Scott Maritimes Pulp Limited to The Nova Scotia Power Commission by an Indenture dated May 21, 1968 and recorded at the Registry of Deeds, Pictou, Nova Scotia on June 10, 1968 in Book 532, at Page 131 and as shown on the plan attached to the recorded Indenture.

AND FURTHER RESERVING the following power transmission easements over lands conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Deed dated December 21, 1967 and recorded in the Registry of Deeds, Pictou, December 29, 1967 in Book 529, at Page 105:

WHEREAS The Nova Scotia Power Commission proposes to erect additions to its outdoor substation and a transmission line for the purpose of transferring and conveying electric power and energy from the said substation at Abercrombie to the Canso Chemicals plant, at Abercrombie Point, Pictou County, Province of Nova Scotia and is acquiring right of way privileges for same:

SUBSTATION ADDITION EASEMENT

BEGINNING on the northern boundary of the public highway, at the southwestern corner of the substation lot acquired by easement from Scott Maritimes Pulp Limited, dated May 21, 1968, recorded at Pictou, in Book 532, at Page 131;

THENCE North 80 degrees, 35 minutes West, along said highway boundary, a distance of 61 feet;

THENCE North 09 degrees, 25 minutes East, perpendicular to aforesaid highway boundary, a distance of 150 feet;

THENCE South 80 degrees, 35 minutes East, a distance of 79.4 feet;

THENCE South 09 degrees, 25 minutes West, a distance of 51.6 feet to the northwestern corner of said substation lot acquired by an easement dated May 21, 1968;

THENCE South 20 degrees West, along the western boundary of aforesaid substation lot, a distance of 100 feet to the PLACE OF BEGINNING.

TRANSMISSION LINE EASEMENT

A TRANSMISSION LINE to be located on a strip of land 66 feet wide lying 33 feet on both sides of the hereinafter described center line:

BEGINNING on the northern limits of the Commissions aforesaid substation lot, covered by easement from Scott Maritimes Pulp Limited, dated May 21, 1968, recorded at Pictou in Book 532, at Page 131, at a point distant 30 feet, bearing South 80 degrees, 35 minutes East along said limits from the northwestern corner of said substation lot;

THENCE North 15 degrees, 47 minutes East, a distance of 320 feet, more or less, to an angle in said center line;

THENCE North 01 degrees, 46 minutes West, a distance of 2,040 feet, more or less, to an angle;

THENCE North 10 degrees, 34 minutes West, a distance of 548 feet, more or less, to a point marking an angle in said center line, said point being perpendicularly distant 33 feet northeasterly from the center line of the effluent disposal pipeline leading from the Pulp Mill at Abercrombie Point to Boat Harbour;

Thence North 39 degrees, 03 minutes West, parallel to said pipeline center line, a distance of 1,108 feet, more or less, to an angle;

THENCE South 66 degrees, 35 minutes West, a distance of 175 feet, more or less, to meet the northeastern boundary of lands of said Canso Chemicals Limited;

SAVING AND EXCEPTING those portions of the said strip as lie within the limits of the public highway and within the boundaries of lands of Peter Sinclair, now owned by Kimberly-Clark Inc.;

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TO HAVE AND TO HOLD the said privileges, rights, easements and licence hereby granted unto the said Commission, its successors or assigns forever;

BEING AND INTENDED to be easements granted by Scott Maritimes Pulp Limited to Nova Scotia Power Commission by Indenture dated May 9, 1969 and recorded in the Registry of Deeds, Pictou on June 8, 1970 in Book 569, at Page 191 and as depicted on Registry Plan No. 77, File 19 on file at the same Registry.

SCHEDULE "A"**PID: 864082**

ALL THAT CERTAIN LOT, piece or parcel of land, situate, lying and being at Abercrombie, in the County of Pictou and Province of Nova Scotia and bounded and more fully described as follows:

BEGINNING on the Western side of the main road leading from New Glasgow to Abercrombie Wharf at the North-east angle of lands formerly belonging to one Maggie Fraser and Lena Fraser, now owned by Kimberly-Clark Nova Scotia;

THENCE Westerly, along the said Northern boundary line of the said lands now owned by Kimberly-Clark Nova Scotia, for the distance of one side of a square of land having an area of one acre;

THENCE Northerly, parallel to the Western margin of aforesaid highway, along lands of Kimberly-Clark Nova Scotia, for the distance of one side of a square of land having an area of one acre;

THENCE in an Easterly direction, along lands of Kimberly-Clark Nova Scotia, parallel to the Northern side line of the aforesaid lands of Maggie Fraser and Lena Fraser as now owned by Kimberly-Clark Nova Scotia, to the Western boundary of the aforesaid highway;

THENCE along the said Western boundary of the aforesaid highway its several courses to the PLACE OF BEGINNING;

BEING AND INTENDED TO BE a square of land, one acre in area, and being a portion of the lands conveyed by one Annie MacDonald to J. W. Sinclair by deed dated November 19, A.D., 1935 and registered in the Registry of Deeds Office at Pictou, Nova Scotia in Book 253, at Page 238;

ALSO BEING AND INTENDED TO BE the same land conveyed by J. E. (Ted) Scanlan, Trustee to Scott Worldwide, Inc. by Indenture dated June 29, 1990 and as recorded in the Office of the Registrar of Deeds for Pictou County on the same date in Book 1045, at Page 578;

ALSO BEING AND INTENDED TO BE the fourth parcel contained in a deed from Kimberly-Clark Worldwide, Inc. to Kimberly-Clark Nova Scotia, said Indenture dated the 17th day of July, A.D., 1997 and recorded in the Office of the Registrar of Deeds for Pictou County on July 18, 1997 in Book 1244, at Page 764, as Document No. 4195.

THE ABOVE DESCRIBED PROPERTY is subject to a utility easement as granted by Peter A. Sinclair et ux Bessie B. Sinclair to Maritime Telegraph and Telephone Company Limited, said grant dated the 23rd day of February, A.D., 1952 and recorded in the Office of the Registrar of Deeds for Pictou County on March 22, 1952 in Book 240, at Page 312, said grant being more particularly described as follows:

WE HERBY GRANT, bargain and sell unto the said Maritime Telegraph and Telephone Company Limited, its successors and assigns, the right and authority to construct, reconstruct, operate and maintain its line of telephone and telegraph, consisting of such poles, wires, cables, conduits, guys, anchors and other fixtures and appurtenances as Maritime Telegraph and Telephone Company Limited may, from time to time, require upon, across, over and or under the property which Peter A. Sinclair et ux have any interest, in the School Section of Abercrombie, County of Pictou and Province of Nova Scotia, described as follows:

SITUATE on the western side of the New Glasgow to Abercrombie Highway;

BOUNDED on the northerly side by lands, now or formerly, owned by James Grant;

ON THE southerly side by lands, now or formerly, owned by Alexander Ellis;

AND ALSO UPON, along, over and or under the roads, streets or highways crossing and or adjoining the said property in which Peter A. Sinclair et ux have any interest, with the right to have the Maritime Telegraph and Telephone Company Limited employees enter upon the property at any time for the purposes of placing, replacing, maintaining and inspecting its lines and other properties;

AND ALSO THE RIGHT to cut, keep cut and remove such trees and brush as the Maritime Telegraph and Telephone Company Limited may consider necessary for the erection, maintenance and satisfactory operation of the lines, but in no case beyond a distance of 50 feet from the said lines;

AND THE RIGHT TO PERMIT the attachment of and or carry in conduit, wires and cables of any other company;

TO HAVE AND TO HOLD unto the Maritime Telegraph and Telephone Company Limited, its successors and assigns forever;

RESERVING unto Peter A. Sinclair et ux the right of cultivating, tilling and raising industrial crops on such portions of the said lands and premises as are not used by the Maritime Telegraph and Telephone Company Limited for the purposes of this grant;

PETER A. SINCLAIR et ux for himself, his heirs, executors, administrators and assigns, hereby covenants to and with the Maritime Telegraph and Telephone Company Limited, its successors and assigns, that no wire line will be erected or permitted on said property which will interfere with its service or endanger its lines;

THE MARITIME TELEGRAPH AND TELEPHONE COMPANY LIMITED covenants, promises and agrees with Peter A. Sinclair et ux that it will at all times compensate them for any damage which Maritime Telegraph and Telephone Company Limited may do to the industrial crops of Peter A. Sinclair et ux, in the exercise of its right of entry upon the said lands at any time for the purpose of inspection and maintaining the said lines of telephone and telegraph;

THE ABOVE DESCRIBED PROPERTY is also subject to a grant of an easement from Peter A. M. Sinclair to The Nova Scotia Power Commission by an Indenture dated the 2nd day of June,

A.D., 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on November 22, 1965 in Book 490, at Page 34, said grant being more particularly described as follows:

WHEREAS the said Commission proposes to erect a transmission line to convey electric power and energy to certain parts of Pictou County and is acquiring right of way privileges for same;

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the sum of One Dollar of lawful money of Canada and of other good and valuable consideration paid by the Commission to the said Peter A. M. Sinclair, the receipt whereof is hereby acknowledged, the said Peter A. M. Sinclair hereby grants and conveys unto the Commission the perpetual privilege, right, easement and license of erecting and maintaining a line of poles or towers and wires with all necessary foundations, anchors and guy wires hereinafter referred to as the TRANSMISSION LINE, for the purpose of conveying electric power and energy, over and across lands of Peter A. M. Sinclair, situated in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia;

THE CENTER LINE OF SAID TRANSMISSION LINE to follow the center line now established by the Commissions route survey;

BEGINNING on the northern boundary of lands of Alexander Ellis;

THENCE North 20 degrees, 00 minutes East, a distance of 70 feet, more or less, to the western boundary of lands of the Abercrombie to New Glasgow Highway;

THE DESCRIBED CENTER LINE being indicated by a red line on the lot numbered 20 on the plan hereto annexed (Plan recorded in Book 490, Page 34);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line, upon a strip of land 100 feet wide, lying 50 feet on both sides of the said center line of proposed transmission line, hereinafter referred to as the RIGHT OF WAY, and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

AND to enter upon and across said land from time to time and at all times with vehicles, machinery, equipment and materials as deemed expedient for all purposes whatsoever, in fulfillment of the privileges granted herein;

PROVIDED HOWEVER that Peter A. M. Sinclair may make claim for actual damage by vehicle and mechanized equipment to field crops, fences and access roads;

TO HAVE AND TO HOLD the said privileges, rights, easement and license hereby granted unto the said Commission, its successors or assigns forever;

AND the said Peter A. M. Sinclair doth hereby for himself and his heirs, executors, administrators and assigns covenant with the said Commission, its successors or assigns that he

will not place or cause to be placed any structure or other thing upon said right of way which in the opinion of the Commission is deemed an obstruction;

THE ABOVE DESCRIBED PROPERTY is also subject to a grant of an easement from Peter A. M. Sinclair to The Nova Scotia Power Commission by an Indenture dated the 2nd day of April, A.D., 1969 and as recorded in the Office of the Registrar of Deeds for Pictou County on June 8, 1970 in Book 569, at Page 192, said grant being more particularly described as follows:

WHEREAS the said Commission proposes to erect a transmission line to convey electric power and energy to the Canso Chemicals Plant, Abercrombie, Pictou County and is acquiring right of way privileges for same;

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the sum of One Dollar of lawful money of Canada and of other good and valuable consideration paid by the Commission to the said Peter A. M. Sinclair, the receipt whereof is hereby acknowledged, the said Peter A. M. Sinclair hereby grants and conveys unto the Commission the perpetual privilege, right, easement and license of erecting and maintaining a line of poles or towers and wires with all necessary foundations, anchors and guy wires, hereinafter referred to as the TRANSMISSION LINE, for the purpose of conveying electric power and energy, over and across lands of Peter A. M. Sinclair situate in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia, bounded northeasterly by the public highway leading to Abercrombie Point and on all other sides by lands of Scott Maritimes Pulp Limited;

THE CENTER LINE of said transmission line beginning on the southern boundary of said lands of Peter A. M. Sinclair at a point distant 104 feet, more or less, westerly along said boundary from its intersection with the southwestern boundary of the said public highway;

THENCE northeasterly, a distance of 60 feet, more or less, to an angle in said center line;

THENCE northerly, a distance of 164 feet, more or less, to meet the northern boundary of aforesaid lands of Peter A. M. Sinclair at a point distant 11 feet, more or less, westerly along same from the said southwestern boundary of the aforesaid public highway;

THE DESCRIBED CENTER LINE being indicated by a red line on the plan numbered A2-T15-L2-2 hereto annexed (Plan No. 78 in File 19 at Pictou Registry);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line upon a strip of land 66 feet wide, lying 33 feet on both sides of the said center line of the proposed transmission line, hereinafter referred to as the RIGHT OF WAY and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

AND to enter upon and across said lands from time to time and at all times with vehicles, machinery, equipment and materials as deemed expedient for all purposes whatsoever, in fulfillment of the privileges granted herein;

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PROVIDED HOWEVER that the said Peter A. M. Sinclair may make claim for actual damage by vehicles and mechanized equipment to field crops, fences and access roads;

PROVIDED ALSO that the said Peter A. M. Sinclair may maintain all existing buildings that lie within the limits of the aforesaid right of way;

TO HAVE AND TO HOLD the said privileges, rights, easement and license hereby granted unto the said Commission, its successors or assigns forever;

AND the said Peter A. M. Sinclair doth hereby for himself and his heirs, executors, administrators and assigns covenant with the said Commission, its successors or assigns that he will not place or cause to be placed any structure or other thing upon said right of way which in the opinion of the Commission is deemed as obstruction.

SCHEDULE "A"**PID: 65166829**

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the North-east by the South-west boundary of the Granton Road at Abercrombie, in the County of Pictou, Province of Nova Scotia, said lot being more particularly described as follows:

BEGINNING at the intersection of a North boundary of land of The Nova Scotia Power Corporation and the South boundary of the said Granton Road;

THENCE South 75 degrees, 40 minutes, 33 seconds West (Grid), a distance of 75 feet, more or less, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE continuing, in the same direction, a distance of 908.0 feet, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE North 12 degrees, 24 minutes East (Grid), a distance of 925 feet, more or less, along the East boundary of land of others, to the South boundary of the said Granton Road;

THENCE Northerly, Easterly and Northerly, a distance of 1500 feet, more or less, along the boundary of the said Granton Road, to the POINT OF BEGINNING;

AN AREA containing 11 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529, at Page 105;

SCHEDULE "A"**PID: 65168130**

All and Singular that certain lot, piece or parcel of land, situate, lying and being bounded on the South by the North boundary of the existing diversion to the Abercrombie Road, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being the land over which the old railway formerly owned by the Intercolonial Coal Company was constructed and shown partially on plan No. A.F.E. 17-5-380-138-66, showing the property required for the Begg Brook Interchange, as prepared by the Department of Highways for the Province of Nova Scotia, and dated January 17th, 1967 and being expropriated by an instrument for same dated August 11, 1969 and recorded in the Office of the Registrar of deeds for Pictou County on August 13th, 1969 in File 16 as No. 56, said parcel being more particularly described as follows:

Beginning at the intersection of the Southeast boundary of land as conveyed by Henry I. W. Bigney and Mabel G. Bigney to Her Majesty the Queen, in the Right of Canada for the use of the Canadian Government Railways (Book 493, Page 26) and a Southwest boundary of land formerly of Scott Maritimes Pulp Limited, now Neenah Paper Company of Canada, said point of intersection being South 62 degrees, 35 minutes, 56 seconds East (Astronomic), a distance of 106.6 feet from the intersection of the Northwest boundary of said Railway land and the said boundary of land of Neenah Paper Company of Canada;

Thence South 62 degrees, 35 minutes, 56 seconds East (Astronomic), a distance of 37 feet, more or less, along the said Southwest boundary of land formerly of Scott Maritimes Pulp Limited, now of Neenah Paper Company of Canada, to the East boundary of land formerly of the Intercolonial Coal Company;

Thence Southerly, along a Western boundary of land formerly of Henry T. W. Bigney, now of Neenah Paper Company of Canada, a distance of 480 feet, more or less, or until it meets the North boundary of the abovementioned diversion to the Abercrombie Road, said point being 125 feet perpendicular distance from center line of same;

Thence in a Westerly direction, parallel to and 125 feet perpendicular distance from the center line of the said diversion to the Abercrombie Road, on the arc of a curve to the left, a distance of 65 feet, more or less, to a point of curvature;

Thence South 00 degrees, 10 minutes West (Magnetic 1965), a distance of 25 feet, along a West boundary of the said diversion to the Abercrombie Road, to a point, said point being 100 feet perpendicular distance from the center line of said diversion;

Thence North 89 degrees, 50 minutes West (Magnetic 1965), parallel to and 100 feet perpendicular distance from the center line of said diversion, a distance of 40 feet, more or less, to the West boundary of land formerly of the said Intercolonial Coal Company and an East boundary of land formerly of the said Henry I. W. Bigney and Mabel Bigney;

Thence North 09 degrees, 04 minutes East (Magnetic 1965) a distance of 290 feet, more or less, along the West boundary of the former Coal Company land and the East boundary of land formerly of the said Bigneys to a point in the Southeast boundary of land of Her Majesty the Queen, in the right of Canada as occupied by the Canadian National Railway;

Thence North 07 degrees, 09 minutes, 24 seconds East (Astronomic), a distance of 263.45 feet, along the Southeast boundary of the said land of Her Majesty the Queen, to the Point of Beginning;

An Area containing 0.5 acres, more or less;

Being and Intended to be all of the land formerly owned by the Intercolonial Coal Company which adjoined land recently owned by Henry I. W. Bigney and Mabel Bigney;

Subject to a utility interest of Nova Scotia Power Commission as described in document number 1046 at Book 532, Page 131 registered June 10, 1968;

The subdivision is validated by Section 291 of the Municipal Government Act.

SCHEDULE "A"**PID: 1045442**

Beginning at the point of intersection of the Northwesterly boundary of the Canadian National Railways right of way with the Northerly boundary of the Granton-Abercrombie road connector and 100 feet perpendicularly distant from the centre line of construction thereof;

Thence in a Westerly direction following the boundary of the aforesaid connector and parallel to the said centre line a distance of 80 feet, more or less, or until it meets the Easterly boundary of the Access Road to Scott Maritimes Pulp mill and 50 feet perpendicularly distant from the centre line of construction thereof;

Thence following a course of North 04 degrees, 17.5 minutes East along the boundary of the aforesaid Access Road and parallel to the said centre line, a distance of 1047 feet, more or less, or until it meets the boundary between lands of Her Majesty the Queen and the lands of Scott Maritimes Pulp Limited;

Thence following a course of South 39 degrees, 07 minutes East, along the alignment of the last mentioned boundary, a distance of 568 feet, more or less, or until it meets the Northwesterly boundary of the Canadian National Railways right of way;

Thence following a course of South 40 degrees, 49.5 minutes West along the boundary of the aforesaid right of way, a distance of 695 feet, more or less, to the point of beginning;

Containing 5.24 acres, more or less;

Subject to a utility interest of Nova Scotia Power Commission as described in document number 1046 at Book 532, Page 131 registered June 10, 1968;

The subdivision is validated by Section 291 of the Municipal Government Act.

SCHEDULE "A"**PID: 65076366**

ALL AND SINGULAR THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the South by the North boundary of the existing Abercrombie Road, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being land over which the access road to the Kimberly-Clark Nova Scotia pulp mill is constructed and shown on plan no. A.F.E. 17-5-380-138-66 showing the property required for the Begg Brook Interchange as prepared by the Department of Highways for the Province of Nova Scotia and dated January 17, 1967, said parcel being more particularly described as follows:

BEGINNING at the intersection of the West boundary of the said access road to land of Kimberly-Clark Nova Scotia and the North boundary of a diversion to the Abercrombie Road, which point being Easterly a distance of 190 feet, more or less, from the point of intersection of the Easterly boundary of Begg Brook, at the mean high water mark, with the Northerly boundary of the said diversion to the Abercrombie Road, said point of beginning also being 100 feet perpendicular distance from the center line of the said diversion;

THENCE in a Northerly direction, parallel to and 50 feet perpendicular distance from the center line of the said access road, a distance of 1160 feet, more or less, or until it meets the boundary between land formerly of Henry I. W. Bigney, now of Kimberly-Clark Nova Scotia and land formerly of Scott Maritimes Pulp Limited, now also of Kimberly-Clark Nova Scotia;

THENCE in a Southeasterly direction, following the alignment of the last mentioned boundary, a distance of 150 feet, more or less, or until it meets the Easterly boundary of the aforesaid access road to land of Kimberly-Clark Nova Scotia and 50 feet perpendicular distance from the center line thereof;

THENCE in a Southwesterly direction, parallel to and 50 feet perpendicular distance from the center line of the said access road, a distance of 1045 feet, more or less, or until it meets the abovementioned Northerly boundary of a diversion to the Abercrombie Road and 100 feet perpendicular distance from the center line of same;

THENCE in a Westerly direction, parallel to and 100 feet perpendicular distance from the center line of said diversion, a distance of 106 feet, to the POINT OF BEGINNING;

AN AREA CONTAINING 2.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Her Majesty The Queen, in the Right of Her Province of Nova Scotia, from Henry I. W. Bigney and Mabel G. Bigney by an Instrument of Expropriation prepared under the provisions of the Expropriation Act and dated January 31, 1967 and recorded in the Office of the Registrar of Deeds for Pictou County on February 6, 1967 as File 14, No. 43;

ALSO BEING AND INTENDED TO BE PARCEL 2 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated

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the 24th day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

SCHEDULE "A"**PID: 65168163**

All that certain lot, piece or parcel of land situate lying and being at or near the District of Granton, County of Pictou, Province of Nova Scotia, described as follows:

Beginning at the point of intersection of the Southeastern boundary of the original road leading from Granton to Abercrombie with the boundary between the lands of Her Majesty the Queen under the administration and control of the Department of Lands and Forests and the lands now or formerly of Scott Maritimes Pulp Limited;

Thence following a course of South 39 degrees, 07 minutes East, along the alignment of the last mentioned boundary, a distance of 475 feet, more or less, or until it meets the Westerly boundary of an access road to the Scott Maritimes Pulp Mill and 50 feet perpendicularly distant from the centre line of construction thereof;

Thence following a course of South 04 degrees, 17.5 minutes West along the boundary of the aforesaid access road and parallel to the said centre line, a distance of 1162 feet, more or less, or until it meets the Northerly boundary of the Granton-Abercrombie Road connector and 100 feet perpendicularly distant from the centre line of construction thereof.

Thence following a course of North 89 degrees, 50 minutes West along the boundary of the last mentioned connector, a distance of 190 feet, more or less, or until it meets the Easterly margin of Begg Brook;

Thence in a Northerly, Northeasterly, Northwester, Westerly and Southwesterly direction following the various windings of the margin of the aforesaid brook, a distance of 1625 feet, more or less, or until it meets the Northeasterly boundary of the Begg Brook interchange.

Thence following a course of North 41 degrees, 10 minutes West, along the boundary of the aforesaid interchange, a distance of 48 feet, more or less, or until it meets the Easterly boundary of Trunk Highway #106 and 100 feet perpendicularly distant from the centre line of construction thereof;

Thence in a Northeasterly direction following the boundary of the aforesaid highway and parallel to the said centre line a distance of 330 feet, more or less, or until it meets the Southeasterly boundary of the original Granton-Abercrombie road and 33 feet perpendicularly distant from the centre line thereof;

Thence in a Northeasterly direction following the boundary of the aforesaid original road and parallel to centre line thereof, a distance of 924 feet, more or less, to the point of beginning;

Containing 16.92 acres, more or less;

Subject to a utility interest of Nova Scotia Power Commission as described in document number 1046 at Book 532, Page 131 registered June 10, 1968;

The subdivision is validated by Section 291 of the Municipal Government Act.

SCHEDULE "A"**PID: 65076358**

ALL AND SINGULAR THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the Southwest by the East boundary of Highway No. 106, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being land over which the Old Granton Road was constructed and shown on plan no. A.F.E. 17-5-380-138-66 showing the property required for the Begg Brook Interchange as prepared by the Department of Highways for the Province of Nova Scotia and dated January 17, 1967, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly of Henry I. W. Bigney, now Kimberly-Clark Nova Scotia and the East boundary of said Highway No. 106, which point being Northerly a distance of 2041 feet, more or less, from the point of intersection of the East boundary of said Highway with the Northerly boundary of land of the Canadian National Railway, said point of beginning also being 100 feet perpendicular distance from the center line of said Highway No. 106 and 33 feet perpendicular distance from the center line of the Old Granton Road;

THENCE in a Northerly direction, parallel to and 33 feet perpendicular distance from the center line of the said Old Granton Road, a distance of 924 feet, more or less, or until it meets the boundary between land formerly of Henry I. W. Bigney, now of Kimberly-Clark Nova Scotia and land formerly of Scott Maritimes Pulp Limited, now also of Kimberly-Clark Nova Scotia;

THENCE North 38 degrees, 45 minutes West, a distance of 66 feet, more or less, or until it meets the North-west boundary of the aforesaid Old Granton Road and a South-east boundary of land of Kimberly-Clark Nova Scotia and 33 feet perpendicular distance from the center line of said Road;

THENCE in a Southwesterly direction, parallel to and 33 feet perpendicular distance from the center line of the said Old Granton Road, a distance of 850 feet, more or less, to a point in the East boundary of Highway No. 106, said point being 100 feet perpendicular distance from the center line of said Highway;

THENCE South 03 degrees, 50 minutes West, parallel to and 100 feet perpendicular distance from the center line of said Highway No. 106, a distance of 106 feet, more or less, to the POINT OF BEGINNING;

AN AREA CONTAINING 1.4 acres, more or less;

BEING AND INTENDED TO BE all of the Old Granton Road lying Northeast of Highway No. 106;

ALSO BEING AND INTENDED TO BE PARCEL 1 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated the 24th day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou

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County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

SCHEDULE "A"**PID: 65076382**

ALL THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the Southwest by the Eastern boundary of Highway No. 106, at Abercrombie, County of Pictou and Province of Nova Scotia, said parcel being portion of the land expropriated from Naiff Harris, said parcel being more particularly described as follows:

BEGINNING at the intersection of the Eastern boundary of Highway No. 106 and the Northwestern boundary of the North Granton Road, said point being a perpendicular distance of 33 feet Northerly from the centre line of the said Old Granton Road;

THENCE in a Northerly direction parallel to and 100 feet perpendicular distant Easterly from the centre line of Highway No. 106, a distance of 34 feet, more or less, to the Northwestern boundary of lands expropriated from Naiff Harris;

THENCE North 65 degrees, 55 minutes East, along the said Northern boundary, a distance of 70 feet, more or less, to a point, said point being on the Northwestern boundary of the Old Granton Road;

THENCE in a Southwesterly direction along the Northern boundary of said Old Granton Road, a distance of 96 feet, more or less, to the POINT OF BEGINNING;

CONTAINING an area of 0.02 acres, more or less;

BEING AND INTENDED TO BE all that portion of the land expropriated from Naiff Harris that lies North-east of the said Highway No. 106;

ALSO BEING AND INTENDED TO BE PARCEL 4 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated the 24th day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

SCHEDULE "A"**PID: 65166837**

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the East by the West boundary of Highway No. 106 and bounded on the West by the ordinary high water mark of the Middle River, in Abercrombie, in the County of Pictou and Province of Nova Scotia, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly owned or occupied by Naiff Harris, now owned by Her Majesty The Queen in the Right of the Province of Nova Scotia and the West boundary of Highway No. 106;

THENCE South 65 degrees, 55 minutes West (Magnetic 1965), a distance of 200 feet, more or less, along the said North-west boundary of land formerly of Naiff Harris, to the mean high water mark of the Middle River;

THENCE Northerly and Easterly, a distance of 1200 feet, more or less, along the said mean high water mark of the Middle River, to the intersection with the West boundary of Highway No. 106;

THENCE Southerly, along the West boundary of the said Highway No. 106, to the POINT OF BEGINNING;

AN AREA containing 5.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529 at Page 105;

SCHEDULE "A"**PID: 957290**

ALL THAT CERTAIN lot, piece or parcel of land, situate, lying and being in the Town of New Glasgow, in the County of Pictou and Province of Nova Scotia and more particularly bounded and described as follows:

BEGINNING at a point on the Southern boundary of Willow Avenue, 450 feet from the intersection of the Southern boundary of Willow Avenue and the Western boundary of Pine View Crescent;

THENCE South 07 degrees, 30 minutes West, along the Western boundary of lands owned by Francis Adamson, 270 feet, to a point;

THENCE North 82 degrees, 00 minutes West, along the Northern boundary of a proposed street extension, 125 feet, to a point;

THENCE South 07 degrees, 30 minutes West, along the Western boundary of lands owned by Dr. Bruce Miller, 299 feet, to a point;

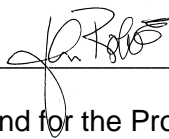
THENCE North 80 degrees, 00 minutes West, along the Northern boundary of lands owned by Francis Adamson and his wife Ellen Margaret Adamson, 198 feet, to a point;

THENCE North 07 degrees, 30 minutes West, along the Eastern boundary of lands owned by Lloyd Millen, a distance of 560 feet, to the boundary of Willow Avenue;

THENCE South 82 degrees, 00 minutes East, along the boundary of Willow Avenue, a distance of 320 feet, to the PLACE OF BEGINNING;

BEING AND INTENDED TO BE the same land as acquired by Scott Maritimes Pulp Ltd. From Francis Adamson and his wife Ellen Margaret Adamson by an Indenture dated the 17th day of June, A.D., 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on June 25, 1965 in Book 482, at Page 8.

This is Exhibit "K" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

THIS MORTGAGE OF LAND dated as of the 24th day of June, 2008.

BETWEEN:

NORTHERN PULP NOVA SCOTIA CORPORATION,
an unlimited company incorporated under the laws of the Province of
Nova Scotia

(hereinafter called the "**Mortgagor**")

- and -

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION,
an unlimited company incorporated under the laws of the Province of
Nova Scotia

(hereinafter called the "**Mortgagee**")

DEFINITIONS

1.01 In this Collateral Mortgage, unless the context otherwise requires:

- (a) "**Credit Agreement**" means a secured credit facility between the Mortgagor, as Borrower, and the Mortgagee, as Lender, dated as of the date hereof, as the same may be amended, restated, modified or supplemented from time to time.
- (b) "**Event of Default**" means an Event of Default under the Credit Agreement or the General Security Agreement;
- (c) "**General Security Agreement**" means a general security agreement between the Mortgagor, as Debtor and the Mortgagee, as Secured Party, dated as of the date hereof, as the same may be amended, restated, modified or supplemented from time to time.
- (d) "**Indebtedness**" means all debts and liabilities present and future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Mortgagor to the Mortgagee and heretofore or hereafter incurred or arising out of or in relation to the Credit Agreement or the General Security Agreement whether incurred by or arising from agreement or dealings between the Mortgagee and the Mortgagor or by or from any agreement or dealings with any third party by which the Mortgagee may be or become in any manner whatsoever a creditor of the Mortgagor or however otherwise incurred or arising anywhere within or outside the Country to a limit of Twenty-Five Million Dollars (\$25,000,000) together with interest thereon at the rate of fifteen per cent (15 %) per annum calculated

- 2 -

with interest thereon at the rate of fifteen per cent (15 %) per annum calculated half yearly, not in advance (the "**Interest Rate**").

RECITALS

1.02 The Mortgagee has requested from the Mortgagor additional security for the payment of the Indebtedness and the Mortgagor has agreed to execute this Collateral Mortgage for the purpose of providing such additional security to the Mortgagee.

CHARGE

2.01 In consideration of the sum of One Dollar (\$1.00) the Mortgagor mortgages to the Mortgagee the Mortgagor's interest in the lands described in Schedule "A" hereto annexed (the "**Lands**") as security for payment of the Indebtedness. Upon the occurrence of an Event of Default this mortgage shall immediately become due and enforceable.

COVENANTS

3.01 The Mortgagor and the Mortgagee covenant with each other as follows:

- (a) this Mortgage shall be void if the Mortgagor well and truly pays the Indebtedness and any other sums and interest thereon paid by the Mortgagee under the provisions hereof, the Credit Agreement and the General Security Agreement, and the Credit Agreement is terminated;
- (b) this Mortgage is collateral security for the payment of the Indebtedness and the Mortgagee may from time to time extend the time for payment of the Indebtedness or any part thereof, so that the time for payment of any of the Indebtedness is extended without in any way affecting the liability of the Mortgagor hereunder or under the Credit Agreement or the General Security Agreement and without in any way affecting or prejudicing the security created hereby or by the General Security Agreement and nothing but the actual payment of the Indebtedness and the termination of the Credit Agreement shall discharge the Mortgagor;
- (c) the Mortgagor will pay or cause to be paid the Indebtedness and, upon the occurrence of an Event of Default, subject to the expiration of all applicable notice and cure periods, the Mortgagee may enter and have quiet enjoyment of the Lands;
- (d) the Mortgagor has a good title in fee simple to the Lands and the right to convey the Lands as hereby conveyed, subject to permitted encumbrances as set out in the Credit Agreement and that the Mortgagor will procure such further assurances as may be reasonably required.

3.02 -- Provided that upon the occurrence of an Event of Default or if waste be committed or suffered on said Lands and after the expiration of any notice and curative periods set out in the Credit Agreement or the General Security Agreement the whole of the Indebtedness hereby secured remaining unpaid shall become payable; provided that the Mortgagee may waive its right to call in the principal and shall not be therefore debarred from subsequently asserting and exercising its right to call in the principal by reason of such waiver or any reason of any future default and the Mortgagor agrees that neither the execution or registration of this Mortgage nor the advancing of moneys shall bind the Mortgagee to advance additional moneys but the advance of moneys or any part thereof shall be in the sole discretion of the Mortgagee.

3.03 It is hereby agreed that where the context requires words in the singular include the plural, and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders.

3.04 The Mortgagor acknowledges receipt of a copy of this Mortgage.

3.05 In the event of a conflict between the provisions of this Mortgage and the provisions of the General Security Agreement, the provisions of the General Security Agreement shall prevail.

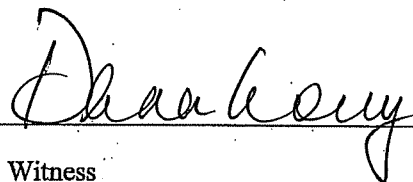
[signature page follows]

- 4 -

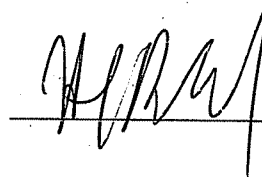
IN WITNESS WHEREOF the Mortgagor has properly executed this Collateral Mortgage as of the day and year first above written.

SIGNED AND DELIVERED in the presence
of:

NORTHERN PULP NOVA SCOTIA
CORPORATION



Witness



- 5 -

Affidavit of Execution and StatusCountry: USAProvince: NEW YORK

I, ADAM BLUMENTHAL of NEW YORK [in the State/Province of] NEW YORK make oath and say as follows:

1. That I am the CO - PRESIDENT of Northern Pulp Nova Scotia Corporation (the "Company") and have a personal knowledge of the matters herein described;
2. That for the purposes of this my Affidavit, "Matrimonial Home" means the dwelling and real property occupied by a person and that person's spouse or domestic partner as their family residence and in which either or both of them have a property interest other than a leasehold interest;
3. That the lands described in the annexed instrument are not occupied by any shareholder as a Matrimonial Home nor is any shareholder entitled to use the lands as a Matrimonial Home and the lands have never been so occupied while any interest in the lands has been owned by the Company;
4. That I am an Officer of the Company, duly authorized to execute the annexed instrument for and on behalf of the Company;
5. That I have executed the annexed instrument for and on behalf of the Company and thereby bind the Company; and
6. That this affidavit is sworn for the purpose of registering the annexed instrument pursuant to sections 79(1) and 83 of the *Land Registration Act* and in compliance with the provisions of the *Matrimonial Property Act* and the *Vital Statistics Act*.

SWORN TO at 45 Wall,
in the County of NY, the
day of June 2008
before me:

A Notary Public

[affix stamp/seal and date of expiry of
commission]

DIANNE M. BROWN
NOTARY PUBLIC, STATE OF NEW YORK
QUALIFIED IN NEW YORK COUNTY
NO. 01BR6178963
MY COMMISSION EXPIRES 12/17/2011

SCHEDULE "A"

PID: 20451761

ALL AND SINGULAR THAT CERTAIN PARCEL OF LAND situate, lying and being at East Mines in the County of Colchester, more particularly described as follows;

Beginning at a survey marker Sn165, located on the Northeastern boundary of the Canadian National Railway and also being the Northwestern corner of lands now or formerly of the Nova Scotia Farm Loan Board, and also being 83 degrees, 45 minutes, 26 seconds, a tie distance of 362.27 metres from Nova Scotia Control Monument 12832;

Thence 75 degrees, 18 minutes, 13 seconds along the Northern boundary of Nova Scotia Farm Loan Board lands a distance of 336.365 metres to point of intersection with a private access road leading to the Plains Road.

Thence 159 degrees, 53 minutes, 13 seconds, along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 204.186 metres to a point;

Thence 138 degrees, 38 minutes, 13 seconds, continuing along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 101.188 metres to a point;

Thence 165 degrees, 18 minutes, 13 seconds, continuing along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 89.319 metres to a point of intersection with the Northern boundary of the Plains Road;

Thence 78 degrees, 17 minutes, 57 seconds, along the Northern boundary of the said road a distance of 18.280 metres to a point, said point also being the Southwestern corner of other lands now or formerly of the Nova Scotia Farm Loan Board;

Thence 345 degrees, 18 minutes, 13 seconds, along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 92.940 metres to a point;

Thence 318 degrees, 38 minutes, 13 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 101.791 metres to a point;

Thence 339 degrees, 53 minutes, 13 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 200.967 metres to a Post and Stones S164;

Thence 339 degrees, 01 minutes, 44 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands, a distance of 99.593 metres to Post and Stones S163;

Thence 74 degrees, 58 minutes, 04 seconds, along the Northern boundary of other Nova Scotia Farm Loan Board lands, a distance of 207.896 metres to Post and Stones S162;

Thence 344 degrees, 42 minutes, 52 seconds, along the Western boundary of lands now or formerly of Carl and Marion Esau, a distance of 838.761 metres to Post and Stones Sn232;

Thence 82 degrees, 19 minutes, 01 seconds, along the Northern boundary of Esau lands and lands now or formerly of Charles and Ardith King, a distance of 576.020 metres to Post and Stones Sn231, and also being the Southwestern corner of lands now or formerly of Kevin and Tracy Bigney;

Thence 345 degrees, 25 minutes, 40 seconds, along the Western boundary of Bigney lands, a distance of 190 metres, more or less, to a point of intersection with the Ordinary High Water Mark of the Southern boundary of a small brook;

Thence following along the Southern boundary of said brook, in a Westerly direction to a point of intersection with the Ordinary High Water Mark of the Eastern boundary of the Folly River;

Thence following along the Eastern boundary of the Folly River in a Southerly direction, a distance of 75 metres, more or less, to survey marker S4044 and being the Northwestern corner of lands now or formerly of Glendon R. Light ;

Thence 81 degrees, 30 minutes, 00 seconds, along the Northern boundary of Light lands, a distance of 296.675 metres to survey marker S4043 and being the Northeastern corner of Light lands.

Thence 162 degrees, 14 minutes, 03 seconds, along the Eastern boundary of Light lands a distance of 608.953 metres to a Post and Stones Sn234 located on the Northeastern boundary of the Canadian National Railway;

Thence following along the Northeastern boundary of the Canadian National Railway in a Southeasterly direction to Survey Marker S165 and being 129 degrees, 11 minutes, 08 seconds, a tie distance of 561.336 metres from last mentioned Post and Stones Sn234, and also being the Point of Beginning;

A plot of land containing 266.3 acres, more or less;

All azimuths are grid derived from the Nova Scotia Control Monument System referenced to the Nova Scotia 3 degrees Transverse Mercator Projection, Zone 5, Central Meridian at 64 degrees, 30 minutes West, unless noted in the description herein.

The parcel is exempt from the subdivision provisions of Part IX of the Municipal Government Act because all lots being created, including the remainder lot, exceed 10 hectares in area as per Section 268 (2)(a) of the Municipal Government Act.

This is Exhibit "L" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.



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

THIS MORTGAGE OF LAND dated as of the 24th day of June, 2008.

BETWEEN:

NORTHERN PULP NOVA SCOTIA CORPORATION

(hereinafter called the "**Mortgagor**")

- and -

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION

(hereinafter called the "**Mortgagee**")

DEFINITIONS

1.01 In this Collateral Mortgage, unless the context otherwise requires:

- (a) "**Credit Agreement**" means a secured credit facility between the Mortgagor, as Borrower, and the Mortgagee, as Lender, dated as of the date hereof, as the same may be amended, restated, modified or supplemented from time to time.
- (b) "**Event of Default**" means an Event of Default under the Credit Agreement or the General Security Agreement;
- (c) "**General Security Agreement**" means a general security agreement between the Mortgagor, as Debtor and the Mortgagee, as Secured Party, dated as of the date hereof, as the same may be amended, restated, modified or supplemented from time to time.
- (d) "**Indebtedness**" means all debts and liabilities present and future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Mortgagor to the Mortgagee and heretofore or hereafter incurred or arising out of or in relation to the Credit Agreement or the General Security Agreement whether incurred by or arising from agreement or dealings between the Mortgagee and the Mortgagor or by or from any agreement or dealings with any third party by which the Mortgagee may be or become in any manner whatsoever a creditor of the Mortgagor or however otherwise incurred or arising anywhere within or outside the Country to a limit of Twenty-Five Million Dollars (\$25,000,000) together with interest thereon at the rate of fifteen per cent (15 %) per annum calculated half yearly, not in advance (the "**Interest Rate**").

RECITALS

of moneys or any part thereof shall be in the sole discretion of the Mortgagee.

3.03 It is hereby agreed that where the context requires words in the singular include the plural, and words in the plural include the singular, and words importing the masculine gender include the feminine and neuter genders.

3.04 The Mortgagor acknowledges receipt of a copy of this Mortgage.

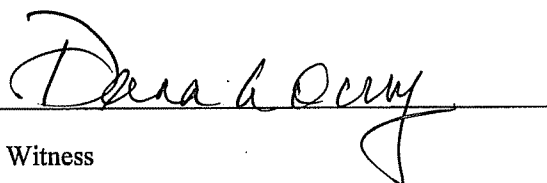
3.05 In the event of a conflict between the provisions of this Mortgage and the provisions of the General Security Agreement, the provisions of the General Security Agreement shall prevail.

[signature page follows]

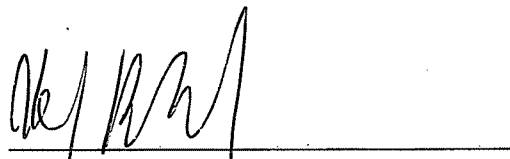
- 4 -

IN WITNESS WHEREOF the Mortgagor has properly executed this Collateral Mortgage the day and year first above written.

SIGNED AND DELIVERED in the
presence of:


Witness

**NORTHERN PULP NOVA SCOTIA
CORPORATION**



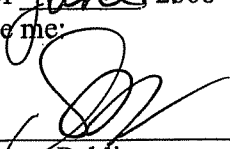
- 5 -

Affidavit of Execution and StatusCountry: USAProvince: NEW YORK

I, ADAM BROWNE of New York [in the State/Province of] NEW YORK make oath and say as follows:

1. That I am the Co-PRESIDENT of Northern Pulp Nova Scotia Corporation (the "Company") and have a personal knowledge of the matters herein described;
2. That for the purposes of this my Affidavit, "Matrimonial Home" means the dwelling and real property occupied by a person and that person's spouse or domestic partner as their family residence and in which either or both of them have a property interest other than a leasehold interest;
3. That the lands described in the annexed instrument are not occupied by any shareholder as a Matrimonial Home nor is any shareholder entitled to use the lands as a Matrimonial Home and the lands have never been so occupied while any interest in the lands has been owned by the Company;
4. That I am an Officer of the Company, duly authorized to execute the annexed instrument for and on behalf of the Company;
5. That I have executed the annexed instrument for and on behalf of the Company and thereby bind the Company; and
6. That this affidavit is sworn for the purpose of registering the annexed instrument pursuant to sections 79(1) and 83 of the *Land Registration Act* and in compliance with the provisions of the *Matrimonial Property Act* and the *Vital Statistics Act*.

SWORN TO at 45 Wg 11,
 in the County of NY of 24, the
 day of June, 2008
 before me:


 A Notary Public
 [affix stamp/seal and date of expiry of
 Commission]

DIANNE M. BROWN
 NOTARY PUBLIC, STATE OF NEW YORK
 QUALIFIED IN NEW YORK COUNTY
 NO. 01BR6178963
 MY COMMISSION EXPIRES 12/17/2011

SCHEDULE "A"

PID 65076374

BEGINNING at the intersection of the Eastern boundary of lands formerly of the Intercolonial Coal Company and the South West boundary of lands formerly of Scott Maritimes Pulp Ltd., now Northern Pulp Nova Scotia Corporation;

THENCE South 39 degrees, 07 minutes East (Magnetic 1965), distance of 615 feet, more or less, along the South West boundary of the above mentioned lands to a point;

THENCE following a course of South 10 degrees, 17 minutes West (Magnetic 1965), a distance of 215 feet, more or less, or until it meets the North Easterly boundary of the Granton-Abercrombie Connector and 125 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a North Westerly direction, following the boundary of the aforesaid Connector and parallel to the centerline, a distance of 503 feet, more or less, to the South East boundary of land formerly of the Intercolonial Coal Company;

THENCE Northerly a distance of 480 feet, more or less, along the East boundary of land formerly of the Intercolonial Coal Company to the Point of Beginning.

An area containing 3.6 acres, more or less.

SUBJECT TO A UTILITY EASEMENT in favour of the Nova Scotia Power Commission as described in Document Number 1046 recorded June 10, 1968 at the Pictou Registry of Deeds in Book 532 at Page 131.

The parcel complies with the subdivision provisions of Part IX of the Municipal Government Act.

SCHEDULE "A"

PID 65168148

BEGINNING at the point of intersection of the Northerly boundary of the Granton- Abercrombie Connector with the South Easterly boundary of the Canadian National Railways right of way;

THENCE following a course of North 40 degrees, 49.5 minutes East (Magnetic 1965), along the boundary of the aforesaid right of way, a GIS calculated distance of 333 ft, more or less, to a point;

THENCE South 09 degrees, 04 minutes East (Magnetic 1965), a distance of 290 ft more or less, along the Western boundary of the former Intercolonial Coal Company lands, to a point on the North boundary of the Granton-Abercrombie Connector, said point being a 100ft perpendicular distance from the center line of the above mentioned road;

THENCE Westerly along the Northern boundary of the Granton-Abercrombie Connector a distance of 127 ft, more or less, to the Point of Beginning.

An area containing 0.40 acres, more or less.

The parcel complies with the subdivision provisions of Part IX of the Municipal Government Act.

This is Exhibit "M" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

GENERAL SECURITY AGREEMENT**BETWEEN****AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION**
as Secured Party**- and -****NORTHERN PULP NOVA SCOTIA CORPORATION**
as Debtor

Made as of June 24, 2008

GENERAL SECURITY AGREEMENT

THIS AGREEMENT is made as of June 24, 2008 among AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION, an unlimited company incorporated under the laws of Nova Scotia with its head office in the Province of Ontario ("Secured Party") and NORTHERN PULP NOVA SCOTIA CORPORATION, an unlimited company incorporated under the laws of Nova Scotia ("Debtor").

PRELIMINARY STATEMENT

WHEREAS pursuant to a credit agreement of even date herewith (the "**Credit Agreement**") between the Debtor and the Secured Party, the Secured Party has agreed to establish a revolving credit facility of up to \$25,000,000 to be advanced by the Secured Party to the Debtor in accordance with the terms of the Credit Agreement;

AND WHEREAS to secure the payment and performance of all of the Obligations, the Debtor has agreed to execute this Agreement in favour of the Secured Party;

AND WHEREAS, as a condition precedent to any advance under the Credit Agreement, the Debtor is required to execute and deliver this Agreement and to grant to the Secured Party a continuing security interest in all of the Collateral to secure all Obligations;

NOW THEREFORE this agreement witnesses that in consideration of the respective covenants, agreements, representations and warranties of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties), the parties agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Defined Terms

For the purpose of this Agreement, including the recitals herein, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

"**Act**" means the *Personal Property Security Act* (Ontario) and the regulations promulgated thereunder;

"**Agreement**" means this general security agreement, including the Preliminary Statement and Schedules to this agreement, as amended, supplemented or restated from time to time;

"**Banking Day**" means any day of the year, other than a Saturday, Sunday or other day on which banks are required or authorized to close in Toronto, Ontario;

"**Collateral**" means, subject to Sections 2.1 and 2.4, any and all real and Personal Property in which a security interest can be taken, reserved, created or granted whether under the Act or otherwise, and which is now or hereafter owned by the Debtor or in which the Debtor now has or

hereafter acquires any interest or rights of any nature whatsoever, excluding Consumer Goods but including, without in any way limiting the generality of the foregoing, all Accounts, Money, Inventory, Equipment, Goods, Intangibles, Investment Property, Intellectual Property, Instruments, Chattel Paper, Documents of Title, insurance policies, insurance proceeds, insurance claims and all ledger sheets, files, records and all Proceeds, products and accessions from, of and to any thereof, and, where the context permits, any reference to "**Collateral**" shall be deemed to be a reference to "**Collateral or any part thereof**";

"**Contractual Rights**" has the meaning given to it in Section 2.3;

"**Control**" has the meaning given to it in the STA;

"**Credit Agreement**" has the meaning given to it in the first recital to this Agreement;

"**Credit Documents**" has the meaning given to it in the Credit Agreement;

"**Default**" has the meaning given it in the Credit Agreement;

"**Encumbrance**" has the meaning given to it in the Credit Agreement;

"**Event of Default**" has the meaning given to it in the Credit Agreement;

"**Expenses**" means any and all expenses incurred from time to time by the Secured Party, or any Receiver, in the preparation of this Agreement, in the perfection or preservation of the Security Interest and any and all expenses incurred from time to time by the Secured Party, or any Receiver, in enforcing payment or performance of the Obligations or any part thereof or in locating, taking possession of, transporting, holding, repairing, processing, preparing for and arranging for the disposition of and/or disposing of the Collateral and any and all other expenses incurred by the Secured Party, or any Receiver, as a result of the Secured Party or such Receiver exercising any of its rights or remedies hereunder or under the Act or the STA including, without in any way limiting the generality of the foregoing, any and all legal expenses (on a full indemnity basis) including those incurred in any legal action or proceeding or appeal therefrom commenced or taken in good faith by the Secured Party and any and all fees and disbursements of any solicitor (on a full indemnity basis), accountant or evaluator or a similar Person employed by the Secured Party in connection with any of the foregoing and the costs of insurance and payment of taxes and other charges incurred in retaking, holding, repairing, processing and preparing for disposition and disposing of the Collateral;

"**Financial Asset**" has the meaning given it in the STA;

"**Governmental Authority**" means the government, parliament or legislature of Canada or any other nation, or of any political subdivision thereof, whether federal, provincial, state, municipal or local, and any agency, authority, instrumentality, ministry, tribunal, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government, including any supra-national bodies such as the European Union or the European Central Bank and including a Minister of the Crown, Superintendent of Financial Institutions or other comparable authority or agency;

"Limited Liability Company" has the meaning given to it in Section 12(3) of the STA;

"Obligations" means all indebtedness, liabilities and obligations (whether direct, indirect, absolute, contingent or otherwise and whether in respect of principal or interest thereon) existing from time to time of the Debtor to the Secured Party (including, for greater certainty, to any successor or permitted assign thereof, whether arising or incurred before or after the date of succession or assignment) and arising pursuant to any of the Credit Documents, including this Agreement;

"Permitted Encumbrances" has the meaning given to it in the Credit Agreement;

"Person" means any natural person, corporation, limited liability company, trust, joint venture, association, company, partnership, Governmental Authority or other entity;

"Rate" means a rate per annum equal to 3% plus the Applicable Margin (as that term is defined in the Credit Agreement) plus the Libor Rate (as that term is defined in the Credit Agreement), such rate to be calculated daily;

"Receiver" has the meaning attributed thereto in Section 6.1(l);

"Security Interest" has the meaning given to it in Section 2.1;

"STA" means the *Securities Transfer Act, 2006* (Ontario) and the regulations promulgated thereunder;

1.2 Definitions under the Act

All capitalized terms used herein and not otherwise defined herein shall, if defined therein, have the respective meanings assigned to them in the Act, including the terms "Accession", "Accounts", "Chattel Paper", "Equipment", "Financial Asset" "Goods", "Instrument", "Intangible", "Inventory", "Money", "Proceeds" and "Security".

1.3 Gender and Number

Any reference in this Agreement to gender includes all genders, and words importing the singular number only include the plural and vice versa.

1.4 Interpretation Not Affected by Headings, etc.

The division of this Agreement into Articles and Sections are for convenience of reference only and shall not affect the interpretation of this Agreement. The terms "**this Agreement**", "**hereof**", "**hereunder**" and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof and include any agreement supplemental hereto. Save as expressly provided herein, references herein to Articles and Sections are to Articles and Sections of this Agreement.

1.5 Currency

All references in this Agreement to dollars or \$, unless otherwise specifically indicated, are expressed in Canadian dollars.

1.6 Certain Phrases, etc.

In this Agreement, unless otherwise expressly provided, (i) (A) the words "including" and "includes" mean "**including (or includes) without limitation**", (B) the phrase "**the aggregate of**", "**the total of**", "**the sum of**", or a phrase of similar meaning means "**the aggregate (or total or sum), without duplication, of**", (C) the word "**will**" has the same meaning as the word "**shall**", and (D) any reference to any Person shall be construed to include such Person's successors, permitted assigns and legal personal representatives, and (ii) in the computation of periods of time from a specified date to a later specified date the word "**from**" means "**from and including**" and the words "**to**" and "**until**" each mean "**to (or until) but excluding**".

1.7 References to the Secured Party and Receiver

Any reference in this Agreement to the Secured Party or any Receiver shall be construed so as to include its successors and permitted transferees or assigns hereunder in accordance with its respective interests.

1.8 References to a Time of Day

Except as otherwise specified herein, a time of day shall be construed as a reference to the time of day in Toronto, Ontario time.

1.9 Severability

In the event that any provision contained in this Agreement shall be invalid, illegal or unenforceable in any jurisdiction, the invalidity, illegality or unenforceability of that provision will not affect:

- (a) the validity, legality or enforceability of the remaining provisions hereof or thereof; or
- (b) the validity, legality or enforceability of that provision in any other jurisdiction.

1.10 References to Statutes

Except as otherwise provided herein, any reference in this Agreement to a statute, regulation or other legislative instrument shall be construed to be a reference thereto as the same may from time to time be amended, re-enacted or replaced and any reference to a statute shall include any regulations made thereunder.

1.11 References to Agreements

Except as otherwise provided herein, any reference in this Agreement to this Agreement or to any other agreement or document shall be construed to be a reference to this Agreement or such other agreement or document, as the case may be, as the same may have been, or may from time to time be, amended, varied, novated, restated or supplemented.

1.12 Governing Law, Jurisdiction, etc.

(a) **Governing Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

(b) **Submission to Jurisdiction.** The Debtor irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the Province of Ontario, and any appellate court from any thereof, in any action or proceeding arising out of or relating to this Agreement, or for recognition or enforcement of any judgment, and each of the parties hereto irrevocably and unconditionally agrees that all claims in respect of any such action or proceeding may be heard and determined in such court. The Debtor agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Nothing in this Agreement shall affect any right that the Secured Party or any Lender may otherwise have to bring any action or proceeding relating to this Agreement against the Debtor or its assets in the courts of any jurisdiction.

(c) **Waiver of Venue.** The Debtor irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Agreement in any court referred to in Section 1.12(b). The Debtor irrevocably waives, to the fullest extent permitted by applicable law, the defence of an inconvenient forum to the maintenance of such action or proceeding in any such court.

1.13 Incorporation of Schedules

The schedules attached to this Agreement shall, for all purposes of this Agreement, form an integral part of it.

ARTICLE 2 **SECURITY INTERESTS**

2.1 Creation of Security Interest

Subject to Sections 2.4 and 2.5, as continuing security for the due and timely payment and performance by the Debtor of the Obligations, the Debtor hereby grants to the Secured Party a security interest (the "**Security Interest**") in the Collateral.

2.2 Attachment

The Debtor and the Secured Party acknowledge and agree that value has been given for the granting of the Security Interest and that they have not agreed to postpone the time

for attachment, except for after-acquired property forming part of the Collateral the attachment to which will occur forthwith upon the Debtor acquiring rights thereto.

2.3 Exception for Last Day of Leases

The Security Interest granted hereby does not and shall not extend to, and Collateral shall not include, the last day of the term of any lease or sub-lease, oral or written, or any agreement therefore, now held or hereafter acquired by the Debtor, but the Debtor shall stand possessed of such last day in trust to assign the same as the Secured Party shall direct.

2.4 Exception for Contractual Rights

(a) The Security Interest hereby granted does not and shall not extend to, and Collateral shall not include, any agreement, right, franchise, licence or permit (the "**Contractual Rights**") to which the Debtor is a party or of which the Debtor has the benefit, to the extent that the creation of the Security Interest herein would constitute a breach of the terms of or permit any Person to terminate the Contractual Rights, but the Debtor shall hold its interest therein in trust for the Secured Party and shall assign such Contractual Rights to the Secured Party forthwith upon obtaining the consent of the other party thereto.

(b) The Debtor agrees that it shall, upon the request of the Secured Party, use all commercially reasonable efforts to obtain any consent required to permit any Contractual Rights to be subjected to the Security Interest. The Debtor will also use all commercially reasonable efforts to ensure that all agreements entered into on and after the date of this Agreement expressly permit assignments of the benefits of such agreements as collateral security to the Secured Party in accordance with the terms of this Agreement.

(c) Section 2.4(a) shall not apply to any Contractual Rights in so far as they prohibit, restrict or require the consent of the account debtor for the assignment of, or the giving of a security interest in, the whole of an Account or Chattel Paper for Money due or to become due and Collateral shall, notwithstanding Section 2.4(a) include such Contractual Rights.

2.5 Transfer of Title

As further continuing security for the due and timely payment and performance by the Debtor of the Obligations, the Debtor, subject to Sections 2.3 and 2.4, hereby grants, bargains, sells, assigns and transfers to the Secured Party all Collateral (specifically excluding trade-marks and tradenames) such that title thereto and ownership therein shall belong to and be vested in the Secured Party, provided that the Secured Party shall not thereby assume or be liable for any obligations or payments in respect of any of the Collateral and provided further that, upon the sale of any Collateral by the Debtor in accordance with Section 4.6, or upon the receipt of dividends or interest in accordance with Section 5.2, title thereto and ownership therein shall be divested automatically from the Secured Party and provided further that, upon the termination of this Agreement in accordance with Section 10.3(b), title to and ownership in the Collateral shall be revested automatically in the Debtor without any further act of the Secured Party or the Debtor.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF THE DEBTOR

The Debtor represents and warrants to the Secured Party that as at the date hereof:

3.1 Representations and Warranties in the Credit Agreement

The representations and warranties of the Debtor set forth in the Credit Agreement are true and correct.

3.2 French Name

The Debtor does not have or use a combined French and English name.

3.3 Business Names and Predecessor Names

All business names, former names and names of all predecessors of the Debtor are set forth in Schedule A.

3.4 Address of Debtor

The address:

(a) where Debtor's chief executive office is located at:

Northern Pulp Nova Scotia Corporation
260 Abercrombie Granton Branch Road
New Glasgow, NS B2H 5E8
Canada;

(b) where the books and records of the Debtor are located is: same as in (a);

(c) where accounts and invoices of the Debtor are issued is located at: same as in (a); and

(d) of the Debtor's principal place of business is located at: same as in (a).

3.5 Location of Collateral

With the exception of Inventory in transit, all tangible assets comprising the Collateral are situate at the addresses set out in Schedule B.

ARTICLE 4
COVENANTS OF THE DEBTOR

So long as any of the Obligations exist, the Debtor covenants and agrees as follows:

4.1 Maintain Collateral

The Debtor shall keep all Equipment comprising part of the Collateral (other than obsolete Equipment) in good order and repair, subject to normal wear and tear, and shall not use such Equipment in violation of the provisions of this Agreement or any other agreement between the Debtor and the Secured Party relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance.

4.2 No Accessions

The Debtor shall prevent any Collateral from being or becoming an accession to property.

4.3 Fixtures

The Debtor acknowledges and agrees that no Collateral acquired by the Debtor after the date hereof shall become affixed to any real property except with the prior written consent of the Secured Party.

4.4 Delivery of Documents

The Debtor shall deliver to the Secured Party from time to time promptly upon request:

- (a) all statements of account, bills, invoices and books of account relating to Accounts and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to the Collateral for the purpose of inspecting, auditing or copying the same;
- (b) all policies and certificates of insurance relating to Collateral; and
- (c) such information concerning the Collateral, the Debtor and its business and affairs as the Secured Party may reasonably request.

4.5 Change of Name and Location

The Debtor shall not change its name or add any new business name or change any of the locations referred to in Section 3.3 without providing at least fifteen Banking Days' advance written notice to the Secured Party of such change or addition. The Debtor shall not change its business structure or identity except in accordance with the Credit Agreement.

4.6 Creating and Preserving the Security Interest

The Debtor shall, from time to time at the request of the Secured Party, make and do all such acts and things and execute and deliver all such instruments, agreements, financing statements and documents as the Secured Party reasonably requests by notice in writing given to the Debtor in order to create, preserve, perfect, validate or otherwise protect the Security Interest, to enable the Secured Party to exercise and enforce its rights and remedies hereunder and

generally to carry out the provisions and purposes of this Agreement and, for greater certainty, the Debtor shall, from time to time at the request of the Secured Party, execute a power of attorney in such form as may be reasonably satisfactory to the Secured Party.

4.7 Restrictions on Dealings with Collateral

Except as provided in Section 4.6, the Debtor agrees that it shall not, without the prior written consent of the Secured Party:

- (a) sell, assign, transfer, exchange, lease, consign or otherwise dispose of any Collateral;
- (b) locate any Collateral at any location other than those set out in Schedule B; and
- (c) create, assume or suffer to exist any Encumbrances upon the Collateral ranking or purporting to rank in priority to or *pari passu* with the Security Interest other than Permitted Encumbrances;

provided that no provision hereof shall be construed as a subordination or postponement of the Security Interest to or in favour of any other Encumbrance, whether or not such Encumbrance is a Permitted Encumbrance.

4.8 Permitted Dealings with Collateral

Other than as provided in the Credit Agreement, unless and until an Event of Default has occurred and is continuing, the Debtor may, without the consent of the Secured Party:

- (a) sell, assign, transfer, exchange, lease, consign or otherwise dispose of Inventory in the ordinary course of its business;
- (b) sell or otherwise dispose of such part of its Equipment which is no longer necessary or useful in connection with its business or which has become worn out or obsolete or unsuitable for the purpose for which it was intended;
- (c) collect Accounts in the ordinary course of its business; and
- (d) commit any other acts permitted by the Credit Agreement.

4.9 Verification of Collateral

The Secured Party shall have the right at any time and from time to time to verify the existence and state of the Collateral in any reasonable manner the Secured Party may consider appropriate, and the Debtor agrees to furnish all assistance and information and to perform all such acts as the Secured Party may reasonably request in connection therewith and for such purpose to grant to the Secured Party or its agents access to all places where Collateral may be located and to all premises occupied by the Debtor.

4.10 Defend

The Debtor shall promptly notify the Secured Party of any Encumbrance or other claim made or asserted against any of the Collateral and shall defend the Secured Party's security interest in the Collateral against any and all claims and demands whatsoever.

ARTICLE 5
COLLECTION OF PROCEEDS AND ACCOUNTS

5.1 Control of Proceeds and Accounts

After the occurrence of an Event of Default and during the continuance thereof, the Secured Party may, acting reasonably, at any time take control of any Proceeds and Accounts, and the Secured Party may notify, acting reasonably, any account debtor of the Debtor or any debtor under any instrument held by the Debtor or the Secured Party in satisfaction *pro tanto* of the Obligations hereunder to make payment directly to the Secured Party whether or not the Debtor has theretofore been making collections on the Collateral. From time to time after the occurrence of an Event of Default and during the continuance thereof and upon the reasonable request in writing of the Secured Party, the Debtor shall also so notify such Persons to make payment directly to the Secured Party and the Secured Party may, in its discretion, apply such in satisfaction *pro tanto* of the Obligations or hold such payments as further Collateral hereunder.

5.2 Dividends, Proceeds and Accounts Received in Trust

After the occurrence of an Event of Default and during the continuance thereof, if the Debtor shall collect or receive any dividends or interest payments or any Accounts or shall be paid for any of the other Collateral or shall receive any Proceeds, all Money so collected or received by the Debtor shall be received by the Debtor as trustee for the Secured Party and shall be paid to the Secured Party forthwith upon demand and the Secured Party may, in its discretion, apply such in satisfaction *pro tanto* of the Obligations or hold such payments as further Collateral hereunder.

ARTICLE 6
DEFAULT AND THE SECURED PARTY'S REMEDIES

6.1 Remedies Upon Default

Upon the occurrence of any Event of Default and during the continuance thereof, all of the Obligations shall without any further notice or any other action on the part of the Secured Party be due and payable forthwith by the Debtor to the Secured Party and the Security Interest hereby granted shall immediately become enforceable and the Secured Party may, forthwith or at any time thereafter and without notice to the Debtor, except as provided in the Act or this Agreement:

- (a) declare any or all of the Obligations not then due and payable to be immediately due and payable by giving notice in writing thereof to the Debtor and, in such

event, such Obligations shall be due and payable forthwith by the Debtor to the Secured Party;

- (b) commence legal action to enforce payment or performance of the Obligations;
- (c) require the Debtor, at the Debtor's expense, to assemble the Collateral at a place or places designated by notice in writing given by the Secured Party to the Debtor, and the Debtor agrees to so assemble the Collateral;
- (d) require the Debtor, by notice in writing given by the Secured Party to the Debtor, to disclose to the Secured Party the location or locations of the Collateral and the Debtor agrees to make such disclosure when so required by the Secured Party;
- (e) without legal process, enter any premises where the Collateral may be situated and take possession of the Collateral by any method permitted by law;
- (f) repair, process, complete, modify or otherwise deal with the Collateral and prepare for the disposition of the Collateral, whether on the premises of the Debtor or otherwise and in connection with any such action utilize any of the Debtor's property without charge;
- (g) dispose of the Collateral by private or public sale, lease or otherwise upon such terms and conditions as the Secured Party may determine and whether or not the Secured Party has taken possession of the Collateral;
- (h) carry on all or any part of the business or businesses of the Debtor and, to the exclusion of all others including the Debtor, enter upon, occupy and, subject to any requirements of law and subject to any leases or agreements then in place, use all or any of the premises, buildings, plant, undertaking and other property of, or used by, the Debtor for such time and in such manner as the Secured Party sees fit, free of charge, and except to the extent required by law, the Secured Party shall not be liable to the Debtor for any act, omission or negligence in so doing or for any rent, charges, depreciation or damages or other amount incurred in connection therewith or resulting therefrom;
- (i) file such proofs of claim or other documents as may be necessary or desirable to have its claim lodged in any bankruptcy, winding-up, liquidation, dissolution or other proceedings (voluntary or otherwise) relating to the Debtor;
- (j) borrow money for the purpose of carrying on the business of the Debtor or for the maintenance, preservation or protection of the Collateral and mortgage, charge, pledge or grant a security interest in the Collateral, whether or not in priority to the Security Interest hereby created and granted, to secure repayment of any money so borrowed or any interest of fees payable in connection herewith;
- (k) where the Secured Party has taken possession of the Collateral as herein provided, retain the Collateral irrevocably, to the extent not prohibited by law, by giving notice thereof to the Debtor and to any other Persons required by law in the

manner provided by law provided that such retention reduces the amount of the Obligations by an amount equal to the fair market value, as reasonably determined by the Secured Party of the Collateral so retained;

- (l) appoint, by an instrument in writing delivered to the Debtor, a receiver, manager or a receiver and manager (a "**Receiver**") and remove any Receiver so appointed and appoint another or others in its stead, or institute proceedings in any court of competent jurisdiction for the appointment of a Receiver, it being understood and agreed that:
 - (i) the Secured Party may appoint any Person as Receiver, including an officer or employee of the Secured Party;
 - (ii) such appointment may be made at any time after an Event of Default either before or after the Secured Party shall have taken possession of the Collateral;
 - (iii) the Secured Party may from time to time fix the reasonable remuneration of the Receiver and direct the payment thereof out of the Collateral or Proceeds; and
 - (iv) the Receiver shall be deemed to be the agent of the Debtor for all purposes and, for greater certainty, the Secured Party shall not be, in any way, responsible for any actions, whether wilful, negligent or otherwise, of any Receiver, and the Debtor hereby agrees to indemnify and save harmless the Secured Party from and against any and all claims, demands, actions, costs, damages, expenses or payments which the Secured Party may hereafter suffer, incur or be required to pay as a result of, in whole or in part, any action taken by the Receiver or any failure of the Receiver to do any act or thing;
- (m) pay or discharge any Encumbrance claimed by any Person and reasonably established to the satisfaction of the Secured Party in the Collateral and the amount so paid shall be added to the Obligations and shall bear interest calculated from the date of payment at the Rate until payment thereof; and
- (n) take any other action, suit, remedy or proceeding authorized or permitted by this Agreement, the Act or by law or equity.

6.2 Sale of Collateral

(a) The parties hereto acknowledge and agree that any sale referred to in Section 6.1(g) may be a sale of either all or any portion of the Collateral and may be by way of public auction, public tender, private contract or otherwise without notice, advertisement or any other formality, except as required by law, all of which are hereby waived by the Debtor to the extent permitted by law. To the extent not prohibited by law, any such sale may be made with or without any special condition as to the upset price, reserve bid, title or evidence of title or other matter and from time to time as the Secured Party in its sole discretion thinks fit with power to vary or rescind any such

sale or buy in at any public sale and resell. The Secured Party may sell the Collateral for a consideration payable by instalments either with or without taking security for the payment of such instalments and may make and deliver to any purchaser thereof good and sufficient deeds, assurances and conveyances of the Collateral and give receipts for the purchase money, and any such sale shall be a perpetual bar, both at law and in equity, against the Debtor and all those claiming an interest in the Collateral by, from, through or under the Debtor.

6.3 Reference to Secured Party Includes Receiver

For the purposes of Sections 6.1 and 6.2, a reference to "the Secured Party" shall, where the context permits, include any Receiver.

6.4 Payment of Expenses

The amount of the Expenses shall be paid by the Debtor to the Secured Party from time to time forthwith after demand therefor is given by the Secured Party to the Debtor, together with interest thereon calculated from the date of such demand at the Rate, and payment of such Expenses together with such interest shall be secured by the Security Interest.

6.5 Rights and Remedies Are Not Mutually Exclusive

To the fullest extent permitted by law, the Secured Party's rights and remedies, whether provided for in this Agreement or otherwise, are not mutually exclusive and are cumulative and not alternative and may be exercised independently or in any combination.

6.6 No Obligation to Enforce

The Secured Party shall not be under any obligation to, or liable or accountable for any failure to, enforce payment or performance of the Obligations or to seize, realize, take possession of or dispose of the Collateral and shall not be under any obligation to institute proceedings for any such purpose.

ARTICLE 7
POSSESSION OF COLLATERAL BY THE SECURED PARTY

7.1 Possession of Collateral

Where any Collateral is in the possession of or controlled by the Secured Party:

- (a) the Secured Party may, at any time following the occurrence of an Event of Default which is continuing, grant or otherwise create a security interest in such Collateral upon any terms, whether or not such terms impair the Debtor's right to redeem such Collateral;
- (b) the Secured Party may, at any time following the occurrence of an Event of Default which is continuing, use such Collateral in any manner and to such extent as it deems necessary or desirable; and

- (c) the Secured Party shall have no obligation to keep fungible Collateral in its possession identifiable.

7.2 Duty of the Secured Party

The Secured Party shall have no duty with respect to any of the Collateral in its possession other than the duty to use the same degree of care in the safe custody of the Collateral in its possession as it uses with respect to property which it owns.

ARTICLE 8 CONTINUING OBLIGATIONS

8.1 Continuing Obligations

Notwithstanding any other term or condition of this Agreement, this Agreement shall not relieve the Debtor or any other party to any of the Collateral from the observance or performance of any term, covenant, condition or agreement on its part to be observed or performed thereunder or from any liability to any other party or parties thereto or impose any obligation on the Secured Party to observe or perform any such term, covenant, condition or agreement to be so observed or performed, and the Debtor hereby agrees to indemnify and hold harmless the Secured Party from and against any and all losses, liabilities (including liabilities for penalties), costs and expenses which may be incurred by the Secured Party under the Collateral and from all claims, demands, actions, suits and judgments which may be asserted against the Secured Party by reason of any alleged obligation or undertaking on their part to observe, perform or discharge any of the terms, covenants, conditions and agreements contained in the Collateral. The Secured Party may, at its option, perform any term, covenant, condition or agreement on the part of the Debtor to be performed under or in respect of the Collateral (and/or enforce any of the rights of the Debtor thereunder) without thereby waiving any rights to enforce this Agreement. Nothing contained in this Section 8.1 shall be deemed to constitute the Secured Party the mortgagee in possession of the Collateral or the lessee under any lease or agreement to lease unless the Secured Party has agreed to become such mortgagee in possession or to be a lessee.

ARTICLE 9 ACKNOWLEDGEMENT BY THE DEBTOR

9.1 Acknowledgements

The Debtor:

- (a) acknowledges receipt of a true copy of this Agreement;
- (b) acknowledges receipt of a copy of the financing statement registered under the Act evidencing the Security Interest; and
- (c) acknowledges and agrees that, with written consent of the Debtor, this Agreement may be assigned by the Secured Party to any Person, as the Secured Party may

determine and, in such event, such assignee shall be entitled to all of the rights and remedies of the Secured Party as set forth in this Agreement or otherwise and the Secured Party shall be released and discharged from its further obligations hereunder upon the assumption of same by the assignee.

ARTICLE 10
MISCELLANEOUS

10.1 Notice

Unless otherwise specified herein, all notices, requests, demands or other communications to or from the parties hereto shall be in writing and shall be given by overnight delivery service, by hand delivery or by telecopy to the addressee at its address set forth below or at such other address as shall be designated by such party in a written notice to the other party hereto:

(a) if to the Secured Party, at:

Azure Mountain Capital Financial Corporation
c/o Azure Mountain Capital Corp. and Atlas Holdings, LLC
One Sound Shore Drive
Suite 302
Greenwich, CT 06830
USA

Fax: 203-622-0151
Attention: Andrew Bursky, Co-President

(b) if to the Debtor, at:

Northern Pulp Nova Scotia Corporation
260 Abercrombie Granton Branch Road
New Glasgow, NS B2H 5E8
Canada

Fax: 902-752-5404
Attention: General Manager

If any such notice, request, demand or other communication is delivered or transmitted on a day other than a Banking Day or after 3:00 p.m. on any Banking Day, the same shall be deemed to have been effectively given and received on the next following Banking Day.

Either party may change its address for service from time to time by notice given in accordance with the terms of the Credit Agreement.

10.2 Waiver

(a) The Secured Party may waive, in whole or in part, any breach by the Debtor of any of the provisions of this Agreement, any default by the Debtor in the payment or performance of any of the Obligations or any of its rights and remedies, whether provided for herein or otherwise, provided that no such waiver shall be effective unless given by the Secured Party to the Debtor in writing.

(b) No waiver given in accordance with Section 10.2(a) shall be a waiver of any other or subsequent breach by the Debtor of any of the provisions of this Agreement, of any other or subsequent default by the Debtor in the payment or performance of any of the Obligations or any of the rights and remedies of the Secured Party, whether provided for herein or otherwise.

(c) The Secured Party may, at any time, grant extensions of time or other indulgences to, accept compositions from or grant releases and discharges to the Debtor in respect of the Collateral or otherwise deal with the Debtor or with the Collateral and other security held by the Secured Party, all as the Secured Party may see fit, and the Debtor agrees that any such act or any failure by the Secured Party to exercise any of its rights or remedies, whether provided for herein or otherwise, shall in no way affect or impair the Security Interest or the rights and remedies of the Secured Party, whether provided for in this Agreement or otherwise.

10.3 Effective Date and Termination

(a) This Agreement shall become effective according to its terms immediately upon the execution hereof by the Secured Party and the Debtor.

(b) This Agreement may be terminated by:

- (i) written agreement made between the Secured Party and the Debtor; or
- (ii) notice in writing given by the Debtor to the Secured Party at any time when all of the Obligations have been fully satisfied and performed by the Debtor and the Credit Agreement has been terminated in accordance with its terms.

(c) Upon termination of this Agreement in accordance with the provisions of Section 10.3(b), the Secured Party shall, at the request and expense of the Debtor, make and do all such acts and things and execute and deliver all such financing statements, instruments, agreements and documents as the Debtor considers necessary or desirable to discharge the Security Interest, to release and discharge the Collateral therefrom and to record such release and discharge in all appropriate offices of public record.

10.4 Other Security

This Agreement and the Security Interest are in addition to and not in substitution for any other agreement made between the Secured Party and the Debtor or any other security granted by the Debtor to the Secured Party or a Lender, whether before or after the execution of this Agreement.

10.5 Power of Attorney

(a) The Debtor hereby appoints the Secured Party, or a Receiver as the agent of the Debtor, as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has herein agreed to execute, deliver and do as may be required by the Secured Party to give effect to the Credit Agreement and/or this Agreement or in the exercise of any rights, powers or remedies hereby or thereby conferred on the Secured Party, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby or thereby conferred on the Secured Party including, without limitation, the right to bring actions for and in the name of the Debtor, the right to collect Accounts, and the right to exercise the rights of the Debtor under all agreements or contracts to which it is a party and to cure any defaults thereunder.

(b) The Secured Party shall only exercise its rights pursuant to Section 10.5(a) after the occurrence of and during the continuance of, an Event of Default except that the Secured Party may exercise its rights under Section 10.5(a) from the date of this Agreement with respect to preparation and filing of financing statements or mortgages and such other documents and instruments as may be required to register or give notice of or perfect or preserve the Security Interest or to give effect to Section 10.6.

(c) The appointment in Section 10.5(a) is coupled with an interest and shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.

10.6 Registrations

The Debtor will, from time to time at the request of the Secured Party, promptly effect all registrations, filings, recordings and all re-registrations, re-filings and re-recordings of or in respect of this Agreement and the Security Interest in such offices of public record and at such times as may be necessary or of advantage in perfecting, maintaining and protecting the validity, effectiveness and priority of this Agreement and/or of the Security Interest.

10.7 Application of Payments

Subject to the provisions of the Credit Agreement, any and all payments made by the Debtor to the Secured Party in respect of the Obligations from time to time and any and all moneys realized by the Secured Party whether hereunder or otherwise may be applied by the Secured Party to such part or parts of the Obligations as the Secured Party shall in its sole discretion determine. The Secured Party shall at all times and from time to time have the right to change any application so made.

10.8 Notice of Credit Agreement

This Agreement has been executed and delivered pursuant to the provisions of the Credit Agreement, and notice of the terms and conditions of the Credit Agreement, including the covenants of the Debtor therein, is hereby acknowledged by the Debtor.

10.9 Conflict

This Agreement is subject to the terms of the Credit Agreement. In the event of any conflict between the terms of this Agreement and the Credit Agreement, the applicable terms of the Credit Agreement shall govern.

10.10 Entire Agreement

This Agreement and the other Credit Documents to which the Debtor is a party constitute the entire agreement between the Debtor and the Secured Party with respect to the subject matter hereof and thereof, and supersede all prior agreements and understandings, if any, relating to the subject matter hereof or thereof. Any promises, representations, warranties or guarantees not herein contained and hereinafter made shall have no force and effect unless in writing signed by the parties hereto. Each party hereto acknowledges that it has been advised by counsel in connection with the negotiation and execution of this Agreement and is not relying upon oral representations or statements inconsistent with the terms and provisions hereof.

10.11 Time of the Essence

Time is of the essence of this Agreement.

10.12 Amendment

No provision of this Agreement may be changed, modified, amended, restated, waived, supplemented, discharged, cancelled or terminated orally or by any course of dealing or in any other manner other than by a written agreement signed by the Secured Party and the Debtor.

10.13 Successors and Assigns

This Agreement shall enure to the benefit of and be enforceable by the Secured Party and its successors and assigns and shall be binding upon the Debtor and its successors and permitted assigns. Except as permitted under the Credit Agreement, the Debtor may not assign any of its obligations hereunder without the prior written consent of the Secured Party.

10.14 Further Assurances

The Debtor, at its expense, will promptly execute and deliver, or cause to be executed and delivered, to the Secured Party, upon request, all such other and further documents, agreements, certificates and instruments necessary or desirable to be in compliance with, or in respect of the accomplishment of the covenants and agreements of the Debtor hereunder or to more fully state the obligations of the Debtor as set out herein or to make any recording, file any notice or obtain any consents, all as may be necessary or appropriate in connection therewith.

10.15 Counterparts

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts

with the same effect as if all parties had all signed and delivered the same document and all counterparts will be construed together to be an original and will constitute one and the same agreement.

10.16 Facsimile and Electronic Mail Delivery

To evidence the fact that it has executed this Agreement or any other document contemplated by or delivered under or in connection with this Agreement, a party may transmit a copy of its executed counterpart to all other parties thereto by facsimile or by electronic mail and, unless the parties agree to some other date as the date of delivery, the transmitting party shall be deemed to have delivered this Agreement on the date it transmitted such counterpart by facsimile (fax) or by electronic mail or such later date as the transmitting party specifies in a written notice to the other parties given with or prior to the transmission of its executed counterpart.

Any party transmitting an executed counterpart of this Agreement or such other document by facsimile or electronic mail shall promptly thereafter deliver to the other parties a counterpart bearing its original signature (but any failure or delay in so doing shall not derogate in any way from the sufficiency or effectiveness of that party having transmitted its executed counterpart by facsimile or electronic mail).

The signature of an individual executing this Agreement (or any notice, certificate or other document contemplated by this Agreement) on behalf of a party, if sent and received by electronic mail or facsimile transmission, will be deemed to be genuine in the absence of evidence to the contrary and thus effective in the hands of the recipient, and binding upon the individual whose signature it reproduces and upon the party on whose behalf that individual signed, for all purposes and with the same effect as if it were the original signature of that individual.

10.17 Survival


It is the express intention and agreement of the parties hereto that all covenants, representations, warranties and waivers and indemnities made by the Debtor herein shall survive the execution and delivery of this Agreement until all Obligations have been fully satisfied and performed by the Debtor and the Credit Agreement has been terminated in accordance with its terms.

[Remainder of page left intentionally blank.]

- 21 -

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their respective authorized officers as of the date first above written.

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by 
Name: Josh Wolf-Powers
Title: Co-President and Assistant
Secretary

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

by _____
Name: Tim Fazio
Title: Co-President

- 21 -

IN WITNESS WHEREOF the parties have caused this Agreement to be executed by their respective authorized officers as of the date first above written.

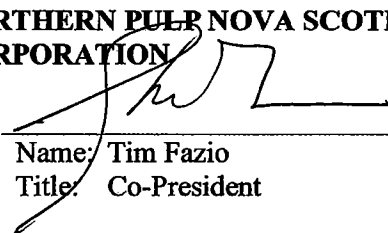
**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by

Name: Josh Wolf-Powers
Title: Co-President and Assistant
Secretary

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

by



Name: Tim Fazio
Title: Co-President

SCHEDULE A**Names****Business Names**

Former Names

Predecessor Names

SCHEDULE B**Location of Collateral**

NPNS APA

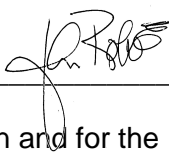
Schedule 3.1(o)

Location of Tangible Assets

FIXED ASSETS AND PROPERTY	
Mill Site Equipment, Building, Property	260 Granton Abercrombie Branch Rd., New Glasgow, N.S. B2H 5E6
Company House and Property	298 Willow Ave., New Glasgow, N.S.
Effluent Treatment Equipment	340 Simpson Lane, Pictou Landing, N.S. B0K 1X0
Timberlands Office Equipment	251 Lancaster Cres., Debert, N.S. B0M 1G0
Timberland's Nursery Equipment, Building, Property	381 Plains Rd., Debert, N.S. B0K 1G0
INVENTORY LOCATIONS	
Various Inventories including Raw Materials, WIP, Parts etc.	Pulp Mill - 260 Granton Abercrombie Branch Rd., New Glasgow, N.S. B2H 5E6
Seedling Inventory	Nursery Location - 381 Plains Rd., Debert, N.S. B0K 1G0
Roundwood Inventory	Roadside and Yard locations throughout mainland Nova Scotia
FINISHED GOODS – Possible Locations	
Nova Scotia Sites	Pulp Mill - 260 Granton Abercrombie Branch Rd., New Glasgow, N.S. B2H 5E6
	Stellarton Pulp Warehouse - 114 Acadia Ave., Stellarton, N.S. B0K 1S0
	Mulgrave Wharf - 428 Main St., Mulgrave, N.S. B0E 2G0
	Pier "C" Pictou Wharf - 52 Depot St., Pictou, N.S. B0K 1H0
	CBNS Railway Stellarton - 121 King St., Stellarton, N.S. B0K 1S0
European Warehouses	
Port of Rouen	Rouen Wharf 19 Boulevard du Midi, Rouen, France 76174
Port of Santander	Santander Wharf Castilla 8, Entlo., Santander, Spain 39002
Port of Northfleet	KC Northfleet Mill site, United Kingdom

Inventory can also be in transit via rail, truck or vessel.

This is Exhibit "N" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT made as of the 12th day of May, 2011 (this "**Agreement**"),

B E T W E E N:

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION,

an unlimited company existing under the laws of the Province of Nova Scotia,

(hereinafter referred to as the "**Assignor**"),

- and -

HOWE SOUND PULP & PAPER CORPORATION,

a corporation existing under the laws of the Province of British Columbia,

(hereinafter referred to as the "**Assignee**").

WHEREAS the Assignor, as lender, is party to that certain Credit Agreement (as such term is defined in Schedule A hereto) with Northern Pulp Nova Scotia Corporation ("**Northern Pulp**"), as borrower;

AND WHEREAS in connection with the entering into of the Credit Agreement, the Assignor and Northern Pulp entered into the Security Documents (as such term is defined in Schedule A hereto);

AND WHEREAS the Assignor desires to transfer to the Assignee all of the Assignor's right, title and interest in, to and under the Credit Agreement and the Security Documents, including all outstanding and unpaid amounts owing to the Assignor or that will become owing to the Assignor by Northern Pulp pursuant to the Credit Agreement or any Security Document (the "**Assigned Debt**"), including all fees, expenses and accrued and unpaid interest arising in accordance with the terms of the Credit Agreement and the Security Documents (collectively, the "**Assigned Assets**");

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

1. Assignment and Assumption

(a) Subject to receipt of the Purchase Price (as defined in Section 2), the Assignor hereby absolutely and irrevocably assigns, transfers and conveys to the Assignee all right, title and interest of the Assignor in, to and under Assigned Assets free and clear of any lien, encumbrance or other adverse claim of any nature, and delegates to the Assignee all of the

Assignor's obligations, responsibilities and duties thereunder and in connection therewith arising from and after the date hereof.

(b) The Assignee hereby accepts the assignment, transfer and conveyance of all right, title and interest of the Assignor in, to and under the Assigned Assets free and clear of all encumbrances of any nature and assumes all liability for, and agrees to hereafter satisfy, discharge, perform and fulfill, all of the Assignor's obligations, responsibilities and duties under, relating to or in connection therewith arising from and after the date hereof.

2. Purchase Price

The aggregate purchase price payable by the Assignee to the Assignor for the Assigned Assets is Cdn.\$31,958,035.17, being the amount of the Assigned Debt as at the date hereof (the "**Purchase Price**"). Upon the execution and delivery of this Agreement by both parties, the Assignee shall pay the Purchase Price to the Assignor by means of a wire transfer of immediately available funds to the account designated in writing by the Assignor.

3. Representations and Warranties of the Assignor

The Assignor hereby represents and warrants to the Assignee as follows and acknowledges and confirms that the Assignee is relying on such representations and warranties in connection with the transactions contemplated hereby:

(a) The Assignor is an unlimited liability company existing under the laws of the Province of Nova Scotia and has the power and authority to enter into this Agreement and to perform its obligations hereunder.

(b) This Agreement has been duly authorized, executed and delivered by the Assignor and is a legal, valid and binding obligation of the Assignor, enforceable against the Assignor in accordance with its terms, except as enforcement may be limited by bankruptcy, insolvency and other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

(c) The Assigned Assets are owned legally and beneficially by the Assignor, free and clear of all liens, encumbrances and other adverse claims (including any oral or written agreement, or any right or privilege capable of becoming an agreement, for the purchase or acquisition from the Assignor of any of the Assigned Assets) of any nature.

(d) Except for this Agreement, the Credit Agreement and the Security Documents, there are no other agreements, whether written or oral, to which the Assignor is a party that would reasonably be expected to materially adversely affect the Assignor's rights in, to or under the Assigned Assets. The Assignor has provided a copy of the Credit Agreement and the Security Documents to the Assignee.

(e) Other than the consent of Northern Pulp (a copy of which has been delivered to the Assignee), no consent or approval of, filing with or notice to any governmental authority or other third party is required to be obtained, made or given by the Assignor in connection with the entering into of this Agreement or the consummation of the transactions contemplated hereby.

(f) As of the date hereof, Assigned Debt in the amount of Cdn.\$31,958,035.17 exists and is currently outstanding.

4. Entire Agreement

This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof (for greater certainty, including as to the collectability of the Assigned Debt) except as provided herein.

5. Governing Law and Submission to Jurisdiction

(a) This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein.

(b) Each of the parties irrevocably and unconditionally (i) submits to the non-exclusive jurisdiction of the courts of the Province of Nova Scotia over any action or proceeding arising out of or relating to this Agreement, (ii) waives any objection that it might otherwise be entitled to assert to the jurisdiction of such courts, and (iii) agrees not to assert that such courts are not a convenient forum for the determination of any such action or proceeding.

6. Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, all other provisions of this Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party hereto. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties hereto as closely as possible in an acceptable manner to the end that transactions contemplated hereby are fulfilled to the extent possible.

7. Notices

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be delivered in person, transmitted by fax or by e-mail or similar means of recorded electronic communication or sent by registered mail, charges prepaid, addressed as follows (or to such other address as a party hereto may notify the other party in accordance with this Section 7):

(i) if to the Assignor:

Azure Mountain Capital Financial Corporation
c/o Atlas Holdings LLC

302-One Sound Shore Drive
Greenwich, CT 06830

Attention: Timothy J. Fazio
Fax No.: (203) 622-0151
E-mail: tfazio@atlasholdingsllc.com

with a copy to:

Azure Mountain Capital Financial Corporation
c/o Blue Wolf Capital Partners
One Liberty Plaza,
52nd Floor
New York, NY 10006

Attention: Adam Blumenthal
Fax No.: (646) 349-2244
E-mail: adam@blue-wolf.com

(ii) if to the Assignee:

Howe Sound Pulp & Paper Corporation
c/o Paper Excellence Canada Holdings Corporation
218 – 4940 No. 3 Road
Richmond, BC
V6X 3A5

Attention: P. Wardhana
Fax No.: (604) 232-2463
E-mail: pwardhana@paperexcellence.com

with a copy to:

Miller Titerle LLP
215 – 209 Carrall Street
Vancouver, BC
V6B 2J2

Attention: J. Titerle
Fax No.: (604) 681-4113
E-mail: jim@millertiterle.com—

8. Amendments and Waivers

No amendment or waiver of any provision of this Agreement shall be binding on any of the parties unless consented to in writing by such party.

9. **Assignment**

No party may assign any of its rights or benefits under this Agreement, or delegate any of its duties or obligations, except with the prior written consent of the other party.

10. **Successors and Assigns**

This Agreement shall enure to the benefit of and shall be binding on and enforceable by and against the parties and their respective successors and permitted assigns.

11. **Further Assurances**

Each of the parties hereto shall, at all times after the date hereof and upon any reasonable request of the other, promptly do, execute, deliver or cause to be done, executed and delivered, at the expense of the requesting party, all further acts documents and things as may be required or necessary for the purposes of giving effect to this Agreement, including such other instruments of sale, transfer, conveyance, assignment, confirmation, certificates, registrations and financing change statements (including under the *Personal Property Security Act* (Nova Scotia)) and other instruments as may be reasonably requested in order to more effectively transfer, convey and assign the Assigned Assets and to effectuate the transactions contemplated herein.

12. **Counterparts**

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts shall together constitute one and the same original document.

[The next page is the signature page.]

IN WITNESS WHEREOF this Agreement has been executed by the parties.

Kathleen Oulton

Witness

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by

Andrew Bursky

Name: Andrew Bursky

Title: Co-President

**HOWE SOUND PULP & PAPER
CORPORATION**

by

Witness

Name:

Title:

UNITED STATES OF AMERICA)
 STATE OF CONNECTICUT)
 COUNTY OF FAIRFIELD)

I, Margaret Defonce, of Greenwich Ct, a Notary Public duly appointed and sworn, residing and practicing therein, do hereby certify that on this 18th day of May, A.D. 2011, before me at Greenwich, Connecticut, personally came and appeared

Kathleen Dutton, the subscribing witness to the foregoing indenture, who having been by me duly sworn, made oath and said that Azure Mountain Capital Financial Corporation, one of the parties thereto caused the same to be executed in its name and on its behalf in his presence.

Margaret DeFonce
 A Notary Public in and for
 the State of Connecticut

UNITED STATES OF AMERICA)
 STATE OF CONNECTICUT)
 COUNTY OF FAIRFIELD)

Margaret DeFonce
 NOTARY PUBLIC
 STATE OF CONNECTICUT
 My Commission Expires April 30, 2016

I, Andrew Bursky, of Greenwich, in the State of Connecticut, make oath and say:

1. THAT I am an officer/director of Azure Mountain Capital Financial Corporation (the "Corporation"), and have a personal knowledge of the matters herein deposed to;
2. THAT I executed the foregoing instrument for and on behalf of the Corporation; and
3. THAT I am authorized to execute the foregoing instrument on behalf of the Corporation and thereby to bind the Corporation.

SWORN TO before me at)
1 Sound Shore Dr Greenwich)
 in the County of Fairfield,)
 State of Connecticut,)
 this 18 day of May, 2011)
Margaret DeFonce)
 A Notary Public in and for)
 the State of Connecticut)

Andrew Bursky
 Andrew Bursky
 Co-President

Margaret DeFonce
 NOTARY PUBLIC
 STATE OF CONNECTICUT
 My Commission Expires April 30, 2016

IN WITNESS WHEREOF this Agreement has been executed by the parties.


Witness

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

by _____

Name: Andrew Bursky

Title: Co-President



Witness

**HOWE SOUND PULP & PAPER
CORPORATION**


by _____

Name: Sugarto Kardman

Title: Director

CANADA)
 PROVINCE OF BRITISH COLUMBIA)
 CITY OF VANCOUVER)

I certify that on the 1st day of June, 2011, Howe Sound Pulp & Paper Corporation, one of the parties hereto, caused the foregoing indenture to be executed on its behalf by Sugianto Kardiman, its duly authorized director, in my presence and that I signed as a witness to such execution.



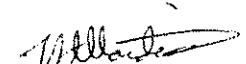
David Allardice
 A Notary Public in and for the
 Province of British Columbia

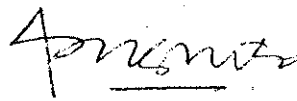
CANADA)
 PROVINCE OF BRITISH COLUMBIA)
 CITY OF VANCOUVER)

I, Sugianto Kardiman, of Richmond, in the Province of British Columbia, make oath and say:

1. THAT I am a director of Howe Sound Pulp & Paper Corporation (the "**Corporation**"), and have a personal knowledge of the matters herein deposed to;
2. THAT I executed the foregoing instrument for and on behalf of the Corporation; and
3. THAT I am authorized to execute the foregoing instrument on behalf of the Corporation and thereby to bind the Corporation.

SWORN TO before me at)
 209 Carrall Street, Suite 215)
 in the City of Vancouver,)
 Province of British Columbia,)
 this 1st day of June, 2011)


 A Notary Public in and for)
 the Province of British Columbia)



Name: Sugianto Kardiman
 Title: Director of Howe Sound Pulp + Paper Corporation

SCHEDULE A

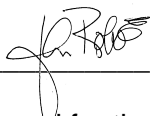
"Credit Agreement" means, collectively, the Credit Agreement dated as of June 24, 2008 between Northern Pulp, as borrower, and the Seller, as lender, as amended by a First Amendment of Credit Agreement dated as of January 27, 2009, as further amended by a Second Amendment of Credit Agreement dated as of March 23, 2009, as further amended by a Third Amendment of Credit Agreement dated as of August 21, 2009, as further amended by a Fourth Amendment of Credit Agreement dated as of March 4, 2011, and also includes: (i) the Waiver to Secured Credit Facility dated October 20, 2009; (ii) the Waiver to Secured Credit Facility dated February 26, 2010 pertaining to the affirmative covenant default and interest expense accrued through December 31, 2009; (iii) the Waiver to Secured Credit Facility dated February 26, 2010 pertaining to the financial covenant default; (iv) the Waiver to Secured Credit Facility dated March 22, 2010; (v) the Waiver to Secured Credit Facility dated March 1, 2011; and (vi) the Waiver to Secured Credit Facility dated March 16, 2011; and

"Security Documents" means, collectively:

- (a) the General Security Agreement dated June 24, 2008 between the Seller, as secured party, and Northern Pulp, as debtor;
- (b) the Mortgage of Land dated June 24, 2008 between Northern Pulp, as mortgagor, and the Seller, as mortgagee, recorded at the Colchester County Land Registration Office on July 2, 2008 as Document No. 91026600 to effect security with respect PID No. 20451761;
- (c) the Mortgage of Land dated June 24, 2008 between Northern Pulp, as mortgagor, and the Seller, as mortgagee, recorded at the Pictou County Land Registration Office on July 2, 2008 as follows: (A) as Document No. 91026550 to effect security with respect PID Nos. 00864082, 00864538, 01045442, 65076358, 65076366, 65076382, 65166829, 65168130 and 65168163, and (B) Document No. 91026576 to effect security with respect to PID No. 65166837;
- (d) the Mortgage of Land dated June 24, 2008 between Northern Pulp, as mortgagor, and the Seller, as mortgagee, recorded at the Pictou County Land Registration Office on March 25, 2009 as Document No. 93029032 to effect security with respect to PID Nos. 65076374 and 65168148;
- (e) the Postponement Agreement dated April 15, 2009 between the Seller and Her Majesty the Queen in Right of the Province of Nova Scotia as represented by the Minister of Economic and Rural Development recorded at the Colchester County Land Registration Office on May 6, 2009 as Document No. 93305911 with respect to PID No. 20451761; and
- (f) the Postponement Agreement dated April 15, 2009 between the Seller and Her Majesty the Queen in Right of the Province of Nova Scotia as represented by the Minister of Economic and Rural Development recorded at the Pictou County Land Registration Office on May 6, 2009 as follows: (A) as Document No.

93305747 with respect to PID Nos. 00864082, 00864538, 01045442, 65076358, 65076366, 65076382, 65166829, (B) as Document No. 93305994 with respect to PID No. 65076374, (C) as Document No. 93306067 with respect to PID No. 65166837, (D) as Document No. 93305812 with respect to PID Nos. 65168130 and 65168163, and (E) as Document No. 93305952 with respect to PID No. 65168148.

This is Exhibit "O" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

ASSIGNMENT OF DEBT AGREEMENT

THIS ASSIGNMENT OF DEBT AGREEMENT ("Agreement") is made effective as of November 30, 2015 ("**Effective Date**").

BETWEEN:

HOWE SOUND PULP & PAPER CORPORATION, a company existing under the laws of the Province of British Columbia

("Assignor")

- and -

PAPER EXCELLENCE CANADA HOLDINGS CORPORATION, a corporation existing under the laws of the Province of British Columbia

("Assignee")

WHEREAS:

- A. Northern Pulp Nova Scotia Corporation ("**NP**") entered into a credit agreement with Azure Mountain Capital Finance Corporation ("**Azure**") on June 24, 2008 (as amended, restated or otherwise modified from time to time, the "**Credit Agreement**") which Credit Agreement and the debt of NP to Azure thereunder, and the security therefor (the "**Security**") was subsequently assigned by Azure to the Assignor by an Assignment and Assumption Agreement dated May 12, 2011;
- B. The Assignor subsequently loaned additional funds to NP such that as at the Effective Date the total debt ("**Debt**") of NP to the Assignor, including the debt under the Credit Agreement, is \$154,044,533.45. A portion of the Debt is evidenced by five promissory notes ("**Promissory Notes**") issued by NP in favour of the Assignor, as set out in Schedule "A" to this Agreement;
- C. The Security is as described in Schedule "B" to this Agreement; and
- D. The Assignor desires to transfer to the Assignee all of the Assignor's right, title and interest in, to and under the Credit Agreement, the Debt, the Promissory Notes and the Security, including all outstanding and unpaid amounts (including any interest) owing to the Assignor or that will become owing to the Assignor by NP pursuant to the Credit Agreement and Promissory Notes, (together "**Assigned Assets**").

THEREFORE in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Assignment and Assumption

The Assignor hereby absolutely and irrevocably assigns, transfers and conveys to the Assignee all right, title and interest of the Assignor in, to and under the Assigned Assets, free and clear of all liens, charges and encumbrances. The Assignee hereby accepts the assignment, transfer and conveyance of all right, title and interest of the Assignor in, to and under the Assigned Assets.

2. Consideration

The aggregate purchase price payable by the Assignee to the Assignor for the Assigned Assets is CAD \$154,044,533.45, being the amount of the Debt as at the Effective Date, ("**Purchase Price**"). The Assignee will satisfy the payment of the Purchase Price to the Assignor by issuing a promissory note to the Assignor in the amount of the Purchase Price ("**Assignee Promissory Note**").

3. Representations and Warranties of the Assignor

The Assignor covenants, represents and warrants to the Assignee that:

- (a) the Assignor has full right and authority to assign to the Assignee all of its right, title and interest in and to the Assigned Assets pursuant to this Agreement;
- (b) NP owes the Debt to Assignor, free and clear of all liens, charges and encumbrances; and
- (c) the Assignor has not assigned all or any portion of the Debt to any other person.

4. Governing Law and Submission to Jurisdiction

This Agreement will be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties will be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

5. Binding Effect

This Agreement binds and benefits each of the parties hereto and their respective lawful successors and permitted assigns.

6. Further Assurances

The Assignor will, from time to time and at all times hereafter, at the request of the Assignee, execute such further assurances and do all such further acts as may be reasonably required for the purpose of vesting in the Assignee all of the Assignor's right, title and interest in and to the Assigned Assets.

7. Counterparts and Execution

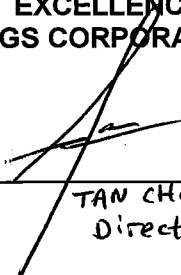
This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed in as many counterparts as may be necessary and

- 3 -


may be delivered by facsimile or other electronic transmission (including in electronic PDF format), and each of which, when taken together, will be deemed to be an original and will be deemed to constitute one and the same agreement made as of the date first written above.

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement by their duly authorized signatory as of the 11th day of February, 2020 with effect as of November 30, 2015.

**PAPER EXCELLENCE CANADA
HOLDINGS CORPORATION**

By: 
Name: TAN CHONG WEI
Title: Director

**HOWE SOUND PULP & PAPER
CORPORATION**

By: 
Name: TAN CHONG WEI
Title: Director

SCHEDULE "A"

"Promissory Notes" means, collectively:

- (a) the promissory note, dated September 10, 2012, in the amount of CAD \$70,390,016.00, between the Assignor, as lender, and NP, as debtor;
- (b) the promissory note, dated May 27, 2013, in the amount of CAD \$20,500,000.00, between the Assignor, as lender, and NP, as debtor;
- (c) the promissory note, dated June 24, 2014, in the amount of USD \$27,300,000.00, between the Assignor, as lender, and NP, as debtor which amount is in Canadian dollars as at the Effective Date was \$29,294,988.73;
- (d) the promissory note, dated September 30, 2014, in the amount of CAD \$3,000,000.00, between the Assignor, as lender, and NP, as debtor: and
- (e) the promissory note, dated November 30, 2015, in the amount of CAD \$1,000,000.00, between the Assignor, as lender, and NP, as debtor.

[END OF SCHEDULE "A"]

SCHEDULE "B"

"Security" means, collectively:

- (a) a general security agreement dated June 24, 2008 issued by Northern Pulp Nova Scotia Corporation in favour of Azure Mountain Capital Financial Corporation and assigned to Howe Sound Pulp & Paper Corporation by Assignment and Assumption Agreement dated May 12, 2011;
- (b) a mortgage dated June 24, 2008 issued by Northern Pulp Nova Scotia Corporation in favour of Azure Mountain Capital Financial Corporation, recorded at the Colchester County Land Registration Office on July 2, 2008 as Document No. 91026600 to effect security with respect to PID No. 20451761 and assigned to Howe Sound Pulp & Paper Corporation by Assignment and Assumption Agreement dated May 12, 2011;
- (c) a mortgage dated June 24, 2008 issued by Northern Pulp Nova Scotia Corporation in favour of Azure Mountain Capital Financial Corporation, recorded at the Pictou County Land Registration Office on July 2, 2008 as follows: a) as Document No. 91026550 to effect security with respect to PID Nos. 00864082, 00864538, 01045442, 65076358, 65076366, 65076382, 65166829, 65168130 and 65168163, and b) Document No. 91026576 to effect security with respect to PID No. 65166837 and assigned to Howe Sound Pulp & Paper Corporation by Assignment and Assumption Agreement dated May 12, 2011;
- (d) a mortgage dated June 24, 2008 issued by Northern Pulp Nova Scotia Corporation in favour of Azure Mountain Capital Financial Corporation, recorded at the Pictou County Land Registration Office on July 2, 2008 as Document No. 93029032 to effect security with respect to PID Nos. 65076374 and 65168148 and assigned to Howe Sound Pulp & Paper Corporation by Assignment and Assumption Agreement dated May 12, 2011; and
- (e) a postponement agreement dated April 15, 2009 between Northern Pulp Nova Scotia Corporation in favour of Her Majesty the Queen in Right of the Province of Nova Scotia as represented by the Minister of Economic and Rural Development recorded at the Pictou County Land Registration Office on May 6, 2009 as follows: a) as Document No. 93305747 with respect to PID Nos. 00864082, 00864538, 01045442, 65076358, 65076366, 65076382, 65166829, b) as Document No. 93305994 with respect to PID No. 65076374, c) as Document No. 93306067 with respect to PID No. 65166837, d) as Document No. 93305812 with respect to PID Nos. 65168130 and 65168163; and e) as Document No. 93305952 with respect to PID No. 65168148 and assigned to Howe Sound Pulp & Paper Corporation by Assignment and Assumption Agreement dated May 12, 2011.

CANADA
PROVINCE OF BRITISH COLUMBIA

AFFIDAVIT

I, Choong Wei Tan, of Richmond, make oath and say that:

1. I am a Director of Howe Sound Pulp & Paper Corporation (the "Corporation") and have a personal knowledge of the matters herein deposed to.
2. I executed the foregoing instrument for and on behalf of the Corporation.
3. I am authorized to execute the foregoing instrument on behalf of the Corporation and thereby bind the Corporation.
4. I acknowledge that the Corporation executed the foregoing Instrument by its proper signatory duly authorized in that regard on the date of this affidavit; this acknowledgment is made for the purpose of registering such Instrument pursuant to s. 31(a) of the *Registry Act*, R.S.N.S. 1989, c.392 or s. 79(1)(a) of the *Land Registration Act* as the case may be.
5. The Corporation is a resident of Canada under the *Income Tax Act* (Canada).
6. The ownership of a share or an interest in a share of the Corporation does not entitle the owner of such share or interest in such share to occupy a dwelling owned by the Corporation.

SWORN TO at Richmond
Province of British Columbia
this 28th day of May, 2020,
before me:

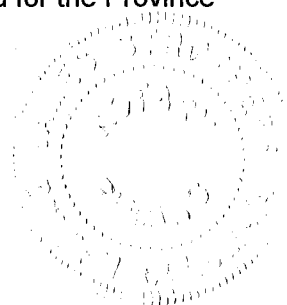
A Notary Public in and for the Province
of British Columbia

CHOONG WEI TAN

I **CERTIFY** that on this 28th day of May, 2020, Howe Sound Pulp & Paper Corporation, one of the parties hereto, caused the foregoing indenture to be executed on its behalf by Choong Wei Tan, its duly authorized Director, being its proper number of duly authorized signatories, in my presence and that I signed as a witness to such execution.

James Struthers
Barrister & Solicitor
Miller Titerle Law Corporation
300 – 638 Smithe Street
Vancouver, BC V6B 1E3

A Notary Public in and for the Province
of British Columbia



**CANADA
PROVINCE OF BRITISH COLUMBIA**

AFFIDAVIT

I, Choong Wei Tan, of Richmond, make oath and say that:

1. I am a Director of Paper Excellence Canada Holdings Corporation (the "Corporation") and have a personal knowledge of the matters herein deposed to.
2. I executed the foregoing instrument for and on behalf of the Corporation.
3. I am authorized to execute the foregoing instrument on behalf of the Corporation and thereby bind the Corporation.
4. I acknowledge that the Corporation executed the foregoing Instrument by its proper signatory duly authorized in that regard on the date of this affidavit; this acknowledgment is made for the purpose of registering such Instrument pursuant to s. 31(a) of the *Registry Act*, R.S.N.S. 1989, c.392 or s. 79(1)(a) of the *Land Registration Act* as the case may be.
5. The Corporation is a resident of Canada under the *Income Tax Act* (Canada).
6. The ownership of a share or an interest in a share of the Corporation does not entitle the owner of such share or interest in such share to occupy a dwelling owned by the Corporation.

SWORN TO at Richmond
Province of British Columbia
this 28th day of May, 2020,
before me:

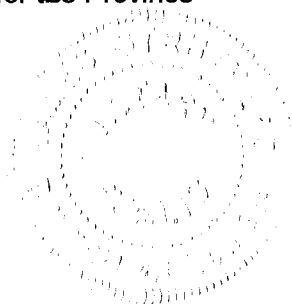
A Notary Public in and for the Province
of British Columbia

CHOONG WEI TAN

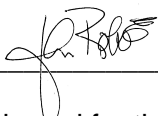
I **CERTIFY** that on this 28th day of May, 2020, Paper Excellence Canada Holdings Corporation, one of the parties hereto, caused the foregoing indenture to be executed on its behalf by Choong Wei Tan, its duly authorized Director, being its proper number of duly authorized signatories, in my presence and that I signed as a witness to such execution.

James Struthers
Barrister & Solicitor
Miller Titerle Law Corporation
300 – 638 Smithe Street
Vancouver, BC V6B 1E3

A Notary Public in and for the Province
of British Columbia



This is Exhibit "P" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to be "D. F. 18/6", is written over a horizontal line.

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

ASSIGNMENT OF DEBT AGREEMENT

THIS ASSIGNMENT OF DEBT AGREEMENT ("**Agreement**") is made effective as of November 30, 2015 ("**Effective Date**").

BETWEEN:

MACKENZIE PULP MILL CORPORATION, a
corporation existing under the laws of the Province
of British Columbia

("Assignor")

- and -

**PAPER EXCELLENCE CANADA HOLDINGS
CORPORATION**, a corporation existing under the
laws of the Province of British Columbia

("Assignee")

WHEREAS

- A. The Assignor has loaned an aggregate principal amount of CAD \$17,225,050.00 ("**Debt**") to Northern Pulp Nova Scotia Corporation ("**NP**") as at the Effective Date;
- B. NP has issued a promissory note ("**Promissory Note**") in favour of the Assignor, in the aggregate amount of CAD \$17,225,050.00 to evidence the Debt. The details of the Promissory Note are set out in Schedule "A" to this Agreement; and
- C. The Assignor desires to transfer to the Assignee all of the Assignor's right, title and interest in, to and under the Debt and the Promissory Note, including all outstanding and unpaid amounts (including any interest) owing to the Assignee or that will become owing to the Assignee by NP pursuant to the Promissory Note (together "**Assigned Assets**");

NOW THEREFORE in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Assignment and Assumption

The Assignor hereby absolutely and irrevocably assigns, transfers and conveys to the Assignee all right, title and interest of the Assignor in, to and under the Assigned Assets, free and clear of all liens, charges and encumbrances. The Assignee hereby accepts the assignment, transfer and conveyance of all right, title and interest of the Assignor in, to and under the Assigned Assets.

2. **Consideration**

The aggregate purchase price payable by the Assignee to the Assignor for the Assigned Assets is CAD \$17,225,050.00, being the amount of the Debt as at the Effective Date, ("**Purchase Price**"). The Assignee will satisfy the payment of the Purchase Price to the Assignor by issuing a promissory note to the Assignor in the amount of the Purchase Price ("**Assignee Promissory Note**").

3. **Representations and Warranties of the Assignor**

The Assignor covenants, represents and warrants to the Assignee that:

- (a) the Assignor has full right and authority to assign to the Assignee all of its right, title and interest in and to the Assigned Assets pursuant to this Agreement;
- (b) NP owes the Debt to Assignor, free and clear of all liens, charges and encumbrances; and
- (c) the Assignor has not assigned all or any portion of the Debt to any other person.

4. **Governing Law and Submission to Jurisdiction**

This Agreement will be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties will be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

5. **Binding Effect**

This Agreement binds and benefits each of the parties hereto and their respective lawful successors and permitted assigns.

6. **Further Assurances**

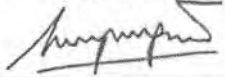
The Assignor will, from time to time and at all times hereafter, at the request of the Assignee, execute such further assurances and do all such further acts as may be reasonably required for the purpose of vesting in the Assignee all of the Assignor's right, title and interest in and to the Assigned Assets.

7. **Counterparts and Execution**

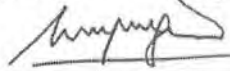
This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed in as many counterparts as may be necessary and may be delivered by facsimile or other electronic transmission (including in electronic PDF format), and each of which, when taken together, will be deemed to be an original and will be deemed to constitute one and the same agreement made as of the date first written above.

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement by their duly authorized signatory as of the date first above written.

**PAPER EXCELLENCE CANADA
HOLDINGS CORPORATION**

By: 
Name: BUTUNG WAHAB
Title: DIRECTOR

**MACKENZIE PULP MILL
CORPORATION**

By: 
Name: BUTUNG WAHAB
Title: DIRECTOR

SCHEDULE "A"

"Promissory Note" means:

- (a) the promissory note, dated November 30, 2014, in the amount of CAD \$17,225,050.00, between the Assignor, as lender, and NP, as debtor.

[END OF SCHEDULE "A"]

**ACKNOWLEDGEMENT AND CONFIRMATION
OF ASSIGNMENT**

To: Paper Excellence Canada Holdings Corporation ("**PE**")
 And to: Mackenzie Pulp Mill Corporation ("**MPMC**")
 Re: Assignment by MPMC to PE of debt in the aggregate amount of CAD \$17,225,050.00 pursuant to an Assignment of Debt Agreement, dated as of November 30, 2015, between PE, as Assignee, and MPMC, as Assignor ("**Assignment Agreement**")

WHEREAS:

- A. The undersigned has borrowed funds from MPMC in the aggregate principal amount of CAD \$17,225,050.00 ("**Debt**");
- B. The Debt is evidenced by a promissory note ("**Promissory Note**") issued by the undersigned in favour of MPMC. Details of the Promissory Note are set forth in Schedule "A" to the Assignment Agreement; and
- C. MPMC has assigned to PE all of its right, title and interest in and to the Debt and Promissory Note ("**Assigned Assets**") pursuant to the Assignment Agreement as of November 30, 2015 ("**Effective Date**").

FOR VALUABLE CONSIDERATION the undersigned hereby acknowledges receipt of notice of the assignment of the Assigned Assets from MPMC to PE, and agrees to pay the Debt as requested by PE.

Any capitalized term not otherwise defined herein has the meaning given to it in the Assignment Agreement.

This Acknowledgement and Confirmation of Assignment may be executed and delivered by facsimile or other electronic transmission (including in electronic PDF format) and if so executed and delivered will be deemed to be an original made as of the date written below.

DATED November 30, 2015.

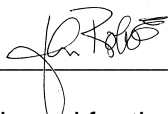
**NORTHERN PULP NOVA SCOTIA
CORPORATION**

By: 

Name: BUJANA WAHAB

Title: DIRECTOR

This is Exhibit "Q" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

ASSIGNMENT OF DEBT AGREEMENT

THIS ASSIGNMENT OF DEBT AGREEMENT ("Agreement") is made effective as of November 30, 2015 ("Effective Date").

BETWEEN:

MEADOW LAKE MECHANICAL PULP INC., a
corporation existing under the laws of the Province
of British Columbia

("Assignor")

- and -

**PAPER EXCELLENCE CANADA HOLDINGS
CORPORATION**, a corporation existing under the
laws of the Province of British Columbia

("Assignee")

WHEREAS

- A. The Assignor has loaned an aggregate principal amount of CAD \$46,924,600.00 ("Debt") to Northern Pulp Nova Scotia Corporation ("NP") as at the Effective Date;
- B. NP has issued two promissory notes ("Promissory Notes") in favour of the Assignor, in the aggregate amount of CAD \$46,924,600.00 to evidence the Debt. The details of the Promissory Notes are set out in Schedule "A" to this Agreement; and
- C. The Assignor desires to transfer to the Assignee all of the Assignor's right, title and interest in, to and under the Debt and the Promissory Notes, including all outstanding and unpaid amounts (including any interest) owing to the Assignee or that will become owing to the Assignee by NP pursuant to the Promissory Notes (together "Assigned Assets");

NOW THEREFORE in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Assignment and Assumption

The Assignor hereby absolutely and irrevocably assigns, transfers and conveys to the Assignee all right, title and interest of the Assignor in, to and under the Assigned Assets, free and clear of all liens, charges and encumbrances. The Assignee hereby accepts the assignment, transfer and conveyance of all right, title and interest of the Assignor in, to and under the Assigned Assets.

2. **Consideration**

The aggregate purchase price payable by the Assignee to the Assignor for the Assigned Assets is CAD \$46,924,600.00, being the amount of the Debt as at the Effective Date, ("**Purchase Price**"). The Assignee will satisfy the payment of the Purchase Price to the Assignor by issuing a promissory note to the Assignor in the amount of the Purchase Price ("**Assignee Promissory Note**").

3. **Representations and Warranties of the Assignor**

The Assignor covenants, represents and warrants to the Assignee that:

- (a) the Assignor has full right and authority to assign to the Assignee all of its right, title and interest in and to the Assigned Assets pursuant to this Agreement;
- (b) NP owes the Debt to Assignor, free and clear of all liens, charges and encumbrances; and
- (c) the Assignor has not assigned all or any portion of the Debt to any other person.

4. **Governing Law and Submission to Jurisdiction**

This Agreement will be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties will be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

5. **Binding Effect**

This Agreement binds and benefits each of the parties hereto and their respective lawful successors and permitted assigns.

6. **Further Assurances**

The Assignor will, from time to time and at all times hereafter, at the request of the Assignee, execute such further assurances and do all such further acts as may be reasonably required for the purpose of vesting in the Assignee all of the Assignor's right, title and interest in and to the Assigned Assets.

7. **Counterparts and Execution**

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed in as many counterparts as may be necessary and may be delivered by facsimile or other electronic transmission (including in electronic PDF format), and each of which, when taken together, will be deemed to be an original and will be deemed to constitute one and the same agreement made as of the date first written above.

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement by their duly authorized signatory as of the date first above written.

**PAPER EXCELLENCE CANADA
HOLDINGS CORPORATION**

By: _____

Name: BUJUNG WAHAB

Title: DIRECTOR

**MEADOW LAKE MECHANICAL PULP
INC.**

By: _____

Name: BUJUNG WAHAB

Title: DIRECTOR

SCHEDULE "A"

"Promissory Notes" means, collectively:

- (a) the promissory note, dated October 31, 2014, in the amount of CAD \$37,000,000.00, between the Assignor, as lender, and NP, as debtor; and
- (b) the promissory note, dated November 30, 2015, in the amount of CAD \$9,924,600.00, between the Assignor, as lender, and NP, as debtor.

[END OF SCHEDULE "A"]

**ACKNOWLEDGEMENT AND CONFIRMATION
OF ASSIGNMENT**

To: Paper Excellence Canada Holdings Corporation ("**PE**")
 And to: Meadow Lake Mechanical Pulp Inc. ("**MLMP**")
 Re: Assignment by MLMP to PE of debt in the aggregate amount of \$46,924,600.00 pursuant to an Assignment of Debt Agreement, dated as of November 30, 2015, between PE, as Assignee, and MLMP, as Assignor ("**Assignment Agreement**")

WHEREAS:

- A. The undersigned has borrowed funds from MLMP in the aggregate principal amount of CAD \$46,924,600.00 ("**Debt**");
- B. The Debt is evidenced by promissory notes ("**Promissory Notes**") issued by the undersigned in favour of MLMP. Details of the Promissory Notes are set forth in Schedule "A" to the Assignment Agreement; and
- C. MLMP has assigned to PE all of its right, title and interest in and to the Debt and Promissory Notes ("**Assigned Assets**") pursuant to the Assignment Agreement as of November 30, 2015 ("**Effective Date**").

FOR VALUABLE CONSIDERATION the undersigned hereby acknowledges receipt of notice of the assignment of the Assigned Assets from MLMP to PE, and agrees to pay the Debt as requested by PE.

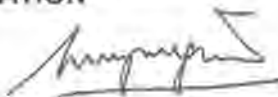
Any capitalized term not otherwise defined herein has the meaning given to it in the Assignment Agreement.

This Acknowledgement and Confirmation of Assignment may be executed and delivered by facsimile or other electronic transmission (including in electronic PDF format) and if so executed and delivered will be deemed to be an original made as of the date written below.

DATED November 30, 2015.

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

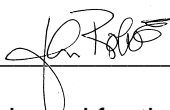
By: _____



Name: **BUJUNG WAHAB**

Title: **DIRECTOR**

This is Exhibit "R" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

ASSIGNMENT OF DEBT AGREEMENT

THIS ASSIGNMENT OF DEBT AGREEMENT ("Agreement") is made effective as of November 30, 2015 ("Effective Date").

BETWEEN:

SKOOKUMCHUCK PULP INC., a corporation
existing under the laws of the Province of British
Columbia

("Assignor")

- and -

**PAPER EXCELLENCE CANADA HOLDINGS
CORPORATION**, a corporation existing under the
laws of the Province of British Columbia

("Assignee")

WHEREAS

- A. The Assignor has loaned an aggregate principal amount of CAD \$3,646,800.00 ("**Debt**") to Northern Pulp Nova Scotia Corporation ("**NP**") as at the Effective Date;
- B. NP has issued a promissory note ("**Promissory Note**") in favour of the Assignor, in the aggregate amount of CAD \$3,646,800.00 to evidence the Debt. The details of the Promissory Note are set out in Schedule "A" to this Agreement; and
- C. The Assignor desires to transfer to the Assignee all of the Assignor's right, title and interest in, to and under the Debt and the Promissory Note, including all outstanding and unpaid amounts (including any interest) owing to the Assignee or that will become owing to the Assignee by NP pursuant to the Promissory Note (together "**Assigned Assets**");

NOW THEREFORE in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each party), the parties agree as follows:

1. Assignment and Assumption

The Assignor hereby absolutely and irrevocably assigns, transfers and conveys to the Assignee all right, title and interest of the Assignor in, to and under the Assigned Assets, free and clear of all liens, charges and encumbrances. The Assignee hereby accepts the assignment, transfer and conveyance of all right, title and interest of the Assignor in, to and under the Assigned Assets.

2. **Consideration**

The aggregate purchase price payable by the Assignee to the Assignor for the Assigned Assets is CAD \$3,646,800.00, being the amount of the Debt as at the Effective Date, ("Purchase Price"). The Assignee will satisfy the payment of the Purchase Price to the Assignor by issuing a promissory note to the Assignor in the amount of the Purchase Price ("Assignee Promissory Note").

3. **Representations and Warranties of the Assignor**

The Assignor covenants, represents and warrants to the Assignee that:

- (a) the Assignor has full right and authority to assign to the Assignee all of its right, title and interest in and to the Assigned Assets pursuant to this Agreement;
- (b) NP owes the Debt to Assignor, free and clear of all liens, charges and encumbrances; and
- (c) the Assignor has not assigned all or any portion of the Debt to any other person.

4. **Governing Law and Submission to Jurisdiction**

This Agreement will be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties will be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

5. **Binding Effect**

This Agreement binds and benefits each of the parties hereto and their respective lawful successors and permitted assigns.

6. **Further Assurances**

The Assignor will, from time to time and at all times hereafter, at the request of the Assignee, execute such further assurances and do all such further acts as may be reasonably required for the purpose of vesting in the Assignee all of the Assignor's right, title and interest in and to the Assigned Assets.

7. **Counterparts and Execution**

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed in as many counterparts as may be necessary and may be delivered by facsimile or other electronic transmission (including in electronic PDF format), and each of which, when taken together, will be deemed to be an original and will be deemed to constitute one and the same agreement made as of the date first written above.

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement by their duly authorized signatory as of the date first above written.

**PAPER EXCELLENCE CANADA
HOLDINGS CORPORATION**

By: _____

Name: BUJUNG WAHAB

Title: DIRECTOR

SKOOKUMCHUCK PULP INC.

By: _____

Name: BUJUNG WAHAB

Title: DIRECTOR

SCHEDULE "A"

"Promissory Note" means:

- (a) the promissory note, dated November 30, 2015, in the amount of CAD \$3,646,800.00, between the Assignor, as lender, and NP, as debtor.

[END OF SCHEDULE "A"]

**ACKNOWLEDGEMENT AND CONFIRMATION
OF ASSIGNMENT**

To: Paper Excellence Canada Holdings Corporation ("**PE**")
 And to: Skookumchuck Pulp Inc. ("**SPI**")
 Re: Assignment by SPI to PE of debt in the aggregate amount of CAD \$3,646,800.00 pursuant to an Assignment of Debt Agreement, dated as of November 30, 2015, between PE, as Assignee, and SPI, as Assignor ("**Assignment Agreement**")

WHEREAS:

- A. The undersigned has borrowed funds from SPI in the aggregate principal amount of CAD \$3,646,800.00 ("**Debt**");
- B. The Debt is evidenced by a promissory note ("**Promissory Note**") issued by the undersigned in favour of SPI. Details of the Promissory Note are set forth in Schedule "A" to the Assignment Agreement; and
- C. SPI has assigned to PE all of its right, title and interest in and to the Debt and Promissory Note ("**Assigned Assets**") pursuant to the Assignment Agreement as of November 30, 2015 ("**Effective Date**").

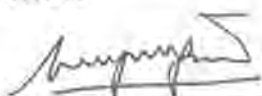
FOR VALUABLE CONSIDERATION the undersigned hereby acknowledges receipt of notice of the assignment of the Assigned Assets from SPI to PE, and agrees to pay the Debt as requested by PE.

Any capitalized term not otherwise defined herein has the meaning given to it in the Assignment Agreement.

This Acknowledgement and Confirmation of Assignment may be executed and delivered by facsimile or other electronic transmission (including in electronic PDF format) and if so executed and delivered will be deemed to be an original made as of the date written below.

DATED November 30, 2015.

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

By: 
 Name: BUJUNG WANAB
 Title: DIRECTOR

This is Exhibit "S" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

THIS ASSIGNMENT AGREEMENT made as of December 11, 2015 ("**Agreement**"),

BETWEEN:

0909959 B.C. LTD., (B.C. incorporation no. 0909959)
 ("**Assignor**"),

AND:

PAPER EXCELLENCE CANADA HOLDINGS CORPORATION, (B.C. incorporation no. 0877457)
 ("**Assignee**").

WHEREAS:

- A. 1057863 B.C. Ltd. is indebted to the Assignor in the amount of \$49,925,965.00 ("**Loan**");
- B. The Loan is evidenced by a promissory note, dated December 11, 2015, issued by 1057863 B.C. Ltd. in favour of the Assignor ("**Promissory Note**"); and
- C. The Assignor desires to transfer to the Assignee all of the Assignor's right, title and interest in, to and under the Loan and the Promissory Note, including all outstanding and unpaid amounts owing to the Assignor or that will become owing to the Assignor by 1057863 B.C. Ltd. pursuant to the Loan or the Promissory Note;

For good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

Assignment and Assumption

- 1. Subject to receipt of the Assignee Promissory Note (as defined in section 3), the Assignor hereby absolutely and irrevocably assigns, transfers and conveys to the Assignee all right, title and interest of the Assignor in, to and under the Loan and Promissory Note.
- 2. The Assignee hereby accepts the assignment, transfer and conveyance of all right, title and interest of the Assignor in, to and under the Loan and Promissory Note.

Consideration

- 3. The aggregate purchase price payable by the Assignee to the Assignor for the Loan and Promissory Note is \$49,925,965.00, being the outstanding balance of the Loan as at the date hereof ("**Purchase Price**"). Upon the execution and delivery of this Agreement by both parties, the Assignee will satisfy the payment of the Purchase Price to the Assignor by issuing a promissory note to the Assignor in the amount of the Purchase Price ("**Assignee Promissory Note**").

Governing Law

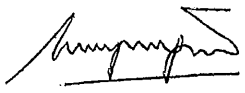
4. This Agreement will be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties will be governed by, the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

Counterparts

5. This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all parties had signed and delivered the same document, and all counterparts will together constitute one and the same original document.

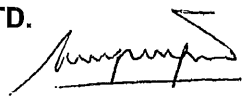
IN WITNESS WHEREOF this Agreement has been executed by the parties.

PAPER EXCELLENCE CANADA HOLDINGS CORPORATION

By: 


Name: Bijung Wahab
Title: Director

0909959 B.C. LTD.

By: 

Name: Bijung Wahab
Title: Director

This is Exhibit "T" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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



Economic and Rural Development and Tourism
Deputy Minister

1660 Hollis Street
Centennial Building, Suite 600
PO Box 2311
Halifax, NS B3J 3C8
Canada

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902 424-0619 F
www.gov.ns.ca

April 19, 2013

PRIVATE AND CONFIDENTIAL

Mr. Wayne Gosse
President
Northern Pulp Nova Scotia Corporation
P.O. Box 549 Station Main
New Glasgow, Nova Scotia
B2H5E8

Dear Mr. Gosse:

**Re: Amendment of Financial Assistance of \$15,000,000.00 to Northern Pulp
Nova Scotia Corporation ("NPNS" or "The Company")**

In response to your request for the amendment of financial assistance authorized by OIC 2009-136 and set forth in the letter of offer dated March 17, 2009 from the Minister and accepted March 26, 2009 by the Company (the "2009 Loan Agreement"), we confirm the approval by the Minister of Economic and Rural Development and Tourism (the "Minister"), of the amended terms of the financial assistance authorized by OIC 2009-136 contained in this amendment letter.

Effective on the date hereof, the 2009 Agreement shall be and is hereby amended and restated to read in its entirety as provided in this letter of offer, with loans outstanding to the Company thereunder continuing and constituting initial applicable Loans hereunder, and with interest and fees accruing after the date hereof being payable in accordance with the provisions hereof. It is the intent of the parties hereto that this letter of offer not constitute a novation of the obligations and liabilities existing under the 2009 Agreement or evidence repayment of any of such obligations and liabilities, but rather that this letter of offer amend and restate in its entirety the 2009 Agreement and re-evidence the obligations of Company outstanding thereunder, as well as evidence the additional obligations of Company provided for herein.

PROGRAM AND FINANCING

PROGRAM	\$	FINANCING	\$
Capital and maintenance expenditures	5,382,000	Province of Nova Scotia Jobs Fund Repayable Loan – outstanding balance	9,618,000
Principal outstanding under 2009 Loan Agreement	9,618,000	Available Repayable Loan for Program	5,382,000
TOTAL PROGRAM:	15,000,000.00	TOTAL FINANCING	15,000,000.00

.../2

Letter of Offer - Northern Pulp Nova Scotia Corporation
 April 19, 2013
 Page 2 of 6

DEFINITIONS

"Affiliate" includes but is not limited to a subsidiary or related person or entity.

"Paper Excellence Canada Group" includes but is not limited to Paper Excellence Canada Holdings Corporation, the Company and Northern Timber Nova Scotia Corporation.

"Minister" shall mean the Minister of Economic and Rural Development and Tourism.

"Program" shall mean the funding as set out in the PROGRAM AND FINANCING above.

LIMIT ON USE OF ASSISTANCE FUNDS

The Company shall use the assistance funds exclusively for capital and maintenance expenditures relating to the pulp mill and related assets of the Company. The Company shall not operate a sawmill operation or such other similar operation, and no assistance provided under this Agreement shall be used, directly or indirectly, for, or for the benefit of, such operations including sawmill operations of any Affiliate of the Company.

The use of assistance funds by the Company shall be subject to verification at times and in a manner as determined in the sole discretion of the Minister, upon 30 days' written notice to the Company. In addition, no sawmill operation or such other similar operation affiliated with the Company, including Scotsburn Lumber, or its Affiliates, shall receive any fiber sourced directly or indirectly from industrial freehold lands over which companies of the Paper Excellence Canada group, or any Affiliates thereof hold title at any time at or following the first disbursement of funds under this Loan and until paid in full, provided however and notwithstanding any other provision of this Agreement the Company agrees that it shall draw down the first disbursement of funds no later than ninety (90) days following the earlier of the issuance of the Order in Council of the Province or a public announcement of the assistance, failing which this Agreement shall terminate and be of no further force and effect except that the Company shall continue to be responsible for legal fees, costs and expenses relating to this Agreement incurred to the date of termination.

Further, there shall be no change in title or of any interest in the said freehold lands until such time as the Minister is satisfied:

- a) with the terms and conditions between the Province and any transferor/transferee relating to such transfer; and
- b) that doing so presents no material risk of a dispute filing under the Softwood Lumber Agreement ("SLA") arbitration and advises the Company in writing of same; and
- c) that the Paper Excellence Canada Group, or any one or more of the entities under that group, are not in default under agreement, including licenses, it or they may have entered into with the Province of Nova Scotia.

TERM

The Term of the Loan commence January 1, 2013 and shall end ten (10) years thereafter.

INTEREST

Interest shall be charged at the Province of Nova Scotia ten year borrowing rate plus 50 basis points compounded semi-annually.

Interest is due and payable on the first day of each month following the month of initial advance until the Repayable Loan is paid in full.

REPAYMENT OF PRINCIPAL

In 2014 and 2015 full calendar years of the Term of the Repayable Loan, the Company will repay the Repayable Loan with an amount equal to the Pro-rated Free Cash Flow generated in the previous calendar year.

Beginning in the 2016 full calendar year of the Term, the Company will, in each year, repay the Repayable Loan with an amount equal to the greater of (i) Pro-rated Free Cash Flow generated in the previous calendar year or (ii) \$1,875,000.

Principal payments shall be made annually by July 31 of each year of the Term commencing in the second full calendar year of the Term. For clarity, the first principal payment, if any Pro-rated Free Cash Flow is generated in the 2013 calendar year, is not due until July 31, 2014.

The Company can make additional repayments of the Loan in any given year at its discretion without notice, bonus or penalty of interest.

Any Repayable Loan principal outstanding at the end of the Term will be paid in full at the end of the Term.

"Cash Flow" means EBITDA plus GAAP Pension and OPEB expenses; minus (i) Pension and OPEB cash contributions, (ii) interest expense, (iii) capital expenditures and; (iv) changes in working capital. "Free Cash Flow" means 25% of Cash Flow as calculated above.

Given the situation where multiple loans remain outstanding to the Province of Nova Scotia, the amounts of Free Cash Flow applied to each loan will be prorated based on the outstanding balance of each loan compared to the total of all provincial loans outstanding at that time.

Proration % = $\text{Loan Balance} / \text{Total balance of all provincial Loans} * 100\%$

Pro-rated Free Cash Flow = $\text{Free Cash Flow} * \text{Proration \%}$

Letter of Offer - Northern Pulp Nova Scotia Corporation
 April 19, 2013
 Page 4 of 6

GENERAL CONDITIONS

1. The Company is responsible for all costs in excess of estimated Program costs.
2. The Company may borrow from and repay amounts to affiliates from time to time provided that the net amount of loans from affiliates outstanding at any time must not be less than \$104,439,000. The Company may also convert any loans from affiliates into equity from time to time. The amount of any such converted loans shall be deducted from the \$104,439,000 minimum required amount.
3. Any amount owing to Northern Timber Nova Scotia Corporation can only be paid by the Company if a corresponding amount is due and payable by Northern Timber Nova Scotia Corporation to the Province of Nova Scotia (allowance may be made for operating costs) and such amount is paid to the Province within ten days.
4. The Company agrees that it shall co-operate and work with the Minister as he seeks to enhance the Province's overall forestry practices.

CONDITIONS PRECEDENT

The Company is to provide a schedule of capital costs from which it is claiming reimbursement. All costs to be acceptable to the Minister.

The Minister is satisfied that this transaction creates no material impact on the SLA or other trade agreements of Canada or the Province of Nova Scotia.

The security referenced herein is in place.

If required by the solicitor of the Minister, a rider on any insurance policy to add this loan to any policy.

SECURITY

1. A first priority security interest on all of the assets of the Company.
2. A charge on the timberlands owned by Northern Timber Nova Scotia Corporation ranking second in priority to the prior charge granted to the Province of Nova Scotia.
3. A Guarantee from Northern Timber Nova Scotia Corporation for the full amount of the loan.

FINANCIAL STATEMENT REQUIREMENTS

1. The Company shall provide auditor-prepared financial statements prepared by an external accounting firm on an annual basis to the Minister within 180 days of the Company's fiscal year end, which is December 31. The Company will submit an auditor's certificate attesting to the project costs in conjunction with the submission of its annual financial statements.

Letter of Offer - Northern Pulp Nova Scotia Corporation
 April 19, 2013
 Page 5 of 6

2. The Company shall provide, if requested, a monthly financial reporting package to the Minister within 30 days of the previous month end. The content of the package to be acceptable to the Minister.
3. The Company shall provide audited financial statements of its affiliate, Northern Timber Nova Scotia Corporation to the Minister on an annual basis within 180 days of Northern Timber Nova Scotia Corporation's fiscal year end, which is currently December 31.
4. In the event audited consolidated financial statements are prepared for the parent company, Northern Resources Nova Scotia Corporation and individual audited financial statements are not available for Northern Pulp Nova Scotia Corporation and Northern Timber Nova Scotia Corporation, then audited consolidated financial statements for Northern Resources Nova Scotia Corporation and unaudited financial statements for each of Northern Pulp Nova Scotia Corporation and Northern Timber Nova Scotia Corporation are acceptable.

APPLICATION OF STANDARD TERMS AND CONDITIONS

The provision of the Loan is subject to the Standard Terms and Conditions attached as Appendix "A" to this Letter of Offer subject to:

1. Clause 11(b)(iv) shall not preclude the Company from making customary loans to the Company's woodlands contractor or other vendors.
2. Clause 11(d) is amended to read: The Company covenants that all dealings between the Company and any related, associated or affiliated companies shall be pursuant to appropriate stumpage agreement, as determined by the Board of the Company, and acceptable to the Minister at his sole and absolute discretion, or at fair market values.

The account manager responsible for the administration of the Loan will be Jeannie Chow. She will be happy to respond to any questions or concerns you may have from time to time.

Please signify your acceptance of this offer by signing and returning the duplicate copy of this letter. The offer will remain open for acceptance until May 10, 2013. We are pleased the pProvince is able to offer this assistance and look forward to the successful operation of your company.

Sincerely,



Simon d'Entremont
 Deputy Minister

Attachment

Letter of Offer - Northern Pulp Nova Scotia Corporation
April 19, 2013
Page 6 of 6

**WE HEREBY ACCEPT THIS OFFER AND AGREE WITH THE TERMS AND CONDITIONS
CONTAINED HEREIN AND IN THE ATTACHED APPENDIX "A".**

**Northern Pulp
Nova Scotia Corporation**

Date: April 30, 2013

Per: [Signature] (Seal)

Per: [Signature]
Authorized Officers

Guarantor:

**Northern Timber
Nova Scotia Corporation**

Date: April 30, 2013

Per: [Signature] (Seal)

Per: [Signature]
Authorized Officers

APPENDIX "A"

**STANDARD TERMS AND CONDITIONS
RELATING TO INVESTMENT (THE "INVESTMENT"), EXCLUDING
GUARANTEES, AUTHORIZED UNDER THE NOVA SCOTIA JOBS FUND ACT**

1. Definitions:

"Agreement" refers collectively to this Appendix "A" and the Letter of Offer to which it is attached.

"Cost of Funds" means the interest rate(s) payable by the Province on all amounts disbursed to the Company under the terms of this Agreement. The Cost of Funds will be determined by the Province and communicated to the Company on the date of each disbursement of the Investment as set out and described in the Letter of Offer.

"Corresponding Terms" means the term then being offered by the Province to its customers equal to the number of years, rounded to the nearest year (minimum of one year), from the date prepayment of received to the date of the expiry of the current term (or the maturity date if earlier).

"Minister" means the Minister of Economic and Rural Development and Tourism or the Minister's designate.

"Province" means Her Majesty the Queen in right of the Province of Nova Scotia.

Definitions set out in the Letter of Offer are incorporated herein to the extent they do not conflict with any provision of this Appendix "A".

2. Inconsistency with Nova Scotia Jobs Fund Act and Regulations (if any)

The Company hereby acknowledges and agrees that the *Nova Scotia Jobs Fund Act* (the "Act") and all regulations, if any, enacted pursuant to it (the "Regulations") are applicable to the Investment provided by the Province under the terms of this Agreement. In the event of inconsistency between the terms and conditions of this Agreement and the provisions of the Act or its Regulations, the Act and Regulations shall prevail.

3. Expiration of Letter of Offer

Should the Company fail to execute the Security required under this Agreement within six (6) months of the date of the Letter of Offer, the Letter of Offer shall expire, provided only that the Minister may at his sole discretion provide written agreement to extend the deadline. In the event of expiration of the Letter of Offer, any costs incurred by the Province prior to or following its expiration, for legal and other services, shall be the responsibility of the Company and the Guarantor(s), if any.

4. Province's Rights to Terminate the Agreement and/or Withhold Further Disbursements

Notwithstanding execution of this Agreement by the Company, the Province may refuse to disburse the Investment or any portion of it if, in its sole opinion, there has been a material and adverse alteration in risk since the Letter of Offer was issued.

Where the Company has not requested disbursement of the full amount of the Investment within 180 days following the advance by the Province of the first disbursement, the Company's right to request further disbursements expires and the Minister may at his or her sole discretion decline to make any further disbursements under this Agreement.

This Agreement may, at the discretion of the Minister, be cancelled or withdrawn in the event the Company or its officers or directors are found to be involved in litigation or any proceeding before a government board, tribunal, or agency which has not been disclosed to the Province, or in the event the Company or any of its officers, directors, employees or agents

has intentionally made any material misstatement in any information provided to the Province for purposes of obtaining the Investment, whether before or after execution of the Letter of Offer by the Company.

The Province may terminate this Agreement if the Company is in default under other investment or financial assistance agreement(s), if any, with the Province of Nova Scotia or any of its agencies, including crown corporations or government business organizations, and a default in fulfillment and/or repayment of the obligations in any other assistance or investment shall be a default under this Agreement.

5. Payment Method

If applicable, payments to the Province contemplated under the Agreement will be made by pre-authorized debit. The Province's standard pre-authorized interbank debit form shall be completed by the Company and provided to the Province with the acceptance of this Agreement.

6. Returned Items

Where for any reason a financial institution fails to honour a cheque issued or interbank debit authorized by the Company, the Company shall pay to the Province on demand a Returned Item Fee, which Fee may be revised by the Province from time to time without notice to the Company. Any Fee remaining unpaid shall be added to the Principal Amount of the Investment.

7. Additional Information

The Company shall provide such other information as the Minister may from time to time reasonably request.

8. Disbursement of the Investment

Prior to disbursement of all or any portion of the Investment, the Security described in the Letter of Offer, in a form satisfactory to the Province, shall be executed and delivered to the Province or its solicitors.

The Investment will be disbursed by the Province against original receipted invoices and cancelled cheques or other documentation acceptable to the Province evidencing programmed expenditures. The Province reserves the right to request that the Company provide certification from a third party professional to confirm expenditures with the cost of same to be borne by the Company.

Cost overruns, if any, on the Program as described in the Letter of Offer are the responsibility of the Company.

9. Legal Fees and Costs

The Company shall pay all legal fees and costs relating to the Investment, including preparation, execution and registration of security documents, and legal fees and costs, if any, relating to administration of this Agreement. Legal fees may be deducted from disbursements under the Investment. The Company agrees this applies even if the investment does not for any reason proceed and for funds are not advanced.

10. Insurance

The Company shall purchase and maintain standard commercial insurance policies with respect to the real and personal property charged by the Security until such time as it has fully satisfied all of its obligations to the Province under this Agreement, which insurance policies shall be in a form satisfactory to the Province.

and show the Province as loss payee as its interests may appear.

The Company shall also purchase and maintain standard commercial insurance policies in relation to its general operations until such time as it has fully satisfied all of its obligations to the Province, which insurance policies shall provide public and product liability coverage.

11. Limitations on Company Activities and Actions

(a) This Agreement is not assignable by the Company without the prior written consent of the Province which consent shall not be unreasonably withheld, delayed or conditioned. An assignment is deemed to and shall include a change of control of the capital stock of the Company, or a change in control of the capital stock of any subsidiary or affiliated company through which control may be exercised. In the event of any dispute in this regard the decision of the Minister shall be final and binding.

(b) The Company shall refrain from doing any or all of the following without the prior written consent of the Minister, which consent will not be unreasonably withheld:

- (i) Redeem or purchase any shares of the Company or pay dividends thereon;
 - (ii) Issue shares of the Company if such issuance would result in a change of control;
 - (iii) Repay any shareholders' loans or pay interest thereon;
 - (iv) Make loans to, guarantee or assume liability for or make investments in other parties, including related, affiliated or associated companies;
 - (v) Incorporate, purchase, acquire, fund, sell or dispose of any subsidiary or affiliate, whether wholly or partially owned by the Company;
 - (vi) Sell, lease, exchange or otherwise dispose of the property of the Company other than in the ordinary course of business;
 - (vii) Institute proceedings for the winding-up, reorganization or dissolution of the Company; and
 - (viii) Change the nature of the Company's business.
- (c) The Company shall advise the Minister immediately if it registers a name change.
- (d) The Company covenants that all transactions with related, affiliated or associated companies, and with its shareholders, directors and employees are based on fair market values.

12. Compliance with Laws

The Company covenants and agrees that, until such time as the Company has fully satisfied all of its obligations under this Agreement, it will ensure that the business and assets of the Company and any subsidiaries of the Company are and will continue to be operated in compliance with all federal [, provincial and municipal statutes, regulations, ordinances, and by-laws (including, but not limited to the Nova Scotia *Environment Act, Occupational Health and Safety Act, Labour Standards Code and Human Rights Act, Income Tax Act, (Canada) and compliance with remittance of Payroll taxes*) and that no enforcement action is, or will be, pending with respect to any such statute, regulation, ordinance or by-law.

13. Right to Appoint or Nominate a Director or Observer to Company's Board of Directors

So long as the investment is in effect and until such time as all of the Company's obligations to the Province have been

discharged, the Minister shall be entitled to appoint or nominate a director or an observer to the Company's Board of Directors

14. Requirement to Maintain and Enhance Investment in Nova Scotia

Where commercially reasonable, the Company shall employ and purchase Nova Scotia contractors, labour, products, materials and services in the operation of its business. Further, the Company shall make all commercially reasonable efforts to enhance its business operations in Nova Scotia by increasing the employment of Nova Scotia residents, and locating any new business premises in the Province.

Until the investment is repaid in full, the Company is prohibited from transferring any existing business operations or premises from Nova Scotia to a location outside of the Province without the prior written approval of the Minister, which approval shall not be unreasonably withheld.

15. Environmental

The Company hereby represents and warrants that its business and assets and those of any subsidiary companies are operated in compliance with applicable environmental legislation, regulations, rules and orders (collectively, "Environmental Laws") and that no enforcement action in respect thereof is threatened or pending. The Company further covenants to continue to operate in accordance with Environmental Laws, to cause its subsidiaries to do likewise, and to permit the Minister to conduct inspections and appraisals of all or any of its and its subsidiaries' records, businesses and assets at the Company's expense, at any time and from time to time, for purposes of ensuring the Company and its subsidiaries are in compliance with Environmental Laws. The Company shall indemnify the Province with respect to any failure by it or its subsidiaries to comply with Environmental Laws, and agrees that, in the event the Province incurs expenses because of the application of Environmental Laws to the Company or any of its subsidiaries, the amounts expended by the Province for such purpose shall be added to the indebtedness of the Company under the terms of this Agreement. The Company shall fully and accurately complete an environmental questionnaire annually upon the request of the Minister.

16. Public Announcements

The Company consents to a public announcement by or on behalf of the Province or Minister advising that an investment has been or will be provided by the Province pursuant to this Agreement. The Company shall be free to make its own public announcement with respect to the investment any time after execution of this Agreement, provided that such public announcement is scheduled for a date and time acceptable to the Province or Minister. The Company hereby consents to the participation of a representative of the Province and the Minister responsible for the Province or his or her designate in any event held in conjunction with a public announcement by the Company.

17. Exchange of Credit Information

The Company consents to the receipt and exchange of credit and/or other information from time to time by the Minister, including receipt from and exchange with any financial institution, credit bureau, credit reporting agency or any person, firm or corporation with which the Company has or proposes to have financial relations. The Company acknowledges and agrees that this information may be used for purposes of establishing and maintaining the Company's relationship with the Province. The Company hereby consents to the release of credit and other information to the Minister by any other person, firm or corporation with which it has or proposes to have financial relations.

18. Agreement to Release of Financial Statements

By acceptance of the Letter of Offer, the Company authorizes its external accountants and auditors to provide copies of the Company's financial statements to the Minister as and when requested by the Minister.

15. Confidentiality of Information

Subject to Sections 15, 16 and 17 above, and to the provisions of the *Freedom of Information and Protection of Privacy Act*, or under any rules of the Legislature of the Province and any other applicable legislation or Court Order to the contrary, all documentation and information provided by the Company to the Province for purposes of obtaining an Investment shall be kept confidential provided, however, and notwithstanding any other agreement or non-disclosure agreement between the Province or Minister and the Company, the Province or Minister may release this Agreement, in whole or in part, without further consent of the Company.

20. Bankruptcy or Insolvency of the Company

The Company hereby acknowledges and agrees that the Province's obligations with respect to the provision of the Investment, whether accrued, due, or to become due, under this Agreement shall immediately cease in the event the Company becomes insolvent or makes an assignment under the *Bankruptcy and Insolvency Act*, makes a proposal to creditors (whether voluntary or involuntary) under the *Bankruptcy and Insolvency Act*, has a petition filed or presented against it pursuant to the *Bankruptcy and Insolvency Act*, takes or proposes to take the benefit of any provision of the *Companies Winding Up Act* or the *Companies Creditors Arrangement Act* or similar legislation, is subject to or takes steps similar to any of the foregoing pursuant to any other legislation, or ceases to carry on business in the Province of Nova Scotia.

21. No Contingency Fee Paid

The Company warrants and represents that no contingency fee for the solicitation, negotiation, or obtaining of this Agreement has been or will be paid directly or indirectly to any person other than to an employee of the Company acting within the scope of his or her employment.

22. Prepayment

Partial prepayments shall be applied regressively on the then last maturing payment of principal. The outstanding principal of the Investment may be prepaid in full or in part provided the Company pay to the Province the interest owing to the time of payment together with an indemnity equal to an interest differential charge. This interest differential charge is applicable if, on the date prepayment is received, the Province's Cost of Funds for the Corresponding Term is lower than the Province's Cost of Funds in effect when the Company either entered or renewed the current term being prepaid, whichever is most recent. The interest differential is the difference between these two rates. The interest differential is multiplied by the principal that would have been outstanding at the first day of each month until the expiry of the current term (or the maturity of the principal if earlier). Then the present value of the amount or amounts obtained by such multiplication is calculated by discounting such amount or amounts using the Province's Cost of Funds for the Corresponding Term as the discount factor. The total of the present values is the interest differential charge.

23. Waivers

No delay or omission to exercise any right or remedy accruing to the Province upon any breach or default by the Company under this Agreement shall impair any such right or remedy or be construed as a waiver of the breach or default or of any similar breach or default occurring thereafter, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver of a single breach or default shall operate or be construed as a waiver of any subsequent breach or default. All waivers hereunder must be in writing and signed by the waiving party.

24. Forum and Choice of Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein, and shall be treated in all respects as a Nova Scotia contract.

The Company agrees that any suit, action or proceeding arising from or in relation to this Agreement, against it or its assets, may be brought to the Supreme Court of Nova Scotia, the Federal Court of Canada or any other Court in which, at its sole discretion, the Province chooses to bring such suit, action or proceeding, and the Company hereby generally, irrevocably and unconditionally submits to the non-exclusive jurisdiction of any or all such Courts over any such suit, action or proceeding. The Company further agrees that all judgments in such suits, actions or proceedings shall be conclusive and binding upon it and that such judgments may, at the sole election of the Province, be enforced in any jurisdiction or jurisdictions selected by the Province.

25. Complete Agreement

This Agreement constitutes the entire, full and complete agreement entered into by parties regarding the subject matter herein, and replaces all previous agreements with respect to the said subject matter. Neither party has been induced to execute this Agreement by any former representation, and as no representation, encouragement, promise or agreement, whether verbal or other, between the parties, other than as expressly provided for herein, is in force or has any effect in relation to this Agreement or otherwise.

26. Amendments

No changes to the Program and Financing described in the Letter of Offer may be made by the Company without the prior written consent of the Province or the Minister in accordance with the *Nova Scotia Jobs Fund Act* and Regulations.

27. Joint Obligors

If there are joint obligors each agrees that the Minister may advance disbursements to either obligor, or to the solicitor of either obligor. In such event, this shall be the Minister's absolute and irrevocable authority for all advances or payments made under this Agreement.

28. Headings

Headings are inserted only for convenience and are in no way to be construed as limiting the scope of any provision of the Agreement.



Economic and Rural Development and Tourism
Deputy Minister

1660 Hollis Street
Centennial Building, Suite 600
PO Box 2311
Halifax, NS B3J 3C8
Canada

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www.gov.ns.ca

April 19, 2013

PRIVATE AND CONFIDENTIAL

Mr. Wayne Gosse
President
Northern Pulp Nova Scotia Corporation
New Glasgow, NS B2H 5E8

Dear Mr. Gosse:

Re: Financing in favour of Northern Pulp Nova Scotia Corporation (the "Company")

In response to your request for financial assistance, we confirm the approval by the Province of Nova Scotia, subject to Order in Council approval, as represented by the Minister of Economic and Rural Development and Tourism (the "Minister"), Loans in aggregate amount not to exceed \$17,200,000 subject to the terms and conditions contained in this Letter of Offer and the Standard Terms and Conditions attached as Schedule "A".

PROGRAM AND FINANCING

PROGRAM	\$	FINANCING	\$
Precipitator Project	12,000,000	Forgivable Loan	2,500,000
		Repayable Loan	14,700,000
Chip Plant Project	10,200,000	Company Investment	5,000,000
TOTAL PROGRAM:	22,200,000	TOTAL FINANCING:	22,200,000

DEFINITIONS

"Affiliate" includes but is not limited to a subsidiary or related person or entity.

"Paper Excellence Canada Group" includes but is not limited to Paper Excellence Canada Holdings Corporation, the Company and Northern Timber Nova Scotia Corporation.

"Minister" shall mean the Minister of Economic and Rural Development and Tourism.

"Program" shall mean the funding as set out above in the PROGRAM AND FINANCING.

PURPOSE

The financial assistance will allow the Company to improve the productivity, competitiveness and environmental performance of the Company's mill in Abercrombie, Nova Scotia (the "Mill"). The anticipated productivity and environmental improvements will be achieved through the

Mr. Wayne Gosse
 Northern Pulp Nova Scotia Corporation
 April 19, 2013
 Page 2 of 7

replacement of the Recovery Boiler Precipitator and the construction of a chipping facility at or near the Mill site.

LIMIT ON USE OF ASSISTANCE FUNDS

The Company shall use the assistance funds exclusively for the replacement of the Recovery Boiler Precipitator at the pulp mill and for the construction of a chipping facility to be included as part of the capital assets of the Company, to remain an asset of the Company for the duration of the term of these Loans, and to be located at or near the pulp mill site. The Company shall not operate a sawmill operation or such other similar operation, and no assistance provided under this Agreement shall be used, directly or indirectly, for, or for the benefit of, such operations including any affiliate of the Company.

The use of assistance funds by the Company shall be subject to verification at times and in a manner in the sole discretion of the Minister, upon 30 days' written notice to the Company.

In addition, no sawmill operation or such other similar operation affiliated with the Company, including Scotsburn Lumber, or its Affiliates, shall receive any fiber sourced directly or indirectly from industrial freehold lands over which companies of the Paper Excellence Canada group, or any Affiliates thereof hold title at any time at or following the first disbursement of funds under this Loan and until paid in full, provided however and notwithstanding any other provision of this Agreement the Company agrees that it shall draw down the first disbursement of funds no later than ninety (90) days following the earlier of the issuance of the Order in Council of the Province or a public announcement of the assistance, failing which this Agreement shall terminate and be of no further force and effect except that the Company shall continue to be responsible for legal fees, costs and expenses relating to this Agreement incurred to the date of termination.

Further, there shall be no change in title or of any interest in the said freehold lands until such time as the Minister is satisfied:

- a. with the terms and conditions between the Province and any transferor/transferee relating to such transfer; and
- b. that doing so presents no material risk of a dispute filing under the Softwood Lumber Agreement ("SLA") arbitration and advises the Company in writing of same; and
- c. that the Paper Excellence Canada Group, or any one or more of the entities under that group, are not in default under agreement, including licenses, it or they may have entered into with the Province of Nova Scotia.

TERM

The term of the Loans shall commence January 1, 2013 and shall end ten (10) years thereafter.

INTEREST

The Repayable Loan will bear interest at the Province's ten year cost of funds plus 50 basis points determined at the date of first advance to be compounded semi-annually. For reference purposes only, the current ten year cost of funds is 3.02%.

Mr. Wayne Gosse
 Northern Pulp Nova Scotia Corporation
 April 19, 2013
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Interest is due and payable on the first day of each month following the month of initial advance until the Repayable Loan is paid in full.

REPAYABLE LOAN

The principal amount of the Repayable Loan shall not exceed the lesser of (i) \$14,700,000 or (ii) 66.2% of total Program costs.

In the 2014 and 2015 calendar year of the Term of the Repayable Loan, the Company will repay the Repayable Loan with an amount equal to the Pro-rated Free Cash Flow generated in the previous calendar year.

Beginning in the 2016 full calendar year of the Term, the Company will, in each year, repay the Repayable Loan with an amount equal to the greater of (i) Pro-rated Free Cash Flow generated in the previous calendar year or (ii) \$1,837,500.

Principal payments shall be made annually by September 1 of each year of the Term commencing in the second full calendar year of the Term. For clarity, the first principal payment, if any Pro-rated Free Cash Flow is generated in the 2013 calendar year, is not due until September 1, 2014.

The Company can make additional repayments of the Loan in any given year at its discretion without notice, bonus or penalty of interest.

Any Repayable Loan principal outstanding at the end of the Term will be paid in full at the end of the Term.

Cash Flow means EBITDA of the Company plus GAAP Pension and OPEB expenses; minus (i) Pension and OPEB cash contributions, (ii) interest expense, (iii) capital expenditures and; (iv) changes in working capital. Free Cash Flow means 25% of Cash Flow.

Given the situation where multiple loans remain outstanding to the Province of Nova Scotia, the amounts of Free Cash Flow applied to each loan will be prorated based on the outstanding balance of each loan compared to the total of all provincial loans outstanding at that time.

$\text{Proration \%} = \text{Loan Balance} / \text{Total balance of all provincial Loans} * 100\%$

$\text{Pro-rated Free Cash Flow} = \text{Free Cash Flow} * \text{Proration \%}$

FORGIVABLE LOAN (Applied to Precipitator Project Only)

The principal amount of the Forgivable Loan shall not exceed \$2,500,000 or 25% of Program costs related to the Precipitator Project only.

The Forgivable Loan shall not bear interest.

The Forgivable Loan shall be advanced upon completion and commissioning of the Precipitator

The principal amount of the Forgivable Loan outstanding shall be reduced and forgiven as follows:

Mr. Wayne Gosse
 Northern Pulp Nova Scotia Corporation
 April 19, 2013
 Page 4 of 7

- 1) \$500,000 on the completion and successful commissioning of the replacement Recover Boiler Precipitator,
- 2) \$500,000 on each anniversary immediately following the commissioning of the Precipitator if:
 - a) the Company has employed in excess of 200 salaried and wage employees on average during the previous calendar year; and
 - b) the Company has expensed more that \$15 million in salary and wages before benefits in the previous calendar year.

Any balance remaining on the Forgivable Loan is due in full ten (10) years from the date of initial advance.

GENERAL CONDITIONS

1. The Company is responsible for all costs in excess of estimated Program costs.

The Company may borrow from and repay amounts to affiliates from time to time provided that the net amount of loans from affiliates outstanding at any time must not be less than \$104,439,000. The Company may also convert any loans from affiliates into equity from time to time. The amount of any such converted loans shall be deducted from the \$104,439,000.00 minimum required amount.
2. Any amount owing to Northern Timber Nova Scotia Corporation can only be repaid by the Company if a corresponding amount is repaid to the Province of Nova Scotia (allowance may be made for operating costs) by Northern Timber Nova Scotia Corporation.
3. The parent company, Paper Excellence Canada Holdings Corporation, agrees to make available additional working capital support to the Company at a minimum of \$15 million to December 31, 2013.
4. The Company is not eligible for any additional funding under the Productivity Investment Program – Workplace Innovation Productivity Skills Investment and/or the Capital Investment Incentive.
5. The Company agrees that it shall co-operate and work with the Minister as he seeks to enhance the Province's overall forestry practices.

CONDITIONS PRECEDENT

The Company is to provide a schedule of estimated project costs and timelines for both the Chip Plant and Recovery Boiler Precipitator Projects.

The Minister is satisfied that this transaction creates no material impact on the SLA or other trade agreements of Canada or the Province of Nova Scotia.

The security referenced herein is in place.

Mr. Wayne Gosse
 Northern Pulp Nova Scotia Corporation
 April 19, 2013
 Page 5 of 7

If required by the solicitor of the Minister, a rider on any insurance policy to add this loan to any policy.

SECURITY

The Company shall provide the following Security for the Loans:

1. The security provided by the Company under the 2009 Loan Agreement (the "existing Security") shall extend to the funds provided under this Agreement, it being a requirement that the Existing Security shall not be released unless and until all incentives under both agreements have been earned and all loans repaid, as the case may be. The Company acknowledges and agrees that to the extent an amendment of the security provided by the Company under the 2009 Loan Agreement is necessary then the Company agrees that it shall amend the security to provide for the continuance of the Existing Security to secure the assistance provided under this Agreement.
2. A charge on the timberlands owned by Northern Timber Nova Scotia Corporation ranking second in priority to the prior charge granted to the Province of Nova Scotia.
3. A Guarantee from Northern Timber Nova Scotia Corporation for the full amount of the Loans.
4. A Guarantee from Northern Resources Nova Scotia Corporation for the full amount of the Loans.

FINANCIAL STATEMENT REQUIREMENTS

1. The Company shall provide audited financial statements to the Minister on an annual basis within 180 days of the Company's fiscal year end, which is currently December 31. The Company shall also submit an annual auditor's report supporting the amount of the earnable loan forgiveness for the previous calendar year including the average number of employees and the aggregate salaries and wage expense before benefits.
2. The Company shall provide, if requested, a monthly financial reporting package to the Minister within 30 days of the previous month end. The content of the package to be acceptable to the Minister.
3. The Company shall provide audited financial statements of its affiliate, Northern Timber Nova Scotia Corporation to the Minister on an annual basis within 180 days of Northern Timber Nova Scotia Corporation's fiscal year end, which is currently December 31.
4. In the event audited consolidated financial statements are prepared for the parent company, Northern Resources Nova Scotia Corporation and individual audited financial statements are not available for Northern Pulp Nova Scotia Corporation and Northern Timber Nova Scotia Corporation, then audited consolidated financial statements for Northern Resources Nova Scotia Corporation and unaudited financial statements for each of Northern Pulp Nova Scotia Corporation and Northern Timber Nova Scotia Corporation are acceptable.

Mr. Wayne Gosse
Northern Pulp Nova Scotia Corporation
April 19, 2013
Page 6 of 7

APPLICATION OF STANDARD TERMS AND CONDITIONS

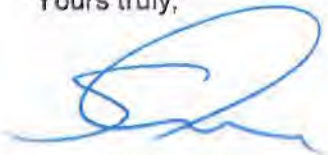
The provision of the Loans is subject to the Standard Terms and Conditions attached as Appendix "A" to this Letter of Offer subject to:

1. Clause 11(b)(iv) shall not preclude the Company from making customary loans to the Company's woodlands contractor or other vendors.
2. Clause 11(d) is amended to read: The Company covenants that all dealings between the Company and any related, associated or affiliated companies shall be pursuant to appropriate stumpage agreement, as determined by the Board of the Company, and acceptable to the Minister, or at fair market values.

The account manager responsible for the administration of this financial assistance shall be Jeannie Chow. She will be happy to respond to any questions or concerns you may have from time to time.

Please signify your acceptance of this offer by signing and returning the duplicate copy of this letter. The offer shall remain open for acceptance until May 10, 2013. We are pleased the Province of Nova Scotia is able to offer this assistance and look forward to the Company's continued success.

Yours truly,



Simon d'Entremont
Deputy Minister

Mr. Wayne Gosse
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April 19, 2013
Page 7 of 7

**WE HEREBY ACCEPT THIS OFFER AND AGREE WITH THE TERMS AND CONDITIONS
CONTAINED HEREIN AND IN THE ATTACHED APPENDIX "A".**

**Northern Pulp
Nova Scotia Corporation**

Per: 

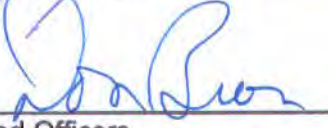
Per: 
Authorized Officers

Date: April 30, 2013

Guarantor:

**Northern Timber
Nova Scotia Corporation**

Per: 

Per: 
Authorized Officers

Date: April 30, 2013

Guarantor

**Northern Resources
Nova Scotia Corporation**

Per: 

Per: 
Authorized Officers

Date: April 30, 2013

APPENDIX "A"

**STANDARD TERMS AND CONDITIONS
RELATING TO INVESTMENT (THE "INVESTMENT"), EXCLUDING
GUARANTEES, AUTHORIZED UNDER THE NOVA SCOTIA JOBS FUND ACT**

1. Definitions:

"Agreement" refers collectively to this Appendix "A" and the Letter of Offer to which it is attached.

"Cost of Funds" means the interest rate(s) payable by the Province on all amounts disbursed to the Company under the terms of this Agreement. The Cost of Funds will be determined by the Province and communicated to the Company on the date of each disbursement of the Investment as set out and described in the Letter of Offer.

"Corresponding Terms" means the term then being offered by the Province to its customers equal to the number of years, rounded to the nearest year (minimum of one year), from the date prepayment of received to the date of the expiry of the current term (or the maturity date if earlier).

"Minister" means the Minister of Economic and Rural Development and Tourism or the Minister's designate.

"Province" means Her Majesty the Queen in right of the Province of Nova Scotia.

Definitions set out in the Letter of Offer are incorporated herein to the extent they do not conflict with any provision of this Appendix "A".

2. Inconsistency with Nova Scotia Jobs Fund Act and Regulations (if any)

The Company hereby acknowledges and agrees that the *Nova Scotia Jobs Fund Act* (the "Act") and all regulations, if any, enacted pursuant to it (the "Regulations") are applicable to the Investment provided by the Province under the terms of this Agreement. In the event of inconsistency between the terms and conditions of this Agreement and the provisions of the Act or its Regulations, the Act and Regulations shall prevail.

3. Expiration of Letter of Offer

Should the Company fail to execute the Security required under this Agreement within six (6) months of the date of the Letter of Offer, the Letter of Offer shall expire, provided only that the Minister may at his sole discretion provide written agreement to extend the deadline. In the event of expiration of the Letter of Offer, any costs incurred by the Province prior to or following its expiration, for legal and other services, shall be the responsibility of the Company and the Guarantor(s), if any.

4. Province's Rights to Terminate the Agreement and/or Withhold Further Disbursements

Notwithstanding execution of this Agreement by the Company, the Province may refuse to disburse the investment or any portion of it if, in its sole opinion, there has been a material and adverse alteration in risk since the Letter of Offer was issued.

Where the Company has not requested disbursement of the full amount of the investment within 180 days following the advance by the Province of the first disbursement, the Company's right to request further disbursements expires and the Minister may at his or her sole discretion decline to make any further disbursements under this Agreement.

This Agreement may, at the discretion of the Minister, be cancelled or withdrawn in the event the Company or its officers or directors are found to be involved in litigation or any proceeding before a government board, tribunal, or agency which has not been disclosed to the Province, or in the event the Company or any of its officers, directors, employees or agents

has intentionally made any material misstatement in any information provided to the Province for purposes of obtaining the Investment, whether before or after execution of the Letter of Offer by the Company.

The Province may terminate this Agreement if the Company is in default under other investment or financial assistance agreement(s), if any, with the Province of Nova Scotia or any of its agencies, including crown corporations or government business organizations, and a default in fulfillment and/or repayment of the obligations in any other assistance or investment shall be a default under this Agreement.

5. Payment Method

If applicable, payments to the Province contemplated under the Agreement will be made by pre-authorized debit. The Province's standard pre-authorized interbank debit form shall be completed by the Company and provided to the Province with the acceptance of this Agreement.

6. Returned Items

Where for any reason a financial institution fails to honour a cheque issued or interbank debit authorized by the Company, the Company shall pay to the Province on demand a Returned Item Fee, which Fee may be revised by the Province from time to time without notice to the Company. Any Fee remaining unpaid shall be added to the Principal Amount of the Investment.

7. Additional Information

The Company shall provide such other information as the Minister may from time to time reasonably request.

8. Disbursement of the Investment

Prior to disbursement of all or any portion of the Investment, the Security described in the Letter of Offer, in a form satisfactory to the Province, shall be executed and delivered to the Province or its solicitors.

The Investment will be disbursed by the Province against original receipted invoices and cancelled cheques or other documentation acceptable to the Province evidencing programmed expenditures. The Province reserves the right to request that the Company provide certification from a third party professional to confirm expenditures with the cost of same to be borne by the Company.

Cost overruns, if any, on the Program as described in the Letter of Offer are the responsibility of the Company.

9. Legal Fees and Costs

The Company shall pay all legal fees and costs relating to the Investment, including preparation, execution and registration of security documents, and legal fees and costs, if any, relating to administration of this Agreement. Legal fees may be deducted from disbursements under the Investment. The Company agrees this applies even if the Investment does not for any reason proceed and/or funds are not advanced.

10. Insurance

The Company shall purchase and maintain standard commercial insurance policies with respect to the real and personal property charged by the Security until such time as it has fully satisfied all of its obligations to the Province under this Agreement, which insurance policies shall be in a form satisfactory to the Province.

and show the Province as loss payee as its interests may appear.

The Company shall also purchase and maintain standard commercial insurance policies in relation to its general operations until such time as it has fully satisfied all of its obligations to the Province, which insurance policies shall provide public and product liability coverage.

11. Limitations on Company Activities and Actions

(a) This Agreement is not assignable by the Company without the prior written consent of the Province which consent shall not be unreasonably withheld, delayed or conditioned. An assignment is deemed to and shall include a change of control of the capital stock of the Company, or a change in control of the capital stock of any subsidiary or affiliated company through which control may be exercised. In the event of any dispute in this regard the decision of the Minister shall be final and binding.

(b) The Company shall refrain from doing any or all of the following without the prior written consent of the Minister, which consent will not be unreasonably withheld:

- (i) Redeem or purchase any shares of the Company or pay dividends thereon;
 - (ii) Issue shares of the Company if such issuance would result in a change of control;
 - (iii) Repay any shareholders' loans or pay interest thereon;
 - (iv) Make loans to, guarantee or assume liability for or make investments in other parties, including related, affiliated or associated companies;
 - (v) Incorporate, purchase, acquire, fund, sell or dispose of any subsidiary or affiliate, whether wholly or partially owned by the Company;
 - (vi) Sell, lease, exchange or otherwise dispose of the property of the Company other than in the ordinary course of business;
 - (vii) Institute proceedings for the winding-up, reorganization or dissolution of the Company; and
 - (viii) Change the nature of the Company's business.
- (c) The Company shall advise the Minister immediately if it registers a name change.
- (d) The Company covenants that all transactions with related, affiliated or associated companies, and with its shareholders, directors and employees are based on fair market values.

12. Compliance with Laws

The Company covenants and agrees that, until such time as the Company has fully satisfied all of its obligations under this Agreement, it will ensure that the business and assets of the Company and any subsidiaries of the Company are and will continue to be operated in compliance with all federal (, provincial and municipal statutes, regulations, ordinances, and by-laws (including, but not limited to the Nova Scotia *Environment Act, Occupational Health and Safety Act, Labour Standards Code and Human Rights Act, Income Tax Act, (Canada) and compliance with remittance of Payroll taxes*) and that no enforcement action is, or will be, pending with respect to any such statute, regulation, ordinance or by-law.

13. Right to Appoint or Nominate a Director or Observer to Company's Board of Directors

So long as the investment is in effect and until such time as all of the Company's obligations to the Province have been

discharged, the Minister shall be entitled to appoint or nominate a director or an observer to the Company's Board of Directors

14. Requirement to Maintain and Enhance Investment in Nova Scotia

Where commercially reasonable, the Company shall employ and purchase Nova Scotia contractors, labour, products, materials and services in the operation of its business. Further, the Company shall make all commercially reasonable efforts to enhance its business operations in Nova Scotia by increasing the employment of Nova Scotia residents, and locating any new business premises in the Province.

Until the investment is repaid in full, the Company is prohibited from transferring any existing business operations or premises from Nova Scotia to a location outside of the Province without the prior written approval of the Minister, which approval shall not be unreasonably withheld.

15. Environmental

The Company hereby represents and warrants that its business and assets and those of any subsidiary companies are operated in compliance with applicable environmental legislation, regulations, rules and orders (collectively, "Environmental Laws") and that no enforcement action in respect thereof is threatened or pending. The Company further covenants to continue to operate in accordance with Environmental Laws, to cause its subsidiaries to do likewise, and to permit the Minister to conduct inspections and appraisals of all or any of its and its subsidiaries' records, businesses and assets at the Company's expense, at any time and from time to time, for purposes of ensuring the Company and its subsidiaries are in compliance with Environmental Laws. The Company shall indemnify the Province with respect to any failure by it or its subsidiaries to comply with Environmental Laws, and agrees that, in the event the Province incurs expenses because of the application of Environmental Laws to the Company or any of its subsidiaries, the amounts expended by the Province for such purpose shall be added to the indebtedness of the Company under the terms of this Agreement. The Company shall fully and accurately complete an environmental questionnaire annually upon the request of the Minister.

16. Public Announcements

The Company consents to a public announcement by or on behalf of the Province or Minister advising that an investment has been or will be provided by the Province pursuant to this Agreement. The Company shall be free to make its own public announcement with respect to the investment any time after execution of this Agreement, provided that such public announcement is scheduled for a date and time acceptable to the Province or Minister. The Company hereby consents to the participation of a representative of the Province and the Minister responsible for the Province or his or her designate in any event held in conjunction with a public announcement by the Company.

17. Exchange of Credit Information

The Company consents to the receipt and exchange of credit and/or other information from time to time by the Minister, including receipt from and exchange with any financial institution, credit bureau, credit reporting agency or any person, firm or corporation with which the Company has or proposes to have financial relations. The Company acknowledges and agrees that this information may be used for purposes of establishing and maintaining the Company's relationship with the Province. The Company hereby consents to the release of credit and other information to the Minister by any other person, firm or corporation with which it has or proposes to have financial relations.

18. Agreement to Release of Financial Statements

By acceptance of the Letter of Offer, the Company authorizes its external accountants and auditors to provide copies of the Company's financial statements to the Minister as and when requested by the Minister.

19. Confidentiality of Information

Subject to Sections 15, 16 and 17 above, and to the provisions of the *Freedom of Information and Protection of Privacy Act*, or under any rules of the Legislature of the Province and any other applicable legislation or Court Order to the contrary, all documentation and information provided by the Company to the Province for purposes of obtaining an Investment shall be kept confidential provided, however, and notwithstanding any other agreement or non-disclosure agreement between the Province or Minister and the Company, the Province or Minister may release this Agreement, in whole or in part, without further consent of the Company.

20. Bankruptcy or Insolvency of the Company

The Company hereby acknowledges and agrees that the Province's obligations with respect to the provision of the Investment, whether accrued, due, or to become due, under this Agreement shall immediately cease in the event the Company becomes insolvent or makes an assignment under the *Bankruptcy and Insolvency Act*, makes a proposal to creditors (whether voluntary or involuntary) under the *Bankruptcy and Insolvency Act*, has a petition filed or presented against it pursuant to the *Bankruptcy and Insolvency Act*, takes or proposes to take the benefit of any provision of the *Companies Winding Up Act* or the *Companies Creditors Arrangement Act* or similar legislation, is subject to or takes steps similar to any of the foregoing pursuant to any other legislation, or ceases to carry on business in the Province of Nova Scotia.

21. No Contingency Fee Paid

The Company warrants and represents that no contingency fee for the solicitation, negotiation, or obtaining of this Agreement has been or will be paid directly or indirectly to any person other than to an employee of this Company acting within the scope of his or her employment.

22. Prepayment

Partial prepayments shall be applied regressively on the then last maturing payment of principal. The outstanding principal of the Investment may be prepaid in full or in part provided the Company pay to the Province the interest owing to the time of payment together with an indemnity equal to an interest differential charge. This interest differential charge is applicable if, on the date prepayment is received, the Province's Cost of Funds for the Corresponding Term is lower than the Province's Cost of Funds in effect when the Company either entered or renewed the current term being prepaid, whichever is most recent. The interest differential is the difference between these two rates. The interest differential is multiplied by the principal (that would have been outstanding at the first day of each month until the expiry of the current term (or the maturity of the principal if earlier)). Then the present value of the amount or amounts obtained by such multiplication is calculated by discounting such amount or amounts using the Province's Cost of Funds for the Corresponding Term as the discount factor. The total of the present values is the interest differential charge.

23. Waivers

No delay or omission to exercise any right or remedy accruing to the Province upon any breach or default by the Company under this Agreement shall impair any such right or remedy or be construed as a waiver of the breach or default or of any similar breach or default occurring thereafter, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right or remedy. No waiver of a single breach or default shall operate or be construed as a waiver of any subsequent breach or default. All waivers hereunder must be in writing and signed by the waiving party.

24. Forum and Choice of Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein, and shall be treated in all respects as a Nova Scotia contract.

The Company agrees that any suit, action or proceeding arising from or in relation to this Agreement, against it or its assets, may be brought to the Supreme Court of Nova Scotia, the Federal Court of Canada or any other Court in which, at its sole discretion, the Province chooses to bring such suit, action or proceeding, and the Company hereby generally, irrevocably and unconditionally submits to the non-exclusive jurisdiction of any or all such Courts over any such suit, action or proceeding. The Company further agrees that all judgments in such suits, actions or proceedings shall be conclusive and binding upon it and that such judgments may, at the sole election of the Province, be enforced in any jurisdiction or jurisdictions selected by the Province.

25. Complete Agreement

This Agreement constitutes the entire, full and complete agreement entered into by parties regarding the subject matter herein, and replaces all previous agreements with respect to the said subject matter. Neither party has been induced to execute this Agreement by any former representation, and as no representation, encouragement, promise or agreement, whether verbal or other, between the parties, other than as expressly provided for herein, is in force or has any effect in relation to this Agreement or otherwise.

26. Amendments

No changes to the Program and Financing described in the Letter of Offer may be made by the Company without the prior written consent of the Province or the Minister in accordance with the *Nova Scotia Jobs Fund Act* and Regulations.

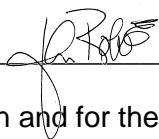
27. Joint Obligors

If there are joint obligors each agrees that the Minister may advance disbursements to either obligor, or to the solicitor of either obligor. In such event, this shall be the Minister's absolute and irrevocable authority for all advances or payments made under this Agreement.

28. Headings

Headings are inserted only for convenience and are in no way to be construed as limiting the scope of any provision of the Agreement.

This is Exhibit "U" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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



**Business
Office of the Minister**

Business 233 - Halifax (business) (toll-free) 833-768-1111 • (902) 576-5769 (fax) 833-768-1111 • 1-800-576-5769

PRIVATE AND CONFIDENTIAL

Northern Pulp Nova Scotia Corporation
PO Box 549, Station Main
New Glasgow, NS B2H 5E8

Attention: Mr. Bruce Chapman, General Manager

Dear Mr. Chapman:

**Re: Loan #s 78000022 & 78000051
Consent to Agreements dated April 19, 2013**

In response to your request, we confirm the approval by the Province of Nova Scotia (the "Province") as represented by the Minister of the Department of Business (the "Minister") of a consent for an extension for the filing of financial statements, as set out in our Agreements dated on April 19, 2013 relating to the Financial Assistance of \$17,200,000.00 and \$15,000,000.00 provided to Northern Pulp Nova Scotia Corporation (the "Company"), and all subsequent amending agreements.

The relevant section of the two (2) Loan Agreements that the Province provides consent to are as follows:

FINANCIAL STATEMENT REQUIREMENTS

For the fiscal year ended December 31, 2018, The Province hereby consents to an extension to November 30, 2019 for the filing of financial statements for Northern Pulp Nova Scotia Corporation and Northern Resources Nova Scotia Corporation.

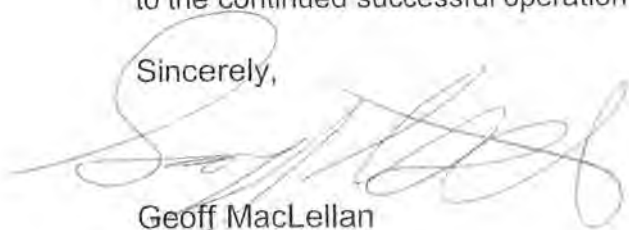
No other changes to the original Letters of Offer dated on April 19, 2013, and the subsequent amendment letters, are contained in this consent letter.

Please signify your acknowledgement of this consent letter by signing and returning the duplicate copy of this letter. This consent shall expire and be of no force and effect unless we receive your signed acknowledgement by no later than June 28, 2019. If you have any questions, please feel free to contact Howard Lake, Senior Account Manager, NSBI at (902) 563-5769.

-2-

We are pleased the Province of Nova Scotia is able to accommodate this change and look forward to the continued successful operation of your Company.

Sincerely,



Geoff MacLellan
Minister

WE HEREBY ACKNOWLEDGE THIS CONSENT LETTER.

Northern Pulp Nova Scotia Corporation

Per: _____

Date: JUN 27 2019

Per:  (Seal)
Authorized Officers

Guarantor:

Northern Timber Nova Scotia Corporation

Per: _____

Date: JUN 27 2019


Per:  (Seal)
Authorized Officers

Guarantor:

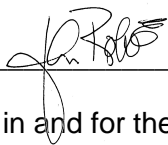
Northern Resources Nova Scotia Corporation

Per: _____

Date: JUN 27 2019

Per:  (Seal)
Authorized Officers

This is Exhibit "V" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to read "D. F. 16", is written over a horizontal line.

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



Business
Office of the Minister

PO Box 7118 Halifax, Nova Scotia, Canada B3J 0A8 • (902) 424-5300 • (902) 424-0518 • novanovale.ca

SEP 4 2019

PRIVATE AND CONFIDENTIAL

Northern Pulp Nova Scotia Corporation
PO Box 549, Station Main
New Glasgow, NS B2H 5E8

Attention: Mr. Bruce Chapman, General Manager

Dear Mr. Chapman:

Re: Jobs Fund Loan Contract #78000022 & #78000051
Amendment to Agreements dated April 19, 2013

In response to your request, we confirm the approval by the Province of Nova Scotia (the "Province") as represented by the Minister of the Department of Business (the "Minister") of an amendment to our Agreements dated on April 19, 2013 relating to the Financial Assistance of \$15,000,000.00 ("78000022 Repayable Loan") and \$17,200,000.00 ("78000051 Repayable Loan") provided to Northern Pulp Nova Scotia Corporation (the "Company"), and all subsequent amending agreements.

The relevant section of the 78000022 and 78000051 Loan Agreements are amended as follows:

REPAYMENT OF PRINCIPAL (78000022 Repayable Loan)

Delete:

In the 2014 and 2015 calendar year of the Term of the Repayable Loan, the Company will repay the Repayable Loan with an amount equal to the Pro-rated Free Cash Flow generated in the previous calendar year.

Beginning in the 2016 full calendar year of the Term, the Company will, in each year, repay the Repayable Loan with an amount equal to the greater of (i) Pro-rated Free Cash Flow generated in the previous calendar year or (ii) \$1,875,000.

Principal payments shall be made annually by July 31 of each year of the Term commencing in the second full calendar year of the Term. For clarity, the first principal payment, if any Pro-rated Free Cash Flow is generated in the 2013 calendar year, is not due until July 31, 2014.

-2-

The Company can make additional repayments of the Loan in any given year at its discretion without notice, bonus or penalty of interest.

Any Repayable Loan principal outstanding at the end of the Term will be paid in full at the end of the Term.

Cash Flow means EBITDA of the Company plus GAAP Pension and OPEB expenses; minus (i) Pension and OPEB cash contributions, (ii) interest expense, (iii) capital expenditures and; (iv) changes in working capital. Free Cash Flow means 25% of Cash Flow.

Given the situation where multiple loans remain outstanding to the Province of Nova Scotia, the amounts of Free Cash Flow applied to each loan will be prorated based on the outstanding balance of each loan compared to the total of all provincial loans outstanding at that time.

Proration % = $\text{Loan Balance} / \text{Total balance of all provincial Loans} * 100\%$

Pro-rated Free Cash Flow = $\text{Free Cash Flow} * \text{Proration \%}$

Insert:

The outstanding principal balance of the 78000022 Repayable Loan is \$9,068,700.00.

The Company shall, in each year, repay the 78000022 Repayable Loan with an amount equal to the greater of (i) Pro-rated Free Cash Flow generated in the previous calendar year or (ii) \$1,875,000.

For 2019, the required annual principal payment (based on the Company's 2018 fiscal year financial statements) on the 78000022 Repayable Loan is due on January 31, 2020. Commencing in 2020, the required principal payments shall be made annually by July 31 of each year of the Term.

The Company can make additional repayments of the Loan in any given year at its discretion without notice, bonus or penalty of interest.

Any 78000022 Repayable Loan principal outstanding at the end of the Term will be paid in full at the end of the Term.

Cash Flow means EBITDA of the Company plus GAAP Pension and OPEB expenses; minus (i) Pension and OPEB cash contributions, (ii) interest expense, (iii) capital expenditures and; (iv) changes in working capital. Free Cash Flow means 25% of Cash Flow.

-3-

Given the situation where multiple loans remain outstanding to the Province of Nova Scotia, the amounts of Free Cash Flow applied to each loan will be prorated based on the outstanding balance of each loan compared to the total of all provincial loans outstanding at that time.

Proration % = $\text{Loan Balance} / \text{Total balance of all provincial Loans} * 100\%$

Pro-rated Free Cash Flow = $\text{Free Cash Flow} * \text{Proration \%}$

REPAYABLE LOAN (78000051 Repayable Loan)

Delete:

The outstanding principal balance of the Repayable Loan is \$11,025,000.00.

The Company shall, in each year, repay the Repayable Loan with an amount equal to the greater of (i) Pro-rated Free Cash Flow generated in the previous calendar year or (ii) \$1,837,500.

For 2018, the required annual principal payment on the Repayable Loan is due on September 1, 2019. Commencing in 2019, the required principal payments shall be made annually by September 1 of each year of the Term.

The Company can make additional repayments of the Loan in any given year at its discretion without notice, bonus or penalty of interest.

Any Repayable Loan principal outstanding at the end of the Term will be paid in full at the end of the Term.

Cash Flow means EBITDA of the Company plus GAAP Pension and OPEB expenses; minus (i) Pension and OPEB cash contributions, (ii) interest expense, (iii) capital expenditures and; (iv) changes in working capital. Free Cash Flow means 25% of Cash Flow.

Given the situation where multiple loans remain outstanding to the Province of Nova Scotia, the amounts of Free Cash Flow applied to each loan will be prorated based on the outstanding balance of each loan compared to the total of all provincial loans outstanding at that time.

Proration % = $\text{Loan Balance} / \text{Total balance of all provincial Loans} * 100\%$

Pro-rated Free Cash Flow = $\text{Free Cash Flow} * \text{Proration \%}$

Insert:

The outstanding principal balance of the 78000051 Repayable Loan is \$11,025,000.00.

-4-

The Company shall, in each year, repay the 78000051 Repayable Loan with an amount equal to the greater of (i) Pro-rated Free Cash Flow generated in the previous calendar year or (ii) \$1,837,500.

For 2018 and 2019, the required annual principal payments (based on the Company's fiscal year 2017 and 2018 financial statements) on the 78000051 Repayable Loan are due on January 31, 2020. Commencing in 2020, the required principal payments shall be made annually by September 1 of each year of the Term.

The Company can make additional repayments of the Loan in any given year at its discretion without notice, bonus or penalty of interest.

Any 78000051 Repayable Loan principal outstanding at the end of the Term will be paid in full at the end of the Term.

Cash Flow means EBITDA of the Company plus GAAP Pension and OPEB expenses; minus (i) Pension and OPEB cash contributions, (ii) interest expense, (iii) capital expenditures and; (iv) changes in working capital. Free Cash Flow means 25% of Cash Flow.

Given the situation where multiple loans remain outstanding to the Province of Nova Scotia, the amounts of Free Cash Flow applied to each loan will be prorated based on the outstanding balance of each loan compared to the total of all provincial loans outstanding at that time.

Proration % = $\text{Loan Balance} / \text{Total balance of all provincial Loans} * 100\%$

Pro-rated Free Cash Flow = $\text{Free Cash Flow} * \text{Proration \%}$

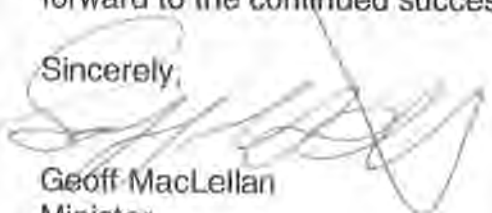
Any legal costs relating to the above amendments are to be borne by the Company.

No other changes to the original Letters of Offer dated on April 19, 2013, and the subsequent amendment letters, are contained in this amendment letter.

Please signify your acceptance of this amendment letter by signing and returning the duplicate copy of this letter. The offer shall remain open for acceptance until September 20, 2019. If you have any questions, please feel free to contact Howard Lake, Senior Account Manager, NSBI at (902) 563-5769.

We are pleased the Province of Nova Scotia is able to accommodate this change and look forward to the continued successful operation of your Company.

Sincerely,


Geoff MacLellan
Minister

-5-

WE HEREBY ACKNOWLEDGE THIS AMENDMENT LETTER.

Northern Pulp Nova Scotia Corporation

Per: _____

Date: SEP 13 2019

Per:  (Seal)
Authorized Officers

Guarantor:

Northern Timber Nova Scotia Corporation

Per: _____

Date: SEP 13 2019

Per:  (Seal)
Authorized Officers

Guarantor:

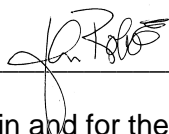
Northern Resources Nova Scotia Corpora

Per: _____

Date: SEP 13 2019

Per:  (Seal)
Authorized Officers

This is Exhibit "W" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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



Queen's Marquee, 600-1741 Lower Water Street, P.O. Box 997
Halifax NS B3J 2X2 Canada tel: 902.420.3200 fax: 902.420.1417 stewartmckelvey.com

File Reference: SM003925-41

June 3, 2020

Robert G. Grant, Q.C.
Direct Dial: 902.420.3328
Direct Fax: 902.420.1417
rgrant@stewartmckelvey.com

Via Electronic Mail

John Roberts
McInnes Cooper
Suite 1300 - 1969 Upper Water Street
Purdy's Wharf Tower II, Po Box 730
Halifax, NS B3J 2V1

Dear John:

Re: Northern Pulp: Province of Nova Scotia

On behalf of the Province of Nova Scotia and Nova Scotia Business Inc. (collectively the "Province"), I hereby confirm that they agree to defer all interest and principal payments on loans granted to Northern Pulp Nova Scotia Corporation ("Northern Pulp") and Northern Timber Nova Scotia Corporation. This deferral will extend so long as Northern Pulp is actively taking steps to obtain regulatory approval for the Pictou mill as determined by the Province in their absolute discretion. In the event the Province determines that Northern Pulp is not actively taking steps to obtain regulatory approval, they will provide Northern Pulp with 60 days' notice of the cessation of the deferral of payments.

All other terms of the loan agreements and security will continue to apply apart from as outlined above.

Yours truly,

Robert G. Grant, Q.C.
Partner

RGG

4152-6377-9621 v2



PO Box 2311, Halifax, Nova Scotia, Canada B3J 3C8 • Telephone 902 424-5790 Fax 902 424-0514 • novascotia.ca

May 19, 2020

PRIVATE AND CONFIDENTIAL

Mr. Bruce Chapman
General Manager
Northern Pulp Nova Scotia Corporation
PO Box 549, Station Main
New Glasgow, NS B2H 5E8

Dear Mr. Chapman:

Re: Contract #78000022 (Loan #300246) and Contract #78000051 (Loan #300338) to Northern Pulp Nova Scotia Corporation

We refer to the letters of offer dated April 19, 2013, and any subsequent amendments and/or renewal letters, collectively referred to as the "Agreements".

Amendment to Repayment Terms

In accordance with the Province of Nova Scotia's March 20, 2020 announcement that outlined measures to help Nova Scotians and Nova Scotia businesses deal with COVID-19, monthly loan payments on the above-noted contract shall be postponed for the April to June 2020 period (3 months). The scheduled monthly loan payments will recommence on July 1, 2020 (i.e., April 1, 2020 scheduled payment would now be due on July 1, 2020).

Please signify your acceptance to the above, which forms part of the Agreements, by returning a signed electronic copy of this letter by email to Howard Lake, Senior Account Manager, Nova Scotia Business Inc. (hlake@nsbi.ca). Should you have any questions about your loan agreement, please contact Howard Lake, Senior Account Manager, at 902-577-5640.

We are pleased the Province of Nova Scotia is able to accommodate this change and look forward to the continued successful operation of your Company.

Sincerely,

A handwritten signature in blue ink, appearing to read "Geoff MacLellan".

Geoff MacLellan
Minister


Northern Pulp Nova Scotia Corporation
Page 2

Understood and agreed to this 25th day of MAY, 2020.

Northern Pulp Nova Scotia Corporation

Per: _____

Date: MAY 25 2020

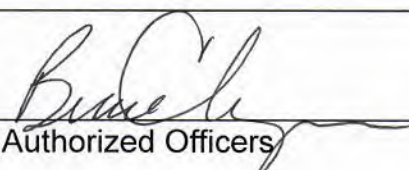
Per:  (Seal)
Authorized Officers

Guarantor:

Northern Timber Nova Scotia Corporation

Per: _____

Date: MAY 25 2020

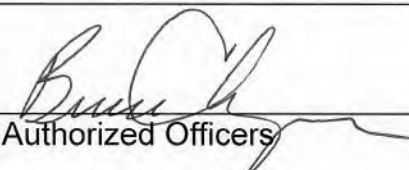
Per:  (Seal)
Authorized Officers

Guarantor:

Northern Resources Nova Scotia Corpora

Per: _____

Date: MAY 25 2020

Per:  (Seal)
Authorized Officers

This is Exhibit "X" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.



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

NORTHERN PULP NOVA SCOTIA CORPORATION
COLLATERAL MORTGAGE

1. In this Mortgage:
 - (a) "Mortgagor" means Northern Pulp Nova Scotia Corporation, a body incorporated, incorporated under the laws of Nova Scotia;
 - (b) "Indebtedness" means all debts and liabilities present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Mortgagor to the Province pursuant to the Financing Agreement;
 - (c) "Financing Agreement" means the letter of offer from the Province to the Mortgagor dated March 17, 2009 and accepted by the Mortgagor March 26, 2009;
 - (d) "Province" means Her Majesty the Queen in Right of the Province of Nova Scotia, as represented by the Minister of Economic Development and/or the holder in due course of this mortgage;
 - (e) "Specific Lien hereunder" and similar expressions refer to the security constituted by this Mortgage on the Specifically Mortgaged Premises;
 - (f) "Specifically Mortgaged Premises" means the property and assets hereby mortgaged and charged by way of a fixed and specific mortgage and charge to or in favour of the Province;
2. **FOR VALUE RECEIVED**, the receipt and sufficiency whereof is hereby acknowledged by the Mortgagor, as security for the payment of the Indebtedness, the Mortgagor hereby grants, mortgages and charges, to and in favour of the Province, its successors and assigns, the lands described in annexed hereto, together with all buildings, erections, fixed plant, fixed machinery and fixed equipment now upon such lands or any part or parts thereof, or which at any time hereafter may be constructed or brought or placed thereon and all rights of way, easements, servitudes, franchises and privileges appurtenant or appertaining thereto.
3. This Mortgage shall be construed in accordance with the laws of the Province of Nova Scotia, and shall be treated in all respects as a Nova Scotia contract.
4. The mortgages and charges hereby created or for which provision is hereby made shall be effective whether the Indebtedness or any part thereof arises or is incurred before or after or at the time of the issue of this Mortgage.
5. The Mortgagor hereby warrants and represents:
 - (a) that it lawfully owns and is lawfully possessed of the Specifically Mortgaged Premises;

- (b) that it has good right and lawful authority to grant, mortgage and charge the Specifically Mortgaged Premises hereby mortgaged and charged;
 - (c) that the Specifically Mortgaged Premises are free and clear of any deed of trust, mortgage, lien, charge or encumbrance ranking in priority to or *pari passu* with the Specific Lien hereunder except as permitted pursuant to the Financing Agreement;
 - (d) that it will warrant and defend title to the Specifically Mortgaged Premises against the claims and demands of all persons whatsoever.
6. The Mortgagor hereby covenants and agrees with the Province that:
- (a) it will at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all and every such further acts, deeds, mortgages, transfers, assignments and assurances as the Province may reasonably require for better mortgaging, assigning and confirming to the Province the property hereby mortgaged, assigned and charged or intended so to be or which the Mortgagor may hereafter become bound to mortgage, assign and charge in favour of the Province and for the better accomplishing and effectuating of the intentions of this Mortgage;
 - (b) it will, from time to time, execute and do all such assurances and things as in the opinion of the Province are necessary or advisable for validly giving to the Province the fixed charges hereby intended to be created, all such assurances being in such form as the Province may advise;
 - (c) it will, immediately after its execution, cause this Mortgage and every instrument supplemental or ancillary thereto to be registered, filed or recorded at all offices where such registration, filing or recording may in the opinion of the Province be necessary or of advantage to the fixed charges hereby created or intended to be created, and will on demand deliver or exhibit to the Province certificates, establishing such registration, filing or recording and will do, observe and perform all matters and things necessary or expedient to be done, observed or performed for the purpose of creating and maintaining the security thereby constituted as a valid and effective security;
 - (d) it will, after the security hereby created has become enforceable and the Province has determined to enforce it, from time to time, execute and do all such assurances and things as the Province may reasonably require for facilitating the realization of the Specifically Mortgaged Premises and for exercising all the powers, authorities and discretions hereby conferred upon the Province and for confirming to any purchaser of any of the Specifically Mortgaged Premises whether sold by the Province hereunder or by or pursuant to judicial proceedings, the title to the property so sold, and that it will give all notices and directions as the Province may consider expedient;
 - (e) it will cause the Indebtedness to be paid to the Province;

- (f) it will at all times maintain its corporate existence, carry on and conduct its business in a proper, efficient and businesslike manner and in accordance with good business practice, keep or cause to be kept proper books and accounts in accordance with sound accounting principles;
- (g) it will keep in the Specifically Mortgaged Premises in good repair up to a modern standard of usage, and make all necessary renewals, replacements and repairs to that end, and it will at all reasonable times allow the Province or its representatives access to the Specifically Mortgaged Premises for the purpose of viewing their state and condition;
- (h) it will punctually pay and discharge all indebtedness lawfully incurred by or imposed upon it, the Specifically Mortgaged Premises or any part thereof by virtue of any law, regulation, order, direction or requirement of any competent authority or any contract, agreement, lease, license, concession, franchise, permit or otherwise, failure to pay or discharge which might result in any lien or charge or any right of distress, forfeiture, termination or sale or other remedy being enforced against the Specifically Mortgaged Premises or any part thereof, and will exhibit to the Province when required a certificate of its auditors or other evidence establishing such payments, provided that the Mortgagor may refrain from paying and discharging any such indebtedness so long as it in good faith contests its liability therefor;
- (i) except as specifically authorized herein or in the Financing Agreement, it will not, without the prior written consent of the Province, create or assume any mortgage, pledge, charge, lien or other encumbrance or security interest of any kind whatsoever on the Specifically Mortgaged Premises;
- (j) it will not commit or permit any act or omission invalidating any insurance on the Specifically Mortgaged Premises;
- (k)
 - (i) the Mortgagor will keep or cause to keep the interest of the Mortgagor and the Province in the Specifically Mortgaged Premises fully insured against fire and all other risks for full replacement value unless otherwise specified by the Province and against property damage and public liability in such amount as the Province may specify, acting reasonably;
 - (ii) all such insurance shall be taken out and maintained by specific or blanket policies or both with such insurers as the Mortgagor selects and the Province approves;
 - (iii) all insurance against loss or damage to the Specifically Mortgaged Premises or any part thereof will be made payable to the Province and the Mortgagor as their interests may appear, and the Mortgagor will cause the Province to be kept supplied with up to date copies of all policies therefore and to be paid the proceeds of any claims payable thereunder in respect to the Specifically Mortgaged Premises, but, without limiting the generality of the foregoing, nothing herein contained shall be deemed to hinder or prevent the Mortgagor in respect of blanket policies which include or

cover, in addition to property forming part of the Specifically Mortgaged Premises, property upon which security is or may be given to any other encumbrancer as permitted under any provisions hereof, from providing in such policies that any losses payable thereunder be paid to the Province and such other encumbrancers as their respective interests may appear.

- (iv) the Mortgagor shall, prior to the expiry of any insurance policy, deliver to the Province a renewal receipt, binder or new policy, replacing such expiring insurance and will keep the Province informed of any change or alteration in the Specifically Mortgaged Premises of a character so usually insured, and shall furnish the Province with particulars of all insurance covering the Specifically Mortgaged Premises or any part thereof.

7. Until the security hereby constituted becomes enforceable and the Province determines to enforce it, the Mortgagor shall be permitted in the same manner and to the same extent as if this Mortgage had not been executed, but subject to the express terms thereof, to possess, operate, manage, use and enjoy the Specifically Mortgaged Premises, freely to control the conduct of its business and to take and use the rents, incomes, profits and issues thereof.
8. The Indebtedness shall immediately become due and payable and the security constituted by this Mortgage shall become enforceable:
 - (a) if the Mortgagor defaults in the payment of the Indebtedness; or
 - (b) if the Mortgagor fails to pay any taxes or assessments levied upon or in respect of the Specifically Mortgaged Premises after they have become due and payable provided that, the Mortgagor may with the consent of the Province delay payment of such taxes or assessments for such period as the Province may agree and further provided that if the Mortgagor bona fide disputes the legality or amount of any such taxes or assessments, they shall not be deemed due and payable within the meaning of this subclause (b) until they are so adjudged by the last tribunal to which the Mortgagor appeals. (If the Province requires the Mortgagor to do so, the Mortgagor will post security with the Province for the full amount of such taxes or assessments.); or
 - (c) if any execution, foreclosure or other process is levied or enforced against the Specifically Mortgaged Premises; or
 - (d) if any sum admitted due or not disputed to be due by the Mortgagor and forming or capable of being made a charge upon the Specifically Mortgaged Premises in priority to the security of this Mortgage remains unpaid after proceedings have been taken to enforce it as such prior charge; or
 - (e) if the Mortgagor becomes bankrupt within the meaning of the applicable bankruptcy law or insolvent or makes a general assignment for the benefit of creditors or otherwise acknowledges its insolvency, or if any order is made or a resolution passed for the winding up of the Mortgagor, or any application be made

under the *Companies' Creditors Arrangement Act*, or an encumbrancer shall take possession of the Specifically Mortgaged Premises or any part thereof; or

- (f) if the Mortgagor neglects to carry out or observe any other covenant or condition of this Mortgage or the Financing Agreement.
9. Any time after an event of default has occurred the Province may, on such terms and conditions (if any) as it may prescribe, waive such default and/or that part of Section 8 hereof rendering this Mortgage outstanding immediately due and payable, provided that no such waiver shall affect or be deemed to affect in any way any subsequent default or any rights resulting therefrom.
10. Whenever the security hereby constituted shall have become enforceable the Province may:
- (a) by instrument in writing appoint any person or persons, whether an employee or employees of the Province or not, to be a receiver ("receiver" in this Section 10 includes receivers; a receiver and manager; and receivers and managers) of the Specifically Mortgaged Premises or any part thereof, wherever located, and may remove any receiver so appointed and appoint another in his stead. Any such receiver so far as concerns responsibility for his acts, be deemed the agent of the Mortgagor and the Province shall not in any way be responsible for any misconduct or negligence on the part of such receiver. Any such receiver shall have such powers as are set out in Section 10(b) and (d) hereof, shall have power with or without taking possession to lease all or any part of the Specifically Mortgaged Premises to such person and upon such terms as he deems fit and shall have the power to take possession of the Specifically Mortgaged Premises or any part of such property and to convey, transfer and assign to a purchaser or purchasers the title to any of the property so sold; and/or
 - (b) by its agents or attorney take possession of all or any part or parts of the Specifically Mortgaged Premises with full power to exclude the Mortgagor and its agents and servants therefrom, preserve and maintain the Specifically Mortgaged Premises, receive the rents, incomes and profits thereof of any kind whatsoever; and/or
 - (c) apply to a Court of competent jurisdiction for the appointment of a receiver to take possession of all or such part or parts of the Specifically Mortgaged Premises with the duties, powers and obligations otherwise set forth in this Section 10 and with such additional powers as the Court making the appointment shall confer; and the Mortgagor hereby consent to the appointment of such receiver and waive notice of any application to make such appointment; and/or
 - (d) with or without taking possession sell all or part of the Specifically Mortgaged Premises either as a whole or in separate parcels at public auction or by private sale at such times and places and subject to adjournment from time to time and on such terms and conditions as the Province shall appoint; and/or

- (e) take any action or proceedings to enforce payment of or performance of any other covenant contained herein or to enforce the security hereby constituted and to bring to sale the Specifically Mortgaged Premises and any part or parts thereof under a judgment or decree of the court of competent jurisdiction or by an enforcement of any other legal remedy which the Province shall deem most effectual to protect and enforce its rights; and/or
 - (f) The Province may foreclose the security constituted under this Mortgage by suit of foreclosure in accordance with the practice from time to time prevailing for such foreclosures.
11. On any sale or sales under Section 10 hereof or otherwise, the Province may purchase the whole or part of the property so sold and may apply towards the purchase price thereof the Indebtedness then outstanding.
 12. After any default the Province may either before, during, or after any act, action or proceeding for realizing upon the Specifically Mortgaged Premises or enforcing the security constituted hereby or any obligation of the Mortgagor hereunder recover judgment against the Mortgagor and levy execution thereon for the whole amount then due and payable to the Mortgagor. The right to recover such judgment and levy such execution shall not be affected by any entry or taking possession or sale hereunder or by the exercise of any other right, power or remedy and the exercise of such right to recover judgment and levy execution shall not in any manner or to any extent affect the Specific Lien hereof or rights, powers, or remedies of the Province.
 13. No remedy conferred on the Province shall be deemed exclusive of any other remedy. Each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity and may be exercised from time to time and as often as is deemed expedient.
 14. Any and all moneys arising from any sale or realization of the whole or any part of the Specifically Mortgaged Premises shall be held by the Province, IN TRUST, for the following purposes, in the order of priority in which they are listed:
 - (a) to pay or retain the compensation, cost, expenses and outlays including any interest thereon incurred or payable by or to it or any receiver as defined in Section 11 hereof in connection with such sale or realization;
 - (b) to pay or retain the costs of the Province taxed as between solicitor and client of any proceeding in any Court taken by the Province to enforce the security hereby constituted;
 - (c) to pay all taxes, assessments and other charges upon the Specifically Mortgaged Premises to the extent they form a charge prior to this Mortgage;
 - (d) to pay or retain all amounts due and payable to the Province by the Mortgagor for any reason whatsoever, under or pursuant to this Mortgage or otherwise;

- (e) to pay the balance of such moneys, if any, to the Mortgagor or to the Accountant General of the Supreme Court of Nova Scotia, at the option of the Province.
15. All amounts described in Sections 14(a), (b) and (c) hereof which are paid by the Province or any receiver shall be added to the Indebtedness hereby secured and shall be a charge upon the property of the Mortgagor charged hereunder.
 16. Upon default and demand for possession by the Province, each of the Mortgagor its officers, agents and servants shall immediately surrender and deliver to the Province all the Specifically Mortgaged Premises and execute all such instruments and do all such acts and things as may be necessary or desirable to put the Province in actual possession of the Specifically Mortgaged Premises.
 17. Any notice or demand upon the Mortgagor shall be valid if given by postage prepaid registered letter addressed to the office of the Mortgagor at the address on record of the Province and shall be deemed to have been served or given three business days after the day such letter is posted. Nothing herein shall preclude the delivery of notices or demands by means other than mailing.
 18. No delay or omission of the Province to exercise any right or power accruing upon any default, shall impair any such right or power or shall be construed to be a waiver of any such default or in acquiescence therein and every power and remedy given hereby to the Province may be exercised by it, from time to time and as often as may be deemed by it.
 19. This security is in addition to and not in substitution for any other security now or hereafter held by the Province.
 20. This Mortgage is collateral security for the payment of the Indebtedness and the Province may from time to time extend the time for payment of the Indebtedness or any part thereof, so that the time for payment of any of the Indebtedness is extended without in any way affecting the liability of the Mortgagor hereunder and without in any way affecting or prejudicing the security hereby created and nothing but the actual payment of the Indebtedness shall discharge such obligations.
 21. This Mortgage and all of its provisions shall enure to the benefit of the Province and shall be binding upon the Mortgagor, its successors and assigns.

IN WITNESS WHEREOF the Mortgagor has caused its corporate seal to be hereunto affixed and this Mortgage to be signed by its proper officers duly authorized in that behalf on the 14th day of April, 2009.

SIGNED, SEALED AND DELIVERED
in the presence of:

NORTHERN PULP NOVA SCOTIA
CORPORATION

Shirley MacLeod
Witness

Per: [Signature]
And: Robert Beagle

CANADA
PROVINCE OF NOVA SCOTIA

On this 14th day of April, 2009, before me, the subscriber personally came and appeared Shirley MacLeod, a subscribing witness to the foregoing Indenture, who, having by me duly sworn, made oath and said that Northern Pulp Nova Scotia Corporation, one of the parties thereto, caused the same to be executed in its name and on its behalf ~~and its corporate seal to be thereunto affixed~~ by its proper officers in her presence.

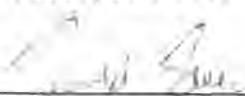
[Signature]
A Commissioner of the Supreme Court
of Nova Scotia
GERALD W. GREEN
A Barrister of the Supreme
Court of Nova Scotia

AFFIDAVIT AS TO SPOUSAL STATUS

I, **WAYNE GOSSE**, of New Glasgow, in the County of Pictou and Province of Nova Scotia, make oath and say as follows:

1. That I am the Chief Financial Officer of Northern Pulp Nova Scotia Corporation (the "Company") and as such have a personal knowledge of the matters herein deposed to.
2. That the Company is not now nor will it be on the date of delivery of the foregoing and attached Indenture, a non-resident of Canada within the meaning of the Income Tax Act (Canada).
3. That for the purposes of this affidavit, "spouse" means either of a man or a woman who:
 - (a) are married to each other;
 - (b) are married to each other by a marriage that is voidable and has not been annulled by a declaration of nullity; or
 - (c) have gone through a form of marriage with each other, in good faith, that is void and are cohabiting or have cohabited within the preceding year.
4. That for the purposes of this affidavit, "domestic partner" means an individual who is a party to a registered domestic-partner declaration made in accordance with Section 53 of the Vital Statistics Act (Nova Scotia) but does not include an individual who becomes a former domestic partner pursuant to Section 55(1) of that Act.
5. That for the purposes of this affidavit, "matrimonial home" means the dwelling and real property occupied by a person and that person's spouse or domestic partner as their family residence and in which either or both of them have a property interest other than a leasehold interest.
6. That the lands described in the within Indenture are not occupied by any shareholder of the Company as a matrimonial home and have never been so occupied while the lands have been owned by the Company; nor does the ownership of a share in the Company entitle the owner or owners thereof to occupy the aforesaid lands as a Matrimonial Home.

SWORN TO at New Glasgow
County of Pictou, Province of
Nova Scotia, this 14th day of
April, 2009, before me


A Barrister/Commissioner of the
Supreme Court of Nova Scotia

GERALD W. GREEN
Barrister/Commissioner of the Supreme
Court of Nova Scotia



WAYNE GOSSE

SCHEDULE "A"

PID#: 00864082

ALL THAT CERTAIN LOT, piece or parcel of land, situate, lying and being at Abercrombie, in the County of Pictou and Province of Nova Scotia and bounded and more fully described as follows:

BEGINNING on the Western side of the main road leading from New Glasgow to Abercrombie Wharf at the North-east angle of lands formerly belonging to one Maggie Fraser and Lena Fraser, now owned by Kimberly-Clark Nova Scotia;

THENCE Westerly, along the said Northern boundary line of the said lands now owned by Kimberly-Clark Nova Scotia, for the distance of one side of a square of land having an area of one acre;

THENCE Northerly, parallel to the Western margin of aforesaid highway, along lands of Kimberly-Clark Nova Scotia, for the distance of one side of a square of land having an area of one acre;

THENCE in an Easterly direction, along lands of Kimberly-Clark Nova Scotia, parallel to the Northern side line of the aforesaid lands of Maggie Fraser and Lena Fraser as now owned by Kimberly-Clark Nova Scotia, to the Western boundary of the aforesaid highway;

THENCE along the said Western boundary of the aforesaid highway its several courses to the PLACE OF BEGINNING;

BEING AND INTENDED TO BE a square of land, one acre in area, and being a portion of the lands conveyed by one Annie MacDonald to J. W. Sinclair by deed dated November 19, A.D., 1935 and registered in the Registry of Deeds Office at Pictou, Nova Scotia in Book 253, at Page 238;

ALSO BEING AND INTENDED TO BE the same land conveyed by J. E. (Ted) Scanlan, Trustee to Scott Worldwide, Inc. by Indenture dated June 29, 1990 and as recorded in the Office of the Registrar of Deeds for Pictou County on the same date in Book 1045, at Page 578;

ALSO BEING AND INTENDED TO BE the fourth parcel contained in a deed from Kimberly-Clark Worldwide, Inc. to Kimberly-Clark Nova Scotia, said Indenture dated the 17th day of July, A.D., 1997 and recorded in the Office of the Registrar of Deeds for Pictou County on July 18, 1997 in Book 1244, at Page 764, as Document No. 4195.

THE ABOVE DESCRIBED PROPERTY is subject to a utility easement as granted by Peter A. Sinclair et ux Bessie B. Sinclair to Maritime Telegraph and Telephone Company Limited, said grant dated the 23rd day of February, A.D., 1952 and recorded in the Office of the Registrar of Deeds for Pictou County on March 22, 1952 in Book 240, at Page 312, said grant being more particularly described as follows:

WE HERBY GRANT, bargain and sell unto the said Maritime Telegraph and Telephone Company Limited, its successors and assigns, the right and authority to construct, reconstruct, operate and maintain its line of telephone and telegraph, consisting of such poles, wires, cables,

conduits, guys, anchors and other fixtures and appurtenances as Maritime Telegraph and Telephone Company Limited may, from time to time, require upon, across, over and or under the property which Peter A. Sinclair et ux have any interest, in the School Section of Abercrombie, County of Pictou and Province of Nova Scotia, described as follows:

SITUATE on the western side of the New Glasgow to Abercrombie Highway;

BOUNDED on the northerly side by lands, now or formerly, owned by James Grant;

ON THE southerly side by lands, now or formerly, owned by Alexander Ellis;

AND ALSO UPON, along, over and or under the roads, streets or highways crossing and or adjoining the said property in which Peter A. Sinclair et ux have any interest, with the right to have the Maritime Telegraph and Telephone Company Limited employees enter upon the property at any time for the purposes of placing, replacing, maintaining and inspecting its lines and other properties;

AND ALSO THE RIGHT to cut, keep cut and remove such trees and brush as the Maritime Telegraph and Telephone Company Limited may consider necessary for the erection, maintenance and satisfactory operation of the lines, but in no case beyond a distance of 50 feet from the said lines;

AND THE RIGHT TO PERMIT the attachment of and or carry in conduit, wires and cables of any other company;

TO HAVE AND TO HOLD unto the Maritime Telegraph and Telephone Company Limited, its successors and assigns forever;

RESERVING unto Peter A. Sinclair et ux the right of cultivating, tilling and raising industrial crops on such portions of the said lands and premises as are not used by the Maritime Telegraph and Telephone Company Limited for the purposes of this grant;

PETER A. SINCLAIR et ux for himself, his heirs, executors, administrators and assigns, hereby covenants to and with the Maritime Telegraph and Telephone Company Limited, its successors and assigns, that no wire line will be erected or permitted on said property which will interfere with its service or endanger its lines;

THE MARITIME TELEGRAPH AND TELEPHONE COMPANY LIMITED covenants, promises and agrees with Peter A. Sinclair et ux that it will at all times compensate them for any damage which Maritime Telegraph and Telephone Company Limited may do to the industrial crops of Peter A. Sinclair et ux, in the exercise of its right of entry upon the said lands at any time for the purpose of inspection and maintaining the said lines of telephone and telegraph;

THE ABOVE DESCRIBED PROPERTY is also subject to a grant of an easement from Peter A. M. Sinclair to The Nova Scotia Power Commission by an Indenture dated the 2nd day of June, A.D., 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on November 22, 1965 in Book 490, at Page 34, said grant being more particularly described as follows:

WHEREAS the said Commission proposes to erect a transmission line to convey electric power and energy to certain parts of Pictou County and is acquiring right of way privileges for same;

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the sum of One Dollar of lawful money of Canada and of other good and valuable consideration paid by the Commission to the said Peter A. M. Sinclair, the receipt whereof is hereby acknowledged, the said Peter A. M. Sinclair hereby grants and conveys unto the Commission the perpetual privilege, right, easement and license of erecting and maintaining a line of poles or towers and wires with all necessary foundations, anchors and guy wires hereinafter referred to as the TRANSMISSION LINE, for the purpose of conveying electric power and energy, over and across lands of Peter A. M. Sinclair, situated in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia;

THE CENTER LINE OF SAID TRANSMISSION LINE to follow the center line now established by the Commissions route survey;

BEGINNING on the northern boundary of lands of Alexander Ellis;

THENCE North 20 degrees, 00 minutes East, a distance of 70 feet, more or less, to the western boundary of lands of the Abercrombie to New Glasgow Highway;

THE DESCRIBED CENTER LINE being indicated by a red line on the lot numbered 20 on the plan hereto annexed (Plan recorded in Book 490, Page 34);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line, upon a strip of land 100 feet wide, lying 50 feet on both sides of the said center line of proposed transmission line, hereinafter referred to as the RIGHT OF WAY, and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

AND to enter upon and across said land from time to time and at all times with vehicles, machinery, equipment and materials as deemed expedient for all purposes whatsoever, in fulfillment of the privileges granted herein;

PROVIDED HOWEVER that Peter A. M. Sinclair may make claim for actual damage by vehicle and mechanized equipment to field crops, fences and access roads;

TO HAVE AND TO HOLD the said privileges, rights, easement and license hereby granted unto the said Commission, its successors or assigns forever;

AND the said Peter A. M. Sinclair doth hereby for himself and his heirs, executors, administrators and assigns covenant with the said Commission, its successors or assigns that he will not place or cause to be placed any structure or other thing upon said right of way which in the opinion of the Commission is deemed an obstruction;

THE ABOVE DESCRIBED PROPERTY is also subject to a grant of an easement from Peter A. M. Sinclair to The Nova Scotia Power Commission by an Indenture dated the 2nd day of April, A.D., 1969 and as recorded in the Office of the Registrar of Deeds for Pictou County on June 8, 1970 in Book 569, at Page 192, said grant being more particularly described as follows:

WHEREAS the said Commission proposes to erect a transmission line to convey electric power and energy to the Canso Chemicals Plant, Abercrombie, Pictou County and is acquiring right of

way privileges for same;

NOW THEREFORE THIS INDENTURE WITNESSETH that in consideration of the sum of One Dollar of lawful money of Canada and of other good and valuable consideration paid by the Commission to the said Peter A. M. Sinclair, the receipt whereof is hereby acknowledged, the said Peter A. M. Sinclair hereby grants and conveys unto the Commission the perpetual privilege, right, easement and license of erecting and maintaining a line of poles or towers and wires with all necessary foundations, anchors and guy wires, hereinafter referred to as the TRANSMISSION LINE, for the purpose of conveying electric power and energy, over and across lands of Peter A. M. Sinclair situate in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia, bounded northeasterly by the public highway leading to Abercrombie Point and on all other sides by lands of Scott Maritimes Pulp Limited;

THE CENTER LINE of said transmission line beginning on the southern boundary of said lands of Peter A. M. Sinclair at a point distant 104 feet, more or less, westerly along said boundary from its intersection with the southwestern boundary of the said public highway;

THENCE northeasterly, a distance of 60 feet, more or less, to an angle in said center line;

THENCE northerly, a distance of 164 feet, more or less, to meet the northern boundary of aforesaid lands of Peter A. M. Sinclair at a point distant 11 feet, more or less, westerly along same from the said southwestern boundary of the aforesaid public highway;

THE DESCRIBED CENTER LINE being indicated by a red line on the plan numbered A2-T15-L2-2 hereto annexed (Plan No. 78 in File 19 at Pictou Registry);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line upon a strip of land 66 feet wide, lying 33 feet on both sides of the said center line of the proposed transmission line, hereinafter referred to as the RIGHT OF WAY and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

AND to enter upon and across said lands from time to time and at all times with vehicles, machinery, equipment and materials as deemed expedient for all purposes whatsoever, in fulfillment of the privileges granted herein;

PROVIDED HOWEVER that the said Peter A. M. Sinclair may make claim for actual damage by vehicles and mechanized equipment to field crops, fences and access roads;

PROVIDED ALSO that the said Peter A. M. Sinclair may maintain all existing buildings that lie within the limits of the aforesaid right of way;

TO HAVE AND TO HOLD the said privileges, rights, easement and license hereby granted unto the said Commission, its successors or assigns forever;

AND the said Peter A. M. Sinclair doth hereby for himself and his heirs, executors, administrators and assigns covenant with the said Commission, its successors or assigns that he will not place or cause to be placed any structure or other thing upon said right of way which in the opinion of the Commission is deemed as obstruction.

PID#: 00864538

Pulp Mill Site

KIMBERLY-CLARK INC.

ABERCROMBIE POINT, PICTOU COUNTY, NOVA SCOTIA

Lot No. 1

KIMBERLY-CLARK INC.

ALL THAT CERTAIN LOT, piece or parcel of land situate, lying and being at Abercrombie Point, in the County of Pictou, Province of Nova Scotia, and being more particularly bounded and described as follows:

BEGINNING at a post, said post being at the South-east corner of a lot of land formerly owned by Alexander Ellis, now owned by Kimberly-Clark Inc. and being on the Western boundary of the Abercrombie Road;

THENCE, by the magnet for the year of 1965, North 81 degrees, 45 minutes West, 59.09 chains, along the lands of Karl Crawford, to a post said post being at the South-western corner of said Ellis lot as now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 6.99 chains to a post, said post being the North-western corner of the said Ellis lot now owned by Kimberly-Clark Inc. and also being the South-western corner of a lot of land formerly owned by Elizabeth Grant as also now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 14.22 chains to a post, said post being the North-western corner of the said Elizabeth Grant property as now owned by Kimberly-Clark Inc. and being the South-westerly corner of a lot of land formerly owned by Harland H. Clark and as now owned by Kimberly-Clark Inc.;

THENCE, North 10 degrees, 05 minutes East, 1.80 chains, more or less, along the Western boundary of the abovementioned lot to post no. 105 and being the North-easterly corner of a lot of land formerly owned by H.I.W. Bigney and now owned by Kimberly-Clark Inc.;

THENCE, by the magnet for the year of 1956, North 38 degrees, 45 minutes West, 29.17 chains to post no. 106, said post being on the Eastern boundary of the Granton Road, so-called;

THENCE, North 38 degrees 45 minutes West, crossing the said road to the Western boundary of same, to post no. 107;

THENCE, by the magnet for the year of 1957, South 42 degrees, 23 minutes West, 15.92 chains, along the Western boundary of the said road as now owned by Kimberly-Clark Inc., to post no. 108;

THENCE, North 51 degrees, 30 minutes West, 2.14 chains to post no. 109;

THENCE, North 51 degrees, 30 minutes West, 4.00 chains to the shore of the Middle River;

THENCE Northerly, Easterly and Southerly along the shore of Abercrombie Point, so-called to post no. 100, being the South-eastern corner of a lot of land formerly owned by Erickson;

THENCE, by the magnet for the year of 1956, South 68 degrees, 10 minutes East, 20.72 chains to post no. 101, being on the Eastern boundary of the Abercrombie Road;

THENCE, South 68 degrees, 10 minutes East, across the said Abercrombie Road to post no. 102, being on the Western boundary of the abovementioned Road;

THENCE, South 10 degrees, 35 minutes East, 23.48 chains, along the Western boundary of the abovementioned Road to post no. 103 and being the North-eastern corner of property formerly owned by Raeburn Kennedy and now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the abovementioned Road, South 00 degrees, 00 minutes West, 8.31 chains to a point, being the South-eastern corner of the property formerly owned by Raeburn Kennedy and as now owned by Kimberly-Clark Inc., said point also being the North-eastern corner of the property formerly owned by Harland Clark and as now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the said Abercrombie Road South 00 degrees, 00 minutes West, 6.16 chains to the South-eastern corner of property formerly owned by Clark and now owned by Kimberly-Clark Inc. and also being the North-eastern corner of the property formerly owned by Elizabeth Grant and as now owned by Kimberly-Clark Inc.;

THENCE, South 00 degrees, 30 minutes West, 11.30 chains to a post and being the North-eastern corner of property owned by Peter Sinclair and now owned by Kimberly-Clark Inc.;

THENCE, North 81 degrees, 00 minutes West, 3.56 chains, along said Sinclair property as now owned by Kimberly-Clark Inc., to a point;

THENCE, South 06 degrees, 00 minutes West, 3.33 chains, along said Sinclair property as now owned by Kimberly-Clark Inc., to a point;

THENCE, South 82 degrees, 15 minutes East, along the said Sinclair property as now owned by Kimberly-Clark Inc., to the Western boundary of the Abercrombie Road and also being the North-eastern corner of property formerly owned by Alexander Ellis and now owned by Kimberly-Clark Inc.;

THENCE, continuing along the Western boundary of the said Abercrombie Road, South 23 degrees, 20 minutes East, 8.78 chains to the PLACE OF BEGINNING;

BEING AND INTENDED to be the lands as conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Indenture dated December 21, 1967 and recorded in the Office of the Registrar of Deeds for Pictou County, Nova Scotia on December 29, 1967, in Book 529, at Page 105.

ALSO BEING AND INTENDED to be land owned by Scott Maritimes Pulp Limited at the time of a change of name to Scott Maritimes Limited and again to Kimberly-Clark Nova Scotia, which company was subsequently amalgamated under the laws of Ontario with Kimberly-Clark Inc. to form Kimberly-Clark Inc.;

SAVING AND EXCEPTING thereout and therefrom, the following parcels:

FOUR LOTS OF LAND CONVEYED TO CANSO CHEMICALS LIMITED together with certain related easements, bounded and described as follows:

PARCEL 1

ALL AND SINGULAR that certain lot, piece or parcel of land lying, being and situate on the South side of the site of Scott Maritimes Pulp Limited Sulphate Pulp Mill at Abercrombie Point, in the County of Pictou and Province of Nova Scotia, all of which may be more particularly described as follows:

BEGINNING at an iron stake set in the North-east corner of said lot to be transferred, which stake having the co-ordinates of North 4922.00 and East 3407.94;

THENCE due West, by the grid North, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake which stake having the co-ordinates of North 4922.00 and East 2407.94;

THENCE due South, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake which stake having the co-ordinates of North 4397.00 and East 2407.94;

THENCE due East, along the lands to be retained by Scott Maritimes Pulp Limited, to an iron stake, which stake having the co-ordinates of North 4397.00 and East 3407.94;

THENCE due North, along the lands to be retained by Scott Maritimes Pulp Limited, to the PLACE OF BEGINNING;

THE ABOVE DESCRIBED LOT having an area of 12 acres, more or less;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as set up by Scott Maritimes Pulp Limited on their holdings at Abercrombie Point, the grid North being 21 degrees, 40 minutes West of Magnetic North;

THE ABOVE DESCRIBED PARCEL to have a free and uninterrupted right-of-way or passage for ingress and egress to the Canso Chemicals Limited, its successors and assigns, and its agents, servants, employees, customers and other persons having business with the said Canso Chemicals Limited to pass through, along and over that certain parcel of land described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates North 4793.00 and East 3407.94;

THENCE due East to co-ordinates North 4793.00 and East 3641.18;

THENCE Southerly, on an arc, having a radius of 416.07 feet to co-ordinates North 4269.46 and East 4043.15;

THENCE South 14 degrees, 58 minutes West, to co-ordinates North 3987.94 and East 3967.88;

THENCE Southeasterly, along the arc of a curve having a radius of 41.0 feet, to a tangent which is right angles to the existing road;

THENCE Southeasterly, along said tangent, to the West margin of the existing road;

THENCE South 10 degrees, 21 minutes West, along the West margin of said road, 66.0 feet, to a point;

THENCE Westerly, on a tangent perpendicular to said road margin, to an arc having a radius of 107 feet;

THENCE Northwesterly, along said arc, to co-ordinates North 4004.98 and East 3904.12;

THENCE North 14 degrees, 58 minutes East, to an arc having a radius of 350.07 feet;

THENCE, along said arc, Westerly to co-ordinates North 4727.00 and East 3641.18;

THENCE due West, to co-ordinates North 4727.00 and East 3407.94;

THENCE due North, to the PLACE OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott Maritimes Pulp Limited at the mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

TOGETHER WITH the right of way to build, construct, maintain and repair a road along and over the right of way hereinbefore described and for such purpose to bring on the said right of way such equipment and machinery and vehicles as is necessary to build, construct, maintain or repair the said road;

TOGETHER WITH an appurtenant to the lands hereby conveyed and first above described as Parcel 1, the right and easement to use for the purpose of a railway siding or spur running from the railway line or track of the Scott Maritimes Pulp Limited Railway, situate on lands presently owned by Scott Maritimes Pulp Limited, to the lands hereby conveyed and first above described, as Parcel 1, over that lot of land as hereinafter described and for the purposes aforesaid to enter into and upon the said lands as hereinafter described from time to time and to make and construct thereon such railway sidings or spurs as Canso Chemicals Limited may reasonably require and or to use such railway sidings or spurs as may otherwise hereafter be laid or constructed upon the lands described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate, and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at an iron stake having co-ordinates North 4957.00 and East 2407.94;

THENCE due West, to a point on the right of way of the spur line to Scott Maritimes Pulp Limited mill site;

THENCE Southwardly, along the various courses of said spur right of way, to a point, said point being on a line at right angles to the Scott Maritimes Pulp Limited spur line drawn from the Canso Chemicals Limited switch point;

THENCE along the right angle line to a point 60 feet from the centre line of the Scott Maritimes Pulp Limited, spur;

THENCE Easterly, along the various courses of a curve and 60 feet perpendicular to the centre

line, to the end of the curve;

THENCE East to co-ordinates North 4837.00 and East 2407.94;

THENCE North, 120 feet, to the PLACE OF BEGINNING;

ALL BEARINGS are related to a local grid used by Scott Maritimes Pulp Limited at the Abercrombie Point mill;

ALL as shown on a certain property plan of Canso Chemicals Limited at Abercrombie Point, Nova Scotia, drawn by Canadian Industries Limited - Engineering Department and dated the 18th day of October, 1968;

BEING AND INTENDED TO BE a lot of land and easements conveyed to Canso Chemicals Limited by Scott Maritimes Pulp Limited by Deed dated November 30, 1968 and recorded at the Registry of Deeds, Pictou, Nova Scotia on December 10, 1968 in Book 538, at Page 354;

PARCEL 2

ALL AND SINGULAR that piece, parcel or tract of land lying, being and situate at Abercrombie Point, in the County of Pictou and Province of Nova Scotia, and which may be more particularly described as follows:

BEGINNING at a wooden stake set at a point being South 44 degrees and 15 minutes East, a distance of 73 links from the Southeastern corner of the Power Station of Canso Chemicals Limited;

THENCE South 10 degrees and 50 minutes East, a distance of 7 chains and 40 links, to a wooden stake;

THENCE South 88 degrees and 00 minutes West, a distance of 8 chains, to a wooden stake;

THENCE North 10 degrees and 50 minutes West, a distance of 4 chains and 70 links, to a wooden stake;

THENCE North 69 degrees and 00 minutes East, a distance of 8 chains and 3 links, to the POINT OF BEGINNING;

A TRACT OF LAND containing 4.8 acres, more or less;

THE SAID TRACT being more particularly shown on the attached plan marked Schedule A and signed by R. J. MacDonald, Nova Scotia Land Surveyor (Plan attached to document recorded in Book 980, at Page 167);

BEING AND INTENDED to be a lot of land as conveyed by Scott Maritimes Limited to Canso Chemicals Limited by Deed dated December 18, 1978 and recorded at the Registry of Deeds, Pictou, Nova Scotia in Book 980, at Page 167.

PARCEL 3

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being to the West of the Abercrombie Point Road, in Abercrombie Point, in the County of Pictou and Province of

Nova Scotia, said parcel being shown as Lot No. 88-1 on a plan showing the subdivision of the land of Scott Maritimes Limited as prepared by G. Edward Hingley, N.S.L.S. and dated July 20, 1988 (Registry Plan No. 2850), the said Lot being more particularly described as follows:

BEGINNING at the Southeast corner of lands as acquired by Canso Chemicals Limited from Scott Maritimes Limited and as recorded in the Pictou County Registry of Deeds in Book 980, at Page 167, which point being South 10 degrees, 50 minutes East, a distance of 488.40 feet from the Northeast corner of said lot;

THENCE South 69 degrees, 00 minutes West, a distance of 949.12 feet, along a Northwest boundary of land to be retained by Scott Maritimes Limited, to a survey marker;

THENCE North 21 degrees, 00 minutes West, a distance of 480.73 feet, along a Northeast boundary of land to be retained by Scott Maritimes Limited, to a survey marker;

THENCE North 69 degrees, 00 minutes East, a distance of 505.56 feet, along a Southeast boundary of land of Canso Chemicals Limited (Book 538, Page 354), to a survey marker;

THENCE South 10 degrees, 47 minutes East, a distance of 313.81 feet, along a Southwest boundary of land of Canso Chemicals Limited (Book 980, Page 167) to a point;

THENCE North 88 degrees, 00 minutes East, a distance of 528.00 feet, along a Southwest boundary of land of the said Canso Chemicals Limited, to the POINT OF BEGINNING;

AN AREA CONTAINING 6.2 acres;

ALL BEARINGS herein are based on the Magnetic meridian for the year 1976;

BEING AND INTENDED TO BE portion of the land as conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Indenture dated December 21, 1967 and as recorded in the Office of the Registrar of Deeds for Pictou County on December 29, 1967, in Book 529, at Page 105;

BEING AND INTENDED to be a lot of land conveyed by Scott Maritimes Limited to Canso Chemicals Limited by confirmatory deed dated December 19, 1994 and recorded in the Registry of Deeds, Pictou, Nova Scotia on January 12, 1995 in Book 1165, at Page 597;

PARCEL 4

ALL THOSE CERTAIN LOTS, pieces or parcels of land, that is to say:

NO. 1

ALL AND SINGULAR that certain parcel or tract of land and premises, situated, lying and being at Abercrombie Point, County of Pictou, Province of Nova Scotia and more particularly described as follows:

PREMISING that the bearings herein mentioned are astronomic, the magnetic declination for 1970 is about 23 degrees 30 minutes West, all co-ordinates are based on the local grid as used by Scott Maritimes Pulp Limited;

BEGINNING at a point at the northern boundary of land formerly conveyed by Scott Maritimes Pulp Limited to Canso Chemicals Limited, said point being at co-ordinates 4922.00 North and

3036.30 East;

THENCE North 46 degrees West, along co-ordinate 3036.30 East, a distance of 38 feet, to a point, being at co-ordinates 4960.00 North and 3036.30 East;

THENCE South 44 degrees West, along co-ordinate 4960.00 North, a distance of 35 feet, to a point being at co-ordinates 4960.00 North and 3001.30 East;

THENCE South 46 degrees East, along co-ordinate 3001.30 East, a distance of 38 feet, to a point, being at co-ordinates 4922.00 North and 3001.30 East;

THENCE North 44 degrees East, along co-ordinate 4922.00 North, a distance of 35 feet, to the POINT OF BEGINNING;

CONTAINING 1,330 square feet;

SAID DESCRIBED PARCEL of land being of rectangular shape 35 feet by 38 feet and bounded at nominal West, North and East by Scott Maritimes Pulp Limited and at the nominal South by Canso Chemicals Limited, for reference see Plan layout Drawing No. 208 CIL. AEG. 19881 of CAN. INDUSTRIES LIMITED dated December 27, 1968, also see Registry Plan Number P-42;

SAID DESCRIBED PARCEL also being shown on a Property Plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971, and being there designated as EXTRA LAND FOR RETENSION BASIN.

NO. 2

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates East 3407.94, and North 4580.0;

THENCE due South to co-ordinates East 3407.94 and North 4397.0;

THENCE due West to co-ordinates East 3190.0 and North 4397.0;

THENCE due South to co-ordinates East 3190.0 and North 4360.0;

THENCE due East to co-ordinates East 3470.0 and North 4360.0;

THENCE due North to co-ordinates East 3470.0 and North 4580.0;

THENCE due West to co-ordinates East 3407.94 and North 4580.0, the said place also being the PLACE OF BEGINNING;

ALL CO-ORDINATES given in this description are referred to a local grid as used by Scott Maritimes Pulp Limited Mill, Abercrombie Point, Pictou County, Province of Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated as EASEMENT FOR WATER LINE on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971, see Registry Plan Number P-42.

NO. 3

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates East 3407.94 and North 4825.0;

THENCE due East to co-ordinates East 4058.0 and North 4825.0;

THENCE due North to co-ordinates East 4058.0 and North 5120.41;

THENCE due East to co-ordinates East 4085.75 and North 5120.41;

THENCE due South to co-ordinates East 4085.75 and North 4780.0;

THENCE due West to co-ordinates East 3407.94 and North 4780.0;

THENCE due North to co-ordinates East 3407.94 and North 4825.0, the said point also being the PLACE OF BEGINNING;

ALL CO-ORDINATES given in this description are referred to a local grid as used by Scott Maritimes Limited Pulp Mill, Abercrombie Point, Pictou County, Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated as EASEMENT FOR PIPE RACK on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971, see Registry Plan Number P-42.

NO. 4

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, Province of Nova Scotia, and more particularly described as follows:

BEGINNING at co-ordinates North 4464.38 and East 3470.00;

THENCE South 45 degrees, 00 minutes East to co-ordinates North 4344.38 and East 3590.00;

THENCE due South to co-ordinates North 4247.00 and East 3590.0;

THENCE due East, 20.0 feet to co-ordinates North 4247.00 and East 3610.00;

THENCE due North to co-ordinates North 4352.66 and East 3610.0;

THENCE North 45 degrees 00 minutes West to co-ordinates North 4492.66 and East 3470.0;

THENCE due South, to co-ordinates North 4464.38 and East 3470.0, the said point also being the POINT OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott Maritimes Pulp Limited mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

BEING AND INTENDED to be that parcel of land designated as EASEMENT FOR STANDPIPE on the property plan of Canso Chemicals Limited, being layout drawing number 208, CIL, YDG., 20002, Revision 2, revised October 1971, see Registry Plan Number P-42;

AND SCOTT MARITIMES PULP LIMITED hereby further grants to Canso Chemicals Limited, its successors and assigns, the owner or owners for the time being of the lands of Canso Chemicals Limited, which said lands are shown on the property plan annexed to this conveyance (Registry No. P-42) as being the lands of Canso Chemicals Limited, a free and uninterrupted right of way for persons, animals and vehicles, through, along and over that certain parcel of land owned by Scott Maritimes Pulp Limited, to the north of land of and abutting the original access road to Canso Chemicals Limited where it joins the road to Scott Maritimes Pulp Limited, as shown on said Plan, which said parcel of land is more particularly described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land, lying, situate and being at Abercrombie Point, County of Pictou, and more particularly described as follows:

BEGINNING at co-ordinates North 3987.94 and East 3967.88;

THENCE South 75 degrees, 02 minutes East to co-ordinates North 3979.42 and East 3999.75;

THENCE southeasterly, along the arc of a curve having a radius of 7.0 feet, to a tangent which is at right angles to the existing road to Scott Maritimes Pulp Limited;

THENCE southeasterly, along said tangent, to the west margin of the existing road;

THENCE South 10 degrees, 21 minutes West, along the west margin of said road 33.0 feet, to the north margin of the original access road to Canso Chemicals Limited;

THENCE westerly, on a tangent to the margin of the first above mentioned road, to an arc of a curve having a radius of 41.0 feet;

THENCE along said arc to the PLACE OF BEGINNING;

ALL BEARINGS AND CO-ORDINATES are based on the local grid as used by Scott Maritimes Pulp Limited mill site, Abercrombie Point, County of Pictou, Province of Nova Scotia;

BEING AND INTENDED TO BE that parcel of land designated in the enlargement in a certain property plan of Canso Chemicals Limited, being layout drawing number 208, CIL., YDG., 20002, Revision 2, revised October 1971;

AND BEING AND INTENDED TO BE the property conveyed to Canso Chemicals Limited by Scott Maritimes Pulp Limited by deed dated April 12, 1972 and recorded in the Registry of Deeds, Pictou, in Book 602 at Page 171.

TO HER MAJESTY THE QUEEN
GRANTON ROAD

LAND TAKEN by Her Majesty the Queen for construction of the Granton Road, bounded and described as follows:

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being at or near

the District of Begg Brook, in the County of Pictou, Province of Nova Scotia, and more particularly bounded and described as follows:

BEGINNING at the point of intersection of the boundary between lands of Scott Paper Company and the lands now or formerly of Henry Bigney with the Northeasterly boundary of a Diversion to the old Abercrombie Road and 125 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Southeasterly direction following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 327 feet, more or less, to the end of a curve at chainage station 41 + 99.6;

THENCE at right angles, in a Southwesterly direction, a distance of 75 feet, more or less, to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the several courses of the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 1941 feet, more or less, to a point at chainage station 62 + 00, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Northeasterly direction, a distance of 25 feet, more or less, to a point 75 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line a distance of 700 feet to a point at chainage station 69 + 00 as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 25 feet to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 450 feet, to a point at chainage station 73 + 50, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Northeasterly direction, a distance of 25 feet to a point 75 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line a distance of 400 feet, to a point at chainage station 77 + 50, as shown on the annexed plan (Registry No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 25 feet to a point 50 feet perpendicularly distant from the said centre line;

THENCE at right angles, in a Southeasterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 407.3 feet to the beginning of a curve at chainage station 81 + 57.3 as shown on the annexed plan (Registry Plan No. P-644);

THENCE following a course of North 66 degrees, 47 minutes East, a distance of 210 feet, more or less, to meet the Southwesterly boundary of the existing old Abercrombie Road and 33 feet perpendicularly distant from the centre line thereof.

THENCE in a Southeasterly direction, following the boundary of the aforesaid old road and parallel to the centre line thereof, a distance of 247 feet, more or less, or until it meets the boundary between the lands of Scott Paper Company and the lands formerly of Karl Crawford;

THENCE in a Northwesterly direction, following the alignment of the last mentioned boundary, a distance of 2,893 feet, more or less, to the beginning of a curve at chainage station 55 + 76.8 as shown on the annexed plan (Registry Plan No. P-644), said point being on the Southeasterly boundary of the aforesaid Old Abercrombie Road Diversion and 50 feet perpendicularly distant from the centre line thereof;

THENCE in a Northwesterly direction, following the boundary of the aforesaid Diversion and parallel to the said centre line, a distance of 1,427 feet, more or less, to the end of a curve at chainage station 41 + 99.6, as shown on the annexed plan (Registry Plan No. P-644);

THENCE at right angles, in a Southwesterly direction, a distance of 62 feet, more or less, or until it meets the boundary between the lands of Scott Paper Company and the lands, now or formerly, of Mrs. Kenneth MacDonald;

THENCE in a Northeasterly direction, following and in alignment with the last mentioned boundary, a distance of 355 feet, more or less, to the POINT OF BEGINNING;

BEING AND INTENDED TO BE lands granted, by way of expropriation, to Her Majesty the Queen by Scott Maritimes Pulp Limited by Indenture dated March 12, 1976 and recorded in the Registry of Deeds, Pictou, on April 8, 1976 in Book 686, at Page 122.

HIGHWAY NO. 106

LANDS TAKEN BY HER MAJESTY THE QUEEN for construction of Highway 106, bounded and described as follows:

ALL AND SINGULAR those certain lots, pieces or parcels of land situate, lying and being at or near the District of Begg Brook, in the County of Pictou, Province of Nova Scotia, and more particularly bounded and described as follows:

Lot No. 1

BEGINNING at the point of intersection of the boundary between the lands of Scott Maritimes Pulp Limited and the lands, now or formerly, of Naiff Harris with the Westerly boundary of the approach to the Pictou Causeway on the Trans Canada Highway and 200 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Northerly and Northeasterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 1,055 feet, more or less, or until it meets the mean high water mark of the Middle River;

THENCE in a Northeasterly direction, following the high water mark of the aforesaid River, a distance of 800 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Approach to the Pictou Causeway and 100 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Southwesterly and Southerly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 1,487 feet, more or less, or until it meets the aforesaid boundary between the lands of Naiff Harris and the lands, now or formerly,

of Scott Paper Company;

THENCE in a Southwesterly direction, following the alignment of the last mentioned boundary, a distance of 338 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 8.68 acres, more or less.

Lot No. 2

BEGINNING at the point of intersection of the Southeasterly boundary of the Approach to the Pictou Causeway with the Easterly mean high water mark of Middle River;

THENCE in a Northerly, Northeasterly and Northwesterly directions, following the various windings of the aforesaid mean high water mark, a distance of 1,145 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Approach to Pictou Causeway and 100 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a Southwesterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 867 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 2.50 acres, more or less.

Lot No. 3

BEGINNING at the point of intersection of the Southeasterly boundary of the Approach to Pictou Causeway with the Easterly mean high water mark of Middle River;

THENCE in a Northerly and Northeasterly direction, following the several courses of the aforesaid mean high water mark, a distance of 490 feet, more or less, or until it meets the Southeasterly boundary of the aforesaid Causeway Approach and 100 feet perpendicularly distant from the centre line thereof;

THENCE in a Southwesterly direction, following the boundary of the aforesaid Approach and parallel to the said centre line, a distance of 475 feet, more or less, to the POINT OF BEGINNING;

CONTAINING 0.13 acres, more or less;

THE ABOVE DESCRIBED PARCELS of land are shown outlined in red on the annexed plan (Registry Plan No. P-637) and containing 11.31 acres, more or less;

BEING AND INTENDED TO BE lands granted, by way of expropriation, to Her Majesty the Queen by Scott Maritimes Pulp Limited by Indenture dated March 12, 1976 and recorded in the Registry of Deeds, Pictou, Nova Scotia, on March 25, 1976 in Book 685, at Page 158.

ALSO SAVING AND EXCEPTING a certain lot of land created by the expropriation of lands by Her Majesty the Queen for construction of the Granton to Abercrombie Road bounded and described as follows:

Lot No. 2 of KIMBERLY-CLARK INC.

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the North-east by the South-west boundary of the Granton Road at Abercrombie, in the County of Pictou, Province of Nova Scotia, said lot being more particularly described as follows:

BEGINNING at the intersection of a North boundary of land of The Nova Scotia Power Corporation and the South boundary of the said Granton Road;

THENCE South 75 degrees, 40 minutes, 33 seconds West (Grid), a distance of 75 feet, more or less, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE continuing, in the same direction, a distance of 908.0 feet, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE North 12 degrees, 24 minutes East (Grid), a distance of 925 feet, more or less, along the East boundary of land of others, to the South boundary of the said Granton Road;

THENCE Northerly, Easterly and Northerly, a distance of 1500 feet, more or less, along the boundary of the said Granton Road, to the POINT OF BEGINNING;

AN AREA containing 11 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529, at Page 105;

ALSO SAVING AND EXCEPTING a certain lot of land created by the expropriation of lands by Her Majesty the Queen for the construction of Highway No. 106 bounded and described as follows:

Lot No. 3 of KIMBERLY-CLARK INC.

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the East by the West boundary of Highway No. 106 and bounded on the West by the ordinary high water mark of the Middle River, in Abercrombie, in the County of Pictou and Province of Nova Scotia, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly owned or occupied by Naiff Harris, now owned by Her Majesty The Queen in the Right of the Province of Nova Scotia and the West boundary of Highway No. 106;

THENCE South 65 degrees, 55 minutes West (Magnetic 1965), a distance of 200 feet, more or less, along the said North-west boundary of land formerly of Naiff Harris, to the mean high water mark of the Middle River;

THENCE Northerly and Easterly, a distance of 1200 feet, more or less, along the said mean high water mark of the Middle River, to the intersection with the West boundary of Highway No. 106;

THENCE Southerly, along the West boundary of the said Highway No. 106, to the POINT OF BEGINNING;

AN AREA containing 5.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529 at Page 105;

ALSO SAVING AND EXCEPTING a certain lot of land conveyed to the Abercrombie Volunteer Fire Department bounded and described as follows:

ALL THAT PARCEL of land situate at Abercrombie, in the County of Pictou, Province of Nova Scotia, and designated as Lot 1-A-B on a Subdivision Plan prepared by Wadden Surveys, having No. 93117 and signed by M.G. Wadden, N.S.L.S. on the 4th day of January, 1994, said Lot 1-A-B more fully shown on Registry Plan Number 4254.

THE SAID LOT 1-A-B intended to be a consolidation of Lot 1, lands formerly leased by Scott Maritimes Limited to Abercrombie Volunteer Fire Department, and registered at the Office of the Registrar of Deeds, Pictou, Nova Scotia on the 20th of September, 1993, in Book 1132 at Page 230, and Parcels A and B, a portion of lands formerly conveyed by Scott Paper Company to Scott Maritimes Pulp Limited, by Deed, registered at the Office of the Registrar of Deeds, Pictou, Nova Scotia on the 29th day of December, 1967, in Book 529, at Page 105;

BEING AND INTENDED to be a lot of land conveyed to the Abercrombie Volunteer Fire Department by Scott Maritimes Limited by Deed dated March 10, 1994 and recorded at the Registry Office, Pictou, Nova Scotia in Book 1132, Page 230;

EASEMENTS OVER KIMBERLY-CLARK INC. LAND

RESERVING THE FOLLOWING POWER LINE EASEMENT as granted by Alexander Ellis and his wife Isabel V. Ellis to The Nova Scotia Power Commission over land as now owned by Kimberly-Clark Inc. said land being that as originally acquired by Scott Paper Company from the said Alexander and Isabel Ellis by an Indenture dated October 14, 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on October 14, 1965 in Book 487, at Page 140, said easement being more fully described as follows:

WHEREAS the said Commission proposes to erect a Transmission Line to convey electric power and energy to certain parts of Pictou County and is acquiring right of way privileges for same to erect and maintain a line of poles or towers and wires with the necessary foundations, anchors and guy wires, hereinafter referred to as the TRANSMISSION LINE, for the purpose of conveying electric power and energy, over and across lands of Alexander and Isabel Ellis, as now owned by Kimberly-Clark Inc., situated in the vicinity of Abercrombie, County of Pictou, Province of Nova Scotia;

THE SAID GRANT OF EASEMENT was made from the said Alexander and Isabel Ellis to The Nova Scotia Power Commission by an Indenture dated June 3, 1965 and as recorded in the Office of the Registrar of Deeds for Pictou County on November 22, 1965 in Book 490, at Page 33 and shown on plan attached to recorded grant and described as follows:

THE CENTER LINE OF SAID TRANSMISSION LINE to follow the center line now established by the Commissions route survey;

BEGINNING on the Northern boundary of lands of Karl Crawford;

THENCE North 20 degrees, 00 minutes East, a distance of 504.5 feet, more or less, to the

Southern boundary of lands of Peter Sinclair, now owned by Kimberly-Clark Inc.;

THE DESCRIBED CENTER LINE being indicated by a red line on the lot numbered 19 on the plan hereto annexed (See plan in Registry Book 490, at Page 33);

TOGETHER with the perpetual privilege, right and easement to clear or remove all trees, obstructions and impediments to construction and maintenance of said line, upon a strip of land 100 feet wide, lying 50 feet on both sides of the said center line of proposed transmission line, hereinafter referred to as the RIGHT OF WAY, and to use any method deemed expedient to keep said right of way clear of trees or other obstructions and to fell such trees beyond the limits of said right of way as may be deemed a potential hazard to said line;

ALSO RESERVING the following power transmission easements over lands conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Deed dated December 21, 1967 and recorded in the Registry of Deeds, Pictou, December 29, 1967 in Book 529 at Page 105:

WITNESSETH the said Scott Maritimes Pulp Limited grants and conveys unto The Nova Scotia Power Commission the perpetual privilege, right and easement of erecting, maintaining and fencing an outdoor substation with all poles, anchors, guys, transformers and of erecting and maintaining a line of poles and wires with all necessary anchors, guys and braces for the purpose of conveying, transmitting and transforming electric power and energy over and across lands of Scott Maritimes Pulp Limited situated in the vicinity of Abercrombie, in the County of Pictou, Province of Nova Scotia:

SUBSTATION EASEMENT

A SUBSTATION to be located on a portion of the existing transmission line right of way covered by easement from Alexander Ellis, now owned by Kimberly-Clark Inc., to the Nova Scotia Power Commission, dated June 3, 1965, recorded on November 22, 1965 in Book 490, Page 33, said portion of the existing right of way being described as follows:

BEGINNING on the northern margin of the New Road at a point distant 50 feet westerly along said margin from the centre line of the existing transmission line;

THENCE North 20 degrees East, parallel to the said centre line, a distance of 100 feet;

THENCE South 80 degrees, 35 minutes East, parallel to the said road margin, a distance of 100 feet;

THENCE South 20 degrees West, a distance of 100 feet to meet the aforesaid road margin;

THENCE North 80 degrees, 35 minutes West, along the aforesaid northern margin, a distance of 100 feet to the POINT OF BEGINNING.

TRANSMISSION LINE EASEMENT:

A TRANSMISSION LINE to be located on a strip of land 66 feet wide lying 33 feet on both sides of the hereinafter described centre line:

BEGINNING on the northwestern limits of the hereinbefore described substation lot;

THENCE North 80 degrees, 35 minutes West, parallel to the northern margin of the New Road, a distance of 1,766 feet, more or less, to an angle;

THENCE North 78 degrees, 43 minutes West, a distance of 807 feet, more or less, to an angle;

THENCE North 51 degrees, 26 minutes West, a distance of 400 feet, more or less, to an angle;

THENCE North 15 degrees, 11 minutes West, a distance of 610 feet, more or less, to an angle;

THENCE North 05 degrees, 49 minutes East, a distance of 488 feet, more or less, to an angle;

THENCE North 38 degrees, 11 minutes West, parallel to and 33 feet perpendicularly distant from the southwestern boundary of said lands of Scott Maritimes Pulp Limited, a distance of 2,625 feet, more or less, to an angle;

THENCE North 45 degrees, 48 minutes East, a distance of 2,444 feet, more or less, to an angle;

THENCE North 51 degrees, 09 minutes East, a distance of 1,480 feet, more or less, to an angle;

THENCE North 06 degrees, 47 minutes East, a distance of 165 feet, more or less, to meet the high water line of Pictou Harbour;

SAVING AND EXCEPTING any portions of the said strip, as may be within the limits of any Public Highway;

BEING AND INTENDED to be easements granted by Scott Maritimes Pulp Limited to The Nova Scotia Power Commission by an Indenture dated May 21, 1968 and recorded at the Registry of Deeds, Pictou, Nova Scotia on June 10, 1968 in Book 532, at Page 131 and as shown on the plan attached to the recorded Indenture.

AND FURTHER RESERVING the following power transmission easements over lands conveyed by Scott Paper Company to Scott Maritimes Pulp Limited by Deed dated December 21, 1967 and recorded in the Registry of Deeds, Pictou, December 29, 1967 in Book 529, at Page 105;

WHEREAS The Nova Scotia Power Commission proposes to erect additions to its outdoor substation and a transmission line for the purpose of transferring and conveying electric power and energy from the said substation at Abercrombie to the Canso Chemicals plant, at Abercrombie Point, Pictou County, Province of Nova Scotia and is acquiring right of way privileges for same:

SUBSTATION ADDITION EASEMENT

BEGINNING on the northern boundary of the public highway, at the southwestern corner of the substation lot acquired by easement from Scott Maritimes Pulp Limited, dated May 21, 1968, recorded at Pictou, in Book 532, at Page 131;

THENCE North 80 degrees, 35 minutes West, along said highway boundary, a distance of 61 feet;

THENCE North 09 degrees, 25 minutes East, perpendicular to aforesaid highway boundary, a distance of 150 feet;

THENCE South 80 degrees, 35 minutes East, a distance of 79.4 feet;

THENCE South 09 degrees, 25 minutes West, a distance of 51.6 feet to the northwestern corner of said substation lot acquired by an easement dated May 21, 1968;

THENCE South 20 degrees West, along the western boundary of aforesaid substation lot, a distance of 100 feet to the PLACE OF BEGINNING.

TRANSMISSION LINE EASEMENT

A TRANSMISSION LINE to be located on a strip of land 66 feet wide lying 33 feet on both sides of the hereinafter described center line:

BEGINNING on the northern limits of the Commissions aforesaid substation lot, covered by easement from Scott Maritimes Pulp Limited, dated May 21, 1968, recorded at Pictou in Book 532, at Page 131, at a point distant 30 feet, bearing South 80 degrees, 35 minutes East along said limits from the northwestern corner of said substation lot;

THENCE North 15 degrees, 47 minutes East, a distance of 320 feet, more or less, to an angle in said center line;

THENCE North 01 degrees, 46 minutes West, a distance of 2,040 feet, more or less, to an angle;

THENCE North 10 degrees, 34 minutes West, a distance of 548 feet, more or less, to a point marking an angle in said center line, said point being perpendicularly distant 33 feet northeasterly from the center line of the effluent disposal pipeline leading from the Pulp Mill at Abercrombie Point to Boat Harbour;

Thence North 39 degrees, 03 minutes West, parallel to said pipeline center line, a distance of 1,108 feet, more or less, to an angle;

THENCE South 66 degrees, 35 minutes West, a distance of 175 feet, more or less, to meet the northeastern boundary of lands of said Canso Chemicals Limited;

SAVING AND EXCEPTING those portions of the said strip as lie within the limits of the public highway and within the boundaries of lands of Peter Sinclair, now owned by Kimberly-Clark Inc.;

TO HAVE AND TO HOLD the said privileges, rights, easements and licence hereby granted unto the said Commission, its successors or assigns forever;

BEING AND INTENDED to be easements granted by Scott Maritimes Pulp Limited to Nova Scotia Power Commission by Indenture dated May 9, 1969 and recorded in the Registry of Deeds, Pictou on June 8, 1970 in Book 569, at Page 191 and as depicted on Registry Plan No. 77, File 19 on file at the same Registry.

PID#: 01045442

Beginning at the point of intersection of the Northwesterly boundary of the Canadian National Railways right of way with the Northerly boundary of the Granton-Abercrombie road connector

and 100 feet perpendicularly distant from the centre line of construction thereof;

Thence in a Westerly direction following the boundary of the aforesaid connector and parallel to the said centre line a distance of 80 feet, more or less, or until it meets the Easterly boundary of the Access Road to Scott Maritimes Pulp mill and 50 feet perpendicularly distant from the centre line of construction thereof;

Thence following a course of North 04 degrees, 17.5 minutes East along the boundary of the aforesaid Access Road and parallel to the said centre line, a distance of 1047 feet, more or less, or until it meets the boundary between lands of Her Majesty the Queen and the lands of Scott Maritimes Pulp Limited;

Thence following a course of South 39 degrees, 07 minutes East, along the alignment of the last mentioned boundary, a distance of 568 feet, more or less, or until it meets the Northwestern boundary of the Canadian National Railways right of way;

Thence following a course of South 40 degrees, 49.5 minutes West along the boundary of the aforesaid right of way, a distance of 695 feet, more or less, to the point of beginning;

Containing 5.24 acres, more or less;

Subject to a utility interest of Nova Scotia Power Commission as described in document number 1046 at Book 532, Page 131 registered June 10, 1968;

The subdivision is validated by Section 291 of the Municipal Government Act.

PID#: 20451761

ALL AND SINGULAR THAT CERTAIN PARCEL OF LAND situate, lying and being at East Mines in the County of Colchester, more particularly described as follows;

Beginning at a survey marker Sn165, located on the Northeastern boundary of the Canadian National Railway and also being the Northwestern corner of lands now or formerly of the Nova Scotia Farm Loan Board, and also being 83 degrees, 45 minutes, 26 seconds, a tie distance of 362.27 metres from Nova Scotia Control Monument 12832;

Thence 75 degrees, 18 minutes, 13 seconds along the Northern boundary of Nova Scotia Farm Loan Board lands a distance of 336.365 metres to point of intersection with a private access road leading to the Plains Road,

Thence 159 degrees, 53 minutes, 13 seconds, along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 204.186 metres to a point;

Thence 138 degrees, 38 minutes, 13 seconds, continuing along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 101.188 metres to a point;

Thence 165 degrees, 18 minutes, 13 seconds, continuing along the Eastern boundary of Nova Scotia Farm Loan Board lands a distance of 89.319 metres to a point of intersection with the Northern boundary of the Plains Road;

Thence 78 degrees, 17 minutes, 57 seconds, along the Northern boundary of the said road a

distance of 18.280 metres to a point, said point also being the Southwestern corner of other lands now or formerly of the Nova Scotia Farm Loan Board;

Thence 345 degrees, 18 minutes, 13 seconds, along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 92.940 metres to a point;

Thence 318 degrees, 38 minutes, 13 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 101.791 metres to a point;

Thence 339 degrees, 53 minutes, 13 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands a distance of 200.967 metres to a Post and Stones S164;

Thence 339 degrees, 01 minutes, 44 seconds, continuing along the Western boundary of other Nova Scotia Farm Loan Board lands, a distance of 99.593 metres to Post and Stones S163;

Thence 74 degrees, 58 minutes, 04 seconds, along the Northern boundary of other Nova Scotia Farm Loan Board lands, a distance of 207.896 metres to Post and Stones S162;

Thence 344 degrees, 42 minutes, 52 seconds, along the Western boundary of lands now or formerly of Carl and Marion Esau, a distance of 838.761 metres to Post and Stones Sn232;

Thence 82 degrees, 19 minutes, 01 seconds, along the Northern boundary of Esau lands and lands now or formerly of Charles and Ardith King, a distance of 576.020 metres to Post and Stones Sn231, and also being the Southwestern corner of lands now or formerly of Kevin and Tracy Bigney;

Thence 345 degrees, 25 minutes, 40 seconds, along the Western boundary of Bigney lands, a distance of 190 metres, more or less, to a point of intersection with the Ordinary High Water Mark of the Southern boundary of a small brook;

Thence following along the Southern boundary of said brook, in a Westerly direction to a point of intersection with the Ordinary High Water Mark of the Eastern boundary of the Folly River;

Thence following along the Eastern boundary of the Folly River in a Southerly direction, a distance of 75 metres, more or less, to survey marker S4044 and being the Northwestern corner of lands now or formerly of Glendon R. Light ;

Thence 81 degrees, 30 minutes, 00 seconds, along the Northern boundary of Light lands, a distance of 296.675 metres to survey marker S4043 and being the Northeastern corner of Light lands.

Thence 162 degrees, 14 minutes, 03 seconds, along the Eastern boundary of Light lands a distance of 608.953 metres to a Post and Stones Sn234 located on the Northeastern boundary of the Canadian National Railway;

Thence following along the Northeastern boundary of the Canadian National Railway in a Southeasterly direction to Survey Marker S165 and being 129 degrees, 11 minutes, 08 seconds, a tie distance of 561.336 metres from last mentioned Post and Stones Sn234, and also being the Point of Beginning;

A plot of land containing 266.3 acres, more or less;

All azimuths are grid derived from the Nova Scotia Control Monument System referenced to the Nova Scotia 3 degrees Transverse Mercator Projection, Zone 5, Central Meridian at 64 degrees, 30 minutes West, unless noted in the description herein.

The parcel is exempt from the subdivision provisions of Part IX of the Municipal Government Act because all lots being created, including the remainder lot, exceed 10 hectares in area as per Section 268 (2)(a) of the Municipal Government Act.

PID#: 65076358

ALL AND SINGULAR THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the South-west by the East boundary of Highway No. 106, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being land over which the Old Granton Road was constructed and shown on plan no. A.F.E. 17-5-380-138-66 showing the property required for the Begg Brook Interchange as prepared by the Department of Highways for the Province of Nova Scotia and dated January 17, 1967, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly of Henry I. W. Bigney, now Kimberly-Clark Nova Scotia and the East boundary of said Highway No. 106, which point being Northerly a distance of 2041 feet, more or less, from the point of intersection of the East boundary of said Highway with the Northerly boundary of land of the Canadian National Railway, said point of beginning also being 100 feet perpendicular distance from the center line of said Highway No. 106 and 33 feet perpendicular distance from the center line of the Old Granton Road;

THENCE in a Northerly direction, parallel to and 33 feet perpendicular distance from the center line of the said Old Granton Road, a distance of 924 feet, more or less, or until it meets the boundary between land formerly of Henry I. W. Bigney, now of Kimberly-Clark Nova Scotia and land formerly of Scott Maritimes Pulp Limited, now also of Kimberly-Clark Nova Scotia;

THENCE North 38 degrees, 45 minutes West, a distance of 66 feet, more or less, or until it meets the North-west boundary of the aforesaid Old Granton Road and a South-east boundary of land of Kimberly-Clark Nova Scotia and 33 feet perpendicular distance from the center line of said Road;

THENCE in a Southwesterly direction, parallel to and 33 feet perpendicular distance from the center line of the said Old Granton Road, a distance of 850 feet, more or less, to a point in the East boundary of Highway No. 106, said point being 100 feet perpendicular distance from the center line of said Highway;

THENCE South 03 degrees, 50 minutes West, parallel to and 100 feet perpendicular distance from the center line of said Highway No. 106, a distance of 106 feet, more or less, to the POINT OF BEGINNING;

AN AREA CONTAINING 1.4 acres, more or less;

BEING AND INTENDED TO BE all of the Old Granton Road lying Northeast of Highway No. 106;

ALSO BEING AND INTENDED TO BE PARCEL 1 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated the 24th day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

PID#: 65076366

ALL AND SINGULAR THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the South by the North boundary of the existing Abercrombie Road, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being land over which the access road to the Kimberly-Clark Nova Scotia pulp mill is constructed and shown on plan no. A.F.E. 17-5-380-138-66 showing the property required for the Begg Brook Interchange as prepared by the Department of Highways for the Province of Nova Scotia and dated January 17, 1967, said parcel being more particularly described as follows:

BEGINNING at the intersection of the West boundary of the said access road to land of Kimberly-Clark Nova Scotia and the North boundary of a diversion to the Abercrombie Road, which point being Easterly a distance of 190 feet, more or less, from the point of intersection of the Easterly boundary of Begg Brook, at the mean high water mark, with the Northerly boundary of the said diversion to the Abercrombie Road, said point of beginning also being 100 feet perpendicular distance from the center line of the said diversion;

THENCE in a Northerly direction, parallel to and 50 feet perpendicular distance from the center line of the said access road, a distance of 1160 feet, more or less, or until it meets the boundary between land formerly of Henry I. W. Bigney, now of Kimberly-Clark Nova Scotia and land formerly of Scott Maritimes Pulp Limited, now also of Kimberly-Clark Nova Scotia;

THENCE in a Southeasterly direction, following the alignment of the last mentioned boundary, a distance of 150 feet, more or less, or until it meets the Easterly boundary of the aforesaid access road to land of Kimberly-Clark Nova Scotia and 50 feet perpendicular distance from the center line thereof;

THENCE in a Southwesterly direction, parallel to and 50 feet perpendicular distance from the center line of the said access road, a distance of 1045 feet, more or less, or until it meets the abovementioned Northerly boundary of a diversion to the Abercrombie Road and 100 feet perpendicular distance from the center line of same;

THENCE in a Westerly direction, parallel to and 100 feet perpendicular distance from the center line of said diversion, a distance of 106 feet, to the POINT OF BEGINNING;

AN AREA CONTAINING 2.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Her Majesty The Queen, in the Right of Her Province of Nova Scotia, from Henry I. W. Bigney and Mabel G. Bigney by an Instrument of Expropriation prepared under the provisions of the Expropriation Act and dated January 31, 1967 and recorded in the Office of the Registrar of Deeds for Pictou County on February 6, 1967 as File 14, No. 43;

ALSO BEING AND INTENDED TO BE PARCEL 2 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated the 24th day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

PID# 65076374

BEGINNING at the intersection of the Eastern boundary of lands formerly of the Intercolonial Coal Company and the South West boundary of lands formerly of Scott Maritimes Pulp Ltd., now Northern Pulp Nova Scotia Corporation;

THENCE South 39 degrees, 07 minutes East (Magnetic 1965), distance of 615 feet, more or less, along the South West boundary of the above mentioned lands to a point;

THENCE following a course of South 10 degrees, 17 minutes West (Magnetic 1965), a distance of 215 feet, more or less, or until it meets the North Easterly boundary of the Granton-Abercrombie Connector and 125 feet perpendicularly distant from the centre line of construction thereof;

THENCE in a North Westerly direction, following the boundary of the aforesaid Connector and parallel to the centerline, a distance of 503 feet, more or less, to the South East boundary of land formerly of the Intercolonial Coal Company;

THENCE Northerly a distance of 480 feet, more or less, along the East boundary of land formerly of the Intercolonial Coal Company to the Point of Beginning.

An area containing 3.6 acres, more or less.

SUBJECT TO A UTILITY EASEMENT in favour of the Nova Scotia Power Commission as described in Document Number 1046 recorded June 10, 1968 at the Pictou Registry of Deeds in Book 532 at Page 131.

The parcel complies with the subdivision provisions of Part IX of the Municipal Government Act.

PID# 65076382

ALL THAT CERTAIN LOT, piece or parcel of land, situate, lying and being bounded on the Southwest by the Eastern boundary of Highway No. 106, at Abercrombie, County of Pictou and Province of Nova Scotia, said parcel being portion of the land expropriated from Naiff Harris, said parcel being more particularly described as follows:

BEGINNING at the intersection of the Eastern boundary of Highway No. 106 and the Northwestern boundary of the North Granton Road, said point being a perpendicular distance of 33 feet Northerly from the centre line of the said Old Granton Road;

THENCE in a Northerly direction parallel to and 100 feet perpendicular distant Easterly from the centre line of Highway No. 106, a distance of 34 feet, more or less, to the Northwestern boundary of lands expropriated from Naiff Harris;

THENCE North 65 degrees, 55 minutes East, along the said Northern boundary, a distance of 70 feet, more or less, to a point, said point being on the Northwestern boundary of the Old Granton Road;

THENCE in a Southwesterly direction along the Northern boundary of said Old Granton Road, a distance of 96 feet, more or less, to the POINT OF BEGINNING;

CONTAINING an area of 0.02 acres, more or less;

BEING AND INTENDED TO BE all that portion of the land expropriated from Naiff Harris that lies North-east of the said Highway No. 106;

ALSO BEING AND INTENDED TO BE PARCEL 4 in a conveyance from Her Majesty The Queen in the Right of Her Province of Nova Scotia to Kimberly-Clark Inc. by an Indenture dated the 24th day of June A.D., 1999 and recorded in the Office of the Registrar of Deeds for Pictou County on July 20, 1999 in Book 1316, at Page 620 as Document No. 3185, also see sketch attached to recorded document.

PID#: 65166829

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the North-east by the South-west boundary of the Granton Road at Abercrombie, in the County of Pictou, Province of Nova Scotia, said lot being more particularly described as follows:

BEGINNING at the intersection of a North boundary of land of The Nova Scotia Power Corporation and the South boundary of the said Granton Road;

THENCE South 75 degrees, 40 minutes, 33 seconds West (Grid), a distance of 75 feet, more or less, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE continuing, in the same direction, a distance of 908.0 feet, along the North boundary of land of the said Nova Scotia Power Corporation, to a survey marker;

THENCE North 12 degrees, 24 minutes East (Grid), a distance of 925 feet, more or less, along the East boundary of land of others, to the South boundary of the said Granton Road;

THENCE Northerly, Easterly and Northerly, a distance of 1500 feet, more or less, along the boundary of the said Granton Road, to the POINT OF BEGINNING;

AN AREA containing 11 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529, at Page 105;

PID#: 65166837

ALL AND SINGULAR that certain lot, piece or parcel of land situate, lying and being bounded on the East by the West boundary of Highway No. 106 and bounded on the West by the ordinary high water mark of the Middle River, in Abercrombie, in the County of Pictou and Province of Nova Scotia, said parcel being more particularly described as follows:

BEGINNING at the intersection of the North-west boundary of land formerly owned or occupied by Naiff Harris, now owned by Her Majesty The Queen in the Right of the Province of Nova Scotia and the West boundary of Highway No. 106;

THENCE South 65 degrees, 55 minutes West (Magnetic 1965), a distance of 200 feet, more or less, along the said North-west boundary of land formerly of Naiff Harris, to the mean high water mark of the Middle River;

THENCE Northerly and Easterly, a distance of 1200 feet, more or less, along the said mean high water mark of the Middle River, to the intersection with the West boundary of Highway No. 106;

THENCE Southerly, along the West boundary of the said Highway No. 106, to the POINT OF BEGINNING;

AN AREA containing 5.5 acres, more or less;

BEING AND INTENDED to be portion of the land as acquired by Scott Maritimes Pulp Limited from Scott Paper Company by Deed dated December 21, 1967 and recorded at the Registry of Deeds, Pictou, on December 29, 1967 in Book 529 at Page 105;

PID#: 65168130

All and Singular that certain lot, piece or parcel of land, situate, lying and being bounded on the South by the North boundary of the existing diversion to the Abercrombie Road, in Abercrombie, in the County of Pictou, Province of Nova Scotia, said parcel being the land over which the old railway formerly owned by the Intercolonial Coal Company was constructed and shown partially on plan No. A.F.E. 17-5-380-138-66, showing the property required for the Begg Brook Interchange, as prepared by the Department of Highways for the Province of Nova Scotia, and dated January 17th, 1967 and being expropriated by an instrument for same dated August 11, 1969 and recorded in the Office of the Registrar of deeds for Pictou County on August 13th, 1969 in File 16 as No. 56, said parcel being more particularly described as follows:

Beginning at the intersection of the Southeast boundary of land as conveyed by Henry I. W. Bigney and Mabel G. Bigney to Her Majesty the Queen, in the Right of Canada for the use of the Canadian Government Railways (Book 493, Page 26) and a Southwest boundary of land formerly of Scott Maritimes Pulp Limited, now Neenah Paper Company of Canada, said point of intersection being South 62 degrees, 35 minutes, 56 seconds East (Astronomic), a distance of 106.6 feet from the intersection of the Northwest boundary of said Railway land and the said boundary of land of Neenah Paper Company of Canada;

Thence South 62 degrees, 35 minutes, 56 seconds East (Astronomic), a distance of 37 feet, more or less, along the said Southwest boundary of land formerly of Scott Maritimes Pulp Limited, now of Neenah Paper Company of Canada, to the East boundary of land formerly of the Intercolonial Coal Company;

Thence Southerly, along a Western boundary of land formerly of Henry T. W. Bigney, now of Neenah Paper Company of Canada, a distance of 480 feet, more or less, or until it meets the North boundary of the abovementioned diversion to the Abercrombie Road, said point being 125 feet perpendicular distance from center line of same;

Thence in a Westerly direction, parallel to and 125 feet perpendicular distance from the center line of the said diversion to the Abercrombie Road, on the arc of a curve to the left, a distance of 65 feet, more or less, to a point of curvature;

Thence South 00 degrees, 10 minutes West (Magnetic 1965), a distance of 25 feet, along a West boundary of the said diversion to the Abercrombie Road, to a point, said point being 100 feet perpendicular distance from the center line of said diversion;

Thence North 89 degrees, 50 minutes West (Magnetic 1965), parallel to and 100 feet perpendicular distance from the center line of said diversion, a distance of 40 feet, more or less, to the West boundary of land formerly of the said Intercolonial Coal Company and an East boundary of land formerly of the said Henry I. W. Bigney and Mabel Bigney;

Thence North 09 degrees, 04 minutes East (Magnetic 1965) a distance of 290 feet, more or less, along the West boundary of the former Coal Company land and the East boundary of land formerly of the said Bigneys to a point in the Southeast boundary of land of Her Majesty the Queen, in the right of Canada as occupied by the Canadian National Railway;

Thence North 07 degrees, 09 minutes, 24 seconds East (Astronomic), a distance of 263.45 feet, along the Southeast boundary of the said land of Her Majesty the Queen, to the Point of Beginning;

An Area containing 0.5 acres, more or less;

Being and Intended to be all of the land formerly owned by the Intercolonial Coal Company which adjoined land recently owned by Henry I. W. Bigney and Mabel Bigney;

Subject to a utility interest of Nova Scotia Power Commission as described in document number 1046 at Book 532, Page 131 registered June 10, 1968;

The subdivision is validated by Section 291 of the Municipal Government Act.

PID#: 65168148

BEGINNING at the point of intersection of the Northerly boundary of the Granton- Abercrombie Connector with the South Easterly boundary of the Canadian National Railways right of way;

THENCE following a course of North 40 degrees, 49.5 minutes East (Magnetic 1965), along the boundary of the aforesaid right of way, a GIS calculated distance of 333 ft, more or less, to a point;

THENCE South 09 degrees, 04 minutes East (Magnetic 1965), a distance of 290 ft more or less, along the Western boundary of the former Intercolonial Coal Company lands, to a point on the North boundary of the Granton-Abercrombie Connector, said point being a 100ft

perpendicular distance from the center line of the above mentioned road;

THENCE Westerly along the Northern boundary of the Granton-Abercrombie Connector a distance of 127 ft, more or less, to the Point of Beginning.

An area containing 0.40 acres, more or less.

The parcel complies with the subdivision provisions of Part IX of the Municipal Government Act.

PID#: 65168163

All that certain lot, piece or parcel of land situate lying and being at or near the District of Granton, County of Pictou, Province of Nova Scotia, described as follows:

Beginning at the point of intersection of the Southeastern boundary of the original road leading from Granton to Abercrombie with the boundary between the lands of Her Majesty the Queen under the administration and control of the Department of Lands and Forests and the lands now or formerly of Scott Maritimes Pulp Limited;

Thence following a course of South 39 degrees, 07 minutes East, along the alignment of the last mentioned boundary, a distance of 475 feet, more or less, or until it meets the Westerly boundary of an access road to the Scott Maritimes Pulp Mill and 50 feet perpendicularly distant from the centre line of construction thereof;

Thence following a course of South 04 degrees, 17.5 minutes West along the boundary of the aforesaid access road and parallel to the said centre line, a distance of 1162 feet, more or less, or until it meets the Northerly boundary of the Granton-Abercrombie Road connector and 100 feet perpendicularly distant from the centre line of construction thereof.

Thence following a course of North 89 degrees, 50 minutes West along the boundary of the last mentioned connector, a distance of 190 feet, more or less, or until it meets the Easterly margin of Begg Brook;

Thence in a Northerly, Northeasterly, Northwester, Westerly and Southwesterly direction following the various windings of the margin of the aforesaid brook, a distance of 1625 feet, more or less, or until it meets the Northeasterly boundary of the Begg Brook interchange.

Thence following a course of North 41 degrees, 10 minutes West, along the boundary of the aforesaid interchange, a distance of 48 feet, more or less, or until it meets the Easterly boundary of Trunk Highway #106 and 100 feet perpendicularly distant from the centre line of construction thereof;

Thence in a Northeasterly direction following the boundary of the aforesaid highway and parallel to the said centre line a distance of 330 feet, more or less, or until it meets the Southeasterly boundary of the original Granton-Abercrombie road and 33 feet perpendicularly distant from the centre line thereof;

Thence in a Northeasterly direction following the boundary of the aforesaid original road and parallel to centre line thereof, a distance of 924 feet, more or less, to the point of beginning;

Containing 16.92 acres, more or less;

Subject to a utility interest of Nova Scotia Power Commission as described in document number 1046 at Book 532, Page 131 registered June 10, 1968;

The subdivision is validated by Section 291 of the Municipal Government Act.

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Statement of Registered and Recorded Interests

Land Registration Date/Time: 2004-06-04 12:07:58
 Date/Time of Issuance of SRI: 2009-04-16 09:04:23
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 864082

Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90966525 2008-06-24 18:14:24
 Instrument Type: DEED
 Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

BURDENS ON THE REGISTERED INTERESTS:

Interest Holder Name: NOVA SCOTIA POWER COMMISSION
 Qualifier:
 Interest Type: EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
 Document Reference: 0 1965-01-01 00:00:00
 490 - 34
 Instrument Type: EASEMENT/RIGHT OF WAY
 Address of Interest Holder: HALIFAX NS CA
 Interest Holder Name: MARITIME TELEGRAPH & TELEPHONE COMPANY
 LIMITED
 Qualifier:
 Interest Type: EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
 Document Reference: 0 1952-03-25 00:00:00

*Indicates Parcel Register changes in process

Instrument Type: 240 - 312
 Address of Interest Holder: EASEMENT/RIGHT OF WAY
 HALIFAX NS CA
 Interest Holder Name: NOVA SCOTIA POWER COMMISSION
 Qualifier:
 Interest Type: EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
 Document Reference: 0 1970-01-01 00:00:00
 569 - 192
 Instrument Type: EASEMENT/RIGHT OF WAY
 Address of Interest Holder: HALIFAX NS CA

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
 Qualifier:
 Interest Type: MORTGAGEE
 Document Reference: 91026550 2008-07-02 17:47:05
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA
 Qualifier:
 Interest Type: MORTGAGEE
 Document Reference: 93158666 2009-04-15 10:12:22
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: CENTENNIAL BUILDING
 1660 HOLLIS ST SUITE 600
 POST OFFICE BOX 2311 HALIFAX
 HALIFAX NS CA
 B3J 3C8

NON-ENABLING INSTRUMENTS:

*Indicates Parcel Register changes in process

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2004-07-13 11:00:05
 Date/Time of Issuance of SRI: 2009-04-16 09:04:27
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 864538
 Civic Address and Lot Number: 118 SCALEHOUSE ROAD ABERCROMBIE
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90966525 2008-06-24 18:14:24
 Instrument Type: DEED
 Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

BURDENS ON THE REGISTERED INTERESTS:

Interest Holder Name: CANSO CHEMICALS LTD.
 Qualifier:
 Interest Type: EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
 Document Reference: 2460 1972-08-01 00:00:00
 602 - 171
 Instrument Type: DEED
 Address of Interest Holder: NEW GLASGOW NS CA
 Interest Holder Name: PID 00864587
 Qualifier:
 Interest Type: EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
 Document Reference: 2627 1968-12-10 00:00:00
 538 - 354

*Indicates Parcel Register changes in process

Instrument Type:	DEED
Address of Interest Holder:	ABERCROMBIE NS CA
Interest Holder Name:	NOVA SCOTIA POWER COMMISSION
Qualifier:	
Interest Type:	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
Document Reference:	1046-1968-06-10 00:00:00
	532 - 131
Instrument Type:	EASEMENT/RIGHT OF WAY
Address of Interest Holder:	HALIFAX NS CA
Interest Holder Name:	NOVA SCOTIA POWER COMMISSION
Qualifier:	
Interest Type:	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
Document Reference:	2275-1965-11-22 00:00:00
	490 - 33
Instrument Type:	EASEMENT/RIGHT OF WAY
Address of Interest Holder:	HALIFAX NS CA
Interest Holder Name:	NOVA SCOTIA POWER COMMISSION
Qualifier:	
Interest Type:	EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
Document Reference:	1132-1970-06-08 00:00:00
	569 - 191
Instrument Type:	EASEMENT/RIGHT OF WAY
Address of Interest Holder:	HALIFAX NS CA

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name:	AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
Qualifier:	
Interest Type:	MORTGAGEE
Document Reference:	91026550-2008-07-02 17:47:05
Instrument Type:	MORTGAGE
Expiry Date:	
Address of Interest Holder:	1959 UPPER WATER ST SUITE 900 HALIFAX NS CA B3J 2X2
Interest Holder Name:	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA
Qualifier:	
Interest Type:	MORTGAGEE
Document Reference:	93158666-2009-04-15 10:12:22
Instrument Type:	MORTGAGE
Expiry Date:	
Address of Interest Holder:	CENTENNIAL BUILDING 1660 HOLLIS ST SUITE 600

*Indicates Parcel Register changes in process

POST OFFICE BOX 2311 HALIFAX
HALIFAX NS CA
B3J 3C8

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

*Indicates Parcel Register changes in process

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2005-03-29 17:03:42
 Date/Time of Issuance of SRI: 2009-04-16 09:04:31
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: J4088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 1045442
 Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE LOT 2
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PRIVATE (BY GRANT)

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90966517 2008-06-24 18:12:05
 Instrument Type: DEED
 Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

BURDENS ON THE REGISTERED INTERESTS:

Interest Holder Name: NOVA SCOTIA POWER INC
 Qualifier:
 Interest Type: EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
 Document Reference: 1046 1968-06-10 00:00:00
 532 - 131
 Instrument Type: EASEMENT/RIGHT OF WAY
 Address of Interest Holder: HALIFAX NS CA

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA

*Indicates Parcel Register changes in process

Qualifier:		
Interest Type:	MORTGAGEE	
Document Reference:	93158666	2009-04-15 10:12:22
Instrument Type:	MORTGAGE	
Expiry Date:		
Address of Interest Holder:	CENTENNIAL BUILDING 1660 HOLLIS ST SUITE 600 POST OFFICE BOX 2311 HALIFAX HALIFAX NS CA B3J 3C8	
Interest Holder Name:	AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION	
Qualifier:		
Interest Type:	MORTGAGEE	
Document Reference:	91026550	2008-07-02 17:47:05
Instrument Type:	MORTGAGE	
Expiry Date:		
Address of Interest Holder:	1959 UPPER WATER ST SUITE 900 HALIFAX NS CA B3J 2X2	

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2004-07-09 13:18:03
 Date/Time of Issuance of SRI: 2009-04-16 09:04:34
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VII

PARCEL INFORMATION:

Parcel Identification Number (PID): 65076358
 Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE
 PARCEL 1
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90966517 2008-06-24 18:12:05
 Instrument Type: DEED
 Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA
 Qualifier:
 Interest Type: MORTGAGEE
 Document Reference: 93158666 2009-04-15 10:12:22
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: CENTENNIAL BUILDING
 1660 HOLLIS ST SUITE 600
 POST OFFICE BOX 2311 HALIFAX
 HALIFAX NS CA

*Indicates Parcel Register changes in process

B3J 3C8

Interest Holder Name: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
 Qualifier:
 Interest Type: MORTGAGEE

Document Reference: 91026550 2008-07-02 17:47:05
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

*Indicates Parcel Register changes in process

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2004-07-09 13:16:42
 Date/Time of Issuance of SRI: 2009-04-16 09:04:37
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 65076366

Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE
 PARCEL 2

Condominium Corp. Number:

General Location of the Parcel: ABERCROMBIE

Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION

Qualifier:

Interest Type: FEE SIMPLE

Document Reference: 90966517 2008-06-24 18:12:05

Instrument Type: DEED

Address of Owner: 1959 UPPER WATER ST SUITE 900

HALIFAX NS CA

B3J 2X2

Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE

Description of Tenure:

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA

Qualifier:

Interest Type: MORTGAGEE

Document Reference: 93158666 2009-04-15 10:12:22

Instrument Type: MORTGAGE

Expiry Date:

Address of Interest Holder: CENTENNIAL BUILDING
 1660 HOLLIS ST SUITE 600
 POST OFFICE BOX 2311 HALIFAX
 HALIFAX NS CA

*Indicates Parcel Register changes in process

B3J 3C8

Interest Holder Name: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
 Qualifier:
 Interest Type: MORTGAGEE

Document Reference: 91026550 2008-07-02 17:47:05
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2009-03-20 20:01:53
 Date/Time of Issuance of SRI: 2009-04-16 09:04:39
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 65076374
 Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 93029016 2009-03-25 17:32:03
 Instrument Type: DEED
 Address of Owner: POST OFFICE BOX 549 MAIN
 NEW GLASGOW NS CA
 B2H 5E8
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

BURDENS ON THE REGISTERED INTERESTS:

Interest Holder Name: NOVA SCOTIA POWER INC
 Qualifier:
 Interest Type: EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
 Document Reference: 1046 1968-06-10 00:00:00
 532 - 131
 Instrument Type: EASEMENT/RIGHT OF WAY
 Address of Interest Holder: POST OFFICE BOX 910
 HALIFAX NS CA
 B3J 2W5

RECORDED INTERESTS AND INSTRUMENTS:

*Indicates Parcel Register changes in process

Interest Holder Name:	AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION	
Qualifier:		
Interest Type:	MORTGAGEE	
Document Reference:	93029032	2009-03-25 17:33:18
Instrument Type:	MORTGAGE	
Expiry Date:		
Address of Interest Holder:	1959 UPPER WATER ST SUITE 900 HALIFAX NS CA B3J 2X2	
Interest Holder Name:	HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA	
Qualifier:		
Interest Type:	MORTGAGEE	
Document Reference:	93158666	2009-04-15 10:12:22
Instrument Type:	MORTGAGE	
Expiry Date:		
Address of Interest Holder:	CENTENNIAL BUILDING 1660 HOLLIS ST SUITE 600 POST OFFICE BOX 2311 HALIFAX HALIFAX NS CA B3J 3C8	

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2004-07-09 12:55:08
 Date/Time of Issuance of SRI: 2009-04-16 09:04:43
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 65076382

Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE
 PARCEL 4

Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90966517 2008-06-24 18:12:05
 Instrument Type: DEED
 Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE

Description of Tenure:

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA
 Qualifier:
 Interest Type: MORTGAGEE
 Document Reference: 93158666 2009-04-15 10:12:22
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: CENTENNIAL BUILDING
 1660 HOLLIS ST SUITE 600
 POST OFFICE BOX 2311 HALIFAX
 HALIFAX NS CA

*Indicates Parcel Register changes in process

B3J 3C8

Interest Holder Name: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
 Qualifier:
 Interest Type: MORTGAGEE

Document Reference: 91026550 2008-07-02 17:47:05
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

*Indicates Parcel Register changes in process

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2004-07-12 16:19:31
 Date/Time of Issuance of SRL: 2009-04-16 09:04:45
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 65166829
 Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90966525 2008-06-24 18:14:24
 Instrument Type: DEED
 Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA
 Qualifier:
 Interest Type: MORTGAGEE
 Document Reference: 93158666 2009-04-15 10:12:22
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: CENTENNIAL BUILDING
 1660 HOLLIS ST SUITE 600
 POST OFFICE BOX 2311 HALIFAX
 HALIFAX NS CA

*Indicates Parcel Register changes in process

B3J 3C8

Interest Holder Name: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
 Qualifier:
 Interest Type: MORTGAGEE

Document Reference: 91026550 2008-07-02 17:47:05
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2004-07-12 16:20:57
 Date/Time of Issuance of SRI: 2009-04-16 09:04:48
 Date/Time of Parcel Register Update: 2009-04-16 09:04:11

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 65166837
 Civic Address and Lot Number: NO 106 HIGHWAY ABERCROMBIE
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90966525 2008-06-24 18:14:24
 Instrument Type: DEED
 Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA
 Qualifier:
 Interest Type: MORTGAGEE
 Document Reference: 93158666 2009-04-15 10:12:22
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: CENTENNIAL BUILDING
 1660 HOLLIS ST SUITE 600
 POST OFFICE BOX 2311 HALIFAX
 HALIFAX NS CA

*Indicates Parcel Register changes in process

B3J 3C8

Interest Holder Name: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
 Qualifier:
 Interest Type: MORTGAGEE

Document Reference: 91026576 2008-07-02 17:50:10
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2005-03-29 17:05:59
 Date/Time of Issuance of SRI: 2009-04-16 09:34:31
 Date/Time of Parcel Register Update: 2009-04-16 09:34:08

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VII

PARCEL INFORMATION:

Parcel Identification Number (PID): 65168130

Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE
 PARCEL 3

Condominium Corp. Number:

General Location of the Parcel: ABERCROMBIE

Parcel Access Type: NO ACCESS

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION

Qualifier:

Interest Type: FEE SIMPLE

Document Reference: 90966517 2008-06-24 18:12:05

Instrument Type: DEED

Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2

Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE

Description of Tenure:

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA

Qualifier:

Interest Type: MORTGAGEE

Document Reference: 93158773 2009-04-15 10:23:26

Instrument Type: MORTGAGE

Expiry Date:

Address of Interest Holder: CENTENNIAL BUILDING
 1600 HOLLIS ST SUITE 600
 POST OFFICE BOX 2311 HALIFAX
 HALIFAX NS CA

*Indicates Parcel Register changes in process

B3J 3C8

Interest Holder Name: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
 Qualifier:
 Interest Type: MORTGAGEE

Document Reference: 91026550 2008-07-02 17:47:05
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2009-03-20 19:57:52
 Date/Time of Issuance of SRI: 2009-04-16 09:34:35
 Date/Time of Parcel Register Update: 2009-04-16 09:34:08

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 65168148

Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 93029016 2009-03-25 17:32:03
 Instrument Type: DEED
 Address of Owner: POST OFFICE BOX 549 MAIN
 NEW GLASGOW NS CA
 B2H 5E8
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION
 Qualifier:
 Interest Type: MORTGAGEE
 Document Reference: 93029032 2009-03-25 17:33:18
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE

*Indicates Parcel Register changes in process

Qualifier:	OF NOVA SCOTIA	
Interest Type:	MORTGAGEE	
Document Reference:	93158773	2009-04-15 10:23:26
Instrument Type:	MORTGAGE	
Expiry Date:		
Address of Interest Holder:	CENTENNIAL BUILDING 1600 HOLLIS ST SUITE 600 POST OFFICE BOX 2311 HALIFAX HALIFAX NS CA B3J 3C8	

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

*Indicates Parcel Register changes in process

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2005-03-29 16:58:11
 Date/Time of Issuance of SRI: 2009-04-16 09:34:38
 Date/Time of Parcel Register Update: 2009-04-16 09:34:08

Registration District: PICTOU COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 65168163

Civic Address and Lot Number: GRANTON ABERCROMBIE ROAD ABERCROMBIE LOT 1
 Condominium Corp. Number:
 General Location of the Parcel: ABERCROMBIE
 Parcel Access Type: PRIVATE (BY GRANT)

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90966517 2008-06-24 18:12:05
 Instrument Type: DEED
 Address of Owner: 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

BURDENS ON THE REGISTERED INTERESTS:

Interest Holder Name: NOVA SCOTIA POWER INC
 Qualifier:
 Interest Type: EASEMENT / RIGHT OF WAY HOLDER (BURDEN)
 Document Reference: 1046 1968-06-10 00:00:00
 532 - 131
 Instrument Type: EASEMENT/RIGHT OF WAY
 Address of Interest Holder: HALIFAX NS CA

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA

*Indicates Parcel Register changes in process

Qualifier:		
Interest Type:	MORTGAGEE	
Document Reference:	93158773	2009-04-15 10:23:26
Instrument Type:	MORTGAGE	
Expiry Date:		
Address of Interest Holder:	CENTENNIAL BUILDING 1600 HOLLIS ST SUITE 600 POST OFFICE BOX 2311 HALIFAX HALIFAX NS CA B3J 3C8	
Interest Holder Name:	AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION	
Qualifier:		
Interest Type:	MORTGAGEE	
Document Reference:	91026550	2008-07-02 17:47:05
Instrument Type:	MORTGAGE	
Expiry Date:		
Address of Interest Holder:	1959 UPPER WATER ST SUITE 900 HALIFAX NS CA B3J 2X2	

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

*Indicates Parcel Register changes in process

Statement of Registered and Recorded Interests

Land Registration Date/Time: 2008-06-27 13:48:09
 Date/Time of Issuance of SRI: 2009-04-16 10:13:21
 Date/Time of Parcel Register Update: 2009-04-16 10:13:12

Registration District: COLCHESTER COUNTY
 User Reference: 14088-11-VH

PARCEL INFORMATION:

Parcel Identification Number (PID): 20451761
 Civic Address and Lot Number: 381 PLAINS ROAD DEBERT
 Condominium Corp. Number:
 General Location of the Parcel: DEBERT
 Parcel Access Type: PUBLIC

REGISTERED OWNER'S INFORMATION:

Owner Name: NORTHERN PULP NOVA SCOTIA CORPORATION
 Qualifier:
 Interest Type: FEE SIMPLE
 Document Reference: 90983264 2008-06-26 11:22:06
 Instrument Type: OWNER TRANSFERRING AND SUBDIVISION DOCUMENT
 Address of Owner: C/O STEWART MCKELVEY
 1959 UPPER WATER ST SUITE 900
 HALIFAX NS CA
 B3J 2X2
 Non-resident of Nova Scotia? NO

MANNER OF TENURE: NOT APPLICABLE
 Description of Tenure:

RECORDED INTERESTS AND INSTRUMENTS:

Interest Holder Name: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE
 OF NOVA SCOTIA
 Qualifier:
 Interest Type: MORTGAGEE
 Document Reference: 93158849 2009-04-15 10:29:04
 Instrument Type: MORTGAGE
 Expiry Date:
 Address of Interest Holder: CENTENNIAL BUILDING
 1660 HOLLIS ST SUITE 600
 POST OFFICE BOX 2311 HALIFAX

* Indicates Parcel Register changes in process.

	HALIFAX NS CA B3J 3C8	
Interest Holder Name:	AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION	
Qualifier:		
Interest Type:	MORTGAGEE	
Document Reference:	91026600	2008-07-02 17:52:36
Instrument Type:	MORTGAGE	
Expiry Date:		
Address of Interest Holder:	1959 UPPER WATER ST SUITE 900 HALIFAX NS CA B3J 2X2	

NON-ENABLING INSTRUMENTS:

QUALIFICATION:

The names lists for Tenant in Common interest holders that are not registered pursuant to the *Land Registration Act* have been obtained from Property Online and have not been searched for completeness or accuracy. No representations or opinions are made with respect to these Tenants in Common. The list of Tenants in Common not registered pursuant to the *Land Registration Act* cannot be relied upon as advice on the current state of title of those interests in the subject parcel. A search of the records at the appropriate Registry of Deeds office is required to determine the current owner(s) of the Tenants in Common not registered pursuant to the *Land Registration Act*.

This is Exhibit "Y" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.



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

THIS SECURITY AMENDING AGREEMENT made this 19th day of September, 2013.

BETWEEN:

NORTHERN PULP NOVA SCOTIA CORPORATION, a body corporate
(herein called the "Debtor"),

OF THE FIRST PART

AND:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA, as represented by the Minister of Economic and Rural Development and Tourism

(herein called the "Secured Party"),

OF THE SECOND PART

WHEREAS:

- A. The Debtor and the Secured Party entered into a loan agreement dated March 17, 2009 and accepted by the Debtor March 26, 2009 pursuant to which the Secured Party issued certain financial assistance to the Debtor (the "2009 Loan Agreement").
- B. By a Security Agreement dated the 14th day of April, 2009 (the "Security Agreement") the Debtor granted a security interest in the Collateral to the Secured Party.
- C. The Security Agreement secured all indebtedness, obligations and liabilities, now or hereafter existing owed by the Debtor to the Secured Party under the 2009 Loan Agreement.
- D. The Debtor and Secured Party entered into an amendment to the 2009 Loan Agreement by way of a letter of offer from the Secured Party to the Debtor dated April 19, 2013 and accepted by the Secured Party on April 30, 2013 (the "2009 Loan Amendment").
- E. The Secured Party has agreed to provide additional financial assistance to the Debtor further to two letters of offer dated April 19, 2013 and accepted by the Secured Party on April 30, 2013 (the "2013 Loan Agreements" and collectively with the 2009 Loan Agreement and the 2009 Loan Amendment, the "Loan Agreements")
- F. The Debtor and the Secured Party desire to amend the Security Agreement as hereinafter provided to secure indebtedness owed under the Loan Agreements.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the recitals herein, One Dollar (\$1.00) and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the Debtor hereby agrees with the Secured Party as follows:

1. All capitalized terms utilized in this Agreement shall, unless otherwise defined herein, have the meanings ascribed thereto in the Security Agreement.
2. All references to Sections in this Amending Agreement, unless otherwise stated, are to the relevant Sections in the Security Agreement.
3. Section 4.1 of the Security Agreement shall be deleted in its entirety and replaced with the following:

"This Security Agreement and the Security Interests are in addition to and not in substitution for any other mortgage, charge, assignment or security interest now or hereafter held by the Secured Party from the Debtor or from any other person whomsoever and shall be general and continuing security for the payment of all indebtedness and liability of the Debtor to the Secured Party (including interest thereon), present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all current or future advances and re-advances, pursuant to the investment incentive loans advanced by the Secured Party to the Debtor pursuant to the agreement between the Secured Party and the Debtor evidenced by a letter of offer from the Secured Party to the Debtor dated March 17, 2009 and accepted by the Debtor on March 26, 2009 and three agreements between the Secured Party and the Debtor evidenced by three letters of offer from the Secured Party to the Debtor each dated April 19, 2013 and accepted by the Debtor on April 30, 2013, as they may each subsequently be amended, restated or replaced from time to time (collectively the "Financing Agreement"), and for the performance of all obligations of the Debtor to the Secured Party contained in this Security Agreement and pursuant to the Financing Agreement (all of which indebtedness, liability and obligations are hereinafter collectively called "Obligations")."


4. The provisions contained in this Agreement shall be deemed to be amendments to the provisions of the Security Agreement to the extent necessary to give full and complete effect to the provisions herein contained, and this Agreement shall be supplemental to the Security Agreement and shall be read and construed therewith as if the Security Agreement and this Agreement and any other further amendments or supplements, constitute, respectively, but one document.
5. In all other respects, the other terms and conditions of the Security Agreement shall remain unchanged.

IN WITNESS WHEREOF the parties hereto have properly executed this Security Amending Agreement on the day and year first above written.


SIGNED, SEALED and DELIVERED in
the presence of:

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

Per:



Witness



Name: Donald J. Breen
Title: Vice President and Secretary

THIS SECURITY AGREEMENT is made the 14th day of April, 2009

BY:

NORTHERN PULP NOVA SCOTIA CORPORATION, a body corporate, incorporated under the laws of Nova Scotia (the "Debtor")

- in favour of -

HER MAJESTY THE QUEEN in Right of the Province of Nova Scotia as represented by the Minister of Economic Development (the "Secured Party")

1. SECURITY INTEREST

1.1 FOR VALUABLE CONSIDERATION the receipt and sufficiency whereof is hereby acknowledged by the Debtor, the Debtor hereby mortgages, charges, assigns and transfers to the Secured Party, and grants to the Secured Party a security interest in:

- (a) all the Debtor's right, title and interest in and to all now owned or held and after acquired or held personal property, assets and undertakings of the Debtor, of whatever nature or kind and all proceeds thereof and therefrom including, without limiting the generality of the foregoing:
 - (i) all equipment, including, without limiting the generality of the foregoing, machinery, tools, fixtures, furniture, furnishings, chattels, motor vehicles, vessels and other tangible personal property that is not Inventory, and all parts, components, attachments, accessories, accessions, replacements, substitutions, additions and improvements to any of the foregoing (all of which is collectively called the "Equipment");
 - (ii) all inventory, including, without limiting the generality of the foregoing, goods acquired or held for sale or lease or furnished or to be furnished under contracts of rental or service, all raw materials, work in process, finished goods, returned goods, repossessed goods, and all packaging materials, supplies and containers relating to or used or consumed in connection with any of the foregoing (all of which is collectively called the "Inventory");
 - (iii) all debts, accounts, claims, demands, money and choses in action which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor and all books, records, documents, papers and electronically recorded data recordings, evidencing or relating to such debts, accounts, claims, demands, money and choses in action or any part thereof (all of which is collectively called the "Accounts");

- (iv) all documents of title, chattel paper, instruments, securities and money, and all other goods of the Debtor that are not Equipment, Inventory or Accounts; and
- (v) all contractual rights, licenses and goodwill of the Debtor, all other choses in action of the Debtor of every kind which now are, or which may at any time hereafter be, due or owing to or owned by the Debtor, and all other intangible property of the Debtor which is not Accounts, chattel paper, instruments, documents of title, securities or money;
- (b) all of the Debtor's right, title and interest in and to all now owned or held and after acquired or held patents, trademarks, trade names, copyrights and technology, including processes, methods, inventions, technical information and know-how and other intellectual property, wherever located, and all improvements thereto, together with all title documents, instruments, records, data and other information of whatsoever nature or kind, however stored or recorded, and relating thereto.

all of which is hereinafter collectively called the "Collateral" and any reference in this Security Agreement to Collateral shall, unless the context otherwise requires, be deemed to be a reference to Collateral as a whole or any part thereof. The mortgages, charges, assignments and transfers and the security interests created pursuant to this Security Agreement are hereinafter collectively called the "Security Interests".

1.2 The last day of the term created by any lease or agreement therefor is hereby excepted out of any charge or security interest created by this Security Agreement but the Debtor shall stand possessed of the reversion thereby remaining upon trust to assign and dispose thereof to any third party as the Secured Party shall direct.

1.3 The Security Interests shall not apply to any consumer goods of the Debtor.

2. ATTACHMENT

2.1 The Debtor acknowledges that the Security Interests hereby created attach upon the execution of this Security Agreement or, in the case of any after acquired property, upon the acquisition thereof, that value has been given, and that the Debtor has, or in the case of any after acquired property will have upon its acquisition, rights in the Collateral.

3. PROHIBITIONS

3.1 Without the prior written consent of the Secured Party the Debtor will not, except as permitted pursuant to Article 9 hereof, create or permit to exist any security interest in, mortgage, charge, encumbrance or lien over, assignment of, or claim against any of its property, assets, or undertakings which ranks or could in any event rank in priority to or *pari passu* with any Security Interest.

4. OBLIGATIONS SECURED

4.1 This Security Agreement and the Security Interests are in addition to and not in substitution for any other mortgage, charge, assignment or security interest now or hereafter held

by the Secured Party from the Debtor or from any other person whomsoever and shall be general and continuing security for the payment of all indebtedness and liability of the Debtor to the Secured Party (including interest thereon), present and future, absolute or contingent, joint or several, direct or indirect, matured or not, extended or renewed, wheresoever and howsoever incurred, and any ultimate balance thereof, including all current or future advances and re-advances, pursuant to the financing agreement between the Secured Party and the Debtor evidenced by a letter of offer from the Secured Party to the Debtor dated March 17, 2009 and accepted by the Debtor on March 26, 2009 and all other agreements and amendments thereto (the "Financing Agreement"), and for the performance of all obligations of the Debtor to the Secured Party contained in this Security Agreement and pursuant to the Financing Agreement (all of which indebtedness, liability and obligations are hereinafter collectively called the "Obligations").

5. REPRESENTATIONS AND WARRANTIES

5.1 The Debtor hereby represents and warrants that this Security Agreement is granted in accordance with a resolution of the shareholders and directors of the Debtor and all matters and things have been done and performed so as to authorize and make the execution and delivery of this Security Agreement, and the performance of the Debtor's obligations hereunder, legal, valid and binding.

5.2 The Debtor hereby represents and warrants that the Debtor lawfully owns and possesses all Collateral now held and has good title thereto, free from all security interests, mortgages, charges, assignments, encumbrances, liens and claims, save only the charges or security interests, if any, permitted herein or by the Financing Agreement, and the Debtor has good right and lawful authority to grant a security interest in the Collateral as provided by this Security Agreement.

6. COVENANTS OF THE DEBTOR

6.1 The Debtor hereby covenants that at all times while this Security Agreement remains in effect the Debtor will:

- (a) defend the title to the Collateral for the benefit of the Secured Party against the claims and demands of all persons;
- (b) fully and effectually maintain and keep maintained the Security Interests valid and effective;
- (c) maintain the Collateral in good order and repair;
- (d) forthwith pay:
 - (i) all taxes, assessments, rates, duties, levies, government fees, claims and dues lawfully levied, assessed or imposed upon it or the Collateral when due, unless the Debtor shall in good faith contest its obligations so to pay and shall furnish such security as the Secured Party may require; and

- (iii) all mortgages, security interests, charges, encumbrances, assignments, liens and claims which rank or could in any event rank in priority to any Security Interest save only the charges or security interests, if any, permitted herein or by the terms of the Financing Agreement;
- (e) forthwith pay all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) which may be incurred by the Secured Party in:
 - (i) inspecting the Collateral;
 - (ii) negotiating, preparing, perfecting and registering this Security Agreement or notice thereof and other documents, whether or not relating to this Security Agreement;
 - (iii) investigating title to the Collateral;
 - (iv) taking, recovering, insuring and keeping possession of the Collateral;
 - (v) all other actions and proceedings taken in connection with the preservation of the Collateral and the enforcement of this Security Agreement and of any other security interest held by the Secured Party as security for the Obligations;
- (f) at the Secured Party's request at any time and from time to time execute and deliver such further and other documents and instruments and do all acts and things as the Secured Party in its absolute discretion requires in order to confirm and perfect, and maintain perfection of, the Security Interests upon any of the Collateral;
- (g) notify the Secured Party promptly of:
 - (i) any change in the information contained herein relating to the Debtor, its business or the Collateral, including without limitation any change of name or address of the Debtor and any change in the present location of any Collateral;
 - (ii) the details of any material acquisition of Collateral;
 - (iii) any material loss or damage to Collateral;
 - (iv) any material default by any account debtor in payment or other performance of such debtor's obligations to the Debtor with respect to any Accounts; and
 - (v) the return to or repossession by the Debtor of Collateral where such return or repossession of Collateral is material in relation to the business of the Debtor;
- (h) carry on and conduct its business in a proper and businesslike manner, including maintenance of proper books of account and records;

- (i) permit the Secured Party and its representatives, at all reasonable times, access to all its property, assets and undertakings and to all its books of account and records for the purpose of inspection and render all assistance necessary for such inspection; and
- (ii) deliver to the Secured Party from time to time promptly upon request:
 - (i) any documents of title, instruments, securities and chattel paper constituting, representing or relating to Collateral;
 - (ii) all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;
 - (iii) all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - (iv) all policies and certificates of insurance relating to Collateral; and
 - (v) such information concerning Collateral, the Debtor and the Debtor's business and affairs as the Secured Party may require.

7. INSURANCE

7.1 The Debtor covenants that at all times while this Security Agreement is in effect the Debtor shall maintain or cause to be maintained insurance on the Collateral as required by the Financing Agreement.

7.2 If proceeds of any insurance required hereunder become payable, the Secured Party may, in its absolute discretion apply such proceeds to such part or parts of the Obligations as the Secured Party may see fit or the Secured Party may release any such insurance proceeds to the Debtor for the purpose of repairing, replacing or rebuilding, but any release of insurance proceeds to the Debtor shall not operate as a payment on account of the Obligations or in any way affect this Security Agreement.

7.3 The Debtor will forthwith, on the happening of loss or damage to the Collateral, notify the Secured Party thereof and furnish to the Secured Party at the Debtor's expense any necessary proof and do any necessary act to enable the Secured Party to obtain payment of the insurance proceeds, but nothing herein contained shall limit the Secured Party's right to submit to the insurer a proof of loss on its own behalf.

7.4 The Debtor hereby authorizes and directs the insurer under any policy of insurance required hereunder to include the name of the Secured Party as a loss payee on any cheque or draft which may be issued with respect to a claim under and by virtue of such insurance; and the production by the Secured Party to any insurer of a certified copy of this Security Agreement shall be its full and complete authority for so doing.

7.5 If the Debtor fails to maintain insurance as required by this Security Agreement, the Secured Party may, but shall not be obliged to, maintain or effect such insurance coverage, or so much thereof as the Secured Party considers necessary for its protection.

8. PERFORMANCE OF OBLIGATIONS

8.1 If the Debtor fails to perform any of its obligations to the Secured Party whether hereunder, pursuant to any agreements between them and the Secured Party, or otherwise, the Secured Party may, but shall not be obliged to, perform any or all of such obligations without prejudice to any other rights and remedies of the Secured Party hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred in connection therewith shall be payable by the Debtor to the Secured Party forthwith with interest until paid at the highest rate borne by any of the Obligations and such amounts shall be Obligations secured hereunder.

9. RESTRICTIONS ON SALE OR DISPOSAL OF COLLATERAL

9.1 Except as herein provided, without the prior written consent of the Secured Party the Debtor will not:

- (a) sell, lease or otherwise dispose of the Collateral;
- (b) release, surrender or abandon possession of the Collateral; or
- (c) move or transfer the Collateral from its present location.

9.2 The Debtor may, if it is not in default under this Security Agreement, at any time without the consent of the Secured Party sell its Inventory or otherwise deal with the Collateral in the ordinary course of its business and for the purposes of carrying on its business, provided that such action is not a breach of any express provisions of this Security Agreement or the Financing Agreement.

9.3 The Debtor may, if it is not in default under this Security Agreement, at any time without the consent of the Secured Party:

- (a) grant charges and security interests to its bankers on its Inventory and trade receivable Accounts in the ordinary course of business as security for operating lines of credit ranking in priority to the Security Interests herein provided;
- (b) grant charges and security interests on property (or in rights relating thereto) to secure indebtedness incurred after the date hereof in connection with the financing of all or a part of the purchase price of such property provided that any such charges and security interests shall be confined solely to the property so acquired.

10. DEFAULT

10.1 Unless such event of default is waived by the Secured Party, the Debtor shall be in default under this Security Agreement, in any of the following events:

- (a) the Debtor fails to pay when due or perform or carry out any of the Obligations; or
- (b) the Debtor is in breach of any term, condition, obligation or covenant to the Secured Party, or any representation or warranty to the Secured Party is untrue, whether or not contained in this Security Agreement or any other agreement between the Debtor and the Secured Party including the Financing Agreement; or
- (c) the Debtor declares itself to be insolvent or admits in writing its inability to pay its debts generally as they become due, or makes an assignment for the benefit of its creditors, is declared bankrupt, makes a proposal or otherwise takes advantage of provisions for relief under the *Bankruptcy and Insolvency Act*, the *Companies' Creditors Arrangement Act* or similar legislation in any jurisdiction, or makes an authorized assignment; or
- (d) a receiver, receiver and manager or receiver-manager of all or any part of the Collateral is appointed; or
- (e) the Debtor ceases or threatens to cease to carry on its business; or
- (f) an order of execution against the Collateral or any part thereof remains unsatisfied for a period of 10 days; or
- (g) without the prior written consent of the Secured Party or as otherwise permitted this Security Agreement, the Debtor creates or permits to exist any security interest in, charge, encumbrance, lien on or claim against any of the Collateral which ranks or could in any event rank in priority to or *pari passu* with any Security Interest; or
- (h) the holder of any other security interest, charge, encumbrance or lien on or claim against any of the Collateral does anything to enforce or realize on such security interest, charge, encumbrance, lien or claim; or
- (i) an order is made or an effective resolution is passed for winding up the Debtor; or
- (j) the Debtor enters into an amalgamation, merger, reconstruction, reorganization or other similar arrangement with any other person or persons; or
- (k) the Secured Party in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of any of the Obligations is impaired or that any of the Collateral is or is about to be placed in jeopardy.

11. ENFORCEMENT

11.1 Upon any default under this Security Agreement the Secured Party may declare any or all of the Obligations to become immediately due and payable and the security hereby constituted will immediately become enforceable. To enforce and realize on the Security Interests the Secured Party may take any action permitted by law or in equity, as it may deem expedient, and

in particular without limiting the generality of the foregoing, the Secured Party may do any of the following:

- (a) appoint by instrument a receiver, receiver and manager or receiver-manager (the person so appointed is hereinafter called the "Receiver") of the Collateral, with or without bond as the Secured Party may determine, and from time to time in its absolute discretion remove such Receiver and appoint another in its stead;
- (b) enter upon any premises of the Debtor and take possession of the Collateral with power to exclude the Debtor, its agents and its employees therefrom, without becoming liable as a mortgagee in possession;
- (c) preserve, protect and maintain the Collateral and make such replacements thereof and repairs and additions thereto as the Secured Party may deem advisable;
- (d) sell, lease or otherwise dispose of all or any part of the Collateral, whether by public or private sale or lease or otherwise, in such manner, at such price as can be reasonably obtained therefor and on such terms as to credit and with such conditions of sale and stipulations as to title or conveyance or evidence of title or otherwise as to the Secured Party may seem reasonable, provided that if any sale, lease or other disposition is on credit the Debtor will not be entitled to be credited with the proceeds of any such sale, lease or other disposition until the money therefor is actually received; and
- (e) exercise all of the rights and remedies of a secured party under the *Personal Property Security Act* of Nova Scotia and all regulations thereunder, as amended from time to time (the "Act").

11.2 A Receiver appointed pursuant to this Security Agreement shall be the agent of the Debtor and not of the Secured Party and, to the extent permitted by law or to such lesser extent permitted by its appointment, shall have all the powers of the Secured Party hereunder, and in addition shall have power to carry on the business of the Debtor and for such purpose from time to time to borrow money either secured or unsecured, and if secured by a security interest on any Collateral such security interest may rank before or *pari passu* with or behind any Security Interest, and if it does not so specify such security interest shall rank before the Security Interests.

11.3 Subject to the claims, if any, of the creditors of the Debtor ranking in priority to this Security Agreement, all amounts realized from the disposition of Collateral pursuant to this Security Agreement will be applied as the Secured Party, in its absolute discretion, may direct as follows:

- (a) in payment of all costs, charges and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by the Secured Party in connection with or incidental to:
 - (i) the exercise by the Secured Party of all or any of the powers granted to it pursuant to this Security Agreement; and

- (ii) the appointment of the Receiver and the exercise by the Receiver of all or any of the powers granted to it pursuant to this Security Agreement, including the Receiver's reasonable remuneration and all outgoings properly payable by the Receiver;
- (b) in or toward payment to the Secured Party of all principal and other amounts (except interest) due in respect of the Obligations;
- (c) in or toward payment to the Secured Party of all interest remaining unpaid in respect of the Obligations.

Subject to applicable law and the claims, if any, of other creditors of the Debtor, any surplus will be paid to the Debtor.

12. DEFICIENCY

12.1 If the amounts realized from the disposition of the Collateral are not sufficient to pay the Obligations in full the Debtor will immediately pay to the Secured Party the amount of such deficiency.

13. LIABILITY OF THE SECURED PARTY

13.1 The Secured Party shall not be responsible or liable for any debts contracted by it, for damages to persons or property or for salaries or non fulfilment of contracts during any period when the Secured Party shall manage the Collateral upon entry, as herein provided, nor shall the Secured Party be liable to account as a mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or for any default or omission for which a mortgagee in possession may be liable. The Secured Party shall not be bound to do, observe or perform or to see to the observance or performance by the Debtor of any obligations or covenants imposed upon the Debtor nor shall the Secured Party, in the case of securities, instruments or chattel paper, be obliged to preserve rights against other persons, nor shall the Secured Party be obliged to keep any of the Collateral identifiable. The Debtor hereby waives any applicable provision of law permitted to be waived by it which imposes higher or greater obligations upon the Secured Party than aforesaid.

14. APPOINTMENT OF ATTORNEY

14.1 The Debtor hereby irrevocably appoints the Secured Party or the Receiver, as the case may be, with full power of substitution, to be the attorney of the Debtor for and in the name of the Debtor to sign, endorse or execute under seal or otherwise any deeds, documents, transfers, cheques, instruments, demands, assignments, assurances or consents that the Debtor is obliged to sign, endorse or execute and generally to use the name of the Debtor and to do all things as may be necessary or incidental to the exercise of all or any of the powers conferred on the Secured Party or the Receiver, as the case may be, pursuant to this Security Agreement.

15. ACCOUNTS

15.1 Notwithstanding any other provision of this Security Agreement, the Secured Party may collect, realize, sell or otherwise deal with the Accounts or any part thereof in such manner, upon

such terms and conditions and at such time or times, after default, as may seem to it advisable, and without notice to the Debtor, except in the case of disposition after default and then subject to the provisions of the Act. All money or other forms of payment received by the Debtor in payment of any Account will be received and held by the Debtor in trust for the Secured Party.

16. APPROPRIATION OF PAYMENTS

16.1 Any and all payments made in respect of the Obligations from time to time and money realized from any security interests held therefor (including amounts collected in accordance with or realized on any enforcement of this Security Agreement) may be applied to such part or parts of the Obligations as the Secured Party may see fit, and the Secured Party may at all times and from time to time change any appropriation as the Secured Party may see fit.

17. WAIVER

17.1 The Secured Party may from time to time and at any time waive in whole or in part any right, benefit or default under any clause of this Security Agreement but any such waiver of any right, benefit or default on any occasion shall be deemed not to be a waiver of any such right, benefit or default thereafter, or of any other right, benefit or default, as the case may be. No waiver shall be effective unless it is in writing.

18. NOTICE

18.1 Notice may be given to either party by sending it by prepaid mail or delivered to the party for whom it is intended, at the address of such party provided herein or at such other address as may be given in writing by such party to the other, and any notice if posted shall be deemed to have been given at the expiration of three business days after posting and if delivered, on delivery.

19. EXTENSIONS

19.1 The Secured Party may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges, refrain from perfecting or maintaining perfection of security interests, and otherwise deal with the Debtor, account debtors of the Debtor, sureties and others and with Collateral and other security interests as the Secured Party may see fit without prejudice to the liability of the Debtor or the Secured Party's right to hold and realize on the Security Interests.

20. NO MERGER

20.1 This Security Agreement shall not operate so as to create any merger or discharge of any of the Obligations, or of any assignment, transfer, guarantee, lien, contract, promissory note, bill of exchange or security interest of any form held or which may hereafter be held by the Secured Party from the Debtor or from any other person whomsoever. The taking of a judgment with respect to any of the Obligations will not operate as a merger of any of the covenants contained in this Security Agreement.

21. RIGHTS CUMULATIVE

21.1 All rights and remedies of the Secured Party set out in this Security Agreement, and in any other security agreement held by the Secured Party from the Debtor or any other person whomsoever to secure payment and performance of the Obligations, are cumulative and no right or remedy contained herein or therein is intended to be exclusive but each is in addition to every other right or remedy contained herein or therein or in any existing or future security agreement or now or hereafter existing at law, in equity or by statute, or pursuant to any other agreement between the Debtor and the Secured Party that may be in effect from time to time.

22. ASSIGNMENT

22.1 The Secured Party may, without further notice to the Debtor, at any time assign, transfer or grant a security interest in this Security Agreement and the Security Interests. The Debtor expressly agrees that the assignee, transferee or secured party, as the case may be, shall have all of the Secured Party's rights and remedies under this Security Agreement and the Debtor will not assert any defence, counterclaim, right of set off or otherwise any claim which it now has or hereafter acquires against the Secured Party in any action commenced by such assignee, transferee or secured party, as the case may be, and will pay the Obligations to the assignee, transferee or secured party, as the case may be, as the Obligations become due.

23. SATISFACTION AND DISCHARGE

23.1 Any partial payment or satisfaction of the Obligations or any ceasing by the Debtor to be indebted to the Secured Party shall be deemed not to be a redemption or discharge of this Security Agreement. The Debtor shall be entitled to a release and discharge of this Security Agreement upon full payment and satisfaction of all Obligations, and upon written request by the Debtor and payment to the Secured Party of a discharge fee to be fixed by the Secured Party and payment of all costs, charges, expenses and legal fees and disbursements (on a solicitor and his own client basis) incurred by the Secured Party in connection with the Obligations and such release and discharge.

24. ENUREMENT

24.1 This Security Agreement shall enure to the benefit of the Secured Party and its successors and assigns, and shall be binding upon the successors and permitted assigns of the Debtor.

25. INTERPRETATION

25.1 Debtor and the personal pronoun "it" or "its" and any verb relating thereto and used therewith shall be read and construed as required by and in accordance with the context in which such words are used.

25.2 Words and expressions used herein that have been defined in the Act shall be interpreted in accordance with their respective meaning given in the Act unless otherwise defined herein or unless the context otherwise requires.

25.3 The invalidity or unenforceability of the whole or any part of any clause of this Security Agreement shall not affect the validity or enforceability of any other clause or the remainder of such clause.

25.4 The headings of the clauses of this Security Agreement have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Security Agreement.

25.5 This Security Agreement shall be governed by the laws of the Province of Nova Scotia.

26. COPY OF AGREEMENT AND FINANCING STATEMENT

The Debtor hereby:

- (a) acknowledges receiving a copy of this Security Agreement; and
- (b) waives all rights to receive from the Secured Party a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Security Agreement.

IN WITNESS WHEREOF the Debtor has executed this Security Agreement the day and date first above written.

SIGNED, SEALED AND DELIVERED
in the presence of:


Witness

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

Per: 

Nova Scotia

PPRS Verification Statement
(New)

4661133

Registration Number (New): 15137516
 Registration Date/Time: 2009-04-15 09:34
 Expiry Date: 2021-04-15
 File Number: 14088-11-35

Registrant Name and Address

Registrant User ID: F178188
 MACINTOSH MACDONNELL & MACDONALD
 HOLMES Verna A.
 Corporate Paralegal
 Aberdeen Business Centre
 SUITE 260
 610 East River RD
 New Glasgow NS B2H 3S2
 Canada

Registration Details for Registration Number: 15137516

Province or Territory: Nova Scotia
 Registration Type: PPSA Financing Statement

Registration History

Registration Activity	Registration Number	Date/Time	Expiry Date	File Number
Original	15137516	2009-04-15 09:34	2021-04-15	14088-11-35

This registration has **not** been the subject of an Amendment or Global Change. The following registration information was added by the original registration and has not been deleted.

Debtors

Type: Enterprise
 NORTHERN PULP NOVA SCOTIA CORPORATION
 Gosse, Wayne
 Chief Financial Officer
 P. O. Box 549, Station Main
 New Glasgow NS B2H 5E8
 Canada

Secured Parties

Type: Enterprise
 HER MAJESTY THE QUEEN in Right of the Province of Nova Scotia as represented by
 the Minister of Economic Development
 1660 Hollis Street
 Centennial Building, Suite 600
 P. O. Box 2311
 Halifax NS B3J 3C8
 Canada
 Phone # 902-424-2901
 Fax # 902-424-0619

Nova Scotia

PPRS Verification Statement
(New)

4661133

General Collateral

All the Debtor's present and after-acquired personal property.

Additional Information

This registration relates to a General Security Agreement dated April 14, 2009 between the Debtor and the Secured Party.

***** End of Report *****

This is Exhibit "Z" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to read "D. F. 2020", is written over a horizontal line.

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

THIS POSTPONEMENT AGREEMENT made the 15th day of April, 2009

BY:

AZURE MOUNTAIN CAPITAL FINANCIAL CORPORATION,
a body corporate, incorporated under the laws of the
Province of Nova Scotia
(hereinafter called "**Azure**")

OF THE FIRST PART

- in favour of -

HER MAJESTY THE QUEEN in Right of the Province of
Nova Scotia as represented by the Minister of Economic ^{AND RURAL} Development
(hereinafter called the "**Province**")

OF THE SECOND PART

IN CONSIDERATION of the covenants contained herein and other good and valuable consideration, receipt and sufficiency whereof is hereby acknowledged, the parties hereto agree as follows:

Article I. INTERPRETATION

Section 1.01 In this Agreement:

- (a) "**Azure Security**" means the security held by Azure charging the assets of Northern Pulp Nova Scotia Corporation (the "**Borrower**"), including without limitation the following security:
 - (i) a mortgage dated June 24, 2008 created and issued by the Borrower in favour of Azure and recorded as follows:
 - 1) at the Pictou County Land Registration Office on July 2, 2008 as Document No. 91026550 to effect security with respect to PID #'s 864082, 864538, 1045442, 65076358, 65076366, 65076382, 65166829, 65168130 and 65168163; and
 - 2) at the Pictou County Land Registration Office on July 2, 2008 as Document No. 91026576 to effect security with respect to PID #65166837;
 - (ii) a mortgage dated June 24, 2008 created and issued by the Borrower in favour of Azure and recorded at the Pictou County Land Registration Office on March 25, 2009 as Document No. 93029032 to effect security with respect to PID #'s 65076374 and 65168148;
 - (iii) a mortgage dated June 24, 2008 created and issued by the Borrower in favour of Azure and

recorded at the Colchester County Land Registration Office on July 2, 2008 as Document No. 91026600 to effect security with respect to PID # 20451761; and

- (iv) a general security agreement dated June 24, 2008 created and issued by the Borrower in favour of Azure and registered under the Nova Scotia Personal Property Registry on June 24, 2008 as Registration No. 14073613.
- (h) **"Province Security"** means the security held by the Province charging the assets of the Borrower, including without limitation the following security:
 - (i) a mortgage dated April 14, 2009 created and issued by the Borrower in favour of the Province and recorded as follows:
 - 1) at the Pictou County Land Registration Office on April 15, 2009 as Document No. 93158666 to effect security with respect to PID #'s 864082, 864538, 1045442, 65076358, 65076366, 65076374, 65076382, 65166829 and 65166837;
 - 2) at the Pictou County Land Registration Office on April 15, 2009 as Document No. 93158773 to effect security with respect to PID #'s 65168130, 65168148 and 65168163; and
 - 3) at the Colchester County Land Registration Office on April 15, 2009 as Document No. 93158849 to effect security with respect to PID # 20451761; and
 - (ii) a general security agreement dated April 14, 2009 created and issued by the Borrower in favour of the Province and registered under the Nova Scotia Personal Property Registry on April 15, 2009 as Registration No. 15137516.

Section 1.02 The Borrower has requested and Azure has agreed to postpone Azure's rights and interest arising by virtue of the Azure Security to the Province Security.

Article II. **CONSENT**

Section 2.01 Azure hereby consents to the financial assistance provided by the Province to the Borrower pursuant to the letter of offer from the Province to the Borrower dated March 17, 2009 and accepted by the Borrower March 26, 2009 (the "Financing Agreement"), a copy of which has been provided to Azure by the Borrower, and all of the terms and conditions of the Financing Agreement including, without limitation, those terms and conditions which specifically relate to the indebtedness of the Borrower to Azure and to the Azure Security.

Section 2.02 Azure hereby consents to the creation and issuance by the Borrower to the Province of the Province Security and to the incurring by the Borrower of the indebtedness and obligations

secured thereby and hereby waives any default or breach of any covenant, condition, representation or warranty arising as a result of such creation and issuance of security and the incurring by the Borrower of such indebtedness and obligations.

Article III. **SUBORDINATION**

Section 3.01 Azure agrees that the Azure Security is hereby postponed and subordinated in all respects to the Province Security.

Section 3.02 The subordination and postponement contained herein shall apply in all events and circumstances regardless of:

- (a) the date of execution, attachment, registration, perfection or re-perfection of any security held by the Province or Azure;
- (b) the date of any advance or advances made to the Borrower by the Province or Azure;
- (c) the date of default by the Borrower under any of the Province Security or the Azure Security;
or
- (d) any priority granted by any principle of law or any statute, including the *Bank Act* (Canada), or any personal property security or like statute.

Article IV. **GENERAL**

Section 4.01 This Postponement Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

Section 4.02 This Agreement shall continue in full force and effect until the date on which it is terminated by the agreement of the Province and Azure.

Section 4.03 The parties hereto agree to execute and provide such further and other documents and do such further and other acts as may be necessary to give effect to this Agreement.

Section 4.04 This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia.

Article V. **EXECUTION**

IN WITNESS WHEREOF the parties have properly executed this Postponement Agreement on the date first written.

SIGNED, SEALED AND DELIVERED
in the presence of

HER MAJESTY THE QUEEN in Right of
the Province of Nova Scotia as represented
by the Minister of Economic ^{And Rural} Development

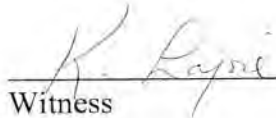
By: _____

Murray K. Scott, M.B.


And: _____

**AZURE MOUNTAIN CAPITAL
FINANCIAL CORPORATION**

By: _____



Witness



Witness

This is Exhibit "AA" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.



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

THIS POSTPONEMENT CONFIRMATION AGREEMENT made the 17th day of September, 2013.

BY:

HOWE SOUND PULP & PAPER CORPORATION
a body corporate, incorporated under the laws of the
Province of British Columbia
(hereinafter called "HSPPC")

OF THE FIRST PART

- in favour of -

HER MAJESTY THE QUEEN in Right of the Province of
Nova Scotia as represented by the Minister of Economic and Rural Development and
Tourism
(hereinafter called the "Province")

OF THE SECOND PART

IN CONSIDERATION of the covenants contained herein and other good and valuable consideration, receipt and sufficiency whereof is hereby acknowledged, HSPPC hereto agrees as follows:

ARTICLE I INTERPRETATION

Section 1.01 In this Agreement:

- (a) **"HSPPC Security"** means the security held by Azure Mountain Capital Financial Corporation and assigned to HSPPC pursuant to an assignment agreement dated as of May 12, 2011 charging the assets of Northern Pulp Nova Scotia Corporation (the "Borrower"), including without limitation the following security:
 - (i) a mortgage dated June 24, 2008 created and issued by the Borrower in favour of Azure and recorded as follows:
 - (1) at the Pictou County Land Registration Office on July 2, 2008 as Document No. 91026550 to effect security with respect to PID #'s 864082, 864538, 1045442, 65076358, 65076366, 65076382, 65166829, 65168130 and 65168163; and
 - (2) at the Pictou County Land Registration Office on July 2, 2008 as Document No. 91026576 to effect security with respect to PID # 65166837;
 - (ii) a mortgage dated June 24, 2008 created and issued by the Borrower in favour of Azure and recorded at the Pictou County Land Registration Office on March 25, 2009 as Document No. 93029032 to effect security with respect to PID #'s 65076374 and 65168148;
 - (iii) a mortgage dated June 24, 2008 created and issued by the Borrower in favour of Azure and recorded at the Colchester County Land Registration Office on July 2,

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2008 as Document No. 91026600 to effect security with respect to PID # 20451761; and

- (iv) a general security agreement dated June 24, 2008 created and issued by the Borrower in favour of Azure and registered under the Nova Scotia Personal Property Registry on June 24, 2008 as Registration No. 14073613.
- (b) **"Province Security"** means the security held by the Province charging the assets of the Borrower, including without limitation the following security:
- (i) a mortgage dated April 14, 2009 created and issued by the Borrower in favour of the Province and recorded as follows:
 - (1) at the Pictou County Land Registration Office on April 15, 2009 as Document No. 93158666 to effect security with respect to PID #'s 864082, 864538, 1045442, 65076358, 65076366, 65076374, 65076382, 65166829 and 65166837;
 - (2) at the Pictou County Land Registration Office on April 15, 2009 as Document No. 93158773 to effect security with respect to PID #'s 65168130, 65168148 and 65168163; and
 - (3) at the Colchester County Land Registration Office on April 15, 2009 as Document No. 93158849 to effect security with respect to PID # 20451761; and
 - (ii) a general security agreement dated April 14, 2009 created and issued by the Borrower in favour of the Province and registered under the Nova Scotia Personal Property Registry on April 15, 2009 as Registration No 15137516.
 - (iii) A collateral mortgage amending agreement a mortgage dated September 17, 2013 created and issued by the Borrower in favour of the Province and recorded as follows:
 - (1) at the Pictou County Land Registration Office on September 19, 2013 as Document No. 103806171 to effect security with respect to PID #'s 864082, 864538, 1045442, 65076358, 65076366, 65076374, 65076382, 65166829 and 65166837;
 - (2) at the Pictou County Land Registration Office on September 19, 2013 as Document No. 103806254 to effect security with respect to PID #'s 65168130, 65168148 and 65168163; and
 - (3) at the Colchester County Land Registration Office on September 19, 2013 as Document No. 103806017 to effect security with respect to PID # 20451761.
 - (iv) A security amending agreement created and issued by the Borrower in favour of the Province dated September 19, 2013.

Section 1.02 The Borrower has requested and HSPPC has agreed to postpone HSPPC's rights and interest arising by virtue of the HSPPC Security to the Province Security.

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ARTICLE II CONSENT

Section 2.01 HSPPC hereby consents to the financial assistance provided by the Province to the Borrower pursuant to the letters of offer from the Province to the Borrower dated April 19, 2013 and accepted by the Borrower April 30, 2013 (collectively the "Financing Agreement"), copies of which have been provided to HSPPC by the Borrower, and all of the terms and conditions of the Financing Agreement including, without limitation, those terms and conditions which specifically relate to the indebtedness of the Borrower to HSPPC and to the HSPPC Security.

Section 2.02 HSPPC hereby consents to the creation and issuance by the Borrower to the Province of the Province Security and to the incurring by the Borrower of the indebtedness and obligations seemed thereby and hereby waives any default or breach of any covenant, condition, representation or warranty arising as a result of such creation and issuance of security and the incurring by the Borrower of such indebtedness and obligations.

ARTICLE III SUBORDINATION

Section 3.01 HSPPC agrees that the HSPPC Security is hereby postponed and subordinated in all respects to the Province Security.

Section 3.02 The subordination and postponement contained herein shall apply in all events and circumstances regardless of:

- (a) the date of execution, attachment, registration, perfection of any security held by the Province or HSPPC;
- (b) the date of any advance or advances made to the Borrower by the Province or HSPPC;
- (c) the date of default by the Borrower under any of the Province Security or the HSPPC Security; or
- (d) any priority granted by any principle of law or any statute, including the *Bank Act* (Canada), or any personal property security or like statute.

ARTICLE IV GENERAL

Section 4.01 This Postponement Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

Section 4.02 This Agreement shall continue in full force and effect until the date on which it is terminated by the agreement of the Province and HSPPC.

Section 4.03 HSPPC agrees to execute and provide such further and other documents and do such further and other acts as may be necessary to give effect to this Agreement.

Section 4.04 This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia.

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IN WITNESS WHEREOF the HSPPC has properly executed this Postponement Confirmation Agreement on the date first written.

SIGNED SEALED AND DELIVERED in
the presence of *Jessica Ko*

HOWE SOUND PULP & PAPER
CORPORATION

Witness

By:


Name: *Byung Watar*
Title: *DIRECTOR*


PROVINCE OF British Columbia

I, BUJUNG WAHAB, of RICHMOND, BC,
make oath and say that:

1. THAT I am the DIRECTOR of Howe Sound Pulp & Paper Corporation, (the "Corporation"), and have a personal knowledge of the matters herein deposed to;
2. THAT I executed the foregoing instrument for and on behalf of the Corporation;
3. THAT I am authorized to execute the foregoing instrument on behalf of the Corporation and thereby to bind the Corporation; and
4. I acknowledge that the Corporation executed the foregoing instrument by its proper officer(s) duly authorized in that regard on the date of this affidavit; this acknowledgment is made for the purpose of registering such instrument pursuant to s.31(a) of the Registry Act, R.S.N.S. 1989, c.392 or s. 79(1)(a) of the Land Registration Act as the case may be.

SWORN TO before me at Richmond, in
the Province of British Columbia the
12 day of September, 2013
before me:


A Barrister of the Supreme Court of
British Columbia


BUJUNG WAHAB

This is Exhibit "BB" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

GUARANTEE

TO: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA, as represented by the Minister of Economic and Rural Development and Tourism

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned guarantees payment on demand to **HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA**, as represented by the Minister of Economic and Rural Development and Tourism (hereinafter called the "Province") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, now or at any time owing by **NORTHERN PULP NOVA SCOTIA CORPORATION** (hereinafter called the "Company") to the Province or remaining unpaid by the Company to the Province, heretofore or hereafter incurred or arising under or pursuant to the investment incentive loans advanced by the Province to the Company pursuant to three agreements between the Province and the Company evidenced by three offers from the Province to the Company each dated April 19, 2013 and accepted by the Company on April 30, 2013 and as they may each subsequently be amended, restated or replaced from time to time (collectively the "Financing Agreements") under the terms of which the Province agreed to provide financing of, inter alia, up to \$36,700,000 to the Company as an investment incentive together with interest thereon from the date of demand for payment at a rate equal to the Province prime rate as determined by the Province calculated and payable monthly (such debts and liabilities being hereinafter called the "Liabilities").

AND THE UNDERSIGNED AGREES WITH THE PROVINCE AS FOLLOWS:

1. The Province may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Province from the Company and others, monies which the Company has on deposit with the Province, other assets of the Company held by the Province in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Company and others and with all securities as the Province may see fit, and may apply all moneys at any time received from the Company or others or from securities upon such part of the Liabilities as the Province deems best and change any such application in whole or in part from time to time as the Province may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this Guarantee, and no loss of or in respect of any securities received by the Province from the Company or others, whether occasioned by the fault of the Province or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee.
2. This Guarantee shall be a continuing guarantee and shall cover all the Liabilities.
3. The Province shall not be bound to institute action against the Company or others, or to commence realization, realize on or exhaust its recourse against the Company or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities.

4. This Guarantee shall not be affected by the loss or diminution of capacity of the undersigned or by any change in the name of the Company or in the share ownership of the Company or the introduction of one or more other shareholders or otherwise, or by the acquisition of the Company's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Company, or by the Company's business being amalgamated with any other corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Company" shall include every such corporation.
5. This Guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Province, and all dividends, compositions, proceeds of security valued and payments received by the Province from the Company or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this Guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Province or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Province until the Province shall have received payment in full of the Liabilities.
6. This Guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Province, and any present or future obligation to the Province incurred or arising otherwise than under a guarantee, of the undersigned or of any other obligant, whether bound with or apart from the Company.
7. The undersigned shall be bound by any account settled between the Province and the Company, and if no such account has been so settled immediately before demand for payment under this Guarantee any account stated by the Province shall be accepted by the undersigned as conclusive evidence of the amount which at the date of the account so stated is due by the Company to the Province or remains unpaid by the Company to the Province.
8. Possession of this instrument by the Province shall be conclusive evidence against the undersigned that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent have been complied with.
9. No suit based on this Guarantee shall be instituted until demand for payment has been made on the undersigned, and demand for payment shall be deemed to have been effectually made upon the undersigned if and when an envelope containing such demand, addressed to the undersigned at the address of the undersigned last known to the Province, is delivered or posted, postage prepaid, in the post office. Upon demand for payment, the undersigned shall also be liable to the Province for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Province resulting from any action instituted on the basis of this Guarantee. All payments hereunder shall be made to the Province at such place as may be designated by the Province.
10. This Guarantee shall extend to and enure to the benefit of the Province and its successors and assigns, and every reference herein to the undersigned is a reference to and shall be construed as including the undersigned and the successors and assigns of

the undersigned, as the case may be, to and upon all of whom this Guarantee shall extend and be binding.


11. Together with the Financing Agreements, this instrument covers all agreements between the parties hereto relative to this Guarantee, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein or in the Financing Agreements.
12. The undersigned hereby acknowledges communication of the terms of the Liabilities and the Financing Agreements and of all the provisions therein contained and consents to and approves of the same and of this Guarantee, and the agreements of the undersigned herein contained and provided for shall take effect and shall be and are hereby declared to be binding upon the undersigned notwithstanding any defect in or omission from or respecting the Liabilities or any evidence thereof or any non-registration or non-filing or defective registration or filing or by reason of any failure of the Province to obtain any security required to be delivered to the Province under any agreements with the Company.
13. No failure or omission of the Province to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or any acquiescence therein and every power and remedy given hereby to the Province may be exercised by it, from time to time, and as often as it may be deemed by the Province to be necessary or desirable.
14. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Nova Scotia ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defence of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law.
15. Notwithstanding and without limiting the generality of the foregoing, the undersigned specifically acknowledges and agrees that it shall be as fully liable to the Province with respect to the Liabilities as if it had entered into such obligations directly with the Province in the place of the Company and accordingly hereby waives to the fullest extent permitted by law any defence which would be available to a guarantor with respect to the enforcement of the Liabilities with the intention that it shall be as liable as principal debtor and further agrees that each of the following shall be deemed to be an automatic default under the terms of this guarantee entitling the Province to take enforcement action against the undersigned without further notice or demand and to proceed to enforce any security held by the Province with respect to the obligations of the Company:
 - (a) if the Company defaults in the payment of the Liabilities in accordance with its terms; or
 - (b) if any execution, foreclosure or other process is levied or enforced against any of the property of the Company; or

- (c) if the Company becomes bankrupt within the meaning of the applicable bankruptcy law or insolvent or makes a general assignment for the benefit of creditors or otherwise acknowledges its insolvency, or if any order is made or a resolution passed for the winding up of the Company, or any application be made under the *Companies' Creditors Arrangement Act*, or an encumbrancer shall take possession of the Specifically Mortgaged Premises or any part thereof.

GIVEN UNDER SEAL this 19th day of September, 2013.

SIGNED, SEALED AND DELIVERED
in the presence of:

**NORTHERN TIMBER NOVA SCOTIA
CORPORATION**


Witness

Per:  c/s
Name: Donald J. Breen
Title: Vice President and Secretary

This is Exhibit "CC" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to be "R. F. O.", is written over a horizontal line.

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

GUARANTEE

TO: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA, as represented by the Minister of Economic and Rural Development and Tourism

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned guarantees payment on demand to **HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA**, as represented by the Minister of Economic and Rural Development and Tourism (hereinafter called the "Province") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, now or at any time owing by **NORTHERN PULP NOVA SCOTIA CORPORATION** (hereinafter called the "Company") to the Province or remaining unpaid by the Company to the Province, heretofore or hereafter incurred or arising under or pursuant to the investment incentive loans advanced by the Province to the Company pursuant to three agreements between the Province and the Company evidenced by three offers from the Province to the Company each dated April 19, 2013 and accepted by the Company on April 30, 2013 and as they may each subsequently be amended, restated or replaced from time to time (collectively the "Financing Agreements") under the terms of which the Province agreed to provide financing of, inter alia, up to \$36,700,000 to the Company as an investment incentive together with interest thereon from the date of demand for payment at a rate equal to the Province prime rate as determined by the Province calculated and payable monthly (such debts and liabilities being hereinafter called the "Liabilities").

AND THE UNDERSIGNED AGREES WITH THE PROVINCE AS FOLLOWS:

1. The Province may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Province from the Company and others, monies which the Company has on deposit with the Province, other assets of the Company held by the Province in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the Liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the Liabilities, or accept compositions from and otherwise deal with, the Company and others and with all securities as the Province may see fit, and may apply all moneys at any time received from the Company or others or from securities upon such part of the Liabilities as the Province deems best and change any such application in whole or in part from time to time as the Province may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this Guarantee, and no loss of or in respect of any securities received by the Province from the Company or others, whether occasioned by the fault of the Province or otherwise, shall in any way limit or lessen the liability of the undersigned under this Guarantee.
2. This Guarantee shall be a continuing guarantee and shall cover all the Liabilities.
3. The Province shall not be bound to institute action against the Company or others, or to commence realization, realize on or exhaust its recourse against the Company or others or any securities it may at any time hold before being entitled to payment from the undersigned of the Liabilities.

4. This Guarantee shall not be affected by the loss or diminution of capacity of the undersigned or by any change in the name of the Company or in the share ownership of the Company or the introduction of one or more other shareholders or otherwise, or by the acquisition of the Company's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Company, or by the Company's business being amalgamated with any other corporation, but shall notwithstanding the happening of any such event continue to apply to all the Liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Company" shall include every such corporation.
5. This Guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Province, and all dividends, compositions, proceeds of security valued and payments received by the Province from the Company or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this Guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Province or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Province until the Province shall have received payment in full of the Liabilities.
6. This Guarantee is in addition to and not in substitution for any other guarantee, by whomsoever given, at any time held by the Province, and any present or future obligation to the Province incurred or arising otherwise than under a guarantee, of the undersigned or of any other obligant, whether bound with or apart from the Company.
7. The undersigned shall be bound by any account settled between the Province and the Company, and if no such account has been so settled immediately before demand for payment under this Guarantee any account stated by the Province shall be accepted by the undersigned as conclusive evidence of the amount which at the date of the account so stated is due by the Company to the Province or remains unpaid by the Company to the Province.
8. Possession of this instrument by the Province shall be conclusive evidence against the undersigned that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent have been complied with.
9. No suit based on this Guarantee shall be instituted until demand for payment has been made on the undersigned, and demand for payment shall be deemed to have been effectually made upon the undersigned if and when an envelope containing such demand, addressed to the undersigned at the address of the undersigned last known to the Province, is delivered or posted, postage prepaid, in the post office. Upon demand for payment, the undersigned shall also be liable to the Province for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Province resulting from any action instituted on the basis of this Guarantee. All payments hereunder shall be made to the Province at such place as may be designated by the Province.
10. This Guarantee shall extend to and enure to the benefit of the Province and its successors and assigns, and every reference herein to the undersigned is a reference to and shall be construed as including the undersigned and the successors and assigns of

the undersigned, as the case may be, to and upon all of whom this Guarantee shall extend and be binding.


11. Together with the Financing Agreements, this instrument covers all agreements between the parties hereto relative to this Guarantee, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein or in the Financing Agreements.
12. The undersigned hereby acknowledges communication of the terms of the Liabilities and the Financing Agreements and of all the provisions therein contained and consents to and approves of the same and of this Guarantee, and the agreements of the undersigned herein contained and provided for shall take effect and shall be and are hereby declared to be binding upon the undersigned notwithstanding any defect in or omission from or respecting the Liabilities or any evidence thereof or any non-registration or non-filing or defective registration or filing or by reason of any failure of the Province to obtain any security required to be delivered to the Province under any agreements with the Company.
13. No failure or omission of the Province to exercise any right or power accruing upon any default shall impair any such right or power, or shall be construed to be a waiver of any such default or any acquiescence therein and every power and remedy given hereby to the Province may be exercised by it, from time to time, and as often as it may be deemed by the Province to be necessary or desirable.
14. This Guarantee shall be governed by and construed in accordance with the laws of the Province of Nova Scotia ("Jurisdiction"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defence of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law.
15. Notwithstanding and without limiting the generality of the foregoing, the undersigned specifically acknowledges and agrees that it shall be as fully liable to the Province with respect to the Liabilities as if it had entered into such obligations directly with the Province in the place of the Company and accordingly hereby waives to the fullest extent permitted by law any defence which would be available to a guarantor with respect to the enforcement of the Liabilities with the intention that it shall be as liable as principal debtor and further agrees that each of the following shall be deemed to be an automatic default under the terms of this guarantee entitling the Province to take enforcement action against the undersigned without further notice or demand and to proceed to enforce any security held by the Province with respect to the obligations of the Company:
 - (a) if the Company defaults in the payment of the Liabilities in accordance with its terms; or
 - (b) if any execution, foreclosure or other process is levied or enforced against any of the property of the Company; or


- (c) if the Company becomes bankrupt within the meaning of the applicable bankruptcy law or insolvent or makes a general assignment for the benefit of creditors or otherwise acknowledges its insolvency, or if any order is made or a resolution passed for the winding up of the Company, or any application be made under the *Companies' Creditors Arrangement Act*, or an encumbrancer shall take possession of the Specifically Mortgaged Premises or any part thereof.

GIVEN UNDER SEAL this 19th day of September, 2013.

SIGNED, SEALED AND DELIVERED
in the presence of:

**NORTHERN RESOURCES NOVA SCOTIA
CORPORATION**


Witness

Per:  c/s
Name: Donald J. Breen
Title: Vice President and Secretary

This is Exhibit "DD" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to be 'D. F. [unclear]', is written over a horizontal line.

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

NORTHERN TIMBER NOVA SCOTIA CORPORATION
COLLATERAL MORTGAGE

1. In this Mortgage:
 - (a) "Borrower" means Northern Pulp Nova Scotia Corporation, a body corporate incorporated under the laws of Nova Scotia;
 - (b) "Mortgagor" means Northern Timber Nova Scotia Corporation, a body incorporated, incorporated under the laws of Nova Scotia;
 - (c) "Indebtedness" means all debts and liabilities present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Mortgagor to the Province, pursuant to the Guarantee;
 - (d) "Financing Agreements" means collectively the three letters of offer from the Province dated April 19, 2013 and accepted by the Borrower and the Mortgagor April 30, 2013;
 - (e) "Province" means Her Majesty the Queen in Right of the Province of Nova Scotia, as represented by the Minister of Economic and Rural Development and Tourism and/or the holder in due course of this mortgage;
 - (f) "Specific Lien hereunder" and similar expressions refer to the security constituted by this Mortgage on the Specifically Mortgaged Premises;
 - (g) "Specifically Mortgaged Premises" means the property and assets hereby mortgaged and charged by way of a fixed and specific mortgage and charge to or in favour of the Province;
 - (h) "Guarantee" means the guarantee granted by the Mortgagor in favour of the Province in connection with the Borrower's obligations to the Province, as contemplated in the Financing Agreements.
2. **FOR VALUE RECEIVED**, the receipt and sufficiency whereof is hereby acknowledged by the Mortgagor, as security for the payment of the Indebtedness, the Mortgagor hereby grants, mortgages and charges, to and in favour of the Province, its successors and assigns, the lands described in Schedule A annexed hereto, together with all buildings, erections, fixed plant, fixed machinery and fixed equipment now upon such lands or any part or parts thereof, or which at any time hereafter may be constructed or brought or placed thereon and all rights of way, easements, servitudes, franchises and privileges appurtenant or appertaining thereto.
3. This Mortgage shall be construed in accordance with the laws of the Province of Nova Scotia, and shall be treated in all respects as a Nova Scotia contract.
4. The mortgages and charges hereby created or for which provision is hereby made shall be effective whether the Indebtedness or any part thereof arises or is incurred before or after or at the time of the issue of this Mortgage.

5. The Mortgagor hereby warrants and represents:

- (a) that it lawfully owns and is lawfully possessed of the Specifically Mortgaged Premises;
- (b) that it has good right and lawful authority to grant, mortgage and charge the Specifically Mortgaged Premises hereby mortgaged and charged;
- (c) that the Specifically Mortgaged Premises are free and clear of any deed of trust, mortgage, lien, charge or encumbrance ranking in priority to or *pari passu* with the Specific Lien hereunder except as permitted pursuant to the Financing Agreements;
- (d) that it will warrant and defend title to the Specifically Mortgaged Premises against the claims and demands of all persons whatsoever.

6. The Mortgagor hereby covenants and agrees with the Province that:

- (a) it will at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered all and every such further acts, deeds, mortgages, transfers, assignments and assurances as the Province may reasonably require for better mortgaging, assigning and confirming to the Province the property hereby mortgaged, assigned and charged or intended so to be or which the Mortgagor may hereafter become bound to mortgage, assign and charge in favour of the Province and for the better accomplishing and effectuating of the intentions of this Mortgage;
- (b) it will, from time to time, execute and do all such assurances and things as in the opinion of the Province are necessary or advisable for validly giving to the Province the fixed charges hereby intended to be created, all such assurances being in such form as the Province may advise;
- (c) it will, immediately after its execution, cause this Mortgage and every instrument supplemental or ancillary thereto to be registered, filed or recorded at all offices where such registration, filing or recording may in the opinion of the Province be necessary or of advantage to the fixed charges hereby created or intended to be created, and will on demand deliver or exhibit to the Province certificates, establishing such registration, filing or recording and will do, observe and perform all matters and things necessary or expedient to be done, observed or performed for the purpose of creating and maintaining the security thereby constituted as a valid and effective security;
- (d) it will, after the security hereby created has become enforceable and the Province has determined to enforce it, from time to time, execute and do all such assurances and things as the Province may reasonably require for facilitating the realization of the Specifically Mortgaged Premises and for exercising all the powers, authorities and discretions hereby conferred upon the Province and for confirming to any purchaser of any of the Specifically Mortgaged Premises whether sold by the Province hereunder or by or pursuant to judicial proceedings, the title to the property so sold, and that it will give all notices and directions as the Province may consider expedient;
- (e) it will cause the Indebtedness to be paid to the Province on demand;

- (f) it will at all times maintain its corporate existence, carry on and conduct its business in a proper, efficient and businesslike manner and in accordance with good business practice, keep or cause to be kept proper books and accounts in accordance with sound accounting principles;
- (g) it will keep in the Specifically Mortgaged Premises in good repair up to a modern standard of usage, and make all necessary renewals, replacements and repairs to that end, and it will at all reasonable times allow the Province or its representatives access to the Specifically Mortgaged Premises for the purpose of viewing their state and condition;
- (h) it will punctually pay and discharge all indebtedness lawfully incurred by or imposed upon it, the Specifically Mortgaged Premises or any part thereof by virtue of any law, regulation, order, direction or requirement of any competent authority or any contract, agreement, lease, license, concession, franchise, permit or otherwise, failure to pay or discharge which might result in any lien or charge or any right of distress, forfeiture, termination or sale or other remedy being enforced against the Specifically Mortgaged Premises or any part thereof, and will exhibit to the Province when required a certificate of its auditors or other evidence establishing such payments, provided that the Mortgagor may refrain from paying and discharging any such indebtedness so long as it in good faith contests its liability therefor;
- (i) except as specifically authorized herein or in the Financing Agreements, it will not, without the prior written consent of the Province, create or assume any mortgage, pledge, charge, lien or other encumbrance or security interest of any kind whatsoever on the Specifically Mortgaged Premises;
- (j) it will not commit or permit any act or omission invalidating any insurance on the Specifically Mortgaged Premises;
- (k)
 - (i) the Mortgagor will keep or cause to keep the interest of the Mortgagor and the Province in the Specifically Mortgaged Premises fully insured against fire and all other risks for full replacement value unless otherwise specified by the Province and against property damage and public liability in such amount as the Province may specify, acting reasonably;
 - (ii) all such insurance shall be taken out and maintained by specific or blanket policies or both with such insurers as the Mortgagor selects and the Province approves;
 - (iii) all insurance against loss or damage to the Specifically Mortgaged Premises or any part thereof will be made payable to the Province and the Mortgagor as their interests may appear, and the Mortgagor will cause the Province to be kept supplied with up to date copies of all policies therefore and to be paid the proceeds of any claims payable thereunder in respect to the Specifically Mortgaged Premises, but, without limiting the generality of the foregoing, nothing herein contained shall be deemed to hinder or prevent the Mortgagor in respect of blanket policies which include or cover, in addition to property forming part of the Specifically Mortgaged Premises, property upon which security is or may be given to any other encumbrancer as permitted under any provisions

hereof, from providing in such policies that any losses payable thereunder be paid to the Province and such other encumbrancers as their respective interests may appear;

- (iv) the Mortgagor shall, prior to the expiry of any insurance policy, deliver to the Province a renewal receipt, binder or new policy, replacing such expiring insurance and will keep the Province informed of any change or alteration in the Specifically Mortgaged Premises of a character so usually insured, and shall furnish the Province with particulars of all insurance covering the Specifically Mortgaged Premises or any part thereof;
7. Until the security hereby constituted becomes enforceable and the Province determines to enforce it, the Mortgagor shall be permitted in the same manner and to the same extent as if this Mortgage had not been executed, but subject to the express terms thereof, to possess, operate, manage, use and enjoy the Specifically Mortgaged Premises, freely to control the conduct of its business and to take and use the rents, incomes, profits and issues thereof.
 8. The Indebtedness shall immediately become due and payable and the security constituted by this Mortgage shall become enforceable:
 - (a) if the Mortgagor defaults in the payment of the Indebtedness on demand; or
 - (b) if the Mortgagor fails to pay any taxes or assessments levied upon or in respect of the Specifically Mortgaged Premises after they have become due and payable provided that, the Mortgagor may with the consent of the Province delay payment of such taxes or assessments for such period as the Province may agree and further provided that if the Mortgagor bona fide disputes the legality or amount of any such taxes or assessments, they shall not be deemed due and payable within the meaning of this subclause (b) until they are so adjudged by the last tribunal to which the Mortgagor appeals. (If the Province requires the Mortgagor to do so, the Mortgagor will post security with the Province for the full amount of such taxes or assessments.); or
 - (c) if any execution, foreclosure or other process is levied or enforced against the Specifically Mortgaged Premises; or
 - (d) if any sum admitted due or not disputed to be due by the Mortgagor and forming or capable of being made a charge upon the Specifically Mortgaged Premises in priority to the security of this Mortgage remains unpaid after proceedings have been taken to enforce it as such prior charge; or
 - (e) if the Mortgagor becomes bankrupt within the meaning of the applicable bankruptcy law or insolvent or makes a general assignment for the benefit of creditors or otherwise acknowledges its insolvency, or if any order is made or a resolution passed for the winding up of the Mortgagor, or any application be made under the *Companies' Creditors Arrangement Act*, or an encumbrancer shall take possession of the Specifically Mortgaged Premises or any part thereof; or
 - (f) if the Mortgagor neglects to carry out or observe any other covenant or condition of this Mortgage or the Financing Agreements.

9. Any time after an event of default has occurred the Province may, on such terms and conditions (if any) as it may prescribed, waive such default and/or that part of Section 8 hereof rendering this Mortgage outstanding immediately due and payable, provided that no such waiver shall affect or be deemed to affect in any way any subsequent default or any rights resulting therefrom.
10. Whenever the security hereby constituted shall have become enforceable the Province may:
 - (a) by instrument in writing appoint any person or persons, whether an employee or employees of the Province or not, to be a receiver ("receiver" in this Section 10 includes receivers; a receiver and manager; and receivers and managers) of the Specifically Mortgaged Premises or any part thereof, wherever located, and may remove any receiver so appointed and appoint another in his stead. Any such receiver so far as concerns responsibility for his acts, be deemed the agent of the Mortgagor and the Province shall not in any way be responsible for any misconduct or negligence on the part of such receiver. Any such receiver shall have such powers as are set out in Section 10(b) and (d) hereof, shall have power with or without taking possession to lease all or any part of the Specifically Mortgaged Premises to such person and upon such terms as he deems fit and shall have the power to take possession of the Specifically Mortgaged Premises or any part of such property and to convey, transfer and assign to a purchaser or purchasers the title to any of the property so sold; and/or
 - (b) by its agents or attorney take possession of all or any part or parts of the Specifically Mortgaged Premises with full power to exclude the Mortgagor and its agents and servants therefrom, preserve and maintain the Specifically Mortgaged Premises, receive the rents, incomes and profits thereof of any kind whatsoever; and/or
 - (c) apply to a Court of competent jurisdiction for the appointment of a receiver to take possession of all or such part or parts of the Specifically Mortgaged Premises with the duties, powers and obligations otherwise set forth in this Section 10 and with such additional powers as the Court making the appointment shall confer; and the Mortgagor hereby consent to the appointment of such receiver and waive notice of any application to make such appointment; and/or
 - (d) with or without taking possession sell all or part of the Specifically Mortgaged Premises either as a whole or in separate parcels at public auction or by private sale at such times and places and subject to adjournment from time to time and on such terms and conditions as the Province shall appoint; and/or
 - (e) take any action or proceedings to enforce payment of or performance of any other covenant contained herein or to enforce the security hereby constituted and to bring to sale the Specifically Mortgaged Premises and any part or parts thereof under a judgment or decree of the court of competent jurisdiction or by an enforcement of any other legal remedy which the Province shall deem most effectual to protect and enforce its rights; and/or
 - (f) The Province may foreclose the security constituted under this Mortgage by suit of foreclosure in accordance with the practice from time to time prevailing for such foreclosures.

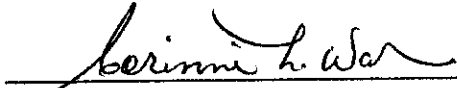
11. On any sale or sales under Section 10 hereof or otherwise, the Province may purchase the whole or part of the property so sold and may apply towards the purchase price thereof the indebtedness then outstanding.
12. After any default the Province may either before, during, or after any act, action or proceeding for realizing upon the Specifically Mortgaged Premises or enforcing the security constituted hereby or any obligation of the Mortgagor hereunder recover judgment against the Mortgagor and levy execution thereon for the whole amount then due and payable to the Mortgagor. The right to recover such judgment and levy such execution shall not be affected by any entry or taking possession or sale hereunder or by the exercise of any other right, power or remedy and the exercise of such right to recover judgment and levy execution shall not in any manner or to any extent affect the Specific Lien hereof or rights, powers, or remedies of the Province.
13. No remedy conferred on the Province shall be deemed exclusive of any other remedy. Each such remedy shall be cumulative and in addition to every other remedy given hereunder or now or hereafter existing at law or in equity and may be exercised from time to time and as often as is deemed expedient.
14. Any and all moneys arising from any sale or realization of the whole or any part of the Specifically Mortgaged Premises shall be held by the Province, IN TRUST, for the following purposes, in the order of priority in which they are listed:
 - (a) to pay or retain the compensation, cost, expenses and outlays including any interest thereon incurred or payable by or to it or any receiver as defined in Section 11 hereof in connection with such sale or realization;
 - (b) to pay or retain the costs of the Province taxed as between solicitor and client of any proceeding in any Court taken by the Province to enforce the security herein constituted;
 - (c) to pay all taxes, assessments and other charges upon the Specifically Mortgaged Premises to the extent they form a charge prior to this Mortgage;
 - (d) to pay or retain all amounts due and payable to the Province by the Mortgagor under or pursuant to the Guarantee;
 - (e) to pay the balance of such moneys, if any, to the Mortgagor.
15. All amounts described in Sections 14(a), (b) and (c) hereof which are paid by the Province or any receiver shall be added to the indebtedness hereby secured and shall be a charge upon the property of the Mortgagor charged hereunder.
16. Upon default and demand for possession by the Province, each of the Mortgagor its officers, agents and servants shall immediately surrender and deliver to the Province all the Specifically Mortgaged Premises and execute all such instruments and do all such acts and things as may be necessary or desirable to put the Province in actual possession of the Specifically Mortgaged Premises.
17. Any notice or demand upon the Mortgagor shall be valid if given by postage prepaid registered letter addressed to the office of the Mortgagor at the address on record of the Province and shall be deemed to have been served or given three business days after

the day such letter is posted. Nothing herein shall preclude the delivery of notices or demands by means other than mailing.

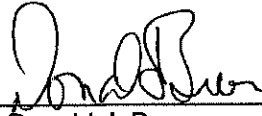
18. No delay or omission of the Province to exercise any right or power accruing upon any default, shall impair any such right or power or shall be construed to be a waiver of any such default or in acquiescence therein and every power and remedy given hereby to the Province may be exercised by it, from time to time and as often as may be deemed by it.
19. This security is in addition to and not in substitution for any other security now or hereafter held by the Province.
20. This Mortgage is collateral security for the payment of the Indebtedness and the Province may from time to time extend the time for payment of the Indebtedness or any part thereof, so that the time for payment of any of the Indebtedness is extended without in any way affecting the liability of the Mortgagor hereunder and without in any way affecting or prejudicing the security hereby created and nothing but the actual payment of the Indebtedness shall discharge such obligations.
21. This Mortgage and all of its provisions shall enure to the benefit of the Province and shall be binding upon the Mortgagor, its successors and assigns.

IN WITNESS WHEREOF the Mortgagor has caused its corporate seal to be hereunto affixed and this Mortgage to be signed by its proper officer duly authorized in that behalf on the 12th day of September, 2013.

SIGNED, SEALED AND DELIVERED
in the presence of:


Witness

NORTHERN TIMBER NOVA SCOTIA
CORPORATION

Per: 
Name: Donald J. Breen
Title: Vice President and Secretary

CANADA
PROVINCE OF
COUNTY OF

**Affidavit of Execution and Status
(Corporate)**

I, Donald J. Breen, of New Glasgow in the Province of Nova Scotia, make oath and say as follows:

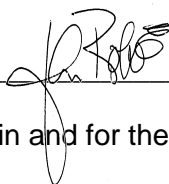
1. THAT I am the Vice President and Secretary of Northern Timber Nova Scotia Corporation (the "Company") and have a personal knowledge of the matters herein described;
2. THAT for the purposes of this my Affidavit, "Matrimonial Home" means the dwelling and real property occupied by a person and that person's spouse or domestic partner as their family residence and in which either or both of them have a property interest other than a leasehold interest;
3. THAT the lands described in the annexed instrument are not occupied by any shareholder as a Matrimonial Home nor is any shareholder entitled to use the lands as a Matrimonial Home and the lands have never been so occupied while any interest in the lands has been owned by the Company;
4. THAT I am an Officer/Director of the Company, duly authorized to execute the annexed instrument for and on behalf of the Company;
5. THAT I have executed the annexed instrument for and on behalf of the Company and thereby bind the Company; and
6. I acknowledge that the Company executed the foregoing Instrument by its proper officer(s)/director(s) duly authorized in that regard on the date of this affidavit; this acknowledgment is made for the purpose of registering such Instrument pursuant to s.31(a) of the *Registry Act*, R.S.N.S. 1989, c.392 or s. 79(1) and 83 of the *Land Registration Act*, as the case may be, and in compliance with the provisions of the *Matrimonial Property Act*, S.N.S., c. 275, s.1. and the *Vital Statistics Act*, S.N.S., c. 494, s.1.

SWORN BEFORE ME at, New Glasgow
in the Province of Nova Scotia,)
on the 17th day of September, 2013)
Marlie Langille-Symes)
A Notary Public/Commissioner of)
Oaths in and for the Province of)
Nova Scotia)

MARLIE LANGILLE-SYMES
A Commissioner of the
Supreme Court of Nova Scotia

Donald J. Breen

This is Exhibit "EE" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to be 'R. F. [unclear]', is written over a horizontal line.

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



Economic and Rural Development
Deputy Minister

1660 Hollis Street
Centennial Building, Suite 600
PO Box 2311
Halifax, NS B3J 3C8
Canada

902 424-2901 T
902 424-0619 F
www.gov.ns.ca

February 24, 2010

PRIVATE AND CONFIDENTIAL

Mr. Adam Blumenthal
Northern Timber Nova Scotia Corporation
Northern Pulp Nova Scotia Corporation
P.O. Box 549 Station Main
New Glasgow, NS B2H 5E8

Dear Mr. Blumenthal:

Re: Financial Assistance not to exceed \$75,000,000.00 to Northern Timber Nova Scotia Corporation ("NTNS" or "The Company")

In response to your request for financial assistance, we confirm the approval by the Province of Nova Scotia as represented by the Minister of Economic and Rural Development (the "Minister"), **subject to the approval of Governor in Council and the issuance of an Order in Council (not legally binding until and unless such approvals provided)**, of a Loan in an amount not to exceed \$75,000,000.00 subject to the terms and conditions contained in this Letter of Offer, and the Standard Terms and Conditions attached as Appendix "A".

PROGRAM AND FINANCING

PROGRAM	\$	FINANCING	\$
Purchase of approximately 475,000 acres of timberland owned by Neenah Paper Company of Canada	82,500,000	Province of Nova Scotia Industrial Expansion Fund loan ("Loan")	75,000,000
		Company Contribution	7,500,000
TOTAL PROGRAM:	82,500,000	TOTAL FINANCING	82,500,000

DEFINITIONS

"Minister" shall mean the Minister of Economic and Rural Development.

"Program" shall mean the funding as set out in the PROGRAM AND FINANCING

PURPOSE

To assist in the Company's purchase of approximately 475,000 acres of timberland owned by Neenah Paper Company of Canada.

Letter of Offer - Northern Timber Nova Scotia Corporation
February 24, 2010
Page 2

TERM

The Term of the Loan shall be 30 years commencing on the date of disbursement.

INTEREST

Interest shall be charged at a rate determined by the Nova Scotia Department of Finance at the time of disbursement. The rate shall be approximately equivalent to the Province of Nova Scotia 30-year borrowing rate plus 25 basis points. For illustrative purposes, as at February 1, 2010, the rate would be about 4.85%.

Interest shall be paid monthly on the loan for the first five (5) years of the Term. Thereafter, equal blended monthly payments of principal and interest shall be paid such that the loan will be amortized over the remaining 25 years of the Term.

REPAYMENT OF PRINCIPAL

Repayment of principal shall commence the 61st month of the Term and shall be remitted in equal blended monthly payments of principal and interest shall be paid such that the loan will be amortized over the remaining 25 years of the Term

The Company shall have the right to sell approximately 55,000 acres of the lands being purchased with the proceeds of this Loan to Her Majesty the Queen in right of the Province of Nova Scotia, as represented by the Minister of Natural Resources ("DNR"), provided however that the proceeds of sale from this shall be applied as follows:

1. A principal payment of \$2.5 million shall be made against the Loan at time of closing of the sale of the approximately 55,000 acres;
2. \$5,000,000 to be retained by DNR as a holdback on conditions established between DNR and the Company, but including completion of an odour reduction program by Northern Pulp Nova Scotia Corporation ("NPNS") at its pulp mill at Abercrombie Point, Nova Scotia;
3. Balance to be used by the Company or NPNS, provided however, that none of these funds are to be used for payment of bonuses or dividends to shareholders, owners, or others. Further provided that these funds shall not constitute the new equity to the Company as described in the Conditions Precedent.

The sale of the approximately 55,000 acres shall be completed concurrent with or immediately upon closing of the purchase by the Company of the 475,000 acres from Neenah Paper Company Limited. Provided the amounts are paid or allocated in accordance with the foregoing paragraphs 1, 2, 3, the Minister shall provide a Release of that portion of the security interest for the approximately 55,000 acres;

SECURITY (all of which shall be in form acceptable to solicitor of the Minister)

Letter of Offer - Northern Timber Nova Scotia Corporation
February 24, 2010
Page 3

- A first priority security interest on all of the assets, including all real and personal property, of the Company. This interest will be released upon full repayment of Loan, including interest.
- An unlimited guarantee, and if required by Minister's solicitor including postponement, of NPNS.
- A pledge of all the shares of the Company.
- An assignment of rents, licenses and leases (including if applicable, from NPNS).
- Such other documents as reasonably required by the solicitor for the Minister.

CONDITIONS PRECEDENT

Receipt by the Minister of a duly executed land purchase agreement between the Company, NPNS, and Her Majesty the Queen in right of the Province of Nova Scotia, as represented by DNR (the "DNR Land Agreement"). The Land Agreement shall include, among other things, provisions relating to the following:

- a) Odour Reduction commitments of NPNS;
- b) Rights of Resale of Remainder Timberlands;
- c) Option Agreement for DNR to purchase additional lands of the Company;
- d) Rights of way acceptable to Company and DNR;
- e) Right of First Refusal for DNR on Remainder Timberlands; and
- f) First Nation Considerations.

Receipt by the Minister of a duly executed land option purchase agreement on additional lands between the Company, NPNS, and Her Majesty the Queen in right of the Province of Nova Scotia, as represented by DNR (the "DNR Option Agreement").

Receipt by the Minister of a copy of a duly executed land agreement between the Company and Neenah Paper Company Limited for the approximately 475,000 acres of timberland being purchased (the "Neenah Agreement");

Receipt of a copy of the latest environmental assessment(s) for the 475,000 acres of land.

Confirmation and evidence acceptable to the Minister of \$7.5 million new equity investment into the Company in a form acceptable to the Minister, acting reasonably. All shares shall be paid and fully assessed;

Concurrent with the advance of funds under this Agreement, the Company shall complete the DNR and Neenah Agreements;

Evidence acceptable to the Minister of the corporate form and capitalization of the Company.

Letter of Offer - Northern Timber Nova Scotia Corporation
February 24, 2010
Page 4

FINANCIAL STATEMENT REQUIREMENTS

The Company shall provide audited financial statements prepared by an external accounting firm on an annual basis.

APPLICATION OF STANDARD TERMS AND CONDITIONS

The provision of the Loan is subject to the Standard Terms and Conditions attached as Appendix "A" to this Letter of Offer except for:

- a) Clause 3, third paragraph, third line, is amended to add "which creates a material adverse risk" immediately after the word "litigation".
- b) Clause 8 which is deleted in its entirety.
- c) First paragraph of clause 9 is deleted.
- d) Clause 10(b) is deleted to the extent it has the same effect as Clause 10(d).
- e) Clause 10(d) is amended to read: "The Company covenants that all dealings between the Company and any related, associated or affiliated companies shall be pursuant to appropriate stumpage agreements, as determined by the Board of the Company, and acceptable to the Minister, each acting reasonably, or at fair market value.
- f) Clause 21 is deleted in its entirety.

The account manager responsible for the administration of the loan will be Marvyn Robar. He will be happy to respond to any questions or concerns you may have from time to time.

Please signify your acceptance of this offer by signing and returning the duplicate copy of this letter. The offer will remain open for acceptance until **February 25, 2010**. We are pleased the Province is able to offer this assistance and look forward to the successful operation of your company.

Yours truly,



AT Ian Thompson
Deputy Minister

Attachment

Letter of Offer - Northern Timber Nova Scotia Corporation
February 24, 2010
Page 5

**WE HEREBY ACCEPT THIS OFFER AND AGREE WITH THE TERMS AND CONDITIONS
CONTAINED HEREIN AND IN THE ATTACHED APPENDIX "A".**

**Northern Timber
Corporation**

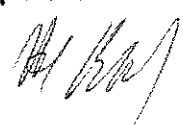


Per: _____

Date: 25 February 2010

(Seal)

Per: _____
Authorized Officers
Northern Pulp Nova Scotia Corporation
(Guarantor)



Date 25 February 2010

Per

Per

APPENDIX "A"

**STANDARD TERMS AND CONDITIONS
RELATING TO FINANCIAL ASSISTANCE (THE "LOAN") AUTHORIZED UNDER THE
INDUSTRIAL DEVELOPMENT ACT**

DEFINITIONS:

"Agreement" refers collectively to this Appendix "A" and the Letter of Offer to which it is attached.

"Cost of Funds" means the interest rate(s) payable by the Province on all amounts disbursed to the Company under the terms of this Agreement. The Cost of Funds will be determined by the Province and communicated to the Company on the date of each disbursement of the Loan.

"Minister" means the Minister of Economic and Rural Development.

"Province" means Her Majesty the Queen in right of the Province of Nova Scotia.

Definitions set out in the Letter of Offer are incorporated herein to the extent they do not conflict with any provision of this Appendix "A".

1. Inconsistency with Industrial Development Act and Regulations (if any)

The Company hereby acknowledges and agrees that the *Industrial Development Act* (the "Act") and all regulations, if any, enacted pursuant to it (the "Regulations"), are applicable to the Loan provided by the Province under the terms of this Agreement. In the event of inconsistency between the terms and conditions of this Agreement and the provisions of the Act or its Regulations, the Act and Regulations shall prevail.

2. Expiration of Letter of Offer

Should the Company fail to execute the Security required under this Agreement within six (6) months of the date of the Letter of Offer, the Letter of Offer shall expire, provided only that the Minister may at his sole discretion provide written agreement to extend the deadline. In the event of expiration of the Letter of Offer, any costs incurred by the Province prior to or following its expiration, for legal and other services, shall be the responsibility of the Company and the Guarantor(s).

3. Province's Rights to Terminate the Agreement and/or Withhold Further Disbursements

Notwithstanding execution of this Agreement by the Company, the Province may refuse to disburse the Loan or any portion of it if, in its sole opinion, there has been a material and adverse alteration in risk since the Letter of Offer was issued.

Where the Company has not requested disbursement of the full amount of the loan within 180 days following the advance by the Province of the first disbursement, the Company's right to request further disbursements expires and the Minister may at his or her sole discretion decline to make any further disbursements under this Agreement.

This Agreement may, at the discretion of the Minister, be cancelled or withdrawn in the event the Company or its officers or directors are found to be involved in litigation or any proceeding before a government board, tribunal, or agency which has not been disclosed to the Province, or in the event the Company or any of its officers, directors, employees or agents has intentionally made any material misstatement in any information provided to the Province for purposes of obtaining the Loan, whether before or after execution of the Letter of Offer by the Company.

The Province may terminate this Agreement if the Company is in default under other financial assistance agreement(s), if any,

Rev'd 2009 09 17 - Loans

with the Province of Nova Scotia or any of its agencies, including crown corporations or government business organizations.

4. Payment Method

All payments will be made by pre-authorized debit. The Province's standard pre-authorized interbank debit form shall be completed by the Company and provided to the Province with the acceptance of this Agreement.

5. Returned Items

Where for any reason a financial institution fails to honour a cheque issued or interbank debit authorized by the Company, the Company shall pay to the Province on demand a Returned Item Fee, which Fee may be revised by the Province from time to time without notice to the Company. Any Fee remaining unpaid shall be added to the Principal Amount of the Loan.

6. Additional Information

The Company shall provide such other information as the Minister may from time to time reasonably request.

7. Disbursement of the Loan

Prior to disbursement of all or any portion of the Loan, the Security described in the Letter of Offer, in a form satisfactory to the Province, shall be executed and delivered to the Province or its solicitors.

The Loan will be disbursed by the Province against original receipted invoices and cancelled cheques or other documentation acceptable to the Province evidencing programmed expenditures. The Province reserves the right to request that the Company provide certification from a third party professional to confirm expenditures with the cost of same to be borne by the Company.

Cost overruns, if any, on the Program as described in the Letter of Offer are the responsibility of the Company.

8. Legal Fees and Costs

The Company shall pay all legal fees and costs relating to the Loan, including preparation, execution and registration of security documents, and legal fees and costs, if any, relating to administration of this Agreement. Legal fees may be deducted from disbursements under the Loan. The Company agrees this applies even if the Loan does not for any reason proceed and/or funds are not advanced.

9. Insurance

The Company shall purchase and maintain standard commercial insurance policies with respect to the real and personal property charged by the Security until such time as it has fully satisfied all of its obligations to the Province under this Agreement, which insurance policies shall be in a form satisfactory to the Province and show the Province as loss payee as its interests may appear.

The Company shall also purchase and maintain standard commercial insurance policies in relation to its general operations until such time as it has fully satisfied all of its obligations to the Province, which insurance policies shall provide public and product liability coverage.

10. Limitations on Company Activities and Actions

a. This Agreement is not assignable by the Company without the prior written consent of the Province.

b. The Company will ensure that all transactions with related, affiliated or associated companies and with its shareholders, directors and employees are based on fair market values.

c. The Company shall refrain from doing any or all of the following without the prior written consent of the Province, which consent will not be unreasonably withheld:

(i) Redeem or purchase any shares of the Company or pay dividends thereon;

(ii) Issue shares of the Company if such issuance would result in a change of control;

(iii) Repay any shareholders' loans or pay interest thereon;

(iv) Make loans to, guarantee or assume liability for or make investments in other parties, including related, affiliated or associated companies;

(v) Incorporate, purchase, acquire, fund, sell or dispose of any subsidiary or affiliate, whether wholly or partially owned by the Company;

(vi) Sell, lease, exchange or otherwise dispose of the property of the Company other than in the ordinary course of business;

(vii) Institute proceedings for the winding-up, reorganization or dissolution of the Company; and

(viii) Change the nature of the Company's business.

d. The Company covenants that all dealings between the Company and any related, associated or affiliated companies shall be at fair market value.

e. The Company shall advise the Province immediately if it registers a name change.

11. Compliance with Laws

The Company covenants and agrees that, until such time as the Company has fully satisfied all of its obligations under this Agreement, it will ensure that the business and assets of the Company and any subsidiaries of the Company are and will continue to be operated in compliance with all federal [including the Income Tax Act (Canada) and compliance with remittance of payroll taxes], provincial and municipal statutes, regulations, ordinances, and by-laws (including the Nova Scotia Environment Act, Occupational Health and Safety Act, Labour Standards Code and Human Rights Act) and that no enforcement action is, or will be, pending with respect to any such statute, regulation, ordinance or by-law.

12. Right to Appoint or Nominate a Director or Observer to Company's Board of Directors

So long as the Loan is in effect and until such time as all of the Company's obligations to the Province have been discharged, the Province shall be entitled to appoint or nominate a director or an observer to the Company's Board of Directors

13. Requirement to Maintain and Enhance Investment in Nova Scotia

Where commercially reasonable, the Company shall employ and purchase Nova Scotia contractors, labour, products, materials and services in the operation of its business. Further, the Company shall make all commercially reasonable efforts to enhance its business operations in Nova Scotia by increasing

the employment of Nova Scotia residents, and locating any new business premises in the Province.

Until the Loan is repaid in full, the Company is prohibited from transferring any existing business operations or premises from Nova Scotia to a location outside of the Province without the prior written approval of the Province, which approval shall not be unreasonably withheld.

14. Environmental

The Company hereby represents and warrants that its business and assets and those of any subsidiary companies are operated in compliance with applicable environmental legislation, regulations, rules and orders (collectively, "Environmental Laws") and that no enforcement action in respect thereof is threatened or pending. The Company further covenants to continue to operate in accordance with Environmental Laws, to cause its subsidiaries to do likewise, and to permit the Province to conduct inspections and appraisals of all or any of its and its subsidiaries' records, businesses and assets at the Company's expense, at any time and from time to time, for purposes of ensuring the Company and its subsidiaries are in compliance with Environmental Laws. The Company shall indemnify the Province with respect to any failure by it or its subsidiaries to comply with Environmental Laws, and agrees that, in the event the Province incurs expenses because of the application of Environmental Laws to the Company or any of its subsidiaries, the amounts expended by the Province for such purpose shall be added to the indebtedness of the Company under the terms of this Agreement. The Company shall fully and accurately complete an environmental questionnaire annually upon the request of the Province.

15. Public Announcements

The Company consents to a public announcement by or on behalf of the Province advising that a Loan been or will be provided by the Province pursuant to this Agreement. The Company shall be free to make its own public announcement with respect to the Loan any time after execution of this Agreement, provided that such public announcement is scheduled for a date and time acceptable to the Province. The Company hereby consents to the participation of a representative of the Province and the Minister responsible for the Province or his or her designate in any event held in conjunction with a public announcement by the Company.

16. Exchange of Credit Information

The Company consents to the receipt and exchange of credit and/or other information from time to time by the Province, including receipt from and exchange with any financial institution, credit bureau, credit reporting agency or any person, firm or corporation with which the Company has or proposes to have financial relations. The Company acknowledges and agrees that this information may be used for purposes of establishing and maintaining the Company's relationship with the Province. The Company hereby consents to the release of credit and other information to the Province by any other person, firm or corporation with which it has or proposes to have financial relations.

17. Agreement to Release of Financial Statements

By acceptance of the Letter of Offer, the Company authorizes its external accountants and auditors to provide copies of the Company's financial statements to the Province as and when requested by the Province.

18. Confidentiality of Information

Subject to Sections 15, 16 and 17 above, and to the provisions of the Freedom of Information and Protection of Privacy Act, or under any rules of the Legislature of the Province and any other

applicable legislation, all documentation and information provided by the Company to the Province for purposes of obtaining a Loan shall be kept strictly confidential.

19. Bankruptcy or Insolvency of the Company

The Company hereby acknowledges and agrees that the Province's obligations with respect to the provision of the Loan, whether accrued, due, or to become due, under this Agreement shall immediately cease in the event the Company becomes insolvent or makes an assignment under the *Bankruptcy and Insolvency Act*, makes a proposal to creditors (whether voluntary or involuntary) under the *Bankruptcy and Insolvency Act*, has a petition filed or presented against it pursuant to the *Bankruptcy and Insolvency Act*, takes or proposes to take the benefit of any provision of the *Companies Winding Up Act* or the *Companies Creditors Arrangement Act*, is subject to or takes steps similar to any of the foregoing pursuant to any other legislation, or ceases to carry on business in the Province of Nova Scotia.

20. No Contingency Fee Paid

The Company warrants and represents that no contingency fee for the solicitation, negotiation, or obtaining of this Agreement has been or will be paid directly or indirectly to any person other than to an employee of the Company acting within the scope of his or her employment.

21. Prepayment

Partial prepayments shall be applied regressively on the then last maturing payment of principal. The outstanding principal of the Loan may be prepaid in full or in part provided the Company pay to the Province the interest owing to the time of payment together with an indemnity equal to an interest differential charge. This interest differential charge is applicable if, on the date prepayment is received, the Province's Cost of Funds for the Corresponding Term is lower than the Province's Cost of Funds in effect when the Company either entered or renewed the current term being prepaid, whichever is most recent. The interest differential is the difference between these two rates. The interest differential is multiplied by the principal that would have been outstanding at the first day of each month until the expiry of the current term (or the maturity of the principal if earlier). Then the present value of the amount or amounts obtained by such multiplication is calculated by discounting such amount or amounts using the Province's Cost of Funds for the Corresponding Term as the discount factor. The total of the present values is the interest differential charge.

22. Waivers

No delay or omission to exercise any right or remedy accruing to the Province upon any breach or default by the Company under this Agreement shall impair any such right or remedy or be construed as a waiver of the breach or default or of any similar breach or default occurring thereafter, nor shall any single or partial exercise thereof preclude any other or further exercise

thereof or the exercise of any other right or remedy. No waiver of a single breach or default shall operate or be construed as a waiver of any subsequent breach or default. All waivers hereunder must be in writing and signed by the waiving party.

23. Forum and Choice of Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the federal laws of Canada applicable therein, and shall be treated in all respects as a Nova Scotia contract.

The Company agrees that any suit, action or proceeding arising from or in relation to this Agreement, against it or its assets, may be brought to the Supreme Court of Nova Scotia, the Federal Court of Canada or any other Court in which, at its sole discretion, the Province chooses to bring such suit, action or proceeding, and the Company hereby generally, irrevocably and unconditionally submits to the non-exclusive jurisdiction of any or all such Courts over any such suit, action or proceeding. The Company further agrees that all judgments in such suits, actions or proceedings shall be conclusive and binding upon it and that such judgments may, at the sole election of the Province, be enforced in any jurisdiction or jurisdictions selected by the Province.

24. Complete Agreement

This Agreement constitutes the entire, full and complete agreement entered into by parties regarding the subject matter herein, and replaces all previous agreements with respect to the said subject matter. Neither party has been induced to execute this Agreement by any former representation, and as no representation, encouragement, promise or agreement, whether verbal or other, between the parties, other than as expressly provided for herein, is in force or has any effect in relation to this Agreement or otherwise.

25. Amendments

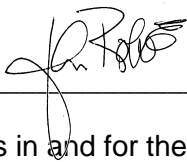
No changes to the Program and Financing described in the Letter of Offer may be made by the Company without the prior written consent of the Province.

No amendment, change or variation to this Agreement will be binding upon the parties unless it has been agreed to in writing by both parties. The Company hereby acknowledges that, in accordance with the Act and Regulations, amendments, changes or variations of a material nature require the approval of the Province's Governor in Council, otherwise with the prior written consent of the Minister.

26. Headings

Headings are inserted only for convenience and are in no way to be construed as limiting the scope of any provision of the Agreement.

This is Exhibit "FF" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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



Business
Office of the Minister

PO Box 2311, Halifax, Nova Scotia, Canada B3J 3C8 • Telephone 902 424-5790 Fax 902 424-0514 • novascotia.ca

May 19, 2020

PRIVATE AND CONFIDENTIAL

Mr. Bruce Chapman
General Manager
Northern Timber Nova Scotia Corporation
PO Box 549, Station Main
New Glasgow, NS B2H 5E8

Dear Mr. Chapman:

Re: Contract #78000029 (Loan #300273) to Northern Timber Nova Scotia Corporation

We refer to the letters of offer dated February 24, 2010, and any subsequent amendments and/or renewal letters, collectively referred to as the "Agreement".

Amendment to Repayment Terms

In accordance with the Province of Nova Scotia's March 20, 2020 announcement that outlined measures to help Nova Scotians and Nova Scotia businesses deal with COVID-19, monthly loan payments on the above-noted contract shall be postponed for the April to June 2020 period (3 months). The scheduled monthly loan payments will recommence on July 1, 2020 (i.e., April 1, 2020 scheduled payment would now be due on July 1, 2020) and the existing amortization schedule and term will be extended by three months accordingly.

Please signify your acceptance to the above, which forms part of the Agreement, by returning a signed electronic copy of this letter by email to Howard Lake, Senior Account Manager, Nova Scotia Business Inc. (hlake@nsbi.ca). Should you have any questions about your loan agreement, please contact Howard Lake, Senior Account Manager, at 902-577-5640.

We are pleased the Province of Nova Scotia is able to accommodate this change and look forward to the continued successful operation of your Company.

Sincerely,

Geoff MacLellan
Minister

.../2

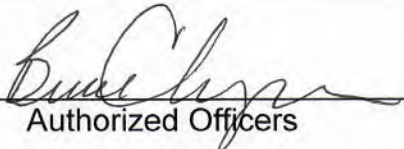
Northern Timber Nova Scotia Corporation
Page 2

Understood and agreed to this 25th day of MAY, 2020.

Northern Timber Nova Scotia Corporation

Per: _____

Date: MAY 25 2020

Per: 
Authorized Officers

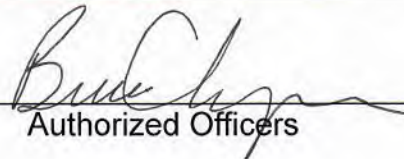
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Guarantor:

Northern Pulp Nova Scotia Corporation

Per: _____

Date: MAY 25 2020

Per: 
Authorized Officers

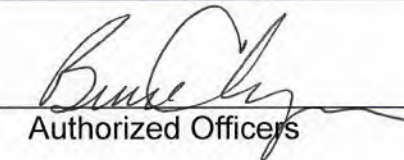
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Guarantor:

Northern Resources Nova Scotia Corporation

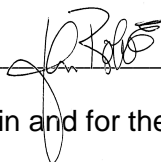
Per: _____

Date: MAY 25 2020

Per: 
Authorized Officers

(Seal)

This is Exhibit "GG" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to be "D. R. [unclear]", is written over a horizontal line.

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

GUARANTEE AND POSTPONEMENT OF CLAIM

TO: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA AS REPRESENTED BY THE MINISTER OF ECONOMIC AND RURAL DEVELOPMENT

FOR VALUABLE CONSIDERATION, receipt whereof is hereby acknowledged, the undersigned hereby guarantees payment on demand to Her Majesty the Queen in Right of the Province of Nova Scotia as represented by the Minister of Economic and Rural Development (hereinafter called the "**Province**") of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, now or at any time owing by **NORTHERN TIMBER NOVA SCOTIA CORPORATION** (hereinafter called the "**Customer**") to the Province or remaining unpaid by the Customer to the Province, heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Province and the Customer or by or from any agreement or dealings with any third party by which the Province may be or become in any manner whatsoever a creditor of the Customer or however otherwise incurred or arising anywhere within or outside the country where this guarantee is executed and whether the Customer be bound alone or with another or others and whether as principal or surety (such debts and liabilities being hereinafter called the "**liabilities**"); the liability of the undersigned hereunder being unlimited together with interest thereon from the date of demand for payment at a rate equal to ____% as well after as before default and judgement.

AND THE UNDERSIGNED HEREBY AGREES WITH THE PROVINCE AS FOLLOWS:

1. The Province may grant time, renewals, extensions, indulgences, releases and discharges to, take securities (which word as used herein includes securities taken by the Province from the Customer and others, monies which the Customer has on deposit with the Province, other assets of the Customer held by the Province in safekeeping or otherwise, and other guarantees) from and give the same and any or all existing securities up to, abstain from taking securities from, or perfecting securities of, cease or refrain from giving credit or making loans or advances to, or change any term or condition applicable to the liabilities, including without limitation, the rate of interest or maturity date, if any, or introduce new terms and conditions with regard to the liabilities, or accept compositions from and otherwise deal with, the Customer and others and with all securities as the Province may see fit, and may apply all moneys at any time received from the Customer or others or from securities upon such part of the liabilities as the Province deems best and change any such application in whole or in part from time to time as the Province may see fit, the whole without in any way limiting or lessening the liability of the undersigned under this guarantee, and no loss of or in respect of any securities received by the Province from the Customer or others, whether occasioned by the fault of the Province or otherwise, shall in any way limit or lessen the liability of the undersigned under this guarantee.
2. This guarantee shall be a continuing guarantee and shall cover all the liabilities, and it shall apply to and secure any ultimate balance due or remaining unpaid to the Province.

3. The Province shall not be bound to commence realization of any security or to exhaust its recourse against the Customer or others or any securities it may at any time hold before being entitled to payment from the undersigned of the liabilities.
4. All indebtedness and liability, present and future, of the Customer to the undersigned is hereby assigned to the Province and postponed to the liabilities, and all monies received by the undersigned in respect thereof shall be received in trust for the Province and forthwith upon receipt shall be paid over to the Province, the whole without in any way limiting or lessening the liability of the undersigned under the foregoing guarantee; and this assignment and postponement is independent of the said guarantee and shall remain in full effect notwithstanding that the liability of the undersigned under the said guarantee may be extinct. The term "liabilities", as previously defined, for purposes of the postponement feature provided by this agreement, and this section in particular, includes any funds advanced or held at the disposal of the Customer under any line(s) of credit.
5. This guarantee and agreement shall not be affected by any change in the name of the Customer, or by the acquisition of the Customer's business by a corporation, or by any change whatsoever in the objects, capital structure or constitution of the Customer, or by the Customer's business being amalgamated with a corporation, but shall notwithstanding the happening of any such event continue to apply to all the liabilities whether theretofore or thereafter incurred or arising and in this instrument the word "Customer" shall include every such firm and corporation.
6. This guarantee shall not be considered as wholly or partially satisfied by the payment or liquidation at any time or times of any sum or sums of money for the time being due or remaining unpaid to the Province, and all dividends, compositions, proceeds of security valued and payments received by the Province from the Customer or from others or from estates shall be regarded for all purposes as payments in gross without any right on the part of the undersigned to claim in reduction of the liability under this guarantee the benefit of any such dividends, compositions, proceeds or payments or any securities held by the Province or proceeds thereof, and the undersigned shall have no right to be subrogated in any rights of the Province until the Province shall have received payment in full of the liabilities.
7. All monies, advances, renewals, credits and credit facilities in fact borrowed or obtained from the Province by the Customer shall be deemed to form part of the liabilities, notwithstanding any lack or limitation of status or of power, incapacity or disability of the Customer or of the directors, partners or agents of the Customer, or that the Customer may not be a legal or suable entity, or any irregularity, defect or informality in the borrowing or obtaining of such monies, advances, renewals, credits or credit facilities, or any other reason, similar or not, the whole whether known to the Province or not. Any sum which may not be recoverable from the undersigned on the footing of a guarantee, whether for the reasons set out in the previous sentence, or for any other reason, similar or not, shall be recoverable from the undersigned as sole or principal debtor in respect of that sum, and shall be paid to the Province on demand with interest at the rate aforesaid.
8. This guarantee is in addition to and not in substitution for any other guarantee, given either by the undersigned or by whomsoever else given, at any time held by the Province.

9. The undersigned shall be bound by any account settled between the Province and the Customer, and if no such account has been so settled immediately before demand for payment under this guarantee any account stated by the Province shall be accepted by the undersigned as conclusive evidence of the amount which at the date of the account so stated is due by the Customer to the Province or remains unpaid by the Customer to the Province.
10. Possession of this instrument by the Province shall be conclusive evidence against the undersigned that this instrument was not delivered in escrow or pursuant to any agreement that it should not be effective until any conditions precedent or subsequent have been complied with.
11. No suit based on this guarantee shall be instituted until demand for payment has been made, and demand for payment shall be deemed to have been effectually made upon the undersigned if and when an envelope containing such demand, addressed to such guarantor at the address of such guarantor last known to the Province, is posted, postage prepaid, in the post office. Moreover, when demand for payment has been made, the undersigned shall also be liable to the Province for all legal costs (on a solicitor and own client basis) incurred by or on behalf of the Province resulting from any action instituted on the basis of this guarantee. All payments hereunder shall be made to the Province at a place so designated by the Province.
12. Any notice or demand upon the Guarantor shall be valid if given by postage prepaid registered letter addressed to the principal office of the Guarantor and shall be deemed to have been served or given five business days after the day such letter is posted. Nothing herein shall preclude the delivery of notices or demands by means other than mailing.
13. This instrument covers all agreements between the parties hereto relative to this guarantee and assignment and postponement, and none of the parties shall be bound by any representation or promise made by any person relative thereto which is not embodied herein.
14. This guarantee and agreement shall extend to and enure to the benefit of the Province and its successors and assigns, and every reference herein to the undersigned is a reference to and shall be construed as including the undersigned and the successors and assigns of the undersigned, as the case may be, to and upon all of whom this guarantee and agreement shall extend and be binding.
15. This Guarantee and Postponement of Claim shall be governed by and construed in accordance with the laws of the Province of Nova Scotia ("**Jurisdiction**"). The undersigned irrevocably submits to the courts of the Jurisdiction in any action or proceeding arising out of or relating to this Guarantee and Postponement of Claim, and irrevocably agrees that all such actions and proceedings may be heard and determined in such courts, and irrevocably waives, to the fullest extent possible, the defence of an inconvenient forum. The undersigned agrees that a judgment or order in any such action or proceeding may be enforced in other jurisdictions in any manner provided by law. Provided, however, that the Province may serve legal process in any manner permitted by


law or may bring an action or proceeding against the undersigned or the property or assets of the undersigned in the courts of any other jurisdiction.

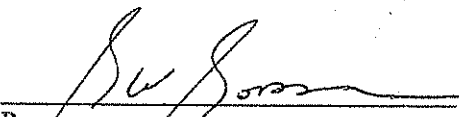
16. The undersigned hereby acknowledge receipt of a copy of this agreement.
17. The undersigned hereby waives the undersigned's right to receive a copy of any financing statement or financing change statement registered by the Province.

GIVEN UNDER SEAL at Halifax, Nova Scotia this 11th day of March, 2010.

SIGNED, SEALED AND DELIVERED
in the presence of:

NORTHERN PULP NOVA SCOTIA
CORPORATION


Witness


Per: G.W. Gossé

This is Exhibit "HH" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.



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

GENERAL ASSIGNMENT OF RENTS AND OTHER MONIES

THIS AGREEMENT made as of the 11th day of March, 2010.

BETWEEN:

NORTHERN PULP NOVA SCOTIA CORPORATION,

hereinafter called the "Assignor"

OF THE FIRST PART

- and -

**HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF NOVA SCOTIA AS REPRESENTED BY
THE MINISTER OF ECONOMIC AND RURAL
DEVELOPMENT,**

hereinafter called the "Assignee"

OF THE SECOND PART

WITNESSETH THAT:

WHEREAS the Assignor is the owner of the Lands and has agreed to enter into this agreement with the Assignee as collateral security for the Guarantee;

NOW THEREFORE it is hereby covenanted, agreed and declared as follows:

1. In this agreement, unless there is something in the subject matter or context inconsistent therewith,

- (a) "Borrower" means Northern Timber Nova Scotia Corporation;
- (b) "Debenture" means a debenture dated even date herewith granted by the Borrower in favour of the Assignee as security for the financial assistance granted by the Assignee to the Borrower;
- (c) "Guarantee" means the guarantee and postponement of claim dated even date herewith granted by the Assignor in favour of the Assignee as security for the financial assistance granted by the Assignee to the Borrower;
- (d) "Lands" means the lands and premises described in Schedule "A" to this agreement;
- (e) "Leases" includes:
 - (i) every existing and future lease of and agreement to lease of the whole or any portion of the Lands;
 - (ii) every existing and future tenancy, agreement as to use or occupation and licence in respect of the whole or any portion of the Lands, whether or not pursuant to any written lease, agreement or licence;
 - (iii) every existing and future guarantee of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Lands; and
 - (iv) every existing and future assignment and agreement to assume the obligations of tenants of the whole or any portion of the Lands;
- (f) "Rents" means all rents and other monies now due and payable or hereafter to become due and payable and the benefit of all covenants of tenants, users, occupiers, licensees and guarantors, under or in respect of the Leases.

2. The Assignor hereby assigns to the Assignee, its successors and assigns (as security for the obligations of the Borrower secured by the Guarantee and until the monies due under and by virtue of the Guarantee have been fully paid and satisfied) the Rents and Leases, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and Leases and to enforce payment thereof in the name of the Assignor or the owner from time to time of the Lands.

3. The Assignor hereby covenants and agrees that:

- (a) none of the Rents has been or will be paid more than one month in advance (except, if so provided in the lease or agreement, for payment of rent for the last month of the term) or, as applicable, none of the Rents has been or will be paid more than one year in advance (except, if so provided in the lease or agreement, for payment of rent for the last year of the term);
- (b) there has been no default of a material nature which has not been remedied under any of the existing Leases by any of the parties thereto;
- (c) the Assignor will observe and perform in all material respects all of the Assignor's obligations under each of the Leases.

4. Subject to the provisions of paragraph 3(a) above, the Assignor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of each of the Leases unless and until, the Guarantee being in default, the Assignee shall give notice to the tenant, user, occupier, licensee or guarantor thereunder requiring payment to the Assignee.

5. Nothing contained herein or in any statute shall have the effect of making the Assignee, its successors or assigns, responsible for the collection of Rents or any of them or for the performance of the covenants, obligations or conditions under or in respect of the Leases or any of them to be observed or performed by the Assignor, and the Assignee shall not, by virtue of this agreement or its receipt of the Rents or any of them, become or be deemed an assignee in possession of the Lands or the premises and the Assignee shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them; and the Assignee shall be liable to account only for such monies as shall actually come into its hands, less all costs and expenses and other proper deductions.

6. The Assignor hereby agrees to execute such further assurances as may be reasonably required by the Assignee from time to time to perfect this agreement and assignment and whenever in the future any lease, agreement, licence or guarantee with respect to the Lands is made, the Assignor will forthwith advise the Assignee of the terms thereof and, if requested by the Assignee, give the Assignee a specific assignment of the Rents thereunder in form satisfactory to the Assignee.

7. The Assignor further agrees that the Assignor will not lease or agree to lease any part of the Lands except at a rent, on terms and conditions, and to tenants which are not less favourable or desirable than those which a prudent landlord would expect to receive for the premises to be leased.

8. It is understood and agreed that this agreement and assignment is being taken as collateral security only for the due payment of any sum due under the Guarantee; and that none of the rights or remedies of the Assignee under the Guarantee shall be delayed or in any way prejudiced by these presents; and that following registration of a discharge of the Debenture and surrender of the Guarantee all of the Leases and Rents shall be, and shall be deemed to have been, re-assigned to the Assignor without further action on the part of the Assignee and this agreement and assignment shall be of no further force or effect and may be deleted from any register pursuant to the *Registry Act* or the *Land Registration Act*.

9. Any notice or communication to be given hereunder shall be validly given if sent by registered mail addressed, in the case of the Assignor, to the Assignor at 260 Granton Abercrombie Branch Road, New Glasgow, NS B2H 5E6, and in the case of the Assignee c/o Joe Pettigrew, Department of Justice, 4th Floor, 5151 Terminal Road, PO Box 7, Halifax, NS B3J 2L6. All such notices and communications sent by registered mail as aforesaid shall be deemed


to have been given and received on the third business day following the date of mailing. Either party hereto may, by notice given as aforesaid to the other party, change the address to which future notices are to be sent to the party giving such notice.

10. This agreement and everything herein contained shall extend to, bind and enure to the benefit of the respective heirs, executors, administrators, successors and assigns of each of the parties hereto.


[SIGNATURE PAGE FOLLOWS]

SIGNED, SEALED AND DELIVERED in
the presence of:

NORTHERN PULP NOVA SCOTIA
CORPORATION


A Barrister of Nova Scotia

Per


Name: G. Wayne Gosse
Title: CEO, CFO, Treasurer and Secretary

PROVINCE OF NOVA SCOTIA)
COUNTY OF HALIFAX)

AFFIDAVIT OF EXECUTION AND STATUS

I, G. Wayne Gosse, of New Glasgow, Province of Nova Scotia make oath and say as follows:

1. THAT I am the CEO, CFO, Treasurer and Secretary of **NORTHERN PULP NOVA SCOTIA CORPORATION** (the "Company") and as such have a personal knowledge of the matters herein deposed to;
2. THAT for the purposes of this my Affidavit "matrimonial home" means the dwelling and real property occupied by a person and that person's spouse as their family residence;
3. THAT the lands described or referred to in the within Assignment are not occupied by any shareholder as a matrimonial home nor is any shareholder entitled to use the lands as a matrimonial home and the lands have never been so occupied while the lands have been owned by the Company;
4. THAT I am an Officer of the Company, duly authorized to execute the annexed instrument for and on behalf of the Company;
5. THAT I have executed the annexed instrument for and on behalf of the Company and thereby bind the Company; and
6. THAT this affidavit is sworn for the purpose of registering the annexed instrument pursuant to sections 79(1) and 83 of the *Land Registration Act* and in compliance with the provisions of the *Matrimonial Property Act* and the *Vital Statistics Act*.

SWORN TO at Halifax, in County of
Halifax and Province of Nova Scotia, this
10th day of March, 2010, before me

Travis W. Gardner
A Notary Public in and for the Province of
Nova Scotia

G. Wayne Gosse

SCHEDULE "A"

SCHEDULE "A"

Lands of Northern Pulp Nova Scotia Corporation

PID Numbers
00864082
00864538
01045442
65076358
65076366
65076374
65076382
65166829
65166837
65168130
65168148
65168163
20451761

DATED: , 2010

**NORTHERN PULP NOVA SCOTIA
CORPORATION**

- and -

**HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF NOVA SCOTIA
AS REPRESENTED BY THE MINISTER
OF ECONOMIC AND RURAL
DEVELOPMENT,**

General Assignment of Rents

CCP
Stewart McKelvey
Barristers and Solicitors
P.O. Box 997
Halifax, Nova Scotia B3J 2X2
(SM002581-64)

This is Exhibit "II" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

PLEDGE AGREEMENT

TO: HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA AS REPRESENTED BY THE MINISTER OF ECONOMIC AND RURAL DEVELOPMENT

C/O Joe Pettigrew, Department of Justice
4th floor, 5151 Terminal Road, P. O. Box 7, Halifax, NS B3J 2L6

1. The undersigned, having deposited with **HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA AS REPRESENTED BY THE MINISTER OF ECONOMIC AND RURAL DEVELOPMENT** (the "**Province**"), certificates representing all of the shares in the capital stock of **NORTHERN TIMBER NOVA SCOTIA CORPORATION** (the "**Company**") beneficially owned by the undersigned, all as listed in Schedule A annexed hereto (the "**Pledged ULC Shares**"), in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agrees that the Pledged ULC Shares (the "**Security**") shall be held by the Province as continuing collateral security for all obligations and liabilities of the Company to the Province pursuant to a debenture granted by the Company in favour of the Province dated March __, 2010 (the "**Debenture**") in connection with financial assistance provided by the Province to the Company, hereinafter referred to as the "**Obligations**".

2. Upon the failure of the undersigned to fulfill any of the Obligations when required under the terms thereof (such failure being hereinafter referred to as an "**Event of Default**"), the Province or any officer thereof is hereby authorized to sell by public or private sale, for such price in money or other consideration and upon such terms and conditions as it deems best, or otherwise deal with the Security or any part thereof in any manner it may deem appropriate and, in the event of a sale, to apply the proceeds in reduction of the Obligations as the Province may see fit the whole without advertisement or notice to the undersigned or others. At any such sale, the Province may purchase the whole or any part of the Security free from any right of redemption on the part of the undersigned, which is hereby waived and released, the undersigned hereby expressly waiving all and every formality prescribed by law in relation to any such sale, authorizing the Province or any of its officers or nominee or nominees of the Province as its irrevocable attorney with the power of substitution for and in the name of the undersigned, to sign and seal all documents and transfers necessary in order to complete the transfer of the Security to any purchaser.

3. The undersigned shall, so long as an Event of Default has not occurred and be still continuing, be entitled to receive all dividends and other distributions payable on or in respect of the Security and shall be entitled to receive notice of, to attend and to exercise all voting rights attaching to the shares comprised in the Security at all meetings of shareholders of the Company and to give proxies, consents, waivers and ratifications in respect thereof. Upon the occurrence of an Event of Default and for so long as such Event of Default shall be continuing, all such rights of the undersigned shall terminate and shall immediately accrue to the Province.

4. The Province may grant time, renewals, extensions, indulgences, releases and discharges to, make compositions from and may otherwise deal with the undersigned as the Province may

see fit without prejudice to any right of the Province to hold, deal with and realize on the Security, and it is further agreed that the Province shall not be obligated to exhaust its recourse against any other security or securities it may hold before realizing on or otherwise dealing with the Security.

5. Without limitation to its right to recover reasonable expenses out of the proceeds of disposition arising from the sale of the Security or as otherwise available to it and permitted by law, all reasonable costs and charges incurred by the Province with reference to the Security or upon the realizing, collecting, selling, transferring, delivering and/or obtaining payment on the Security including, without limitation, all reasonable costs and charges for legal fees, shall constitute a liability of the undersigned to the Province and shall be a first charge on any monies received on any realization, collection, sale, transfer or delivery of the Province.

6. The security interest of the Province created by this Agreement shall be attached in respect of the Security upon execution of this Pledge Agreement by the undersigned. The undersigned represents and warrants that it has all necessary rights in the Security for the purpose of attachment of the security interest created hereby.

7. Notwithstanding any provisions to the contrary contained in this Pledge Agreement or any other document or agreement between the parties hereto, the undersigned is the sole registered and beneficial owner of all Pledged ULC Shares pledged hereunder and will remain so until such time as such Pledged ULC Shares are effectively transferred into the name of the Province or another Person (defined to mean an individual, corporation, company (limited, unlimited, unlimited liability or other), limited liability corporation, other body corporate, estate, limited, limited liability or general partnership, trust, trustee, joint venture, other legal entity, unincorporated association or government body) on the books and records of the Company. Accordingly, the undersigned shall be entitled to receive and retain for its own account any dividend on or other distribution, if any, in respect of such Pledged ULC Shares (except insofar as the undersigned has granted a security interest in such dividend or other distribution in favour of the Province hereunder, and any securities which constitute Pledged ULC Shares hereunder shall be delivered forthwith upon receipt by the undersigned to the Province to hold as collateral hereunder) and shall have the right to vote such Pledged ULC Shares and to control the direction, management and policies of the Company to the same extent as the undersigned would if such Pledged ULC Shares were not pledged to the Province pursuant hereto. Nothing in this Pledge Agreement or any other document or agreement between the parties hereto is intended to, and nothing in this Pledge Agreement or any other document or agreement between the parties hereto shall, constitute the Province or any Person other than the undersigned, a member of the Company for the purposes of the *Companies Act* (Nova Scotia) or any other applicable governing statute of the Company until such time as notice is given to the undersigned (and not revoked) as provided herein and further steps are taken thereunder so as to register the Province or such other Person as holder of such Pledged ULC Shares. To the extent any provision hereof would have the effect of constituting the Province as a member of the Company, such provision shall be severed herefrom and ineffective without otherwise invalidating or rendering unenforceable this Pledge Agreement or invalidating or rendering unenforceable such provision insofar as it relates to property which is not the Pledged ULC Shares. Except upon the exercise of rights to sell or otherwise dispose of the Pledged ULC Shares following the occurrence of an

Event of Default, the undersigned shall not cause, permit or enable the Company to cause, permit, or enable the Province to:

- (a) be registered as a shareholder or member of the Company;
- (b) have any notation entered in its favour in the share register in respect of Pledged ULC Shares;
- (c) act or purport to act as a member of the Company, or obtain, exercise or attempt to exercise any rights of a shareholder or member of the Company;
- (d) be held out as shareholder or member of the Company;
- (e) receive, directly or indirectly, any dividends, property or other distributions from the Company by reason of the Province holding a security interest in the Pledged ULC Shares; or
- (f) act as a shareholder or member of the Company, or exercise any rights of a shareholder or member including the right to attend a meeting of, or to vote the shares of, the Company or to be entitled to receive or receive any distribution in respect of Pledged ULC Shares.

The foregoing limitation shall not restrict the Province from exercising the rights which it is entitled to exercise hereunder in respect of the Pledged ULC Shares at any time that the Province shall be entitled to realize on all or any portion of the Pledged ULC Shares pursuant to the Security.

8. In addition to the rights and remedies granted hereby, all rights and remedies of a secured party as provided for under any other applicable law shall be available to Province.

9. The Province need not present, protest, give any notice in connection with, prevent outlawry of, collect, enforce or realize on any of the Security and need not protect or preserve the Security from, and is hereby released from all responsibility for, any depreciation in or loss of value which the Security may suffer, and it is agreed by the undersigned that reasonable care and the custody and preservation of the Security in the possession of the Province shall mean such care as the Province would exercise in safekeeping its own property of a similar kind.

10. Any notice by either party to the other shall be deemed to have been duly and properly given or made when made or delivered pursuant to the notice provision of the Debenture.

11. This Pledge Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein.

12. The Pledge Agreement shall be binding upon the undersigned and the successors and assigns of the undersigned and the rights conferred hereby shall enure to the benefit of the successors and assigns of the Province. Nothing herein contained shall be construed to allow or permit, and the undersigned shall not make any assignment of the benefits or obligations hereunder.

13. The Security is in addition to and not in substitution for any other security now or hereafter held by the Province with respect to the Obligations.

14. The undersigned shall from time to time, whether before or after the happening of an Event of Default, execute and do all such deeds, documents, transfers, assignments, acts and things as the Province may require for perfecting the Security and for facilitating the sale of the Security or any part thereof and for exercising all powers, authorities and discretion as hereby conferred upon the Province.

15. No delay or omission on the part of the Province in exercising any right hereunder shall operate as a waiver of such right or any other right hereunder. A waiver on any one occasion shall not be construed as a bar or waiver of any right or remedy on any future occasion.

16. If any payment on account of the Obligations shall be made, the Province shall not by reason thereof be required to surrender any of the Security hereby hypothecated and pledged until the Obligations have been paid and satisfied in full.

17. The undersigned hereby waive undersigned's right to receive a copy of any financing statement or financing change statement registered by the Province.

18. This hypothecation and pledge shall be a continuing security instrument. All claims, present or future, of the undersigned, against any person of or upon or for payment of the Security are hereby assigned to the Province.

DATED this 11th day of March, 2010.

NORTHERN TIMBER NOVA SCOTIA LP,
by its general partner 3243722 NOVA
SCOTIA LIMITED

Frank H. Gendron
Witness

Per:

[Signature]

POWER OF ATTORNEY TO TRANSFER SECURITIES

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers to

the following securities:

808 common and 1,000 Class A preference shares

of

NORTHERN TIMBER NOVA SCOTIA CORPORATION

standing in the name of the undersigned and hereby irrevocably appoints any nominee of the **HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA AS REPRESENTED BY THE MINISTER OF ECONOMIC AND RURAL DEVELOPMENT** the attorney of the undersigned to transfer the said securities on the books of Northern Timber Nova Scotia Corporation with full power of substitution in the premises.

(date)

Witnessed by:

**NORTHERN TIMBER NOVA SCOTIA LP,
by its general partner 3243722 NOVA
SCOTIA LIMITED**

Witness

Per: _____

SCHEDULE A

Certificate #	Number and Class of Shares
3	1 common
4	807 common
PA-1	1,000 Class A preference

This is Exhibit "JJ" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.



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

1057863 B.C. Limited

Consolidated Financial Statements

Year Ended December 31, 2019

(Unaudited)

(Expressed in thousands of Canadian dollars)

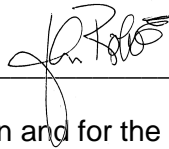
1057863 B.C. Limited
Consolidated Statement of Financial Position
As at December 31, 2019
(Expressed in thousands of Canadian dollars)

	2019	2018
	(unaudited)	(unaudited)
Assets		
Current		
Cash and cash equivalents	\$ 24,871	\$ 15,944
Receivables	21,496	51,985
Prepays	3,771	3,693
Inventories	26,680	31,525
	76,818	103,147
Timberlands	81,600	81,600
Land, plant and equipment	173,023	174,279
Intangible assets	11,638	11,746
	\$ 343,079	\$ 370,772
Liabilities		
Current		
Accounts payables and accruals	\$ 32,601	\$ 44,898
Government loans	17,650	19,005
	50,251	63,903
Advances from common controlled companies	223,550	222,056
Government loans	71,315	72,960
Deferred government assistance towards plant and equipment	25,814	27,118
Accrued employee benefit liabilities	28,986	31,960
Provisions	7,221	7,221
Deferred income tax liability	11,168	11,553
Other non-current liabilities	2,150	2,150
	420,455	438,921
Shareholder's deficiency		
Share capital	-	-
Accumulated other comprehensive loss	(17,569)	(17,569)
Deficit	(59,807)	(50,580)
	(77,376)	(68,149)
	\$ 343,079	\$ 370,772

1057863 B.C. Limited**Consolidated Statement of Operations Loss and Comprehensive Income****For the Year ended December 31, 2019 and 2018****(Expressed in thousands of Canadian dollars)**

	2019	2018
	(unaudited)	(unaudited)
Sales	\$ 275,827	\$ 326,706
Cost of sales	219,863	218,428
Gross profit	55,964	108,278
Operating costs		
Selling and distribution	25,282	18,232
Depreciation expense	7,982	8,959
General and administrative expenses	15,709	5,459
	48,973	32,650
Operating income, before other items and income taxes	6,991	75,628
Other items		
Loss on Land	-	794
Biological assets fair value loss	-	20,882
Finance expense, net	16,602	17,923
Net (loss) income before income taxes	(9,611)	36,030
Income taxes		
Recovery of deferred income taxes	(385)	(385)
Net (loss) income for the year	(9,226)	36,415
Comprehensive income		
Remeasurement of employee benefit obligation	-	4,730
Net (loss) income and comprehensive income for the year	\$ (9,226)	\$ 41,145

This is Exhibit "KK" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to read "D. F. 16", is written over a horizontal line.

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

NRNS Consolidated - Unaudited

Unaudited
Does not
include ARO,
DIT or
Pension
revaluations.
No
Impairment
calculation,
and no
update of
biological
asset

Unaudited
Does not
include final
DIT. No
Impairment
calculation.
Audit
completed for
NTNS only

	2019	2018
STATEMENT OF COMPREHENSIVE INCOME		
Sales	275,827	326,706
Cost of sales	<u>219,863</u>	<u>218,428</u>
Gross profit	55,964	108,278
Operating costs		
Selling and distribution	25,282	18,232
Depreciation expense	4,894	5,871
General and administrative expenses	<u>15,709</u>	<u>5,459</u>
	<u>45,886</u>	<u>29,562</u>
Operating income (loss), before other items and income taxes	10,079	78,716
Other items		
Loss on Land		794
Biological asset fair value loss		20,882
Finance expense, net	<u>16,765</u>	<u>18,086</u>
Net income (loss) before taxes	(6,687)	38,954
Income taxes		
Recovery of deferred income taxes	<u> </u>	<u> </u>
Net income (loss) for the year	(6,687)	38,954
Comprehensive income		
Remeasurement of employee benefit obligation	<u> </u>	<u>4,730</u>
Net income and comprehensive income for the year	<u>(6,687)</u>	<u>43,684</u>

STATEMENT OF FINANCIAL POSITION**Assets**

Current		
Cash and cash equivalents	24,871	15,944
Receivables	21,496	51,985
Prepays	3,772	3,692
Inventories	<u>26,680</u>	<u>31,525</u>
	<u>76,819</u>	<u>103,146</u>
Biological Asset	81,600	81,600
Plant and equipment and Land	<u>149,345</u>	<u>147,621</u>
	<u>307,764</u>	<u>332,367</u>

Liabilities

Current		
Payables and accruals	32,601	44,898
Government loans and Capital Lease	<u>17,650</u>	<u>19,005</u>
	<u>50,251</u>	<u>63,903</u>
Advances from common controlled companies	173,624	172,130
Government loans/Long Term Debt	68,916	70,397
Deferred government assistance towards plant and equipment	-	
	25,814	27,118
Accrued employee benefit liabilities	28,986	31,960
Provisions	7,221	7,221
Deferred income tax liability		
Other non-current liabilities	<u>2,150</u>	<u>2,150</u>
	<u>356,962</u>	<u>374,879</u>

Shareholder's deficiency

Share capital	7,920	7,919
Accumulated other comprehensive loss	(17,569)	(17,569)
Deficit	<u>(39,549)</u>	<u>(32,861)</u>
	<u>(49,198)</u>	<u>(42,511)</u>
	<u>307,764</u>	<u>332,368</u>

Northern Resources
Balance Sheet 2020
April 2020

	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual June	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec
HST Rec	3,517	3,517	3,517	0	0	0	0	0	0	0	0	0
Investement in Subsidiary	7,502,470	7,502,470	7,502,470	7,502,470	0	0	0	0	0	0	0	0
Assets	<u>7,505,987</u>	<u>7,505,987</u>	<u>7,505,987</u>	<u>7,502,470</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Inter co payable	3,634,383	3,634,383	3,634,383	3,630,866	0	0	0	0	0	0	0	0
Trade Payable	0	0	0	0	0	0	0	0	0	0	0	0
HST Payable	0	0	0	0	0	0	0	0	0	0	0	0
Common Shares	7,918,734	7,918,734	7,918,734	7,918,734	0	0	0	0	0	0	0	0
Equity	<u>(4,047,130)</u>	<u>(4,047,130)</u>	<u>(4,047,130)</u>	<u>(4,047,130)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Liability & Equity	<u>7,505,987</u>	<u>7,505,987</u>	<u>7,505,987</u>	<u>7,502,470</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>

Northern Resources
Income Statement 2020
April 2020

	Actual <u>Jan</u>	Actual <u>Feb</u>	Actual <u>Mar</u>	Actual <u>Apr</u>	Acutal <u>May</u>	Acutal <u>June</u>	Acutal <u>July</u>	Acutal <u>Aug</u>	Acutal <u>Sept</u>	Acutal <u>Oct</u>	Acutal <u>Nov</u>	Acutal <u>Dec</u>	Total	1st Q	2nd Q	3rd Q	4th Q	Total
Management Fee Income	39,155	17,420	17,283	(3,138)	0	0	0	0	0	0	0	0	70,720	73,858	(3,138)	0	0	70,720
Management Fee	28,540	26,806	18,512	10,859	0	0	0	0	0	0	0	0	84,717	73,858	10,859	0	0	84,717
Board Fees and Professional Fees (audit)	10,615	(9,385)	(1,229)	(14,000)	0	0	0	0	0	0	0	0	(14,000)	0	(14,000)	0	0	(14,000)
Travel and Meetings, Meals and Entertainment	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cost of Sales	39,155	17,420	17,283	(3,141)	0	0	0	0	0	0	0	0	70,717	73,858	(3,141)	0	0	70,717
Operating Income	0	0	0	3	0	0	0	0	0	0	0	0	3	0	3	0	0	3
Interest Income	0	0	0	3	0	0	0	0	0	0	0	0	3	0	3	0	0	3
Interest Expense	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exchange	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Earnings Before Taxes	0	0	0	(0)	0	0	0	0	0	0	0	0	7	0	7	0	0	7
Income tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	0	0	0	(0)	0	0	0	0	0	0	0	0	7	0	7	0	0	7
EBITDA																		
Depletion	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income / Expense net	0	0	0	(3)	0	0	0	0	0	0	0	0	(3)	0	(3)	0	0	(3)
Income Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBITDA	0	0	0	(3)	0	0	0	0	0	0	0	0	3	0	3	0	0	3
Cash Contribution	0	0	0	(0)	0	0	0	0	0	0	0	0	7	0	7	0	0	7

This is Exhibit "LL" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

Northern Pulp Nova Scotia Corporation
Non-consolidated Financial Statements
December 31

	2019	2018
STATEMENT OF COMPREHENSIVE INCOME		
Sales	275,827	326,539
Cost of sales	222,467	221,549
Gross profit	53,360	104,990
Operating costs		
Selling and distribution	25,282	18,232
Depreciation expense	4,894	5,871
General and administrative expenses	15,155	5,062
	45,332	29,165
Operating income (loss), before other items and income taxes	8,028	75,825
Other items		
Finance expense, net	13,452	14,697
Net income (loss) before taxes	(5,424)	(14,697)
Income taxes		
Recovery of deferred income taxes	-	-
Net income (loss) for the year	(5,424)	(14,697)
Comprehensive income		
Remeasurement of employee benefit obligation	-	4,730
Net income and comprehensive income for the year	(5,424)	65,858

STATEMENT OF FINANCIAL POSITION

Assets

Current

Cash and cash equivalents	24,155	12,248
Receivables	21,493	51,665

Prepays	3,511	3,644
Inventories	26,680	31,525
	<u>75,839</u>	<u>99,082</u>
Receivable from related party	3,640	3,629
Invest in sub		
Plant and equipment	<u>107,031</u>	<u>105,307</u>
	<u>186,510</u>	<u>208,018</u>
Liabilities		
Current		
Payables and accruals	32,856	44,820
Payable to related party		
Government loans	<u>17,222</u>	<u>17,222</u>
	<u>50,078</u>	<u>62,042</u>
Advances from common controlled companies	173,624	172,130
Government loans/Long Term Debt	4,135	5,474
Deferred government assistance towards plant and equipment	25,814	27,118
Accrued employee benefit liabilities	28,986	31,960
Provisions	7,221	7,221
Deferred income tax liability	-	-
Other non-current liabilities	<u>2,150</u>	<u>2,150</u>
	<u>292,007</u>	<u>308,094</u>
Shareholder's deficiency		
Share capital	1	1
Accumulated other comprehensive loss	(17,569)	(17,569)
Deficit	<u>(87,928)</u>	<u>(82,507)</u>
	<u>(105,497)</u>	<u>(100,076)</u>
	<u>186,510</u>	<u>208,018</u>

Monthly Highlights:

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	(CAD) Apr 2020	(CAD) Mar 2020
STATEMENT OF FINANCIAL POSITION		
Assets		
Current Assets	13,603,876	19,711,516
Property, Plant and Equipment, net	99,120,786	99,600,015
Investments	-	-
LT IC Promissory Notes	-	-
Total Assets	112,724,662	119,311,531
Liabilities & Shareholders' Equity		
Current Liabilities	43,892,767	44,564,503
Long-Term Liabilities	200,124,741	200,167,594
Share Equity	(17,567,858)	(17,567,858)
Retained Earning	(113,724,988)	(107,852,708)
Total Liabilities & Shareholders' Equity	112,724,662	119,311,531

	Apr 2020	YTD Apr 2020
STATEMENT OF INCOME		
Sales	149,469	13,320,167
Expenses		
Selling Expenses	-	4,628
Logistic	-	945,169
Fibre	805,672	5,878,170
Chemicals	-	1,499,996
Utilities & Power	143,860	941,637
Other Variable Costs	-	4,840,693
Payroll	1,902,464	10,439,878
Human Resources	9,070	31,463
Travel	(789)	64,756
Operating Supplies	87,507	1,060,096
Maintenance Supplies	8,435	572,170
Contract Services	186,543	712,209
Other Services	232,541	424,184
Least & Rental	8,760	(62,945)
Office & Administrative	(328,865)	32,771
Depreciation & Amortization	(10,868)	(36,677)
Office & Administrative	491,261	6,425,339
Depreciation & Amortization	353,319	1,424,760
Financial	882,602	2,869,216
Other (Incomes)/Expenses	1,250,239	1,048,067
Total Expenses	6,021,749	39,115,581
PROFIT / (LOSS) BEFORE INCOME TAX	(5,872,280)	(25,795,414)

	Apr 2020	YTD Apr 2020
STATEMENT OF CASH FLOW		
CASH & CASH EQUIVALENTS, BEGINNING	12,971,369	24,154,738
Net Cash Provided by/(used in):		
Operating Activities	(15,767,349)	(13,543,443)
Investing Activities	(3,500)	76,010
Financing Activities	12,866,234	(932,013)
Effect of EX on cash and cash equivalents	(48,683)	262,778
CASH & CASH EQUIVALENTS, END OF PERIOD	10,018,071	10,018,071

	Apr 2020	Mar 2020
INTER-COMPANY BALANCE		
Due to/from:		
Due from/to Howe Sound Pulp & Paper Cor	32	32
Paper Excellence	-	12,909,088
Net	32	12,909,119
Intercomapny interest receivable/payabl	(1,607,159)	(13,725,838)
Promissory Note & LT Loan:		
Long Term Loan - Paper Excellence (CAD)	(160,715,371)	(160,715,371)
Net	(160,715,371)	(160,715,371)
NET TOTAL	(162,322,499)	(161,532,090)



Northern Pulp Nova Scotia Company
Statement of Financial Position (*Unaudited*) as at
April 30, 2020

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ASSETS	Apr 2020	Mar 2020	Change
Current Assets	(CAD)	(CAD)	
Cash and Bank	10,018,071	12,971,369	-22.8%
Account Receivables	739,252	1,148,461	-35.6%
Other Receivables	(1,142,576)	(13,211,998)	-91.4%
Inventory	12,836,124	14,466,497	-11.3%
Intercompany Receivables, net (funds only)	32	12,909,119	-100.0%
Advances and Prepayments	(8,847,027)	(8,571,933)	3.2%
Total Current Assets	13,603,876	19,711,516	-31.0%
Property, Plant and Equipment, net	99,120,786	99,600,015	-0.5%
Investments	-	-	
Long term Promissory Notes - Intercompany Mills	-	-	
TOTAL ASSETS	112,724,662	119,311,531	-5.5%
LIABILITIES & SHAREHOLDERS' EQUITY			
Current Liabilities	(CAD)	(CAD)	
Account Payables and Accruals	46,363,907	47,810,370	-3.0%
Taxes Payable	26,432	23,201	13.9%
Inter-Company Payable	(2,497,572)	(3,269,068)	-23.6%
Intercompany payable	(1,138,716)	(370,737)	207.1%
Intercompany autoposting	3,636,289	3,639,806	-0.1%
	2,497,572	3,269,068	-23.6%
Total Current Liabilities	43,892,767	44,564,503	-1.5%
Long-Term Liabilities			
Other Long term Liabilities	39,409,369	39,452,223	-0.1%
Long term Intercompany Loans	-	-	
Shareholder Loan	160,715,371	160,715,371	0.0%
Total Long Term Liabilities	200,124,741	200,167,594	0.0%
Total Liabilities	244,017,507	244,732,097	-0.3%
Shareholders' Equity			
Common Stock	1,470	1,470	0.0%
Preferred Shares	-	-	
Retained Earnings			
Retained Earnings, Beginning	(105,498,902)	(105,498,902)	0.0%
Net Income/(Loss)	(25,795,414)	(19,923,134)	29.5%
Total Shareholder's Equity	(131,292,846)	(125,420,566)	4.7%
TOTAL LIABILITIES & SHAREHOLDERS' EQUITY	112,724,662	119,311,531	-5.5%

Northern Pulp Nova Scotia Company
Statement of Cash Flow (Unaudited) For Period Ended
April 30, 2020

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CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD (CAD)		Apr 2020	Mar 2020	YTD Apr 2020
		12,971,369	6,558,545	24,154,738
OPERATING ACTIVITIES:				
Net Income/(Loss)		(5,872,280)	(6,233,372)	(25,795,414)
Adjustments to Reconcile Net Income/(Loss) to Net Cash from Operating Activities:				
Depreciation		353,319	356,073	1,424,760
Foreign Exchange (Unrealized) Gain/Loss		48,683	(138,375)	(262,778)
Deferred Revenue		129,411	129,411	517,642
Allowance of Doubt Debt		-	-	-
Changes in Operating Assets & Liabilities:				
Accounts & Other Receivable		458,466	856,577	20,289,295
Pulp Trade Accounts Receivable		-	(972)	(15,574,778)
Log Trade Accounts Receivable		(236,539)	(790,930)	(2,455,679)
Foreign Exchange - Pulp Trade A/R		-	1,509	173,220
Intercompany A/R		-	(185)	(185)
GST/HT Receivable		(178,869)	(85,745)	(1,898,087)
Vacation Advances		-	-	-
Other Receivables		(258)	(4,804)	(3,800)
Insurance Receivables		-	-	-
Accrued Receivables		(94,800)	25,000	(129,648)
IC Interest Receivable/Payable, Net		(12,118,679)	816,750	(11,301,929)
Intercompany Interest receivable/payable		-	(916,750)	(1,398,929)
Advance & Prepayments				
Prepaid Insurance		275,094	10,908,982	12,327,605
Prepaid Property Tax		-	(85,462)	(382,906)
Prepaid Other		26,744	(10,728,657)	(11,194,907)
Prepaid Fibre		(192,144)	(64,603)	(755,159)
Accounts Payable and Accruals				
Trade Account Payables		(375,094)	(10,908,982)	(12,327,605)
Foreign Exchange - Trade AP		(12,661)	3,944	(12,940)
Freight Clearing Account		-	7,415	7,415
Goods Received / Invoice Received		26,301	509,741	3,050,505
Horticulture Payable		9,291	485,787	2,626,180
Other Payables		351,981	813,236	1,467,875
AP Pulp Related		-	-	8,250,934
Intercompany payable		(767,939)	(548,304)	(778,138)
Intercompany autogapping		(3,517)	-	(3,517)
GST/HT Payable		(3,231)	10,882	399,916
Non-Resident Withholding Tax Payable		-	-	65
Order Backlog		129,411	129,411	517,642
Accrued Interest Payable		(53,600)	-	(52,820)
Accrued Logging Cost Payable		-	-	-
Accrued Other		-	-	393,725
Reserve - Environmental Liabilities		-	-	-
Accrued Annual Shutdown		-	-	-
Foreign Exchange - Open Item GL		(96,136)	133,373	71,806
Consignment Liabilities		-	-	19,388
Electricity Accrual		37,339	(51,753)	49,782
Wages Payable		287,107	(131,914)	522,929
Salaries Payable		-	-	-
Accrued Vacation Payable		-	-	-
Income Tax Payable		-	(424)	232,866
Canada Pension Plan Payable		14,405	(6,597)	86,121
Employment Insurance Payable		5,312	(2,441)	29,294
Union Dues Payable		951	-	60
WCCA Payable		(50)	(270)	10,715
Garminshes Payable		-	-	886
Health Benefits Payable - Manulife		(20,936)	(32,077)	36,497
Social Club Dues Payable		-	-	4,305
AP Charitable Donations		-	-	291
Other Employee Deductions		-	1,033	2,768
Wages Payable - Banked Overtime Salary		-	-	9,706
AP Hourly Benefits Pension		4,632	(2,058)	51,134
AP Hourly Benefits Other Payroll		-	-	-
Accrued Vacation Payable Salary		-	-	-
AP Slay Benefits Pension		-	-	-
Current Portion - LT Loan		-	-	-
Inventory		1,630,376	1,253,481	13,844,076
Inventory - Pulp		-	-	-
Pulp in Transit		-	-	(242,227)
Pulp Work in Progress		-	-	(234,220)
Provision - Non Current part Inventory		-	-	-
Inventory - Softwood Logs		(718,443)	(656,963)	(2,993,197)
Inventory - Hardwood Logs		(226,146)	(15,167)	(436,482)
Inventory - Onsite Softwood Chips		(214,152)	-	(1,792,254)
Inventory - Onsite Hardwood Chips		-	-	-
Chemical Inventory		967	(278,348)	(1,955,140)
Other Chemical Inventory		(834)	(19)	1,081
Wag Fair Onsite Inventory		(462,257)	(117,757)	(402,722)
Packaging Material Inventory		-	-	20,876
Operating Supplier Inventory		(81,581)	(5,944)	(89,481)
Spare Part Inventory		3,922	(36,388)	(81,255)
Seedlings Inventory		11,623	11,624	41,488
Roadside Inventory		-	(154,539)	(1,094,234)
Non Current Inventory		-	-	-
Net Cash Provided by/(used in) Operating Activities				
		(15,767,349)	6,403,917	(13,543,443)
INVESTING ACTIVITIES:				
AUC Capitalization		1,765,515	62,061	1,493,472
Assets Under Construction		(1,765,515)	(82,061)	(1,493,472)

This is Exhibit "MM" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to read "D. F. Rob", is written over a horizontal line.

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

Northern Timber Nova Scotia Corporation
Non-consolidated Financial Statements
December 31

	2019	2018
STATEMENT OF COMPREHENSIVE INCOME		
Sales	2,604	3,457
Cost of sales	<hr/>	<hr/>
Gross profit	2,604	3,457
Operating costs		
Selling and distribution		
Depreciation expense		
General and administrative expenses	554	566
	<hr/> 554	<hr/> 566
Operating income (loss), before other items and income taxes	2,050	2,891
Other items		
Loss on Land		794
Biological asset fair value loss		20,882
Finance expense, net	3,313	3,389
	<hr/> 3,313	<hr/> 3,389
Net income (loss) before taxes	(1,263)	(22,174)
Income taxes		
Recovery of deferred income taxes	-	-
	<hr/> -	<hr/> -
Net income (loss) for the year	(1,263)	(22,174)
Comprehensive income		
Remeasurement of employee benefit obligation		
	<hr/>	<hr/>
Net income and comprehensive income for the year	<hr/> (1,263)	<hr/> (22,174)

STATEMENT OF FINANCIAL POSITION

Assets

Current		
Cash and cash equivalents	716	3,696
Receivables	-	642
Prepays	261	48
Inventories		
	<u>977</u>	<u>4,386</u>
Receivable from related party	784	-
Invest in sub		
Plant and equipment	<u>123,914</u>	<u>123,914</u>
	<u>125,675</u>	<u>128,300</u>
Liabilities		
Current		
Payables and accruals	535	398
Payable to related party		
Government loans	<u>428</u>	<u>1,783</u>
	963	2,181
Advances from common controlled companies		
Government loans/Long Term Debt	64,781	64,925
Deferred government assistance towards plant and equipment		
Accrued employee benefit liabilities		
Provisions		
Deferred income tax liability	-	16,703
Other non-current liabilities		
	<u>65,744</u>	<u>83,809</u>
Shareholder's deficiency		
Share capital	7,501	7,501
Accumulated other comprehensive loss		
Deficit	<u>52,430</u>	<u>36,990</u>
	<u>59,931</u>	<u>44,491</u>
	<u>125,675</u>	<u>128,300</u>

Northern Timber
Income Statement 2020
April 2020

	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual June	Actual July	Actual Aug	Actual Sept	Actual Oct	Actual Nov	Actual Dec	Total	1st Q	2nd Q	3rd Q	4th Q	Total
Stumpage Sales	241,145	16,471	201,376	78,575	0	0	0	0	0	0	0	0	537,566	458,991	78,575	0	0	537,566
Rentals	350	77,005	0	10,000	0	0	0	0	0	0	0	0	87,354	77,354	10,000	0	0	87,354
Land Use Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Sales	241,495	93,475	201,376	88,575	0	0	0	0	0	0	0	0	624,921	536,346	88,575	0	0	624,921
Bank Charges	41	84	34	31	0	0	0	0	0	0	0	0	190	159	31	0	0	190
Depletion	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Legal Fees	0	0	262	0	0	0	0	0	0	0	0	0	262	262	0	0	0	262
Audit/Tax Fees	889	(4,180)	0	(7,379)	0	0	0	0	0	0	0	0	(10,670)	(3,291)	(7,379)	0	0	(10,670)
Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NS Capital Tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Donations/Forestry Initiative	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Management Fee	3,915	1,742	1,728	(314)	0	0	0	0	0	0	0	0	7,072	7,386	(314)	0	0	7,072
Property Tax	15,500	15,500	15,500	20,217	0	0	0	0	0	0	0	0	66,717	46,500	20,217	0	0	66,717
Miscellaneous Expense			105,000	0	0	0	0	0	0	0	0	0	0			0	0	0
Migration Fees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Service Fees	25,000	25,000	25,000	25,000	0	0	0	0	0	0	0	0	100,000	75,000	25,000	0	0	100,000
Cost of Sales	45,346	38,146	147,525	37,555	0	0	0	0	0	0	0	0	163,571	126,017	37,555	0	0	163,571
Operating Income	196,149	55,329	53,851	51,020	0	0	0	0	0	0	0	0	461,349	410,329	51,020	0	0	461,349
Interest Income	1,047	822	1,217	888	0	0	0	0	0	0	0	0	3,974	3,085	888	0	0	3,974
Interest Expense	275,640	274,991	274,338	272,632	0	0	0	0	0	0	0	0	1,097,601	824,969	272,632	0	0	1,097,601
Exchange	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Earnings Before Taxes	(78,444)	(218,839)	(219,271)	(220,723)	0	0	0	0	0	0	0	0	(632,278)	(411,555)	(220,723)	0	0	(632,278)
Income tax	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Income	(78,444)	(218,839)	(219,271)	(220,723)	0	0	0	0	0	0	0	0	(632,278)	(411,555)	(220,723)	0	0	(632,278)
EBITDA																		
Depletion														0	0	0	0	0
Interest Income / Expense net	274,593	274,169	273,122	271,743	0	0	0	0	0	0	0	0	1,093,627	821,884	271,743	0	0	1,093,627
Income Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EBITDA	196,149	55,329	53,851	51,020	0	0	0	0	0	0	0	0	461,349	410,329	51,020	0	0	461,349
Interest Income / Expense net	(274,593)	(274,169)	(273,122)	(271,743)	0	0	0	0	0	0	0	0	(1,093,627)	(821,884)	(271,743)	0	0	(1,093,627)
Cash Contribution	(78,444)	(218,839)	(219,271)	(220,723)	0	0	0	0	0	0	0	0	(632,278)	(411,555)	(220,723)	0	0	(632,278)

Northern Timber													
Balance Sheet 2020													
April 2020	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	<u>Dec-19</u>	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>Apr</u>	<u>May</u>	<u>Jun</u>	<u>Jul</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>
Balance Sheet													
Cash	716,295	626,060	768,383	862,719	658,489	0	0	0	0	0	0	0	0
NP Receivable	701,895	605,183	344,743	344,743	428,073	0	0	0	0	0	0	0	0
Trade Rec	0	0	0	0	0	0	0	0	0	0	0	0	0
HST Rec	34	0	0	34	0	0	0	0	0	0	0	0	0
Prepaid	260,887	245,387	229,887	4,387	27,842	0	0	0	0	0	0	0	0
Current Assets	1,679,110	1,476,630	1,343,012	1,211,883	1,114,404	0	0	0	0	0	0	0	0
Land	42,314,308	42,314,308	42,314,308	42,314,308	42,314,308	0	0	0	0	0	0	0	0
Timber Bio Asset	81,599,968	81,599,968	81,599,968	81,599,968	81,599,968	0	0	0	0	0	0	0	0
Accumulated Depletion	0	0	0	0	0	0	0	0	0	0	0	0	0
Assets	125,593,386	125,390,906	125,257,288	125,126,158	125,028,680	0	0	0	0	0	0	0	0
NP payable	439,935	518,851	296,764	97,117	5,109	0	0	0	0	0	0	0	0
Trade Payable	111,370	62,259	83,079	108,079	50,700	0	0	0	0	0	0	0	0
Loan Payable	428,291	275,640	550,631	824,969	1,098,524	0	0	0	0	0	0	0	0
HST Payable	1,242	52	11,550	0	0	0	0	0	0	0	0	0	0
Capital Tax Payable	(17,976)	(17,976)	(17,976)	(17,976)	(17,976)	0	0	0	0	0	0	0	0
Deferred Tax Liability	16,703,228	16,703,228	16,703,228	16,703,228	16,703,228	0	0	0	0	0	0	0	0
Income Tax Payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Current Liabilities	17,666,090	17,542,054	17,627,276	17,715,417	17,839,585	0	0	0	0	0	0	0	0
Gov Loan	64,781,470	64,781,470	64,781,470	64,781,470	64,780,546	0	0	0	0	0	0	0	0
Common Shares	7,501,000	7,501,000	7,501,000	7,501,000	7,501,000	0	0	0	0	0	0	0	0
Equity	35,644,826	35,566,382	35,347,542	35,128,271	34,907,548	0	0	0	0	0	0	0	0
Liability & Equity	125,593,386	125,390,906	125,257,288	125,126,158	125,028,680	0	0	0	0	0	0	0	0

Northern Timber
Cash Flow 2020
April 2020

	Actual <u>Jan</u>	Actual <u>Feb</u>	Actual <u>Mar</u>	Actual <u>Apr</u>	Actual <u>May</u>	Actual <u>June</u>	Actual <u>July</u>	Actual <u>Aug</u>	Actual <u>Sept</u>	Actual <u>Oct</u>	Actual <u>Nov</u>	Actual <u>Dec</u>	Total
EBITDA	196,149	55,329	53,851	51,020	0	0	0	0	0	0	0	0	356,349
Depletion	0	0	0	0	0	0	0	0	0	0	0	0	0
Interest Income / Expense net	(274,593)	(274,169)	(273,122)	(271,743)	0	0	0	0	0	0	0	0	(1,093,627)
Tax Expense	0	0	0	0	0	0	0	0	0	0	0	0	0
(Increase) decrease in trade accounts receivable NP	96,712	260,440	0	(83,331)	0	0	0	0	0	0	0	0	273,821
(Increase) decrease in trade accounts receivable	0	0	0	0	0	0	0	0	0	0	0	0	0
(Increase) decrease in HST receivable	34	0	(34)	34	0	0	0	0	0	0	0	0	34
(Increase) decrease in prepaid expenses	15,500	15,500	225,500	(23,455)	0	0	0	0	0	0	0	0	233,045
Increase (decrease) in trade accounts payable	(49,111)	20,820	25,000	(57,379)	0	0	0	0	0	0	0	0	(60,670)
Increase (decrease) in Loan payable	(152,651)	274,991	274,338	273,555	0	0	0	0	0	0	0	0	670,233
Increase (decrease) in HST payable	(1,189)	11,497	(11,550)	0	0	0	0	0	0	0	0	0	(1,242)
Increase (decrease) in Income Tax payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase (decrease) in NP payable	78,915	(222,087)	(199,647)	(92,008)	0	0	0	0	0	0	0	0	(434,826)
Increase (decrease) in Capital Tax payable	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Change in Cash from Operating Activities	(90,235)	142,323	94,336	(203,307)	0	0	0	0	0	0	0	0	(56,882)
Investing Activities													
Capital expenditures	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Change in Cash from Investing Activities	0	0	0	0	0	0	0	0	0	0	0	0	0
Financing Activities													
Share Capital	0	0	0	0	0	0	0	0	0	0	0	0	0
Government of Nova Scotia Loan	0	0	0	(923)	0	0	0	0	0	0	0	0	(923)
Net Change in Cash from Financing Activities	0	0	0	(923)	0	0	0	0	0	0	0	0	(923)
Net Increase (Decrease) in Cash	(90,235)	142,323	94,336	(204,230)	0	0	0	0	0	0	0	0	(57,806)
Beginning Cash Balance	716,295	626,060	768,383	862,719	0	0	0	0	0	0	0	0	716,295
Ending Cash Balance	626,060	768,383	862,719	658,489	0	0	0	0	0	0	0	0	658,489
Balance Sheet Cash	626,060	768,383	862,719	658,489	0	0	0	0	0	0	0	0	0

This is Exhibit "NN" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.



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

3253527 Nova Scotia Limited**Unaudited****Unaudited****2019****2018**

Net income and comprehensive income
for the year

-**-****STATEMENT OF FINANCIAL POSITION**

Current Assets

100

100

Shareholder Equity

100

100

3243722 Nova Scotia Limited**Unaudited****Unaudited****2019****2018**

Net income and comprehensive income
for the year

-

-

STATEMENT OF FINANCIAL POSITION

Long Term Assets

75,010

75,010

Shareholder Equity

75,010

75,010

NP NS GP ULC**Unaudited****Unaudited****2019****2018**

Net income and comprehensive income
for the year

-**-****STATEMENT OF FINANCIAL POSITION**

Long Term Assets

15

15

Shareholder Equity

15

15

This is Exhibit "OO" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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



THIS AGREEMENT made in duplicate as of the 17th day of March, 2020.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF NOVA SCOTIA, as represented by the Minister of Transportation and Infrastructure Renewal

(hereinafter called the "**Province**")

- and -

NORTHERN PULP NOVA SCOTIA CORPORATION, a body corporate, incorporated under the laws of the Province of Nova Scotia

(hereinafter called "**Northern Pulp**")

- and -

NORTHERN TIMBER NOVA SCOTIA CORPORATION, a body corporate, incorporated under the laws of the Province of Nova Scotia

(hereinafter called "**Northern Timber**")

(each a "**Party**" and together the "**Parties**")

WHEREAS:

- A. Northern Pulp estimates, as validated by Grant Thornton or a firm of auditors mutually agreed upon (the "**Accountants**"), the out of pocket costs to be incurred in connection with the shutdown of the Boat Harbour Effluent Treatment Facility ("**BHETF**") will exceed \$20 million, as summarized in Schedule "A" attached hereto.
- B. Upon the request of Northern Pulp, the Province has agreed to provide a fifty percent (50%) contribution to a maximum of \$10 million towards the overall costs of Northern Pulp in carrying out its plan for the environmentally-safe shutdown of the BHETF ("**Overall Expenses**"), estimates of which are summarized in Schedule "A". The Province's Contribution shall be used exclusively for the Eligible Expenses and Purpose described herein.
- C. The Province's Contribution is conditional upon Northern Pulp paying an amount equal to the Province's fifty percent (50%) Contribution, estimated at \$10 million dollars towards the Overall Expenses in connection with the shutdown of the BHETF, and is also subject to the terms and conditions set out in this Agreement.

NOW THEREFORE the Parties covenant and agree as follows:

1.0 INTERPRETATION

- 1.01 Capitalized words and phrases used herein shall, for purposes of this Agreement and Schedules, have the meanings ascribed to them in this Agreement or the applicable Schedule, as the case may be.
- 1.02 In this Agreement, the words and phrases set forth below shall have the following meaning:

"Agreement" means this agreement including any schedules or amendments;
"Contribution" has the meaning set out in paragraph 2.01 hereof;

"Eligible Expenses" means reasonable and proper costs to be incurred by Northern Pulp and as validated by the Accountants, payable to arm's length third parties and related to the removal and/or treatment of leachate and runoff, including but not limited to trucking and processing, and planning for and decommissioning of the pipeline, ditches, settling basins and aeration basin of the BHETF related to the shutdown of the BHETF;

"Mill" means the Northern Pulp facility located in Pictou County; and

"Purpose" means the removal and/or treatment of leachate and runoff, including but not limited to trucking and processing, as well as planning for and decommissioning of the pipeline, ditches, settling basins and aeration basin of the BHETF to ensure the BHETF is shut down in an environmentally responsible manner.

2.0 AGREEMENT TO CONTRIBUTE

- 2.01 Subject to the terms and conditions hereof, the Province agrees to pay \$10 million to Northern Pulp upon receipt of the Accountant's validation of the estimated Overall Expenses summarized in Schedule "A" as a fifty percent (50%) contribution (the **"Contribution"**) towards the Overall Expenses, to be used to fund Northern Pulp's Eligible Expenses as described in Section 1.02. The provision of the Contribution is subject to the following terms and conditions:
- (a) Northern Pulp will provide the Province with a copy of all contracts for the removal and/or treatment of leachate and runoff including trucking and processing prior to the later of March 31, 2020 or promptly after entering into such contracts;
 - (b) Northern Pulp will complete the decommissioning of the pipeline, ditches, settling basins and aeration basin of the BHETF in accordance with the terms and conditions set forth in Schedule "B" attached hereto and will provide the Province with a copy of all contracts entered into in connection therewith promptly after entering into such contracts;
 - (c) Northern Pulp will enable the provision of electricity from the NS Power feed into the Mill, through the Mill facility and to the Middle River Pumping Station (MRPS), after April 30, 2020, subject to the terms of a service level agreement to be entered into between Northern Pulp and Nova Scotia Lands;

- (d) Northern Pulp will provide monthly supporting documentation to the Province to demonstrate the Contribution has been used for the Purpose; and
- (e) Upon request of the Province, Northern Pulp will provide the Province or its agents with reasonable access to the Mill and cooperate with Nova Scotia Lands to provide access to the BHETF site for the purpose of monitoring activities and performance required under the terms of this Agreement.

2.02 The Parties further agree that in the event:

- (a) the Contribution, or any part of it, is used for a purpose other than the Purpose or for expenses other than Eligible Expenses;
- (b) the Overall Expenses are less than \$20 million;
- (c) Northern Pulp does not contribute an amount equal to the Contribution, on the Overall Expenses outlined in Schedule "A" and as independently verified by Grant Thornton; or
- (d) Northern Pulp or Northern Timber are in default of any term of this Agreement,

Northern Pulp will have to pay to the Province:

- a. an amount equal to the amount used for a purpose other than the Purpose or for expenses other than Eligible Expenses;
- b. the difference between the Contribution and 50% of the Overall Expenses;
- c. the difference between the Contribution and the amount contributed by Northern Pulp to Overall Expenses;

or any combination of a, b and c (as applicable, without duplication) up to a maximum of \$10 million dollars, which shall be considered a debt owed by Northern Pulp to Her Majesty the Queen in Right of the Province and is recoverable in any court of competent jurisdiction. Northern Pulp agrees that such debt will be secured by the existing security granted by Northern Pulp in favour of the Province, including but not limited to:

- (a) A security agreement dated April 14, 2009 , as amended; and
- (b) A collateral mortgage dated April 14, 2009, as amended.

2.03 In the event that a debt in favour of the Province arises pursuant to paragraph 2.02 hereof, Northern Timber agrees that it will guarantee the payment of that debt to the Province by Northern Pulp pursuant to a guarantee issued by Northern Timber in favour of the Province in respect of the obligations of Northern Pulp, dated September 19, 2013, as amended, and further agrees that any security granted by Northern Timber in favour of the Province shall secure the repayment of such debt arising hereunder, which security includes but is not limited to:

- (a) A collateral mortgage dated September 17, 2013.

- 2.04 Subject to Section 5, Northern Pulp shall not be required to repay any amount contributed by the Province under this Agreement other than any debt as determined under 2.02.

3.0 ELIGIBLE EXPENSE REPORT

- 3.01 All Eligible Expenses must be incurred by Northern Pulp between January 31, 2020 and June 30, 2021. No portion of the Contribution shall be made towards or used for Eligible Expenses incurred outside this period.
- 3.02 Northern Pulp shall submit to the Province reports detailing a breakdown of all Eligible Expenses incurred to substantiate the Contribution:
- (a) on a monthly basis, on the last day of each month, commencing on March 31, 2020 for the prior month;
 - (b) in a form satisfactory to the Province, which shall describe all activities, expenditures, and such other information as requested by the Province in connection with the Eligible Expenses and the Purpose from the date of the Agreement;
 - (c) which reports shall include all supporting documentation for the Eligible Expenses.
- 3.03 In addition to the monthly reporting required under Section 3.02, Northern Pulp shall provide the Province a final report consolidating all of the information required under Section 3.02 on or before August 31, 2021.
- 3.04 The report and supporting documentation referenced in Sections 3.02 and 3.03 shall be independently validated by the Accountants prior to submission to the Province.
- 3.05 Northern Pulp shall provide such further documentation as the Province may deem necessary to substantiate Northern Pulp's contribution.

4.0 INDEPENDENT CONTRACTORS

- 4.01 Northern Pulp and Northern Timber and their respective employees and agents are independent contractors, and not the agent of the Province and are not nor shall they be deemed to be employees or servants of the Province.
- 4.02 Northern Pulp and Northern Timber have no authority under this Agreement to bind the Province by contract or otherwise.

5.0 STATUS OF AGREEMENT AND CONTRIBUTION

- 5.01 This Agreement, and the provision of the Contribution or any part thereof by the Province, are not to be deemed as actions inconsistent with Section 4(1) of the *Boat Harbour Act*.



- 5.02 Notwithstanding any other provision herein, this Agreement and the provision of the Contribution or any part thereof by the Province are without prejudice to the rights and obligations of any Party, and shall not be deemed to be an acknowledgement of any liability or the waiver of any rights (howsoever arising) on the part of any Party in relation to any legal action pertaining to the BHETF.
- 5.03 The Parties agree that should Northern Pulp be successful in overcoming the statutory bar to litigation contained in Section 4(1) of the *Boat Harbour Act*, and in the event Northern Pulp were to be awarded damages, all or any part of any Contribution made by the Province to Northern Pulp under the terms of this Agreement will, at the option of the Province, be set-off against any such award.

6.0 BOOKS AND RECORDS/AUDIT

- 6.01 Northern Pulp covenants to maintain proper and accurate books, accounts and records relating to the Eligible Expenses contributed to under this Agreement during the term of this Agreement and for a period of 2 years following the date of this Agreement, shall preserve such books, records and accounts and keep them available for examination or audit by a person designated by the Province.
- 6.02 Northern Pulp shall make available to the Province upon request, during normal business hours, all book, records and accounts with respect to this Agreement during the term of this Agreement and for a period of 2 years following the date of this Agreement.

7.0 CONFIDENTIALITY/COMMUNICATIONS

- 7.01 Except as otherwise provided in this Agreement and as may be required by law or by regulatory or judicial authority, Northern Pulp and Northern Timber shall keep private and confidential and not make public or divulge any information or material relative to this Agreement without having first obtained the written consent of the Province.
- 7.02 This Agreement is subject to the provisions of the *Freedom of Information and Protection of Privacy Act* and the Province shall make any decision respecting release of this Agreement in compliance with that Act.
- 7.03 Notwithstanding Section 7.02, the parties acknowledge and agree that the Province has a right to disclose this Agreement, any or all terms hereof, including any or all submissions or records kept in accordance with this Agreement, as the Province, in its sole discretion, may consider appropriate without notice.

8.0 MISCELLANEOUS

- 8.01 All references to monetary amounts in this Agreement or any Schedule shall be to Canadian dollars.

- 8.02 Time shall be of the essence in this Agreement.
- 8.03 This Agreement shall be governed by and construed in accordance with the laws in force in Nova Scotia. The Parties submit to the jurisdiction of the courts of Nova Scotia.
- 8.04 This Agreement and all Schedules constitute the whole Agreement unless amended in writing and signed by each of the Parties.
- 8.05 No modification or waiver of the obligations of any party to this Agreement shall be effective unless made in writing and signed by each of the Parties.
- 8.06 Any notice, demand or request herein provided or permitted to be given by any Party to another shall be in writing and may be served by personal service, addressed as follows:

To the Province:

Diane Saurette
Executive Director, Finance and Strategic Capital and Infrastructure Planning,
and Federal Infrastructure Funding Programs
The Department of Finance and Treasury Board
1672 Granville Street
Halifax NS B3J 2N2
Fax: 902-424-7710

To Northern Pulp:

Brian Baarda, President
Paper Excellence Canada Holdings Corporation
2nd Floor, 3600 Lysander Lane
Richmond, British Columbia V7B 1C3

To Northern Timber:

Brian Baarda, President
Paper Excellence Canada Holdings Corporation
2nd Floor, 3600 Lysander Lane
Richmond, British Columbia V7B 1C3

Any Party may at any time give notice in writing to the other Parties of a change of address and the address therein specified shall be deemed to be the address of such party for the purpose of giving notice.

- 8.07 Those provisions of this Agreement which, by their terms are intended to survive or which must survive in order to give effect to the continuing obligations of the Province and Northern Pulp shall survive the termination of this Agreement.
- 8.08 This Agreement is binding upon the parties and shall ensure to the benefit of the Parties and their respective successors and permitted assigns.
- 8.09 This Agreement may not be assigned by Northern Pulp without the prior written consent of the Province.

- 8.10 Northern Timber joins in this Agreement for purposes of acknowledging its terms and agrees to be bound to the terms hereof to the extent that it is named herein. Northern Timber acknowledges that it has no entitlement to, nor shall it receive, any portion of the Contribution.
- 8.11 This Agreement may be executed in any number of counterparts and by the Parties on separate counterparts, each of which when so executed and delivered shall be an original but all the counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF the parties have by their duly authorized representatives executed this Agreement on the day and year first above written.

SIGNED AND DELIVERED in the
presence of


Witness

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF NOVA SCOTIA
AS REPRESENTED BY THE MINISTER
OF TRANSPORTATION AND
INFRASTRUCTURE RENEWAL

Per 

Date: March 17 / 2020

NORTHERN PULP NOVA SCOTIA
CORPORATION

Per 

Date: 17 March, 2020

NORTHERN TIMBER NOVA SCOTIA
CORPORATION

Per 

Date: 17 March, 2020

Schedule 'A'

NORTHERN PULP NOVA SCOTIA CORPORATION
Summary of Shutdown Related Cash Costs'
(Dollars in Thousands)

Item	Total Estimated Expenditures¹
Clean- up of the Mill Site	\$ 1,835
Cost to Remove Inventories (Chemical / Oil)	1,575
Landfill - Prep Work	225
- #3 Final Landfill Capping	250
Leachate / Runoff (including Trucking and Processing)	9,660
Boat Harbour Operating Cost	500
NSE Studies (to meet NSE Order)	350
Natural Gas (to operate Boiler)	2,500
Chipping of Pulpwood / Grinding Bark (Fuel for Boiler)	550
Washroom Facilities	260
ETF Decommissioning per NSE Order	
Pipeline, Ditches, Settling Basins and Aeration Basin	2,625
TOTAL ESTIMATED EXPENDITURES	20,330

¹ Estimated expenditures through June 2021

Excludes HST

Excludes inventory write down (chemicals and fibre)

Excludes employee related costs and other normal fixed and continuing costs.

Actual costs may differ by category

Schedule 'B'
Decommissioning of the Pipeline, Ditches, Settling Basins and Aeration Basin of the BHETF

- (a) Northern Pulp will provide a plan for inspection of the status and condition of the pipeline from the Mill to the BHETF by April 1, 2020. (MO-55774 #27).
- (b) Northern Pulp will inspect the pipeline, and report on the inspection by May 1, 2020, to determine if it is in a condition that the regulator, NS Environment would deem clean and not requiring further cleaning prior to decommissioning activities. (MO-55774 #28).
- (c) In the event the pipeline requires further cleaning prior to decommissioning, Northern Pulp undertakes to complete such remediation and decommissioning by June 30, 2020.
- (d) Northern Pulp will develop decommissioning plans satisfactory to the Department of Environment for the pipeline, open ditches, settling basins and aeration basin by August 1, 2020. (MO-55774 #29).
- (e) Northern Pulp will provide the Province with a copy of all contracts for the decommissioning of the pipeline, ditches, settling basins and aeration basin of the BHETF within 60 days of receiving approval of the required plans under section (d); and
- (f) Northern Pulp will undertake and complete decommissioning of the open ditches, from Point A to settling basins, the twin settling basins and the open ditch from twin settling basins to the aeration basin, including the aeration basin, as per the schedule provided in section (d) above.

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

Bruce Chapman

sworn before me this 16th day of June, 2020.

A handwritten signature in black ink, appearing to be "J. F. Felt", is written over a horizontal line.

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

June 16, 2020

NORTHERN PULP NOVA SCOTIA CORPORATION
PENSION PLAN FOR CHIP PLANT EMPLOYEES
REG. No. 1265024

NORTHERN PULP NOVA SCOTIA CORPORATION
HOURLY PENSION PLAN
REG. No. 0520114

NORTHERN PULP NOVA SCOTIA CORPORATION
SALARIED PENSION PLAN
REG. No. 0210005

(the “Pension Plans”)

TO: Members, former members and other persons
entitled to payments from the Pension Plans

FROM: NORTHERN PULP NOVA SCOTIA CORPORATION
(the “Company”), administrator of the Pension Plans

Notice of proceedings under the *Companies’ Creditors Arrangement Act*

The Company has today commenced a legal proceeding in the Supreme Court of British Columbia under the *Companies’ Creditors Arrangement Act*, RSC 1985, c C-36 (“**CCAA**”). The CCAA proceedings may affect the Company’s contributions to the Pension Plans or pension benefits payable to you from the Pension Plans.

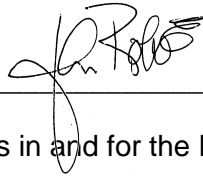
You are entitled to attend future hearings in the proceeding if you wish.

Copies of documents filed with the Court may be viewed at **[NTD: Insert URL]**, and then follow the links.

Copy to:

Nova Scotia Superintendent of Pensions
1723 Hollis Street, 6th Floor
P.O. Box 2531
Halifax, NS B3J 3N5

This is Exhibit "QQ" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

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

Northern Pulp Group of Companies
 CCAA Cash Flow Forecast
 For the Period June 19, 2020 to September 19, 2020

All figures in Canadian dollars

	Week # Week-ended date	1	2	3	4	5	6	7	8	9	10	11	12	13	Forecast
		6-27	7-4	7-11	7-18	7-25	8-1	8-8	8-15	8-22	8-29	9-5	9-12	9-19	Total
Beginning Cash	Ref	6,529,317	5,356,509	4,392,359	3,789,414	1,725,540	655,662	(71,035)	(521,660)	(1,370,082)	(1,321,755)	(2,618,154)	(3,267,619)	(4,068,858)	6,529,317
Receipts															
Woodlands Collections	[1]	141,241	-	-	-	716,642	-	-	-	461,170	-	-	-	-	1,319,054
Other AR Collections	[2]	-	-	-	-	123,861	-	-	-	-	-	-	-	-	123,861
HST	[3]	-	-	-	50,000	-	-	-	-	50,000	-	-	-	-	100,000
Total Collections		141,241	-	-	50,000	840,503	-	-	-	511,170	-	-	-	-	1,542,915
Operating Disbursements															
Utilities	[4]	34,155	25,875	25,875	25,875	28,923	23,000	23,000	23,000	23,000	26,048	25,875	25,875	25,875	336,375
Property Taxes	[5]	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mill Closure Activities	[6]	86,538	86,538	86,538	60,088	60,088	60,088	60,088	40,681	40,681	40,681	40,681	40,681	40,681	744,050
Waste Water Disposal	[7]	143,750	143,750	143,750	143,750	143,750	90,390	90,390	90,390	90,390	90,390	112,988	112,988	112,988	1,509,663
Environmental Testing	[8]	21,031	20,873	20,873	20,873	20,873	54,200	54,200	54,200	54,200	54,200	46,604	46,604	46,604	515,329
Environmental Assessment	[8]	-	-	-	-	-	-	-	31,625	31,625	31,625	31,625	31,625	39,531	197,656
Non-restructuring Professional Fees	[9]	-	-	-	152,375	-	-	-	209,875	-	-	-	-	221,375	583,625
BHETF Decommissioning	[10]	-	12,938	12,938	12,938	12,938	39,100	39,100	39,100	39,100	39,100	301,875	301,875	301,875	1,152,875
Insurance	[11]	-	-	-	-	345,000	-	-	-	-	-	-	-	345,000	690,000
Salary and Benefits	[12]	315,121	29,491	66,437	29,491	200,726	25,075	-	66,437	-	132,697	-	78,975	-	944,451
Severance and Salary Continuation	[13]	388,267	-	126,249	1,523,243	126,249	244,098	-	98,111	-	98,111	-	72,799	-	2,677,125
PEC Administrative Services	[14]	143,750	-	-	-	143,750	-	-	-	-	143,750	-	-	-	431,250
Wood Costs	[15]	99,138	120,287	120,287	120,287	120,287	183,848	183,848	183,848	183,848	183,848	89,817	89,817	89,817	1,768,976
Miscellaneous Expenditures	[16]	32,300	6,900	-	24,955	25,300	6,900	-	11,155	-	32,200	-	-	-	139,710
Contingency	[17]	50,000	-	-	-	50,000	-	-	-	-	50,000	-	-	-	150,000
Total Operating Disbursements		1,314,048	446,651	602,945	2,113,874	1,277,882	726,697	450,625	848,422	462,844	922,649	649,465	801,238	1,223,746	11,841,085
NET OPERATING CASH FLOW		(1,172,807)	(446,651)	(602,945)	(2,063,874)	(437,378)	(726,697)	(450,625)	(848,422)	48,327	(922,649)	(649,465)	(801,238)	(1,223,746)	(10,298,170)
Restructuring Disbursements															
Professional Fees - Restructuring	[18]	-	(517,500)	-	-	(632,500)	-	-	-	-	(373,750)	-	-	-	(1,523,750)
Total Restructuring Disbursements		-	(517,500)	-	-	(632,500)	-	-	-	-	(373,750)	-	-	-	(1,523,750)
NET WEEKLY CASH FLOW		(1,172,807)	(964,151)	(602,945)	(2,063,874)	(1,069,878)	(726,697)	(450,625)	(848,422)	48,327	(1,296,399)	(649,465)	(801,238)	(1,223,746)	(11,821,920)
Ending Cash Balance		5,356,509	4,392,359	3,789,414	1,725,540	655,662	(71,035)	(521,660)	(1,370,082)	(1,321,755)	(2,618,154)	(3,267,619)	(4,068,858)	(5,292,604)	(5,292,604)

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

Notes and Assumptions to the Cash Flow Forecast

For the period June 19, 2020 to September 19, 2020 (the “Period”)

Disclaimer:

This cash flow forecast (the “**Forecast**”), has been prepared using unaudited financial information and the Monitor has not attempted to further verify the accuracy or completeness of such information.

The Forecast is based on the probable and hypothetical assumptions outlined below.

Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Period will vary from the Forecast, and such variation may be material. There is no representation, warranty or other assurance that any of the assumptions or estimates used in the Forecast will be realized.

Overview:

The Cash Flow Forecast includes receipts and disbursements of the Petitioners during the Period. The Petitioners, with the assistance of Ernst & Young Inc., in its capacity as the proposed monitor of the Petitioners (the “**Proposed Monitor**”), have prepared the Forecast based primarily on estimated receipts and disbursements related to the CCAA proceedings and the Petitioners ongoing operations.

Receipts and disbursements are denominated in Canadian dollars.

The Forecast was prepared for the purpose of satisfying the requirements pursuant to paragraph 10(2)(a) of the Companies’ Creditors Arrangement Act (“**CCAA**”).

Beginning Cash:

The Petitioner’s opening cash balance as at June 19, 2020 is approximately \$6.5 million.

Cash Receipts:

[1] Woodlands Collections

This includes stumpage, road building rebates and silviculture receivables from the Province of Nova Scotia and independent wood lot owners.

[2] Other AR Collections

Receipt of bank interest, Canadian Employee Wage Subsidy (“**CEWS**”) program and other miscellaneous accounts receivable. The Petitioners understand that the CEWS rebate program may only be available from the Federal Government through June 2020.

[3] Harmonized Sales Tax ("HST")

Net recovery of input tax credits on HST applicable disbursements.

Cash Disbursements:

[4] Utilities

Power service costs payable to Nova Scotia Power for the Northern Pulp mill facility (the "**Mill**") and the Boat Harbour Effluent Treatment facility ("**BHETF**") and incidental telephone and other IT related costs.

[5] Property Taxes

Property taxes in relation to the Mill and BHETF lands are payable bi-annually. There are no taxes payable forecast during the initial Period. Property taxes of approximately \$350,000 will become payable in September 2020.

[6] Mill Closure Activities

These costs include environmental and industrial clean up charges associated with Mill hibernation activities including landfill capping requirements.

[7] Wastewater Disposal

Costs to collect and dispose of surplus wastewater from the Mill lands arising from the discontinuation of the BHETF and the requirements of a May 14, 2020 ministerial order issued by the Province of Nova Scotia (the "**Ministerial Order**").

[8] Environmental Testing and Assessment

Preliminary environmental consulting costs associated with scientific research and development studies required to advance the environmental assessment process leading to the design and build of a replacement effluent treatment facility.

[9] Non-restructuring Professional Fees

Professional fees (non-restructuring) associated with environmental, human resources, and other public communication services required during the CCAA stay period.

[10] BHETF Decommissioning

Decommissioning costs specifically related to the BHETF required pursuant to the Ministerial Order.

[11] Insurance

General commercial liability and property insurance for the Mill and Northern Timber lands.

[12] Salary & Benefits

Ongoing semi-monthly salary and benefit costs for active continuing employees of Northern Pulp who are presently working to ensure an orderly hibernation of the Mill, decommission the BHETF and to care for and maintain the Petitioners equipment and related forestry assets. The Petitioners active employment compliment is anticipated to reduce to approximately 32 employees by July 2020.

[13] Severance and Salary Continuation

The Petitioners intend to fund pay in lieu of notice obligations and all severance obligations payable to approximately 280 former unionized employees who were adversely affected by the Mill closing. In addition, the Petitioners intends to honour salary continuation costs for approximately 55 non-unionized employees.

[14] PEC Administrative Services

Corporate service allocation charges payable to PEC in relation to management, IT, treasury and other corporate services provided by PEC on behalf of the Petitioners.

[15] Wood Costs

Costs associated with road work, stumpage fees, administrative charges, property taxes on wood lands and silviculture charges required to generate the Woodlands Collections estimated in line [1] above.

[16] Miscellaneous Expenditures

These costs include all security, human resources and other miscellaneous expenses associated with preserving, protecting and hibernating the Mill.

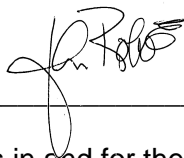
[17] Contingency

A general contingency provision has been included within the Forecast.

[18] Professional Fee's - Restructuring

Fees owing to or estimated to be incurred by the Petitioner's legal counsel, the Monitor and the Monitor's legal counsel in connection with the CCAA filing.

This is Exhibit "RR" referred to in the Affidavit of
Bruce Chapman
sworn before me this 16th day of June, 2020.

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

No. _____
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

CONSENT TO ACT AS MONITOR

Ernst & Young Inc. hereby consents to act as court-appointed monitor in these proceedings 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, if so appointed by this Honourable Court.

DATED at the City of Vancouver, in the Province of British Columbia this 11th day of June, 2020.

ERNST & YOUNG INC.

Per:



Name: Kevin Brennan
 Title: Senior Vice President