Court File No CV-12-9566-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF TERRACE BAY PULP INC.

THIRD REPORT OF THE MONITOR DATED MARCH 26, 2012

INTRODUCTION

1. On January 25, 2012, Terrace Bay Pulp Inc. ("**Terrace Bay**" or the "**Applicant**") filed for and obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**"). Pursuant to an Order of this Court dated January 25, 2012 (the "**Initial Order**"), Ernst & Young Inc. ("**EYI**") was appointed as Monitor (the "**Monitor**") in the CCAA proceeding. The Initial Order initially provided for a stay of proceedings through February 24, 2012, which was extended to April 27, 2012 (the "**Stay Period**").

2. On January 24, EYI filed with this Court a report (the "**Pre-Filing Report**") detailing certain Green Transformation Program construction and repair projects that were ongoing at Terrace Bay's mill (the "**GTP Project**"). Further details related to the GTP Project were contained in the January 25, 2012 affidavit sworn by Mr. Wolfgang Gericke, the January 30, 2012 affidavit sworn by Taras Sawula and the March 23, 2012 affidavit sworn by Aaron Blazina (the "**Blazina Affidavit**"). All terms not specifically defined herein will have the meaning given to them in the Blazina Affidavit.

PURPOSE

3. The purpose of this third report of the Monitor (the "**Third Report**") is to update the Court in relation to the Applicant's motion to:

(a) approve the proposed allocation and distribution of $3,909,771.68 (the "**Funded Amount**") among contractors, suppliers and the Applicant, which amount represents a payment from Natural Resources Canada ("**NRC**") on account of the sum of $4,670,188.30 owing to contractors and suppliers for work performed in relation to the GTP Project in November and December 2011 (the "**November and December Arrears**"), less an amount held back by NRC (the "**Non-Payment Holdback**") in the amount of $422,192.18 owing to contractors and suppliers for work performed to October 31, 2011 (the "**October Arrears**") and a portion of the Phase I Holdback (defined below) in the amount of $338,224.44, in accordance with the allocation and distribution proposed in the chart at Exhibit "G" to the Blazina Affidavit (the "**Distribution Chart**");

(b) authorizing payment from Terrace Bay's cash resources of amounts equal to:

(i) the holdback in respect of invoices submitted to NRC in relation to the Phase I Tasks (defined below) in the amount of $767,366 (the "**Phase I Holdback**"), provided that:

A. an amount equal to the October Arrears has been paid by the Applicant to contractors and suppliers who performed work in relation to Phase I (as defined below) on or before October 31, 2011; and

B. NRC has approved the Phase I Tasks in the Blazina Affidavit;

(ii) any further holdback in respect of invoices submitted to NRC in relation to Phase I (as defined below) in the event that the Applicant completes tasks for Phase I in addition to the Phase I Tasks, with the approval of the Monitor and NRC;

(iii) the HST for any work completed post-filing relating to the GTP Project; and

(iv) the holdback in respect of invoices submitted to NRC in relation to Phase II (defined below) of the GTP Project, which is estimated to be approximately $1 million (the "**Phase II Holdback**"), provided the Phase II Tasks (as defined below) have been completed; and

(c) To provide the Court with an update on the cash flows forecasts of the Applicant.

TERMS OF REFERENCE

4. In preparing this Third Report, EYI has been provided with and in making the comments herein it has relied upon, unaudited financial information, Terrace Bay's books and records, financial information prepared by Terrace Bay, and discussions with management of Terrace Bay. EYI has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of such information and, accordingly, EYI expresses no opinion or other form of assurance in respect of such information contained in this Third Report. Some of the information referred to in this Third Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Canadian Institute of Chartered Accountants ("**CICA**") Handbook, has not been performed. Future oriented financial information referred to in this Third Report was prepared based on management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, the actual results will vary from the projections, even if the assumptions materialize, and the variations could be significant.

GREEN TRANSFORMATION PROGRAM AND THE GTP PROJECT

5. Prior to the commencement of the CCAA Proceeding, Terrace Bay was participating in the GTP Project. This program, administered by NRC, provides funding for projects that have an environmental benefit. Such benefits include energy efficiency or production of "green" energy.

6. Terrace Bay advised the Monitor that, at the date of the Initial Order, work relating to the GTP Project was underway and was required to be completed, as laws relating to emissions created by an operational mill will be changing in 2013. Terrace Bay has

advised the Monitor that the completion of the GTP Project is required in order for Terrace Bay to remain compliant with these new emissions standards.

7. As stated in the Blazina Affidavit, on January 30, 2012 the Court granted an Order (the "**GTP Order**") that:

   (a) required Terrace Bay to pay, from funds received from NRC, all obligations that were incurred in connection with the GTP Project to any contractor or supplier, whether or not incurred prior to or after the date of the Initial Order;

   (b) deemed such funds to be held in trust by the Applicant for such contractors;

   (c) authorized Terrace Bay to pay the October Arrears; and

   (d) required that the Applicant seek confirmation from NRC that all invoices and receipts properly submitted after the date of the Initial Order in accordance with the agreements between NRC and the Applicant in respect of the GTP Project (the "**GTP Agreements**") will be reimbursed by NRC prior to the Applicant re-commencing work in relation to the GTP Project.

8. In accordance with the GTP Order, on February 14, 2012, Terrace Bay advised the Monitor that it had obtained certain written confirmations from NRC. However, the foregoing assurances did not adequately ensure that the Applicant would be able to pay contractors in full from funds received from NRC because:

   (a) the GTP Agreements require NRC to holdback a portion of its funding until certain approvals and confirmations have been obtained;

   (b) holdbacks could not be released until the corresponding amount of the holdback had first been paid to contractors and suppliers out of Terrace Bay's cash resources; and

   (c) HST is not reimbursed under the GTP Agreements.

9. The Applicant has advised the Monitor that it has been working with NRC to address the foregoing funding issues. While NRC funded the October Arrears prior to the granting of the Initial Order, the Applicant has not yet paid the amounts of these pre-filing claims to contractors and suppliers. The Applicant has advised the Monitor that its intention was to only pay those pre-filing claims in connection with the resumption of the GTP Project that would be expected to enhance the value of the mill. The GTP Project has not yet resumed.

10. On March 12, 2012, NRC paid to the Applicant the Funded Amount of $3,909,771.68, as partial payment on account of the November and December Arrears. In making payment to the Applicant in relation to the November and December Arrears, NRC held back the Non-Payment Holdback and a portion of the Phase I Holdback (as defined below) in the amount of $338,224.44.

11. The following chart summarizes the various amounts claimed by the Applicant in respect of the GTP Project, as well as holdbacks retained by NRC:

Invoices submitted to NRC		Notes
November & December	$ 4,670,188.30	
January	429,141.25	
Total invoices submitted to NRC	5,099,329.55	
Less:		
Non-Payment Holdback	(422,192.18)	1
Phase I Holdback	(767,365.69)	2
Funded Amount	$ 3,909,771.68	

1.The Phase I Holdback is comprised of the January invoices of $429,141.25 plus a further $338,224.44 withheld by NRC and represents 10% of the costs of Phase I.

2. The Non-Payment Holdback is comprised of $277,420.07 in resepct of Phase I and $144,772.11 in respect of Phase II.

REVISION OF GTP PROJECT TASKS

12. The Applicant has advised the Monitor that, pursuant to the GTP Agreements, NRC has the right to holdback the last 10% of its total contribution to the GTP Project pending

completion of the tasks funded by NRC and payment of the related eligible costs by the Applicant to the applicable contractors and suppliers.

13. After the commencement of these proceedings, it became apparent that the Applicant would not be in a position to satisfy NRC's requirements for the release of holdbacks because the Applicant;

(a) could not complete all the tasks comprising the GTP Project in a timely manner; and

(b) would not have the funding from cash resources to pay eligible costs not funded by NRC as a result of the retention of these holdbacks.

NRC and the Applicant are in the process of redefining the scope of work to be done in connection with the GTP Project in order to be able to meet these requirements.

14. The GTP Project can be broken down into two phases, with separate defined tasks. The Applicant has advised the Monitor that the first phase involves the installation of 185 psig steam extraction on the Applicant's turbine, upgrades to the Applicant's electrostatic precipitator (the "**ESP**") and improvements to the No. 4 power boiler combustion ("**Phase I**"). The second phase involves the collection and incineration of dilute non-condensable gases for the reduction of total reduced sulphur emissions ("**Phase II**"). Each phase is considered to be a separate project and governed by a separate GTP Agreement.

COMPLETION OF PHASE I TASKS AND PAYMENT OF PHASE I HOLDBACK

15. The Applicant has advised the Monitor that it has requested NRC to confirm that Phase I of the GTP Project has been completed by Terrace Bay in order to facilitate the release of the Phase I Holdback. The Applicant has advised the Monitor that, in its view, the Phase I Tasks have been completed.

16. NRC has retained a 10% holdback in respect of the eligible costs associated with the Phase I Tasks in the amount of $767,365.69 (the "**Phase I Holdback**"). The Phase I Holdback retained by NRC consists of amounts not reimbursed by NRC with respect to

invoices submitted by the Applicant in January, 2012 in the amount of $429,141.25 (the "**January Invoices**") and the $338,224.44 amount held back by NRC from the payment related to the November and December Arrears referenced above.

17. In order for NRC to release an amount equal to the Phase I Holdback to the Applicant, an amount equal to all costs incurred in respect of the Phase I Tasks that are eligible for reimbursement by NRC must first be paid to contractors and suppliers by the Applicant. This requires payment of a portion of the amount of the October Arrears relating to the Phase I Tasks (being the sum of $277,420.07, with $144,772.11 being the Phase II portion of the October Arrears) and an amount equal to the Phase I Holdback (being the sum of $767,365.69). As well, the revision of GTP Project tasks must be finally agreed to by NRC.

18. Terrace Bay has advised the Monitor that it has sufficient cash resources to make payment of said holdbacks and has provided a Revised Cash Flow Projection that reflects this. A copy of the Applicant's Revised Cash Flow Projection (the "**Revised Cash Flow**") is attached as Appendix "A" to this Third Report. The Monitor has reviewed the Revised Cash Flow and confirms that it demonstrates the Applicant's ability to pay the October Arrears and the Phase I Holdback amount, provided that the amount of the Phase I Holdback is paid to the Applicant by NRC, as contemplated.

COMPLETION OF PHASE II TASKS AND PAYMENT OF PHASE II HOLDBACK

19. The Applicant has advised the Monitor that the Phase II Tasks (as defined in the Blazina Affidavit) were commenced prior to the date of the Initial Order, but have not yet been completed, and therefore no holdback has been retained by NRC in connection with Phase II as of yet. Approximately $5.5 million in eligible costs have been incurred to date in respect of Phase II Tasks.

20. The Applicant anticipates that the Phase II Tasks will cost approximately $4.5 million to complete, which will be wholly funded by NRC, other than the payment of HST. As with Phase I, payments to the Applicant under Phase II of the GTP Project will be subject to the Phase II Holdback (approximately $1 million), which will only be reimbursed by

NRC if the Phase II Tasks are completed and all eligible costs (including amounts subject to the holdback) are paid by the Applicant to contractors and suppliers. The total cost of the HST for completion of the Phase II Tasks will be roughly $585,000 (13% of $4.5 million). This HST amount will not be funded by NRC.

21. The Revised Cash Flow prepared by the Applicant contemplates payment of the HST and the receipt of the Phase II Holdback once the applicable conditions have been met. The Revised Cash Flow indicates there are sufficient funds available to pay these amounts, provided that NRC pays the Applicant for the amount of the Phase II Holdback.

GTP DEADLINE

22. The Applicant has advised the Monitor that pursuant to the terms of the GTP Agreements, the completion of the GTP Project is required by March 31, 2012 (the "**GTP Deadline**"). The Applicant has advised the Monitor that NRC and the Applicant are in the process of amending the GTP Agreement to extend the GTP Deadline to June 30, 2012. It is expected that these amendments will be finalized prior to the hearing of the Applicant's motion.

23. The Applicant advises that NRC has clarified that Terrace Bay will still be subject to the eligible cost end date of March 31, 2012 (the "**Eligible Cost Deadline**"), such that all eligible costs must be incurred by March 31, 2012. The Eligible Cost Deadline cannot be extended. NRC has stated that eligible costs relating to the provision of goods or services are deemed to have been incurred by March 31, 2012, if:

(a) there is a signed contract between Terrace Bay and a subcontractor stating that the cost is due by March 31; and/or

(b) an invoice is received by NRC by March 31 in accordance with a contract relating to the Phase II Tasks.

24. In order to complete the Phase II Tasks, the Applicant is proposing to enter into a contract with Venshore Mechanical Ltd. ("**Venshore**") to complete the Phase II Tasks (the "**Venshore Contract**"). The Applicant is to be invoiced by Venshore prior to the

Eligible Cost Deadline for all of the work to be done under the Venshore Contract, even though some of such work may not have been completed by the Eligible Cost Deadline. The Applicant has advised the Monitor that it is in the process of negotiating the terms and conditions of the Venshore Contract.

25. The Applicant has advised the Monitor that Venshore has indicated that it, and its sub-contractors, will not re-commence work on the GTP Project until payment in full of their portion of the November and December Arrears has been made by the Applicant. Full payment to Venshore, and to its sub-contractors, of their portion of the November and December Arrears can only be achieved if the Applicant pays:

(a) the October Arrears of $422,192.18 (from cash flow);

(b) the Non-Payment Holdback of $422,192.18 (from funds to be received from NRC once the October Arrears are paid by the Applicant); and

(c) the Phase I Holdback of $767,366 (which will be initially paid by the Applicant from cash flow, but reimbursed by NRC).

26. Payment of the October Arrears has already been approved by the Court. The Applicant has advised the Monitor that Venshore will also enter into the Venshore Contract only if Terrace Bay has the authority to pay an amount equal to the Phase II Holdback from its cash resources (which the Applicant estimates to be approximately $1 million), as such amount will be held back by NRC pursuant to the relevant GTP Agreement, the reimbursement of which is forecast to be in the week ended May 19 in the Revised Cash Flow Forecast. In addition, Venshore has requested that funds be available for payment of HST for post-filing obligations.

PROPOSED ALLOCATION OF THE FUNDED AMOUNT

27. As a result of the retention of various holdbacks by NRC, the Applicant has not received sufficient funds from NRC to pay the November and December Arrears in full and seeks approval of a proposed allocation and distribution in order to comply with its obligations under the GTP Order.

28. If Phase II of the GTP Project resumes, the Applicant is of the view that all amounts owing in respect of the November and December Arrears will eventually be paid from amounts received from NRC (not including HST payable). However, in the event that the GTP Project does not resume, there will be a shortfall in payment of the November and December Arrears.

29. The Applicant has advised the Monitor that the effect of the proposed allocation would be as follows:

(a) the burden of the Phase I Holdback would be shared by the contractors and suppliers who are owed amounts for the November and December Arrears in connection with Phase I of the GTP Project on a pro rata basis. The Applicant is of the view that this proposed allocation is fair and reasonable as NRC has held back the Phase I Holdback from invoices submitted in respect of the Phase I Tasks, but not in respect of invoices submitted in respect of the Phase II Tasks;

(b) the burden of the Non-Payment Holdback would be shared by all contractors and suppliers who are owed amounts for the November and December Arrears on a pro rata basis. The Phase I portion of the Non-Payment Holdback is $277,420.07 and will be shared by Phase I contractors and suppliers on a pro-rata basis. The Phase II portion of the Non-Payment Holdback is $144,772.11 and will be shared by Phase II contractors and suppliers with November and December Arrears on a pro-rata basis. The Applicant is of the view that the allocation is fair and reasonable as NRC had indicated to it that NRC had allocated the Non-Payment Holdback between Phase I and Phase II in this manner.

30. The Applicant is of the view that the proposed allocation is fair and reasonable as the Non-Payment Holdback relates to both Phases, and was withheld by NRC from the total amount owing for the November and December Arrears.

31. The Applicant advises that in the event Phase II of the GTP Project does not resume, parties owed amounts in connection with the January Invoices will not receive any payment, given that no funding was received from NRC in respect of those invoices.

32. Attached as Exhibit "H" to the Blazina Affidavit is the Distribution Chart setting out the proposed allocation of the holdbacks and proposed distributions to contractors and suppliers from the Funded Amount. It is proposed by the Applicant the Funded Amount would be distributed as set out in the "Net Net Payment" column of the Distribution Chart. Provided that the other outstanding issues described in the Blazina affidavit are successfully resolved by Terrace Bay, NRC makes the required reimbursements and Phase II of the GTP Project resumes**,** the Monitor is of the view that the allocations and payments proposed by Terrace Bay as described in the Blazina Affidavit and set forth in the Distribution Chart are appropriate.

33. Due to the urgency of this motion to enable the GTP Project to resume, the Applicant has advised the Monitor that it would be serving its Motion Record via email on counsel to the contractors and suppliers who have supplied the Applicant with their respective counsel's email addresses. These contractors and suppliers represent approximately 97% of the claims to the Funded Amount. Those contractors and suppliers who have not provided the Applicant with email addresses for their respective counsel represent approximately 3% of value of claims to the Funded Amount.

34. The Applicant has advised the Monitor that if the relief sought is not approved contractors and suppliers will be denied the benefit of payment of the Non-Payment Holdback and the Phase I Holdback, and NRC will not fund the completion of Phase II of the GTP Project.

35. The Payment of the October Arrears was authorized to be paid from the Applicants cash resources pursuant to the GTP Order. The October Arrears will not be paid until the GTP Project resumes. Once the October Arrears are paid NRC will immediately release the Non-Payment Holdback, which will then be distributed to the applicable contractors and suppliers.

36. Currently the Applicant does not have authority to pay an amount equal to the Phase I Holdback from its own cash resources. Assuming that work on Phase II resumes, the Monitor understands that such payment will not prejudice the estate as the amount of the payment is to be reimbursed by NRC upon confirmation that:

(a) The Phase I tasks have been completed;

(b) The revision of tasks associated with Phase I has been approved by NRC; and

(c) The eligible costs associated with Phase I have been paid to the relevant contractors and suppliers.

RECOMMENDATION

37. The Monitor has been advised, through discussions with potential buyers participating in the Sales Process, that completion of the GTP Project will make the mill a more attractive acquisition opportunity. From its communications with potential purchasers, the Monitor understands that completion of the GTP Project would be seen to add significant value to the mill. As such, prospective purchasers have expressed interest in knowing that work on the GTP Project would be resuming.

38. Provided that the preconditions for the reimbursements by NRC described in the Blazina Affidavit are achieved by the Applicant, there appears to be significant benefit in work continuing on the GTP Project.

39. Should this Court see fit to grant the relief sought by the Applicant, the Monitor is of the view that it will benefit the stakeholders of the Applicant by:

(a) resolving the payment issues relating the arrears of payments relating to the GTP Project;

(b) assisting Terrace Bay fulfilling the payment provisions of the GTP Order; and

(c) aiding in the completion of the Sales Process by potentially increasing the attractiveness of the mill as an acquisition opportunity to potential purchasers.

All of which is respectfully submitted this 26th day of March, 2012.

ERNST & YOUNG INC.
In its capacity as the Proposed Court-Appointed Monitor of Terrace Bay Pulp Inc.

Per:

Alex Morrison
Senior Vice President

APPENDIX "A"

REVISED CASH FLOW FORECAST

Terrace Bay Pulp Inc.
CCAA Cash Flows

Week	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**
Beginning of week	25-Mar	01-Apr	08-Apr	15-Apr	22-Apr	29-Apr	06-May	13-May	20-May
End of week	31-Mar	07-Apr	14-Apr	21-Apr	28-Apr	05-May	12-May	19-May	26-May
Bank balance, beginning of week[10]	**10,103,901**	**4,884,449**	**4,659,449**	**4,169,449**	**5,134,007**	**7,022,815**	**1,261,815**	**896,815**	**1,646,815**
Blocked account receipts:									
Customer Receipts[1]	843,878	-	-	-	-	-	-	-	-
Funding received from GTP[2]	-	-	-	1,189,558	3,200,000	-	-	1,000,000	-
Other	-	-	-	-	-	-	-	-	-
Total cash receipts from all sources	843,878	-	-	1,189,558	3,200,000	-	-	1,000,000	-
Expected cash outlays during the week:									
Selling expenses (freight, commissions, brokerage)[3]	-	-	-	-	-	-	-	-	-
Salaries and wages[4]	(75,000)	(45,000)	(75,000)	(45,000)	(75,000)	(45,000)	-	(120,000)	-
Payroll withholdings[4]	(20,000)	(50,000)	(20,000)	(50,000)	(20,000)	(50,000)	(20,000)	(50,000)	(20,000)
Benefits and pension[4]	(40,000)	-	(40,000)	-	(40,000)	-	(40,000)	-	(40,000)
WSIB[4]	(20,000)	-	-	-	(20,000)	-	-	-	-
Operations[5]	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)
Utilities, Fuel and Chemicals[5]	(10,000)	(10,000)	(235,000)	(10,000)	(10,000)	(760,000)	(235,000)	(10,000)	(10,000)
Restructuring Cost[6]	(165,000)	(90,000)	(90,000)	(90,000)	(90,000)	(130,000)	(40,000)	(40,000)	(40,000)
Insurance[7]	-	-	-	-	-	-	-	-	-
Property taxes[8]	(604,000)	-	-	-	(604,000)	-	-	-	-
Disbursements regarding GTP[2,11]	(5,099,330)	-	-	-	(422,192)	(4,746,000)	-	-	-
Blow Tank repairs[9]	-	-	-	-	-	-	-	-	-
Total cash outlays:	(6,063,330)	(225,000)	(490,000)	(225,000)	(1,311,192)	(5,761,000)	(365,000)	(250,000)	(140,000)
Bank balance, end of week	**4,884,449**	**4,659,449**	**4,169,449**	**5,134,007**	**7,022,815**	**1,261,815**	**896,815**	**1,646,815**	**1,506,815**

Notes to Cash Flow Forecast

1) Customer receipts are forecast based on average due dates for customer invoices and modified, as necessary, when known issues arise.
2) Funding for Terrace Bay Pulp's Green Transformation Project ("GTP") is received from Natural Resources Canada once they have approved the relevant invoices. It is assumed that any amounts received pursuant to this program will be paid out to the contractors and employees performing the work.
3) Selling expenses include amounts paid to Terrace Bay Pulp's sales agent based on forecast shipments of pulp to customers.
4) Salaries, wages, benefits and the related withholdings are forecast based on staff levels required to keep the mill warm and secure.
5) Operations and Utilities, Fuel and Chemicals are forecast on the assumption that production at the mill will remain idled during the CCAA proceedings.
6) Restructuring Costs are those forecast to be incurred as a result of the current CCAA proceedings.
7) Insurance includes amount to ensure that adequate coverage is maintained through the CCAA proceedings.
8) Property Taxes represent amounts for municipal taxes due to the Town of Terrace Bay.
9) Blow Tank Repairs represent costs to stabilise the damaged are and repair the damaged equipment up to the limit of Terrace Bay's policy deductible.
10) Opening bank balance includes approximately $3.9 million of funds received from NRC (i.e. the Funded Amount).
11) Amounts received in the week ended April 21 reperesent the Non-Payment Holdback and the Phase I Holdback. Amounts paid by March 31 include the Funded Amount, the October Arrears and the Phase I Holdback. Amounts paid in the week ended April 28 represent payemnt of the Non-Payment Holdback. Amounts paid after this date represent work done for Phase II of the GTP.

Terrace Bay Pulp Inc.
CCAA Cash Flows

Week	**10**	**11**	**12**	**13**	
Beginning of week	27-May	03-Jun	10-Jun	17-Jun	
End of week	02-Jun	09-Jun	16-Jun	23-Jun	**Total**
Bank balance, beginning of week[10]	**1,506,815**	**1,236,815**	**1,096,815**	**621,815**	**10,103,901**
Blocked account receipts:					
Customer Receipts[1]	-	-	-	-	843,878
Funding received from GTP[2]	-	-	-	-	5,389,558
Other	-	-	-	-	-
Total cash receipts from all sources	-	-	-	-	6,233,435
Expected cash outlays during the week:					
Selling expenses (freight, commissions, brokerage)[3]	-	-	-	-	-
Salaries and wages[4]	(120,000)	-	(120,000)	-	(720,000)
Payroll withholdings[4]	(50,000)	(20,000)	(50,000)	(20,000)	(440,000)
Benefits and pension[4]	-	(40,000)	-	(40,000)	(280,000)
WSIB[4]	(20,000)	-	-	-	(60,000)
Operations[5]	(30,000)	(30,000)	(30,000)	(30,000)	(390,000)
Utilities, Fuel and Chemicals[5]	(10,000)	(10,000)	(235,000)	(10,000)	(1,555,000)
Restructuring Cost[6]	(40,000)	(40,000)	(40,000)	(40,000)	(935,000)
Insurance[7]	-	-	-	-	-
Property taxes[8]	-	-	-	-	(1,208,000)
Disbursements regarding GTP[2,11]	-	-	-	-	(10,267,522)
Blow Tank repairs[9]	-	-	-	-	-
Total cash outlays:	(270,000)	(140,000)	(475,000)	(140,000)	(15,855,522)
Bank balance, end of week	**1,236,815**	**1,096,815**	**621,815**	**481,815**	**481,815**