

**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.

Applicant

**MOTION RECORD
(Returnable July 16, 2012)**

BLAKE, CASSELS & GRAYDON LLP

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

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OF TERRACE BAY PULP INC.

Applicant

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
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ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
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Applicant

**NOTICE OF MOTION
(Returnable July 16, 2012)**

Terrace Bay Pulp Inc. (the "**Applicant**"), will make a motion to a Judge presiding over the Commercial List on Monday, the 16th day of July, 2012 at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, 8th Floor, Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR an Order:

- (a) abridging the time for service of the Notice of Motion and Motion Record, and declaring that the motion is properly returnable on July 16, 2012;
- (b) approving a transfer of the Township Pumphouse Lands (as defined in the affidavit of Wolfgang Gericke sworn July 12, 2012 (the "**Gericke Affidavit**")) to The Corporation of the Township of Terrace Bay (the "**Township**") and vesting all of the Applicant's right, title and interest in the Township Pumphouse Lands absolutely in the Township, free and clear of and from the liens, charges and encumbrances specified in the vesting order;

- (c) approving the Applicant's grant of the Township Pumphouse Easement (as defined in the Gericke Affidavit) to the Township;
- (d) declaring that the Financial Encumbrances (as defined in the Gericke Affidavit) are subordinate to the Township Pumphouse Easement; and
- (e) such further and other relief as the Applicant may request and this Honourable Court shall deem just.

THE GROUNDS FOR THE MOTION ARE:

- (a) The grounds for the motion are as described in the Gericke Affidavit;
- (b) Rules 2.03, 3.02, and 37 of the Ontario *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended; and
- (c) such further and other grounds as counsel may advise.

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

- (a) The Gericke Affidavit;
- (b) the Sixth Report of the Monitor, Ernst & Young Inc., (the "**Monitor**") dated as of the 12th day of July, 2012 (the "**Sixth Report**"),
- (c) the pleadings and proceedings herein; and
- (d) such further and other materials as counsel may advise and this Honourable Court may permit.

Date: July 16, 2012

BLAKE CASSELS & GRAYDON LLP

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Lawyers for the Applicant

**TO: THE SERVICE LIST AS ATTACHED
TO THE MOTION RECORD**

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

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

**NOTICE OF MOTION
(RETURNABLE JULY 16, 2012)**

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TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
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OF TERRACE BAY PULP INC.

Applicant

AFFIDAVIT OF WOLFGANG GERICKE
(Sworn July 12, 2012)

I, Wolfgang Gericke, of the City of Thunder Bay, in the Province of Ontario,
MAKE OATH AND SAY AS FOLLOWS:

Introduction

1. I am the President and sole director of Terrace Bay Pulp Inc. ("**Terrace Bay**" or the "**Company**") and, as such, have knowledge of the matters deposed to in this affidavit. Where this affidavit is not based on my direct personal knowledge, it is based on information and belief and I verily believe such information to be true.

Overview of Relief Sought

2. This affidavit is sworn in support of the Company's motion for an order:
 - (a) abridging the time for service of the Notice of Motion and the Motion Record;

- (b) approving a transfer of the Township Pumphouse Lands (as defined below) to The Corporation of the Township of Terrace Bay (the “**Township**”) and vesting all of the Company’s right, title and interest in the Township Pumphouse Lands absolutely in the Township, free and clear of and from the liens, charges and encumbrances specified in the vesting order;
 - (c) approving the Company’s grant of the Township Pumphouse Easement (as defined below) to the Township;
 - (d) declaring that the Financial Encumbrances (as defined below) are subordinate to the Township Pumphouse Easement; and
 - (e) such further and other relief as the Company may request and this Honourable Court shall deem just.
3. On July 5, 2012, the Company gave notice to the Service List of the hearing scheduled on July 16, 2012 in connection with, among other things, the transfer of land and the grant of easement relating to the Township Pumphouse (the “**July 5 Letter**”). Attached hereto as **Exhibit “A”** is a copy of the July 5 Letter.

Background

CCAA Proceeding and Sale Transaction

4. On January 25, 2012, the Company sought and obtained protection from its creditors under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) pursuant to the order of the Honourable Mr. Justice Morawetz (as amended and restated, the “**Initial Order**”). Pursuant to the Initial Order, Ernst & Young Inc. was appointed monitor (the “**Monitor**”) of the Company.

5. The Initial Order authorized the Company, with the assistance of the Monitor, to conduct a sales process (the “**Sales Process**”) to solicit offers for, among other things, all of the assets related to the Company’s pulp mill (the “**Business Assets**”).
6. The Company has entered into an asset purchase agreement dated as of the 5th day of July, 2012 (the “**Purchase Agreement**”) to sell all or substantially all of the Business Assets to AV Terrace Bay Inc. (the “**Purchaser**”).
7. On July 16, 2012, the Company will bring a motion to the Court for, among other things, an approval and vesting order with respect to the transaction contemplated by the Purchase Agreement.

Water Treatment Services in the Township of Terrace Bay

8. The Terrace Bay town site was originally developed by Kimberly Clark Limited (“**KC**”), when it established a pulp mill in the Township.
9. Originally, KC supplied water to the Township through its own water treatment facilities, which were comprised of a water treatment plant and pumphouse.
10. Pursuant to a mutual understanding between the Company and the Township regarding the transfer of responsibility for water treatment services from the Company to the Township (the “**Understanding**”), the Township planned for the construction of its own municipal water treatment plant and pumphouse facility, to provide water services to the community in the Company’s stead.

11. Between 2003 and 2005, the Township secured various provincial and federal government grants to assist with the construction of its own water treatment plant (the **"Township Treatment Plant"**), and received a transfer of land required for the Township Treatment Plant from the Company. The Township also contributed its own funds to the construction of the Township Treatment Plant.
12. In November 2005, the Township began supplying treated water to the community, including to the Company via the Township Treatment Plant. Although the Company's own water plant was subsequently shut down, the Company continued to operate its own pumphouse (the **"Company Pumphouse"**) in order to provide raw water to the Township Treatment Plant.
13. Pursuant to the Understanding, the Township began construction of its own pumphouse (the **"Township Pumphouse"**) in 2008. The Township Pumphouse is located on lands owned by the Company.

Transfer of Township Pumphouse Lands and Township Pumphouse Easement to Township

14. Pursuant to the Understanding, the Company agreed to grant to the Township the lands on which the Township Pumphouse is located (the **"Township Pumphouse Lands"**). The Company also agreed to grant to the Township an easement (the **"Township Pumphouse Easement"**) related to pumphouse infrastructure over adjoining lands (the **"Township Pumphouse Easement Lands"**). The Company agreed to grant the Township Pumphouse Lands and the Township Pumphouse

Easement to the Township in return for the Company Easements (as defined below).

15. The Township Pumphouse Lands are described hereto in **Exhibit "B"**. The Township Pumphouse Easement Lands are described hereto in **Exhibit "C"**, and the proposed Township Pumphouse Easement will be substantially in the form set out in the attached **Exhibit "D"**.
16. Pursuant to the Understanding, the Township:
 - (a) obtained provincial and federal grants for the construction of the Township Pumphouse;
 - (b) contributed its own funds to construction of the Township Pumphouse;
and
 - (c) assumed significant responsibility for complying with environmental and other related obligations associated with the provision of the water supply.
17. The Township has fulfilled all of its obligations pursuant to the Understanding. The last step to fulfill the Understanding is the grant of the Township Pumphouse Lands and the Township Pumphouse Easement.
18. Since the Company and the Township (the "**Parties**") entered into the Understanding, the Company's title to the Township Pumphouse Lands and the Township Pumphouse Easement Lands has become encumbered by various liens,

charges and other financial encumbrances (the “**Financial Encumbrances**”). The Financial Encumbrances are described hereto in **Exhibit “E”**.

Transfer of Company Easements to the Company

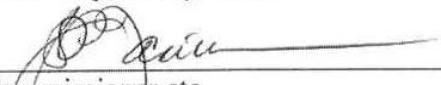
19. In return for the transfer of the Township Pumphouse Lands and the Township Pumphouse Easement to the Township, the Township has agreed to grant to the Company the following three easements:
 - (a) two easements, substantially in the form set out in the attached **Exhibit “F”**, for the Company to construct, operate and maintain underground water lines and related equipment required for the Company Pumphouse (the “**Water Line Easements**”); and
 - (b) an easement, substantially in the form set out in the attached **Exhibit “G”**, for the Company to construct, operate and maintain aerial telecommunications lines and aerial electricity transmissions lines and related equipment (the “**Aerial Telecommunications Easement**”) (collectively, the “**Company Easements**”).
20. The Company Easements will enable the Company to continue to operate the Company Pumphouse.
21. The purpose of this affidavit is to outline the transfer of land and easements between the Township and the Company necessary to complete the Understanding. Such transfer will enable the Township to provide a critical service, potable piped water, to the community.

22. I do not believe that any party involved in the CCAA proceedings or otherwise would be prejudiced if the partially performed Understanding between the Parties was completed by an Order of this Court, vesting the Township Pumphouse Lands and the Township Pumphouse Easement in the Township, for the following reasons:

- a) the lands subject to the Township Pumphouse Lands are solely of value to the Township, and has no material value to any party other than the Township;
- b) the Understanding arose prior to the coming into existence of any other claim, including the Financial Encumbrances,
- c) none of the Financial Encumbrances involve work performed on the Township Pumphouse Lands or the Township Pumphouse Easement Lands, nor did any of the Financial Encumbrances provide any benefit to the Township Pumphouse Lands or the Township Pumphouse Easement Lands;
- d) all of the parties with Financial Encumbrances on the Township Pumphouse Lands have encumbrances against all or substantially all of the real property of the Company, and will not be prejudiced by the transfer of the Township Pumphouse Lands; and
- e) it is contemplated that the Purchaser will obtain the benefit of the Company Easements which are necessary for the restart of the mill and its operation thereafter.

23. I believe that an assured supply of water through a Township facility in fact benefits all lands in the community, including the Business Assets to be conveyed via the Purchase Agreement, and benefits the stakeholders of the Company.
24. This Affidavit is made in support of the Company's motion for an order, among other things, vesting the Township Pumphouse Lands in the Purchaser and subordinating the Financial Encumbrances to the Township Pumphouse Easements.

SWORN BEFORE ME at the City of)
Thunder Bay, in the Province of Ontario)
this 12th day of July, 2012)



A Commissioner etc.
B. PAUL JASIURA



WOLFGANG GERICKE

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C., 1985 c. C-36, AS
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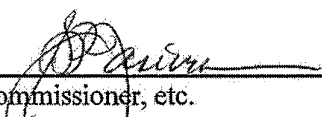
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Lawyers for the Applicant

TAB A

This is Exhibit "A" referred to in the
Affidavit of Wolfgang Gericke sworn the
12th day of July, 2012


A Commissioner, etc.

B. PAUL JASIURA



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July 5, 2012

Kristina Desimini
Dir: 416-863-2255
kristina.desimini@blakes.com

Reference: 71942/4

VIA E-MAIL

Attached Service List

Re: Terrace Bay Pulp Inc. - Sale Approval and Stay Extension

To the Service List:

We are very pleased to advise the Service List that Terrace Bay Pulp Inc. (the "**Applicant**") has entered into an Asset Purchase Agreement with AV Terrace Bay Inc., an affiliate of Aditya Birla Group.

We wish to provide you with this notice that the Applicant will make a motion to a Judge presiding over the Commercial List on July 16, 2012 at 10:00 a.m. seeking, among other things, an approval and vesting order with respect to the sale contemplated by the Asset Purchase Agreement, and an extension of the stay of proceedings. At the same time, the Applicant will be seeking approval of the transfer to the Township of Terrace Bay (the "**Town**") of lands on which the pumphouse is situated, and the grant of an easement to the Town for related pumphouse infrastructure over adjoining lands.

The Applicant's motion materials in support of this relief will be provided to the Service List early next week.

Sincerely,

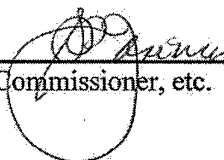
Kristina Desimini

Attachment

12575741.2

TAB B

This is **Exhibit "B"** referred to in the
Affidavit of Wolfgang Gericke sworn the
12th day of July, 2012

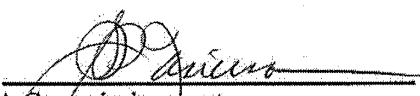

A Commissioner, etc.

B. PAUL JASIURA

PART OF PIN 62457-1206 (LT)
PT LOC JK300 STREY AS IN PPA5174 DESIGNATED AS PART 4, PL 55R13405;
TERRACE BAY

TAB C

This is **Exhibit "C"** referred to in the
Affidavit of Wolfgang Gericke sworn the
12th day of July, 2012


A Commissioner, etc.
B. PAUL JASIURA

PART OF PIN 62457-1206 (LT)

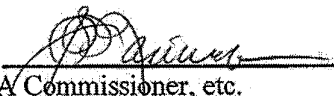
PT LOC JK300 AS IN PPA5174 DESIGNATED AS PARTS 2, 3, 5 & 16, PL 55R13405;
TERRACE BAY

PART OF PIN 62457-1117 (LT)

PCL 8757 SEC TBF; WATER LOT JK304 STREY IN LAKE SUPERIOR OPPOSITE PT OF
LOCATION JK 300 AS IN PPA5345 DESIGNATED AS PART 6, PL 55R13405; TERRACE
BAY

TAB D

This is **Exhibit "D"** referred to in the
Affidavit of Wolfgang Gericke sworn the
12th day of July, 2012


A Commissioner, etc.
B. PAUL JASIURA

Transfer of Easement to Township

21

LRO # 55 Transfer Easement

In preparation on 2012 07 09 at 11:19

This document has not been submitted and may be incomplete.

yyyy mm dd Page 1 of 1

Properties

PIN	62457 - 1206 LT	Interest/Estate	Easement	☒ Add Easement
Description	PT LOC JK300 STREY AS IN PPA5174 DESIGNATED AS PARTS 2, 3, 5, & 16, PL 55R13405; TERRACE BAY			
Address	TERRACE BAY			
PIN	62457 - 1117 LT	Interest/Estate	Easement	☒ Add Easement
Description	PCL 8757 SEC TBF; WATER LOT JK 304 STREY IN LAKE SUPERIOR OPPOSITE PT OF LOCATION JK 300 AS IN PPA5345 DESIGNATED AS PART 6, PL 55R13405.			
Address	TERRACE BAY			

Consideration

Consideration \$ 0.00

Transferor(s)

The transferor(s) hereby transfers the easement to the transferee(s).

Name TERRACE BAY PULP INC.
Acting as a company
Address for Service 1120 Premier Way
Thunder Bay, Ontario
P7B 0A3

I, Wolfgang Gericke, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Transferee(s)

Capacity

Share

Name THE CORPORATION OF THE TOWNSHIP OF TERRACE
BAY
Acting as a company
Address for Service P.O. Box 40
1 Selkirk Avenue
Terrace Bay, Ontario
P0T 2W0

Statements

Schedule:

Calculated Taxes

Provincial Land Transfer Tax \$0.00

File Number

Transferee Client File Number : 1-10224

The Transferor hereby grants to THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY, its successors and assigns, the right at any time to enter upon the lands hereinbefore described, designated as **Parts 2, 3, 5, 6, and 16** on Reference Plan **55R13405**, ("the Lands") for the purposes of constructing, installing, operating, providing, maintaining, repairing, replacing, altering, removing, renewing and making additions to:

(a) a water line; and

(b) such related equipment, fixtures, facilities, accessories and appurtenances thereto, including, without limitation, all conduits, pipes, drains, foundations, and other things of any kind whatsoever, upon, over, in, under, and across the said Lands as may be necessary, incidental, or convenient for the aforementioned purposes;

AND FOR EVERY SUCH PURPOSE The Corporation of the Township of Terrace Bay, and its successors and assigns, shall have free and unimpeded access to the Lands at all times by its officers, employees, agents, contractors, subcontractors, workers and assignees, and any and all local boards, services boards, corporations, commissions, utility providers and other persons to whom or to which The Corporation of the Township of Terrace Bay or its successors and assigns may grant permission or authority for the purposes hereinbefore described.

This is an Easement in gross.

AFFIDAVIT

I, Silvana M. D'Alimonte, of the City of Toronto make oath and say:

1. I am a solicitor with Blake, Cassels & Graydon LLP, the solicitors for Terrace Bay Pulp Inc. ("TBPI").
2. Pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2012, as amended from time to time, TBPI filed for and obtained protection under the *Companies' Creditors Arrangement Act* and Ernst & Young Inc. was appointed as the court appointed monitor.
3. The Order (the "Approval and Vesting Order") of the Honourable Mr. Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) made pursuant to Court File No. CV-12-9566-00CL, dated July 16, 2012 and registered in the Land Registry Office for the Land Titles Division of Thunder Bay (No. 55) remains in full force and effect and has not been stayed.
4. Pursuant to paragraph ____ of the Approval and Vesting Order TBPI was authorized to execute and deliver a Transfer of Easement described herein, in favour of The Corporation of the Township of Terrace Bay. In addition, pursuant to paragraphs ____ of the Approval and Vesting Order, the Court further ordered that upon the registration of the within Transfer of Easement there shall be vested in the Transferee the rights in the nature of an easement described herein, to which easement the mortgages, liens and encumbrances hereinafter described are all postponed and subordinated:
 - (a) A charge registered on September 15, 2010 as No. TY108158 in favour of Her Majesty the Queen in Right of the Province of Ontario, as represented by the Minister of Northern Development, Mines and Forestry.
 - (b) A charge registered on September 15, 2010 as No. TY108162 in favour of Computershare Trust Company of Canada.
 - (c) A construction lien registered on December 13, 2011 as No. TY132002 by EKT 90 Inc.
 - (d) A construction lien registered on January 5, 2012 as No. TY132979 by Venshore Mechanical Ltd.
 - (e) A construction lien registered on January 5, 2012 as No. TY132984 by Venasky-Pouru Electric Limited.
 - (f) A construction lien registered on January 9, 2012 as No. TY133102 by Alstom Power & Transport Canada Inc.
 - (g) A construction lien registered on January 10, 2012 as No. TY133201 by Keating Insulation Inc.
 - (h) A construction lien registered on January 12, 2012 as No. TY133355 by A. H. Lundberg Systems Limited.
 - (i) An application to register Court Order registered on January 27, 2012 as No. TY134036 to which is attached a certificate of action re: TY132002.
 - (j) A certificate registered on February 17, 2012 as No. TY135090 to which is attached a certificate of action re: TY133355.
 - (k) A certificate registered on February 17, 2012 as No. TY135091 to which is attached a certificate of action re: TY132979.
 - (l) A certificate registered on February 17, 2012 as No. TY135103 to which is attached a certificate of action re: TY132984.
 - (m) A certificate registered on February 21, 2012 as No. TY135174 to which is attached a certificate of action re: TY133102.
 - (n) An application to register Court Order registered on February 24, 2012 as No. TY135375 to which is attached a certificate of action re: TY133201.
 - (o) A construction lien registered on November 30, 2011 as No. TY131319 by North West Installations Inc.

- (p) A construction lien registered on December 2, 2011 as No. TY131507 by Fabmar Metals Inc.
- (q) A construction lien registered on December 5, 2011 as No. TY131541 by Mills & Manufacturing Acrylic Products Ltd.
- (r) A construction lien registered on December 5, 2011 as No. TY131567 by KMH Engineering Inc.
- (s) A construction lien registered on December 5, 2011 as No. TY131596 by TISI Canada Inc.
- (t) A construction lien registered on December 8, 2011 as No. TY131806 by Vector Construction Ltd.
- (u) A construction lien registered on December 9, 2011 as No. TY131889 by FRP Systems Ltd.
- (v) A construction lien registered on December 19, 2011 as No. TY132336 by Link Steel & Mechanical Inc.
- (w) A construction lien registered on December 19, 2011 as No. TY132337 by North American Kiln Service Inc.
- (x) A certificate registered on December 28, 2011 as No. TY132731 to which is attached a certificate of action re: No. TY131567.
- (y) A certificate registered on December 28, 2011 as No. TY132732 to which is attached a certificate of action re: No. TY131889.
- (z) A construction lien registered on January 4, 2012 as No. TY132967 by Skyway Canada Limited.
- (aa) A certificate registered on January 11, 2012 as No. TY133232 to which is attached a certificate of action re: No. TY131541
- (bb) A certificate registered on January 11, 2012 as No. TY133239 to which is attached a certificate of action re: No. TY131319
- (cc) A certificate of action registered on January 13, 2012 as No. TY133386 to which is attached a certificate of action re: No. TY131596.
- (dd) A certificate registered on January 20, 2012 as No. TY133709 to which is attached a certificate of action re: No. TY131806
- (ee) A certificate registered on January 31, 2012 as No. TY134274 to which is attached a certificate of action re: No. TY132967.

SWORN before me at
 the City of Toronto
 in the Province of Ontario
 this ____ day of July, 2012

 Commissioner of Oaths, Etc.

 Silvana M. D'Alimonte

LAND TRANSFER TAX STATEMENTS

In the matter of the conveyance of: 62457 - 1206 PT LOC JK300 STREY AS IN PPA5174 DESIGNATED AS PARTS 2, 3, 5, & 16,
PL 55R13405; TERRACE BAY

62457 - 1117 PCL 8757 SEC TBF; WATER LOT JK 304 STREY IN LAKE SUPERIOR
OPPOSITE PT OF LOCATION JK 300 AS IN PPA5345 DESIGNATED AS PART
6, PL 55R13405.

BY: TERRACE BAY PULP INC.

TO: THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY

%(all PINs)

1. CARMELO NOTARBARTOLO

I am

- ☐ (a) A person in trust for whom the land conveyed in the above-described conveyance is being conveyed;
- ☐ (b) A trustee named in the above-described conveyance to whom the land is being conveyed;
- ☐ (c) A transferee named in the above-described conveyance;
- ☐ (d) The authorized agent or solicitor acting in this transaction for ____ described in paragraph(s) () above.
- ☒ (e) The President, Vice-President, Manager, Secretary, Director, or Treasurer authorized to act for THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY described in paragraph(s) (C) above.
- ☐ (f) A transferee described in paragraph () and am making these statements on my own behalf and on behalf of ____ who is my spouse described in paragraph () and as such, I have personal knowledge of the facts herein deposed to.

3. The total consideration for this transaction is allocated as follows:

(a) Monies paid or to be paid in cash	0.00
(b) Mortgages (i) assumed (show principal and interest to be credited against purchase price)	0.00
(ii) Given Back to Vendor	0.00
(c) Property transferred in exchange (detail below)	0.00
(d) Fair market value of the land(s)	0.00
(e) Liens, legacies, annuities and maintenance charges to which transfer is subject	0.00
(f) Other valuable consideration subject to land transfer tax (detail below)	0.00
(g) Value of land, building, fixtures and goodwill subject to land transfer tax (total of (a) to (f))	0.00
(h) VALUE OF ALL CHATTELS - items of tangible personal property	0.00
(i) Other considerations for transaction not included in (g) or (h) above	0.00
(j) Total consideration	0.00

4.

Explanation for nominal considerations:

a) Transfer of easement or right of way for no consideration.

PROPERTY Information Record

A. Nature of Instrument: Transfer Easement

LRO 55 Registration No.

Date:

B. Property(s):

PIN 62457 - 1206 Address

TERRACE BAY

Assessment
Roll No -

PIN 62457 - 1117 Address

TERRACE BAY

Assessment
Roll No -

C. Address for Service:

P.O. Box 40
1 Selkirk Avenue
Terrace Bay, Ontario
P0T 2W0

D. (i) Last Conveyance(s): PIN 62457 - 1206 Registration No.

PIN 62457 - 1117 Registration No.

(ii) Legal Description for Property Conveyed : Same as in last conveyance? Yes ☐ No ☒ Not known ☐

TAB E

This is Exhibit "E" referred to in the
Affidavit of Wolfgang Gericke sworn the
12th day of July, 2012

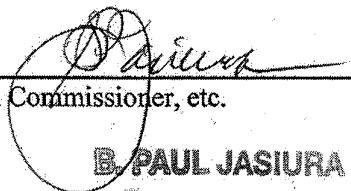

A Commissioner, etc.
B. PAUL JASIURA

- (a) A charge registered on September 15, 2010 as No. TY108158 in favour of Her Majesty the Queen in Right of the Province of Ontario, as represented by the Minister of Northern Development, Mines and Forestry.
- (b) A charge registered on September 15, 2010 as No. TY108162 in favour of Computershare Trust Company of Canada.
- (c) A construction lien registered on December 13, 2011 as No. TY132002 by EKT 90 Inc.
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- (f) A construction lien registered on January 9, 2012 as No. TY133102 by Alstom Power & Transport Canada Inc.
- (g) A construction lien registered on January 10, 2012 as No. TY133201 by Keating Insulation Inc.
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- (l) A certificate registered on February 17, 2012 as No. TY135103 to which is attached a certificate of action re: TY132984.
- (m) A certificate registered on February 21, 2012 as No. TY135174 to which is attached a certificate of action re: TY133102.
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- (q) A construction lien registered on December 5, 2011 as No. TY131541 by Mills & Manufacturing Acrylic Products Ltd.
- (r) A construction lien registered on December 5, 2011 as No. TY131567 by KMH Engineering Inc.
- (s) A construction lien registered on December 5, 2011 as No. TY131596 by TISI Canada Inc.
- (t) A construction lien registered on December 8, 2011 as No. TY131806 by Vector Construction Ltd.
- (u) A construction lien registered on December 9, 2011 as No. TY131889 by FRP Systems Ltd.
- (v) A construction lien registered on December 19, 2011 as No. TY132336 by Link Steel & Mechanical Inc.
- (w) A construction lien registered on December 19, 2011 as No. TY132337 by North American Kiln Service Inc.
- (x) A certificate registered on December 28, 2011 as No. TY132731 to which is attached a certificate of action re: No. TY131567.
- (y) A certificate registered on December 28, 2011 as No. TY132732 to which is attached a certificate of action re: No. TY131889.
- (z) A construction lien registered on January 4, 2012 as No. TY132967 by Skyway Canada Limited.
- (aa) A certificate registered on January 11, 2012 as No. TY133232 to which is attached a certificate of action re: No. TY131541
- (bb) A certificate registered on January 11, 2012 as No. TY133239 to which is attached a certificate of action re: No. TY131319
- (cc) A certificate of action registered on January 13, 2012 as No. TY133386 to which is attached a certificate of action re: No. TY131596.
- (dd) A certificate registered on January 20, 2012 as No. TY133709 to which is attached a certificate of action re: No. TY131806
- (ee) A certificate registered on January 31, 2012 as No. TY134274 to which is attached a certificate of action re: No. TY132967.

TAB F

This is **Exhibit "F"** referred to in the
Affidavit of Wolfgang Gericke sworn the
12th day of July, 2012



A Commissioner, etc.

B. PAUL JASIURA

Easement to TBPI-Pls 7+13

LRO # 55 Transfer Easement

In preparation on 2012 07 09 at 15:12

This document has not been submitted and may be incomplete.

yyyy mm dd Page 1 of 1

Properties

PIN	62457 - 0957 LT	Interest/Estate	Fee Simple	☒ Add Easement
Description	PT PCL T-1 SEC M329; BLK T PL M329 STREY DESIGNATED AS PT 7, 55R13405; TERRACE BAY			
Address	TERRACE BAY			
PIN	62457 - 1109 LT	Interest/Estate	Fee Simple	☒ Add Easement
Description	PT PCL 18847 SEC TBF; PT LOCATION JK 300 STREY DESIGNATED AS PT 13, 55R13405; TERRACE BAY			
Address	TERRACE BAY			

Consideration

Consideration \$ 0.00

Transferor(s)

The transferor(s) hereby transfers the easement to the transferee(s).

Name	THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY Acting as a company
Address for Service	P.O. Box 40 1 Selkirk Avenue Terrace Bay, Ontario P0T 2W0

This document is not authorized under Power of Attorney by this party.

This document is being authorized by a municipal corporation Michael King, Mayor, and Carmelo Notarbartolo, CAO/Clerk.

Transferee(s)

Capacity

Share

Name	TERRACE BAY PULP INC. Acting as a company
Address for Service	1120 Premier Way Thunder Bay, ON P7B 0A3

Statements

Schedule:

Calculated Taxes

Provincial Land Transfer Tax	\$0.00
------------------------------	--------

The Grantor hereby grants to TERRACE BAY PULP INC., its successors and assigns, the right at any time to enter upon the lands hereinafter described, designated as **Parts 7 and 13 on Reference Plan 55R13405**, ("the Lands") for the purposes of constructing, installing, operating, providing, maintaining, repairing, replacing, altering, removing, renewing and making additions to:

- (a) underground water lines; and
- (b) such related equipment, fixtures, facilities, accessories and appurtenances thereto, including, without limitation, all conduits, pipes, drains, foundations, and other things of any kind whatsoever under the said Lands as may be necessary, incidental, or convenient for the aforementioned purposes;

AND FOR EVERY SUCH PURPOSE the Grantee, and its successors and assigns, shall have free and unimpeded access to the Lands at all times by its officers, employees, agents, contractors, subcontractors, workers and assignees, and any and all local boards, services boards, corporations, commissions, utility providers and other persons to whom or to which the Grantee, or its successors and assigns may grant permission or authority for the purposes hereinbefore described.

PROVIDED THAT the exercise of the rights of the grantee hereunder shall not unduly interfere with the use of the said lands as a public highway of the Grantor;

SERVIENT LANDS: Part of Part 1, Plan 55R3612 designated as Part 13, Plan 55R13405 BEING PART OF PIN 62457-1109 (LT) and PT BLK T M329 Strey designated as Part 7, 55R13405 BEING PART OF PIN 62457-0957 (LT)

DOMINANT LANDS: ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Geographic Township of Strey, Township of Terrace Bay, District of Thunder Bay and in the Province of Ontario, being composed of part of Location JK 300, being all of PIN 62457-1206

SAVING AND EXCEPTING

FIRSTLY, that portion of JK-300 described as Parts 1 and 2, as shown on a reference plan of survey deposited in the Land Registry Office for the District of Thunder Bay as 55R-13391,

SECONDLY, [being the portion of the description to be redescribed by reference plan pursuant to an undertaking] that portion of JK-300 more particularly described as follows:

PREMISING that the bearings are referred to the east limit of JK 300 having a bearing of North 0002' West as shown on Plan of Survey of JK 300, by J.K. Benner O.L.S. and attached to document registered in the Land Registry Office for the District of Thunder Bay as PPA5174,

COMMENCING at a point in the east limit of said JK 300 where it is intersected by the south limit of the Canadian Pacific Railway Right-of-Way as registered in said Land Registry Office as Plan Number 88, and shown on said Plan of Survey of JK 300,

THENCE, South 0002' East along the said east limit of JK 300 387 meters, more or less to the northerly shore of Lake Superior,

THENCE, in a general westerly direction and following said shore in all its windings to a point where it is intersected by the limit between JK 300 and plan of subdivision registered in the said Registry Office M-122 (formerly the east limit of Mineral Location 1, Salter's Survey),

THENCE, northerly along the said limit between JK 300 and RP M-122, to the southerly limit of Lot 566 as shown on plan of subdivision registered in the said Land Registry Office as M-143,

THENCE, easterly along the south limit of said Lot 566, 149.56 meters, more or less, to the Southeast corner of said Lot 566, also being an angle point in the west limit of Lot 567 in said plan of subdivision M-143,

THENCE, southerly along the west limit of said Lot 567, 366.48 meters, more or less, to the Southwest corner of said Lot 567,

THENCE, easterly along the south limit of said Lot 567, 676.58 meters, more or less, to the Southeast corner of said Lot 567,

Thence, northerly along east limit of said Lot 567, 273.54 meters more or less, to the south limit of Lot 314 as shown on plan of subdivision registered in the said Land Registry Office as M-121,

THENCE, easterly along the south limit of Lot 314 and Lot 315 in said plan of subdivision M-121, 475.54 meters, more or less, to the Southeast corner of said Lot 315,

Thence, northerly along east limit of said Lot 315, also being the limit between JK 300 and RP M-121, 568.29 meters, more or less, to the southeasterly limit of Highway Number 17 as widened by Plan P-2803-18-A, registered in said Land Registry Office as LPA58436,

THENCE, northeasterly along said limit of Highway Number 17, 481.66 meters, more or less, to the southerly limit of the said Canadian Pacific Railway Right-of-Way,

- 3 -

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the left having a radius of 1776.88 meters, arc measurement of 228.40 meters, the chord equivalent being North 86°42'35" East, 228.25 meters, more or less, to an iron bar

THENCE, North 83°00'20" East, along said limit of the CPR Right-of-Way 218.05 meters, more or less to an iron bar

THENCE, continuing along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 1715.90 meters, arc measurement of 443.25 meters, the chord equivalent being South 89°03'40" East, 442.02 meters, more or less, to an iron bar

THENCE, South 82°01'40" East, along said limit of the CPR Right-of-Way 826.09 meters, more or less, to an iron bar,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 408.26 meters, arc measurement of 201.16 meters, the chord equivalent being South 83°41'20" West, 199.13 meters, more or less to the POINT OF COMMENCEMENT.

AND EXCEPTING THEREFROM THE "SECONDLY" LANDS

FIRSTLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA33775,

SECONDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA62030,

THIRDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA65839,

FOURTHLY: Parts 1, 2, and 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2142,

FIFTHLY: Part 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2424,

SIXTHLY: Part 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3211,

SEVENTHLY: Parts 1, 9, 10, AND 11, as shown on a reference plan of survey n deposited in the said Land Registry Office as 55R-3612,

EIGHTHLY: Parts 3, 5, and 8, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4166,

NINTHLY: Parts 2 and 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4338,

TENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4604,

ELEVENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-8897,

TWELFTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-9593,

THIRTEENTHLY: Parts 2, 3, 5, 8, 9, 10, 11, 12, 14, 16, 18, 19, 20, and 21, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-13405.

SUBJECT TO an easement over a portion of the above described land in JK 300, being Part 5 55R-3612, as described in document registered in the said Land Registry Office as LT148631,

SUBJECT TO an easement over a portion of the above described land in JK 300, as described in document registered in the said Land Registry Office as LT148632,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as LPA49848,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as F65076,

TOGETHER WITH an easement over a portion of land in JK 300 as described in document registered in the said Land Registry Office as LT148629,

TOGETHER WITH an easement over a portion of land in Registered Plan M-329 as described in document registered in the said Land Registry Office as LT169283,

TOGETHER WITH an easement over a portion of land in Registered Plan M-225 as described in document registered in the said Land Registry Office as F117275.

Application for Exemption from a Reference Plan

To: The Land Registrar

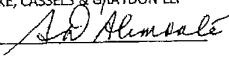
WE HEREBY APPLY as solicitors on behalf of our client and without personal liability, to request that you issue an ORDER exempting Terrace Bay Pulp Inc. from the requirements that a reference plan be deposited in advance with respect to portions of PIN Number 62457-1206 for Location JK-300 Strey, Township of Terrace Bay, District of Thunder Bay (the "Mill Portion of 1206"), in order to allow any or all of the following registrations to proceed:

- 1) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 7 and 13 on Plan 55R-13405 for the benefit of the Mill Portion of 1206;
- 2) an aerial telecommunications lines/aerial electricity transmission lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 17 and 22 on Plan 55R-13405 for the benefit of the Mill Portion of 1206;
- 3) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 1, 2 and 3 on Plan 55R-13060 for the benefit of the Mill Portion of 1206; and
- 4) a vesting order in respect of the Mill Portion of 1206, together with other lands.

We propose that the description attached as Schedule "A" hereto be used to describe the Mill Portion of 1206. We also attach an undertaking to provide a reference plan.

Dated at Toronto this 6th day of July, 2012.

BLAKE, CASSELS & GRAYDON LLP

By: 

Silvana M. D'Alimonte

SCHEDULE "A"

PROPOSED DESCRIPTION OF MILL PORTION OF 1206

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Geographic Township of Strey, Township of Terrace Bay, District of Thunder Bay and in the Province of Ontario, being composed of part of Location JK 300, being all of PIN 62457-1206

SAVING AND EXCEPTING

FIRSTLY, that portion of JK-300 described as Parts 1 and 2, as shown on a reference plan of survey deposited in the Land Registry Office for the District of Thunder Bay as 55R-13391,

SECONDLY, [being the portion of the description to be redescribed by reference plan pursuant to an undertaking] that portion of JK-300 more particularly described as follows:

PREMISING that the bearings are referred to the east limit of JK 300 having a bearing of North 0°02' West as shown on Plan of Survey of JK 300, by J.K. Benner O.L.S. and attached to document registered in the Land Registry Office for the District of Thunder Bay as PPA5174,

COMMENCING at a point in the east limit of said JK 300 where it is intersected by the south limit of the Canadian Pacific Railway Right-of-Way as registered in said Land Registry Office as Plan Number 88, and shown on said Plan of Survey of JK 300,

THENCE, South 0°02' East along the said east limit of JK 300 387 meters, more or less to the northerly shore of Lake Superior,

THENCE, in a general westerly direction and following said shore in all its windings to a point where it is intersected by the limit between JK 300 and plan of subdivision registered in the said Registry Office M-122 (formerly the east limit of Mineral Location 1, Salter's Survey),

THENCE, northerly along the said limit between JK 300 and RP M-122, to the southerly limit of Lot 566 as shown on plan of subdivision registered in the said Land Registry Office as M-143,

THENCE, easterly along the south limit of said Lot 566, 149.56 meters, more or less, to the Southeast corner of said Lot 566, also being an angle point in the west limit of Lot 567 in said plan of subdivision M-143,

THENCE, southerly along the west limit of said Lot 567, 366.48 meters, more or less, to the Southwest corner of said Lot 567,

THENCE, easterly along the south limit of said Lot 567, 676.58 meters, more or less, to the Southeast corner of said Lot 567,

Thence, northerly along east limit of said Lot 567, 273.54 meters more or less, to the south limit of Lot 314 as shown on plan of subdivision registered in the said Land Registry Office as M-121,

THENCE, easterly along the south limit of Lot 314 and Lot 315 in said plan of subdivision M-121, 475.54 meters, more or less, to the Southeast corner of said Lot 315,

Thence, northerly along east limit of said Lot 315, also being the limit between JK 300 and RP M-121, 568.29 meters, more or less, to the southeasterly limit of Highway Number 17 as widened by Plan P-2803-18-A, registered in said Land Registry Office as LPA58436,

THENCE, northeasterly along said limit of Highway Number 17, 481.66 meters, more or less, to the southerly limit of the said Canadian Pacific Railway Right-of-Way,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the left having a radius of 1776.88 meters, arc measurement of 228.40 meters, the chord equivalent being North $86^{\circ}42'35''$ East, 228.25 meters, more or less, to an iron bar

THENCE, North $83^{\circ}00'20''$ East, along said limit of the CPR Right-of-Way 218.05 meters, more or less to an iron bar

THENCE, continuing along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 1715.90 meters, arc measurement of 443.25 meters, the chord equivalent being South $89^{\circ}35'40''$ East, 442.02 meters, more or less, to an iron bar

THENCE, South $82^{\circ}11'40''$ East, along said limit of the CPR Right-of-Way 826.09 meters, more or less, to an iron bar,

- 3 -

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 408.26 meters, arc measurement of 201.16 meters, the chord equivalent being South 83°41'20" West, 199.13 meters, more or less to the POINT OF COMMENCEMENT.

N AND EXCEPTING THEREFROM THE "SECONDLY" LANDS

FIRSTLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA33775,

SECONDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA62030,

THIRDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA65839,

FOURTHLY: Parts 1, 2, and 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2142,

FIFTHLY: Part 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2424,

SIXTHLY: Part 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3211,

SEVENTHLY: Parts 1, 9, 10, AND 11, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3612,

EIGHTHLY: Parts 3, 5, and 8, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4166,

NINTHLY: Parts 2 and 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4338,

TENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4604,

ELEVENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-8897,

TWELFTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-9593,

-4-

THIRTEENTHLY: Parts 2, 3, 5, 8, 9, 10, 11, 12, 14, 16, 18, 19, 20, and 21, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-13405.

SUBJECT TO an easement over a portion of the above described land in JK 300, being Part 5 55R-3612, as described in document registered in the said Land Registry Office as LT148631,

SUBJECT TO an easement over a portion of the above described land in JK 300, as described in document registered in the said Land Registry Office as LT148632,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as LPA49848,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as F65076,

TOGETHER WITH an easement over a portion of land in JK 300 as described in document registered in the said Land Registry Office as LT148629,

TOGETHER WITH an easement over a portion of land in Registered Plan M-329 as described in document registered in the said Land Registry Office as LT169283,

TOGETHER WITH an easement over a portion of land in Registered Plan M-225 as described in document registered in the said Land Registry Office as F117275.

ORDER

Upon the application by the registered owner of the subject lands, I hereby ORDER, pursuant to The Land Titles Act, Section 150 and having regard to the circumstances, that the instrument on which this ORDER is attached be exempted from the requirement that a reference plan be deposited upon the following conditions:

1. That a reference plan of survey for the lands as described as Secondly in schedule A of the Application for Exemption be deposited on or before July 1, 2013.
2. That the Vesting Order and any related documents for the subject lands when presented for registration shall contain the description as set out in Schedule A of the Application for Exemption.

JUL 06 2012

Date



R. N. LANE

Land Registrar for District of Thunder Bay

Note- The Application and the Order must both be attached to the Transfer at the time of registration.

UNDERTAKING

RE: PIN 62457-1206

To: The Land Registrar

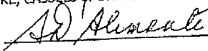
In consideration of your allowing the registration of the following Instruments without a reference plan being deposited in advance:

- 1) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 7 and 13 on Plan 55R-13405 for the benefit of the Mill Portion of 1206 (as defined in the accompanying Application for Exemption from a Reference Plan);
- 2) an aerial telecommunications lines/aerial electricity transmission lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 17 and 22 on Plan 55R-13405 for the benefit of the Mill Portion of 1206;
- 3) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 1, 2 and 3 on Plan 55R-13060 for the benefit of the Mill Portion of 1206; and
- 4) a vesting order in respect of the Mill Portion of 1206, together with other lands,

WE HEREBY UNDERTAKE on behalf of our client, Terrace Bay Pulp Inc., and without personal liability, that a plan of survey for a portion of the retained lands (being the secondly exception in the description attached to the Application for Exemption from a Reference Plan as Schedule "A") will be deposited as a Reference Plan before July 1, 2013.

Dated at Toronto this 6th day of July, 2012.

BLAKE, CASSELS & GRAYDON LLP

By: 

Silvana M. D'Alimonte

LAND TRANSFER TAX STATEMENTS

In the matter of the conveyance of: 62457 - 0957 PT PCL T-1 SEC M329; BLK T PL M329 STREY DESIGNATED AS PT 7, 55R13405; TERRACE BAY

62457 - 1109 PT PCL 18847 SEC TBF; PT LOCATION JK 300 STREY DESIGNATED AS PT 13, 55R13405; TERRACE BAY

BY: THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY

TO: TERRACE BAY PULP INC.

%(all PINs)

1. WOLFGANG GERICKE

I am

- ☐ (a) A person in trust for whom the land conveyed in the above-described conveyance is being conveyed;
- ☐ (b) A trustee named in the above-described conveyance to whom the land is being conveyed;
- ☐ (c) A transferee named in the above-described conveyance;
- ☐ (d) The authorized agent or solicitor acting in this transaction for _____ described in paragraph(s) () above.
- ☒ (e) The President, Vice-President, Manager, Secretary, Director, or Treasurer authorized to act for TERRACE BAY PULP INC. described in paragraph(s) (C) above.
- ☐ (f) A transferee described in paragraph () and am making these statements on my own behalf and on behalf of _____ who is my spouse described in paragraph () and as such, I have personal knowledge of the facts herein deposed to.

3. The total consideration for this transaction is allocated as follows:

(a) Monies paid or to be paid in cash	0.00
(b) Mortgages (i) assumed (show principal and interest to be credited against purchase price)	0.00
(ii) Given Back to Vendor	0.00
(c) Property transferred in exchange (detail below)	0.00
(d) Fair market value of the land(s)	0.00
(e) Liens, legacies, annuities and maintenance charges to which transfer is subject	0.00
(f) Other valuable consideration subject to land transfer tax (detail below)	0.00
(g) Value of land, building, fixtures and goodwill subject to land transfer tax (total of (a) to (f))	0.00
(h) VALUE OF ALL CHATTELS - items of tangible personal property	0.00
(i) Other considerations for transaction not included in (g) or (h) above	0.00
(j) Total consideration	0.00

4.

o) Transfer of easement or right of way for no consideration.

PROPERTY Information Record

- A. Nature of Instrument: Transfer Easement
- LRO 55 Registration No. Date:
- B. Property(s): PIN 62457 - 0957 Address TERRACE BAY Assessment Roll No -
- PIN 62457 - 1109 Address TERRACE BAY Assessment Roll No -
- C. Address for Service: 1120 Premier Way
Thunder Bay, ON P7B 0A3
- D. (i) Last Conveyance(s): PIN 62457 - 0957 Registration No.
PIN 62457 - 1109 Registration No.
- (ii) Legal Description for Property Conveyed : Same as in last conveyance? Yes ☐ No ☒ Not known ☐

Easement to TBPI-
P/s 1, 2 + 3

LRO # 55 Transfer Easement

In preparation on 2012 07 09 at 15:01

This document has not been submitted and may be incomplete.

yyyy mm dd Page 1 of 1

Properties

PIN 62457 - 1006 LT Interest/Estate Easement ☒ Add Easement
Description PCL 8896 SEC TBF; LT 312 PL M121 STREY EXCEPT LPA39420 & LPA58436;
TERRACE BAY DESIGNATED AS PARTS 1, 2 & 3, PL 55R13060.
Address TERRACE BAY

Consideration

Consideration \$ 0.00

Transferor(s)

The transferor(s) hereby transfers the easement to the transferee(s).

Name THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY
Acting as a company
Address for Service P.O. Box 40
1 Selkirk Avenue
Terrace Bay, Ontario
P0T 2W0

This document is not authorized under Power of Attorney by this party.

This document is being authorized by a municipal corporation Michael King, Mayor, and Carmelo Notarbartolo, Clerk/CAO.

Transferee(s)

Capacity

Share

Name TERRACE BAY PULP INC.
Acting as a company
Address for Service 1120 Premier Way
Thunder Bay, ON P7B 0A3

Statements

Schedule:

Calculated Taxes

Provincial Land Transfer Tax \$0.00

File Number

Transferor Client File Number : 1-10224

The Grantor hereby grants to TERRACE BAY PULP INC., its successors and assigns, the right at any time to enter upon the lands hereinafter described, designated as **Parts 1, 2 and 3 on Reference Plan 55R13060**, ("the Lands") for the purposes of constructing, installing, operating, providing, maintaining, repairing, replacing, altering, removing, renewing and making additions to:

- (a) underground water lines; and
- (b) such related equipment, fixtures, improvements, facilities, accessories and appurtenances thereto, including, without limitation, all conduits, pipes, drains, foundations, and other things of any kind whatsoever upon, over, in, under and across the said Lands as may be necessary, incidental, or convenient for the aforementioned purposes;

AND FOR EVERY SUCH PURPOSE the Grantee, and its successors and assigns, shall have free and unimpeded access to the Lands at all times by its officers, employees, agents, contractors, subcontractors, workers and assignees, and any and all local boards, services boards, corporations, commissions, utility providers and other persons to whom or to which the Grantee or its successors and assigns may grant permission or authority for the purposes hereinbefore described.

SERVIENT LANDS: Part of Lot 312, Plan M121 Strey designated as Parts 1, 2 and 3 55R13060

BEING ALL OF PIN 62457-1006 (LT)

DOMINANT LANDS: ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Geographic Township of Strey, Township of Terrace Bay, District of Thunder Bay and in the Province of Ontario, being composed of part of Location JK 300, being all of PIN 62457-1206

SAVING AND EXCEPTING

FIRSTLY, that portion of JK-300 described as Parts 1 and 2, as shown on a reference plan of survey deposited in the Land Registry Office for the District of Thunder Bay as 55R-13391,

SECONDLY, [being the portion of the description to be redescribed by reference plan pursuant to an undertaking] that portion of JK-300 more particularly described as follows:

PREMISING that the bearings are referred to the east limit of JK 300 having a bearing of North 0002' West as shown on Plan of Survey of JK 300, by J.K. Benner O.L.S. and attached to document registered in the Land Registry Office for the District of Thunder Bay as PPA5174,

COMMENCING at a point in the east limit of said JK 300 where it is intersected by the south limit of the Canadian Pacific Railway Right-of-Way as registered in said

Land Registry Office as Plan Number 88, and shown on said Plan of Survey of JK 300,

THENCE, South 0002' East along the said east limit of JK 300 387 meters, more or less to the northerly shore of Lake Superior,

THENCE, in a general westerly direction and following said shore in all its windings to a point where it is intersected by the limit between JK 300 and plan of subdivision registered in the said Registry Office M-122 (formerly the east limit of Mineral Location 1, Salter's Survey),

THENCE, northerly along the said limit between JK 300 and RP M-122, to the southerly limit of Lot 566 as shown on plan of subdivision registered in the said Land Registry Office as M-143,

THENCE, easterly along the south limit of said Lot 566, 149.56 meters, more or less, to the Southeast corner of said Lot 566, also being an angle point in the west limit of Lot 567 in said plan of subdivision M-143,

THENCE, southerly along the west limit of said Lot 567, 366.48 meters, more or less, to the Southwest corner of said Lot 567,

THENCE, easterly along the south limit of said Lot 567, 676.58 meters, more or less, to the Southeast corner of said Lot 567,

Thence, northerly along east limit of said Lot 567, 273.54 meters more or less, to the south limit of Lot 314 as shown on plan of subdivision registered in the said Land Registry Office as M-121,

THENCE, easterly along the south limit of Lot 314 and Lot 315 in said plan of subdivision M-121, 475.54 meters, more or less, to the Southeast corner of said Lot 315,

Thence, northerly along east limit of said Lot 315, also being the limit between JK 300 and RP M-121, 568.29 meters, more or less, to the southeasterly limit of Highway Number 17 as widened by Plan P-2803-18-A, registered in said Land Registry Office as LPA58436,

THENCE, northeasterly along said limit of Highway Number 17, 481.66 meters, more or less, to the southerly limit of the said Canadian Pacific Railway Right-of-Way,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the left having a radius of 1776.88 meters, arc measurement of 228.40 meters, the

chord equivalent being North 86042'35" East, 228.25 meters, more or less, to an iron bar

THENCE, North 83000'20" East, along said limit of the CPR Right-of-Way 218.05 meters, more or less to an iron bar

THENCE, continuing along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 1715.90 meters, arc measurement of 443.25 meters, the chord equivalent being South 89035'40" East, 442.02 meters, more or less, to an iron bar

THENCE, South 82011'40" East, along said limit of the CPR Right-of-Way 826.09 meters, more or less, to an iron bar,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 408.26 meters, arc measurement of 201.16 meters, the chord equivalent being South 83041'20" West, 199.13 meters, more or less to the POINT OF COMMENCEMENT.

AND EXCEPTING THEREFROM THE "SECONDLY" LANDS

FIRSTLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA33775,

SECONDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA62030,

THIRDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA65839,

FOURTHLY: Parts 1, 2, and 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2142,

FIFTHLY: Part 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2424,

SIXTHLY: Part 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3211,

SEVENTHLY: Parts 1, 9, 10, AND 11, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3612,

EIGHTHLY: Parts 3, 5, and 8, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4166,

NINTHLY: Parts 2 and 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4338,

TENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4604,

ELEVENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-8897,

TWELFTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-9593,

THIRTEENTHLY: Parts 2, 3, 5, 8, 9, 10, 11, 12, 14, 16, 18, 19, 20, and 21, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-13405.

SUBJECT TO an easement over a portion of the above described land in JK 300, being Part 5 55R-3612, as described in document registered in the said Land Registry Office as LT148631,

SUBJECT TO an easement over a portion of the above described land in JK 300, as described in document registered in the said Land Registry Office as LT148632,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as LPA49848,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as F65076,

TOGETHER WITH an easement over a portion of land in JK 300 as described in document registered in the said Land Registry Office as LT148629,

TOGETHER WITH an easement over a portion of land in Registered Plan M-329 as described in document registered in the said Land Registry Office as LT169283,

TOGETHER WITH an easement over a portion of land in Registered Plan M-225 as described in document registered in the said Land Registry Office as F117275.

Application for Exemption from a Reference Plan

To: The Land Registrar

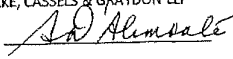
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- 4) a vesting order in respect of the Mill Portion of 1206, together with other lands.

We propose that the description attached as Schedule "A" hereto be used to describe the Mill Portion of 1206. We also attach an undertaking to provide a reference plan.

Dated at Toronto this 6th day of July, 2012.

BLAKE, CASSELS & GRAYDON LLP

By: 

Silvana M. D'Alimonte

SCHEDULE "A"

PROPOSED DESCRIPTION OF MILL PORTION OF 1206

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Geographic Township of Strey, Township of Terrace Bay, District of Thunder Bay and in the Province of Ontario, being composed of part of Location JK 300, being all of PIN 62457-1206

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COMMENCING at a point in the east limit of said JK 300 where it is intersected by the south limit of the Canadian Pacific Railway Right-of-Way as registered in said Land Registry Office as Plan Number 88, and shown on said Plan of Survey of JK 300,

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THENCE, in a general westerly direction and following said shore in all its windings to a point where it is intersected by the limit between JK 300 and plan of subdivision registered in the said Registry Office M-122 (formerly the east limit of Mineral Location 1, Salter's Survey),

THENCE, northerly along the said limit between JK 300 and RP M-122, to the southerly limit of Lot 566 as shown on plan of subdivision registered in the said Land Registry Office as M-143,

THENCE, easterly along the south limit of said Lot 566, 149.56 meters, more or less, to the Southeast corner of said Lot 566, also being an angle point in the west limit of Lot 567 in said plan of subdivision M-143,

THENCE, southerly along the west limit of said Lot 567, 366.48 meters, more or less, to the Southwest corner of said Lot 567,

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Thence, northerly along east limit of said Lot 567, 273.54 meters more or less, to the south limit of Lot 314 as shown on plan of subdivision registered in the said Land Registry Office as M-121,

THENCE, easterly along the south limit of Lot 314 and Lot 315 in said plan of subdivision M-121, 475.54 meters, more or less, to the Southeast corner of said Lot 315,

Thence, northerly along east limit of said Lot 315, also being the limit between JK 300 and RP M-121, 568.29 meters, more or less, to the southeasterly limit of Highway Number 17 as widened by Plan P-2803-18-A, registered in said Land Registry Office as LPA58436,

THENCE, northeasterly along said limit of Highway Number 17, 481.66 meters, more or less, to the southerly limit of the said Canadian Pacific Railway Right-of-Way,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the left having a radius of 1776.88 meters, arc measurement of 228.40 meters, the chord equivalent being North $86^{\circ}42'35''$ East, 228.25 meters, more or less, to an iron bar

THENCE, North $83^{\circ}00'20''$ East, along said limit of the CPR Right-of-Way 218.05 meters, more or less to an iron bar

THENCE, continuing along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 1715.90 meters, arc measurement of 443.25 meters, the chord equivalent being South $89^{\circ}35'40''$ East, 442.02 meters, more or less, to an iron bar

THENCE, South $82^{\circ}11'40''$ East, along said limit of the CPR Right-of-Way 826.09 meters, more or less, to an iron bar,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 408.26 meters, arc measurement of 201.16 meters, the chord equivalent being South 83°41'20" West, 199.13 meters, more or less to the POINT OF COMMENCEMENT.

~ AND EXCEPTING THEREFROM THE "SECONDLY" LANDS ~

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SECONDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA62030,

THIRDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA65839,

FOURTHLY: Parts 1, 2, and 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2142,

FIFTHLY: Part 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2424,

SIXTHLY: Part 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3211,

SEVENTHLY: Parts 1, 9, 10, AND 11, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3612,

EIGHTHLY: Parts 3, 5, and 8, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4166,

NINTHLY: Parts 2 and 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4338,

TENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4604,

ELEVENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-8897,

TWELFTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-9593,

THIRTEENTHLY: Parts 2, 3, 5, 8, 9, 10, 11, 12, 14, 16, 18, 19, 20, and 21, as shown on a reference plan of survey deposited in the said Land Registry Office as SSR-13405.

SUBJECT TO an easement over a portion of the above described land in JK 300, being Part 5 SSR-3612, as described in document registered in the said Land Registry Office as LT148631,

SUBJECT TO an easement over a portion of the above described land in JK 300, as described in document registered in the said Land Registry Office as LT148632,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as LPA49848,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as F65076,

TOGETHER WITH an easement over a portion of land in JK 300 as described in document registered in the said Land Registry Office as LT148629,

TOGETHER WITH an easement over a portion of land in Registered Plan M-329 as described in document registered in the said Land Registry Office as LT169283,

TOGETHER WITH an easement over a portion of land in Registered Plan M-225 as described in document registered in the said Land Registry Office as F117275.

ORDER

Upon the application by the registered owner of the subject lands, I hereby ORDER, pursuant to The Land Titles Act, Section 150 and having regard to the circumstances, that the instrument on which this ORDER is attached be exempted from the requirement that a reference plan be deposited upon the following conditions:

1. That a reference plan of survey for the lands as described as Secondly in schedule A of the Application for Exemption be deposited on or before July 1, 2013.

2. That the Vesting Order and any related documents for the subject lands when presented for registration shall contain the description as set out in Schedule A of the Application for Exemption.

JUL 06 2012

Date



R.N. LANE

Land Registrar for District of Thunder Bay

Note- The Application and the Order must both be attached to the Transfer at the time of registration.

UNDERTAKING

h RE: PIN 62457-1206 ✓
To: The Land Registrar

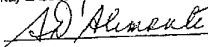
In consideration of your allowing the registration of the following Instruments without a reference plan being deposited in advance:

- 1) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 7 and 13 on Plan 55R-13405 for the benefit of the Mill Portion of 1206 (as defined in the accompanying Application for Exemption from a Reference Plan);
- 2) an aerial telecommunications lines/aerial electricity transmission lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 17 and 22 on Plan 55R-13405 for the benefit of the Mill Portion of 1206;
- 3) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 1, 2 and 3 on Plan 55R-13060 for the benefit of the Mill Portion of 1206; and
- 4) a vesting order in respect of the Mill Portion of 1206, together with other lands,

WE HEREBY UNDERTAKE on behalf of our client, Terrace Bay Pulp Inc., and without personal liability, that a plan of survey for a portion of the retained lands (being the secondly exception in the description attached to the Application for Exemption from a Reference Plan as Schedule "A") will be deposited as a Reference Plan before July 1, 2013.

Dated at Toronto this 6th day of July, 2012.

BLAKE, CASSELS & GRAYDON LLP

By: 

Silvana M. D'Alimonte

LAND TRANSFER TAX STATEMENTS

In the matter of the conveyance of: 62457 - 1006 PCL 8696 SEC TBF; LT 312 PL M121 STREY EXCEPT LPA39420 & LPA58436;
TERRACE BAY DESIGNATED AS PARTS 1, 2 & 3, PL 55R13060.

BY: THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY

TO: TERRACE BAY PULP INC.

%(all PINs)

1. WOLFGANG GERICKE

I am

- ☐ (a) A person in trust for whom the land conveyed in the above-described conveyance is being conveyed;
- ☐ (b) A trustee named in the above-described conveyance to whom the land is being conveyed;
- ☐ (c) A transferee named in the above-described conveyance;
- ☐ (d) The authorized agent or solicitor acting in this transaction for ____ described in paragraph(s) () above.
- ☒ (e) The President, Vice-President, Manager, Secretary, Director, or Treasurer authorized to act for TERRACE BAY PULP INC. described in paragraph(s) (C) above.
- ☐ (f) A transferee described in paragraph () and am making these statements on my own behalf and on behalf of ____ who is my spouse described in paragraph () and as such, I have personal knowledge of the facts herein deposited to.

3. The total consideration for this transaction is allocated as follows:

(a) Monies paid or to be paid in cash	0.00
(b) Mortgages (i) assumed (show principal and interest to be credited against purchase price)	0.00
(ii) Given Back to Vendor	0.00
(c) Property transferred in exchange (detail below)	0.00
(d) Fair market value of the land(s)	0.00
(e) Liens, legacies, annuities and maintenance charges to which transfer is subject	0.00
(f) Other valuable consideration subject to land transfer tax (detail below)	0.00
(g) Value of land, building, fixtures and goodwill subject to land transfer tax (total of (a) to (f))	0.00
(h) VALUE OF ALL CHATTELS - items of tangible personal property	0.00
(i) Other considerations for transaction not included in (g) or (h) above	0.00
(j) Total consideration	0.00

4.

Explanation for nominal considerations:

o) Transfer of easement or right of way for no consideration.

PROPERTY Information Record

A. Nature of Instrument: Transfer Easement

LRO 55 Registration No.

Date:

B. Property(s):

PIN 62457 - 1006 Address

TERRACE BAY

Assessment
Roll No

C. Address for Service:

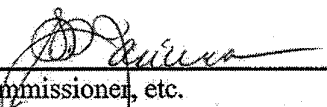
1120 Premier Way
Thunder Bay, ON P7B 0A3

D. (i) Last Conveyance(s): PIN 62457 - 1006 Registration No.

(ii) Legal Description for Property Conveyed : Same as in last conveyance? Yes ☐ No ☒ Not known ☐

TAB G

This is **Exhibit "G"** referred to in the
Affidavit of Wolfgang Gericke sworn the
12th day of July, 2012


A Commissioner, etc.

B. PAUL JASIURA

57

Easement to TBP1 - P/s 17+22

LRO # 55 Transfer Easement

In preparation on 2012 07 09 at 15:16

This document has not been submitted and may be incomplete.

yyyy mm dd Page 1 of 1

Properties

PIN 62457 - 0957 LT Interest/Estate Fee Simple ☒ Add Easement

Description PT PCL T-1 SEC M329; BLK T PL M329 STREY DESIGNATED AS PART 17, 55R13405; TERRACE BAY

Address

PIN 62457 - 1109 LT Interest/Estate Fee Simple ☒ Add Easement

Description PT PCL 18847 SEC TBF; PT LOCATION JK 300 STREY DESIGNATED AS PT 22, 55R13405; TERRACE BAY

Address TERRACE BAY

Consideration

Consideration \$ 0.00

Transferor(s)

The transferor(s) hereby transfers the easement to the transferee(s).

Name THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY
Acting as a company

Address for Service P.O. Box 40
1 Selkirk Avenue
Terrace Bay, Ontario
P0T 2W0

This document is not authorized under Power of Attorney by this party.

This document is being authorized by a municipal corporation Michael King, Mayor, and Carmelo Notarbartolo, CAO/Clerk.

Transferee(s)

Capacity

Share

Name TERRACE BAY PULP INC.
Acting as a company

Address for Service 1120 Premier Way
Thunder Bay, ON P7B 0A3

Statements

Schedule:

Calculated Taxes

Provincial Land Transfer Tax \$0.00

The Grantor hereby grants to TERRACE BAY PULP INC., its successors and assigns, the right at any time to enter upon the lands hereinafter described, designated as **Parts 17 and 22 on Reference Plan 55R13405**, ("the Lands") for the purposes of constructing, installing, operating, providing, maintaining, repairing, replacing, altering, removing, renewing and making additions to:

- (a) aerial telecommunications lines and aerial electricity transmission lines; and
- (b) such related aerial equipment, fixtures, facilities, accessories and appurtenances thereto, including, without limitation, all conduits and other things of any kind whatsoever over the said Lands as may be necessary, incidental, or convenient for the aforementioned purposes;

AND FOR EVERY SUCH PURPOSE the Grantee, and its successors and assigns, shall have free and unimpeded access to the Lands at all times by its officers, employees, agents, contractors, subcontractors, workers and assignees, and any and all local boards, services boards, corporations, commissions, utility providers and other persons to whom or to which the Grantee or its successors and assigns may grant permission or authority for the purposes hereinbefore described.

PROVIDED THAT the exercise of the rights of the grantee hereunder shall not unduly interfere with the use of the said lands as a public highway of the Grantor;

SERVIENT LANDS: Part of Part 1, Plan 55R3612 designated as Part 22, Plan 55R13405 BEING PART OF PIN 62457-1109 (LT) and PT BLK T M329 Strey designated as Part 17, 55R13405 BEING PART OF PIN 62457-0957 (LT)

DOMINANT LANDS: ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Geographic Township of Strey, Township of Terrace Bay, District of Thunder Bay and in the Province of Ontario, being composed of part of Location JK 300, being all of PIN 62457-1206

SAVING AND EXCEPTING

FIRSTLY, that portion of JK-300 described as Parts 1 and 2, as shown on a reference plan of survey deposited in the Land Registry Office for the District of Thunder Bay as 55R-13391,

SECONDLY, [being the portion of the description to be redescribed by reference plan pursuant to an undertaking] that portion of JK-300 more particularly described as follows:

PREMISING that the bearings are referred to the east limit of JK 300 having a bearing of North 0002' West as shown on Plan of Survey of JK 300, by J.K. Benner O.L.S. and attached to document registered in the Land Registry Office for the District of Thunder Bay as PPA5174,

COMMENCING at a point in the east limit of said JK 300 where it is intersected by the south limit of the Canadian Pacific Railway Right-of-Way as registered in said Land Registry Office as Plan Number 88, and shown on said Plan of Survey of JK 300,

THENCE, South 0002' East along the said east limit of JK 300 387 meters, more or less to the northerly shore of Lake Superior,

THENCE, in a general westerly direction and following said shore in all its windings to a point where it is intersected by the limit between JK 300 and plan of subdivision registered in the said Registry Office M-122 (formerly the east limit of Mineral Location 1, Salter's Survey),

THENCE, northerly along the said limit between JK 300 and RP M-122, to the southerly limit of Lot 566 as shown on plan of subdivision registered in the said Land Registry Office as M-143,

THENCE, easterly along the south limit of said Lot 566, 149.56 meters, more or less, to the Southeast corner of said Lot 566, also being an angle point in the west limit of Lot 567 in said plan of subdivision M-143,

THENCE, southerly along the west limit of said Lot 567, 366.48 meters, more or less, to the Southwest corner of said Lot 567,

THENCE, easterly along the south limit of said Lot 567, 676.58 meters, more or less, to the Southeast corner of said Lot 567,

Thence, northerly along east limit of said Lot 567, 273.54 meters more or less, to the south limit of Lot 314 as shown on plan of subdivision registered in the said Land Registry Office as M-121,

THENCE, easterly along the south limit of Lot 314 and Lot 315 in said plan of subdivision M-121, 475.54 meters, more or less, to the Southeast corner of said Lot 315,

Thence, northerly along east limit of said Lot 315, also being the limit between JK 300 and RP M-121, 568.29 meters, more or less, to the southeasterly limit of Highway Number 17 as widened by Plan P-2803-18-A, registered in said Land Registry Office as LPA58436,

THENCE, northeasterly along said limit of Highway Number 17, 481.66 meters, more or less, to the southerly limit of the said Canadian Pacific Railway Right-of-Way,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the left having a radius of 1776.88 meters, arc measurement of 228.40 meters, the chord equivalent being North 86042'35" East, 228.25 meters, more or less, to an iron bar

THENCE, North 83000'20" East, along said limit of the CPR Right-of-Way 218.05 meters, more or less to an iron bar

THENCE, continuing along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 1715.90 meters, arc measurement of 443.25 meters, the chord equivalent being South 89035'40" East, 442.02 meters, more or less, to an iron bar

THENCE, South 82011'40" East, along said limit of the CPR Right-of-Way 826.09 meters, more or less, to an iron bar,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 408.26 meters, arc measurement of 201.16 meters, the chord equivalent being South 83041'20" West, 199.13 meters, more or less to the POINT OF COMMENCEMENT.

AND EXCEPTING THEREFROM THE "SECONDLY" LANDS

FIRSTLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA33775,

SECONDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA62030,

THIRDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA65839,

FOURTHLY: Parts 1, 2, and 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2142,

FIFTHLY: Part 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2424,

SIXTHLY: Part 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3211,

SEVENTHLY: Parts 1, 9, 10, AND 11, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3612,

EIGHTHLY: Parts 3, 5, and 8, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4166,

NINTHLY: Parts 2 and 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4338,

TENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4604,

ELEVENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-8897,

TWELFTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-9593,

THIRTEENTHLY: Parts 2, 3, 5, 8, 9, 10, 11, 12, 14, 16, 18, 19, 20, and 21, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-13405.

SUBJECT TO an easement over a portion of the above described land in JK 300, being Part 5 55R-3612, as described in document registered in the said Land Registry Office as LT148631,

SUBJECT TO an easement over a portion of the above described land in JK 300, as described in document registered in the said Land Registry Office as LT148632,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as LPA49848,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as F65076,

TOGETHER WITH an easement over a portion of land in JK 300 as described in document registered in the said Land Registry Office as LT148629,

TOGETHER WITH an easement over a portion of land in Registered Plan M-329 as described in document registered in the said Land Registry Office as LT169283,

TOGETHER WITH an easement over a portion of land in Registered Plan M-225 as described in document registered in the said Land Registry Office as F117275.

Application for Exemption from a Reference Plan

To: The Land Registrar

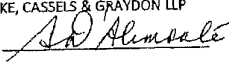
WE HEREBY APPLY as solicitors on behalf of our client and without personal liability, to request that you issue an ORDER exempting Terrace Bay Pulp Inc. from the requirements that a reference plan be deposited in advance with respect to portions of PIN Number 62457-1206 for Location JK-300 Strey, Township of Terrace Bay, District of Thunder Bay (the "Mill Portion of 1206"), in order to allow any or all of the following registrations to proceed:

- 1) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 7 and 13 on Plan 55R-13405 for the benefit of the Mill Portion of 1206;
- 2) an aerial telecommunications lines/aerial electricity transmission lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 17 and 22 on Plan 55R-13405 for the benefit of the Mill Portion of 1206;
- 3) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 1, 2 and 3 on Plan 55R-13060 for the benefit of the Mill Portion of 1206; and
- 4) a vesting order in respect of the Mill Portion of 1206, together with other lands.

We propose that the description attached as Schedule "A" hereto be used to describe the Mill Portion of 1206. We also attach an undertaking to provide a reference plan.

Dated at Toronto this 6th day of July, 2012.

BLAKE, CASSELS & GRAYDON LLP

By: 

Silvana M. D'Alimonte

SCHEDULE "A"PROPOSED DESCRIPTION OF MILL PORTION OF 1206

ALL AND SINGULAR that certain parcel or tract of land and premises situate, lying and being in the Geographic Township of Strey, Township of Terrace Bay, District of Thunder Bay and in the Province of Ontario, being composed of part of Location JK 300, being all of PIN 62457-1206

SAVING AND EXCEPTING

FIRSTLY, that portion of JK-300 described as Parts 1 and 2, as shown on a reference plan of survey deposited in the Land Registry Office for the District of Thunder Bay as 55R-13391,

SECONDLY, [being the portion of the description to be redescribed by reference plan pursuant to an undertaking] that portion of JK-300 more particularly described as follows:

PREMISING that the bearings are referred to the east limit of JK 300 having a bearing of North $0^{\circ}02'$ West as shown on Plan of Survey of JK 300, by J.K. Benner O.L.S. and attached to document registered in the Land Registry Office for the District of Thunder Bay as PPA5174,

COMMENCING at a point in the east limit of said JK 300 where it is intersected by the south limit of the Canadian Pacific Railway Right-of-Way as registered in said Land Registry Office as Plan Number 88, and shown on said Plan of Survey of JK 300,

THENCE, South $0^{\circ}02'$ East along the said east limit of JK 300 387 meters, more or less to the northerly shore of Lake Superior,

THENCE, in a general westerly direction and following said shore in all its windings to a point where it is intersected by the limit between JK 300 and plan of subdivision registered in the said Registry Office M-122 (formerly the east limit of Mineral Location 1, Salter's Survey),

THENCE, northerly along the said limit between JK 300 and RP M-122, to the southerly limit of Lot 566 as shown on plan of subdivision registered in the said Land Registry Office as M-143,

THENCE, easterly along the south limit of said Lot 566, 149.56 meters, more or less, to the Southeast corner of said Lot 566, also being an angle point in the west limit of Lot 567 in said plan of subdivision M-143,

THENCE, southerly along the west limit of said Lot 567, 366.48 meters, more or less, to the Southwest corner of said Lot 567,

THENCE, easterly along the south limit of said Lot 567, 676.58 meters, more or less, to the Southeast corner of said Lot 567,

Thence, northerly along east limit of said Lot 567, 273.54 meters more or less, to the south limit of Lot 314 as shown on plan of subdivision registered in the said Land Registry Office as M-121,

THENCE, easterly along the south limit of Lot 314 and Lot 315 in said plan of subdivision M-121, 475.54 meters, more or less, to the Southeast corner of said Lot 315,

Thence, northerly along east limit of said Lot 315, also being the limit between JK 300 and RP M-121, 568.29 meters, more or less, to the southeasterly limit of Highway Number 17 as widened by Plan P-2803-18-A, registered in said Land Registry Office as LPA58436,

THENCE, northeasterly along said limit of Highway Number 17, 481.66 meters, more or less, to the southerly limit of the said Canadian Pacific Railway Right-of-Way,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the left having a radius of 1776.88 meters, arc measurement of 228.40 meters, the chord equivalent being North $86^{\circ}42'35''$ East, 228.25 meters, more or less, to an iron bar

THENCE, North $83^{\circ}00'20''$ East, along said limit of the CPR Right-of-Way 218.05 meters, more or less to an iron bar

THENCE, continuing along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 1715.90 meters, arc measurement of 443.25 meters, the chord equivalent being South $89^{\circ}35'40''$ East, 442.02 meters, more or less, to an iron bar

THENCE, South $82^{\circ}11'40''$ East, along said limit of the CPR Right-of-Way 826.09 meters, more or less, to an iron bar,

THENCE, easterly along the said limit of the CPR Right-of-Way on a curve to the right having a radius of 408.26 meters, arc measurement of 201.16 meters, the chord equivalent being South 83°41'20" West, 199.13 meters, more or less to the POINT OF COMMENCEMENT.

N AND EXCEPTING THEREFROM THE "SECONDLY" LANDS

FIRSTLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA33775,

SECONDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA62030,

THIRDLY: all that portion of JK 300 as described in document registered in said Land Registry Office as LPA65889,

FOURTHLY: Parts 1, 2, and 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2142,

FIFTHLY: Part 4, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-2424,

SIXTHLY: Part 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3211,

SEVENTHLY: Parts 1, 9, 10, AND 11, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-3612,

EIGHTHLY: Parts 3, 5, and 8, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4166,

NINTHLY: Parts 2 and 3, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4338,

TENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-4604,

ELEVENTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-8897,

TWELFTHLY: Part 2, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-9593,

THIRTEENTHLY: Parts 2, 3, 5, 8, 9, 10, 11, 12, 14, 16, 18, 19, 20, and 21, as shown on a reference plan of survey deposited in the said Land Registry Office as 55R-13405.

SUBJECT TO an easement over a portion of the above described land in JK 300, being Part 5 55R-3612, as described in document registered in the said Land Registry Office as LT148631,

SUBJECT TO an easement over a portion of the above described land in JK 300, as described in document registered in the said Land Registry Office as LT148632,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as LPA49848,

SUBJECT TO an easement over a portion of the above described land in JK 300 as described in document registered in the said Land Registry Office as F65076,

TOGETHER WITH an easement over a portion of land in JK 300 as described in document registered in the said Land Registry Office as LT148629,

TOGETHER WITH an easement over a portion of land in Registered Plan M-329 as described in document registered in the said Land Registry Office as LT169283,

TOGETHER WITH an easement over a portion of land in Registered Plan M-225 as described in document registered in the said Land Registry Office as F117275.

ORDER

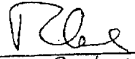
Upon the application by the registered owner of the subject lands, I hereby ORDER, pursuant to The Land Titles Act, Section 150 and having regard to the circumstances, that the instrument on which this ORDER is attached be exempted from the requirement that a reference plan be deposited upon the following conditions:

1. That a reference plan of survey for the lands as described as Secondly in schedule A of the Application for Exemption be deposited on or before July 1, 2013.

2. That the Vesting Order and any related documents for the subject lands when presented for registration shall contain the description as set out in Schedule A of the Application for Exemption.

JUL 06 2012

Date



R.W. LANE

Land Registrar for District of Thunder Bay

Note- The Application and the Order must both be attached to the Transfer at the time of registration.

UNDERTAKING

RE: PIN 62457-1206

To: The Land Registrar

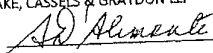
In consideration of your allowing the registration of the following instruments without a reference plan being deposited in advance:

- 1) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 7 and 13 on Plan 55R-13405 for the benefit of the Mill Portion of 1206 (as defined in the accompanying Application for Exemption from a Reference Plan);
- 2) an aerial telecommunications lines/aerial electricity transmission lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 17 and 22 on Plan 55R-13405 for the benefit of the Mill Portion of 1206;
- 3) an underground water lines easement to be granted by The Corporation of the Township of Terrace Bay over Parts 1, 2 and 3 on Plan 55R-13060 for the benefit of the Mill Portion of 1206; and
- 4) a vesting order in respect of the Mill Portion of 1206, together with other lands,

WE HEREBY UNDERTAKE on behalf of our client, Terrace Bay Pulp Inc., and without personal liability, that a plan of survey for a portion of the retained lands (being the secondly exception in the description attached to the Application for Exemption from a Reference Plan as Schedule "A") will be deposited as a Reference Plan before July 1, 2013.

Dated at Toronto this 6th day of July, 2012.

BLAKE, CASSELS & GRAYDON LLP

By: 

Silvana M. D'Alimonte

LAND TRANSFER TAX STATEMENTS

In the matter of the conveyance of: 62457 - 0957 PT PCL T-1 SEC M329; BLK T PL M329 STREY DESIGNATED AS PART 17, 55R13405; TERRACE BAY

62457 - 1109 PT PCL 18847 SEC TBF; PT LOCATION JK 300 STREY DESIGNATED AS PT 22, 55R13405; TERRACE BAY

BY: THE CORPORATION OF THE TOWNSHIP OF TERRACE BAY

TO: TERRACE BAY PULP INC. %(all PINs)

1. WOLFGANG GERICKE

I am

- ☐ (a) A person in trust for whom the land conveyed in the above-described conveyance is being conveyed;
- ☐ (b) A trustee named in the above-described conveyance to whom the land is being conveyed;
- ☐ (c) A transferee named in the above-described conveyance;
- ☐ (d) The authorized agent or solicitor acting in this transaction for ____ described in paragraph(s) () above.
- ☒ (e) The President, Vice-President, Manager, Secretary, Director, or Treasurer authorized to act for THUNDER BAY PULP INC. described in paragraph(s) () above.
- ☐ (f) A transferee described in paragraph () and am making these statements on my own behalf and on behalf of ____ who is my spouse described in paragraph () and as such, I have personal knowledge of the facts herein deposited to.

3. The total consideration for this transaction is allocated as follows:

(a) Monies paid or to be paid in cash	0.00
(b) Mortgages (i) assumed (show principal and interest to be credited against purchase price)	0.00
(ii) Given Back to Vendor	0.00
(c) Property transferred in exchange (detail below)	0.00
(d) Fair market value of the land(s)	0.00
(e) Liens, legacies, annuities and maintenance charges to which transfer is subject	0.00
(f) Other valuable consideration subject to land transfer tax (detail below)	0.00
(g) Value of land, building, fixtures and goodwill subject to land transfer tax (total of (a) to (f))	0.00
(h) VALUE OF ALL CHATTELS - items of tangible personal property	0.00
(i) Other considerations for transaction not included in (g) or (h) above	0.00
(j) Total consideration	0.00

4.

o) Transfer of easement or right of way for no consideration.

PROPERTY Information Record

A. Nature of Instrument: Transfer Easement

LRO 55 Registration No. Date:

B. Property(s): PIN 62457 - 0957 Address Assessment -
Roll No

PIN 62457 - 1109 Address Assessment -
Roll No
TERRACE BAY

C. Address for Service: 1120 Premier Way
Thunder Bay, ON P7B 0A3

D. (i) Last Conveyance(s): PIN 62457 - 0957 Registration No.
PIN 62457 - 1109 Registration No.

(ii) Legal Description for Property Conveyed: Same as in last conveyance? Yes ☐ No ☒ Not known ☐

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.

Court File No. CV-12-9566-00CL

Applicant

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

MOTION RECORD
(Returnable July 16, 2012)

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Lawyers for the Applicant

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