IN THE MATTER OF THE PROPOSED
CCAA PLAN OF REORGANIZATION AND COMPROMISE

Involving

ABITIBIBOWATER INC. AND CERTAIN OF ITS SUBSIDIARIES

MEETINGS OF AFFECTED UNSECURED CREDITORS

to be held pursuant to an Order of the Québec Superior Court (Commercial Division) made on July 9, 2010, as amended on July 21, 2010 (the "**Creditors' Meeting Order**") in connection with the CCAA Plan of Reorganization and Compromise of AbitibiBowater Inc. and certain of its subsidiaries (as amended from time to time, the "**CCAA Plan**") pursuant to the *Companies' Creditors Arrangement Act* (Canada) and Section 191 of the *Canada Business Corporations Act* (Canada) and such other legislation to be set forth in the Restructuring Transactions Notice

on September 14, 2010 at 10:00 a.m. (Montréal time) at
the Hilton Montreal Bonaventure,
900 de La Gauchetière West, Montréal, Québec, H5A 1E4, Canada

and at any adjournment, postponement or other rescheduling thereof with respect to each class of Affected Unsecured Creditors (the "**Creditors' Meeting**").

PROXY, AFFECTED UNSECURED CREDITORS' INSTRUCTIONS AND ELECTION NOTICE

COMPLETE, SIGN AND DATE THIS PROXY AND RETURN IT TO ERNST & YOUNG INC., IN ITS CAPACITY AS MONITOR, BY 5:00 P.M. EASTERN TIME ON SEPTEMBER 13, 2010 OR PRIOR TO 5:00 P.M. EASTERN TIME ON THE BUSINESS DAY IMMEDIATELY PRECEDING ANY ADJOURNMENT, POSTPONEMENT OR ANY RESCHEDULING OF THE CCAA CREDITORS' MEETINGS (THE "**VOTING DEADLINE**"), EXCEPT IF YOU WISH TO ELECT IN ITEM 2B NOT TO RECEIVE A CASH DISTRIBUTION AND BECOME ENTITLED TO PARTICIPATE IN THE RIGHTS OFFERING, IN WHICH CASE YOU ARE TO RETURN YOUR PROXY BY AUGUST 17, 2010. PLEASE RETURN YOUR PROXY TO THE MONITOR SO THAT IT IS ACTUALLY RECEIVED ON OR BEFORE THE VOTING DEADLINE. This Proxy may also be deposited with the Chair at your Creditors' Meeting before the beginning of such Creditors' Meeting.

LA VERSION FRANÇAISE DE CETTE PROCURATION ET DE CE BULLETIN DE VOTE SERA DISPONIBLE SUR LE SITE WEB DU CONTRÔLEUR DÉSIGNÉ AUX TERMES DE LA LACC, À L'ADRESSE www.ey.com/ca/abitibibowater

Please use this Proxy if you do not wish to attend your Creditors' Meeting to vote in person but wish to appoint a proxyholder to attend your Creditors' Meeting, vote your Claim to accept or reject the CCAA Plan and otherwise act for and on your behalf at your Creditors' Meeting and any adjournment(s), postponement(s) or rescheduling(s) thereof.

The CCAA Plan is Appendix C to the Notice of Meeting and information circular of AbitibiBowater Inc. and certain of its subsidiaries dated August 2, 2010 (collectively, the "Circular"), a copy of which you have received. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the Circular.

You should review the Circular and the CCAA Plan before you vote. In addition, on July 9, 2010, the Québec Superior Court (Commercial Division) issued an order, as amended on July 21, 2010, establishing certain procedures for the conduct of the Creditors' Meetings (the "Creditors' Meeting Order") to be held in respect of each Affected Unsecured Creditor Class, a copy of which is Appendix D to the Circular. The Creditors' Meeting Order contains important information regarding the voting process. Please read the Creditors' Meeting Order and the instructions sent with this Proxy prior to submitting this Proxy.

If the CCAA Plan is sanctioned by the Québec Superior Court, it will be binding on you whether or not you vote.

ITEM 1. APPOINTMENT OF PROXYHOLDER AND VOTE

By checking one of the two boxes below, the undersigned Affected Unsecured Creditor hereby revokes all proxies previously given and nominates, constitutes and appoints either ___________________________ or a representative of Ernst & Young Inc., in its capacity as Monitor, as proxyholder (if you would like the Monitor to act as your proxyholder, leave space blank) with full power of substitution, to attend, vote and otherwise act for and on behalf of the undersigned at the undersigned's Creditors' Meeting and any adjournment(s) thereof, and to vote the amount of the Creditors' Claim. Without limiting the generality of the power hereby conferred, the person named as proxyholder is specifically directed to vote as shown below. The person named as proxyholder is also directed to vote at the proxyholder's discretion and otherwise act for and on behalf of the undersigned with respect to any amendments or variations to the CCAA Plan and to any matters that may come before the undersigned's Creditors' Meeting or any adjournment thereof and to vote the amount of the Affected Unsecured Creditor's Claim(s) for voting purposes or as otherwise permitted pursuant to the Creditors' Meeting Order and the CCAA Plan as follows (mark only one):

❑ Vote **FOR** approval of the CCAA Plan ❑ Vote **AGAINST** approval of the CCAA Plan

Please note that if no specification is made hereinabove, the Affected Unsecured Creditor will be deemed to have voted FOR approval of the CCAA Plan.

ITEM 2. CONVENIENCE CLAIM ELECTIONS.

A. **If your Claim exceeds CDN$6,073** (being equivalent to US$5,000 on April 17, 2009), by checking the box below, you may irrevocably **elect to reduce your Claim to an amount equal to CDN$6,073 (US$5,000)** and thereby receive payment, if the Claim becomes a Proven Claim under the CCAA Plan, in cash in an amount of CDN$3,036.50 (being 50% of your reduced Claim) in full satisfaction of such Claim. **If you fail to check the box below, you will be deemed not to have made such election.**

❑ **ELECT TO** make this election and reduce your Claim that is greater than CDN$6,073 to a Claim of CDN$6,073 and thereby receive payment in cash of an amount of CDN$3,036.50 in full satisfaction of such Claim. This election once delivered to the Monitor will be final, unconditional and irrevocable and no creditor shall be entitled to change, revoke or withdraw its election after receipt by the Monitor of this Proxy.

B. **If your Claim is equal to or less than CDN$6,073** (being equivalent to US$5,000 on April 17, 2009), by checking the box below, you may elect not to receive a cash distribution on account of your Claim and, if applicable, receive your Pro Rata share of New ABH Common Stock. **If your Claim is equal to or less than CDN$6,073 and you do not check the box below, you will receive a cash distribution if the Claim becomes a Proven Claim under the CCAA Plan.**

❑ **ELECT NOT TO** receive a cash distribution AND accordingly receive, if applicable, your Pro Rata share of New ABH Common Stock in accordance with the CCAA Plan AND, if this election is received before August 17, 2010, become entitled to participate in the Rights Offering. This election once delivered to the Monitor will be final, unconditional and irrevocable and no creditor shall be entitled to change, revoke or withdraw its election after receipt by the Monitor of this Proxy.

Dated this _________ day of ________________________, 2010.

____

Print Name of Affected Unsecured Creditor

____

Claim Number(s) (may be found in the enclosed document entitled "Identification Slip" or on your Subscription Form)

____

Signature of Affected Unsecured Creditor or, if the Affected Unsecured Creditor is a corporation, partnership or trust, signature of an authorized signing officer of the corporation, partnership or trust

____

Title of the authorized signing officer of the corporation, partnership or trust, if applicable

____

E-mail address of Affected Unsecured Creditor

____

Telephone number of Affected Unsecured Creditor or authorized signing officer

____

Mailing Address of Affected Unsecured Creditor

No fees, commissions, or other remuneration will be payable to any broker, dealer, or other person for soliciting votes on the CCAA Plan. This Proxy is not a letter of transmittal and may not be used for any purpose other than to appoint a proxyholder and to cast votes to accept or reject the CCAA Plan.

YOUR PROXY MUST BE ACTUALLY RECEIVED BY THE MONITOR AT THE COORDINATES LISTED BELOW ON OR BEFORE 5:00 P.M. EASTERN TIME ON THE VOTING DEADLINE (SEPTEMBER 13, 2010 OR PRIOR TO 5:00 P.M. EASTERN TIME ON THE BUSINESS DAY IMMEDIATELY PRECEDING ANY ADJOURNMENT, POSTPONEMENT OR ANY RESCHEDULING OF YOUR CREDITORS' MEETING), OR YOUR PROXYHOLDER APPOINTMENT AND VOTE, AND ELECTIONS, IF ANY, WILL NOT BE COUNTED, EXCEPT IF YOU WISH TO ELECT IN ITEM 2B NOT TO RECEIVE A CASH DISTRIBUTION AND BECOME ENTITLED TO PARTICIPATE IN THE RIGHTS OFFERING, IN WHICH CASE YOU ARE TO RETURN YOUR PROXY BY AUGUST 17, 2010.

BY MAIL:

ERNST & YOUNG INC.
MONITOR OF ABITIBIBOWATER INC. *et al.*
800 René-Lévesque Blvd. West
Suite 2000
Montreal, Québec
H3B 1X9 Canada
Attention: ABH et al. Creditors' Meeting

BY FACSIMILE: **514-879-3992**

BY EMAIL: **abitibibowater@ca.ey.com**

This Proxy may also be hand-delivered to the Chair of your Creditors' Meeting prior to the commencement of the Creditors' Meeting

IF YOU HAVE ANY QUESTIONS REGARDING THIS PROXY OR THE VOTING PROCEDURES, OR IF YOU NEED AN ADDITIONAL PROXY OR ADDITIONAL COPIES OF THE ENCLOSED MATERIALS, PLEASE CONTACT THE MONITOR AT 1-866-246-7889 OR VISIT THE MONITOR'S WEBSITE AT www.ey.com/ca/abitibibowater

INSTRUCTIONS FOR COMPLETION OF PROXY AND ELECTION NOTICE

1. All capitalized terms used but not defined in this Proxy shall have the meanings ascribed to such terms in the information circular of AbitibiBowater Inc. and certain of its subsidiaries dated August 2, 2010, a copy of which you have received. Please read and follow these instructions carefully.

2. Your claim number is set out in the enclosed document entitled "Identification Slip". You are entitled to vote the amount of your Claim as accepted or revised by the Monitor, or as determined by the Claims Officer, the Grievance Claims Officer or the Court. If your Claim is disputed and cannot be resolved prior to the date on which your Proxy must be delivered to the Monitor, your Claim (or such disputed portion thereof) will be treated as a Disputed Claim and your Proxy will be dealt with as set out in paragraph 47 of the Creditors' Meeting Order.

3. In order to appoint a proxyholder for your Creditors' Meeting using this Proxy and for your vote to accept or reject the CCAA Plan to count, you must:

   a. If you wish to vote by proxy rather than in person at your Creditors' Meeting, either write in the name of your proxyholder in Item 1 or, if you would like a representative of the Monitor to act as your proxyholder, leave the space blank;

   b. Check the appropriate box in Item 1 if you wish to vote by proxy rather than in person at your Creditors' Meeting (NOTE: if you do not check either box, you will be deemed to have voted **FOR** approval of the CCAA Plan);

   c. Check appropriate box in Item 2 if wish to make the election set forth in Item 2. All such elections once delivered to the Monitor will be final, unconditional and irrevocable and no creditor shall be entitled to change, revoke or withdraw its elections after receipt by the Monitor of such Proxy. You may not subdivide your CCAA Claim into multiple Unsecured Claims of CDN$6,073 or less;

   d. Sign the Proxy — your original signature is required on the Proxy in order to appoint a proxyholder and vote at your Creditors' Meeting ;

   e. If you are completing the Proxy as a duly authorized representative of a corporation or other entity, indicate your relationship with such corporation or other entity and the capacity in which you are signing, and if subsequently requested, provide proof of your authorization to so sign. In addition, please provide your name and mailing address; and

   f. Return the completed Proxy to the Monitor (a) in the pre-paid, pre-addressed return envelope enclosed with this Proxy or (b) via personal delivery, overnight courier, or first class mail, or (c) by facsimile or email at the coordinates set out below, so that it is actually received no later than 5:00 p.m. Eastern Time on September 13, 2010 or prior to 5:00 p.m. Eastern Time on the business day immediately preceding any adjournment, postponement or any rescheduling of your Creditors' Meeting, except if you wish to elect in Item 2B not to receive a cash distribution and become entitled to participate in the rights offering, in which case you are to return your Proxy by August 17, 2010.

By registered mail: Ernst & Young Inc.
800 René-Lévesque Blvd. West
Suite 2000
Montréal, Québec
H3B 1X9
Canada

Attention: ABH et al. Creditors' Meeting

By facsimile: 514-879-3992

By email: abitibibowater@ca.ey.com

4. Each Affected Unsecured Creditor who has a right to vote at a Creditors' Meeting has the right to appoint a person (who need not be an Affected Unsecured Creditor) to attend, act and vote for and on behalf of the Affected Unsecured Creditor and such right may be exercised by inserting in the space provided the name of the person to be appointed. If no name has been inserted in the space provided, the Affected Unsecured Creditor will be deemed to have appointed any officer of Ernst & Young Inc., in its capacity as Monitor, or such other person as Ernst & Young Inc. may designate, as proxy holder of the Affected Unsecured Creditor, with power of substitution, to attend on behalf of and act for the Affected Unsecured Creditor at its Creditors' Meeting to be held in connection with the CCAA Plan and at any and all adjournments, postponements or other rescheduling thereof.

5. If you elected in Item 2A to receive a cash distribution, you will receive in full and final satisfaction of your Claim, payment in cash of CDN$3,036.50 and will be deemed to have waived your right to participate in the Rights Offering.

6. If you elected in Item 2B not to receive a cash distribution (or if you are not eligible to do so) you will receive, in full and final satisfaction of your Claim, your Pro Rata share of the number of shares of New ABH Common Stock set forth against the relevant Affected Unsecured Creditor Class in Schedule "C" to the CCAA Plan, in accordance with the provisions of the CCAA Plan, in the event that the CCAA Plan is accepted by the Required Majorities of Affected Unsecured Creditors and approved by the Court, provided, however, that each Affected Unsecured Creditor with Proven Claims in respect of a 15.5% Senior Unsecured Note Claim against a Canadian Petitioner will ultimately receive, in full and final satisfaction of such Proven Claims, its 15.5% Pro Rata share of the number of shares of New ABH Common Stock set forth against the name of the relevant Canadian Petitioner in Schedule "D" to the CCAA Plan.

7. If you believe you received the wrong form of Proxy, or if you need additional Proxies, please immediately contact the Monitor.

8. If multiple Proxies are received from the same person with respect to the same Claims prior to the Voting Deadline, the latest dated, validly executed Proxy timely received will supersede and revoke any earlier received Proxy. However, if a holder of Claims casts Proxies received by the Monitor dated with the same date, but which are voted inconsistently, such Proxies will not be counted. If a Proxy is not dated in the space provided, it shall be deemed dated as of the date it is received by the Monitor.

9. If the Creditor validly submits a Proxy to the Monitor and subsequently attends its Creditors' Meeting and votes in person inconsistently, the Creditor's vote at its Creditors' Meeting will supersede and revoke the earlier received Proxy.

10. Any Proxy that is illegible or contains insufficient information to permit the identification of the claimant shall not be counted.

11. Any Proxy that attempts to partially accept and partially reject the CCAA Plan will not be counted.

12. After the Voting Deadline, no Proxy may be withdrawn or modified, except by Proxy deposited with the Chair at your Creditors' Meeting or by voting in person at your Creditors' Meeting, without the prior consent of the Debtors.

13. If you hold Claims in more than one Class under the CCAA Plan, you may receive more than one Proxy for each different Class. Each Proxy votes only your Claims for which you indicate a Claims Number on that Proxy. You may indicate multiple Claims Numbers on a single Proxy.

IF YOU HAVE ANY QUESTIONS REGARDING THE PROXY OR THE PROCEDURES GENERALLY, OR IF YOU NEED ADDITIONAL COPIES OF THE PROXY OR OTHER ENCLOSED MATERIALS, PLEASE CALL THE

MONITOR AT 1-866-246-7889 OR
VISIT THE MONITOR'S WEBSITE AT
www.ey.com/ca/abitibowater

YOU MAY USE THE PRE-PAID, PRE-ADDRESSED RETURN ENVELOPE PROVIDED WITH THE PROXY, OR YOU MAY RETURN YOUR PROXY BY PERSONAL DELIVERY, OVERNIGHT COURIER, OR FIRST CLASS MAIL TO THE MONITOR OR YOU MAY SEND YOUR PROXY BY FACSIMILE OR EMAIL AT THE FOLLOWING COORDINATES:

By registered mail:	Ernst & Young Inc. 800 René-Lévesque Blvd. West Suite 2000 Montréal, Québec H3B 1X9 Canada Attention: ABH et al. Creditors' Meeting
By facsimile:	514-879-3992
By email:	abitibibowater@ca.ey.com