

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

Involving

ABITIBIBOWATER INC. AND CERTAIN OF ITS SUBSIDIARIES

- AND -

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
	)	Case No. 09-11296 (KJC)
	)	
ABITIBIBOWATER INC., <i>et al.</i>	)	
	)	(Jointly Administered)

**PROXY FOR NON-REGISTERED NOTEHOLDERS TO VOTE ON THE CCAA PLAN
- AND -
BALLOT FOR NON-REGISTERED NOTEHOLDERS OF THE CROSS-BORDER
DEBTORS IN CLASSES 6D, 6M, 6N, 6O, 6T, AND 6U TO VOTE TO ACCEPT OR
REJECT THE DEBTORS' SECOND AMENDED JOINT PLAN OF
REORGANIZATION UNDER CHAPTER 11 OF THE BANKRUPTCY CODE**

You have received this Proxy/Ballot because you have been identified as a Cross-border Voting Creditor. Please refer to the Cross-Border Voting Protocol which may be found at www.ey.com/ca/abitibibowater.

COMPLETE, SIGN AND DATE THIS PROXY/BALLOT 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"). DO NOT MAIL PROXY/BALLOTS DIRECTLY TO THE DEBTORS OR TO EPIQ BANKRUPTCY SOLUTIONS, LLC. YOU SHOULD NOT SEND THE PROXY/BALLOT TO YOUR PARTICIPANT HOLDER. PLEASE RETURN YOUR PROXY/BALLOT TO THE MONITOR SO THAT IT IS ACTUALLY RECEIVED ON OR BEFORE THE VOTING DEADLINE. This Proxy/Ballot may also be deposited with the Chair at your CCAA Creditors' Meeting before the beginning of such CCAA 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.

On April 16, 2010, AbitibiBowater Inc., Bowater Inc. and certain of their subsidiaries and affiliates (the "Chapter 11 Debtors") filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court for the District of Delaware (the "U.S. Bankruptcy Court") (collectively, the "Chapter 11 Cases"). On April 17, 2010, Abitibi-Consolidated Inc., Bowater Canadian Holdings Inc. and certain of their subsidiaries and affiliates (the "Canadian Petitioners") obtained protection from their creditors pursuant to the Canadian *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA Proceedings"). The following Canadian Petitioners and Chapter 11 Debtors have filed for both protection under the CCAA and commenced Chapter 11 Cases (the "Cross-Border Debtors"):

Bowater Canadian Holdings Inc.
Bowater Canada Finance Corporation
Bowater Canadian Limited
AbitibiBowater Canada Inc.
Bowater Canadian Forest Products Inc.
Bowater LaHave Corporation
Bowater Maritimes Inc.

The Chapter 11 Debtors, including the Cross-Border Debtors, have filed a Second Amended Joint Plan of Reorganization dated August 2, 2010 (the "U.S. Plan"). The Canadian Petitioners, including the Cross-Border Debtors, have filed a Plan of Reorganization and Compromise accepted for filing on July 9, 2010 (the "CCAA Plan", and collectively with the U.S. Plan, the "Plans").

In the CCAA Proceedings, a meeting of each class of Affected Unsecured Creditors (the "CCAA Creditors' Meeting") will be held on September 14, 2010 at 10:00a.m. (Montreal time) at the Hilton Montreal Bonaventure, 900 de La Gauchetière West, Montréal, Québec, H5A 1E4, Canada, or at such date, time and place as may be set by the Chair of your CCAA Creditors' Meeting for any adjournment, postponement or rescheduling thereof by notice posted at www.ey.com/ca/abitibibowater.

Voting takes place at the CCAA Creditors' Meetings (or any adjournment, postponement or rescheduling thereof) in person or by proxy. In the Chapter 11 Cases, no

meeting is held. Instead, holders of Claims¹ entitled to vote on the U.S. Plan do so by way of ballot.

Affected Unsecured Creditors of Cross-Border Debtors and holders of Claims against the Cross-Border Debtors entitled to vote on the U.S. Plan will be eligible to vote to accept or reject the U.S. Plan and the CCAA Plan. A vote to accept the CCAA Plan will be deemed to be a vote to accept the U.S. Plan and a vote to reject the CCAA Plan will be deemed to be a vote to reject the U.S. Plan. A vote to accept the U.S. Plan will be deemed to be a vote to accept the CCAA Plan and a vote to reject the U.S. Plan will be deemed to be a vote to reject the CCAA Plan. This form constitutes a form of proxy (in the event that you do not wish to attend your CCAA Creditors' Meeting to vote in person) ("Proxy") and a ballot ("Ballot") for voting on the U.S. Plan (together, the "Proxy/Ballot").

Please use this Proxy/Ballot (a) if you do not wish to attend your CCAA Creditors' Meeting to vote in person but wish to appoint a proxyholder to attend your CCAA Creditors' Meeting, vote your Claim to accept or reject the CCAA Plan in the CCAA Proceedings and otherwise act for and on your behalf at your CCAA Creditors' Meeting and any adjournment(s), postponement(s) or rescheduling(s) thereof; and (b) to cast your vote to accept or reject the U.S. Plan for purposes of the Chapter 11 Cases.

The U.S. Plan is Exhibit A to the Disclosure Statement for the Plan (as may be amended and supplemented, the "Disclosure Statement"), which accompanies this Proxy/Ballot on CD-ROM. The CCAA Plan is Appendix C to the Circular which you have also received as part of the Solicitation Package and Meeting Materials. Any party may request, at the Debtors' expense, hard copies of the Disclosure Statement, together with the U.S. Plan and other exhibits annexed thereto, from the Monitor. Such materials are also available on the Monitor's website at www.ey.com/ca/abitibowater.

You should review the Disclosure Statement, the U.S. Plan, 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 CCAA Creditors' Meetings (the "CCAA Meeting Order"), a copy of which is Appendix D to the Circular. Similarly, on August 3, 2010, the U.S. Bankruptcy Court approved an order (the "U.S. Solicitation Order"), which is included in the Solicitation Package and Meeting Materials, that establishes certain procedures for the solicitation and tabulation of votes to accept or reject the U.S. Plan including the approval of the Cross-Border Voting Protocol which establishes the procedures applicable for creditors holding claims against the Cross-Border Debtors. The Cross-Border Voting Protocol, CCAA Meeting Order, and the U.S. Solicitation Order, contain important information regarding the voting process with respect to the Cross-Border Debtors. Please read the Cross-Border Voting Protocol, the CCAA Meeting Order, the U.S. Solicitation Order and the instructions sent with this Proxy/Ballot prior to submitting this Proxy/Ballot.

Your Claim(s) have been placed in the following class for purposes of the Chapter 11

¹ All capitalized terms used herein but not otherwise defined shall have the meanings ascribed to them in the Cross-Border Voting Protocol, the U.S. Solicitation Order, or the CCAA Meeting Order, as applicable.

Cases:

Class 6M - Unsecured Note Claims Against Bowater Canada Finance Corporation

If you hold Claims in other classes that you are entitled to vote, you will receive a Proxy/Ballot or Ballot for each such other class. You may not split your vote on the Plans. You must vote all Claims in this Class to either accept or reject the Plans.

If the CCAA Plan is sanctioned by the Québec Superior Court and the U.S. Plan is confirmed by the U.S. Bankruptcy Court, they will be binding on you whether or not you vote.

TO BE COMPLETED AND SIGNED BY THE PARTICIPANT HOLDER PRIOR TO SENDING THIS PROXY/BALLOT TO THE NON-REGISTERED NOTEHOLDER

Name of Non-registered

Noteholder:

Name of Participant Holder for this
Non-registered Noteholder:

Account Number:

Type (**please check**) and principal
amount of Canadian Unsecured
Notes held for this Non-registered
Noteholder:

☐ 7.95% Notes due November 15, 2011 issued by BCFC (CUSIP 102175AB2)

(Amount)

☐ 10.26% Senior Notes (Series D) due January 15, 2011 issued by BCFPI
(f/k/a Canadian Pacific Forest Products Limited) (CUSIP 1022149B1)

(Amount)

☐ 10.50% Senior Notes (Series B) due June 15, 2010 issued by BCFPI (f/k/a
Canadian Pacific Forest Products Limited) (CUSIP 102214AB9)

(Amount)

☐ 10.60% Senior Notes (Series C) due January 15, 2011 issued by BCFPI
(f/k/a Canadian Pacific Forest Products Limited) (CUSIP 1029919A6)

(Amount)

☐ 10.625% Senior Notes (Series A) due June 15, 2010 issued by BCFPI (f/k/a
Canadian Pacific Forest Products Limited) (CUSIP 10299AAV8)

(Amount)

☐ 10.85% Debentures due November 30, 2014 issued by BCFPI (f/k/a
Canadian Pacific Forest Products Limited) (CUSIP 05356KAB0)

(Amount)

Participant Holder Signature:

(Print Name of Contact at Participant Holder)

Phone Number of Participant
Holder:

By:

(Signature of authorized signing officer of Participant Holder)

BCFC = Bowater Canada Finance Corporation; BCFPI = Bowater Canadian Forest Products Inc.

**REMAINDER OF PROXY/BALLOT TO BE COMPLETED BY THE NON-REGISTERED
NOTEHOLDER**

**ITEM 1. APPOINTMENT OF PROXYHOLDER (CCAA PROCEEDINGS) and
VOTE ON THE PLAN (CHAPTER 11 CASES).**

By checking one of the two boxes below, the undersigned Non-registered Noteholder 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 CCAA 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 Plans and to any matters that may come before the undersigned's CCAA Creditors' Meeting or any adjournment thereof.

By checking one of the two boxes below, the undersigned hereby votes with respect to his, her or its Claims in the Chapter 11 Cases, and directs the person named as proxyholder to vote as shown below (check one box only):

☐ to ACCEPT the Plans

☐ to REJECT the Plans

Please note that if no specification is made hereinabove, you will be deemed to have voted to ACCEPT the Plans.

ITEM 2. OPTIONAL RELEASE ELECTION [U.S. Plan only]. Check this box if you elect not to grant the releases contained in Section 8.5 of the U.S. Plan and elect not to consent to the related injunction in the Chapter 11 Cases. Election to withhold consent is at your option. If you submit your Proxy/Ballot without this box checked, you will be deemed to consent to the releases set forth in Section 8.5 of the U.S. Plan and the related injunction to the fullest extent permitted by applicable law.

☐ The undersigned elects not to grant the releases contained in Section 8.5 of the U.S. Plan and elects not to consent to the related injunction.

ITEM 3. CERTIFICATION. By signing this Proxy/Ballot, the undersigned certifies that he, she or it:

1. is the holder of the Claims to which this Proxy/Ballot pertains or is an authorized signatory, and has full power and authority to vote to accept or reject the Plans;

2. has been provided with a copy of the U.S. Plan, the CCAA Plan, Disclosure Statement, Notice of CCAA Creditors' Meetings, CCAA Meeting Order, U.S. Solicitation Order and acknowledges that the vote set forth on this Proxy/Ballot is subject to all the terms and conditions set forth in the Plans, Disclosure Statement, CCAA Meeting Order and U.S. Solicitation Order; and
3. has not submitted any other Proxy/Ballots relating to this Class of Claims that are inconsistent with the proxyholder appointment and vote set forth in this Proxy/Ballot or that, as limited by the terms of the CCAA Meeting Order and U.S. Solicitation Order and the instructions attached hereto, if such other Proxy/Ballots were previously submitted, they either have been or are hereby revoked or changed to reflect the vote set forth herein.

Name: _____
(Print or Type)

Signature: _____

By: _____
(If Signing on Behalf of a Corporation or other Entity)

Title: _____
(If Appropriate)

Street Address: _____

City, State/Province, Zip/Postal Code: _____

Country: _____

Telephone Number: _____

Date Completed: _____

No fees, commissions, or other remuneration will be payable to any broker, dealer, or other person for soliciting votes on the Plans. This Proxy/Ballot 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 Plans. Moreover, this Proxy/Ballot shall not constitute or be deemed to be a Proof of Claim or Interest or an assertion of a Claim or Interest against the Debtors.

YOUR PROXY/BALLOT 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 (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), OR YOUR PROXYHOLDER APPOINTMENT AND VOTE, AND ELECTIONS, IF ANY, WILL NOT BE COUNTED. YOU SHOULD NOT SEND THE PROXY/BALLOT TO YOUR PARTICIPANT HOLDER.

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/Ballot may also be hand-delivered to the Chair of your CCAA Creditors' Meeting prior to the commencement of such CCAA Creditors' Meeting.

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

VOTING INSTRUCTIONS

1. All capitalized terms used in the Proxy/Ballot or these instructions but not otherwise defined therein shall have the meaning ascribed to them in the Plans, the CCAA Meeting Order or the U.S. Solicitation Order, as applicable. Please read and follow these instructions carefully.
2. You are considered a Non-registered Noteholder because your Canadian Unsecured Notes are shown by the books and records of the trustee under your Canadian Unsecured Notes Indenture to be held by your broker, DTC, CDS, or another similar holder (a "Participant Holder") on your behalf.
3. The box on page 5 of your Proxy/Ballot should have been completed and signed by your Participant Holder. If it has not been completed and signed, please contact your Participant Holder to arrange for it to be completed and signed.
4. THE TOTAL AMOUNT OF ALL CANADIAN UNSECURED NOTES CLAIMS HAS BEEN DETERMINED AND ACCEPTED BY THE PETITIONERS. THEREFORE, YOU DO NOT HAVE TO PROVIDE A PROOF OF CLAIM IN ORDER TO RECEIVE A DISTRIBUTION UNDER THE PLANS.
5. In order to appoint a proxyholder for your CCAA Creditors' Meeting using this Proxy/Ballot and for your vote to accept or reject the Plan to count for purposes of the Chapter 11 Cases, you must:
 - a. If you wish to vote by proxy rather than in person at your CCAA Creditors' Meeting for purposes of the CCAA Proceedings, 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 CCAA Creditors' Meeting for purposes of the CCAA Proceedings and you wish to vote by ballot to accept or reject the U.S. Plan for purposes of the Chapter 11 Cases (NOTE: if you do not check either box, you will be deemed to have voted to ACCEPT the Plans)
 - c. Check the box in Item 2 if you elect not to grant the releases contained in Section 8.5 of the U.S. Plan and elect not to consent to the related injunction for purposes of the Chapter 11 Cases. Election to withhold consent is at your option. If you submit your Proxy/Ballot without the box in Item 3 checked, you will be deemed to consent to the releases set forth in Section 8.5 of the U.S. Plan and the related injunction to the fullest extent permitted by applicable law;
 - d. Review and complete the certifications in Item 3;
 - e. Sign the Proxy/Ballot — your original signature is required on the Proxy/Ballot in order to appoint a proxyholder for your CCAA Creditors'

Meeting and for your vote to count for purposes of the Chapter 11 Cases;

- f. If you are completing the Proxy/Ballot 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 if different from that set forth on the Proxy/Ballot; and
- g. Return the completed Proxy/Ballot to the Monitor (a) in the pre-paid, pre-addressed return envelope enclosed with this Proxy/Ballot 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 the CCAA Creditors' Meetings.

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

- 6. Each Non-registered Noteholder who has a right to vote at its CCAA Creditors' Meeting has the right to attend or to appoint a person to attend, act and vote for and on behalf of the Non-registered Noteholder and such right may be exercised by inserting in the space provided the name of the Non-registered Noteholder or of the person to be appointed, as the case may be. If no name has been inserted in the space provided, the Non-registered Noteholder 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 Non-registered Noteholder, with power of substitution, to attend on behalf of and act for the Non-registered Noteholder at its CCAA Creditors' Meeting to be held in connection with the CCAA Plan and at any and all adjournments, postponements or other rescheduling thereof.
- 7. You will receive, in full and final satisfaction of your Claims, 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.

8. If you believe you received the wrong form of Proxy/Ballot, or if you need additional Proxy/Ballots, please immediately contact the Monitor.
9. If multiple Proxies/Ballots are received from the same person with respect to the same Claims prior to the Voting Deadline, the latest dated, validly executed Proxy/Ballot timely received will supersede and revoke any earlier received Proxy/Ballot. However, if a holder of Claims casts Proxies/Ballots received by the Monitor dated with the same date, but which are voted inconsistently, such Proxies/Ballots will not be counted. If a Proxy/Ballot is not dated in the space provided, it shall be deemed dated as of the date it is received by the Monitor.
10. If the Creditor validly submits a Proxy/Ballot to the Monitor and subsequently attends its CCAA Creditors' Meeting and votes in person inconsistently, the Creditors' vote at its CCAA Creditors' Meeting will supersede and revoke the earlier received Proxy/Ballot.
11. Any Proxy/Ballot that is illegible or contains insufficient information to permit the identification of the claimant shall not be counted.
12. Any Proxy/Ballot that attempts to partially accept and partially reject the Plans will not be counted.
13. After the Voting Deadline, no Proxy/Ballot may be withdrawn or modified, except by Proxy/Ballot deposited with the Chair at your CCAA Creditors' Meeting or by voting in person at your CCAA Creditors' Meeting, without the prior consent of the Debtors.
14. This Proxy/Ballot does not constitute, and shall not be deemed to be, a Proof of Claim or an assertion or admission of a Claim.
15. If you hold Claims in more than one Class under the Plans, you may receive more than one Proxy/Ballot, Ballot, or Proxy, as the case may be, for each different Class. Each Proxy/Ballot votes only your Claims indicated on that Proxy/Ballot or Ballot. Please complete and return each Proxy/Ballot, Ballot, or Proxy, as the case may be, you receive.

IF YOU HAVE ANY QUESTIONS REGARDING THE PROXY/BALLOT OR THE PROCEDURES GENERALLY, OR IF YOU NEED ADDITIONAL COPIES OF THE PROXY/BALLOT OR OTHER ENCLOSED MATERIALS, PLEASE CALL THE CCAA 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/BALLOT, OR YOU MAY RETURN YOUR PROXY/BALLOT BY PERSONAL DELIVERY, OVERNIGHT COURIER, OR FIRST CLASS MAIL TO THE

MONITOR OR YOU MAY SEND YOUR PROXY/BALLOT 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

YOU SHOULD NOT SEND THE PROXY/BALLOT TO YOUR PARTICIPANT HOLDER. YOUR PROXY/BALLOT SHOULD BE SENT DIRECTLY TO ERNST & YOUNG INC.