

APPENDIX “H”
Quebec Timberlands Sale
Comparative Analysis

The Monitor reviewed a list of precedent timberland transactions in Eastern Canada, as compiled by Consultants Forestiers MS Inc., an independent agent engaged by ACI in connection with the sale of the Mauricie Timberlands that also prepared appraisals for each of the Quebec Timberlands. The Monitor’s observations with respect to the precedent transactions and the pricing implied by the sale of the Quebec Timberlands are as follows:

- Certain of the precedent transactions are very old and have been excluded in the Monitor’s analysis.
- Others involved parcels of land that were very small compared to the Quebec Timberlands and have been excluded from the Monitor’s analysis.
- Certain transactions included supply agreements or charitable donations, rendering them difficult to compare without knowing the details of these specific arrangements. These have also been excluded from the Monitor’s analysis.
- The average price / hectare with respect to ACI’s sale of the Divested Timberlands to Solifor that closed on February 20, 2009 was \$912 / hectare.
- The average price / hectare, based on the Monitor’s analysis, for comparable transactions is between \$789 and \$890 / hectare, depending on whether a weighted or straight average is considered.
- The en bloc price / hectare for the Quebec Timberlands sale, as implied by the transactions with Solifor and AFP, is approximately \$434 / hectare when taken as a whole (including the Côte-Nord Timberlands).
- It should be noted that the implied pricing of the Côte-Nord Timberlands (i.e. \$88 / hectare) has a meaningful negative impact on the overall price / hectare for the following reasons: (i) road access is very limited; (ii) 91% of the property consists of softwood lumber; (iii) there is no market for the wood in that region of Quebec other than ACI; (iv) the transaction does not involve a supply agreement with ACI; and (v) it represents a disproportionate share (56%) of the Quebec Timberlands being sold. However, it should also be noted that the implied price / hectare of the Côte-Nord Timberlands, taken individually, is reasonably comparable to a recent transaction for a privately owned timberland with similar characteristics.
- Excluding the impact of the Côte-Nord Timberlands, the price / hectare implied by the Solifor offer for the Mauricie Timberlands and Charlevoix/Saguenay Timberlands is approximately \$877 / hectare. This is comparable to the recently closed deal with

Solifor (i.e. \$912 / hectare) and the average price / hectare as per the Monitor's analysis (i.e. \$789 to \$890 / hectare).

Summary of Recent Timberland Sales in Eastern Canada
(All figures in CDN Dollars)

Date / Registration #	Seller	Purchaser	Province, Region, City	Area (hectare)	Price (\$ CAN)	Unit Price (\$/CAN/ha)	Monitor's Comments
2003/09/04 10 692 450	Fraser (Accord d'approvisionnement liés à la vente)	Fiducie Lauzon (Thurso)	Québec, Outaouais	19,500	\$12,000,000	\$615	Supply oriented timber sale in the sale
2006/04/01	Bowater Bloc Boiestown	Irving	Nouveau-Brunswick, York County	91,003	\$52,753,000	\$580	Auction process was conducted. Timber sale was purchased. Good location close to purchaser.
2006/06/27 13 433 588	Bowater Bloc Lacroix	Gestion forestière Lacroix inc. SGF (Division de Rexfor)	Québec, Gaspésie	59 962 (Prix réel déclaré officiellement par l'acheteur)	\$47,000,000	\$784	Auction process was conducted. Transaction included a supply agreement.
2006/06/29	Neenah Paper	Wagner Forest Management	Nouvelle-Ecosse, Pictou	200,000	\$156,226,000	\$781	Very large lot of large trunks for production.
2008/02/01 14,949,549	Domtar inc	Quebec Forestlands, L.P.	Québec, Québec	16 825	\$20,500,000	\$1,218	
2005/2008 15,212,807	Stadacona General Partner inc.	Solifor Lotinière Société en commandite	Québec, Québec	13,447	\$18,000,000	\$1,339	
2009/02/20	AbitibiBowater	Solifor	Québec, Maurice et Bas St-Laurent	76,724	\$70,000,000	\$912	

Source: Consultants Forestiers M.S. Inc.

Transaction and Appraisal Summary

Quebec Timberlands Summary				Appraisal by Consultants MS Forestiers Inc.			
July 27, 2009	AbitibiBowater	Solifor	Mauricie Timberlands	25,591	\$27,000,000	\$1,055	\$23 - \$30 M as at March 19, 2009, en bloc for Maurice only
July 27, 2009	AbitibiBowater	Solifor	Charlevoix / Saguenay Timberlands	28,000	\$20,000,000	\$714	\$30 - \$38 M as at June 19, 2009, en bloc for Charlevoix only
Sub-total				53,591	\$47,000,000	\$877	
July 27, 2009	AbitibiBowater	APF	Cote-Nord Timberlands	68,400	\$6,000,000	\$88	\$5 - \$15 M as at June 19, 2009, en bloc for Cote-Nord only
Total				121,991	\$53,000,000	\$434	\$60 - 66 M as at June 19, en bloc for all three Quebec Timberlands

Monitor's Analysis			
General weighted average			\$788 no exclusions
Straight average based on final price			\$800 no exclusions
Average excluding Min and Max			\$862 only excluding Min and Max
Average of deals during the last 12 months			\$912 only including AbitibiBowater sales from 2001 until 2009