

January 31, 2012

To the Creditors of:

Catalyst Paper Corporation,
Catalyst Pulp Operations Limited, Catalyst Pulp Sales Inc.
Pacifica Poplars Ltd., Catalyst Pulp and Paper Sales Inc.,
Elk Falls Pulp and Paper Limited, Catalyst Paper Energy Holdings Inc.,
0606890 B.C. Ltd., Catalyst Paper Recycling Inc.,
Catalyst Paper (Snowflake) Inc., Catalyst Paper Holdings Inc.,
Pacifica Papers U.S. Inc., Pacifica Poplars Inc.,
Pacifica Papers Sales Inc., Catalyst Paper (USA) Inc., and
The Apache Railway Company

(Hereinafter referred to as "the Company" or "the Companies")

Dear Sirs / Mesdames:

On January 31, 2012, Catalyst Paper Corporation and certain subsidies thereof, applied for and were granted creditor protection by Order of the Supreme Court of British Columbia, Court No. S120712, pursuant to the *Companies' Creditors Arrangement Act* ("CCAA") (the "Initial Order"). PricewaterhouseCoopers Inc. was appointed Monitor (the "Monitor"). The Initial Order provides for a stay of proceedings to February 14, 2012.

The Initial Order, and a list of creditors as represented by the Company, can be accessed via the Monitor's website at www.pwc.com/car-catalystpaper. A letter from the Company is enclosed with this notice.

Interested parties are encouraged to check the Website frequently for updates as to the status of the proceedings. For further information, please contact the Monitor at:

Contact Name: Patricia Marshall **Email**: patricia.marshall@ca.pwc.com

Telephone: (604) 806-7070 **Facsimile**: (604) 806-7806

PricewaterhouseCoopers Inc.
In its capacity as Court-Appointed Monitor of
Catalyst Paper Corporation
and not in its personal capacity