

SCHEDULE “K” TO MEETINGS ORDER
CASH ELECTION FORM
FOR GENERAL UNSECURED CREDITORS
THAT ARE NOT CONVENIENCE CREDITORS

ALL GENERAL UNSECURED CREDITORS WITH AN ALLOWED CLAIM OR DISPUTED CLAIM (IN THE EVENT SUCH DISPUTED CLAIM IS SUBSEQUENTLY ALLOWED) IN EXCESS OF CAD\$10,000 AND WHO WISH TO RECEIVE A CASH PAYMENT AS PROVIDED IN THE PLAN (INSTEAD OF SHARES OR WARRANTS) IN FULL AND FINAL SATISFACTION OF SUCH CLAIM, MUST COMPLETE AND DELIVER THIS ELECTION FORM TO THE MONITOR BY THE DEADLINE SET OUT BELOW.

TO: PRICEWATERHOUSECOOPERS INC., Monitor of Catalyst Paper Corporation, the Other Petitioners Listed in Schedule “A” to the Meetings Order and Catalyst Paper General Partnership (collectively, the “Petitioner Parties”)

In connection with the Plan of Compromise and Arrangement of the Petitioner Parties dated as of March 15, 2012 pursuant to the *Companies’ Creditors Arrangement Act* (as the same may be amended, restated or supplemented from time to time, the “**Plan**”), the undersigned General Unsecured Creditor is not a Convenience Creditor and hereby irrevocably elects for his, her or its Claim to be reduced to CAD\$10,000 for distribution purposes so that he, she or it can receive a cash payment in full and final satisfaction of such Claim. All initially capitalized terms used in this Cash Election Form shall have the meanings given to them in the Plan.

The undersigned General Unsecured Creditor acknowledges that by making this election, it will be considered a “Convenience Creditor” under the Plan, meaning that upon a distribution under the Plan, it will, together with all other Convenience Creditors, be entitled to receive 50% of its Allowed Claim (as reduced to CAD\$10,000) in full and final satisfaction of its Claim.

The undersigned General Unsecured Creditor further acknowledges that the aggregate distribution under the Plan to all Convenience Creditors (including those who elect to be treated as such) is limited to a maximum of CAD\$2,500,000. The undersigned General Unsecured Creditor acknowledges that, should the proposed distributions to all Convenience Creditors and Cash Electing Creditors exceed this amount, it will receive, in addition to the cash payment permitted by the above, its pro rata share based on the balance of its Claim of certain New Common Shares and Warrants in full and final satisfaction of its Claim.

The undersigned General Unsecured Creditor hereby acknowledges that while the value of its Allowed Claim for purposes of voting on the Plan shall be equal to its Allowed Claim, for distribution purposes it shall be deemed to be CAD\$10,000. The undersigned General Unsecured Creditor hereby further acknowledges that it shall be deemed to vote such Allowed Claim in favour of a resolution to approve the Plan at the Unsecured Creditors Meeting and that it shall not be entitled to vote at the Unsecured Creditors Meeting, whether in person or by proxy. For the avoidance of doubt, this Cash Election Form voids any prior or subsequent proxies delivered to the Monitor.

SCHEDULE “K” TO MEETINGS ORDER
CASH ELECTION FORM (CONT'D)
FOR GENERAL UNSECURED CREDITORS
THAT ARE NOT CONVENIENCE CREDITORS

TO THE EXTENT THAT A GENERAL UNSECURED CREDITOR WITH AN ALLOWED CLAIM OR DISPUTED CLAIM (IN THE EVENT SUCH DISPUTED CLAIM IS SUBSEQUENTLY ALLOWED) IN EXCESS OF CAD\$10,000 WHO COMPLETES THIS CASH ELECTION FORM, SUCH GENERAL UNSECURED CREDITOR’S CLAIM SHALL BE DEEMED TO BE REDUCED TO CAD\$10,000 AND THAT IT SHALL RECEIVE A DISTRIBUTION UNDER THE PLAN AS A “CONVENIENCE CREDITOR” IN FULL AND FINAL SATISFACTION OF ITS CLAIM. SUCH GENERAL UNSECURED CREDITOR SHALL BE DEEMED TO VOTE IN FAVOUR OF THE RESOLUTION TO APPROVE THE PLAN AND SHALL NOT BE ENTITLED TO VOTE AT THE UNSECURED CREDITORS MEETING IRRESPECTIVE OF WHETHER SUCH GENERAL UNSECURED CREDITOR FILES A PROXY BEFORE OR AFTER DELIVERING THIS CASH ELECTION FORM.

DATED this _____ day of _____, 2012

(Print Legal Name of General Unsecured Creditor)

(Amount of Allowed Claim)

(Amount of Disputed Claim)

(Print Name, Title and Phone Number of Authorized Signatory)

(Signature)

This Cash Election Form must be duly completed and received by PricewaterhouseCoopers Inc. by no later than 1:00 p.m. (prevailing Pacific time) on April 20, 2012 or, if the Unsecured Creditors Meeting is adjourned, by the last Business Day preceding the date to which it is adjourned, at the following address:

PricewaterhouseCoopers Inc.,
Court-appointed Monitor of Catalyst Paper Corporation et al.
250 Howe Street, Suite 700
Vancouver, British Columbia V6C 3S7
Attention: Patricia Marshall
Telephone: 604-806-7070
Fax: 604-806-7806
Email: catalystclaims@ca.pwc.com