

VANCOUVER  
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COURT OF APPEAL  
REGISTRY

CA039973

Court of Appeal File No. \_\_\_\_\_  
Supreme Court File No. S120712  
Supreme Court Registry Vancouver

COURT OF APPEAL

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*,  
R.S.C. 1985, c. C-44,

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*,  
S.B.C. 2002, c. 57

AND

IN THE MATTER OF CATALYST PAPER CORPORATION  
AND THE PETITIONERS LISTED IN SCHEDULE "A"

**NOTICE OF APPLICATION FOR LEAVE TO APPEAL**

Take notice that Western Forest Products Inc. hereby applies for leave to appeal to the Court of Appeal for British Columbia from the order of Mr. Justice Sewell of the Supreme Court of British Columbia, pronounced the 11th day of May, 2012, at Vancouver, British Columbia.

1. The appeal is from a:

☐ Trial Judgment

☐ Summary Trial Judgment

☐ Order of a Statutory Body

☒ Chambers Judgment

2. If the appeal is from an appeal under Rule 18-3 or 23-6(8) of the Supreme Court Civil Rules or Rule 18-3 or 22-7(8) of the Supreme Court Family Rules, name the maker of the original decision, direction or order:

n/a

3. Please identify which of the following is involved in the appeal:

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Constitutional/Administrative | <input checked="" type="checkbox"/> Civil Procedure | <input checked="" type="checkbox"/> Commercial |
| <input type="checkbox"/> Family                        | <input type="checkbox"/> Motor Vehicle Accidents    | <input type="checkbox"/> Municipal Law         |
| <input type="checkbox"/> Real Property                 | <input type="checkbox"/> Torts                      | <input type="checkbox"/> Equity                |
| <input type="checkbox"/> Wills and Estates             |   |  |

And further take notice that the Court of Appeal will be moved at the hearing of this application for an order that:

- (a) the Appellant is no longer required to continue to supply goods to the Respondents on credit, pursuant to the order of the Honourable Mr. Justice Sewell pronounced February 6, 2012 (the "Critical Suppliers Order"); and
- (b) costs.

The grounds of appeal are:

- (a) the learned Chambers Judge erred in law by holding that the Appellant's leave to have the Critical Supplier's Order revisited was limited to whether the Petitioners required continued credit from the Appellant and the others, and that the other provisions set out in the Critical Suppliers Order were *res judicata*;
- (b) the learned Chambers Judge erred in law by applying the incorrect test in deciding whether to grant relief pursuant to section 11.4 of the *Companies' Creditors Arrangement Act*, and the learned Chambers Judge did not have jurisdiction to grant such relief on the facts before him; and
- (c) in the alternative, the learned Chambers Judge erred in law by failing to properly exercise the statutory discretion under sections 11 and 11.4 of the *Companies' Creditors Arrangement Act* in a manner consistent with the scheme and objects of the *Companies' Creditors Arrangement Act*.

The hearing of this proceeding occupied 1 day.

Dated at Vancouver, British Columbia, this 31st day of May, 2012.



Davis LLP  
(Mary I.A. Buttery & H. Lance Williams)  
Solicitor for the Appellant

To those Respondents and their Solicitors listed on Schedule "B" attached hereto.

This NOTICE OF LEAVE TO APPEAL is given by the firm of Davis LLP, Barristers & Solicitors (MUB), whose address for service is 2800 Park Place, 666 Burrard Street, Vancouver, BC V6C 2Z7.

To the Respondent(s):

IF YOU INTEND TO PARTICIPATE in this proceeding, YOU MUST GIVE NOTICE of your intention by filing a form entitled "Notice of Appearance" (Form 2 of the Court of Appeal Rules) in a Court of Appeal registry and serve the notice of appearance on the appellant WITHIN 10 DAYS of receiving this Notice of Application for Leave to Appeal.

IF YOU FAIL TO FILE A NOTICE OF APPEARANCE

- (a) you are deemed to take no position on the application, and
- (b) the parties are not obliged to serve you with any further documents related to the application.

The filing registries for the British Columbia Court of Appeal are as follows:

Central Registry:

B.C. Court of Appeal  
The Law Courts  
Suite 400, 800 Hornby Street  
Vancouver, BC V6Z 2C5

Other Registries:

B.C. Court of Appeal  
The Law Courts  
P. O. Box 9248 STN PROV GOVT  
850 Burdett Ave.  
Victoria, BC V8W 1B4

B.C. Court of Appeal  
223 - 455 Columbia Street  
Kamloops, BC V2C 6K4

Inquiries should be addressed to: 604.660.2468  
Fax filings: 604.660.1951

**Schedule "A"**

**LIST OF ADDITIONAL PETITIONERS**

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.

The Apache Railway Company

**Schedule "B"**

No. S120712  
Vancouver Registry

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*  
R.S.C. 1985, c. C-36, as amended

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

**IN THE MATTER OF CATALYST PAPER CORPORATION and others**

PETITIONERS

**SERVICE LIST**

(Last Updated: May 17, 2012)

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