

No. S-120712
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 AS AMENDED**

AND

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

AND

**IN THE MATTER OF CATALYST PAPER CORPORATION AND THE
PETITIONERS INCLUDED IN APPENDIX "A"**

MONITOR'S EIGHTEENTH REPORT TO COURT

June 23, 2012



**CATALYST PAPER CORPORATION, ET AL
MONITOR’S EIGHTEENTH REPORT TO COURT**

June 23, 2012

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1. INTRODUCTION

- 1.1 On January 31, 2012, on the application of Catalyst Paper Corporation and the entities included in Appendix A (collectively referred to as “**Catalyst**” or the “**Company**”), the Supreme Court of British Columbia (the “**Court**”) made an order (the “**Initial Order**”) granting Catalyst protection from its creditors pursuant to the *Companies’ Creditors Arrangement Act* (the “**CCAA**”). Under the Initial Order, PricewaterhouseCoopers Inc. was appointed Monitor of the Company (the “**Monitor**”).
- 1.2 Currently, there is a stay of proceedings under the CCAA that continues until June 30, 2012.
- 1.3 This is the Monitor’s Eighteenth Report to Court. The purpose of this report is to advise the Court of the following matters:
 - 1.3.1 The status of the Company’s post-filing operations including the Company’s actual cash flow for the period May 1 to May 31, 2012 in comparison to the Revised Forecast 2 (“**RF2**”) provided in the Monitor’s Thirteenth Report dated May 9, 2012;
 - 1.3.2 The Company’s Revised Cash Flow Forecast for the period June 1, 2012 to September 30, 2012 (“**RF3**”);
 - 1.3.3 The need for the continuation of the Critical Suppliers’ Charge;
 - 1.3.4 The Company’s application for an order designating the British Columbia Hydro and Power Authority (“**BC Hydro**”) a Critical Supplier;
 - 1.3.5 The Company’s application for an order approving a tentative agreement reached with certain 2014 Noteholders (the “**2014 Support Agreement**”); and,
 - 1.3.6 The Company’s application for an extension of the stay of proceedings to September 30, 2012.
- 1.4 Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars. Capitalized terms not otherwise defined herein are as defined in the Company’s application materials in the CCAA proceedings.

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2. BACKGROUND

- 2.1 The facts surrounding the Company's application for the Initial Order were set out in the Petition filed by Catalyst on January 31, 2012, a copy of which can be found on the Monitor's website at:

www.pwc.com/car-catalystpaper

- 2.2 All prescribed materials filed by Catalyst and the Monitor relating to this CCAA proceeding are available to creditors and other interested parties in electronic format on the Monitor's website. The Monitor will continue to post regular updates to the website and will add prescribed and other materials as required.
- 2.3 The Company has also made applications to the United States Bankruptcy Court for the District of Delaware (the "**US Court**") for provisional relief pursuant to Chapter 15 of the US Bankruptcy Code. On March 5, 2012, the US Court made a final order granting recognition of these proceedings as a foreign main proceeding pursuant to Chapter 15 of the US Bankruptcy Code. The Monitor's website also contains materials relating to the proceedings in the US Court.

3. POST-FILING OPERATIONS

- 3.1 The Company's four mills are operating at levels that are consistent with the Company's annual operating plan. There have been no significant changes to operations as a result of the failed vote on the Company's Plan of Arrangement dated May 15, 2012 (the "**Amended Plan**"), at the meeting of creditors on May 23, 2012, or the commencement of the SISP.
- 3.2 The Company's financial results for the 2nd quarter of 2012, including Management's discussion and analysis thereof, are scheduled to be released to the public in early August, 2012. The reporting by the Company is expected to include all of the relevant information that would be included in a report by the Monitor under section 23(1)(d)(ii) under the CCAA, so the Monitor does not intend to issue a further report in this regard.

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4. CASH FLOW FOR THE PERIOD MAY 1 TO MAY 31, 2012

4.1 The Company's statement of actual cash flows for the period May 1 to May 31, 2012, as compared to RF2 as included in the Monitor's Thirteenth Report dated May 9, 2012, is set out in Appendix B.

4.2 The Monitor has the following comments with respect to the Company's cash flow to May 31, 2012:

4.2.1 The Company's net cash flow for the month of May 2012 was positive \$0.3 million, which is \$22.5 million better than RF2. The improvement over RF2 was primarily due to the following:

4.2.1.1 Receipts in respect of trade accounts receivable were \$7.5 million greater than forecast as several large payments were received in the last two days of the month, ahead of forecast. This positive variance is a normal timing variance and reversed in the first two weeks of June 2012;

4.2.1.2 Receipts from the collection of Other Accounts Receivable were \$9.8 million ahead of forecast primarily as a result of the Company receiving all outstanding pre- and post-filing HST refunds over two months ahead of forecast. The receipt of the HST refunds ahead of forecast was in large part due to the cooperation of Canada Revenue Agency which expedited its audit process. The Company also cancelled several foreign exchange option contracts to provide additional liquidity, which contributed to the positive variance. The funds received from the cancellation of those contracts totalled \$2.4 million;

4.2.1.3 Total operating disbursements were \$2.2 million lower than forecast. This variance is the net effect of lower than forecast costs incurred by the Company offset by higher than expected disbursements due to the tighter than forecast credit terms. Trade credit has improved modestly in May 2012 over the previous three months, however, the Company is still receiving less trade credit than it had forecasted. RF2 assumed that by May, trade credit terms would begin to ease with terms moving from 7 days to 14 days, which did not fully materialize. As a result, the Company was making payments in May more quickly than it had forecast. This represents a timing variance only.

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4.2.2 Non-operating Costs were \$3.0 million less than forecast primarily as a result of CCAA Restructuring Costs that were \$2.0 million less than forecast. The CCAA Restructuring Costs relate to a number of CCAA-related costs and commitments that have been incurred or made, the timing of payment of which remains uncertain.

4.3 The Company's Available Liquidity as at May 31, 2012 was \$29.8 million greater than forecast primarily due to the stronger than forecast receipt of funds (which contributed to the better than forecast cash flow for the month) and an increase in the borrowing base over the forecast borrowing base.

5. REVISED CASH FLOW FORECAST JUNE 1 TO SEPTEMBER 30, 2012

5.1 A copy of the revised cash flow forecast for the period of June 1 to September 30, 2012 ("RF3"), is attached as Appendix C.

5.2 The most notable change in RF3, as compared to RF2, is a reduction of supplier trade credit terms. As reported in the Monitor's Thirteenth Report, the Company has been receiving less trade credit than forecasted. Average trade terms improved slightly in May 2012 over April 2012 (i.e. average of 10 days versus 7 days), but fell short of the 14 days forecasted for May as well as the 21 days forecasted for June in RF2. In RF3, the Company has included minor improvements in trade terms over the forecast period in comparison to the terms currently being offered to the Company.

5.3 Over the period covered by RF3, the Company is forecasting negative cash flow of approximately \$800,000. Available Liquidity is forecast to drop significantly in the first week of July following the annual payment of the property taxes of approximately \$13.2 million. Available Liquidity improves gradually during the months of August and September as the Company typically experiences improved cash flow in the last half of the year as a result of stronger operating income during that period.

6. CRITICAL SUPPLIERS

6.1 In its Thirteenth Report, the Monitor commented on applications that were being made at that time by certain Critical Suppliers to vary or set aside the Critical Suppliers Order. At that time, the Monitor concluded that "based on the Available Liquidity shown in RF2, it appears that over the period to June 30, 2012, the Company could not

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absorb the anticipated impact on liquidity of terminating the Critical Suppliers Order without exceeding its Available Liquidity.”

- 6.2 The Monitor understands that, in the absence of the obligation to provide credit pursuant to the Critical Suppliers Order, a number of the Critical Suppliers would insist on cash-in-advance (“CIA”) payment terms in the future, which would have a significant negative impact on the Company’s liquidity.
- 6.3 As of June 15, 2012, the total credit extended to the Company by the Critical Suppliers in accordance with their Individual Credit Extension Amounts was approximately \$10.3 million. However, based on the maximum credit currently available pursuant to the Critical Suppliers Order of \$14.1 million, the Company’s liquidity could be reduced by as much as \$17 million to \$24 million in the event of the termination of the Critical Suppliers Order. The negative liquidity impact exceeds the current credit extended because it is assumed that if the Critical Suppliers Order were terminated, the Company would be required to both repay the post-filing credit extended to date, as well as commence making cash-on-delivery or CIA payments for future shipments.
- 6.4 The full amount of the liquidity impact noted above would be realized over 4-6 weeks, with the majority of the impact experienced immediately following the termination of the Critical Suppliers Order.
- 6.5 As discussed above, RF3 projects significantly improved Available Liquidity for the Company after the end of June 2012 through to September 30, 2012. The Monitor has discussed this improved forecasted liquidity position with the Company and agrees with the Company that the Critical Suppliers Order should be maintained for the time being.
- 6.6 The Monitor considers the maintenance of the Critical Suppliers Order to be appropriate, notwithstanding the improved forecasted liquidity position, for the following reasons:
 - 6.6.1 The Company’s forecast Available Liquidity still only represents 5-10 days of regular purchases. Any other negative variances in cash flows (such as delayed receipts or unplanned credit contraction) could easily erode the improved liquidity position, which could negatively affect the Company’s regular operations;

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- 6.6.2 The Company experiences significant intra-week volatility in its cash position, such that the reduced liquidity from terminating the Critical Suppliers Order may result in the Company not having sufficient available funds to manage its regular operations. Daily swings in liquidity of between \$10-15 million occur on a regular basis and must be considered when assessing the sufficiency of the Available Liquidity;
- 6.6.3 The use of the Available Liquidity to repay Critical Suppliers is not reflected in RF3 which has been approved by the Company's DIP Lender. Given the limitations under the DIP Facility on the cumulative amount of payments that can be made during any four week period, the additional payments to the Critical Suppliers could result in a default under DIP Facility.
- 6.6.4 The Company is at a critical point in this reorganization with the creditors vote on June 25th, the Sanction Order on June 28th and, assuming approval on both those levels, numerous conditions precedent to satisfy to insure implementation of the Second Amended Plan over a relatively short period of time. The distraction to the Company of dealing with Critical suppliers has been very significant over the past 4 months and the Company cannot afford to dedicate the resources to that issue at this critical time.
- 6.7 More generally, the Company has raised concerns about the impact of returning to the more constrained liquidity situation that it experienced at the outset of these proceedings if the Critical Suppliers Order is terminated. The Monitor shares those concerns. Moreover, given the advanced stage of the CCAA proceedings, it would, in the Monitor's view, be inadvisable to risk any default under the DIP Facility at this time.
- 6.8 The Monitor suggests that should the Company's liquidity improve after July 2012 as forecast, and assuming that there is minimal risk of default under the DIP Facility, the need for the continuation of the Critical Suppliers Order could be revisited in mid August. By that time, the Company will be preparing to exit the CCAA proceedings, and will be negotiating the terms of its long-term arrangements with the Critical Suppliers. As a result, revising or rescinding the Critical Suppliers Order at that time may be appropriate.

7. DESIGNATION OF BC HYDRO AS A CRITICAL SUPPLIER

- 7.1 The Company has made an application to designate BC Hydro as a Critical Supplier. The Sixth Affidavit of Robert Lindstrom filed in support of that application sets out the background to the Company's dealings with BC Hydro.

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- 7.2 Prior to the CCAA proceedings, the Company identified BC Hydro as a key supplier. In paragraph 4.6.2 of the Monitor's Pre-filing Report, the Monitor identified the continued supply of energy to the Company as being critical to its manufacturing process. In early February 2012, BC Hydro was granting historical credit terms to the Company and it was anticipated that this would continue. However, BC Hydro subsequently adjusted its credit terms to require cash in advance.
- 7.3 Although the Company's Available Liquidity is improving, the improvement in credit terms assumed in RF2 has not materialized and so disbursements in the month of June are higher than forecast. As a result, the Company is currently facing an unexpected and somewhat unusual situation where it has Available Liquidity, but it must manage within a cash disbursements schedule agreed upon with its DIP Lender, which was prepared based on the assumption that the Company would be receiving more favourable trade credit terms than it has received to date. To help with this situation, the Company is actively seeking expanded trade credit from certain of its suppliers, including BC Hydro.
- 7.4 The addition of BC Hydro as a Critical Supplier will help the Company to manage within the cash disbursement schedule noted above. The Monitor understands that BC Hydro will not oppose the Company's attempts to designate it as a Critical Supplier whereby it would be required to provide credit terms of 14 days. It appears that this could be the first step in the Company achieving normalized trade credit in a post-CCAA context.
- 7.5 The Company currently makes weekly payments to BC Hydro, in advance, of approximately \$2.6 million. The proposed 14 day credit terms to be provided by BC Hydro would result in approximately \$5.2 million of credit being extended to the Company, which is estimated to have a positive liquidity impact of approximately \$7.8 million (i.e. avoidance of pre-payments of \$2.6 million, plus credit of \$5.2 million). The designation of BC Hydro as a Critical Supplier and the resulting liquidity impact has been incorporated into RF3 and contributes to healthier Available Liquidity forecast therein.
- 7.6 The charge sought for BC Hydro is proposed to rank *pari passu* with those in favour of the other Critical Suppliers. The following table outlines how the amount of credit and the amount of the Critical Suppliers' Charge is expected to change should the Court make the order sought:

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(\$ millions)	Current Maximum	BC Hydro Estimate	Proposed Maximum	
Credit	14.1	5.2	19.3	
Charge	18.3	6.8	25.1	(1)
(1) The Critical Suppliers' Charge is equal to 130% of the amount of credit outstanding.				

- 7.7 The Monitor is cognizant of the concern previously raised by Critical Suppliers about whether the assets of the Company are of sufficient value to fully fund the Critical Suppliers' Charge in light of its priority relative to other charges on the Company's assets. The Critical Suppliers' Charge ranks subordinate to the Administration Charge and the DIP Charge with respect to the working capital assets and Senior Secured Notes Excluded Assets, and subordinate only to the Administration Charge with respect to the fixed assets.
- 7.8 In short, the Monitor is satisfied that the Company's assets are of sufficient value to fully fund an expanded Critical Suppliers' Charge in the amount of \$25.1 million. In reaching this conclusion, the Monitor notes the following:
- 7.8.1 As reported in the Monitor's Ninth Report, the value of the Senior Secured Notes Excluded Assets significantly exceeds \$25 million;
 - 7.8.2 The working capital assets that are the collateral for the DIP Facility significantly exceed the current draws on the DIP Facility (note the Available Liquidity at the end of May 2012 totaled \$35.1 million); and
 - 7.8.3 The value of the Company's four mills has not yet been determined as the SISP is in its early stages; however, based on the interest in that process, it appears the value will be significant (note that the stalking horse offer is \$275 million).
- 7.9 In summary, the Monitor supports the designation of BC Hydro as a Critical Supplier and the resulting increase in the amount of the Critical Suppliers' Charge of 130% of the amount of the credit to be extended by BC Hydro.

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8. SUPPORT AGREEMENT WITH CERTAIN 2014 NOTEHOLDERS

- 8.1 Subsequent to the Company filing its Amended Plan of Compromise and Arrangement dated June 15, 2012 (the “**Second Amended Plan**”), the Company engaged in discussions with certain 2014 Noteholders who had voted against the Amended Plan.
- 8.2 The 2014 Support Agreement is a result of those discussions with the 2014 Noteholders that are represented in these proceedings by Bennett Jones LLP (the “**Supporting 2014 Noteholders**”). The Company has circulated an application seeking the Court’s approval of the 2014 Support Agreement in advance of the creditor meetings scheduled for June 25, 2012 (the “**Second Meetings**”).
- 8.3 The 2014 Support Agreement, a copy of which is attached as Exhibit “A” to the 2nd Affidavit of Kim Grierson, includes the following key terms:
- 8.1.1. The Supporting 2014 Noteholders will agree to support the Second Amended Plan and vote their claims in favour of it;
 - 8.1.2. The Supporting 2014 Noteholders will agree not to pursue any claims against the Company or its Directors and Officers; and
 - 8.1.3. The Company will pay all documented legal fees and expenses of counsel engaged by the Supporting 2014 Noteholders to a maximum of US\$1.3 million.
- 8.4 The 2014 Support Agreement, if approved, would make it all but certain that the Company’s Second Amended Plan will be approved by its creditors at the Second Meetings. It would also significantly reduce, if not eliminate, opposition to the Company’s application for an Order sanctioning the Second Amended Plan.
- 8.5 The reduced risk concerning the approval of the Second Amended Plan by the Company’s creditors and the Court will reduce the existing uncertainty surrounding the Company’s restructuring process, which is expected to have a positive impact on the Company’s business relationships with its customers, employees, and suppliers.
- 8.6 Approval of the 2014 Support Agreement would result in the adjournment of the deemed trust application by the Company’s retired salaried employees, currently scheduled to begin on June 25, 2012, as the then-anticipated approval of the Second

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Amended Plan would make that issue irrelevant. The avoidance of that application, along with a myriad of other applications that might have been brought were the Second Amended Plan seriously contested or rejected, is expected to save the Company significant additional restructuring costs in the form of legal fees.

- 8.7 The payment of the legal costs for the Supporting 2014 Noteholders is, in the Monitor's view, justified considering the anticipated savings mentioned along with the fact that this payment treats the Supporting 2014 Noteholders similarly to other stakeholder groups in the Company's CCAA proceedings (such as the 2016 Noteholders and the representatives for the retired salaried employees).
- 8.8 In addition to the foregoing, the Monitor notes that the previous opposition from the Supporting 2014 Noteholders has benefited the Unsecured Creditors generally and the Company, as evidenced by the amendments that have been made to the original Plan of Arrangement filed March 22, 2012 (the "**Plan**"). Under the Second Amended Plan, the amount of New First Lien Notes to be distributed to the 2016 Noteholders has been reduced from that under the Plan and the retired salaried employees have agreed to compromise their Extended Health Benefit Claims. Also, the Unsecured Creditors will be entitled to share in the proceeds from the sale of PREI as opposed to receiving equity considered to have minimal value, if any. These amendments will result in future cost savings for the Company and are expected to provide Unsecured Creditors with a greater recovery on their Claims.
- 8.9 Based on the foregoing, the Monitor supports the approval and implementation of the 2014 Support Agreement, including the payment of the legal costs of the Supporting 2014 Noteholders.

9. EXTENSION OF THE STAY OF PROCEEDINGS

- 9.1 The Company has applied for an extension of the stay of proceedings until September 30, 2012. The Monitor considers this period of approximately 12 weeks to be reasonable based on the following:
 - 9.1.1 The vote on the Second Amended Plan and the application for approval of the Court are scheduled for June 25 and June 28, 2012, respectively. If approved, the Company will require time to implement the Second Amended Plan and exit from these proceedings;

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- 9.1.2 In the alternative, if the Second Amended Plan is not approved by the creditors or sanctioned by the Court, the SISP will continue based on the timetables approved by the Court and the Company will require time to effect the resulting sales transaction; and
- 9.1.3 RF3 indicates that Catalyst will have sufficient Available Liquidity to fund operations for the period of the stay extension being sought.
- 9.2 As the Company has acted and continues to act in good faith and with due diligence, the Monitor supports the Company's request for an extension of the stay of proceedings.

10. RECOMMENDATIONS

- 10.1 The Monitor confirms its recommendations to the Court that:
 - 10.1.1 The designation of BC Hydro as a Critical Supplier and the resulting expansion of the Critical Suppliers' Charge be approved;
 - 10.1.2 The 2014 Support Agreement along with the payment of the legal costs of the 2014 Supporting Noteholders be approved; and
 - 10.1.3 The extension of the stay of proceedings to September 30, 2012 be approved.

This report is respectfully submitted this 23rd day of June, 2012

PricewaterhouseCoopers Inc.
Court Appointed Monitor of
Catalyst Paper Corporation, et al



Michael J. Vermette, CA, CIRP
Senior Vice President

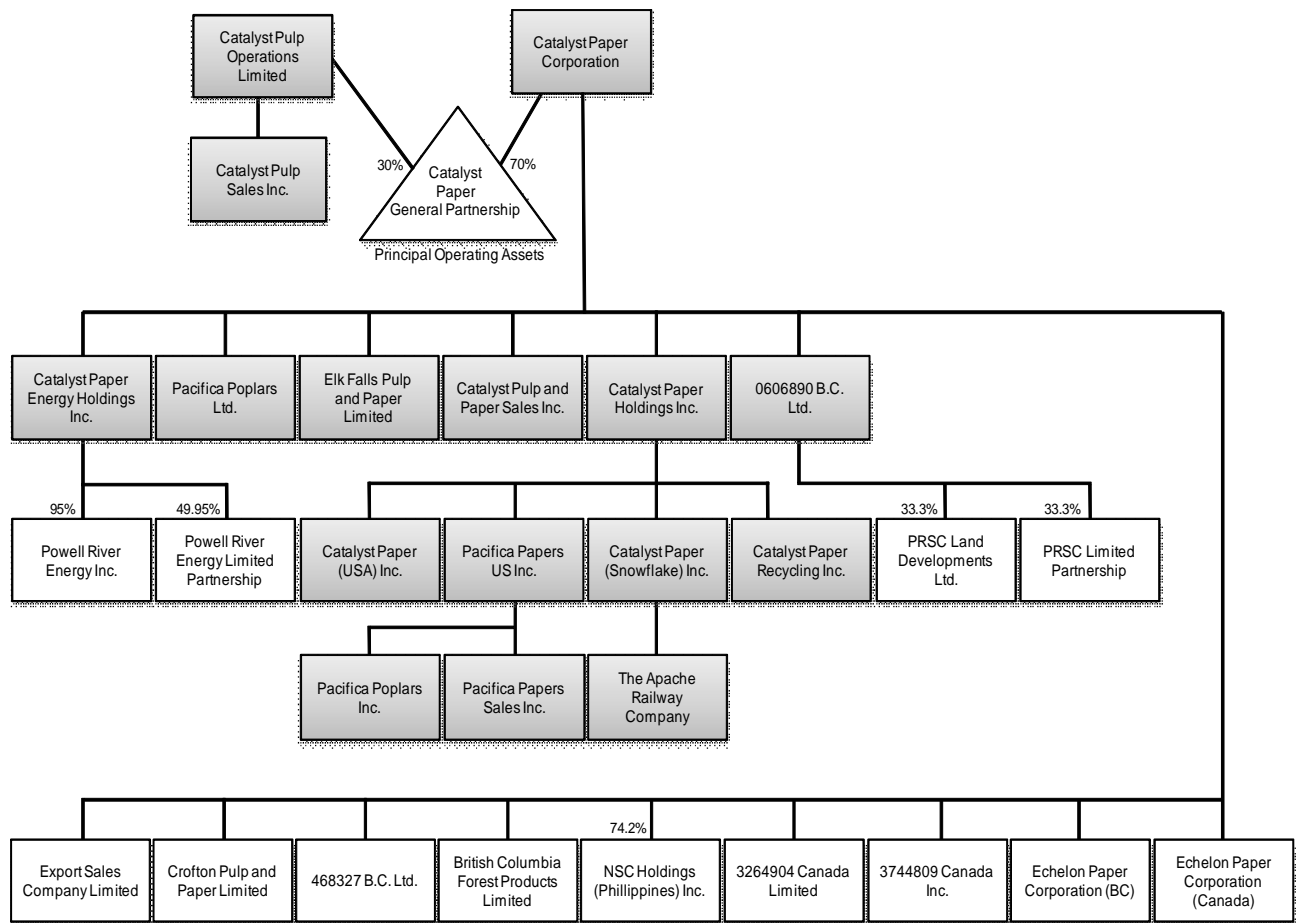


Neil Bunker, CA, CIRP
Vice President

APPENDIX A

Petitioner Parties Organization Chart

APPENDIX A



Notes

1. Unless otherwise noted, Common share ownership is 100%. Preferred share ownership is not identified in this chart.
2. Shaded entities represent the Petitioners in the CCAA proceedings.
3. Catalyst Paper General Partnership is also subject to the CCAA proceedings.

APPENDIX B

Statement of Actual Cash Flows for the period January 31 to May 31, 2012

Catalyst Paper Corporation
Statement of Cash Flows - Actual vs. Forecast
For the period of January 31, 2012 to May 31, 2012

	January 31 to April 30		May 1 to May 31		January 31 to May 31
	Actual ¹	Actual	Forecast ²	Variance	Actual
CAD\$ millions	\$	\$	\$	\$	\$
Receipts					
Collection of Trade Accounts Receivable	300.0	112.9	105.4	7.5	412.9
Collection of Other Accounts Receivable	16.8	19.4	9.6	9.8	36.2
Total Receipts	316.8	132.3	115.0	17.3	449.1
Disbursements - Operating					
Total Raw Material and Freight	(133.1)	(49.2)	(59.1)	9.9	(182.3)
Total Production and Operating Costs	(120.7)	(56.5)	(50.1)	(6.4)	(177.2)
Total Employee Costs	(54.1)	(20.0)	(19.9)	(0.1)	(74.1)
Total Property Tax/Insurance/Other Taxes	(2.7)	(1.8)	(0.6)	(1.2)	(4.5)
Total Disbursements - Operating	(310.6)	(127.5)	(129.7)	2.2	(438.1)
Disbursements - Non Operating					
Restructuring Professional Fees	(7.5)	(3.6)	(4.2)	0.6	(11.1)
CCAA Restructuring Costs	(9.2)	(0.9)	(2.9)	2.0	(10.1)
DIP/Revolver Interest and Commitment Fees	(2.3)	0.0	(0.4)	0.4	(2.3)
Total Non Operating Disbursements	(19.0)	(4.5)	(7.5)	3.0	(23.6)
Total Disbursements	(329.6)	(132.0)	(137.2)	5.2	(461.6)
Net Cash Flow	(12.8)	0.3	(22.2)	22.5	(12.5)
Ending Cash	29.2	26.7	29.2	(2.5)	26.7
Less: Cash Collateral held for LCs	(12.8)	(12.8)	(12.8)	0.0	(12.8)
Available Cash	16.4	13.9	16.4	(2.5)	13.9
DIP Revolver Balance End of the Period	82.7	79.3	93.5	(14.2)	79.3
Available Liquidity ³	29.1	35.1	5.3	29.8	35.1

¹ The actual receipts and disbursements from January 31, 2012 to April 30, 2012 have been restated to account for reclassified transactions, backdated transactions and amounts not previously identified in the Statement of Cash Flows, as was presented in the Monitor's 13th Report dated May 9, 2012. The amount totalled approximately \$0.6 million.

² Forecast per the Restated Revised Forecast as included in the Monitor's as included in the Monitor's 13th Report dated May 9, 2012.

³ Available Liquidity is equal to Borrowing Base Availability >\$26.3 million plus Available Cash less DIP Revolver Balance End of Period.

APPENDIX C

Revised Cash Flow Forecast June 1 to September 30, 2012

Catalyst Paper Corporation
Revised Forecast 3 for the period of June 1, 2012 to September 30, 2012
In CAD\$ millions

Appendix C

	Actual	Forecast																			Total	Total	
	Jan 31 to May 31	Jun-12					Jul-12					Aug-12					Sep-12					Jun 1 to Sep 30	Jan 31 to Sep 30
Period Ended	Total	10-Jun	17-Jun	24-Jun	30-Jun	Total	8-Jul	15-Jul	22-Jul	31-Jul	Total	12-Aug	19-Aug	26-Aug	31-Aug	Total	9-Sep	16-Sep	23-Sep	30-Sep	Total	Total	Total
Receipts - Operating																							
Collection of Trade AR	412.9	24.9	24.0	27.1	29.2	105.2	21.5	26.9	26.9	37.6	112.9	36.1	25.8	25.8	25.8	113.5	23.0	28.8	28.8	28.8	109.4	441.0	853.9
Collection of Other AR	36.2	1.2	0.9	2.9	2.9	7.9	1.5	1.8	1.8	2.5	7.6	2.2	1.6	1.6	1.6	7.0	1.9	2.3	2.3	2.3	8.8	31.3	67.5
Total Receipts - Operating	449.1	26.1	24.9	30.0	32.1	113.1	23.0	28.7	28.7	40.1	120.5	38.3	27.4	27.4	27.4	120.5	24.9	31.1	31.1	31.1	118.2	472.3	921.4
Disbursements - Operating																							
Raw Material and Freight Costs	(182.3)	(15.1)	(11.0)	(14.0)	(14.0)	(54.1)	(11.8)	(14.7)	(14.7)	(20.6)	(61.8)	(16.9)	(12.1)	(12.1)	(12.1)	(53.2)	(11.1)	(13.9)	(13.9)	(13.9)	(52.8)	(221.9)	(404.2)
Production and Operating Costs	(177.1)	(10.5)	(10.1)	(4.2)	(3.1)	(27.9)	(12.7)	(11.4)	(10.1)	(16.8)	(51.0)	(11.7)	(10.9)	(8.9)	(12.0)	(43.5)	(7.9)	(11.4)	(9.4)	(11.5)	(40.2)	(162.6)	(339.8)
Employee Costs	(74.1)	(3.5)	(4.0)	(2.0)	(3.5)	(13.0)	(4.0)	(2.8)	(6.7)	(2.9)	(16.4)	(2.0)	(5.6)	(2.0)	(5.4)	(15.0)	(2.0)	(5.3)	(2.0)	(4.8)	(14.1)	(58.5)	(132.6)
Property Tax/Insurance/Other Taxes	(4.5)	(1.5)	(0.1)	-	-	(1.6)	(13.2)	-	(1.0)	-	(14.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(16.6)	(21.1)
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Disbursements - Operating	(438.0)	(30.6)	(25.2)	(20.2)	(20.6)	(96.6)	(41.7)	(28.9)	(32.5)	(40.3)	(143.4)	(30.7)	(28.7)	(23.1)	(29.6)	(112.1)	(21.1)	(30.7)	(25.4)	(30.3)	(107.5)	(459.6)	(897.7)
Net Operating Cash Flows	11.1	(4.5)	(0.3)	9.8	11.5	16.5	(18.7)	(0.2)	(3.8)	(0.2)	(22.9)	7.6	(1.3)	4.3	(2.2)	8.4	3.8	0.4	5.7	0.8	10.7	12.7	23.7
Disbursements - Non-Operating																							
Restructuring Professional Fees	(11.1)	-	-	-	-	-	(2.5)	(1.5)	(0.8)	(0.8)	(5.6)	(0.8)	(0.8)	(0.8)	(0.8)	(3.2)	(0.8)	(0.8)	(0.8)	(0.8)	(3.2)	(12.0)	(23.1)
CCAA Restructuring Costs	(10.1)	(1.6)	-	-	-	(1.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.6)	(11.7)
DIP Loan Fees and Interest	(2.3)	-	-	-	-	-	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.3)	(1.1)	(3.4)
Other Interest Income (Expenses)	-	-	-	-	-	-	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.4	1.2	1.2
Total Disbursements - Non-Operating	(23.6)	(1.6)	-	-	-	(1.6)	(2.5)	(1.5)	(0.8)	(0.8)	(5.5)	(0.8)	(0.8)	(0.8)	(0.8)	(3.2)	(0.8)	(0.8)	(0.8)	(0.8)	(3.1)	(13.5)	(37.0)
Net Receipts (Disbursements)	(12.5)	(6.1)	(0.3)	9.8	11.5	14.9	(21.2)	(1.7)	(4.6)	(1.0)	(28.4)	6.8	(2.1)	3.5	(3.0)	5.2	3.0	(0.4)	4.9	0.0	7.6	(0.8)	(13.3)
Ending Cash	26.7	13.4	13.2	12.8	8.8	8.8	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5	7.5
Less: Cash Collateral Held for LCs	(12.8)	(3.8)	(3.8)	(3.8)	(3.8)	(3.8)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)	(2.5)
Available Ending Cash	13.9	9.6	9.4	9.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
DIP Revolver Balance at End of Period	79.3	73.0	73.0	62.7	47.1	47.1	67.0	68.7	73.3	74.1	74.1	67.2	69.2	65.6	68.5	68.5	65.6	66.0	61.1	61.1	61.1	61.1	61.1
Available Liquidity ¹	35.1	37.0	35.6	49.4	61.0	61.0	41.1	39.4	38.4	37.6	37.6	44.4	42.4	46.0	43.1	43.1	46.0	45.6	48.6	48.5	48.5	48.5	48.5

¹ Available Liquidity is equal to Borrowing Base Availability >\$26.3MM plus Ending Book Cash less DIP Revolver at End of Period.