

SUPREME COURT
OF BRITISH COLUMBIA
VANCOUVER REGISTRY

JUL 10 2012

ENTERED



IN THE SUPREME COURT OF BRITISH COLUMBIA

No. S120712
Vancouver Registry

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"

PETITIONERS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
MR. JUSTICE SEWELL) July 10, 2012
)

ON THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on Tuesday the 10th day of July, 2012; AND ON HEARING Bill Kaplan, Q.C. and Peter Rubin, counsel for the Petitioners, Kibben Jackson, counsel for the Monitor PricewaterhouseCoopers Inc., and those other counsel listed in Schedule "B" hereto; AND UPON READING the material filed;

THIS COURT ORDERS AND DECLARES THAT:

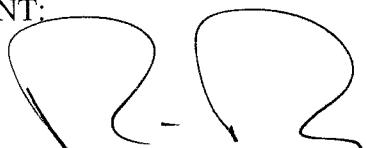
SERVICE

1. The time for service of the Notice of Application herein be and is hereby abridged and the Notice of Application is properly returnable today.
2. Further to the orders of this Court approving the sales of certain parcels of land, dated April 4, 2012 (as amended on May 7, 2012), May 7, 2012 and May 7, 2012 (the "Poplar Orders"), the Monitor is hereby directed to pay the entirety of the proceeds held by the Monitor pursuant to the Poplar Orders to JP Morgan Chase Bank, N.A., in its capacity as Administrative Agent, under and on account of the DIP Facility and DIP Credit Agreement, as those latter two terms are defined in the Amended and Restated Initial Order of the Court, dated February 3 2012.

APPROVAL

3. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

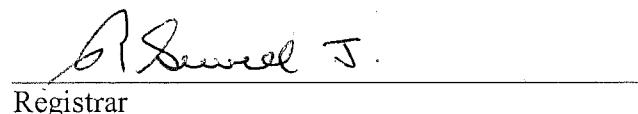
THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of

[] party [X] lawyer for the Petitioner Parties
Bill Kaplan, Q.C./Peter Rubin

BY THE COURT.



A. Seawell J.
Registrar

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 THE PETITIONERS LISTED IN SCHEDULE "A"
PETITIONERS

ORDER MADE AFTER APPLICATION

Bill Kaplan, Q.C./Peter Rubin
BLAKE, CASSEL & GRAYDON LLP
Barristers and Solicitors
Suite 2600, Three Bentall Centre
595 Burrard Street, P.O. Box 49314
Vancouver, B.C. V7X 1L3
604.631.3300
Agent: Dye & Durham