

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

NOTICE OF APPLICATION

**Names of applicants: Catalyst Paper Corporation and the other Petitioners listed in
Schedule "A" (collectively, "Catalyst")**

To: The Service List

TAKE NOTICE that an application will be made by the applicants to the presiding judge at the courthouse at 800 Smithe Street, Vancouver, British Columbia on September 7, 2012 at 9:00 a.m. for the orders set out in Part 1 below.

Part 1: ORDERS SOUGHT

1. Order substantially in the draft form attached as Schedule "B" hereto.

Part 2: FACTUAL BASIS

1. Pursuant to section 6.11 of the Second Amended and Restated Plan of Arrangement, dated June 14, 2012 (the “**Plan**”), the existing directors of Catalyst Paper Corporation (“**CPC**”) are deemed to be removed and replaced on the Effective Date (as such term is defined in the Plan) with:

- (a) five members designated by the Majority Initial Supporting Noteholders;
- (b) one member designated by the Initial Supporting Unsecured Noteholders; and
- (c) the Chief Executive Officer of CPC.

2. The Majority Initial Supporting Noteholders have designated the following individuals to be appointed as directors of CPC as of the Effective Date:

- (a) John Brecker;
- (b) Leslie Lederer;
- (c) Todd Dillabough;
- (d) Walter Jones; and
- (e) John Charles.

3. The Initial Supporting Unsecured Noteholders have designated Giorgio Caputo to be appointed as a director of CPC as of the Effective Date.

4. By order of the Court dated August 28, 2012, the term of the directors of CPC appointed pursuant to section 6.11 of the Plan shall, subject to section 108 of the *Canada Business Corporations Act*, S.C. 1985, c. C-44, continue until the next annual meeting of shareholders of CPC following the first anniversary date of the Effective Date under the Plan.

Part 3: LEGAL BASIS

- 1. Supreme Court Civil Rules, Rule 8-1, 13-1;
- 2. *Canada Business Corporations Act*, S.C. 1985, c. C-44, s. 191;
- 3. *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended; and
- 4. The inherent and equitable jurisdiction of the Court.

Part 4: MATERIAL TO BE RELIED ON

1. Affidavit #6 of K. Grierson, made September 5, 2012; and
2. Such further and other materials as counsel may advise and the Court may permit.

The applicants estimate that the application will take 10 minutes.

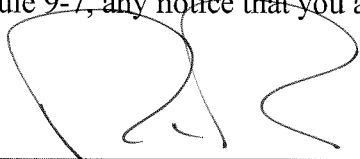
[Check the correct box]

- ☐ This matter is within the jurisdiction of a master.
- ☒ This matter is not within the jurisdiction of a master. Mr. Justice Sewell is seized of this proceeding. Mr. Justice Sewell is unavailable for the within application and advised the Petitioners that Madam Justice Brown was to hear all applications in this proceeding in his Lordship's absence.

TO THE PERSONS RECEIVING THIS NOTICE OF APPLICATION: If you wish to respond to this notice of application, you must, within 5 business days after service of this notice of application or, if this application is brought under Rule 9-7, within 8 business days after service of this notice of application,

- (a) file an application response in Form 33,
- (b) file the original of every affidavit, and of every other document, that
 - (i) you intend to refer to at the hearing of this application, and
 - (ii) has not already been filed in the proceeding, and
- (c) serve on the applicant 2 copies of the following, and on every other party of record one copy of the following:
 - (i) a copy of the filed application response;
 - (ii) a copy of each of the filed affidavits and other documents that you intend to refer to at the hearing of this application and that has not already been served on that person;
 - (iii) if this application is brought under Rule 9-7, any notice that you are required to give under Rule 9-7(9).

Date: September 5, 2012



Signature of
☐ applicant ☒ lawyer for Petitioners
Peter Rubin

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

To be completed by the court only:

Order made

☐ in the terms requested in paragraphs of Part 1 of this notice of application

☐ with the following variations and additional terms:

Date: _____

Signature of ☐ Judge ☐ Master

APPENDIX

[The following information is provided for data collection purposes only and is of no legal effect.]

THIS APPLICATION INVOLVES THE FOLLOWING:

[Check the box(es) below for the application type(s) included in this application.]

- ☐ discovery: comply with demand for documents
- ☐ discovery: production of additional documents
- ☐ extend oral discovery
- ☐ other matter concerning oral discovery
- ☐ amend pleadings
- ☐ add/change parties
- ☐ summary judgment
- ☐ summary trial
- ☐ service
- ☐ mediation
- ☐ adjournments
- ☐ proceedings at trial
- ☐ case plan orders: amend
- ☐ case plan orders: other
- ☐ experts

Schedule “B”

**No. S120712
Vancouver Registry**

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PETITIONERS

ORDER MADE AFTER APPLICATION

BEFORE THE HONOURABLE)
MADAM JUSTICE BROWN) September 7, 2012
)

ON THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 7th day of September, 2012; AND ON HEARING, [●], counsel for the Petitioner Parties, [●], 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:

1. In accordance with section 191 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, and section 6.11 of the Second Amended and Restated Plan of Compromise and Arrangement, dated June 14, 2012 (the “**Plan**”), and subject to paragraph 2 of the order of the

Court dated August 28, 2012 regarding the term of directors for Catalyst Paper Corporation (“CPC”), the following individuals shall be appointed as directors of CPC on the Effective Date under the Plan:

- (a) John Brecker;
- (b) Leslie Lederer;
- (c) Todd Dillabough;
- (d) Walter Jones;
- (e) John Charles;
- (f) Giorgio Caputo; and
- (g) Kevin Clarke.

2. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioner Parties, 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 ☒ lawyer for the Petitioner Parties
☒

BY THE COURT.

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"

Counsel Name	Name of Party