

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PROPOSED PLAN OF
COMPROMISE OR ARRANGEMENT WITH RESPECT TO
FRASER PAPERS INC., FPS CANADA INC., FRASER
PAPERS HOLDINGS INC., FRASER TIMBER LTD., FRASER
PAPERS LIMITED and FRASER N.H. LLC

Applicants

MOTION RECORD
(Returnable December 10, 2009)

December 3, 2009

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INDEX

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INDEX

<u>Tab</u>	<u>Description</u>	<u>Page</u>
1	Notice of Motion Returnable December 10, 2009	1
2	Affidavit of J. Peter Gordon sworn December 3, 2009	16
	<u>Exhibits</u>	
A	Asset Purchase Agreement	42
B	Presentation Outline provided to CEP and Davies	494
C	Letter from CEP to the Applicants	510

TAB 1

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Applicants

NOTICE OF MOTION

The Applicants will make a motion before a Judge of the Ontario Superior Court of Justice (Commercial List) on Thursday, December 10, 2009 at 10:00 o'clock in the morning or as soon thereafter as this motion can be heard at 330 University Avenue, in the City of Toronto, Ontario.

PROPOSED METHOD OF HEARING: The motion is to be heard orally.

THE MOTION IS FOR:

1. if necessary, an Order abridging the time for, and validating the service of, the Notice of Motion and the materials filed in support of the Motion;

2. an Order extending to and including February 26, 2010, or such later date as this Court may order, the stay of proceedings granted under the Order of the Honourable Mr. Justice Morawetz dated June 18, 2009, as amended (the “Initial Order”);
3. an Order authorizing the Applicants to execute an Asset Purchase Agreement with Brookfield Asset Management Inc. or its designate in the form annexed as Exhibit “A” to the Affidavit of J. Peter Gordon sworn December 3, 2009, together with such amendments as may be agreed to by the Applicants and the purchaser thereunder, save and except any amendment relating to the consideration to be received for the sale of the Applicants’ specialty papers business described therein (the “Stalking Horse Offer”);
4. an Order establishing a sales process for the purpose of determining whether any superior offer to the Stalking Horse Offer may be received by the Applicants, and outlining the terms of such process as outlined in Schedule “A” to the Order sought by the Applicants (the “Stalking Horse Process”); and
5. an Order providing such further and other relief as may be required in order to give effect to the Stalking Horse Offer and the Stalking Horse Process or otherwise, in accordance with the draft Order requested by the Applicants.

THE GROUNDS FOR THE MOTION ARE:

1. On June 18, 2009, the Applicants filed for and obtained protection from their creditors under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, C. C-36 as amended (the “CCAA”), and PricewaterhouseCoopers Inc. was appointed as monitor (the “Monitor”) of the Applicants pursuant to the Initial Order;

2. The Applicants sought and obtained recognition of these proceedings as foreign main proceedings pursuant to Chapter 15 of the *U.S. Bankruptcy Code* in the United States Bankruptcy Court for the District of Delaware;
3. The stay of proceedings provided by the Initial Order expires on December 11, 2009. The Applicants require an extension of the stay period in order to: (i) undertake the Stalking Horse Process; (ii) continue discussions with their stakeholders to determine whether the conditions precedent in the Stalking Horse Offer or any other offer that may be received as part of the Stalking Horse Process can be satisfied; (iii) complete a sale transaction in the event the conditions precedent can be satisfied; and (iv) continue the Claims Process established by Order of this Honourable Court dated July 15, 2009 in order to finally determine all claims against the Applicants;
4. The Applicants are proceeding in good faith and with due diligence;
5. The Applicants' secured lenders and the Monitor support the Applicants' execution of the Stalking Horse Offer. The Applicants would like to commence the Stalking Horse Process to allow the market to determine if any superior offer to the Stalking Horse Offer exists, in order to obtain maximum value for the Applicants' creditors;
6. The Applicants and the Monitor have developed proposed terms for the Stalking Horse Process for which court approval is sought, which are annexed as Schedule "A" to the form of Order requested by the Applicants;
7. Section 11(4) of the CCAA;

8. Rules 2.03, 3 and 37 of the *Rules of Civil Procedure*, R.R.O. 1994, Reg. 194, as amended; and
9. such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of this Motion:

1. the Affidavit of J. Peter Gordon, sworn December 3, 2009 and all exhibits thereto;
2. the 6th Report of the Monitor, filed separately; and
3. such further and other materials as counsel may advise and this Honourable Court may permit.

December 3, 2009

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

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Court File No.: CV-09-8241-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

NOTICE OF MOTION

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Applicants

AFFIDAVIT OF J. PETER GORDON
(Sworn December 3, 2009)

I, J. Peter Gordon, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND
SAY AS FOLLOWS:**

1. I am the Chief Executive Officer and a Director of Fraser Papers Inc. ("Fraser Papers" or the "Company"), and hold the office of Chairman of each of the other Applicants (collectively, with Fraser Papers, the "Applicants") and as such I have personal knowledge of the matters to which I herein depose. Where the source of my information or belief is other than my own personal knowledge, I have identified the source and the basis for my information and I believe it to be true.

2. All monetary amounts referred to in this Affidavit are in United States ("U.S.") currency unless otherwise stated, and all capitalized terms used herein and not otherwise defined are as defined in the Initial Order of Mr. Justice Morawetz dated June 18, 2009.

3. I have sworn and filed prior Affidavits in this proceeding including on October 19, 2009 (the "October Affidavit"). The October Affidavit confirmed, at paragraph 31 thereof, that the Applicants believe that the specialty papers business represents a core business that should be preserved, enhanced and maximized for the benefit of the Applicants' creditors and other stakeholders, provided the obstacles identified in the October Affidavit could be overcome.

4. My October Affidavit also indicated that:

- (a) the objective of any proposed restructuring would be the creation of a path forward that re-establishes a sustainable business as quickly as possible to maximize value for creditors;
- (b) the factors that hamper or inhibit the Applicants' efforts to restructure include persistent negative cash flow from operations; limited access to capital; weak and volatile markets for certain products; high operating costs; a significant pension deficit and funding obligations; and, unsustainable terms related to the long-term Power Purchase Agreement;
- (c) the steps necessary to achieve the Applicants' objectives would likely include the sale of certain assets or operations, lowering operating costs and debt levels and a decreasing exposure to certain business risks including foreign exchange fluctuations;
- (d) consensus had been achieved among the Applicants' three secured lenders and DIP Lenders, namely CIT Business Credit Canada Inc. ("CIT"), Brookfield Asset

Management Inc. (“BAM”) and the Government of New Brunswick (“GNB”) for a transaction that focused on the Applicants’ specialty papers business;

- (e) a two-stage restructuring would first establish the specialty papers business on a stand-alone basis and then subsequently deal with all other assets over a longer period of time; and
- (f) the conditions precedent to be satisfied for any restructuring were: the conclusion of new labour contracts at the Madawaska paper mill, obtaining new terms under and a release of letters of credit in respect of a long-term Power Purchase Agreement with NB Power, and addressing pension funding obligations and related liabilities in a manner that doesn’t impact the future operations.

5. The Applicants remain of the view that the assets related to the manufacture of specialty papers represents a core and viable business and that re-establishing this business as a going concern is the key to recovering maximum value for their creditors.

6. The primary purpose of this Affidavit is to provide the Court and all stakeholders with the terms of a proposed transaction for which Court approval is sought and to commence a process to allow the Applicants and their stakeholders to determine if any superior alternative offer is available. In addition, this Affidavit will outline the conditions that must be satisfied in order for a definitive agreement to be concluded, failing which, in my opinion, no transaction (with any purchaser) involving ongoing operations is likely possible. Further, this Affidavit will provide the Court and all parties with an update as to the Applicants’ business and operations.

Update on Operations

7. Since the October Affidavit was filed the Applicants have completed a number of initiatives that are related both to their day-to-day operations and to their efforts to restructure the business.

8. The Applicants completed a six day annual maintenance outage at the CoGen Facility, which also required eight days of downtime at the groundwood mill and sixteen days of downtime at the sulphite mill at Edmundston.

9. On November 16, 2009, the Applicants re-started the Plaster Rock lumber mill on a single shift basis and added a second shift on November 23, 2009. The start up of the lumber mill was achieved after a sufficient supply of saw logs was procured at prices and payment terms that allowed operations to break even on a cash basis. Lumber markets remain depressed although the Boston lumber market price has moved modestly higher to \$295 per thousand board feet at the time of swearing this Affidavit.

10. The start up of the Plaster Rock lumber mill marked the completion of the CDN\$17.6 million modernization project that was financed by a commercial loan from GNB. The project is expected to be under budget by approximately CDN\$500,000 with the accounting reconciliation of actual spending to budget spending to be finalized once the start up period and testing has been completed.

11. It is expected that the project will achieve a 20% reduction in operating costs through the elimination of 32,000 barrels of oil consumption per year, increased efficiency in the sawline and shorter lumber drying times in the new kiln.

12. On October 29, 2009 GNB and the Government of Quebec announced that they had reached an agreement in principle whereby Hydro Quebec would purchase substantially all of the assets of NB Power and enter into a long term electricity supply and service agreement with New Brunswick businesses and residents. Under the terms of this agreement, Hydro Quebec has agreed to supply medium and large industrial customers in New Brunswick, including Fraser Papers, at the same rates as those currently charged to similar sized businesses in Quebec.

13. If this transaction involving NB Power is completed, the impact will be a 30% reduction in electricity costs at the Edmundston operation, equal to approximately CDN\$8 million per year and a 30%

reduction in electricity costs at the Plaster Rock lumber mill equal to approximately CDN\$400,000 per year. Further, Hydro Quebec has agreed to assume all existing third party power purchase agreements entered into by NB Power, which would include the 30 year Power Purchase Agreement covering the sale of electricity from the Applicants' biomass CoGen Facility in Edmundston.

Labour Contract Negotiations

14. The Applicant Fraser Papers Limited continues to bargain toward new collective agreements at the Madawaska paper mill.

15. The Applicants have been meeting with the bargaining committee for United Steel Workers ("USW") Locals 4-1247, 4-365 and 4-291 representing 455 unionized employees at the Madawaska paper mill. The USW collective agreement expired on October 31, 2009 but has been extended to December 12, 2009. Negotiations commenced on September 14, 2009 and the bargaining committees have met in excess of 25 separate days since that time. On November 19, 2009 the Applicants tabled a formal offer which was voted on by employees on November 22, 2009 and declined. The Applicants have since withdrawn the offer. At the time of swearing this Affidavit, no agreement has been reached with the USW as to the terms of a new collective agreement for the Madawaska facility.

16. Fraser Papers Limited has also met with the bargaining committee of the Office and Professional Employees International Union, Local 232 ("OPEIU") representing 63 unionized employees at the Madawaska paper mill. The OPEIU collective agreement expired on October 31, 2009 but was extended to December 12, 2009. A formal offer was provided to these employees on November 19, 2009 and was voted by employees on November 23, 2009 and also declined.

Asset Purchase Agreement

17. The Applicants seek Court approval to execute an asset purchase agreement for the sale, as a going concern, of all property, assets and undertaking of the Applicants relating to the specialty papers business (the “APA”). The APA also provides the Applicants with the opportunity to solicit superior offers. The terms related to this process, which I understand are commonly referred to as a “stalking horse process”, will be annexed to the draft Order the Applicants are seeking. A copy of the APA is annexed hereto and marked as Exhibit “A”.

(i) Terms of the APA

18. The purchaser under the APA is a new company (“Newco”), incorporated by and to be capitalized by BAM with \$25 million in cash. Under the terms of the APA, BAM will hold a 51% common equity interest in Newco. BAM’s initial equity investment of \$25 million will fund a portion of the purchase price and will be used to repay indebtedness owing to Canadian Imperial Bank of Commerce (“CIBC”) which has been guaranteed by BAM and for which BAM holds security over all of the Applicants’ assets. The other 49% common equity interest will be issued to the Applicants to be held by the Monitor for the benefit of the Applicants’ unsecured creditors.

19. The Purchased Assets (as defined in the APA) include all property and assets of the Applicants relating to the existing specialty papers business in New Brunswick and Maine, together with an assumption of certain liabilities relating to the specialty papers business. The Purchased Assets include the Madawaska, Maine paper mill and the Edmundston pulp and energy operations, the Juniper lumber mill and the Plaster Rock lumber mill, all of which are located in New Brunswick. In addition, the Purchased Assets include the assets associated with the corporate office located in Portland, Maine.

20. The APA contains usual terms and conditions for a transaction of this nature, including payment of a termination fee in the event the APA is not concluded, subject to certain exceptions. The termination fee under the APA is \$2 million, representing approximately 1.1% of the purchase price under the APA. The APA also provides for payment of third party fees and expenses incurred by BAM in connection with the APA.

(ii) *Support of Secured Lenders*

21. The Applicants' three secured lenders namely, CIT, BAM and GNB support the Applicants' request for Court approval of the APA. The support of these three lenders is significant. BAM has agreed to play a significant role in sponsoring this restructuring process by incorporating Newco and initiating the bid process. The result of the transaction will be that BAM converts its secured claim against the Applicants into a 51% common equity interest in Newco. CIT has agreed to re-finance the majority of its existing credit facility and discharge its security over the Purchased Assets. GNB has agreed to convert its entire secured claim against the Applicants into preferred shares of Newco. The liabilities currently owing by the Applicants to each of BAM, CIT and GNB will be fully addressed in a manner acceptable to them pursuant to the APA.

22. The APA provides a mix of consideration to be received by the Applicants on closing having an aggregate face value of \$185 million, subject to a purchase price adjustment. The consideration will be directed, in part, to CIT, BAM and GNB, and received, as to the balance, by the Monitor in trust for the Applicants on closing. The consideration includes cash, debt, preferred and common shares of Newco and the assumption of certain existing liabilities of the Applicants as follows:

- (a) \$35 million in cash;
- (b) \$42.4 million in non-interest bearing promissory notes having a ten-year term, payable by Newco;

- (c) \$47.6 million through Newco's assumption of certain of the Applicants' post-filing accounts payable and other long term liabilities relating to the specialty papers operations;
- (d) \$35 million in preferred shares of Newco; and
- (e) 49% of the common shares of Newco having an ascribed value of \$25 million.

23. Subject to all closing conditions being satisfied, the proceeds from the sale would be used by the Applicants to address, in a manner satisfactory to each of CIT, BAM and GNB the existing claims of those secured lenders. The existing claims of these secured lenders are: CIT (approximately \$55 million), GNB (approximately \$35 million), CIBC as guaranteed by BAM and secured by the Applicants' assets (\$25 million) and BAM's further secured claim for its guarantee of CIT advances (\$25 million of CIT's \$55 million).

24. The remaining proceeds, being the promissory notes and the Newco common shares, will be held by the Monitor for the benefit of all unsecured creditors and will be distributed pursuant to a Plan of Arrangement.

25. Without prejudice to its right to require that it be repaid in full as part of any other offer that may be received, BAM has agreed that it will not require repayment of its loans as DIP Lender from the sale of the Purchased Assets under the APA. Rather, BAM will allow the Purchased Assets under the APA to be transferred to Newco free and clear of its DIP Charge. Following the closing of the APA, BAM's DIP Charge would then only be secured by the remaining unsold assets of the Applicants including Gorham, the Maine lumber mills, Thurso and the proceeds from the closing of the APA.

26. Also without prejudice to its right to require that it be repaid in full as part of any other offer that may be received, CIT has agreed to refinance a portion of its existing credit facility with the Applicants to allow approximately \$6.2 million in existing letters of credit to remain outstanding following the closing

of the APA. The Purchased Assets under the APA will be transferred to Newco free and clear of CIT's security. The Applicants' obligations under the approximately \$6.2 million in remaining letters of credit will be secured by CIT's security on the remaining unsold assets and the proceeds from the closing of the APA.

(iii) Considerations as to Value

27. Ultimately, marketing the Purchased Assets through the proposed sales process will establish their proper value. However, to assist in determining whether the purchase price under the APA is fair and reasonable, even as a stalking horse bid, the Applicants prepared a five year forecast model for the specialty papers business to be acquired under the APA. Based on this forecast for the years 2010 to 2014 the Applicants considered two methods for valuing the specialty papers business, namely the Discounted Cash Flow (DCF) Method and the Market Approach.

28. The DCF Method is generally appropriate where the business' anticipated future cash flows can be reasonably estimated. In this case, the projected cash flow forecast for the specialty papers business was discounted by a rate of return that considers the risks associated with acquiring the business. In management's valuation, the residual or terminal value of the business was also included in the calculation, which assumes that the cash flows from the specialty papers business would continue at the same rate. Using the DCF Method, the enterprise value of the specialty papers business was estimated to be in the range of \$105 to \$140 million.

29. When viewing value based on the Market Approach, management considered the trading multiples derived from market prices of a sample of public companies operating in the broader paper industry, which are comparable to the specialty papers business. There are no exact comparables as a result of differences in size, capital structure, market coverage, product mix and other factors.

30. Management viewed the trading multiples including enterprise value ("EV") to trailing twelve months ("TTM") revenue; EV to TTM EBITDA; and also considered EV to next twelve months ("NTM") EBITDA. Paper companies have traditionally traded at a cycle/trend EV to EBITDA multiple in the range of approximately 4 to 6 times EBITDA through the full business cycle, with the largest, most liquid public companies with consistent track records trading at the high end of the range. Due to the size, operating history, quality of assets, significant risks and assumed but not-yet-realized benefit of future capital projects, management selected a range of multiples from the low end to median range of the public company multiples of 5.6 to 6.2. Using the Market Approach, the enterprise value of the specialty papers business was estimated by management to be in the range of \$109 to \$121 million.

31. Based on the two methodologies (DCF Method and Market Approach), the Applicants believe that the enterprise value of the specialty papers business is between \$110 million and \$150 million. A midpoint of \$130 million was calculated using the simple average of the high and low values. Using the midpoint value of \$130 million for the business results in a multiple of 6.7 times forecast EBITDA of \$19.5 million in 2010.

(iv) *Conditions to Closing*

32. There are three main business conditions that remain outstanding at the date of swearing this Affidavit:

- (a) obtaining amendments to all collective agreements related to the Purchased Assets to delete all references to the existing defined benefit pension plans, and obtaining agreement of the unions that Newco will have no obligations with respect to the defined benefit pension plans and, where applicable, obtaining agreement to cease any remaining defined benefit pension accruals;

- (b) securing new collective agreements with the USW and OPEIU at Madawaska in form and substance acceptable to Newco; and
- (c) obtaining amendment to the NB Power contract to provide for a first charge security interest in the CoGen Facility or other security to replace the existing letters of credit.

33. The Applicants have been in discussions with their major stakeholders, as discussed below, and intend to continue those discussions during the period when the Bid Process (as hereafter defined) is taking place, to determine if the conditions can be satisfied such that the APA can be concluded and the ongoing operations remain open.

(v) *Rationale for Selling the Specialty Papers Business*

34. As outlined above and in prior Affidavits, the Applicants believe that maximizing value for creditors requires re-establishing a business with a sustainable competitive advantage. Of all the Applicants' existing operations, only the specialty papers business has sufficient attributes and the potential to be restructured as a stand-alone business, without a significant amount of new capital.

35. The Applicants are satisfied that the sale of the specialty papers business as a going concern is the most effective and efficient means of maximizing value for the creditors. The Applicants do not believe that there is any other combination of assets that would create more value for the creditors. In fact, to the extent that certain other assets were included in a sale transaction, the impact could decrease the attractiveness and reduce the value received from the transaction. In addition, it is not feasible to simply restructure the specialty papers business and retain the other operations of the Applicants, since the other operations would require financial support that is not available.

36. The Applicants have historically operated with a traditional integrated fibre supply model, with ownership in lumber mills and pulp mills in order to secure the supply of biomass, softwood chips and

pulp for the two paper mills in Madawaska, Maine and Gorham, New Hampshire. Over the past four years this integrated model became a significant financial liability when the price for lumber and market pulp declined to levels that resulted in substantial cash losses. The Applicants were forced to continue to operate these facilities, due to the reliance on these internal sources for the supply of fibre. With sufficient availability of fibre from third parties for the foreseeable future, the Applicants believe the costs and risks associated with an integrated fibre supply model now outweigh the benefits. Separating the specialty papers business from the Thurso pulp mill, the Gorham paper mill and the two lumber mills in Maine lowers the risk of the business.

37. For these reasons, the Thurso pulp mill and the two lumbermills in Maine are not included as Purchased Assets under the APA. The inclusion of Plaster Rock and Juniper (New Brunswick) over Ashland and Masardis (Maine) reflect the benefit of the modernization at the Plaster Rock mill that was recently completed with the support of GNB, combined with over 300,000 cubic metres of crown timber allocation in New Brunswick. These benefits offset the added risk relating to the foreign exchange. The Applicants are proposing to sell the Ashland and Masardis facilities, but retain a long term contract with the mills for the supply of biomass and chips to Edmundston.

38. The Applicants developed a financial model for the specialty papers business that incorporates approximately \$30 million in annual cost reduction initiatives to be achieved over the first three years of operation. This financial model forecasts \$19.5 million in pro forma EBITDA in the first year of operations with the potential to generate \$30 million in pro forma EBITDA, making certain assumptions for paper and lumber volumes and prices, foreign exchange, input costs and other operating costs. The business will focus on the production of specialty paper which has generally performed better than commodity papers during the economic market downturn.

39. Under the proposed transactions the specialty papers business, as a stand-alone operation, will benefit from a conservative balance sheet with less debt. The debt it will have will be without restrictive financial covenants that could cause a tightening of liquidity in the event of weakness in the business.

40. Despite the financial forecasts, the Applicants have identified a number of significant risks and liabilities that will remain with the specialty papers business:

- (a) Newco will continue to face increasing competition in the market segments in which it participates, as traditional commodity producers pursue similar value-added product strategies using surplus manufacturing capacity that widely exists in the broader paper industry today;
- (b) the specialty papers business involves high fixed costs relative to commodity papers due to the customer service, technical field support and product development requirements;
- (c) despite significant cost reduction initiatives, the pulp mill in Edmundston produces sulphite pulp that has no external market for its production beyond the requirements of the Madawaska paper mill;
- (d) fiber prices in New Brunswick for sawlogs, pulpwood, chips and biomass, while lower than in 2008, remain high relative to other regions in North America; and
- (e) the Madawaska paper mill, located in northern Maine, is at a significant geographic disadvantage to its competitors.

(vi) *Merits of the Transaction*

41. This transaction creates a clear and well-defined path forward in that it provides:

- (a) certainty to all stakeholders, including creditors, customers, suppliers and employees that a transaction can be completed;

- (b) an exit for the core specialty papers business from creditor protection at the earliest possible time; and
- (c) a process to ensure the maximum recovery for creditors, from both the specialty papers business and from the remaining assets.

42. The proposed sale transaction provides maximum recovery to the Applicants' creditors. The terms of the APA are acceptable to the Applicants' DIP Lenders and secured lenders, and provide additional consideration to unsecured creditors in the form of promissory notes in the principal amount of \$42.4 million and 49% of the common equity of the specialty papers business:

- (a) \$10 million is available in full repayment of the projected cash advance owing at closing under a new CIT revolving facility provided to Newco. This credit facility will be secured by the accounts receivable and inventory of Newco. As such, CIT will discharge its security and claims against the Purchased Assets on closing;
- (b) \$25 million is available to repay the CIBC facility, for which BAM has given a guarantee and holds security over the Applicants' assets;
- (c) \$35 million of value is recovered for GNB, which has agreed to accept preferred shares in exchange for its \$35 million secured claim;
- (d) consideration having a face value of \$67.4 million is recovered for the Applicants' unsecured creditors through the issuance of promissory notes in the principal amount of \$42.4 million and 49% of the common shares valued at \$25 million; and
- (e) \$47.6 million of value is provided through Newco's assumption of certain of the Applicants' existing liabilities, including estimated liabilities related to the post-retirement medical plans, environmental reclamation claims, post-filing trade claims and other normal course payables relating to the specialty papers business to be purchased.

43. In accordance with the APA, the liabilities associated with the Applicants' defined benefit pension plans will not be assumed by Newco. Neither the Applicants nor Newco believe that the specialty papers business can support the liability and funding obligations associated with those pension plans. Claims related to these plans will be treated as unsecured claims against the Applicants and will be dealt with under a Plan of Arrangement.

44. The Applicants propose to realize upon the remaining unsold assets subsequent to the closing of the APA, and utilize any remaining availability under the BAM DIP facility. This will provide the opportunity to generate additional proceeds which, net of repayment of advances made by the DIP Lenders or any other remaining priority or secured claims, will also be available for distribution to unsecured creditors.

45. In addition to the above consideration to be received on closing of the APA, certain other secured claims exist against the Purchased Assets that will have to be paid or otherwise satisfied on closing, on terms acceptable to such secured creditors. These include realty and other taxes owing to the Town of Madawaska in respect of the Madawaska facility in the amount of approximately \$3.1 million (such amount being net of payments made since the date of filing that are to be applied to the oldest taxes owing), property and education taxes owing for facilities in New Brunswick of approximately CDN\$2.7 million and certain mechanics or related liens against specific equipment. The Applicants have been in ongoing discussions with representatives of the Town of Madawaska and their Canadian and U.S. counsel, as well as GNB in respect of these unpaid taxes, and the need to address this issue as part of any closing of the APA.

46. The Applicants are prepared to sign the APA subject to obtaining approval of this Honourable Court, and seek approval to commence a process to market the assets to determine whether a superior offer may exist. In order to confirm whether the consideration to be received for a sale of the Purchased

Assets under the APA is appropriate, the Applicants will have the ability to solicit superior bids through a stalking horse process to be administered by the Monitor, as discussed below.

Proposed Treatment of Existing Pension Plans

47. The Applicants understand that the beneficiaries under any defined benefit pension plans are significant stakeholders in this restructuring process and that those parties are very concerned about the impact of any transaction on their existing and future pension benefits. The Applicants share those concerns.

48. As outlined in my prior Affidavits, the defined benefit pension plans administered by the Applicants have significant deficits. According to the Applicants' audited financial statements at December 31, 2008 the deficits were approximately \$163 million. Based on updated solvency valuations in the form of cost certificates that have been filed with the pension regulators since the commencement of this proceeding, the deficits on a solvency basis are now estimated by the Company to be approximately \$180 million in the aggregate based on the most recent actuarial valuations.

49. If these deficits were realized today through an immediate wind-up of the pension plans, it would have a significant effect on the pensioners and active plan members, as payments to retirees, and the accrued benefits of the active plan members, could be reduced by up to 40%. The Applicants intend to continue to work with the unions, retirees, employees, governments and pension regulators to try to obtain a solution that avoids or mitigates this result.

50. I believe that there are two ways in which the current situation involving the pension deficits can improve. Firstly, the investment returns can recover over time and/or the present value of the liabilities can decrease due to an increase in interest rates used in the calculations to determine those liabilities. If either were to occur, the existing shortfall in these plans would be diminished. Secondly, if the Applicants can complete a sale transaction for the Purchased Assets, a significant portion of the sale

proceeds will be available to the pension plans for the benefit of the pension plan beneficiaries, after satisfaction of the secured claims as set out above.

51. In considering how best to address the existing deficits in the pension plans, the Applicants have identified three main objectives, as follows:

- (a) minimize the negative impact of existing deficits on the benefit payments received by pensioners;
- (b) maximize the opportunity for a recovery in the value of the pension plan assets; and
- (c) conclude a transaction that will increase the pension plan assets and therefore the benefit security in respect of retirees' pensions, and that will provide continued employment to employees.

52. With respect to the defined benefit plans in Canada, the Applicants are working to find a cooperative solution involving GNB and the Government of Quebec and their respective pension regulators, representative counsel appointed by the Court, the unions and their member representatives. In the absence of a cooperative solution involving all of those parties, plan members will be faced with a difficult outcome.

53. With respect to the defined benefit pension plan in the U.S. covering employees at Madawaksa, Maine, the Applicants expect to seek to terminate the plan in a distress termination under section 4041(c) of ERISA, and have the Pension Benefits Guaranty Corporation ("PBGC") take over the plan as trustee.

54. Completion of the proposed transaction under the APA is more advantageous to plan beneficiaries than a liquidation of the Applicants, as no future consideration or value would reasonably be expected to be contributed to any of the pension plans in the event of a liquidation.

Proposed Stalking Horse Process

55. The Applicants, in consultation with the Monitor, have developed terms (the “Bid Terms”) for a proposed stalking horse bid process (the “Bid Process”), which are intended to provide all potential interested parties with an opportunity to submit an offer for the Purchased Assets. The Bid Terms proposed by the Applicants and the Monitor will be annexed to the form of Order sought by the Applicants.

56. The Applicants’ objectives in requesting the Court’s approval of a Bid Process are as follows:

- (i) to obtain competing offers to purchase the assets of the specialty papers business;
- (ii) to preserve the continuity of the operations during the Bid Process; and
- (iii) to maximize value for the creditors of the Applicants from the sale of the specialty papers business.

57. The Bid Terms and Bid Process are intended to be fair and reasonable for all prospective purchasers, while at the same time recognizing the significant financial pressures faced by the Applicants which prevent a more extensive process from being undertaken. As outlined above, BAM has agreed to play a significant role in sponsoring this restructuring proposal by incorporating Newco and capitalizing it with \$25 million in cash. In recognition of the fact that BAM is a secured creditor and majority shareholder of Fraser Papers Inc., and the APA therefore involves a related party, the Applicants and the Monitor have drafted the Bid Terms with a view to ensuring the integrity of the process for the benefit of all parties.

58. All prospective purchasers will be given the same form of Confidentiality Agreement, “teaser letter”, confidential information memorandum (“CIM”), and a standard template APA.

59. All initial contact with prospective purchasers will be undertaken by the Monitor. After issuing the teaser letter, CIM and template APA to prospective purchasers, the Monitor will follow up with each prospective purchaser. This follow-up will also involve management of the Applicants in order to ensure the timely response to information requests that may be received from prospective purchasers. The Monitor will facilitate a presentation call for all prospective purchasers shortly after the commencement of the Bid Process, which will be hosted by the Applicants and the Monitor.

60. The Applicants have been developing an electronic data room that will be populated and updated for the benefit of all prospective purchasers who execute a Confidentiality Agreement. This will include electronic copies of all material contracts and licences affecting the Purchased Assets, financial information, details as to liabilities affecting the Purchased Assets, and all other information and documents that the Applicants and the Monitor deem reasonably necessary to enable a prospective purchaser to determine if it wishes to submit an offer.

61. Under the Bid Process, non-binding letters of intent (each, a “Non-Binding LOI”) must be received by the Monitor on or before January 22, 2010. The Monitor will receive all Non-Binding LOIs and provide its input to the Applicants. The Applicants (in consultation with the Monitor) will determine whether any of the Non-Binding LOIs are worth pursuing (each, a “Qualifying LOI”). If so, the prospective purchasers will be entitled to a further period of due diligence, and will have access to additional documents and information to be provided by the Applicants, which may include site visits.

62. If no Qualifying LOIs are received by January 22, 2010 and the conditions under the APA have been satisfied, the Applicants will proceed to seek an Order directing the completion of the APA and the transfer of the Purchased Assets.

63. If no Qualifying LOIs are received and the outstanding conditions under the APA are not satisfied, the Applicants plan to re-attend in Court as soon as possible to seek authorization to pursue

other alternatives. It is not anticipated that any of these alternatives would involve ongoing operations at any of the Applicants' facilities beyond the immediate term.

64. All prospective purchasers who submitted a Qualifying LOI will be invited to participate in the second phase of due diligence and will have an opportunity to submit a binding offer (a "Qualifying Offer") in the form of the template APA by February 10, 2010. All Qualifying Offers will then be reviewed by the Applicants, in consultation with the Monitor. All Qualifying Offers which are acceptable to the Applicants (in consultation with the Monitor) will then be circulated to all other prospective purchasers who submitted Qualifying Offers including BAM. All such Qualifying Offerors and BAM will have until February 12, 2010 to submit their final, best offer. The board of directors of the Applicants will then determine which of the best offers it will accept, if any.

65. The accepted best offer will then be provided to each of the DIP Lenders for approval. If approved by the DIP Lenders, the Applicants will seek final Court approval.

Discussions with Stakeholders

66. Shortly after our last court attendance on October 22, 2009 the Applicants' counsel ThorntonGroutFinnigan LLP ("TGF") arranged a meeting with counsel for the Communication, Energy and Paperworkers Union of Canada (the "CEP"). At this meeting, TGF provided CEP's counsel with an overview of the proposed sale of the specialty papers business, the consideration proposed to be received by various stakeholders including the unsecured creditors, the proposal for a stalking horse process to test the market and valuation of the business being sold, the Applicants' intentions as it relates to the existing pension plans, the conditions precedent to a closing of the APA and the projected timing.

67. On that same date, TGF met with Davies Ward Phillips & Vineberg LLP, representative counsel appointed by Court Order dated September 17, 2009 ("Davies") to provide the same overview. Davies

represents 654 active employees, 863 retirees, 164 deferred vested participants, 151 former employees who are not retirees, and 79 SERP or deferred compensation participants.

68. Following TGF's meetings with the CEP and Davies, the Applicants and TGF prepared and delivered certain documents to assist those parties in understanding the proposed transaction and to evaluate the merits relative to any other possible alternative. Attached and marked as Exhibit "B" is a copy of a presentation outline provided to CEP and Davies, with only the cover pages differing in each case to reflect the recipient.

69. Subsequent to those meetings the Applicants and their counsel have provided further information to counsel for the CEP and to Davies in response to their requests and have attempted to maintain a constructive dialogue in an effort to reach a consensual solution involving the pension plans.

70. On November 5, 2009, the Applicants and TGF met with representatives of the CEP, including the national president Mr. David Coles, and CEP's counsel. The CEP represents active unionized employees at the Thurso hardwood pulp mill and the Edmundston pulp and energy operations as well as unionized retirees in the Quebec and New Brunswick hourly pension plans. At this meeting I reviewed the background issues that led to the filing for CCAA protection, provided an overview and rationale for the proposed transaction as described above, provided an update on the status of the restructuring efforts, listed the outstanding issues and discussed next steps. In particular, I explained that the pension liabilities could not be assumed by anyone acquiring the specialty paper business but would have to be compromised as part of any Plan of Arrangement.

71. Following this meeting, by letter dated November 11, 2009 Mr. David Coles, National President of the CEP, advised the Applicants that the CEP could not support the proposed transaction in its present form. While the letter referred to a number of concerns, the only specific objection provided was the treatment of retirees through a wind up of their plans and a certain reduction in their pension benefits.

Attached and marked as Exhibit "C" is a copy of the letter from the CEP to the Applicants dated November 11, 2009.

72. I am advised by D.J. Miller of TGF and do believe that, following the Applicants' receipt of CEP's letter she contacted CEP's counsel Jesse Kugler of Caley Wray to discuss same. I am further advised by Ms. Miller that she advised Mr. Kugler that: (i) it was not the Applicants' intention to cause an immediate wind-up of the pension plans which would result in a substantial and permanent reduction in existing pension payments, with no further value being available, either through market recovery or otherwise; and (ii) the Applicants' proposal would allow for the value of the plan assets to recover over several years and would increase by the consideration to be paid under the APA.

73. On November 12, 2009, the Applicants and TGF again met with representatives of Davies. The Applicants reviewed the background issues that led to the filing for CCAA protection, provided an overview and rationale for the restructuring proposal as described above, provided an update on the status of such restructuring efforts, listed the outstanding issues and discussed next steps. In particular, the Applicants explained that the pension liabilities could not be assumed by anyone acquiring the specialty paper business but would have to be compromised by a Plan of Arrangement.

74. On November 13, 2009, the Applicants met with the bargaining committee for the USW Locals 4-1247, 4-365 and 4-291 in Madawaska, Maine. The USW represent 455 active unionized employees at the Madawaska paper mill as well as 991 retirees in the US pension plans.

75. At the November 13, 2009 meeting, I reviewed the background issues that led to the filing for CCAA protection, provided an overview and rationale for the restructuring proposal as described above, provided an update on the status of their restructuring efforts, listed the outstanding issues and discussed next steps. In particular, I explained that the pension liabilities could not be assumed by anyone acquiring the specialty paper business but would have to be compromised by a Plan of Arrangement. I

also advised that PBGC was expected to become engaged in the restructuring process and provide a guarantee for the U.S. pension plan members.

76. On October 29, 2009 the Applicants and TGF had a conference call with PBGC and its counsel regarding the US Pension Plan, the inability of the Applicants to fund future payments into the defined benefit plans, the Applicants' efforts to restructure to date and intention to seek court approval of a stalking horse process for a sale of the specialty papers business, and Newco's unwillingness and inability to assume any obligations in connection with the U.S. pension plan.

77. The Applicants have also attempted to engage the New Brunswick Regional Council of Carpenters, Millwrights & Allied Workers, Local 2450 ("CMAW") to discuss the Applicants' intention to sell the specialty papers business as a going concern, the existing deficits in the pension plans, and the terms of agreement that would have to be reached with the CMAW to allow any ongoing operations to be possible at the Edmundston facility.

78. At the time of swearing this Affidavit discussions with the CMAW have not taken place, but we intend to continue to pursue efforts to engage all parties, including the CMAW, in the negotiations required to reach a resolution of the conditions precedent to closing the APA.

Dealing with Remaining Assets

79. Upon closing of the APA or any superior offer that may be received, the remaining operating assets will consist of the Thurso pulp mill, the Gorham paper mill and the two Maine lumber mills and the corporate head office assets located in Toronto. These assets are proposed to be sold in separate and subsequent processes with combined proceeds distributed first to satisfy amounts owing under the CCAA priority charges pursuant to the Initial Order including all amounts then owing under the DIP Facility, with the balance available to the Applicants' unsecured creditors pursuant to a Plan of Arrangement to be filed.

80. Discussions are continuing with the Government of Quebec with respect to identifying an investor who would be prepared to acquire the Applicants' hardwood pulp mill located in Thurso, Quebec. To date, a number of parties have been contacted, including seven who have signed confidentiality agreements.

81. Discussions have commenced with respect to the Gorham paper mill, and to date three confidentiality agreements have been executed but no offers have yet been solicited.

82. There have been two inquiries with respect to the Company's two lumber mills in northern Maine. The Masardis lumber mill is currently operating on a two-shift basis and is generating positive cash flow.

Request for Stay Extension and Cash Flow Forecast

83. The Applicants are requesting an extension of the Stay Period to February 26, 2010. This will provide the Applicants with an opportunity to continue the Claims Process, allow the Bid Process to be completed to determine if any superior offers are received for the Purchased Assets, continue negotiations with key stakeholders and pension regulators to satisfy the conditions precedent under the APA or any other offer that may be received, manage the residual assets in a cost-effective manner, continue to explore opportunities with any potential investors for the Thurso facility and continue to develop the Applicants' restructuring plan.

84. The Applicants have prepared a cash flow forecast for the period ended February 26, 2010 in support of the requested stay extension. The forecast indicates that the Applicants will continue to incur negative free cash flow. Continued operating losses and maintenance capital expenditures will be funded by reduced working capital requirements. These continued negative cash flows stress the urgency with which the Applicants must work to complete a restructuring.

Next Steps

85. If the relief requested by the Applicants is granted, the Bid Process will commence immediately upon the Order being issued. In addition, the Applicants will continue their discussions with representatives for the unions and Davies, and will attempt to develop a consensus pension proposal that can be presented to the pension regulators for approval.

86. Since a substantial portion of the Purchased Assets under the APA are located in the U.S., the Applicants will be seeking an Order from the U.S. Bankruptcy Court for the District of Delaware (the "U.S. Court") having carriage of the Chapter 15 proceeding in that jurisdiction. The Order requested by the Applicants from the U.S. Court will provide recognition of any Order that may be issued by the Ontario Court approving the APA and commencing the stalking horse process. The stalking horse process will commence immediately upon any Ontario Order being issued, but no further steps will be taken, including acceptance or closing of any transaction, until the U.S. Court has heard and issued a decision on the relief sought by the Applicants.

87. The Applicants anticipate that a further attendance before this Honourable Court will be required during the week of January 25, 2010 for the purpose of providing all parties with an update as to the results of the first phase of the Bid Process and whether any acceptable letters of intent have been received, confirming whether the conditions precedent under the APA have been satisfied, or advising the stakeholders as to the alternative path that the Applicants must pursue if no transaction is possible.

88. I swear this Affidavit in support of the relief requested in the Applicants' Notice of Motion dated

December 3, 2009, and for no other or improper purpose.

SWORN before me in the City of Fredericton,
in the Province of New Brunswick, this 3rd day
of December, 2009.



A Commissioner of Oaths being a Solicitor
Patrick V. Windle


J. PETER GORDON

EXHIBIT “A”

EXHIBIT "A"

DRAFT

ASSET PURCHASE AGREEMENT

BY AND AMONG

**FRASER PAPERS INC., FRASER PAPERS LIMITED, FPS CANADA INC., FRASER
PAPERS HOLDINGS INC., FRASER TIMBER LIMITED AND FRASER N.H. LLC**

As the Vendors

AND

THE PURCHASER, AS HEREIN DEFINED

As the Purchaser

DATED AS OF DECEMBER ■, 2009

TABLE OF CONTENTS

	Page
ARTICLE 1	
DEFINITIONS; INTERPRETATION.....	2
Section 1.1 Definitions.....	2
Section 1.2 Headings and Table of Contents.....	18
Section 1.3 Gender and Number and Extended Meanings.....	18
Section 1.4 Statutory References.....	19
Section 1.5 Currency.....	19
Section 1.6 Generally Accepted Accounting Principles.....	19
Section 1.7 Interpretation.....	19
Section 1.8 Invalidity of Provisions.....	19
Section 1.9 Entire Agreement.....	19
Section 1.10 Waiver, Amendment.....	20
Section 1.11 Governing Law.....	20
Section 1.12 Schedules.....	20
ARTICLE 2	
PURCHASED ASSETS.....	21
Section 2.1 Agreement to Purchase and Sell Purchased Assets.....	21
Section 2.2 Assignment of Purchased Assets.....	22
Section 2.3 Thurso PPTGP Credits.....	23
Section 2.4 Excluded Assets.....	23
Section 2.5 Designation of Excluded Assets.....	24
ARTICLE 3	
PURCHASE PRICE AND RELATED MATTERS.....	24
Section 3.1 Purchase Price.....	24
Section 3.2 Payment of Purchase Price.....	24
Section 3.3 Holdback Amount.....	25
Section 3.4 Closing Date Estimated Balance Sheet.....	26
Section 3.5 Closing Date Balance Sheet.....	26
Section 3.6 Determination of Purchase Price and Adjustment of Amount Paid on Closing Date.....	26
Section 3.7 Financial Statements.....	27
Section 3.8 Purchase Price Adjustment.....	27
Section 3.9 Payments.....	27
Section 3.10 Allocation of Purchase Price.....	28
Section 3.11 Issuance of Common Shares, Preferred Shares and Promissory Note.....	28
ARTICLE 4	
ASSUMPTION OF LIABILITIES.....	28
Section 4.1 Assumed Liabilities.....	28
Section 4.2 Quantification and Allocation of Assumed Liabilities.....	29
Section 4.3 Excluded Liabilities.....	29

TABLE OF CONTENTS (continued)

Page

ARTICLE 5

REPRESENTATIONS AND WARRANTIES REGARDING THE PURCHASER.....	30
Section 5.1 Organization.....	30
Section 5.2 Authorization, Execution and Enforceability.....	31
Section 5.3 Financing.....	31
Section 5.4 Brokers; Finders.....	31
Section 5.5 Vendors' Acknowledgment; Exclusivity of Representations and Warranties.....	31

ARTICLE 6

REPRESENTATIONS AND WARRANTIES OF THE VENDORS.....	31
Section 6.1 Organization.....	31
Section 6.2 Authorization, Execution and Enforceability.....	32
Section 6.3 Financial Statements.....	32
Section 6.4 Permits.....	32
Section 6.5 Intellectual Property Matters.....	33
Section 6.6 Sufficiency of Purchased Assets.....	33
Section 6.7 Compliance with Laws.....	33
Section 6.8 Title.....	33
Section 6.9 Environmental and Health and Safety Matters.....	33
Section 6.10 No Conflict.....	34
Section 6.11 Contracts.....	34
Section 6.12 Litigation.....	35
Section 6.13 Tax Liens.....	35
Section 6.14 Lands.....	35
Section 6.15 Employment Matters.....	35
Section 6.16 Timber Licences.....	36
Section 6.17 Brokers; Finders.....	37
Section 6.18 Operation of the Business.....	37
Section 6.19 Non Residents.....	37
Section 6.20 Schedules.....	37
Section 6.21 Survival of Covenants, Representations and Warranties.....	37

ARTICLE 7

EMPLOYEE MATTERS	38
Section 7.1 Offers of Employment.....	38
Section 7.2 Information from Vendors.....	39
Section 7.3 Employee Benefit Plans.....	39
Section 7.4 Responsibility for Accrued Claims.....	39
Section 7.5 Privacy Laws.....	39
Section 7.6 Hourly Employees Pension Plan.....	39
Section 7.7 Salaried Employees Pension Plan.....	40

TABLE OF CONTENTS
(continued)

	Page
Section 7.8 U.S. Pension Plan	40
ARTICLE 8	
ADDITIONAL AGREEMENTS OF THE PARTIES	41
Section 8.1 Conduct by the Purchaser.....	41
Section 8.2 Conduct by the Vendors.	41
Section 8.3 Conduct of Business.....	42
Section 8.4 Sale Process.....	42
Section 8.5 Access to Information.	42
Section 8.6 Regulatory Matters.	43
Section 8.7 Maintenance of Books and Records; Access after Closing.....	43
Section 8.8 Ancillary Agreements.....	43
Section 8.9 Accounts Receivable.	43
Section 8.10 Insurance	43
Section 8.11 Vendors' Post-Closing Covenants.....	44
ARTICLE 9	
COURT APPROVAL	44
Section 9.1 Canadian Sales Process and Conditional Vesting Order.....	44
Section 9.2 Canadian Final Approval Order.	44
Section 9.3 U.S. Sales Process and Conditional Vesting Recognition Order.	44
Section 9.4 U.S. Final Approval Recognition Order.....	44
ARTICLE 10	
CONDITIONS TO CLOSING.....	45
Section 10.1 Conditions for the Benefit of the Purchaser.	45
Section 10.2 Conditions for the Benefit of the Vendors.	48
ARTICLE 11	
TAXES.....	49
Section 11.1 Payment of Taxes and Other Costs.	49
Section 11.2 Elections.	49
ARTICLE 12	
CLOSING.....	50
Section 12.1 Location and Time of the Closing.	50
Section 12.2 Closing Deliveries of the Vendors.	50
Section 12.3 Closing Deliveries of the Purchaser.	51
Section 12.4 Maine Real Estate Transfer Taxes.....	52
Section 12.5 Possession.....	52
ARTICLE 13	
INDEMNIFICATION.....	52
Section 13.1 Indemnification by the Vendors	52
Section 13.2 Indemnification by the Purchaser.....	53
Section 13.3 Notice of Claim	53

TABLE OF CONTENTS
(continued)

	Page
Section 13.4 Original Claims	54
Section 13.5 Third Party Claims.	54
Section 13.6 Additional Rules and Procedures	54
Section 13.7 Indemnification Claims	55
ARTICLE 14	
DISPUTE RESOLUTION	55
Section 14.1 Arbitration	55
Section 14.2 Exceptions	56
ARTICLE 15	
RISK AND TERMINATION	56
Section 15.1 Risk of Loss.	56
Section 15.2 Termination.	57
Section 15.3 Termination Payments.	58
Section 15.4 Effects of Termination.	59
ARTICLE 16	
MISCELLANEOUS PROVISIONS	59
Section 16.1 Confidentiality.	59
Section 16.2 Non-Disclosure.	59
Section 16.3 Expenses.	59
Section 16.4 Solicitors and Agents and Tender	60
Section 16.5 Successors and Assigns.	60
Section 16.6 Third Party Beneficiaries.	60
Section 16.7 Notices.	60
Section 16.8 Time of Essence.	62
Section 16.9 Further Assurances.	62
Section 16.10 Counterparts.	62
Section 16.11 Paramountcy.	62

ASSET PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT, dated as of December ■, 2009 (the "Effective Date") by and among Fraser Papers Inc. ("FPI"), a corporation incorporated under the federal laws of Canada, Fraser Papers Limited ("Fraser Madawaska"), a corporation incorporated under the laws of the State of Maine, FPS Canada Inc., a corporation incorporated under the federal laws of Canada ("FPS Canada"), Fraser Papers Holdings Inc. ("FPHI"), a corporation incorporated under the laws of the State of Delaware, Fraser Timber Limited ("FTL"), a corporation incorporated under the laws of the State of Maine, and Fraser N.H. LLC ("FNHL"), a limited liability company formed under the laws of the State of Delaware (collectively, the "Vendors") and Brookfield Asset Management Inc., a corporation amalgamated under the laws of the Province of Ontario.

RECITALS:

WHEREAS, the Vendors, together with their Subsidiaries (as hereinafter defined) and Affiliates (as hereinafter defined) carry on the Business;

AND WHEREAS, on June 18, 2009, the Vendors commenced proceedings (the "CCAA Proceedings") in the Ontario Superior Court of Justice (Commercial List) (the "Canadian Court") under the *Companies' Creditors Arrangement Act* (Canada), R.S.C. 1985, c.C-36, as amended (the "CCAA"), pursuant to which, *inter alia*, PricewaterhouseCoopers Inc. was appointed as monitor (the "Monitor");

AND WHEREAS, on June 19, 2009, the Vendors sought and obtained recognition and provisional relief in an ancillary proceeding (the "Bankruptcy Case") pursuant to Chapter 15 of Title 11 of the *United States Code* 11 U.S.C. §§ 101-1532C, as amended (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court");

AND WHEREAS, the Vendors desire to sell to the Purchaser all of the Purchased Assets, and the Purchaser desires to purchase from the Vendors all of the Purchased Assets and assume all of the Assumed Liabilities, upon and subject to the terms and conditions hereinafter set forth (the "Transaction");

AND WHEREAS, the boards of directors of each of the Vendors have determined that it is advisable and in the best interests of each of the Vendors' estates and the beneficiaries of such estates to consummate the transactions provided for herein pursuant to the Canadian Orders (as hereinafter defined) and the U.S. Orders (as hereinafter defined), and have approved this Agreement; and

AND WHEREAS, the transactions contemplated by this Agreement and the Ancillary Agreements are subject to the approval of the Canadian Court and the Bankruptcy Court and will be consummated only subject to the terms and conditions set forth herein and in accordance with the Canadian Orders (as hereinafter defined) and the U.S. Orders (as hereinafter defined) to be entered in the CCAA Proceedings and the Bankruptcy Case, respectively;

NOW, THEREFORE, in consideration of the premises, representations and warranties and the mutual covenants and agreements set forth herein and other good, valuable and sufficient consideration, the receipt of which is hereby acknowledged, the Parties, agree as follows:

ARTICLE 1 DEFINITIONS; INTERPRETATION

Section 1.1 Definitions.

As used herein, the following terms shall have the following meanings:

“Accounts Receivable” means any and all accounts receivable, notes receivable, book debts, trade debts, rebates, refunds and other debts or receivables due or accruing due to the Vendors, together with all interest accrued on such items, and the full benefit of any security therefor, relating to the Business or the Purchased Assets.

“Action” means any litigation, action, suit, charge, binding arbitration, Tax audit or investigation or other legal, administrative, regulatory or judicial proceeding.

“Affiliate” shall mean, with respect to any Person, any other Person which controls, is controlled by or is under common control with, directly or indirectly, such Person, and, if such Person is a natural person, includes any member of such Person’s immediate family, or, if such Person is an entity, includes any trustee, member, general partner, manager, director or executive officer of, or any Person performing similar functions for, such Person.

“Agreement” shall mean this Asset Purchase Agreement, including the Schedules hereto, in each case as amended or supplemented from time to time.

“Alternative Transaction” means the sale of the Purchased Assets to an entity other than the Purchaser pursuant to the Canadian Sales Process and Conditional Vesting Order and the U.S. Sales Process and Conditional Vesting Recognition Order.

“Amended Canadian Collective Agreements” shall have the meaning given to such term in Section 10.1(q).

“Ancillary Agreements” shall mean various agreements to be entered into between the Parties on Closing on such terms and conditions as may be satisfactory to the Purchaser, in its sole discretion, in connection with or pursuant to the terms of this Agreement and the consummation of the transactions contemplated herein including, without limitation: (i) a transitional services agreement for the provision of (a) administration, transaction processing and IT support, (b) customer service, logistics and supply chain management support, and (c) lumber sales support; (ii) the Non-Competition Agreement; and (iii) the Tolling Agreement.

“Ashland Assets” shall mean the property and assets of every kind and description used solely at the lumber mill owned and operated by the Vendors in Ashland, Maine.

“Ashland Mill” shall mean the lumber mill owned and operated by the Vendors at 100 Levesque Mill Road, Ashland, Maine 04732 and the operations carried on thereat.

“Assumed Liabilities” shall have the meaning given to such term in Section 4.1.

“Audited Financial Statements” shall mean the audited consolidated financial statements for the Vendors at December 31, 2008 and for the year ended December 31, 2008.

“Bankruptcy Case” shall have the meaning given to such term in the recitals.

“Bankruptcy Code” shall have the meaning given to such term in the recitals.

“Bankruptcy Court” shall have the meaning given to such term in the recitals.

“Benefit Plans” means all oral or written plans, arrangements, agreements, programs, policies, practices or undertakings of the Vendors with respect to some or all of the Employees and which provide for or relate to:

(a) bonus, profit sharing or deferred profit sharing, performance compensation, deferred or incentive compensation, supplemental retirement arrangements, share compensation, share purchase or share option, share appreciation rights, phantom stock, vacation or vacation pay, sick pay, employee loans, or any other compensation in addition to salary; or

(b) insured or self-insured benefits for or relating to income continuation or other benefits during absence from work (including short term disability, long term disability and workers compensation), hospitalization, health, welfare, legal costs or expenses, medical or dental treatments or expenses, life insurance, accident, death or survivor's benefits, supplementary employment insurance, day care, tuition or professional commitments or expenses or similar employment benefits.

“Books and Records” shall mean any and all books and records used by the Vendors or any of their respective Affiliates which pertain to the Business, the Purchased Assets, the Transferred Employees, or the Unionized Employees including, without limitation, customer and vendor lists, together with any and all corresponding files, but excluding for greater certainty any books and records pertaining solely to the Excluded Assets.

“Brookfield” means Brookfield Asset Management Inc.

“Brookfield DIP Facility” means all advances made by Brookfield from and after the Filing Date under the senior secured superpriority revolving loan facility, up to an amount of US\$20,000,000.

“Business” shall mean the business of manufacturing and selling specialty paper products and related activities carried on by the Vendors, together with their Affiliates and Subsidiaries, including, *inter alia*, owning and operating integrated paper, pulp and lumber operations in the Province of New Brunswick and in the State of Maine at or relating to the Edmundston Mill, the Juniper Mill, the Madawaska Mill and the Plaster Rock Mill, but for greater certainty not including the business conducted by the Vendors at or relating to the Ashland Mill, the Masardis Mill, the Gorham Mill or the Thurso Mill.

“Business Day” shall mean any day of the year other than (a) any Saturday or Sunday, or (b) any other day on which the banks located in the Province of Ontario are required or authorized by Law to be closed for business.

“Canadian Court” shall have the meaning given to such term in the recitals.

“Canadian Employees” shall mean Employees employed in the Business in Canada.

“Canadian Final Approval Order” shall have the meaning given to such term in Section 9.2.

“Canadian Final Approval Order Motion” shall have the meaning given to such term in Section 9.2.

“Canadian Transferred Employees” shall mean Transferred Employees who are Canadian Employees.

“Canadian Orders” mean the Canadian Sales Process and Conditional Vesting Order, the Canadian Final Approval Order and any other Order of the Canadian Court issued and entered in the CCAA Proceedings in respect of the asset purchase transaction contemplated in this Agreement.

“Canadian Pension Plans” mean the Old FP Hourly Plan, the Old FP Salaried Plan and the Fraser Papers Inc. Defined Contribution Pension Plan, Registration No. 1146166.

“Canadian Sales Process and Conditional Vesting Order” shall have the meaning given to such term in Section 9.1.

“Canadian Sales Process and Conditional Vesting Order Motion” shall have the meaning given to such term in Section 9.1.

“CCAA” shall have the meaning given to such term in the recitals.

“CCAA Proceedings” shall have the meaning given to such term in the recitals.

“CIBC” means Canadian Imperial Bank of Commerce.

“CIBC Existing Facility” means the revolving credit facility dated as of September 22, 2008 made among FPI, CIBC and the other parties party thereto, as amended from time to time.

“CIT” means CIT Business Credit Canada Inc.

“CIT DIP Facility” means all advances made by CIT from and after the Filing Date under the CIT Financing Agreement by way of a debtor-in-possession revolving loan facility, up to the amount of US\$24,000,000.

“CIT Exit Facility” shall have the meaning given to such term in Section 10.1(m).

"CIT Financing Agreement" means the Amended and Restated Financing Agreement dated as of May 2, 2008 between FPI and CIT, as amended from time to time.

"Closing" shall have the meaning given to such term in Section 12.1.

"Closing Date" shall have the meaning given to such term in Section 12.1.

"Closing Net Working Capital" shall have the meaning given to such term in Section 3.8(a).

"Common Shares" shall mean common shares in the capital of the Purchaser representing 49% of the outstanding common shares of the Purchaser (or, in the case of multiple Purchasers, 49% of the common shares of each Purchaser, other than any given Purchaser that is a wholly-owned Subsidiary of another Purchaser) as at the Closing Date issued to the Monitor, in trust for the benefit of the Vendors, in consideration of a portion of the Purchase Price payable under this Agreement.

"Consents and Approvals" means all consents, approvals, notifications, waivers and/or filings from Third Parties (including any Governmental Authority) as may be required to effectuate the transactions contemplated hereby, including those required by the terms of the Contracts, the Permits, the Timber Licences and the PPGTP Credits, and including the receipt of waivers of any rights in favour of any counterparties under such Contracts and Permits that may be triggered in connection with the transactions contemplated by this Agreement, the CCAA Proceedings or the Bankruptcy Case, and further including any Order of the Canadian Court in the CCAA Proceedings pursuant to section 11.3 of the CCAA, as such Order is recognized by the Bankruptcy Court in the Bankruptcy Case (all such Orders to the satisfaction of the Purchaser, acting reasonably).

"Contracts" means any and all contracts, agreements, leases instruments and other legally binding commitments or arrangements, written or oral, which have been entered into by the Vendors in connection with the operation of the Business or the Purchased Assets, including those contracts, agreements, leases and instruments concerning the supply of goods or services to the Vendors in connection with the Business or the Purchased Assets.

"Court Orders" shall mean the Canadian Orders and the U.S. Orders.

"Cure Costs" shall mean amounts that must be paid, if any, in connection with the assignment and assumption of the Contracts, the Permits, the PPGTP Credits and the Timber Licences, including costs to obtain any Consent and Approval or to cure any defaults thereunder, subject to the CCAA and the Bankruptcy Code, as applicable.

"Designated Employees" shall mean the Employees who are not Unionized Employees and who are designated by the Purchaser on a schedule to be delivered by the Purchaser to the Vendors on or before Closing and which, when delivered, shall form Schedule 3 hereto, which schedule shall include substantially all Employees at the Closing Date who are not Unionized Employees.

"DIP Lenders" shall mean collectively, CIT under the CIT DIP Facility, Brookfield under the Brookfield DIP Facility and GNB under the GNB Plaster Rock DIP Facility (and each a DIP Lender).

"Edmundston Assets" shall mean all of the property and assets of every kind and description relating to the Edmundston Mill including, without limitation, all property and assets which are currently or usually (a) situated at such location and operations or (b) used by or in connection with such location or operations.

"Edmundston Mill" shall mean the pulp and energy complex owned and operated by the Vendors at 27 Rice Street, Edmundston, New Brunswick and the operations carried on thereat.

"Effective Date" shall have the meaning given to such term in the introductory paragraph.

"Employee Liabilities" shall mean any material Liabilities that have been used by the Vendors for purposes of financial reporting in respect of the Business, and shall include, without limitation, wages, salaries, payroll withholdings, unpaid vacation, post-employment benefit obligations, current cost of Benefit Plans, supplemental retirement arrangements, accrued bonus and incentives, unpaid wages and current monthly defined contribution pension plan contributions related to the Transferred Employees, to the extent that such liabilities are outstanding on Closing.

"Employee" shall mean an individual who is employed by the Vendors in the Business, whether on a full-time or a part-time basis.

"Encumbrance" means any interest, charge, lien, claim, mortgage, lease, sublease, hypothecation, deed of trust, pledge, security interest, option, right of use or possession, right of first offer or first refusal, right of way, easement, servitude, restrictive covenant, encroachment, encumbrance, or other restriction or limitation of any kind howsoever erected or arising.

"Environment" shall mean the ambient air, all layers of the atmosphere, surface water, underground water, all land, all living organisms and the interacting natural systems that include components of air, land, water, organic and inorganic matter and living organisms, and includes indoor spaces.

"Environmental Law" shall mean all federal, provincial, municipal or local statutes, regulations, by-laws, Environmental Permits, orders or rules, and any policies or guidelines of any Governmental Authority, and any requirements or obligations arising under the common law, relating to the Environment, the transportation of dangerous goods and occupational health and safety.

"Environmental Permits" means all permits, licences, approvals, consents, authorizations, registrations and certificates issued by or provided to, as the case may be, any Governmental Authority pursuant to an Environmental Law.

"Equity Interests" of a Person shall mean capital stock, capital stock equivalents (including stock options, restricted stock units, stock appreciation rights, any securities convertible into or exchangeable or exercisable for any such capital stock, and phantom stock),

partnership interests, membership interests, participations, shares and other equity interests of any class or kind (however designated) of such Person.

“Excluded Assets” shall have the meaning given to such term in Section 2.4.

“Excluded Letters of Credit” shall mean any and all letters of credit issued in respect of the Vendors, including, without limitation, the letters of credit issued by CIT under the CIT Financing Agreement described on Schedule 4 attached hereto, other than the Workers Compensation L/C.

“Excluded Liabilities” shall have the meaning given to such term in Section 4.3.

“Existing Canadian Collective Agreements” mean:

(a) Fraser Papers Inc. and Communications, Energy and Paperworkers Union of Canada Local No 29 (Edmundston Mill - Expires June 30, 2012);

(b) Fraser Papers Inc. and Communications, Enérgey and Paperworkers Union of Canada Local No 29 (Edmundston Cleaning Staff - Expires June 30, 2014);

(c) Fraser Papers Inc. and Communications, Energy and Paperworkers Union of Canada Local No 29 (Edmundston Office Workers - Expires August 31, 2014);

(d) Fraser Inc. Et Le syndicate canadien des communications, de l'énergie et du papier, Local 6N (Edmundston Scalers & Clerks - Expires June 30, 2010);

(e) Fraser Papers Inc. and New Brunswick Regional Council of Carpenters, Millwrights and Allied Workers, Local 2450 (Plaster Rock - Expires January 31, 2013);

(f) Fraser Papers Inc. and Communications, Energy and Paperworkers Union of Canada Local No. 4N (Security-Expires June 30, 2014); and

(g) Fraser Papers Inc. and Communications, Energy and Paperworkers Union of Canada Local No. 114 (Expires April 30, 2010, agreement under “AT Limited Partnership”).

“Existing Collective Agreements” means the Existing Canadian Collective Agreements and the Existing U.S. Collective Agreements.

“Existing US Collective Agreements” mean:

(a) Fraser Papers Ltd. and United Steel Workers Local 4-1247, 4-365, 4-291 (Former PACE, USW – Expired October 31, 2009; extended to November 30, 2009); and

(b) Fraser Papers Ltd. and Office and Professional Employees International Union, Local no. 232 (OPEIU - Expired October 31, 2009; extended to November 30, 2009).

“Filing Date” shall mean the date of the commencement of the CCAA Proceedings, being June 18, 2009.

"Final Order" shall mean an order, judgment or other decree, the operation or effect of which has not been reversed, stayed, modified or amended, and as to which any and all appeal periods with respect to such order, judgment or decree have expired.

"Fixed Assets" means any and all equipment and machinery, improvements, office equipment, furniture, fixtures, signage, tools, storage systems, furnishings and supplies of all kinds of the Vendors relating to the Business or the Purchased Assets, except the Toronto Assets.

"General Conveyance and Assumption of Liabilities Agreement" shall mean a general conveyance and assumption of liabilities agreement to be entered into between the Purchaser and the Vendors on Closing on terms and conditions satisfactory to the Purchaser in its sole discretion.

"GNB" means Her Majesty the Queen in Right of the Province of New Brunswick, as represented by the Minister of Business New Brunswick.

"GNB Loan Agreement" means a loan agreement dated of June 16, 2008 between FPI and GNB by which GNB agreed to make a term loan available in a principal amount of up to \$40,000,000.

"GNB Plaster Rock DIP Facility" means advances of up to \$9,000,000 to be made by GNB under the GNB Loan Agreement after the Filing Date to be used solely for lumber mill facility in Plaster Rock, New Brunswick for the purpose of completing the modernization of the lumber mill including the installation of a new saw line, new kilns and a new energy system.

"Gorham Assets" shall mean the property and assets of every kind and description used solely at the paper mill owned and operated by the Vendors in and around Gorham, New Hampshire, United States.

"Gorham Mill" means the paper mill owned and operated by the Vendors at 72 Cascade Flats, Gorham, New Hampshire, U.S., 03581 and the operations carried on thereat.

"Governmental Authority" shall mean any government (including any Canadian, US or foreign, federal, provincial, state, city, municipal or county government), any political subdivision thereof and any governmental, administrative, ministerial, regulatory, central bank, self-regulatory, quasi-governmental, taxing, executive or legislative department, commission, body, agency, authority or instrumentality of any thereof, including any Judicial Authority.

"Intellectual Property" shall mean all rights to and interests in:

(a) all business names, trade names, corporate names, telephone numbers, domain names, domain name registrations, website names and worldwide web addresses and other communications addresses related to the Business;

(b) all inventions, patents, patent rights, patent applications (including all reissues, divisions, continuations, continuations-in-part and extensions of any patent or patent application) related to the Business;

(c) all industrial designs and applications for and registration of industrial designs, design patents and industrial design registrations related to the Business;

(d) all trade-marks (whether used with wares or services and including the goodwill attaching to such trade-marks) and registrations and applications for registration of trade-marks and all trade dress, logos, slogans and brand names related to the Business;

(e) all copyright in all works (including software programs and databases) and database rights and registrations and applications for registrations of copyright related to the Business, and without limiting the generality of the foregoing, all proprietary rights in the computer software and programs (in both the source code and object code forms) and all documentation and other materials related to the computer software and programs;

(f) all rights and interests in and to processes, lab journals, notebooks, data, trade secrets, designs, know-how, product formulae and information, manufacturing, engineering and other drawings and manuals, technology, blue prints, research and development reports, agency agreements, technical information, technical assistance, engineering data, design and engineering specifications, and similar materials recording or evidencing expertise or information related to the Business;

(g) all of the intellectual property affected by the registrations and applications for registration related to the Business;

(h) all other intellectual property rights throughout the world used in carrying on, or arising from the operation of, the Business;

(i) all licences granted by the Vendor of the intellectual property listed in items (a) to (h) above;

(j) all future income and proceeds from any of the intellectual property listed in items (a) to (h) above and the licences listed in item (i) above; and

(k) all rights to damages and profits by reason of the infringement of any of the intellectual property listed in items (a) to (h) above and the licences listed in item (i) above.

“Intercompany Receivables” shall mean any and all Accounts Receivables owing by any Vendor or any of such Vendor’s Affiliates or Subsidiaries, respectively, to any other Vendor or any of such Vendor’s Affiliates or Subsidiaries, respectively.

“Intercompany Liabilities” shall mean any and all Liabilities owing by any Vendor or any of such Vendor’s Affiliates or Subsidiaries, respectively, to any other Vendor or any of such Vendor’s Affiliates or Subsidiaries, respectively.

“Inventory” shall mean any and all inventories (including finished goods, work-in-process, raw and packaging materials, stores, manufacturing supplies and spare parts) relating to the Business or the Purchased Assets.

“Judicial Authority” shall mean any court, arbitrator, special master, receiver, tribunal or similar body of any kind entitled to exercise judicial authority including without limitation the Canadian Court and the Bankruptcy Court.

“Juniper Assets” shall mean all of the property and assets of every kind and description relating to the Juniper Mill including, without limitation, all property and assets which are currently or usually (a) situated at such location and operations or (b) used by or in connection with such location and operations.

“Juniper Mill” shall mean the lumber mill owned and operated by the Vendors at 35 Juniper Mill Road, Juniper, New Brunswick and the operations carried on thereat.

“Lands” shall mean any and all freehold property and interests therein of the Vendors, and all buildings and other structures, facilities or improvements currently or hereafter located thereon, all fixtures, systems and items of personal property of the Vendors attached or appurtenant thereto and any and all rights of way, licences or rights of occupation, easements or other similar rights of the Vendors, as applicable, in connection with such freehold property, in each case, relating to the Business or the Purchased Assets, including, without limitation, the freehold property municipally known as:

- (a) 27 Rice Street, Edmundston, New Brunswick;
- (b) 31 Renous Road, Plaster Rock, New Brunswick;
- (c) 35 Juniper Mill Road, Juniper, New Brunswick; and
- (d) 82 Bridge Road, Madawaska, Maine.

“Law” shall mean any treaty, code, statute, law (including common law), rule, regulation, or ordinance of any kind of any Governmental Authority.

“Liability” shall mean, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person.

“Madawaska Assets” shall mean all of the property and assets of every kind and description relating to the Madawaska Mill including, without limitation, all property and assets which are currently or usually (a) situated at such location and operations or (b) used by or in connection with such location or operations.

“Madawaska Mill” shall mean the paper mill owned and operated by the Vendors at 82 Bridge Street, Madawaska, Maine and the operations carried on thereat.

“Masardis Assets” shall mean the property and assets of every kind and description used solely at the lumber mill owned and operated by the Vendors in Masardis, Maine.

“Masardis Mill” shall mean the lumber mill owned and operated by the Vendors at Route 11, 1220 Masardis Road, Masardis, Maine 04732 and the operations carried on thereat.

“Material Adverse Effect” shall mean any change, event or occurrence, or any material worsening of any current circumstance, event or occurrence, that individually or in the aggregate (taking into account all other such changes, events or occurrences or material worsening) has had, or would in the reasonable opinion of the Purchaser be likely to have (x) a material adverse change in or material adverse effect on the Purchased Assets, the Assumed Liabilities or the Business (excluding the Excluded Assets and the Excluded Liabilities) or the Purchaser’s use and enjoyment of the Purchased Assets, in each case taken as a whole, or (y) a material adverse change in or to the ability of the Vendors to consummate the transactions contemplated by this Agreement or to perform their obligations hereunder, or (z) the result or consequence that the Purchaser shall be deemed or required to assume or discharge any debt, liability or obligation other than as may be specifically provided for in this Agreement, but excluding, in any case (a) effects resulting from changes in general economic, regulatory, political or industry conditions or from acts of terror or war, (b) effects resulting from changes in (or proposals to change) any Laws after the date hereof; (c) effects resulting from the identity of, or acts attributable to, or omissions by the Purchaser or any of its Affiliates, (d) effects resulting from changes in commodity or energy prices, in interest or currency exchange rates or in capital market conditions, (e) effects resulting from circumstances that affect the industries in which the Vendors operate generally, or (f) effects resulting from changes in generally accepted accounting principles after the date hereof. For greater certainty and without limiting the generality of the foregoing, any change, event or occurrence, or any material worsening of any current circumstance, event or occurrence, that individually or in the aggregate reduces the reasonable market value of the Purchased Assets or the Business by \$10,000,000 or more shall constitute a Material Adverse Effect.

“Monitor” shall have the meaning given to such term in the recitals.

“Monitor’s Certificate” means the certificate of the Monitor the form of which is attached as Schedule A to the Canadian Final Approval Order confirming that all matters to be completed prior to the consummation of the transactions contemplated hereby have been completed.

“NB Power” means New Brunswick Power Company.

“Net Working Capital” shall mean the sum of the Qualifying Accounts Receivable plus the Inventory minus the Assumed Liabilities as described in Section 3.8(c).

“New U.S. Collective Agreements” shall have the meaning given to such term in Section 10.1(o).

“New Hourly DC Plan” shall have the meaning given to such term in Section 7.6(a).

“New Salaried DC Plan” shall have the meaning given to such term in Section 7.7(a).

“Non-Competition Agreement” means the non-competition agreement between the Vendors and the Purchaser to be entered into for Closing on terms and conditions satisfactory to the Purchaser, in its sole discretion, pursuant to which, among other things, none of FNHL or any

of its Affiliates shall be permitted to manufacture, market or sell certain specified paper products or specified paper grade categories in North America for a period of five (5) years after the Closing Date.

“Non-Purchased Asset” shall have the meaning given to such term in Section 2.5.

“Old FP Hourly Plan” shall have the meaning given to such term in Section 7.6(a).

“Old FP Salaried Plan” shall have the meaning given to such term in Section 7.7(a).

“Order” shall mean any judgment, writ, decree, directive, decision, injunction, ruling, award or order (including any consent decree or cease and desist order) of any kind of any Governmental Authority or Judicial Authority.

“Ordinary Course” shall mean the ordinary course of business, operations and activities conducted by the Vendors, taken as a whole in respect of the Business, taking into account the commencement of the CCAA Proceedings and the Bankruptcy Case.

“Organizational Documents” of a Person at any time shall mean (a) all certificates, articles or agreements of any kind filed with any Governmental Authority or Judicial Authority to form or organize such Person, and (b) all agreements, documents or instruments creating, organizing or governing the internal affairs of such Person, including trust agreements, by-laws, codes of regulations, memoranda of incorporation or association, partnership agreements, limited liability company agreements, articles, charters and operating agreements, in each case, as in effect at such time.

“Party” shall mean a party to this Agreement and any reference to a Party includes its successors and permitted assigns and “Parties” means every Party.

“Pension Plans” shall mean the Canadian Pension Plans and the U.S. Pension Plans.

“Permits” means any and all authorizations, registrations, permits, certificates of approval, approvals, grants, licences, quotas, consents, commitments, rights or privileges (other than those relating to the Intellectual Property) issued or granted by any Governmental Authority to any of the Vendors relating to the Business or the Purchased Assets.

“Permitted Encumbrances” shall mean (i) easements, leases, reservations, or other rights of others in, or minor defects and irregularities in title that do not materially impair the use of the encumbered property or assets for the purposes for which they are held; (ii) mechanics’, materialmen’s, carriers’, workers’, repairers’ and similar statutory liens arising in the Ordinary Course which liens have not had and are not reasonably likely to have a material impact on the Purchased Assets; (iii) any Encumbrance or privilege vested in any lessor, licensor or permittor for rent or other obligations solely related to the period after Closing in respect of any Contract; (iv) licenses of or other grants of rights to use Intellectual Property entered into prior to the Filing Date in the ordinary course of business consistent with past practice of the Vendors (and from and after the Filing Date, in the Ordinary Course) that do not materially impair the use of the encumbered property or assets for the purposes for which they are held; (v) Encumbrances, title exceptions or other imperfections of title caused by or resulting from acts of the Purchaser or

any of the Purchaser's Affiliates, employees, officers, directors, agents, contractors, invitees or licensees of the Purchaser; (vi) liens for Taxes not yet due and payable; and (vii) such other Liens as permitted by the Purchaser, in its sole discretion.

"Person" shall mean an individual, a partnership, a sole proprietorship, a company, a firm, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization, a union, a group acting in concert, a Judicial Authority, a Governmental Authority or any other entity or association of any kind.

"Personal Information" shall mean information about an identifiable individual as defined in Privacy Law.

"Plaster Rock Assets" shall mean all of the property and assets of every kind and description relating to the Plaster Rock Mill including, without limitation, all property and assets which are currently or usually (a) situated at such location and operations or (b) used by or in connection with such location or operations.

"Plaster Rock Mill" shall mean the lumber mill owned and operated by the Vendors at 31 Renous Road, Plaster Rock, New Brunswick.

"Portland Assets" shall mean all of the property and assets of every kind and description currently or usually situated at, used in connection with or relating to the sales administration and other corporate functions carried on by the Vendors in respect of the Business at 707 Sable Oaks Drive, Suite 010, South Portland, Maine, U.S., 04106.

"Post-Retirement Liabilities" shall mean: (a) with respect to Unionized Employees and retirees, all Liabilities for the post-retirement benefits (and not including for greater certainty, any pension plan benefits) provided under the New U.S. Collective Agreements and the Amended Canadian Collective Agreements and, (b) with respect to Transferred Employees, all Liabilities for the post-retirement benefits (and not including for greater certainty, any pension plan benefits) provided under the Benefit Plans, as applicable, solely to the extent such Benefit Plans, as applicable, are assumed by the Purchaser pursuant to Section 7.3 of this Agreement.

"PPGTP Credits" shall mean the credits issued to FPI in connection with the Edmundston Mill in the amount of Cdn.\$23,218,367 pursuant to the Pulp and Paper Green Transformation Program administered by Natural Resources Canada.

"Preferred Shares" shall mean the non-voting preferred shares of the Purchaser in the aggregate face amount of \$35,000,000 to be issued to GNB in consideration of a portion of the Purchase Price payable under this Agreement. The Preferred Shares shall have a term of 10 years from the issue date. The holders of the Preferred Shares shall be entitled to fixed, cumulative dividends in the amount of 4.7% per annum, payable quarterly on each of March 1, June 1, September 1 and December 1, in cash or, at the Purchaser's option, in additional Preferred Shares. The Preferred Shares shall: (a) be redeemable at any time by the Purchaser by payment in cash at the issue price together with all accrued and unpaid dividends as at the redemption date; and (b) include such other terms and conditions as the Purchaser and the Vendors, in consultation with GNB, may agree, acting reasonably.

"Premises" means all real property, buildings and facilities, including any part of any such property, building or facility owned, leased, or operated by the Vendors in connection with the Business or the Purchased Assets, including the Lands.

"Prepaid Expenses" shall mean any and all of the Vendors' prepaid expenses and deposits at any time relating to the Business or the Purchased Assets.

"Privacy Law" shall mean the *Personal Information Protection and Electronic Documents Act* (Canada) and the *Freedom of Information and Protection of Privacy Act* (Ontario), and any comparable Law of any other jurisdiction related or applicable to the Transferred Employees and the Unionized Employees transferred from the Vendors to the Purchaser pursuant to this Agreement.

"Proceedings" shall mean any action, suit, arbitration, mediation, litigation, hearing, investigation, inquiry or other proceeding of any kind involving any Governmental Authority, any Judicial Authority or any other Person.

"Promissory Note" shall mean the unsecured promissory note dated the Closing Date to be issued by the Purchaser in favour of the Monitor, in trust for the benefit of the Vendors, in the amount of Forty-Two Million Four Hundred Thousand Dollars (\$42,400,000), subject to adjustment in Section 3.8, in consideration of a portion of the Purchase Price payable under this Agreement. The Promissory Note shall mature 10 years from the issue date, be non-interest bearing, not include any restrictive or positive covenants on the part of the Purchaser other than in relation to payment on maturity, and be in form as may be determined by agreement of the Purchaser and the Vendors prior to Closing.

"Purchase Price" shall have the meaning given to such term in Section 3.1(a).

"Purchased Assets" shall have the meaning given to such term in Section 2.1.

"Purchaser" shall mean Brookfield or such other Person or Persons as it may designate on or prior to Closing.

"Purchaser's Solicitors" means Torys LLP.

"Qualifying Accounts Receivable" means any Accounts Receivable that: (i) is a binding and valid obligation of the obligor thereon and is in full force and effect; (ii) is evidenced by an invoice and is payable in Canadian Dollars or U.S. Dollars; (iii) is genuine appearing on its face or as represented in the books and records of the Vendors; (iv) is free from claims regarding rescission, cancellation or avoidance whether by operation of law or otherwise; (v) is less than 90 days past the original invoice date thereof and less than 60 days past the original due date thereof; (vi) is net of concessions, offset, deduction, contras, returns, chargebacks or understandings with the obligor thereon that in any way could reasonably be expected to adversely affect the payment of, or the amount of, such Accounts Receivable; (vii) is not an Intercompany Receivable; and (viii) arose in the Ordinary Course of business of the Vendors.

"Real Property Tax Refunds" means any and all rebates or refunds for realty taxes relating to the Business or the Purchased Assets.

"Realty Taxes" means the unpaid realty taxes owing for the period prior to the Closing in respect of the Edmundston Mill, the Juniper Mill and the Plaster Rock Mill and, solely in respect of the Madawaska Mill, the unpaid *ad valorem* taxes on real or personal property accrued with respect to the period prior to Closing. For greater certainty, Realty Taxes do not include tree growth, farmland and open space recapture taxes or penalties.

"Representatives" of a Person shall mean controlling persons, partners, directors, officers, managers, trustees, including any trustee-in-bankruptcy, employees, agents, representatives, consultants, affiliates, advisors, counsel or nominees of such Person.

"Sales Process" shall mean the sales process set out in and approved pursuant to the Canadian Sales Process and Conditional Vesting Order.

"Subsidiary" means, with respect to any specified Person, any other Person of which such specified Person is, at the time, directly or indirectly, (a) owns at least 50% of the outstanding capital stock (or other shares of beneficial interest) entitled to vote generally, (b) holds at least 50% of the partnership, limited liability company, joint venture or similar interests, or (c) is a general partner, managing member or joint venturer.

"Substance" means any substance or material which under any Environmental Law is defined to be "hazardous", "toxic", "deleterious", "caustic", "dangerous", a "contaminant", a "pollutant", a "dangerous good", a "waste", a "source of contamination" or a source of a "pollutant".

"Tax" shall mean all taxes including all income, sales, use, goods and services, harmonized sales, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, levies, imposts and other assessments or similar charges in the nature of a tax including Canada Pension Plan and provincial pension plan contributions, employment insurance and unemployment insurance payments and workers' compensation premiums in respect of Canadian Employees, together with any instalments with respect thereto, and any interest, fines and penalties, in all cases imposed by any Governmental Authority in respect thereof and whether disputed or not.

"Tax Return" shall mean any return, declaration, report, claim for refund, or information return or statement relating to any Tax, including any information return or report with respect to backup withholding and other payments to Third Parties.

"Termination Date" shall have the meaning given to such term in Section 15.2(c)(v).

"Termination Fee" shall have the meaning given to such term in Section 15.3.

"Third Party" shall mean any Person other than a Party or any of its Affiliates.

"Thurso Assets" shall mean the property and assets of every kind and description used solely at the Thurso Mill.

"Thurso Mill" shall mean the hardwood pulp mill owned and operated by the Vendors in Thurso, Quebec and the operations carried on thereat.

"Thurso PPTGP Credits" means the credits issued to FPI in connection with the Thurso Mill in the amount of Cdn.\$9,876,065 pursuant to the Pulp and Paper Green Transformation Program administered by Natural Resources Canada.

"Timber Licences" shall mean any and all rights of the Vendors to harvest timber from lands owned by the Province of New Brunswick or other any other Person including, without limitation, Forest Licence 9 - Carleton, related to the Business.

"Tolling Agreement" means the tolling agreement between the Vendors and the Purchaser to be entered into for Closing on such terms and conditions as may be satisfactory to the Purchaser, in its sole discretion, pursuant to which, among other things, FNHL and its Affiliates will provide the Purchaser with certain manufacturing outsourcing services for specified products for a period of three (3) years after the Closing Date.

"Toronto Assets" shall mean the furniture, fixtures and equipment of the Vendors located at FPI's head office at Suite 200, Brookfield Place, 181 Bay Street, Toronto, Ontario M5J 2T3.

"Transaction" shall have the meaning given to such term in the recitals.

"Transactional Costs" shall mean all filing fees, recording fees, surveys, notarial fees, software license fees and all other similar fees and costs arising out of this Agreement, the transfer, assignment, conveyance or delivery of the Purchased Assets or the consummation of the transactions contemplated hereby.

"Transactional Taxes" shall mean all sales, use, goods and services, transfer, conveyance, bulk transfer, excise, stamp, documentary, retail sales, land transfer and other taxes and all other governmental duties, charges, fees, imposts and assessments, and all interest and penalties thereon and additions thereto, imposed at any time by any taxing authority with respect to this Agreement, the transfer, assignment, conveyance or delivery of the Purchased Assets or the consummation of the transactions contemplated hereby. For greater certainty, Transactional Taxes do not include tree growth, farmland and open space recapture taxes or penalties.

"Transferred Employees" shall mean the Designated Employees who have accepted the Purchaser's offer of employment as at the Closing Date. For greater certainty, Unionized Employees are not Transferred Employees. In the case of Designated Employees whose employment relates to the Juniper Mill, "Transferred Employees" shall mean such Designated Employees who have accepted the Purchaser's conditional offer of employment set out in Section 7.1(c) of this Agreement, subject to the satisfaction of the conditions in such Section 7.1(c) regarding the deadline for the restart of the Juniper Mill.

"Transferred Hourly Employee" means an hourly paid Employee of FPI who transfers to the Purchaser on the Closing Date namely (a) Designated Employees who are non-union scalers and clerks; and (b) Unionized Employees who are members of one of the Unions at the Closing Date.

“Transferred Salaried Employee” means a salaried Employee who is a Designated Employee who has accepted the Purchaser’s offer of employment as at the Closing Date.

“Unassigned Contracts and Permits” has the meaning ascribed thereto in Section 2.2.

“Unaudited Financial Statements” shall mean the unaudited consolidated financial statements of the Vendors at October 3, 2009 and for the nine-month period ended October 3, 2009.

“Unionized Employees” shall mean the Employees who will be governed by the Amended Canadian Collective Agreements and the New U.S. Collective Agreements and who become employees of the Purchaser as of the Closing Date.

“Unions” shall mean the following:

- (a) Communications, Energy and Paperworkers Union of Canada Local No. 29;
- (b) Communications, Energy and Paperworkers Union of Canada Local No. 29 (Cleaning Staff);
- (c) Communications, Energy and Paperworkers Union of Canada Local No. 29 (Office);
- (d) Le syndicate canadien des communications, de l’énergie et du papier, Local 6N;
- (e) New Brunswick Regional Council of Carpenters, Millwrights and Allied Workers, Local 2450;
- (f) Communications, Energy and Paperworkers Union of Canada Local No. 4N;
- (g) Communications, Energy and Paperworkers Unions of Canada Local No. 114;
- (h) United Steel Workers Local 4-1247, 4-365, 4-291;
- (i) Fraser Papers Inc. and Communications, Energy and Paperworkers Union of Canada Local No. 114 (Expires April 30, 2010, agreement under “AT Limited Partnership”); and
- (j) Office and Professional Employees International Union, Local No. 232.

“United States” or “US” shall mean the United States of America

“U.S. DC Plan” shall have the meaning given to such term in Section 7.8(a).

“U.S. Employees” shall mean Employees employed in the Business in the United States.

“U.S. Final Approval Recognition Motion” shall have the meaning given to such term in Section 9.4.

“U.S. Final Approval Recognition Order” shall have the meaning given to such term in Section 9.4.

“U.S. Orders” mean the U.S. Sales Process and Conditional Vesting Recognition Order, the U.S. Final Approval Recognition Order and any other Order of the Bankruptcy Court issued and entered in the Bankruptcy Case in respect of the asset purchase transaction contemplated in this Agreement.

“U.S. Pension Plan” means the Pension Plan for Eligible Employees of Fraser Papers Limited.

“U.S. Sales Process and Conditional Vesting Recognition Motion” shall have the meaning given to such term in Section 9.3.

“U.S. Sales Process and Conditional Vesting Recognition Order” shall have the meaning given to such term in Section 9.3.

“U.S. Transferred Employees” shall mean Transferred Employees who are U.S. Employees.

“Vendors” shall have the meaning given to such term in the introductory paragraph.

“Vendors’ Solicitors” means ThorntonGroutFinnigan LLP.

“Workers Compensation L/C” means only the letters of credit described in Schedule 10 in the aggregate amount of \$13,175,000 as of the date hereof, such aggregate amount increasing to \$14,115,500 hereafter, to secure potential workers’ compensation obligations of the Vendors in the United States.

Section 1.2 Headings and Table of Contents.

The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof. The terms “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless otherwise provided, references herein to Articles, Sections and Schedules are to Articles, Sections and Schedules to this Agreement.

Section 1.3 Gender and Number and Extended Meanings.

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and *vice versa*, words importing gender include all genders or the neuter, and words importing the neuter include all genders. The term “includes” and “including” means “includes without limitation” and “including without limitation”.

Section 1.4 Statutory References.

In this Agreement, unless the context otherwise requires or except as otherwise provided herein, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

Section 1.5 Currency.

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in U.S. currency.

Section 1.6 Generally Accepted Accounting Principles.

In this Agreement, except to the extent otherwise expressly provided, references to “generally accepted accounting principles” mean, for all principles stated in the Handbook of the Canadian Institute of Chartered Accountants, such principles so stated.

Section 1.7 Interpretation.

The Parties acknowledge and agree that: (i) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to their revision; (ii) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (iii) the terms and provisions of this Agreement shall be construed fairly as to the Parties hereto and not in favour of or against any Party, regardless of which Party was generally responsible for the preparation of this Agreement.

Section 1.8 Invalidity of Provisions.

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof. To the extent permitted by Law, the Parties waive any provision of Law which renders any provision of this Agreement invalid or unenforceable in any respect. The Parties shall engage in good faith negotiations to replace any provision which is declared invalid or unenforceable with a valid and enforceable provision, the economic effect of which comes as close as possible to that of the invalid or unenforceable provision which it replaces.

Section 1.9 Entire Agreement.

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement. There are no warranties, conditions, or representations (including any that may be implied by statute) and there are no agreements in connection with such subject matter except as specifically set forth or referred to in this Agreement. No reliance is placed on any warranty, representation, opinion, advice or assertion of fact made either prior to, contemporaneous with, or after entering into this Agreement, or any amendment or supplement thereto, by any Party to this Agreement or its directors, officers, employees or agents, to any other party to this Agreement or its directors, officers, employees or agents, except

to the extent that the same has been reduced to writing and included as a term of this Agreement, and none of the Parties to this Agreement has been induced to enter into this Agreement or any amendment or supplement by reason of any such warranty, representation, opinion, advice or assertion of fact. Accordingly, there shall be no liability, either in tort or in contract, assessed in relation to any such warranty, representation, opinion, advice or assertion of fact, except to the extent contemplated above.

Section 1.10 Waiver, Amendment.

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by the Party to be bound thereby. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

Section 1.11 Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 1.12 Schedules.

The following are the Schedules attached to this Agreement:

Schedule 1	—	Accounts Receivable
Schedule 2	—	Contracts
Schedule 3	—	Designated Employees
Schedule 4	—	Excluded Letters of Credit
Schedule 5	—	Fixed Assets
Schedule 6	—	Intellectual Property
Schedule 7	—	Inventory
Schedule 8	—	Lands
Schedule 9	—	Encumbrances
Schedule 10	—	Workers Compensation L/C
Schedule 11	—	Allocation of Purchase Price
Schedule 12	—	Quantification and Allocation of Assumed Liabilities
Schedule 13	—	Permits
Schedule 14	—	Compliance with Laws
Schedule 15	—	Environmental Health and Safety Matters
Schedule 16	—	Litigation
Schedule 17	—	Tax Liens
Schedule 18	—	Employment Matters
Schedule 19	—	Operation of the Business

Schedule 20 — Critical Suppliers

The Purchaser and the Vendors agree that as at December 3, 2009, the following Schedules have been delivered by the Vendors: (i) Schedule 2 (Contracts); (ii) Schedule 4 (Excluded Letters of Credit), (iii) Schedule 6 (Intellectual Property); (iv) Schedule 8 (Lands). The Vendors covenant and agree to provide the following Schedules to the Purchaser on or before December 9, 2009, such Schedules to be to the satisfaction of the Purchaser and the Vendors, both acting reasonably: (i) Schedule 1 (Accounts Receivable); (ii) Schedule 5 (Fixed Assets); (iii) Schedule 7 (Inventory); (iv) Schedule 9 (Encumbrances); (v) Schedule 10 (Workers Compensation L/C); (vi) Schedule 13 (Permits); (vii) Schedule 14 (Compliance with Laws); (viii) Schedule 15 (Environmental Health and Safety Matters); (ix) Schedule 16 (Litigation); (x) Schedule 17 (Tax Liens); (xi) Schedule 18 (Employment Matters); (xii) Schedule 19 (Operation of the Business) and (xiii) Schedule 20 (Critical Suppliers). The Parties hereby agree and acknowledge that any updated Schedules to be provided by the Vendors pursuant to the terms of this Agreement to the Purchaser on or before Closing shall be satisfactory to the Purchaser, in its sole and absolute discretion.

ARTICLE 2 PURCHASED ASSETS

Section 2.1 Agreement to Purchase and Sell Purchased Assets.

Upon the terms and subject to the conditions contained in this Agreement, at the Closing, the Vendors shall sell, convey, transfer, assign and deliver to the Purchaser, and the Purchaser shall purchase and accept from the Vendors, free and clear of any and all Encumbrances (other than Permitted Encumbrances), all right, title and interest of the Vendors in and to the Edmundston Assets, the Juniper Assets, the Madawaska Assets, the Plaster Rock Assets, the Portland Assets and all of the other property and assets of every kind and description used by or in connection with or otherwise relating, in whole or in part, to the Business, other than only the Excluded Assets (collectively, the "Purchased Assets"), as such Purchased Assets shall exist on the Closing Date, including without limitation all of the following assets and properties of the Vendors:

- (a) the Lands;
- (b) the Timber Licences;
- (c) the Contracts;
- (d) the Fixed Assets;
- (e) all Inventory;
- (f) the PPGTP Credits;
- (g) all Intellectual Property;

- (h) the Books and Records;
- (i) all Accounts Receivable;
- (j) all Prepaid Expenses;
- (k) all Permits (to the extent assignable);
- (l) the Real Property Tax Returns; and
- (m) all goodwill associated with the Business or the Purchased Assets.

Section 2.2 Assignment of Purchased Assets.

This Agreement and any document delivered under this Agreement shall not constitute an assignment or an attempted assignment of any Purchased Asset contemplated to be assigned to the Purchaser under this Agreement which is not assignable without the Consent and Approval of a Third Party if such Consent and Approval has not been obtained and such assignment or attempted assignment would constitute a breach of such Purchased Asset. The Vendors agree to use their best commercial efforts to obtain the Consents and Approvals, on terms and conditions satisfactory to the Purchaser, on or prior to Closing. Without limiting the Purchaser's right to rely on the condition of closing set out at Section 10.1(t), to the extent any Consent and Approval has not been obtained by the Closing Date in respect of one or more Contracts or Permits and the Purchaser elects to waive its rights to obtain such Consents and Approvals prior to Closing (collectively the "Unassigned Contracts and Permits"), then, following the Closing, at the reasonable expense of the Purchaser for out-of-pocket expenses incurred by the Vendors, the Vendors (i) shall continue to use best commercial efforts to obtain the Consents and Approvals to the assignment of the Unassigned Contracts and Permits to the Purchaser, on terms and conditions satisfactory to the Purchaser, (ii) upon obtaining any such Consents and Approvals, shall take all steps necessary to promptly complete such assignment, (iii) prior to obtaining any such Consents and Approvals, shall hold such Unassigned Contracts and Permits in trust for the benefit of the Purchaser and shall deal with such Unassigned Contracts and Permits at the direction of the Purchaser and in the name of the Vendors or otherwise as the Purchaser may specify take all action and do or cause to be done all things that are, in the opinion of the Purchaser, necessary or proper in order that the obligations of the Vendors may be performed in such a manner that the value of the Unassigned Contracts and Permits is preserved and enures to the benefit of the Purchaser and the collection of moneys due and payable to the Purchaser in and under the Unassigned Contracts and Permits are recorded by the Purchaser; and (iv) the Vendors will promptly pay over to the Purchaser all moneys collected by or paid to the Vendors in respect of any Unassigned Contract and Permit. With respect to Unassigned Contracts and Permits, the Purchaser agrees to supply all such information to the Vendors and the person whose Consent and Approval has been requested (including, without limitation, credit and financial information) as may be reasonably requested by the Vendors or the person whose Consent and Approval has been requested and to otherwise cooperate, acting reasonably, with the Vendors and the person whose Consent and Approval has been requested in connection with the foregoing.

Section 2.3 Thurso PPTGP Credits

If at any time the property and assets comprising the Thurso Assets or the Thurso Mill are sold on a going concern basis and the Thurso PPTGP Credits are not included in such going concern sale, the Vendors shall offer to sell the Thurso PPTGP Credits to the Purchaser in consideration for a promissory note of the Purchaser on terms substantially similar to the Promissory Note and having a face value equal to the face value of the Thurso PPTGP Credits. Upon the assignment and transfer of the Thurso PPTGP Credits to the Purchaser, the Thurso PPTGP Credits shall constitute a Purchased Asset under this Agreement.

Section 2.4 Excluded Assets.

(a) Notwithstanding anything contained herein to the contrary, only those assets that are Purchased Assets shall be sold, conveyed, transferred, assigned or delivered to the Purchaser under this Agreement. Without limiting the generality of the foregoing, the Purchased Assets shall not include any of the following (collectively, and together with all other assets that are not Purchased Assets, the “Excluded Assets”):

- (i) the Purchase Price delivered to the Vendors pursuant to this Agreement;
- (ii) the Unassigned Contracts and Permits (only to the extent any required Consents and Approvals are never obtained);
- (iii) all cash on hand, cash on deposit, cheques received but not yet deposited or cleared, wire transfers transmitted but not yet received, cash equivalents, certificates of deposit, and marketable securities, including accrued interest thereon, held by or on behalf of the Vendors;
- (iv) the Intercompany Receivables;
- (v) all Equity Interests;
- (vi) all bank accounts of the Vendors;
- (vii) any rights, claims or causes of action of the Vendors under this Agreement or any Ancillary Agreement;
- (viii) the Ashland Assets;
- (ix) the Thurso Assets;
- (x) the Masardis Assets;
- (xi) the Gorham Assets;
- (xii) the Toronto Assets;

- (xiii) all property and assets relating solely to or arising or generated solely from the business and operations carried on at the Thurso Mill, the Ashland Mill, the Masardis Mill or the Gorham Mill; and
- (xiv) the Non-Purchased Assets.

Section 2.5 Designation of Excluded Assets

Notwithstanding anything contained in this Agreement, on written notice to the Vendors, the Purchaser shall have the right on or before Closing, at its sole option, to delete and remove a Purchased Asset from the definition thereof (a "Non-Purchased Asset") and, in that event, no right, title, or interest of the Vendors in such deleted or removed Purchased Asset shall be purchased by or transferred to the Purchaser in completing the transactions contemplated by this Agreement. For greater certainty, such Non-Purchased Asset shall constitute an Excluded Asset. In no event shall the Purchaser or any of its Affiliates purchase or be deemed to have purchased any assets other than the Purchased Assets.

ARTICLE 3 PURCHASE PRICE AND RELATED MATTERS

Section 3.1 Purchase Price.

The aggregate purchase price (the "Purchase Price") payable by the Purchaser to the Vendors for the Purchased Assets shall be One Hundred and Eighty-Five Million Dollars (\$185,000,000), subject to adjustment in accordance with Section 3.8, as follows:

- (a) Thirty-Five Million Dollars (\$35,000,000) in cash;
- (b) Forty-Two Million Four Hundred Thousand Dollars (\$42,400,000) evidenced by the Promissory Note;
- (c) Thirty-Five Million Dollars (\$35,000,000) in the form of the Preferred Shares;
- (d) Twenty-Five Million Dollars (\$25,000,000) in the form of the Common Shares; and
- (e) by the assumption of the Assumed Liabilities up to a maximum amount of Forty-Seven Million Six Hundred Thousand Dollars (\$47,600,000).

Section 3.2 Payment of Purchase Price.

On Closing, the Purchaser shall pay the Purchase Price as follows:

- (a) an amount equal to Thirty-Five Million Dollars (\$35,000,000) in cash to the Monitor on behalf of the Vendors, in trust, to be immediately distributed as follows:

- (i) Ten Million Dollars (\$10,000,000) to be immediately distributed to CIT on account of amounts owing under the CIT Financing Agreement; and
- (ii) Twenty-Five Million Dollars (\$25,000,000) to be immediately distributed to CIBC on account of amounts owing under the CIBC Existing Facility;
- (b) delivery of the Promissory Note as follows:
 - (i) as to \$10,000,000, by the Purchaser, on account of a holdback (the "Holdback Amount"); and
 - (ii) as to \$32,400,000, subject to adjustment in accordance with Section 3.8 of this Agreement, to the Monitor on behalf of the Vendors, in trust, to be distributed in accordance with such Orders of the Canadian Court and the Bankruptcy Court as may be subsequently made.
- (c) issuance and delivery of the Preferred Shares to the Monitor on behalf of the Vendors, in trust, to be immediately distributed to GNB in full satisfaction of the amounts owing under the GNB Loan Agreement;
- (d) issuance and delivery of the Common Shares to the Monitor on behalf of the Vendors, in trust, to be distributed in accordance with such Orders of the Canadian Court and the Bankruptcy Court as may be subsequently made; and
- (e) the assumption of up to a maximum amount of Forty-Seven Million Six Hundred Thousand Dollars (\$47,600,000) of Assumed Liabilities which shall be satisfied by the Purchaser's execution and delivery of the General Conveyance and Assumption of Liabilities Agreement.

Section 3.3 Holdback Amount

The Holdback Amount shall be held in escrow and shall be available to satisfy any and all rights that the Purchaser shall have following the Closing to receive payment, compensation or return of a portion of the Purchase Price for any reason whatsoever under or in relation to the indemnification obligations of the Vendors pursuant to Article 13 of this Agreement. The escrow period for the Holdback Amount shall end on the date which is the earlier of: (a) for any portion of the Holdback Amount which at any time becomes payable to the Purchaser, the date on which such portion is paid to the Purchaser; or (b) for the balance of the Holdback Amount, the earlier of the date which is 12 months after the Closing Date and such date, acceptable to the Purchaser, on which a duly approved and sanctioned plan or plans of compromise or arrangement in respect of the Vendors is completed under the CCAA Proceedings (the "Holdback Period"). Upon termination of the Holdback Period, any portion of the Holdback Amount not payable to the Purchaser shall be released and paid to the Monitor, in trust for the Vendors, to be distributed according to the terms and conditions of Orders to be subsequently made. The terms and conditions of the escrow of the Holdback Amount shall be set out in an escrow agreement to be entered into by the Vendors and the Purchaser on or prior to Closing, on terms and conditions satisfactory to both Parties, acting reasonably.

Section 3.4 Closing Date Estimated Balance Sheet

Not less than two (2) Business Days before the Closing Date, the Vendors shall deliver to the Purchaser a balance sheet of the Business as at the Closing Date which shall reflect a good faith estimate by the Vendors of the balance sheet of the Business as at the Closing Date (the "Closing Date Estimated Balance Sheet"). The Closing Date Estimated Balance Sheet shall be accompanied by a certificate of the chief financial officer of FPI, or other senior officer of FPI acceptable to the Purchaser, to the effect that such officer has reviewed the Closing Date Estimated Balance Sheet; that the Closing Date Estimated Balance Sheet represents the best estimate, made in good faith, of the financial position of the Business as at the Closing Date, prepared in accordance with this Agreement, and that such officer has no reason to believe that such estimate may not be relied upon for purposes of the Closing. The Closing Date Estimated Balance Sheet shall also be accompanied by a copy of the working papers of the Vendors used in the preparation thereof, together with such other evidence supporting the amounts specified therein as the Purchaser may reasonably request.

Section 3.5 Closing Date Balance Sheet

(a) Not later than sixty (60) days after the Closing Date, the Vendors shall cause a balance sheet of the Business as at the Closing Date to be prepared and delivered to the Purchaser, which balance sheet shall be prepared in a manner consistent with that of the Closing Date Estimated Balance Sheet set out in Section 3.4 of this Agreement (the "Closing Date Balance Sheet"). The form of the Closing Date Balance Sheet shall be satisfactory to the Purchaser, in its sole and absolute discretion.

(b) If the Purchaser notifies the Vendors that it agrees with the Closing Date Balance Sheet within ten (10) days after receipt thereof, the Closing Date Balance Sheet shall be conclusive and binding on the Purchaser and the Vendors and the Parties shall be deemed to have agreed thereto on the date the Vendors receive the notice. If the Purchaser notifies the Vendors of its disagreement with the Closing Date Balance Sheet within such ten (10) day period, then the Purchaser and the Vendors shall attempt, in good faith, to resolve their differences with respect thereto within five (5) days after the Vendors' receipt of the Purchaser's notice of disagreement. Any disagreement over the Closing Date Balance Sheet (a "Balance Sheet Dispute") not resolved by the Purchaser and the Vendors within such five (5) day period shall be submitted for dispute resolution in accordance with Article 14 set out herein.

Section 3.6 Determination of Purchase Price and Adjustment of Amount Paid on Closing Date

On the 2nd Business Day following the date on which the Parties agree to the Closing Date Balance Sheet, or on the 2nd Business Day following the date on which a determination of a Balance Sheet Dispute is made pursuant to Section 3.5, whichever is later, the Purchase Price shall be determined based on the Closing Date Balance Sheet, and shall be adjusted as provided in Section 3.8.

Section 3.7 Financial Statements

All financial statements required to be prepared pursuant to this Agreement shall be prepared in accordance with generally accepted accounting principles applied on a basis consistent with previous fiscal periods, except as otherwise provided in this Agreement.

Section 3.8 Purchase Price Adjustment

(a) If the Net Working Capital as at the Closing Date (the "Closing Date Net Working Capital") is greater than Fifty-Four Million Dollars (\$54,000,000), then the amount of the Purchase Price evidenced by the Promissory Note shall be increased by an amount equal to the Closing Net Working Capital minus \$54,000,000. In such event, the Vendors and the Purchaser shall promptly make arrangements for the delivery to the Monitor, in trust for the Vendors, of an additional Promissory Note in the amount of the adjustment pursuant to this clause.

(b) If the Closing Net Working Capital is less than Fifty-Four Million Dollars (\$54,000,000), then the amount of the Purchase Price evidenced by the Promissory Note shall be reduced by an amount equal to \$54,000,000 minus the Closing Net Working Capital. In such event, the Vendors shall promptly make arrangements for the return of the Promissory Note from the Monitor and the Purchaser shall make arrangements for the delivery to the Monitor, in trust for the benefit of the Vendors, of a replacement Promissory Note in the amount of \$32,400,000 minus the amount of the adjustment pursuant to this clause. Pending completion of the calculation and payment of the Purchase Price adjustment pursuant to the terms herein, the Monitor shall not distribute or otherwise release the Promissory Note or any portion thereof.

(c) For the purpose of this Section 3.8, the Assumed Liabilities relevant in calculating the Closing Net Working Capital shall mean Liabilities assumed by the Purchaser in respect of the following categories of payables as they may exist on the relevant date:

- (i) all Ordinary Course accounts payable and trade payables for goods provided and services rendered to the Vendors following the Filing Date in relation solely to the Purchased Assets to the extent such amounts are outstanding on Closing, excluding, for greater certainty, any and all Intercompany Receivables and Intercompany Liabilities;
- (ii) accrued payroll and benefits; and
- (iii) amounts owing for unpaid Realty Taxes.

Section 3.9 Payments.

Any reference in this Agreement or any other document delivered pursuant to this Agreement to payment means cash payment by negotiable cheque certified by a Canadian chartered bank or official bank draft drawn on a Canadian chartered bank to the order of the Monitor, in trust for the benefit of the Vendors, or by wire transfer in immediately available funds to an account designated by the Monitor, in trust for the benefit of the Vendors.

Section 3.10 Allocation of Purchase Price.

The Purchase Price shall be allocated among the Purchased Assets in accordance with an allocation to be proposed by the Purchaser on or before the Closing Date acceptable to the Vendors, acting reasonably, and which, when delivered, shall form Schedule 11 hereto. All Tax Returns and other statements made by the Parties shall be consistent with such allocation and the Parties shall not make any inconsistent written statement on any returns or during the course of any tax audit by any taxation authority except to the extent required by Law.

Section 3.11 Issuance of Common Shares, Preferred Shares and Promissory Note.

The Common Shares, the Preferred Shares and the Promissory Note shall be issued by the Purchaser on such terms and conditions, and pursuant to such arrangements, as the Purchaser may deem satisfactory, in its sole and absolute discretion, to ensure that the Purchaser: (a) shall not become, be deemed to be, or have any obligation to become a reporting issuer under any applicable laws; and (b) shall not become subject to any material obligation or liability under any applicable securities laws. For greater certainty, the Common Shares and the Preferred Shares may be subject to, among other things, restrictions on their transferability.

ARTICLE 4 ASSUMPTION OF LIABILITIES

Section 4.1 Assumed Liabilities.

(a) On the terms and subject to the conditions set forth in this Agreement, including without limitation Section 4.2 hereof, at the Closing, the Purchaser shall (or shall cause one or more of its Affiliates to) assume and agree to become responsible for, and perform, discharge and pay when due, only the following Liabilities of the Vendors (collectively, the "Assumed Liabilities"):

- (i) all Ordinary Course accounts payable and trade payables for goods provided and services rendered to the Vendors following the Filing Date in relation solely to the Purchased Assets to the extent such amounts are outstanding on Closing, excluding, for greater certainty, any and all Intercompany Receivables and Intercompany Liabilities;
- (ii) all Liabilities under the Contracts included in the Purchased Assets (to the extent assigned or transferred to the Purchaser on Closing), including Cure Costs;
- (iii) all Liabilities under agreements entered into by the Vendors following the Filing Date with certain critical suppliers as set out in Schedule 20;
- (iv) all Liabilities for Transactional Taxes payable in connection with the transactions contemplated by this Agreement as set forth in Section 11.1;
- (v) all Liabilities for the Realty Taxes;

- (vi) all Liabilities arising from ownership of the Purchased Assets from and after the Closing Date including the asset retirement obligations described in Schedule 15;
- (vii) all Liabilities under the Workers Compensation L/C relating to the U.S. Transferred Employees;
- (viii) all Liabilities arising from the employment of the Transferred Employees and the Unionized Employees from and after the Closing Date, including, in respect of Transferred Employees, the Benefit Plans, as applicable, only to the extent such Benefit Plans, as applicable, are assumed by the Purchaser pursuant to Section 7.3 of this Agreement. For greater certainty, any and all Liabilities under or in respect of any of any of the following shall not be Assumed Liabilities: (a) Liabilities under the Pension Plans; (b) Liabilities under the Benefit Plans, to the extent such Benefits Plans are not assumed by the Purchaser pursuant to Section 7.3 of this Agreement; and (c) Liabilities in respect of Designated Employees in respect of the Juniper Mill who are not Transferred Employees. For the purposes of this Section 4.1(a)(viii), Benefit Plans shall not include the Post-Retirement Liabilities assumed in Section 4.1(a)(ix) of this Agreement; and
- (ix) all Post-Retirement Liabilities.

(b) For greater certainty, the Purchaser shall not assume or be deemed by operation of any law or otherwise to have assumed any liabilities or obligations whatsoever in respect of or in connection with the Pension Plans or any other pension plan obligations or commitments of the Vendors or any of their Affiliates or Subsidiaries, whether now existing or hereafter arising.

Section 4.2 Quantification and Allocation of Assumed Liabilities

The quantification and allocation of the Assumed Liabilities shall be made in accordance with a quantification and allocation to be proposed by the Vendors on or before Closing acceptable to the Purchaser, in its sole discretion, and, when delivered, shall form Schedule 12 hereto.

Section 4.3 Excluded Liabilities.

Notwithstanding anything contained herein to the contrary, neither the Purchaser nor any of its Affiliates shall assume or be deemed to have assumed any Liabilities of the Vendors whatsoever other than the Assumed Liabilities, and the Vendors shall be and remain solely and exclusively liable with respect to all Liabilities of the Vendors other than the Assumed Liabilities (the "Excluded Liabilities"). Without limiting the generality of the foregoing, the Excluded Liabilities shall include:

- (a) any and all Liabilities related to any Excluded Asset;

- (b) any and all Intercompany Liabilities;
- (c) any and all Liabilities for or related to any obligation for any Taxes that are not expressly assumed by the Purchaser pursuant to Article 11 (including, for avoidance of doubt, any income or gross receipts Taxes imposed on any of the Vendors);
- (d) other than as specified in Section 4.1(a)(viii) and Section 4.1(a)(ix) of this Agreement, any and all Liabilities with respect to any Benefit Plan;
- (e) any and all Liabilities with respect to the Pension Plans;
- (f) any and all Taxes imposed on the Business or the Purchased Assets that is attributable to any pre-Closing tax period (other than any Transactional Taxes and any Realty Taxes referenced in Section 4.1(a)(iv) and Section 4.1(a)(v));
- (g) any and all Liabilities with respect to any Excluded Letter of Credit;
- (h) any and all Liabilities with respect to any current Employees or former Employees of the Vendors who are not Transferred Employees or Unionized Employees (regardless of when such Liability arises); and
- (i) any and all Liabilities of the Vendors arising under this Agreement or the Ancillary Agreements.

ARTICLE 5

REPRESENTATIONS AND WARRANTIES REGARDING THE PURCHASER

The Purchaser hereby represents and warrants to the Vendors as of the date hereof as follows:

Section 5.1 Organization.

The Purchaser is a corporation, partnership, limited liability company or other entity that is duly organized, validly existing and in good standing under the Laws of its jurisdiction of formation. The Purchaser has the corporate power and authority necessary to (a) execute, deliver and perform its obligations under the Ancillary Agreements, (b) consummate the transactions contemplated hereby and thereby to be consummated by it, and (c) conduct its business as currently conducted by it. The Purchaser is duly qualified or licensed and in good standing as a foreign corporation authorized to do business under the Laws of each jurisdiction in which the ownership, leasing or use of assets by it or the conduct of business by it requires such licensing or qualification, except where the failure to be so licensed or qualified and in good standing would not have a material adverse effect on the Purchaser, the execution, delivery or performance of this Agreement, or any of the Ancillary Agreements by the Purchaser or the consummation of the transactions contemplated hereby and thereby to be consummated by it. The Purchaser is not in violation of any provision of its Organizational Documents.

Section 5.2 Authorization, Execution and Enforceability.

The execution and delivery of this Agreement and the Ancillary Agreements in each case to which the Purchaser is a party, by the Purchaser, the performance by the Purchaser of its obligations hereunder and thereunder and the consummation by the Purchaser of the transactions contemplated hereby and thereby to be consummated by it have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement constitutes and, as of the Closing each of the Ancillary Agreements will constitute, a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its respective terms, except insofar as enforceability may be limited by bankruptcy, insolvency, moratorium or other Laws which may affect creditors' rights and remedies generally and by principles of equity (regardless of whether such enforceability is considered in a Proceeding in equity or at law). This Agreement has been, and, as of the Closing each Ancillary Agreement will have been, duly executed and delivered by the Purchaser.

Section 5.3 Financing.

The Purchaser has sufficient funds available on hand to enable the Purchaser (a) to pay the Purchase Price and all fees and expenses related to the transactions contemplated hereby, to the extent that this Agreement or the Ancillary Agreements requires it to pay such fees and expenses, and (b) to pay and discharge all of its other liabilities and obligations when due.

Section 5.4 Brokers; Finders.

No finder, broker or similar intermediary acting on behalf of the Purchaser or any of its Affiliates is entitled to a commission, fee or other compensation in connection with the negotiation, execution or delivery of this Agreement or the Ancillary Agreements or the consummation of any of the transactions contemplated hereby or thereby.

Section 5.5 Vendors' Acknowledgment; Exclusivity of Representations and Warranties.

The Vendors acknowledge and agree that except for the representations and warranties expressly set forth herein or in any Ancillary Agreement, the Vendors have not relied on any representation or warranty from the Purchaser or any Affiliate of the Purchaser or any employee, officer, director, accountant, financial, legal or other Representative of the Purchaser or its Affiliates in determining whether to enter into this Agreement.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES OF THE VENDORS

Each of the Vendors represents and warrants to the Purchaser, as of the date hereof, as follows:

Section 6.1 Organization.

Each of the Vendors is a corporation, partnership, limited liability company or other entity that is duly organized, validly existing and in good standing under the Laws of its jurisdiction of formation. Each of the Vendors has the corporate power and authority necessary

to conduct the Business as currently conducted by it. Subject to requisite Canadian Court and Bankruptcy Court approval, each of the Vendors has the corporate power and authority necessary to (a) execute, deliver and perform its obligations under this Agreement and the Ancillary Agreements, and (b) consummate the transactions contemplated hereby and thereby to be consummated by it. Each of the Vendors is duly qualified or licensed and in good standing as a foreign corporation authorized to do business under the Laws of each jurisdiction in which the current ownership, leasing or use of assets by it or the current conduct of business by it requires such licensing or qualification, except where the failure to be so licensed or qualified and in good standing would not, individually or in the aggregate, have a Material Adverse Effect on each of the Vendors, the execution, delivery or performance of this Agreement, or any of the Ancillary Agreements by each of the Vendors or the consummation of the transactions contemplated hereby and thereby to be consummated by each of them. Each of the Vendors is not in violation of any provision of its Organizational Documents except where such violation would not, individually or in the aggregate, have a Material Adverse Effect.

Section 6.2 Authorization, Execution and Enforceability.

Subject to requisite Canadian Court approval and Bankruptcy Court approval, the execution and delivery of this Agreement and the Ancillary Agreements by each of the Vendors, the performance by each of the Vendors of its obligations hereunder and thereunder and the consummation by each of the Vendors of the transactions contemplated hereby and thereby to be consummated by it have been duly authorized by all necessary corporate action on the part of each of the Vendors. Subject to requisite Canadian Court approval and Bankruptcy Court approval, this Agreement constitutes, and, as of the Closing each of the Ancillary Agreements will constitute, a legal, valid and binding obligation of each of the Vendors, enforceable against each of the Vendors in accordance with its respective terms, except insofar as enforceability may be limited by general principles of equity. This Agreement has been, and, as of the Closing each Ancillary Agreement will have been, duly executed and delivered by each of the Vendors.

Section 6.3 Financial Statements.

The Audited Financial Statements and the Unaudited Financial Statements have been prepared in accordance with generally accepted accounting principles (subject to usual year end adjustments in the case of the Unaudited Financial Statements) consistently applied throughout the periods indicated and fairly present the consolidated financial position of the Vendors and the consolidated results of the Vendors' operations in the Business as of the dates and throughout the periods indicated.

Section 6.4 Permits.

Schedule 13 sets forth all of the material Permits and all pending applications therefore which have been issued to, or are held or used by, each of the Vendors, which are or, upon issuance, would reasonably be expected to be material to the conduct of Business. The Permits have been duly obtained and are to the knowledge of the Vendors, after reasonable inquiry, in full force and effect. The Vendors are in compliance with all material terms of such Permits, in each case except for such violations as would not have, individually or in the aggregate, a Material Adverse Effect.

Section 6.5 Intellectual Property Matters

Schedule 6 sets forth a true and complete list of all of the Intellectual Property, in each case which is owned or licensed by each of the Vendors as of the Effective Date and which is material to the conduct of the Business except only Intellectual Property the lack of which would not have, individually or in the aggregate, a Material Adverse Effect.

Section 6.6 Sufficiency of Purchased Assets.

Except for the Excluded Assets and assets, the absence of which would not have, individually or in the aggregate, a Material Adverse Effect upon the Business and the Purchased Assets, will, as of the Closing Date, constitute all of the material assets and rights necessary to conduct the Business substantially as presently conducted by each of the Vendors.

Section 6.7 Compliance with Laws.

Except as set forth in Schedule 14, and except as would not, individually or in the aggregate, have a Material Adverse Effect, the Vendors have conducted and continue to conduct the business in accordance with all Laws and Orders applicable to the Business and the Vendors are not in violation of any Law or any Order applicable to the operation of the Business.

Section 6.8 Title.

The Vendors are the beneficial owners of the Purchased Assets, as applicable, and have good and marketable title thereto, subject to Encumbrances that will be discharged by the Vendors on Closing or pursuant to the Court Orders, and Permitted Encumbrances.

Section 6.9 Environmental and Health and Safety Matters.

(a) Except as set forth in Schedule 15 and except as would not, individually or in the aggregate, have a Material Adverse Effect:

- (i) neither the Vendors nor any other Person has emitted, discharged, deposited or released or caused or permitted to be emitted, discharged, deposited or released, any Substances on or to the Premises, or in connection with the operation of the Business, except in compliance with Environmental Law;
- (ii) the soil and subsoil, and the surface and ground water in, on or under the Premises do not contain any Substances, nor do the Premises contain any underground storage tanks; all Substances which have been or are being treated or stored on the Premises have been generated, treated and stored in compliance with Environmental Law;
- (iii) no polychlorinated biphenyls, asbestos containing materials, lead or urea-formaldehyde is or has ever been on, at, in or under the Premises;

- (iv) the Vendors have not permitted the Premises to be used for the disposal of any Substance;
- (v) all Environmental Permits obtained by the Vendors in connection with the Business (including any applicable expiry dates) are listed in Schedule 15 and are valid and in full force and effect; and
- (vi) there are no proceedings against or involving the Vendors either in progress, pending, or threatened which allege the violation of, or non-compliance with, any Environmental Law.

(b) Schedule 15 describes all Liabilities relating to the asset retirement obligations of the Vendors and an estimated amount of such asset retirement obligations as at the Effective Date or the most recent date of determination, where applicable, which amount shall be updated by the Vendors as of the Closing Date.

Section 6.10 No Conflict.

Subject to approval of the Canadian Court and the Bankruptcy Court and receipt of the Consents and Approvals, the execution, delivery and performance by each Vendor of this Agreement and the Ancillary Agreements to which such Vendor is, or on the Closing Date will be, a party do not and will not conflict with or result in a breach of the terms, conditions or provisions of, constitute a default under, result in a violation of, give to any Person any right of termination, amendment, modification, acceleration or cancellation or any preemptive right or right to the payment of any penalty under, or result in the creation or imposition of any Encumbrance upon any of the Purchased Assets, or require any consent or other action by or declaration or notice to any Government Authority pursuant to (i) the Organizational Documents of the Vendors, (ii) any material contract to which the Vendors are a party or to which any of their assets are subject, (iii) any order of any Government Authority or Judicial Authority applicable to any Vendor or by which any of their respective properties or Purchased Assets are bound, or (iv) any Laws to which any of the Vendors, or any of the Purchased Assets are subject, except for such defaults, violations and notifications that would not, individually or in the aggregate, materially hinder, delay or impair the performance by the Vendors of any of their obligations under the Ancillary Agreements.

Section 6.11 Contracts.

(a) Schedule 2 lists the material Contracts of the Vendors in respect of the Business or the Purchased Assets as of the Effective Date.

(b) Except as disclosed in Schedule 2, each Contract: (i) is valid and binding on the applicable Vendor and is in full force and effect; and (ii) upon the consummation of the Transaction; except to the extent any Consents and Approvals are not obtained, shall continue in full force and effect without penalty or adverse consequence. Except as disclosed in Schedule 2, the Vendors are not in breach of, or default under, any Contract to which any of the them is a party, except for such breaches or defaults that would not have, individually or in the aggregate, a Material Adverse Effect.

Section 6.12 Litigation.

As of the date hereof, except for the CCAA Proceedings and the Bankruptcy Case and except as set forth in Schedule 16, there is no Action pending or, to the knowledge of the Vendors, threatened, against, involving or affecting the Business or the Purchased Assets which, if determined adversely, would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect. As of the date hereof, except for Orders and settlements entered in connection with the CCAA Proceedings and the Bankruptcy Case, there is no Order or settlement to which Vendors are subject that directly and materially affects or restricts the ownership of the Purchased Assets, the Assumed Liabilities or the Business, and no Action is pending or, to the knowledge of Vendors, threatened against the Vendors that questions the validity of this Agreement or the Ancillary Agreements or any action taken or to be taken by the Vendors in connection with this Agreement or the Ancillary Agreements.

Section 6.13 Tax Liens.

Except (i) as set forth in Schedule 17; (ii) for the Realty Taxes; and (iii) for matters that would not have, individually or in the aggregate, a Material Adverse Effect, to the Vendors' knowledge: (i) all Tax Returns in respect of Taxes required to have been filed with respect to the Business or the Purchased Assets have been timely filed (taking into account any extension of time to file granted or obtained); (ii) all Taxes shown to be payable on such Tax Returns have been paid or will be timely paid; (iii) the Vendors have not received from any Governmental Authority any written notice of proposed adjustment, deficiency or underpayment of any Taxes related to the Business or the Purchased Assets, other than a proposed adjustment, deficiency or adjustment that has been satisfied by payment or settlement, or withdrawn and (iv) there are no Tax Encumbrances on any of the Purchased Assets (other than Permitted Encumbrances). As of the Effective Date, the amount outstanding for Realty Taxes is approximately Five Million Dollars (\$5,000,000), which amount shall be updated by the Vendors as of the Closing Date.

Section 6.14 Lands.

Schedule 8 lists the street address of each parcel of real property in which the Vendors have fee title (or equivalent) interest, to the extent used in the conduct of the Business. Except as described in Schedule 8 or except as would not have, individually or in the aggregate, a Material Adverse Effect, the Vendors have title in fee simple to each such parcel free and clear of all Encumbrances, except Permitted Encumbrances and Encumbrances that will be discharged by the Vendors on Closing or pursuant to the Court Orders, and no such parcel has been classified as "Tree Growth", "Farmland", or "Open Space" property for tax purposes.

Section 6.15 Employment Matters.

- (a) Schedule 18 sets forth a complete and accurate list of all Benefit Plans. Except as set out in Schedule 18:
 - (i) The Vendors have provided the Purchaser with a copy of each Benefit Plan and the material documents that support each Benefit Plan.

- (ii) All Benefit Plans are, and have been, established, registered, qualified, administered, funded and invested in all material respects in accordance with the terms of such Benefit Plans including the terms of the material documents that support such Benefit Plans, any applicable Existing Collective Agreement and all applicable Laws.
 - (iii) There is no proceeding, action, suit or claim (other than routine claims for payments of benefits) pending or threatened involving any Benefit Plan or its assets.
- (b) Schedule 18 sets forth a complete and accurate list of Employees and individual independent contractors of the Vendors employed or engaged in relation to the Business and their material terms of employment including any employment agreements, retention, bonus on commission arrangements, and Existing Collective Agreements. Except as set out in Schedule 18:
 - (i) The Vendors have provided the Purchaser with a copy of each material employment agreement and Existing Collective Agreements relating to the Vendors.
 - (ii) The Vendors are and have been operated in all material respects in compliance with all applicable Laws relating to Employees.
 - (iii) There is no grievance, arbitration or other proceeding before any labour tribunal pending or threatened involving any Unionized Employee.
- (c) Schedule 18 describes all of the Employee Liabilities arising from the employment of the Transferred Employees and Unionized Employees and the amount of such Employee Liabilities as at the Effective Date or the most recent date of determination, where applicable, which amount shall be updated by the Vendors as of the Closing Date.
- (d) Schedule 18 describes all of the Post-Retirement Liabilities and an estimated amount of such Post-Retirement Liabilities as at the Effective Date or the most recent date of determination, where applicable, which amount shall be updated by the Vendors as of the Closing Date.

Section 6.16 Timber Licences.

As of the Effective Date and as of the Closing Date:

(a) FPI is the sole and exclusive licensee under the Timber Licence and true and complete copies thereof have been provided to the Purchaser. FPI is listed in the records of the Ministry of Natural Resources of New Brunswick as the holder thereof; the Timber Licence is validly subsisting and in good standing; no notice of suspension or cancellation of the Timber Licence is outstanding; and no rights of FPI under the Timber Licence are under suspension, in whole or in part, under the New Brunswick *Crown Lands and Forests Act*, Chapter C-38.1 and,

to the knowledge of FPI, after reasonable inquiry, no fact or event has occurred or could reasonably be expected to result in any such suspension or cancellation;

(b) FPI has not received any notice or advice from any Governmental Authority indicating that the annual allowable cut of the Timber Licence may be reduced and, to the knowledge of FPI after reasonable inquiry, there is no reason to believe that such reduction may be forthcoming; and

(c) There are no contracts or agreements that commit the use or disposition of timber or logs harvested under the Timber Licence.

Section 6.17 Brokers; Finders.

No finder, broker or similar intermediary acting on behalf of the Vendors is entitled to a commission, fee or other compensation in connection with the negotiation, execution or delivery of this Agreement or the Ancillary Agreements or the consummation of any of the transactions contemplated hereby or thereby.

Section 6.18 Operation of the Business.

Except as set forth in Schedule 19 and except where no Material Adverse Effect, individually or in the aggregate, would result, since the Filing Date, the Vendors have conducted the Business and operated its properties in the Ordinary Course consistent with past practice and there has been no damage to or loss affecting any portion of the Purchased Assets or any Purchased Asset (regardless of whether such damage or loss is covered by insurance).

Section 6.19 Non Residents

None of the Purchased Assets held by any of the Vendors, other than FPI and FPS Canada, is taxable Canadian property, as defined in subsection 248(1) of the *Income Tax Act* (Canada).

Section 6.20 Schedules.

Schedules 1, 4, 5, 7 and 10 hereto contain materially true and complete listings and descriptions of, respectively, Accounts Receivable, Excluded Letters of Credit, Fixed Assets, Inventory and Workers Compensation L/C, in each case as at the Effective Date.

Section 6.21 Survival of Covenants, Representations and Warranties

The covenants, representations and warranties contained in this Agreement, the Ancillary Agreements and in all certificates and documents delivered pursuant to or contemplated by this Agreement or the Ancillary Agreements shall survive the Closing and shall continue for the Holdback Period.

ARTICLE 7 EMPLOYEE MATTERS

Section 7.1 Offers of Employment.

(a) The Purchaser shall become the successor employer in respect of the Unionized Employees for the purposes of applicable Law and accordingly shall be bound by and comply with the terms of the Amended Canadian Collective Agreements including continuing the employment after the Closing Date of any Unionized Employee covered by the Amended Canadian Collective Agreements effective as at the Closing Date.

(b) The Purchaser shall, effective as at the Closing Date, assume all liabilities and obligations of the Vendors in respect of all of the Unionized Employees covered by the New U.S. Collective Agreements. It is specifically understood that as to any Unionized Employees covered by the New U.S. Collective Agreements that all such employees shall be retained by the Purchaser, the Purchaser shall recognize the employee's labour organization as their exclusive bargaining representative, and shall recognize and assume the New U.S. Collective Agreements and all obligations of the employer thereunder.

(c) The Purchaser shall, effective as at the Closing Date, offer to employ the Designated Employees on terms and conditions of employment substantially similar in the aggregate, including salary, incentive compensation and benefits, to those currently available to such Canadian Employees and the Purchaser shall assume all unpaid vacation pay up to the Closing Date for each Canadian Transferred Employee. Notwithstanding the foregoing or anything else in this Agreement, all offers of employment to Designated Employees whose employment relates to the Juniper Mill shall be conditional on the Juniper Mill re-starting prior to 12 months from the Closing Date.

(d) The Vendors and the Purchaser acknowledge that the transactions contemplated by this Agreement shall not constitute a severance of employment of any Designated Employee in the U.S. prior to or upon the consummation of the transactions contemplated hereby, and that such employees will have continuous and uninterrupted employment immediately before and immediately after the Closing.

(e) The Purchaser agrees to provide any required notice under the *Worker Adjustment and Retraining Notification Act*, as amended (the "WARN Act"), and any similar statute, and to otherwise comply with any such statute with respect to any "plant closing" or "mass layoff" (as defined in the WARN Act) or similar event affecting U.S. Transferred Employees (including as a result of the consummation of the transactions contemplated by this Agreement) and occurring on or after the Closing Date. The Purchaser shall not take any action after the Closing Date that would cause any termination of employment of any employees by the Vendors that occur on or before the Closing Date to constitute a "plant closing" or "mass layoff" under the WARN Act or any similar statute, or to create any liability to the Vendors for any employment terminations under Applicable Law. Between the Effective Date and the Closing Date, the Vendors shall not, without the Purchaser's consent, which consent may be withheld in the Purchaser's sole and absolute discretion, take any action whatsoever that would cause any termination of employment of any U.S. Employees by the Vendors during such period of time

that would constitute a “plant closing” or “mass layoff” under the WARN Act or any similar statute.

Section 7.2 Information from Vendors.

The Vendors shall provide the Purchaser with the Vendors’ books and records relating to the Transferred Employees and the Unionized Employees and such other data and information as the Purchaser may reasonably require. The Vendors shall also, at the request of the Purchaser made at any time, provide such authorizations as may be necessary for the Purchaser to gain access to files maintained by the Canada Revenue Agency or such other relevant Governmental Authority. Such requests by the Purchaser shall be funded at the expense of the Purchaser to the extent it will cause the Vendors to incur any time and costs related to these activities.

Section 7.3 Employee Benefit Plans.

The Transferred Employees and the Unionized Employees shall cease to accrue benefits under all Benefit Plans and Pension Plans effective as of the Closing Date. Notwithstanding the foregoing, the Purchaser may assume any of the Vendors’ Benefit Plans, effective as of the Closing Date, provided that the Purchaser notifies the Vendors in writing prior to the Closing Date with respect to such assumption. The Vendors and the Purchaser agree to take any actions required to give effect to the assignment and assumption of any applicable Benefit Plan of the Vendors.

Section 7.4 Responsibility for Accrued Claims.

Except to the extent assumed by the Purchaser pursuant to Section 4.1 of this Agreement, the Vendors shall retain responsibility for all amounts payable by reason of or in connection with any and all claims incurred under the Benefit Plans, the Pension Plans and the Existing Collective Agreements by the Transferred Employees and the Unionized Employees (and their respective eligible dependants) on or prior to the Closing Date whether such claims are reported before or after the Closing Date.

Section 7.5 Privacy Laws.

The Purchaser will, following the Effective Time, observe all requirements of any applicable Privacy Law with respect to the Personal Information relating to the Transferred Employees and the Unionized Employees transferred from the Vendors to the Purchaser pursuant to this Agreement.

Section 7.6 Hourly Employees Pension Plan.

(a) The Purchaser shall, effective as of the start of business on the Closing Date, establish and file with the applicable Governmental Authority a new defined contribution registered pension plan (the “New Hourly DC Plan”) to provide benefits for the Transferred Hourly Employees who, immediately prior to the Closing Date, were members of or were in a category eligible for membership in, the Pension Plan for New Brunswick Hourly Paid Employees of Fraser Papers Inc., Reg. #0251264 (the “Old FP Hourly Plan”). The provisions of the New Hourly DC Plan shall, except as otherwise consented to by the Vendors, contain defined

contribution provisions substantially similar to those in effect under the Old FP Hourly Plan on or immediately prior to the Closing Date.

(b) Effective as of the Closing Date, each Transferred Hourly Employee who is a member of the Old FP Hourly Plan shall cease to actively participate in the Old FP Hourly Plan and shall commence participation in the New Hourly DC Plan. For each such Transferred Hourly Employee, the New Hourly DC Plan, only for the purposes of vesting and eligibility for benefits, will recognize the period of service recognized under the Old FP Hourly Plan.

(c) All pension benefits accrued in respect of service prior to the Closing Date by a Transferred Hourly Employee under the Old FP Hourly Plan shall remain the sole responsibility of FPI and shall be sponsored and administered by FPI. For greater certainty, the Purchaser will not assume or have any liability for the funding or payment of any pension benefits accrued by the Transferred Hourly Employees under the Old FP Hourly Plan, while that plan is ongoing or upon the wind up of the Old FP Hourly Plan.

Section 7.7 Salaried Employees Pension Plan.

(a) The Purchaser shall, effective as of the start of business on the Closing Date, establish and file with the applicable Governmental Authority a new defined contribution registered pension plan (the "New Salaried DC Plan") to provide benefits for the Transferred Salaried Employees who, immediately before the Closing Date, were members or were in a category eligible for membership in the Nexfor Inc., Fraser Operations, Salaried Pension Plan (the "Old FP Salaried Plan"). The provisions of the New Salaried DC Plan shall, except as otherwise consented to by the Vendors, contain defined contribution provisions substantially similar to those in effect under the Old FP Salaried Plan on or immediately prior to the Closing Date.

(b) Effective as of the Closing Date, each Transferred Salaried Employee who is a member of the Old FP Salaried Plan will cease to actively participate in the Old FP Salaried Plan and shall commence participation in the New Salaried DC Plan. For each such Transferred Salaried Employee, the New Salaried DC Plan, only for the purposes of vesting and eligibility for benefits, will recognize the period of service recognized under the Old FP Salaried Plan.

(c) All pension benefits accrued in respect of service prior to the Closing Date of a Transferred Salaried Employee under the Old FP Salaried Plan shall remain the sole responsibility of FPI and will be sponsored and administered by FPI. For greater certainty, the Purchaser will not assume or have any liability for funding or payment of any pension benefits accrued by Transferred Salaried Employees under the Old FP Salaried Plan, while that plan is ongoing or upon the wind up of the Old FP Salaried Plan.

Section 7.8 U.S. Pension Plan

(a) The Purchaser shall, effective as of the start of business on the Closing Date, establish a new profit sharing and 401(k) plan, or other defined contribution retirement plan (the "US DC Plan") to provide benefits for the U.S. Transferred Employees who, immediately prior to the Closing Date, were participants in the US Pension Plan. The US DC Plan will be qualified under Sections 401 and 501 of the US Internal Revenue Code.

(b) Effective as of the Closing Date, each U.S. Transferred Employee who is a participant in the U.S. Pension Plan shall cease to be an active participant in the U.S. Pension Plan and shall commence participation in the US DC Plan. For each such U.S. Transferred Employee, the US DC Plan, only for the purposes of vesting and eligibility for benefits, will recognize the period of service recognized under the US Pension Plan.

(c) All pension benefits accrued in respect of service prior to the Closing Date by a U.S. Transferred Employee under the U.S. Pension Plan shall remain the sole responsibility of the Vendors and shall be sponsored and administered by the Vendors. For greater certainty, the Purchaser will not assume nor have any liability for the funding or payment of any pension benefits accrued by U.S. Transferred Employees under the U.S. Pension Plan.

ARTICLE 8 ADDITIONAL AGREEMENTS OF THE PARTIES

Section 8.1 Conduct by the Purchaser.

The Purchaser covenants and agrees that, except as expressly contemplated by this Agreement, or as otherwise required by Law, after the Effective Date and prior to the earlier of the Closing Date or the Termination Date:

(a) the Purchaser shall, and shall cause its Affiliates to, refrain from taking any action which would cause any representation or warranty contained in Article 5 to be untrue or incorrect in any material respect as of the Closing; and

(b) subject to the Orders of the Canadian Court and Bankruptcy Court and subject to the express provisions of this Agreement, the Purchaser shall use commercially reasonable efforts (i) to perform and satisfy all conditions to each of the Purchaser's obligations to consummate the transactions contemplated by this Agreement that are to be performed or satisfied by the Purchaser under this Agreement, and (ii) to cause the Closing to occur as promptly as reasonably practicable and the Purchaser shall not, and shall not permit any of its Affiliates to, intentionally take any action that is reasonably likely to prevent or delay the consummation of the transactions contemplated hereby.

Section 8.2 Conduct by the Vendors.

Each of the Vendors covenants and agrees that, except as expressly contemplated by this Agreement, or as otherwise required by Law, after the Effective Date and prior to the earlier of the Closing Date or the Termination Date:

(a) each of the Vendors shall use best efforts to refrain from taking any action that would cause any representation or warranty contained in Article 6 to be untrue or incorrect as of the Closing; and

(b) subject to the Orders of the Canadian Court and Bankruptcy Court and the express provisions of this Agreement, each of the Vendors shall use best efforts (i) to perform and satisfy all conditions to such Vendor's obligations to consummate the transactions contemplated by this Agreement that are to be performed or satisfied by such Vendor under this

Agreement; and (ii) to cause the Closing to occur as promptly as reasonably practicable, and each of the Vendors shall not, and shall not permit any of its Affiliates to, intentionally take any action that is reasonably likely to prevent or delay the consummation of the transactions contemplated hereby.

Section 8.3 Conduct of Business.

Subject to any Order of the Canadian Court or the Bankruptcy Court, after the Effective Date and prior to the earlier of the Closing Date or the Termination Date, to the extent related solely to the Business, each of the Vendors shall, and shall cause its Affiliates to, except as may otherwise be consented to by the Purchaser, in writing, acting reasonably, in its sole and absolute discretion: (i) carry on business in the Ordinary Course; (ii) use its best efforts to preserve its business organization and goodwill; (iii) maintain its relationships with suppliers, customers, consultants and others having business relations with it; (iv) retain in its employ all of its employees; and (v) make all payments in the Ordinary Course, and shall not, except as may otherwise be consented to by the Purchaser, acting reasonably:

(a) amend, revise, modify or agree to do any of the foregoing in respect of any Contract material to the Business;

(b) amend, revise, modify or agree to do any of the foregoing in respect of any of the Benefit Plans; and

(c) seek any Order in respect of, in relation to or in connection with the Purchased Assets, the Assumed Liabilities or the Business unless such Order is satisfactory to the Purchaser, in its sole and absolute discretion.

Section 8.4 Sale Process

Each of the Vendors covenants and agrees to comply with and follow the Sales Process.

Section 8.5 Access to Information.

Prior to the Closing, the Vendors shall, and shall cause their Subsidiaries to, (i) give the Purchaser and its authorized Representatives, upon reasonable advance notice and during regular business hours, reasonable access to all books, records, personnel, officers and other facilities and properties of the Business, (ii) permit the Purchaser to make such copies and inspections thereof, upon reasonable advance notice and during regular business hours, as the Purchaser may reasonably request, (iii) grant the Purchaser and its Representatives reasonable access to each of the facilities of the Business where Purchased Assets are located for purposes of completing an updated inventory of the fixed assets of the Business for purposes of completing an appraisal of the value thereof, and (iv) cause the officers of the Vendors to furnish the Purchaser with such additional financial and operating data and other information with respect to the Business as is regularly prepared in the Ordinary Course that the Purchaser may from time to time reasonably request; provided, however, that any such access shall be conducted at the Purchaser's expense, in accordance with Law, at a reasonable time, under the supervision of the Vendors' personnel and in such a manner as to maintain confidentiality and not to unreasonably interfere with the normal operations of the businesses of the Vendors and their Affiliates.

Section 8.6 Regulatory Matters.

Each of the Parties, as promptly as practicable after the execution of this Agreement, will make, or cause to be made, all such filings and submissions under all Laws, as may be required for it to consummate the purchase and sale of the Purchased Assets in accordance with the terms of this Agreement. The Parties will coordinate and cooperate with one another in exchanging such information and supplying such assistance as may be reasonably requested by each in connection with the foregoing, including providing each other with all notices and information supplied to or filed with any Governmental Authority (except for notices and information which any Party, acting reasonably, considers highly confidential and sensitive which may be filed on a confidential basis), and all notices and correspondence received from any Governmental Authority.

Section 8.7 Maintenance of Books and Records; Access after Closing.

The Purchaser shall use its commercially reasonable efforts to retain all of the Books and Records delivered to it by the Vendors hereunder and relating to any period ending on or prior to the Closing Date for a period of six (6) years following the Closing Date. At any time during such six-year period, each of the Vendors and its Representatives shall have reasonable access thereto, during normal business hours, in connection with the affairs of the Vendors but the Purchaser shall not be responsible or liable to any of the Vendors for or as a result of any unintentional loss or destruction of or damage to any of the Books and Records.

Section 8.8 Ancillary Agreements.

The Parties shall use their reasonable efforts to promptly negotiate and finalize in good faith the Ancillary Agreements to which it is contemplated they will be Parties. All Ancillary Agreements must be in form and content satisfactory to the Purchaser, in its sole and absolute discretion.

Section 8.9 Accounts Receivable.

The Vendors agree that the Purchaser shall have the right after the Closing to endorse all payments received in respect of any of the Accounts Receivable in the name of the Vendors and to deposit the same into the Purchaser's bank accounts. The Vendors shall deliver at the Closing such resolutions or other documents as the Purchaser may reasonably request in order to permit the implementation of the provisions of this Section.

Section 8.10 Insurance

Prior to Closing, the Parties shall enter into commercial arrangements acceptable to the Vendors and the Purchaser to amend, modify, replace or apportion existing policies of insurance maintained by the Vendors in respect of the Purchased Assets and/or the Business on such terms and such conditions as may be acceptable to the Vendors and the Purchaser, each acting reasonably.

Section 8.11 Vendors' Post-Closing Covenants

Each of the Vendors covenants and agrees that none of its obligations under this Agreement or any Ancillary Agreement shall be subject to compromise or arrangement pursuant to a plan or plans of compromise or arrangement in respect of any such Vendor under the CCAA Proceedings, any recognition proceedings under the Bankruptcy Case, or any other applicable Law or proceeding.

ARTICLE 9 COURT APPROVAL

Section 9.1 Canadian Sales Process and Conditional Vesting Order.

As promptly as practicable, but in any event no later than December 5, 2009, the Vendors shall file with the Canadian Court a motion (the "Canadian Sales Process and Conditional Vesting Order Motion") and a proposed order seeking: (a) approval of the execution, delivery and performance of this Agreement, including payment of the Termination Fee, (b) approval of a process for the sale of the Purchased Assets; and (c) subject to (i) obtaining the Canadian Final Approval Order, and (i) delivery of a Monitor's Certificate certifying all matters required for Closing have occurred, the vesting of the Purchased Assets in the Purchaser, free and clear of all Encumbrances, except Permitted Encumbrances, such orders to be in the form and on terms as the Purchaser may reasonably require (as approved, the "Canadian Sales Process and Conditional Vesting Order").

Section 9.2 Canadian Final Approval Order.

As promptly as practicable, but in any event no later than two (2) Business Days from the date of the completion of the Sales Process, the Vendors shall file with the Canadian Court a motion (the "Canadian Final Approval Order Motion") seeking an order of the Canadian Court finally approving this Agreement and the transactions contemplated herein following the Sales Process, such order to be in the form and on terms as the Purchaser may reasonably require (as approved, the "Canadian Final Approval Order").

Section 9.3 U.S. Sales Process and Conditional Vesting Recognition Order.

As promptly as practicable, but in no event later than two (2) Business Days after the Canadian Sales Process and Conditional Vesting Order is entered, the Vendors shall file with the Bankruptcy Court a motion (the "U.S. Sales Process and Conditional Vesting Recognition Motion") and a proposed order seeking recognition of the Canadian Sales Process and Conditional Vesting Order, such order to be in the form and on terms as the Purchaser may reasonably require (as approved, the "U.S. Sales Process and Conditional Vesting Recognition Order").

Section 9.4 U.S. Final Approval Recognition Order

(a) As promptly as practicable, but in any event no later than two (2) Business Days after the Canadian Final Approval Order is entered, the Vendors shall file with the Bankruptcy Court a motion (the "U.S. Final Approval Recognition Motion") and a proposed

order seeking recognition of the Canadian Final Approval Order and vesting the Purchased Assets in the Purchaser free and clear of all Encumbrances, other than Permitted Encumbrances, such order to be in the form and on terms as the Purchaser may reasonably require (as approved, the "U.S. Final Approval Recognition Order").

(b) The Vendors shall provide notice of the U.S. Sales Process and Conditional Vesting Recognition Motion and the U.S. Final Approval Recognition Motion to: (i) all Tax authorities or recording offices which have a reasonably known interest in the relief requested, (ii) the United States Trustee for the District of Delaware in the Bankruptcy Case, (iii) the Monitor, (iv) counsel to the DIP Lenders, (v) all federal, state, and local regulatory authorities with jurisdiction over the Vendors, (vi) all non-debtor parties to the Contracts, (vii) any entity known or believed to have an Encumbrance on any Purchased Asset owned by the Vendors and any entity that has asserted a Encumbrance on any Purchased Asset owned by the Vendors, (ix) each of the entities that had received an invitation from the Vendors to acquire or had previously expressed an interest in acquiring the Purchased Assets; and (x) the general service list established in the Bankruptcy Case pursuant to Bankruptcy Rules.

ARTICLE 10 CONDITIONS TO CLOSING

Section 10.1 Conditions for the Benefit of the Purchaser.

The obligations of the Purchaser to consummate the transactions contemplated hereby are, unless waived by the Purchaser, subject to the fulfillment, at or before the Closing, of each of the following conditions:

(a) except for such changes as are permitted or required pursuant to the terms hereof, either (i) the representations and warranties of the Vendors set forth in Article 6 shall be true and correct in all material respects (except that those representations and warranties which are (x) not qualified as to materiality or Material Adverse Effect or similar expressions; or (y) qualified as to knowledge, shall be true and correct in all respects) as of the Closing Date with the same effect as though such representations and warranties had been made at and as of the Closing (except for representations and warranties that are made as of a particular date specified therein, which representations and warranties shall be true and correct in all material respects as of such date), or (ii) if there is any breach of, or inaccuracy in, the representations and warranties of the Vendors set forth in Article 6 (without giving effect to any qualification as to materiality or Material Adverse Effect or knowledge or similar expressions) as of the Closing Date, then such breach or inaccuracy (or the fact or circumstance to which such breach or inaccuracy relates) shall not have, and would not be reasonably expected to have, individually or in the aggregate, a Material Adverse Effect;

(b) any of the Schedules provided on or before the Effective Date and required to be updated and delivered for Closing pursuant to the terms of this Agreement shall not contain any new information at Closing not otherwise available to or disclosed to the Purchaser, which information would, or would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect;

(c) (i) no Law shall be in effect, and (ii) no Governmental Authority shall have enacted, issued, promulgated or entered an Order which is in effect, in each case that has the effect of making illegal or otherwise prohibiting the consummation of the transactions contemplated by this Agreement;

(d) the Vendors shall have performed and complied with all covenants and agreements set forth in this Agreement required to be performed or complied with by the Vendors prior to or concurrently with the Closing;

(e) the Purchaser shall have received the Ancillary Agreements required to be delivered to it by the Vendors at or before the Closing pursuant to this Agreement duly executed by all necessary Persons (other than the Purchaser) and in form and content satisfactory to the Purchaser, in its sole and absolute discretion;

(f) the Canadian Court shall have entered the Canadian Sales Process and Conditional Vesting Order; and (ii) the Bankruptcy Court shall have entered the U.S. Sales Process and Conditional Vesting Recognition Order, which orders shall not have been stayed, modified or amended in any way;

(g) the Canadian Court shall have entered the Canadian Final Approval Order; and (ii) the Bankruptcy Court shall have entered the U.S. Final Approval Recognition Order, which orders shall be in form and content satisfactory to the Purchaser, in its sole and absolute discretion, and shall have become Final Orders, and shall not have been stayed, modified or amended in any way, provided, however, that after entry of the Canadian Final Approval Order and the U.S. Final Approval Recognition Order, the Purchaser, in its sole and absolute discretion, shall have the right, but not the obligation, to waive the requirement that the Canadian Final Approval Order and the U.S. Final Approval Recognition Order become Final Orders;

(h) no injunction or other Order shall have been issued to enjoin, restrict or prohibit any of the transactions contemplated by this Agreement;

(i) all actions, proceedings, instruments and documents required to complete the Transaction, including the Agreement and the Ancillary Agreements, shall have been approved as to form, substance and legality by the Purchaser and the Vendors shall have entered into the Ancillary Agreements;

(j) satisfaction of the Purchaser, in its sole and absolute discretion, that it is not assuming any Liabilities and will not be liable for any Liabilities of the Vendors in respect of, in connection with or otherwise related to the Purchased Assets or the Business upon and after the Closing of the transactions contemplated herein and the Ancillary Agreements, other than the Assumed Liabilities solely as specifically and expressly provided for in this Agreement;

(k) the DIP Lenders shall have consented to this Agreement and the Transaction and Brookfield and CIT shall have entered into revised intercreditor and related arrangements arising from the fact that each will be a DIP Lender to the Vendors after the Closing Date;

(l) FPI and NB Power shall have entered into arrangements satisfactory to the Purchaser in its sole and absolute discretion;

(m) on or before Closing, the Purchaser shall have entered into a binding agreement with CIT in form and content satisfactory to the Purchaser, in its sole and absolute discretion, providing for a revolving credit facility (the "CIT Exit Facility") in the minimum amount of \$50,000,000 secured by accounts receivable and inventory. The minimum availability under the CIT Exit Facility on Closing shall be \$25,000,000;

(n) Her Majesty in Right of Canada, as represented by the Minister of Natural Resources Canada, shall have confirmed in form satisfactory to the Purchaser that FPI has qualified for the PPGTP Credits in the minimum amount of Twenty-Three Million Dollars (Cdn.\$23,000,000) and that such credits are validly transferred and assigned to the Purchaser on Closing;

(o) the Vendors shall have legally amended the Existing U.S. Collective Agreements with the Unions on such terms as may be acceptable to the Purchaser in its sole and absolute discretion by January 15, 2010 (the "New U.S. Collective Agreements");

(p) the amount of the Assumed Liabilities on Closing shall not exceed \$48,000,000;

(q) the Existing Canadian Collective Agreements shall have been legally amended such that the Purchaser shall have no liability for any Pension Plan (the "Amended Canadian Collective Agreements");

(r) the Purchaser shall be satisfied, in its sole and absolute discretion, that the Purchaser shall have no liability or obligations whatsoever for any Pension Plan of the Vendors;

(s) at the option of the Purchaser, the Pension Plans will be wound up or otherwise dealt with to the sole and absolute satisfaction of the Purchaser on or before the Closing Date;

(t) all Consents and Approvals shall have been obtained or filed, on terms and conditions satisfactory to the Purchaser in its sole discretion in respect of the Purchased Assets, including, without limitation, the Contracts, the Permits, the Timber Licences and the PPGTP Credits, and the Purchaser shall be satisfied that such Purchased Assets are validly transferred or assigned to the Purchaser on Closing;

(u) the Unions, whose members participate in the Old Hourly FP Plan or the U.S. Pension Plan, shall have confirmed in a form satisfactory to the Purchaser, in its sole and absolute discretion, that neither the Purchaser, nor its officers, directors, employees, agents or delegates, nor the officers, directors, employees, agents or delegates of the Vendors, shall have any liabilities with respect to the Old FP Hourly Plan or the U.S. Pension Plan, as applicable;

(v) no Material Adverse Effect shall, individually or in the aggregate; have occurred between the Effective Date and the Closing Date; and

(w) delivery of legal opinions from the Vendors' counsel confirming that on Closing and upon the consummation of the transactions contemplated in the Agreement and the Ancillary Agreements, the Purchaser should not be liable for and should not assume any liabilities whatsoever, whether by operation of law or otherwise, under or pursuant to the Pension Plans or the Existing Collective Agreements.

The foregoing conditions are for the exclusive benefit of the Purchaser. Any condition may be waived by the Purchaser in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing.

Section 10.2 Conditions for the Benefit of the Vendors.

The obligations of the Vendors to consummate the transactions contemplated hereby are, unless waived by the Vendors, subject to the fulfillment, at or before the Closing, of each of the following conditions:

(a) payment of the Purchase Price as set forth in Section 3.2, subject to adjustment as set forth in Section 3.8;

(b) the representations and warranties of the Purchaser set forth in Article 5 shall be true and correct in all material respects (except that those representations and warranties which are qualified as to materiality or similar expressions shall be true and correct in all respects) on and as of the Closing Date with the same effect as though such representations and warranties had been made at and as of the Closing (except for representations and warranties that are made as of a particular date specified therein, which representations and warranties shall be true and correct in all material respects as of such date);

(c) (i) no Law shall be in effect, and (ii) no Governmental Authority shall have enacted, issued, promulgated or entered an Order which is in effect, in each case that has the effect of making illegal or otherwise prohibiting the consummation of the transactions contemplated by this Agreement;

(d) the Purchaser shall have performed and complied in all material respects with all covenants and agreements set forth in this Agreement required to be performed or complied with by the Purchaser prior to or concurrently with the Closing;

(e) each of the Vendors shall have received the Ancillary Agreements required to be delivered to it by the Purchaser at or before the Closing pursuant to this Agreement duly executed by all necessary Persons (other than the Vendors);

(f) each of the Vendors shall have approved as to form, substance and legality all actions, proceedings, instruments and documents required to complete the Transaction, including this Agreement and the Ancillary Agreements;

(g) (i) the Canadian Court shall have entered the Canadian Sales Process and Conditional Vesting Order; and (ii) the Bankruptcy Court shall have entered the U.S. Sales Process and Conditional Vesting Recognition Order, which orders shall not have been stayed, modified or amended in any way;

(h) (i) the Canadian Court shall have entered the Canadian Final Approval Order; and (ii) the Bankruptcy Court shall have entered the U.S. Final Approval Recognition Order, which orders shall have become Final Orders, and shall not have been stayed, modified or amended in any way, provided, however, that after entry of the Canadian Final Approval Order and the U.S. Final Approval Recognition Order, the Purchaser, in its sole discretion, shall have the right, but not the obligation, to waive the requirement that the Canadian Final Approval Order and the U.S. Final Approval Recognition Order become Final Orders; and

(i) no injunction or other Order shall have been issued to enjoin, restrict or prohibit any of the transactions contemplated by this Agreement.

The foregoing conditions are for the exclusive benefit of the Vendors. Any condition may be waived by the Vendors in whole or in part. Any such waiver shall be binding on the Vendors only if made in writing.

ARTICLE 11 TAXES

Section 11.1 Payment of Taxes and Other Costs.

The Purchaser shall assume and become solely liable for and will pay or cause to be paid all of its own Transactional Costs (except with respect to expenses provided for and subject to Section 16.3 of this Agreement) and Transactional Taxes payable under any Law on or with respect to the sale and purchase of the Purchased Assets under this Agreement. On the Closing Date, the Purchaser will either pay the Transactional Taxes to the Vendors or deliver to the Vendors evidence confirming the Purchaser's payment of or exemption from payment of the Transactional Taxes in form and substance acceptable to the Vendors, acting reasonably. The Purchaser will prepare and file any affidavits or returns required in connection with the foregoing at its own cost and expense. To the extent that any Transactional Taxes are required to be paid by or are imposed upon the Vendors, the Purchaser will reimburse to the Vendors such taxes within five (5) Business Days of payment of such taxes by the Vendors. The Purchaser will indemnify and hold the Vendors harmless in respect of any Transactional Taxes.

Section 11.2 Elections.

(a) The Vendors and the Purchaser will on or before the Closing Date jointly execute an election, if available, in the prescribed form and containing the prescribed information, to have subsection 167(1.1) of the *Excise Tax Act* (Canada) apply to the sale and purchase of the Purchased Assets hereunder so that no tax is payable in respect of such sale and purchase under Part IX of the *Excise Tax Act* (Canada). The Purchaser will file such election with the Minister of National Revenue within the time prescribed by the *Excise Tax Act* (Canada).

(b) The Vendors and the Purchaser agree to make, execute and file with the appropriate taxing authorities such other elections or purchase exemption certificates as the parties hereto agree are mutually desirable, if any, in prescribed form and within the prescribed time. After the Closing, the Purchaser shall make or cause to be made all necessary filings with respect to all Transactional Costs and Transactional Taxes. Promptly after the Closing, the

Purchaser shall reimburse the Vendors for all deposits, prepayments or advances which the Vendors may have made with respect to Transactional Taxes, other than any such deposits, prepayments or advances that are Excluded Assets.

(c) Notwithstanding anything to the contrary in this Section 11.2, the Purchaser shall indemnify and hold the Vendors harmless in respect of any goods and services tax, sales tax, penalties, interest and other amounts or Taxes which may be assessed against the Vendors as a result of the transactions under this Agreement not being eligible for such elections provided for in this Section 11.2 or as a result of the Purchaser's failure to file the elections within the prescribed time.

ARTICLE 12 CLOSING

Section 12.1 Location and Time of the Closing.

Upon the terms and subject to the conditions hereof, the closing of the sale of the Purchased Assets and the assumption of the Assumed Liabilities contemplated hereby (the "Closing") shall take place at the offices of ThorntonGroutFinnigan LLP, located at Suite 3200, 100 Wellington St. West, Toronto-Dominion Centre, Toronto, Ontario, M5K 1K7, or such other place as the Purchaser and the Vendors may mutually agree, no later than three (3) Business Days following the date on which the conditions set forth in Section 10.1 and Section 10.2 of this Agreement have been satisfied or (if permissible) waived (other than the conditions which by their nature are to be satisfied at the Closing, but subject to the satisfaction or (if permissible) waiver of such conditions), or such other date as the Vendors and the Purchaser may mutually agree (the "Closing Date"). The Closing shall be deemed to have been consummated and become effective for all purposes as of 12:01 a.m. Toronto time on the Closing Date.

Section 12.2 Closing Deliveries of the Vendors.

At the Closing, the Vendors shall deliver or cause to be delivered to the Purchaser:

(a) a General Conveyance and Assumption of Liabilities Agreement, together with such other deeds of conveyance (in the case of the Lands relating to the Madawaska Assets and the Madawaska Mill, one or more quitclaim deed with covenant), bills of sale, assurances, transfers, assignments, consents, and such other agreements, documents and instruments as may be reasonably required by the Purchaser to complete the Transactions provided for in this Agreement;

(b) a certificate, dated the Closing Date, confirming that all of the representations and warranties of the Vendors contained in this Agreement are true as of the Closing Date, with the same effect as though made on and as of the Closing Date. For greater certainty, the representations and warranties of the Vendors contained in this Agreement made as of the Closing Date shall not be qualified by knowledge;

(c) the Schedules to this Agreement updated and delivered for Closing pursuant to the terms of this Agreement in form and content satisfactory to the Purchaser, in its sole and absolute discretion;

(d) an acknowledgement, dated the Closing Date, that each of the conditions precedent in Section 10.2 of this Agreement have been fulfilled, performed or waived as of the Closing Date;

(e) a certified copy of the Canadian Approval and Conditional Vesting Order and the Canadian Final Approval Order;

(f) a certified copy of the U.S. Sales Process and Conditional Vesting Recognition Order and the U.S. Final Approval Recognition Order;

(g) to the extent available, the originals and, if originals are not available, copies of the Books and Records;

(h) the Consents and Approvals;

(i) a certified copy of the Amended Canadian Collective Agreements;

(j) a certified copy of the New U.S. Collective Agreements;

(k) an executed copy of the Monitor's Certificate;

(l) legal opinions referred to in Section 10.1(w);

(m) if applicable, a certificate issued by Maine Revenue Services certifying that the sale of the Lands relating to the Madawaska Assets and/or the Madawaska Mill is exempt from Maine income tax withholding under 36 M.R.S. § 5250 A;

(n) a counterpart signature page to each Ancillary Agreement, duly executed by each of the Vendors, as applicable; and

(o) such other certificates, instruments and documents, in form and substance reasonably satisfactory to the Purchaser, as may be contemplated by this Agreement or as the Purchaser may reasonably request.

Section 12.3 Closing Deliveries of the Purchaser.

At the Closing, the Purchaser shall deliver, or cause to be delivered, to the Vendors:

(a) payment of the Purchase Price as set forth in Section 3.2;

(b) an executed copy of a General Conveyance and Assumption of Liabilities Agreement duly executed by the Purchaser;

(c) a counterpart signature page to each Ancillary Agreement, duly executed by the Purchaser;

(d) payment or evidence of payment of applicable Transactional Taxes or alternatively, appropriate exemption certificates, as required under this Agreement;

(e) a certificate, dated the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true as of the Closing Date, with the same effect as though made on and as of the Closing Date;

(f) the Promissory Note payable to the Monitor, in trust for the benefit of the Vendors;

(g) the Preferred Shares issued in the name of GNB or to a trustee on its behalf;

(h) the Common Shares issued in the name of the Monitor, in trust for the benefit of the Vendors;

(i) an acknowledgement, dated the Closing Date, that each of the conditions precedent in Section 10.1 of this Agreement have been fulfilled, performed or waived as of the Closing Date; and

(j) such other certificates, instruments and documents in form and substance reasonably acceptable to the Vendors, as the Vendors may reasonably request.

Section 12.4 Maine Real Estate Transfer Taxes.

At Closing, the Purchaser and the Vendors, as applicable, conveying the Lands relating to the Madawaska Assets and/or the Madawaska Mill shall execute one or more real estate transfer declarations that shall establish the portion of the Purchaser Price that is allocable to such Lands. The Purchaser and the Vendors, as applicable, shall use best commercial efforts to establish that the transfer of such Lands hereunder is exempt from taxation under 36 MRSA Sec. 4641-C(14).

Section 12.5 Possession.

The Purchaser shall be entitled to vacant possession of the Purchased Assets on and after Closing. The Vendors shall deliver to the Purchaser on Closing such keys, lock and safe combinations and other similar items as the Purchaser may require to obtain immediate and full occupation, possession and control of the Purchased Assets.

ARTICLE 13 INDEMNIFICATION

Section 13.1 Indemnification by the Vendors

The Vendors shall, jointly and severally, indemnify and save the Purchaser harmless for and from:

(a) all losses, costs and damages suffered by the Purchaser as a result of any breach of representation, warranty or covenant on the part of any of the Vendors contained in this Agreement, the Ancillary Agreements, or in any certificate, document or instrument delivered to the Purchaser hereunder or thereunder;

(b) all losses, costs and damages suffered by the Purchaser as a result of the failure of any of the Vendors to perform any of its obligations relating to or in respect of the Business not assumed by the Purchaser pursuant to this Agreement or any Ancillary Agreement;

(c) all losses, costs and damages suffered by the Purchaser as a result of the failure of any of the Vendors to perform any of its obligations arising under contracts or other agreements assumed by the Purchaser pursuant to this Agreement or any Ancillary Agreement, but relating to or arising out of action or inaction of the Vendors and relating to events which occurred prior to the Closing Date (for greater certainty, not including the Assumed Liabilities);

(d) all losses, costs and damages suffered by the Purchaser (for greater certainty, not including the Assumed Liabilities) arising from the Vendors' operation of the Business prior to the Closing Date;

(e) all losses, costs and damages suffered by the Purchaser as a result of any failure of the Vendors to transfer legal and beneficial ownership of the Purchased Assets to the Purchaser free and clear of all Encumbrances, except Permitted Encumbrances; and

(f) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

Section 13.2 Indemnification by the Purchaser

The Purchaser shall indemnify and save the Vendors harmless for and from:

(a) all losses, costs and damages suffered by the Vendors as a result of any breach of representation, warranty or covenant on the part of the Purchaser contained in this Agreement or in any certificate, document or instrument delivered to the Vendors hereunder;

(b) all losses, costs and damages suffered by the Vendors as a result of the Purchaser's failure to pay, discharge or perform any of the Assumed Liabilities; and

(c) all claims, demands, costs and expenses, including legal fees, in respect of the foregoing.

Section 13.3 Notice of Claim

If the Purchaser or the Vendors wish to make a claim for indemnification (a "Claim") pursuant to this Article 13 (such party herein called the "Indemnified Party") against the Vendors, on the one hand, or the Purchaser, on the other hand (the party or parties against whom the claim is made herein called the "Indemnifying Parties"), the Indemnified Party shall promptly give notice to the Indemnifying Parties of the Claim. Such notice shall specify whether the Claim originates with the Indemnified Party (an "Original Claim") or with a Person other than the Indemnified Party (a "Third Party Claim"), and shall also specify with reasonable particularity (to the extent that the information is available):

(a) the factual basis for the Claim; and

(b) the amount of the Claim, or, if an amount is not then determinable, an approximate and reasonable estimate of the potential amount of the Claim.

Section 13.4 Original Claims

Following receipt of notice of an Original Claim from an Indemnified Party, the Indemnifying Parties shall have 30 days to make such investigation of the Original Claim as the Indemnifying Parties consider necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Parties the information relied upon by the Indemnified Party to substantiate the Original Claim. If the Indemnified Party and the Indemnifying Parties agree at or prior to the expiration of such 30 day period (or any mutually agreed upon extension thereof) to the validity and amount of the Original Claim, the Indemnifying Parties shall immediately pay to the Indemnified Party the full agreed upon amount of the Original Claim. If the Indemnified Party and the Indemnifying Parties do not agree within such period (or any mutually agreed upon extension thereof), the Indemnifying Parties and the Indemnified Party agree that the dispute shall be submitted for dispute resolution in accordance with Article 14 set out herein.

Section 13.5 Third Party Claims.

With respect to any Third Party Claim, the Indemnifying Parties shall have the right, at their own expense, to participate in or assume control of the negotiation, settlement or defence of the Third Party Claim and, in such event, the Indemnifying Parties shall reimburse the Indemnified Party for all of the Indemnified Party's out-of-pocket expenses as a result of such participation or assumption. If the Indemnifying Parties elect to assume such control, the Indemnified Party shall cooperate with the Indemnifying Parties, shall have the right to participate in the negotiation, settlement or defence of such Third Party Claim at its own expense and shall have the right to disagree on reasonable grounds with the selection and retention of counsel, in which case counsel satisfactory to the Indemnifying Parties and the Indemnified Party shall be retained by the Indemnifying Parties.

Section 13.6 Additional Rules and Procedures

The obligation of the Parties to indemnify each other pursuant to this Article shall also be subject to the following:

(a) any Claim arising as a result of a breach of a representation or warranty contained in Article 5 or Article 6 shall be made during the Holdback Period.

(b) in the event that any Third Party Claim is of a nature such that the Indemnified Party is required by applicable law to make a payment to any Person (a "Third Party") with respect to such Third Party Claim before the completion of settlement negotiations or related legal proceedings, the Indemnified Party may make such payment and the Indemnifying Parties shall, forthwith after demand by the Indemnified Party, reimburse the Indemnified Party for any such payment. If the amount of any liability under the Third Party Claim in respect of which such a payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Parties to the Indemnified Party, the Indemnified

Party shall, forthwith after receipt of the difference from the Third Party, pay such difference to the Indemnifying Parties.

(c) the Indemnified Party shall not negotiate, settle, compromise or pay any Third Party Claim except with the prior written consent of the Indemnifying Parties (which consent shall not be unreasonably withheld).

(d) the Indemnified Party shall not permit any right of appeal in respect of any Third Party Claim to terminate without giving the Indemnifying Parties notice thereof and an opportunity to contest such Third Party Claim.

(e) the Purchaser and the Vendors shall cooperate fully with each other with respect to Third Party Claims, shall keep each other fully advised with respect thereto (including supplying copies of all relevant documentation promptly as it becomes available) and shall each designate a senior officer who will keep himself informed about and be prepared to discuss the Third Party Claim with his counterparts and with counsel at all reasonable times.

(f) the Indemnifying Parties shall not settle any Third Party Claim or conduct any related legal or administrative proceeding in a manner which would, in the opinion of the Indemnified Party, acting reasonably, have a material adverse impact on the Indemnified Party.

Section 13.7 Indemnification Claims

(a) Except for fraud, fraudulent misrepresentation, or intentional breach, and except as provided in Section 15.3 and Section 16.3 of this Agreement, the Parties agree that Article 13 sets out the sole and exclusive manner by which the Purchaser may seek monetary compensation from the Vendors, or by which the Vendors may seek monetary compensation from the Purchaser, for any matter in respect of which the Purchaser or the Vendor may make a Claim under Section 13.1 and Section 13.2, and the Parties further agree that, except for fraud, fraudulent misrepresentation, or intentional breach, and except as provided in Section 15.3 and Section 16.3, the Purchaser may have recourse for monetary compensation against the Holdback Amount.

(b) Notwithstanding anything in this Agreement to the contrary, the Parties agree that any Claim by the Purchaser, as an Indemnified Party against any or all of the Vendors, as an Indemnifying Party, in excess of the Holdback Amount may be subject to compromise in the CCAA Proceedings.

ARTICLE 14 DISPUTE RESOLUTION

Section 14.1 Arbitration

Subject to Section 14.2, disputes, disagreements, controversies, questions or claims arising out of or relating to this Agreement, and the Ancillary Agreements, including, without limitation, with respect to their formation, execution, validity, application, interpretation, performance, breach, termination or enforcement, or, for greater certainty, with respect to the Purchase Price adjustment or the indemnification obligations set out herein, ("Disputes") shall be

determined by arbitration under the *Arbitration Act, 1991* (Ontario) (the "Arbitration Act"), provided that:

(a) any hearing in the course of the arbitration shall be held in Toronto, Ontario in the English language;

(b) the application of section 7(2) of the *Arbitration Act* is expressly excluded;

(c) subject to section 44 of the *Arbitration Act*, any Party shall have the right to appeal any award or determination of an arbitrator on any ground, including, for greater certainty, any appeal on a question of law, a question of fact, or a question of mixed fact and law, to the Canadian Court;

(d) despite section 28(1) of the *Arbitration Act*, an arbitrator shall not, without the written consent of all Parties to the arbitration, retain any expert;

(e) an arbitrator may apportion the costs of the arbitration, including the reasonable fees and disbursements of the Parties, between or among the Parties in such manner as the arbitrator considers reasonable;

(f) all awards for the payment of money shall include prejudgment and postjudgment interest in accordance with sections 127 to 130 of the *Courts of Justice Act* (Ontario) with necessary modifications; and

(g) all matters relating to the arbitration shall be kept confidential to the full extent permitted by Law and no individual shall be appointed as an arbitrator unless he or she agrees in writing to be bound by this dispute resolution provision.

Section 14.2 Exceptions

Section 14.1 shall not apply, unless otherwise agreed to by the Parties, acting reasonably, in respect of:

(a) any Dispute involving a claim which exceeds, or an approximate and reasonable estimate of the potential amount of which exceeds, \$5,000,000; and

(b) any Dispute that arises within 60 days after the Closing Date, in which case, the Parties shall submit the Dispute to the Canadian Court in the CCAA Proceedings for resolution.

ARTICLE 15 RISK AND TERMINATION

Section 15.1 Risk of Loss.

The Purchased Assets shall be and remain the risk of the Vendors until Closing and at the risk of the Purchaser from and after Closing. If, prior to Closing, the Purchased Assets shall be

substantially damaged or destroyed by fire or other casualty, then, at its option, the Purchaser may decline to complete the Transaction. Such option shall be exercised within five (5) Business Days after notification to the Purchaser by the Vendors of the occurrence of damage or destruction (or prior to the Closing Date if such occurrence takes place within five (5) Business Days of the Closing Date) in which event this Agreement shall be terminated automatically and the Purchaser shall be entitled to the Termination Fee (as hereinafter defined). If the Purchaser does not exercise such option, it shall complete the Transaction and shall be entitled to an assignment of the proceeds of insurance referable to such damage or destruction. Where any damage or destruction is not substantial, the Purchaser shall complete the Transaction and shall be entitled to an assignment of the proceeds of insurance referable to such damage or destruction provided that such damage or destruction is insured or, otherwise by an agreed abatement. If any dispute arises under this Section as to whether damage or destruction is substantial or with respect to the amount of any abatement, such dispute will be determined in accordance with Article 14 herein.

Section 15.2 Termination.

This Agreement may be terminated at any time prior to the Closing:

- (a) by mutual written consent of the Parties;
- (b) by either the Vendors or the Purchaser, upon written notice to the other upon the entry of an Order by the Canadian Court approving an Alternative Transaction;
- (c) by either the Vendors or the Purchaser, upon written notice to the other:
 - (i) if the Canadian Sales Process and Conditional Vesting Order shall not have been issued and entered by December 14, 2009;
 - (ii) if the Canadian Final Approval Order shall not have been issued and entered within five (5) Business Days of the completion of the Sales Process;
 - (iii) if the U.S. Sales Process and Conditional Vesting Recognition Order shall not have been issued and entered by January 8, 2010;
 - (iv) if the U.S. Final Approval Recognition Order shall not have been issued and entered by February 26, 2010; or
 - (v) if the Closing does not take place by February 26, 2010 or on or before such later date as the Parties agree to in writing (the "Termination Date"); provided, however, that the right to terminate this Agreement pursuant to this Section 15.2(c) shall not be available to the Party seeking to terminate if such Party has failed to perform any one or more of its material obligations or covenants under this Agreement to be performed at or prior to Closing and the Closing has not occurred because of such failure.

(d) by the Purchaser if any of the Vendors withdraw or seek authority to withdraw any of the Canadian Sales Process and Conditional Vesting Order Motion, the Canadian Final Approval Order Motion, the U.S. Sales Process and Conditional Vesting Recognition Motion or the U.S. Final Approval Recognition Motion, or publicly announce any stand alone plan of reorganization or liquidation (or support any such plan filed by any other Person) in respect of the Business;

(e) by the Purchaser in the event of a material breach by the Vendors of the Vendors' representations, warranties, agreements or covenants set forth in this Agreement, which breach would result in a failure to satisfy the conditions to Closing set forth in Section 10.1 of this Agreement provided, however, that the right to terminate this Agreement pursuant to this Section 15.2(e) shall not be available to the Purchaser where a breach of this Agreement by the Purchaser has been the cause of, or has resulted in, the event or condition giving rise to a right to terminate this Agreement pursuant to such clause;

(f) by the Vendors in the event of a material breach by the Purchaser of the Purchaser's representations, warranties, agreements or covenants set forth in this Agreement, which breach would result in a failure to satisfy the conditions to Closing set forth in Section 10.2 of this Agreement provided, however, that the right to terminate this Agreement pursuant to this Section 15.2(f) shall not be available to the Vendors where a breach of this Agreement by the any of the Vendors has been the cause of, or has resulted in, the event or condition giving rise to a right to terminate this Agreement pursuant to such clause;

(g) by the Purchaser if any of the conditions in Section 10.1 of this Agreement have not been satisfied by Closing and the Purchaser has not waived such condition at or prior to Closing; or

(h) by the Vendors if any of the conditions in Section 10.2 of this Agreement have not been satisfied by Closing and the Vendors have not waived such condition at or prior to Closing.

Section 15.3 Termination Payments.

In the event that this Agreement is terminated for any reason, other than pursuant to Section 15.2(a) or Section 15.2(f) of this Agreement, then the Vendors shall pay to the Purchaser in immediately available funds within two (2) Business Days following such termination; (i) a cash fee of \$2,000,000 (the "Termination Fee"); and (ii) the expenses provided for and subject to Section 16.3 of this Agreement.

Section 15.4 Effects of Termination.

If this Agreement is terminated pursuant to Section 15.2, all further obligations of the Parties under or pursuant to this Agreement shall terminate without further liability of any Party to the other except for the provisions of: (i) Section 6.21 (Survival of Covenants, Representations and Warranties); (ii) Article 13 (Indemnification); (iii) Section 15.2 (Termination); (iv) Section 15.3 (Termination Payments); (v) Section 15.4 (Effects of Termination); and (vi) Article 16 (Miscellaneous), provided, that neither the termination of this Agreement nor anything in this Section shall relieve any Party from liability for any breach of this Agreement occurring before the termination hereof and thereof.

ARTICLE 16 MISCELLANEOUS PROVISIONS

Section 16.1 Confidentiality.

The Parties hereby agree to keep confidential this Agreement and the terms and conditions contained herein, and not at any time to disclose such information except: (i) where such information is in the public domain through no breach of the terms of this Agreement by either Party, (ii) where such information is required by Law to be disclosed to any Governmental Authority (including, without limitation, any stock exchange), (iii) on a need to know basis to each of the Parties' Representatives, (iv) as required in connection with the CCAA Proceedings and the Bankruptcy Case, or as otherwise directed by the Canadian Court and the Bankruptcy Court, or (v) where disclosure is agreed to in writing between the Parties.

Section 16.2 Non-Disclosure.

Except (i) as and to the extent required by Law, the CCAA Proceedings or the Bankruptcy Case, (ii) to its Representatives, (iii) to the Monitor and its Representatives, or (iv) to the DIP Lenders and their Representatives, neither the Purchaser nor the Vendors shall, and each shall direct its Representatives not to, without the prior written consent of the other Party, directly or indirectly, make any public comment, statement or communication with respect to, or otherwise disclose or permit the disclosure of the existence of discussions regarding, a possible transaction between the Parties or any of the terms, conditions or other aspects of the Transaction or the contents of this Agreement or the Ancillary Agreements.

Section 16.3 Expenses.

The Vendors shall promptly pay, as and when requested by the Purchaser, any and all out-of-pocket fees and expenses incurred by the Purchaser or any Affiliate thereof in connection with this Agreement, the Ancillary Agreements, any and all documents, discussions, negotiations, correspondence, enquiries and other activities relating hereto, and the transactions contemplated hereby, whether or not the transactions contemplated hereby are consummated, including, without limitation, the fees and expenses of legal and financial advisors, accountants, appraisers or other consultants or advisors, but subject to an aggregate maximum amount of one million dollars (\$1,000,000) or, if an Alternative Transaction is approved by the Canadian Court, then an aggregate maximum amount of one million five hundred thousand dollars (\$1,500,000).

Section 16.4 Solicitors and Agents and Tender

Any notice, approval, waiver, agreement, instrument, document or communication permitted, required or contemplated in this Agreement may be given or delivered and accepted or received by the Purchaser's Solicitors on behalf of the Purchaser and by the Vendors' Solicitors on behalf of the Vendors and any tender of this Agreement or the Ancillary Agreements and the balance of the Purchase Price may be made upon the Vendors' Solicitors and the Purchaser's Solicitors, as the case may be.

Section 16.5 Successors and Assigns.

This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. This Agreement may not be assigned by either Party without the prior written consent of the other, which consent shall not be unreasonably withheld; provided, however, that the Purchaser may, without the consent of the Vendors, assign and delegate its rights under this Agreement to one or more Affiliates of the Purchaser and in interpreting this Agreement, any such assignee(s) shall be considered the "Purchaser".

Section 16.6 Third Party Beneficiaries

Each Party hereto intends that this Agreement shall not benefit or create any right or cause of action in or on behalf of any Person other than the Parties hereto and their successors and permitted assigns, and no Person, other than the Parties hereto and their successors and their permitted assigns, shall be entitled to rely on the provisions hereof in any action, suit, proceeding, hearing or other forum.

Section 16.7 Notices.

(a) Mode of Giving Notice. Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally, (ii) sent by prepaid courier service or mail, or (iii) sent prepaid by fax or other means of electronic communication, in each case to the applicable address set out below:

(i) if to the Purchaser, to:

c/o Brookfield Asset Management Inc.
181 Bay Street, Suite 300
Brookfield Place
Toronto, Ontario M5J 2T3

Attention: Sam Pollock/Justin Beber
Email: spollock@brookfield.com/jbeber@brookfield.com
Fax No.: 416.365.9642

with a copy to:

Torys LLP
Suite 3000, 79 Wellington Street West
Toronto-Dominion Centre
Toronto, Ontario M5K 1N2

Attention: Tony DeMarinis/Natasha De Cicco
Email: tdemarinis@torys.com/ndecicco@torys.com
Fax No.: 416.865.7380

(ii) if to the Vendors, to:

c/o Fraser Papers Inc.
181 Bay Street, Suite 200
Brookfield Place
Toronto, Ontario M5J 2T3

Attention: Glen McMillan
Email: gmcmillan@toronto.fraserpapers.com
Fax No.: (416) 359-8606

with a copy to:

Thornton Grout Finnigan LLP
Suite 3200, 100 Wellington Street West
Toronto-Dominion Centre
Toronto, Ontario M5K 1K7

Attention: Robert Thornton/D.J. Miller
Email: rthornton@tgf.ca/djmiller@tgf.ca
Fax No.: 416.304.1313

with a copy to counsel for the Monitor:

Goodmans LLP
250 Yonge Street
Suite 2400
Toronto, Ontario M5B 2M6

Attention: Robert Chadwick/Cathy Costa
email: rchadwick@goodmans.ca/ccosta@goodmans.ca
Fax: 416.979.1234

(b) Deemed Delivery of Notice. Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of faxing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, faxed or sent before 4:30 p.m. (Toronto time) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

Section 16.8 Time of Essence.

Time shall be of the essence of this Agreement in all respects.

Section 16.9 Further Assurances.

Each of the Parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement.

Section 16.10 Counterparts.

This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by facsimile transmission or other means of electronic communication and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

Section 16.11 Paramountcy.

In the event of any conflict or inconsistency between the provisions of this Agreement and any other agreement, document or instrument executed or delivered in connection with the Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such inconsistency.

[Remainder of the Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

FRASER PAPERS INC.

By: _____

Name:

Title:

By: _____

Name:

Title:

FRASER PAPERS LIMITED

By: _____

Name:

Title:

By: _____

Name:

Title:

FPS CANADA INC.

By: _____

Name:

Title:

By: _____

Name:

Title:

FRASER PAPERS HOLDINGS INC.

By: _____

Name:

Title:

By: _____

Name:

Title:

FRASER TIMBER LIMITED

By: _____

Name:

Title:

By: _____

Name:

Title:

FRASER N.H. LLC

By: _____

Name:

Title:

By: _____

Name:

Title:

**BROOKFIELD ASSET MANAGEMENT
INC.**

By: _____
Name:
Title:

By: _____
Name:
Title:

SCHEDULE 1
Accounts Receivable

SCHEDULE 2**Contracts**

Contracts

Vendor Name	Product/Service	Mill Location	Contract Date	Expiry Date
Cogen - Alain Bellavance	Biomass	Edmundston	14/06/2009	31/12/2009
Cogen - AT - Big John Green River Freehold	Biomass	Edmundston	25/06/2009	30/06/2010
Cogen - AT - Big John Plaster Rock Freehold	Biomass	Edmundston	25/06/2009	30/06/2010
Cogen - AT - Harding Plaster Rock Freehold	Biomass	Edmundston	25/06/2009	30/06/2010
Cogen - AT - Linton Plaster Rock Freehold	Biomass	Edmundston	25/06/2009	30/06/2010
Cogen - AT & Big John Green River Crown	Biomass	Edmundston	01/04/2009	31/03/2010
Cogen - AT & Harding Plaster Rock Crown	Biomass	Edmundston	01/04/2009	31/03/2010
Cogen - AT & HE Juniper Crown	Biomass	Edmundston	05/07/2009	31/12/2009
Cogen - AT & Linton Plaster Rock Crown	Biomass	Edmundston	01/04/2009	31/03/2010
Cogen - Atlantic Renewable Energy Corporation	Biomass	Edmundston	10/07/2009	30/06/2010
Cogen - AVCCell - Atholville	Biomass	Edmundston	08/03/2009	31/12/2009
Cogen - Begin et Begin PQ	Biomass	Edmundston	01/02/2009	31/12/2009
Cogen - Boyd Harding	Biomass	Edmundston	29/06/2009	31/12/2009
Cogen - Broyage Industriel Saint Laurent Inc	Biomass	Edmundston	02/08/2009	31/12/2009
Cogen - Copeaux de la Vallée PQ/Gino Bois	Biomass	Edmundston	20/04/2009	31/12/2009
Cogen - Copeaux de la Vallée PQ/Godbout	Biomass	Edmundston	20/04/2009	31/12/2009
Cogen - CVMB (Carleton)	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - CVMB (Victoria)	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - Dale Simon	Biomass	Edmundston	25/05/2008	31/12/2009
Cogen - Deniso Lebel Degelis	Biomass	Edmundston	30/08/2009	28/08/2010
Cogen - Deniso Lebel Squateck PQ	Biomass	Edmundston	30/08/2009	28/08/2010
Cogen - Deniso Lebel St Joseph PQ	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - Felix Huard PQ	Biomass	Edmundston	31/05/2009	31/12/2009
Cogen - Fiready Inc, Clair	Biomass	Edmundston	01/01/2008	31/12/2009
Cogen - Fornebu Lumber/Godbout	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - Fraser / Uniboard Exchange	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - Fraser Papers Juniper Lbr	Biomass	Edmundston	02/08/2009	31/12/2009
Cogen - Fraser Papers Plaster Rock	Biomass	Edmundston	02/08/2009	31/12/2009
Cogen - Fraser Timbers Ashland	Biomass	Edmundston	02/08/2009	31/12/2009
Cogen - Fraser Timbers Masardis	Biomass	Edmundston	02/08/2009	31/12/2009
Cogen - Fraser Timbers Mill # 3	Biomass	Edmundston	02/08/2009	31/12/2009
Cogen - Gilwood Products Ltd	Biomass	Edmundston	01/01/2008	31/12/2009
Cogen - Godbout / Arpin	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - Groupe Savoie	Biomass	Edmundston	26/07/2009	30/06/2010
Cogen - Groupe Savoie Grinders	Biomass	Edmundston	28/06/2009	30/06/2010
Cogen - Groupe Savoie/Renaud Plante	Biomass	Edmundston	18/06/2009	30/06/2010
Cogen - HJ Crabbe and Sons Ltd Grinder	Biomass	Edmundston	05/07/2009	31/12/2009
Cogen - HJ Crabbe and Sons Ltd Lumber Mill	Biomass	Edmundston	31/05/2009	31/12/2009
Cogen - J.D. Irving Baker Brook	Biomass	Edmundston	06/09/2009	30/08/2010
Cogen - J.D. Irving Begin Clair	Biomass	Edmundston	06/09/2009	30/08/2010
Cogen - J.D. Irving Chip Plant	Biomass	Edmundston	06/09/2009	30/08/2010
Cogen - J.D. Irving Deersdale	Biomass	Edmundston	06/09/2009	30/08/2010
Cogen - J.D. Irving Fort Kent ME	Biomass	Edmundston	06/09/2009	30/08/2010
Cogen - J.D. Irving Kedgwick	Biomass	Edmundston	06/09/2009	30/08/2010
Cogen - J.D. Irving St Leonard	Biomass	Edmundston	06/09/2009	30/08/2010
Cogen - J.D. Irving Veneer	Biomass	Edmundston	06/09/2009	25/09/2010
Cogen - J.D. Irving Woods Hwd Chips Freehold	Biomass	Edmundston	06/09/2009	30/08/2010
Cogen - James Desjardins Jr	Biomass	Edmundston	05/07/2009	30/06/2010
Cogen - JAS/Dangi Transport Inc	Biomass	Edmundston	02/02/2009	31/12/2009
Cogen - JAS/Godbout	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - JD Raymond	Biomass	Edmundston	30/06/2009	31/12/2009
Cogen - JMQ Inc.	Biomass	Edmundston	25/03/2007	31/12/2009
Cogen - Madawaska Mrk Board	Biomass	Edmundston	02/11/2009	30/05/2010
Cogen - Maibec	Biomass	Edmundston	01/01/2008	31/12/2009
Cogen - Maine Wood Products	Biomass	Edmundston	04/04/2009	31/12/2009
Cogen - Matériaux Blanchette	Biomass	Edmundston	01/01/2008	31/12/2009
Cogen - Morris Logging Inc	Biomass	Edmundston	05/07/2009	30/06/2010
Cogen - NAFP St Quentin Chip Plant	Biomass	Edmundston	25/10/2009	30/08/2010
Cogen - Phoenix Firewood Inc	Biomass	Edmundston	28/10/2008	31/12/2009

Cogen - Portage	Biomass	Edmundston	30/05/2009	31/12/2009
Cogen - Portage Wood Products	Biomass	Edmundston	04/04/2009	31/12/2009
Cogen - Railways Ties	Biomass	Edmundston	01/02/2009	31/12/2009
Cogen - Ralph Sadler Ltd	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - Reed Forestry Ltd	Biomass	Edmundston	04/10/2009	31/03/2010
Cogen - Renaud Plante	Biomass	Edmundston	26/04/2009	31/12/2009
Cogen - RIPOBEC	Biomass	Edmundston	15/06/2008	31/12/2009
Cogen - Scierie Andre Ouellet PQ	Biomass	Edmundston	01/01/2008	31/12/2009
Cogen - Scierie Chaleur Sawmills	Biomass	Edmundston	29/08/2009	28/08/2010
Cogen - Scierie St Elzear	Biomass	Edmundston	14/06/2009	31/12/2009
Cogen - Temrex Nouvelle PQ	Biomass	Edmundston	13/07/2009	30/06/2010
Cogen - TNT Road Company Zone 1	Biomass	Edmundston	30/08/2009	31/12/2009
Cogen - TNT Road Company Zone 2	Biomass	Edmundston	30/08/2009	31/12/2009
Cogen - TNT Road Company Zone 3	Biomass	Edmundston	30/08/2009	31/12/2009
Cogen - Uniboard / Godbout	Biomass	Edmundston	01/06/2009	31/12/2009
Cogen - W & R Gillespie Ltd	Biomass	Edmundston	01/06/2009	31/12/2009
ED Chips - Copeaux de la Vallee/Fraser	Chips	Edmundston	30/03/2008	31/12/9999
ED Chips - Copeaux de la Vallee/Gino Bois	Chips	Edmundston	01/02/2009	31/12/9999
ED Chips - DENISO LABEL CAP-CHAT	Chips	Edmundston	04/10/2009	28/08/2010
ED Chips - Deniso Lebel Inc Degelis	Chips	Edmundston	30/08/2009	28/08/2010
ED Chips - Deniso Lebel Inc Price	Chips	Edmundston	30/08/2009	28/08/2010
ED Chips - Deniso Lebel Inc. - Squateck	Chips	Edmundston	30/08/2009	28/08/2010
ED Chips - Fornebu Lumber	Chips	Edmundston	11/10/2009	28/08/2010
ED Chips - Fraser Timbers Mill 3	Chips	Edmundston	01/11/2009	02/01/2010
ED Chips - Fraser Juniper Lumber	Chips	Edmundston	01/11/2009	02/01/2010
ED Chips - Fraser Plaster Rock	Chips	Edmundston	01/11/2009	31/12/2009
ED Chips - Fraser Timbers Ashland	Chips	Edmundston	01/11/2009	02/01/2010
ED Chips - Fraser Timbers Masardis	Chips	Edmundston	05/11/2009	02/01/2010
ED Chips - H.J.Crabbe & Sons Ltd	Chips	Edmundston	12/04/2009	31/12/9999
ED Chips - J.D. Irving Chip Plant	Chips	Edmundston	06/09/2009	15/09/2010
ED Chips - J.D. Irving Kedgwick	Chips	Edmundston	06/09/2009	15/09/2010
ED Chips - J.D. Irving St. Leonard	Chips	Edmundston	06/09/2009	15/09/2010
ED Chips - J.D.Irving Deersdale	Chips	Edmundston	06/09/2009	15/09/2010
ED Chips - Moulin Causap (GR Cedric	Chips	Edmundston	01/01/2008	31/12/9999
ED Chips - Scierie Andre Ouellet	Chips	Edmundston	13/07/2008	31/12/9999
ED Chips - Scierie Chaleur Drum	Chips	Edmundston	13/09/2009	28/08/2010
ED Chips - Scierie Chaleur Sawmill	Chips	Edmundston	13/09/2009	28/08/2010
ED Chips - Scierie St. Elzear Inc.	Chips	Edmundston	16/08/2009	30/08/2010
ED Chips - Temrex Nouvelle	Chips	Edmundston	23/08/2009	28/08/2010
ED Stacked - AV Nackawic (M3)	Roundwood pulpwood	Edmundston	05/11/2009	30/04/2010
ED Stacked - Carlton Victoria Marketing Board	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - Carlton Victoria Marketing Board	Roundwood pulpwood	Edmundston	13/09/2009	31/03/2010
ED Stacked - Carlton Victoria Marketing Board	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - Fornebu Lumber/Fraser Allocation	Roundwood pulpwood	Edmundston	19/11/2009	31/03/2010
ED Stacked - G.A. Levesque (CV)	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - G.A. Levesque (CV)	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - G.A. Levesque (CV)	Roundwood pulpwood	Edmundston	29/07/2009	31/12/2009
ED Stacked - G.A. Levesque (MAD)	Roundwood pulpwood	Edmundston	15/12/2008	31/12/2009
ED Stacked - G.A. Levesque (MAD)	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - Groupe Savoie	Roundwood pulpwood	Edmundston	20/09/2009	31/03/2010
ED Stacked - H.J. Crabbe Crown	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - H.J. Crabbe Crown	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - H.J. Crabbe Private	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - H.J. Crabbe Private	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - J.D. Irving Saint Leonard	Roundwood pulpwood	Edmundston	13/09/2009	31/03/2010
ED Stacked - LEW Rioux	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - LEW Rioux	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - Madawaska Marketing Board	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Stacked - Madawaska Marketing Board	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - Madawaska Marketing Board	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Stacked - Madawaska Marketing Board	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010

ED Stacked - North Shore Marketing Board	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - North Shore Marketing Board	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - Northumberland Marketing Board	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - Northumberland Marketing Board	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - S.D.PROD.BOIS COTE DU SU	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - S.D.PROD.BOIS COTE DU SU	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - Syndicat des Prod F.Bas	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - Syndicat des Prod F.Bas	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - Syndicat Prod Bois De Ga	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Stacked - University Du Moncton (Edst)	Roundwood pulpwood	Edmundston	13/09/2009	31/03/2010
ED Stacked - Waska Lattes Clair Industriel Inc	Roundwood pulpwood	Edmundston	18/10/2009	31/03/2010
ED Stacked - York Shore Charlotte	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Stacked - York Shore Charlotte	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Pulpwood - Acadian Timber Green River	Roundwood pulpwood	Edmundston	13/09/2009	31/03/2010
ED Pulpwood - Carleton Victoria Mrk. Board	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Carleton Victoria Mrk. Board	Roundwood pulpwood	Edmundston	29/07/2009	31/03/2010
ED Pulpwood - Carleton Victoria Mrk. Board	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Pulpwood - DJR Logging	Roundwood pulpwood	Edmundston	27/09/2009	31/03/2010
ED Pulpwood - Flakeboard Company Ltd	Roundwood pulpwood	Edmundston	15/11/2009	31/03/2010
ED Pulpwood - Fraser Timber Limited	Roundwood pulpwood	Edmundston	18/10/2009	31/03/2010
ED Pulpwood - GA Levesque (CV)	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - GA Levesque (MMB)	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Gabriel Rioux	Roundwood pulpwood	Edmundston	08/11/2009	31/03/2010
ED Pulpwood - HC Haynes Inc.	Roundwood pulpwood	Edmundston	08/11/2009	31/03/2010
ED Pulpwood - HJ Crabbe Crown & Freehold	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Irving Woodlands LLC (Spruce & Fir)	Roundwood pulpwood	Edmundston	13/09/2009	31/03/2010
ED Pulpwood - James Desjardins	Roundwood pulpwood	Edmundston	27/09/2009	31/03/2010
ED Pulpwood - LEW Rioux	Roundwood pulpwood	Edmundston	04/10/2009	31/03/2010
ED Pulpwood - LEW Rioux	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Louisiane Pacific Corporation	Roundwood pulpwood	Edmundston	13/09/2009	31/03/2010
ED Pulpwood - Madawaska Maliseet First Nation Crow	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Madawaska Mrk. Board	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Madawaska Mrk. Board	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Pulpwood - Morris Logging Inc.	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - North Shore Forest Product	Roundwood pulpwood	Edmundston	20/09/2009	31/03/2010
ED Pulpwood - North Shore Forest Product	Roundwood pulpwood	Edmundston	04/10/2009	31/03/2010
ED Pulpwood - Northumberland County Forest Prod.	Roundwood pulpwood	Edmundston	04/10/2009	31/03/2010
ED Pulpwood - Paul Lozier Logging	Roundwood pulpwood	Edmundston	04/10/2009	31/03/2010
ED Pulpwood - Prentice Carlisle	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Robert Gough	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Syndicat Bas St-Laurent	Roundwood pulpwood	Edmundston	06/09/2009	31/03/2010
ED Pulpwood - Syndicat Bas St-Laurent	Roundwood pulpwood	Edmundston	04/10/2009	31/03/2010
ED Pulpwood - Syndicat Bas St-Laurent	Roundwood pulpwood	Edmundston	01/04/2009	31/03/2010
ED Pulpwood - Syndicat Prod Bois Cote du Sud	Roundwood pulpwood	Edmundston	20/09/2009	31/03/2010
ED Pulpwood - Syndicat Prod Bois Gaspésie	Roundwood pulpwood	Edmundston	27/09/2009	31/03/2010
ED Pulpwood - University of Moncton	Roundwood pulpwood	Edmundston	13/09/2009	31/03/2010
ED Biomass - Boyd Harding (Hauling)	Biomass Hauling Contract	Edmundston	02/08/2009	31/12/2009
ED Biomass - Carlton Enterprise (Hauling)	Biomass Hauling Contract	Edmundston	02/08/2009	31/12/2009
ED Biomass - Mark Reid (Hauling)	Biomass Hauling Contract	Edmundston	02/08/2009	31/12/2009
ED Biomass - Noel Godbout (Hauling)	Biomass Hauling Contract	Edmundston	02/08/2009	31/12/2009
ED Biomass - Sunbury (Hauling)	Biomass Hauling Contract	Edmundston	15/11/2009	19/11/2011
ED Chips - C.F. Morin Transport	Chip Hauling Contracts	Edmundston	30/08/2009	28/08/2010
ED Chips - C.F. Morin Transport	Chip Hauling Contracts	Edmundston	04/10/2009	28/08/2010
ED Chips - Carleton enterprises Transport	Chip Hauling Contracts	Edmundston	30/11/2008	31/12/9999
ED Chips - E.T. Transport Inc.	Chip Hauling Contracts	Edmundston	30/08/2009	02/01/2010
ED Chips - Gino Bois Transport	Chip Hauling Contracts	Edmundston	16/11/2008	28/08/2010
ED Chips - Godbout Transport	Chip Hauling Contracts	Edmundston	30/12/2007	31/12/9999
ED Chips - Godbout Transport	Chip Hauling Contracts	Edmundston	11/05/2008	31/12/9999
ED Chips - Godbout Transport	Chip Hauling Contracts	Edmundston	20/09/2009	31/12/9999
ED Chips - K & T Transport Inc.	Chip Hauling Contracts	Edmundston	04/05/2008	31/12/9999
ED Chips - Sunbury Transport B Train	Chip Hauling Contracts	Edmundston	15/11/2009	19/11/2011

ED Chips - Sunbury Transport Triaxle	Chip Hauling Contracts	Edmundston	15/11/2009	19/11/2011
ED Chips - TRANSPORT FL	Chip Hauling Contracts	Edmundston	06/09/2009	28/08/2010
ED Chips - Warren Transport	Chip Hauling Contracts	Edmundston	30/11/2008	31/12/9999
ED Chips - Warren Transport	Chip Hauling Contracts	Edmundston	04/01/2009	31/12/9999
ED Chips - Warren Transport	Chip Hauling Contracts	Edmundston	13/09/2009	28/08/2010
NAFP Chip Deal - Acadian Timber Freehold	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Acadian Timber Lic 09	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - AV Cell Lic 1	NAFP Purchase Agreement	Edmundston	27/09/2009	31/03/2010
NAFP Chip Deal - Chaleur Lic 01	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Chaleur Lic 03	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Fornebu - Burnt Church	NAFP Purchase Agreement	Edmundston	11/10/2009	29/08/2010
NAFP Chip Deal - Fornebu Lic 03	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Groupe Savoie Lic 01	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Groupe Savoie Lic 01 (Chaleur)	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Groupe Savoie Lic 03	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Groupe Savoie Lic 09	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Groupe Savoie Lic 09 (Irving)	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Irving Freehold	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Irving Lic 09	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - NAFP CHIP PLANT SERVICE CONTR	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - NAFP CHIP PLANT SERVICE CONTR	NAFP Purchase Agreement	Edmundston	25/10/2009	30/08/2010
NAFP Chip Deal - NAFP Hauling	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - NSFP ZONE 01	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - NSFP ZONE 03	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
NAFP Chip Deal - Syndicat Bois Gaspésie	NAFP Purchase Agreement	Edmundston	27/09/2009	29/08/2010
Contract Report For: ED Small Chips - Noel Godbout	Small chips	Edmundston	27/04/2008	31/12/9999
Contract Report For: ED Small Chips - Sunbury	Small chips	Edmundston	01/01/2003	31/12/9999
PR - Carlton-Victoria Mkt. Board (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - EDM Logs Acadian Timber License 09 (M3)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - EDM Logs Madawaska Marketing Board (M3)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - G.A. Levesque -CVMB (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - G.A. Levesque -MMB (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - G.A. Levesque -North Shore (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - HC Haynes Inc. NB Direct Contract (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - HC Haynes NB - CVMB (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - HC Haynes NB - Northumberland Mkt (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - Madawaska Mkt. Board (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - Merle Wallace - CVMB (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - Merle Wallace - Northumberland (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - North Shore Mkt. Board (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - Northumberland Mkt. Board (Bangor)	Logs	Plaster Rock	08/11/2009	31/03/2010
PR - Acadian Timber Unit 04, Lic 09 (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Acadian Timber Unit 09, Lic 09 (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - AV Nackawc Crown (M3)	Logs or Treelength	Plaster Rock	05/11/2009	30/04/2010
PR - AV Nackawc Freehold (M3)	Logs or Treelength	Plaster Rock	05/11/2009	30/04/2010
PR - Carlton-Victoria Mkt. Board (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Clair Industrie (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - DJR Logging Inc (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Edmundston Logs To PR (Mass)	Logs or Treelength	Plaster Rock	22/11/2009	31/12/9999
PR - Flakeboard Company Ltd (M3)	Logs or Treelength	Plaster Rock	15/11/2009	31/03/2010
PR - Fornebu Lumber(M3)	Logs or Treelength	Plaster Rock	15/11/2009	31/03/2010
PR - Fornebu Lumber/First Nations Group(M3)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Fornebu Lumber/Fraser Allocation(M3)	Logs or Treelength	Plaster Rock	15/11/2009	31/03/2010
PR - G.A. Levesque - CVMB (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - G.A. Levesque - MMB (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - G.A. Levesque - NSFP(Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Gabriel Rioux (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - HC Haynes Inc. NB -CVMB (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - HC Haynes Inc. NB Direct contract (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - HC Haynes Inc. NB -Northumberland Mkt (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - HC Haynes Inc. NB -YSC (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010

PR - James Desjardins US (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - LAP Entreprise Inc. (Mass)	Logs or Treelength	Plaster Rock	25/01/2009	31/12/2009
PR - LEW Rioux Co. Inc. (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Madawaska Mkt. Board (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Morris Logging Inc. (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - North Shore Mkt. Board (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Northumberland Mkt. Board (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Paul Lozier Logging US (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Robert Gough (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
PR - Steve Rooney (Mass)	Logs or Treelength	Plaster Rock	08/11/2009	31/03/2010
Fiber Supply Agreement - AT Limited Partnership and Fraser Papers Inc	Fiber Supply Agreement	Edmundston / Plaster Rock / Juniper	23/01/2006	1/23/2026 Fraser option to extend to 1/23/2031
Crown Lands Services Agreement - AT Limited Partnership and Fraser Papers Inc	Crown Lands Services Agreement	Edmundston / Plaster Rock / Juniper	31/01/2006	31/01/2031
Forest Management Agreements - License # 09	Forest Management Agreements	Edmundston / Plaster Rock / Juniper	01/04/1997	31/03/2022

Vendor Name	Product/Service	Mill Location	Contract Date	Expiry Date	Term (Duration)	Mill Contact	Assignment Provisions	Comments
Fidelity Investments	Trust Agreement	Madawaska				B. LeBlanc	WC/E Assignables with Consent	No expiration date Cancel with 60 to 90 day notice
Sun Life of Canada	Trust Agreement	All Canada Mills				B. LeBlanc	AS/E Assignables	No expiration date Cancel with 60 to 90 day notice
Dr Ronald Blum FACE	Medical Director EAP Services	Madawaska Madawaska	01/03/2007 01/01/2010	28/02/2010 31/12/2010	3.0 1.0	B. Peterson B. Peterson	NA/E Not Assignable	90 day notice to terminate
Frytek	Safety Audits	All mills (FPS)	09/11/2004	30/12/2010	6.1	B. Peterson	SI/E Silent on Assignment	Original termination Dec 2007 but auto annual renewal to Dec 2010
USW	TOP Safety Program	Madawaska	01/06/2007	31/05/2010	3.0	B. Peterson		Terminate anytime
Vescom	Security Service	Madawaska		Current		B. Peterson		
Sedgwick CMS						B. Peterson		
Old Town Fuel & Fiber	Pulp	Madawaska	01/09/2009	01/02/2010	0.5	B. Sass		
Albany	fabric	Madawaska	01/01/2009	31/12/2009	1.0	B. Sass	WC	
Alstom Power (ABB)	Service Agreement	Madawaska	23/08/1996	evergreen		B. Sass	WC	
Cascade	Roll Wrap/Headers	All mills	01/01/2009	31/12/2011	3.0	B. Sass		
Cascade EnviroPak	Risers Dunnage	All mills	01/04/2009	01/04/2011	2.0	B. Sass		
Exxon/Mobile	Lubricants	Madawaska	01/09/2008	9/31/09	1.0	B. Sass	WC	
ITW Shippers	Air bags	Madawaska	30/04/2008	30/04/2010	2.0	B. Sass	WC	
Motion Industries	MRO	All mills	01/05/2009	30/04/2011	2.0	B. Sass	WC	
NH Bragg	Safety and Misc supplies	Madawaska	01/05/2009	01/05/2010	1.0	B. Sass		
Sonoco	Cores	All mills	01/06/2008	01/06/2011	3.0	B. Sass	WC	
Unifirst	Arclash protective	Madawaska	18/09/2005	15/09/2007	2.0	B. Sass		evergreen
UPS	Parcel Service	All mills	15/10/2007	15/10/2010	3.0	B. Sass		
ABB Inc	Control Systems	Madawaska				B. Sass		
Hyster Capital	Fork Lifts	Madawaska				B. Sass	WC	
Levesque Office Supply	Multiple copiers and maintenance	Madawaska				B. Sass		
Vanguard National Alliance	MRO / OEM	All mills	01/06/2009			B. Sass	WC	
Voith	fabric	Madawaska	15/04/2009	15/04/2010	1.0	Brian S/Mike M	WC	

Prepared By: MSI

120

122

SCHEDULE 3**Designated Employees**

To be provided for Closing

-

**TO BE DETERMINED
AT CLOSING**

SCHEDULE 4**Excluded Letters of Credit**

1. Letter of Credit #SBGT731424 issued by CIBC in the principal amount of US\$23,061,566 issued in the name of Fraser Papers Inc. and for the benefit of New Brunswick Power Corporation re. Agreement for the Supply of Electric Capacity and Energy.
2. Letter of Credit #SBGT736752 issued by CIBC in the principal amount of US\$161,000 issued in the name of Fraser Papers Inc. and for the benefit of State of Wisconsin Department of Natural Resources re. Long-Term Care Requirements of the Plan of Operation Approval for Eisenstein, Wisconsin Facility.
3. Letter of Credit #SBGT755 issued by CIBC in the principal amount of US\$200,000 issued in the name of Fraser Papers Inc. and for the benefit of State of Wisconsin Department of Natural Resources re. Long-Term Care Requirements of the Plan of Operation Approval for Eisenstein, Wisconsin Facility.
4. Letter of Credit #SBGT736756 issued by CIBC in the principal amount of US\$2,360,875 issued in the name of Fraser Papers Inc. and for the benefit of State of Wisconsin Department of Natural Resources re. Long-Term Care Requirements of the Plan of Operation Approval for Eisenstein, Wisconsin Facility.

SCHEDULE 5

Fixed Assets

SCHEDULE 6
Intellectual Property

US

MARK	U.S. REGIS. /SERIAL NO.
ALLAGASH	77/703547
BRIDGE OPAQUE	78806530
BRIDGE SUPREME	77/676192
CUSTOM BRITE	77/102860
CUSTOM OPAQUE	1445105
CUSTOM PLUS	78806548
FRABRITE	2192806
FRACOTE	2746542
FRALIGHT	2199012
FRAPAC	78806523
FRAPRINT	2196540
FRASER HYBRID CONVERTING	77/393409
FRONTIER OPAQUE	
FRONTIER SUPREME	
PHARMOPAQUE	2758709
PINNACLE	299343
SNOWBRITE OPAQUE	78806557
SNOWCOTE	78806538
SNOWLAND OPAQUE	1652363

CANADA

MARK	CANADIAN REGIS/APPLIC ATION NO.
ALLAGASH	1433289
ALLIANCE	
CUSTOM OPAQUE	0565553
CUSTOM BRITE	1335434
FRABRITE	TMA517143
FRACOTE	0197227
FRALIGHT	TMA517136
FRAPAK	TMA647329
FRA-PAK	TMA108528
FRAPRINT	TMA520620
FRASER HYBRID CONVERTING	
MAN-CANOEING & DESIGN	0447586
PHARMOPAQUE	TMA616887
PINNACLE	TMA 679.867
RENAISSANCE	0700565
TEXTCOTE	0718596
LE CHOIX ÉCOLOGIQUE	426057
THE ECOLOGICAL CHOICE	424832

SCHEDULE 7**Inventory**

SCHEDULE 8**Lands**

LANDS

27 Rice Street, Edmundston NB E3V 1S9	Pulp and Energy Operations
130 Juniper Road, Juniper NB E7L 1J3	Lumbermill
82 Bridge Avenue, Madawaska ME 04756	Paper Mill
31 Renous Road, Plaster Rock, NB E7G 4B5	Lumbermill

Descriptions attached

EDMUNDSTON

Schedule A | Annexe A

PID | NID : 35147305

Apparent Parcel Access | Accès apparent à la parcelle : Public Access | Accès public

Status | État de la demande : Current | Courant

Effective Date/Time | Date et heure de prise d'effet : 2008-05-01 13:44:29

Legal Description | Description officielle :

Place Name: City of Edmundston

Parish / County: Madawaska/Madawaska

Described as follows:

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, County of Madawaska and Province of New Brunswick described as follows:
 "Beginning at the intersection of the property line between Fraser Papers Inc./Papiers Fraser Inc. (document 21972865, PID 35330216) and Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147305) with the northeasterly limit of Canada Road; thence following the said property line in a northerly direction to the limit of the ordinary high water mark of the Madawaska River; thence following the said river in a downstream direction to the property line between of Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147305) and Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320886); thence going in a southwesterly direction along the northwesterly property lines of Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320886), Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147065) and along the northwesterly limit of Rice Street until the property line between Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147305) and Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35181619, lot 5 registered plan 1507); thence following the said property line in a direction N60°-53W for a distance of 30.48 meters (100 feet); thence going in a direction S29-07W along the northwesterly property lines of Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35181619, lot 5 registered plan 1507), Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35135037, lot 6 registered plan 1507), Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35135045, lot 7 registered plan 1507), Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35135052, lot 8 registered plan 1507), Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35135060, lot 9 registered plan 1507), Paul Raymond (document 173112, book 650, page 401, lot 10 registered plan 1507), Paul Raymond & Jocelyne Raymond (document 23563290, lot 11 registered plan 1507) and Edmundston Auto Ltd./Edmundston Auto Ltée. (document 23412647, lot 12 registered plan 1507) for a distance of 143.98 meters (472.40 feet); thence following the property line between Edmundston Auto Ltd./Edmundston Auto Ltée. (document 23412647) and Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147305) in a direction N55 degrees-35W for a distance of 2.92 meters or to a point having New Brunswick Grid Coordinates east 2361743.893 meters and north 7597863.029 meters; thence following the property line between Edmundston Auto Ltd./Edmundston Auto Ltée (document 23412647, Parcelle 2004-A registered plan 20149531) and Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147305) in a direction 305 degrees-48°-00" for a distance of 66.11 meters; thence following the property line between Edmundston Auto Ltd./Edmundston Auto Ltée (document 23412647, Parcelle 2004-A registered plan 20149531)

and Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147305) in a direction 213 degrees 20'-40" for a distance of 41.21 meters to the rear property line of Naquib Anawati (document 114155, book M-12, page 747, registered plan 893); thence going in a northwesterly direction along the northeasterly property lines of Naquib Anawati (document 114155, book M-12, page 747, registered plan 893), Germain Gagnon & Wilda Gagnon (document 122584, book U-13, page 522), Lucienne Germain (document 183815, book 731, page 239), Lucienne Germain (document 12818531, book 1012, page 34), André Rino Ouellet (document 24567043), Luc Bélanger & Marie Line Bélanger (document 13398848), Robert M. Levesque

Schedule A [Annexe A

(document 169823, book 631, page 73, lot 90-02 registered plan 6845); Levesque Electronics Inc. (document 159607, book W-20, page 318, lot 90-01 registered plan 6845), Madawaska Council No. 830 the Order of United Commercial Travellers of America Inc. (document 12108339, lot 3 registered plan 3631), Armand Bouchard & Jacqueline Bouchard (document 107409, book N-11, page 856, lot 4 registered plan 3631), Uapro Inc. (document 195765, book 829, page 389, registered plan 660), Langis Bélanger (document 207145, book 915, page 248), Roderick Long & Rollande Long (document 18466220), Lucien Bellefleur (document 76451 book 57, page 448), Patrick Lord (document 187951, book 765, page 41, registered plan 1920), Patrick Bouchard (101045, book Q-10, page 688), Jean-Claude D'Amours & Hélène Thériault (document 23123244); Jimmy Bossé (document 190759, book 789, page 40), Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320944, registered plan 399), Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320928, registered plan 399), Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320910, registered plan 399) and Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320902, registered plan 399) until the northwesterly property line of Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320902, registered plan 399); thence following the property line between Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147305) and Fraser Papers Inc./Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320902, registered plan 399) in a southwesterly direction for a distance of 30.48 meters (100 feet) to the northeasterly limit of Canada Road; thence following the said limit in a northwesterly direction to the point of beginning."

SUBJECT to an easement granted to Edmundston by two documents dated November 8, 2004 and registered in the Madawaska County Registry Office on November 17, 2004 as number 19474130 & 19474270 and as fully outlined on two survey plans By Pierre J.-M. Picard, N.B.L.S., of Arpentiers du Nord Ltée, each of which is dated September 17, 2004 and entitled "Plan d'Arpentage Démontrant le Droit de Servitude et de Passage à être acquis par Edmundston", said survey plans being registered as plan file numbers 19474072 & 19474189.

BEING one of several parcels of land conveyed to Fraser Papers Inc./Papiers Fraser Inc. by a document dated June 27, 2004 and registered in the Madawaska County Registry Office on July 6, 2004 as number 18659954 and by a document dated June 30, 2004 and registered on August 10, 2004. The above documents being registered in the Madawaska County Registry Office

AND ALSO BEING the 2 parcels of land conveyed to Fraser Companies, Limited by a document dated March 26, 1923 and registered in the Madawaska County Registry Office on June 30, 1923 in book O-3, on page 387, as number 23893.

AND BEING the same lands as conveyed by a Deed from Fraser Papers Inc./Papiers Fraser Inc. to Fraser Papers Inc./Papiers Fraser Inc., approved on April 25, 2008 by Jacques Desjardins, Development Officer for Madawaska District Planning Commission, and registered in the Madawaska County Registry Office on April 25, 2008 as Number 25469769.

Schedule A | Annexe A

PID | NID : 35330216

Apparent Parcel Access | Accès apparent à la parcelle : Public Access | Accès public

Status | État de la demande : Current | Courant

Effective Date/Time | Date et heure de prise d'effet : 2008-03-19 10:54:51

Legal Description | Description officielle :

Place Name: Edmundston

Parish / County: Madawaska/Madawaska

Described as follows:

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, County of Madawaska and Province of New Brunswick described as follows:

Beginning at the intersection of the property line between Fraser Papers Inc. Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320951) and Brigitte Martin Robichaud (document 19930859) with the northeasterly limit of Canada Road; thence following the said property line and the rear property line of Trefflé Dupéré & Diane Dupéré (document 168219, book 616, page 385), Renald Beaulieu (document 148767, book P-18, page 98), Wilfred Beaulieu (document 127818, book P-14, page 651), Claudette Ringuette (document 128751, book T-14, page 795), Wilfrid Robichaud & Françoise Robichaud (documents 93731, book R-9, page 311) in a northerly direction to the property line between Edmundston (document 107476, book O-11, page 60) and Fraser Papers Inc. Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320951); thence following the said property line in a northeasterly direction to the limit of the ordinary high water mark of the Madawaska River; thence following said river in a downstream direction to the property line between Fraser Papers Inc. Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35320951); and Fraser Papers Inc. Papiers Fraser Inc. (documents 18659954 & 18886219, PID 35147305); thence following said property line in a southerly direction until the northeasterly limit of Canada Road; thence following said limit in a northwesterly direction to a point situated at the intersection of the line between Lot 2006-01 and Parcel 2006-B, as outlined on Amending Subdivision Plan - Final Plan Survey of subdivision of Lot No. 2 Granted to Michel Tighe, surveyed by Pierre J.-M. Picard, N.B.L.S., dated February 28, 2006, said point having New Brunswick Grid Coordinates east 2360795.198 meters and north 7598445.798 meters; thence following a direction 38 degrees, 55 minutes, 00 seconds for a distance of 59.16 meters; thence following a direction 125 degrees, 24 minutes, 30 seconds for a distance of 26.93 meters; thence following a direction 39 degrees, 44 minutes, 40 seconds for a distance of 65.53 meters; thence following a direction 313 degrees, 46 minutes, 50 seconds for a distance of 33.24 meters; thence following a direction 281 degrees, 36 minutes, 20 seconds for a distance of 57.17 meters; thence following a direction 194 degrees, 10 minutes, 40 seconds for a distance of 46.69 meters; thence following a direction 218 degrees, 55 minutes, 00 seconds for a distance of 58.51 meters to the northeasterly limit of Canada Road; thence following said limit in a northwesterly direction until the point of beginning."

SAVE AND EXCEPT part of a parcel of land conveyed to the Town of Edmundston by a document dated November 30, 1922 and registered in the Madawaska County Registry Office on June 14, 1923 in book O-3, page 217, as number 23837.

SAVE AND EXCEPT a parcel of land conveyed to the Town of Edmundston by a document dated May 2, 1944 and registered in the Madawaska County Registry Office on May 27, 1944 in book M-5, page 102, as number 40945.

BEING A CONSOLIDATION of 2 parcels of land, Parcel 2006-A and Parcel 2006-B as outlined on Amending Subdivision Plan - Final Plan Survey of subdivision of Lot No. 2 Granted to Michel Tighe, surveyed by Pierre J.-M. Picard, N.B.L.S., dated February 28, 2006, with 2 parcels of land (PIDS 35320951 and 35186725) as conveyed to Fraser Papers Inc. Papiers Fraser Inc. by a document dated June 27, 2004 and registered in the Madawaska County Registry Office on July 6, 2004 as number 18659954 and by a document dated June 30, 2004 and registered in the Madawaska County Registry Office on August 10, 2004 as number 18886219.

Being the same lands as conveyed in to Fraser Papers Inc. Papiers Fraser Inc., Deed registered in the Madawaska County Registry Office on April 19, 2006 as Document #21972865.

Schedule A | Annexe A

TOGETHER WITH A BENEFIT of a Right of Way and an Easement as described in Transfer from Fraser Papers Inc. Papiers Fraser Inc. to Acadian Timber GP Inc. registered on July 18, 2006 in the Madawaska County Registry Office as number 22448709, and shown as Right of Way and Easement No. 2 on an Amending Subdivision Plan - Final Plan Survey of subdivision of Lot No. 2 Granted to Michel Tighe, surveyed by Pierre J.-M. Picard, N.B.L.S, dated February 28, 2006 and registered in the Madawaska County Registry Office on April 19, 2006 as Plan 21971677.

Schedule A | Annexe A**PID | NID : 35330604****Apparent Parcel Access | Accès apparent à la parcelle : Public Access | Accès public****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-18 15:56:48****Legal Description | Description officielle :****Municipality: City of Edmundston****Parish: Madawaska****County: Madawaska****Description: Lot 2006-01****Plan: 22117635****County Registered: Madawaska****Date Registered: 2006-05-18****Name of Plan: Plan d'Arpentage, démontrant le lot 2006-1, Fraser Papers Inc. Papier Fraser Inc.**

Schedule A | Annexe A**PID | NID : 35194497****Apparent Parcel Access | Accès apparent à la parcelle : Private Access | Accès privé****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-25 08:49:47****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line of land owned by Martin Ready Mix Ltd. with land owned by Dube Construction Co. Ltd. at Iroquois in the Parish of Saint Basile, thence following said division line in a northerly direction for a distance of four hundred feet (400') more or less, to a point, thence in an easterly direction parallel to the Saint John River and maintaining a distance of four hundred feet (400') therefrom for a distance of seven hundred feet (700'), more or less, to the division line between lands owned by Isidore Cyr and Dube Construction Co. Ltd., thence following said division line in a southerly direction for a distance of four hundred feet (400'), more or less, to the northerly bank or shore of the Saint John River, thence following the various courses of the bank or shore of the Saint John River upstream to the place or point of beginning.

TOGETHER WITH A BENEFIT OF a right-of-way to the Grantee, its servants, employees or agents or others with authority to enter upon and over the lands herein described from the Highway Road following an existing road leading to the River aforesaid with truck or other vehicles at all times for all purposes. Said right-of-way being given to the Grantee, its successors and assigns.

Being the same lands and premises conveyed by Dube Construction Co. Ltd. to Fraser Companies, Limited by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 17, 1970 in Book L-8 at page 629 as Number 085128.

Schedule A | Annexe A**PID | NID : 35194489****Apparent Parcel Access | Accès apparent à la parcelle : Private Access | Accès privé****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-20 16:10:14****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St. Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northeastern bank or shore of the St. John River with the division line between lands owned by Raoul Lee and Gerald Dupont at Iroquois, in the Parish of St. Basile; thence following said division line in a direction North fifty-one degrees East (N51 degrees 00 minutes E) to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Gerald Dupont and Raoul Jalbert; thence following said division line in a direction South fifty-one degrees twenty minutes West (S51 degrees 20 minutes W) to the northeastern bank or shore of the St. John River; thence following the bank or shore of the St. John River upstream to the place or point of beginning.

TOGETHER WITH A BENEFIT OF A right-of-way upon and across the lands of Felix Cormier, extending from the public highway to connect with and form part of the roadway approach to the joint farm crossing at Mile 109.7 of the Grand Falls sub-division of the Canadian National Railway as described in agreement dated June 10, 1942 between Felix Cormier et al and the Canadian National Railway, being duly recorded in the Madawaska County Records in Book J-5, Page 239, No. 39111.

Being the same lands and premises conveyed by Gerald Dupont and wife to Fraser Companies, Limited by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at page 522 as Number 085103.

Schedule A | Annexe A**PID | NID : 35194505****Apparent Parcel Access | Accès apparent à la parcelle : Private Access | Accès privé****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-20 09:04:09****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Gerald Dupont and Martin Ready Mix Ltd., at Iroquois in the Parish of Saint Basile, thence following said division line in a northerly direction for a distance of two hundred feet (200') more or less, to a point, thence in an easterly direction parallel to the Saint John River and maintaining a distance of two hundred feet (200') therefrom, to the division line between lands owned by Dube Construction Co. Ltd. and Martin Ready Mix Ltd., thence following said division line in a southerly direction for a distance of two hundred feet (200') more or less, to the northerly bank or shore of the Saint John River upstream to the place or point of beginning.

TOGETHER WITH A BENEFIT OF a certain right-of-way excepted and reserved unto Martin Ready Mix Ltd. described in Deed dated October 2, 1969 from Martin Ready Mix Ltd. to Raoul Jalbert, recorded in the Madawaska County Records in Book D-8, Page 453 as No. 82740.

Being the same lands and premises conveyed by Martin Ready Mix Ltd. to Fraser Companies, Limited by Deed dated December 14, 1970 and registered December 17, 1970 in the Madawaska County Registry Office in Book L-8 at Page 632 as Number 085129.

Schedule A | Annexe A**PID | NID : 35194513****Apparent Parcel Access | Accès apparent à la parcelle : Public Access | Accès public****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-19 15:57:26****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Dube Construction Co. Ltd. and Isidore Cyr; thence in a northerly direction following the division line between lands owned by Dube Construction Co. Ltd. and Isidore Cyr for a distance of four hundred feet (400'), more or less, thence continuing in the same direction along the line dividing the lands of Raoul Jalbert and Isidore Cyr to the southern limits of the Public Highway (Route No. 2); thence following the southern limits of the Public Highway (Route No. 2) in an easterly direction to the division line between lands owned by Isidore Cyr and Oneil Corneau; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

SAVING AND EXCEPTING THEREOUT AND THEREFROM that parcel of land for a railway conveyed to the Commissioners of the Transcontinental Railway by Alexis B. Cyr by deed dated June 1, 1910 recorded in the Madawaska County records in book M-1, page 533 as No. 11789.

Being the same lands and premises conveyed by Isidore Cyr to Fraser Companies, Limited by Deed dated December 7, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 512 as Number 085100.

Schedule A | Annexe A

PID | NID : 35064930

Apparent Parcel Access | Accès apparent à la parcelle : No Access | Aucun accès

Status | État de la demande : Current | Courant

Effective Date/Time | Date et heure de prise d'effet : 2008-03-25 08:56:45

Legal Description | Description officielle :

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the St. John River with the easterly property line of lands owned by Gerald Dupont at Iroquois, in the Parish of St. Basile, thence following said property line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following said limits of the Canadian National Railway right-of-way in an easterly direction to the property line of lands owned by Isidore Cyr; thence in a southerly direction along the said property line to the bank or shore of the St. John River; thence following the bank or shore of the St. John River upstream to the place or point of beginning;

EXCEPTING THEREOUT AND THEREFROM, a strip of land two hundred feet (200') in width bordering the St. John River sold to Martin Ready-Mix Limited by Raoul Jalbert by Deed dated October 2, 1969, being duly recorded in the Madawaska County Records in Book D-8, Page 452 as No. 82739.

ALSO EXCEPTING THEREOUT AND THEREFROM, a strip of land four hundred feet (400') in width bordering the St. John River sold to Dube Construction Co. Ltd. by Raoul Jalbert by Deed dated August 4, 1970, being duly recorded in the Madawaska County Records in Book I-8, Page 883 as No. 84458.

Being Parcel 1 of three parcels conveyed by Raoul Jalbert and wife to Fraser Companies, Limited by Deed dated December 7, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 525 as Number 85104.

Schedule A | Annexe A**PID | NID : 35194521****Apparent Parcel Access | Accès apparent à la parcelle : No Access | Aucun accès****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-20 08:55:17****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Isidore Cyr and lands owned by Onell Corneau, thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of said right-of-way in an easterly direction to the division line between lands owned by Onell Corneau and lands owned by Alcide Bouchard; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being the same lands and premises conveyed by Onell Corneau and wife to Fraser Companies, Limited by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 509 as Number 085099.

Schedule A | Annexe A

PID | NID : 35194539**Apparent Parcel Access | Accès apparent à la parcelle : No Access | Aucun accès****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-19 15:44:56****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Oneil Corneau and lands owned by Alcide Bouchard; thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Alcide Bouchards and lands owned by Alfred Lajole; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being Parcel 1 of the two parcels conveyed to Fraser Companies, Limited by Alcide Bouchard and wife, Grantors, and Severine Martin, widow of Napoleon Martin, Releasor, by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 515 as Number 085101

Schedule A | Annexe A**PID | NID : 35198613****Apparent Parcel Access | Accès apparent à la parcelle : No Access | Aucun accès****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-20 08:57:02****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Alcide Bouchard and lands owned by Alfred Lajoie; thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Alfred Lajoie and lands owned by Olive Fournier; thence following said division line in a southerly direction to a point, said point being distant forty (40) rods from the northerly bank or shore of the Saint John River; thence westerly and parallel to the said Saint John River ten (10) rods to a point; thence southerly parallel to the division line of lands owned by Alfred Lajoie and Olive Fournier forty (40) rods or to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being the same lands and premises conveyed by Alfred Lajoie and wife to Fraser Companies, Limited by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 519 as Number 085102.

Schedule A | Annexe A**PID | NID : 35198589****Apparent Parcel Access | Accès apparent à la parcelle : No Access | Aucun accès****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-19 15:59:26****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Alfred Lajoie and lands owned by Olive Fournier; thence following said division line in a northerly direction for a distance of 40 rods to a point; thence easterly and parallel to the bank or shore of the Saint John River for a distance of 10 rods to a point on the division line between lands owned by Alfred Lajoie and Olive Fournier; thence northerly along said division line to the southerly limit of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Olive Fournier and lands owned by Edgar Fournier; thence following said division line in a southerly direction to the northerly bank or shore of Saint John River, thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being the same lands and premises conveyed by Mrs. Olive Fournier to Fraser Companies, Limited by Deed dated December 7, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 506 as Number 085098.

Schedule A | Annexe A**PID | NID : 35198597****Apparent Parcel Access | Accès apparent à la parcelle : Private Access | Accès privé****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-20 16:03:16****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Edgar Fournier and lands owned by Ronald Bois; thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Ronald Bois and lands owned by Leonide Souncy; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

TOGETHER with a road right-of-way, in common with others, being sixty feet (60') in width, leading from the public highway No. 2 and following the top of the western embankment of Bois Brook, so-called (Lavoie Brook), to the northerly limit of the Canadian National Railway right-of-way.

Being Parcel 1 of the two parcels conveyed by Ronald Bois and wife to Fraser Companies, Limited by Deed dated December 7, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 502 as Number 085097.

Schedule A | Annexe A**PID | NID : 35198605****Apparent Parcel Access | Accès apparent à la parcelle : No Access | Aucun accès****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-20 14:20:19****Legal Description | Description officielle :**

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, Parish of St-Basile, County Madawaska and Province of New Brunswick and being more particularly bounded and described as follows:

A lot of land containing fifty-five acres, more or less, bounded on the south by the Saint John River; on the north by the 470 foot elevation or contour of the northern bank of Lavoie Brook, said contour being southerly of the Canadian National Railways right-of-way; on the upper or westerly side by land owned and occupied by Fraser Companies, Limited (former Ronald Bois property); on the lower or easterly side by land owned and occupied by Damase Theriault. Being portions of Lot Nos. 28 and 29, First Tier, Parish of St-Basile.

Being the same lands and premises conveyed by Conrad Soucy and wife to Fraser Companies, Limited by Deed dated July 29, 1971 and registered in the Madawaska County Registry Office on August 6, 1971 in Book S-8 at Page 151 as Number 086632.

Schedule A | Annexe A

PID | NID : 35198571

Apparent Parcel Access | Accès apparent à la parcelle : No Access | Aucun accès

Status | État de la demande : Current | Courant

Effective Date/Time | Date et heure de prise d'effet : 2008-03-20 09:01:45

Legal Description | Description officielle :

All that certain lot, piece or parcel of land and premises, lying and being in the City of Edmundston, Parish of St-Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Olive Fournier and lands owned by Edgar Fournier, thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Edgar Fournier and lands owned by Ronald Bois; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being Parcel 1 of the two parcels conveyed by Hon. Edgar E. Fournier and wife to Fraser Companies, Limited by Deed dated December 10, 1970 and registered in the Madawaska County Registry Office on December 17, 1970 in Book L-8 at Page 635 as Number 085130.

SCHEDULE "A"**SCHEDULE "A"**

#1

PID# 35176791

All that certain piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick, and being part of Big Island, so called in the River St. John containing 27.25 acres more or less, bounded on the north and south by the River St. John, on the east by part of the same Island formerly owned by Joseph Belanger, on the west by part of the same Island owned by Phalias Daigle, measuring hereby to convey all the land claimed or owned by the said Felix Daigle on the said Big Island.

Also that other piece or parcel of land situate in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick and being Island No. 6 and containing 19.92 acres more or less. Said premises having been formerly conveyed to the said Felix Daigle by one Zephirm Daigle and wife by deed dated May 26, 1894 recorded in Book 4 at page 302 of the Madawaska County records, and the said premises conveyed to the said Zephirm Daigle by one Augustin Daigle by deed dated November 26, 1866 and recorded in Book B page 528 as No. 667 of the Madawaska County records.

Being the same lands and premises conveyed by Felix Daigle and wife to Fraser Companies, Limited by Deed dated the 21st day of December 1928 and registered in the Madawaska Registry Office on January 3, 1929, 1929, in Book K-4 at Page 771, as Number 28848.

#2

PID# 35176809

ALL that certain piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick and known as parcel of Big Island in the River St. John and situate on the south east corner of the said Island, bounded on the south by the Rivers Cain and John, on the northeast and on the northwest by part of the same Island formerly owned by Irenie Daigle, said piece of land hereby conveyed containing 15.10 acres and containing all the land owned and claimed by the said Elais Daigle on the said Island. Being the south piece of land conveyed to the said Elais Daigle by the heirs of the late Isadore Daigle by a Deed of partition dated April 1st 1906 registered in Book G-1 at page 218 of the Madawaska County records and conveyed to the said Isidore Daigle by one Halarion Daigle by deed dated December 9, 1861 and recorded in Book D at Page 155 of the Victoria County records.

Being the same lands and premises conveyed by Elais Daigle to Fraser Companies, Limited by Deed dated the 24th day of December 1928 and registered in the Madawaska Registry Office on January 3, 1929, in Book K-4, at page 768, as number 28847.

#3

PID # 35176825

All that certain piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska in the Province of New Brunswick, and bounded and described as follows: -

On the south by the River St. John, on the east by line dividing land between Felix Daigle and the said Dawase Daigle on the north by the right of way of the Canadian National Railway, on the west by the line dividing land owned by the estate of the late Hector Daigle; Said piece of land comprising all the land owned by the grantor situate between the River St. John and the right-of-way of the transcontinental Railway, and containing 1.72 acres more or less and being part of lot No. 64 conveyed to the said Dawase Daigle by one Raphael Daigle by deed dated October 17, 1894, and recorded in Book O Page 643 Madawaska County Records and conveyed to the said Raphael Daigle by one Augustus Daigle by deed dated July 7, 1868 and recorded in Book F page 29 of the Victoria County records and conveyed to the said Augustus Daigle by one Henri Chasse by deed recorded in Book "A" Page 219 of the Victoria County records.

Also all that certain piece, parcel or lot of land known as the Small Island on the River St. John in front of lot No. 64 and containing 3 acres more or less.

BEING the same lands and premises as described in a Deed dated December 20, 1928 between Dawase Daigle and Modeste Daigle as grantors and Fraser Companies, Limited as grantee, which Deed was duly registered in the Madawaska County Registry Office on January 3, 1929 in Book K-4 at Pages 765-767 as Number 28846.

#4

PID# 35176817

ALL THAT CERTAIN piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick, and being an Island in the River St. John known as the Xavier Cyr Island and measuring 6.28 acres more or less and being situate above the mouth of Baker Brook.

Being the same lands and premises conveyed by Xavier Cyr and wife to Fraser Companies, Limitee by Deed dated the 29th day of October 1929 and registered in the Madawaska Registry Office on April 10, 1929, in Book M-4 at page 734, as number 29068.

#5

PID # 35176882

All that certain piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick and bounded and described as follows: - On the south by the River St. John, on the east by line dividing lands between Filex Daigle and the said Damase Daigle, on the north by the right of way of the Canadian National Railway, on the west by the line dividing land owned by the estate of the late Hector Daigle. Said piece of land comprising all the land owned by the grantor situate between the River St. John and the right-of-way of the Transcontinental Railway, and containing 1.72 acres more or less and being part of lot No. 64 conveyed to the said Damase Daigle by one Raphael Daigle by deed dated October 17, 1884, and recorded in Book O, Page 643, Madawaska County records, and conveyed to the said Raphael Daigle by one Augustin Daigle by deed dated July 17, 1868, and recorded in Book F, page 29 of the Victoria County records and conveyed to the said Augustin Daigle by one Henri Chasse by deed recorded in Book "A" Page 219 of the Victoria County records.

Also all that certain piece, parcel or lot of land known as the Sunall Island on the River St. John in front of lot No. 64 and containing 3 acres more or less.

Being the same lands and premises conveyed by Damase Daigle and wife to Fraser Companies, Limited by Deed dated the 20th day of December 1928 and registered in the Madawaska Registry Office on January 3, 1929, in Book K-4, at Page 765, as Number 28846.

#6

PID 35248392

All those certain portions, strips or parcels of land situated and being in the City of Edmundston, in the County of Madawaska, in the Province of New Brunswick and described as follows:

Being all those strips of shore frontage lying along the eastern bank or shore of the Madawaska River between said river and a line running more or less parallel thereto in a southerly direction or downstream and distant backward therefrom at freshet height or high water mark the number of feet or distance in the first column set opposite the respective names of the Grantors listed in a certain Deed of Shore Rights on the Madawaska River, dated November 3, 1916 and made between Maxime Martin et al as Grantors and Fraser Limited as Grantee, and registered in the Madawaska County Registry Office on April 30th, 1917 in Book N-2 at Page 248 as No. 17474.

#48 35320852

#49 35320845

#7

PID #35126960

All that tract of land, situate in the town of Edmundston in the County of Madawaska, known as the first tract in Provincial, Grant no. 1861 to James Murchie, bearing date the fifth day of April A.D. 1882 and in said grant described as follows: -

"The first tract beginning at a point on the western bank or shore of the Madawaska River, distant fifty links measured across a reserved road rectangularly from the southern line of lot number one hundred and fourteen in Deputy Jack's survey in eighteen hundred and seventy-five, town plat of Edmundston, thence from aforesaid point running by the magnet along the southern side of said reserved road south seventy-two degrees and forty-five minutes west nine chains or to the eastern side of another reserved road, thence along the same south eight degrees and thirty minutes west thirteen chains and eighty links, thence north seventy-two degrees, and forty-five minutes east one chain and fifty links to the western bank or shore of the Madawaska River aforesaid and thence along the same following the several courses thereof, in a northerly direction up stream to the place of beginning, containing seven acres more or less, and distinguished as the first tract, lot Number One town plat of Edmundston." (Except, that part of the last above described tract of land conveyed by James Murchie and Levite Theriault to Joseph Martin à Theodore by deed bearing date the thirty-first day of August A.D. 1889 and registered in the office of the Registrar of Deeds in and for the County of Madawaska in Book "J" pages 26 and 27 by the number 3034 in the said Book.

All that certain tract of land, situate, lying and being in the town of Edmundston aforesaid, bounded as follows:- Beginning at a point on the western bank or shore of the Madawaska River where the southeastern side of a reserved road intersects the same, the said point being distant one chain measured in a south-easterly direction at right angles to the southeastern line of lot Number One Hundred and Forty-three granted to William Emmerson in the town plat of Edmundston, thence running by the magnet South Forty-nine degrees and thirty minutes west eight chains or to the northern angle of Lot Number One Hundred and One granted to Hilaire Pelletier, thence south Forty degrees and thirty minutes east three chains to a stake, thence south Forty-nine degrees and thirty minutes west one chain and twenty-five links to another stake, thence south thirty-three degrees west three chains and fifty links to another stake, thence south forty degrees and thirty minutes east fifteen links, thence south ten degrees west two chains and thirty links to the northern side of another reserved road, thence along the same north seventy-two degrees and forty-five minutes east nine chains and eighty links or to the western bank or shore of the Madawaska River aforesaid and thence along the same following the several courses thereof up stream, in a northerly direction to the place of beginning (excepting out of the above described tract the two reserved roads, fifty links wide shown on plan annexed to said grant) containing five and one half acres more or less and distinguished as Lots Number One Hundred and Two, One Hundred and Three, One Hundred and Four, One Hundred and Five, One Hundred and Six, One Hundred and Seven, One Hundred and Seven east, and lots from Number One Hundred and Eight to One Hundred and Twenty-Two both inclusive in Block M town plat of Edmundston, being granted to James Murchie by Provincial Grant bearing date the First day of December A.D. 1884, and numbered 20214, excepting all that part of the above described lands conveyed to William Tardif by said James Murchie's Sons Company by deed bearing date the thirty-first day of March A.D. 1910, bounded and described as follows:- Beginning at a post on the southeasterly side of Church Street so called on the northwesterly boundary of Lot number One Hundred and Seven (107) situate, one hundred and twenty-five (125) feet distant in a direction, south eighty-one (81) degrees east by the magnet of the year 1909 from the most westerly corner of the Public brick school house in the town of Edmundston, thence south, twenty (20) degrees east for the distance of one hundred (100) feet to another post, thence, north fifty (50) degrees east for the distance of fifty

(50) feet to another post, thence north twenty (20) degrees west for the distance of one hundred (100) feet to another post standing on the southeasterly boundary of said Church Street, thence south Fifty (50) degrees west along the said southeasterly boundary of said Church Street for the distance of Fifty (50) feet to the place of beginning and being part of Lots Number One Hundred and Seven (107) and One Hundred and Seven E (107E) in the town plat of Edmundston, granted to James Murchie; And subject to the leasehold interest of Frank S. Murchie in and to a certain part of said lands on which is situate the dwelling house and out buildings belonging to the said Frank S. Murchie and now occupied by Bruno Martin and subject to the right of the said Frank S. Murchie to remove the said buildings therefrom at the termination of said lease.

BEING the lands and premises described as the Third Parcel and Fourth Parcel in a Deed dated April 6, 1911 between James Murchie's Sons Company as grantor and Donald Fraser & Sons Limited as grantee, which Deed was duly registered in the Madawaska County Registry Office on April 22, 1911 in Book T-1 at Page 8 as Number 12429.

#8

PID #35181429

ALL that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEING Parcel "A", containing 209 sq.m., of Plan 4761."

BEING a portion of the lands and premises conveyed by Donald N. Doncet, Elizabeth-Ann Dorschner, and Gerard J. Noel to Noranda Forest Inc. by Deed dated October 24, 1996 and registered in the Madawaska County Registry Office on October 25, 1996 in Book 854 at Page 672 as Number 199176.

#9

PID # 35181445

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows: -

"BEING a lot of land designated as Parcel "B", containing 348 sq.m., as appears in subdivision plan of Fraser Inc. and Léo Pelletier subdivision surveyed by E.L. Howie, dated August 13, 1981 and approved on August 21, 1981 by A. Gagnon, development officer for the City of Edmundston. Said plan being filed in the registry office for the County of Madawaska under Official Plan File No. 4761."

BEING the same lands and premises as described in an Indenture dated September 3, 1981 between Léo Pelletier and Kathleen Pelletier of the first part and Fraser Inc of the second part, which Indenture was duly registered in the Madawaska Registry Office on September 8, 1981 in Book E-14 as Number 124989.

#10

PID 35181569

All that certain lot, piece or parcel of land and premises situate, lying and being in the Town of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

On the westerly side of the Highway leading to the Canadian Pacific Railway Station in the said Town, fronting on the said Highway fifty-two (52) feet and running back to the bank of the Madawaska River at highwater mark, maintaining an equal width of fifty-two (52) feet; the same beginning at a post on the western side of the said Highway on the dividing line of lands formerly owned by one Thaddee Hebert from the lot hereby conveyed. Being the same lands and premises conveyed to Paul Theriault by Adele Hedou by Deed dated February 17th 1944 and registered in the Madawaska County Registry Office in Book "L-5", Page 296 under official number 40488.

#11

PID #35181585

All that certain lot, piece or parcel of land situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

BEGINNING at a post being one hundred and twenty-five (125) feet distant from the north side of Aqueduct Street along the line of Alex Angers; thence going west until it strikes the land owned by Fraser Companies; thence going north along the land of Fraser Companies until it strikes the Madawaska River at low tide until the land of Alex Angers; thence along the side of land of Alex Angers going South until it strikes the land of Freda Allain at the point of beginning.

Being the same lands conveyed to Gilberte Cyr by Donald Cyr and registered in the Madawaska County Registry Office on April 4th, 1963, in Book H-7 at page 183, as number 70036.

BEING the same lands and premises conveyed by Gilberte Cyr and Donald Cyr to Fraser Inc. by Deed dated August 6, 1981 and registered in the Madawaska County Registry Office on August 12, 1981 in Book C-14 at Page 888 as Number 124630.

#12

PID # 35135037

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick and being designated as Lot 6 on the "Plan of Survey of Real Estate properties owned by Fraser Companies Limited in the City of Edmundston, Madawaska County, N.B." prepared by C. M. Roy, N.B.L.S. under date of October 1964 - February, 1965, which said Plan of Survey was approved by The Planning Commission of the City of Edmundston on the 2nd day of September, 1965 and filed in the Office of the Registrar of Deeds in and for the County of Madawaska on the 7th day of September, 1965, as number 1507, the whole being hereinafter sometimes referred to as "the said premises".

TOGETHER WITH the right to have the existing garage building as located on the said premises encroach upon the lands of the Grantor to the west of the said premises shown on the aforementioned Plan and to maintain the same but for so long only as it remains on the said premises in its present location, the Grantee hereby covenanting to maintain the same in a good and fit state of repair for so long as it remains in its present location.

TOGETHER WITH the right to the Grantee, his servants, agents, employees and workmen, to enter upon Lot 5 shown on the aforementioned Plan for the purposes of repairing, painting, altering and maintaining the north side of the dwelling presently located on the said premises and the eaves, roofs, and other projections thereof, and to enter upon the lands of the Grantor to the west of the said premises shown on the aforementioned Plan for the purpose of repairing, painting, altering and maintaining the west side of the garage presently located on the said premises and the eaves, roofs, and other projections thereof, and for such purposes to erect and have on the said Lot 5 and the lands of the Grantor to the west of the said premises, as there shall be occasion, ladders, staging and equipment incidental to such operations.

SUBJECT to the right of the owner for the time being of Lot 7, shown on the aforementioned Plan and his servants, agents, employees and workmen, to enter upon the said premises for the purpose of repairing, painting, altering and maintaining the north side of building or buildings presently located on the said Lot 7, and the eaves, roofs and other projections thereof and for such purposes to erect and have on the said premises, as there shall be occasion, ladders, staging and equipment incidental to such operations.

BEING the same description as contained in Deed of Conveyance dated November 16, 1965, between Fraser Companies Limited, as Grantor, and Lucien Bernier, as Grantee, and duly registered in the Madawaska County Registry Office on November 17, 1965, as number 75161.

BEING the same lands and premises conveyed by Roland Bernier, Rachel Pelletier, Lucien Bernier and Catherine Bernier to Noranda Forest Inc. by Deed dated November 29, 1994 and registered in the Madawaska County Registry Office on November 30, 1994 in Book 790 at Page 378 as Number 190939.

#13

PID # 35135003

ALL THAT certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"Bounded on the North by the Right of Way of the Trans-Continental Railway; on the East by the Madawaska River; on the South by the Saint John River; on the West by the Ferry Road."

Being the same, land conveyed in Deed dated January 12, 1920, having Philippe Chamberland and Joseph Emile Bard as Grantors and Louis Berube as Grantee and registered in the Madawaska County Registry Office in Book X-2, at pages 409 and 419, as Number 20118 on April 30, 1920.

Being the same land as Deeded to Lucienne Ouellette, wife of Lucien Ouellette by Anais Berube, widow of Louis Berube, by Deed dated September 15, 1977 and registered in the Registry Office for the County of Madawaska on September 25, 1979 in Book W-12, at Pages 803, 805 as Number 116.674, the said Deed having been approved for registration by Patrice Dube, Development Officer for the City of Edmundston on September 25, 1979.

#14

PID #35134519

All that certain lot, piece or parcel of land and premises situate, lying and being in the Town of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at a point on the North side of Aqueduct Street where line of Grantors intersects line of Alex Angers; thence going North for 100 feet until lot of land owned by Donald Cyr; thence going West until a reserved road; thence going South for 100 feet alongside said reserved road until Aqueduct Street; thence going East alongside said Aqueduct Street until place of beginning."

This description is derived from Deed dated October 18, 1950 and registered in the Registry Office for the County of Madawaska on December 14, 1950, in Book C-6, at Page 420, under Number 50,785 and having Belonie R. Cyr and Annie Cyr as Grantors and Freda Allain as Grantee.

BEING a portion of the lands and premises conveyed by Freda Allain, Donald R. Cyr and Oneil Cyr to Noranda Forest Inc. by Deed dated March 29, 1995 and registered in the Madawaska County Registry Office on April 28, 1995 in Book 800 at Page 458 as Number 192219.

#15

PID # 35134501

ALL that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:-

"BEGINNING at a post on the northeasterly side line of Aqueduct Street; and post being the southwesterly angle of lot owned and occupied by Henri O. Gagnon; thence in a direction of North fifty-one degrees and one minutes east (N51° 01' E) along the westerly line of said Henri O. Gagnon lot the distance of one hundred (100) feet to another post; thence in a direction north thirty-eight degrees and fifty-one minutes west (N 38° 51' W) the distance of fifty (50) feet to another post; thence in a direction south fifty-one degrees and one minutes west (S 51° 01' W) for the distance of one hundred (100) feet to a post on the northeasterly side line of Aqueduct Street; thence following said street line in a direction south thirty-eight degrees fifty-one minutes east (S 38° 51' E) the distance of fifty (50) feet to the point of beginning." The directions are magnetic for the year 1917 and taken from the town plan of Edmundston of the same year.

This description is derived from a Mortgage dated December 20, 1971 and registered in the Registry Office for the County of Madawaska in Book V-8, at page 382, under number 87514 on December 22, 1971.

APPROVED FOR REGISTRATION by Patrice Dubé, Development Officer, City of Edmundston, on October 16, 1979.

BEING the same lands and premises as described in a Deed dated October 24, 1996 between Donald N. Doucet, Elizabeth-Ann Dorschner, and Gerard J. Noel as grantors to Noranda Forest Inc. as grantee, which Deed was duly registered in the Madawaska County Registry Office on October 25, 1996 in Book 854 at Pages 672-678 as Number 199176.

#16

PID #35134493

All that certain lot, piece or parcel of land and premises, situate, lying and being in the City of Edmundston, County of Madawaska and Province of New Brunswick, bounded and described as follows:-

"Beginning at a point on the northeasterly side of Aqueduct Street in the said Town of Edmundston where the dividing line between Lot No. 142 and Lot No. 143 intersects the said northeasterly side line of the said street, thence north forty-nine degrees thirty minutes (N. 49° 30' E.) east along the said dividing line between Lot No. 142 and Lot No. 143, one hundred and one and three one-tenths (101.3') feet, to an iron post; thence south thirty degrees thirty-two minutes (S. 30° 32' E.) east thirty-nine and seven tenths (39.7') feet to another iron post; thence south nineteen degrees nineteen minutes (S. 19° 19' E.) east twenty-nine and three tenths (29.3') feet to another iron post; thence south forty-nine degrees thirty minutes (S. 49° 30' W.) west eighty-five (85') feet to another iron post, or to the said northeasterly side line of the said Aqueduct Street; thence north thirty-nine degrees eight minutes (N. 39° 8' W.) west along the northeasterly side line of the said street, to the place of beginning, containing six thousand, two hundred and forty-nine and four tenths (6,249.4) square feet, or approximately fourteen one-hundredths (0.14) of an acre.

BEING the same lands and premises as described in a Deed dated July 8, 1983 between Rosalie Akerley as grantor and Fraser Inc. as grantee, which Deed was duly registered in the Madawaska County Registry Office on July 15, 1983 in Book O-15 at Page 170 as Number 133122.

#17

PID #35134485

"Beginning at an iron post situate on the easterly side of Aqueduct Street, said iron post marking the intersection of the southerly side line of the lands conveyed by Fraser Companies, Limited to Joseph D. Boucher under deed dated September 8th, 1938, with the aforesaid easterly side line of Aqueduct Street; thence at right angles to the said easterly side of Aqueduct Street in a northeasterly direction following the aforesaid southerly side line of the Joseph D. Boucher Lot for a distance of seventy-five (75) feet to a wooden stake; thence on an angle of seventy-four (74) degrees and forty-eight (48) minutes for a distance of sixty-six and eight tenths (66.8) feet or to a wooden stake on the northerly side line of Church Street; thence following the aforesaid northerly side line of Church Street in a southwesterly direction a distance of fifty-eight (58) feet or to its intersection with the easterly side line of Aqueduct Street; thence following the said easterly side line of Aqueduct Street in a northwesterly direction sixty-six (66) feet or to the point of beginning; excepting and reserving thereout and therefrom a triangular piece of land situate at the intersection of Church and Aqueduct Streets having a frontage of fifteen (15) feet on Aqueduct Street and a similar frontage of fifteen (15) feet on Church Street."

The whole being a portion of Lot No. 143 as conveyed by James H. Lynch and wife to Fraser Companies, Limited under deed dated December 4th, 1935 and registered in Book "Z-4", pages 347 and 348, under Official Number 33624 in the Registry Office, County of Madawaska and being the same as surveyed by Dy. R. L. Howie, August 30th, 1945.

Being the same lands and premises conveyed by Fraser Companies, Limited to Melvin Loudon by deed dated September 11, 1945 and registered in the Registry Office for the County of Madawaska on September 12, 1945 in Book O-5, page 679 under Official Number 42664.

BEING the lands described as First Parcel in a Deed dated August 5, 1983 between Muriel Loudon as grantor and Fraser Inc. as grantee, which Deed was duly registered in the Madawaska County Registry Office on August 8, 1983 in Book P-15 at Page 570 as Number 133410.

#18

PID 35181668

ALL that certain lot, piece or parcel of land situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows: -

"BEGINNING at a survey marker set at the division line between Parcel "A" and Parcel "B" herein described; thence Azimuth 169°44'36" for a distance of 18.63 meters to a survey marker; thence Azimuth 86°14'36" for a distance of 21.41 meters to a survey marker; thence Azimuth 86°14'36" for a distance of 12.98 meters more or less to the southerly shore of Madawaska River; thence following the said southerly shore of Madawaska River in a westerly direction for a distance of 18.64 meters more or less to the division line between Parcel "A" and Parcel "B" herein described; thence Azimuth 87°11'41" for a distance of 8.46 meters more or less to a survey marker; thence Azimuth 87°11'41" for a distance of 23.16 meters to the survey marker being the point and place of beginning." All Azimuth are N.B. Grid related to N.B. Grid Monuments no. 5440 and 5439.

Containing 601 square meters and being shown as Parcel B on Subdivision Plan of the Joachim Bouchard Subdivision, in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, surveyed by Northern Surveyors Ltd., certified by E.L. Howie, N.B.L.S., dated July 7, 1981, and filed in the Registry Office of and for the County of Madawaska under official plan file no. 4752.

Together with a Right of Way in common for Fraser Inc., City of Edmundston and the Grantor, bounded and described as follows:-

"BEGINNING at point set on the division line between City of Edmundston lands (Glove Factory) and lands of the Grantor; thence Azimuth 178°57'38" for a distance of 6.70 meters to a point; thence Azimuth 88°07'55" for a distance of 4.27 meters to a point; thence Azimuth 349°44'36" for a distance of 6.77 meters to the point; thence Azimuth 268°07'55" for a distance of 3.19 meters to the point and place of beginning." All Azimuth are N.B. Grid related to N.B. Grid Monuments no. 5440 and 5439.

Containing 25 square meters and shown inset on Subdivision Plan of the Joachim Bouchard Subdivision, in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, surveyed by Northern Surveyors Ltd., certified by E.L. Howie, N.B.L.S., dated July 7, 1981, and filed in the Registry Office of and for the County of Madawaska under official plan file no. 4752.

Being the lands and premises described as Parcel 2 in a Deed to Fraser Inc. Limited dated August 17, 1981 and registered in the Madawaska County Registry Office on September 8, 1981, in Book E-14, at pages 407-411, as number 124996.

#19

PID #35181619

All that certain lot, piece or parcel of land and premises, situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, and being designated as Lot 5 on the "Plan of Survey of Real Estate Properties owned by Fraser Companies, Limited in the City of Edmundston, Madawaska County, N.B." prepared by C.M. Roy, N.B.L.S., under date of October, 1964 – February, 1965, which said Plan of Survey was approved by The Planning Commission of the City of Edmundston on the 2nd day of September, 1965, and filed in the Office of the Registrar of Deeds in and for the County of Madawaska on the 7th day of September, 1965, as Number 1507.

Being the same description contained in Deed Number 97,384, in Book "D-10", page 951, Adeline (Boucher) Albert to Adeline Albert.

Being the same lands and premises conveyed by Adeline Albert to Fraser Inc. by Deed dated January 15, 1981 and registered in the Madawaska County Registry Office on January 16, 1981 in Book T-13 at Page 33 as Number 122218.

#20

PID #35181577

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at a point on the northeasterly side of a reserved road on the westerly side of Madawaska River connecting Church Street and Rice Street in the said City of Edmundston on the westerly angle of the lot of land conveyed by Thomas A. Emmerson and Sophie, his wife, to one George Sirois by Deed bearing date the Twenty-Second day of April, A.D. 1910, said point being fifty-six and sixty-four hundredths feet distant from the southeasterly side of Rice Street; thence in a direction south thirty-nine degrees and fifteen minutes east by the magnet of the year 1910, along the northeasterly boundary of said reserved road for the distance of eighty feet; thence in a direction north fifty degrees and forty-five minutes east about two hundred and eighty feet; thence in a direction north fifty degrees and forty-five minutes east about two hundred and eighty feet to the westerly bank or shore of the Madawaska River; thence up along the said westerly bank or shore of the Madawaska River following the various courses thereof up stream in a northerly direction to the northwesterly boundary of the said lot of land conveyed by the said Thomas A. Emmerson and Sophie, his wife, to the said George Sirois; thence following the northwesterly boundary of said lot of land so conveyed to the said George Sirois to a direction south fifty degrees and forty-five minutes west for a distance of three hundred and thirty-five feet to the place of beginning."

Being the same land conveyed to Gabrielle Angers by Alex Angers estate and registered in the Madawaska County Registry Office on May 26, 1967, in Book V-7 at page 516 as number 78203.

BEING the same lands and premises conveyed by Gabrielle Angers to Fraser Inc. by Deed dated August 6, 1981 and registered in the Madawaska County Registry Office on August 12, 1981 in Book C-14 at Page 882 as Number 124629.

#21

PID 35186667

All those certain lots, pieces or parcels of land and premises situate, lying and being on the west side of Canada Road in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

"Beginning at a point where the division line of Farm Lot No. 10 and Farm Lot No. 11 meets the westerly sideline of Old Main Highway No. 2; thence from said point along said highway in a southerly direction for a distance of Four Hundred Ninety-Eight point six (498.6') until it strikes land owned by Antoine J. Albert; thence in a westerly direction for a distance of One Hundred and fifty (150') feet; thence in a southerly direction parallel with said highway for a distance of Three Hundred (300') feet until it strikes the northerly boundary line of Farm Lot No. 9; thence in a direction (N 79° 15' W) up to the rear line of said Farm Lot No. 10; thence at rear in a northerly direction until it strikes the boundary line of Farm Lot No. 11; thence in a direction (S 79° 15' E) until it strikes line (N 67° 30' E); thence along said line (67° 30' E) for a distance of six Hundred and Fifty-Five (655') feet or to the place of beginning. Being part of Farm Lot No. 10 owned by Levite Theriault, Parish of St. Jacques, Madawaska County, N.B., as per plan surveyed by Leon C. Leger, N.B.L.S., dated December 1970."

BEING one of the parcels conveyed by Levite J. Theriault and Isabelle Theriault to Thruway Motor-Inn Ltd. by deed dated December 1970 and registered in the Madawaska County Registry Office on September 1, 1971 in Book S-8, at Page 754, as No. 86819.

SAVING AND EXCEPTING therefrom the following conveyances:

1. All that certain lot, piece or parcel of land and premises conveyed by Thruway Motor-Inn Ltd. to Levite J. Theriault by deed dated August 25, 1971 and registered in the Madawaska County Registry Office on September 1, 1971 in Book S-8, at Page 758, as No. 86820.
2. Also, all that certain lot, piece or parcel of land and premises conveyed by Wandlyn Inns Ltd./Les Auberges Wandlyn Ltée. to Her Majesty the Queen in Right of the Province of New Brunswick as represented by the Minister of Transportation, by deed dated September 24, 1987 and registered in the Madawaska County Registry Office on October 22, 1987 in Book V-19, at Page 217, as No. 155255, and being referred to therein as Parcel 85-2.

BEING the same lands and premises described as Parcel Two conveyed by Wandlyn Inns Ltd. to Fraser Inc. by Deed dated March 12, 1992 and registered in the Madawaska County Registry Office on March 13, 1992 in Book 685 at Page 21 as Number 178182.

#22

PID # 35186519

All those certain lots, pieces or parcels of land and premises situate, lying and being on the west side of Canada Road in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

BEGINNING at a point where the division line between Grant Lot No. 9 and Grant Lot No. 10 intersects the western limit of Canada Road; then in a southeasterly direction along the western limit of Canada Road until it intersects the division line between Grant Lot No. 8 and Grant Lot No. 9; then in a southwesterly direction following the division line between Grant Lot No. 8 and Grant Lot No. 9 to the rear line of Grant Lot No. 9 in a northerly direction until it intersects the division line between Grant Lot No. 9 and Grant Lot No. 10; then following said division line in a northeasterly direction until it intersects the western limit of Canada Road, being the place of beginning.

SAVING AND EXCEPTING therefrom the following conveyances:

1. All that certain lot, piece or parcel of land conveyed by Charles H. Llewellyn and Wanda E. Llewellyn to Erne Deschenes by deed dated August 8, 1969 and registered in the Madawaska County Registry Office on August 28, 1969 in Book D-8, at Page 213, as No. 82545.
2. Also, all that certain lot, piece or parcel of land conveyed by Throughway Motor-Inn Ltd. to Gaston Guerrette by deed dated September 22, 1970 and registered in the Madawaska County Registry Office on October 14, 1970 in Book K-8, at Page 351, as No. 84796.
3. Also, all that certain lot, piece or parcel of land conveyed by Thruway Motor Inn Ltd. to Gaston Guerrette by deed dated October 20, 1972 and registered in the Madawaska County Registry Office on November 9, 1972 in Book D-9, at Page 598, as No. 89818.
4. Also, all that certain lot, piece or parcel of land conveyed by Thruway Motor Inn Ltd. to Gaston Guerrette by deed dated October 20, 1972 and registered in the Madawaska County Registry Office on November 9, 1972 in Book D-9, at Page 602, as No. 89819.

Being a portion of Grant Lot No. 9 conveyed by Kennedy Rentals Ltd. To Charles H. Llewellyn by deed dated August 8, 1969 and registered in the Madawaska County Registry Office on August 28, 1969 in book D-8, at Page 212, as No. 82544.

Being the same lands and premises described as Parcel One in a Deed conveyed to Fraser Inc. dated March 12, 1992 and registered in the Madawaska County Registry Office on March 13, 1992 in Book 685 at Page 21 as Number 178182.

#23

PID 35147495

ALL that certain lot, piece or parcel of land situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows: -

"BEGINNING at a survey marker set at the division line between lands of the City of Edmundston, (Glove Factory) and lands of the Grantor; thence Azimuth $169^{\circ}44'36''$ for a distance of 22.90 meters to a survey marker; thence Azimuth $87^{\circ}11'41''$ for a distance of 23.16 meters to a survey marker; thence Azimuth $87^{\circ}11'41''$ for a distance of 8.44 meters more or less to the southerly shore of Madawaska River; thence following said southerly shore of Madawaska River in a westerly direction for a distance of 24.32 meters more or less to the corner of a retaining wall; thence Azimuth $268^{\circ}07'55''$ for a distance of 3.36 meters more or less to a survey marker; thence Azimuth $268^{\circ}07'55''$ for a distance of 21.52 meters to the survey marker being the point and place of beginning." All Azimuth are N.B. Grid related to N.B. Grid Monuments no. 5440 and 5439.

Containing 635 square meters and being shown as Parcel "A" on Subdivision Plan of the Joachim Bouchard Subdivision, in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, surveyed by Northern Surveyors Ltd., certified by E.L. Howie, N.B.L.S., dated July 07, 1981, and filed in the Registry Office of and for the County of Madawaska under official plan file no. 4752.

Being the lands and premises described as Parcel 1 in a Deed to Fraser Inc. Limited dated August 17, 1981, and registered in the Madawaska County Registry Office on September 8, 1981, in Book E-14, at page 407, as number 124996.

#24

PID #35147065

All that certain lot, piece or parcel of land and premises situate, lying and being in the Parish of Madawaska, in the County of Madawaska and Province of New Brunswick, bounded as follows, to wit:-

"BEGINNING at an iron post standing in the northwestern limit of Aqueduct Street and at the most western angle of Lot Number One Hundred and Thirty-Nine and One-Half granted to T.A. Emmerson in the Town of Edmundston, thence running by the magnet of 1929 north fifty-one degrees and fifty-four minutes east along the northwestern limit of said Lot two chains and eighty three links or to a point distant three chains from a post in the southwestern bank or shore of the Madawaska River and measured on a course normal thereto, thence in a northwesterly and northeasterly direction parallel to said bank or shore to a point in the southeastern limit of Lot Number One granted to Francis Rice and distant three chains from a post on the southwestern bank or shore of the Madawaska River and measured as heretofore, thence south fifty-one degrees and fifty-four minutes west along the said southeastern limit of Lot Number One granted to Francis Rice two chains and eighty three links to a post standing at a point where the northwestern prolongation of the northeastern limit of Aqueduct Street intersects the southeastern limit of said Lot Number One, thence south thirty-eight degrees and six minutes east along said prolongation of said Street eighty six links to the place of beginning. Containing Twenty three Hundredths of an Acre, more or less, and distinguished as the Northeast Part of Rice Street, within the Town of Edmundston."

This description is derived from a Grant to the City of Edmundston which said grant is dated the 1st day of February, A.D. 1930 and registered in the Registry Office for the County of Madawaska in Book R-4, at page 526-527 under official number 19885 on the 24th day of February, A.D. 1930.

BEING the same lands and premises conveyed by The City of Edmundston to Fraser Inc. by Deed dated May 5, 1983 and registered in the Madawaska County Registry Office on May 6, 1983 in Book I-15 at Page 236 as Number 131926.

#25

PID #35257476

All that certain lot, piece or parcel of land situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:-

"BEGINNING at the intersection of the property line of Fraser Inc. (formerly Laure Marquis) and Guy Charest with the westerly limit of the new Trans Canada Highway; thence following said property line in a westerly direction to the northerly limit of a Crown Reserved Road (Chemin Rossignol); thence following said limit in a northerly direction to the property line between Guy Charest and Raymond Parent and Olive St. Onge; thence following said property line, along Raymond Parent and Olive St. Onge to the limit of the new Trans Canada Highway; thence following said limit in a southerly direction to the point of beginning.

Being part of Grant lot no. 13 and 14 and containing approximately 40 hectares.

And being part of the same lands conveyed to Guy Charest by Suzanne Dumont by deed dated April 3, 1973 and registered in the Madawaska County Registry Office on April 4, 1973 in Book H-9, at page 93 as number 90771, and by deed dated October 1, 1976 and registered in the Madawaska Registry Office on October 4, 1976 in Book Y-10, at Page 538 as Number 103223.

Same having been Approved for Registration by Maurice D'Amours, "agent d'aménagement Commission d'Urbanisme du Madawaska" on August 8, 1985 by an Agreement of Purchase and Sale dated August 8, 1985 and registered in the Registry Office for the County of Madawaska on August 9, 1985, in Book H-17, page 519, as number 142295.

Being the same lands and premises conveyed by Guy G. Charest and Blanche Charest to Fraser Inc. by Deed dated January 15, 1986 and registered in the Madawaska County Registry Office on January 24, 1986 in Book Number U-17 at Page 658 as Number 144383.

#26

PID # 35135060

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, and being designated as Lot 9 on the "Plan of Survey of Real Estate Properties owned by Fraser Companies, Limited in the City of Edmundston, Madawaska County, N.B." prepared by C. M. Roy, N.B.L.S. under date of October, 1964 - February, 1965, which said Plan of Survey was approved by the Planning Commission of the City of Edmundston on the 2nd day of September, 1965, and filed in the Office of the Registrar of Deeds in and for the County of Madawaska on the 7th day of September, 1965, as number 1507, the whole being hereinafter sometimes referred to as "the said premises".

BEING the same lands and premises conveyed by Georgette Ringuette to Noranda Forest Inc. by Deed dated February 22, 1996 and registered in the Madawaska County Registry Office on March 5, 1996 in Book 832 at page 353 as number 196137.

#27

PID # 35135052

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick and being designated as Lot 8 on the "Plan of Survey of Real Estate Properties owned by Fraser Companies, Limited in the City of Edmundston, Madawaska County, N.B." prepared by C.M. Roy, N.B.L.S., under date of October, 1964 – February 1965, which said Plan of Survey was approved by The Planning Commission of the City of Edmundston on the 2nd day of September, 1965 and filed in the Office of the Registrar of Deeds in and for the County of Madawaska on the 7th day of September, 1965, as Number 1507, the whole being hereinafter sometimes referred to as "the said premises".

TOGETHER WITH the right to the Grantee, his servants, agents, employees and workmen, to enter upon Lot 7 shown on the aforementioned Plan for the purpose of repairing, painting, altering and maintaining the north side of the dwelling presently located on the said premises and the eaves, roofs and other projections thereof, and to enter upon lands of the Grantor located to the west of the said premises shown on the aforementioned Plan for the purpose of repairing, painting, altering and maintaining the west side of the garage presently located on the said premises and the eaves, roofs and other projections thereof, and for such purposes to erect and have on the said Lot 7 and lands of the Grantor located to the west of the said premises, as there shall be occasion, ladders, staging and equipment incidental to such operations.

SUBJECT TO the right of the owner for the time being of Lot 9, shown on the aforementioned Plan and his servants, agents, employees and workmen, to enter upon the said premises for the purpose of repairing, painting, altering and maintaining the north side of the dwelling presently located on the said Lot 9, and the eaves, roof and other projections thereof and for such purposes to erect and have on the said premises, as there shall be occasion, ladders, staging and equipment incidental to such operations.

BEING the same parcel of land already conveyed to Mike Bard and Diane Cyr by Renaud Morel and his wife, Louise Morel, by Deed dated December 5, 1994 and said Deed registered in the Madawaska County Records on December 5, 1994 in Book 790, at page 599, as number 190975.

BEING the same lands and premises conveyed by Mike Bard and Diane Cyr to Noranda Forest Inc. by Deed dated September 15, 1995 and registered in the Madawaska County Registry Office on September 22, 1995 in Book 817 at Page 671 as Number 194199.

#28

PID # 35135045

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, and

BEING DESIGNATED as Lot No. 7 on the Plan of Survey of Real Estate Properties owned by Fraser Companies, Limited in the City of Edmundston, Madawaska County, N.B., prepared by C.M. Roy, N.B.L.S., under date of October 1964 – February 1965, which said Plan of Survey was approved by the Planning Commission of the City of Edmundston on the 2nd day of September, 1965 and filed in the Office of the Registrar of Deeds in and for the County of Madawaska on the 7th day of September, 1965, as Number 1507.

TOGETHER WITH the right to the Grantee, his servants, agents, employees and workmen to enter upon Lot 6 shown on the aforementioned Plan for the purpose of repairing, painting, altering and maintaining the north side of the building or buildings presently located on the said premises and the eaves, roofs and other projections thereof and for such purposes to erect and have on the said Lot 6, as there shall be occasion, ladders, staging and equipment incidental to such operations.

SUBJECT TO the right of the owner for the time being of Lot 8, shown on the aforementioned Plan and his servants, agents, employees and workmen to enter upon the said premises for the purpose of repairing, painting, altering and maintaining the north side of the building or buildings presently located on the said Lot 8, and the eaves, roof and other projections thereof and for such purposes to erect and have on the said premises, as there shall be occasion, ladders, staging and equipment incidental to such operations.

BEING the same as appear in Deed dated November 1st, 1965 between Fraser Companies, Limited and George Dufour, registered on November 2nd, 1965 in Book Q-7, at page 144, as number 75080.

BEING the same lands and premises conveyed by Georgette Thibodeau and Ida Dufour to Noranda Forest Inc. by Deed dated October 24, 1995 and registered in the Madawaska County Registry Office on October 30, 1995 in Book 821 at page 557 as number 194728.

#29

PID #35181494

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston in the County of Madawaska and Province of New Brunswick, bounded and described as follows: BEGINNING at a post on the north side of Aqueduct Street where the land of the Grantors meets the land of Alex Angers; thence going north along the line of the said Alex Angers until the Madawaska River; thence along the said Madawaska River until the land of Gilles Sirois; thence going south along the line of the said Gilles Sirois for one hundred and seventeen (117) feet and following afterwards a certain right of way until Aqueduct Street; thence going west along the said Aqueduct Street until the place of beginning.

Being the same lands and premises conveyed to Noella Sirois by the Gilles Sirois Estate (Last Will and Testament) registered in Book E-10, page 354 as #097510 on May 6, 1975.

BEING the same lands and premises described as Parcel Three in Deed dated August 6, 1981 conveyed by Noella Sirois to Fraser Inc. and registered in the Madawaska County Registry office on August 12, 1981 in Book C-14 at Page 893 as Number 124631.

#30

PID #35273648

ALL that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at a post 100 feet distant from Aqueduct Street where the most northeastern corner of lot of land of Freda Allain meets the line of Alex Angers; thence going north along the line of the said Alex Angers for 25 feet until a post; thence going west until the land of Fraser Companies; thence going south for 25 feet along the land of Fraser Companies Ltd. until the land of Freda Allain; thence along the line of Freda Allain in a straight line until the land of Alex Angers or place of beginning."

This description is derived from Deed dated May 16, 1959 and registered in the Registry Office for the County of Madawaska on May 20, 1959, in Book W-6, at Page 297, under Number 63,283 and having Donald Cyr and Gilberte Cyr as Grantors and Freda Allain as Grantee.

TOGETHER with a right-of-way from Aqueduct Street on the reserved road on land of Freda Allain until it reaches the above described lot owned by Donald Cyr. This right-of-way is for the Grantees, heirs, executors and assigns.

This description is derived from Deed dated September 4, 1981 and registered in the Registry Office for the County of Madawaska on September 9, 1981, in Book E-14, at Page 556, under Number 125028 and having Gilberte Cyr as Grantor, Freda Allain as Grantee and Donald R. Cyr as Party of the Third Part.

BEING the same lands and premises conveyed by Freda Allain, Donald R. Cyr and Oneil Cyr to Noranda Forest Inc. by Deed dated March 29, 1995 and registered in the Madawaska County Registry Office on April 28, 1995 in Book 800 at Page 458 as Number 192219.

#31

PID #35160662

All that certain lot, piece or parcel of land and premises situate, lying and being in the Parish of Madawaska, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at the intersection of the property line between Roger Daigle and Kennedy Developments Ltd. with the limit of the new Trans-Canada Highway; thence following said property line in a westerly direction to Chemin Rossignol; thence following said Chemin Rossignol in a northerly direction to the property line between Antonio Toussaint and Laure Marquis; thence following said property line in an easterly direction to the limit of the new Trans-Canada Highway; thence following said limit in a southerly direction to the point of beginning."

Being Granted Lot No. 11 and containing approximately 50 hectares, more or less.

Being a consolidation of two parcels of land derived from deed of Sylvio Daigle to Antonio Toussaint and Lucille Daigle, registered as number 135709 in Book Z-15, at page 367, and registered on January 16, 1984 and from Deed of Roger Daigle registered as number 69817, in Book G-7, at page 639, dated February 6, 1963. Both Deeds filed in the Madawaska County Registry Office.

BEING the same lands and premises conveyed by Antonio Toussaint et al to Fraser Inc. by Deed dated July 25, 1985 and registered in the Madawaska County Registry Office on July 25, 1985 in Book G-17 at Page 562 as Number 142142.

SAVE AND EXCEPT all those lands and premises described in a Deed to Antonio Toussaint and Lucille Daigle registered in the Madawaska County Registry Office on January 16, 1984 in Book Z-15 at Page 367 as Number 135709.

#41 35320985

#32

PID #35173400

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

PARCEL ONE: (Honoré Cyr Lot)

Beginning at the point on the easterly bank or shore of the Madawaska River where the division line between the lands of the said Honoré Cyr and land of the James Murchie's Sons Company meets the said River, thence in an easterly direction along said division line between the lands of the said Honoré Cyr and land of the said James Murchie's Sons Company to the westerly boundary of the land of the Temiscouata Railway Company, thence in a northerly direction along the land of the Temiscouata Railway Company to the division line between land of the said Honoré Cyr and land of Xavier Hebert, thence in a westerly direction along said division line to the easterly bank or shore of the Madawaska River, thence down along the easterly bank or shore of the Madawaska River in a southerly direction to the place of beginning, said lot of land being bounded on the westerly side by the Madawaska River, on the southerly side by land conveyed to James Murchie's Sons Company by Eloi Cyr and wife, on the easterly side by the land of the Temiscouata Railway Company, and on the northerly side by land of Xavier Hebert. Being the same lands and premises conveyed by Honoré Cyr and wife to Donald Fraser & Sons, Limited, by Indenture bearing date the 21st day of March, A.D. 1911, and duly recorded in Madawaska County Records in Book J-1, pages 563 to 566 under official number 13767, the 12th day of December, A.D. 1912. Being the tract described as the Honoré Cyr Lot.

PARCEL TWO: (Eighth Tract)

All that certain piece or parcel of land situate, lying and being in the Parish and County of Madawaska and Province of New Brunswick bounded as follows:- On the front by the Madawaska River, on the rear by the Temiscouata Railway and on the upper and lower sides by the sides of land now belonging to the said Eloi Cyr, being part of lot Number Three.

Being the same lands and premises conveyed by Fraser Limited to Fraser Companies, Limited by Deed dated September 1, 1917 and registered in the Madawaska County Registry Office in Book O-2 at Pages 332-365 as Number 17821.

#33

PID #35165745

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at the intersection of the property line between Fraser Inc. and Laure Marquis with the westerly limit of the new Trans Canada Highway; thence following said property line in a westerly direction to the northerly limit of a Crown Reserved Road (Rossignol Road); thence following said limit in a northerly direction to the property line between Laure Marquis and Guy Charest; thence following said property line in an easterly direction to the limit of the new Trans Canada Highway; thence following said limit in a southerly direction to the point of beginning."

BEING part of Granted Lot No. 12 and containing approximately 38 hectares, more or less.

BEING the same lands and premises conveyed by Laura Mai Marquis and Louis Marquis to Fraser Inc. by Deed dated August 8, 1985 and registered in the Madawaska County Registry Office on August 8, 1985 in Book H-17 at Page 494 as Number 142288.

#42 35320944
 #43 35320936
 #44 35320928
 #45 35320910
 #46 35320902
 #47 35320886

Being a portion of PID 35147305

That parcel of land and premises being in:

Place Name: Edmundston
 Parish / County: Madawaska/Masawaska
 Province: New Brunswick

Deed 17821 – Frank Rice Lot

“Beginning at a point on the northerly boundary of Rice Street 290 feet distant from the easterly boundary of Canada Road, measured easterly along said northerly boundary of Rice Street, thence northerly and parallel with Canada Road for a distance of 110 feet to a post; thence westerly and parallel with Rice Street for a distance of 125 feet to a post on the northwest corner of land conveyed to Lea Landry by the said J. Frank Rice by deed dated November 4th, 1915 registered in the office of the Registrar of Deeds in and for the County of Madawaska in Book J-2 No. 16433; thence southerly along the westerly boundary of said land of Lea Landry for a distance of 10 feet to a post standing on the north east angle of land of conveyed to Annie Baker by the late Annie Rice by deed dated May 30th, 1912 and registered in said Office in Book X-1 No. 13319 thence westerly and parallel with Rice Street to the easterly boundary of land conveyed to Ronald Belanger by the late Annie Rice by deed dated March 9th, 1912 registered in said Office in Book W-1 No. 13144; thence northerly preserving a distance of 100 feet from the easterly boundary of Canada Road for a distance of 1816 feet to a post on the north east corner of land agreed to be sold to Louis Plant by Annie Rice by Agreement dated February 13th, 1912, registered in said Office in Book W-1 No. 13136, thence easterly along the southerly boundary of land conveyed to Mathilde Perron by the said J. Frank Rice by deed dated September 23rd, 1914, registered in said office in Book G-2 No. 15830, for a distance of 36 feet to the southeast corner of said land of Mathilde Perron for a distance of 53 feet to the north east corner of her said land; thence westerly along the northerly boundary of her said land for a distance of 36 feet to the south east corner of land conveyed to Mathew Ouellette by the late J. Francis Rice by deed dated February 25th, 1902 registered in said office in Book X No. 7049, thence northerly preserving a distance of 100 feet as follows:

On the eastern side by the land of Tenuscouata Railway Company purchased from the said Florent Martin on the southerly side of land of said Tenuscouata Railway Company, purchased from one T. Medley Richards, on the west side of the Madawaska River and on the north by land owned by Maxine Martin.

Being the same lands and premises mentioned and described in the deed from Florent Martin and wife to the said Fraser Limited, by Indenture bearing date the 22nd day of March, A.D. 1917 and duly recorded in Madawaska County recorded in Book M-2, pages 696-698 under official number 17334 the twenty fourth day of March A.D. 1917.

BEING the same lands and premises conveyed by Fraser Limited to Fraser Companies Limited in a Deed dated September 1, 1917 and registered in the Office of the Registrar of Deeds in and for the County of Madawaska under date of September 7, 1917 in book 0-2 at Page 332 as Number 17821.

Deed 17821 – Leonie Fournier Lot

Leonie Fournier Lot –

ALSO all that certain lot, piece or parcel of land and premises situate, lying and being in the Town of Edmundston in the County of Madawaska aforesaid, bounded and described in the conveyance thereof from Francis Fournier and Catherine his wife, Florent Fournier and Annie his wife, Cecile Fournier, Delia Fournier, Michel Fournier, Maxine Cyr and Mary Elizabeth his wife to the said Leonie Fournier, bearing date the fifteenth day of October, A.D. 1910, registered in the Office of the Registrar of Deeds in and for said County of Madawaska in Book O, pages 683-686, and numbered 6609 in said Book, as follows: namely –

On the front or south by the highway road leading from Edmundston to Riviere du Loup known as Canada Road, on the north by the river Madawaska, on the west by land occupied by Joseph L. Hebert and on the east by land owned and occupied by J. Francis Rice, being a portion of the residue of lot number two (2) granted to Michel Lighe lying on the northeast side of said Canada Road and containing forty five acres, more or less, as by reference to said conveyance or to the said registry thereof will appear.

BEING the same lands and premises mentioned and described in the deed thereof from Leonie Fournier and Michel Fournier her husband, to the said Fraser Limited, bearing date the twelfth day of March, A.D. 1917 and duly recorded in Madawaska County records in Book M-2, pages 645-647 under official number 17315 the fifteenth day of March, A.D., 1917.

TOGETHER WITH THE BENEFIT of all the flowage and other rights and easements, given, granted, sold, conveyed and released by Maxine Martin and others to the said Fraser Limited by Indenture bearing date the third day of November, A.D. 1916, and duly recorded in Madawaska County records in Book N-2, pages 248 to 256 under official number 17474, the seventh day of May, A.D. 1917.

TOGETHER WITH THE BENEFIT of all the flowage and other rights and easements, given, granted, sold, conveyed and released by Antoine Levesque to the said Fraser Limited by Indenture bearing date the 29th day of January, A.D. 1917, and duly recorded in Madawaska County records in Book N-2, pages 236 to 238 under official number 17470, the fourth day of May, A.D. 1917.

TOGETHER WITH THE BENEFIT of all the flowage and other rights and easements, given, granted, sold, conveyed and released by Lea Paradis to the said Fraser Limited by Indenture bearing date the fourth day of January, A.D. 1917, and duly recorded in Madawaska County records in Book M-2, pages 466 to 468 under official number 17242, the second day of February, A.D. 1917.

BEING the same lands and premises conveyed by Fraser Limited to Fraser Companies Limited in Deed dated September 1, 1917 and registered in the Office of the Registrar of Deeds in and for the County of Madawaska under date of September 7, 1917 in Book O-2 at Page 332 as Number 17821.

SAVE AND EXCEPT Lot 2004-A as shown on a Plan Lotissement Fraser Papers Inc., registered in the Madawaska County Registry Office on April 22, 2005 as Plan #20149531.

#34 35321058
 #35 35321041
 #36 35321033
 #37 35321025
 #38 35321017
 #39 35321009
 #40 35320993
 #51

PID #35265651

PARCEL ONE:

All that certain piece, parcel or lot of land situate, lying and being in the City of Edmundston, County of Madawaska and Province of New Brunswick, on the eastern side of Madawaska River, described as follows:- Beginning at a point on the western side of Victoria Street where the division line between lands owned by Florent Martin and land owned by Florent Fournier intersects the western side of Victoria Street; thence south 75 degrees 45 minutes west for a distance of 135 feet to the eastern boundary of the Temiscouata Railway right-of-way; thence following said boundary in a southeasterly direction for a distance of 50 feet; thence north 75 degrees 45 minutes east for a distance of 130 feet to the western boundary of Victoria Street; thence along the western boundary of said Victoria Street north 10 degrees 75 minutes west for the distance of 50 feet to the place of beginning, as will more fully appear by reference to the plan hereto annexed, and made by John Emmerson, D.L.S., which said plan forms part of this conveyance.

Being the same lands and premises conveyed by Florent Fournier & wife to Fraser Companies Ltd. by Deed dated May 10, 1929 and registered in the Madawaska County Registry Office in Book L-4 at Pages 139-141 as Number 29189.

PARCEL TWO:

All that certain piece, parcel or lot of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska, in the Province of New Brunswick, bounded and described as follows:- Beginning at a point on the western boundary of Victoria Street where the line dividing land formerly owned by Florent Fournier and Florent Martin intersects the said western boundary of said Victoria Street; thence north 10 degrees 57 minutes west for a distance of 40 feet; thence south 75 degrees 45 minutes west for the distance of 138 ft. more or less to the eastern boundary of the Temiscouata Railway right of way; thence south following said boundary of said Temiscouata Railway for a distance of 40 feet; thence north 75 degrees 45 minutes east for a distance of 135 feet to the place of beginning. The same being part of lot owned by said Florent Martin on the eastern side of Victoria Street, and the same being the land over which the wires of the Hydro Electric Transmission line of Fraser Companies, Limited have been strung.

Being the same lands and premises conveyed by Florent Martin to Fraser Companies, Limited by Deed dated August 26, 1929 and registered in the Madawaska County Registry Office in Book L-4 at Pages 175-177 as Number 29457.

PARCEL THREE: (Ninth Tract)

Also all that certain piece or parcel of land and premises situate, lying and being in the City of Edmundston aforesaid, conveyed by Joseph Martin (Menock) and Olive his wife, to James Murchie's Sons Company by deed bearing date the fifteenth day of July A.D. 1910, registered in the Office of the Registrar of Deeds in and for the County of Madawaska in Book P-1, pages 503, 504, 505, 506 and 507 by the number 11874 and in said deed and subject to the provisos therein contained described as follows, to wit:- Beginning at a post standing on the division line between said lot of land owned by said Joseph Martin (Menock) and land owned and occupied by one Eloi P. Cyr at a point where the Temiscouata Railway Company lands cross said division line, thence from said post in a southerly direction following said division line till it strikes the Madawaska River at a post, thence in an easterly direction following said Madawaska River down stream till it strikes the division line between said lot of land owned and occupied by Joseph Martin (Menock) and lot of land owned and occupied by one Joseph M. Martin to a post, thence in a northerly direction following said division line last above mentioned till it strikes land owned and occupied by the Temiscouata Railway Co. to a post, thence in a westerly direction following said land owned and occupied by Temiscouata Railway Co. to the place of beginning.

Being referred to as the Ninth Tract in Deed dated September 1, 1917, Fraser Limited to Fraser Companies, Limited, registered in the Madawaska County Registry Office in Book O-2 at Page 332 as Number 17821.

PARCEL FOUR: (Maxime Martin Lot)

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston in the County of Madawaska and Province of New Brunswick, bounded and described as follows: On the front by the Madawaska River, on the rear by the right of way land of the Temiscouata Railway Company, and on the upper and lower sides by lands owned by the said Fraser Companies, Limited, said lot, piece or parcel of land hereby conveyed or intended so to be being designated as lot number two (2) on the north east side of the Madawaska River aforesaid, on the plan filed with the Lieutenant Governor in Council, pursuant of Chapter 66 of 8 George V 1918.

Being the same lands and premises conveyed by Maxime Martin to Fraser Companies, Limited by Deed dated July 24, 1920 and registered September 9, 1920 in the Madawaska County Registry Office in Book A-3 at Pages 636-638 as Number 20890.

PARCEL FIVE: (Florent Martin Lot)

Also all that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston aforesaid, bounded and described as follows:- On the eastern side by the land of Temiscouata Railway Company purchased from the said Florent Martin, on the southerly side by land of said Temiscouata Railway Company, purchased from one Medley Richards, on the west side of the Madawaska River, and on the north by land owned by Maxime Martin. Being the same lands and premises mentioned and described in the deed from Florent Martin and wife to the said Fraser Limited, by Indenture bearing date the 22nd day of March A.D. 1917, and duly recorded in Madawaska County Records in Book M-2, pages 696 to 698 under official number 17334 the twenty-fourth day of March, A.D. 1917.

Being referred to as Florent Martin Lot in Deed dated September 1, 1917, Fraser Limited to Fraser Companies Limited, registered in the Madawaska County Registry Office in Book O-2 at Page 332 as Number 17821.

PARCEL SIX: (Temiscouata Railway Company Lot)

Also all that certain lot of land situate in the City of Edmundston in the County of Madawaska and described in a certain Indenture bearing date the fourth day of March, A.D. 1917, made between the said Fraser Limited of the one part, and the Temiscouata Railway Company, and duly recorded in Madawaska County records in Book N-2, pages 242 to 247 under official number 17473 the 5th day of May A.D. 1917, as follows:- Beginning at a point on the easterly bank or shore of the Madawaska River where the division line between the lands belonging to Fraser Limited conveyed by Xavier Hebert and Marguerite Hebert his wife to John G. Murchie by deed dated August 14th, 1885 and by James Murchie's Sons Company to said Fraser Limited, and the lands belonging to the Temiscouata Railway Company conveyed to it by Xavier Hebert and Marguerite his wife, and Paul Hebert and Annie his wife, meets the said Madawaska River, thence up along the easterly bank or shore of the Madawaska River in a northerly direction following the various courses of said River to the division line between the land of the Temiscouata Railway Company and land belonging to Florent Martin, thence along said division line to a point distant ten feet from the top of the bank along said easterly side of the Madawaska River, thence in a southerly direction and maintaining a distance of ten feet from the top of said bank along said river to a point twenty five feet distant at right angles northerly from the centre line of the proposed railway of Fraser Limited, leading to the proposed railway bridge of Fraser Limited across the Madawaska River all as shown on the said plan drawn by John T. Emmerson hereinbefore mentioned, thence in an easterly direction passing a point ten feet distant southerly from the southerly corner of the coal shed of the said Temiscouata Railway Company to a point ten feet distant at right angles westerly from the centre of the main line track of the Temiscouata Railway, thence in a southerly direction in a line parallel with the centre of said main line track to the northerly boundary of said lands belonging to said Fraser Limited, thence along the northerly boundary of said land of Fraser Limited to the place of beginning. Saving and excepting out of the lands and premises hereby conveyed or agreed to be conveyed by the said Fraser Limited to the Temiscouata Railway Company by way of exchange a lot of land situate in the City of Edmundston aforesaid, and bounded and described in the said Indenture made between the said Fraser Limited and the Temiscouata Railway Company, and dated the fourth day of March A.D. 1917 as hereinbefore set forth.

Being referred to as Temiscouata Railway Company Lot in Deed dated September 1, 1917 Fraser Limited to Fraser Companies Limited registered in the Madawaska County Registry Office in Book O-2 at Page 332 as Number 17821.

PARCEL SEVEN:

ALSO ALL our right, title and interest as Heirs of Marguerite Sarlabous in and to four (4) rods in width of that part of Lot No. 1, of the "Sarlabous Estate" which fronts on the Madawaska River, together with all riparian rights thereto attached.

Being a portion of the lands and premises conveyed by Delvina Sarlabous et al to Fraser Companies, Limited by Deed dated June 15, 1945 and registered in the Madawaska County Registry Office in Book O-5 at Pages 283-285 as Number 42,303.

#52

PID #35233964

All those certain lots, pieces or parcels of land situate, lying and being in the Town of Edmundston, in the County of Madawaska and Province of New Brunswick, and being parts of the Sarlabous Estate in parts of Lot No. 1, granted to Joseph Hebert and bounded and described as follows:

BEGINNING at the intersection of the northwesterly limit of 31st Avenue and the southerly limit of Hebert Boulevard as shown on a certain plan showing subdivision of Sarlabous Estate, filed in the Madawaska County Registry Office as Plan #334; thence south 52° 35' West along the northwestern boundary or limits of said 31st Avenue for a distance of two hundred sixty-nine and seven tenths (269.7') feet to a wooden post at the northeastern corner of lot sold to Adelard Levesque; thence northwesterly along the northeastern boundary of said Adelard Levesque's lot for a distance of one hundred two and two tenths (102.2') feet to a point at a rectangular distance of one hundred (100') feet from the northwestern boundary of 31st Avenue; thence south 52° 35' West along the rear boundary of said Adelard Levesque's lot for a distance of fifty (50') feet to a point on the northeastern boundary of the Transmission Line right-of-way of Fraser Companies, Limited (now Nexfor Inc.); thence in a southeasterly direction following along the northern boundary of said Transmission Line right-of-way to a wooden post at its intersection with the northwest boundary of 31st Avenue aforesaid; thence south 52° 35' West along the northwest boundary of said 31st Avenue until it intersects the northeastern limit of Martin Street; thence in a northwesterly direction along the said northeastern limit of Martin Street until it intersects the southern limit of Hebert Boulevard; thence along the southern limit of said Hebert Boulevard in an easterly direction to the place of beginning.

Being a remnant of the Third Parcel of land described in Deed dated June 15, 1945 from Delvina Sarlabous et al to Fraser Companies, Limited and registered in the Madawaska County Registry Office in Book O-5 at pages 283-285 as Number 42,303.

#53

PID 35231901

All that certain lot, piece or parcel of land and premises situate, lying and being in the Town of Edmundston, in the County of Madawaska and Province of New Brunswick, more particularly bounded and described as follows:

BEGINNING at a point where the northerly boundary line of lot Letter B interests the easterly limits of the proposed street running from Hall Street to Canada Road as shown on the Plan of Lands prepared by John T. Emmerson of part of the property of the Late Michel Tighe, dated September 8th, 1925; thence from the point thus established following along the aforementioned northerly boundary line of Lot Letter B in a northeasterly direction a distance of 38 feet, more or less, or to the point of intersection with the rear division line boundary of Lot No. 5; thence following the said rear division line boundary of Lot No. 5, in a north westerly direction a distance of 50 feet, more or less or to the point of intersection with the southerly boundary line of Lot No. 7, thence at right angles to the rear division line boundary of lot No. 5 in a south westerly direction a distance of 12 feet, more or less or to the point of intersection with the easterly limits of the proposed street, running from Hall Street to Canada Road; thence following along the said easterly limits of the aforementioned proposed street in an southerly direction a distance of 58.7 feet, more or less, or to the point of beginning. Distinguished as part of Lot No. 6, on the said Plan of Lands prepared by John T. Emmerson of part of the property of the late Michel Tighe. The whole as shown coloured red on the plan attached hereto.

Being the same lands and premises conveyed by Joseph Deschenes, Maxime Bellefleur, Lucienne Bellefleur to Fraser Companies Limited by Deed dated the 23rd day of October, 1950 and registered in the Madawaska County Registry Office as Document 50602 in Book C6, at Page 214

#50 35320837

#54

PID #35144088

1. All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:-

"BEGINNING at a point in the divisional line of lot owned and occupied by Philomene Gagnon and lot herein conveyed on the northerly side of Aqueduc Street, thence following said Aqueduc Street in a westerly direction for a distance of fifty-nine feet to a point; thence from said point by a straight line running in a northerly direction and parallel with the said divisional line of lot owned and occupied by the said Philomene Gagnon and lot herein conveyed to the Madawaska River, to a point as would appear in a certain deed made between Thomas A. Emmerson and wife and George Sirois dated the 22nd day of April, A.D., 1910, and recorded in Book U-1, pages 495 to 498 both inclusive of the Madawaska County Records, thence from said point following the said various courses along the west bank or shore of the Madawaska River as per description described in the said deed of Thomas A. Emmerson to George Sirois down stream in a southerly direction to the said divisional line between lot owned by Philomene Gagnon and lot herein conveyed to a point, thence following said divisional line in a southerly direction for a distance of one hundred and seventy-one (171) feet to the place of beginning and being part of the same lot deeded by the said George Sirois and wife to the said Elizabeth Hebert by Deed dated the 10th day of November, A.D. 1911 and registered in Book W-1, pages 628 to 631 both inclusive of the Madawaska County Records.

AND BEING the same lands and premises that were conveyed by Elizabeth Hebert to Henry Gagnon by Deed dated August 25th, 1919 and registered in the Office of the Registrar of Deeds for the County of Madawaska on August 25th, 1919 in Book V-2, page 697 as No. 19719."

2. ALL that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows: To wit:

"BEGINNING at a post standing at the southwestern corner of Lot owned and occupied by one Fortunat Gagnon at a point where it strikes a reserved road, thence in a westerly direction following said reserved road for the distance of ninety-nine feet to a post, thence at a right angle in a northerly direction for the distance of two hundred and eighteen feet to the bank or shore of the Madawaska River to a post, thence in an easterly direction following said Madawaska River down stream for the distance of ninety-nine feet to the division line of lot owned and occupied by Fortunat Gagnon to a post, thence in a southerly direction following said divisional line above-mentioned, for the distance of one hundred and seventy-eight feet (178 ft.) to above-mentioned reserved road and place of beginning."

The same being part of Lot No. 142 granted to Thomas Emmerson on the western side of the Madawaska River.

AND BEING the same lands and premises that were conveyed by Sophie Emmerson to Philomene Gagnon by Deed dated May 14th, 1908 and registered in the office of the Registrar of Deeds for the County of Madawaska on May 14th, 1908 in Book J-1, page 344 as No. 10143.

AND ALSO BEING the same lands and premises that were conveyed by Philomene Gagnon to Henry Gagnon by Last Will and Testament dated July 21st, 1941. The said Last Will and Testament and necessary Affidavits were registered in the office of the

Registrar of Deeds for the County of Madawaska in Book H-5, page 468 as Number 38042 on July 21st, 1941.

EXCEPTING AND RESERVING THEREFROM that part of the said lands and premises that were conveyed by Henry Gagnon and wife, Delina Gagnon to Gerard Michaud by Deed dated March 19th, 1951 and registered in the office of the Registrar of Deeds for the County of Madawaska on December 5th, 1951 in Book E-6, page 440 as number 52137 and bounded and described as follows:-

"ALL that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at a post on the northeasterly side line of Aqueduc Street, said post being the southwesterly angle of lot owned and occupied by Henri O. Gagnon; thence in a direction north, fifty-one degrees and one minute east, along the westerly line of said Henri O. Gagnon lot, the distance of One Hundred feet to another post; thence in a direction north, thirty-eight degrees, fifty-one minutes west, the distance of fifty feet to another post; thence in a direction south, fifty-one degrees one minute west for the distance of One Hundred feet to a post on the northeasterly side line of Aqueduc Street; thence following said street line in a direction south, thirty-eight degrees, fifty-one minutes east, the distance of fifty feet to the point of beginning. The directions are magnetic for the year 1917 and taken from the City Plan of Edmundston of the same year."

AND ALSO EXCEPTING AND RESERVING from the said lands and premises that part of the said lands and premises that were conveyed by Henry Gagnon and wife, Delina Gagnon, to Aline Michaud by Deed dated May 28th, 1952 and registered in the office of the Registrar of Deeds for the County of Madawaska in Book G-6, page 482 as Number 53485 on November 21st, 1952, and bounded and described as follows:-

"ALL that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at a post One Hundred feet distant from the north side of Aqueduc Street where the line of Grantors meets line of George Sirois; thence going north along the land of the said George Sirois until the shore of the Madawaska River; thence along the shore of the said Madawaska River going east, for fifty feet; thence going south, in a line parallel to the line of George Sirois until land now owned by Gerard Michaud; thence going west along the line of Gerard Michaud until place of beginning."

This Deed means to convey the said land perfectly without any encroachments and reserve, with the riparian rights to the Madawaska River for the said portion of land."

Together with full riparian rights of ownership appurtenant to or connected with the hereinbefore described lands and the waters of the Madawaska River adjacent or contiguous thereto.

BEING the same lands and premises as described in a Deed dated December 12, 1981 between George H. Gagnon and Joyce Alice Gagnon as grantors and Fraser Inc. as grantee, which Deed was duly registered in the Madawaska County Registry Office on December 14, 1981 in Book I-14 at Page 908 as Number 126099.

#55

PID #35290915

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at a post on the western limits of the Edmundston-St. Jacques highway on the eastern side of the Madawaska River where the division line boundary between the southeastern half of Lot No. 5, belonging to the Edmundston Golf Club Ltd., and the northwestern half of said lot No. 5 intersects the said highway; thence north 6° 45' west, by the magnet for the year 1945, along the western limits of said highway for the distance of one hundred seventy-five (175) feet to a post at the southeastern corner of a parcel of land conveyed by Levite H. Momeault and wife to the Directors of the Veterans Land Act by deed dated Sept. 21, 1944; thence following the boundaries of said parcel of land, north 82° 15' west for the distance of four hundred seventeen and four tenths (417.4') feet to a post; north 1° 00' west for the distance of one hundred four (104') feet to a post, north 4° 01' east for the distance of one hundred nine and three tenths (109.3') feet to a post, north 5° 50' east for the distance of one hundred one (101') feet to a post, north 7° 38' east for the distance of three hundred twelve and five tenths (312.5') feet to a post; thence following a direction Az345°-46'10" for a distance of 220.01 feet; thence following a direction Az76°-20'-00" for a distance of 402.69 feet to the westerly limit of Victoria Street; thence following said limit in a direction Az342°-06'-30" for a distance of 118.57 feet; thence continuing along the western limits of the said Edmundston-St. Jacques highway north 0° 18' east for the distance of four hundred fifty-seven (457') feet to a point and north 4° 54' west for the distance of twenty-six and six tenths (26.6') feet or to another post on the western limits of said highway at its intersection with the division line boundary between Lots No. 6 and No. 7; thence in a general direction south, 58° 47' west along said division line boundary between Lots No. 6 and 7 for the distance of one thousand eight hundred seventy (1870') feet to a squared cedar tree at the northeastern corner of parcels of land conveyed by the said Levite H. Momeault and wife to Fraser Companies, Limited by Deed dated Oct. 17, 1945; thence along the eastern and northern boundaries of the said parcels of land of Fraser Companies, Limited, south 21° east for the distance of one thousand four hundred fifty-eight and seven tenths (1458.7') feet to a post, said post being twenty-five (25') feet distant on the prolongation of the last mentioned bearing from a white birch tree on the first mentioned division line boundary between the southeastern and northwestern halves of Lot No. 5, north 53° 15' east parallel to the said division line boundary and distant twenty-four (24') feet therefrom for the distance of five hundred forty-five (545') feet to a stake; and thence southerly at right angle for the distance of twenty-four (24') feet or to a point on the said division line boundary at the southeastern corner of the second parcel of land conveyed in the above mentioned deed to Fraser Companies, Limited; and thence in a general direction north, 53° 15' east along the aforesaid division line boundary between the southeastern and northwestern halves of Lot No. 5 for the distance of six hundred eighty-eight and nine tenths (688.9') feet, more or less to the point of beginning."

BEING a consolidation of the land and premises of Noranda Forest Inc. described in a deed registered in the Madawaska County Registry Office on November 2, 1945, in Book P-5, at Page 218, as Number 42887 with Parcel 97-A shown on the Subdivision Plan entitled "Subdivision Plan Noranda Forest Inc. Subdivision, Victoria Street, City of Edmundston, Madawaska County, New Brunswick", prepared by Pierre J.M. Picard, N.B.L.S., dated September 10, 1997, approved by Jacques Desjardins, Development Officer for the Madawaska Planning Commission, on September 26, 1997, and filed in the Madawaska County Registry Office in conjunction with the present deed.

SAVING AND EXCEPTING from the above-described land and premises all lands, easements and rights previously conveyed, as more fully appears in the records of the Madawaska County Registry Office.

The aforesaid subdivision plan filed in conjunction with the present deed has been reapproved by Jacques Desjardins, Development Officer for La Commission d'Urbanisme du Madawaska, on March 2, 1998.

Being the same lands and premises conveyed by Noranda Forest Inc. by its attorney, Fraser Papers Inc. (Canada) to Noranda Forest Inc. by Deed dated January 21, 1998 and registered in the Madawaska County Registry Office on March 27, 1998 in Book 902 at Page 133 as Number 205522.

#56

PID # 35181437

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:-

"BEGINNING at the post One Hundred feet distant from the North side of Aqueduct Street where the line of Grantors meets the line of George Sirois; THENCE going North along the land of the said George Sirois until the shore of the Madawaska River; THENCE along the shore of the said Madawaska River going East for Fifty feet; THENCE going South in a line parallel to the line of George Sirois until land owned by Gérard Michaud; THENCE going west along the line of Gérard Michaud until place of beginning." Being the same land described in deed number 89,109.

BEING the same as appear in Deed Juliette Riley to Léo Pelletier and Kathleen Pelletier, dated June 2nd, 1980 and registered in the Madawaska County Registry Office on July 4th, 1980 in Book A-13, at page 172, as number 119803.

SAVE AND EXCEPT Parcel "B" of Plan 4761, transferred to Fraser Inc. on September 3, 1981.

BEING the same lands and premises as described in a Deed dated October 24, 1996 between Donald N. Doucet, Elizabeth-Ann Dorschner, and Gerard J. Noel as grantors to Noranda Forest Inc. as grantee, which Deed was duly registered in the Madawaska County Registry Office on October 25, 1996 in Book 854 at Pages 672-678 as Number 199176.

#57

PID #35181411

"Beginning at a point on the northeastern side line of Aqueduct Street, said point being distant fifty-one feet (51') measured in a southeasterly direction along the northeastern side line of Aqueduct Street from an iron post marking the intersection of the northeastern side line of Aqueduct Street with the division line boundary between the lands conveyed by Fraser Companies, Limited to Joseph D. Boucher by deed dated September 8, 1938, and the lands conveyed by Fraser Companies, Limited to Melvin Loudon by deed dated September 11, 1945; thence from the point of beginning thus established in a southeasterly direction along the northeastern side line of Aqueduct Street a distance of fifteen feet (15') or to its intersection with the northwestern side line of Church Street; thence in a northeasterly direction along the northwestern side line of Church Street a distance of fifteen feet (15'); thence in a westerly direction making an angle of forty-five degrees (45') with the said Church Street a distance of twenty-one feet (21'), more or less, or to the place or point of beginning. The whole being a triangular piece of land situate at the intersection of Church and Aqueduct Streets, having a frontage of fifteen feet (15') on Church Street and a frontage of fifteen feet (15') on Aqueduct Street

Being part of the same lands and premises conveyed by James H. Lynch and wife to Fraser Companies, Limited by Indenture of Deed bearing date the 4th day of December, A.D. 1935, and registered in Book "Z-4", pages 347-348, under Official Number 33624.

And being the same lands and premises conveyed by Fraser Companies, Limited to Melvin Loudon by deed dated February 3, 1955, registered in the Registry Office for the County of Madawaska on February 5, 1955 in Book L-6, page 476, under Official Number 56522.

AND BEING the lands described as Second Parcel in a Deed dated August 5, 1983 between Muriel Loudon as grantor and Fraser Inc. as grantee, which Deed was duly registered in the Madawaska County Registry Office on August 8, 1983 in Book P-15 at Page 570 as Number 133410.

#58

PID #35064492

Also that other piece of land described in Deed from Willie I. Albert to Walter Pelletier 1952, (Number 63,153 page 161 W-6) as follows:

Beginning at a wooden post at the southwesterly corner of lot of land No. 34 as per plan of subdivision of a parcel of land into building lots of Willie I. Albert situate on the south of main highway at Iroquois in the Parish of St. Basile aforesaid, in the division line between the lands of Archie Levesque and the grantor's land and following the said division line in a southwesterly direction until it reaches the St. John River; thence following the contours of the St. John River in a northwesterly direction to the division line of the land previously owned and occupied by Emely Bernier; thence following said last mentioned division line of lot of land owned by Robert Milling and Emile T. Cyr; thence running in a southeasterly direction along the southwesterly end of lot numbers 38, 37, 35 and 34 to the place of beginning.

BEING the lands and premises described as Parcel 3 in a Deed dated April 23, 1971 between Gabriel Uzada as grantor and Fraser Companies, Limited as grantee, which Deed was duly registered in the Madawaska County Registry Office on May 6, 1971 in Book P-8 at Page 34 as Number 085883.

#59

PID #35194125

All that certain lot, piece or parcel of land and premises situate, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

Beginning at a point, said point being at the intersection of the division line between lots Three hundred and twelve (312) and Three hundred and thirteen (313) with the northerly limit of the Canadian National Railway right-of-way; thence from the point of beginning thus established north fifty-two degrees forty-three minutes east (N 52° 43' E) a distance of four (4) feet more or less, to an iron post; thence north thirty-four degrees fifty minutes west (N 34° 50' W) a distance of one hundred thirty-three point five (133.5) feet more or less, to an iron post; thence north fifty-two degrees twenty-two minutes west (N 52° 22' W) a distance of seventy point five (70.5) feet, more or less, to an iron post; thence north fifty-two degrees thirty-six minutes west (N 52° 36' W) a distance of one hundred and twenty-seven (127) feet more or less, to an iron post; thence south fifty-two degrees fifty minutes west (S 52° 50' W) along the easterly side of a twelve (12) foot reserved right-of-way to the southerly bank of the brook; thence westerly along the southerly side of the brook to the division line between Lots Three hundred and thirteen (313) and Three hundred and Fourteen (314); thence south fifty-two degrees fifty minutes west (S 52° 50' W) along the said division line to the Canadian National Railway right-of-way; thence following said right-of-way in an easterly direction to the place or point of beginning.

The whole as shown border outlined on the attached plan of survey prepared by Léo Ward, N.B.L.S., dated the Twenty-first day of May 1960, being duly recorded in the Madawaska County Registry Office as Number 849.

SUBJECT TO the right of The Director, The Veterans' Land Act, his successors and assigns to cross the above described parcel of land to the farm crossing as shown located on the attached plan.

ALSO SUBJECT TO sewage drainage for a sewer line presently in place and extending westwardly from the dwelling on lands being retained by The Director, The Veterans' Land Act, to the said brook together with the right to enter upon the said lands for the purpose of maintaining, repairing or replacing this said sewage drain.

The land being conveyed or intended to be conveyed being part of lands conveyed by Archie Levesque and Emily Levesque to The Director, The Veterans' Land Act, by deed dated the Eighth day of August 1960 and recorded in the Registry Office for Madawaska County on the Ninth day of August 1960 as Number 65265 in Book Z-6, Pages 422-423.

Being the same lands and premises conveyed by The Director, The Veterans' Land Act, to Fraser Companies, Limited by Deed dated May 26, 1971 and registered in the Madawaska County Registry Office in Book Q-8 at Pages 363-365 as Number 086224.

#60

PID #35194489

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of St. Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northeastern bank or shore of the St. John River with the division line between lands owned by Raoul Lee and Gerald Dupont at Iroquois, in the Parish of St. Basile; thence following said division line in a direction North fifty-one degrees East (N51°00'E) to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Gerald Dupont and Raoul Jalbert; thence following said division line in a direction South fifty-one degrees twenty minutes West (S51°20'W) to the northeastern bank or shore of the St. John River; thence following the bank or shore of the St. John River upstream to the place or point of beginning.

Being part of the same lands and premises conveyed to Gerald Dupont by Willie O. Dupont and wife by Deed dated February 20, 1958, being duly recorded in the Madawaska County Records in Book T-6, Page 196 as No. 61,249.

Together with a right-of-way upon and across the lands of Felix Cormier, extending from the public highway to connect with and form part of the roadway approach to the joint farm crossing at Mile 109.7 of the Grand Falls sub-division of the Canadian National Railway as described in agreement dated June 10, 1942 between Felix Cormier et al and the Canadian National Railway, being duly recorded in the Madawaska County Records in Book J-5, Page 239, No. 39,111.

Being a portion of Lot No. 2, granted to Francis Gaudin and a portion of Lot No. 33 granted to Joseph L. Mercure in Tier one, Parish of St. Basile.

Being the same lands and premises conveyed by Gerald Dupont and wife to Fraser Companies, Limited by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at page 522 as Number 085103.

#61

PID # 35270644

ALL that certain lot, piece or parcel of land and premises, situate, lying and being in the Parish of Saint-Basile, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:-

BEGINNING at a point on the northerly side of Highway No. 2 now "rue Principale in Ville de St-Basile" said point being in a direction south 76° 15' east and a distance of three hundred and fifty-seven (357') feet from the intersection of the said limit of the said Highway and the southeastern side line of the Indian Reserve, the said point being better shown on a plan filed at the Registry Office for the County of Madawaska as number 412; thence from said point of beginning and following the division line of the property being now described and the property of Robert Therrien in a northerly direction to a point situated on the southern boundary line of the F. Pettigrew lot shown on said plan 412, the said point being the most northeastern corner of lot owned by the said Robert Therrien; thence in a northwestern direction following the boundary line of the lot herein described and the lot owned by Robert Therrien for a distance of thirty-two (32') feet or at the intersection of a reserved street owned by "Ville de St-Basile"; thence in a northeasterly direction following the said reserved street for a distance of fifty-nine (59') feet more or less or to the land owned by Jean-Pierre Angers; thence following the division line between the land herein described and the land of Jean-Pierre Angers in a southeasterly direction for a distance of ninety-six (96') feet more or less to a point; thence in a southwesterly direction along the division line of the land herein described and the land owned by Jean-Pierre Angers for a distance of seventy-four (74') feet more or less to a point; thence in a southeastern direction following the division line between land herein described and part of the land owned by Jean-Pierre Angers for a distance of fifty (50') feet to a point; thence in a southwesterly direction following the division line between the lot herein described and the land of Jean-Pierre Angers for a distance of one hundred (100') feet to the main highway leading from St-Basile to Edmundston now "rue Principale - in Ville de St-Basile"; thence in a northwesterly direction following the said rue principale a distance of fifty (50') feet to the place of beginning.

BEING the same lands and premises as described in a Deed dated April 14, 1994 between Noranda Forest Inc. as grantor and Noranda Forest Inc. as grantee, which Deed was duly registered in the Madawaska County Registry Office on September 15, 1994 in Book 782 at Pages 128-132 as Number 189930.

#62

PID #35198597

All that certain lot, piece or parcel of land and premises lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Edgar Fournier and lands owned by Ronald Bois; thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Ronald Bois and lands owned by Leonide Soucy; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

TOGETHER with a road right-of-way, in common with others, being sixty feet (60') in width, leading from the public highway No. 2 and following the top of the western embankment of Bois Brook, so-called, (Lavoie Brook), to the northerly limit of the Canadian National Railway right-of-way.

Being a portion of the lands and premises conveyed by Ronald Bois and wife to Fraser Companies, Limited by Deed dated December 7, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 502 as Number 085097.

#63

PID #35198589

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Alfred Lajoie and lands owned by Olive Fournier; thence following said division line in a northerly direction for a distance of 40 rods to a point; thence easterly and parallel to the bank or shore of the Saint John River for a distance of 10 rods to a point on the division line between lands owned by Alfred Lajoie and Olive Fournier; thence northerly along said division line to the southerly limit of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between the lands owned by Olive Fournier and lands owned by Edgar Fournier; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being a portion of Lot No. 30, Tier one, Parish of Saint Basile, conveyed to Olive Fournier by Edward Ned Fournier by deed dated July 21, 1948, recorded in the County of Madawaska Records in book W-5, page 414 as No. 47,283.

Being the same lands and premises conveyed by Mrs. Olive Fournier to Fraser Companies, Limited by Deed dated December 7, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 506 as Number 085098.

#64

PID #35198571

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Olive Fournier and lands owned by Edgar Fournier; thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Edgar Fournier and lands owned by Ronald Bois; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being a portion of the lower part of Lot No. 30, Tier one, Parish of Saint Basile conveyed by Irene (Ernest) Fournier and wife to Edgar Fournier by deed dated March 24, 1969, recorded in the County of Madawaska records in book No. B-8, page 424 as No. 81,598.

Being a portion of the lands and premises conveyed by Hon. Edgar E. Fournier and wife to Fraser Companies, Limited by Deed dated December 10, 1970 and registered in the Madawaska County Registry Office on December 17, 1970 in Book L-8 at Page 635 as Number 085130.

#65

PID #35194539

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Oneil Corneau and lands owned by Alcide Bouchard; thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Alcide Bouchard and lands owned by Alfred Lajoie; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being a portion of the lower half of Lot 31, Tier one, Parish of Saint Basile conveyed to Alcide Bouchard and wife by deed dated April 1, 1953 by Alma H. Cyr, recorded in the Madawaska County Records in book H-6, page 182, as No. 53,867.

Being a portion of the lands and premises conveyed to Fraser Companies, Limited by Aloide Bouchard and wife, Grantors, and Severine Martin, widow of Napoleon Martin, Releasor, by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 515 as Number 085101.

#66

PID #35194521

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Isidore Cyr and lands owned by Oneil Comeau, thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of said right-of-way in an easterly direction to the division line between lands owned by Oneil Comeau and lands owned by Alcide Bouchard; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being a portion of the upper half of Lot No. 31, tier one, Parish of Saint Basile devised to Oneil Comeau by the Last Will and Testament of Donat Comeau dated July 10, 1949.

Being the same lands and premises conveyed by Oneil Comeau and wife to Fraser Companies, Limited by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 509 as Number 085099.

#67

PID #35194513

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Dube Construction Co. Ltd. and Isidore Cyr; thence in a northerly direction following the division line between lands owned by Dube Construction Co. Ltd. and Isidore Cyr for a distance of four hundred feet (400'), more or less, thence continuing in the same direction along the line dividing the lands of Raoul Jalbert and Isidore Cyr to the southern limits of the Public Highway (Route No. 2); thence following the southern limits of the Public Highway (Route No. 2) in an easterly direction to the division line between lands owned by Isidore Cyr and Oneil Comeau; thence following said division line in a southerly direction to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

SAVING AND EXCEPTING THEREOUT AND THEREFROM that certain right-of-way for a railway conveyed to the Commissioners of the Transcontinental Railway by Alexis B. Cyr by deed dated June 1, 1910 recorded in the Madawaska County records in book M-1, page 533 as No. 11789.

Being a portion of the lower one third of Lot No. 32, Tier one, Parish of Saint Basile, granted to Alexis Cere (Cyr).

Being the same lands and premises conveyed by Isidore Cyr to Fraser Companies, Limited by Deed dated December 7, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 512 as Number 085100.

#68

PID #35194505

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Gerald Dupont and Martin Ready Mix Ltd., at Iroquois in the Parish of Saint Basile, thence following said division line in a northerly direction for a distance of two hundred feet (200') more or less, to a point, thence in an easterly direction parallel to the Saint John River and maintaining a distance of two hundred feet (200') therefrom, to the division line between lands owned by Dubé Construction Co. Ltd. and Martin Ready Mix Ltd., thence following said division line in a southerly direction for a distance of two hundred feet (200') more or less, to the northerly bank or shore of the Saint John River, thence following the various courses of the northerly bank or shore of the Saint John River upstream to the place or point of beginning.

Being a portion of the lower half of Lot No. 33, tier one, in the Parish of St. Basile conveyed to Martin Ready Mix Ltd. by Raoul Jalbert by Deed dated October 2, 1969, recorded in the Madawaska County Records in Book D-8, Page 452, as No. 82739.

Also all that certain right-of-way excepted and reserved unto Martin Ready Mix Ltd. described in Deed dated October 2, 1969 from Martin Ready Mix Ltd. to Raoul Jalbert, recorded in the Madawaska County Records in Book D-8, Page 453, as No. 82740.

Being the same lands and premises conveyed by Martin Ready Mix Ltd. to Fraser Companies, Limited by Deed dated December 14, 1970 and registered December 17, 1970 in the Madawaska County Registry Office in Book L-8 at Page 632 as Number 085129.

#69

PID #35194497

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line of land owned by Martin Ready Mix Ltd. with land owned by Dube Construction Co. Ltd. at Iroquois in the Parish of Saint Basile, thence following said division line in a northerly direction for a distance of four hundred feet (400') more or less, to a point, thence in an easterly direction parallel to the Saint John River and maintaining a distance of four hundred feet (400') therefrom for a distance of seven hundred feet (700'), more or less, to the division line between lands owned by Isidore Cyr and Dube Construction Co. Ltd., thence following said division line in a southerly direction for a distance of four hundred feet (400'), more or less, to the northerly bank or shore of the Saint John River, thence following the various courses of the bank or shore of the Saint John River upstream to the place or point of beginning.

TOGETHER WITH a right-of-way to the Grantor, its servants, employees or agents or others with authority to enter upon and over the lands herein described from the Highway Road following an existing road leading to the River aforesaid with truck or other vehicles at all times for all purposes. Said right-of-way being given to the Grantee, its successors and assigns.

Being a portion of the upper two-thirds of Lot No. 32, tier one, in the Parish of Saint Basile, conveyed to Dube Construction Co. Ltd. by Raoul Jalbert by deed dated December 8, 1970, recorded in the Madawaska County Records in book L-8, page 627 as No. 85127.

Being the same lands and premises conveyed by Dube Construction Co. Ltd. to Fraser Companies, Limited by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 17, 1970 in Book L-8 at page 629 as Number 85128.

#70

PID # 35194133

Beginning at a post on the southwestern angle or corner of Lot No. 7 owned and occupied by Maurice Potras, on a plan of lots surveyed for Willie I. Albert in the year 1945 by Yvon Nadeau, thence running in a northwesterly direction at right angle to said lot of Maurice Potras, 50 feet to a post or to a by-road owned by Willie I. Albert and leading to the St. John River; thence in a southwestern direction along a line running parallel to the northwestern boundary of the land of Aurele Violette (Lot 8 owned and occupied by Aurele Violette and originally bought by Levi St. Pierre) 50 feet to a post; thence in a southern direction in a line with the southwestern boundary of said Lot No. 8, 52 feet to the western angle or corner of said Lot No. 8, thence in a northeastern direction along said land of Aurele Violette (No. 8) 50 feet to the place of beginning. Being the land described in Deed 63,625 W-6 Page 678 Madawaska County Records.

BEING the same lands and premises as described in a Deed dated April 23, 1971 between Gabriel Uzada as grantor to Fraser Companies Limited as grantee, which Deed was duly registered in the Madawaska County Registry Office on May 6, 1971 in Book P8 at Page 34 as Number 085883.

#71

PID #35198613

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of Saint Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the Saint John River with the division line between lands owned by Alcide Bouchard and lands owned by Alfred Lajoie; thence following said division line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following the southerly limits of the Canadian National Railway right-of-way in an easterly direction to the division line between lands owned by Alfred Lajoie and lands owned by Olive Fournier; thence following said division line in a southerly direction to a point, said point being distant forty (40) rods from the northerly bank or shore of the Saint John River; thence westerly and parallel to the said Saint John River ten (10) rods to a point; thence southerly parallel to the division line of lands owned by Alfred Lajoie and Olive Fournier forty (40) rods or to the northerly bank or shore of the Saint John River; thence following the bank or shore of the Saint John River upstream to the place or point of beginning.

Being a portion of the upper half of Lot No. 30, tier one, Parish of Saint Basile, conveyed to Alfred Lajoie by Euphemie Lajoie by deed dated July 16, 1932, recorded in the Madawaska County Records in book W-4, page 88, as No. 31,802.

Being the same lands and premises conveyed by Alfred Lajoie and wife to Fraser Companies, Limited by Deed dated December 8, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 519 as Number 085102.

#72

PID #35198605

All that certain lot, piece or parcel of land and premises situate, lying and being in the Parish of Saint Basile, County of Madawaska and Province of New Brunswick and being more particularly bounded and described as follows:

A lot of land containing fifty-five acres, more or less, bounded on the south by the Saint John River; on the north by the 470 foot elevation or contour of the northern bank of Lavoie Brook, said contour being southerly of the Canadian National Railways right-of-way; on the upper or westerly side by land owned and occupied by Fraser Companies, Limited (former Ronald Bois property); on the lower or easterly side by land owned and occupied by Damase Theriault. Being portions of Lot Nos. 28 and 29, First Tier, Parish of Saint Basile.

Being a portion of the same lands and premises conveyed by Leonide Soucy to Conrad Soucy by Deed dated September 8, 1968 recorded in the Madawaska County Registry Office on September 10, 1968 in Book A-8, pages 84/85, as Number 80766.

Also being a portion of the same lands and premises conveyed by Honore R. Cyr to Conrad Soucy by Deed dated July 12, 1952, recorded in the Madawaska County Registry Office on January 16, 1953, in Book G-6, page 647, as Number 53634.

Also being a portion of the same lands and premises conveyed by the Farm Settlement Board to Conrad Soucy by Deed dated June 25, 1964, recorded in the Madawaska County Registry Office on February 7, 1966 in Book R-7, page 174 as Number 75633.

Being the same lands and premises conveyed by Conrad Soucy and wife to Fraser Companies, Limited by Deed dated July 29, 1971 and registered in the Madawaska County Registry Office on August 6, 1971 in Book S-8 at Page 151 as Number 086632.

#73

PID #35064930

All that certain lot, piece or parcel of land and premises, lying and being in the Parish of St. Basile, in the County of Madawaska and Province of New Brunswick, and being more particularly bounded and described as follows:

Beginning at the intersection of the northerly bank or shore of the St. John River with the easterly property line of lands owned by Gerald Dupont at Iroquois, in the Parish of St. Basile, thence following said property line in a northerly direction to the southerly limits of the Canadian National Railway right-of-way; thence following said limits of the Canadian National Railway right-of-way in an easterly direction to the property line of lands owned by Isidore Cyr; thence in a southerly direction along the said property line to the bank or shore of the St. John River; thence following the bank or shore of the St. John River upstream to the place or point of beginning.

EXCEPTING THEREOUT AND THEREFROM, a strip of land two hundred feet (200') in width bordering the St. John River sold to Martin Ready-Mix Limited by Raoul Jalbert by Deed dated October 2, 1969, being duly recorded in the Madawaska County Records in Book D-8, Page 452 as No. 82739.

ALSO EXCEPTING THEREOUT AND THEREFROM, a strip of land four hundred feet (400') in width bordering the St. John River sold to Dube Construction Co. Ltd. by Raoul Jalbert by Deed dated August 4, 1970, being duly recorded in the Madawaska County Records in Book I-8, Page 883 as No. 84458.

Being a portion of the same lands and premises conveyed to Raoul Jalbert by the following deeds:

- 1) Laurent Jalbert – Deed dated March 27, 1941, recorded in the Madawaska County Records in Book H-5, Page 150 as No. 37756.
- 2) The Farm Adjustment Board – Deed dated November 14, 1967, recorded in the Madawaska County Records in Book X-7, Page 335 as No. 79184.

Being a portion of the lower half of Lot No. 33, granted to Joseph Mercure and of portion of the upper two-thirds of Lot No. 32, granted to Alexis Cere, in Tier One, Parish of St. Basile.

Being one of the Parcels conveyed by Raoul Jalbert and wife to Fraser Companies, Limited by Deed dated December 7, 1970 and registered in the Madawaska County Registry Office on December 10, 1970 in Book L-8 at Page 525 as Number 85104.

#74 35321496

#75 35321512

#76 35321520

#77 35321504

#78 35321488

Infants to Parent PID 35188242. (not on our list)

PID # 35188242

ALL THAT CERTAIN lot of land situate in the Parish of St. Anne, in the County of Madawaska and Province of New Brunswick, described as follows:

Being a lot on Quisibis Island bounded on the northern side by lot of land owned by one Maxime Theriault and on the other sides by the St. John River, and being the upper end of said Island.

Being the same lands and premises as described in a Deed dated November 28, 1923 between Cavier Parent and wife as grantor and The Fraser Companies, Ltd. as grantee, which Deed was duly registered in the Madawaska County Registry Office on December 10, 1923 in Book Q3, at Page 214 as Number 24281.

AND ALSO:

ALL THAT CERTAIN lot of land situate in the Parish of St. Anne in the County of Madawaska and Province of New Brunswick, described as follows:

Being a lot on Quisibis Island bounded on the northern side by lot of land owned by Cavier Parent and on the northern side by land owned by Mital Martin and on the other sides by the St. John River.

Being the same lands and premises as described in a Deed dated November 28, 1923 between Maxime Theriault and wife as grantor and The Fraser Companies Ltd. as grantee, which Deed was duly registered in the Madawaska County Registry Office on December 10, 1923 in Book Q3, at Page 216 as Number 24282.

AND ALSO:

ALL THAT CERTAIN lot of land situate in the Parish of St. Anne in the County of Madawaska and Province of New Brunswick bounded and described as follows:

Being a parcel of land on Quisibis Island bounded on the south by land owned by Jos. Parent, on the north by land owned by Maxinci Theriault and on the other sides by the St. John River.

Being the same lands and premises as described in a Deed dated November 29, 1923 between Mital Christine Martin as grantor to The Fraser Companies Ltd. as grantee, which Deed was duly registered in the Madawaska County Registry Office on December 10, 1923 in Book Q3, at Page 219 as Number 24283.

AND ALSO:

ALL THAT CERTAIN lot of land situate in the Parish of St. Anne in the County of Madawaska and Province of New Brunswick, described as follows:

Being the lower or southern end of Quisibis Island bounded on the northern side by land owned by one Jos. Parent and on the other sides by the St. John River.

Being the same lands and premises as described in a Deed dated December 8, 1923 between Charles J. Bourgoin and wife as grantor to The Fraser Companies Ltd. as grantee, which Deed was duly registered in the Madawaska County Registry Office on December 13, 1923 in Book Q3, at Page 255, as Number 24294.

AND ALSO:

ALL THAT CERTAIN lot of land situate on Quisibis Island in the Parish of St. Anne in the County of Madawaska and Province of New Brunswick, bounded as follows:

Bounded on the northern side by lot of land formerly owned or occupied by Vital Martin, on the eastern side by the branch of the St. John River, on the southern side by lot of land formerly owned or occupied by Charles Bourgoïn, and on the western side by the St. John River.

Being the same lands and premises as described in a Deed dated September 26, 1924 between Joseph H. Parent and wife as grantor and Fraser Companies, Ltd. as grantee, which Deed was duly registered in the Madawaska County Registry Office on September 26, 1924 in Book S3, at Page 721 as Number 24878.

#80

PID # 35194950

ALL those certain lots, pieces or parcels of land, situate, lying and being partly in the Parish of Clair and partly in the Parish of St. Francois all in the County of Madawaska, Province of New Brunswick, and being those portions of the abandoned Connors Subdivision of Canadian National Railway Company shown as Parcels "9A", "9B", "9C" and "10" on Plan No. 12269-3, dated at Moncton, N. B., March 19, 1964, and deposited in the Registry of Deeds Office for the County aforesaid on March 25, 1964, and more particularly described as follows:

BEING a strip of land sixty-six (66.0) feet in width and two thousand seven hundred sixty five and six-tenths (2765.6) feet, more or less, in length; bounded northerly partially by lands of the Grantee and partially by lands of Claude Levasseur; southerly by lands of the Grantee; easterly by lands of Claude Levasseur and westerly by lands of Adelard St. Jean and comprising that portion of the aforesaid abandoned Connors Subdivision extending through - Parcel "9A" lands of Claude Levasseur; Parcel "9B" lands of the Grantee; Parcel "9C" lands of Claude Levasseur; and Parcel "10" lands of the Grantee.

CONTAINING a total area of four and nineteen hundredths (4.19) acres, more or less.

SAVE AND EXCEPTING, and reserving from the said Parcels "9A" and "9B", the portion thereof lying between the extensions across the said parcels of the easterly and westerly boundaries of an unopened road allowance shown lying between Lots 122 and Commons on the Canadian Government Railways Expropriation Plan of Lands of the former Temiscouata Railway Company in the County of Madawaska dated October 27, 1950 and registered on November 28, 1952 as No. 531.

BEING the same lands and premises as described in a Quit Claim Deed dated February 4, 1965 between Canadian National Railway Company as grantor and Fraser Companies Limited as grantee, which Quit Claim Deed was duly registered in the Madawaska County Registry Office on March 24, 1965 in Book N-7 at Page 625-626 as Number 73,811.

#79 35200815
#81 35200823
#82 35321082
#83 35321074
#84 35321066
#85 35200807
#86 35200799

1. Kennedy Island Mill Property

(a)

All that certain lot, piece or parcel of land and premises, situate, lying and being in the Parish of Saint Francis, in the County of Madawaska and Province of New Brunswick, mentioned in the conveyance thereof, by Edward D. Roswell, Thomas Crockett and Elizabeth S. Crockett his wife, to the Kennedy Island Mill Company, Limited bearing date the 30th day of April, A.D. 1896, and registered in the Office of the Registry of Deeds in and for the County of Madawaska aforesaid, in Book "R" pages 68 et al and numbered 5377 in said Book, and therein described as follows:-

All that certain piece or parcel of land and premises situate, lying and being in the Parish of Saint Francis in the County of Madawaska and Province of New Brunswick referred to in the plan hereto annexed and bounded as follows:- Commencing at a point on the Saint John River distant seven hundred feet easterly from a cedar post standing on the western side line of land formerly owned by the said Edward Levasseur Senior but now belonging to Charles Saint Jean, thence north twenty-six degrees west to the Temiscouata Railway, thence easterly along the said railway eight hundred and sixty feet, thence south twenty-six degrees west to the said Saint John River, thence up stream following the different courses of said River to the place of beginning, containing two acres and fifty-eight hundredths of an acre.

All that certain other lot of land situate in the Parish of St. Francis in the County of Madawaska and Province of New Brunswick described as follows:- Being bounded on the southern side by the St. John River, on the western side by the land of said Allan E. Hammond, on the northern side by the right of way of the Temiscouata Railway Company and on the eastern side by land occupied by one Theophile Tardif. Being the same land, premises and rights conveyed and assigned by Joseph St. Jean and wife to the said Allan E. Hammond by Deed dated the 11th day of September, A.D. 1924 and registered in Book S-3 at pages 562-564 of the Madawaska County records.

Also a certain road along the eastern side line of the land belonging to the said party of the first part twenty-five feet belonging to the said parties of the first part, twenty-five feet in width from the said railway to the highway road, said eastern side line being the division line between said lands and Antoine Levasseur's farm, which road and piece of land hereby conveyed are to be fenced at the sole expense of the said Edward D. Boswell and Thomas Crockett, said land and premises above described being the property conveyed to the said Kennedy Island Mill Company Limited from Edward Levasseur Senior and Perpetue his wife and Alexis Levasseur and Philome his wife by Deed thereof, dated the tenth day of April A.D. 1896.

b)

All that certain other piece or parcel of land situate, lying and being in the Parish of Saint Francis in the County of Madawaska aforesaid, mentioned in a conveyance thereof from Edward Levasseur Senior, and Perpetue his wife, and Alexis Levasseur and Philomene his wife, to the said Kennedy Island Mill Company bearing date the 2nd day of April A.D. 1897 and registered in the said Registry Office in Book "R" pages 184 et al and numbered 5423 in said Book, and therein described as follows - All that certain piece or parcel of land situate in the Parish of Saint Francis in the said County of Madawaska being part of lot number One hundred and twenty-three in the first tier of lots on the Saint John River bounded as follows - Commencing at an iron rod or

post on the northerly side of the Temiscouata Railway lands and distant ten rods therefrom, thence easterly on a parallel line with the said Temiscouata Railway lands and distant therefrom ten rods until it strikes lands belonging to the said Kennedy Island Mill Company, thence southerly along the same to the said Temiscouata Railway lands, thence along the same westerly to a point opposite the said iron rod or post, thence northerly to the said iron rod or post being the place of beginning;

Reserving to the said Kennedy Island Mill Company Ltd. the right of way over and along the road now leading from the highway to the mills of the said Kennedy Island Mill Company.

c)

All that other certain lot of lands situate, lying and being in the Parish of Saint Francis, in the County of Madawaska and Province of New Brunswick, mentioned in the conveyance therein, from the James E. Clair to the said Kennedy Island Mill Company bearing date the 16th day of January A.D. 1900 and registered in the Registry Office in book "U" page 658 et al, and number 6322 in said book and therein described as follows – that certain lot of land situate lying and being in the Parish of Saint Francis, in the county of Madawaska aforesaid bounded as follows – Commencing at a post standing fifteen feet westerly of the road leading to the Mill of the Kennedy Island Mill Company, thence at right angles with the said road westerly to a small brook or stream of water, thence down said stream to another post standing on the division line of lands leased to one Ferdinand Morin and one Arcade Plourde. Thence easterly along said division line to a point fifteen feet from said road leading to the mill, thence northerly or up said road to the place of beginning, being the same lands conveyed to the said James E. Clair by Edward Levasseur, senior, and others by deed dated the 22nd day of September, A.D., 1899.

Together with all mills, plant, machinery and tools, houses, barns, buildings, edifices, fences, piers, booms, chains, water rights, shore rights, flowage rights, profits, privileges and appurtenances to the same belonging or in any use appertaining, and the reversion and reversions remainder and remainders, rents, issues and profits thereof, and all the powers, rights and privileges conferred upon the said Company by its Letters Patent under the Great seal of the said Province, or character, and all after property real and personal, acquired in the exercise of such power rights and privileges and now owned or controlled or possessed and enjoyed by the said Company and also all the estate, right, title, interest use, possession, property, alarm and demand either at law or in equity of it the said Company, of, in, to or out of the same, and every part and force thereof, with the appurtenances.

Being the same land property and rights conveyed and assigned by the Kennedy Island Mill Company Limited to the said Allan E. Hammond by deed dated the 19th day of September, 1919, and registered in Book W-2 at pages 169-173 of the Madawaska County records.

2. Edward Boulay and others property

a)

All that certain other lot or parcel of land situate in the Parish of Francis, in the County of Madawaska and Province of New Brunswick, bounded as follows:

Being all the shore of an Island situate in the St. John River apposite the land of the said Edward Boulay and known as Kennedy Island, up to where the land is now under cultivation, except on the southern side a piece of land which can be cultivated and which grantors reserves.

This deed to include the shore of said Kennedy Island but no cultivated land. The said Edward Boulay, for himself, his heirs and assigns, reserving the right of way or passage to the said Kennedy Island.

Being the same land, property and rights conveyed and assigned by Edward Boulay and others to the said Allan E. Hammond by Deed dated the 10th day of September A.D. 1924 and registered in Book S-3 at pages 564-566 of the Madawaska County records.

3. Theophile Tardif and others property.

a)

All that certain other parcel of land situate in the Parish of St. Francis, in the County of Madawaska and Province of New Brunswick, described as follows - Bounded on the southern side by the Saint John River, on the western side by land owned and occupied by Joseph St. Jean, bounded on the northern side by the right of way of the Temiscouata Railway Company, and on the eastern side by land owned and occupied by one Benjamin Levasseur. Being the same land, premises and rights conveyed and assigned by Theophile Tardif and others to the said Allan E. Hammond by Deed dated the 11th day of September A.D. 1924 and registered in Book S-3 at pages 556-558 of the Madawaska County Records.

4. Joseph St. Jean and others property.

a)

All that certain other lot of land situate in the Parish of St. Francis, in the County of Madawaska, and Province of New Brunswick described as follows: Being bounded on the southern side by the Saint John River, on the western side by the land of said Allan E. Hammond, on the northern side by the right of way of the Temiscouata Railway Company and on the eastern side by land occupied by the Theophile Tardif. Being the same land, premises and rights, conveyed and assigned by Joseph St. Jean and wife to the said Allan E. Hammond by Deed dated the 11th day of September A.D., 1924 and registered in Book S-3 at pages 562-564 of the Madawaska County records.

5. Damas Lizotte and others property

a)

Also all that other certain lot, piece or parcel of land and premises situate, lying and being in the Parish of Saint Francis aforesaid, and bounded as follows, to wit: All that part of the lot owned and occupied by the said Damas Lizotte in the First Tier fronting on the River Saint John included and bounded between and by the low water mark in the said River on one side and the lower margin of the cultivated land on the other side, following the various course of the River bank and of the said margin of the cultivated land aforesaid. Provided always that if no lumber mill is built and put into operation at or near Brackett, in the said County of Madawaska by the said A. E. Hammond, his heirs or assigns within five years from the date hereof, then the above described land shall revert to the said Damas Lizotte or to his heirs who shall thereafter enjoy the possession thereof as heretofore. Being the same same land premises and rights conveyed and assigned by Damas Lizotte and wife to the said A.E. Hammond by Deed dated the 25th day of February, A.D., 1927

6. Médée Anctil's Property

a)

Also all that other certain lot, piece or parcel of land and premises situate, lying and being in the Parish of Saint Francis aforesaid, and bounded and described as follows, to wit:

All that part of the lot owned and occupied by the said Médée Anctil in the first tier fronting on the River Saint John included and bounded between, by the low water mark in the said River on one side and the lower margin of the cultivated land on the other side, following all the various courses of the River bank and of the said margin of the cultivated land aforesaid.

Provided always that if no lumber mill is built and put into operation at or near Brockett, in the said County of Madawaska by the said A.E. Hammond his heirs or assigns within five years from the date hereof, then the above described land shall revert to the said Médée Anctil or his heirs who shall thereafter enjoy the possession thereof is heretofore.

Being the same land, premises and rights conveyed and assigned by Médée Anctil to the said Allan E. Hammond by Deed dated the 25th day of February A.D., 1925.

7. Pierre H. Levasseur properties

a)

Also all that certain other lot, piece or parcel of lands and premises situate, lying and being in the Parish of Saint Francis aforesaid, and bounded as follows to wit:

All that part of the lot owned and occupied by the said Pierre H. Levasseur and Alice Levasseur in the First tier of lots fronting on the River Saint John included and bounded between and by the low water mark in the said river on one side and the lower margin of the cultivated land on the other side following all the various courses of the Riverbank and of the said margin of the cultivated land aforesaid.

Provided always that if no lumber mill is built and put into operation at or near Brockett, in the said County of Madawaska, by the said A. E. Hammond, his heirs or assigns, within five years from the date hereof, then the above described land shall revert to the said Pierre H. Levasseur and Alice Levasseur or their heirs who shall enjoy thereafter the possession thereof as heretofore.

Being the same land, premises and rights conveyed and assigned by Pierre H. Levasseur and wife to the said Allan E. Hammond by Deed dated the 25th day of February A.D. 1927.

Together with all the buildings and improvements thereof and the privileges and appurtenances to the same belonging or in any manner appertaining and the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and also all the estate, right, title, right and title, interest, use, possession, property, claims and demand either at law or in equity, of the said Grantor of, in, to or out of the same and every part and parcel thereof, with the appurtenances.

To have and to Hold the said lot, piece or parcel of land and premises hereby granted, bargained and sold, or meant, mentioned or intended so to be and every part and parcel thereof, with the appurtenances into the said Grantee to the only proper use, benefit and behoof of the said Grantee, its successors and assigns forever,

All that certain lot, piece or parcel of land and premises situate, lying and being in the Parish of Clair, in the County of Madawaska, in the Province of New Brunswick, described as follows:- Bounded on the south by the River Saint John, on the west by Fraser's line, land owned by Fraser Companies, Limited, on the north by the Temiscouata Company right-of-way and on the east by Levasseur Brook so called. Being a strip of land 1115 feet long more or less and containing 5.3 acres more or less.

BEING the same lands and premises as described in a Deed dated May 28, 1930 between Auguste Michaud et al as grantors and Fraser Companies, Limited as grantee, which Deed was duly registered in the Madawaska County Registry Office on June 5, 1930 in Book T-4 at Page 237 as Number 30161.

#87

PED 35001445

All that certain lot, pieces or parcels of land and premises situate, lying and being in the Parish of Saint Francois in the County of Madawaska and Province of New Brunswick, in the Dominion of Canada, bounded and described as follows - Being the whole of Island number Eight (8) in the River Saint John, known as Kennedy Island, containing twenty-eight acres more or less.

Being the same lands and premises conveyed by John B. Clair and wife to Fraser Companies, Limited by Deed dated April 19, 1927 and registered in the Madawaska County Registry Office on April 21, 1927, in Book C-4, at page 210, as number 26858.

#88 - 10079101
 #89 - 10079119
 #90 - 10079127
 #95 - 10137891
 #96 - 10079069

Parcel 10 – PIDs # 10079127, 10079119, 10079101, 10079069 and 10137891

All that certain lot, piece or parcel of land situate, lying and being in the Parish of Aberdeen, County of Carleton and Province of New Brunswick, bounded and described as follows:

Being all those portions of Lot 76 granted to James K. Flemming, Lot 78 granted to George F. Foster, Lot 80 granted to H.M. Foster and Lot 82 granted to A. Plummer as were conveyed to her Majesty the Queen in Right of the Province of New Brunswick as represented by the Minister of Natural Resources and Energy, all being a portion of Parcel No. 84 in Deed Number 150443 as registered in the Carleton County Registry Office in Book 352 at Page 503.

Together with, all those portions of Ungranted Crown Lots Numbered 84, 85 and 86 which are bounded, westerly, by the aforesaid Lot 82 granted to A. Plummer, northerly and easterly, by the bounds of the Second Tract, containing 14,601 acres, granted to The New Brunswick Railway Company, said bounds having been surveyed by H.M. Garden, Deputy Surveyor, in 1870; and, southerly, by the northern base line of the Workmen's Lots, so called, said bounds having been surveyed by J.E. Patterson in 1937. The hereinbefore described parcel of land is estimated to contain an area of 190.2 hectares (470 acres $\pm$), more or less.

Reserving to the Crown as represented by the Minister of Natural Resources and Energy:

- (a) the beds of all brooks or streams below the normal high water mark;
- (b) all rights of fishing and fishery;
- (c) a right-of-way, ten metres in width measured horizontally from the normal high water mark, along the banks of all brooks or streams for the general public to freely pass and repass on foot and to stop and enjoy recreational activities; and
- (d) all coals, also all gold and silver and other mines and minerals.

And being the same lands and premises as were conveyed by Her Majesty the Queen in Right of the Province of New Brunswick to Juniper Lumber Co. Ltd. by Deed dated April 16, 1997 and registered in the Carleton County Registry Office on the 15th day of May, 1997 in Book 662 at Page 195 as Number 191774.

223
#91

Parcel 6, #2 – PID # 10137917

All that portion of Grant Lot number seventy-six (76) Range 3, Beaufort Settlement bounded on the North by N.B. Crownland; on the East by a parcel of land owned by Juniper Lumber Ltd., on the South by the main highway leading from Glassville to Juniper Station; and on the West by Grant Lot Number seventy-four (74);

Saving and Excepting all parcels previously deeded.

Containing approximately seven (7) hectares, and being a portion of lands deeded by North Carleton Land Company Ltd. to Juniper Realities Ltd. by Deed dated December 6, 1968 and registered in the Carleton County Records as No. 113588 on January 3, 1969.

Being a portion of lands deeded by Juniper Realities Ltd. to Aberdeen Investment Company Ltd. by Deed dated August 29, 1984 and registered in the Carleton County Records as No. 151701 Book 358 Page 184 on September 5, 1984.

This Deed conveys and intends to convey all the remainder of Grant Lots Number seventy-four (74) and seventy-six (76) owned by the Grantor.

Subject to a Right of Way as set out in a Deed between Juniper Realities Ltd., as grantor, and B. Jerome Thompson and Kathleen Thompson, as grantee, dated November 15, 1976 and registered in the Carleton County Registry Office in Book 268 at Page 873 as Number 129423. The said Right of Way being shown on Juniper Realities Ltd. Subdivision Plan dated May 26, 1976, prepared by Ralph Vail, approved by F.J. McIntosh – For Development Officer Province of New Brunswick on November 3, 1976 and registered in the Carleton County Registry Office on November 3, 1976 in Book 268, Page 417, as Number 129301.

#92

Parcel 6, #1 – PID # 10005718

All that certain lot, piece or parcel of land situate, lying and being in Juniper, in the Parish of Aberdeen, County of Carleton and Province of New Brunswick described as follows:

All that portion of Grant Lot number seventy-four (74) Range Three, Beaufort Settlement bounded on the North by N.B. Crownland; on the East by Grant Lot Number seventy-six (76); on the South by the main highway leading from Glassville to Juniper Station; and on the West by a Crown Reserve Road running in a northerly direction along the Easterly side of Grant Lot Number seventy-two (72);

Saving and Excepting all parcels previously deeded.

Containing approximately nine (9) hectares, and being a portion of lands deeded by Flemming and Gibson Ltd. to Juniper Realities Ltd. by Deed dated December 6, 1968 and registered in the Carleton County Records as No. 113584 Book 216 Page 684-686 on January 3, 1969.

Being a portion of lands deeded by Juniper Realities Ltd. to Aberdeen Investment Company Ltd. by Deed dated August 29, 1984 and registered in the Carleton County Records as No. 151701 Book 358 Page 184 on September 5, 1984.

Saving and Excepting thereout and therefrom that portion of the herein described premises that was conveyed to Glassville Logging Co. Ltd. by Deed No. 186890, recorded in Book 621, at Page 311.

#93

Parcel 2 - PID # 10001717

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND AND PREMISES situate, lying and being in Juniper, in the Parish of Aberdeen, in the County of Carleton and Province of New Brunswick, bounded and described as follows:

BEGINNING at an iron post standing on the southern limits of the highway road leading from Juniper to Juniper Station, which iron post is the Northeast corner post of a lot of land owned and occupied (1978) by B. Jerome Thompson; thence from the place of beginning on an azimuth bearing of eighty-four degrees and thirty-nine minutes (84° 39'), following the southern limits of the highway road aforementioned, a distance of three hundred eighty-three and forty-five one hundredths feet (383.45') to a survey marker; thence on a bearing of one hundred forty-four degrees and fifteen minutes (144° 15') a distance of one hundred ninety-six and eighty-six one hundredths feet (196.86') to a survey marker; thence on a bearing of one hundred eighty-five degrees and twenty-two minutes (185° 22') a distance of one hundred thirteen and four tenths (113.4') to a survey marker; thence on a bearing of two hundred eighty-three degrees (283° 00') a distance of two hundred thirty-six and thirty-four one hundredths feet (236.34') to a survey marker; thence on a bearing of two hundred seventy-two degrees and fourteen minutes (272° 14') a distance of one hundred twelve and seventy-four one hundredths feet (112.74') to a survey marker; thence on a bearing of five degrees and thirty-three minutes (5° 33') a distance of forty-nine and ninety-seven one hundredths feet (49.97') to an iron rod; thence on a bearing of two hundred seventy-eight degrees and thirty three minutes (278° 33') a distance of one hundred fifty feet (150.0') to an iron rod; thence on a bearing of eight minutes (00 08') a distance of one hundred seven and three tenths feet (107.3') to the place of beginning, containing two and five one hundredths acres (2.05), be it slightly more or less.

The herein described parcel of land is a portion of the lands and premises conveyed to Juniper Realities by Deed No. 113584, recorded in Book 216, at Page 684, Carleton County Records.

The herein described parcel of land is shown on a Survey Plan prepared by Ralph S. Vail, N.B.L.S., on January 31, 1978, which Survey Plan is attached to and forms part of Deed registered in the Carleton County Record Office in Book 286 at Page 20 as Number 134074, which Deed was approved for registration on July 21, 1978, by F.J. MacIntosh for Development Officer, Province of New Brunswick.

The Grantor, B. Jerome Thompson, reserves to himself, the use of the barns and pastures on the lands to the extent as exists the date hereof, which barns and pastures are situated on the lands herein conveyed, for as long as he shall live or until such time as he shall cease to live in the Village of Juniper, New Brunswick.

JJB

#94 - 10137925
#99 - 10004588
#100 - 10206928
#101 - 10206902
#105 - 10206910

Parcel 7 - PID #s 10206910, 10206902, 10206928, 10137925 and 10004588

All that certain lot, piece or parcel of land situate, lying and being in the Village of Juniper, in the Parish of Aberdeen in the County of Carleton and Province of New Brunswick, being more particularly bounded and described as follows:

Beginning at a point on the northerly bank or shore of the Southwest Miramichi River distant westerly one hundred eighty metres (180.0m) from the westerly limits of Lewis Street, measured at right angles thereto; thence northerly, parallel to the easterly boundary of Lot No. 72 to the southwesterly limits of a road leading past a gravel pit on said Lot No. 72; thence southeasterly and southerly, along the said southwesterly and westerly limits of said road, to the northerly boundary of a lot conveyed by Flemming & Gibson Limited to Juniper Realities Ltd. on December 6, 1968; thence easterly, along said northerly boundary, to the westerly boundary of a lot conveyed by North Carleton Land Co. Ltd. to Juniper Realities Ltd. on December 6, 1968; thence northerly, along said westerly boundary, to the northwesterly angle of said lot; thence easterly, along the northerly boundary of said lot and its prolongation, to the westerly boundary of Lot No. 82, granted to Amasa Plummer; thence southerly, along said westerly boundary to the southerly limits of the road leading to Juniper Station; thence easterly, along said southerly limits, to the westerly boundary of Crown Lot No. 84; thence southerly, along said boundary, to the aforesaid northerly bank or shore of the Southwest Miramichi River and thence westerly, upstream, along said bank or shore, to the place of beginning.

Saving and Excepting thereout and therefrom all lands and premises previously conveyed.
And Further Saving and Excepting thereout and therefrom those portions of the herein described premises that were conveyed to:

(a) Michael J. Comeau and Trudy M. Comeau by Deed No. 186215, recorded in Book 615 at Page 540; and

(b) Scott I. Rideout and Marie A. Rideout by Deed No. 187296, recorded in Book 625 at Page 173.

#97

Parcel 4 - PID # 10001618

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND AND PREMISES situate, lying and being in the Village of Juniper, in the County of Carleton and Province of New Brunswick, being more particularly bounded and described as follows: to wit:-

BEGINNING at a stake standing on the southern limits of the Mill Road, so called, which stake is the North-East corner stake of a lot of land owned (1973) by one Mildred Matheson; thence from place of beginning, on an azimuth bearing of one hundred and fourteen degrees and forty minutes (114° 40') a distance of one hundred fifteen feet (115.0') to a stake; thence on a bearing of two hundred five degrees and twenty five minutes (205° 25') a distance of sixty feet (60.0') to a stake; thence on a bearing of two hundred ninety four degrees forty minutes (294° 40') a distance of one hundred fifteen feet (115.0') to a stake; thence on a bearing of twenty five degrees and twenty minutes (25° 20') a distance of sixty feet to the place of beginning. The herein described parcel of land is a portion of those lands and premises that were conveyed to Juniper Realities Ltd. by Flemming & Gibson Limited by deed bearing date the 6th day of December, A.D., 1968 and which deed has been duly recorded in the Carleton County Registry Office at Woodstock, N.B., in Book 216 at Page 684 under official number 113584. Be it noted that this parcel of land is shown on the Amending Subdivision Plan for the Juniper Realities Ltd. Subdivision No. 8, said plan having been prepared by Ralph S. Vail, N.B.L.S., dated August 16, 1973 and recorded in the Carleton County Registry Office at Woodstock, N.B., in Book 240 at page 524 under official number 121340. AND BEING the same lands and premises as conveyed by Juniper Realities Ltd. to Olys Brown and Wilma Brown as joint tenants by deed dated September 29, 1973 and registered in the Carleton County Registry Office as number 121677 at Page 647 in Book 241 after having been exempted for registration by F.J. McIntosh for Development Officer, Province of New Brunswick, on the 31st day of October, A.D., 1973.

BEING the same lands and premises as conveyed by Olys Brown, widower, to James P. Brown and Betty Phillips, as joint tenants, by deed dated the 13th day of January, A.D., 1982, and registered in the Carleton County Registry Office on the 13th day of January, A.D., 1982 in Book 325 at Page 30 as Number 143921.

BEING the same lands and premises conveyed by James Brown and Betty Phillips to Marvin R. Flemming and Winnifred L. Flemming by deed recorded in Carleton County Registry Office in Book 375 at Page 156 as Number 154548 on the 12th day of August 1985.

Marvin R. Flemming and Winnifred L. Flemming reserve unto themselves, their heirs and assigns, the right to take water from the well situated on the lands hereby conveyed and to lay down, maintain and repair a pipe line from the well to their property adjacent to the land hereinbefore described.

#98

Parcel 5 - PID # 10001584

ALL THAT CERTAIN LOT, PIECE OR PARCEL OF LAND AND PREMISES situate, lying and being in the Village of Juniper, in the Parish of Aberdeen, in the County of Carleton and Province of New Brunswick, being more particularly bounded and described as follows:

BEGINNING at a survey post standing on the southern limits of the highway road leading through the Village of Juniper to Juniper Station, which survey post is the northeast corner post of that lot of land occupied by the Juniper Post Office; thence from the place of beginning on an azimuth bearing of fifty-three degrees one minute and zero seconds ($53^{\circ} 01' 00''$) following the southern limits of the highway aforementioned a distance of one hundred ten and one tenths feet ($110.1'$) to a survey post; thence on a bearing of one hundred seventy-one degrees twenty-nine minutes and forty-four seconds ($171^{\circ} 29' 44''$) a distance of one hundred three and five tenths feet ($103.5'$) to a survey post; thence on a bearing of eighty-eight degrees thirty-nine minutes and twenty-three seconds ($88^{\circ} 39' 23''$) a distance of thirty-two and forty-one one hundredths feet ($32.41'$) to a survey post; thence on a bearing of one hundred sixty-six degrees fifty-six minutes and thirty-five seconds ($166^{\circ} 56' 35''$) a distance of ninety-two feet ($92.0'$) to a survey post standing on the northern limits of the Mill Road, so called; thence on a bearing of two hundred seventy degrees three minutes and eighteen seconds ($270^{\circ} 03' 18''$) following said road limits a distance of one hundred and thirty-five and forty-one one hundredths feet ($135.41'$) to a survey post; thence on a bearing of three hundred two degrees fifty-two minutes and fifty-four seconds ($302^{\circ} 52' 54''$) a distance of one hundred eleven and five tenths feet ($111.5'$) to a survey post standing on the southern limits of the first mentioned highway road; thence on a bearing of forty-eight degrees twenty-seven minutes and thirty seconds ($48^{\circ} 27'$

$30''$) following said road limits a distance of thirty-seven feet ($37.0'$) to a survey post standing at the northwest corner of the Juniper Post Office lot aforementioned; thence on a bearing of one hundred thirty-eight degrees twenty-seven minutes and thirty seconds ($138^{\circ} 27' 30''$) a distance of seventy-five feet ($75.0'$) to a survey post; thence on a bearing of forty-eight degrees twenty-seven minutes and thirty seconds ($48^{\circ} 27' 30''$) a distance of sixty feet ($60.0'$) to a survey post; thence on a bearing of three hundred eighteen degrees twenty-seven minutes and thirty seconds ($318^{\circ} 27' 30''$) a distance of seventy-five feet ($75.0'$) to the place of beginning, being a portion of those lands and premises that were conveyed to Juniper Realities Limited by Deed No. 113588 recorded in Book 216 at Page 690, Carleton County Records, transferred by North Carleton Land Co. Ltd.

The herein described lands and premises are shown as the Juniper Realities Limited property on the survey plan prepared by Ralph S. Vail, N.B.L.S., dated June 13, 1979.

AND BEING the same lands and premises described in a deed from Juniper Realities Limited to Paul Brooks and Shirley Brooks dated June 28, 1979, which was exempted by F.J. McIntosh for Development Officer, Province of New Brunswick, on August 29, 1979, and registered in the Carleton County Registry Office on September 19, 1979, in Book 298 at Page 851 as Number 137438.

Being the same lands and premises as conveyed by Paul Brooks and Shirley Brooks to Keith Brooks, by Deed dated the 3rd day of May, A.D., 1989 and registered in the Carleton County Registry Office on the 5th day of May, A.D., 1989 in Book 464 at Page 50 as No. 167220.

#102 65203705

#103 65203564

#104 65203556 being a portion of Parent PID #65019655

PID # 65019655

All that certain lot of land situate in the Parish of Gordon in the County of Victoria and Province of New Brunswick bounded as follows:

Beginning at a point on the northern line of lot No. 78, on the eastern side of the Tobique River at Plaster Rock which said point is four chains east from the northwest angle of said lot No. 78, thence running by the magnet east 71 chains to a maple tree standing at the north east angle of lot No. 78, thence south 15 degrees east eleven and one quarter chains, thence west 68 chains, thence in a northerly direction to the place of beginning, containing 70 acres, more or less, and being part of said lot No. 78 granted to Crawford M. Hutchinson, recorded in Book No. 37 page 274, No. 15381, August 1, 1911, in the Recording Office of the County of Victoria. Being the same lands as described in the deed from Maud R. Hawkes to Donald Fraser dated September 9, 1936, registered in Book No. 76, page 5. Being the same lands and premises described in the deed from the Estate of Donald Fraser to Alexander A. Fraser by deed dated January 2, 1946 and duly registered in the Victoria County Records in Book 88, page 326-327, under Official No. 35411.

And being a portion of the lands deeded by Alexander A. Fraser and Joan E.M. Fraser to Fraser Companies Limited by deed dated July 17, 1948 and registered in the Victoria County Registry Office July 23, 1948 in Book 94, at page 400, under No. 38259.

Also all that certain lot piece and parcel of land situate lying and being in the Parish of Gordon in the County of Victoria and bounded and described as follows:

Beginning at a post standing at the south east angle of lot number 80 granted to Lawrence T. Hawkes, east side of Tobique River above Plaster Rock, thence running by the magnet of the year 1914 north three degrees and 30 minutes east 15 chains, thence south 87 degrees east six chains and 91 links to another post, thence south 12 degrees east 15 chains and 56 links and thence north 86 degrees and 30 minutes west 10 chains and 90 links to the place of beginning; containing 13 acres, more or less, and distinguished as the rear part of lot number 80, east side of Tobique River above Plaster Rock.

Being a portion of the lands deeded by Restigouche Company Ltd. to Fraser Companies Ltd. by deed dated October 18, 1944 and registered in the Victoria County Registry Office December 12, 1944 in Book 86, at page 231, under No. 34507.

Also all that certain piece or parcel of land and premises situate, lying and being in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Part of lot 78 east side of Tobique River, 30 acres. Also all that tract of land situate in the Parish of Gordon in the said county of Victoria and bounded as follows: Beginning at the southwesterly angle of lot number 80 on the easterly bank of the Tobique River at Plaster Rock thence east 76 chains to a maple tree thence south 15 degrees east 15 chains thence west 72 chains or to the easterly bank of the said Tobique River, thence along the bank of said river in a northerly direction following the various courses thereof to the place of beginning, containing 100 acres more or less and distinguished as lot number 78 on the east side of Tobique River aforesaid, granted by the Crown to Crawford M. Hutchinson. Being the same lands and premises conveyed by Mary B. Stewart to Donald Fraser, Donald Fraser Junior, and Archibald Fraser by deed bearing date the 27th day of June, 1908 and duly recorded in the

Victoria County records in book E no. 1 pages 664 and 665 under official number 13387 the 2nd day of July, 1908 and by the said Donald Fraser, Donald Fraser Junior, and Archibald Fraser conveyed to the Fraser Lumber Company Limited by deed bearing date the 3rd day of June, 1914, and duly recorded in Victoria County Records in book O no. 1, pages 251 to 256 under official number 16881 the 4th day of June, 1914, save and except thereout and therefrom that portion thereof conveyed by the said Donald Fraser, Donald Fraser Junior and Archibald Fraser to Maud R. Hawkes by deed bearing date the 1st day of August, 1911, and duly recorded in the Victoria County Records in Book K no. 1 pages 274 to 276 under official number 15381 and therein described as follows: All that certain lot, piece or parcel of land situate, lying and being in the Parish of Gordon in the County of Victoria and Province of New Brunswick, bounded and described as follows: Beginning at a point on the northern line of lot number 78 on the eastern side of Tobique River at Plaster Rock which said point is four chains east from the northwest angle of said lot number 78, thence running by the magnet east 71 chains to a maple tree standing on the north east angle of said lot number 78, thence south 15 degrees east 11 ¼ chains, thence west 68 chains thence in a northerly direction to the place of beginning, containing 70 acres more or less and being part of said lot number 78 granted to Crawford M. Hutchinson and deeded to the said Grantors by Mary B. Stewart the 27th day of June, 1908.

And being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

Also all that certain piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Beginning at a fir tree standing on the eastern bank or shore of the Tobique River at the north west angle of lot number 78 granted to Crawford M. Hutchinson at Plaster Rock, thence running by the magnet east 72 chains thence south 15 degrees east 15 chains, thence west 72 chains to the eastern bank or shore of the Tobique River aforesaid and thence along the same upstream to the place of beginning, containing 100 acres more or less, and distinguished as lot number 76. The said lot having been granted by the Crown to Robert W. Good and by the said Robert W. Good conveyed to one John E. Steward by deed dated February 17, 1886 and later conveyed by Eugene A. Holmes and wife to Donald Fraser Junior by deed bearing date the 10th day of March, 1910 and duly recorded in the Victoria County records in Book H no. 1 pages 426 and 427 under official number 14352 and later conveyed by the said Donald Fraser Junior to the Fraser Lumber Company, Limited by deed bearing date the 3rd day of June, 1914 and duly recorded in the Victoria County records in Book O no. 1 pages 243 to 251 under official no. 16880 the 4th day of June, 1914.

And being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

Also all that certain piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Beginning at a point distant one chain measured on a magnetic east course of the year 1855 from a pine tree standing on the eastern bank or shore of Tobique River at the southwest angle of lot number 76 granted to Robert W. Good at Plaster Rock, thence from said point and running east 99 chains to a west line of the Seventh Tract granted to the New Brunswick Railway Company, thence south 24 chains and 50 links or to the eastern prolongation of the northern line of lot letter A granted to Miles O'Leary, thence along said prolongation and then west one minute and two chains or to a point distant one chain easterly from a cedar tree standing on eastern bank or shore of Tobique River aforesaid and thence following parallel to the said bank or shore maintaining the distance of one chain therefrom in a northerly direction to the place of beginning, containing 200 acres more or less and distinguished as lot letter C, east Tobique River at Plaster Rock. Being the same lands and premises granted by the Crown to Donald Fraser, Donald Fraser Junior and Archibald Fraser by Grant number 25108 dated September 15, 1904 and being the same lands and premises conveyed by Donald Fraser, Donald Fraser Junior and Archibald Fraser to Fraser Lumber Company Limited by deed bearing date 3rd day of June, 1914 and duly recorded in Victoria County Records in Book O no. 1 pages 251 to 256 under official no. 16881 the 4th day of June, 1914.

And being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

Also all that certain piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Known as lot letter A in Deputy Andrew Blair's survey at the Plaster rock so called, on the east side of the Tobique River between the Gulquac and Wapskehagan containing 100 acres more or less and granted by the Crown to said Miles O'Leary on the 14th day of February, 1839 under grant no. 1816.

And being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

Also all those two tracts of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

First Tract: Beginning at a point on the southern line of lot letter A granted to Miles O'Leary on the eastern side of the Tobique River at Plaster Rock, intersected by the eastern line of the Tobique Valley Railway and reservation, the said point being distant south easterly 100 feet measured at right angles to the said railway track from the centre thereof, thence from the said point and running by the magnet of the year 1855 east 52 chains and 50 links thence south 13 chains thence west 66 chains or to the eastern line of the Tobique Valley Railway and reservation aforesaid and thence along the same following the various courses thereof in a northeasterly direction maintaining the distance of 100 feet therefrom to the place of beginning, containing 78 acres, more or less, and distinguished as lot letter D, east of the Tobique River at Plaster Rock, being the same lands and premises granted by the crown to The Tobique Manufacturing Company by grant number 24484 and dated the 16th day of December, 1901.

Second Tract: Beginning at a fir tree standing on the eastern bank or shore of the Tobique River at the north western angle of lot number 68 granted to Hezekiah Day below the Plaster Islands, thence running by the magnet of the year 1855 east 150 feet or to a point distant 100 feet measured easterly and at right angles from the centre of the track of the Tobique Valley Railway or the location made for the same in accordance with a plan filed in the Crown Land Office thence following parallel to the said Tobique Valley Railway tract or the location made for the same as aforesaid maintaining the distance of 100 feet therefrom in a north easterly direction with a rectangular distance of 13 chains or to the southern line of lot letter A granted to Miles O'Leary thence west 350 feet or to the eastern bank or shore of Tobique River aforesaid and thence along the same following the various courses thereof in a southwesterly direction down stream to the place of beginning containing 3 ½ acres more or less and being the front part of lot letter D eastern side of Tobique River at Plaster Rock, subject however to the right of the Tobique Valley Railway Company to use the said lands so granted to them as may be required for railway purposes, being the same lands and premises granted by the Crown to The Tobique Manufacturing Company by a supplementary grant numbered 24789, dated the 6th day of April, 1903 by authority of an order of the Lieutenant Governing Council, dated the 13th day of April, 1902.

The aforesaid two tracts of land being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

Also all that certain piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Beginning at a post standing at the north east angle of lot letter D granted to the Tobique Manufacturing Company, at Plaster Rock, thence running by the magnet of the year 1906 south 87 degrees east 62 chains and 50 links to another post thence 19 degrees east 11 chains to another post thence south 87 degrees east 5 chains thence south 3 degrees west 25 chains and 50 links to another post thence north 87 degrees west 69 chains and 50 links to the place of beginning, containing 97 acres more or less and distinguished as lot letter L. at Plaster Rock. Being the same lands and premises granted by the Crown to Donald Fraser, Donald Fraser Junior, and Archibald Fraser by grant number 25623 and dated the 8th day of March, 1907 and conveyed by Archibald Fraser and Donald Fraser, both in their own right and heirs at law of Donald Fraser by indenture bearing date the 25th day of July, 1917 to the Fraser Lumber Company Limited.

And being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

Also all that certain piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Beginning on the easterly side of the Tobique River at the south west angle of lot D, thence running east by the magnet of the year 1855 70 chains, thence south 15 chains, thence west 74 chains to the easterly bank of the said Tobique River and thence northerly along the easterly bank of said Tobique River following the various courses thereof to the place of beginning, containing 108

acres more or less and distinguished as lot number 68 below Plaster Rock granted by the Crown to the said Hezekiah Day bounded on the north by lot D on the west by the Tobique River on the south by lot 66 granted to George T. Baird and on the east by the rear line of the front tier of lots. To be excepted from the last above described lot the portion thereof agreed to be conveyed to the Canadian Pacific Railway Company by Hale & Murchie in exchange for certain rights of the Canadian Pacific Railway Company in lot D at Plaster Rock, and also excepting from the above described lot one lot of land agreed to be conveyed to one George Henry being in size 100 feet long forty feet in width at the rear and 50 feet wide at the front, being a portion of the lands and premises conveyed by E. H. Hale and wife and George A. Murchie and wife to The Tobique Manufacturing Company by deed bearing date the 26th day of August, 1901 and duly recorded in Victoria County records.

And being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

Also all that certain piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Beginning at a fir tree on the easterly shore of Tobique River at the south westerly angle of lot number 68 at Plaster Rock granted to Hezekiah Day, thence running east along the dividing line between lots 66 and 68, 66 chains to the north easterly angle of lot number 66, thence south 15 chains, thence west 56 chains and 70 links thence north one chain and 75 links, thence west to the easterly shore of the Tobique River and thence northerly along the said shore of Tobique River following the various courses thereof to the place of beginning containing 98 acres more or less and distinguished as lot number 66 at Plaster Rock, excepting about 2 acres reserved out of said lot at the south west corner of the same, being the same lands and premises granted by the Crown to the Hon. George T. Baird and conveyed by the said Hon. George T. Baird and wife to Donald Fraser, Donald Fraser Junior and Archibald Fraser in the name of Donald Fraser & Sons by deed dated the 29th day of March 1904 and duly recorded in Victoria County Records in book O no. 1 pages 251 to 256 under official number 16881 the 4th day of June, 1914.

And being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

Also all that certain piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Beginning at a post standing at the north east angle of lot number 66 granted to George T. Baird on the eastern side of Tobique River at Plaster Rock, thence running by the magnet of the year 1906 south 87 degrees east 13 chains and 50 links to another post, thence south 2 degrees west 15 chains to another post, thence north 87 degrees west 13 chains and 50 links to another post, thence north two degrees east 15 chains to the place of beginning, containing 20 acres more or less and distinguished as lot letter K at Plaster Rock, being the lands and premises granted by the Crown to Donald Fraser, Donald Fraser Junior and Archibald Fraser by grant no. 25553 and dated the 10th day of September, 1906 and conveyed by Donald Fraser, Donald Fraser Junior and Archibald Fraser by

indenture bearing date the 3rd day of June, 1914 and duly recorded in Victoria County Records in Book O no. 1 pages 251 to 256 under official number 16881 the 4th day of June, 1914.

And being a portion of the lands deeded by Fraser Lumber Co. Ltd. to Fraser Companies Ltd. by deed dated September 1, 1917 and registered in the Victoria County Records Office September 7, 1917 in book 46 at page 566 under no. 18892.

SAVING AND EXCEPTING the following lot, pieces or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Beginning at a point on the southerly or lower sideline of lands owned by Vernon R. Briggs and Wellington Briggs, said point designated as Station 2+01.4, as shown on a survey plan of Tobique Valley School Site Property as surveyed by Roy E. Wilson, N.B.L.S., dated January 15, 1976, said point being the centre line of a service easement; thence along the said centre line, so described, on a bearing of two hundred seven degrees thirty six minutes [207-36] a distance of two hundred nineteen and five tenths [219.5] feet to the end of easement and designated as Station 4+20.9; taking a strip of land ten [10] feet wide lying to the left of or east of the above described centre line and taking a strip of land ten [10] feet wide lying to the right of or west of the said centre line from Station 2+01.4 to Station 4+20.9.

The hereinbefore described parcel of land containing by ad-measurement fourth thousand three hundred ninety (4,390) square feet and shown as Parcel "B" on the aforesaid survey plan of Tobique Valley School Site Property, said survey plan registered in the Victoria County records under Official Plan no. 2487 on January 29, 1976.

Being the same lands deeded by Fraser Companies, Limited to Her Majesty the Queen by deed dated April 28, 1976 and registered in the Victoria County Records Office May 12, 1976 in book 180 at page 16 under no. 69434.

AND SAVING AND EXCEPTING the following lot, pieces or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

All that certain lot shown as Parcel 90-A on the subdivision plan of Fraser Inc. Subdivision No. 2, Village of Plaster Rock, County of Victoria, Province of New Brunswick, surveyed by Jacques R. Grondin, N.B.L.S., dated October 16, 1990, approved by the Development Officer for the Village of Plaster Rock on December 11, 1990, and filed in the Victoria County Registry Office at the time of registration of the within deed the said parcel 90-A containing 196 square meters.

BEING a parcel of land to be added to and form part of the property of D. Camber Giberson and Theresa Giberson described in a deed registered in the Victoria County Registry Office in book 180, at page 440 as number 66875.

AND BEING the same lands and premises conveyed by Fraser Inc. to D. Camber Giberson and Theresa Giberson by deed dated July 3, 1991 and registered in the Victoria County Registry Office on July 18, 1991 in book 369 at page 362 as number 103971.

AND SAVING AND EXCEPTING the following lot, pieces or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

All that certain lot lying and being on Brook Street in the Village of Plaster Rock, in the Parish of Gordon, County of Victoria, and Province of New Brunswick, having an area of 1, 179 square meters and being shown as Parcel 91-A on the subdivision plan of FRASER INC. (FRASER CO. LTD.) SUBDIVISION 91-A prepared by Scott H. Goodine, N.B.L.S., dated 1991-04-08, approved by Barbara Wishart, Development Officer for the Village of Plaster Rock, on November 5, 1991, and filed in conjunction with the registration of the attached deed.

BEING a portion of the lands and premises conveyed to Fraser Companies, Limited by deed no. 18892 registered in the Victoria County Registry Office in book 46 at page 566.

AND BEING the same lands and premises conveyed by Noranda Forest Inc by its attorney, Fraser Inc., to Douglas Rocky Giberson and Pamela Joy Giberson by deed dated March 24, 1992 and registered in the Victoria County Registry Office on April 6, 1992, in book 384 at page 44 as number 105664.

AND SAVING AND EXCEPTING the following lots, pieces or parcels of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Parcel One: All that certain lot shown as Parcel 93-A on the Subdivision Plan of Noranda Forest Inc. Village of Plaster Rock Subdivision 93-A, B, & C, Pond Street, Village of Plaster Rock, surveyed by S.H. Goodine, N.B.L.S., dated 1991-02-04 and 1993-12-02, approved by the Development Officer for the Village of Plaster Rock on February 17, 1994, and filed in the Victoria County Registry Office under plan no. 200073, the said parcel 93-A containing 77 square meters.

Parcel Two: All that certain lot shown as Parcel 93-C on the Subdivision Plan of Noranda Forest Inc. Village of Plaster Rock Subdivision 93-A, B, & C, Pond Street, Village of Plaster Rock, surveyed by S.H. Goodine, N.B.L.S., dated 1991-02-04 and 1993-12-02, approved by the Development Officer for the Village of Plaster Rock on February 17, 1994, and filed in the Victoria County Registry Office under plan no. 200073, the said parcel 93-C containing 52 square meters.

Parcels 93-A and 93-C described above are to be added to and form part of the property of Leonard A. Bradford and Patricia Bradford described in a deed registered in the Victoria County Registry Office in book 362, at page 481, as number 103189.

AND BEING a portion of the lands and premises conveyed by Noranda Forest Inc by its attorney, Fraser Inc., and Village of Plaster Rock, to Leonard A. Bradford and Patricia Bradford, his spouse, by deed dated April 14, 1994 and registered in the Victoria County Registry Office on June 20, 1994, in book 428 at page 37 as number 110844.

AND SAVING AND EXCEPTING the following lot, piece or parcels of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

All that certain lot shown as Lot No. 90-1 on the subdivision Plan of Fraser Inc. Subdivision No. 2, Village of Plaster Rock, surveyed by Jacques R. Grondin, N.B.L.S., dated October 16, 1990 and filed in the Victoria County

Registry Office under plan number 5038, the said Lot No. 90-1 containing 7,562 square meters.

AND BEING a portion of the lands and premises conveyed by Fraser Inc. to the Village of Plaster Rock by deed dated July 3, 1991 and registered in the Victoria County Registry Office on July 18, 1991, in book 369 at page 374 as number 103793.

AND SAVING AND EXCEPTING the following lot, piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

Beginning at a standard survey marker located on the easterly side limits of Brook Street at a point, said point having New Brunswick Grid Coordinate values of 243 1957.126 meters East and 754 5923.622 meters North; THENCE from the place of beginning on the New Brunswick Grid North bearing azimuth 132 degrees 49 minutes 50 seconds a distance of 5.908 meters to another standard survey marker; THENCE on a bearing of 88 degrees 36 minutes 17 seconds a distance of 8.536 meters to another standard survey marker; THENCE on a bearing of 52 degrees 22 minutes 57 seconds a distance of 9.125 meters to another standard survey marker; THENCE on a bearing of 37 degrees 08 minutes 30 seconds a distance of 9.991 meters to another standard survey marker; THENCE on a bearing of 44 degrees 53 minutes 38 seconds a distance of 15.868 meters to another standard survey marker; THENCE on a bearing of 44 degrees 36 minutes 39 seconds a distance of 12.280 meters to a point; THENCE in an east southeasterly direction following the center line of a small brook a distance of 78 meters, more or less, to the shoreline of the Tobique River; THENCE in a downstream direction following the shoreline of the Tobique River to the point of intersection thereof and the center line of another small brook located downstream a distance of 63 meters, more or less, along the shoreline of the said Tobique River from the first mentioned small brook; THENCE in a northwesterly direction following the center line of the said small brook upstream a distance of 60 meters, more or less, to another standard survey marker; THENCE on a bearing of 326 degrees 25 minutes 40 seconds a distance of 16.288 meters to another standard survey marker; THENCE on a bearing of 98 degrees 10 minutes 56 seconds a distance of 8.688 meters to another standard survey marker located on the easterly side limits of Brook Street aforesaid; THENCE on a bearing of 15 degrees 25 minutes 43 seconds a distance of 6.826 meters to the place of beginning.

BEING Lot 99-1, containing 4900 square meters more or less, all as shown on the Nexfor Inc. (Fraser Companies Ltd.) Subdivision 99-1 plan of subdivision, filed in the Victoria County Registry Office on August 11 as Plan No. 11264992.

AND BEING the same lands and premises conveyed by Nexfor Inc. to the Village of Plaster Rock by deed dated September 19, 2000 and registered in the Victoria County Registry Office on September 28, 2000, in book 548 at page 152 as number 11403715.

AND SAVING AND EXCEPTING the following lot, piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

All that certain lot being a portion of granted lots 64 and 66 and being lot no. 84-1 on a subdivision plan of Fraser Inc. Subdivision prepared by Ralph S. Hail N.B.L.S. dated December 18, 1984, approved by the Development Officer

for the Province of New Brunswick on May 2, 1985, and having been duly registered in the Victoria county Records on May 21, 1985, as number 3980.

BEING a portion of the same lands and premises conveyed by Daniel F. Merrithew to Fraser Companies, Limited (Fraser Inc.) by deed dated June 28, 1973 and registered in the Victoria County Records on July 4, 1973 in book 160 at page 710 as number 64150, and being a portion of the same lands and premises conveyed by Fraser Lumber Company, Limited to Fraser Companies, Limited (Fraser Inc.) by deed dated September 1, 1917 and registered in the Victoria County Records on September 7, 1917 in book T-1 at page 566 as number 18892.

AND BEING the same lands and premises conveyed by Fraser Inc. to The Plaster Rock Golf and Curling Club Inc. by deed dated June 19, 1985 and registered in the Victoria County Registry Office on October 22, 1985, in book 267 at page 552 as number 90504.

AND SAVING AND EXCEPTING the following lot, piece or parcel of land and premises situate, lying and being in the Parish of Gordon, in the County of Victoria in the Province of New Brunswick and bounded and described as follows:

All that certain parcel of land being 33 feet by 53 feet, located adjacent to the Lessor's planer mill at its Plaster Rock sawmill facility, and being shown colour-outlined in red on a plan approved for registration on December 12, 1989 by Barbara Wishart, Development Officer for the Village of Plaster Rock.

The said parcel being a portion of the lands and premises conveyed by Donald Fraser, Donald Fraser Jr., and Archibald Fraser to Fraser Lumber Company, Limited by deed dated June 3, 1914 and registered in the Victoria County Registry Office on June 4, 1914 in Book O, No. 1, at pages 251 to 256 as number 16881, and later conveyed by Fraser Lumber Company, Limited to Fraser Companies, Limited (now Fraser Inc.) by deed dated September 1, 1917 in book T-1, at page 566, as number 18892.

AND BEING the same lands and premises leased by Fraser Inc. to Brunswick Animal Bedding Ltd. by lease dated December 4, 1989 and registered in the Victoria County Registry Office on December 12, 1989, in book 337 at page 166 as number 100032.

JUNIPER

Schedule A | Annexe A**PID | NID : 10004885****Apparent Parcel Access | Accès apparent à la parcelle : Public Access | Accès public****Status | État de la demande : Current | Courant****Effective Date/Time | Date et heure de prise d'effet : 2008-03-18 14:31:39****Legal Description | Description officielle :**

Municipality: Community of Juniper

Parish: Aberdeen

County: Carleton

Description: Lot No. 2

Plan: 131586A

Book: 276

Page: 873

County Registered: Carleton

Date Registered: 1977-09-02

Name of Plan: Subdivision Plan Flemming-Gibson Industries Ltd. Juniper Realities Ltd. North
Carleton Land Company Limited Subdivision

Schedule A | Annexe A

PID | NID : 10001600**Apparent Parcel Access | Accès apparent à la parcelle :** Public Access | Accès public**Status | État de la demande :** Current | Courant**Effective Date/Time | Date et heure de prise d'effet :** 2008-03-19 15:18:41**Legal Description | Description officielle :****Municipality:** Community of Juniper**Parish:** Aberdeen**County:** Carleton**Description:** Lot 26**Plan:** 121072**Book:** 239**Page:** 631**County Registered:** Carleton**Date Registered:** 1973-08-03**Name of Plan:** Subdivision Plan Juniper Realities Ltd. Subdivision No. 8, Juniper, Carleton County, N.B.**Municipality:** Community of Juniper**Parish:** Aberdeen**County:** Carleton**Description:** Parcel A**Plan:** 123177**Book:** 246**Page:** 648**County Registered:** Carleton**Date Registered:** 1974-06-24**Name of Plan:** Subdivision Plan Juniper Realities Subdivision No. 14, Parish of Aberdeen, Carleton County, N.B.

SCHEDULE "A"

SCHEDULE "A"

#1

PID# 35176791

All that certain piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick, and being part of Big Island, so called in the River St. John containing 27.25 acres more or less, bounded on the north and south by the River St. John, on the east by part of the same Island formerly owned by Joseph Belanger, on the west by part of the same Island owned by Phalias Daigle, measuring hereby to convey all the land claimed or owned by the said Felix Daigle on the said Big Island.

Also that other piece or parcel of land situate in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick and being Island No. 6 and containing 19.92 acres more or less. Said premises having been formerly conveyed to the said Felix Daigle by one Zephirm Daigle and wife by deed dated May 26, 1894 recorded in Book 4 at page 302 of the Madawaska County records, and the said premises conveyed to the said Zephirm Daigle by one Augustin Daigle by deed dated November 26, 1866 and recorded in Book B page 528 as No. 667 of the Madawaska County records.

Being the same lands and premises conveyed by Felix Daigle and wife to Fraser Companies, Limited by Deed dated the 21st day of December 1928 and registered in the Madawaska Registry Office on January 3, 1929, in Book K-4 at Page 771, as Number 28848.

#2

PID# 35176809

ALL that certain piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick and known as parcel of Big Island in the River St. John and situate on the south east corner of the said Island, bounded on the south by the Rivers Cain and John, on the northeast and on the northwest by part of the same Island formerly owned by Irenie Daigle, said piece of land hereby conveyed containing 15.10 acres and containing all the land owned and claimed by the said Elais Daigle on the said Island. Being the south piece of land conveyed to the said Elais Daigle by the heirs of the late Isadore Daigle by a Deed of partition dated April 1st 1906 registered in Book G-1 at page 218 of the Madawaska County records and conveyed to the said Isidore Daigle by one Halarion Daigle by deed dated December 9, 1861 and recorded in Book D at Page 155 of the Victoria County records.

Being the same lands and premises conveyed by Elais Daigle to Fraser Companies, Limited by Deed dated the 24th day of December 1928 and registered in the Madawaska Registry Office on January 3, 1929, in Book K-4, at page 768, as number 28847.

#3

PID # 35176825

All that certain piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska in the Province of New Brunswick, and bounded and described as follows: -

On the south by the River St. John, on the east by line dividing land between Felix Daigle and the said Dawase Daigle on the north by the right of way of the Canadian National Railway, on the west by the line dividing land owned by the estate of the late Hector Daigle; Said piece of land comprising all the land owned by the grantor situate between the River St. John and the right-of-way of the transcontinental Railway, and containing 1.72 acres more or less and being part of lot No. 64 conveyed to the said Dawase Daigle by one Raphael Daigle by deed dated October 17, 1894, and recorded in Book O Page 643 Madawaska County Records and conveyed to the said Raphael Daigle by one Augustus Daigle by deed dated July 7, 1868 and recorded in Book F page 29 of the Victoria County records and conveyed to the said Augustus Daigle by one Henri Chasse by deed recorded in Book "A" Page 219 of the Victoria County records.

Also all that certain piece, parcel or lot of land known as the Small Island on the River St. John in front of lot No. 64 and containing 3 acres more or less.

BEING the same lands and premises as described in a Deed dated December 20, 1928 between Dawase Daigle and Modeste Daigle as grantors and Fraser Companies, Limited as grantee, which Deed was duly registered in the Madawaska County Registry Office on January 3, 1929 in Book K-4 at Pages 765-767 as Number 28846.

#4

PID# 35176817

ALL THAT CERTAIN piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick, and being an Island in the River St. John known as the Xavier Cyr Island and measuring 6.28 acres more or less and being situate above the mouth of Baker Brook.

Being the same lands and premises conveyed by Xavier Cyr and wife to Fraser Companies, Limitee by Deed dated the 29th day of October 1929 and registered in the Madawaska Registry Office on April 10, 1929, in Book M-4 at page 734, as number 29068.

#5

PID # 35176882

All that certain piece, parcel or lot of land situate, lying and being in the Parish of St. Hilaire, in the County of Madawaska, in the Province of New Brunswick and bounded and described as follows: - On the south by the River St. John, on the east by line dividing lands between Filex Daigle and the said Damase Daigle, on the north by the right of way of the Canadian National Railway, on the west by the line dividing land owned by the estate of the late Hector Daigle. Said piece of land comprising all the land owned by the grantor situate between the River St. John and the right-of-way of the Transcontinental Railway, and containing 1.72 acres more or less and being part of lot No. 64 conveyed to the said Damase Daigle by one Raphael Daigle by deed dated October 17, 1884, and recorded in Book O, Page 643, Madawaska County records, and conveyed to the said Raphael Daigle by one Augustin Daigle by deed dated July 17, 1868, and recorded in Book F, page 29 of the Victoria County records and conveyed to the said Augustin Daigle by one Henri Chasse by deed recorded in Book "A" Page 219 of the Victoria County records.

Also all that certain piece, parcel or lot of land known as the Sunall Island on the River St. John in front of lot No. 64 and containing 3 acres more or less.

Being the same lands and premises conveyed by Damase Daigle and wife to Fraser Companies, Limited by Deed dated the 20th day of December 1928 and registered in the Madawaska Registry Office on January 3, 1929, in Book K-4, at Page 765, as Number 28846.

#6

PID 35248392

All those certain portions, strips or parcels of land situated and being in the City of Edmundston, in the County of Madawaska, in the Province of New Brunswick and described as follows:

Being all those strips of shore frontage lying along the eastern bank or shore of the Madawaska River between said river and a line running more or less parallel thereto in a southerly direction or downstream and distant backward therefrom at freshet height or high water mark the number of feet or distance in the first column set opposite the respective names of the Grantors listed in a certain Deed of Shore Rights on the Madawaska River, dated November 3, 1916 and made between Maxime Martin et al as Grantors and Fraser Limited as Grantee, and registered in the Madawaska County Registry Office on April 30th, 1917 in Book N-2 at Page 248 as No. 17474.

#48 35320852

#49 35320845

#7

PID #35126960

All that tract of land, situate in the town of Edmundston in the County of Madawaska, known as the first tract in Provincial, Grant no. 1861 to James Murchie, bearing date the fifth day of April A.D. 1882 and in said grant described as follows: -

"The first tract beginning at a point on the western bank or shore of the Madawaska River, distant fifty links measured across a reserved road rectangularly from the southern line of lot number one hundred and fourteen in Deputy Jack's survey in eighteen hundred and seventy-five, town plat of Edmundston, thence from aforesaid point running by the magnet along the southern side of said reserved road south seventy-two degrees and forty-five minutes west nine chains or to the eastern side of another reserved road, thence along the same south eight degrees and thirty minutes west thirteen chains and eighty links, thence north seventy-two degrees, and forty-five minutes east one chain and fifty links to the western bank or shore of the Madawaska River aforesaid and thence along the same following the several courses thereof, in a northerly direction up stream to the place of beginning, containing seven acres more or less, and distinguished as the first tract, lot Number One town plat of Edmundston." (Except, that part of the last above described tract of land conveyed by James Murchie and Levite Theriault to Joseph Martin & Theodore by deed bearing date the thirty-first day of August A.D. 1889 and registered in the office of the Registrar of Deeds in and for the County of Madawaska in Book "J" pages 26 and 27 by the number 3034 in the said Book.

All that certain tract of land, situate, lying and being in the town of Edmundston aforesaid, bounded as follows:- Beginning at a point on the western bank or shore of the Madawaska River where the southeastern side of a reserved road intersects the same, the said point being distant one chain measured in a south-easterly direction at right angles to the southeastern line of lot Number One Hundred and Forty-three granted to William Emmerson in the town plat of Edmundston, thence running by the magnet South Forty-nine degrees and thirty minutes west eight chains or to the northern angle of Lot Number One Hundred and One granted to Hilaire Pelletier, thence south Forty degrees and thirty minutes east three chains to a stake, thence south Forty-nine degrees and thirty minutes west one chain and twenty-five links to another stake, thence south thirty-three degrees west three chains and fifty links to another stake, thence south forty degrees and thirty minutes east fifteen links, thence south ten degrees west two chains and thirty links to the northern side of another reserved road, thence along the same north seventy-two degrees and forty-five minutes east nine chains and eighty links or to the western bank or shore of the Madawaska River aforesaid and thence along the same following the several courses thereof up stream, in a northerly direction to the place of beginning (excepting out of the above described tract the two reserved roads, fifty links wide shown on plan annexed to said grant) containing five and one half acres more or less and distinguished as Lots Number One Hundred and Two, One Hundred and Three, One Hundred and Four, One Hundred and Five, One Hundred and Six, One Hundred and Seven, One Hundred and Seven east, and lots from Number One Hundred and Eight to One Hundred and Twenty-Two both inclusive in Block M town plat of Edmundston, being granted to James Murchie by Provincial Grant bearing date the First day of December A.D. 1884, and numbered 20214, excepting all that part of the above described lands conveyed to William Tardif by said James Murchie's Sons Company by deed bearing date the thirty-first day of March A.D. 1910, bounded and described as follows:- Beginning at a post on the southeasterly side of Church Street so called on the northwesterly boundary of Lot number One Hundred and Seven (107) situate, one hundred and twenty-five (125) feet distant in a direction, south eighty-one (81) degrees east by the magnet of the year 1909 from the most westerly corner of the Public brick school house in the town of Edmundston, thence south, twenty (20) degrees east for the distance of one hundred (100) feet to another post, thence, north fifty (50) degrees east for the distance of fifty

(50) feet to another post, thence north twenty (20) degrees west for the distance of one hundred (100) feet to another post standing on the southeasterly boundary of said Church Street, thence south Fifty (50) degrees west along the said southeasterly boundary of said Church Street for the distance of Fifty (50) feet to the place of beginning and being part of Lots Number One Hundred and Seven (107) and One Hundred and Seven E (107E) in the town plat of Edmundston, granted to James Murchie; And subject to the leasehold interest of Frank S. Murchie in and to a certain part of said lands on which is situate the dwelling house and out buildings belonging to the said Frank S. Murchie and now occupied by Bruno Martin and subject to the right of the said Frank S. Murchie to remove the said buildings therefrom at the termination of said lease.

BEING the lands and premises described as the Third Parcel and Fourth Parcel in a Deed dated April 6, 1911 between James Murchie's Sons Company as grantor and Donald Fraser & Sons Limited as grantee, which Deed was duly registered in the Madawaska County Registry Office on April 22, 1911 in Book T-1 at Page 8 as Number 12429.

#8

PID #35181429

ALL that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEING Parcel "A", containing 209 sq.m., of Plan 4761."

BEING a portion of the lands and premises conveyed by Donald N. Doucet, Elizabeth-Ann Dorschner, and Gerard J. Noel to Noranda Forest Inc. by Deed dated October 24, 1996 and registered in the Madawaska County Registry Office on October 25, 1996 in Book 854 at Page 672 as Number 199176.

#9

PID # 35181445

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows: -

"BEING a lot of land designated as Parcel "B", containing 348 sq.m., as appears in subdivision plan of Fraser Inc. and Léo Pelletier subdivision surveyed by E.L. Howie, dated August 13, 1981 and approved on August 21, 1981 by A. Gagnon, development officer for the City of Edmundston. Said plan being filed in the registry office for the County of Madawaska under Official Plan File No. 4761."

BEING the same lands and premises as described in an Indenture dated September 3, 1981 between Léo Pelletier and Kathleen Pelletier of the first part and Fraser Inc of the second part, which Indenture was duly registered in the Madawaska Registry Office on September 8, 1981 in Book E-14 as Number 124989.

#10

PID 35181569

All that certain lot, piece or parcel of land and premises situate, lying and being in the Town of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

On the westerly side of the Highway leading to the Canadian Pacific Railway Station in the said Town, fronting on the said Highway fifty-two (52) feet and running back to the bank of the Madawaska River at highwater mark, maintaining an equal width of fifty-two (52) feet; the same beginning at a post on the western side of the said Highway on the dividing line of lands formerly owned by one Thaddee Hebert from the lot hereby conveyed. Being the same lands and premises conveyed to Paul Theriault by Adele Hedou by Deed dated February 17th 1944 and registered in the Madawaska County Registry Office in Book "L-5", Page 296 under official number 40488.

#11

PID #35181585

All that certain lot, piece or parcel of land situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

BEGINNING at a post being one hundred and twenty-five (125) feet distant from the north side of Aqueduct Street along the line of Alex Angers; thence going west until it strikes the land owned by Fraser Companies; thence going north along the land of Fraser Companies until it strikes the Madawaska River at low tide until the land of Alex Angers; thence along the side of land of Alex Angers going South until it strikes the land of Freda Allain at the point of beginning.

Being the same lands conveyed to Gilberte Cyr by Donald Cyr and registered in the Madawaska County Registry Office on April 4th, 1963, in Book H-7 at page 183, as number 70036.

BEING the same lands and premises conveyed by Gilberte Cyr and Donald Cyr to Fraser Inc. by Deed dated August 6, 1981 and registered in the Madawaska County Registry Office on August 12, 1981 in Book C-14 at Page 888 as Number 124630.

#12

PID # 35135037

All that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick and being designated as Lot 6 on the "Plan of Survey of Real Estate properties owned by Fraser Companies Limited in the City of Edmundston, Madawaska County, N.B." prepared by C. M. Roy, N.B.L.S. under date of October 1964 - February, 1965, which said Plan of Survey was approved by The Planning Commission of the City of Edmundston on the 2nd day of September, 1965 and filed in the Office of the Registrar of Deeds in and for the County of Madawaska on the 7th day of September, 1965, as number 1507, the whole being hereinafter sometimes referred to as "the said premises".

TOGETHER WITH the right to have the existing garage building as located on the said premises encroach upon the lands of the Grantor to the west of the said premises shown on the aforementioned Plan and to maintain the same but for so long only as it remains on the said premises in its present location, the Grantee hereby covenanting to maintain the same in a good and fit state of repair for so long as it remains in its present location.

TOGETHER WITH the right to the Grantee, his servants, agents, employees and workmen, to enter upon Lot 5 shown on the aforementioned Plan for the purposes of repairing, painting, altering and maintaining the north side of the dwelling presently located on the said premises and the eaves, roofs, and other projections thereof, and to enter upon the lands of the Grantor to the west of the said premises shown on the aforementioned Plan for the purpose of repairing, painting, altering and maintaining the west side of the garage presently located on the said premises and the eaves, roofs, and other projections thereof, and for such purposes to erect and have on the said Lot 5 and the lands of the Grantor to the west of the said premises, as there shall be occasion, ladders, staging and equipment incidental to such operations.

SUBJECT to the right of the owner for the time being of Lot 7, shown on the aforementioned Plan and his servants, agents, employees and workmen, to enter upon the said premises for the purpose of repairing, painting, altering and maintaining the north side of building or buildings presently located on the said Lot 7, and the eaves, roofs and other projections thereof and for such purposes to erect and have on the said premises, as there shall be occasion, ladders, staging and equipment incidental to such operations.

BEING the same description as contained in Deed of Conveyance dated November 16, 1965, between Fraser Companies Limited, as Grantor, and Lucien Bernier, as Grantee, and duly registered in the Madawaska County Registry Office on November 17, 1965, as number 75161.

BEING the same lands and premises conveyed by Roland Bernier, Rachel Pelletier, Lucien Bernier and Catherine Bernier to Noranda Forest Inc. by Deed dated November 29, 1994 and registered in the Madawaska County Registry Office on November 30, 1994 in Book 790 at Page 378 as Number 190939.

#13

PID # 35135003

ALL THAT certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"Bounded on the North by the Right of Way of the Trans-Continental Railway; on the East by the Madawaska River; on the South by the Saint John River; on the West by the Ferry Road."

Being the same, land conveyed in Deed dated January 12, 1920, having Philippe Chamberland and Joseph Emile Bard as Grantors and Louis Berube as Grantee and registered in the Madawaska County Registry Office in Book X-2, at pages 409 and 419, as Number 20118 on April 30, 1920.

Being the same land as Deeded to Lucienne Ouellette, wife of Lucien Ouellette by Anais Berube, widow of Louis Berube, by Deed dated September 15, 1977 and registered in the Registry Office for the County of Madawaska on September 25, 1979 in Book W-12, at Pages 803, 805 as Number 116.674, the said Deed having been approved for registration by Patrice Dube, Development Officer for the City of Edmundston on September 25, 1979.

#14

PID #35134519

All that certain lot, piece or parcel of land and premises situate, lying and being in the Town of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:

"BEGINNING at a point on the North side of Aqueduct Street where line of Grantors intersects line of Alex Angers; thence going North for 100 feet until lot of land owned by Donald Cyr; thence going West until a reserved road; thence going South for 100 feet alongside said reserved road until Aqueduct Street; thence going East alongside said Aqueduct Street until place of beginning."

This description is derived from Deed dated October 18, 1950 and registered in the Registry Office for the County of Madawaska on December 14, 1950, in Book C-6, at Page 420, under Number 50,785 and having Belonie R. Cyr and Annie Cyr as Grantors and Freda Allain as Grantee.

BEING a portion of the lands and premises conveyed by Freda Allain, Donald R. Cyr and Oneil Cyr to Noranda Forest Inc. by Deed dated March 29, 1995 and registered in the Madawaska County Registry Office on April 28, 1995 in Book 800 at Page 458 as Number 192219.

#15

PID # 35134501

ALL that certain lot, piece or parcel of land and premises situate, lying and being in the City of Edmundston, in the County of Madawaska and Province of New Brunswick, bounded and described as follows:-

"BEGINNING at a post on the northeasterly side line of Aqueduct Street; and post being the southwesterly angle of lot owned and occupied by Henri O. Gagnon; thence in a direction of North fifty-one degrees and one minutes east (N51° 01' E) along the westerly line of said Henri O. Gagnon lot the distance of one hundred (100) feet to another post; thence in a direction north thirty-eight degrees and fifty-one minutes west (N 38° 51' W) the distance of fifty (50) feet to another post; thence in a direction south fifty-one degrees and one minutes west (S 51° 01' W) for the distance of one hundred (100) feet to a post on the northeasterly side line of Aqueduct Street; thence following said street line in a direction south thirty-eight degrees fifty-one minutes east (S 38° 51' E) the distance of fifty (50) feet to the point of beginning." The directions are magnetic for the year 1917 and taken from the town plan of Edmundston of the same year.

This description is derived from a Mortgage dated December 20, 1971 and registered in the Registry Office for the County of Madawaska in Book V-8, at page 382, under number 87514 on December 22, 1971.

APPROVED FOR REGISTRATION by Patrice Dubé, Development Officer, City of Edmundston, on October 16, 1979.

BEING the same lands and premises as described in a Deed dated October 24, 1996 between Donald N. Doucet, Elizabeth-Ann Dorschner, and Gerard J. Noel as grantors to Noranda Forest Inc. as grantee, which Deed was duly registered in the Madawaska County Registry Office on October 25, 1996 in Book 854 at Pages 672-678 as Number 199176.