
**FRASER PAPERS INC./PAPIERS FRASER INC., FPS CANADA INC.,
FRASER PAPERS HOLDINGS INC., FRASER TIMBER LIMITED,
FRASER PAPERS LIMITED and FRASER N.H. LLC (the “Applicants”)**

**NOTICE OF FURTHER MEETING OF CREDITORS
OF THE APPLICANTS**

NOTICE IS HEREBY GIVEN that a further meeting (the “**February Meeting**”) of creditors of the Applicants entitled to vote on an amended consolidated plan of arrangement (the “**Amended Plan**”) proposed by the Applicants under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) will be held at the offices of Thornton Grout Finnigan LLP, Canadian Pacific Tower, Toronto-Dominion Centre, 100 Wellington Street West, Suite 3200, Toronto, Ontario, on **Tuesday, February 8, 2011, at 10:00 a.m. (EST)** for the following purposes:

- (1) to consider and, if deemed advisable, to pass, with or without variation, a resolution to approve the Amended Plan; and
- (2) to transact such other business as may properly come before the February Meeting or any adjournment thereof.

The Amended Plan is being considered pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated December 3, 2010, as amended by the Amending Meeting Order dated December 17, 2010 (collectively, the “**Meeting Order**”) as supplemented by the order of the Court dated February 1, 2011 (the “**Supplemental Meeting Order**”). Following approval by the required majorities of the creditors entitled to vote and voting on the Amended Plan, the Amended Plan must also be approved by an order of the Court (the “**Sanction Order**”).

IF YOU FILED A PROXY TO VOTE AT THE MEETING HELD ON JANUARY 10, 2011, YOUR PREVIOUSLY FILED PROXY WILL BE COUNTED AT THE FEBRUARY MEETING AND YOU DO NOT NEED TO FILE A NEW PROXY TO VOTE AT THE FEBRUARY MEETING UNLESS YOU WISH TO CHANGE OR REVOKE YOUR VOTE.

Only those creditors who are not attending the February Meeting in person and who are entitled to vote on the Amended Plan, or who wish to designate another party to attend the February Meeting and vote on their behalf, **who have not previously filed a Proxy or who wish to change or revoke their vote** are required to date, sign and return the Proxy by mail, delivery, courier, facsimile or email so that it is received by PricewaterhouseCoopers Inc. (the “**Monitor**”) by no later than **2:00 p.m. (EST) on Monday, February 7, 2011, or 48 hours (excluding Saturdays, Sundays and holidays) before the time of any recommencement of the February Meeting that has been adjourned, or to present the Proxy to the Monitor at the February Meeting.** Such creditors may designate the Monitor to vote their claims at the February Meeting as per their respective Proxies. A Proxy will not be valid and will not be acted upon, voted or

recorded unless it is completed as specified in the form of proxy enclosed herewith and the related instructions.

A creditor's Proxy may also be revoked (withdrawn), unless such creditor has agreed otherwise, by an instrument in writing executed by such creditor or by its attorney, duly authorized in writing or, if such Affected Creditor is not an individual, by an officer or attorney thereof duly authorized, and delivering it to the Monitor by 2:00 p.m. (EST) on Monday, February 7, 2011, or 48 hours (excluding Saturday, Sundays and holidays) before the time of any recommencement of the February Meeting if it has been adjourned, or presented to the Monitor at the February Meeting or at the recommencement of the February Meeting if it has been adjourned.

The Monitor's address for the purpose of filing forms of proxy and for obtaining any additional information or materials related to the February Meeting is:

PricewaterhouseCoopers Inc.
Monitor Fraser Papers Inc.
77 King Street West
P.O. Box 82, Suite 3000
Royal Trust Tower, TD Centre,
Toronto, Ontario M5K 1G8

Attention: Ms. Tracey Weaver
Facsimile: (416) 814-3219
Email: FPclaims@ca.pwc.com

Creditors requiring information or copies of the Amended Plan, the Meeting Order, the Supplemental Meeting Order, the Monitor's Report in respect of the Amended Plan, a proxy form with respect to the February Meeting or additional documentation pertaining to the within CCAA proceedings may obtain copies of such documents on the Monitor's website at www.pwc.com/car-fraserpapers by contacting the Monitor at the address above or by phone at 1-877-332-1688.

DATED at Toronto, Ontario, this 1st day of February, 2011.

NOTICE OF SANCTION HEARING

If the creditors approve the Amended Plan, the application for the Sanction Order will be heard on **February 10, 2011 at 10:00 am.** (EST) or such other date as may be set by the Court, before the Ontario Superior Court of Justice (Commercial List), 330 University Avenue, Toronto, Ontario.

Pursuant to the Supplemental Meeting Order, no other form of notice need be made to any creditor and no other materials need be served on any creditor in respect of the Sanction Hearing unless such creditor has served and filed a Notice of Appearance in these proceedings.