



**PAPER
EXCELLENCE**

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FOR IMMEDIATE RELEASE

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**1057863 B.C. Ltd, Northern Pulp Nova Scotia and certain affiliates file
for voluntary CCAA creditor protection.**

Northern Pulp remains committed to resuming Mill operations

VANCOUVER, BC – Paper Excellence Canada announced today that 1057863 B.C. Ltd, Northern Pulp Nova Scotia, Northern Timber Nova Scotia and other related non-operating affiliates (collectively, “Northern Pulp”) have obtained an initial order under the Companies’ Creditors Arrangement Act (“CCAA”). The initial order stays proceedings against Northern Pulp in order to provide it with an opportunity to restructure its business and financial affairs. Paper Excellence Canada has not sought relief in the CCAA proceedings.

Northern Pulp owns a pulp mill in Pictou County, Nova Scotia. The pulp mill, which had been operational since 1967, was forced to stop production by January 31, 2020, after the Province of Nova Scotia’s decision to require Northern Pulp to cease using the Boat Harbour Effluent Treatment Facility (BHEFT). This left the mill with no ability to treat or transport pulp effluent. Since January, Northern Pulp has been conducting a safe and environmentally sound hibernation of the mill, which would allow it to reopen in the event a proposed new Effluent Treatment Facility (ETF) receives the necessary approvals.

“The CCAA filing has become necessary in light of the decision of the Province in December and in order to preserve the value of assets, complete the hibernation of the Mill in a safe and environmentally responsible manner and provide needed time to engage with stakeholders and explore alternatives for restarting the mill,” said Graham Kissack, Vice President, Environment, Health, Safety and Communications for Paper Excellence Canada. “We want to operate in Nova

Scotia and believe that a modern mill and healthy environment can co-exist in Pictou County, just like it does in 89 other communities with pulp and paper mills across Canada.”

As part of the CCAA application, EY Inc. has been appointed as Monitor to oversee the CCAA proceedings and report to the Court. Northern Pulp continues to be managed on a day to day basis by existing management who intend to work with EY Inc. to continue to satisfy its obligations to employees, service providers, suppliers, contractors, and retirees. Information on the CCAA filing will be available at www.ey.com/ca/northernpulp. Northern Pulp will provide updates throughout the CCAA proceedings.

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Paper Excellence, headquartered in British Columbia, is a diversified manufacturer of pulp and specialty, printing and writing, and packaging papers that operates 9 facilities in Canada and France producing over 3.6 million tonnes annually with a workforce of over 3,500 strong. Paper Excellence is poised to continue to grow with its strategy of operational excellence and high-quality, cost-effective products.