

SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC
ATTORNEYS AT LAW

February 9, 2007

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Susan Montolvo-Gesser

Via Federal Express

Ms. Elizabeth O'Donnell
Executive Director
Public Service Commission
211 Sower Boulevard, P.O. Box 615
Frankfort, Kentucky 40602-0615

RECEIVED

FEB 12 2007

PUBLIC SERVICE
COMMISSION

Case No. 2007-00080

Re: Kenergy Corp. and Big Rivers Electric Corporation's consent to
an assignment of contracts by Weyerhaeuser Company

Dear Ms. O'Donnell:

Enclosed on behalf of Kenergy Corp. ("Kenergy") and Big Rivers Electric Corporation ("Big Rivers") is the execution version of an Assumption and Consent Agreement between and among Kenergy, Big Rivers, and Domtar Paper Company, LLC ("Domtar Paper"), which is being filed as a special contract pursuant to 807 KAR 5:011 Section 13. In December of 2006, Weyerhaeuser Company ("Weyerhaeuser"), a retail large industrial customer of Kenergy, asked that Kenergy and Big Rivers consent to an assignment by Weyerhaeuser to Domtar Paper of all of Weyerhaeuser's rights and obligations under the following contracts:

1. an agreement for retail electric service, dated April 4, 2001, and amended February 6, 2003, between Weyerhaeuser and Kenergy;
2. an agreement dated August 22, 2005, which provides for "green power" purchases by Big Rivers from Weyerhaeuser; and
3. a System Disturbance Agreement dated April __, 2001, among Weyerhaeuser, Kenergy, Big Rivers, and others.

The Weyerhaeuser request was made in connection with a series of transactions between and among Weyerhaeuser, Domtar Paper and other entities that essentially transfer all of Weyerhaeuser's fine paper operations to Domtar Paper, including the Weyerhaeuser Hancock County facility served by Kenergy. Those transactions are more fully explained in the attached copy of the letter received by Big Rivers and Kenergy from Weyerhaeuser.

Kenergy and Big Rivers have agreed to consent to the assignment of the above contracts, and to release Weyerhaeuser from its obligations under those contracts, on the following conditions, which have been verbally accepted by Domtar Paper:

Telephone (270) 926-4000
Telecopier (270) 683-6694

100 St. Ann Building
PO Box 727
Owensboro, Kentucky
42302-0727

Ms. Elizabeth O'Donnell

February 9, 2007

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1. Domtar Paper must execute the Assumption and Consent Agreement;
2. Domtar Paper must provide opinions of counsel to Kenergy and Big Rivers that, among other things, Domtar Paper is bound by, and has the power and authority to execute and perform its obligations under, the Assumption and Consent Agreement; and
3. Domtar Paper must obtain a letter of credit issued to Kenergy, by a US bank acceptable to Kenergy, in the amount of \$1,175,000, to secure payment of Domtar Paper's obligations under the retail electric service agreement.

The enclosed final version of the Assumption and Consent Agreement has been agreed upon and that will be executed by the parties upon receipt of the Commission's approval, issuance of the letter of credit and compliance with the other requirements listed above. Kenergy and Big Rivers will file a copy of the executed agreement with the Commission.

In the initial conference among Big Rivers, Kenergy, Weyerhaeuser and Domtar Paper on January 25, 2007, Weyerhaeuser reiterated the need for expedited handling of its request so as to meet a scheduled first-quarter 2007 closing. Big Rivers and Kenergy are informed that the Weyerhaeuser/Domtar Paper transactions closings are scheduled for March 5, 2007. To accommodate Weyerhaeuser and Domtar Paper, Kenergy and Big Rivers respectfully request that the Commission's statutory notice requirement under KRS 278.180(1) be shortened to 20 days, that the Commission accept the Assumption and Consent Agreement, and that the Commission issue separate approvals to Kenergy (accepting the agreement as a special retail contract) and Big Rivers (accepting the agreement as a special wholesale contract).

Please contact me with any questions you may have. For purposes of service of orders and pleadings, please list the following individuals as representatives of the parties:

for Big Rivers:

Mr. David Spainhoward
Vice President of External Relations
and Interim Chief Production Officer
Big Rivers Electric Corporation
201 Third Street, P.O. Box 24
Henderson, Kentucky 42419-0024
Phone No. (270) 827-2561

SULLIVAN, MOUNTJOY, STAINBACK & MILLER PSC

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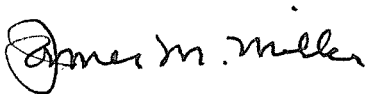
James M. Miller, Esq.
Tyson Kamuf, Esq.
Sullivan, Mountjoy, Stainback & Miller, P.S.C.
100 St. Ann Street, P.O. Box 727
Owensboro, Kentucky 42302-0727
Phone No. (270) 926-4000

for Kenergy:

Mr. Mark A. Bailey
Kenergy Corp.
6402 Old Corydon Road
P.O. Box 18
Henderson, Kentucky 42419
Phone No. (270) 826-3991

Frank N. King, Jr., Esq.
Dorsey, King, Gray, Norment & Hopgood
318 Second Street
Henderson, Kentucky 42420
Phone No. (270) 826-3965

Sincerely yours,



James M. Miller

On behalf of Kenergy Corp. and Big Rivers Electric Corporation

Enclosures

cc: Michael H. Core
Mark A. Bailey
Frank N. King, Jr., Esq.
Bob Kenney

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FEB 12 2007

PUBLIC SERVICE
COMMISSION

ASSUMPTION AND CONSENT AGREEMENT

THIS AGREEMENT ("Agreement") made as of the ___ day of February, 2007, by and among DOMTAR PAPER COMPANY, LLC ("Domtar Paper") BIG RIVERS ELECTRIC CORPORATION, a Kentucky corporation ("Big Rivers"), and KENERGY CORP., a Kentucky cooperative corporation ("Kenergy"). Domtar Paper, Big Rivers and Kenergy are collectively referred to herein as "Parties."

Recitals

A. Kenergy and Willamette Industries, Inc. ("Willamette"), an Oregon corporation, entered into an Amended and Restated Agreement for Retail Electric Service dated April 4, 2001, which agreement was amended by Amendment dated February 6, 2003, to substitute Weyerhaeuser Company ("Weyerhaeuser"), the successor by merger to Willamette, as a party to the 2001 agreement (the April 4, 2001 agreement and the February 6, 2003 amendment together, the "Retail Agreement"), pursuant to which Kenergy agreed to provide retail electric service to the Willamette Hawesville facility.

B. Big Rivers and Kenergy entered into an Amendment to Wholesale Power Contract dated April 4, 2001 (the "Wholesale Contract"), pursuant to which Big Rivers agreed to provide the wholesale power support required for Kenergy to perform the Retail Agreement, and acquired certain rights of consent regarding any approval by Kenergy of assignment by Willamette of the Retail Agreement.

C. Big Rivers and Weyerhaeuser entered into an agreement dated August 22, 2005, which provides for "green power" purchases by Big Rivers from Weyerhaeuser (the "Green Power Contract"), the last of the currently scheduled purchases under to the Green Power Contract having expired on October 31, 2006.

D. Big Rivers, Kenergy, Willamette, WKE Station Two Inc., LG&E Station Two Inc., and Western Kentucky Energy Corp. entered into a System Disturbance Agreement dated April __, 2001 ("System Disturbance Agreement," the Retail Agreement, the Green Power Contract and the System Disturbance Agreement being hereinafter referred to collectively as the "Kentucky Contracts").

E. Weyerhaeuser is proposing to transfer certain assets and liabilities to Domtar Paper, including the Kentucky Contracts.

F. Kenergy and Big Rivers have agreed to consent to the foregoing transfers, assignments and transactions, and to release Weyerhaeuser from any further obligations under the Kentucky Contracts.

G. In connection with and as consideration for the consents herein granted by Big Rivers and Kenergy, Domtar Paper desires to expressly assume all the rights, benefits and obligations of Weyerhaeuser Company under the Kentucky Contracts.

NOW, THEREFORE, in consideration of the premises and the mutual covenants herein set forth, and for other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Domtar Paper hereby assumes all the rights, benefits and obligations of Weyerhaeuser Company under the Kentucky Contracts, and agrees to perform those agreements in accordance with their respective terms and conditions.

2. Big Rivers hereby consents (i) to the assignment by Weyerhaeuser to Domtar Paper of the Retail Agreement and the System Disturbance Agreement, (ii) to the assignment by Weyerhaeuser to Domtar Paper of the Green Power Contract, (iii) to the granting by Domtar Paper of security interests in the Kentucky Contracts, and (iv) to the extent that the Kentucky Contracts or any terms or provisions thereof are subject to confidentiality obligations on the part of Weyerhaeuser, to the release of such confidential information by Weyerhaeuser to Domtar Paper, Domtar Corporation, and Domtar Inc. Big Rivers further releases Weyerhaeuser, as the assigning party to Domtar Paper, from any liability under the aforesaid agreements.

3. Kenergy hereby consents (i) to the assignment by Weyerhaeuser to Domtar Paper of the Retail Agreement and the System Disturbance Agreement, (ii) to the granting by Domtar Paper of security interests in the Retail Agreement and the System Disturbance Agreement, and (iii) and to the extent that the Kentucky Contracts or any terms or provisions thereof are subject to confidentiality obligations on the part of Weyerhaeuser, to the release of such confidential information by Weyerhaeuser to Domtar Paper, Domtar Corporation, and Domtar Inc. Kenergy further releases Weyerhaeuser, as the assigning party to Domtar Paper, from any liability under the aforesaid agreements.

4. The effective date of this Agreement shall be the effective date of the assignment by Weyerhaeuser to Domtar Paper of the Kentucky Contracts, provided however, that the effective date shall be postponed until this Agreement has been filed with and approved or accepted by the Kentucky Public Service Commission. This Agreement shall not be assignable without the consent of each of the Parties.

5. This Agreement shall be binding upon, and shall inure to the benefit of and be enforceable by, each of the Parties hereto and their respective successors and permitted assigns.

6. The construction, interpretation and enforcement of this Agreement shall be governed by the laws of the Commonwealth of Kentucky.

IN WITNESS WHEREOF, THE Parties have executed this Agreement as of the day and year first written above.

DOMTAR PAPER COMPANY, LLC

By: _____

Title: _____

KENERGY CORP.

By: _____

Title: _____

BIG RIVERS ELECTRIC CORPORATION

By: _____

Title: _____



Weyerhaeuser

The future is growing™

December 15, 2006

Law Department
PO Box 9777
Federal Way WA 98063-9777
Air Express:
33663 Weyerhaeuser Way S
Federal Way, WA 98003

Kenergy Corp.
6402 Old Corydon Road
PO Box 18
Henderson KY 42419
Attn: President

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FEB 12 2007

DEC 27 2006

DEC 27 2006

ELECTRIC CORP

✓ Big Rivers Electric Corporation
201 Third Street
PO Box 24
Henderson KY 42419
Attn: Vice President, Power Supply

PUBLIC SERVICE
COMMISSION

Re: Amended and Restated Agreement for Retail Electric Service to Willamette Industries, Inc. dated April 4, 2001 [Weyerhaeuser's Hawesville Facility] (the "Contract")

Ladies and Gentlemen:

On August 23, 2006, Weyerhaeuser Company ("Weyerhaeuser") and Domtar Inc., a Canadian corporation ("Domtar") announced they entered into agreements providing for a combination of the Weyerhaeuser fine paper business and certain related operations (the "White Paper Business") with Domtar (the "Transaction"). We have attached a copy of the press release announcing the Transaction.

The Transaction will be effected in multiple steps. To effect the Transaction Weyerhaeuser will:

(i) transfer the White Paper Business to a wholly-owned indirect subsidiary of Weyerhaeuser, Domtar Paper Company, LLC ("Domtar Paper"), in exchange for all of the issued and outstanding units of Domtar Paper and the assumption of certain liabilities of Weyerhaeuser (the "Domtar Paper Contribution"),

(ii) transfer the units of Domtar Paper to a wholly-owned subsidiary of Weyerhaeuser, Domtar Corporation in exchange for shares of Domtar Corporation and cash borrowed by Domtar Corporation pursuant to a credit agreement (the "Domtar Corporation Contribution" and, together with the Domtar Paper Contribution, the "Contribution"),

(iii) distribute the stock of Domtar Corporation to the shareholders of Weyerhaeuser (the "Distribution"), and

(iv) in conjunction with Domtar, combine Domtar with Domtar Corporation by means of a plan of arrangement (the "Arrangement").

Prior to the Contribution, (i) Domtar Corporation will enter into a credit agreement with certain financial institutions (together with the related security documents, the "Credit Agreement") and (ii) Weyerhaeuser Canada Limited and Weyerhaeuser Saskatchewan Ltd., two Canadian subsidiaries of Weyerhaeuser

December 15, 2006

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(collectively, "Weyerhaeuser Canada") will transfer to a wholly-owned indirect subsidiary of Domtar Paper organized under Canadian law, such companies' Canadian white paper business and certain related operations (the "Canadian Asset Sale").

The Contract is included in the assets and liabilities to be transferred by Weyerhaeuser to Domtar Paper in connection with the Contribution and is therefore part of the Transaction. Without determining whether your consent to the Transaction or to the assignment of the Contract to Domtar Paper is required pursuant to the Contract, for greater certainty and for the avoidance of doubt, Weyerhaeuser and Domtar Paper are requesting the following:

- (1) your consent to the Transaction (including the Contribution, the Distribution, the Arrangement, the Credit Agreement and the Canadian Asset Sale);
- (2) your consent to the assignment of the Contract to Domtar Paper and the assumption by Domtar Paper of all of Weyerhaeuser's obligations under the Contract (including any further assignment by Domtar Paper of the Contract to certain financial institutions to secure payment obligations under the Credit Agreement);
- (3) your release of Weyerhaeuser and Weyerhaeuser Canada from any obligation they might have to you under the Contract and acknowledgement that neither Weyerhaeuser nor Weyerhaeuser Canada will have any further liability in respect of the Contract;
- (4) your acknowledgement and agreement that the Contract shall remain in full force and effect following consummation of the Transaction; and
- (5) for avoidance of doubt, if and to the extent the Contract or any terms or provisions thereof are subject to confidentiality obligations on the part of Weyerhaeuser or Weyerhaeuser Canada, your consent to the release of such confidential information to Domtar Paper, Domtar Corporation and Domtar and your acknowledgement and agreement that such release will not constitute a breach of any confidentiality obligations by Weyerhaeuser or Weyerhaeuser Canada.

This Acknowledgment and Consent will not change any of the terms of the Contract except as expressly described above.

All correspondence relating to this Consent should be addressed to:

Bob Kenney
Weyerhaeuser Company
PO Box 13911785
New Bern NC 28563
Telephone No. 252-633-7103

Please sign in the space provided on the following page to acknowledge your consent. Please return the signed letter via facsimile to Susan Pistoressi at 253-928-2333 with the original to follow by mail addressed as follows:

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Page 3

Susan Pistoresi
Weyerhaeuser Company - Law Department
MS CH1 J28
P.O. Box 9777
Federal Way, WA 98063-9777

Thank you for your prompt attention to this matter. We would very much appreciate receiving your response by December 22, 2006. As always, we appreciate your continued support.

Sincerely,

Weyerhaeuser Company

Domtar Paper Company, LLC

By: *Susan Pistoresi*
Name: Susan Pistoresi

By: *Susan Pistoresi*
Name: Tom R. Stocks
Bob

cc: Bob Kenney

December 15, 2006

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Acknowledgement and Consent

Kenergy Corp. ("Company") hereby acknowledges the combination of Weyerhaeuser's White Paper Business with Domtar pursuant to the Transaction as described above, and agrees as follows:

1. **Consents.** The Company hereby consents to (a) the Transaction (including the Contribution, the Distribution, the Arrangement, the Credit Agreement and the Canadian Asset Sale), (b) the assignment of the Contract by Weyerhaeuser to Domtar Paper (including any further assignment by Domtar Paper of the Contract to certain financial institutions to secure payment obligations under the Credit Agreement), (c) the continued performance of the Contract by Domtar Paper, and the granting of a security interest by Domtar Paper to certain financial institutions, following consummation of the Transaction, and (d) if and to the extent that the Contract or any terms or provisions thereof are subject to confidentiality obligations on the part of Weyerhaeuser and Weyerhaeuser Canada, to the release of such confidential information to Domtar Paper, Domtar Corporation and Domtar and acknowledges and agrees that such release will not constitute a default, or require any further notice to or consent by any or all of the undersigned, under the Contract.

2. **Release.** The Company hereby releases Weyerhaeuser and Weyerhaeuser Canada, effective upon consummation of the Transaction, from any obligation they might have to the Company under the Contract and acknowledges that neither Weyerhaeuser nor Weyerhaeuser Canada shall have any further liability to the Company in respect of the Contract.

3. **Waiver.** The Company hereby waives any and all rights arising from the consummation of the Transaction (including the Contribution, the Distribution, the Arrangement, the Credit Agreement and the Canadian Asset Sale) to modify or terminate the Contract and agrees that the Contract remains in full force and effect.

The undersigned represents and warrants to Weyerhaeuser and Domtar Paper that the undersigned has the authority to execute and bind the Company to this acknowledgement and consent.

Kenergy Corp.

By: _____
Name: _____
Its: _____
Date: _____

For immediate release
For more information contact:

US Media – Bruce Amundson (253) 924-3047
Canada Media – Sarah Goodman (604) 661-8116
Analysts – Kathryn McAuley (253) 924-2058

Weyerhaeuser to Combine Fine Paper, Papergrade Pulp, Related Assets with Domtar; Creates Largest North American Fine Paper Company

FEDERAL WAY, Wash. (Aug. 23, 2006) – Weyerhaeuser Company (NYSE: WY) today announced that it has reached a definitive agreement to combine its Fine Paper business and related assets with Domtar Inc. (TSE/NYSE: DTC). The transaction gives Weyerhaeuser shareholders 55 percent ownership in the new company and includes a \$1.35 billion cash payment to Weyerhaeuser. The cash payment, plus the stock valued at the closing price of Domtar stock on Aug. 22, 2006, results in a transaction value of \$3.3 billion before considering resulting synergies.

The combination is expected to be tax-free for Weyerhaeuser and its shareholders for U.S. federal income tax purposes. The transaction, which has been approved by the boards of directors of both companies, is expected to close in the first quarter of 2007.

"This transaction will create the North American market leader in fine paper and we anticipate that the combination will generate approximately \$200 million in annual synergies within the next two years," said Steven R. Rogel, chairman, president and chief executive officer. "I'm pleased that Weyerhaeuser shareholders will have the opportunity to participate in value created by this transaction. It's also good news for our employees in these businesses because the combination of our assets with those of Domtar creates a stronger leader in the paper market. Our employees have created one of the most efficient, low-cost systems in the industry. I know they will play a big role in the future success of the 'new Domtar.'

"This important milestone transforms Weyerhaeuser into a company with a more focused business portfolio and allows our team to concentrate its full attention on the execution of strategies in our core businesses," Rogel said. "With this announcement, we can now resume our previously authorized share repurchase program."

Under the terms of the agreement, Weyerhaeuser will distribute ownership of the Fine Paper business and related assets to Weyerhaeuser shareholders in either a spin-off or split-off transaction. Weyerhaeuser will determine which approach it will take prior to closing the transaction. A spin-off would involve a pro-rata distribution of shares to Weyerhaeuser shareholders. A split-off would provide Weyerhaeuser shareholders the option to elect to exchange Weyerhaeuser shares for stock in the "new Domtar." Regardless of the method, upon closing of the merger former Weyerhaeuser shareholders will own 55 percent of the "new Domtar." Former Domtar shareholders will own 45 percent of the new company.

Raymond Royer, Domtar president and chief executive officer, will lead an organization of 14,000 employees with a management team composed of executives from Weyerhaeuser paper operations and Domtar. This team includes Marvin Cooper, Weyerhaeuser senior vice president, Cellulose Fiber & White Paper, Containerboard Manufacturing and Engineering, who will become chief operating officer of the new company. Domtar's senior vice-president and chief financial officer, Daniel Buron, will be the new company's chief financial officer.

The "new Domtar" will have its head office in Montreal, Quebec, while the headquarters of operations will be in Fort Mill, S.C.

Harold MacKay, counsel and formerly chairman and senior partner to the Regina, Saskatchewan law firm of MacPherson Leslie & Tyerman LLP and an international advisor to Weyerhaeuser's board of directors,

will chair a 13-member board – seven nominated by Weyerhaeuser, six by Domtar. MacKay will resign his Weyerhaeuser advisory role before becoming chairman.

"With this transaction, we are transforming Domtar into one of the world's leading paper companies, creating a strong company for shareholders and presenting new opportunities for employees and customers," Royer said. "We are proactively enhancing the quality of our asset mix and taking decisive action to assure our future in a consolidating industry. This compelling strategic and operational fit will make the 'new Domtar' financially stronger, with prominent brands, a lower cost base, and the necessary scale and scope to succeed in the highly competitive global marketplace."

Weyerhaeuser manufacturing assets included in the combination include:

- Eight paper mills and associated pulp mills (Dryden, Ontario; Hawesville, Ky.; Johnsonburg, Pa.; Kingsport, Tenn.; Bennettsville, S.C.; Plymouth, N.C.; Prince Albert, Saskatchewan; Rothschild, Wis.).
- 14 converting centers (Brownsville, Tenn.; Cerritos, Calif.; Dallas, Texas; DuBois, Pa.; Indianapolis, Ind.; Langhorne, Pa.; Mira Loma, Calif.; Owensboro, Ky.; Plymouth, N.C.; Prince Albert, Saskatchewan; Ridgefields, Tenn.; Rock Hill, S.C.; Tatum, S.C., Washington Court, Ohio).
- The market pulp mill at Kamloops, British Columbia.
- The coated groundwood mill in Columbus, Miss.
- Two softwood lumber mills (Big River, Saskatchewan; Ear Falls, Ontario).

The transaction is subject to review by antitrust agencies and securities regulators in the United States and Canada, the receipt of a favorable tax ruling from the U.S. Internal Revenue Service, and other customary closing conditions. It is also subject to approval by Domtar shareholders. Weyerhaeuser and Domtar will continue to operate separately until the transaction closes.

Weyerhaeuser's financial advisor on the transaction was Morgan Stanley & Co. Inc. Its legal advisor in the United States was Cravath, Swaine & Moore LLP. Blake, Cassels & Grayson acted as Weyerhaeuser's Canadian legal advisor.

ABOUT WEYERHAEUSER

Weyerhaeuser Company, one of the world's largest integrated forest products companies, was incorporated in 1900. In 2005, sales were \$22.6 billion. It has offices or operations in 18 countries, with customers worldwide. Weyerhaeuser is principally engaged in the growing and harvesting of timber, the manufacture, distribution and sale of forest products; and real estate construction, development and related activities. Additional information about Weyerhaeuser's businesses, products and practices is available at <http://www.weyerhaeuser.com>.

JOINT CONFERENCE CALL

The companies will hold a live conference call at 6:30 a.m. Pacific (9:30 a.m. Eastern) on Aug. 23 to discuss today's announcement.

To access the conference call from within North America, dial 1-888-221-5699 at least 15 minutes before the call. Those calling from outside North America should dial 1-706-643-3795. Replays will be available for one week at 1-800-642-1687 (access code – 4924122) from within North America and at 1-706-645-9291 (access code – 4924122) from outside North America.

The call is being webcast through Domtar's Internet site at <http://www.domtar.com> [instruction/location] and through Weyerhaeuser's Internet site at <http://investor.weyerhaeuser.com>.

The webcast is available through the Thomson StreetEvents Network to both institutional and individual investors. Individual investors can listen to the call at <http://www.fulldisclosure.com>, Thomson/CCBN's individual investor portal, powered by StreetEvents. Institutional investors can access the call via Thomson's password-protected site, StreetEvents (<http://www.streetevents.com>).

WEYERHAEUSER CONFERENCE CALL

Weyerhaeuser will hold a live conference call at 8 a.m. Pacific (11 a.m. Eastern) on Aug. 23 to discuss today's announcement.

To access the conference call from within North America, dial 1-888-221-5699 at least 15 minutes before the call. Those calling from outside North America should dial 1-706-643-3795. Replays will be available for one week at 1-800-642-1687 (access code - 4924133) from within North America and at 1-706-645-9291 (access code - 4924133) from outside North America.

The call is being webcast through Weyerhaeuser's Internet site at <http://investor.weyerhaeuser.com> by clicking on the "Fine Paper Combination" link.

The webcast is available through the Thomson StreetEvents Network to both institutional and individual investors. Individual investors can listen to the call at <http://www.fulldisclosure.com>, Thomson/CCBN's individual investor portal, powered by StreetEvents. Institutional investors can access the call via Thomson's password-protected site, StreetEvents (<http://www.streetevents.com>).

###

FORWARD LOOKING STATEMENT

This news release contains statements concerning the company's future results and performance that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Some of these forward-looking statements can be identified by the use of forward-looking terminology such as "expects," "may," "will," "believes," "should," "approximately," "anticipates," "estimates," and "plans," and the negative or other variations of those terms or comparable terminology or by discussions of strategy, plans or intentions.

This press release contains forward-looking statements relating to trends in, or representing management's beliefs about, Domtar's and the "new Domtar's" future growth, results of operations, performance and business prospects and opportunities. These forward-looking statements are generally denoted by the use of words such as "anticipate", "believe", "expect", "intend", "aim", "target", "plan", "continue", "estimate", "may", "will", "should" and similar expressions and include, but are not limited to, statements about the anticipated benefits, savings and synergies of the merger between Domtar and Weyerhaeuser's paper business, including future financial and operating results, the "new Domtar's" plans, objectives, expectations and intentions, the markets for the "new Domtar's" products, the future development of the "new Domtar's" business, and the contingencies and uncertainties to which the "new Domtar" may be subject and other statements that are not historical facts. These statements reflect management's current beliefs and are based on information currently available to management. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by management, are inherently subject to known and unknown risks and uncertainties such as, but not limited to, general economic and business conditions, product selling prices, raw material and operating costs, changes in foreign currency exchange rates, the ability to integrate acquired businesses into existing operations, the ability to realize anticipated cost savings, the performance of manufacturing operations and other factors referenced herein and in Domtar's continuous disclosure filings. These factors should be considered carefully and undue reliance should not be placed on the forward-looking statements. Although the forward-looking statements are based upon what management believes to be reasonable estimates and assumptions, Domtar cannot ensure that actual results will not be materially different from those expressed or implied by these forward-looking statements. Unless specifically required by law, none of Domtar, Weyerhaeuser or the "new Domtar" assume any obligation to update or revise these forward-looking statements to reflect new events or circumstances. These risks, uncertainties and other factors include, among other things, those discussed under "Risk Factors" in Domtar's Management's Discussion and Analysis (MD&A). There is no assurance the transaction contemplated in this release will be completed at all, or completed upon the same terms and conditions described.