

# Memorandum

**To:** The Honorable John A. Woodcock, Jr.  
United States District Court for the District of Maine  
Margaret Chase Smith Federal Building and Courthouse 202  
Harlow Street, Bangor, Maine 04401

**From:** Stephen R. Read, Senior Advisor/Development Partner  
Minimill Technologies Inc. (Syracuse, NY)

**Date:** January 19, 2015

**Re:** Bucksport Mill

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Dear Sir:

I am writing to advise you of our strong interest in evaluating the Bucksport Mill for a possible acquisition and conversion to a new grade of paper that would be non-competitive to Verso. As a past President & CEO of Schiffenhaus Industries, Inc. (Newark, NJ), and as a current development partner with Minimill Technologies, Inc., we are well-versed in just such project conversions, and our team has developed an unmatched level of success in this area.

As a boutique DEPCOM (Development, Engineering, Procurement, Construction, Operations, and Maintenance) firm, Minimill Technologies, Inc. ("MMT") has developed the reputation as a preeminent provider of turnkey solutions for the pulp and paper industry. MMT has been recognized for implementing and leading successful projects such as brownfield remediation, design and construction of new mills, and conversion projects in the newsprint and packaging sectors.

MMT's team of industry recognized experts has designed, constructed, and operated several of the most successful recycled containerboard mini-mills in North America, including the Solvay Paperboard Mill No. 1, Mill No. 2, and Mill No. 3 (Solvay, NY) as well as the more recently completed Cascades/Norampac lightweight recycled containerboard mill (\$430mm; 540,000 tons/year) located in Niagara Falls, NY. In each instance, these mills were finished on time and at/below budget, and have been rated in the low first quartile of cash cost producers in the North American markets.

It is our hope that we have an opportunity to evaluate a potential acquisition of the Bucksport Mill and, in doing so, would be prepared, upon consummation of a purchase transaction, to move rapidly forward with the implementation of a conversion plan that would revitalize the Mill, and position it in a stable and growing sector of the industry that would ensure long-term viability and employment for the people of Bucksport, ME, and surrounding communities.

Of note, there is precedent to a successful conversion of a mill making coated groundwood/mechanical papers to production of containerboard and paper-based packaging materials. KPAQ Industries, acquired and converted the coated groundwood paper mill at Saint Francisville, LA to production of linerboard and paper-based packaging products in 2012. The mill had made coated groundwood papers under previous ownership until it went into bankruptcy as a subsidiary of Tembec. It was acquired and converted in April 2010 and provides continued employment in the area. Here is a link to the KPAQ web site: <http://www.kpaq.com/>

I very much appreciate the Court's time and consideration of this matter, and hope to be able to follow up promptly if granted the opportunity.

Sincerely

*Stephen R. Read*

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***609-577-3757 (Cell)***  
***stephenread@verizon.net***