Solicitation Version

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In re:	:	Chapter 11
MERCER INTERNATIONAL INC., *et al.*,	:	Case No. 26-90829 (CML)
Debtors.[1]	:	(Joint Administration Requested)

JOINT PREPACKAGED CHAPTER 11 PLAN OF REORGANIZATION OF MERCER INTERNATIONAL INC. AND ITS DEBTOR AFFILIATE

HUNTON ANDREWS KURTH LLP
Timothy A. ("Tad") Davidson II (TX Bar No. 24012503)
Ashley L. Harper (TX Bar No. 24065272)
Brandon Bell (TX Bar No. 24127019)
Kaleb Bailey (TX Bar No. 24136717)
600 Travis Street, Suite 4200
Houston, TX 77002
Telephone: (713) 220-4200
Email: taddavidson@hunton.com
ashleyharper@hunton.com
bbell@hunton.com
kbailey@hunton.com

LATHAM & WATKINS LLP
Ray C. Schrock (NY Bar No. 4860631)
Keith Simon (NY Bar No. 4636007)
Joe Zujkowski (NY Bar No. 4625638)
1271 Avenue of the Americas
New York, NY 10020
Telephone: (212) 906-1200
Email: ray.schrock@lw.com
keith.simon@lw.com
joe.zujkowski@lw.com

- and -

Nicholas J. Messana (CA Bar No. 332355)
10250 Constellation Blvd. Suite 1100
Los Angeles, CA 90067
Telephone: (424) 653-5500
Email: nicholas.messana@lw.com

Proposed Counsel for the Debtors and Debtors in Possession

Dated: November 9, 2026

[1] The Debtors in the Chapter 11 Cases, together with the last four digits of each Debtor's taxpayer identification number, are: Mercer International Inc. (6945) and Mercer International (Texas) LLC (N/A). The Debtors' mailing address for purposes of the Chapter 11 Cases is: Suite 1120, 700 West Pender Street, Vancouver, British Columbia V6C 1G8.

TABLE OF CONTENTS

Page

ARTICLE I. DEFINITIONS AND INTERPRETATION 1

A. Definitions 1
B. Interpretation; Application of Definitions and Rules of Construction 16
C. Computation of Time 17
D. Reference to Monetary Figures 17
E. Controlling Document 17
F. Consultation, Notice, Information, and Consents 17

ARTICLE II. ADMINISTRATIVE, PRIORITY TAX, AND PROFESSIONAL FEE CLAIMS 18

2.1. Administrative Claims 18
2.2. Priority Tax Claims 18
2.3. Restructuring Expenses 18
2.4. Professional Fee Claims 18
2.5. Professional Fee Escrow 19
2.6. Professional Fee Claims Estimate 19
2.7. Post-Effective Date Fees and Expenses 19

ARTICLE III. CLASSIFICATION OF CLAIMS AND INTERESTS 20

3.1. Separate Plans; Classification in General 20
3.2. Formation of Debtor Groups for Convenience Only 20
3.3. Summary of Classification 20
3.4. Special Provision Governing Unimpaired Claims 21
3.5. Elimination of Vacant Classes 21
3.6. Presumed Acceptance by Non-Voting Classes 21

ARTICLE IV. TREATMENT OF CLAIMS AND INTERESTS 21

4.1. Secured Claims (Class 1) 21
4.2. Other Priority Claims (Class 2) 22
4.3. Senior Notes Claims (Class 3) 22
4.4. General Unsecured Claims (Class 4) 23
4.5. Intercompany Claims (Class 5) 23
4.6. Intercompany Interests (Class 6) 23
4.7. 510(b) Claims (Class 7) 24
4.8. Existing Equity Interests (Class 8) 24

ARTICLE V. MEANS FOR IMPLEMENTATION 24

5.1. Compromise and Settlement of Claims, Interests, and Controversies 24
5.2. Continued Corporate Existence; Effectuating Documents; Corporate Action; Restructuring Transactions 25
5.3. Registration Rights Agreement 26
5.4. New Debt Documents; New Common Stock; New Convertible Preferred Stock 26
5.5. Rights Offering 28
5.6. Securities Law Exemptions 29

5.7. Cancellation of Existing Securities and Agreements 30
5.8. Cancellation of Liens, Existing Equity Interests, and other Interests 31
5.9. Boards of Directors and Officers 31
5.10. Management Incentive Plan 32
5.11. Authorization, Issuance, and Delivery of Plan Securities 32
5.12. Regulatory Approvals. 33
5.13. Nonconsensual Confirmation 33
5.14. Closing of the Chapter 11 Cases 33

ARTICLE VI. DISTRIBUTIONS 33

6.1. Distributions Generally 33
6.2. Distribution Record Date 34
6.3. Date of Distributions 34
6.4. Distribution Agent 35
6.5. Rights and Powers of Distribution Agent 35
6.6. Expenses of Distribution Agent 35
6.7. No Postpetition Interest 36
6.8. Delivery of Distributions 36
6.9. Distributions as of Effective Date 36
6.10. Unclaimed Property 36
6.11. Time Bar to Cash Payments 36
6.12. Manner of Payment under Plan 36
6.13. Satisfaction of Claims 37
6.14. Fractional Stock 37
6.15. Minimum Cash Distributions 37
6.16. Setoffs 37
6.17. Allocation of Distributions Between Principal and Interest 38
6.18. No Distribution Above Amount of Allowed Claim 38
6.19. Withholding Rights and Reporting Requirements 38

ARTICLE VII. PROCEDURES FOR DISPUTED CLAIMS AND INTERESTS 39

7.1. Disputed Claims and Interests Generally; No Requirement to File Proofs of Claim 39
7.2. Objections to Claims 40
7.3. Estimation of Claims 40
7.4. Disallowance of Claims 40
7.5. No Distributions Pending Allowance 40
7.6. Distributions after Allowance 41
7.7. Claim and Interest Resolution Procedures Cumulative 41
7.8. Single Satisfaction of Claims and Interests 41
7.9. Adjustment to Claims Register Without Objection. 41

ARTICLE VIII. TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES 41

8.1. Assumption or Rejection of Executory Contracts and Unexpired Leases 41
8.2. Payments Related to Assumption of Executory Contracts and Unexpired Leases 42
8.3. Claims on Account of the Rejection of Executory Contracts or Unexpired Leases 43

8.4. Survival of the Debtors' Indemnification Obligations 43
8.5. Employee Plans 43
8.6. Insurance Policies 44
8.7. Intellectual Property Licenses and Agreements 45
8.8. Assignment 45
8.9. Modifications, Amendments, Supplements, Restatements, or Other Agreements 46
8.10. Reservation of Rights 46

ARTICLE IX. CONDITIONS PRECEDENT TO CONSUMMATION OF THIS PLAN 46

9.1. Conditions Precedent to the Effective Date 46
9.2. Timing of Conditions Precedent 48
9.3. Waiver of Conditions Precedent 48
9.4. Effect of Non-Occurrence of the Effective Date 48

ARTICLE X. EFFECT OF CONFIRMATION AND CONSUMMATION OF PLAN 49

10.1. Vesting of Assets in the Reorganized Debtors 49
10.2. Binding Effect 49
10.3. Discharge of Claims and Termination of Interests 49
10.4. Term of Injunctions or Stays 50
10.5. Permanent Injunction 50
10.6. Releases 51
10.7. Exculpation 53
10.8. Retention of Causes of Action/Reservation of Rights 54
10.9. Solicitation of Plan 54

ARTICLE XI. RETENTION OF JURISDICTION 54

11.1. Retention of Jurisdiction 54
11.2. Courts of Competent Jurisdiction 56

ARTICLE XII. MISCELLANEOUS PROVISIONS 56

12.1. Payment of Statutory Fees 56
12.2. Substantial Consummation of this Plan 56
12.3. Request for Expedited Determination of Taxes 57
12.4. Exemption from Certain Transfer Taxes 57
12.5. Amendments 57
12.6. Effectuating Documents and Further Transactions 58
12.7. Revocation or Withdrawal of this Plan 58
12.8. Severability of Plan Provisions 58
12.9. Governing Law 58
12.10. Dates of Actions to Implement this Plan 58
12.11. Immediate Binding Effect 59
12.12. Deemed Acts 59
12.13. Successors and Assigns 59
12.14. Entire Agreement 59
12.15. Exhibits to Plan 59
12.16. Notices 59

JOINT PREPACKAGED CHAPTER 11 PLAN OF REORGANIZATION OF MERCER INTERNATIONAL INC. AND ITS DEBTOR AFFILIATE

Mercer International Inc. and its debtor affiliate (collectively, the "***Debtors***") propose this Plan for the treatment and resolution of the outstanding Claims against, and Interests in, the Debtors. Capitalized terms used but not otherwise defined in this summary have the meanings ascribed to such terms in Article I.A.

Although proposed jointly for administrative purposes, this Plan constitutes a separate Plan for each Debtor for the treatment and resolution of outstanding Claims and Interests herein pursuant to the Bankruptcy Code. The Debtors seek to consummate the Restructuring Transactions on the Effective Date. Each Debtor is a proponent of this Plan within the meaning of section 1129 of the Bankruptcy Code. The classifications of Claims and Interests set forth in Article III shall be deemed to apply separately with respect to each Plan proposed by each Debtor, as applicable. This Plan does not contemplate substantive consolidation of any of the Debtors.

This Plan shall be deemed a motion to approve the good-faith compromises and settlements of all Claims, Interests, Causes of Action, and controversies pursuant to Bankruptcy Rule 9019.

Reference is made to the Disclosure Statement for a discussion of the Debtors' history, businesses, results of operations, historical financial information, projections, and future operations, as well as a summary and analysis of this Plan and certain related matters, including distributions to be made under this Plan. There also are other agreements and documents, which shall be Filed with the Bankruptcy Court, that are referenced in this Plan, the Plan Supplement, or the Disclosure Statement as exhibits and schedules. All such exhibits and schedules are incorporated into and are a part of this Plan as if set forth in full herein. Subject to certain restrictions and requirements set forth in 11 U.S.C. § 1127, Bankruptcy Rule 3019, and the terms and conditions set forth in the Consenting Senior Noteholder RSA and this Plan, the Debtors reserve the right to alter, amend, modify, revoke, or withdraw this Plan before its substantial consummation.

ALL HOLDERS OF CLAIMS AND INTERESTS ENTITLED TO VOTE ON THIS PLAN ARE ENCOURAGED TO READ THIS PLAN AND THE DISCLOSURE STATEMENT IN THEIR ENTIRETY BEFORE VOTING TO ACCEPT OR REJECT THIS PLAN.

THE ISSUANCE OF ANY SECURITIES REFERRED TO IN THIS PLAN SHALL NOT CONSTITUTE AN INVITATION OR OFFER TO SELL, OR THE SOLICITATION OF ANY INVITATION OR OFFER TO BUY, ANY SECURITIES IN CONTRAVENTION OF APPLICABLE LAW IN ANY JURISDICTION.

ARTICLE I.

DEFINITIONS AND INTERPRETATION.

A. **Definitions**.

The following terms shall have the respective meanings specified below:

"***2028 Senior Noteholders***" means holders of the 2028 Senior Notes.

"***2028 Senior Notes***" means the 12.875% Senior Notes due October 1, 2028, issued pursuant to the 2028 Senior Notes Indenture.

"***2028 Senior Notes Indenture***" means that certain Indenture, dated as of September 21, 2023, by and between Mercer and the 2028 Senior Notes Trustee, as amended, restated, amended and restated, modified, or supplemented from time to time.

"***2028 Senior Notes Trustee***" means Computershare Trust Company, National Association or any successor trustee duly appointed under the 2028 Senior Notes Indenture.

"***2029 Senior Noteholders***" means holders of the 2029 Senior Notes.

"***2029 Senior Notes***" means the 5.125% Senior Notes due February 1, 2029, issued pursuant to the 2029 Senior Notes Indenture.

"***2029 Senior Notes Indenture***" means that certain Indenture, dated as of January 26, 2021, by and between Mercer and the 2029 Senior Notes Trustee, as amended, restated, amended and restated, modified, or supplemented from time to time.

"***2029 Senior Notes Trustee***" means Computershare Trust Company, National Association, any predecessor trustee, or any successor trustee duly appointed under the 2029 Senior Notes Indenture.

"***510(b) Claim***" means any Claim against the Debtors that is subject to subordination under section 510(b) of the Bankruptcy Code, including any Claim arising out of or related to any agreement for the purchase or sale of Securities of the Debtors or any of their Affiliates or any agreements related or ancillary to such agreement for the purchase or sale of Securities of the Debtors or any of their Affiliates.

"***Administrative Claim***" means a Claim for costs and expenses of administration of the Chapter 11 Cases pursuant to sections 503(b), 507(a)(2), 507(b), or 1114(e)(2) of the Bankruptcy Code, including, without limitation: (a) the actual and necessary costs and expenses incurred on or after the Petition Date until and including the Effective Date of preserving the Estates and operating the Debtors' business, including the Restructuring Expenses and any fees and expenses Allowed by the Bankruptcy Court as compensation for services rendered or reimbursement of expenses incurred through and including the Effective Date under sections 330, 331, 503(b)(2), 503(b)(3), 503(b)(4), or 503(b)(5) of the Bankruptcy Code; (b) the Put Option Premium, subject to the terms and conditions of the Backstop Commitment Letter; and (c) all fees and charges assessed against the Estates pursuant to section 1930 of chapter 123 of the Judicial Code.

"***Affiliate***" shall, with respect to an Entity, have the meaning set forth in section 101(2) of the Bankruptcy Code as if such Entity were a debtor in a case under the Bankruptcy Code.

"***Allowed***" means, with reference to any Claim or Interest, (a) any Claim or Interest arising on or before the Effective Date (i) as to which no objection to allowance, priority, or secured status, and no request for estimation or other challenge, including, without limitation, pursuant to section 502(d) of the Bankruptcy Code or otherwise, has been interposed before the applicable time period fixed by applicable non-bankruptcy law or such other applicable period of limitation fixed by the Bankruptcy Code, the Bankruptcy Rules, or the Bankruptcy Court, or (ii) as to which any objection has been determined in favor of the respective holder pursuant to a Final Order, (b) any Claim or Interest that is compromised, settled, or otherwise resolved pursuant to the authority of the Debtors or Reorganized Debtors, (c) any Claim or Interest as to which the liability of the Debtors or Reorganized Debtors, as applicable, and the amount thereof are determined by a Final Order of a court of competent jurisdiction other than the Bankruptcy Court, or (d) any Claim or Interest expressly allowed hereunder; *provided*, *however*, that notwithstanding the foregoing, (x) unless expressly waived by the Plan, the Allowed amount of Claims or Interests shall be subject to and shall not exceed the limitations under or maximum amounts permitted by the Bankruptcy Code, including sections 502 or 503 of the Bankruptcy Code, to the extent applicable, and (y) the Reorganized Debtors shall retain all claims and defenses with respect to Allowed Claims that are Reinstated or otherwise Unimpaired pursuant to the Plan.

"***Avoidance Action***" means any and all actual or potential avoidance, recovery, subordination, or similar actions or remedies that may be brought by or on behalf of the Debtors or the Estates under the Bankruptcy Code or applicable non-bankruptcy law, including actions or remedies arising under chapter 5 and section 724(a) of the Bankruptcy Code or under similar or related local, state, federal, or foreign statutes and common law, including fraudulent transfer laws, fraudulent conveyance laws, or other similar related laws, in each case whether or not litigation to prosecute such Claims and Causes of Action was commenced before the Effective Date.

"***Backstop Commitment Letter***" means the Backstop Commitment Letter, dated as of November 2, 2026, by and among the Debtors and the Backstop Parties, including all exhibits, annexes, and schedules attached thereto (as amended, restated, amended and restated, modified, or supplemented from time to time in accordance with the terms thereof), pursuant to which the Backstop Parties committed to backstop 100.0% of the Rights Offering in exchange for the Put Option Premium.

"***Backstop Order***" means the order of the Bankruptcy Court approving and authorizing the Debtors' entry into the Backstop Commitment Letter and other related documents and procedures.

"***Backstop Parties***" means those certain members of the Majority Ad Hoc Group party to the Backstop Commitment Letter.

"***Bankruptcy Code***" means title 11 of the United States Code, 11 U.S.C. § 101, *et seq.*, as amended from time to time, as applicable to the Chapter 11 Cases.

"***Bankruptcy Court***" means the United States Bankruptcy Court for the Southern District of Texas, Houston Division, or any such other court having jurisdiction over the Chapter 11 Cases.

"***Bankruptcy Rules***" means the Federal Rules of Bankruptcy Procedure as promulgated by the United States Supreme Court under section 2075 of the Judicial Code and any Bankruptcy Local Rules of the Bankruptcy Court, in each case, as amended from time to time and applicable to the Chapter 11 Cases.

"***Bankruptcy Local Rules***" means the Bankruptcy Local Rules for the United States Bankruptcy Court for the Southern District of Texas, including the Procedures for Complex Cases in the Southern District of Texas then in effect pursuant to Bankruptcy Local Rule 1075-1.

"***Business Day***" means any day, other than a Saturday, Sunday, "legal holiday" (as that term is defined in Bankruptcy Rule 9006(a)), or any other day on which commercial banks are required or authorized by law or executive order to be closed for commercial business with the public in New York City, New York.

"***Canadian ABL Amendment***" has the meaning set forth in the Restructuring Term Sheet.

"***Canadian ABL Facility***" means the revolving credit facility pursuant to that certain Credit Agreement, dated as of January 21, 2022 (as amended by that certain First Amendment to Credit Agreement, dated as of June 10, 2024, and as further amended, restated, amended and restated, modified, refinanced, or supplemented from time to time) by and between Mercer Peace River Pulp Ltd., Mercer Celgar Limited Partnership, and Mercer Forestry Services, Ltd., as borrowers, Mercer Celgar Pulp Ltd. and Mercer Celgar Holdings LLC, as guarantors, the lenders from time to time party thereto, and Royal Bank of Canada, as administrative agent and collateral agent.

"***Cash***" means cash in legal tender of the United States of America and cash equivalents, including bank deposits, checks, and other similar items.

"***Causes of Action***" means any action, claim, cross-claim, third-party claim, cause of action, controversy, dispute, proceeding, demand, right, lien, indemnity, contribution, guaranty, suit, obligation, liability, loss, debt, fee or expense, damage, interest, judgment, cost, account, defense, remedy, offset, power, privilege, license, and franchise of any kind or character whatsoever, known, unknown, foreseen or unforeseen, existing or hereafter arising, contingent or non-contingent, matured or unmatured, suspected or unsuspected, liquidated or unliquidated, Disputed or undisputed, secured or unsecured, assertable directly or derivatively (including any alter ego theories), choate, inchoate, reduced to judgment or otherwise whether arising before, on, or after the Petition Date, in contract or in tort, in law or in equity, or pursuant to any other theory of law (including under any state or federal Securities laws). Causes of Action also includes: (a) any right of setoff, counterclaim, or recoupment; (b) any claim based on or relating to, or in any manner arising from, in whole or in part, tort, breach of contract, breach of fiduciary duty, fraudulent transfer or fraudulent conveyance or voidable transaction law, violation of local, state, or federal or non-U.S. law, or breach of any duty imposed by law or in equity, including securities laws; (c) the right to object to Claims or Interests; (d) any claim pursuant to section 362 or chapter 5 of the Bankruptcy Code or similar local, state, or federal U.S. or non-U.S. law; (e) any claim or defense including fraud, mistake, duress, and usury and any other defenses set forth in section 558 of the Bankruptcy Code; (f) any "lender liability" or equitable subordination claims or defenses; and (g) any Avoidance Actions.

"***Certificate of Designation***" means any certificate of designation for the New Convertible Preferred Stock and any other forms of preferred equity on terms consistent with the Convertible Preferred Stock Term Sheet.

"***Chapter 11 Cases***" means (a) when used with reference to a particular Debtor, the case under chapter 11 of the Bankruptcy Code commenced by such Debtor in the Bankruptcy Court, and (b) when used with reference to all Debtors, the jointly administered cases under chapter 11 of the Bankruptcy Code commenced by the Debtors in the Bankruptcy Court.

"***Claim***" has the meaning set forth in section 101(5) of the Bankruptcy Code.

"***Claims Register***" means the official register of Claims and Interests maintained by the Solicitation Agent.

"***Class***" means any group of Claims or Interests classified as set forth in Article III pursuant to sections 1122 and 1123(a)(1) of the Bankruptcy Code.

"***Collateral***" means any property or interest in property of the Debtors' Estates that is subject to a valid and enforceable Lien to secure a Claim.

"***Company***" has the meaning set forth in the Consenting Senior Noteholder RSA.

"***Conditions Precedent***" has the meaning set forth in Article IX.

"***Confirmation***" means the Bankruptcy Court's entry of the Confirmation Order on the docket of the Chapter 11 Cases.

"***Confirmation Date***" means the date upon which Confirmation occurs.

"***Confirmation Hearing***" means the hearing to be held by the Bankruptcy Court to consider confirmation of this Plan, as such hearing may be adjourned or continued from time to time.

"***Confirmation Order***" means the order of the Bankruptcy Court confirming this Plan pursuant to section 1129 of the Bankruptcy Code.

"***Consenting Equityholders***" means, collectively, the Holders of Existing Equity Interests that are party to the Consenting Equityholder RSA as "Consenting Equityholders" thereunder.

"***Consenting Equityholder RSA***" means that certain Restructuring Support Agreement, including the exhibits thereto, dated as of November 2, 2026, by and among the Debtors and the Consenting Equityholders, as amended, restated, amended and restated, modified, or supplemented from time to time in accordance with its terms.

"***Consenting Senior Noteholders***" means, collectively, the Holders of Senior Notes Claims that are party to the Consenting Senior Noteholder RSA as "Consenting Senior Noteholders" thereunder.

"***Consenting Senior Noteholder RSA***" means that certain Restructuring Support Agreement, including the exhibits thereto, dated as of November 2, 2026, by and among the Debtors and the Consenting Senior Noteholders, as amended, restated, amended and restated, modified, or supplemented from time to time in accordance with its terms.

"***Consenting Stakeholders***" means, collectively, the Consenting Equityholders and the Consenting Senior Noteholders.

"***Convertible Preferred Stock Term Sheet***" has the meaning set forth in the Restructuring Term Sheet.

"***Corporate Governance Documents***" means, with respect to any Person other than a natural person, the organizational and corporate governance documents for each such Person including limited liability company agreements, operating agreements, certificates of incorporation, certificates of formation, certificates of limited partnership, articles of organization (or equivalent organizational documents), warrant agreements, certificates of designation for preferred stock or other forms of preferred equity, by-laws, partnership agreements, shareholders' agreements, members' agreement, or equivalent governing documents.

"***Cure Claim***" means a Claim (unless waived or modified by the applicable counterparty) based upon a Debtor's defaults under an Executory Contract or an Unexpired Lease assumed by such Debtor under section 365 of the Bankruptcy Code, other than a default that is not required to be cured pursuant to section 365(b)(2) of the Bankruptcy Code.

"***Cure Dispute***" means a dispute regarding (a) the amount of any Cure Claim, (b) the ability of the Reorganized Debtors to provide "adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code), if applicable, under the Executory Contract or Unexpired Lease to be assumed, or (c) any other matter pertaining to the assumption of an Executory Contract or Unexpired Lease.

"***D&O Policy***" means, collectively, all insurance policies (including any "tail policy") maintained by the Debtors and in effect or purchased as of the Petition Date providing coverage to any of the Debtors for current or former directors', managers', and officers' liability.

"***Debtors***" has the meaning set forth in the introductory paragraph of this Plan.

"***Debtor Release***" means the releases set forth in Article 10.6(a).

"***Debtors in Possession***" means the Debtors in their capacities as debtors in possession in the Chapter 11 Cases pursuant to sections 1101, 1107(a), and 1108 of the Bankruptcy Code.

"***Definitive Documents***" means, collectively, all documents and agreements governing the Restructuring Transactions and shall include all documents necessary or reasonably desirable to implement the Restructuring Transactions, including, but not limited to: (a) this Plan and any and all supplements thereto, including, without limitation, any schedules of assumed or rejected contracts; (b) the Disclosure Statement and the Solicitation Materials; (c) the Disclosure Statement Approval Order; (d) the Confirmation Order; (e) the Rights Offering Documents, including the Backstop Order; (f) the New ABL Documents; (g) the New Senior Secured Notes Documents; (h) the New Corporate Governance Documents; (i) the First Day Orders and Second Day Orders; (j) the Restructuring Transactions Exhibit, if any; (k) any New Intercreditor Agreements; (l) the Registration Rights Agreement; (m) all documents required or advisable under the Canadian ABL Facility and German RCF, including the Canadian ABL Amendment and related documents, if any; and (n) all other material pleadings and other material documents or agreements filed with the Bankruptcy Court in each case, including any amendments, modifications, and supplements thereto; *provided*, for the avoidance of doubt, that any purely procedural notices or similar filings and related documents are not Definitive Documents.

"***Disallowed***" means, with respect to any Claim or Interest, that such Claim or Interest has been determined by a Final Order or specified in a provision of this Plan not to be Allowed.

"***Disclosure Statement***" means the disclosure statement in respect of this Plan, including all exhibits and schedules thereto, as approved by the Bankruptcy Court pursuant to section 1125 of the Bankruptcy Code.

"***Disclosure Statement Approval Order***" means the order or orders of the Bankruptcy Court approving the Disclosure Statement on an interim or final basis as containing adequate information within the meaning of section 1125 of the Bankruptcy Code, which may be the Confirmation Order.

"***Disputed***" means with respect to a Claim or Interest, (a) any Claim or Interest which is disputed under Article 7.1 or as to which the Debtors have interposed and not withdrawn an objection or request for estimation that has not been determined by a Final Order, (b) any Claim or Interest, proof of which was required to be timely and proper but as to which no timely and proper Proof of Claim was Filed, (c) any

Claim that is listed in the Schedules, if any are Filed, as unliquidated, contingent, or disputed, and as to which no request for payment or Proof of Claim has been Filed, or (d) any Claim or Interest that is otherwise disputed by any of the Debtors or the Reorganized Debtors in accordance with applicable law or contract, which dispute has not been withdrawn, resolved, or overruled by a Final Order. To the extent the Debtors dispute only the amount of a Claim, such Claim shall be deemed Allowed in the amount the Debtors do not dispute, if any, and Disputed as to the balance of such Claim.

"***Distribution Agent***" means any Entity (including any applicable Debtor or Reorganized Debtor, as applicable, if it acts in such capacity) in its capacity as a Distribution Agent under Article VI.

"***Distribution Record Date***" means the Confirmation Date, or such other time as designated by the Debtors.

"***DTC***" means The Depository Trust Company.

"***Effective Date***" means the date on which (a) no stay of the Confirmation Order is in effect, (b) each of the conditions precedent set forth in Article IX have been satisfied or waived in accordance with the terms of Article IX, and (c) the Debtors File a notice declaring the Plan effective. Without limiting the foregoing, any action to be taken on the Effective Date may be taken on or as soon as reasonably practicable after the Effective Date.

"***Employee Plans***" means the employment agreements, compensation and benefit plans, programs, policies, and agreements sponsored or maintained by, or to which any Debtor is a party, in each case, that are applicable to any of its current or former employees, directors, officers, or retirees (including, without limitation, any employment, retention, severance, change in control, incentive, or other compensation plans or agreements and any savings plans, deferred compensation plans, retirement plans, health and other welfare benefit plans, disability plans, life and accidental death and dismemberment insurance plans, workers' compensation programs, and other programs of the Debtors applicable to any of its employees and retirees).

"***Entity***" means an individual, corporation, partnership, limited liability partnership, limited liability company, association, joint stock company, joint venture, estate, trust, unincorporated organization, government unit (as defined in section 101(27) of the Bankruptcy Code) or any political subdivision thereof, or other person (as defined in section 101(41) of the Bankruptcy Code) or other entity.

"***Estate***" or "***Estates***" mean, individually or collectively, the estate or estates of the Debtors created under section 541 of the Bankruptcy Code.

"***Exculpated Parties***" means, each in its capacity as such, (a) each of the Debtors and the Estates; and (b) each independent director of the Debtors.

"***Executory Contract***" means a contract to which one or more Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

"***Existing Equity Interests***" means any and all Interests in Mercer (other than any Existing Unexercised Equity Interests) as of immediately before the Effective Date.

"***Existing Unexercised Equity Interests***" means all unvested Interests and unexercised options, warrants, calls, rights, puts, awards, commitments, or any other agreements of any character to acquire any Interest in a Debtor, in each case as of immediately before the Effective Date.

"***File***" or "***Filed***" or "***Filing***" means file, filed, or filing, respectively, with the Bankruptcy Court or its authorized designee in the Chapter 11 Cases.

"***Final Order***" means as applicable, an order or judgment of the Bankruptcy Court, or other court of competent jurisdiction with respect to the relevant subject matter, which has not been reversed, stayed, modified, or amended, including any order subject to appeal but for which no stay of such order has been entered, and as to which the time to appeal, seek certiorari, or move for a new trial, reargument, or rehearing has expired and as to which no appeal, petition for certiorari, or other proceeding for a new trial, reargument, or rehearing has been timely taken, or as to which any appeal that has been taken or any petition for certiorari that has been or may be Filed has been withdrawn with prejudice, resolved by the highest court to which the order or judgment was appealed or from which certiorari could be sought, or any request for new trial, reargument, or rehearing has been denied, resulted in no stay pending appeal or modification of such order, or has otherwise been dismissed with prejudice; *provided*, that no order or judgment shall fail to be a "Final Order" solely because of the possibility that a motion under rules 59 or 60 of the Federal Rules of Civil Procedure or any analogous Bankruptcy Rule (or any analogous rules applicable in another court of competent jurisdiction) or sections 502(j) or 1144 of the Bankruptcy Code has been or may be Filed with respect to such order or judgment.

"***First Day Orders***" and "***Second Day Orders***" means any interim or final orders of the Bankruptcy Court granting the relief requested in the first-day and second-day pleadings that the Debtors determine are necessary or desirable to file in the Chapter 11 Cases, excluding any orders in respect of the retention of the Debtors' professionals.

"***General Unsecured Claim***" means any prepetition Claim against the Debtors that is not an Administrative Claim, Priority Tax Claim, Secured Claim, Other Priority Claim, Senior Notes Claim, Intercompany Claim, or 510(b) Claim, or a Claim that is secured, subordinated, or entitled to priority under the Bankruptcy Code.

"***German RCF***" means the revolving credit facility pursuant to that certain Revolving Facility Agreement, dated as of September 15, 2022 (as amended by that certain Amendment and Restatement Agreement, dated as of March 22, 2023, and as further amended, restated, amended and restated, modified, refinanced, or supplemented from time to time), by and between Mercer Rosenthal GmbH, Mercer Timber Products GmbH, Mercer Stendal GmbH, Mercer Holz GmbH, Mercer Europe GmbH, Mercer Stendal Logistik GmbH, Mercer Timber Products Stendal GmbH, and Mercer Torgau GmbH & Co. KG, as borrowers, Mercer Rosenthal GmbH, Mercer Timber Products GmbH, Mercer Stendal GmbH, Mercer Holz GmbH, Mercer Europe GmbH, Mercer Stendal Logistik GmbH, Mercer Pulp Sales GmbH, Mercer Timber Products Stendal GmbH, Mercer Torgau GmbH & Co. KG, Mercer Torgau Holding GmbH, and Mercer Torgau Beteiligungs AG, as guarantors, the lenders from time to time party thereto, and UniCredit Bank AG, as agent.

"***Governance Term Sheet***" has the meaning set forth in the Restructuring Term Sheet.

"***Governmental Unit***" has the meaning set forth in section 101(27) of the Bankruptcy Code and includes any supranational, national, state, municipal, local or foreign government, any court, tribunal, arbitrator or arbitral body (public or private), administrative agency, commission or other governmental official, authority or instrumentality (including any legislature, commission, regulatory administrative authority, governmental agency, bureau, branch, or department).

"***Holder***" means any Entity that is the record or beneficial owner of any Claim or Interest, including any nominees, investment managers, investment advisors, sub-advisors, or managers of funds or discretionary accounts that hold, or trustees of trusts that hold, any Claim or Interest.

"***Impaired***" means, with respect to a Claim, Interest, or Class of Claims or Interests, "impaired" within the meaning of sections 1123(a)(4) and 1124 of the Bankruptcy Code.

"***Indemnification Obligation***" means, collectively, any and all obligations of the Debtors pursuant to their corporate charters, bylaws, limited liability company agreements, memorandum and articles of association, or other organizational documents or agreements to indemnify all current officers, directors, agents, or employees, in each case solely in their capacity as such, employed by the Debtors on or after the Petition Date.

"***Insured Claim***" means any Claim or portion of a Claim that is, or may be, insured under any insurance policy.

"***Intercompany Claim***" means any Claim against a Debtor held by another Debtor or a Non-Debtor Affiliate, other than an Administrative Claim.

"***Intercompany Interest***" means any Interest in a Debtor held by another Debtor.

"***Interest***" means any equity security (as defined in section 101(16) of the Bankruptcy Code) of the Debtors, all shares (or any class thereof), and any other common stock, preferred stock, limited liability company interests, membership interests, partnership interests, and any other equity, ownership, or profits interests of any Debtor, and options, warrants, rights, grants, stock appreciation rights, phantom units, incentives, restricted stock units, commitments, calls, redemption rights, repurchase rights, or other securities or arrangements, whether fully vested or vesting in the future, to acquire or subscribe for, or which are convertible into, or exercisable or exchangeable for the shares (or any class thereof) of, common stock, preferred stock, limited liability company interests, membership interests, partnership interests, or any other equity, ownership, or profits interests of any Debtor (in each case whether or not arising under or in connection with any employment agreement), excluding, for the avoidance of doubt, convertible debt securities.

"***IRS***" means the Internal Revenue Service of the United States of America.

"***Judicial Code***" means title 28 of the United States Code, as amended from time to time.

"***Lien***" has the meaning set forth in section 101(37) of the Bankruptcy Code.

"***Majority Ad Hoc Group***" means that certain ad hoc group of Holders of Senior Notes Claims represented by the Majority Ad Hoc Group Advisors.

"***Majority Ad Hoc Group Advisors***" means (a) Paul, Weiss, Rifkind, Wharton & Garrison LLP as counsel to the Majority Ad Hoc Group, (b) Ducera Partners LLC as financial advisor and investment banker to the Majority Ad Hoc Group, (c) SSI (U.S.) d/b/a Spencer Stuart, as executive search and leadership consulting firm to the Majority Ad Hoc Group, (d) Jon F Weber & Co., LLC, as restructuring advisor to the Majority Ad Hoc Group, (e) Osler, Hoskin & Harcourt LLP, as Canadian Counsel to the Majority Ad Hoc Group, (f) Porter Hedges LLP, as local counsel to the Majority Ad Hoc Group, and (g) such other professional advisors as are retained by the Majority Ad Hoc Group with the prior written consent of Mercer, whose consent shall not be unreasonably withheld, conditioned, or delayed.

"***Management Incentive Plan***" means the post-Effective Date management incentive plan reserving up to 8.5% of the New Common Stock on a fully diluted basis for directors, officers, and employees of the Reorganized Debtors, with structure, awards, and terms to be determined by the Reorganized Board and as further described in Article 5.10 of this Plan.

"***Mercer***" means Mercer International Inc., a Washington corporation.

"***New ABL Credit Agreement***" means, collectively, the credit agreement or credit agreements governing the New ABL Facility.

"***New ABL Documents***" means, collectively, the New ABL Credit Agreement and the other documents governing the New ABL Facility (including, if applicable, each New Regional ABL Facility and any intercreditor, cross-guarantee, or allocation arrangements among the New Regional ABL Facilities).

"***New ABL Facility***" means a new asset-based revolving credit facility, which may be implemented at the election of the Debtors with the consent of the Required Consenting Senior Noteholders via (a) a New Global ABL Facility, (b) one or more New Regional ABL Facilities, or (c) such other loan facility or facilities reasonably acceptable to the Required Consenting Senior Noteholders and the Debtors, in each case to be entered into by Reorganized Mercer or its Affiliates on the Effective Date in an aggregate principal amount (taken together across all such facilities) up to $300.0 million and on terms consistent with the Consenting Senior Noteholder RSA; *provided*, that the aggregate commitment amount under the New ABL Facility shall be reduced commensurately by the principal amount the lenders under the Canadian ABL Facility agree to reinstate, extend the maturity of, or provide under a new or amended facility. The New ABL Facility shall be raised by the Debtors in consultation with the Majority Ad Hoc Group. References in this Plan to the New ABL Facility shall be deemed to refer to the New Global ABL Facility or each and all of the New Regional ABL Facilities, as applicable.

"***New Common Stock***" means a voting class of common equity interests of Reorganized Mercer authorized to be issued pursuant to this Plan and the New Corporate Governance Documents, including any authorized but unissued units, shares, or other common equity interests of such voting class.

"***New Convertible Preferred Stock***" means $325.0 million in a class of convertible preferred equity interests of Reorganized Mercer authorized to be issued pursuant to this Plan and the New Corporate Governance Documents, including any authorized but unissued units, shares, or other preferred equity interests of such class.

"***New Corporate Governance Documents***" means the new Corporate Governance Documents of the Reorganized Debtors, including, but not limited to, any Certificate of Designation after giving effect to the Restructuring Transactions, as applicable, on terms consistent with the Consenting Senior Noteholder RSA, the Convertible Preferred Stock Term Sheet, and the Governance Term Sheet, and acceptable to the Required Consenting Senior Noteholders and reasonably acceptable to the Debtors.

"***New Debt Documents***" means, collectively, the New ABL Documents and the New Senior Secured Notes Documents.

"***New Global ABL Facility***" means, if applicable, any new global revolving credit facility, or such other loan facility reasonably acceptable to the Required Consenting Senior Noteholders and the Debtors.

"***New Intercreditor Agreement***" means any customary intercreditor agreement or agreements to be entered into on the Effective Date in respect of the New ABL Facility and the New Senior Secured Notes, which, if necessary, must be acceptable to the Required Consenting Senior Noteholders and reasonably acceptable to the Debtors.

"***New Money Senior Secured Notes***" means the new money senior secured notes to be issued for Cash by Reorganized Mercer on the Effective Date pursuant to the Rights Offering and the New Senior

Secured Notes Indenture in an aggregate principal amount of $420.0 million (inclusive of $20.0 million of original issue discount but exclusive of the Put Option Premium), which cash-funded amount is subject to a dollar-for-dollar reduction for amounts drawn under the New ABL Facility (in the aggregate across all facilities comprising the New ABL Facility) at close; provided that such dollar-for-dollar reduction shall only be available if and to the extent liquidity at close is above $300.0 million and such dollar-for-dollar reduction shall not reduce liquidity at close to below $300.0 million, and on terms consistent with the Consenting Senior Noteholder RSA.

"***New Regional ABL Facility***" means, if applicable, any jurisdiction or region-based revolving credit facilities, including, without limitation, North America and Europe, or other such loan facility reasonably acceptable to the Required Consenting Senior Noteholders and the Debtors.

"***New Senior Secured Notes***" means, collectively, the New Money Senior Secured Notes, the Put Option Premium Notes, and the Takeback Senior Secured Notes.

"***New Senior Secured Notes Documents***" means, collectively, the New Senior Secured Notes Indenture and the other documents governing the New Senior Secured Notes.

"***New Senior Secured Notes Indenture***" means the indenture governing the New Senior Secured Notes on terms consistent with the Consenting Senior Noteholder RSA and the New Senior Secured Notes Term Sheet, and acceptable to the Required Consenting Senior Noteholders and reasonably acceptable to the Debtors.

"***New Senior Secured Notes Term Sheet***" has the meaning set forth in the Restructuring Term Sheet.

"***Non-Debtor Affiliates***" means the Debtors' Affiliates that are not Debtors.

"***Non-Voting Class***" means each of Class 1 (Secured Claims), Class 2 (Other Priority Claims), Class 4 (General Unsecured Claims), Class 5 (Intercompany Claims), Class 6 (Intercompany Interests), and Class 7 (510(b) Claims).

"***Other Priority Claim***" means any Claim other than an Administrative Claim or a Priority Tax Claim entitled to priority in right of payment under section 507(a) of the Bankruptcy Code.

"***Person***" means an individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, limited liability partnership, trust, estate, unincorporated organization, Governmental Unit, or other Entity.

"***Petition Date***" means the date on which the Debtors commence the Chapter 11 Cases.

"***Plan***" means this joint prepackaged chapter 11 plan, including all appendices, exhibits, schedules, and supplements hereto (including any appendices, schedules, and supplements to this Plan contained in the Plan Supplement), as the same may be amended, supplemented, or modified from time to time.

"***Plan Securities***" means, collectively, the New Common Stock, the New Convertible Preferred Stock, and the New Senior Secured Notes.

"***Plan Supplement***" means the compilation of documents and forms of documents, schedules, and exhibits to this Plan that shall be filed by the Debtors with the Bankruptcy Court, as the same may be amended, supplemented, or modified from time to time, which shall include, without limitation, the

following documents: (a) the New Senior Secured Notes Documents; (b) the New Corporate Governance Documents; (c) the New ABL Documents, as applicable; (d) the key terms of any New ABL Facility, including the principal amount of such New ABL Facility; (e) any New Intercreditor Agreements; (f) the Registration Rights Agreement; (g) the identity of the Reorganized Board and any officers of Reorganized Mercer; (h) the Schedule of Rejected Executory Contracts and Unexpired Leases; (i) the Schedule of Retained Causes of Action; and (j) the Restructuring Transactions Exhibit, if any.

"***Priority Tax Claim***" means any Claim of a Governmental Unit of the kind specified in section 507(a)(8) of the Bankruptcy Code.

"***Pro Rata Share***" means, with respect to any distribution on account of an Allowed Claim or Interest, a distribution equal in amount to the ratio (expressed as a percentage) that the amount of such Allowed Claim or Interest, as applicable, bears to the aggregate amount of all Allowed Claims or Interests, as applicable, in all Classes participating in such distribution.

"***Professional***" means an Entity (a) employed pursuant to a Bankruptcy Court order in accordance with sections 327, 363, or 1103 of the Bankruptcy Code and to be compensated for services rendered before or on the Effective Date pursuant to sections 327, 328, 329, 330, 331, or 363 of the Bankruptcy Code; or (b) awarded compensation and reimbursement by the Bankruptcy Court pursuant to section 503(b)(4) of the Bankruptcy Code that are not Restructuring Expenses.

"***Professional Fee Claims***" means all Claims for fees and expenses (including transaction and success fees) incurred by a Professional on or after the Petition Date to the extent such fees and expenses have not been paid pursuant to an order of the Bankruptcy Court.

"***Professional Fee Claims Estimate***" means the aggregate unpaid Professional Fee Claims as estimated in accordance with Article II.

"***Professional Fee Escrow***" means an escrow account established and funded pursuant to Article 2.5.

"***Proof of Claim***" means a proof of Claim Filed against any of the Debtors in the Chapter 11 Cases.

"***Put Option Premium***" means the premium equal to $56.0 million in the aggregate, paid in the form of Cash or Put Option Premium Notes as set forth in the Backstop Commitment Letter, to the Backstop Parties in consideration for the Backstop Parties' commitments under, and in accordance with, the Backstop Commitment Letter, which premium, subject to the terms and conditions of the Backstop Commitment Letter, shall be fully earned as of the date of the Backstop Commitment Letter, non-refundable and non-avoidable upon entry of the Backstop Order, shall constitute an Allowed Administrative Claim, and shall be paid without setoff or reduction of any kind.

"***Put Option Premium Notes***" means, unless the Put Option Premium is paid in Cash, the New Senior Secured Notes to be issued by Reorganized Mercer on the Effective Date pursuant to the New Senior Secured Notes Indenture in the amount of the Put Option Premium.

"***Registration Rights Agreement***" means the registration rights agreement or other similar agreement with respect to Reorganized Mercer, which shall be on terms consistent with the Consenting Senior Noteholder RSA and Governance Term Sheet, and acceptable to the Required Consenting Senior Noteholders and reasonably acceptable to the Debtors.

"***Reinstatement***" or "***Reinstated***" or "***Reinstate***" means, with respect to Claims and Interests, that the Claim or Interest shall be rendered Unimpaired in accordance with section 1124 of the Bankruptcy Code.

"***Regulatory Approvals***" means approval by the German Ministry for Economics and Energy (BMWE), approval by the Canadian Commissioner of Competition, and such other regulatory approvals as reasonably advisable.

"***Related Fund***" means, with respect to any Holder of Allowed Claims or Allowed Interests, any Affiliates (including at the institutional level) of such Holder or any fund, account (including any separately managed accounts), or investment vehicle that is controlled, managed, advised, or sub-advised by such Holder, an Affiliate of such Holder, or by the same investment manager, advisor, or subadvisor as such Holder.

"***Related Parties***" means with respect to a Person, such Person's current and former affiliates, and such Person's and its current and former affiliates' current and former directors, managers, committee members, members of any governing body, officers, equity holders (regardless of whether such interests are held directly or indirectly), affiliated investment funds or investment vehicles, managed or advised entities, accounts, or funds, current or former, and future associated entities, predecessors, participants, successors, and assigns (whether by operation of law or otherwise), subsidiaries, and each of their respective current and former equity holders, officers, directors, managers, principals, members, partners, employees, agents, fiduciaries, trustees, advisory board members, financial advisors or managers, limited partners, general partners, attorneys, accountants, managed accounts or funds, management companies, fund advisors, investment bankers, consultants, investment managers, investment advisors, representatives, and other professionals, and such Person's respective heirs, executors, estates, and nominees, each in their capacity as such.

"***Release Opt-Out Form***" means the form to be provided to Holders of Class 1 (Secured Claims), Class 2 (Other Priority Claims), Class 4 (General Unsecured Claims), and Class 7 (510(b) Claims) through which such Holders may elect to affirmatively opt out of the Third-Party Release.

"***Released Parties***" means, collectively, solely in their capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each Consenting Stakeholder; (d) each Senior Notes Trustee; (e) each Backstop Party; (f) each member of the Majority Ad Hoc Group; and (g) with respect to each of the foregoing Persons in clauses (a) through (f), each of their Related Parties; *provided* that, a Person shall not be a Released Party if such Person (i) elects to opt out of the Releases set forth in this Plan or (ii) timely Files an objection to the Releases set forth in this Plan and such objection is not withdrawn or otherwise resolved before the Confirmation Order is entered.

"***Releases***" means, collectively, the releases set forth in Article 10.6.

"***Releasing Parties***" means, collectively, and in each case solely in its capacity as such: (a) each Debtor; (b) each Reorganized Debtor; (c) each Consenting Stakeholder; (d) each Senior Notes Trustee; (e) each Backstop Party; (f) each Holder of a Claim or Interest in a Voting Class that does not affirmatively elect to "opt out" of the Third-Party Release as provided on its respective ballot; (g) each Holder of a Claim or Interest in a Non-Voting Class that is deemed to accept this Plan that does not affirmatively elect to "opt out" of the Third-Party Release as provided on its respective Release Opt-Out Form; and (h) each Related Party of each Entity in clauses (a) through (g), solely to the extent such Related Party (I) would be obligated to grant a release under principles of agency if it were so directed by the Entity in the foregoing clauses (a) through (f) to whom they are related or (II) may assert Claims or Causes of Action on behalf of or in a derivative capacity by or through an Entity in clause (a) through (g); *provided*, that any Holder of a Claim

or Interest that timely objects to the Third Party Release, either through (x) a formal objection Filed on the docket of the Chapter 11 Cases or (y) an informal objection provided to the Debtors by electronic mail, and such objection is not withdrawn on the docket of the Chapter 11 Cases or via electronic mail, as applicable, or otherwise resolved before the Confirmation Order is entered, shall not be a "Releasing Party".

"***Reorganized Board***" means the initial composition of the board of directors or managers of Reorganized Mercer.

"***Reorganized Debtors***" means the Debtors, or any successors or assigns thereto, by merger, consolidation, reorganization, or otherwise, in the form of a corporation, limited liability company, partnership, or other form, as the case may be, on and after the Effective Date.

"***Reorganized Mercer***" means, subject to the Restructuring Transactions Exhibit and the applicable New Corporate Governance Documents, (a) Mercer, a corporation, as reorganized pursuant to this Plan on or after the Effective Date, and its successors, or (b) such other Entity as may be determined by the Debtors with the consent of the Required Consenting Senior Noteholders, whether by merger, consolidation, or otherwise, as contemplated by the Restructuring Transactions Exhibit, if applicable, that shall be the Debtors' new corporate parent; *provided* that, in each case, Reorganized Mercer shall be a domestic corporation (within the meaning of section 7701(a)(4) of the Internal Revenue Code of 1986, as amended) taxable as a C corporation.

"***Required Consenting Senior Noteholders***" has the meaning set forth in the Consenting Senior Noteholder RSA.

"***Restructuring Expenses***" means the reasonable and documented fees and out-of-pocket expenses of the Majority Ad Hoc Group Advisors, the Senior Notes Trustees, and advisors to Computershare Trust Company, N.A., in each case incurred in connection with the negotiation, formulation, preparation, documentation, execution, delivery, implementation, consummation, or enforcement of the Consenting Senior Noteholder RSA, the Restructuring Transactions, or the Definitive Documents, whether incurred before, on, or after the effective date of the Consenting Senior Noteholder RSA and solely to the extent invoiced before the Effective Date, including a reasonable retainer for any post-Effective Date work, and subject to any applicable fee arrangements agree with respect thereto, and reasonable fees and expenses incurred in connection with distributions made pursuant to the Plan or the cancellation and discharge of the Senior Notes Indentures.

"***Restructuring Support Agreements***" means, collectively, the Consenting Senior Noteholder RSA and the Consenting Equityholder RSA.

"***Restructuring Term Sheet***" has the meaning set forth in the Consenting Senior Noteholder RSA.

"***Restructuring Transactions***" means the transactions set forth in Article V, together with any other transaction that may be necessary or appropriate to effect any transaction described in the Consenting Senior Noteholder RSA, or described in, approved by, contemplated by, or necessary to effectuate this Plan, in each case subject to the consent rights contained in the Consenting Senior Noteholder RSA, including: (a) the execution and delivery of any appropriate agreements or other documents of merger, amalgamation, consolidation, restructuring, conversion, election, disposition, transfer, formation, organization, dissolution, or liquidation containing terms that are consistent with the terms of this Plan, and that satisfy the requirements of applicable law and any other terms to which the applicable Persons may agree, including the documents comprising the Plan Supplement; (b) the execution and delivery of appropriate instruments of transfer, assignment, assumption, or delegation of any asset, property, right, liability, debt, or obligation on terms consistent with the terms of this Plan and having other terms for which the applicable

Persons agree; (c) the filing of appropriate certificates, elections, or articles of incorporation, reincorporation, merger, amalgamation, consolidation, conversion, or dissolution pursuant to applicable state law; (d) such other transactions that are required to effectuate the Restructuring Transactions Exhibit (if applicable), including any mergers, consolidations, restructurings, conversions, dispositions, transfers, formations, organizations, dissolutions, or liquidations; (e) the execution, delivery, and Filing, if applicable, of the Definitive Documents and the Plan Supplement; (f) the issuance of Securities, all of which shall be authorized and approved in all respects, in each case, without further action being required under applicable law, regulation, order, or rule; and (g) all other actions that the applicable Persons determine to be necessary or appropriate, including making filings or recordings that may be required by applicable law.

"***Restructuring Transactions Exhibit***" means an exhibit containing a summary of transaction steps to complete the restructuring contemplated by this Plan and included in the Plan Supplement, which shall provide for a structure that is tax-efficient for each of the Debtors and the Consenting Senior Noteholders and shall be in form and substance acceptable to the Required Consenting Senior Noteholders and reasonably acceptable to the Debtors.

"***Rights Offering***" means that certain rights offering pursuant to which each Rights Offering Participant is entitled to receive Subscription Rights to acquire New Money Senior Secured Notes on a pro rata basis in accordance with the Rights Offering Procedures and which shall be fully backstopped by the Backstop Parties pursuant to the Backstop Commitment Letter.

"***Rights Offering Documents***" means, collectively, the Backstop Order, the Rights Offering Procedures, the Rights Offering Procedures Order, the Backstop Commitment Letter, and any and all other agreements, documents, and instruments delivered or entered into or distributed in connection with, or otherwise governing, the Rights Offering.

"***Rights Offering Participants***" means Holders of Allowed Senior Notes Claims as of the Rights Offering Record Date.

"***Rights Offering Procedures***" means the procedures for the implementation of the Rights Offering as approved by the Rights Offering Procedures Order.

"***Rights Offering Procedures Order***" means the order of the Bankruptcy Court approving the Rights Offering Procedures.

"***Rights Offering Record Date***" means November 9, 2026.

"***Schedule of Rejected Executory Contracts and Unexpired Leases***" means the schedule of Executory Contracts and Unexpired Leases to be rejected by the Debtors pursuant to this Plan, if any, as the same may be amended, modified, or supplemented from time to time.

"***Schedule of Retained Causes of Action***" means a schedule of Causes of Action to be retained by the Reorganized Debtors as set forth in the Plan Supplement.

"***Senior Noteholders***" means, collectively, the 2028 Senior Noteholders and the 2029 Senior Noteholders.

"***Senior Notes***" means, collectively, the 2028 Senior Notes and the 2029 Senior Notes.

"***Senior Notes Claim***" means any Claim on account of the Senior Notes or otherwise arising under or in connection with the Senior Notes Indentures, including accrued but unpaid interest, fees, and premiums through the Petition Date.

"***Senior Notes Documents***" means, collectively, the Senior Notes Indentures and the other documents governing the Senior Notes.

"***Senior Notes Indentures***" means, collectively, the 2028 Senior Notes Indenture and the 2029 Senior Notes Indenture.

"***Senior Notes Trustees***" means, collectively, the 2028 Senior Notes Trustee and the 2029 Senior Notes Trustee.

"***Secured Claim***" means a Claim (a) secured by a Lien on Collateral to the extent of the value of such Collateral as (i) set forth in this Plan, (ii) agreed to by the Holder of such Claim and the Debtors, or (iii) determined by a Final Order in accordance with section 506(a) of the Bankruptcy Code, or (b) secured by the amount of any right of setoff of the Holder thereof in accordance with section 553 of the Bankruptcy Code; *provided*, that, nothing in this definition shall alter the terms of any subordination pursuant to section 510 of the Bankruptcy Code.

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Security***" or "***Securities***" means any instruments that qualify as a "security" under Section 2(a)(1) of the Securities Act.

"***Short-Term Incentive Plan***" means Mercer's annual short-term incentive plan, as amended, modified, or supplemented from time to time, pursuant to which current employees, officers, and other eligible participants of the Debtors and the Non-Debtor Affiliates are eligible to receive cash incentive compensation based on the achievement of performance goals for the applicable performance period (and for which the aggregate amount owed thereunder does not exceed $1.7 million).

"***SIR***" means self-insured retention or similar deductible.

"***Solicitation Agent***" means Stretto, Inc., in its capacity as solicitation, notice, claims, and balloting agent for the Debtors, or, as applicable, any successors, assignees, or delegees thereof.

"***Solicitation Materials***" means materials used in connection with the solicitation of votes on the Plan, including the Disclosure Statement, and any procedures established by the Bankruptcy Court with respect to solicitation of votes on the Plan.

"***Stapled Equity***" means 40.0% of the New Common Stock and 40.0% of the New Convertible Preferred Stock to be issued in connection with the issuance of the New Money Senior Secured Notes on a pro rata basis based on each Holder's subscription for such New Money Senior Secured Notes in accordance with the Rights Offering Procedures; *provided* that such New Common Stock shall dilute only the New Common Stock issued to Holders of Allowed Senior Notes Claims pursuant to Article 4.3.

"***Subscription Rights***" means the right to participate in the Rights Offering as set forth in the Rights Offering Procedures.

"***Takeback Senior Secured Notes***" means the new senior secured notes to be issued by Reorganized Mercer on the Effective Date in exchange for a portion of the outstanding Senior Notes pursuant to the New

Senior Secured Notes Indenture in an aggregate principal amount of $150.0 million and on terms consistent with the Consenting Senior Noteholder RSA.

"***Third-Party Release***" means the releases given by the Releasing Parties to the Released Parties in Article 10.6(b).

"***Unexpired Lease***" means a lease to which one or more of the Debtors is a party that is subject to assumption or rejection under section 365 of the Bankruptcy Code.

"***Unimpaired***" means, with respect to a Class of Claims or Interests, a Class of Claims or Interests that is unimpaired within the meaning of section 1124 of the Bankruptcy Code.

"***Voting Class***" means each of Class 3 (Senior Notes Claims) and Class 8 (Existing Equity Interests).

B. **Interpretation; Application of Definitions and Rules of Construction**.

Unless otherwise specified, all section or exhibit references in this Plan are to the respective section in, or exhibit to, this Plan, as the same may be amended, waived, or modified from time to time. The words "herein," "hereof," "hereto," "hereunder," and other words of similar import refer to this Plan as a whole and not to any particular section, subsection, or clause contained therein and have the same meaning as "in this Plan," "of this Plan," "to this Plan," and "under this Plan," respectively. The words "includes," "including," and varieties thereof are not limiting and shall be deemed to be followed with the words "without limitation" whether or not such words are used. The headings in this Plan are for convenience of reference only and shall not limit or otherwise affect the provisions hereof.

For purposes herein:

(1) in the appropriate context, each term, whether stated in the singular or plural, shall include both the singular and plural, and pronouns stated in the masculine, feminine, or neuter gender shall include the masculine, feminine, and the neuter gender;

(2) any reference herein to a contract, lease, instrument, release, indenture, or other agreement or document being in a particular form or on particular terms and conditions means that the referenced document shall be substantially in that form or substantially on those terms and conditions;

(3) unless otherwise specified herein, all references herein to "Articles" are references to Articles hereof or hereto;

(4) the rules of construction set forth in section 102 of the Bankruptcy Code shall apply;

(5) any term used in capitalized form herein that is not otherwise defined but that is used in the Bankruptcy Code or the Bankruptcy Rules shall have the meaning assigned to that term in the Bankruptcy Code or the Bankruptcy Rules, as the case may be;

(6) any docket number references in this Plan shall refer to the docket number of any document Filed with the Bankruptcy Court in the Chapter 11 Cases;

(7) references to "shareholders," "directors," or "officers" shall also include "members" or "managers," as applicable, as such terms are defined under the applicable state limited liability company laws;

(8) except as otherwise provided herein, any reference to a document or agreement that is to be issued or entered into that is dependent on an election to be made pursuant to this Plan or an event occurring shall be deemed to be followed by the words "if applicable";

(9) any immaterial effectuating provisions may be interpreted by the Debtors or the Reorganized Debtors, in such a manner that is consistent with the overall purpose and intent of this Plan all without further notice to or action, order, or approval of the Bankruptcy Court or any other Entity; *provided*, that any effectuating provision that has an economic impact shall not be considered "immaterial";

(10) except as otherwise provided, any references to the Effective Date shall mean the Effective Date or as soon as reasonably practicable thereafter; and

(11) to the extent that the treatment, allowance, or disallowance of any Claim herein is interpreted as a Claim objection, this Plan shall be deemed a Claim objection to such Claim.

C. **Computation of Time**.

Unless otherwise specifically stated herein, the provisions of Bankruptcy Rule 9006(a) shall apply in computing any period of time prescribed or allowed herein. If the date on which a transaction may occur pursuant to this Plan shall occur on a day that is not a Business Day, then such transaction shall instead occur on the next Business Day but shall be deemed to have been completed as of the required date.

D. **Reference to Monetary Figures**.

All references in this Plan to monetary figures shall refer to the legal tender of the United States of America, unless otherwise expressly provided.

E. **Controlling Document**.

In the event of an inconsistency between this Plan and the Plan Supplement, the terms of the relevant document in the Plan Supplement shall control (unless stated otherwise in such Plan Supplement document or the Confirmation Order). In the event of an inconsistency between this Plan and any other instrument or document created or executed pursuant to this Plan, or between this Plan and the Disclosure Statement, this Plan shall control. The provisions of this Plan and of the Confirmation Order shall be construed in a manner consistent with each other so as to effectuate the purposes of each; *provided*, that if there is determined to be any inconsistency between any Plan provision and any provision of the Confirmation Order that cannot be so reconciled, then, solely to the extent of such inconsistency, the provisions of the Confirmation Order shall govern and any such provision of the Confirmation Order shall be deemed a modification of this Plan.

F. **Consultation, Notice, Information, and Consents.**

Notwithstanding anything herein to the contrary, any and all consultation, information, notice, and consent rights of the parties to the Consenting Senior Noteholder RSA shall be incorporated herein by this reference (including to the applicable definitions in Article I.A) and fully enforceable as if stated in full herein. In the case of conflict with respect to consultation, information, notice, and consent rights between the Consenting Senior Noteholder RSA, on the one hand, and the Plan, on the other hand, the Consenting Senior Noteholder RSA shall control and govern. Any requirement of "consent" or "written consent" hereunder may be satisfied via email from counsel to the applicable party.

ARTICLE II.

ADMINISTRATIVE, PRIORITY TAX, AND PROFESSIONAL FEE CLAIMS.

2.1. ***Administrative Claims***.

Except to the extent that a Holder of an Allowed Administrative Claim agrees to different treatment, each Holder of an Allowed Administrative Claim (other than a Professional Fee Claim) shall receive, in full and final satisfaction of such Allowed Administrative Claim, (a) Cash in an amount equal to such Allowed Administrative Claim on the Effective Date or as soon as practicable thereafter or (b) such other treatment consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code and as agreed to by the Debtors; *provided*, that Allowed Administrative Claims representing liabilities incurred in the ordinary course of business by the Debtors, as Debtors in Possession, shall be paid by the Debtors or the Reorganized Debtors, as applicable, in the ordinary course of business, consistent with past practice and in accordance with the terms and subject to the conditions of any orders, course of dealing, or agreements governing, instruments evidencing, or other documents relating to such transactions.

2.2. ***Priority Tax Claims***.

Except to the extent that a Holder of an Allowed Priority Tax Claim agrees to less favorable treatment, on the earlier of (a) the Effective Date, to the extent such Claim is an Allowed Priority Tax Claim on the Effective Date, (b) the first Business Day after the date that is thirty (30) calendar days after the date such Priority Tax Claim becomes an Allowed Priority Tax Claim, or (c) the date such Allowed Priority Tax Claim is due and payable in the ordinary course, each Holder of an Allowed Priority Tax Claim shall receive, in full and final satisfaction, settlement, release, and discharge of, and in exchange for, such Allowed Priority Tax Claim, at the sole option of the Debtors or the Reorganized Debtors, as applicable, (x) Cash in an amount equal to such Allowed Priority Tax Claim or (y) such other treatment reasonably acceptable to the Debtors or Reorganized Debtors (as applicable) consistent with the provisions of section 1129(a)(9) of the Bankruptcy Code; *provided*, that the Debtors and the Reorganized Debtors, as applicable, reserve the right to prepay all or a portion of any such amounts at any time under this option without penalty or premium.

2.3. ***Restructuring Expenses***.

The Restructuring Expenses incurred, or estimated to be incurred, up to and including the Effective Date (or, with respect to necessary post-Effective Date activities, after the Effective Date), shall be paid in full in Cash on the Effective Date or as soon as reasonably practicable thereafter (to the extent not previously paid during the course of the Chapter 11 Cases, on the dates on which such amounts would be required to be paid under the Consenting Senior Noteholder RSA) in accordance with, and subject to, the terms of the Consenting Senior Noteholder RSA, without any requirement to File a fee application with the Bankruptcy Court or for Bankruptcy Court review or approval. All Restructuring Expenses to be paid on the Effective Date shall be estimated before and as of the Effective Date and such estimates shall be delivered to the Debtors at least two (2) Business Days before the anticipated Effective Date; *provided*, that such estimates shall not be considered an admission or limitation with respect to such Restructuring Expenses.

2.4. ***Professional Fee Claims***.

All Professionals seeking approval by the Bankruptcy Court of Professional Fee Claims shall (a) File, on or before the date that is forty-five (45) days after the Effective Date (unless extended by the Reorganized Debtors), their respective applications for final allowances of compensation for services

rendered and reimbursement of expenses incurred and (b) be paid in full, in Cash, in such amounts as are Allowed by the Bankruptcy Court or authorized to be paid in accordance with the orders relating to or allowing any such Professional Fee Claims.

2.5. ***Professional Fee Escrow***.

(a) As soon as reasonably practicable after the Confirmation Date and no later than the Effective Date, the Debtors shall establish and fund the Professional Fee Escrow with Cash equal to the Professional Fee Claims Estimate, and no Liens, Claims, or Interests shall encumber the Professional Fee Escrow in any way. The Professional Fee Escrow (including funds held in the Professional Fee Escrow) (x) shall not be and shall not be deemed property of the Debtors, the Estates, or the Reorganized Debtors, and (y) shall be held in trust for the Professionals; *provided*, that funds remaining in the Professional Fee Escrow after all Allowed Professional Fee Claims have been irrevocably paid in full shall revert to the Reorganized Debtors. Allowed Professional Fee Claims shall be paid in Cash to such Professionals from funds held in the Professional Fee Escrow when such Claims are Allowed by an order of the Bankruptcy Court; *provided*, that the Debtors' obligations with respect to Professional Fee Claims shall not be limited nor deemed to be limited in any way to the balance of funds held in the Professional Fee Escrow.

(b) If the amount of funds in the Professional Fee Escrow is insufficient to fund payment in full of all Allowed Professional Fee Claims and any other Allowed amounts owed to Professionals, the deficiency shall be promptly funded to the Professional Fee Escrow from the Debtors' Estates or Reorganized Debtors, as applicable, without any further action or order of the Bankruptcy Court.

(c) Any objections to Professional Fee Claims shall be served and Filed no later than twenty-one (21) days after Filing of the final applications for compensation or reimbursement.

2.6. ***Professional Fee Claims Estimate***.

Each Professional shall estimate in good faith its unpaid Professional Fee Claim and other unpaid fees and expenses incurred in rendering services to the Debtors, before and as of the Effective Date and shall deliver such reasonable, good faith estimate to the Debtors no later than two (2) Business Days before the Effective Date; *provided*, that such estimate shall not be deemed to limit the amount of the fees and expenses that are the subject of the Professional's final request for payment of Filed Professional Fee Claims. If a Professional does not provide an estimate, the Debtors may estimate in good faith the unpaid and unbilled fees and expenses of such Professional.

2.7. ***Post-Effective Date Fees and Expenses***.

(a) Except as otherwise specifically provided in this Plan, on and after the Effective Date, the Debtors or Reorganized Debtors, as applicable, shall, in the ordinary course of business and without any further notice to or action, order, or approval of the Bankruptcy Court, pay in Cash all reasonable and documented legal, professional, or other fees and expenses related to implementation of this Plan incurred by the Debtors or the Reorganized Debtors, as applicable.

(b) Upon and following the Effective Date, any requirement that Professionals comply with sections 327 through 331, 363, and 1103 of the Bankruptcy Code in seeking retention for services rendered after such date shall terminate, and the Debtors or the Reorganized Debtors, as applicable, may employ any Professional in the ordinary course of business without any further notice to or action, order, or approval of the Bankruptcy Court.

ARTICLE III.

CLASSIFICATION OF CLAIMS AND INTERESTS.

3.1. ***Separate Plans; Classification in General***.

Notwithstanding the combination of separate plans of reorganization for the Debtors set forth in this Plan for purposes of economy and efficiency, this Plan constitutes a separate chapter 11 plan for each Debtor. Accordingly, if the Bankruptcy Court does not confirm this Plan with respect to one or more Debtors, it may still confirm this Plan with respect to any other Debtor that satisfies the confirmation requirements of section 1129 of the Bankruptcy Code.

A Claim or Interest is placed in a particular Class for all purposes, including voting, confirmation, and distribution under this Plan and under sections 1122 and 1123(a)(1) of the Bankruptcy Code; *provided*, that a Claim or Interest is placed in a particular Class for the purpose of receiving distributions pursuant to this Plan only to the extent that such Claim or Interest is an Allowed Claim or Allowed Interest in that Class and such Claim or Interest has not been satisfied, released, or otherwise settled before the Effective Date. All potential Classes for the Debtors are set forth herein. Certain Debtors may not have any Holders of Claims or Interests in a particular Class or Classes, and such vacant Class or Classes, as applicable, shall be treated as set forth in Article 3.5.

3.2. ***Formation of Debtor Groups for Convenience Only***.

This Plan groups the Debtors together solely for the purpose of describing treatment under this Plan, confirmation of this Plan, and making distributions in respect of Claims and Interests under this Plan. Such groupings shall not affect any Debtor's status as a separate legal Entity, change the organizational structure of the Debtors' business enterprise, constitute a change of control of any Debtor for any purpose, cause a merger or consolidation of any legal Entities, cause the transfer of any assets, or otherwise be given effect for U.S. federal and applicable state and local income tax purposes; and, except as otherwise provided by or permitted under this Plan, all Debtors shall continue to exist as separate legal Entities after the Effective Date.

3.3. ***Summary of Classification***.

The following table designates the Classes of Claims against and Interests in each of the Debtors and specifies which of those Classes are (a) Impaired or Unimpaired by this Plan, (b) entitled to vote to accept or reject this Plan in accordance with section 1126 of the Bankruptcy Code, or (c) presumed to accept or deemed to reject this Plan. In accordance with section 1123(a)(1) of the Bankruptcy Code, Administrative Claims, Priority Tax Claims, Restructuring Expenses, and Professional Fee Claims have not been classified. The classification of Claims and Interests set forth herein shall apply separately to each Debtor.

Class	Designation	Treatment	Entitled to Vote
1	Secured Claims	Unimpaired	No (Presumed to Accept)
2	Other Priority Claims	Unimpaired	No (Presumed to Accept)
3	***Senior Notes Claims***	***Impaired***	***Yes***
4	General Unsecured Claims	Unimpaired	No (Presumed to Accept)
5	Intercompany Claims	Unimpaired	No (Presumed to Accept)

Class	Designation	Treatment	Entitled to Vote
6	Intercompany Interests	Unimpaired	No (Presumed to Accept)
7	510(b) Claims	Unimpaired	No (Presumed to Accept)
8	***Existing Equity Interests***	***Impaired***	***Yes***

3.4. ***Special Provision Governing Unimpaired Claims***.

Except as otherwise provided in this Plan, nothing under this Plan shall affect, diminish, or impair the rights of the Debtors or the Reorganized Debtors, as applicable, in respect of any Unimpaired Claims, including all rights in respect of legal and equitable defenses or objections to, or setoffs or recoupments against, any such Unimpaired Claims; and, except as otherwise specifically provided in this Plan, nothing herein shall be deemed to be a waiver or relinquishment of any Claim, Cause of Action, right of setoff, or other legal or equitable defense or objection that the Debtors had immediately before the Effective Date, against or with respect to any Claim that is Unimpaired (including, for the avoidance of doubt, any Claim that is Reinstated) by this Plan. Except as otherwise specifically provided in this Plan, the Reorganized Debtors shall have, retain, reserve, and be entitled to assert all such Claims, Causes of Action, rights of setoff, and other legal or equitable defenses or objections that the Debtors had immediately before the Effective Date fully as if the Chapter 11 Cases had not been commenced, and all of the Reorganized Debtors' legal and equitable rights with respect to any Reinstated Claim or Claim that is otherwise Unimpaired by this Plan may be asserted after the Effective Date to the same extent as if the Chapter 11 Cases had not been commenced.

3.5. ***Elimination of Vacant Classes***.

Any Class of Claims or Interests that, as of the commencement of the Confirmation Hearing, does not have at least one Holder of a Claim or Interest that is Allowed in an amount greater than zero for voting purposes shall be considered vacant, deemed eliminated from this Plan of such Debtor for purposes of voting to accept or reject such Debtor's Plan, and disregarded for purposes of determining whether such Debtor's Plan satisfies section 1129(a)(8) of the Bankruptcy Code with respect to that Class.

3.6. ***Presumed Acceptance by Non-Voting Classes***.

If a Class contains Claims or Interests eligible to vote and no Holders of Claims or Interests eligible to vote in such Class vote to accept or reject this Plan, this Plan shall be presumed accepted by such Class.

ARTICLE IV.

TREATMENT OF CLAIMS AND INTERESTS.

4.1. ***Secured Claims (Class 1)***.

(a) *Classification*: Class 1 consists of all Secured Claims.

(b) *Treatment*: The legal, equitable, and contractual rights of Holders of Allowed Secured Claims are unaltered by this Plan. On or as soon as reasonably practicable after the Effective Date, except to the extent that a Holder of an Allowed Secured Claim agrees to less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed Secured Claim, each Holder of an Allowed Secured Claim shall receive, at the Debtors' or Reorganized Debtors' option (as applicable), in consultation with the Required Consenting Senior

Noteholders, either (i) payment in full in Cash, (ii) delivery of the Collateral securing its Allowed Secured Claim, (iii) Reinstatement of its Allowed Secured Claim, or (iv) such other treatment rendering its Allowed Secured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.

(c) *Impairment and Voting*: Class 1 is Unimpaired, and the Holders of Allowed Secured Claims are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Secured Claims are not entitled to vote to accept or reject this Plan, and the votes of such Holders shall not be solicited with respect to such Allowed Secured Claims. Holders of Allowed Secured Claims shall be provided a Release Opt-Out Form solely for the purpose of affirmatively opting out of the Third-Party Release.

4.2. ***Other Priority Claims (Class 2)***.

(a) *Classification*: Class 2 consists of all Other Priority Claims.

(b) *Treatment*: The legal, equitable, and contractual rights of the Holders of Allowed Other Priority Claims are unaltered by this Plan. On or as soon as reasonably practicable after the Effective Date, except to the extent that a Holder of an Allowed Other Priority Claim agrees to less favorable treatment of its Allowed Claim, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed Other Priority Claim, each Holder of an Allowed Other Priority Claim shall receive treatment in a manner consistent with section 1129(a)(9) of the Bankruptcy Code.

(c) *Impairment and Voting*: Class 2 is Unimpaired, and the Holders of Allowed Other Priority Claims are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Other Priority Claims are not entitled to vote to accept or reject this Plan, and the votes of such Holders shall not be solicited with respect to such Allowed Other Priority Claims. Holders of Allowed Other Priority Claims shall be provided a Release Opt-Out Form solely for the purpose of affirmatively opting out of the Third-Party Release.

4.3. ***Senior Notes Claims (Class 3)***.

(a) *Classification*: Class 3 consists of all Senior Notes Claims.

(b) *Allowance*: The Senior Notes Claims shall be deemed Allowed in the aggregate amount of $1,318,493,160.59, which amount is equal to the outstanding principal amount of the Senior Notes plus all accrued and unpaid interest, fees, and premiums under the 2028 Senior Notes Indenture and 2029 Senior Notes Indenture, as applicable, as of the Petition Date.

(c) *Treatment*: On or as soon as reasonably practicable after the Effective Date, except to the extent that a Holder of an Allowed Senior Notes Claim agrees to less favorable treatment of its Allowed Senior Notes Claim, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed Senior Notes Claim, each Holder of an Allowed Senior Notes Claim shall receive its Pro Rata Share of:

(i) the Subscription Rights;

(ii) 91.5% of the New Common Stock, subject to dilution by the Management Incentive Plan, the New Common Stock issued as Stapled Equity, and the New Convertible Preferred Stock (if converted);

(iii) 56.5% of the New Convertible Preferred Stock; and

(iv) the Takeback Senior Secured Notes.

(d) *Impairment and Voting*: Class 3 is Impaired, and the Holders of Allowed Senior Notes Claims in Class 3 are entitled to vote to accept or reject this Plan.

4.4. ***General Unsecured Claims (Class 4)***.

(a) *Classification*: Class 4 consists of all General Unsecured Claims.

(b) *Treatment*: The legal, equitable, and contractual rights of the Holders of Allowed General Unsecured Claims are unaltered by this Plan. In full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed General Unsecured Claim, except to the extent that a Holder of an Allowed General Unsecured Claim agrees to less favorable treatment of its Allowed General Unsecured Claim, each Holder of an Allowed General Unsecured Claim shall receive payment in full in Cash on or as soon as reasonably practicable after the Effective Date or in the ordinary course of business in accordance with the terms and conditions of the particular transaction giving rise to such Allowed General Unsecured Claim, or such other treatment as determined by the Debtors in consultation with the Majority Ad Hoc Group rendering its Allowed General Unsecured Claim Unimpaired in accordance with section 1124 of the Bankruptcy Code.

(c) *Impairment and Voting*: Class 4 is Unimpaired, and the Holders of Allowed General Unsecured Claims in Class 4 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed General Unsecured Claims are not entitled to vote to accept or reject this Plan, and the votes of such Holders shall not be solicited with respect to such Allowed General Unsecured Claims. Holders of Allowed General Unsecured Claims shall be provided a Release Opt-Out Form solely for the purpose of affirmatively opting out of the Third-Party Release.

4.5. ***Intercompany Claims (Class 5)***.

(a) *Classification*: Class 5 consists of all Intercompany Claims.

(b) *Treatment*: Subject to the Restructuring Transactions, on the Effective Date, the Intercompany Claims shall be, at the option of the Debtors and with the reasonable consent of the Required Consenting Senior Noteholders, either (i) Reinstated or (ii) set off, settled, distributed, contributed, merged, cancelled, or released, in each case, in accordance with the terms of the Consenting Senior Noteholder RSA.

(c) *Impairment and Voting*: Class 5 is Unimpaired, and the Holders of Allowed Intercompany Claims in Class 5 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Intercompany Claims are not entitled to vote to accept or reject this Plan, and the votes of such Holders shall not be solicited with respect to such Allowed Intercompany Claims.

4.6. ***Intercompany Interests (Class 6)***.

(a) *Classification*: Class 6 consists of all Intercompany Interests.

(b) *Treatment*: Subject to the Restructuring Transactions, the Intercompany Interests shall remain effective and outstanding on the Effective Date and shall be owned and held by the same applicable Person or Entity that held or owned such Intercompany Interests immediately before the Effective Date, except as otherwise agreed by the Debtors and the Required Consenting Senior Noteholders.

(c) *Impairment and Voting*: Class 6 is Unimpaired, and the Holders of Allowed Intercompany Interests in Class 6 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of Allowed Intercompany Interests are not entitled to vote to accept or reject this Plan, and the votes of such Holders shall not be solicited with respect to such Allowed Intercompany Interests.

4.7. ***510(b) Claims (Class 7)***.

(a) *Classification*: Class 7 consists of all 510(b) Claims.

(b) *Treatment*: The legal, equitable, and contractual rights of the Holders of Allowed 510(b) Claims shall be Unimpaired and shall, unless otherwise provided herein, be unaltered by this Plan, and on and after the Effective Date, each Allowed 510(b) Claim shall be Reinstated and shall continue in the ordinary course, except to the extent that a Holder of an Allowed 510(b) Claim agrees to less favorable treatment of its Allowed Claim.

(c) *Impairment and Voting*: Class 7 is Unimpaired, and the Holders of Allowed 510(b) Claims in Class 7 are conclusively presumed to have accepted this Plan pursuant to section 1126(f) of the Bankruptcy Code. Therefore, Holders of 510(b) Claims are not entitled to vote to accept or reject this Plan, and the votes of such Holders shall not be solicited with respect to such 510(b) Claims. Holders of 510(b) Claims shall be provided a Release Opt-Out Form solely for the purpose of affirmatively opting out of the Third-Party Release.

4.8. ***Existing Equity Interests (Class 8)***.

(a) *Classification*: Class 8 consists of all Existing Equity Interests.

(b) *Treatment*: On or as soon as reasonably practicable after the Effective Date, except to the extent that a Holder of an Allowed Existing Equity Interest agrees to less favorable treatment of its Allowed Existing Equity Interest, in full and final satisfaction, settlement, release, and discharge and in exchange for each Allowed Existing Equity Interest, each Holder of an Allowed Existing Equity Interest shall receive its Pro Rata Share of:

(A) 8.5% of the New Common Stock, subject to dilution by the Management Incentive Plan and the New Convertible Preferred Stock (if converted); and

(B) 3.5% of the New Convertible Preferred Stock.

(c) *Impairment and Voting*: Class 8 is Impaired, and the Holders of Allowed Existing Equity Interests in Class 8 are entitled to vote to accept or reject this Plan.

ARTICLE V.

MEANS FOR IMPLEMENTATION.

5.1. ***Compromise and Settlement of Claims, Interests, and Controversies***.

Pursuant to sections 363 and 1123 of the Bankruptcy Code and Bankruptcy Rule 9019, and in consideration for the classification, distribution, releases, and other benefits provided under this Plan, upon the Effective Date, the provisions of this Plan shall constitute a good faith compromise and settlement of

all Claims, Interests, and controversies relating to the contractual, legal, and subordination rights that a Claim or an Interest Holder may have with respect to any Allowed Claim or Allowed Interest or any distribution to be made on account of such Allowed Claim or Allowed Interest, including pursuant to the transactions set forth in the Restructuring Transactions Exhibit, if any. Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the compromise or settlement of all such Allowed Claims, Allowed Interests, and controversies, as well as a finding by the Bankruptcy Court that such compromise, settlement, and transactions are in the best interests of the Debtors, the Estates, and Holders of Allowed Claims and Allowed Interests, and is fair, equitable, and within the range of reasonableness. Subject to the provisions of this Plan governing distributions, all distributions made to Holders of Allowed Claims and Allowed Interests in any Class are intended to be and shall be final. As consideration for, among other things, the Releases provided pursuant to this Plan, the Consenting Senior Noteholders have agreed pursuant to the Consenting Senior Noteholder RSA, and the Backstop Parties have agreed pursuant to the Backstop Commitment Letter, for the benefit of the Debtors and the Estates, to make contributions to enable the implementation of this Plan, such contributions being fundamentally necessary to the implementation of this Plan. The compromises and settlements described herein shall be non-severable from each other and from all other terms of this Plan.

5.2. ***Continued Corporate Existence; Effectuating Documents; Corporate Action; Restructuring Transactions***.

(a) Except as otherwise provided in this Plan, the Plan Supplement, or, if applicable, the Restructuring Transactions Exhibit, the Debtors shall continue to exist after the Effective Date as Reorganized Debtors in accordance with the applicable laws of the respective jurisdictions in which they are incorporated or organized and pursuant to the respective Corporate Governance Documents (or other analogous formation, constituent, or Corporate Governance Documents) in effect before the Effective Date or the New Corporate Governance Documents or other applicable Corporate Governance Documents, except to the extent such certificate of incorporation, certificate of formation, bylaws, or operating agreement (or other analogous formation, constituent, or Corporate Governance Documents) are amended by this Plan or otherwise, and to the extent any such document is amended, such document is deemed to be amended pursuant to this Plan and requires no further action or approval (other than any requisite filings required under applicable state or federal law).

(b) Notwithstanding anything herein to the contrary, on or about the Effective Date or as soon as reasonably practicable thereafter, the Debtors or the Reorganized Debtors, as applicable, shall take all actions set forth in and contemplated by the Restructuring Transactions Exhibit, and enter into any transaction, and may take all actions as may be necessary or appropriate to effectuate the transactions described in, approved by, contemplated by, or necessary or appropriate to effectuate this Plan, including the Restructuring Transactions.

(c) Upon the Effective Date, all actions contemplated by this Plan shall be deemed authorized and approved in all respects, including (i) the assumption of Executory Contracts and Unexpired Leases as provided herein; (ii) the selection, or criteria for selection, of managers, directors, or officers for the Reorganized Debtors; (iii) the issuance and distribution of the Plan Securities and entry into of the New Debt Documents; (iv) the consummation of the Rights Offering; (v) the implementation of, and performance under, the Management Incentive Plan in accordance with Article 5.10; (vi) entry into the New Corporate Governance Documents; and (vii) all other actions contemplated by this Plan (whether to occur before, on, or after the Effective Date), in each case in accordance with and subject to the terms hereof.

(d) The Confirmation Order shall and shall be deemed to, pursuant to sections 363, 1123, and 1142 of the Bankruptcy Code, authorize and direct parties, as applicable, among other things, to

perform all actions as may be necessary or appropriate to effect any transaction described in, approved by, contemplated by, or necessary to effectuate this Plan, including the Restructuring Transactions.

(e) Each officer, director, or manager of the Debtors is (and each officer, director, or manager of the Reorganized Debtors shall be) authorized to issue, execute, deliver, file, or record such contracts, Securities, instruments, releases, indentures, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate, implement, and further evidence the terms and conditions of this Plan and the Securities issued pursuant to this Plan in the name of and on behalf of the Reorganized Debtors, all of which shall be authorized and approved in all respects, in each case, without the need for any approvals, authorization, consents, or any further action required under applicable law, regulation, order, or rule (including any action by the stockholders or directors or managers of the Debtors or the Reorganized Debtors) except for those expressly required pursuant to this Plan.

(f) All matters provided for in this Plan involving the corporate or limited liability company structure of the Debtors or the Reorganized Debtors, and any corporate or limited liability company action required by the Debtors or the Reorganized Debtors in connection with this Plan or the Restructuring Transactions shall be deemed to have occurred and shall be in effect, without any requirement of further action by the directors, managers, or officers of the Debtors or the Reorganized Debtors or by any other stakeholder, and with like effect as though such action had been taken unanimously by the stockholders, directors, managers, or officers, as applicable, of the Debtors or Reorganized Debtors.

5.3. ***Registration Rights Agreement***.

On the Effective Date, Reorganized Mercer shall execute and deliver the Registration Rights Agreement and take all actions required by the Registration Rights Agreement, subject to, and in accordance with the terms of, the Consenting Senior Noteholder RSA.

5.4. ***New Debt Documents; New Common Stock; New Convertible Preferred Stock.***

(a) On the Effective Date, the Reorganized Debtors shall be authorized to execute, deliver, and enter into the New Debt Documents without further (i) notice to or order or other approval of the Bankruptcy Court, (ii) act or omission under applicable law, regulation, order, or rule, (iii) vote, consent, authorization, or approval of any Person, or (iv) action by the Holders of Claims or Interests. The New Debt Documents shall constitute legal, valid, binding, and authorized joint and several obligations of the applicable Reorganized Debtors, enforceable in accordance with their respective terms and such obligations shall not be enjoined or subject to discharge, impairment, release, avoidance, recharacterization, or subordination under applicable law, this Plan, or the Confirmation Order.

(b) Confirmation of this Plan shall be deemed approval of the New Debt Documents, all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, and authorization of the Reorganized Debtors to enter into, execute, and deliver the New Debt Documents.

(c) On the Effective Date, all Liens and security interests granted pursuant to the applicable New Debt Documents shall be (i) valid, binding, automatically perfected, and enforceable Liens and security interests in the personal and real property described in and subject to such document, with the priorities established in respect thereof under applicable non-bankruptcy law and (ii) not subject to avoidance, recharacterization, or subordination under any applicable law, this Plan, or the Confirmation Order.

(d) The Reorganized Debtors and the Persons granted Liens and security interests under the applicable New Debt Documents are authorized to make all filings and recordings and to obtain all governmental approvals and consents necessary to establish and perfect such Liens and security interests under the provisions of the applicable state, provincial, federal, or other law (whether domestic or foreign) that would be applicable in the absence of this Plan and the Confirmation Order (it being understood that perfection shall occur automatically by virtue of the entry of the Confirmation Order without the need for any filings or recordings) and shall thereafter cooperate to make all other filings and recordings that otherwise would be necessary under applicable law to give notice of such Liens and security interests to third parties.

(e) On the Effective Date, Reorganized Mercer shall issue the New Senior Secured Notes pursuant to the New Senior Secured Notes Indenture, consisting of (i) the New Money Senior Secured Notes, issued for Cash pursuant to the Rights Offering and the Backstop Commitment Letter, (ii) unless the Put Option Premium is paid in Cash, the Put Option Premium Notes, issued to the Backstop Parties in satisfaction of the Put Option Premium, and (iii) the Takeback Senior Secured Notes, issued to Holders of Allowed Senior Notes Claims in accordance with Article 4.3. Notwithstanding the different purposes for which they are issued, the New Money Senior Secured Notes, the Put Option Premium Notes, and the Takeback Senior Secured Notes shall constitute a single class of New Senior Secured Notes issued under the New Senior Secured Notes Indenture, shall have identical terms in all respects (including with respect to interest rate, maturity, amortization, guarantees, collateral, ranking, priority, covenants, events of default, and redemption and prepayment provisions), and, from and after their issuance, shall be fully fungible with one another for all purposes, and, to the extent permitted by applicable law and the procedures of DTC, shall bear the same CUSIP numbers and trade as a single series.

(f) On the Effective Date, Reorganized Mercer shall issue the New Common Stock, a voting class of common equity interests, on the terms set forth in the New Corporate Governance Documents, for distribution as follows: (i) to Holders of Allowed Senior Notes Claims, 91.5% of the New Common Stock in accordance with Article 4.3, subject to dilution by the Management Incentive Plan, the New Common Stock issued as Stapled Equity, and the New Common Stock issuable upon conversion of the New Convertible Preferred Stock; (ii) to Holders of Allowed Existing Equity Interests, 8.5% of the New Common Stock in accordance with Article 4.8, subject to dilution by the Management Incentive Plan and the New Common Stock issuable upon conversion of the New Convertible Preferred Stock; and (iii) to Rights Offering Participants that validly exercise their Subscription Rights (and to the Backstop Parties in accordance with the Backstop Commitment Letter), 40.0% of the New Common Stock as Stapled Equity, which shall dilute only the New Common Stock distributed to Holders of Allowed Senior Notes Claims. Reorganized Mercer shall take all commercially reasonable actions to cause the New Common Stock to be listed for trading on the New York Stock Exchange, the NASDAQ Capital Market, the NASDAQ Global Market, or such other national securities exchange in accordance with the Restructuring Support Agreements.

(g) On the Effective Date, Reorganized Mercer shall issue $325.0 million in New Convertible Preferred Stock on the terms set forth in the applicable Certificate of Designation included in the New Corporate Governance Documents, for distribution as follows: (i) to Holders of Allowed Senior Notes Claims, 56.5% of the New Convertible Preferred Stock in accordance with Article 4.3; (ii) to Holders of Allowed Existing Equity Interests, 3.5% of the New Convertible Preferred Stock in accordance with Article 4.8; and (iii) to Rights Offering Participants that validly exercise their Subscription Rights (and to the Backstop Parties in accordance with the Backstop Commitment Letter), 40.0% of the New Convertible Preferred Stock as Stapled Equity. The New Convertible Preferred Stock shall be convertible into New Common Stock on the terms set forth in the New Corporate Governance Documents, and any shares of New Common Stock issuable upon conversion of the New Convertible Preferred Stock (including in respect of any dividends paid in kind thereon) shall be authorized and reserved for issuance on the Effective Date

without the need for any further corporate action. The New Convertible Preferred Stock shall be issued in registered, DTC-eligible book-entry form to the extent possible, subject to customary securities law requirements and transfer restrictions.

(h) All shares of New Common Stock issued under this Plan, whether distributed on account of Allowed Claims or Interests, issued as Stapled Equity, or issued upon conversion of the New Convertible Preferred Stock, shall be of a single class, shall have identical rights, preferences, and privileges, and shall be fully fungible with one another for all purposes. All shares of New Convertible Preferred Stock issued under this Plan, whether distributed on account of Allowed Claims or Interests or issued as Stapled Equity, shall be of a single class and series, shall have identical rights, preferences, and privileges (including with respect to liquidation preference, dividends, and conversion), and shall be fully fungible with one another for all purposes. The New Common Stock and New Convertible Preferred Stock issued as Stapled Equity shall be issued as separate securities and shall each be transferable separately from one another and from the New Money Senior Secured Notes, subject to applicable securities laws and customary transfer restrictions. In each case, to the extent permitted by applicable law and the procedures of DTC, all shares of the same class shall bear the same CUSIP number(s).

5.5. ***Rights Offering***

(a) The Debtors shall effectuate the Rights Offering during the Chapter 11 Cases in conjunction with and pursuant to this Plan, the Rights Offering Procedures, and the Backstop Commitment Letter. Each Rights Offering Participant shall be offered Subscription Rights to purchase for Cash its Pro Rata Share of the New Money Senior Secured Notes in an aggregate principal amount of $420.0 million (inclusive of $20.0 million of original issue discount but exclusive of the Put Option Premium), and each Rights Offering Participant that validly exercises its Subscription Rights shall receive its Pro Rata Share of the Stapled Equity. The Backstop Parties shall backstop 100.0% of the Rights Offering on the terms and subject to the conditions set forth in the Backstop Commitment Letter.

(b) Entry of the Rights Offering Procedures Order and Backstop Order shall constitute Bankruptcy Court approval of the Rights Offering, the Rights Offering Documents, the Backstop Commitment Letter, and all transactions contemplated thereby, and all actions to be taken, undertakings to be made, and obligations to be incurred by the Reorganized Debtors in connection therewith, including the issuance of New Money Senior Secured Notes and Stapled Equity pursuant thereto, the payment of the Put Option Premium in Cash or the issuance of the Put Option Premium Notes on account thereof, in accordance with the Backstop Commitment Letter, and the payment of all fees, indemnities, expenses, and other payments provided for in connection therewith, and authorization of the Reorganized Debtors to enter into and execute any other documents necessary to effectuate the transactions in this Article 5.5 and the Backstop Commitment Letter. On the Effective Date, the rights and obligations of the Debtors under the Backstop Commitment Letter shall vest in the Reorganized Debtors, and, subject to the terms and conditions of the Backstop Commitment Letter and notwithstanding anything to the contrary in this Plan or the Confirmation Order, such obligations (i) shall remain unaffected and survive the Effective Date in accordance with the terms of the Backstop Commitment Letter, (ii) shall not be discharged under this Plan, and (iii) shall not be terminated by any of the Reorganized Debtors.

(c) The consummation of the Rights Offering is conditioned on the consummation of this Plan and satisfaction of the applicable conditions specified in the Rights Offering Documents. The Subscription Rights may not be sold, transferred, or assigned, except in the circumstances set forth in the Rights Offering Documents.

5.6. ***Securities Law Exemptions***.

(a) No registration statement shall be filed under the Securities Act, or pursuant to any state securities laws, with respect to the offer, issuance, and distribution of the Plan Securities under this Plan, the Restructuring Transactions Exhibit, or the Confirmation Order.

(b) Before the Petition Date, the offering of any Plan Securities as contemplated herein or pursuant to this Plan, the Restructuring Transactions Exhibit, or the Confirmation Order shall be exempt from the registration requirements of the Securities Act in reliance upon section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S promulgated thereunder, or another applicable exemption.

(c) After the Petition Date, the sale, issuance, and distribution of the Plan Securities in exchange for Claims pursuant to Article IV and other provisions of this Plan, the Restructuring Transactions Exhibit, and the Confirmation Order shall, to the extent permitted pursuant to section 1145 of the Bankruptcy Code, be exempt from, among other things, the registration requirements of Section 5 of the Securities Act and any other applicable United States, state, or local law requiring registration for the offer or sale of a Security pursuant to section 1145(a) of the Bankruptcy Code; *provided*, that the New Money Senior Secured Notes issued to the Backstop Parties pursuant to the Backstop Commitment Letter (other than Put Option Premium Notes, at the election of the beneficial owner thereof) shall be issued in a private placement in reliance upon Section 4(a)(2) of the Securities Act, Regulation D promulgated thereunder, Regulation S promulgated thereunder, or another applicable exemption. Notwithstanding the foregoing, if counsel to the Debtors and counsel to the Consenting Senior Noteholders mutually agree that all of the New Senior Secured Notes can be issued in a private placement under Section 4(a)(2) of the Securities Act (or any applicable exemption other than section 1145 of the Bankruptcy Code), then all of the New Senior Secured Notes shall be issued in a private placement under Section 4(a)(2) of the Securities Act (or such other applicable exemption). Any and all such Plan Securities issued pursuant to section 1145(a) of the Bankruptcy Code may be resold without registration under the Securities Act by the recipients thereof pursuant to the exemption provided by Section 4(a)(1) of the Securities Act, (i) unless the holder (A) is an "underwriter" with respect to such Securities, as that term is defined in section 1145(b) of the Bankruptcy Code, (B) is an "affiliate" of Reorganized Mercer, as applicable (as defined in rule 144(a)(1) in the Securities Act), or (C) has been such an "affiliate" within ninety (90) days of such sale or transfer, and (ii) in each case, subject to (A) compliance with any applicable state or foreign securities laws, if any, and any rules and regulations of the SEC, if any, applicable at the time of any future transfer of such Securities, (B) the restrictions, if any, on the transferability of such Securities in the Corporate Governance Documents of the issuer of, or in agreements or instruments applicable to holders of, such Securities, and (C) any other applicable regulatory approval.

(d) To the extent any portion of the Plan Securities is not eligible for the exemption of registration provided by section 1145 of the Bankruptcy Code and in the case of any New Senior Secured Notes to be issued in a private placement pursuant to Article 5.6(c), the offering, sale, issuance, and distribution of such Plan Securities shall be made in reliance upon Section 4(a)(2) of the Securities Act or Regulation D promulgated thereunder or Regulation S promulgated thereunder and on equivalent state law registration exemptions or, solely to the extent such exemptions are not available, other available exemptions from registration under the Securities Act. Any Plan Securities that are not issued pursuant to section 1145(a) of the Bankruptcy Code shall be considered "restricted" securities, shall bear customary restrictive legends, and may not be resold except pursuant to an effective registration statement or under an available exemption from the registration requirements of the Securities Act, such as the resale provisions of Rule 144A, Regulation S, or Rule 144 of the Securities Act, subject to, in each case, the transfer provisions, if any, and other applicable provisions set forth in the Corporate Governance Documents of the applicable issuers. Any recipients of the Plan Securities that are Affiliates (as defined in rule 144(a)(1) in

the Securities Act) of Reorganized Mercer shall receive "control" securities that shall be subject to the "control securities" restrictions of Rule 144 of the Securities Act. Recipients of the Plan Securities are advised to consult with their own legal advisors as to the availability of any exemption from registration under the Securities Act and any applicable blue sky laws for resales of Plan Securities.

(e) The Reorganized Debtors and Reorganized Mercer need not provide any further evidence other than this Plan and the Confirmation Order with respect to the treatment of the Plan Securities under applicable securities laws. The availability of the exemption under section 1145 of the Bankruptcy Code or any other applicable securities laws shall not be a condition to the occurrence of the Effective Date.

(f) Notwithstanding anything to the contrary in this Plan, no Person or Entity (including, for the avoidance of doubt, DTC) shall be entitled to require a legal opinion regarding the validity of any transaction contemplated by this Plan, including, for the avoidance of doubt, whether the offer and sale of the Plan Securities are exempt from registration or eligible for DTC book-entry delivery, settlement, and depository services. All such Persons and Entities (including, for the avoidance of doubt, DTC) shall be required to accept and conclusively rely upon this Plan or the Confirmation Order in lieu of a legal opinion regarding whether the offer and sale of the Plan Securities are exempt from registration.

(g) Except as otherwise agreed by the Debtors (or the Reorganized Debtors) and the Required Consenting Senior Noteholders, distributions of Plan Securities under the Plan shall be made through the facilities of DTC in accordance with DTC's customary practices; *provided*, that such Plan Securities shall only be issued in accordance with DTC book-entry procedures if the same are permitted to be held through DTC's book-entry system; *provided*, *further*, that to the extent that Plan Securities are not eligible for distribution in accordance with DTC's customary practices, the Debtors or Reorganized Debtors, as applicable, shall take such reasonable actions as may be required to cause distributions of the Plan Securities under the Plan.

(h) The New Common Stock shall be listed for trading on The New York Stock Exchange, the NASDAQ Capital Market, the NASDAQ Global Market, or any other national securities exchange selected by the Required Consenting Senior Noteholders and reasonably acceptable to the Debtors, with such listing, if any, to be effective on, or as soon as reasonably practicable after, the Effective Date, unless, before the Effective Date, the Required Consenting Senior Noteholders determine, with the reasonable consent of the Debtors, that the New Common Stock shall not be listed for public trading. The New Senior Secured Notes and the New Convertible Preferred Stock shall be issued in registered, DTC-eligible book-entry form to the extent possible, subject to customary securities law requirements and transfer restrictions. The Required Consenting Senior Noteholders, with the reasonable consent of the Debtors, shall determine whether Reorganized Mercer shall maintain its status and continue as a public reporting company under applicable U.S. securities laws, including the Securities Exchange Act of 1934, as amended.

5.7. ***Cancellation of Existing Securities and Agreements***.

Except for the purpose of evidencing a right to a distribution under this Plan and except as otherwise set forth in this Plan, including with respect to Executory Contracts or Unexpired Leases that shall be assumed by the Reorganized Debtors, or any contract, instrument, or other agreement or document created in connection with this Plan, on the Effective Date, all agreements, instruments, notes, certificates, mortgages, security documents, Senior Notes Documents, and any other documents evidencing any Claim or Interest (other than Intercompany Claims and Intercompany Interests that are not modified by this Plan) and any rights of any Holder in respect thereof shall be deemed cancelled, discharged, and of no further force or effect, without any further act or action of any person under any applicable agreement, instrument, document, law, regulation, order, or rule, and the obligations of the Debtors thereunder shall be deemed

automatically fully satisfied, released, and discharged. Notwithstanding such cancellation and discharge on the Effective Date and the release of the applicable Senior Notes Trustees from their respective duties thereunder, the Senior Notes Documents shall continue in effect solely (a) to the extent necessary to allow the Holders of Allowed Senior Notes Claims to receive distributions under this Plan in accordance therewith; (b) to the extent necessary to allow the Debtors, the Reorganized Debtors, or the applicable Senior Notes Trustees each to make post-Effective Date distributions in accordance with this Plan at the expense of the Reorganized Debtors, subject to their respective rights as Senior Notes Trustees under the Senior Notes Documents or take such other action expressly authorized by this Plan on account of Allowed Senior Notes Claims; and (c) to the extent necessary to allow the applicable Senior Notes Trustees to appear in the Chapter 11 Cases, *provided*, that nothing in the foregoing shall affect the discharge of Claims pursuant to the Bankruptcy Code, the Confirmation Order, or this Plan or result in any liability or expense to the Reorganized Debtors. For the avoidance of doubt, the applicable Senior Notes Trustees shall have no ongoing duties to the Holders of Senior Notes Claims under any of the discharged Claims following the Effective Date of this Plan other than as expressly set forth in this Plan or the Confirmation Order.

5.8. ***Cancellation of Liens, Existing Equity Interests, and other Interests***.

(a) On the Effective Date, except to the extent otherwise provided in the Plan: (i) the obligations of the Debtors under each agreement evidencing or creating any right to receive or to be eligible to receive any Interest (including any right of an employee under any agreement to participate in any incentive or compensation plan that provides for the issuance or grant of any Interests or to receive or to be eligible to receive any Interests) shall be automatically extinguished, cancelled, and of no further force and effect and the Debtors and Reorganized Debtors shall not have any continuing obligations thereunder; and (ii) the obligations of the Debtors pursuant, relating, or pertaining to any instrument, certificate, agreement, or document described in clause (i) above evidencing or creating any obligation of the Debtors shall be released and discharged.

(b) Except as otherwise specifically provided herein, including pursuant to Article 5.2(a), all notes, instruments, certificates or other agreement or document evidencing debt of the Debtors, Existing Equity Interests, and other Interests (other than Intercompany Claims and Intercompany Interests that are not modified by this Plan) shall be cancelled and the obligations of the Debtors thereunder shall be discharged and of no further force or effect, except, where applicable, for the purpose of allowing the applicable agents and trustees to receive distributions from the Debtors under this Plan and to make any further distributions to the applicable Holders on account of their Claims and Interests.

(c) Upon the full payment or other satisfaction of its Allowed Secured Claim, or promptly thereafter, any Lien securing any Allowed Secured Claim shall be deemed released and the Holder of such Allowed Secured Claim shall deliver to the Debtors or the Reorganized Debtors, as applicable, any Collateral or other property of a Debtor held by such Holder, together with any termination statements, instruments of satisfaction, or releases of all security interests with respect to its Allowed Secured Claim that may be reasonably required to terminate any related financing statements, mortgages, mechanics' or other statutory Liens, or lis pendens, or similar interests or documents.

5.9. ***Boards of Directors and Officers***.

(a) As of the Effective Date, the term of the current members of the board of directors and members of the board of managers, as applicable, of the Debtors, shall expire, and the Reorganized Board shall be designated and appointed in accordance with this Article 5.9 and the New Corporate Governance Documents. The Reorganized Board shall consist of seven directors, which shall include: (i) the chief executive officer of Reorganized Mercer and (ii) at least three independent directors. The composition of the initial Reorganized Board shall be agreed collectively by the members of the Majority

Ad Hoc Group identified for such purpose in the Governance Term Sheet and shall include one director designated by each AHG Major Holder (as defined in the Governance Term Sheet), in each case in accordance with the Governance Term Sheet, the New Corporate Governance Documents, and the terms of the Consenting Senior Noteholder RSA. The members of the Reorganized Board shall be identified in the Plan Supplement. Each member of the Reorganized Board and officer shall serve pursuant to the terms of the New Corporate Governance Documents and other constituent documents of Reorganized Mercer.

(b) The officers of the respective Debtors immediately before the Effective Date, as applicable, shall serve as the initial officers of each of the respective Reorganized Debtors on the Effective Date. After the Effective Date, the selection of officers of the Reorganized Debtors shall be provided by their respective Corporate Governance Documents.

(c) Except to the extent that a member of the board of directors or a member of the board of managers, as applicable, of a Debtor continues to serve as a director or manager of such Debtor on and after the Effective Date, the members of the board of directors or board of managers of each Debtor before the Effective Date, in their capacities as such, shall have no continuing obligations to the Reorganized Debtors on or after the Effective Date and each such director or manager shall be deemed to have resigned or shall otherwise cease to be a director or manager of the applicable Debtor on the Effective Date. Commencing on the Effective Date, each of the directors and managers of each of the Reorganized Debtors shall be elected and serve pursuant to the terms of the applicable organizational documents of such Reorganized Debtor and may be replaced or removed in accordance with such organizational documents.

5.10. ***Management Incentive Plan***.

Reorganized Mercer shall adopt the Management Incentive Plan reserving up to 8.5% of the New Common Stock on a fully diluted basis for directors, officers, and employees of the Reorganized Debtors, with the structure, awards, and terms of the Management Incentive Plan to be determined by the Reorganized Board within ninety (90) days after the Effective Date. For the avoidance of doubt, any shares of New Common Stock issued pursuant to the Management Incentive Plan shall dilute equally the shares of New Common Stock otherwise distributed pursuant to this Plan (including, without limitation, pursuant to or in connection with the Rights Offering).

5.11. ***Authorization, Issuance, and Delivery of Plan Securities***.

On the Effective Date, Reorganized Mercer is authorized to transfer, issue, or cause to be issued and shall transfer or issue the Subscription Rights and the Plan Securities for distribution in accordance with the terms of this Plan without the need for any further board, stockholder, or other corporate action. All the Plan Securities transferable or issuable under this Plan, when so transferred or issued, shall be duly authorized, validly issued, fully paid, and non-assessable (other than the New Senior Secured Notes, which shall constitute valid and binding obligations of the applicable issuer and guarantors, enforceable in accordance with their terms). To the extent applicable, the New Corporate Governance Documents shall provide for sufficient shares of authorized New Common Stock and New Convertible Preferred Stock to effectuate the issuance of New Common Stock and New Convertible Preferred Stock contemplated by and in connection with this Plan, including the Management Incentive Plan, the Stapled Equity, and any shares of New Common Stock issuable upon conversion of the New Convertible Preferred Stock (including in respect of any dividends paid in kind thereon), and Reorganized Mercer shall issue or reserve for issuance a sufficient number of shares of New Common Stock and New Convertible Preferred Stock to effectuate all such issuances. Each Holder of New Common Stock and New Convertible Preferred Stock shall be deemed, without further notice or action, to have agreed to be bound by the New Corporate Governance Documents, as the same may be amended from time to time following the Effective Date in accordance with their terms. The New Corporate Governance Documents shall be binding on all Entities receiving

New Common Stock and New Convertible Preferred Stock (and their respective successors and permitted assigns), whether received pursuant to this Plan or otherwise and regardless of whether such Entity executes or delivers a signature page to any New Corporate Governance Document.

5.12. ***Regulatory Approvals.***

The Debtors and Reorganized Debtors, as applicable, shall, subject to the Consenting Senior Noteholder RSA, use best efforts to provide any necessary or desirable diligence, including all screening diligence questions, and file all Regulatory Approvals. The Debtors and Reorganized Debtors, as applicable, shall, subject to the Consenting Senior Noteholder RSA, take all commercially reasonable actions necessary to obtain all Regulatory Approvals, including taking all commercially reasonable actions in response to applicable regulatory authority requests of the Debtors in accordance with the Consenting Senior Noteholder RSA.

5.13. ***Nonconsensual Confirmation***.

To the extent any Voting Class has not voted to accept this Plan, the Debtors intend to undertake to have the Bankruptcy Court confirm this Plan under section 1129(b) of the Bankruptcy Code as to any Classes that reject or are deemed to reject this Plan.

5.14. ***Closing of the Chapter 11 Cases***.

As of the Effective Date, all of the Chapter 11 Cases, other than the Chapter 11 Case of Mercer International (Texas) LLC (the "***Remaining Case***"), shall be closed (and the Confirmation Order shall serve as the final decree for such cases) without the need for further motion, notice, or order. After the Professionals' final fee applications have been filed, heard (if applicable), and resolved, the Reorganized Debtor in the Remaining Case may submit an order to the Bankruptcy Court under certification of counsel closing the Remaining Case; *provided*, that matters concerning Claims and Interests may be heard and adjudicated in any Reorganized Debtor's Chapter 11 Case that remains open regardless of whether the applicable Claim or Interest is against a Reorganized Debtor in a Chapter 11 Case that is closed. The Solicitation Agent is authorized to destroy all paper or hardcopy records related to the Chapter 11 Cases two (2) years after the Effective Date has occurred.

Notwithstanding any prior order entered in the Chapter 11 Cases to the contrary (*e.g.*, any joint administration order), on or after the Confirmation Date, the Reorganized Debtors are authorized, without further order of the Bankruptcy Court, to revise the consolidated case caption of the Chapter 11 Cases, thereby reflecting changes to any of the Reorganized Debtors' legal names, by filing a notice of such change with the Bankruptcy Court. Upon the filing of such notice of caption change, the Reorganized Debtors and all other parties are directed to use such updated case caption in all further pleadings and other papers filed in the Chapter 11 Cases and any adversary proceeding commenced thereunder.

ARTICLE VI.

DISTRIBUTIONS.

6.1. ***Distributions Generally***.

The Distribution Agent shall make all distributions under this Plan to the appropriate Holders of Allowed Claims and Interests in accordance with the terms of this Plan.

6.2. ***Distribution Record Date***.

As of the close of business on the Distribution Record Date, the various transfer registers for each of the Classes of Claims or Interests as maintained by the Debtors or their respective agents, shall be deemed closed, and there shall be no further changes in the record Holders of any of the Claims or Interests. The Debtors or the Reorganized Debtors shall have no obligation to recognize any transfer of the Claims or Interests occurring on or after the Distribution Record Date. In addition, with respect to payment of any Cure Claims or disputes over any Cure Claims, neither the Debtors nor the Distribution Agent shall have any obligation to recognize or deal with any party other than the non-Debtor party to the applicable Executory Contract or Unexpired Lease as of the Distribution Record Date, even if such non-Debtor party has sold, assigned, or otherwise transferred its Cure Claim. Notwithstanding the foregoing, the Distribution Record Date shall not apply to distributions in respect of securities deposited with DTC, the Holders of which shall receive distributions, if any, in accordance with the customary exchange procedures of DTC or this Plan. For the avoidance of doubt, in connection with a distribution through the facilities of DTC (if any), DTC shall be considered a single Holder for purposes of distributions.

6.3. ***Date of Distributions***.

(a) Except as otherwise provided in this Plan (including payments made in the ordinary course of the Debtors' business) or as paid pursuant to a prior Bankruptcy Court order, on the Effective Date or, if a Claim or Interest is not Allowed on the Effective Date, on the date that such Claim or Interest becomes Allowed, or, in each case, as soon as reasonably practicable thereafter, or as otherwise determined in accordance with this Plan and the Confirmation Order, including the treatment provisions of Article IV, each Holder of an Allowed Claim or Interest shall receive the full amount of the distributions that this Plan provides for Allowed Claims or Interests in the applicable Class provided in this Plan; *provided*, that the Distribution Agent may implement periodic distribution dates to the extent they determine them to be appropriate (but subject in all respects to the Definitive Documents); *provided further*, that the Distribution Agent may make distributions of Plan Securities following the Effective Date, including to Holders of Disputed Claims that become Allowed Claims. If and to the extent that there are Disputed Claims, distributions on account of any such Disputed Claims shall be made pursuant to the provisions set forth in Article VII; *provided*, that any Plan Security that is issuable to Holders of Allowed Claims but is withheld from distribution on account of a Holder of a Disputed Claim shall not be issued until such time such Disputed Claim is resolved and the Plan Securities are to be distributed. Except as specifically provided in this Plan, Holders of Allowed Claims shall not be entitled to interest, dividends, or accruals on the distributions provided for in this Plan, regardless of whether such distributions are delivered on or at any time after the Effective Date.

(b) For all purposes associated with distributions under this Plan, all guarantees by any Debtor of the obligations of any other Debtor, as well as any joint and several liability of any Debtor with respect to any other Debtor, shall be deemed eliminated so that any obligation that could otherwise be asserted against more than one Debtor shall result in a single distribution under the Plan; *provided*, that Claims held by a single Entity at different Debtors that are not based on guarantees or joint and several liability shall be entitled to the applicable distribution for such Claim at each applicable Debtor. Any such Claims shall be released pursuant to Article X and shall be subject to all potential objections, defenses, and counterclaims, and to estimation pursuant to section 502(c) of the Bankruptcy Code. For the avoidance of doubt, this shall not affect the obligation of each and every Debtor to pay fees payable pursuant to section 1930(a) of the Judicial Code until such time as a particular Chapter 11 Case is closed, dismissed, or converted, whichever occurs first.

6.4. ***Distribution Agent***.

All distributions under this Plan shall be made by the applicable Distribution Agent which may be a Debtor, Reorganized Debtor, or such other Entity designated by the Debtors in their sole discretion as Distribution Agent pursuant to the Plan Supplement, on or after the Effective Date or as otherwise provided herein. A Distribution Agent shall not be required to give any bond or surety or other Security for the performance of its duties, and all reasonable fees and expenses incurred by such Distribution Agents directly related to distributions hereunder shall be reimbursed by the Reorganized Debtors.

Notwithstanding any provision in this Plan to the contrary, distributions to the Holders of Senior Notes Claims may be made to or at the direction of the Senior Notes Trustees, which may act as Distribution Agent (or direct the Distribution Agent) for distributions to the Holders of Senior Notes Claims in accordance with the Plan and the applicable Senior Notes Indentures. As applicable, the Senior Notes Trustees may transfer or direct the transfer of such distributions directly through the facilities of DTC (whether by means of book-entry exchange, free delivery, or otherwise) and shall be entitled to recognize and deal for all purposes under the Plan with the respective Holders of such Claims to the extent consistent with the customary practices of DTC. Notwithstanding anything to the contrary herein, such distributions shall be subject in all respect to any rights of the Senior Notes Trustees to assert a charging lien against such distributions. All distributions to be made to Holders of Senior Notes Claims through DTC shall be made eligible for distributions through the facilities of DTC and, for the avoidance of doubt, under no circumstances shall the Senior Notes Trustees be responsible for making or required to make any distribution under the Plan to Holders of Senior Notes Claims if such distribution is not eligible to be distributed through the facilities of DTC.

6.5. ***Rights and Powers of Distribution Agent***.

(a) From and after the Effective Date, the Distribution Agent, solely in its capacity as Distribution Agent, shall be exculpated by all Entities, including Holders of Claims against and Interests in the Debtors and other parties in interest, from any and all Claims, Causes of Action, and other assertions of liability arising out of the discharge of the powers and duties conferred upon such Distribution Agent by this Plan or any order of the Bankruptcy Court entered pursuant to or in furtherance of this Plan, or applicable law, except for actions or omissions to act arising out of the gross negligence or willful misconduct, fraud, malpractice, criminal conduct, or *ultra vires* acts of such Distribution Agent. No Holder of a Claim or Interest or other party in interest shall have or pursue any Claim or Cause of Action vested in a Distribution Agent by order of the Bankruptcy Court, pursuant to this Plan, or as deemed by such Distribution Agent to be necessary and proper to implement the provisions hereof.

(b) The Distribution Agent shall be empowered to: (i) effect all actions and execute all agreements, instruments, and other documents necessary to perform its duties under this Plan; (ii) make all applicable distributions or payments provided for under this Plan; (iii) employ professionals to represent it with respect to its responsibilities; and (iv) exercise such other powers (A) as may be vested in the Distribution Agent by order of the Bankruptcy Court (including any Final Order issued after the Effective Date) or pursuant to this Plan or (B) as deemed by the Distribution Agent to be necessary and proper to implement the provisions of this Plan.

6.6. ***Expenses of Distribution Agent***.

Except as otherwise ordered by the Bankruptcy Court and subject to the written agreement of the Reorganized Debtors, the reasonable and documented fees and expenses incurred by the Distribution Agent acting in such capacity (including reasonable and documented attorneys' fees and expenses) on or after the Effective Date shall be paid in Cash by the Reorganized Debtors in the ordinary course of business.

6.7. ***No Postpetition Interest***.

Except as otherwise specifically provided for in this Plan, the Confirmation Order, any other Definitive Document, another Final Order of the Bankruptcy Court, or required by applicable bankruptcy law (including, without limitation, as required pursuant to section 506(b) or section 511 of the Bankruptcy Code), postpetition interest shall not accrue or be paid on any Claims, and no Holder of a Claim shall be entitled to interest accruing on such Claim on or after the Petition Date.

6.8. ***Delivery of Distributions***.

Subject to Bankruptcy Rule 9010, all distributions to any Holder of an Allowed Claim or an Allowed Interest shall be made by a Distribution Agent, who shall transmit such distribution to the applicable Holders of Allowed Claims or Allowed Interests; *provided*, that such Holder and relevant Affiliate, designee, or Related Fund comply with all applicable withholding and reporting requirements set forth in Article 6.19. If a distribution to any Holder is returned as undeliverable, no further distributions shall be made to such Holder unless and until such Distribution Agent is notified in writing of such Holder's then-current address, at which time all currently-due, missed distributions shall be made to such Holder as soon as reasonably practicable thereafter without interest. Nothing herein shall require the Distribution Agent to attempt to locate Holders of undeliverable distributions and, if located, assist such Holders in complying with Article 6.19.

6.9. ***Distributions as of Effective Date***.

Distributions to Holders of Disputed Claims or Interests that are not Allowed as of the Effective Date but which later become Allowed shall be deemed to have been made on the Effective Date.

6.10. ***Unclaimed Property***.

One (1) year from the later of (a) the Effective Date and (b) the date that is ten (10) Business Days after the date of a distribution on an Allowed Claim or Interest, all distributions payable on account of such Claim or Interest that are undeliverable or otherwise unclaimed shall be deemed unclaimed property under section 347(b) of the Bankruptcy Code and shall revert to the Reorganized Debtors or their successors or assigns, and all Claims or Interests of any other person (including the Holder of a Claim or Interest in the same Class) to such distribution shall be discharged and forever barred. The Reorganized Debtors and the Distribution Agent shall have no obligation to attempt to locate any Holder of an Allowed Claim or Interest other than by reviewing the Debtors' books and records and the Bankruptcy Court's Filings.

6.11. ***Time Bar to Cash Payments***.

Checks issued by the Distribution Agent in respect of Allowed Claims or Interests shall be null and void if not negotiated within ninety (90) days after the date of issuance thereof. Thereafter, the amount represented by such voided check shall irrevocably revert to the Reorganized Debtors, and any Claim or Interest in respect of such voided check shall be discharged and forever barred, notwithstanding any federal or state escheat laws to the contrary. Requests for re-issuance of any check shall be made to the applicable Distribution Agent by the Holder of the Allowed Claim or Interest to whom such check was originally issued, before the expiration of the ninety (90) day period.

6.12. ***Manner of Payment under Plan***.

Except as otherwise specifically provided in this Plan, at the option of the Debtors or the Reorganized Debtors, as applicable, any Cash payment to be made hereunder may be made by a check or

wire transfer or as otherwise required or provided in applicable agreements or customary practices of the Debtors.

6.13. ***Satisfaction of Claims and Interests***.

Except as otherwise specifically provided in this Plan, any distributions and deliveries to be made on account of Allowed Claims or Interests under this Plan shall be in complete and final satisfaction, release, settlement, and discharge of and exchange for such Allowed Claims or Interests.

6.14. ***Fractional Stock***.

No fractional shares of New Common Stock or New Convertible Preferred Stock shall be distributed. If any distributions of New Common Stock or New Convertible Preferred Stock pursuant to this Plan would result in the issuance of a fractional share of New Common Stock or New Convertible Preferred Stock, then the number of shares of New Common Stock or New Convertible Preferred Stock to be issued in respect of such distribution shall be calculated to one decimal place and rounded up or down to the closest whole share (with a half share or greater rounded up and less than a half share rounded down). The total number of shares of New Common Stock and New Convertible Preferred Stock to be distributed in connection with this Plan shall be adjusted as necessary to account for the rounding provided for in this Article 6.14. No consideration shall be provided in lieu of fractional shares that are rounded down. Neither the Reorganized Debtors nor the Distribution Agent shall have any obligation to make a distribution that is less than one (1) share of New Common Stock or New Convertible Preferred Stock. Fractional shares of New Common Stock or New Convertible Preferred Stock that are not distributed in accordance with this section shall be returned to, and the ownership thereof shall vest in, the Reorganized Debtors; *provided* that, with respect to distributions of New Common Stock or New Convertible Preferred Stock through the facilities of DTC, such distributions shall be subject to further rounding adjustments in accordance with the applicable procedures of DTC.

6.15. ***Minimum Cash Distributions***.

The Distribution Agent shall not be required to make any distribution of Cash less than one hundred dollars ($100.00) to any Holder of an Allowed Claim or Interest; *provided*, that if any distribution is not made pursuant to this Article 6.15, such distribution shall be added to any subsequent distribution to be made on behalf of the Holder's Allowed Claim or Interest.

6.16. ***Setoffs***.

(a) The Debtors and the Reorganized Debtors, or such Entity's designee as instructed by such Debtor or Reorganized Debtor, as applicable, may, but shall not be required to, set off or recoup against any Claim, and any distribution to be made pursuant to this Plan on account of such Claim, any and all Claims, rights, and Causes of Action of any nature whatsoever that the Debtors or the Reorganized Debtors or their successors may have against the Holder of such Claim pursuant to the Bankruptcy Code or applicable non-bankruptcy law; *provided*, that neither the failure to do so nor the allowance of any Claim hereunder shall constitute a waiver or release by a Debtor or a Reorganized Debtor or its successor of any claims, rights, or Causes of Action that a Debtor or Reorganized Debtor or its successor or assign may possess against the Holder of such Claim.

(b) In no event shall any Holder of Claims be entitled to set off any such Claim against any claim, right, or Cause of Action of the Debtor or Reorganized Debtor, unless (i) the Debtors or the Reorganized Debtors, as applicable, have consented or (ii) such Holder has Filed a motion with the Bankruptcy Court requesting the authority to perform such setoff on or before the Confirmation Date, and

notwithstanding any indication in any Proof of Claim or otherwise that such Holder asserts, has, or intends to preserve any right of setoff pursuant to section 553 of the Bankruptcy Code or otherwise. Notwithstanding the foregoing, this paragraph does not create any new rights to setoff or recoupment that did not exist under any applicable law or agreement in existence before the Effective Date.

6.17. ***Allocation of Distributions Between Principal and Interest***.

Except as otherwise provided in this Plan and subject to Article 6.8 or as otherwise required by law (as reasonably determined by the Reorganized Debtors), distributions with respect to an Allowed Claim shall be allocated first to the principal portion of such Allowed Claim (as determined for United States federal income tax purposes) and, thereafter, to the remaining portion of such Allowed Claim, if any.

6.18. ***No Distribution Above Amount of Allowed Claim***.

Notwithstanding anything in this Plan to the contrary, no Holder of an Allowed Claim shall receive, on account of such Allowed Claim, distributions above the Allowed amount of such Claim.

6.19. ***Withholding Rights and Reporting Requirements***.

(a) *Withholding Rights*. In connection with this Plan, any party issuing any instrument or making any distribution described in this Plan or payment in connection therewith (including the Distribution Agent, the Debtors, and the Reorganized Debtors) shall comply with all applicable withholding and reporting requirements imposed by any applicable tax law, and all distributions pursuant to the Plan and all related agreements shall be subject to any such withholding or reporting requirements. The distributing party shall have the right, but not the obligation, to take any and all actions that may be necessary or appropriate to comply with such applicable withholding and reporting requirements, including (i) withholding distributions and amounts therefrom pending receipt of information necessary to facilitate such distributions, including properly executed withholding certification forms, and (ii) in the case of a non-Cash distribution that is subject to withholding, withholding an appropriate portion of such property and either liquidating such withheld property to generate sufficient funds to pay applicable withholding taxes (or reimburse the distributing party for any advance payment of the withholding tax) or pay the withholding tax using its own funds and retain such withheld property (at fair market value as reasonably determined in good faith by the Reorganized Debtors). Any amounts withheld pursuant to this Article 6.19 shall be deemed to have been distributed to and received by the applicable recipient for all purposes of this Plan. Notwithstanding the foregoing, each Holder of an Allowed Claim or Allowed Interest or any other Entity that receives a distribution pursuant to this Plan shall have the sole and exclusive responsibility for the satisfaction and payment of any taxes imposed by any Governmental Unit, including income and other taxes, on account of such distribution, except to the extent such amounts have been withheld or deducted by the Reorganized Debtors, the Distribution Agent, the Debtors, or any applicable withholding agent. Any party issuing any instrument or making any distribution pursuant to this Plan has the right, but not the obligation, to not make a distribution until such Holder has made arrangements satisfactory to such issuing or disbursing party for payment of any such tax obligations. Notwithstanding any provision in this Plan to the contrary, the Reorganized Debtors shall reasonably cooperate with the relevant recipient to minimize or eliminate any such withholding to the extent permitted by applicable law.

(b) *Forms.* Any party entitled to receive any property under this Plan shall, upon request, deliver to the Distribution Agent or such other Entity designated by the Distribution Agent or by the Reorganized Debtors IRS Form W-9 or (if the payee is a foreign Person or Entity) an appropriate IRS Form W-8 (including all required attachments) and any other forms or documents reasonably requested by them in connection with administering any withholding or reporting required by applicable tax law. Notwithstanding the foregoing sentence, in any case where any party fails to deliver a duly executed IRS

Form W-9 or applicable IRS Form W-8 or any other tax form or certificate to eliminate any applicable withholding tax, the Reorganized Debtors', the Distribution Agent's, or any other Entity designated by the Reorganized Debtors or Distribution Agent's sole remedy shall be to withhold required amounts under applicable tax law.

(c) The Debtors and other applicable Distribution Agent reserve the right to allocate all distributions made under this Plan in compliance with all applicable wage garnishments, alimony, child support, and other spousal awards, Liens, and encumbrances.

ARTICLE VII.

PROCEDURES FOR DISPUTED CLAIMS AND INTERESTS

7.1. ***Disputed Claims and Interests Generally; No Requirement to File Proofs of Claim***.

(a) Notwithstanding section 502(a) of the Bankruptcy Code, and except as otherwise set forth in this Plan or the Confirmation Order, Holders of Claims, other than Claims arising from the rejection of an Executory Contract or Unexpired Lease, and Interests need not File Proofs of Claim with the Bankruptcy Court, and the Reorganized Debtors and Holders of Claims shall determine, adjudicate, and resolve any disputes over the validity and amounts of such Claims or Interests as if the Chapter 11 Cases had not been commenced; *provided*, that the Debtors and the Reorganized Debtors, as applicable, reserve the right to object to any Claim or Interest that is entitled, or deemed to be entitled, to a distribution under this Plan or is rendered Unimpaired under this Plan, unless such Claim or Interest is Allowed hereunder.

(b) Unless disputed by a Holder of a Claim or Interest or as otherwise set forth in the Plan, the amount set forth in the books and records of the Debtors shall constitute the amount of the Allowed Claim or Interest of such Holder except that (unless expressly waived pursuant to this Plan) the Allowed amount of such Claim or Interest shall be subject to the limitations or maximum amounts permitted by the Bankruptcy Code, including sections 502 and 503 of the Bankruptcy Code, to the extent applicable. If any such Holder of a Claim or Interest disagrees with the Debtors' books and records with respect to the Allowed amount of such Holder's Claim or Interest, such Holder must so advise the Debtors in writing within thirty (30) days of receipt of any distribution on account of such Holder's Claim or Interest, in which event the Claim shall become a Disputed Claim or Interest. The Debtors intend to attempt to resolve any such disputes consensually or through judicial means outside the Bankruptcy Court. Nevertheless, the Debtors may, in their discretion, File with the Bankruptcy Court (or any other court of competent jurisdiction) an objection to the allowance of any Claim or Interest or any other appropriate motion or adversary proceeding with respect thereto. From and after the Effective Date, the Reorganized Debtors may satisfy, dispute, settle, or otherwise compromise any Claim or Interest without the approval of or notice to the Bankruptcy Court.

(c) Except for Proofs of Claim in respect of Claims arising from the rejection of an Executory Contract or Unexpired Lease, any Filed Proof of Claim shall be considered objected to and Disputed without further action by the Debtors. Upon and after the Effective Date, all Proofs of Claim, other than Claims arising from the rejection of an Executory Contract or Unexpired Lease, Filed against the Debtors, regardless of the time of filing, shall be deemed withdrawn and expunged. Notwithstanding anything in this Plan to the contrary, disputes regarding the amount of any Cure Claim pursuant to section 365 of the Bankruptcy Code and Claims that the Debtors seek to have determined by the Bankruptcy Court, shall in all cases be determined by the Bankruptcy Court.

7.2. ***Objections to Claims and Interests.***

Except insofar as a Claim or Interest is Allowed under this Plan, the Debtors or the Reorganized Debtors, as applicable, shall be entitled to (a) File, withdraw, or litigate to judgment objections to Claims and Interests; (b) settle or compromise any Disputed Claim or Interest without any further notice to or action, order, or approval by the Bankruptcy Court; and (c) administer and adjust the Claims Register to reflect any such settlements or compromises without any further notice to or action, order, or approval by the Bankruptcy Court. After the Effective Date, the Reorganized Debtors shall have and retain any and all rights and defenses that the Debtors had with regard to any Claim or Interest. Any objections to Claims or Interests shall be served and Filed on or before the later of (a) two (2) years after the Effective Date and (b) such later date as may be fixed by the Bankruptcy Court; *provided, however*, that this deadline may be extended pursuant to an order of the Bankruptcy Court upon a motion Filed by the Reorganized Debtors. The expiration of such period shall not limit or affect the Debtors' or the Reorganized Debtors' rights to dispute Claims or Interests other than through an objection to a Claim or Interest or to proof of such Claim or Interest Filed in the Bankruptcy Court. Nothing contained in this Plan shall be construed to waive a Debtor's or other Person's right to object on any basis to any Disputed Claim or Interest.

7.3. ***Estimation of Claims***.

The Debtors or the Reorganized Debtors, as applicable, may (a) determine, resolve, and otherwise adjudicate all contingent, unliquidated, and Disputed Claims in the Bankruptcy Court and (b) at any time request that the Bankruptcy Court estimate any contingent, unliquidated, or Disputed Claim pursuant to section 502(c) of the Bankruptcy Code regardless of whether the Debtors previously objected to such Claim or whether the Bankruptcy Court has ruled on any such objection. The Bankruptcy Court shall retain jurisdiction to estimate any Claim, including at any time during litigation concerning any objection to any Claim or during the pendency of any appeal relating to any such objection. In the event that the Bankruptcy Court estimates any contingent, unliquidated, or Disputed Claim, the amount so estimated shall constitute either the Allowed amount of such Claim or a maximum limitation on the Allowed amount of such Claim, as determined by the Bankruptcy Court. If the estimated amount constitutes a maximum limitation on the Allowed amount of such Claim, the Debtors or the Reorganized Debtors, as applicable, may pursue supplementary proceedings to object to the allowance of such Claim.

7.4. ***Disallowance of Claims***.

Any Claims held by Entities from which property is recoverable under sections 542, 543, 550, or 553 of the Bankruptcy Code or that is a transferee of a transfer avoidable under sections 522(f), 522(h), 544, 545, 547, 548, 549, or 724(a) of the Bankruptcy Code, shall be deemed Disallowed pursuant to section 502(d) of the Bankruptcy Code, and Holders of such Claims may not receive any distributions on account of such Claims until such time as such Causes of Action against that Entity have been settled or a Bankruptcy Court order with respect thereto has been entered and all sums due, if any, to the Debtors by that Entity have been turned over or paid to the Debtors or the Reorganized Debtors.

7.5. ***No Distributions Pending Allowance***.

If an objection, motion to estimate, or other challenge to a Claim or Interest is Filed, no payment or distribution provided under this Plan shall be made on account of such Claim or Interest unless and until (and only to the extent that) such Disputed Claim or Interest becomes an Allowed Claim or Interest.

7.6. ***Distributions after Allowance***.

To the extent that a Disputed Claim or Interest ultimately becomes an Allowed Claim or Interest, distributions (if any) shall be made to the Holder of such Allowed Claim or Interest in accordance with the provisions of this Plan, including the treatment provisions provided in Article IV.

7.7. ***Claim and Interest Resolution Procedures Cumulative***.

All of the Claim and Interest objection, estimation, and resolution procedures in this Plan are intended to be cumulative and not exclusive of one another. Claims may be estimated and subsequently settled, compromised, withdrawn, or resolved in accordance with this Plan without further notice or Bankruptcy Court approval.

7.8. ***Single Satisfaction of Claims and Interests***.

In no case shall the aggregate value of all property received or retained under this Plan on account of any Allowed Claim or Interest exceed 100 percent (100%) of the underlying Allowed Claim or Interest plus applicable interest required to be paid hereunder, if any.

7.9. ***Adjustment to Claims Register Without Objection***.

Any duplicate Claim or Interest or any Claim or Interest that has been paid or satisfied, or any Claim that has been amended or superseded, may be adjusted or expunged on the Claims Register by the Debtors or the Reorganized Debtors, as applicable, or the Solicitation Agent (at the direction of the Debtors or the Reorganized Debtors, as applicable), without the Debtors or the Reorganized Debtors, as applicable, having to File an application, motion, complaint, objection, or any other legal proceeding seeking to object to such Claim or Interest and without any further notice or action, order, or approval of the Bankruptcy Court.

ARTICLE VIII.

TREATMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES.

8.1. ***Assumption or Rejection of Executory Contracts and Unexpired Leases.***

(a) On the Effective Date, all Executory Contracts and Unexpired Leases of the Debtors, including, but not limited to, Employee Plans, which have not expired by their own terms on or before the Confirmation Date, shall be deemed assumed by the Debtors in accordance with, and subject to, the provisions and requirements of sections 365 and 1123 of the Bankruptcy Code, except for those Executory Contracts and Unexpired Leases that, in each case:

(i) have been assumed, assumed and assigned, or rejected by the Debtors by prior order of the Bankruptcy Court;

(ii) are the subject of a motion to reject Filed by the Debtors pending on the Effective Date;

(iii) are identified as rejected Executory Contracts and Unexpired Leases by the Debtors, with the consent of the Required Consenting Senior Noteholders, on the Schedule of Rejected Executory Contracts and Unexpired Leases, if any, to be Filed in the Plan Supplement, which may be amended by the Debtors, with the consent of the Required Consenting Senior

Noteholders, up to and through the Effective Date to add or remove Executory Contracts and Unexpired Leases by Filing with the Bankruptcy Court a subsequent Plan Supplement and serving it on the affected non-Debtor contract parties;

(iv) are rejected or terminated pursuant to the terms of this Plan; or

(v) are the subject of a pending Cure Dispute.

(b) Without amending or altering any prior order of the Bankruptcy Court approving the assumption or rejection of any Executory Contract or Unexpired Lease, the Confirmation Order shall constitute an order of the Bankruptcy Court approving such assumptions, assumptions and assignments, and the rejection of Executory Contracts and Unexpired Leases set forth in the Schedule of Rejected Executory Contracts and Unexpired Leases, if any, provided for in this Plan pursuant to sections 365 and 1123 of the Bankruptcy Code as of the Effective Date.

(c) To the extent any provision in any Executory Contract or Unexpired Lease assumed or assumed and assigned (as applicable) pursuant to this Plan or any prior order of the Bankruptcy Court (including, without limitation, any "change of control" or similar provision) prohibits, restricts, or conditions, or purports to prohibit, restrict, or condition, or is modified, breached, or terminated, or deemed modified, breached, or terminated by, or triggers any right or contingent right to any payment or benefit (either alone or in conjunction with any other action or event) as a result of: (i) the commencement of the Chapter 11 Cases or the insolvency or financial condition of any Debtor at any time before the closing of its respective Chapter 11 Case; (ii) any Debtor's or any Reorganized Debtor's assumption or assumption and assignment (as applicable) of such Executory Contract or Unexpired Lease; or (iii) the Confirmation or consummation of this Plan, then such provision shall be deemed modified such that the transactions contemplated by this Plan shall not entitle the non-Debtor party thereto to modify or terminate such Executory Contract or Unexpired Lease or to exercise any other default-related rights or remedies with respect thereto, and any required consent under any such contract or lease shall be deemed satisfied by the Confirmation of this Plan.

(d) Each Executory Contract and Unexpired Lease assumed or assigned pursuant to this Plan shall revest in and be fully enforceable by the applicable Reorganized Debtor or the applicable assignee in accordance with its terms and conditions, except as modified by the provisions of this Plan, any order of the Bankruptcy Court approving its assumption or assignment, or applicable law.

(e) The Debtors reserve the right, on or before the Effective Date and with the consent of the Required Consenting Senior Noteholders, to amend the Schedule of Rejected Executory Contracts and Unexpired Leases, if any, or to add thereto or remove therefrom any Executory Contract and Unexpired Lease.

(f) The inclusion or exclusion of a contract or lease on any schedule or exhibit shall not constitute an admission by any Debtor that such contract or lease is an Executory Contract or Unexpired Lease or that any Debtor has any liability thereunder.

8.2. ***Payments Related to Assumption of Executory Contracts and Unexpired Leases***.

Any monetary defaults under each Executory Contract and Unexpired Lease to be assumed or assumed and assigned pursuant to this Plan shall be satisfied, pursuant to section 365(b)(1) of the Bankruptcy Code, by payment of the default amount in Cash on the Effective Date or on such other terms as the parties to such Executory Contracts or Unexpired Leases may otherwise agree. In the event of a dispute regarding: (a) the amount of any Cure Claim; (b) the ability of the Reorganized Debtors to provide

"adequate assurance of future performance" (within the meaning of section 365 of the Bankruptcy Code), if applicable, under the Executory Contract or the Unexpired Lease to be assumed; or (c) any other matter pertaining to assumption, the Cure Claims shall be paid following the entry of a Final Order resolving the dispute and approving the assumption of such Executory Contracts or Unexpired Leases; *provided*, that the Debtors or the Reorganized Debtors, as applicable, may settle any dispute regarding the amount of any Cure Claim without any further notice to or action, order, or approval of the Bankruptcy Court.

8.3. ***Claims on Account of the Rejection of Executory Contracts or Unexpired Leases***.

(a) All Proofs of Claim with respect to Claims arising from the rejection of Executory Contracts or Unexpired Leases, pursuant to this Plan or the Confirmation Order, if any, must be Filed with the Bankruptcy Court within twenty-one (21) days after service of an order of the Bankruptcy Court (including the Confirmation Order) approving such rejection. Any Claim arising from the rejection of Executory Contracts or Unexpired Leases that becomes an Allowed Claim is classified and shall be treated as a Class 4 (General Unsecured Claim).

(b) Any Person or Entity that is required to File a Proof of Claim arising from the rejection of an Executory Contract or an Unexpired Lease that fails to timely do so shall be forever barred, estopped, and enjoined from asserting such Claim, and such Claim shall not be enforceable, against the Debtors, the Reorganized Debtors, or the Estates, and the Debtors, the Reorganized Debtors, and the Estates and their respective assets and property shall be forever discharged from any and all indebtedness and liability with respect to such Claim unless otherwise ordered by the Bankruptcy Court or as otherwise provided herein. All such Claims shall, as of the Effective Date, be subject to the permanent injunction set forth in Article 10.5.

8.4. ***Survival of the Debtors' Indemnification Obligations***.

On the Effective Date, all Indemnification Obligations shall be deemed and treated as Executory Contracts that are and shall be assumed by the Debtors (and assigned to the applicable Reorganized Debtors, if necessary) pursuant to section 365(a) and section 1123 of the Bankruptcy Code as to which no Proof of Claim, request for administrative expense, or cure claim need be Filed, and all Claims arising from the Indemnification Obligations shall survive the Effective Date and be Unimpaired. Unless previously effectuated by separate order entered by the Bankruptcy Court, entry of the Confirmation Order shall constitute the Bankruptcy Court's approval of the Debtors' assumption of each of the Indemnification Obligations. Confirmation and Consummation of this Plan shall not impair or otherwise modify any available defenses of the Reorganized Debtors or other applicable parties under the Indemnification Obligations. For the avoidance of doubt, the Indemnification Obligations shall continue to apply with respect to actions, or failures to act, that occurred on or prior to the Effective Date, subject to the terms and conditions of the Indemnification Obligations.

8.5. ***Employee Plans***.

(a) All Employee Plans that exist as of the Petition Date that remain in effect as of the Effective Date shall be assumed (and assigned to the applicable Reorganized Debtors, if necessary) on the Effective Date (after giving effect to the amendments contemplated below) as Executory Contracts pursuant to sections 365 and 1123 of the Bankruptcy Code as to which no Proof of Claim, request for administrative expense, or cure claim need be Filed. For the avoidance of doubt, neither the assumption of any Employee Plans nor any transactions in connection with this Plan shall trigger any applicable change of control, immediate vesting, or similar provisions therein, including any right to increased severance pay in connection with a qualifying termination of employment following a change in control. Notwithstanding the foregoing, (i) Mercer's Amended and Restated 2022 Stock Incentive Plan and any other Employee Plan

providing for the grant of any equity-based award, program, or arrangement that is sponsored or maintained by any Debtor shall terminate effective as of the Effective Date, and (ii) any outstanding equity-based awards that are subject to time-based vesting or performance-based vesting that have not fully vested as of immediately prior to the Effective Date (after giving effect to the amendments contemplated below) shall be cancelled for no consideration, effective as of the Effective Date. Prior to the Effective Date, the Debtors shall take any actions reasonably necessary, in consultation with the Required Consenting Senior Noteholders and solely to the extent not self-effectuating pursuant to this Article 8.5, (x) to effect the terminations and cancellations contemplated in the preceding sentence and (y) to amend or modify any Employee Plan under which the Restructuring Transactions (either alone or in conjunction with any other event) would or could trigger a "change in control," "change of control," or similar provision or related payment, vesting, funding, or other increased benefit, in accordance with the Consenting Senior Noteholder RSA, effective no later than the Effective Date, to provide that the Restructuring Transactions (either alone or in conjunction with any other event) shall not constitute a "change in control," "change of control," or similar event under any such Employee Plan or otherwise trigger any related payment, vesting, funding, or other increased benefit.

(b) As of the Effective Date, the Debtors and the Reorganized Debtors shall continue to honor their obligations under all applicable workers' compensation programs and in accordance with all applicable workers' compensation laws in states in which the Reorganized Debtors operate. Any Claims arising under workers' compensation programs shall be deemed withdrawn once satisfied without any further notice to or action, order, or approval of the Bankruptcy Court; *provided*, that nothing in this Plan shall limit, diminish, or otherwise alter the Debtors' or Reorganized Debtors' defenses, Causes of Action, or other rights under applicable law, including non-bankruptcy law, with respect to any such workers' compensation programs; *provided further*, that nothing herein shall be deemed to impose any obligations on the Debtors in addition to what is provided for under applicable state law.

(c) Notwithstanding the foregoing or anything else in this Plan to the contrary, (i) all accrued and unpaid obligations under the Short-Term Incentive Plan, in an aggregate amount not to exceed $1.7 million, and (ii) the fees and expenses of the members of the special committee of the board of Mercer, in an aggregate amount of fees not to exceed $200,000, shall be paid on or as soon as reasonably practicable after the Effective Date.

(d) On the Effective Date, all Existing Unexercised Equity Interests shall be cancelled, released, and of no further force and effect, and no distributions will be made on account of such Existing Unexercised Equity Interests.

8.6. ***Insurance Policies***.

(a) All insurance policies to which any Debtor is a party as of the Effective Date, including any D&O Policy, shall be deemed to be and treated as Executory Contracts and shall be assumed by the applicable Debtors or the Reorganized Debtors and shall continue in full force and effect thereafter in accordance with their respective terms (as to which no Proof of Claim, request for administrative expense, or cure claim need be Filed), and all such insurance policies shall vest in the Reorganized Debtors. Coverage for defense and indemnity under the D&O Policies shall remain available to all individuals within the definition of "Insured" in any D&O Policy.

(b) In addition, after the Effective Date, the Reorganized Debtors shall not terminate or otherwise reduce the coverage under any D&O Policy (including any "tail policy") in effect as of the Petition Date, and any current directors, officers, members, managers, agents, or employees of any of the Debtors who served in such capacity at any time before the Effective Date shall be entitled to the full benefits of any such D&O Policy for the full term of such policy regardless of whether such members,

managers, directors, or officers remain in such positions after the Effective Date to the extent set forth in such policies. On the Effective Date, the Debtors shall be deemed to have assumed all unexpired D&O Policies (including any "tail policy" on terms no less favorable than the Debtors' existing director, officer, manager, and employee coverage), the Debtors or the Reorganized Debtors, as applicable, shall obtain any applicable insurer consents required to assume such policies, and the Debtors or the Reorganized Debtors, as applicable, shall purchase any related tail policies providing for such coverage for at least a six-year period after the Effective Date.

(c) In the event that the Debtors determine that an Allowed Claim is covered in full or in part under one of the Debtors' insurance policies, no distributions under this Plan shall be made on account of such Allowed Claim unless and until, and solely to the extent that, (i) the Holder of such Allowed Claim has exhausted all remedies with respect to such insurance policy, and (ii) the insurer authorized to issue a coverage position under such insurance policy, or the agent of such insurer, issues a formal determination, which the Debtors do not contest, that coverage under such insurance policy is excluded or otherwise unavailable for losses arising from such Allowed Claim. Any proceeds available pursuant to one of the Debtors' insurance policies shall reduce the Allowed amount of a Claim on a dollar-for-dollar basis. To the extent that one or more of the Debtors' insurers agrees to satisfy a Claim in full or in part (if and to the extent adjudicated by a court of competent jurisdiction), then immediately upon such insurers' agreement, the applicable portion of such Claim may be expunged without a Claim objection having to be Filed and without any further notice to or action, order, or approval of the Bankruptcy Court. If an applicable insurance policy has a SIR, the Holder of an Insured Claim shall have an Allowed General Unsecured Claim or a 510(b) Claim, as applicable, against the applicable Debtor's Estate solely up to the amount of the SIR that may be established upon the liquidation of the Insured Claim. Such SIR shall be considered satisfied pursuant to this Plan through allowance of the General Unsecured Claim or 510(b) Claim, as applicable, solely in the amount of the applicable SIR, if any; *provided*, that nothing herein obligates the Debtors or the Reorganized Debtors to otherwise satisfy any SIR under any insurance policy. Any recovery on account of the Insured Claim above the SIR established upon the liquidation of the Claim shall be recovered solely from the Debtors' insurance coverage, if any, and only to the extent of available insurance coverage and any proceeds thereof. Nothing in this Plan shall be construed to limit, extinguish, or diminish the insurance coverage that may exist or shall be construed as a finding that liquidated any Claim payable pursuant to an insurance policy.

8.7. ***Intellectual Property Licenses and Agreements***.

All intellectual property contracts, licenses, royalties, or other similar agreements to which the Debtors have any rights or obligations in effect as of the date of the Confirmation Order shall be deemed and treated as Executory Contracts pursuant to this Plan and shall be assumed by the respective Debtors and Reorganized Debtors and shall continue in full force and effect (as to which no Proof of Claim, request for administrative expense, or cure claim need be Filed) unless any such intellectual property contract, license, royalty, or other similar agreement otherwise is specifically rejected pursuant to a separate order of the Bankruptcy Court or is the subject of a separate rejection motion Filed by the Debtors in accordance with this Plan. Unless otherwise noted hereunder, all other intellectual property contracts, licenses, royalties, or other similar agreements shall vest in the Reorganized Debtors and the Reorganized Debtors may take all actions as may be necessary or appropriate to ensure such vesting as contemplated herein.

8.8. ***Assignment***.

To the extent provided under the Bankruptcy Code or other applicable law, any Executory Contract or Unexpired Lease transferred and assigned hereunder shall remain in full force and effect for the benefit of the transferee or assignee in accordance with its terms, notwithstanding any provision in such Executory Contract or Unexpired Lease (including those of the type set forth in section 365(b)(2) of the Bankruptcy

Code) that prohibits, restricts, or conditions such transfer or assignment. To the extent provided under the Bankruptcy Code or other applicable law, any provision that prohibits, restricts, or conditions the assignment or transfer of any such Executory Contract or Unexpired Lease or that terminates or modifies such Executory Contract or Unexpired Lease or allows the counterparty to such Executory Contract or Unexpired Lease to terminate, modify, recapture, impose any penalty, condition renewal or extension, or modify any term or condition upon any such transfer and assignment, constitutes an unenforceable anti-assignment provision and is void and of no force or effect.

8.9. ***Modifications, Amendments, Supplements, Restatements, or Other Agreements***.

Unless otherwise provided herein or by separate order of the Bankruptcy Court, each Executory Contract and Unexpired Lease that is assumed shall include any and all modifications, amendments, supplements, restatements, or other agreements made directly or indirectly by any agreement, instrument, or other document that in any manner affects such Executory Contract or Unexpired Lease.

8.10. ***Reservation of Rights***.

(a) Neither the exclusion nor inclusion of any contract or lease by the Debtors on any exhibit, schedule, or other annex to this Plan or in the Plan Supplement, nor anything contained in this Plan, shall constitute an admission by the Debtors that any such contract or lease is or is not in fact an Executory Contract or Unexpired Lease or that the Debtors or the Reorganized Debtors or their respective Affiliates has any liability thereunder.

(b) Except as otherwise provided in this Plan, nothing in this Plan shall waive, excuse, limit, diminish, or otherwise alter any of the defenses, claims, Causes of Action, or other rights of the Debtors and the Reorganized Debtors under any Executory Contract or non-Executory Contract or any expired or Unexpired Lease.

(c) Nothing in this Plan shall increase, augment, or add to any of the duties, obligations, responsibilities, or liabilities of the Debtors or the Reorganized Debtors under any executory or non-Executory Contract or any unexpired or expired lease.

(d) If there is a dispute regarding a Cure Claim or whether a contract or lease is or was executory or unexpired at the time of assumption or rejection under this Plan, the Debtors or Reorganized Debtors, as applicable, shall have thirty (30) days following entry of a Final Order resolving such dispute to alter their treatment of such contract or lease by Filing a notice indicating such altered treatment (including to reject such Executory Contract or Unexpired Lease in lieu of assuming or assigning it).

ARTICLE IX.

CONDITIONS PRECEDENT TO CONSUMMATION OF THIS PLAN.

9.1. ***Conditions Precedent to the Effective Date***.

(a) The effectiveness of this Plan shall be subject to the satisfaction or waiver in writing of customary conditions to effectiveness, as well as such other conditions as may be agreed to by the Required Consenting Senior Noteholders and reasonably agreed to by the Debtors, including the Conditions Precedent to effectiveness set forth in Article 9.1(b) (as applicable).

(b) The following are Conditions Precedent to the Effective Date of this Plan:

(i) the Bankruptcy Court shall have entered the Confirmation Order in form and substance consistent with and subject to the consent rights set forth in the Consenting Senior Noteholder RSA and the Confirmation Order shall have become a Final Order and such order has not been amended, modified, vacated, stayed, or reversed;

(ii) the Definitive Documents shall (A) be consistent with the Consenting Senior Noteholder RSA and otherwise approved by the applicable parties thereto consistent with their respective consent and approval rights as set forth in the Consenting Senior Noteholder RSA, (B) have been executed or deemed executed and delivered by each party thereto, and any conditions precedent related thereto shall have been satisfied or waived by the applicable party or parties, and (C) be adopted on terms consistent with the Consenting Senior Noteholder RSA and the Restructuring Term Sheet;

(iii) all conditions set forth in the Definitive Documents shall have been satisfied or waived in accordance with their terms;

(iv) all Definitive Documents related to the New Debt Documents, the New ABL Facility, and the New Senior Secured Notes (other than those permitted to be executed and delivered on a post-closing basis in accordance with the terms thereof) shall have been executed and delivered by each party thereto, and any conditions precedent related thereto shall substantially concurrently have been satisfied or waived;

(v) the Debtors shall have obtained all authorizations, waivers, consents, Regulatory Approvals, rulings, or documents that are necessary to implement and effectuate the Restructuring Transactions, and all applicable regulatory or government-imposed waiting periods shall have expired or been terminated;

(vi) the Consenting Senior Noteholder RSA shall not have been terminated and shall be in full force and effect;

(vii) the Backstop Commitment Letter shall not have been terminated and shall be in full force and effect;

(viii) the Reorganized Board has been selected in accordance with the Consenting Senior Noteholder RSA;

(ix) all Restructuring Expenses shall have been paid by the Debtors in full in Cash;

(x) all documentation necessary for the issuance of the New Common Stock and New Convertible Preferred Stock shall have been executed and delivered by Reorganized Mercer and, if required, the recipients thereof;

(xi) the Professional Fee Escrow shall have been established and funded in full in Cash;

(xii) no court of competent jurisdiction or Governmental Unit shall have enacted, issued, promulgated, enforced, or entered any law, rule, regulation, judgment, injunction, decree, or order (whether temporary, preliminary, or permanent) that is then in effect and that enjoins, prohibits, or makes illegal the consummation of the Restructuring Transactions or any material portion thereof;

(xiii) the New ABL Facility shall have been entered into and funded in accordance with the terms of the Consenting Senior Noteholder RSA and the Restructuring Term Sheet;

(xiv) the New Senior Secured Notes shall have been funded in accordance with the Consenting Senior Noteholder RSA, the Restructuring Term Sheet, and the Backstop Commitment Letter;

(xv) the Put Option Premium shall have been paid in accordance with the Backstop Commitment Letter; and

(xvi) other than this condition, the Debtors shall have otherwise substantially consummated the Restructuring Transactions, and all transactions contemplated herein, in a manner consistent in all respects with the Consenting Senior Noteholder RSA and this Plan.

9.2. ***Timing of Conditions Precedent***.

Notwithstanding when a Condition Precedent to the Effective Date occurs, for the purposes of this Plan, such Condition Precedent shall be deemed to have occurred simultaneously upon the completion of the Conditions Precedent to the Effective Date; *provided*, that to the extent a Condition Precedent (the "***Prerequisite Condition***") may be required to occur before another Condition Precedent (a "***Subsequent Condition***") then, for purposes of this Plan, the Prerequisite Condition shall be deemed to have occurred immediately before the applicable Subsequent Condition regardless of when such Prerequisite Condition or Subsequent Condition shall have occurred.

9.3. ***Waiver of Conditions Precedent***.

(a) Each of the Conditions Precedent of this Plan may be waived in writing by the Debtors and the Required Consenting Senior Noteholders; *provided*, that the waiver of the Condition Precedent in Article 9.1(b)(ix) or Article 9.1(b)(xi) shall require the consent of the affected Professionals. If this Plan is confirmed for fewer than all the Debtors, only the conditions applicable to the Debtor or Debtors for which this Plan is confirmed must be satisfied or waived for the Effective Date to occur.

(b) The stay of the Confirmation Order pursuant to Bankruptcy Rule 3020(e) shall be deemed waived by and upon the entry of the Confirmation Order, and the Confirmation Order shall take effect immediately upon its entry.

9.4. ***Effect of Non-Occurrence of the Effective Date***.

If the Effective Date does not occur, this Plan shall be null and void in all respects and nothing contained in this Plan or the Disclosure Statement shall (a) constitute a waiver or release of any Claims by or against or any Interests in the Debtors, (b) prejudice in any manner the rights of any Entity, or (c) constitute an admission, acknowledgement, offer, or undertaking by the Debtors, any of the Consenting Stakeholders, or any other Entity.

ARTICLE X.

EFFECT OF CONFIRMATION AND CONSUMMATION OF PLAN.

10.1. ***Vesting of Assets in the Reorganized Debtors***.

Except as otherwise provided herein, or in any agreement, instrument, or other documents incorporated into this Plan (including with respect to the transactions contemplated by the Restructuring Transactions Exhibit), on the Effective Date, pursuant to section 1141(b) and (c) and other applicable provisions of the Bankruptcy Code, all property in each Debtor's Estate, all Causes of Action, and any property acquired by any of the Debtors under this Plan shall vest in each respective Reorganized Debtor, free and clear of all Liens, Claims, charges, or other encumbrances unless expressly provided otherwise by this Plan or Confirmation Order and subject to the terms of the New Debt Documents. In addition, all rights, benefits, and protections provided to any of the Debtors or the Estates pursuant to this Plan, the Plan Supplement, or the Confirmation Order including the release, exculpation, and injunction provisions provided in Article X, shall vest in each respective Reorganized Debtor unless expressly provided otherwise by this Plan or the Confirmation Order. On and after the Effective Date, except as otherwise provided herein, each Reorganized Debtor may operate its business and may use, acquire, or dispose of property and pursue, compromise, or settle any Claims, Interests, or Causes of Action without supervision or approval by the Bankruptcy Court and free of any restrictions of the Bankruptcy Code or Bankruptcy Rules. Without limiting the foregoing, the Reorganized Debtors may pay the charges that they incur on or after the Effective Date for professional fees, disbursements, expenses, or related support services without application to the Bankruptcy Court.

10.2. ***Binding Effect***.

As of the Effective Date, this Plan shall bind all Holders of Claims against and Interests in the Debtors and their respective successors and assigns, notwithstanding whether any such Holders were (a) Impaired or Unimpaired under this Plan, (b) deemed to accept or reject this Plan, (c) failed to vote to accept or reject this Plan, or (d) voted to reject this Plan.

10.3. ***Discharge of Claims and Termination of Interests***.

Pursuant to section 1141(d) of the Bankruptcy Code, and except as otherwise specifically provided in the Definitive Documents, this Plan or in a contract, instrument, or other agreement or document executed pursuant to this Plan, the distributions, rights, and treatment that are provided in this Plan shall be in complete satisfaction, discharge, and release, effective as of the Effective Date, of Claims, Interests, and Causes of Action of any nature whatsoever, including any interest accrued on Claims or Interests from and after the Petition Date, whether known or unknown, against, liabilities of, Liens on, obligations of, rights against, and interests in, the Debtors or any of their assets or properties, regardless of whether any property shall have been distributed or retained pursuant to this Plan on account of such Claims and Interests, including demands, liabilities, and Causes of Action that arose before the Effective Date, any contingent or non-contingent liability on account of representations or warranties issued on or before the Effective Date, and all debts of the kind specified in sections 502(g), 502(h), or 502(i) of the Bankruptcy Code, in each case whether or not (a) a Proof of Claim based upon such debt or right is Filed or deemed Filed pursuant to section 501 of the Bankruptcy Code; (b) a Claim or Interest based upon such debt, right, or Interest is Allowed pursuant to section 502 of the Bankruptcy Code; or (c) the Holder of such a Claim or Interest has voted to accept or reject this Plan. Any default or "event of default" by the Debtors with respect to any Claim or Interest that existed immediately before or on account of the filing of the Chapter 11 Cases shall be deemed cured (and no longer continuing) as of the Effective Date with respect to a Claim that is

Unimpaired by this Plan. The Confirmation Order shall be a judicial determination of the discharge of all Claims and Interests subject to the Effective Date occurring.

10.4. ***Term of Injunctions or Stays***.

Unless otherwise provided herein or in a Final Order of the Bankruptcy Court, all injunctions or stays arising under or entered during the Chapter 11 Cases under section 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the later of the Effective Date and the date indicated in the order providing for such injunction or stay.

10.5. ***Permanent Injunction***.

Except as otherwise expressly provided in this Plan or the Confirmation Order, from and after the Effective Date, all Persons and Entities are, to the fullest extent provided under section 524 and other applicable provisions of the Bankruptcy Code, permanently enjoined from (a) commencing or continuing, in any manner or in any place, any suit, action, or other proceeding of any kind; (b) enforcing, attaching, collecting, or recovering in any manner or means any judgment, award, decree, or order; (c) creating, perfecting, or enforcing any Lien or encumbrance; (d) asserting a right of setoff or subrogation of any kind; or (e) commencing or continuing in any manner any action or other proceeding of any kind, in each case on account of or with respect to any Claim, demand, liability, obligation, debt, right, Cause of Action, Interest, or remedy released or to be released, exculpated or to be exculpated, settled or to be settled, or discharged or to be discharged pursuant to this Plan or the Confirmation Order against any Person or Entity so released, discharged, or exculpated (or the property or estate of any Person or Entity so released, discharged, or exculpated). All injunctions or stays provided for in the Chapter 11 Cases under sections 105 or 362 of the Bankruptcy Code, or otherwise, and in existence on the Confirmation Date, shall remain in full force and effect until the Effective Date.

No Person or Entity may commence or pursue a Claim or Cause of Action, as applicable, of any kind against the Debtors, Reorganized Debtors, Exculpated Parties, or Released Parties that relates to or is reasonably likely to relate to any act or omission in connection with, relating to, or arising out of any Claim or Cause of Action, as applicable, subject to Article X, without the Bankruptcy Court (a) first determining, after notice and a hearing, that such Claim or Cause of Action, as applicable, represents a colorable Claim of any kind, and (b) specifically authorizing such Person or Entity to bring such Claim or Cause of Action, as applicable, against any such Exculpated Party. At the hearing for the Bankruptcy Court to determine whether such Claim or Cause of Action represents a colorable Claim of any kind, the Bankruptcy Court may, or shall if any Debtor, Reorganized Debtor, Exculpated Party, Released Party or other party in interest requests by motion (oral motion being sufficient), direct that such Person or Entity seeking to commence or pursue such Claim or Cause of Action File a proposed complaint with the Bankruptcy Court embodying such Claim or Cause of Action, such complaint satisfying the applicable Federal Rules of Civil Procedure, including Rule 8 and Rule 9 (as applicable), which the Bankruptcy Court shall assess before making a determination. For the avoidance of doubt, any party that obtains such determination and authorization and subsequently wishes to amend the authorized complaint or petition to add any Claims or Causes of Action not explicitly included in the authorized complaint or petition must obtain authorization from the Bankruptcy Court before filing any such amendment in the court where such complaint or petition is pending. The Bankruptcy Court reserves jurisdiction to adjudicate any such claims to the maximum extent provided by the law.

10.6. ***Releases***.

(a) Releases by the Debtors.

To the fullest extent permitted by applicable law, and except as otherwise expressly set forth in this Plan or the Confirmation Order, pursuant to section 1123(b) of the Bankruptcy Code, as of the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each of the Debtors, the Reorganized Debtors, and the Estates, in each case on behalf of itself and its respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Claim or Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, has and is deemed to have, forever and unconditionally, released and absolved each Released Party from any and all Claims, obligations, rights, suits, damages, and Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Estates that such Entity would have been legally entitled to assert in its own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in, a Debtor or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, including (a) the governance, management, transactions, ownership, or operation of the Debtors or the Non-Debtor Affiliates (b) the purchase, sale, or rescission of any Security of the Debtors or the Non-Debtor Affiliates, (c) the subject matter of, or the transactions, events, circumstances, acts, or omissions giving rise to, any Claim or Interest that is treated in the Restructuring Transactions, including the negotiation, formulation, or preparation of the Restructuring Transactions, (d) the business or contractual arrangements between any Debtor or Non-Debtor Affiliate and any other Entity (including the Consenting Stakeholders), (e) the Senior Notes Documents, (f) the Debtors' and Non-Debtor Affiliates' in- or out-of-court restructuring efforts, (g) intercompany transactions, (h) the formulation, preparation, dissemination, negotiation, solicitation, entry into, Filing, or consummation of this Plan, the Plan Supplement, the Disclosure Statement, the Restructuring Support Agreements and related prepetition transactions, the Definitive Documents, the Corporate Governance Documents, the Chapter 11 Cases, or any Restructuring Transaction, (i) any contract, instrument, release, or other agreement or document created or entered into in connection with this Plan, the Plan Supplement, the Disclosure Statement, the Restructuring Support Agreements, the Definitive Documents, the Corporate Governance Documents, the Chapter 11 Cases, the pursuit of confirmation and consummation of this Plan, or the administration and implementation of this Plan or the Confirmation Order, including the issuance or distribution of Securities pursuant to this Plan, (j) the distribution, including any disbursements made by a Distribution Agent, of property under this Plan, or any other related agreement, or (k) any other act or omission, transaction, agreement, event, or other occurrence related to any of the foregoing and taking place on or before the Effective Date; *provided*, that the Debtors do not release Claims or Causes of Action (x) that are of a commercial nature and arise in the ordinary course of business, such as accounts receivable and accounts payable on account of goods being sold and services being performed; (y) arising under an Executory Contract or Unexpired Lease that is assumed by the Debtors; or (z) arising out of, or related to, any act or omission of a Released Party that is determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction to have constituted actual fraud, gross negligence, or willful misconduct. Notwithstanding anything to the contrary in the foregoing, the Releases set forth above do not release (1) any obligations of any Person or Entity under this Plan, the Confirmation Order, any other Definitive Document, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement this Plan or the Restructuring Transactions, or any agreement, Claim, or obligation

arising or assumed under this Plan or (2) any Causes of Action specifically retained by the Debtors pursuant to the Schedule of Retained Causes of Action.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Debtor Release, which includes by reference each of the related provisions and definitions contained in this Plan, and further, shall constitute the Bankruptcy Court's finding that the Debtor Release is: (a) in exchange for the good and valuable consideration provided by each of the Released Parties, including the Released Parties' substantial contributions to facilitating the Restructuring Transactions and implementing this Plan; (b) a good-faith settlement and compromise of the Claims released by the Debtors; (c) in the best interests of the Debtors and all Holders of Claims and Interests; (d) fair, equitable, and reasonable; (e) given and made after due notice and opportunity for hearing; and (f) a bar to any of the Debtors, the Reorganized Debtors, or the Debtors' Estates asserting any Claim or Cause of Action released pursuant to the Debtor Release.

(b) Releases by Holders of Claims and Interests.

To the fullest extent permitted by applicable law, and except as otherwise expressly set forth in this Plan or the Confirmation Order, as of the Effective Date, in exchange for good and valuable consideration, the adequacy of which is hereby confirmed, each Releasing Party, in each case on behalf of itself and its respective successors, assigns, and representatives, and any and all other Entities who may purport to assert any Claim or Cause of Action, directly or derivatively, by, through, for, or because of the foregoing Entities, has and is deemed to have, forever and unconditionally, released and absolved each Released Party from any and all Claims, obligations, rights, suits, damages, and Causes of Action, remedies, and liabilities whatsoever, whether known or unknown, foreseen or unforeseen, existing or hereinafter arising, in law, equity, or otherwise, including any derivative claims asserted or assertable on behalf of the Debtors, the Reorganized Debtors, or the Estates that such Entity would have been legally entitled to assert in its own right (whether individually or collectively) or on behalf of the Holder of any Claim against, or Interest in, a Debtor or other Entity, based on or relating to, or in any manner arising from, in whole or in part, the Debtors, including (a) the governance, management, transactions, ownership, or operation of the Debtors or the Non-Debtor Affiliates (b) the purchase, sale, or rescission of any Security of the Debtors or the Non-Debtor Affiliates, (c) the subject matter of, or the transactions, events, circumstances, acts, or omissions giving rise to, any Claim or Interest that is treated in the Restructuring Transactions, including the negotiation, formulation, or preparation of the Restructuring Transactions, (d) the business or contractual arrangements between any Debtor or Non-Debtor Affiliate and any other Entity (including the Consenting Stakeholders), (e) the Senior Notes Documents, (f) the Debtors' and Non-Debtor Affiliates' in- or out-of-court restructuring efforts, (g) intercompany transactions, (h) the formulation, preparation, dissemination, negotiation, solicitation, entry into, Filing, or consummation of this Plan, the Plan Supplement, the Disclosure Statement, the Restructuring Support Agreements and related prepetition transactions, the Definitive Documents, the Corporate Governance Documents, the Chapter 11 Cases, or any Restructuring Transaction, (i) any contract, instrument, release, or other agreement or document created or entered into in connection with this Plan, the Plan Supplement, the Disclosure Statement, the Restructuring Support Agreements, the Definitive Documents, or the Corporate Governance Documents, the Chapter 11 Cases, the pursuit of confirmation and consummation of the Plan, or the administration and implementation of this Plan or the Confirmation Order, including the issuance or distribution of Securities pursuant to this Plan, (j) the distribution, including any disbursements made by a Distribution Agent, of property under this Plan, or any other related agreement, or (k) any other act or omission, transaction, agreement, event, or other occurrence related to any of the foregoing and taking place on or before the Effective Date; *provided*, that the Releasing Parties do not release Claims or Causes of Action arising out of, or related to, any act or omission of a Released

Party that is determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction to have constituted actual fraud, gross negligence, or willful misconduct. Notwithstanding anything to the contrary in the foregoing, the Releases set forth above do not release (1) any obligations of any Person or Entity under this Plan, the Confirmation Order, any other Definitive Document, any Restructuring Transaction, or any document, instrument, or agreement (including those set forth in the Plan Supplement) executed to implement this Plan or the Restructuring Transactions, or any agreement, Claim, or obligation arising or assumed under this Plan or (2) any Causes of Action specifically retained by the Debtors pursuant to the Schedule of Retained Causes of Action.

Entry of the Confirmation Order shall constitute the Bankruptcy Court's approval, pursuant to Bankruptcy Rule 9019, of the Third-Party Release, which includes by reference each of the related provisions and definitions contained in this Plan, and, further, shall constitute the Bankruptcy Court's finding that the Third-Party Release is: (a) consensual; (b) essential to the Confirmation of this Plan; (c) given in exchange for the good and valuable consideration provided by each of the Released Parties, including the Released Parties' substantial contributions to facilitating the Restructuring Transactions and implementing this Plan; (d) a good faith settlement and compromise of the Claims released by the Third-Party Release; (e) in the best interests of the Debtors and their Estates; (f) fair, equitable, and reasonable; (g) given and made after due notice and opportunity for hearing; and (h) a bar to any of the Releasing Parties asserting any Claim or Cause of Action released pursuant to the Third-Party Release.

10.7. ***Exculpation***.

Effective as of the Effective Date, to the fullest extent permitted by law, the Exculpated Parties shall neither have nor incur any liability to any Person or Entity for any Claims or Causes of Action for any act taken or omitted to be taken between the Petition Date and the Effective Date in connection with, or related to, formulating, negotiating, preparing, disseminating, implementing, administering, confirming, or effecting the Confirmation or consummation (as applicable) of this Plan, the Restructuring Support Agreements and related prepetition transactions, and the Disclosure Statement including any disbursements made by a Distribution Agent in connection with this Plan, the Disclosure Statement, the Definitive Documents, the Corporate Governance Documents, the Senior Notes Documents, or any Restructuring Transaction, contract, instrument, release, or other agreement or document created or entered into in connection with this Plan, or any other postpetition act taken or omitted to be taken in connection with or in contemplation of the restructuring of the Debtors, the approval of the Disclosure Statement, or Confirmation or consummation of this Plan; *provided*, that the foregoing provisions of this exculpation shall not operate to waive or release: (a) any Claims or Causes of Action arising from willful misconduct, actual fraud, or gross negligence of such applicable Exculpated Party as determined by Final Order of the Bankruptcy Court or any other court of competent jurisdiction; or (b) the rights of any Person or Entity to enforce this Plan and the contracts, instruments, releases, indentures, and other agreements and documents delivered under or in connection with this Plan, or assumed pursuant to this Plan or Final Order of the Bankruptcy Court; *provided further*, that each Exculpated Party shall be entitled to rely upon the advice of counsel concerning its respective duties pursuant to, or in connection with, the above referenced documents, actions, or inactions.

The Exculpated Parties have, and upon consummation of this Plan shall be deemed to have, participated in good faith and in compliance with the applicable laws with regard to the solicitation of votes and distribution of consideration pursuant to this Plan and, therefore, are not, and on account of such distributions shall not be, liable at any time for the violation of any applicable law,

rule, or regulation governing the solicitation of acceptances or rejections of this Plan or such distributions made pursuant to this Plan.

The foregoing exculpation shall be effective as of the Effective Date without further notice to or order of the Bankruptcy Court, act, or action under applicable law, regulation, order, or rule or the vote, consent, authorization, or approval of any Person or Entity. For the avoidance of doubt and notwithstanding anything else herein, the foregoing exculpation shall be limited to Persons that served as Estate fiduciaries during the Chapter 11 Cases.

10.8. ***Retention of Causes of Action/Reservation of Rights***.

In accordance with section 1123(b) of the Bankruptcy Code, but subject in all respects to this Article X, the Reorganized Debtors shall have, retain, reserve, and be entitled to assert, and may enforce all rights to commence and pursue, as appropriate, any and all claims or Causes of Action, whether arising before or after the Petition Date, including any actions specifically enumerated in the Schedule of Retained Causes of Action, and such rights to commence, prosecute, or settle such Causes of Action shall be preserved notwithstanding the occurrence of the Effective Date. The Reorganized Debtors shall have, retain, reserve, and be entitled to assert all rights of setoff or recoupment, and other legal or equitable defenses as fully as if the Chapter 11 Cases had not been commenced, and all of the Debtors' legal and equitable rights in respect of any Unimpaired Claim may be asserted after the Confirmation Date and Effective Date to the same extent as if the Chapter 11 Cases had not been commenced. The Debtors or the Reorganized Debtors, as applicable, expressly reserve all rights to prosecute any and all Causes of Action against any Entity not released or exculpated pursuant to this Plan.

10.9. ***Solicitation of Plan***.

As of and subject to the occurrence of the Confirmation Date: (a) the Debtors, the Exculpated Parties, and the Released Parties shall be deemed to have solicited acceptances of this Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code, including sections 1125(a), (e), and (g) of the Bankruptcy Code, and any applicable non-bankruptcy law, rule, or regulation governing the adequacy of disclosure in connection with such solicitation and (b) the (i) Debtors, (ii) the Consenting Stakeholders, and (iii) each of the Debtors and the Consenting Stakeholders' respective directors, officers, employees, Affiliates, agents, financial advisors, investment bankers, professionals, accountants, and attorneys shall be deemed to have participated in good faith and in compliance with the applicable provisions of the Bankruptcy Code in the offer and issuance of any Securities under this Plan, and therefore are not, and on account of such offer, issuance, and solicitation shall not be, liable at any time for any violation of any applicable law, rule, or regulation governing the solicitation of acceptances or rejections of this Plan or the offer and issuance of any Securities under this Plan.

ARTICLE XI.

RETENTION OF JURISDICTION.

11.1. ***Retention of Jurisdiction***.

On and after the Effective Date, the Bankruptcy Court shall retain exclusive jurisdiction over all matters arising in, arising under, and related to the Chapter 11 Cases for, among other things, the following purposes:

(a) to hear and determine motions and applications for the assumption, assumption and assignment, or rejection of Executory Contracts and Unexpired Leases, including resolution of all

disputes regarding Cure Claims, and the allowance, classification, priority, compromise, estimation, or payment of Claims resulting therefrom;

(b) to determine any motion, adversary proceeding, proceeding, application, contested matter, and other litigated matter pending on or commenced after the Confirmation Date;

(c) to hear and resolve any disputes arising from or related to (i) any orders of the Bankruptcy Court granting relief under Bankruptcy Rule 2004 or (ii) any protective orders entered by the Bankruptcy Court in connection with the foregoing;

(d) to ensure that distributions to Holders of Allowed Claims and Allowed Interests are accomplished as provided for in this Plan and Confirmation Order and to adjudicate any and all disputes arising from or relating to the manner of, or entitlement to, distributions under this Plan;

(e) to consider the allowance, classification, priority, compromise, estimation, or payment of any Claim or Interest or any counterclaim related thereto;

(f) to enter, implement, or enforce such orders as may be appropriate in the event the Confirmation Order is for any reason stayed, reversed, revoked, modified, or vacated;

(g) to issue injunctions, enter and implement other orders, and take such other actions as may be necessary or appropriate to restrain interference by any Entity with the consummation, implementation, or enforcement of this Plan, the Confirmation Order, or any other order of the Bankruptcy Court;

(h) to hear and determine any application to modify this Plan in accordance with section 1127 of the Bankruptcy Code, to remedy any defect or omission or reconcile any inconsistency in this Plan, or any order of the Bankruptcy Court, including the Confirmation Order, in such a manner as may be necessary to carry out the purposes and effects thereof;

(i) to hear and determine all Professional Fee Claims;

(j) to hear and determine disputes arising in connection with the interpretation, implementation, or enforcement of this Plan, the Plan Supplement, or the Confirmation Order or any agreement, instrument, or other document governing or relating to any of the foregoing;

(k) to take any action and issue such orders as may be necessary to construe, interpret, enforce, implement, execute, and consummate this Plan;

(l) to determine such other matters and for such other purposes as may be provided in the Confirmation Order;

(m) to hear and determine matters concerning state, local, and federal taxes in accordance with sections 346, 505, and 1146 of the Bankruptcy Code (including any requests for expedited determinations under section 505(b) of the Bankruptcy Code);

(n) to hear and determine matters concerning Securities laws exemptions under section 1145 of the Bankruptcy Code;

(o) to hear, adjudicate, decide, or resolve any and all matters related to Article X, including the releases, discharge, exculpations, and injunctions issued thereunder;

(p) to resolve disputes concerning Disputed Claims or Disputed Interests or the administration thereof;

(q) to resolve any disputes concerning whether a Person had sufficient notice of the Chapter 11 Cases, the Disclosure Statement, any solicitation conducted in connection with the Chapter 11 Cases, any claims bar date established in the Chapter 11 Cases, or any deadline for responding or objecting to a Cure Claim, in each case, for the purpose of determining whether a Claim or Interest is discharged hereunder or for any other purposes;

(r) to hear and determine any other matters related hereto and not inconsistent with the Bankruptcy Code and the Judicial Code;

(s) to enter a final decree closing or an order dismissing, as applicable, any or all of the Chapter 11 Cases;

(t) to recover all assets of the Debtors and property of the Debtors' Estates, wherever located; and

(u) to hear and determine any rights, claims, or Causes of Action held by or accruing to the Debtors pursuant to the Bankruptcy Code or pursuant to any federal statute or legal theory.

For the avoidance of doubt, on and after the Effective Date, the Bankruptcy Court shall not retain exclusive jurisdiction over any matters arising in connection with the New Debt Documents or any transactions related thereto except to the extent the Bankruptcy Court would have jurisdiction over such matter pursuant to Article 11.1(d).

11.2. ***Courts of Competent Jurisdiction***.

If the Bankruptcy Court abstains from exercising, or declines to exercise, jurisdiction or is otherwise without jurisdiction over any matter arising out of this Plan, such abstention, refusal, or failure of jurisdiction shall have no effect upon and shall not control, prohibit, or limit the exercise of jurisdiction by any other court having competent jurisdiction with respect to such matter.

ARTICLE XII.

MISCELLANEOUS PROVISIONS.

12.1. ***Payment of Statutory Fees***.

On the Effective Date and thereafter as may be required, the Reorganized Debtors shall pay all fees incurred pursuant to sections 1911 through 1930 of chapter 123 of the Judicial Code, together with interest, if any, pursuant to § 3717 of title 31 of the United States Code for each Debtor's case, or until such time as a final decree is entered closing a particular Debtor's case, a Final Order converting such Debtor's case to a case under chapter 7 of the Bankruptcy Code is entered, or a Final Order dismissing such Debtor's case is entered.

12.2. ***Substantial Consummation of this Plan***.

On the Effective Date, this Plan shall be deemed to be substantially consummated under sections 1101 and 1127(b) of the Bankruptcy Code.

12.3. ***Request for Expedited Determination of Taxes***.

The Debtors shall have the right to request an expedited determination under section 505(b) of the Bankruptcy Code with respect to tax returns filed, or to be filed, for any and all taxable periods ending after the Petition Date through the Effective Date, and in the case of any Debtor that is to be dissolved in accordance with the Restructuring Transactions Exhibit, through the completion of its dissolution.

12.4. ***Exemption from Certain Transfer Taxes***.

Pursuant to and to the fullest extent permitted by section 1146 of the Bankruptcy Code, (a) the issuance, distribution, transfer, or exchange of any Securities, instruments, or documents, (b) the creation, filing, modification, consolidation, termination, refinancing, or recording of any Lien, mortgage, deed of trust, or other security interest, (c) the making, assignment, filing, or recording of any lease or sublease or the making or delivery of any deed, bill of sale, assignment, or other instrument of transfer under, pursuant to, in furtherance of, or in connection with this Plan, including any deeds, bills of sale, or assignments executed in connection with any of the transactions contemplated under this Plan or the reinvesting, transfer, or sale of any real or personal property of the Debtors pursuant to, in implementation of, or as contemplated in this Plan and the Restructuring Transactions Exhibit (whether to one or more of the Reorganized Debtors or otherwise), (d) the grant of collateral as security for any indebtedness issued pursuant to or in connection with the Plan, and (e) the issuance, renewal, modification, or securing of indebtedness by such means, and the making, delivery, or recording of any deed or other instrument of transfer under, in furtherance of, or in connection with, this Plan, including the Confirmation Order, shall constitute a "transfer under a plan" within the purview of section 1146 of the Bankruptcy Code and shall not be subject to or taxed under any law imposing any stamp or similar tax, including any document recording tax, conveyance fee, mortgage tax, real estate transfer tax, mortgage recording tax, Uniform Commercial Code filing or recording fee, regulatory filing or recording fee, sales tax, use tax, or other similar governmental assessment. Consistent with the foregoing, each recorder of deeds or similar official for any county, city, or Governmental Unit in which any instrument hereunder is to be recorded shall, pursuant to the Confirmation Order, be ordered and directed to accept such instrument without requiring the payment of any filing fees, documentary stamp tax, deed stamps, transfer tax, intangible tax, or other stamp or similar taxes or fees.

12.5. ***Amendments***.

(a) *Plan Modifications*. Subject to the consent rights of the Required Consenting Senior Noteholders herein and as set forth in the Consenting Senior Noteholder RSA (including the consent rights therein), this Plan may be amended, modified, or supplemented by the Debtors in the manner provided for by section 1127 of the Bankruptcy Code or as otherwise permitted by law without additional disclosure pursuant to section 1125 of the Bankruptcy Code. In addition, after the Confirmation Date, so long as such action does not materially and adversely affect the treatment of Holders of Allowed Claims or Interests pursuant to this Plan, subject to the consent rights of the Required Consenting Senior Noteholders herein and as set forth in the Consenting Senior Noteholder RSA (including the consent rights therein), the Debtors may remedy any defect or omission or reconcile any inconsistencies in this Plan or the Confirmation Order with respect to such matters as may be necessary to carry out the purposes and effects of this Plan, and any Holder of a Claim or Interest that has accepted this Plan shall be deemed to have accepted this Plan as amended, modified, or supplemented.

(b) *Other Amendments*. Subject to the consent rights set forth in the Consenting Senior Noteholder RSA, before the Effective Date, the Debtors may make technical adjustments and modifications to this Plan and the documents contained in the Plan Supplement without further order or approval of the Bankruptcy Court.

12.6. ***Effectuating Documents and Further Transactions***.

Each of the officers of the Reorganized Debtors is authorized to execute, deliver, file, or record such contracts, instruments, releases, indentures, and other agreements or documents and take such actions as may be necessary or appropriate to effectuate and further evidence the terms and conditions of this Plan.

12.7. ***Revocation or Withdrawal of this Plan***.

The Debtors reserve the right to revoke or withdraw this Plan prior to the Effective Date; provided that any rights under the Consenting Senior Noteholder RSA, including any consent rights contained therein, shall remain unaffected. If, with respect to a Debtor, this Plan has been revoked or withdrawn before the Effective Date, or if Confirmation or the occurrence of the Effective Date as to such Debtor does not occur on the Effective Date, then, with respect to such Debtor: (a) this Plan shall be null and void in all respects; (b) any settlement or compromise embodied in this Plan (including the fixing or limiting to an amount any Claim or Interest or Class of Claims or Interests), assumption of Executory Contracts or Unexpired Leases affected by this Plan, and any document or agreement executed pursuant to this Plan shall be deemed null and void; and (c) nothing contained in this Plan shall (i) constitute a waiver or release of any Claim by or against, or any Interest in, such Debtor or any other Entity, (ii) prejudice in any manner the rights of such Debtor or any other Entity, or (iii) constitute an admission of any sort by any Debtor, any of the Consenting Stakeholders, or any other Entity.

12.8. ***Severability of Plan Provisions***.

If, before the entry of the Confirmation Order, any term or provision of this Plan is held by the Bankruptcy Court to be invalid, void, or unenforceable, the Bankruptcy Court, at the request of the Debtors and with the consent of the Required Consenting Senior Noteholders, shall have the power to alter and interpret such term or provision to make it valid or enforceable to the maximum extent practicable, consistent with the original purpose of the term or provision held to be invalid, void, or unenforceable, and such term or provision shall then be applicable as altered or interpreted; *provided* that any such alteration or interpretation shall be consistent with the Consenting Senior Noteholder RSA and the remainder of the terms and provisions of this Plan shall remain in full force and effect and shall in no way be affected, impaired, or invalidated by such holding, alteration, or interpretation. The Confirmation Order shall constitute a judicial determination and shall provide that each term and provision of this Plan, as it may have been altered or interpreted in accordance with the foregoing, is (a) valid and enforceable pursuant to its terms, (b) integral to this Plan and may not be deleted or modified without the consent of the Debtors or the Reorganized Debtors (as the case may be) and the Required Consenting Senior Noteholders, and (c) non-severable and mutually dependent.

12.9. ***Governing Law***.

Except to the extent that the Bankruptcy Code or other federal law is applicable, or to the extent an exhibit hereto or a Definitive Document provides otherwise, the rights, duties, and obligations arising under this Plan shall be governed by, and construed and enforced in accordance with, the laws of the State of New York, without giving effect to the principles of conflict of laws thereof.

12.10. ***Dates of Actions to Implement this Plan***.

In the event that any payment or act under this Plan is required to be made or performed on a date that is not a Business Day, then the making of such payment or the performance of such act may be completed on or as soon as reasonably practicable after the next succeeding Business Day but shall be deemed to have been completed as of the required date.

12.11. ***Immediate Binding Effect***.

Notwithstanding any Bankruptcy Rule providing for a stay of the Confirmation Order or this Plan, including Bankruptcy Rules 3020(e), 6004(h), 7062, or otherwise, upon the occurrence of the Effective Date, the terms of this Plan and the Plan Supplement shall be immediately effective and enforceable and deemed binding upon and inure to the benefit of the Debtors, the Holders of Claims and Interests, the Released Parties, and each of their respective successors and assigns, including the Reorganized Debtors, all Entities that are parties to or are subject to the settlements, compromises, releases, and injunctions described in this Plan, and any and all non-Debtor parties to Executory Contracts and Unexpired Leases with the Debtors. All Claims shall be as fixed, adjusted, or compromised, as applicable, pursuant to this Plan regardless of whether any Holder of a Claim, Interest, or debt has voted on this Plan.

12.12. ***Deemed Acts***.

Subject to and conditioned on the occurrence of the Effective Date, whenever an act or event is expressed under this Plan to have been deemed done or to have occurred, it shall be deemed to have been done or to have occurred without any further act by any party, by virtue of this Plan and the Confirmation Order.

12.13. ***Successors and Assigns***.

The rights, benefits, and obligations of any Entity named or referred to in this Plan shall be binding on, and shall inure to the benefit of any heir, executor, administrator, successor, or permitted assign, if any, of such Entity.

12.14. ***Entire Agreement***.

On the Effective Date, this Plan, the Plan Supplement, and the Confirmation Order shall supersede all previous and contemporaneous negotiations, promises, covenants, agreements, understandings, and representations on such subjects, all of which have become merged and integrated into this Plan.

12.15. ***Exhibits to Plan***.

All exhibits, schedules, supplements, and appendices to this Plan (including the Plan Supplement) are incorporated into and are a part of this Plan as if set forth in full herein.

12.16. ***Notices***.

All notices, requests, and demands to or upon the Debtors to be effective shall be in writing (including by electronic transmission) and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when actually delivered or addressed as follows:

(a) if to the Debtors or the Reorganized Debtors:

Mercer International Inc.
Suite 1120, 700 West Pender Street,
Vancouver, British Columbia V6C 1G8.
Richard Short (richard.short@mercerint.com)

with a copy (which shall not constitute notice) to:

Latham & Watkins LLP
1271 Avenue of the Americas
New York, NY 10020
Ray C. Schrock (ray.schrock@lw.com)
Keith Simon (keith.simon@lw.com)
Joe Zujkowski (joe.zujkowski@lw.com)

and

Latham & Watkins LLP
10250 Constellation Blvd. Suite 1100
Los Angeles, CA 90067
Nicholas J. Messana (nicholas.messana@lw.com)

and

Hunton Andrews Kurth LLP
600 Travis Street, Suite 4200
Houston, TX 77002
Timothy A. ("Tad") Davidson II (taddavidson@hunton.com)
Ashley L. Harper (ashleyharper@hunton.com)
Brandon Bell (bbell@hunton.com)
Kaleb Bailey (kbailey@hunton.com)

(b) if to the Majority Ad Hoc Group, to:

Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 6th Avenue
New York, NY 10019
Jacob Adlerstein (jadlerstein@paulweiss.com)
Sung Pak (spak@paulweiss.com)
Joseph M. Graham (jgraham@paulweiss.com)
Nicholas Krislov (nkrislov@paulweiss.com)

After the Effective Date, the Debtors have authority to send a notice to Entities providing that, to continue to receive documents pursuant to Bankruptcy Rule 2002, they must File a renewed request to receive documents pursuant to Bankruptcy Rule 2002. After the Effective Date, the Debtors are authorized to limit the list of Entities receiving documents pursuant to Bankruptcy Rule 2002 to those Entities who have Filed such renewed requests.

Dated: November 9, 2026
Vancouver, British Columbia

Respectfully submitted,

By: */s/ Richard Short*

Name: Richard Short
Title: Chief Financial Officer

On behalf of Mercer International Inc. and its Debtor Affiliate