

## Form 51-102F3

### *Material Change Report*

#### **1. Name and Address of Company**

Catalyst Paper Corporation (“Catalyst”)  
2<sup>nd</sup> Floor, 3600 Lysander Lane  
Richmond, British Columbia, Canada  
V7B 1C3

#### **2. Date of Material Change**

October 14, 2015

#### **3. News Release**

A news release was issued on October 14, 2015 through the facilities of CNW and filed with the applicable securities regulatory authorities.

#### **4. Summary of Material Change**

In the news release dated October 14, 2015, Catalyst announced that it would seek an expedited review of the Final Determination by the U.S. Department of Commerce (“DOC”), dated October 13, 2015, to impose countervailing duties on Catalyst’s exports of supercalendered paper to the U.S.

#### **5.1 Full Description of Material Change**

Catalyst announced that it would seek an expedited review of the Final Determination by the DOC, dated October 13, 2015, to impose countervailing duties on Catalyst’s exports of supercalendered paper to the U.S.

The DOC imposed preliminary countervailing duties on imports of supercalendered paper from four Canadian paper producers – Port Hawkesbury Paper, Resolute Forest Products, Irving Paper and Catalyst – on July 27, 2015. Despite its statutory obligation to examine each of the companies, the DOC refused to examine Catalyst and Irving Paper individually, and instead assigned them a preliminary “all-others” rate of 11.19%, which is the simple average of the preliminary rates assigned to Port Hawkesbury Paper and Resolute Forest Products.

Since August 4, 2015, based on this rate, Catalyst had deposited to the U.S. treasury approximately \$1.3 million, representing sales of 17,000 tonnes of supercalendered paper to U.S. customers.

In its Final Determination, the DOC once again refused to examine Catalyst and Irving Paper individually and instead assigned them a final “all-others” rate of 18.85%, which this time is a weighted average of the final rates assigned to Port Hawkesbury Paper and Resolute Forest Products.

The Coalition for Fair Paper Imports — U.S.-based Madison Paper and Verso Corporation — alleges that the Canadian federal and provincial governments subsidized the four Canadian

supercalendered paper producers. Supercalendered paper is glossy paper used in retail catalogues, flyers and magazines.

Following the DOC's Final Determination, the U.S. International Trade Commission ("ITC") will consider whether imports of supercalendered paper from Canada have injured the U.S. industry. If the ITC reaches an affirmative determination, the DOC is expected to issue its Final Order on the case in early December 2015, after which time Catalyst may request an expedited review of its case by the DOC.

*Forward-Looking Statement*

*Certain statements in this material change report, including, without limitation, the statement that the company will be seeking an expedited review of the company's case by the DOC are forward-looking statements within the meaning of Canadian and United States securities laws. These forward-looking statements reflect management's current views and are based on certain assumptions including, without limitation, assumptions as to future economic conditions, demand for products, levels of advertising, product pricing, ability to achieve operating and labour cost reductions, currency fluctuations, production flexibility and related courses of action, responses from applicable regulatory entities and other factors management believes are appropriate. Such forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those contained in these statements, including those risks and uncertainties identified under the heading "Risks and Uncertainties" in Catalyst's Management's Discussion and Analysis contained in Catalyst's annual report for the year ended December 31, 2014 and also the additional risks and uncertainties listed under the heading "Risks and Uncertainties" in Catalyst's Management's Discussion and Analysis for the quarter ended June 30, 2015, each available on the company's website at [www.catalystpaper.com/investors](http://www.catalystpaper.com/investors) and at [www.sedar.com](http://www.sedar.com).*

**5.2 Disclosure for Restructuring Transactions**

Not applicable.

**6. Reliance on subsection 7.1(2) of National Instrument 51-102**

Not applicable.

**7. Omitted Information**

Not applicable.

**8. Executive Officer**

For further information, contact:

Len Posyniak, Senior Vice-President, Human Resources & Corporate Services  
604-290-3547

**9. Date of Report**

October 23, 2015