

Postmedia Announces Offer to Purchase Senior Secured Notes

August 4, 2015 (TORONTO) – Postmedia Network Canada Corp. today announced that its wholly-owned subsidiary, Postmedia Network Inc. ("Postmedia" or the "Company") has offered to purchase, for par value (the "Offer Price"), up to \$17,235,000 of its 8.25% Senior Secured Notes (the "Notes"), plus accrued and unpaid interest up to but excluding September 4, 2015 (the "Purchase Date").

The offer is subject to applicable laws and the terms of the Senior Secured Notes Indenture dated as of August 16, 2012 among Postmedia, certain guarantors and Computershare Trust Company of Canada ("Computershare"), as trustee and collateral agent, as amended, supplemented or otherwise modified (the "Indenture").

The Company recently completed a sale of its property in Surrey, British Columbia for net proceeds of approximately \$17.2 million. The Company is obligated under the terms of the Indenture to use the net proceeds from such sale to make the offer.

Registered holders of Notes wishing to participate must provide a duly completed Option of Holder to Elect Purchase (a "**Notice**") of their intention to surrender one or more Notes, together with a certificate representing the Notes, to Computershare in accordance with the instructions included in the Notice by August 31, 2015 at 11:59 pm (EDT). Beneficial holders of Notes wishing to participate must contact their broker and provide specific instructions to allow their broker to accept the offer through the processes of CDS.

In the event that the aggregate principal amount of Notes surrendered by the holders thereof exceeds \$17,235,000, the Notes shall be purchased on a pro rata basis based on the aggregate principal amount of the Notes tendered. Any Notes that are not purchased will be returned to the registered holder(s).

On the Purchase Date, the Company will publicly announce or post on its website the total number of Notes surrendered and the number of Notes the Company intends to purchase (the "**Purchased Notes**"). The Company will purchase the Purchased Notes and pay the Offer Price for each Purchased Note on the Purchase Date. Holders of Notes that are purchased will not receive any future interest payments on such Purchased Notes.

Note: All dollar amounts are expressed in Canadian dollars unless otherwise specified.

Additional Information

Additional information on Postmedia Network Canada Corp. and the Company, including financial statements and management's discussion and analysis, can be found on the Company's website at www.postmedia.com/investors/financial-reports, on SEDAR at www.sedar.com or on the website maintained by the U.S. Securities and Exchange Commission (the "SEC") at www.sec.gov.

About Postmedia Network Canada Corp.

Postmedia Network Canada Corp. (TSX:PNC.A, PNC.B) is the holding company that owns Postmedia Network Inc., the largest publisher by circulation of daily newspapers in Canada, representing some of the country's oldest and best known media brands. Reaching millions of Canadians every week, Postmedia engages readers and offers advertisers and marketers integrated solutions to effectively reach target audiences through a variety of print, online, digital, and mobile platforms.

Forward-Looking Information

This news release may include information that is "forward-looking information" under applicable Canadian securities laws and "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. The Company has tried, where possible, to identify such information and statements by using words such as "believe," "expect," "intend," "estimate," "anticipate," "may," "will," "could," "would," "should" and similar expressions and derivations thereof in connection with any discussion of future events, trends or prospects or future operating or financial performance. Forward-looking statements in this news release include statements with respect to the offer and proposed purchase of Notes. By their nature, forward-looking information and statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These risks and uncertainties include, among others, the possibility that the purchase of Notes will not close. Given these risks and uncertainties, undue reliance should not be placed on any forward-looking information or forward-looking statements, which speak only as of the date of such information or statements. Other than as required by law, the Company does not undertake, and specifically declines, any obligation to update such information or statements or to publicly announce the results of any revisions to any such information or statements.

For more information:

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