



Postmedia Files Substantially Final Versions of New Note Indentures in Connection with Recapitalization Transaction

September 1, 2016 (TORONTO) – Postmedia Network Canada Corp. (“PNCC” or the “Company”) today announced that, in connection with the previously announced proposed recapitalization transaction (the “Recapitalization Transaction”) described in the Company’s management information circular dated August 5, 2016 (the “Circular”), the Company and Postmedia Network Inc. (“PNI”) have substantially finalized the following documents (the “Financing Documents”) referenced in the information circular:

- the amended and restated senior secured notes indenture (the “Amended and Restated First Lien Note Indenture”) to be entered into among PNI, as issuer, PNCC as guarantor, the other guarantors party thereto from time to time and Computershare Trust Company of Canada, as trustee (in such capacity, the “First Lien Trustee”) and collateral agent;
- the new second lien secured notes indenture to be entered into among PNI, as issuer, PNCC as guarantor, the other guarantors party thereto from time to time and Computershare Trust Company of Canada, as trustee (in such capacity, the “Second Lien Trustee”) and collateral agent; and
- the collateral trust and agency agreement (the “CTA”) to be entered into among Computershare Trust Company of Canada, as collateral agent, the First Lien Trustee, the Second Lien Trustee, the Company, PNCC and the other guarantors party thereto.

The Company announced the following changes to the CTA from the description of the document set out in the Circular: the definition of “Act of Instructing Secured Parties” has been revised to reduce the voting thresholds for directing enforcement action on collateral from 66 2/3% of the aggregate exposure of the applicable secured party group to a simple majority of the aggregate exposure of the applicable secured party group; and it has been clarified that affiliates of the Company can vote under the CTA (which resolves an inconsistency in the Circular on this point). These changes have been made with the support of the supporting noteholders for the Recapitalization Transaction.

The substantially final versions of the Financing Documents, along with a blackline comparison of the Amended and Restated First Lien Note Indenture to the existing senior secured notes indenture for reference, have been posted for review on the Company’s website at www.postmedia.com and on SEDAR at www.sedar.com. The Financing Documents will be entered into in connection with the implementation of the Recapitalization Transaction, which is expected to be completed on or about September 30, 2016.

About Postmedia Network Canada Corp.

Postmedia Network Canada Corp. (TSX:PNC.A, PNC.B) is the holding company that owns Postmedia Network Inc., a Canadian newsmedia company representing more than 200 brands across multiple print, online, and mobile platforms. Award-winning journalists and innovative product development teams bring engaging content to millions of people every week whenever and wherever they want it. This exceptional content, reach and scope offers advertisers and marketers compelling solutions to effectively reach target audiences. For more information, visit www.postmedia.com.

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Forward-Looking Statements

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 implementation, completion and timing of the Recapitalization Transaction. 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 risk that the Recapitalization Transaction may not obtain the required approvals or be completed on the terms or on the timeline described in this press release or at all; the costs associated with the Recapitalization Transaction; and the risk that the anticipated benefits and consequences of the Recapitalization Transaction may not be achieved. For a complete list of our risk factors please refer to the section entitled “Risk Factors” contained in our annual management’s discussion and analysis for the years ended August 31, 2015, 2014 and 2013 and in our annual information form dated November 25, 2015. Although the Company bases such information and statements on assumptions believed to be reasonable when made, they are not guarantees of future performance and actual results of operations, financial condition and liquidity, and developments in the industry in which the Company operates, may differ materially from any such information and statements in this press release. 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.