



Unlocking the Foundation of Nature's Elements

FOREST PRODUCTS LEADERS, MERCER AND RESOLUTE, JOIN FORCES TO COMMERCIALIZE SUSTAINABLE NEW BIOMATERIAL

***FROM LIGHTER VEHICLES TO STRONGER BUILDING MATERIALS,
NEW BIOMATERIAL FROM CANADA SET TO BE A GAME CHANGER***

Vancouver, BC and Montreal, QC, June 23, 2014 – Mercer International Inc. (“Mercer”) and Resolute Forest Products Inc. (“Resolute”) today announced a new joint venture company – Performance BioFilaments Inc. – focused on the development of commercial applications for cellulose filaments, one of the world’s most exciting new biomaterials. Cellulose filaments have unique performance-enhancing properties with significant potential to improve a wide array of consumer and industrial products.

“The significance of this new biomaterial, derived from wood fibre, is tremendous from both an environmental perspective and the range of possible applications. It holds the potential to make a variety of products stronger, lighter, more flexible and more durable, while leveraging a sustainable and renewable resource,” said Gurminder Minhas, Managing Director of Performance BioFilaments. “I can foresee lighter-weight, more fuel efficient vehicles, stronger more flexible building materials, and advanced composite materials in the realm of possible applications. Cellulose filaments are literally unlocking the foundation of nature’s elements to make way for significant advancements in materials development.”

Cellulose is one of nature’s most abundant materials. Performance BioFilaments’ cellulose filaments are made from wood pulp, processed using a proprietary technology licensed from FPInnovations Inc., one of Canada’s leading research organizations working in forest products research and development. The resulting cellulose filaments have exceptional strength and purity, with an extraordinarily high aspect ratio that is unique when compared to all other high-value, cellulose-based biomaterials. Cellulose filaments are completely renewable and have a low carbon footprint.

As a member company of FPInnovations, Performance BioFilaments has access to all current and future cellulose filaments research, including production processes and applications, as well as the process technology, findings and production quantities being advanced at the Trois-Rivières mill – the world’s first five tonne per day cellulose filament demonstration plant.

“Performance BioFilaments is looking to identify joint development partners for novel product applications of cellulose filaments, whereby we can together leverage FPInnovations foundational research and our own proprietary work to create new and exciting products,” said Gurminder Minhas, Managing Director of Performance BioFilaments. “These applications can be applied within a range of industries from automotive and manufacturing, to construction and high-end consumer products.”

ABOUT PERFORMANCE BIOFILAMENTS INC.

Performance BioFilaments Inc., a joint venture between Mercer International Inc. and Resolute Forest Products, is focused on the development of commercial applications for cellulose filaments, one of the world's most exciting new biomaterials. Cellulose filaments can be used to enhance the performance characteristics of a wide variety of products. Derived from wood fibre – a renewable and natural resource – cellulose filaments optimize the strength, stability, flexibility and longevity of a variety of materials including composites, coatings and consumer products. For more information, please visit www.performancebiofilaments.com.

ABOUT MERCER INTERNATIONAL INC.

Mercer International Inc. ("Mercer") is the world's largest producer of NBSK market pulp and has become a leader among forest products companies in embracing the bio-economy. The company has modern, large-scale pulp mills in both Germany and Canada. Mercer's shares are listed on the NASDAQ Global Market (MERC) and on the Toronto Stock Exchange (MRI.U). For more information, please visit www.mercerint.com.

ABOUT RESOLUTE FOREST PRODUCTS INC.

Resolute Forest Products is a global leader in the forest products industry with a diverse range of products, including newsprint, specialty papers, market pulp and wood products. The Company owns or operates nearly 40 pulp and paper mills and wood products facilities in the United States, Canada and South Korea, and power generation assets in Canada. Marketing its products in close to 90 countries, Resolute has third-party certified 100% of its managed woodlands to at least one of three internationally recognized sustainable forest management standards. The shares of Resolute Forest Products trade under the stock symbol RFP on both the New York Stock Exchange and the Toronto Stock Exchange. For more information, please visit www.resolutefp.com.

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