January 17, 2013

Clearwater Paper Announces Pricing of 275 Million of Senior Notes

SPOKANE, Wash.--(BUSINESS WIRE)-- **Clearwater Paper Corporation (NYSE:CLW)** today announced that it upsized and priced 275 million aggregate principal amount of senior notes due 2023 (the "Notes"). The Notes will have an interest rate of 4.5% per annum and are being issued at a price equal to 100% of their face value.

The company estimates that the net proceeds from the offering will be approximately $270.7 million after deducting discounts and estimated offering expenses. Clearwater Paper intends to use approximately $163.9 million of the net proceeds to redeem all of its outstanding 10.625% Senior Notes due 2016, and to use $100 million of the net proceeds to purchase shares of the company's common stock pursuant to the company's previously announced $100 million stock repurchase program. The company intends to use the remaining net proceeds for general corporate purposes.

As the offering was a private placement, the notes were offered and sold only to qualified institutional buyers in reliance on Rule 144A under the Securities Act of 1933 (the "Securities Act") and to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Securities Act. The notes that were offered have not been registered under the Securities Act or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This press release does not constitute an offer to sell or the solicitation of an offer to buy any of the notes nor shall there be any sale of the notes in any jurisdiction in which such offer, solicitation or sale would be unlawful. This news release is being issued pursuant to and in accordance with Rule 135c under the Securities Act.

This press release contains information about pending transactions, and there can be no assurance that these transactions will be completed.

ABOUT CLEARWATER PAPER

Clearwater Paper manufactures quality consumer tissue, away-from-home tissue, parent roll tissue, machine glazed tissue, bleached paperboard and pulp at 15 manufacturing locations in the U.S. and Canada. The company is a premier supplier of private label tissue to major retailers and wholesale distributors. This includes grocery, drug, mass merchants and discount stores. The company also produces bleached paperboard used by quality-conscious printers and packaging converters. Clearwater Paper's employees build shareholder value by developing strong customer relationships through quality and service.

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements within the meaning of the Private Litigation Reform Act of 1995 as amended, including, but not limited to, statements regarding the offering of the notes and the anticipated use of proceeds therefrom. These forward-looking statements are based on current expectations, estimates and assumptions that are subject to change, and actual results may differ materially from the forward-looking statements. Factors that could cause actual results to differ materially include, but are not limited to, the impact of conditions in the credit markets generally and, in particular, for companies in the markets in which the company operates; changes and uncertainty in the United States and international economies in which the company operates; and other risks and uncertainties described from time to time in the company's public filings with the Securities and Exchange Commission. The forward-looking statements are made as of the date of this press release and the company does not undertake to update any forward-looking statements.

Clearwater Paper
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Source: Clearwater Paper Corporation

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