

Form 51-102F3

Material Change Report

Certain statements in this material change report constitute forward-looking statements. Readers should refer to the cautionary notice regarding forward-looking statements that appears at the end of the news release to which this material change report relates, a copy of which is attached as Schedule A hereto.

Item 1 Name and Address of Company

Tembec Inc. ("**Tembec**")
4 Place Ville-Marie, Suite 100
Montréal (Quebec) H3V 2E7

Item 2 Date of Material Change

July 23, 2017.

Item 3 News Release

A news release was filed on SEDAR and disseminated via the facilities of a recognized news service on July 23, 2017. A copy of the news release is attached as Schedule "A" hereto.

Item 4 Summary of Material Change

On July 23, 2017, Rayonier Advanced Materials Inc. ("**Rayonier Advanced Materials**") and Tembec announced that they have entered into an amendment to the arrangement agreement dated May 24, 2017 (as amended, the "**Amended Arrangement Agreement**") under which Rayonier Advanced Materials has agreed to acquire Tembec (the "**Arrangement**") for an increased consideration valued at C\$4.75 per Tembec share.

Under the Amended Arrangement Agreement, Tembec shareholders will have the right to elect to receive either C\$4.75 in cash or 0.2542 shares of Rayonier Advanced Materials common stock per Tembec common share, subject to proration so that 66.8% of the aggregate consideration is paid in cash and 33.2% is paid in Rayonier Advanced Materials common stock.

Rayonier Advanced Materials has entered into support and voting agreements with each of Oaktree Capital Management, L.P. ("**Oaktree Capital**") and Restructuring Capital Associates L.P. ("**Restructuring Capital Associates**"), who together represent approximately 37% of Tembec's outstanding shares, pursuant to which they have agreed to vote in favor of the Arrangement.

Item 5.1 Full Description of Material Change

On July 23, 2017, Rayonier Advanced Materials and Tembec announced that they have entered into an Amended Arrangement Agreement under which Rayonier Advanced Materials has agreed to acquire Tembec for an increased consideration valued at C\$4.75 per Tembec share. The revised terms were unanimously approved by the boards of directors of both companies.

Under the Amended Arrangement Agreement, Tembec shareholders will have the right to elect to receive either C\$4.75 in cash or 0.2542 shares of Rayonier Advanced Materials common stock per Tembec common share, subject to proration so that 66.8% of the aggregate consideration is paid in cash and 33.2% is paid in Rayonier Advanced Materials common stock.

The increased consideration represents a 17% increase in value offered for the shares compared to the initial terms and a premium of 61% to the closing price of Tembec's shares on May 24, 2017, the day immediately before the initial announcement concerning the Arrangement.

The Amended Arrangement Agreement also provides that the closing of the Arrangement will occur no earlier than October 16, 2017.

Rayonier Advanced Materials has entered into support and voting agreements with each of Oaktree Capital and Restructuring Capital Associates, who together represent approximately 37% of Tembec's outstanding shares, pursuant to which they have agreed to vote in favor of the Arrangement.

Structure, Timing and Approvals of Transaction

The transaction will be carried out by way of a court-approved plan of arrangement and will require the approval of at least 66 2/3% of the votes cast by Tembec shareholders. Rayonier Advanced Materials intends to finance the cash portion of the transaction with a combination of cash on hand and committed bank financing. The transaction does not require the approval of Rayonier Advanced Materials stockholders.

In addition to Tembec shareholder and court approvals, the transaction is also subject to other conditions and receipt of other approvals, including receipt of regulatory approvals. As previously announced on July 13, 2017, the transaction has received approval from Germany's Federal Cartel Office. Subject to obtaining the required approvals, the transaction is expected to be completed in the fourth quarter of 2017.

Voting Information

The special meeting of Tembec shareholders (the "**Meeting**") will be held at 10:00 a.m. (Eastern Time) on Thursday, July 27, 2017 and proxies must be received by Tembec's transfer agent, Computershare, no later than 5:00 p.m. (Eastern Time) on Tuesday, July 25, 2017. Tembec shareholders holding their shares through a broker, investment dealer or other intermediary should carefully follow the instructions of such intermediary to ensure that their vote is counted at the meeting. Tembec may waive the time limits for the deposit of proxies if considered advisable to do so.

Tembec shareholders are entitled to vote at the Meeting if they were a holder of Tembec shares at the close of business on June 19, 2017.

As for Tembec Shareholders who have already submitted their proxy or voting instructions and do not wish to change their votes on the matters set forth therein, no further action is required on their part and their votes will be counted at the Meeting in accordance with the proxy or voting instructions they have already submitted. Tembec Shareholders who have already submitted their proxy or voting instructions and wish to change their vote must comply with the proxy revocation procedures set forth in the management information circular mailed to Tembec shareholders on June 23, 2017 and made available under Tembec's profile on SEDAR at www.sedar.com.

Fairness Opinions

Tembec has obtained fairness opinions from each of Scotia Capital and National Bank Financial that, as of July 23, 2017, subject to the assumptions, limitations and qualifications contained therein, the consideration to be received by the Tembec shareholders pursuant to the Amended Arrangement Agreement is fair to such shareholders from a financial point of view. A copy of the Scotia Capital fairness opinion is attached hereto as Schedule "B". A copy of the National Bank Financial fairness opinion is attached hereto as Schedule "C".

Item 5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6 Reliance on subsection 7.1(2) of Regulation 51-102

Not applicable.

Item 7 Omitted Information

Not applicable.

Item 8 Executive Officer

For any inquiries with respect to this material change report, please contact Michel Dumas, Executive Vice President, Finance and Chief Financial Officer of Tembec at 819-627-4268.

Item 9 Date of Report

July 24, 2017.

Schedule A

PRESS RELEASE



Rayonier Advanced Materials and Tembec Announce Increase in Consideration under Amended Arrangement Agreement

- ***Increased Consideration Valued at C\$4.75***
- ***Oaktree and Bennett Management Agree to Vote in Favor of the Arrangement***
- ***Tembec shareholders should submit or update their proxies or voting instructions in advance of the meeting without delay***

JACKSONVILLE, Florida and MONTREAL, Québec—July 23, 2017—Rayonier Advanced Materials Inc. (“Rayonier Advanced Materials”) (NYSE: RYAM) and Tembec Inc. (“Tembec”) (TSX: TMB) today announced that they have entered into an amendment to the arrangement agreement (as amended, the “Amended Arrangement Agreement”) under which Rayonier Advanced Materials has agreed to acquire Tembec (the “Arrangement”) for an increased consideration valued at C\$4.75 per Tembec share. The revised terms were unanimously approved by the boards of directors of both companies.

Under the Amended Arrangement Agreement, Tembec shareholders will have the right to elect to receive either C\$4.75 in cash or 0.2542 shares of Rayonier Advanced Materials common stock per Tembec common share, subject to proration so that approximately 67% of the aggregate consideration is paid in cash and approximately 33% is paid in Rayonier Advanced Materials common stock.

The increased consideration represents a 17% increase in value offered for the shares compared to the initial terms and a premium of 61% to the closing price of Tembec’s shares on May 24, 2017, the day immediately before the initial announcement concerning the Arrangement.

Rayonier Advanced Materials has entered into irrevocable support and voting agreements with each of Oaktree Capital Management L.P. and Restructuring Capital Associates L.P., who together represent approximately 37% of Tembec’s outstanding shares, pursuant to which they have agreed to vote in favor of the Arrangement.

Stronger, More Diversified Global Leader

“This transaction advances our growth objective to pursue strategic acquisitions where we can leverage our core competencies to provide significant long-term shareholder return,” said Paul Boynton, Chairman, President and Chief Executive Officer of Rayonier Advanced Materials. “We look forward to working with Tembec’s exceptional team, unions and other stakeholders to realize the abundant opportunities ahead.”

James Lopez, President and Chief Executive Officer of Tembec, added, “Rayonier Advanced Materials is the ideal partner for us and we are encouraged by their ongoing commitment to our operations and employees in Canada and France and—above all—to the values we share. This

combination will enable us to sustainably grow our business for the benefit of our customers, employees and communities. We are, of course, pleased with the opportunity to deliver even greater value to our shareholders.”

Structure, Timing and Approvals of Transaction

The transaction will be carried out by way of a court-approved plan of arrangement and will require the approval of at least 66 2/3% of the votes cast by Tembec shareholders. Rayonier Advanced Materials intends to finance the cash portion of the transaction with a combination of cash on hand and committed bank financing. The transaction does not require the approval of Rayonier Advanced Materials stockholders.

In addition to Tembec shareholder and court approvals, the transaction is also subject to other conditions and receipt of other approvals, including receipt of regulatory approvals. As previously announced on July 13, 2017, the transaction has received approval from Germany’s Federal Cartel Office. Subject to obtaining the required approvals, the transaction is expected to be completed in the fourth quarter of 2017.

Voting Information

Tembec shareholders are reminded that the special meeting of Tembec shareholders (the “Meeting”) will be held at 10:00 a.m. (Eastern Time) on Thursday, July 27, 2017 and that proxies must be received by Tembec’s transfer agent, Computershare, no later than 5:00 p.m. (Eastern Time) on Tuesday, July 25, 2017. Tembec shareholders holding their shares through a broker, investment dealer or other intermediary should carefully follow the instructions of such intermediary to ensure that their vote is counted at the meeting. Tembec may waive the time limits for the deposit of proxies if considered advisable to do so.

Tembec shareholders are entitled to vote at the Meeting if they were a holder of Tembec shares at the close of business on June 19, 2017. Your vote is important regardless of the number of shares you hold and the Tembec board of directors urges you to vote.

If you have already submitted your proxy or voting instructions and you do not wish to change your votes on the matters set forth therein, no further action is required on your part and your votes will be counted at the Meeting in accordance with the proxy or voting instructions you have already submitted. If you have already submitted your proxy or voting instructions and you wish to change your vote, you must comply with the proxy revocation procedures set forth in the management information circular mailed to Tembec shareholders on June 23, 2017 and made available under Tembec’s profile on SEDAR at www.sedar.com. **Tembec shareholders holding their shares through a broker, investment dealer or other intermediary should contact such intermediary without delay if they wish to change their voting instructions.**

Tembec shareholders who require assistance in submitting their proxies or voting instructions may direct their inquiries to Tembec’s proxy solicitation agent, Shorecrest Group, by telephone at 1-888-637-5789 toll-free in North America or by e-mail at contact@shorecrestgroup.com. For banks, brokers and collect calls outside North America, please call 1-647-931-7454.

Fairness Opinions

Tembec has obtained fairness opinions from each of Scotia Capital and National Bank Financial that, as of July 23, 2017, subject to the assumptions, limitations and qualifications contained

therein, the consideration to be received by the Tembec shareholders pursuant to the Amended Arrangement Agreement is fair to such shareholders from a financial point of view.

Advisors

For Rayonier Advanced Materials, BofA Merrill Lynch is serving as financial advisor and Wachtell, Lipton, Rosen & Katz, McCarthy Tétrault LLP and Hogan Lovells US LLP are serving as legal counsel.

For Tembec, Scotia Capital is serving as financial advisor and National Bank Financial is serving as financial advisor, on a non-contingent fixed-fee basis. Stikeman Elliott LLP, Cahill Gordon & Reindel LLP, Dechert LLP and Slaughter and May are serving as legal counsel.

About Rayonier Advanced Materials

Rayonier Advanced Materials is a leading global supplier of high purity cellulose, a natural polymer commonly found in cell phones, computer screens, filters and pharmaceuticals. The company engineers dozens of customized products at its plants in Florida and Georgia, delivering unique properties, unparalleled consistency and exceptional quality. Rayonier Advanced Materials' facilities can produce approximately 485,000 tons of high purity cellulose and 245,000 tons of commodity products. With approximately 1,200 employees and revenues of US\$870 million Rayonier Advanced Materials is routinely ranked among the nation's top 50 exporters, shipping products to five continents, 35 countries and 80 ports around the world. More information is available at www.rayonieram.com.

About Tembec

Tembec is a manufacturer of forest products – lumber, paper, pulp and high purity cellulose – and a global leader in sustainable forest management practices. Principal operations are in Canada and France. Tembec has approximately 3,000 employees and annual sales of approximately C\$1.5 billion. Tembec is listed on the Toronto Stock Exchange (TMB). More information is available at www.tembec.com.

Forward-Looking Statements

This document contains statements that are forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those projected. Such risks and uncertainties include, but are not limited to: the timing of the closing of the Arrangement; whether the Arrangement will be consummated at all and the ability to obtain required regulatory approvals and satisfy the other conditions to closing the Arrangement; the expected benefits of the Arrangement and whether such benefits will be achieved on a timely basis or at all; the ability of Tembec and Rayonier Advanced Materials to successfully integrate their respective businesses; prolonged weakness in general economic conditions; competitive pressures in the markets in which we operate; customer concentration; unfavorable weather conditions or natural disasters; reliance on government permits or approvals; risks related to federal, state, local and foreign government laws, rules and regulations; risks related to the reliance on information technology; manufacturing issues that may arise; adverse consequences of current or future legal claims; ability to hire and retain a sufficient seasonal workforce; labor relations with the unions representing Rayonier Advanced Materials' hourly employees; changes in transportation-related

costs and availability; risks related to workforce, including increased labor costs; the failure to attract and retain key personnel; the failure to innovate to maintain competitiveness, grow the business and protect intellectual property; fluctuations in foreign currency exchange rates; impairments or write downs of assets; changes in accounting estimates and judgments, accounting principles, policies or guidelines; the effect of current and future environmental laws and regulations as well as changes in circumstances on the cost and estimated future cost of required environmental expenditures; material adverse changes in financial condition; any failure by Rayonier Advanced Materials to realize expected benefits from its separation from Rayonier Inc.; financial obligations under agreements related to debt; and other risks detailed in Rayonier Advanced Materials' filings with the U.S. Securities and Exchange Commission, including the "Risk Factors" section of Rayonier Advanced Materials' Annual Report on Form 10-K for the fiscal year ended December 31, 2016 and in Tembec's filings with the Canadian Securities Administrators, including the "Risk Factors" section of Tembec's Annual Information Form for the fiscal year ended September 24, 2016. All forward-looking statements attributable to Tembec or Rayonier Advanced Materials or any persons acting on their behalf are expressly qualified in their entirety by these cautionary statements. All forward-looking statements in this document are made as of the date hereof and neither Tembec nor Rayonier Advanced Materials undertakes any obligation to update any forward-looking statements whether as a result of new information, future events or otherwise, except as may be required by law.

Additional Information

Further information regarding the transaction is contained in the management information circular in connection with the special meeting of the Tembec shareholders filed by Tembec with the Canadian Securities Administrators on June 23, 2017 and furnished by Rayonier Advanced Materials on Form 8-K filed June 23, 2017 with the U.S. Securities and Exchange Commission. Investors and security holders are urged to read the information circular, as it contains important information concerning the proposed transaction. Investors and security holders may obtain a copy of the arrangement agreement, information circular and other meeting materials at www.sec.gov and www.sedar.com. This document is for informational purposes only. It does not constitute an offer to purchase shares of Rayonier Advanced Materials or Tembec or a solicitation or recommendation statement under the rules and regulations of the Canadian securities regulators, the U.S. Securities and Exchange Commission or other applicable laws.

Contacts

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Schedule B

OPINION OF SCOTIA CAPITAL



July 23, 2017

The Board of Directors
Tembec Inc.
4 Place Ville Marie, Suite 100
Montreal, QC, H3B 2E7

To the Members of the Board:

Scotia Capital Inc. ("Scotia Capital", "we" or "us") understands that Tembec Inc. ("Tembec" or the "Company") and Rayonier Advanced Materials Inc. ("Rayonier AM" or the "Acquirer") intends to enter into an amendment to the arrangement agreement dated May 24, 2017 (as amended, the "Arrangement Agreement") whereby Rayonier AM will acquire all of the outstanding common shares (the "Shares") of the Company by way of a court-approved plan of arrangement (the "Plan of Arrangement") under the *Canada Business Corporations Act* (the "Transaction").

Pursuant to the terms of the Arrangement Agreement and related Plan of Arrangement, holders of the Shares have the right to elect to receive, for each Share held, either (i) C\$4.75 in cash or (ii) 0.2542 of a common share of Rayonier AM. These elections are subject to pro-rata to ensure that no more than 66.8% of the aggregate Shares shall receive the cash consideration and no more than 33.2% of the aggregate Shares shall receive the stock consideration (the "Consideration"). The terms of the Arrangement Agreement relating to the Transaction are more fully described in the management information circular previously mailed to the shareholders of the Company and in the material change report to be filed on SEDAR (collectively, the "Disclosure Document").

Background and Engagement of Scotia Capital

Scotia Capital was retained by the Company on June 22, 2016 pursuant to an engagement letter (the "Engagement Agreement") to perform such financial advisory and investment banking services for the Company as are customary in transactions of this type including assisting the Company in analyzing strategic alternatives and, if requested, structuring, negotiating and effecting a Transaction (as defined in the Engagement Agreement). Pursuant to the Engagement Agreement, the Board of Directors of the Company has requested that Scotia Capital provide an opinion (the "Opinion") as to the fairness, from a financial point of view, of the Consideration to be received by the holders of the Shares (the "Shareholders") pursuant to the Transaction. The terms of the Engagement Agreement provide that Scotia Capital is to be paid a fee for its services as financial advisor, including fees that are contingent on the completion of the Transaction and fees payable upon delivery of an Opinion. The fees payable for delivery of an Opinion are not contingent on the completion of the Transaction. In addition, Scotia Capital is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by the Company in certain circumstances.

The Board of Directors of the Company has not instructed Scotia Capital to prepare, and Scotia Capital has not prepared, a formal valuation of the Company or any of its securities or assets, and the Opinion should not be construed as such. Scotia Capital has, however, conducted such analyses as it considered necessary in the circumstances to prepare and deliver the Opinion.

Subject to the terms of the Engagement Agreement, Scotia Capital consents to the inclusion of the Opinion in its entirety and a summary thereof in the Disclosure Document and to the filing of the Opinion, as necessary, with the securities commissions, stock exchanges and other similar regulatory authorities in Canada.

Overview of Tembec

Tembec is an integrated forest products company with operations principally located in Canada and France. Its business segments are specialty cellulose pulp, forest products, paper pulp and paper. Tembec operates 13 manufacturing locations in North America and France and directly manages approximately 10 million hectares (approximately 25 million acres) of Canadian forestlands.

Credentials of Scotia Capital

Scotia Capital represents the global corporate and investment banking and capital markets business of Scotiabank Group (“Scotiabank”), one of North America’s premier financial institutions. In Canada, Scotia Capital is one of the country’s largest investment banking firms with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. Scotia Capital has participated in a significant number of transactions involving private and public companies and has extensive experience in preparing fairness opinions.

The Opinion expressed herein represents the opinion of Scotia Capital as a firm. The form and content of the Opinion have been approved for release by a committee of directors and other professionals of Scotia Capital, all of whom are experienced in merger, acquisition, divestiture, fairness opinion and valuation matters.

Relationships of Scotia Capital

Neither Scotia Capital nor any of its affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario)) of the Company, Acquirer or any of their respective associates or affiliates. Subject to the following, there are no understandings, agreements or commitments between Scotia Capital and the Company, Acquirer or any of their respective associates or affiliates with respect to any future business dealings. Scotia Capital or its affiliates have in the past provided, and may in the future provide, traditional banking, financial advisory or investment banking services to the Company or any of its affiliates and may in the future provide similar services to the Acquirer or its affiliates.

Scotia Capital acts as a trader and dealer, both as principal and agent, in the financial markets in Canada, the United States and elsewhere and, as such, it and Scotiabank, may have had and may have positions in the securities of the Company, the Acquirer, or their respective affiliates from time to time and may have executed or may execute transactions on behalf of such companies or clients for which it receives compensation. As an investment dealer, Scotia Capital conducts research on securities and may, in the ordinary course of business, provide research reports and investment advice to its clients on investment matters, including with respect to the Company or any of its affiliates, the Acquirer or any of its affiliates or with respect to the Transaction.

Scope of Review

In preparing the Opinion, Scotia Capital has reviewed, considered and relied upon, without attempting to verify independently the completeness or accuracy thereof, among other things:

- (a) the Arrangement Agreement, including the amendment to the Arrangement Agreement dated May 24, 2017 and the Plan of Arrangement appended thereto (the “Arrangement Agreement”);
- (b) the shareholder voting support agreements dated July 23, 2017 entered into between the Acquirer and Oaktree Capital Management, L.P. as well as Restructuring Capital Associates L.P.;
- (c) the voting support agreement (the “Support Agreement”) dated May 24, 2017 entered into between the Acquirer and certain of Tembec’s directors and members of executive management;

- (d) a draft of the Company's financial results for the third fiscal quarter ended June 24, 2017 to be released on July 26, 2017;
- (e) annual reports of the Company and the Acquirer for the fiscal years ended 2014 to 2016;
- (f) the Management Information Circular of the Company for the fiscal years ended 2014 to 2016;
- (g) audited financial statements and management discussion and analysis of the Company and the Acquirer for the fiscal years ended 2014 to 2016;
- (h) annual information forms of the Company for the fiscal years ended 2014 to 2016;
- (i) the budget for each of the Company and the Acquirer for the fiscal year ending 2017;
- (j) financial projections for each of the Company and the Acquirer for the fiscal years ending 2017 to 2019 prepared by the management of the Company and Acquirer respectively;
- (k) various detailed internal Company management reports;
- (l) discussions with senior management of the Company and the Acquirer;
- (m) discussions with the Company's legal counsel;
- (n) various research publications prepared by industry and equity research analysts regarding the Company, the Acquirer and other selected entities considered relevant;
- (o) public information relating to the business, operations, financial performance and stock trading history of the Company, the Acquirer and other selected public companies considered by us to be relevant;
- (p) public information with respect to other transactions of a comparable nature considered by us to be relevant;
- (q) representations contained in a certificate addressed to Scotia Capital, as of the date hereof, from senior officers of the Company as to the completeness, accuracy and fair presentation of the information upon which the Opinion is based; and
- (r) such other corporate, industry and financial market information, investigations and analyses as Scotia Capital considered necessary or appropriate in the circumstances.

Scotia Capital has not, to the best of its knowledge, been denied access by the Company to any information requested by Scotia Capital.

Prior Valuations

The Company has represented to Scotia Capital that, to the best of its knowledge, there have been no prior valuations or appraisals of the Company or any material property of the Company or any of its subsidiaries or affiliates, made in the preceding twenty-four (24) months and in the possession or control or knowledge of the Company other than those provided to Scotia Capital or, in the case of valuations known to the Company which it does not have within its control, notice of which has been given to Scotia Capital.

Assumptions and Limitations

The Opinion is subject to the assumptions, explanations and limitations set forth below.

Scotia Capital has, subject to the exercise of its professional judgment, relied, without independent verification, upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions and representations obtained by it from public sources, or that was provided to us, by the Company, and its associates and affiliates and advisors (collectively, the "Information"), and we have assumed that this Information did not omit to state any material fact or any fact necessary to be stated to make that information not misleading. The Opinion is conditional upon the completeness, accuracy and fair presentation of such Information. With respect to the Company's financial projections provided to Scotia Capital by management of the Company and used in the analysis supporting the Opinion, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments of management of the Company as to the matters covered thereby, and in rendering the Opinion we express no view as to the reasonableness of such forecasts or budgets or the assumptions on which they are based.

Senior management of the Company has represented to Scotia Capital in certificates delivered as at the date hereof, among other things, that to the best of their knowledge (a) the Company has no information or knowledge of any facts public or otherwise not specifically provided to Scotia Capital relating to the Company or any of its subsidiaries or affiliates which would reasonably be expected to affect materially the Opinion; (b) with the exception of forecasts, projections or estimates referred to in (d), below, the written Information provided to Scotia Capital by or on behalf of the Company in respect of the Company and its subsidiaries or affiliates, in connection with the Transaction is or, in the case of historical information or data, was, at the date of preparation, true and accurate in all material respects, and no additional material, data or information would be required to make the data provided to Scotia Capital by the Company not misleading in light of circumstances in which it was prepared; (c) to the extent that any of the Information identified in (b), above, is historical, there have been no changes in material facts or new material facts since the respective dates thereof which have not been disclosed to Scotia Capital or updated by more current Information that has been disclosed; and (d) any portions of the Information provided to Scotia Capital which constitute forecasts, projections or estimates were prepared using the assumptions identified therein, which, in the reasonable opinion of the Company, are (or were at the time of preparation) reasonable in the circumstances.

The Opinion is rendered on the basis of the securities markets, economic, financial and general business conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company and its subsidiaries and affiliates, as they were reflected in the Information. In its analyses and in preparing the Opinion, Scotia Capital made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, which Scotia Capital believes to be reasonable and appropriate in the exercise of its professional judgment, many of which are beyond the control of Scotia Capital or any party involved in the Transaction.

For the purposes of rendering the Opinion, Scotia Capital has also made several assumptions, including that the representations and warranties of each party contained in the Arrangement Agreement are true and correct in all material respects, each party to the Arrangement Agreement will perform all of the covenants and agreements required to be performed by it under the Transaction, the Company will be entitled to fully enforce its rights under the Arrangement Agreement and receive the benefits therefrom in accordance with the terms thereof, and all of the conditions required to implement the Transaction will be satisfied.

The Opinion has been provided for the sole use of the Board of Directors of the Company in connection with its consideration of the Transaction and may not be used or relied upon by any other person. Our Opinion does not constitute a recommendation to the Board of Directors of the Company or to any Shareholder as to how such Shareholder should vote or act with respect to the Transaction. The Opinion is given as of the date hereof, and Scotia Capital disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of Scotia Capital after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Opinion after the date hereof, Scotia Capital reserves the right to change, modify or withdraw the Opinion.

Our Opinion does not address the relative merits of the Transaction as compared to other business strategies or transactions that might be available with respect to the Company or the Company's underlying business decision to effect the Transaction. This Opinion addresses only the fairness, from a financial point of view, as of the date hereof, of the Consideration to be received by the Shareholders pursuant to the Transaction. Without limiting the foregoing, we do not express any view on, and our Opinion does not address, any other term or aspect of the Arrangement Agreement or any term or aspect of any other agreement or instrument contemplated by the Transaction or entered into or amended in connection with the Transaction. Scotia Capital is not an expert on, and did not render advice to the Board of Directors of the Company regarding legal, tax, accounting and regulatory matters.

The preparation of a fairness opinion is a complex process and it is not amenable to partial analysis or summary description. Scotia Capital believes that its analyses must be considered as a whole and that selecting portions of its analyses or the factors considered by it, without considering all facts and analyses together, could create an incomplete view of the process and analyses underlying the Opinion.

Approach to Fairness

In considering the fairness, from a financial point of view, of the Consideration to be received by the Shareholders pursuant to the Transaction, Scotia Capital reviewed, considered and relied upon, among other things, the following: (i) a comparison of the Consideration to the results of a discounted cash flow analysis of Tembec; (ii) a comparison of the Consideration to the results of the financial analysis of Tembec on a sum-of-the-parts basis; (iii) a comparison of selected financial multiples implied by the Consideration to multiples paid, to the extent publicly available, in selected precedent transactions; (iv) a comparison of selected financial multiples of comparable companies whose securities are publicly traded to the multiples implied by the Consideration; (v) a comparison of the Consideration to the recent market trading prices of the Tembec Shares; (vi) a review of the form of Consideration and perspectives on the pro forma company including the potential synergies associated with the Transaction; (vii) a review of the process to solicit third party interest in certain assets of the Company; and (viii) such other factors, studies and analyses, as we deemed appropriate. In arriving at its fairness determination, Scotia Capital considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, Scotia Capital made its determination as to fairness on the basis of its experience and professional judgment after considering the results of all of its analyses.

Conclusion

Based upon and subject to the foregoing and such other matters as we considered relevant, Scotia Capital is of the opinion that, as of the date hereof, the Consideration to be received by the Shareholders pursuant to the Transaction is fair, from a financial point of view, to such Shareholders.

Yours very truly,

A handwritten signature in blue ink that reads "Scotia Capital Inc." with a stylized flourish at the end.

SCOTIA CAPITAL INC.

Schedule C

OPINION OF NATIONAL BANK FINANCIAL

July 23, 2017

The Special Committee
of the Board of Directors
of Tembec Inc.
4 Place Ville-Marie, Suite 100
Montréal, QC H3B 2E7

To the Special Committee:

National Bank Financial Inc. (“National Bank Financial”, “we”, or “us”) understands that Tembec Inc. (“Tembec” or the “Company”) and Rayonier Advanced Materials Inc. (“Rayonier AM”) propose to make certain amendments to the arrangement agreement entered into between Tembec and Rayonier AM on May 24, 2017 (as amended, the “Arrangement Agreement”), whereby Rayonier AM will acquire all of the issued and outstanding common shares of Tembec (each a “Tembec Share” and collectively the “Tembec Shares”) and each holder of a Tembec Share (the “Tembec Shareholders”) will have the right to elect to receive either (i) C\$4.75 in cash or (ii) 0.2542 of a share of Rayonier AM common stock, for each Tembec Share held (the “Consideration”). These elections are subject to proration to ensure that no more than 66.8% of the aggregate Tembec Shares shall receive the cash consideration and no more than 33.2% will receive the stock consideration. The transactions contemplated by the Arrangement Agreement will be effected pursuant to a court-approved plan of arrangement under the *Canada Business Corporations Act* (the “Arrangement”) and will require the approval of at least 66 2/3% of the votes cast by Tembec Shareholders.

National Bank Financial understands that Rayonier AM will enter into lock-up agreements with Oaktree Capital Management LP, Restructuring Capital Associates LP and all Tembec directors and senior officers who hold Tembec Shares (the “Locked-Up Shareholders”) with respect to the Tembec Shares beneficially owned, controlled or directed by the Locked-Up Shareholders (the “Lock-Up Agreements”), whereby the Locked-Up Shareholders will commit to vote such securities in favour the Arrangement, subject to the terms and conditions of the Lock-Up Agreements.

The terms and conditions of the Arrangement are more fully described in an information circular filed on June 23, 2017 (the “Circular”) and we understand that a material change report (the “Material Change Report”) regarding the amendments to the Arrangement Agreement will be prepared by Tembec and filed on SEDAR in connection with a shareholders’ special meeting scheduled for July 27, 2017 to seek shareholder approval of the Arrangement.

National Bank Financial also understands that a special committee (the “Special Committee”) of the board of directors (the “Board of Directors”) of Tembec has been constituted to consider the Arrangement and make recommendations with respect thereto to the Board of Directors.

Engagement of National Bank Financial

Pursuant to an engagement agreement dated May 10, 2017 (the “Engagement Agreement”), Tembec retained, at the direction of the Special Committee, the services of National Bank Financial as financial advisor to the Special Committee in connection with a potential offer for the Tembec Shares, which services include providing advice and assistance to the Special Committee and the preparation and delivery to the Special Committee of an opinion (the “Fairness Opinion”) as to the fairness, from a

financial point of view, of the Consideration to be received by the Tembec Shareholders pursuant to the Arrangement.

National Bank Financial understands that the Fairness Opinion and a summary thereof will be included in the Circular and the Material Change Report and, subject to the terms of the Engagement Agreement, National Bank Financial consents to such disclosure. National Bank Financial has not been engaged to prepare a formal valuation of Tembec or Rayonier AM or a valuation of any of the securities or assets of either Tembec or Rayonier AM and this Fairness Opinion should not be construed as such.

National Bank Financial will be paid a fee for rendering the Fairness Opinion. The fee to be paid to National Bank Financial under the Engagement Agreement was agreed between National Bank Financial and the Special Committee. The fee payable to National Bank Financial is not contingent upon the conclusions reached by National Bank Financial in the Fairness Opinion or on the completion of the Arrangement or any alternative transaction. In the Engagement Agreement, Tembec has agreed to indemnify National Bank Financial in respect of certain liabilities that might arise out of its engagement and to reimburse it for its reasonable expenses.

Relationship with Interested Parties

National Bank Financial is not an “associated” or “affiliated” entity or an “issuer insider” (as such terms are used in Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”)) of Tembec, nor is it a financial advisor to Rayonier AM in connection with the Arrangement.

National Bank Financial acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of Tembec or Rayonier AM and, from time to time, may have executed or may execute transactions for such companies and clients from whom it received or may receive compensation. National Bank Financial, as an investment dealer, conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including with respect to Tembec or Rayonier AM.

Credentials of National Bank Financial

National Bank Financial is a leading Canadian investment dealer whose businesses include corporate finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. The Fairness Opinion is the opinion of National Bank Financial and the form and content herein has been reviewed and approved for release by a group of managing directors of National Bank Financial, each of whom is experienced in merger, acquisition, divestiture, valuation and fairness opinion matters.

Scope of Review

In connection with rendering our Fairness Opinion, we have reviewed and relied upon, or carried out (as the case may be), among other things, the following:

- a) the Arrangement Agreement dated May 24, 2017 and a draft amendment to the Arrangement Agreement dated July 23, 2017;
- b) publicly available documents regarding Tembec and Rayonier AM, including annual and quarterly reports, financial statements, annual information forms, management circulars and other filings deemed relevant;
- c) a draft presentation to the Board of Directors regarding the latest multi-year forecast dated July 2017;

- d) internal budgets prepared by Tembec for the fiscal years ended September 30, 2017, 2018 and 2019;
- e) a financial model including detailed historical financial statements for fiscal year 2016 and forecasts for the fiscal years ended September 30, 2017, 2018 and 2019;
- f) various reports published by equity research analysts and industry sources regarding Tembec, Rayonier AM and other public companies, to the extent deemed relevant by us;
- g) review of industry statistics on pricing patterns, capacity levels, trade issues and other industry related drivers, as well as economic forecasts relating to foreign exchange;
- h) trading statistics and selected financial information of Tembec, Rayonier AM and other selected public companies;
- i) comparable acquisition transactions considered by us to be relevant;
- j) certain other non-public information prepared and provided to us by Tembec's management, primarily financial in nature, concerning the business, assets, liabilities and prospects;
- k) consultation with legal advisors to the Special Committee;
- l) in addition to the written information described above, National Bank Financial participated in discussions with Tembec's management with regards to, among other things, the proposed Arrangement, as well as Tembec's business, operations, financial position, budget, capex plans, key assets and prospects;
- m) such other information, discussions and analyses as National Bank Financial considered necessary or appropriate in the circumstances; and
- n) a certificate addressed to National Bank Financial, from senior officers of Tembec regarding the completeness and accuracy of the information upon which this Fairness Opinion is based.

National Bank Financial has not, to the best of its knowledge, been denied access by Tembec to any information under the control of Tembec that has been requested by National Bank Financial.

Prior Valuations

Management of Tembec has represented to National Bank Financial that, to the best of their knowledge, there have been no prior valuations (as defined for the purposes of MI 61-101) of Tembec or any of its material assets or subsidiaries prepared within the past twenty-four (24) months.

Assumptions and Limitations

National Bank Financial has relied upon the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by Tembec, its subsidiaries or their respective directors, officers, associates, affiliates, consultants, advisors and representatives (collectively, the "Information"). Our Fairness Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. We have not been requested to nor, subject to the exercise of professional judgment, have we attempted to verify independently the completeness, accuracy or fair presentation of the Information.

Senior officers of Tembec have represented to National Bank Financial in a certificate delivered as of the date hereof, among other things, that (i) the Information provided orally by, or in the presence of, an officer or employee of Tembec or in writing by Tembec or any of its subsidiaries, associates or

affiliates or their respective representatives, was, at the date the Information was provided to National Bank Financial, and is at the date hereof complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of Tembec, its subsidiaries, associates or affiliates, or the Arrangement and did not and does not omit to state a material fact in respect of Tembec, its subsidiaries, associates or affiliates, or the Arrangement necessary to make the Information or any statement contained therein not misleading in light of the circumstances under which the Information was provided or any such statement was made; and that (ii) since the dates on which the Information was provided to National Bank Financial, except as disclosed in writing to National Bank Financial, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of Tembec or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Fairness Opinion. With respect to any forecasts, projections, estimates and/or budgets provided to National Bank Financial and used in its analyses, National Bank Financial notes that projecting future results of any company is inherently subject to uncertainty. National Bank Financial has assumed, however, that such forecasts, projections, estimates and/or budgets were prepared using the assumptions identified therein and that such assumptions in the opinion of Tembec, are (or were at the time and continue to be) reasonable in the circumstances.

National Bank Financial has assumed that, in all respects material to its analysis, the amendment to the Arrangement Agreement executed by the parties will be in substantially the form of the draft provided to us, the representations and warranties of the parties to the Arrangement Agreement contained therein are true, accurate and complete in all material respects, such parties will each perform all of the respective covenants and agreements to be performed by them under the Arrangement Agreement, and all conditions to the obligations of such parties as specified in the Arrangement Agreement will be satisfied without any waiver thereof. National Bank Financial has also assumed that all material approvals and consents required in connection with the consummation of the Arrangement will be obtained.

We have also assumed that the Lock-Up Agreements will be entered into by the Locked-Up Shareholders, that all of the representations and warranties to be contained in the Lock-Up Agreements will be correct as of the date hereof and that the Locked-Up Shareholders will vote all of their securities in favour of the Arrangement.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Arrangement or the sufficiency of this Fairness Opinion for your purposes.

This Fairness Opinion is rendered as at the date hereof and on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of Tembec as they are reflected in the Information and as they were represented to us in our discussions with the management of Tembec. In our analyses and in connection with the preparation of our Fairness Opinion, we made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of National Bank Financial and any party involved in the Arrangement. This Fairness Opinion is provided to the Special Committee of the Board of Directors for its use only and may not be relied upon by any other person. National Bank Financial disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to the attention of National Bank Financial after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, National Bank Financial reserves the right to change, modify or withdraw the Fairness Opinion. The preparation of a fairness opinion is a complex process and is not necessarily capable of being partially analyzed or summarized. National Bank Financial believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without

considering all factors and analyses together, could create an incomplete view of the process underlying the Fairness Opinion. The Fairness Opinion should be read in its entirety.

This Fairness Opinion is addressed to and is for the sole use and benefit of the Special Committee and may not be referred to, summarized, circulated, publicized or reproduced or disclosed to or used or relied upon by any party without the express written consent of National Bank Financial. This Fairness Opinion is not to be construed as a recommendation to any holder of Tembec Shares to vote in favour or against the Arrangement.

Approach to Fairness

In considering the fairness of the Consideration under the Arrangement, from a financial point of view, to the Tembec Shareholders, National Bank Financial principally considered and relied upon the following approaches: (i) a comparison of the Consideration under the Arrangement to the results of a discounted cash flow analysis of Tembec; (ii) a comparison of the selected financial multiples, to the extent publicly available, of selected precedent transactions to the multiples implied by the Consideration under the Arrangement, on a sum-of-the-parts basis; (iii) a comparison of the selected financial multiples of selected comparable companies whose securities are publicly traded plus a control premium, based on premiums paid to acquire Canadian companies historically to reflect the “en bloc” value, to the multiples implied by the Consideration under the Arrangement, on a sum-of-the-parts basis; (iv) a review of the sale process to solicit third party interest in an acquisition of certain assets of Tembec; (v) a comparison of the Consideration under the Arrangement to the recent market trading prices of the Tembec Shares; and (vi) such other factors and analyses as we considered appropriate.

Conclusion

Based upon and subject to the foregoing and such other matters as National Bank Financial considered relevant, it is our opinion, as of the date hereof, that the Consideration to be received by the Tembec Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Tembec Shareholders.

Yours very truly,

A handwritten signature in dark ink that reads "National Bank Financial Inc." in a cursive, flowing script.

NATIONAL BANK FINANCIAL INC.