

Competition Bureau approves sale of Resolute Forest Products to Domtar Corp.

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The Competition Bureau has approved the acquisition of Resolute Forest Products Inc. by Domtar Corp., a wholly-owned subsidiary of the Paper Excellence Group.

The bureau says it has entered into a consent agreement with Domtar to address competition concerns stemming from the acquisition, which values the company at US\$2.7 billion.

The bureau says it concluded that the proposed transaction would likely significantly lessen competition for certain products.

To resolve the bureau's concerns, Domtar has agreed to sell its Dryden pulp mill and Thunder Bay pulp and paper mill after the acquisition goes through.

According to a news release by the three companies, Domtar will acquire the outstanding common shares of Resolute stock for US\$20.50 per share, and one contingent value right tied to potential duty deposit refunds of up to US\$500 million.

The companies say the transaction is on track to close in the first half of 2023.

— With files from Stéphane Rolland