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Stella-Jones Announces an \$18.0 Million Treasury Private Placement of Subscription Receipts

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Stella-Jones Inc. (TSX:SJ) ("Stella-Jones" or the "Company") is pleased to announce that it has entered into an agreement with Acumen Capital Finance Partners Limited ("Acumen" or the "Underwriter") pursuant to which the Underwriter has agreed to purchase 265,000 subscription receipts of the Company (the "Subscription Receipts") on an underwritten private placement basis at a price of \$17.00 per Subscription Receipt for aggregate gross proceeds to the Company of \$4,505,000 (the "Underwriter's Private Placement"). In addition to the Underwriter's Private Placement, Stella-Jones has entered into agreements with Stella Jones International S.A. and the Fonds de Solidarite des travailleurs du Quebec (F.T.Q.) (the "Shareholders") whereby the Shareholders have agreed to purchase 795,000 Subscription Receipts under the same terms as the Underwriter's Private Placement for aggregate gross proceeds to the Company of \$13,515,000 (\$11,515,001 and \$1,999,999 respectively) (the "Shareholders' Private Placement"). No fees or commissions will be paid on the Shareholders' Private Placement. The closing date of the Underwriter's Private Placement and the Shareholders' Private Placement (collectively, the "Private Placements") is expected to occur on or about May 2, 2006.

Net proceeds from the Private Placements will be used by the Company to partially fund the acquisition of all of the shares of Bell Lumber & Pole Company as more fully described in a press release issued on February 9, 2006 (the "Acquisition"). The Private Placements are subject to certain conditions including the receipt of all necessary regulatory approvals, including the approval of the Toronto Stock Exchange.

The Subscription Receipts will be exchangeable, without additional payment, into common shares of the Company on a one-for-one basis upon completion of the Acquisition. If the Acquisition is not completed by June 30, 2006, then the Subscription Receipts shall be automatically terminated and cancelled and an amount of \$17.00 per Subscription Receipt plus accrued interest will be returned to the holders of Subscription Receipts.

ABOUT STELLA-JONES

Stella-Jones Inc. (TSX:SJ) is a leading North American producer and marketer of industrial treated wood products, specializing in the production of pressure treated railway ties as well as wood poles supplied to electrical utilities and telecommunications companies. Other principal products include marine and foundation pilings, construction timbers, highway guardrail posts and treated wood for bridges. The Company also specializes in providing customized services to lumber companies and wholesalers for the treatment of consumer lumber products for outdoor applications. The Company's common shares are listed on the Toronto Stock Exchange.

Visit our website: www.stella-jones.com

Except for historical information provided herein, this press release may contain information and statements of a forward-looking nature concerning the future performance of the Company. These statements are based on suppositions and uncertainties as well as on management's best possible evaluation of future events. Such factors may include, without excluding other considerations, fluctuations in quarterly results, evolution in customer demand for the Company's products and services, the impact of price pressures exerted by competitors, and general market trends or economic changes. As a result, readers are advised that actual results may differ from expected results.

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