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Stella-Jones Announces Closing of Private Placement

WESTMOUNT, QUEBEC--(CCNMatthews - May 2, 2006) - NOT FOR DISTRIBUTION TO U.S. WIRE SERVICES OR FOR DISTRIBUTION INTO THE UNITED STATES

Stella-Jones Inc. (TSX:SJ) today announced that it has closed the private placement of subscription receipts previously announced on March 31, 2006. Pursuant to such private placement, Stella-Jones has issued 1,060,000 subscription receipts at a price of \$17.00 per subscription receipt ("Subscription Receipts") for a total consideration of \$18,020,000. Acumen Capital Finance Partners Limited acted as underwriter for the offering of 265,000 Subscription Receipts while Stella Jones International S.A. and Fonds de Solidarite des Travailleurs du Quebec (F.T.Q.) have subscribed for 677,353 and 117,647 Subscription Receipts respectively.

Net proceeds from the private placement will be used to fund the acquisition announced on February 9, 2006 or a variation thereof (the "Acquisition"). The Acquisition is expected to occur by June 30, 2006.

Upon the closing of the Acquisition, the Subscription Receipts will be exchangeable, without additional payment, into common shares of the Company on a one-for-one basis. 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 provides 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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