



Source: Stella-Jones Inc.

Contacts: **Éric Vachon, CPA, CA**
Senior Vice-President and Chief Financial Officer
Tel.: (514) 940-3903
evachon@stella-jones.com

Martin Goulet, CFA
MaisonBrison Communications
Tel.: (514) 731-0000
martin@maisonbrison.com

Stella-Jones announces execution of definitive agreement for McFarland Cascade acquisition

Montreal, Quebec – November 21, 2012 – Stella-Jones Inc. (TSX: SJ) (“Stella-Jones” or the “Company”) today announced that it has signed a definitive agreement to acquire the shares of McFarland Cascade Holdings, Inc. (“McFarland”), a provider of treated wood products based in the state of Washington. Stella-Jones announced on November 2, 2012 that it had signed a non-binding letter of intent to acquire McFarland. The definitive agreement provides for a purchase price of approximately US\$250.0 million, up from the US\$230.0 million previously disclosed, as a result of an increase of approximately US\$14.0 million in delivered working capital and other applicable purchase price adjustments. Closing of the acquisition is expected to occur on or about November 30, 2012 and is subject to customary closing conditions.

ABOUT STELLA-JONES

Stella-Jones Inc. (TSX: SJ) is a leading producer and marketer of pressure treated wood products. The Company supplies North America’s railroad operators with railway ties, timbers and recycling services; and the continent’s electrical utilities and telecommunications companies with utility poles. Stella-Jones also provides industrial products and services for construction and marine applications, as well as residential lumber to retailers and wholesalers for outdoor applications. The Company’s common shares are listed on the Toronto Stock Exchange.

ABOUT MCFARLAND CASCADE

Founded in 1916, McFarland is one of North America’s long-standing suppliers of utility poles, as well as crossarms, piling and crane mats. It is also a provider of treated lumber for outdoor home projects, including composite decking, railings and related accessories. It serves its customer base through four wood treating facilities located in Tacoma, Washington; Eugene, Oregon; Electric Mills, Mississippi; and Galloway, British Columbia; as well as through an extensive distribution network. McFarland’s sales for its fiscal year ended December 31, 2011 were approximately US\$255.0 million. Sales for its fiscal year ended December 31, 2012 are expected to reach approximately US\$280.0 million and earnings before interest, taxes, depreciation and amortization (“EBITDA”) for 2012 are expected to be approximately US\$29.0 million.

Except for historical information provided herein, this press release contains information and statements of a forward-looking nature concerning the acquisition of McFarland. Forward looking information also includes information relating to McFarland’s sales and EBITDA for its fiscal year ended December 31, 2012. These statements are based on suppositions, uncertainties and other factors as well as on management’s best possible evaluation of future events. Such factors may include, without excluding other considerations, satisfaction of closing conditions, failure to complete or delay in completing the acquisition of McFarland for any other reason, fluctuations in quarterly results, evolution in customer demand, 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 and should not place undue reliance on forward-looking information.

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HEAD OFFICE

3100 de la Côte-Vertu Blvd.
Suite 300
Saint-Laurent, Québec
H4R 2J8
Tel.: (514) 934-8666
Fax: (514) 934-5327

EXCHANGE LISTINGS

The Toronto Stock Exchange
Stock Symbol: SJ

TRANSFER AGENT

AND REGISTRAR

Computershare Investor Services Inc.

INVESTOR RELATIONS

Éric Vachon
Senior Vice-President and
Chief Financial Officer
Tel.: (514) 940-3903
Fax: (514) 934-5327
evachon@stella-jones.com