



Source: Stella-Jones Inc.

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Stella-Jones announces \$80.0 million private placement of subscription receipts

Montreal, Quebec – November 20, 2012 – Stella-Jones Inc. (TSX: SJ) (“Stella-Jones” or the “Company”) announced today that it has entered into an underwriting agreement with a syndicate of underwriters led by RBC Capital Markets, pursuant to which such underwriters have agreed to purchase from treasury, on an underwritten private placement basis, 721,200 subscription receipts of the Company (the “Subscription Receipts”) at a price of \$68.00 per Subscription Receipt for aggregate gross proceeds to the Company of approximately \$49.0 million (the “Underwriters’ Private Placement”).

In addition to the Underwriters’ Private Placement, the Company has received a firm commitment from its principal shareholder, Stella Jones International S.A. (“SJ International”) whereby SJ International has agreed to purchase 455,300 Subscription Receipts on the same terms as the Underwriters’ Private Placement for aggregate gross proceeds to the Company of approximately \$31.0 million (the “Shareholder’s Private Placement”), thereby maintaining its current level of interest in the Company at 38.7%.

Closing of the Underwriters’ Private Placement and the Shareholder’s Private Placement (collectively, the “Private Placements”) are expected to occur on or about November 30, 2012 and are subject to certain conditions, including the receipt of the approval of the Toronto Stock Exchange.

Net proceeds from the Private Placements will be used by the Company to partially fund the acquisition of McFarland Cascade Holdings, Inc. (the “Acquisition”). Stella-Jones announced on November 2, 2012 that it had signed a non-binding letter of intent with respect to the Acquisition.

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 December 23, 2012, then the Subscription Receipts will be automatically terminated and cancelled and the principal amount subscribed plus accrued interest will be returned to the holders thereof.

The Shareholder’s Private Placement is a “related party transaction” under Multilateral Instrument 61-101. The material change report related to the Shareholder’s Private Placement will be filed less than 21 days before its expected closing date as the Shareholder’s Private Placement will need to close prior to the scheduled closing date of the Acquisition.

This press release is not an offer to sell, or a solicitation of an offer to buy, any securities. The securities referred to in this press release have not been and will not be registered under the U.S. Securities Act of 1933, as amended and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933.

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.

Except for historical information provided herein, this press release contains information and statements of a forward-looking nature concerning the Private Placements. 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, or failure to complete or delay in completing the Private Placements for any other reason. 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
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