



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 to acquire wood treating facilities in Oregon, Nevada and Arizona

Montréal, Québec – October 8, 2013—Stella-Jones Inc. (TSX: SJ) (“Stella-Jones” or the “Company”) today announced that it has signed a definitive agreement to acquire, through its wholly-owned U.S. subsidiaries, substantially all of the operating assets employed in the businesses of Arizona Pacific Wood Preserving, Inc., Nevada Wood Preserving, Inc. and Pacific Wood Preserving of Oregon, Inc. (commonly referred to as The Pacific Wood Preserving Companies®) conducted at their wood treating plants in Oregon, Nevada and Arizona and their wood concentration yard in Texas. These businesses consist of the manufacture of treated wood utility poles and railway ties, along with a variety of lumber related products. Sales for the fiscal year ended October 31, 2012 reached approximately US\$52.4 million. The assets of Pacific Wood Preserving of Bakersfield, Inc. are not being acquired and existing shareholders will continue to own this operating business.

The definitive agreement provides for a purchase price of approximately US\$33.0 million plus the sellers’ net working capital at closing (estimated at approximately US\$24.0 million). The transaction is expected to close in November 2013 and is subject to satisfactory completion of environmental due diligence, assignment of certain governmental authorizations and permits and other customary closing conditions. Stella-Jones plans to finance the acquisition through a combination of its existing credit facilities and a vendor note of US\$7.0 million.

“The acquisition of these facilities will further enhance Stella-Jones’ offerings and expand its capability to supply the needs of North America’s railroad and utility pole industries” said Brian McManus, President and Chief Executive Officer of Stella-Jones.

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 proposed acquisition described herein. These statements are based on suppositions, risks and uncertainties as well as on management's best possible evaluation of future events. Such risks and uncertainties include, without excluding other considerations, satisfaction of due diligence condition, failure to obtain consent from the relevant governmental authorities, both as referenced above, and satisfaction of other closing conditions and failure to complete the proposed acquisition 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.

-30-

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