



News Release

For immediate release

TSX : FBK

www.fibreK.com

FIBREK COMPLETES ARRANGEMENT

Longueuil, Québec, May 25, 2010 - Fibrek Inc. (TSX: FBK) ("FibreK") is pleased to announce that the plan of arrangement (the "Plan of Arrangement") providing for the reorganization of SFK Pulp Fund's (the "Fund") trust structure into a corporation named "FibreK Inc." (the "Conversion") has been completed effective today.

As the units of the Fund ("Units") trade in a book-entry only system (the "Book Entry System") administered by Clearing and Depository Services Inc. ("CDS") and no certificates are issued to beneficial unitholders of the Fund ("Beneficial Unitholders"), no certificates for the common shares of Fibrek ("Common Shares") will be issued to Beneficial Unitholders. Fibrek will deliver CDS a certificate evidencing the aggregate number of Common Shares to be issued to former unitholders of the Fund in connection with the Plan of Arrangement. Beneficial Unitholders do not need to take any action involving their Units. Any registered shareholder of the Fibrek who wishes to receive a certificate representing his or her Common Shares must contact Computershare Trust Company of Canada.

As the Fund's 7% extendible convertible unsecured subordinated debentures ("Debentures") trade in the Book Entry System and no certificates are issued to non-registered holders of the Fund's Debentures (the "Debentureholders"), no new certificates for Debentures will be issued to non-registered Debentureholders. Fibrek will deliver to CDS a certificate evidencing the Debentures issued to former Debentureholders in connection with the Plan of Arrangement. Non-registered Debentureholders do not need to take any action.

Trading of the Fibrek Common Shares and Debentures on the Toronto Stock Exchange (the "TSX") is expected to commence on or about May 27, 2010 under the symbols "FBK" and "FBK.DB" respectively, subject to the approval of the TSX.

The Fund will apply to cease to be a reporting issuer in all provinces and territories of Canada in which it is a reporting issuer or the equivalent thereof.

About Fibrek

FibreK (TSX: FBK) is a leading producer and marketer of high-quality virgin and recycled kraft pulp. The company operates three mills located in Saint-Félicien, Québec, Fairmont, West Virginia, and in Menominee, Michigan with a combined annual production capacity of 745,000 tonnes. Fibrek has approximately 500 employees. The Saint-Félicien mill provides northern bleached softwood kraft pulp (product known as NBSK pulp) to various sectors of the paper industry mainly in Canada, the United States and Europe, for use in the production of specialized products. The Fairmont and Menominee mills manufacture air-dried recycled bleached kraft pulp (product known as RBK pulp) and primarily supply manufacturers of fine uncoated paper, household paper for commercial and industrial uses, and coated paper in the United States.

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