

FIBREK ANNOUNCES REDEMPTION OF REMAINING 7% CONVERTIBLE UNSECURED SUBORDINATED DEBENTURES

Longueuil, Québec, May 26, 2011 – Fibrek Inc. (TSX: FBK), a leading producer and marketer of high-quality virgin and recycled kraft pulp, today announced that it has exercised its right to redeem all of its outstanding 7% convertible unsecured subordinated debentures maturing on December 31, 2011 (the “Debentures”). On June 28, 2011 (the “Redemption Date”), Fibrek will redeem Debentures in an aggregate principal amount of \$25,875,000. On redemption, Fibrek will pay to the holders of redeemed Debentures a redemption price equal to the principal amount of the Debentures, plus accrued and unpaid interest up to but excluding the Redemption Date, for a total of \$1,034.14 per \$1,000.00 principal amount of Debentures.

“The redemption of the remaining Debentures is in line with our objectives of deleveraging our capital structure and further strengthening our balance sheet. This transaction will be funded partly through cash from operations and availability under our credit facility. Combined with the redemption completed last February 28, the early redemption of the remaining Debentures will result in a net interest expense reduction of approximately \$2 million for 2011 and will reduce our debt to total capitalization ratio by approximately 4%,” stated Patsie Ducharme, Vice President and Chief Financial Officer.

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 760,000 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, tissue paper for commercial and industrial uses, and coated paper in the United States.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of applicable securities laws. These statements include statements concerning Fibrek’s future outlook, business strategy, plans, expectations, results or actions, or the assumptions underlying any of the foregoing. Forward-looking statements can generally be identified by words such as “may”, “should”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect”, “outlook” and similar expressions. These statements are based on information currently available to Fibrek’s management (“Management”) and on the current assumptions, intentions, plans, expectations and estimates of Management regarding Fibrek’s future growth, results of operations, performance, business prospects and opportunities and ability to attract and retain customers as well as the economic environment in which it operates. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors which could cause actual results of Fibrek to differ materially from the conclusion, forecast or projection stated in such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to: general economic conditions, pulp prices and sales volume, exchange rate fluctuations, cost and supply of wood fibre, wastepaper and other raw materials, pension contributions, competitive markets, dependence upon key customers, increased production capacity, equipment failure,

disruptions of production, capital requirements, labour relations and other factors in Fibrek's continuous disclosure filings which are available on SEDAR at www.sedar.com. Readers should not place undue reliance on these forward-looking statements. These forward-looking statements are made as of the date of this press release, and, except as required by applicable securities laws, Fibrek assumes no obligation to update or revise them to reflect new events or circumstances.

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