



News Release

For Immediate Release

TSX: FBK
fibrek.com

MERCER INTERNATIONAL INC. ENTERS INTO A SUPPORT AGREEMENT TO ACQUIRE FIBREK INC.

Transaction Highlights:

- Offer price of \$1.30 per Fibrek Inc. ("Fibrek") common share payable in cash, Mercer International Inc. ("Mercer") common stock or a combination of cash and Mercer common stock (subject to proration).
- The offer represents an 81% premium over the closing price the day before the announcement of the unsolicited bid of AbitibiBowater Inc. (doing business as Resolute Forest Products) ("Abitibi") and a 30% premium over Abitibi's unsolicited bid.
- Fibrek's Board of Directors has unanimously determined that it would be in the best interests of Fibrek and its shareholders to support the Mercer Offer and recommends that shareholders tender their common shares to the Mercer Offer.

MONTREAL, February 10, 2012 — Fibrek Inc. and Mercer International Inc. announced today that they have entered into a support agreement (the "Support Agreement") pursuant to which Mercer will offer to acquire all of the issued and outstanding common shares of Fibrek (the "Mercer Offer") by way of take-over bid.

The consideration to be offered for each common share of Fibrek under the Mercer Offer will be, at each shareholder's option, (i) \$1.30 in cash; (ii) 0.1540 of a share of Mercer common stock ("Mercer Shares"); or (iii) \$0.54 in cash plus 0.0903 of a Mercer Share, subject to proration on the basis of a maximum of \$70 million in cash and approximately 11.7 million Mercer Shares. Such consideration represents a premium of approximately 70% over the volume weighted average price of the common shares of Fibrek on the Toronto Stock Exchange ("TSX") for the 20 trading days ending on November 28, 2011, and a premium of 81% over the closing price the day before the announcement of the unsolicited bid of Abitibi. The consideration also represents a 30% premium over Abitibi's unsolicited bid.

"This has been a challenging time for Fibrek as we have sought to maximize value for our shareholders and advance the interests of our other stakeholders. We are pleased to support Mercer's offer and recommend it to our shareholders as we believe this offer meets our goal and provides a significant premium relative to Abitibi's unsolicited offer" stated Hubert T. Lacroix, Chairman of the Board of Directors of Fibrek.

"We had a responsibility to our shareholders to pursue alternative options in their best interests and that is exactly what we have done in supporting this offer from Mercer, a leader in the industry who is committed to market pulp," added Pierre Gabriel Côté, President and Chief Executive Officer of Fibrek. "There are significant similarities between Fibrek and Mercer given that we are both pulp producers with a culture of operational excellence," concluded Mr. Côté.

The Board has received a fairness opinion from its financial advisor, TD Securities Inc., that the consideration to be received under the Mercer Offer is fair, from a financial point of view, to the shareholders of Fibrek (other than those who have entered into lock-up agreements with Abitibi). In addition, as previously disclosed, the Board of Directors has also received a formal valuation prepared by Canaccord Genuity Corp. The consideration to be offered to Fibrek shareholders by Mercer is in the fair market value range of \$1.25 to \$1.45 per common share of Fibrek established by Canaccord Genuity Corp.

Following receipt of such opinion and formal valuation, and in consultation with its legal advisors, the Board of Directors has unanimously determined that the consideration to be received by Fibrek shareholders under the Mercer Offer is fair, from a financial point of view, to such shareholders. The Board of Directors has further determined that it would be in the best interests of Fibrek to support the Mercer Offer and enter into the Support Agreement and recommend that shareholders tender their common shares to the Mercer Offer.

Each of the directors and officers of Fibrek have agreed to tender all common shares held by them pursuant to lock-up agreements with Mercer.

Full details of the Mercer Offer will be included in a take-over bid circular which is expected to be mailed to holders of common shares of Fibrek by February 29, 2012. Once mailed, the Mercer Offer will be open for acceptance for a period of 35 days unless withdrawn or extended and will be conditional upon, among other things, Mercer acquiring such number of common shares that represent at least 50.1% of the outstanding common shares calculated on a fully-diluted basis, receipt of customary regulatory consents and approvals and the approval of a simple majority of Mercer's shareholders in connection with the issuance of the Mercer Shares. Mercer's two largest shareholders and Chief Executive Officer, which hold in the aggregate approximately 44% of Mercer's outstanding shares have already committed to support the Mercer Offer and have entered into support agreements to ensure that Mercer shareholder approval is received. Pursuant to the Support Agreement, Fibrek has agreed to waive the application of the shareholder rights plan to the Mercer Offer and to take no action to waive the application of the shareholder rights plan to any other acquisition proposal. The Support Agreement entered into by Fibrek and Mercer contains, among other things, a termination fee of \$8.5 million payable by Fibrek in certain circumstances, including the acceptance of an unsolicited superior proposal from a third party. Mercer has also been granted a right to match in respect of competing proposals.

Mercer has also agreed to purchase 32,320,000 special warrants of Fibrek on a private placement basis, at a price of \$1.00 per special warrant for total subscription proceeds of \$32,320,000. The special warrants are convertible into common shares of Fibrek on a one-for-one basis. Conversion of the special warrants is automatic in certain events and otherwise at the option of Mercer subject to certain conditions. The special warrants are also redeemable by Mercer or Fibrek in certain events at their subscription price, including in the event that Fibrek receives and supports a superior proposal. The proceeds of the private placement will be deposited in trust at closing and will be releasable to Fibrek on conversion of the special warrants or to Mercer in the event of a redemption. Proceeds from the private placement are initially to be used by Fibrek to reduce net debt given (i) the recent costs associated with its strategic alternatives review process in response to Abitibi's unsolicited offer, (ii) the high level of RBK Pulp inventories and lower than anticipated sales which have resulted in a 5-week market shutdown of the Fairmont Mill effective February 20, 2012 and an increased need for liquidity, and (iii) capital expenditures required in connection with Fibrek's power-generation initiatives and other growth and diversification opportunities. Completion of the private placement and the conversion of the special warrants is subject to a number of conditions, including the approval of the TSX, but is not conditional on the successful completion of the Mercer Offer. In the event the Mercer Offer is not completed, the private placement will provide Fibrek with necessary funding to continue operations and the execution of its strategic plan.

For more information on how to tender Fibrek Common Shares or for any other inquiries regarding the Mercer Offer, please contact Fibrek's information agent, Phoenix Advisory Partners, at 1-800-398-1129 (North American Toll Free) or via email at inquiries@phoenixadvisorypartners.com.

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.

About Mercer

Mercer Inc. is a Washington corporation and whose shares of common stock are quoted and listed for trading on the NASDAQ Global Market (MERC) and the Toronto Stock Exchange (MRI.U). The company operates in the pulp business and is the largest publicly traded producer of market northern bleached softwood kraft, or "NBSK", pulp in the world. The company is the sole kraft pulp producer, and the only producer of pulp for resale, known as "market pulp", in Germany, which is the largest pulp import market in Europe. The company's operations are located in Eastern Germany and Western Canada and currently employs approximately 1,039 people at its German operations, 439 people at its Celgar mill in Western Canada and 17 people at our office in Vancouver, British Columbia, Canada. Mercer operates three NBSK pulp mills with a consolidated annual production capacity of approximately 1.5 million air-dried metric tonnes.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of applicable securities laws. These statements can be identified by expressions of belief, expectation or intention, as well as those statements that are not historical facts and 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 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: actions taken by Abitibi or Mercer, actions taken by shareholders of Fibrek in respect of Abitibi's unsolicited offer and the Mercer Offer, the possible effect of Abitibi's unsolicited offer and the Mercer Offer on Fibrek's business, the award of a power purchase agreement to Fibrek under the new Québec Government cogeneration program, 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 and other factors referenced 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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