

For Immediate Release



**KAZAKHSTAN 20,000 TENGE NOTE
PRODUCED WITH FORTRESS PAPER'S DURASAFE® BANKNOTE SUBSTRATE
WINS REGIONAL BANKNOTE OF THE YEAR AWARD**

VANCOUVER, British Columbia, March 18, 2016 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (**TSX:FTP**) is pleased to announce that the National Bank of Kazakhstan 20,000 Tenge banknote produced with Fortress Paper's Durasafe® banknote substrate was the recipient of the Regional Banknote of the Year award at the High Security Printing Europe conference in Bucharest, Hungary on March 15, 2016.

Reconnaissance International's High Security Printing Europe Regional Banknote award recognizes outstanding achievement in the design, technical sophistication, and security of a banknote or banknote series.

The 20,000 Tenge banknote, printed by the Banknote Factory of the National Bank of Kazakhstan was issued as legal tender in December, 2015 and was well received by the public and the industry. It was the first full circulation banknote to be printed on Durasafe® substrate; the first banknote in the world to have two different colored layers of paper and the first to have OVI ink printed directly across two materials (cotton banknote paper and transparent polymer).

Yvon Pelletier, Chief Executive Officer of Fortress Paper, commented: "We are delighted that Reconnaissance International's panel of experts have recognized the National Bank of Kazakhstan banknote as the Best Regional Banknote of the Year, and we are extremely pleased that Kazakhstan has selected our Landqart Mill's Durasafe® substrate for its high value and security. The new series of Swiss Franc, to be launched in April 2016, which is also printed on the Durasafe® composite substrate, further validates the superior and unique features of Durasafe®"

Durasafe® is a unique composite paper-polymer-paper banknote substrate developed by the Company's Swiss security paper manufacturer, Landqart AG, in cooperation with the Swiss Federal Institute of Technology (ETH) Zürich. Durasafe® is composed of two outer layers of cotton banknote paper, with a fully transparent polymer core. The polymer core in Durasafe® adds stability and higher mechanical strength properties to banknotes as well as increasing their security. The substrate's unique properties allow windows to be formed virtually anywhere on the banknote, to incorporate watermarks, security fibres, and other traditional security features, as well as maintaining the easy to recognize tactility of banknote paper.

About Fortress Paper

Fortress Paper operates internationally in two distinct business segments: dissolving pulp and security paper products. The Company operates its dissolving pulp business at the FSC mill located in Canada, which has expanded into the renewable energy generation sector with the construction of a cogeneration facility. The Company operates its security paper products business at the Landqart Mill located in Switzerland, where it produces banknote, passport, visa and other brand protection and security papers.

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This press release contains certain forward-looking statements that reflect the current views and/or expectations of Fortress Paper with respect to growth and future prospects for our security paper products business. The reader is cautioned that forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other factors which are difficult to predict and that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Forward-looking statements are based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Assumptions underlying the Company's expectations regarding forward-looking statements contained in this news release include, among others: that we will be able to effectively market our security paper products; that the Landqart Mill will secure new orders; and that our equipment will operate at expected levels. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, that market conditions for security paper products will be unfavourable, that there will be unforeseen disruptions to production and delivery at the Landqart Mill, and that the Company will be unable to effectively market its security paper products. These risks, as well as others, could cause actual results and events to vary significantly. Accordingly, readers should not place undue reliance on forward-looking statements, which are qualified in their entirety by this cautionary statement. Fortress Paper does not undertake any obligations to release publicly any revisions for updating any voluntary forward looking statements, except as required by applicable securities law.