For Immediate Release

FORTRESS PAPER REPORTS AUXILIARY SYSTEM FAILURE AT ITS DISSOLVING PULP MILL

VANCOUVER, British Columbia, September 21, 2017 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (TSX:FTP) (OTCQX:FTPLF) reports that it has experienced a burst in a pressurized auxiliary gas collection system relating to one of the recovery boilers at the Fortress Specialty Cellulose Mill (the "FSC Mill") in Thurso, Québec. Health and safety protocols were immediately implemented and applicable government authorities were notified.

There were no injuries and no material damage to property or environmental impact. The Company is in the process of determining the cause of the failure and assessing the operational impact on the FSC Mill. The cogeneration facility continues to operate at a reduced rate and the Company is reviewing the timing for re-starting the mill. The Company carries customary property damage and business interruption insurance with a $2.5 million deductible. There is no assurance of the outcome of an insurance claim or if the losses caused by the failure will exceed the deductible. The Company will provide further updates once such assessments are completed.

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, 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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