For Immediate Release

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NBHK PULP PRODUCTION BEGINS AT FORTRESS PAPER’S THURSO MILL

VANCOUVER, British Columbia, June 1, 2010 – Fortress Paper Ltd. (“Fortress Paper” or the "Corporation”) announces that its wholly-owned subsidiary, Fortress Specialty Cellulose Inc. (“Fortress Specialty”) commenced production and sale of NBHK pulp on May 28th. The mill reopened May 1st after being shut down by the former owner in early 2009.

Chad Wasilenkoff, CEO of Fortress Paper Ltd. commented: “The commencement of production at the Fortress Specialty Cellulose Mill marks the achievement of an important milestone at Thurso. We are pleased that production has commenced ahead of schedule and this will enable us to take advantage of the current strong NBHK pulp prices”.

Fortress Specialty’s Thurso Mill is expected to produce approximately 250,000 air dried metric tonnes per annum of high grade northern bleached hardwood kraft pulp. Fortress Specialty intends to produce NBHK pulp while undergoing transformation to become a dissolving pulp producer in mid 2011.

About Fortress Paper

Fortress Paper is a leading international producer of security and other specialty papers and products. Fortress Paper operates three mills, the Landqart Mill located in Switzerland, the Dresden Mill located in Germany and the Fortress Specialty Cellulose Mill located in Quebec, Canada. Fortress Paper’s security papers include banknote, passport and visa papers and its specialty papers include non-woven wallpaper base products, and graphic and technical papers. Fortress Paper’s pulp business will include NBHK with the re-start of the Fortress Specialty Cellulose Mill with plans to convert this capacity into dissolving pulp production along with the construction of a biomass based cogeneration plant.

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This news release contains certain forward-looking statements that reflect the current views and/or expectations of Fortress Paper with respect to its performance, business and future events, including statements relating to its plans to re-start, convert and build a biomass based cogeneration plant at the Fortress Specialty Cellulose Mill. 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 Corporation operates, including assumptions relating to the Corporation’s ability to successfully implement its business plan in respect of the Fortress Specialty Cellulose Mill; that the Corporation will be able to receive all required approvals and complete construction of the cogeneration facility; and the expected effects of the cogeneration facility on the business of the Corporation. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, that the Corporation will be unable to implement its business plan in respect of the Fortress Specialty Cellulose Mill as planned or at all; that the Corporation will be unable to receive all necessary approvals to begin construction of the cogeneration facility; and
those risks relating to changes in the market, potential downturns in economic conditions, fluctuations in the price and supply of raw materials, foreign exchange fluctuations, labour relations, regulatory requirements, reputation, competition, dependence on major customers, and other risk factors listed from time to time in the Corporation's public filings. 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 and information, 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.

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