



FORTRESS GLOBAL ENTERPRISES ANNOUNCES SUPPLEMENTAL LIQUIDITY FACILITY

Vancouver, British Columbia, September 3, 2019

Fortress Global Enterprises Inc. ("**Fortress**" or the "**Company**") (TSX:FGE) (OTCQX:FTPLF) announces that its wholly owned subsidiaries, Fortress Specialty Cellulose Inc. and Fortress Bioenergy Ltd. (together, the "**Borrowers**") have entered into a financing agreement (the "**Financing Agreement**") with their secured lenders or their affiliates (together, the "**Lenders**"), providing for a senior secured credit facility in the amount of up to \$15,000,000 (the "**Facility**"). The first advance under the Facility in the amount of \$2,500,000 will be completed tomorrow, with additional drawdowns available to the Borrowers from time to time in accordance with pre-approved budgets and subject to customary conditions. The Facility is designed to provide the Company with supplemental liquidity to allow for uninterrupted operations in order to execute its previously announced strategic and financing initiative (the "**Strategic Initiative**"), which includes seeking and pursuing a recapitalization, restructuring and/or business combination transaction.

Giovanni Iadeluca, President and Chief Executive Officer of Fortress, commented: "We are very pleased to have completed the Facility arrangements within an expedited timeframe with the help of our two senior lenders. The provision of the Facility will help address Fortress' immediate financial needs during a period of unprecedented weakness in dissolving pulp pricing, and is a strong indication of the support and commitment of Fortress' senior lenders to ensure that the Fortress Specialty Cellulose mill operations continue uninterrupted as we continue in earnest with our Strategic Initiative."

The Facility is guaranteed by the Fortress group of companies and will be secured by a first ranking security interest over all present and after acquired assets and property of Fortress and its subsidiaries. In addition, \$10,000,000 of the Facility remains subject to approval of the Québec Government. The Facility will accrue interest at a rate of 10% per annum, payable monthly in arrears.

The Facility will mature on the earliest to occur of certain events, including: (i) the completion of a restructuring/recapitalization or other material transaction or the sale of all or substantially all of the property, assets and undertakings of Fortress that results in the repayment in full of the Facility obligations; and (ii) October 15, 2020. In addition, the Financing Agreement contains specific deadlines for the submission of non-binding indications of interest under the Strategic Initiative and, if applicable, binding proposals which may be extended under certain circumstances.

The foregoing is a summary only of certain key terms of the various elements of the Facility and the Strategic Initiative and is qualified in its entirety by reference to the full text of the Financing

Agreement, which will be available on SEDAR at www.SEDAR.com. Readers are encouraged to consult the full text of these documents.

The Company

Fortress operates its dissolving pulp business at the Fortress Specialty Cellulose mill located in Thurso, Québec, which also operates in the renewable energy generation sector through its cogeneration facility. Fortress operates its bioproducts business through Fortress Advanced Bioproducts Inc., which has laboratory and pilot plant facilities in Vancouver, British Columbia.

For more information, please contact:
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Forward-Looking Information

This news release contains certain forward-looking information that reflects the current views and/or expectations of the Company with respect to its expectations, beliefs, assumptions, estimates and forecasts about its business and the industry and markets in which it operates. The reader is cautioned that forward-looking information is not a guarantee of future performance and involves 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 information. Accordingly, readers should not place undue reliance on forward-looking information, which is qualified entirely by this cautionary statement. Examples of such forward-looking information contained in this news release include statements relating to: the Company's near-term objectives and goals, as well as management's beliefs, plans, objectives, expectations, estimates, intentions and future outlook as well as anticipated events or results; the availability and terms and impact of the Facility and the use of proceeds therefrom; the ability of the Company to continue the performance of the operations of the Fortress Specialty Cellulose mill in accordance with current plans and budgets and to make further improvements to support the long-term viability of the mill during the Strategic Review process; the ability of the Company to meet obligations to customers, suppliers and employees during the Strategic Review process; the level of interest the Company may receive during the Strategic Review process, including the reasonableness of bids that may be received and the successful outcome of the process; and that the Facility will be sufficient to meet the Company's forecasted and budgeted expenses and that such expenses will not exceed the level of financing received. Assumptions underlying the Company's expectations regarding forward-looking information contained in this news release include, among others: that the Company will be able to effectively market its products in a currently depressed dissolving pulp pricing market; the ability of the Company to realize significant cost-savings from production improvements, projects and cost reduction initiatives; that the Company's expectations and estimates regarding capital and other requirements are accurate; that the Company will be successful in mitigating the ongoing issues it faces primarily as a result of the current dissolving pulp market including through the use of the Facility; that the Company will be able to meet the timelines of its Strategic Review process; that there will be a recovery in the near to mid-term of dissolving pulp prices; that equipment will operate at expected levels; that labour relations will remain positive; that the Company's assumptions relating to the markets in which it operates will be materially accurate; and that the Company will continue to operate as a going concern. Persons reading this news release are

cautioned that forward-looking information represents predictions only, and that the Company's actual future results or performance are subject to certain risks and uncertainties including, without limitation: that market conditions for dissolving pulp will not improve or will worsen; the Company will not realize anticipated cost savings from its cost reduction initiatives; equipment will not operate as intended and additional issues relating to equipment repairs will arise; that the Company will not be able to continue to operate as a going concern, which is primarily dependent on accessing additional sources of liquidity from lenders or investors until the Company is able to generate sufficient, sustainable cash flow from operations to meet its ongoing operating, financing and investing requirements; risks relating to estimates regarding future financing and capital requirements and expenditures and that additional capital and financing will be unavailable on reasonable terms or at all; risks of increases in the costs of proposed capital, operating and sustainable capital expenditures; increases in financing costs or adverse changes to the terms of available financing, if any; future sales or issuances of common shares that may dilute the interest of existing shareholders; risks relating to the implementation and impact of any reorganization or restructuring transaction; risks relating to the future cooperation of the creditors of the Company and the willingness of the Lenders to provide funds to the Company; the possibility that the Company will be unable to implement the Strategic Review process or obtain advances under the Facility due to the failure to satisfy applicable conditions; that bids under the Strategic Review process may be unavailable or delayed; that the Company may be unable to generate sufficient cash-flow from operations or to obtain adequate financing to fund capital expenditures and working capital needs and meet its ongoing obligations during the Strategic Review process and thereafter; that the Company may not be able to maintain relationships with suppliers, customers and other parties as a result of its current liquidity conditions; that strategic alternatives may not be available on terms acceptable to the Company or at all; the negative impact of the foregoing on the liquidity and market price of the Company's securities and uncertainty as to the Company's ability to continue to meet listing requirements under the Toronto Stock Exchange; the Company may be unable to comply with its financial and other covenants; and other risk factors detailed in the Company's most recent Annual Information Form and other recent filings with Canadian securities regulatory authorities. These risks, as well as others, could cause actual results and events to vary significantly. Additionally, investors are cautioned that there can be no assurance that the Strategic Review process will either produce or result in bids or, if one or more bids are submitted, that such bid(s) will lead to a successfully completed transaction. In addition, there can be no guarantee that the Strategic Review process and any transaction completed thereunder will result in the realization by the Company's stakeholders of any recoverable value. The failure to receive non-binding indications of interest within the deadlines provided in the Strategic Review process constitutes an event of default under the Financing Agreement. The Company does not undertake any obligation to update any forward-looking information, except as required by applicable securities law.