

**For Immediate Release**



## **FORTRESS ANNOUNCES NEW DURASAFE® BANKNOTE CUSTOMER**

VANCOUVER, British Columbia, March 16, 2017 – Fortress Paper Ltd. ("**Fortress Paper**" or the "**Company**") (TSX:FTP) is pleased to announce that its wholly-owned subsidiary, Landqart AG ("**Landqart**"), has entered into an agreement with a new customer to utilize Landqart's proprietary banknote substrate, Durasafe®, for the production of banknotes. The Company expects that Landqart will commence shipping orders to the new customer in the later part of 2017.

The new Durasafe® order will represent the fourth country to produce a banknote on Durasafe® banknote substrate, following Morocco, Kazakhstan and Switzerland.

Durasafe® is an innovative composite paper-polymer-paper banknote substrate developed by Landqart in cooperation with the Swiss Federal Institute of Technology (ETH) Zürich. Durasafe® is composed of two cotton paper outer layers with a fully transparent polymer core. The polymer core in Durasafe® adds stability and higher mechanical strength properties to banknotes as well as high security features. The substrate's unique properties allow windows to be formed virtually anywhere on the banknote and can contain a watermark and security fibres as well as traditional security features, including easy-to-recognise banknote paper tactility.

### **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 Fortress Specialty Cellulose 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.

For more information, please contact:

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This press release contains certain forward-looking statements that reflect 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 statements comprising forward-looking information 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 information. An example of such forward-looking information contained in this news release includes the anticipated initial shipment date for Durasafe banknotes to Landqart Mill's new customer. Assumptions underlying the Company's expectations regarding forward-looking statements contained in this news release include, among others: that the Landqart Mill will receive orders from the

new customer when expected; that the Landqart Mill will have capacity to produce the required amount of banknotes; and that the Landqart Mill's 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 product 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.