

For Immediate Release



FORTRESS PAPER ANNOUNCES COMPLETION OF COGENERATION FACILITY

VANCOUVER, British Columbia, October 2, 2013 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (TSX:FTP) announces that the Company has successfully completed the mandatory 100 hour grid test for its cogeneration facility at its Fortress Specialty Cellulose Mill (the "FSC Mill") and the cogeneration facility is now delivering power to the Hydro Québec grid at the contracted commercial rate.

Chadwick Wasilenkoff, Chief Executive Officer of Fortress Paper, remarked, "We are very pleased that the final stage of testing for the cogeneration facility at the FSC Mill has been successfully completed and that the Company is now delivering power to the Hydro Québec grid at the contracted rate. This will reduce our production costs at the mill and create a legacy of environmentally friendly power production for the region."

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 is also seeking to expand its dissolving pulp capacity with the recent acquisition of Fortress Global Cellulose Mill located at Lebel-sur-Quévillon, Québec, which the Company is evaluating to convert into a dissolving pulp mill and re-start the 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, and at its high security production and research facility located in Canada, where it manufactures optically variable thin film material.

For further information, please contact:

Chadwick Wasilenkoff
Fortress Paper Ltd.
604-904-2328
info@fortresspaper.com
www.fortresspaper.com

This press 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 regarding any reduction in product costs at the FSC Mill. 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 there will be no unforeseen or unexpected delays that will impact the cogeneration project. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, risks that the cogeneration facility at the FSC Mill will not operate as expected; that market conditions for dissolving pulp will not continue to be favourable; and other risk factors listed from time to time in the Company'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, 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.