

For Immediate Release



**FORTRESS PAPER ANNOUNCES NEW EUR25 MILLION
CREDIT FACILITY AND EXECUTIVE MANAGEMENT CHANGES**

VANCOUVER, British Columbia, March 30, 2012 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (TSX:FTP) announced that its wholly owned subsidiary, Dresden Papier GmbH ("Dresden"), has entered into a new EUR25 million credit facility with Commerzbank. The new facility expires on June 30, 2017 and will be primarily used to repay the balance of an existing loan agreement between Dresden and GE Capital Bank AG of EUR22.15 million that was used to finance the rebuild of papermachine no.1 at the Landqart Mill.

Chadwick Wasilenkoff, Chief Executive Officer of Fortress Paper, commented: "The terms of the new facility are more competitive than our prior loan agreement, and provides enhanced financial flexibility at a lower overall cost to our business."

The Company also announces that Alfonso Ciotola has resigned as President of the Company and Mr. Wasilenkoff has consolidated such position with his role as Chief Executive Officer. Mr. Ciotola will remain with the Company as Chief Executive Officer of Landqart AG and Managing Director of Dresden. In addition, Erich Sulser, Chief Operating Officer of the Company and Chief Financial Officer of Landqart AG, is no longer with the Company. His duties will be assumed by other officers at this time.

About Fortress Paper

Fortress Paper operates internationally in three distinct business segments: dissolving pulp, specialty papers and security paper products. The Company operates its dissolving pulp business at the Fortress Specialty Cellulose Mill located in Canada which is also in the process of expanding into the renewable energy generation sector with the construction of a cogeneration facility. The Company operates its specialty papers business at the Dresden Mill located in Germany, where it is a leading international producer of specialty non-woven wallpaper base products. 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 Fortress Optical Facility located in Canada, where it manufactures optically variable thin film material.

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