

For Immediate Release



FORTRESS PAPER ANNOUNCES NORMAL COURSE ISSUER BID

VANCOUVER, British Columbia, August 31, 2016 – Fortress Paper Ltd. ("**Fortress Paper**" or the "**Company**") (**TSX:FTP**) announces that the Toronto Stock Exchange (the "**Exchange**") has accepted Fortress Paper's notice of intention to make a normal course issuer bid (the "**Bid**") for its common shares (Trading Symbol: FTP) (the "**Common Shares**") through the facilities of the Exchange and alternative Canadian trading platforms. On September 6, 2016, Fortress Paper may commence making purchases, from time to time, up to a maximum of 1,065,289 of its 14,813,014 outstanding Common Shares as at the date hereof, which represents 10% of the "public float" of the Common Shares within the meaning of the policies of the Exchange. The Bid will terminate on September 5, 2017 or earlier if Fortress Paper has completed its purchases of the securities subject to the Bid. Purchases may be suspended by Fortress Paper at any time and Fortress Paper reserves the right to terminate the Bid earlier if it determines it is appropriate to do so.

Fortress Paper is entering into a normal course issuer bid program for its Common Shares because it believes that the current market price of the Common Shares does not reflect the value of the Company's business and its future prospects and that the Bid represents a desirable use of corporate funds. Any securities acquired will be purchased at the market price up to a daily maximum of 1,642 Common Shares, being 25% of the average daily trading volume of 6,569 Common Shares, subject to the block purchase exemption, and will be cancelled following purchase.

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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