



FORTRESS PAPER COMMENCES START-UP PHASE AT FORTRESS SPECIALTY CELLULOSE MILL

VANCOUVER, British Columbia, November 24, 2011 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (**TSX:FTP**) announced today that it has initiated the final stages of the conversion project at its Fortress Specialty Cellulose Mill. The mill has commenced its start-up phase with final process testing, which will include cold and hot water trials, together with the testing of safety systems scheduled to occur over the coming days. Production of dissolving pulp beginning with wood chips cooking is expected to commence shortly thereafter.

The minor delay in the scheduled completion of the conversion project has resulted from: (1) the previously announced unexpected walkout in October of construction employees of contractors engaged by the Company; (2) the extra time subsequently required upon the return of the workers to fully ramp-up construction activities at the site; (3) completion of identified improvements to infrastructure relating to buildings, supports and the chip tower inter-connection; and (4) implementation of enhancements to the mill's safety and control systems.

Chad Wasilenkoff, Chairman and Chief Executive Officer of Fortress Paper, commented: "We look forward to the imminent production of dissolving pulp, which will signify an important milestone in the history of Fortress Paper. We believe that the implementation of supplemental process control testing will provide for a more efficient ramp-up to commercial production."

The completion of the conversion project is currently materially on budget, with the exception of costs resulting from the unexpected walkout of construction workers which remain to be quantified. The cogeneration project at the Fortress Specialty Cellulose Mill is proceeding substantially on schedule, and is expected to be completed in the third quarter of 2012.

About Fortress Paper

Fortress Paper is a leading international producer of security and other specialty papers and products. Fortress operates three mills, the Landqart Mill located in Switzerland, the Dresden Mill located in Germany and the Fortress Specialty Cellulose Mill located in Quebec, Canada. Fortress Paper's security papers include banknote, passport and visa papers and its specialty papers include non-woven wallpaper base products, and graphic and technical papers. Fortress Paper's pulp business includes specialty pulp produced at the Fortress Specialty Cellulose Mill, which is currently in the process of converting this capacity into dissolving pulp production along with the construction of a biomass based cogeneration plant.

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This news 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 the timing of completion of its conversion project and the commencement of dissolving pulp production. 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. Investors are cautioned that

all forward-looking statements involve risks and uncertainties including, without limitation, risks relating to potential disruptions to production and delivery, regulatory requirements, changes in the market, potential downturns in economic conditions, fluctuations in the price and supply of required materials, foreign exchange fluctuations, labour relations, dependence on major customers, 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.