

For Immediate Release



FORTRESS PAPER REPORTS AN INCIDENT AT FSC MILL

VANCOUVER, British Columbia, December 5, 2013 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (**TSX:FTP**) reports that an incident occurred at its Fortress Specialty Mill (the "FSC Mill") in Thurso, Québec on December 2, 2013, which the Company initially believed was repairable in the normal course. However, upon further investigation it was determined that the incident was caused by an improper third-party pipe fitting installation on one of the four digesters. As the Company continued the investigation into the root cause of the incident it was revealed that there is a significant crack on a similar pipe connected to another digester. To repair the damaged pipe, the Company has determined that the FSC Mill must be shut down until at least December 10, 2013. During this time, a thorough investigation into the efficacy of certain similar pipe installations at the FSC Mill will also be conducted. Accordingly, the impact of the incident will be at least six days' equivalent of lost production.

In order to mitigate the cost of the shutdown, all but essential staff required to perform the investigation and maintain the mill will be sent home during this interim period. The cogeneration facility at the FSC Mill will continue to operate at a reduced rate and produce heat and power for the mill. The Company is also evaluating whether it is able to claim against its insurance policy to cover and limit the losses which result from this incident. The Company intends to provide an update on December 10, 2013.

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 FSC Mill located in Canada, which has expanded into the renewable energy generation sector with the construction of a cogeneration facility and is in the process of expanding production into NBHK pulp. The Company is also seeking to expand its dissolving pulp capacity with the 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.

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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 the cause of the incident at the FSC Mill and the length of time for the shutdown and repair of 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 the Company was correct in its assessment of the root cause of the incident at the FSC Mill and that there will be no unforeseen or unexpected delays in the repairs at the FSC Mill. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, the cost and time for repairs at the FSC Mill 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.