

For Immediate Release



FORTRESS GLOBAL ENTERPRISES PROVIDES UPDATE TO ACQUISITION OF S2G BIOCHEMICALS INC. AND NEW XYLITOL PROJECT

VANCOUVER, British Columbia, March 19, 2018 – Fortress Global Enterprises Inc. ("**Fortress Global**") (TSX:FGE) (OTCQX:FTPLF) is pleased to provide an update to its previously announced acquisition of S2G Biochemicals Inc. ("**S2G**"). Fortress has prepared an investor presentation related to this transaction. The presentation is available under the "Investor Relations" section at www.fortressge.com or by sending a request to info@fortressge.com.

Please find below an updated overview of the S2G acquisition originally announced on March 15, 2018:

Fortress Global has signed a share purchase agreement (the "**SPA**") with S2G and its shareholders, whereby Fortress Global will acquire all of the issued and outstanding common shares of S2G for a purchase price of \$2,500,000, payable by the issuance of 666,652 common shares of Fortress Global at a deemed price of \$3.75 per Fortress Global share.

Upon completion of the transaction, Fortress Global, through a newly formed special purpose company, intends to commission the construction of a demonstration plant to produce xylitol at its Fortress Specialty Cellulose ("**FSC**") Mill, utilizing proprietary process technologies, know-how and expertise developed by S2G and Mondelēz International, Inc. (NASDAQ:MDLZ), one of the world's largest snacking companies. The demonstration plant will use C5 sugars extracted from hemicellulose, which is a byproduct from the FSC Mill, to produce xylitol. The extraction and conversion of this byproduct will also further debottleneck the FSC Mill and increase its annual production capacity of dissolving pulp. The demonstration plant is expected to commence operation in 2020 and have a production capacity of up to 2,000 tonnes per year of xylitol. The FSC Mill is expected to produce sufficient C5 sugars annually to provide the feedstock for up to an additional 20,000 tonnes per year of xylitol production which Fortress intends to utilize by constructing an approximately \$150 million full-scale plant following successful completion of the demonstration plant. When complete, the full-scale plant would be expected to generate up to \$40 million of EBITDA annually.

Xylitol is a naturally occurring sugar polyol that has a sweetening property matching that of cane sugar but with 40% fewer calories. In addition, based on third-party research, Fortress Global believes that xylitol is currently the best nutritive sugar substitute with respect to the prevention of dental cavities. Xylitol is used extensively in a variety of confectionary products such as gums and candies with estimated annual global xylitol sales volumes in 2017 of approximately 200,000 tonnes and an expected annual growth rate of 6.5% through 2024. Current spot prices for xylitol vary by region and are in the US\$3,500 – US\$4,500/tonne range.

Fortress Global believes that the majority of xylitol is currently produced in China using corn cobs as the feedstock. Fortress Global will use FSC's low cost, high quality, non-GMO feedstock derived from Canada's sustainable forests and the high conversion efficiencies of the S2G process to improve the cost structure, improve efficiency and reduce environmental impact. Fortress Global believes that a full-scale plant at the FSC Mill will be one of the lowest cost producers of xylitol globally.

S2G is the exclusive global licensee of the xylitol process technology that S2G and Mondelēz International have jointly developed. In connection with the acquisition of S2G, Fortress Global and S2G have entered into a non-binding term sheet (the "**Term Sheet**") with Mondelēz International which sets out a framework to modify certain terms of the license and to provide for certain commitments from Mondelēz International with respect to the output of the demonstration plant and any future full scale plant.

The construction, commissioning and optimization of the demonstration plant is budgeted at approximately \$33 million. It is anticipated that Fortress Global will provide \$5.0 million in funding for the special purpose company in cash or in-kind. Fortress Global is in the process of securing the balance of the required funding through various non-dilutive sources, including federal and provincial grants, other non-recourse financing and consortium partners.

Chadwick Wasilenkoff, President and Chief Executive Officer of Fortress Global, commented: "The acquisition of S2G and the expansion of our dissolving pulp operation into the sugar substitutes business is in line with our corporate strategy of pursuing innovative and value enhancing opportunities. We believe that the production of xylitol will further optimize the utilization of our wood fibre and also provide us with the added benefit of offloading the recovery boiler which will provide a separate measurable economic benefit. With the expertise and know-how of the S2G team, who have dedicated over eight years to the development of this technology in conjunction with Mondelēz International, Fortress Global is well positioned to become a global low-cost producer of a product with an attractive growth profile. We are pleased with the positive feedback and funding opportunities provided by the federal and provincial funding agencies and look forward to finalizing all necessary arrangements in a timely manner."

Mark Kirby, President and Chief Executive Officer of S2G, commented: "We are very excited to become part of the Fortress team. It is the perfect partnership to commercialize the proprietary xylitol process technology which we have developed with Mondelēz International. Fortress brings proven operational capabilities, strong Canadian and Quebec government relationships, and a large and stable source of hemicellulose sugars that our research has shown are a preferred and cost-effective feedstock for xylitol production due to their high xylose and low ash content."

Closing of the SPA is subject to various customary conditions and is expected to occur on or before May 31, 2018.

A presentation to complement our fourth quarter earnings is available under the "Investor Relations" section at www.fortressge.com or by sending a request to info@fortressge.com.

As a reminder, effective Feb 1, 2018 the shares of Fortress Global now trade under the symbol FGE on the Toronto Stock Exchange. In conjunction with this name change a new website will be rolled out in stages through the month of March.

About Fortress Global Enterprises

Fortress Global Enterprises operates its dissolving pulp business at the Fortress Specialty Cellulose Mill located in Canada, which also operates in the renewable energy generation sector through its cogeneration facility.

About Mondelēz International

Mondelēz International, Inc. (NASDAQ:MDLZ) is building the best snacking company in the world, with 2017 net revenues of approximately \$26 billion. Creating more moments of joy in approximately 160

countries, Mondelez International is a world leader in biscuits, chocolate, gum, candy and powdered beverages, featuring global Power Brands such as Oreo and belVita biscuits; Cadbury Dairy Milk and Milka chocolate; and Trident gum. Mondelez International is a proud member of the Standard and Poor's 500, Nasdaq 100 and Dow Jones Sustainability Index. Visit www.mondelezinternational.com or follow the company on Twitter at www.twitter.com/MDLZ.

For more information about Fortress Global Enterprises, please visit us at www.fortressge.com or contact us at 604-904-2328 or info@fortressge.com.

This press release contains certain forward-looking information that reflects the current views and/or expectations of Fortress Global with respect to its performance, business and future events, including statements regarding: Fortress Global's completion of the SPA and related agreements and the outcome of its financing applications and initiatives; the financial benefits, expected production capacity, expected timing and budget for completion of the xylitol project at the Fortress Specialty Cellulose Mill; expectations relating to Fortress Global's business plans at the Fortress Specialty Cellulose Mill and the expected effects of the acquisition of S2G on the business of Fortress Global; the state of the xylitol markets; and expectations regarding future global demand for xylitol. The reader is cautioned that forward-looking information is not a guarantee of future performance and involves 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 information. Forward-looking information is based on the then-current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which Fortress Global operates. Assumptions underlying Fortress Global's expectations regarding forward-looking information contained in this news release include, among others: the ability of Fortress Global and other parties thereto to satisfy the conditions required in order to complete the SPA and all related arrangements; Fortress Global's ability to complete the necessary financing to successfully implement its business plan in respect of the xylitol project on satisfactory terms; the success, profitability and other expected benefits of the xylitol project; the expected effects of the S2G acquisition on the business of Fortress Global; that the xylitol project will be economically viable and can be completed within the expected schedule and budget; and that the market conditions for xylitol will follow expected trends. Investors are cautioned that all forward-looking information involves risks and uncertainties including, without limitation: that the conditions to closing the SPA will not be satisfied and Fortress Global will not be able to complete the SPA as contemplated or at all; that Fortress Global will not secure the necessary financing to complete its business plan in respect of the xylitol project as planned or at all; that the xylitol project will not be successful or profitable and will not meet expected production capacities, or be completed within the expected timeframes and within the expected budget; that Fortress Global may experience unforeseen delays, financing difficulties or costs that will impact its projects, operations, financial performance and liquidity; and those risks relating to our reputation, competition, changes in the market, potential downturns in economic conditions, dependence on major customers, fluctuations in the price and supply of raw material, foreign exchange fluctuations, labour, regulatory requirements and other risk factors listed from time to time in Fortress Global'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 statements comprising forward-looking information, which are qualified in their entirety by this cautionary statement. Fortress Global does not undertake any obligations to release publicly any revisions for updating any voluntary forward-looking information, except as required by applicable securities law.