

**For Immediate Release**



## **FORTRESS PAPER ANNOUNCES US\$5,000,000 CREDIT AGREEMENT**

VANCOUVER, British Columbia, December 29, 2017 – Fortress Paper Ltd. ("**Fortress Paper**" or the "**Company**") (TSX:FTP) (OTCQX:FTPLF) reports that its wholly-owned subsidiary, Fortress Specialty Cellulose Inc. ("**FSC**"), has entered into a credit agreement with a private arm's length lender, who will provide a secured revolving credit facility in the principal amount of up to US\$5 million to FSC, subject to certain borrowing base restrictions (the "**Loan**"). The Loan will mature on December 30, 2020 and will accrue interest at a rate of LIBOR plus 5.75% per annum. The Loan is secured by FSC's wood fibre inventory located at the FSC mill, consisting of round wood, wood chips, and dissolving pulp and excluding certain non-eligible inventory. FSC intends to use the proceeds of the Loan for general corporate purposes.

### **About Fortress Paper**

Fortress Paper 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.

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This news release contains certain forward-looking information that reflects the current views and/or expectations of the Company with respect to its expectations, beliefs, assumptions, estimates, and forecasts about its business and the industry and markets in which it operates. The reader is cautioned that statements comprising forward-looking information 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 information. Accordingly, readers should not place undue reliance on forward-looking information. Examples of such forward-looking information that may be contained in this news release include: the expected use of proceeds of the Loan. Persons reading this news release are cautioned that statements comprising forward-looking information are only predictions, and that the Company's actual future results or performance are subject to certain risks and uncertainties including, without limitation: risks relating to changes in the market 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 statements comprising forward-looking information, 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 information, except as required by applicable securities law.