

**For Immediate Release**



## **FORTRESS PAPER RESTARTS PRODUCTION AT ITS DISSOLVING PULP MILL**

VANCOUVER, British Columbia, October 10, 2017 – Fortress Paper Ltd. ("**Fortress Paper**" or the "**Company**") (**TSX:FTP**) (**OTCQX:FTPLF**) is pleased to announce that the Fortress Specialty Cellulose Mill (the "**FSC Mill**") restarted on October 6, 2017, three days earlier than previously announced in its September 27, 2017 news release. The Company has completed the necessary repairs at the FSC Mill caused by the failure of a pressurized auxiliary gas collection system and has re-commenced production of dissolving pulp.

Mr. Giovanni Iadeluca, President of the FSC Mill, commented: "We wish to thank our team at the FSC Mill for their tireless efforts in resolving the system failure and achieving a restart three days earlier than originally anticipated. The FSC Mill restarted the normal ramp up of its operations on October 6th, the production and cogeneration facility are now operating in ordinary course."

The Company has initiated an insurance claim pursuant to its property damage and business interruption insurance coverage, which has a \$2.5 million deductible. Based on current information, the Company is confident that costs associated with the replacement and repair of damaged equipment and business interruption costs should be covered by the insurance claim.

### **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, 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.

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This press release contains certain forward-looking information that reflects the current views and/or expectations of Fortress Paper with respect to its performance, business and future events, including statements regarding expectations surrounding the operational and/or financial impact of the unplanned downtime at the FSC Mill. 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 the Company operates. Assumptions underlying the Company's expectations regarding forward-looking information contained in this news release include, among others: that all other equipment will continue to operate in the normal course and as intended; that the operational and/or financial losses

resulting from the FSC mill unplanned downtime may or may not be mitigated and may be materially different from management expectations. Investors are cautioned that all forward-looking information involves risks and uncertainties including, without limitation: that there may be potential disruptions stemming from the repairs and the replacement parts and equipment installed, including as a result of further equipment failures, labour issues, the complex integration of processes and equipment and other factors; that no additional losses or equipment or system failures relating to the auxiliary system failure will be discovered; that insurance claims or other claims that may be brought against suppliers and/or service providers in connection with the auxiliary system failure may be unsuccessful or fail to cover all losses incurred; 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.