

For Immediate Release



CHINA'S MINISTRY OF COMMERCE ANNOUNCES FINAL DETERMINATION IN ANTI-DUMPING INVESTIGATION

VANCOUVER, British Columbia, April 4, 2014 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (**TSX:FTP**) reported today that China's Ministry of Commerce ("MOFCOM") has rendered its final determination in its anti-dumping investigation on the importing to China of cellulose pulp originating from Canada, the United States and Brazil. The final duty imposed by MOFCOM on dissolving pulp imports from the Company's wholly owned subsidiary, Fortress Specialty Cellulose Ltd. ("FSC"), remained unchanged from the previously announced interim duty of 13%.

The final duty imposed by MOFCOM on dissolving pulp imports from all other unnamed current or future Canadian dissolving pulp producers, which would include the Company's Fortress Global Cellulose Mill (the "FGC Mill"), was reduced to 23.7%. Despite the reduction, such duty materially impacts the economic viability of converting the FGC Mill to a dissolving pulp mill. Accordingly, the Company is currently evaluating strategic alternatives for the mill.

Chadwick Wasilenkoff, Chief Executive Officer of Fortress Paper, commented: "We are very disappointed by this outcome and wholly disagree with MOFCOM's determination. During this challenging time, we will focus on and further enhance our strategy to improve production efficiency and reduce costs. We also remain confident that current market conditions for dissolving pulp will improve as the market adjusts to a reduction in supply caused by the MOFCOM duties."

Currently, the Company is evaluating its options in response to the duty including, but not limited to, petitioning the Canadian Government to make an application to the World Trade Organization (WTO) to review MOFCOM's determination on the grounds that China's domestic dissolving pulp industry, which petitioned the investigation, suffered no injury as a result of imported dissolving pulp from the investigated countries. Furthermore, management believes the manner in which MOFCOM determined FSC's dumping margin was entirely inappropriate and contrary to WTO regulations which govern such investigations. Although the Company believes it has strong arguments against the imposition of a dumping duty, there is no assurance that it will be successful in reversing MOFCOM's final determination or in securing the Canadian Government's support in commencing a WTO review.

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 Fortress Specialty Cellulose Mill located in Canada, which has expanded into the renewable energy generation sector with the construction of a cogeneration facility and the production of NBHK

pulp. The Company is also evaluating expanding its dissolving pulp capacity by converting the Fortress Global Cellulose Mill located at Lebel-sur-Quévillon, Québec into a dissolving pulp mill and re-starting 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 the market conditions for dissolving pulp, our perceptions of the industry or markets in which we operate and anticipated trends in such markets and in the countries in which we do business. 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 we will be able to effectively market our products; that current depressed dissolving pulp prices are indicative of unusual market conditions and are not sustainable in the long-term; that the duty imposed by MOFCOM will result in the supply of dissolving pulp decreasing with a corresponding price increase; that the adverse impact of the MOFCOM duty will be limited to the short-term; and the ability of the Company to realize cost-savings from production improvements, cost reduction initiatives and the cogeneration facility at the Fortress Specialty Cellulose Mill. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, that market conditions for dissolving pulp will remain unfavourable, that the Fortress Specialty Cellulose Mill cost structure will not improve and that there will be unforeseen technical issues at the Fortress Specialty Cellulose Mill. 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.