

**For Immediate Release**



**FORTRESS PAPER ANNOUNCES ENERGY SUPPLY AGREEMENT  
WITH HYDRO QUÉBEC FOR THE SALE OF GREEN POWER FROM ITS THURSO MILL**

VANCOUVER, British Columbia, May 6, 2010 – Fortress Paper Ltd. ("Fortress Paper" or the "Corporation") announced today that it has signed, through its wholly-owned subsidiary, Fortress Specialty Cellulose Inc. ("FSC"), an Energy Supply Agreement (the "Agreement") with Hydro Québec for the sale of green electricity to be produced at the Thurso Mill upon completion of a biomass-based cogeneration facility.

Under the Agreement, the Company will construct a cogeneration facility to provide net 18.8 megawatts of green power to Hydro Québec over a 15 year term, with deliveries estimated to commence in the fourth quarter of 2012.

Chadwick Wasilenkoff, CEO of Fortress Paper, states, "The signing of the Agreement represents an important step in achieving our business plan at the Thurso Mill, which includes the building of a cogeneration plant that produces green electricity that in turn will ultimately benefit Québec residents. We believe that the results of this partnership with Hydro Québec will be beneficial to the environment and the economy of Québec, as well as providing net energy savings (income) to Fortress Paper."

The Agreement is subject to final approval by the Régie de l'énergie in Québec which is expected to be received in the third quarter of 2010.

**About Fortress Paper**

Fortress Paper is a leading international producer of security and other specialty papers. Fortress Paper operates three mills, the Landqart Mill located in Switzerland, the Dresden Mill located in Germany and the Thurso Mill located in Canada. Fortress Paper's security papers include banknote, passport and visa papers and its specialty papers include non-woven wallpaper base products, and graphic and technical papers. Fortress Paper's pulp business currently includes NBHK with plans to convert this capacity into dissolving pulp production. Fortress Paper plans to build a biomass based cogeneration plant at the Thurso Mill.

For more information, please contact:

Chadwick Wasilenkoff  
Fortress Paper Ltd.  
604-904-2328  
[info@fortresspaper.com](mailto:info@fortresspaper.com)  
[www.fortresspaper.com](http://www.fortresspaper.com)

This news 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 relating to its plans to build a biomass based cogeneration plant. 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 Corporation operates, including assumptions relating to the Corporation's ability to successfully implement its business plan in respect of the Thurso Mill; that the Corporation will be able to receive all required approvals and complete construction of the cogeneration facility; and the expected effects of the cogeneration facility on the business of the Corporation. Forward-looking statements are not guarantees of future performance and involve risks, uncertainties and assumptions which are difficult to predict. Investors are cautioned that all forward-looking statements involve risks and uncertainties including, without limitation, that the Corporation will be unable to implement its business plan in respect of the Thurso Mill as planned or at all; that the Corporation will be unable to receive all necessary approvals to begin construction of the cogeneration facility; that, assuming the Corporation receives all necessary approvals, the Corporation will be unable to complete construction of the cogeneration facility within the stated timeframe or at all; and those risks relating to changes in the market, potential downturns in economic conditions, fluctuations in the price and supply of raw materials, foreign exchange fluctuations, labour relations, regulatory requirements, reputation, competition, dependence on major customers, and other risk factors listed from time to time in the Corporation'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 and 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 statements, except as required by applicable securities law.

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