

For Immediate Release



FORTRESS PAPER ANNOUNCES TEMPORARY WORK DELAY

VANCOUVER, British Columbia, October 25, 2011 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (**TSX:FTP**) announced that an unexpected walkout by unionized employees of the contractors engaged by the Company on the dissolving pulp conversion and cogeneration projects has resulted in the temporary suspension of construction activities at its Fortress Specialty Cellulose Mill in Thurso, Quebec. Although the construction unions have not issued an official statement, Fortress Paper understands that the walkout is a result of the opposition to a bill proposed by the Quebec Government and not as a result of disputes with the Company or their employers. The walkout is affecting construction projects across the Province of Quebec. Fortress Paper is exploring available options to resume construction work at the Fortress Specialty Cellulose Mill, and is in discussions with its contractors and government representatives with a view to resolving this situation as soon as practicable.

Management remains hopeful that the issues relating to this walkout can be resolved shortly, with the result that the re-start of the Fortress Specialty Cellulose Mill and the commencement of dissolving pulp production that was planned for early November 2011 would only experience a minor delay. However, as the duration or outcome of the walkout is out of management's control and cannot be reasonably predicted, a further delay remains a possibility. Fortress Paper will provide updated guidance in this regard following the resumption of construction work at the mill.

About Fortress Paper

Fortress Paper is a leading international producer of security and other specialty papers and products. Fortress operates three mills, the Landqart Mill located in Switzerland, the Dresden Mill located in Germany and the Fortress Specialty Cellulose Mill located in Quebec, 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 includes specialty pulp produced at the Fortress Specialty Cellulose Mill, which is currently in the process of converting this capacity into dissolving pulp production along with the construction of a biomass based cogeneration plant.

For more information, please contact:

Chadwick Wasilenkoff

Fortress Paper Ltd.

604-904-2328

info@fortresspaper.com

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 regarding the timing of the resolution of the unexpected work delay, its expected outcome and its effects of the conversion and cogeneration projects at the Fortress Specialty Cellulose Mill. 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. Investors are cautioned that forward-looking statements contained herein involve risks and uncertainties including, without limitation, that further delays in the completion of the conversion project and the commencement of dissolving pulp production may materially adversely impact the Company's financial performance and results of operations, as well as risks relating to further potential disruptions to production and delivery, labour relations, regulatory requirements, changes in the market, potential downturns in economic conditions, fluctuations in the price and supply of required materials, foreign exchange fluctuations, dependence on major customers, 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 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.