

**For Immediate Release**



## **FORTRESS PAPER RESUMES CONSTRUCTION ACTIVITIES**

VANCOUVER, British Columbia, October 27, 2011 – Fortress Paper Ltd. ("Fortress Paper" or the "Company") (**TSX:FTP**) announced that it has resumed construction activities at its Fortress Specialty Cellulose Mill in Thurso, Quebec, after all employees of contractors engaged by the Company reported to the construction site today.

The Fortress Specialty Cellulose Mill began experiencing instances of construction worker absenteeism in the evening of Thursday, October 20, 2011, with certain trade workers failing to report, in increasing numbers, to the construction site the following day and throughout the weekend. While at the time the Company did not consider that these actions were likely to materially impact the timing of the conversion project at the mill, the unexpected full walkout by the construction workers on Monday, October 24, 2011 has impacted the critical path of the project. The Company expects construction activity to reach normalized levels once the construction workforce is fully remobilized and construction activities are fully ramped-up, however it is possible that labour relations could change as a result of ongoing opposition to proposed government legislation.

The Company is actively seeking to mitigate any delays, and assuming the construction workforce continues to be fully engaged in the project going forward, the Company expects that dissolving pulp production will commence no later than in mid-November 2011.

### **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.

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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 completion of its conversion project and the commencement of dissolving pulp production. 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 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 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.