



FORTRESS GLOBAL ENTERPRISES REPORTS FOURTH QUARTER 2017 RESULTS

Vancouver, British Columbia, March 15, 2018

Fourth Quarter 2017 Consolidated Results

Fortress Global Enterprises Inc. ("Fortress Global Enterprises" or the "Company") (TSX:FGE) (OTCQX:FTPLF) reported 2017 fourth quarter Operating EBITDA loss from continuing operations of \$5.7 million compared to \$1.6 million in the previous quarter and operating EBITDA from continuing operations of \$4.8 million in the prior year comparative period. The Dissolving Pulp Segment generated operating EBITDA loss of \$4.4 million and corporate costs were \$1.3 million in the fourth quarter of 2017.

Chadwick Wasilenkoff, Chief Executive Officer of Fortress Global Enterprises, commented: "2017 proved to be very challenging for Fortress Global Enterprises. Positive developments were overshadowed by the disappointing financial results from the Dissolving Pulp Segment including our auxiliary system failure, and the loss of a material purchase order in the Security Paper Products Segment leading to its eventual divesture. As we enter 2018, we believe that the issues encountered in 2017 have been resolved. We are making progress on numerous initiatives, including the addition of a fifth digester at our Fortress Specialty Cellulose ("FSC") mill. We are confident that the investments and various initiatives we have recently undertaken have put us on the right track for a much improved 2018. I would like to thank the entire team at Fortress Global Enterprises for their perseverance and commitment throughout a difficult year. We are also pleased to announce the signing of a definitive agreement for an acquisition and growth strategy into an exciting product called xylitol, a sugar substitute derived from a residual product of the FSC mill. This project should increase mill productivity and create a new revenue stream. Details of this acquisition will be announced shortly in a separate news release. Also note that we have recently changed our corporate name to Fortress Global Enterprises Inc. and have a new trading symbol: TSX:FGE."

Fourth Quarter 2017 Segment Results

The Dissolving Pulp Segment generated operating EBITDA loss of \$4.4 million for the quarter ended December 31, 2017, compared to operating EBITDA loss of \$0.5 million for the third quarter of 2017 and operating EBITDA of \$6.7 million for the prior year comparative period. Operating costs of \$1.3 million in the fourth quarter and \$2.6 million in the third quarter, representing labor and associated overhead incurred during the previously reported auxiliary system failure, have been adjusted out of operating EBITDA. These amounts do not represent the totality of the insurance claim. The FSC mill re-commenced production of dissolving pulp on October 6, 2017 following the repair of the pressurized auxiliary gas collection system. During the fourth quarter the company also conducted a transformative annual shutdown. Due to the

substantial improvements and investments executed during the annual shutdown, three additional days beyond the planned eight day shutdown were required. A total of 27,541 air dried metric tonnes ("ADMT") of dissolving pulp were produced in the fourth quarter of 2017 and the FSC mill sold 24,798 ADMT of dissolving pulp in the same period, compared to sales of 32,048 ADMT and 30,962 ADMT of dissolving pulp in the previous quarter and prior year comparative period, respectively.

Dissolving pulp pricing was stronger through 2017 compared to 2016, averaging US\$900 per ADMT compared to US\$888 per ADMT, respectively. Dissolving pulp pricing peaked at US\$960 per ADMT in March 2017, ending the year at US\$925 ADMT. Fluctuations in pricing were due primarily to a temporary build up in viscose staple fibre ("VSF") and yarn inventory levels and a drop in cotton linter prices. Unseasonably stronger dissolving pulp and VSF pricing in the first quarter of 2017, typically a low point for the year, was most likely the consequence of sustained VSF demand through December 2016. Dissolving pulp prices in 2018 have been steady through Chinese New Year, a period where VSF and dissolving pulp plants traditionally take downtime and volume and pricing are generally at a low point for the year. Typical market cycle peak occurs in the fall, which correlates with downstream textile and VSF market cycles. Dissolving pulp prices were also most likely supported by favourable paper pulp market pricing which influences swing mill production. The current price of dissolving pulp is approximately US\$930 per ADMT, which is approximately US\$15 per ADMT lower compared to this same time last year.

On December 20, 2017, the Company announced that it had entered into and completed, through a wholly owned subsidiary, a share purchase agreement with the Swiss National Bank and Orell Füssli Holding AG, pursuant to which the Company sold all of the shares of its wholly owned subsidiaries, Landqart AG and Landqart Management and Services AG, for an aggregate purchase price of CHF 21.5 million (approximately CDN \$27.7 million). Operating EBITDA loss from discontinued operations was \$4.3 million for the fourth quarter of 2017.

Based on the book values of the net assets disposed of, the related sales proceeds, and the effect of foreign exchange, the loss on disposal of the Landqart Mill was \$56.6 million.

Corporate and Cash

Corporate expenses in the fourth quarter increased by \$0.2 million compared to the previous quarter to \$1.3 million. Cash and restricted cash was \$48.7 million at the end of the fourth quarter of 2017, slightly higher from \$46.7 million at the end of the previous quarter. The Company received \$22.3 million in proceeds net of \$4.9 million in cash adjustments from the disposal of the security paper products segment. This increase was offset primarily by capital expenditures and the impacts from the auxiliary system failure at Thurso and the additional days required during our annual maintenance shutdown.

Outlook

The chemical recovery area issues that had hampered second and third quarter operations, were resolved with the installation of a component from the previously announced Birch and Hemicellulose Project. Commissioning and fine-tuning of this component was performed during the fourth quarter. Dedicated inspection work relating to the production process was also completed during the November shutdown, with a view to addressing costs and other challenges. During the first quarter of 2018, the Company will implement the recommended solutions during

a two day planned shutdown for the purpose of completing the connections of the fifth digester, which is expected to result in an incremental annual production capacity increase of 8,500 ADMT in 2018 and 17,000 ADMT in 2019 compared to current production capacity.

Production and the cogeneration facility operated in the ordinary course during the fourth quarter. Since the start of 2018 the cogeneration facility has seen meaningful improvements which have resulted in continuously higher power production and revenue levels.

For a summary of significant developments please refer to the Management's Discussion and Analysis for the three and twelve month periods ended December 31, 2017 (available on SEDAR at www.sedar.com).

Selected Financial Information

The selected financial information presented herein is qualified in its entirety by, and should be read in conjunction with, the Company's audited condensed consolidated financial statements as at and for the three and twelve month period ended December 31, 2017 and the related notes thereto and Management's Discussion and Analysis, which are available on SEDAR.

Reference is made in this news release to operating EBITDA (defined as net income before interest, income taxes, depreciation, amortization, non-operating income and expenses and stock-based compensation), which the Company considers to be an indicative measure of operating performance and a metric to evaluate profitability. Operating EBITDA is not a generally accepted earnings measure and should not be considered as an alternative to net loss or cash flows as determined in accordance with IFRS. As there is no standardized method of calculating this measure, the Company's operating EBITDA may not be directly comparable with similarly titled measures used by other companies. Reconciliation of operating EBITDA to net loss reported in accordance with IFRS is included below.

Selected Financial Information and Statistics

| (thousands of dollars, except shipments, unaudited) | Q4 2017 | Q3 2017 | Q4 2016 |
|---|----------|----------|---------|
| Sales from continuing operations | 29,617 | 35,299 | 41,196 |
| Operating EBITDA ⁽¹⁾ (loss) from continuing operations | (5,682) | (1,580) | 4,799 |
| Net loss from continuing operations | (11,779) | (14,316) | (6,587) |
| Pulp shipments (ADMT) | 24,798 | 32,048 | 30,962 |

⁽¹⁾ See Net Loss to Operating EBITDA (Loss) Reconciliation from Continuing Operations.

A conference call to discuss the financial results for the fourth quarter 2017 will be held on March 16, 2018 at 6:00 a.m. (PDT). To participate in the conference call, please dial one of the following numbers:

604-681-8564 Vancouver
 403-532-5601 Calgary or International
 780-429-5820 Edmonton
 416-623-0333 Toronto
 613-212-0171 Ottawa
 514-687-4017 Montreal

Toll Free Dial in Number: 1-855-353-9183 from Canada and USA

Participant pass code: 15086#

Conference Reference Number: 1228100#

A replay of the conference call will be available for 30 days. To access the replay, listeners may dial 1-855-201-2300 from North America or 403-255-0697 International. The conference reference number is 1228100# and the participant pass code to access the replay is 15086#.

A presentation to complement our fourth quarter earnings conference call is available under the “Investor Relations” section at www.fortressge.com or by sending a request to info@fortressge.com.

Financial Reconciliations

Net Loss to Operating EBITDA (Loss) Reconciliation from Continuing Operations:

| (thousands of dollars, unaudited) | Q4 2017 | Q3 2017 | Q4 2016 |
|---|----------------|----------------|--------------|
| Net loss from continuing operations | (11,779) | (14,316) | (6,587) |
| Income tax recovery | (3) | (4) | - |
| Foreign exchange gain | (972) | (187) | (22) |
| Net finance expense | 3,779 | 3,840 | 4,483 |
| Amortization | 2,517 | 6,556 | 6,773 |
| (Gain) loss on disposal of assets | (680) | 8 | - |
| (Gain) loss on financial instruments | (161) | (348) | 78 |
| Auxiliary system failure | 1,320 | 2,591 | - |
| Stock-based compensation | 297 | 280 | 74 |
| Operating EBITDA (loss) from continuing operations | (5,682) | (1,580) | 4,799 |

The Company

Fortress Global Enterprises operates its dissolving pulp business at the Fortress Specialty Cellulose Mill located in Canada, which also operates in the renewable energy generation sector through its cogeneration facility.

For more information, please contact:
Fortress Global Enterprises Inc.
604-904-2328 or info@fortressge.com

Forward-Looking Information

This news release contains certain forward-looking information that reflects the current views and/or expectations of the Company with respect to its expectations, beliefs, assumptions, estimates and forecasts about its business and the industry and markets in which it operates. 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. Accordingly, readers should not place undue reliance on forward-looking information, which is qualified entirely by this cautionary statement. Examples of such forward-looking information contained in this news release include statements relating to: the growth and future prospects of the Company's business; market conditions for dissolving pulp, VSF and other products; expectations relating to repairs and other expenditures; and the impact of certain projects, cost reductions, equipment upgrades and production improvement initiatives. Assumptions underlying the Company's expectations regarding forward-looking information contained in this news release include, among others: that the Company will be able to effectively market its products; the ability of the Company to realize significant cost-savings from production improvements, projects and cost reduction initiatives; that equipment will operate at expected levels;; that labour relations will remain positive; and that the Company's assumptions relating to VSF, dissolving pulp and other markets will be materially accurate. Persons reading this news release are cautioned that forward-looking information represents predictions only, and that the Company's actual future results or performance are subject to certain risks and uncertainties including, without limitation: that market conditions for dissolving pulp will not improve or will worsen; the Company will not realize anticipated cost savings from its cost reduction initiatives; equipment will not operate as intended and additional issues relating to equipment repairs will arise; and other risk factors detailed in the Company's most recent Annual Information Form and other filings with Canadian securities regulatory authorities. These risks, as well as others, could cause actual results and events to vary significantly. The Company does not undertake any obligation to update any forward-looking information, except as required by applicable securities law.