

FORM 51-102F3
MATERIAL CHANGE REPORT

1. Name and Address of Company:

FORTRESS PAPER LTD.
2nd Floor, 157 Chadwick Court
North Vancouver, B.C., V7M 3K2

2. Date of Material Change:

The material change described in this report occurred on June 11, 2012.

3. News Release:

On June 11, 2012, Fortress Paper Ltd. (the "Corporation") issued a news release through the facilities of Marketwire.

4. Summary of Material Change:

The Corporation announced that it has ramped up production of dissolving pulp at its Fortress Specialty Cellulose Mill to an average of approximately 92% of final targeted capacity during the last 10 days, and has averaged approximately 83% over the last four weeks.

5. Full Description of Material Change:

The Corporation announced that it has ramped up production of dissolving pulp at its Fortress Specialty Cellulose Mill to an average of approximately 92% of final targeted capacity during the last 10 days, and has averaged approximately 83% over the last four weeks.

6. Reliance on Confidential Filing Provisions:

Not applicable.

7. Omitted Information:

Not applicable.

8. Executive Officer:

The following executive officer of the Corporation is knowledgeable about the material change of this report and may be contacted by any of the securities commissions respecting the material change and this report:

Chadwick Wasilenkoff
Chief Executive Officer
Telephone: (604) 904-2328

9. Date of Report:

June 15, 2012