

September 29, 2008

Fortress Energy Inc. Provides Corporate Update and Schedules Investor Conference Call

Fortress Energy Inc. (FEI:TSX) an exploration company focused on the development and production of natural gas reserves in Western Canada, today provided an update to its shareholders and announced progress in its current initiatives.

The specific initiatives are as follows.

Debt Reduction

- Fortress completed an equity issue in July 2008 raising net proceeds of \$15.0 million and has re-filed prior year tax returns that have allowed it to reclaim \$3.4 million of tax credits. In total indebtedness has been reduced to \$16.4 million.

Hedging Program

- As a result of a forward sale transaction put in place in December 2007, 54% of production is sold forward until October 31, 2008 at the price of \$6.85 per mcf compared to the current spot price of \$6.01 per mcf.
- In August 2008, Fortress sold forward 54% of production at a price of \$9.00 per mcf for the period of November 1, 2008 to March 31, 2009. This will allow Fortress to receive relatively certain cash flow over the period.
- Assuming a mix of the current spot price of \$6.01 per mcf and the forward sale at \$9.00 per mcf, Fortress will generate free cash flow of approximately \$3.0 million for the first quarter of 2009, based on current production rates.

Capital Stewardship Program

- Fortress has identified three new development wells at Square Creek plus two new exploration plays on its 45,000 acres of undeveloped land in the Halverson and Square Creek South areas as part of the 2008/09 winter capital program.
- Fortress will commence a high impact exploration well in the Pine Creek area on its 100% owned lands commencing October 2008. If successful this property can be brought on stream in the first quarter of 2009.

Production Optimization

- Fortress is working with the owner of the Clear Prairie facility to de-bottleneck the facility and associated infrastructure thereby allowing an increase in net production from the current rate of 466 boe/d to 650 boe/d and accommodating additional gas volume from the 2008/2009-winter program.

Mr. J. Cameron Bailey, President and Chief Executive Officer of Fortress remarked, “We believe Fortress is well positioned to take advantage of the speculation that occurs this time of the year around natural gas inventory levels being sufficient to ensure adequate supplies for the winter heating season. We have been deliberate with our focus of developing natural gas reserves and this period of lower gas prices creates opportunities for Fortress as many producers are attempting to rationalize their portfolios away from natural gas exposure. Our capital program for the 2008/09 winter season will build on the success we experienced during our 2007/08 program at Square Creek. Overall, we feel very good about our progress in 2008 as a company and look forward to discussing these positive trends with our investors on October 1st.”

Investor Conference Call

Fortress would like to invite interested investors and shareholders to take part in a conference call scheduled for 3:00pm MST (5:00pm EST) Wednesday, October 1, 2008. To access the call, please dial 416-695-9757 or 866-542-4270 and mention the name Fortress.

Replay of Conference Call

Fortress will also host a replay of the investor call which will be available for a week following the call. For those who are unable to dial in to the scheduled call, the number and passcode below will allow a replay of the call at any time before 11:59 October 8, 2008.

Dial-in number(s): 416-695-5800 / 800-408-3053 Passcode: 3271855

Prompts: Name, Company and Phone Number

Caution to Reader

This news release contains forward-looking information. The reader is cautioned that assumptions used in the preparation of such information, although considered reasonable by Fortress at the time of preparation, may prove to be incorrect. The actual results achieved in future periods will vary from the information provided herein and the variations may be material. Consequently, there is no representation by Fortress that actual results achieved during future periods will be the same in whole or in part as the information contained herein.

The common shares of Fortress have not and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act") or any state securities laws and may not be offered or sold in the United States or to any U.S. person except in certain transactions exempt from the registration requirements of the U.S. Securities Act and applicable state securities laws.

FOR FURTHER INFORMATION PLEASE CONTACT:

Fortress Energy Inc.
Mr. J. Cameron Bailey
President and Chief Executive Officer
(403) 290-2450
(403) 398-3351 (FAX)
Email: cbailey@fortressenergy.ca

or

Fortress Energy Inc.
Mr. Jamie Jeffs
Chief Financial Officer
(403) 290-2470
(403) 398-3351 (FAX)
Email: jjeffs@fortressenergy.ca
Website: www.fortressenergy.ca