

FOR IMMEDIATE RELEASE

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**Fortress Energy Announces Closing of Asset Acquisition**

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Fortress Energy Inc. ("Fortress") is pleased to announce that it has closed the previously announced acquisition of its partner's 50% working interest in the Square Creek property resulting in it owning a 100% working interest. The interest was acquired for \$7.0 million subject to final adjustments, and was financed by a recently completed \$11.4 million equity offering.

Fortress discovered the Square Creek field in 2007 and over the past two winters has delineated two separate producing pools by drilling several wells and established 17.4 bcf of recoverable natural gas reserves in both the Notikewin and Bluesky formations. In 2008 Fortress constructed a 41km pipeline and production facility with 10 mmcf/d of capacity to service the area where no pipeline and gas processing facilities previously existed. Production from the area has averaged 6 mmcf/d throughout 2009 and since June 2009 Fortress has chosen to limit production to approximately 5.4 mmcf/d until such time as gas prices improve. As prices improve Fortress will begin to increase throughput in the area.

Fortress has now completed a number of initiatives to reduce operating costs in the area. It has removed surplus equipment, acquired rental equipment and consolidated and streamlined operations at the Square Creek facility thereby reducing fixed costs by approximately \$1.3 million per annum. The impact of these cost savings will begin to be evident in the fourth quarter reporting period.

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.

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