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July 19, 2007

## **Fortress Energy Inc. Announces Closing of Previously Announced Strategic Acquisition and Bank Facility**

FEI:TSX Fortress Energy Inc. (“Fortress” or the “Company”) is pleased to announce that it has closed the acquisition of strategic natural gas assets previously announced on June 5, 2007 (the “Acquisition”), and has entered into a bank credit facility with an initial borrowing capacity of \$24 million. The assets are located within the Company’s core operating areas, principally in the Ladyfern and Velma areas in British Columbia, and the Mearon area in Alberta.

The Acquisition provides approximately 300 boe/d of incremental production from Ladyfern and Mearon with additional behind pipe production from Velma which is expected to be on production by August 1, 2007. The total remaining recoverable reserves of the Acquisition, as evaluated by Sproule Associates Limited at December 31, 2006 and mechanically updated to April 30, 2007, are approximately 1.0 million boe on a proven basis and 1.5 million boe on a proven plus probable basis.

The Acquisition consolidates the Company’s interests in the Ladyfern, Mearon and Velma areas and includes approximately 50,000 net acres of undeveloped land, increasing the Company’s working interest in the Dahl area in British Columbia and Halverson area in Alberta, both of which have drill ready locations, and exposes the Company to high working interests in undeveloped lands in close proximity to its existing activities between the Ladyfern and Square Creek areas.

### ***BOE Presentation***

Natural gas reserves and volumes recorded in thousand cubic feet are converted to barrels of oil equivalent (“boe”) on the basis of six thousand cubic feet (“mcf”) of gas to one barrel (“bbl”) of oil. The term “barrels of oil equivalent” may be misleading, particularly if used in isolation. A boe conversion ratio of 6 mcf to 1 bbl is based on an energy equivalent conversion method primarily applicable at the burner tip and does not represent a value equivalent at the wellhead.

### ***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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