

## **FORTRESS ENERGY SIGNS PIPELINE AGREEMENT**

November 27, 2007

Fortress Energy Inc. ("Fortress" or the "Company") is pleased to announce today that it has entered into an agreement (the "Agreement") with an affiliate of AltaGas Income Trust ("AltaGas") that provides Fortress with the choice to construct a 38 km pipeline from a central point at its Square Creek, Alberta development area to the AltaGas processing facility at Clear Prairie. AltaGas will pay for 100% of the costs associated with the construction of the pipeline and in exchange, the Company will dedicate a portion of its reserves in the Square Creek area and commit to a take-or-pay arrangement in respect of a smaller portion of such reserves until the pipeline costs have been recovered. The take-or-pay obligation provides that the Company will transport a minimum volume of natural gas through the pipeline and into the processing facility over a certain number of years. A volume commitment is also a component of this arrangement whereby Fortress cannot terminate the processing portion of the arrangement until a certain reserve threshold has been met. The construction of the pipeline is expected to commence in December and cost approximately \$8 million. Fortress has active development plans for drilling wells in the Square Creek area in the first quarter of 2008. The Agreement is subject to certain financial and regulatory conditions precedent.

### **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 the actual results achieved during future periods will be the same in whole or in part as the information contained herein and there can be no assurance by Fortress that the pipeline will actually be constructed.

This news release is not for dissemination in the United States or to any United States news services. 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.

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