

To Our Shareholders,

Over the past year, Fortress Minerals Corp. ("Fortress" or the "Company") continued to advance its projects in Russia, Mongolia and Nicaragua. Total exploration expenditures in 2006 were approximately \$9.3 million, of which \$6.6 million was spent on the Company's Svetloye project in Russia, \$2.0 million in Mongolia and \$0.7 million in Nicaragua.

After facing many challenges in 2006 on the Svetloye project, the Company is pleased to announce that capital investment in equipment, changes to contractors and additions to our Svetloye project team have significantly improved progress in 2007. Construction of the winter road began on December 27, 2006, and was completed on January 29, 2007, a few weeks ahead of schedule. From February 1, 2007 to April 3, 2007, over 700 tonnes of freight were transported to site, including 516 tonnes of fuel. The two drill contractors that were on site during 2006 have been released and the Company has engaged two North American drill contractors, both of which have experience in Russia. A total of four drills will be used for the 2007 drill program, two of which are currently on site drilling, and the remaining two are en-route from Canada. The first drill started turning on March 9th and as of April 21st, over 1,200 metres have been drilled on the Tamara and Elena targets. Most of the early drilling has been focused on the Tamara target because it is easier to access during the winter.

To recap our 2006 results, the drilling at Elena continued to extend the strike length of the mineralized zone, while the initial drilling at Tamara confirmed the potential of the entire Svetloye project. A seven square kilometer area of epithermal gold mineralization has been identified encompassing the Larissa, Elena, Tamara and Ludmilla zones, where gold is associated with extensive vuggy silica, alunite alteration and late stage veins. Fortress has only released the results from 25 of the 39 holes drilled in 2006. Some of the more significant results are shown in the following tables.

Svetloye Drill Results Tamara Area

Hole ID	UTM North UTM East	Inclination Azimuth	Total Length (m)	Intercept (m)	From (m)	To (m)	Gold (g/t)
PDSC-049	6487844	-55	135.0	46.4	12.7	59.1	8.85
	424007	90	incl.	10.1	36.8	46.9	38.48

Svetloye Drill Results
Elena Area

Hole ID	UTM East UTM North	Inclination Azimuth	Total Length (m)	Intercept (m)	From (m)	To (m)	Gold (g/t)
PDSC-029	6487503	-60	89.0	31.5	0.0	31.5	3.01
	425329	90	incl.	15.0	0.0	15.0	4.06
PDSC-034	6487525	-60	167.4	50.8	8.0	58.8	1.40
	425300	90	incl.	4.0	28.5	32.5	5.95
		and			12.5	82.5	95.0
PDSC-036	6487559	-60	126.0	43.1	8.0	51.1	9.06
	425328	90	incl.	24.4	10.0	34.4	14.38
PDSC-040	6487499	-60	170.8	53.6	0.0	53.6	1.99
	425368	90	incl.	14.3	0.0	14.3	4.35
PDSC-045	6487498	-60	146.2	65.0	0.0	65.0	2.47
	425414	90	incl.	20.0	27.0	47.0	4.59

The results from the 14 remaining drill holes are anticipated to be released by mid-to-late-May. These results were delayed due to the shut down of the Russian assay laboratory for several months while it was relocated.

The Company is planning to complete over 11,000 metres of drilling, over 11 kilometres of trenching and additional field work in 2007. Drilling will be directed principally at the Elena, Tamara and Amy prospects, while reconnaissance drilling will test the other four targets.

In addition to the Svetloye project, the Company is continuing to evaluate other projects in Russia, with a continued focus in the Far East in order to leverage its asset and knowledge base in Khabarovsk and Okhotsk.

In Mongolia, the Company continued to refine and advance its properties in 2006. Three drilling programs were completed in 2006 on the, Teltiin Gol, Oyuut Uul and Satyr Hudag projects. Based on the results of the Company's programs at Teltiin Gol and Oyuut Uul, Phelps Dodge Exploration Company ("PDEC"), in accordance with the Strategic Alliance agreement it has with Fortress, carried out additional drilling on both projects. Under the Strategic Alliance, PDEC has a right to earn a 70% interest in any Mongolian project Fortress has by funding that project through to feasibility. PDEC subsequently returned both projects to Fortress because the results did not meet their stringent project criteria. The Company is discussing joint venture opportunities for both of these projects with other companies currently active in Mongolia.

On the Satyr Hudag project, 1,245 metres of drilling, in six drill holes, was completed as well as ground geophysics, rock chip sampling, trenching and geological mapping. The drill holes were targeted on the basis of geochemical or IP anomalies. The drill results are encouraging, in particular drill hole FSK-003, which returned elevated copper assays of up to 3% over two metres. One other drill hole on an IP target returned anomalous gold and molybdenum. The remainder of the holes did not have encouraging results. The Company is evaluating a potential follow-up drill program for 2007.

In addition to the above drill programs, a large reconnaissance sampling program was undertaken on the Company's Huvsgol properties, located in northern Mongolia. The majority of the geochemical results for the reconnaissance program have been received and are encouraging. Based on these results, the Company was able to reduce its land package to focus on higher priority areas that will be followed-up with targeted field programs in 2007.

In Nicaragua the Company has seven exploration concessions covering approximately 50,180 hectares, and pending applications for approximately 125,000 hectares, all in areas with historic gold production. A number of field programs were carried out including rock chip, soil and stream sediment sampling, geological mapping and trenching. The Company will continue to advance these projects with the objective of identifying drill targets by the end of 2007.

The Svetloye project will continue to be the Company's primary focus in 2007. The Company will aggressively evaluate opportunities to expand its property position in the Russian Far East through its affiliate, Fortress Far East. In Mongolia, the Company will maintain its exploration program at similar levels to those of last year and will continue to monitor the political climate. In Nicaragua, a field program is planned for early 2007 that should enable the Company to outline drill targets for testing in late 2007.

On behalf of the Board of Directors and our employees, I would like to thank you, our shareholders, for your continued support.

Ron F. Hochstein President