

FORTRESS MINERALS CORP.
Third Quarter Report
For the Period Ending September 30, 2007

To our shareholders,

Fortress enjoyed another busy and successful year at the Svetloye gold project in the Russian Far East where a total of nine prospects (including two discovered during 2007) have now been identified over a ten kilometer strike length of epithermal gold mineralization. The 2007 exploration program, which was completed by the end of the third quarter, included 8,283 metres of drilling in 62 holes, 2,226 metres of trenching and the collection of more than 500 soil and rock samples. The company has completed a total of 16,758 metres of drilling in 130 holes and 4,186 metres of trenching to date. We are still awaiting assay results from 13 drill holes, trenching and soil and rock samples.

Drilling in 2007 focused largely on the Elena prospect, which returned a series of wide, from surface, intercepts of high grade gold. The area of known mineralization is now 600 metres long and up to 260 metres wide. The gold mineralization is associated with extensive zones of vuggy silica, alunite and late stage veins. This style of mineralization is common to Pierina, Veladero and other high sulphidation epithermal deposits.

Highlights of the drill results received to date include Hole PDSC-111, which intercepted 47.9 metres grading 8.12 grams per tonne (g/t) gold. This hole included 1.4 metres grading 923 g/t gold, which was cut to 26.3 g/t. Hole PDSC-80 returned 29.7 metres grading 9.3 grams. Hole PDSC-111 to the north and Hole PDSC-80 to the south, increased the known area of high grade mineralization at the Elena Prospect.

At the Amy Prospect, five drill holes were completed during the 2007 program. Of particular interest is Hole PDSC-091, which intersected 182.7 metres grading 1.10 g/t gold.

At the Tamara Prospect, highlights include PDSC-071, which returned 25.6 metres grading 1.27 g/t gold. Work conducted this year at Tamara has added significantly to the understanding of the mineralizing controls. Highlights from the 2006 drill program at Tamara South included PDSC-065, which returned 40.3 meters grading 3.3 g/t gold and PDSC-49, which returned 46.4 meters grading 8.85 g/t gold. Extensive trenching was undertaken during 2007 in the Tamara North area.

An aggressive work program is planned for 2008 at Svetloye including trenching, sampling, geophysics and a minimum 12,000 metres of drilling. Three drill rigs will commence drilling in February 2008, concentrating on Elena, Amy and Tamara.

Fortress currently has a 51% interest in the Svetloye project, with the remaining 49% held by Freeport McMoRan Exploration Corporation. The Company will earn an additional 29% interest in the Svetloye project during 2008, bringing its interest to 80%.

During the quarter Ron Hochstein stepped down as President and CEO of Fortress to focus on his other executive commitments. We would like to thank Ron for his hard work and dedication to the Company during his tenure as President and CEO and look forward to his ongoing contributions as a Director of the Company. As your newly appointed President and CEO, I look forward to leading Fortress through an exciting period in its development, as we work hard to advance our recent discoveries on the highly prospective Svetloye gold project in Russia.

On behalf of the board,

"Ian Slater"

Ian Slater
President and CEO

November 22, 2007