

FORTRESS MINERALS CORP.
First Quarter Report
For the Quarter Ended March 31, 2008

To our shareholders,

The new year is off to a strong start with the 2008 drilling program well underway on the Svetloye gold project in Russia.

Work to date on the project has now identified 9 strong prospects over an 8 kilometre long trend. The work program will include trenching, sampling, geophysics and a minimum of 15,000 metres of drilling, utilizing three diamond drill rigs, focusing primarily on the Elena, Tamara and Amy prospects. The drill crew has already completed 3,030 metres in 23 holes on Tamara and 1,983 metres in 16 holes at Elena.

During the first quarter, the Company received the bulk of the remaining assays from the 2007 drill program. Of particular significance were the results received from the Elena prospect. Highlights include the upper 65.6 metres of Hole PDSC-119, which intercepted continuous mineralization grading 5.20 grams per tonne (g/t) gold. Also of interest was the upper 15.5 metres grading 3.53 g/t gold in Hole PDSC-121 and 19.7 metres grading 0.91 g/t gold in Hole PDSC-117 which extended the known mineralization at Elena an additional 100 metres to the southwest. In addition, significant results from a trenching program were received from the Amy, Tamara and Ludmilla prospects.

The Company expects to complete an initial NI 43-101 resource estimate, based upon drilling results received up to the end of 2007, in the coming months.

On May 2, 2008, the Company closed the acquisition of the 49% interest in the project held by Freeport McMoRan Exploration Corporation. The total consideration paid to Freeport was US \$13,708,000 comprised of \$8 million cash and 4 million common shares of Fortress. Fortress now holds a 100% interest in Svetloye.

Concurrent with this transaction, the Company granted a purchase option to Gazprombank to acquire a 51% interest in Svetloye. Also, Fortress has formed a strategic alliance with Gazprombank to jointly explore and potentially acquire additional gold projects in Russia. Gazprombank is one of the three largest banks in Russia and the partnership capitalizes on the respective strengths of Fortress' mining expertise and Gazprombank's extensive relationships in Russia.

On behalf of the Board of Directors, we would like to thank Mr. Tom Bowens and Mr. Ian Slater for their significant contributions to the Company. Both of them have left the Company to pursue other interests and endeavours.

The focus of the Company remains the Svetloye gold project and with the new alliance with Gazprombank, I'm excited about the opportunities that this will bring in both the development of Svetloye and potential new opportunities in Russia.

On Behalf of the Board,

Lukas H. Lundin
President and CEO

May 28, 2008