

FORTRESS MINERALS CORP.
Third Quarter Report
For the Period Ended September 30, 2008

To our shareholders,

Encouraging drill results continue to be received from reconnaissance and step-out drilling at Fortress' 100% owned Svetloye gold project in the Russian Far East, where previous drilling identified significant gold mineralization within the Elena, Amy and Tamara prospects.

Of particular interest in the latest program is the expansion of the Elena prospect, which was the first zone identified at Svetloye, where a new discovery of additional gold mineralization was identified outside and to the southwest of the previously identified limits of the deposit. Highlights include Hole PDSC-199 which intercepted 4.83 g/t gold over 15.6 metres. Encouraging results were also received from the Ludmilla prospect where Hole PDSC-208 returned, from near surface, 64 metres grading 1.37 g/t gold.

In addition, trenching programs were completed at the Elena, Amy, Gorky, Larissa, Ludmilla, and Tamara prospects and included a total of more than 3,000 linear metres. At the Gorky Prospect, the first trench results included PDTR-G01 which intersected 111 metres grading 0.49 g/t. Work at Ludmilla and Gorky have confirmed the strong potential for further discoveries and resource expansion at Svetloye. Additional drill and trench results are pending.

An Induced Polarization geophysical survey commenced in mid-August with initial results indicating buried chargeability and resistivity anomalies in regions not investigated to date.

Fortress is very pleased with these results and is encouraged with the expansion potential being demonstrated at Svetloye. Nine prospects have so far been identified within the Svetloye License over an eight-kilometre strike. Gold is associated with extensive zones of vuggy silica, quartz-alunite and quartz-dickite-kaolinite alteration. This style of mineralization is common to Pierina, Veladero and other high-sulphidation epithermal deposits.

Also during the quarter, work commenced on the highly prospective Dubaki License in northeastern Russia, located approximately 40 kilometres northeast of Svetloye. Two geological teams have begun reconnaissance exploration. The 2008 program at this project will include stream sediment sampling, soil sampling and follow-up field investigations of alteration zones identified to date and investigations of pan-concentrate gold anomalies identified during previous Soviet investigations in the license area.

Mid-quarter, an insider of the Company provided a bridge loan to Fortress for short-term working capital purposes in the amount of Cdn \$4 million at an interest rate of prime plus 2%. As a condition of the loan, the lender received a bonus payment of 1,052,631 shares of Fortress. On November 12, 2008, the Company agreed to issue 27,066,120 common shares at a price of \$0.15 per share as settlement for the \$4 million loan and accrued interest of \$59,918.

On November 7 and 14, 2008, Fortress announced that it has agreed to sell an aggregate of 16,250,000 units of Fortress at a price of \$0.20 per unit for gross proceeds of \$3,250,000. Each unit will comprise of one common share and one non-transferable share purchase warrant. Each share purchase warrant will be exercisable into one common share over a period of two years at a price of \$0.25 per share for the first year and \$0.30 per share the second year. Each warrant is subject to a forced exercise provision.

The Company maintains an efficient operation and in view of the current global financial market downtrend, extra precautions will be undertaken to maximize and preserve capital while continuing to explore the high potential of the Svetloye gold project.

On Behalf of the Board,

Lukas H. Lundin
President and CEO

November 28, 2008