Fortune Announces Successful Tests to Produce Upgraded and Clean Cobalt Concentrate From the Nico Project

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Significant improvement in sale value of cobalt and bismuth concentrates to third party processors and anticipated material reduction in capital and operating costs for development

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LONDON, Sept. 17, 2018 - Fortune Minerals Ltd. (TSX: FT) (OTCQX: FTMDF) ("Fortune" or the "Company") (www.fortuneminerals.com) is pleased to announce that it has received successful results of metallurgical test work verifying that it can produce an upgraded and essentially arsenic-free cobalt concentrate for the NICO Cobalt-Gold-Bismuth-Copper development in Canada ("NICO Project"). Gold can also be recovered by Fortune from its metal concentrates at the mine site allowing the Company to control the gold revenue stream, while producing separate cobalt and bismuth concentrates for sale to third party processors after arsenic that is typically penalized is removed. The 100% owned NICO Project is a development stage primary cobalt asset with significant gold and bismuth by-products. Fortune has already received environmental assessment ("EA") approval and the major permits for the mine and concentrator in the Northwest Territories as well as EA approval for a refinery in Saskatchewan.

Fortune engaged Dundee Sustainable Technologies Inc. ("DST") to conduct a metallurgical test work program to assess the application of its "Pyrolysis Roast" and "Arsenic Stabilization" processes on metal concentrates produced from the NICO Project. The objective of this work was to demonstrate that Fortune can remove the arsenic and create metal concentrates that are more attractive to the market and can be processed in existing metal recovery circuits operating around the world. The test work was initiated after several mining and refining companies contacted Fortune expressing interest in purchasing metal concentrates directly from the mine (see News Release, dated June 14, 2018). The DST processes have already been proven in pilot scale tests conducted for other gold and base metal projects as well as a development stage cobalt project with similar cobalt concentrate composition. A commercial plant utilizing DST's arsenic stabilization by vitrification process has also been constructed for a metal processing facility that will be commissioned later this year.

Key Results of DST Test Work:

- Successful removal of 99% of the arsenic in NICO bulk concentrate to lower than 0.2%
- Metal grades in the concentrate increased by 20-30% due to mass reduction from selective removal of arsenic and sulphur during pyrolysis
- No cobalt, gold, or copper losses from pyrolysis
- Gold can be successfully recovered by cyanidation of the bulk concentrate
- Recovery of bismuth has already been proven with secondary flotation
- Recovery of bismuth oxide by pyrolysis has now also been demonstrated as an option
- Successful separation and capture of arsenic from sulphur liberated during pyrolysis
- Arsenic removed from the concentrate was successfully stabilized using vitrification
- Fused arsenic glass passes TCLP tests for safe disposal

The DST technology utililizes proven fluidized bed pyrolysis technology to roast metal concentrates in an oxygen deprived environment for selective removal and capture of arsenic and much of the sulphur from the contained sulphide minerals. Arsenic is then stabilized by vitrification in a fused iron silicate glass that passes U.S. Environmental Protection Agency Procedure TCLP Method 1311 tests for environmentally safe disposal in a landfill. Gold would be recovered by cyanidation of the bulk concentrate prior to secondary flotation to produce separate cobalt and bismuth concentrates. The pyrolysis roast would be applied to the cobalt concentrate to remove the arsenic and enable its sale to third party processors without excessive arsenic penalties.

Additional work is in progress at DST to optimize roast conditions and gold recovery, after completion of which, Fortune may complete a pilot plant from ores it has stockpiled to produce feasibility level economic analysis of the process. Negotiations are also progressing with third-party refineries to obtain indicative prices for the sale of upgraded cobalt and bismuth concentrates with Fortune to remain in control of the gold process stream and revenues.

The DST process technology is anticipated to have materially lower capital and operating costs for the NICO development in comparison to building and operating a fully vertically integrated hydrometallurgical plant producing cobalt sulphate, gold, bismuth ingot and copper cement. However, revenues would be

comparatively lower for the sale of metal concentrates and there would be greater dependence on third party processors. The engineering for the facilities in the Northwest Territories is essentially complete for the updated Technical Report to produce metal concentrates. A small gold recovery circuit may now be required in the mill if pyrolysis process technology is pursued for the project. Fortune is evaluating the merits and conducting cost-benefit analysis of building a lower capital cost project that would produce concentrates vs. a higher capital cost project that would produce value added cobalt chemicals in a purpose built refinery. The Company will evaluate the best development option in consultation with potential strategic partners and in consideration of their downstream product and commercial objectives. A technical report will be prepared to document the most commercially attractive project. Fortune has more than 35 confidentiality agreements with companies interested in strategic partnerships to build and operate the NICO Project.

The disclosure of scientific and technical information contained in this news release has been approved by Robin Goad, M.Sc., P.Geo., President and Chief Executive Officer of Fortune, who is a "Qualified Person" under National Instrument 43-101.

About Fortune Minerals

Fortune is a Canadian mining company focused on developing the vertically integrated NICO cobalt-gold-bismuth-copper project in the Northwest Territories and a related refinery the Company plans to construct in Saskatchewan. Fortune also owns the Sue-Dianne copper-silver-gold deposit located 25 km north of the NICO Project and a potential future source of incremental mill feed to potentially extend the life of the NICO Project mill.

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This press release contains forward-looking information and forward-looking statements within the meaning of applicable securities legislation. This forward-looking information includes statements with respect to, among other things, the Company's plans to develop the NICO Project, the Company's plans to complete a pilot plant to assess the impact of the application of DST's processing technology to the Nico Project and the economic impact of utilizing such technology . Forward-looking information is based on the opinions and estimates of management as well as certain assumptions at the date the information is given (including, in respect of the forward-looking information contained in this press release, assumptions regarding: the Company's ability to arrange the necessary financing to continue operations and develop the NICO Project; the construction of the Tlicho All-Season Road (the "TASR") that would allow all-season access to the NICO Project and the timing of its completion; the receipt of all necessary regulatory approvals and the timing thereof; the completion of a pilot plant to assess the impact of the application of DST's processing technology and the results thereof; the rezoning of the Saskatchewan refinery lands and the timing thereof; growth in the demand for cobalt; the time required to construct the NICO Project; and the economic environment in which the Company will operate in the future, including the price of gold, cobalt and other by-product metals, anticipated costs and the volumes of metals to be produced at the NICO Project). However, such forward-looking information is subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. These factors include the risks that the Company may not be able to finance and develop NICO on favourable terms or at all, the completion of a pilot plant to assess the impact of the application of DST's processing technology may take longer than anticipated and the economic impact of such technology on the NICO Project may be less favourable than anticipated, uncertainties with respect to the receipt or timing of required permits, approvals and agreements for the development of the Nico Project, the TASR may not be constructed in a timely fashion or at all, the construction of the NICO Project may take longer than anticipated, the Company may not be able to secure offtake agreements for the metals to be produced at the NICO Project, the inherent risks involved in the exploration and development of mineral properties and in the mining industry in general, the market for rechargeable batteries and the use of stationary storage cells may not grow to the extent anticipated, the future supply of cobalt may not be as limited as anticipated, the risk of decreases in the market prices of cobalt and other metals to be produced by the NICO project, discrepancies between actual and estimated mineral resources or between actual and estimated metallurgical recoveries, uncertainties associated with estimating mineral resources and the risk that even if such resources prove accurate the risk that such resources may not be converted into mineral reserves, once economic conditions

are applied, the Company's production of cobalt and other metals may be less than anticipated and other operational and development risks, market risks and regulatory risks. Readers are cautioned to not place undue reliance on forward-looking information because it is possible that predictions, forecasts, projections and other forms of forward-looking information will not be achieved by the Company. The forward-looking information contained herein is made as of the date hereof and the Company assumes no responsibility to update or revise it to reflect new events or circumstances, except as required by law.

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