FORTUNE MINERALS LIMITED

TSX: FT / OTC QX: FTMDF

Investor Presentation
September 2014

North American exposure to commodities critical to a growing world economy

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Forward-Looking Information

- **This management presentation (the "presentation") was prepared as a summary overview of current information about Fortune Minerals Limited (the "Company") only and is not a prospectus or other offering document intended to provide investors with the information required to make investment decisions. This presentation does not purport to contain full and complete information about the Company and its operations and recipients of this information are advised to review the Company's public disclosure, available on SEDAR at www.sedar.com under the Corporate Profiles heading for full and complete information about the Company.**
- This presentation contains certain information and statements that constitute "forward-looking statements" or "forward-looking information" including "financial outlook", as such terms are defined under applicable Canadian and United States securities laws. These statements are subject to certain risks and uncertainties that could cause actual results to differ materially from those included in the forward-looking information and financial outlook. All statements or information other than statements or information of historical fact may constitute forward-looking information and financial outlook. These statements and information are only predictions.
- Actual events or results may differ materially. In addition, this presentation may contain forward-looking information attributed to third party industry sources. Undue reliance should not be placed on the forward-looking information and financial outlook, as there can be no assurance that the plans, intentions or expectations upon which this information is based will occur. By its nature, forward-looking information (which includes financial outlook) involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections made will not occur.
- Specific forward-looking information contained in this presentation includes, among others, statements regarding: the anticipated completion of the acquisition of 100% of the Revenue Silver Mine (the "**RSM**"); the anticipated IRR, NPV, cash flow, cash costs and mine life for the RSM; the potential to produce copper concentrate at the RSM for sale to the Asian market and negotiate recovery of other metals produced at the RSM; the potential to expand resources, production and extend mine life at the RSM; the planned ramp-up of the mill at the RSM; the anticipated timing of production at the RSM and the NICO Project; metal recoveries and products to be generated by the Company's Saskatchewan Metals Processing Plant (the "**SMPP**"); the expected capital and operating costs for the NICO Project and the SMPP; Company's anticipated revenues and internal rate of return from the NICO Project; and the Company's future developments plans for, and anticipated mine life of, its Arctos Anthracite Project and the Company's strategy with respect to the development and potential expansion of its projects. The financial outlook with respect to the RSM, the NICO Project and the Arctos Anthracite Project contained in this presentation at pages 13 and 14, 36 and 37, and 44, respectively, is derived from the PEA included in the SRK Technical Report, the feasibility report included in the Micon Technical Report and the feasibility report included in the Marston Technical Report, respectively, each of which was prepared for strategic planning purposes, and is not appropriate for any other purpose.
- With respect to forward-looking information and financial outlook contained in this presentation, the Company has made assumptions (including those assumptions set forth in certain pages of this presentation regarding, among other things: the Company's ability to obtain the necessary financing to complete the RSM acquisition, and to develop and operate the NICO Project; expected production and associated costs being in line with estimates; the Company's ability to fund future staged payments for the RSM acquisition from the mine's cash flow and/or external sources; the RSM mill having the ability to process at rate of 400 tons per day, the Company's ability to expand production in the future; the ability to increase capital spending as necessary in the circumstances; and the production potential of its properties and properties to be acquired being consistent with its expectations.
- Some of the risks that could affect the Company's future results and could cause results to differ materially from those expressed in the Company's forward-looking information and financial outlook include: the inherent risks involved in the exploration and development of mineral properties and in the mining industry in general; the risk that the Company may not be able to arrange the necessary financing to complete the acquisition of the RSM or to develop, construct and operate the NICO Project and the SMPP; uncertainties with respect to the receipt or timing of required permits for the development of the NICO Project, the SMPP and the Arctos Anthracite Project; the possibility of delays in the commencement of production from the RSM and/or the NICO Project; the possible inability of the RSM mill to process up to 400 tons per day; unexpected delays in the ramp-up of the RSM and associated delays in the production of silver; the risk that the operating and/or capital costs for any of the Company's projects may be materially higher than anticipated; the risk of decreases in the market prices of the metals to be produced by the Company's projects; loss of key personnel; discrepancies between actual and estimated production; discrepancies between actual and estimated mineral resources or between actual and estimated metallurgical recoveries; uncertainties associated with estimating mineral resources and even if such resources prove accurate the risk that such resources may not be converted into mineral reserves, once economic conditions are applied; labour shortages; mining accidents; the cost and timing of expansion activities; changes in applicable laws or regulations; competition for, among other things, capital and skilled personnel; unforeseen geological, technical, drilling and processing problems; compliance with and liabilities under environmental laws and regulations; changes to the Company's current business strategies and objectives; and other factors, many of which are beyond the Company's control. In addition, the risk factors described or referred to in the Company's Annual Information Form for the year ended December 31, 2013, which is available on the SEDAR website under the heading Corporate Profiles, should be reviewed in conjunction with the information contained in this presentation.
- The financial outlook and forward-looking information contained herein, speak only as of the date of this presentation. Except as required by law, the Company and its subsidiaries do not intend, and do not assume any obligation, to update the financial outlook and forward-looking information contained herein.
- This presentation does not constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Company's securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States and will not be offered or sold within the United States or to or for the account or benefit of a U.S. Person or a person in the United States (as such terms are defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or pursuant to an exemption from such registration requirements.

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Technical Information

- The scientific and technical information with respect to the RSM contained in this presentation is based on the technical report dated July 23, 2014 prepared by SRK Consulting entitled "NI 43-101 Technical Report Preliminary Economic Assessment The Revenue Mine, Sneffels, Colorado" (the "**SRK Technical Report**") which includes a preliminary economic assessment (the "**SRK PEA**"), a copy of which is available for review on SEDAR at www.sedar.com under the Company's profile. The SRK Technical Report was authored by Dorinda Bair, BSc Geology, CPG, Principal Consultant (Geology), James M. Beck, Bsc Mining Engineering, PE, SRK Associate Consultant (Environmental), Mark K Jorgensen, BSc Chemical Engineering, SRK Associate Consultant (Metallurgy), and Joanna Poeck, BEng Mining, Senior Consultant (Mining Engineer), all of whom are Qualified Persons for the purposes of National Instrument 43-101 ("**NI 43-101**"). The SRK Technical Report was also subject to peer review as part of SRK's own internal process by Bret Swanson, BEng Mining, Principal Consultant (Mining Engineer).
- The SRK PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have economic considerations applied to them that could enable them to be categorized as mineral resources. There is no certainty that the SRK PEA will be realized.
- The scientific and technical information with respect to the NICO Project contained in this presentation is based on the technical report dated May 5, 2014 prepared by Micon International entitled "Technical Report on the Feasibility Study for the Nico Gold-Cobalt-Bismuth-Copper Project, Northwest Territories, Canada" (the "**Micon Technical Report**") prepared by Harry Burgess, P.Eng., Richard M. Gowans, P.Eng., B. Terrence Hennessey, P.Geo., Christopher R. Lattanzi, P.Eng. and Eugene Puritch, P.Eng., the qualified persons for the purposes of NI 43-101, a copy of which is available for review on SEDAR at www.sedar.com under the Company's profile.
- Except as other wise set forth herein, the scientific and technical information with respect to the Arctos Anthracite Project contained in this presentation is based on the technical report dated November 28, 2012 prepared by Golder Associates entitled "Technical Report on the 2012 update of the Arctos Anthracite Project Mine Feasibility Study" prepared by Edward H. Minnes, P.E., the qualified person for purposes of NI 43-101, a copy of which is available for review on SEDAR at www.sedar.com under the Company's profile.
- Mineral resources referred to herein are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources estimated will be converted into mineral reserves. The mineral resource estimates include inferred mineral resources that are normally considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is also no certainty that inferred mineral resources will be converted to measured and indicated categories through further drilling, or into mineral reserves, once economic considerations are applied. Mineral resource tonnage and contained metal as disclosed herein have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.
- The disclosure of scientific and technical information contained in this presentation has been approved by Robin Goad, M.Sc., P.Geo., President and Chief Executive Officer of Fortune Minerals Limited, who is a "Qualified Person" under NI 43-101

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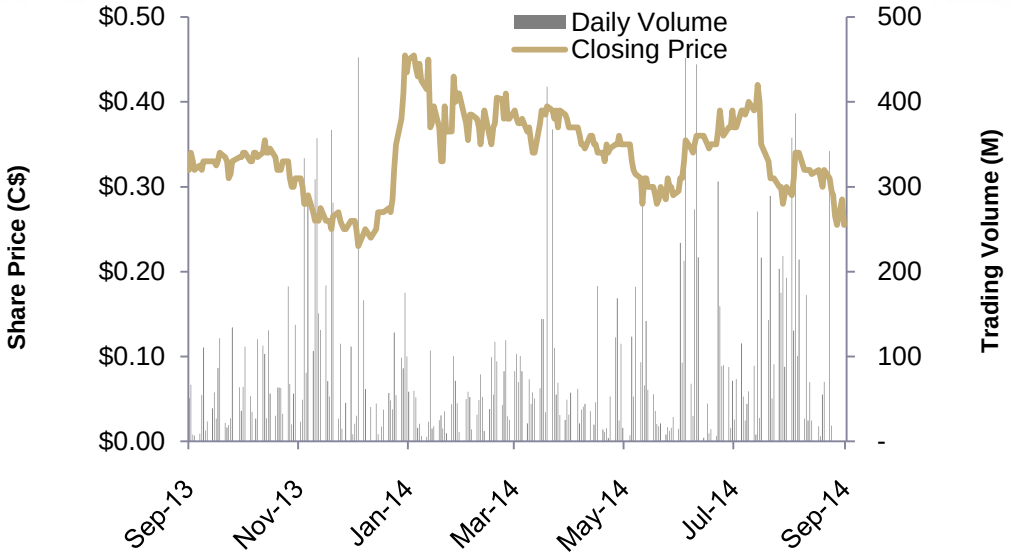
Financial Summary

Corporate Information

Listings:	TSX (Canada):	FT
	OTC QX (USA):	FTMDF

Share Price	C$0.26
Shares Out – Basic	194.6
Shares Out – Fully Diluted	206.5
Market Cap – Basic	C$50.6
Working Capital (Q2 2014)	C$6.2
Total Assets (Q2 2014)	C$129.3

Share Performance



Analyst Coverage

Dealer	Date	Rating	Target
Killian Charles **Industrial Alliance Securities**	June 28, 2013	Spec Buy	C$3.30
David Davidson **Paradigm Capital**	May 13, 2014	Spec Buy	C$1.25
Michael Fowler **Loewen Ondaatje McCutcheon**	Aug 21, 2014	Spec Buy	C$2.65

Ownership

Procon Resources Inc.	19%
Directors, Officers & Insiders (includes Procon)	35%

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As of September 18, 2014

Building the Next Diversified Producer

- Headquartered in London, Ontario, Canada
- Operating in mining friendly jurisdictions
- Strong management team with proven records

Revenue Silver Mine

- Historical 15 million oz silver producer in southwest Colorado, U.S.A.
- Mine in advanced stages of commissioning & ramping up to 400 tons per day

Two late-stage projects

- NICO Gold-Cobalt-Bismuth-Copper Project, Northwest Territories (NT) & Saskatchewan (SK)
  - Positive Feasibility & FEED Studies
  - Environmental Assessments (EA) approvals received
- Arctos Anthracite Project, British Columbia (BC)
  - Positive Feasibility Study
  - BC EA process in progress
- Combined Pre-Tax NPV approaching $ 1 billion

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Fortune Growth Strategy

More than $250 million invested in Fortune's key North American assets

Revenue Mine
38 M ozs Ag Eq. contained

- Fully permitted & constructed underground high grade silver mine & mill with byproduct gold, lead & zinc
- In commissioning & ramping up to 400 tons per day
- Historical production of ~15 M ozs of silver 1876 - 1912

NICO Project
Over 1 M ozs Au plus cobalt, bismuth & copper

- Late stage vertically integrated development project comprised of mine & concentrator in Northwest Territories (NT) & refinery in Saskatchewan (SK)
- Cobalt chemicals for rechargeable batteries & bismuth to replace lead
- Positive Feasibility Study, test mining, pilot plant & EA's completed
- Financing targeting strategic partner investment & project level loan

Arctos Project
World-class metallurgical coal deposit

- One of world's premier metallurgical coal developments
- Joint Venture partner POSCO, one of the world's largest steel producers, committed to investing $181 million in the project
- Strategic options process underway to determine optimal strategy

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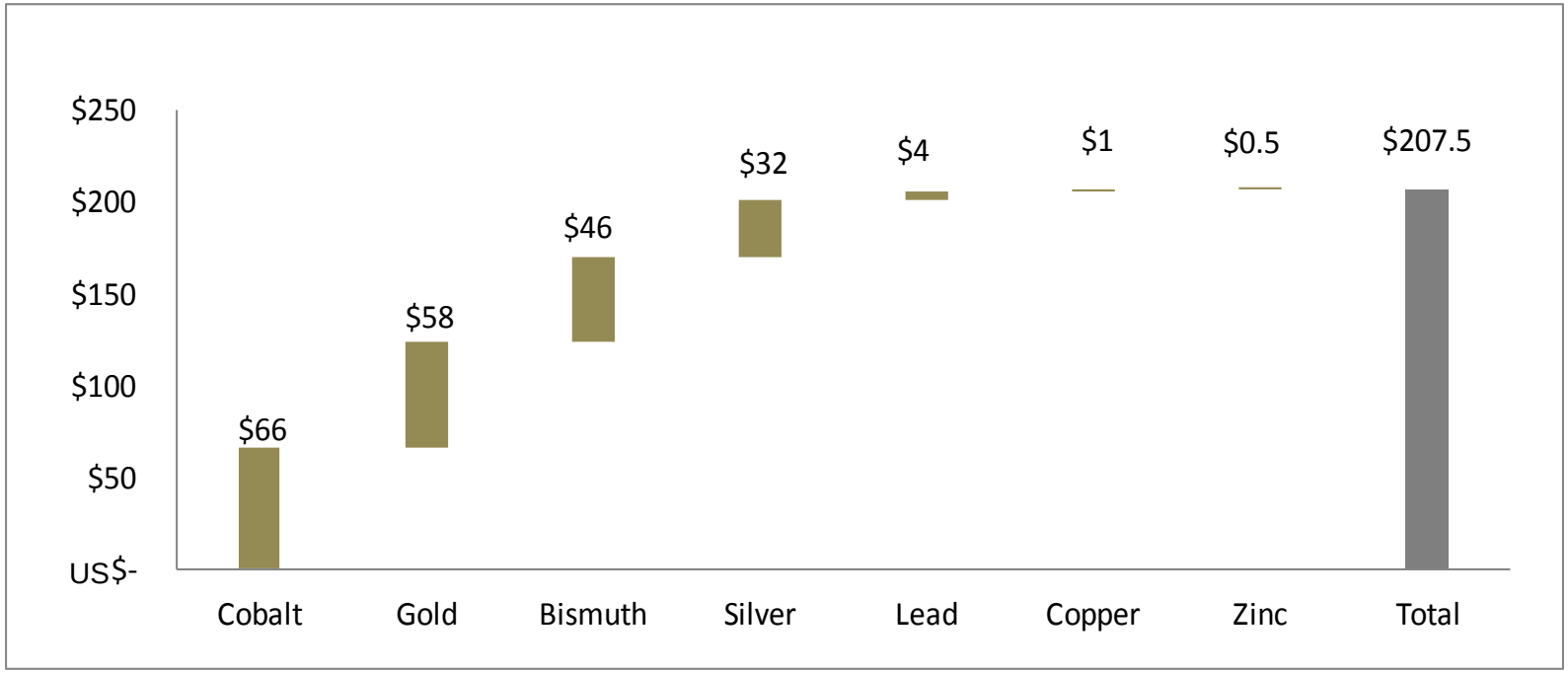
Pro-Forma Near-term Production

- Fortune will be a multi-asset producer once NICO enters production, with combined average annual revenues of forecast at US$207 million & EBITDA of US$99 million

LOM Forecast Average Annual US$ Revenue by Metal for Revenue & NICO Mines



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Source: NICO 2014 Feasibility Study and RSM 2014 PEA

Revenue Silver Mine, Colorado

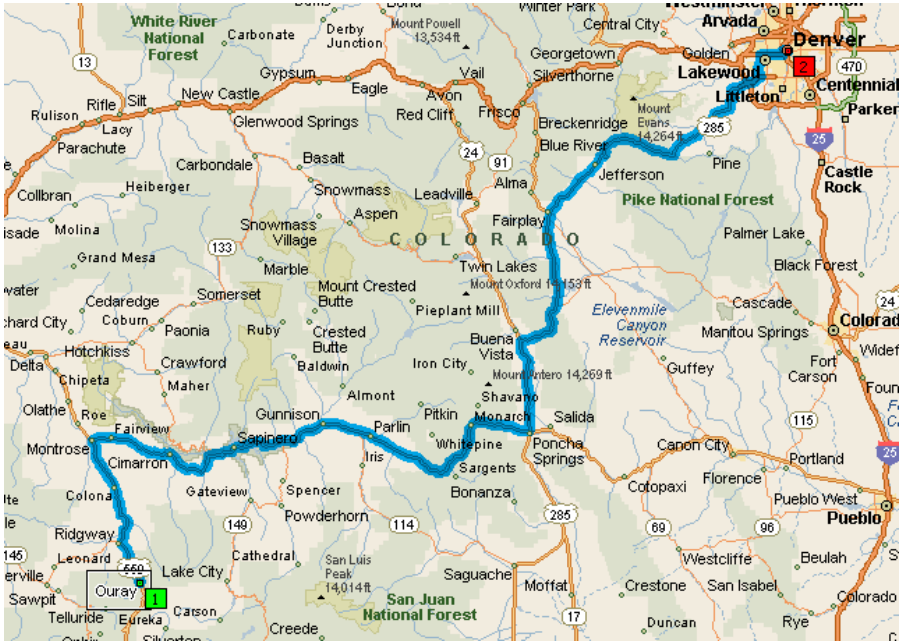
Fully permitted & constructed mine & mill in historic Sneffels Silver District in southwest Colorado

- Production of 15 million ozs of silver between 1876 and 1912
- Strong community support in local community of Ouray & pool of skilled underground miners
- In commissioning & ramping up to 400 tons per day
- First revenues received from sale of concentrates to Teck Resources smelter in Trail, BC

Staged transaction to acquire 100% interest

- Acquisition to close in early October with US$ 15.25 million & US$4 million payments, promissory to pay US$ 10 million & assumption of 2% net smelter return royalty capped at US$ 9 million
- US$ 35 million production prepay facility with Lascaux Resource Capital Funds to pay for acquisition

Ouray, Colorado



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Infrastructure & Site Services

- Compact site layout
- Excellent infrastructure near highway with county maintained road to mine
- Connection to Colorado electrical grid with excess capacity
- Underground mine with electric & air powered equipment
- Underground mill & concentrator to reduce mine footprint
- External crushing plant for waste rock provided to County for aggregate
- Tails filtered & dry stacked

Revenue Mine – Surface Infrastructure

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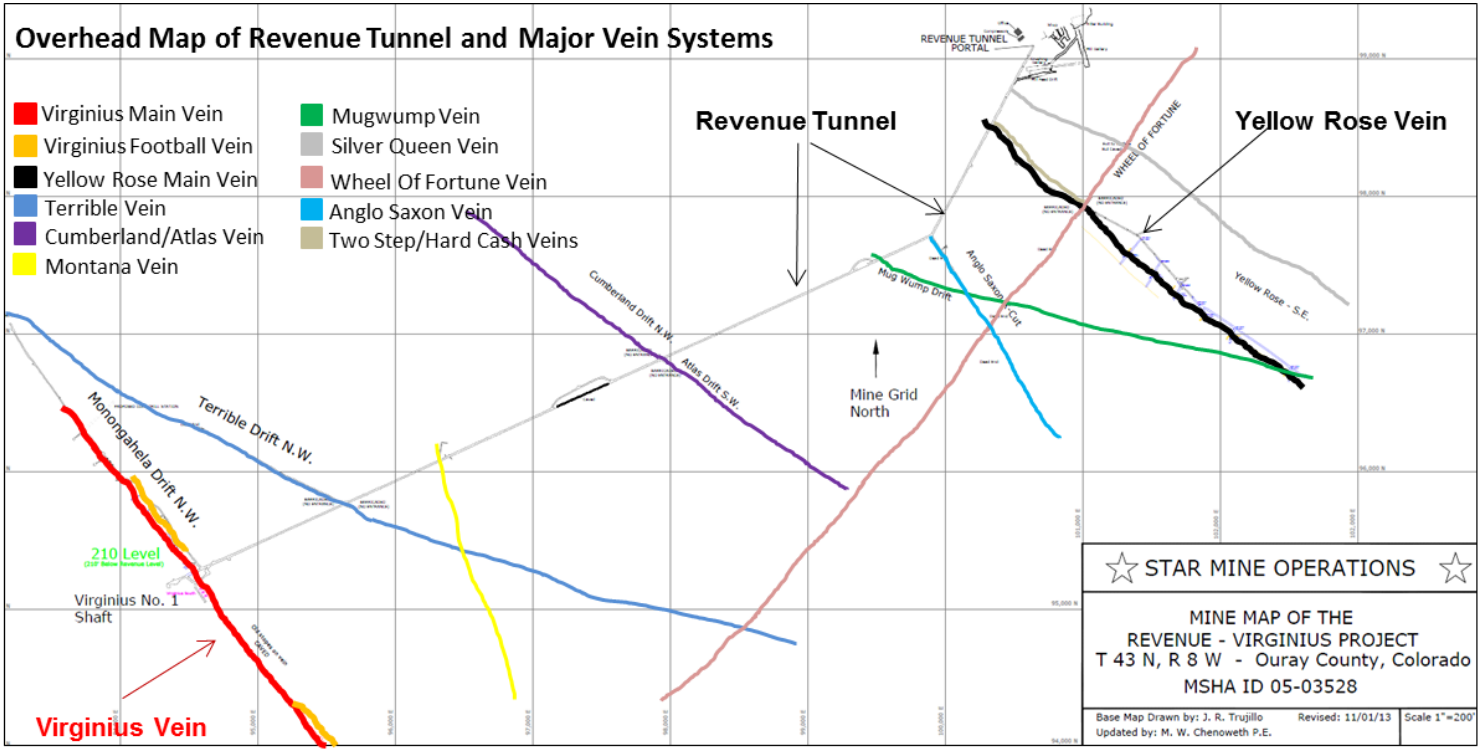
Plan of Vein Systems

- Geology well understood from more than a century of mining & exploration work
- Current resources identified in Yellow Rose & Virginius Veins – Upside opportunities in 6 other veins
- Resources contained in narrow, steeply dipping, high-grade epithermal quartz-carbonate veins containing tetrahedrite & freibergite (silver), gold, galena (lead), sphalerite (zinc), chalcopyrite (copper) & pyrite
- Surface & underground stockpiles estimated at ~650,000 tons excluded from resource



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Virginius Vein Mineral Resources

Area	Category	Tons	Ag (opt)	Au (opt)	Pb (%)	Cu (%)	Zn (%)	Contained Metal				
								Ag (M oz)	Au (oz)	Pb (M lb)	Cu (M lb)	Zn (M lb)
Revenue Virginius	Indicated	485,600	26.95	0.044	4.30	0.25	1.37	13.1	21,000	41.8	2.4	13.3
Revenue Virginius	Inferred	646,100	14.93	0.038	3.04	0.13	0.99	9.65	24,500	39.25	1.6	12.8

- *Cut-off is based on a minimum total recovered metal based on a mining and milling cost provided by Silver Star Resources LLC of $150/t and diluted to a minimum mining width of 3 feet.
- Recovered block model metal value = (Ag oz/t • Ag recovery • US$/oz Ag) + (Au oz/t • Au recovery • US$/oz Au) + (2000 • Pb % / 100 • Pb recovery • US$/lb Pb) + (2000 • Zn % / 100 • Zn recovery • US$/lb Zn).
- The metal price and recovery assumptions include a silver (“Ag”) price of US$20/oz and recovery of 95%; gold (“Au”) price of US$1250/oz and recovery of 90%; a copper (“Cu”) price of US$3.15/lb and recovery of 80%; a lead (“Pb”) price of US$1/lb and recovery of 90%; and a zinc (“Zn”) price of US$1/lb and recovery of 85%.

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Yellow Rose Vein Mineral Resources

Area	Category	Tons	Ag (opt)	Au (opt)	Pb (%)	Zn (%)	Contained Metal			
							Ag (M oz)	Au (oz)	Pb (M lb)	Zn (M lb)
Yellow Rose	Measured	215,300	10.08	0.034	1.71	1.69	2.17	6,400	7.37	7.28
Yellow Rose	Indicated	100,700	10.92	0.036	1.96	1.74	1.10	4,000	3.95	3.5
Yellow Rose	Measured & Indicated	316,100	10.35	0.035	1.79	1.71	3.27	10,490	11.31	10.78
Yellow Rose	Inferred	38,100	11.01	0.025	1.69	0.92	0.49	700	1.28	0.701

- *Cut-off is based on a minimum total recovered metal based on a mining and milling cost provided by Silver Star Resources LLC of $150/t and diluted to a minimum mining width of 3 feet.
- Recovered block model metal value = (Ag oz/t • Ag recovery • US$/oz Ag) + (Au oz/t • Au recovery • US$/oz Au) + (2000 • Pb % / 100 • Pb recovery • US$/lb Pb) + (2000 • Zn % / 100 • Zn recovery • US$/lb Zn).
- The metal price and recovery assumptions include a silver (“Ag”) price of US$20/oz and recovery of 95%; gold (“Au”) price of US$1250/oz and recovery of 90%; a lead (“Pb”) price of US$1/lb and recovery of 90%; and a zinc (“Zn”) price of US$1/lb and recovery of 85%.

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Mine Plan Resource

- Mine Plan Resources of 888,283 tons (diluted), averaging 14.6 ounces of silver per ton, 0.02 ounces of gold per ton, 2.26 percent lead, and 0.90 percent zinc

	Description	Tons (kt)	Ag (oz/t)	Au (oz/t)	Pb (%)	Zn (%)
Virginius	Measured					
	Indicated	369.8	19.68	0.03	2.91	0.83
	Measured + Indicated	369.8	19.68	0.03	2.91	0.83
	Inferred	310.9	12.43	0.02	1.98	0.69
Yellow Rose	Measured	141.6	8.38	0.02	1.28	1.31
	Indicated	45.2	11.29	0.01	2.21	1.63
	Measured + Indicated	186.86	9.08	0.02	1.51	1.39
	Inferred	20.7	5.19	0.01	1.05	0.73

- Mine Plan Resources were estimated for the SRK PEA from the Mineral Resource Estimates for the Viginius and Yellow Rose Veins based on a NSR cut-off grade of US$ 130 per ton for design purposes and applying a marginal cut-off grade of US$ 50 per ton for reporting based on the design.
- Numbers include a 90% mining recovery to the designed stope wireframes in addition to 15% unplanned waste dilution within stopes at zero grade
- Additional development of 5% to 10% was applied based on development type to account for detail currently not in the design.

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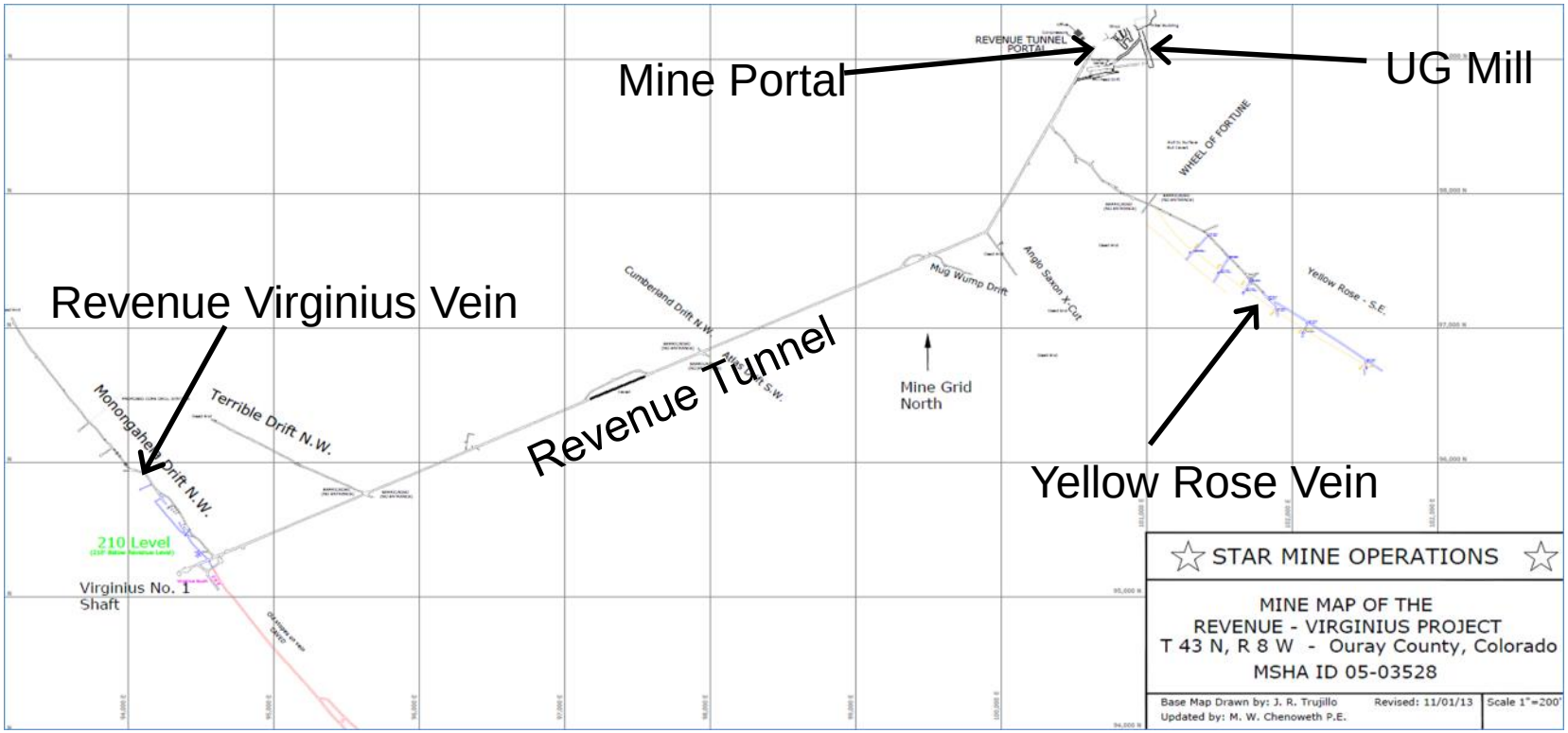
Mine Layout

- Veins accessed from ~7400 foot (2.3 km) long tracked Revenue Tunnel, plus ~5600 feet (1707 m) of drifting on 2 main veins
- Internal winze ~710 feet deep (216 m) & planned ramp to access 4 additional levels
- Mining primarily by underground shrinkage methods from Alimak raises
- Slushers used to scrape mined production to draw point with chutes to load tram cars & transport to mill using electric locomotives



Existing Portal, Revenue Tunnel and Primary Veins

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Mill & Concentrator Facilities

Ball Mill & Flotation

Bulk Flotation

Crushing Gallery

- Underground crushing & grinding plant & flotation concentrator with gravity gold circuit ramping up to 400 tons per day production rate

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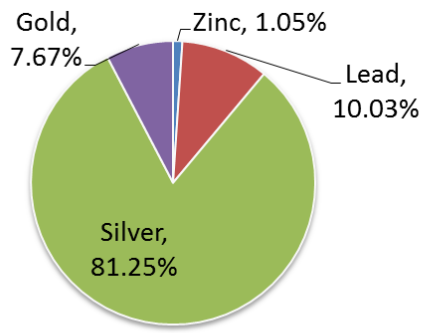
Products

- Production of silver, gold, lead & zinc
- Lead & Zinc concentrates containing silver & gold sold to Teck Resources smelter in Trail, BC
- Gravity gold sold to Johnson Matthey in Salt Lake City, Utah
- Potential to produce copper concentrate for sale to Asia & increase revenue payments
- Potential to negotiate recovery of other metals



Revenue by Metal Type

Mining & production	Annual Average Contained*
Silver	1.86 million oz.
Lead	5.74 million lb
Zinc	2.29 million lb
Gold	3,075 oz.
Plant feed, ore	127,000 tons

* Calculated using a half year of production in 2014 and 2021

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SRK Preliminary Economic Assessment

- Attractive economics indicated from SRK PEA using Mine Plan Resource & excluding surface & underground stockpiles
- Underground mining using shrinkage methods
- 400 ton/day underground mill & concentrator
- Lead-Silver & Zinc-Silver concentrates sold to Teck Resources Trail Smelter
- Gravity Gold concentrate sold to Johnson Matthey
- Metal recoveries:
  - Silver recovery - 95%
  - Gold recovery - 90%
  - Lead recovery - 90%
  - Zinc recovery - 85%

SRK Preliminary Economic Assessment Highlights	
Mine Life	8 years based on Mine Plan Resource including ramp up & ramp down
LOM Sustaining Capital	US$ 26.14M
LOM Average Revenue (net of treatment)	US$ 306.60 / ton processed US$ 38.91M / year
LOM Average Operating Costs (excluding treatment, royalties & reclamation)	US$ 156.45 / ton processed US$ 19.85M / year
Operating Margin (EBITDA)	US$ 138.24 / ton processed US$ 17.54M / year
Free Cash Flow (Pre-Tax)	US$ 108.81 / ton processed US$ 13.81M / year
NPV (6%)	Pre-Tax US$ 69.63 million After-Tax US$ 58.85 million
IRR	Pre-Tax 76.4% After-Tax 73.2%
Cash cost per ounce of Silver (net of by-product credits)	Total Cash Cost US$11.16 C1 Cash Cost US$10.28 Cost before treatment US 6.62

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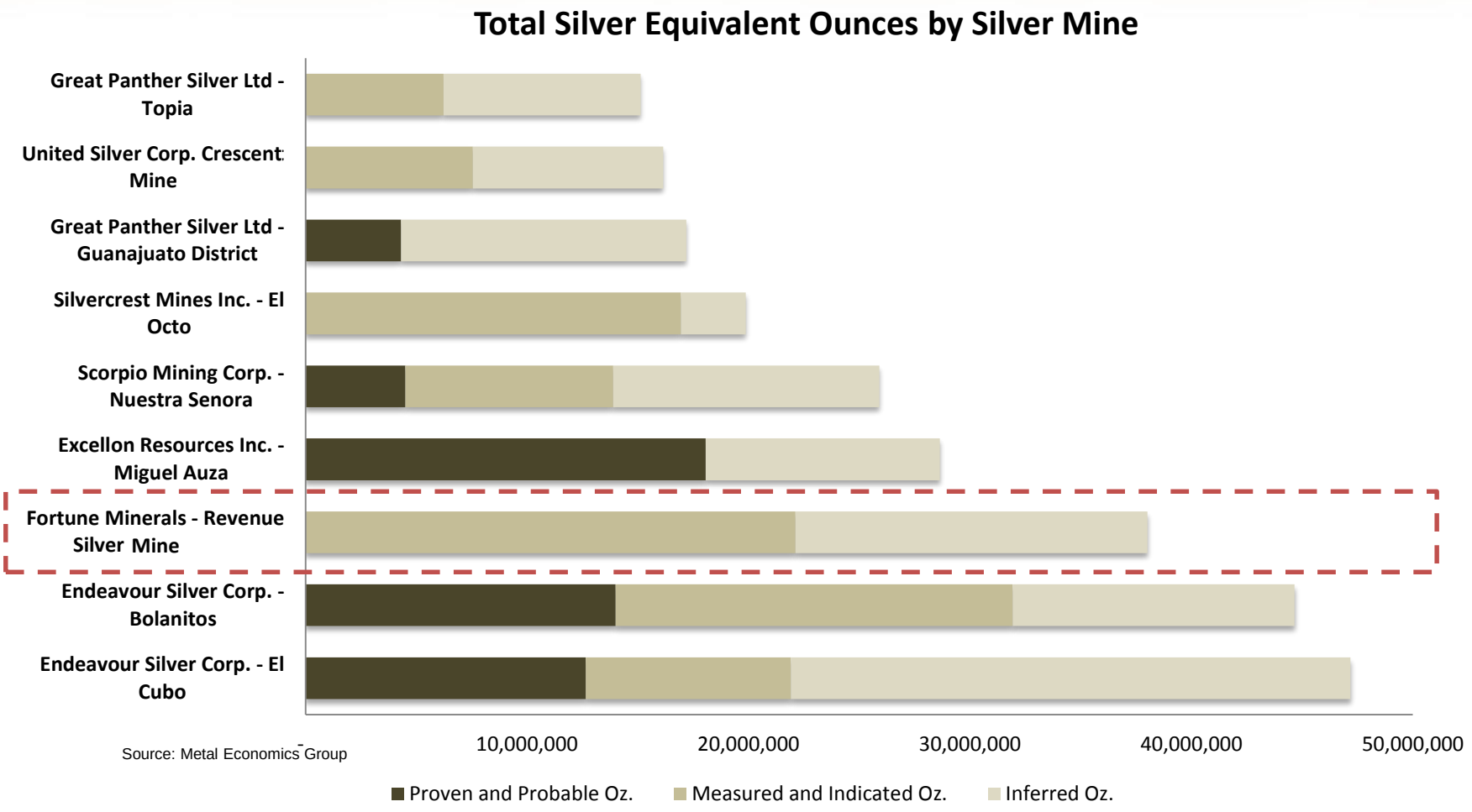
- The SRK PEA was prepared on a project basis without financing costs included
- Price assumptions are US$ 22/troy ounce for silver, US$1,350/troy ounce ("oz") for gold, US$1/pound ("lb") for Lead, and US$1/lb for zinc

38M Contained Ag Eq. Ounces



Source: Metal Economics Group

- Source: SNL Metals & Mining, Company Reports & Revenue Mine Mineral Resource Estimates
- Silver equivalent ounces for 2014 are established using prices of US$21.50 per Ag troy ounce ("oz"), US$1,350 per Au oz (60:1 ratio), US$1.00 per Zn pound ("lb") and US$1.00 per Pb lb

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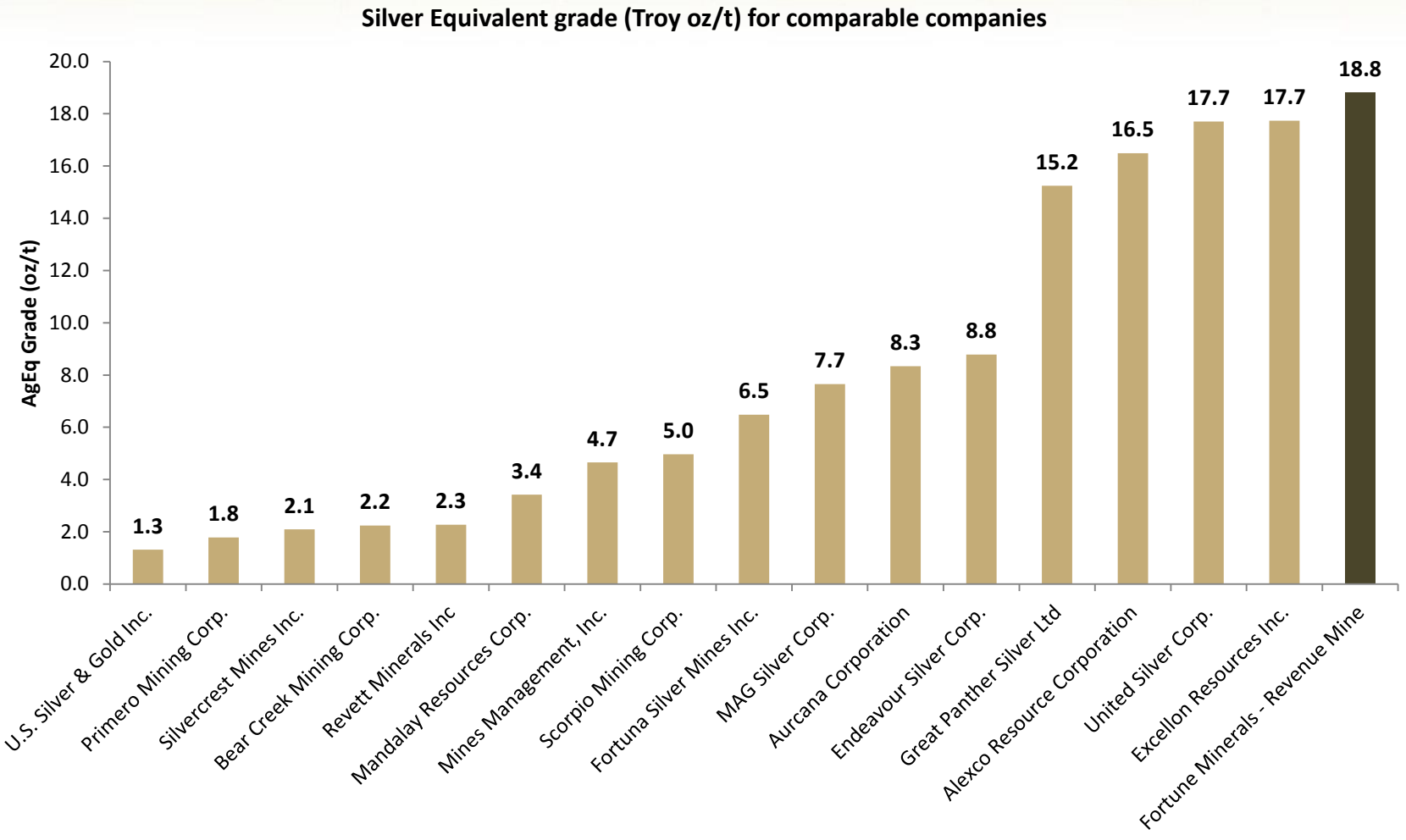
Highest Silver Equivalent Grade of Peers



- Source: SNL Metals & Mining, Company Reports & SRK Technical Report
- Silver equivalent ounces for 2014 are established using prices of US$21.50 per Ag oz, US$1,350 per Au oz (60:1 ratio), US$1.00 per Zn lb & US$1.00 per Pb lb

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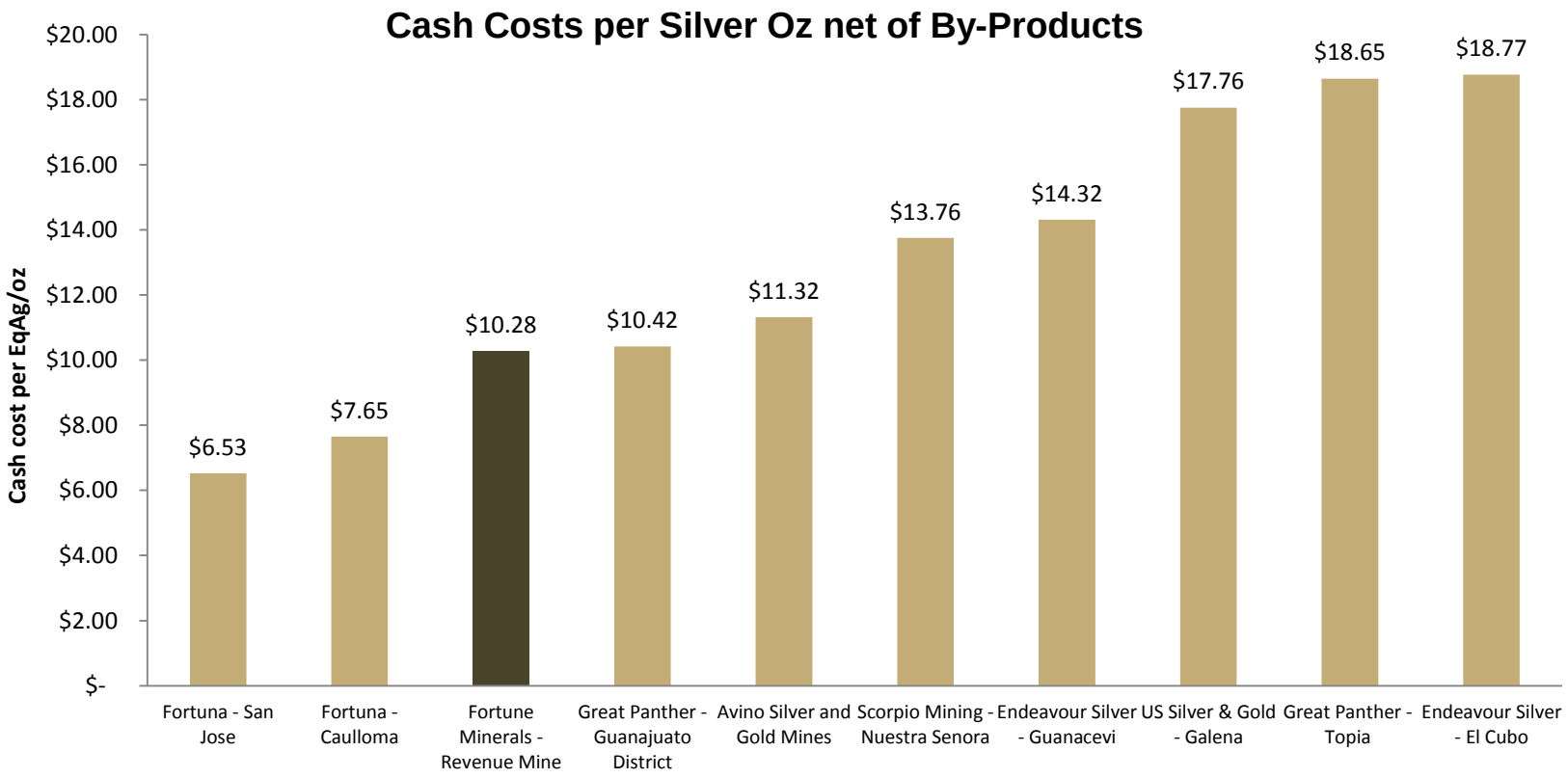
Lowest Quartile Cash Costs

- Average C1 cash cost of US$10.28/oz will be among the lowest of TSX silver peer group



- Source for companies other than Fortune: SNL Metals & Mining and Company Reports
- Silver equivalent ounces for 2014 are established using prices of US$21.50 per Ag oz, US$1,350 per Au oz, US$1.00 per Zn lb & US$1.00 per Pb lb
- Revenue Silver Mine cash cost from SRK PEA, which uses Ag price of US$ 22 per oz & aforesaid Au, Pb & Zn prices

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Silver Peer Group

Public Companies	Market Cap (C$M)	EV (C$M)	EBITDA		P / CF		EV / EBITDA		NAV* (C$M)	P / NAV
			2014E	2015E	2014E	2015E	2014E	2015E		
Primero Mining Corp.	1,041	1,088	97	161	11.1x	7.3x	11.2x	6.8x	906	1.15x
Fortuna Silver Mines Inc.	647	583	72	96	9.9x	8.8x	8.1x	6.1x	507	1.28x
Endeavour Silver Corp.	560	543	73	81	9.0x	8.7x	7.4x	6.7x	405	1.38x
MAG Silver Corp.	633	613	-5	-8	NM	NM	NM	NM	657	0.96x
Mandalay Resources Corp.	412	394	77	110	5.1x	4.2x	5.1x	3.6x	413	1.00x
Silvercrest Mines Inc.	223	196	29	44	9.9x	6.3x	6.7x	4.5x	255	0.88x
Great Panther Silver Ltd	182	164	4	n/a	39.7x	8.5x	39.3x	n/a	97	1.88x
Bear Creek Mining Corp.	210	164	-13	-22	NM	NM	NM	NM	474	0.44x
Alexco Resource Corporation	62	56	-9	5	NM	17.0x	NM	10.4x	98	0.63x
Excellon Resources Inc.	63	53	n/a	n/a	5.8x	3.8x	n/a	n/a	87	0.72x
Scorpio Mining Corp.	54	35	n/a	n/a	9.0x	2.2x	n/a	n/a	127	0.42x
Aurcana Corporation	36	71	n/a	n/a	4.3x	2.3x	n/a	n/a	n/a	n/a
U.S. Silver & Gold Inc.	39	37	n/a	10	7.4x	5.2x	n/a	3.8x	77	0.51x
Revett Mining Company, Inc.	47	41	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Min					4.3x	2.2x	5.1x	3.6x	77	0.42x
Max					39.7x	17.0x	39.3x	10.4x	906	1.88x
Median					9.0x	6.3x	7.8x	6.1x	330	0.92x
Average					**11.1x**	**6.8x**	**13.0x**	**6.0x**	342	**0.94x**
Fortune Minerals Ltd.	**50**	**49**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**182**	**0.28x**

Note:*Analyst average estimate; all market data as of September 17, 2014.
"n/a" refers to no estimates available, "NM" denotes for negative multiples

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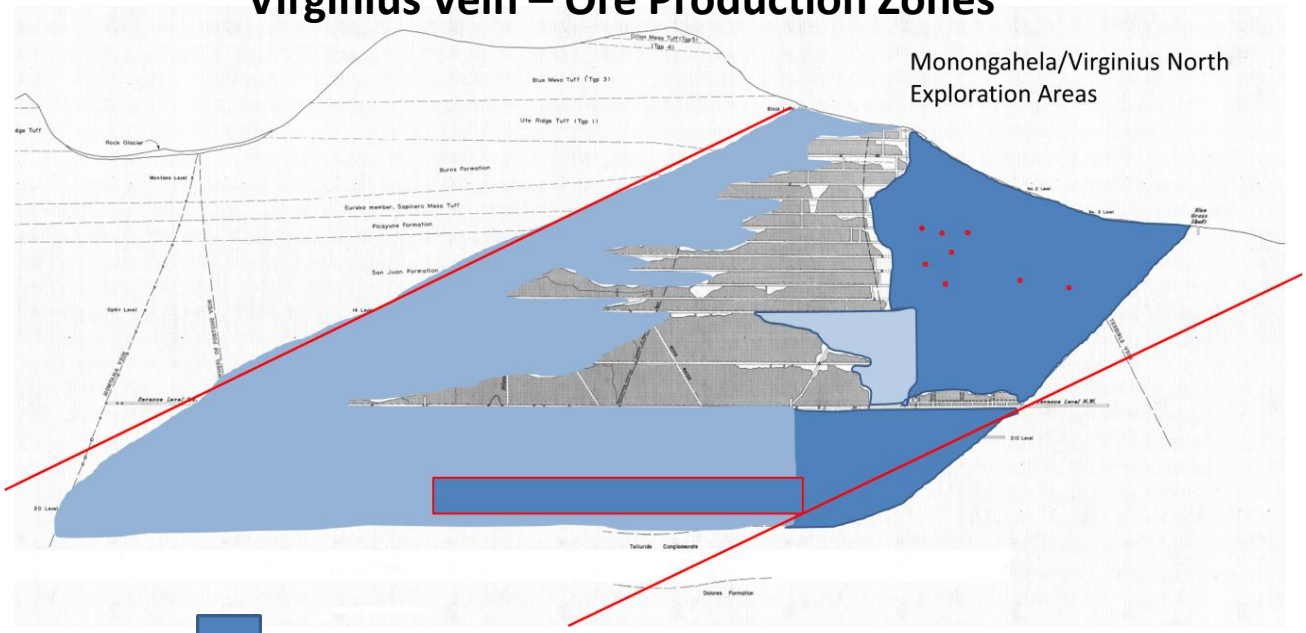
Expansion Potential

- Area of high grade gold shoots not quantified in resource model
- Potential production of copper concentrate
- Upside to add tonnage from horizontal & vertical projection of known veins
- Process broken mineralized material in surface & underground stockpiles from historical mining
- 6 additional known mineralized veins intersected by Revenue Tunnel are largely unexplored
- Consolidation of surrounding properties & past producers to provide additional mill feed

Virginius Vein – Ore Production Zones



Area of initial development and production

Area of future exploration and development

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Next Steps

- Accretive & transformational acquisition that transitions Fortune to producer with cash flow
- Securing financing from Lascaux to fund completion of acquisition
- Completing execution of transition plan with current owners & integrating management team
- Advancing mine plan & development to ensure sufficient mill feed
  - Complete transition to 7-days per week & 2 shifts
  - Develop minimum of 10 working faces
  - Developing plan for additional escape ways & improved ventilation
- Completing ramp up & improvements to mill to improve performance
  - Eliminating process commissioning bottlenecks to ramp up to 400 tons per day
  - Installation of thickener to improve tailings throughput & process water quality
- After achieving throughput capacity & cash flow - Conduct exploration to identify new resources in mine & surrounding area

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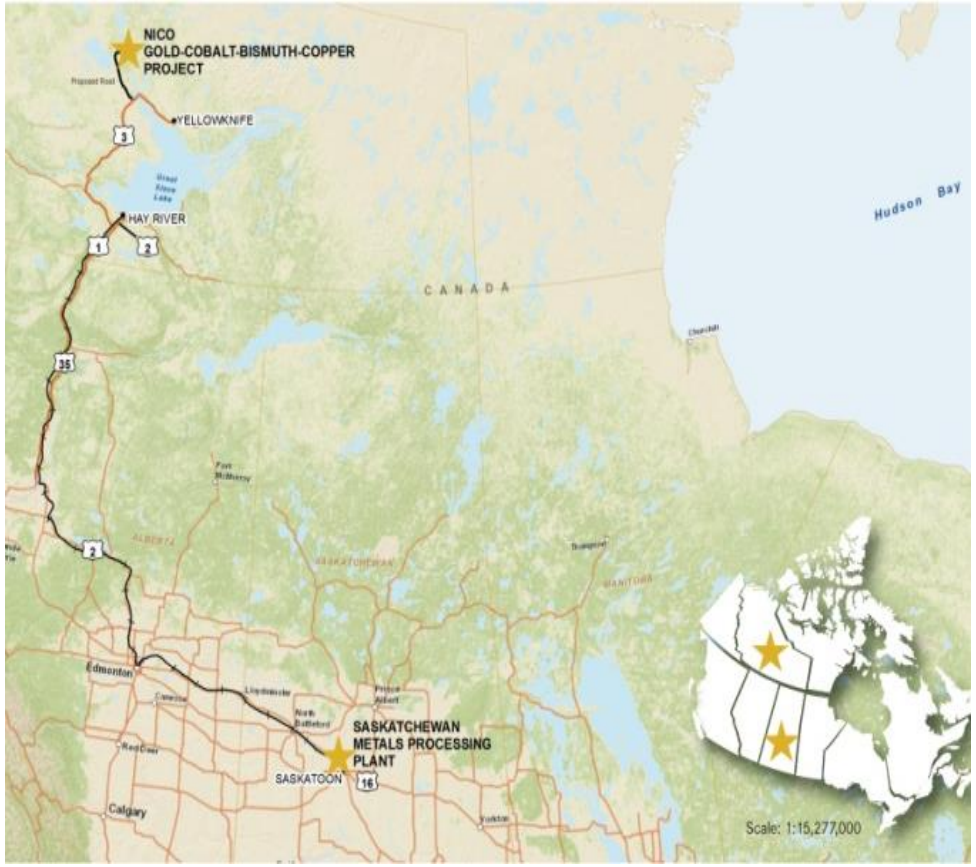
NICO Project, NT & SK

- Vertically integrated project to recover gold, cobalt, bismuth (12% of global reserves) & by-product copper
  - Mine & concentrator in NT
  - Saskatchewan Metals Processing Plant (SMPP) in SK to process concentrates from mine to high value metals & chemicals
- Bulk flotation concentrate (<4% of original ore) contains the economic metals for cost effective transportation to SMPP & low cost refining
- Very advanced project with C$ 110 million invested, including test mining & pilot plant processing to reduce development risks
- 2014 updated positive Feasibility Study
- EA, Land Use Permit & Class A Water License approvals received in NT & EA approval in SK
- Negotiations with strategic partner & banking syndicate for project financing
- Potential reliable, fully integrated North American source of cobalt chemicals for rechargeable battery sector



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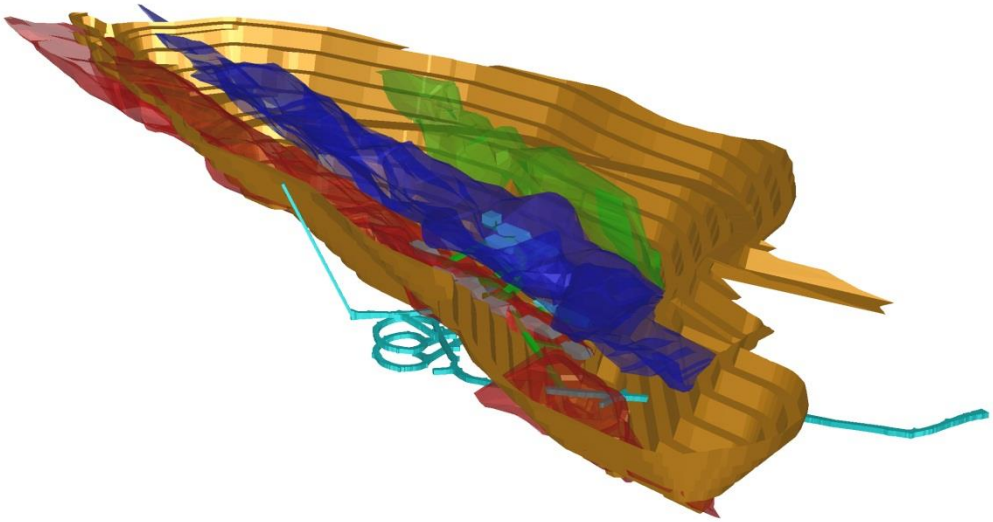
Well-Understood Geology

The NICO mineral reserves are based on 327 drill holes & surface trenches

- Deposit is an Iron Oxide Copper Gold ("IOCG") class (Olympic Dam-type) deosit
- Ore hosted in 3 lenses of ironstone breccia up to 1.3 km in length, 550 m in width, & 70 m in thickness
- Underground test mining has verified geometry & grade of deposit
- Pilot plants completed at SGS Lakefield to verify process designs, flow sheet & product quality



Green = Upper Ore Zone, Blue = Middle Ore Zone, Red = Lower Ore Zone
Brown = Open Pit, Cyan = Underground Development and Stopes

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NICO Mineral Reserves

Underground Mineral Reserves	Tonnes (Thousands)	Au (g/t)	Co (%)	Bi (%)	Cu (%)
Proven	282	4.93	0.14	0.27	0.03
Probable	295	5.00	0.07	0.07	0.01
Total	577	4.96	0.10	0.17	0.02
Open Pit Mineral Reserves	**Tonnes (Thousands)**	**Au (g/t)**	**Co (%)**	**Bi (%)**	**Cu (%)**
Proven	20,453	0.92	0.11	0.15	0.04
Probable	12,047	1.03	0.11	0.13	0.04
Total	32,500	0.96	0.11	0.14	0.04
Combined Mineral Reserves	**Tonnes (Thousands)**	**Au (g/t)**	**Co (%)**	**Bi (%)**	**Cu (%)**
Proven	20,735	0.97	0.11	0.15	0.04
Probable	12,342	1.13	0.11	0.13	0.04
Total	**33,077**	**1.03**	**0.11**	**0.14**	**0.04**
Metal Contained		**1.11 Moz**	**82.3 Mlb**	**102.1 Mlb**	**27.2 Mlb**

Sums of the combined reserves may not exactly equal sums of the underground and open pit reserves due to rounding error.

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NICO Products

- Proven flow sheet to produce high value products
  - **Gold:** Doré Bars
  - **Cobalt:** Sulphate Heptahydrate (~20.9% Co) – Potential to diversify production with cathode, Carbonate, Oxide, Chloride & Nitrate
  - **Bismuth:** ingot (>99.995% Bi), needles (>99.995% Bi) & Oxide (89.7% Bi)
  - **Copper:** Cement (~90% Cu) – Potential to produce Cathode

Gold Doré

Cobalt Sulphate

Copper Cement

Bismuth Ingot

Bismuth Needles

Bismuth Oxide

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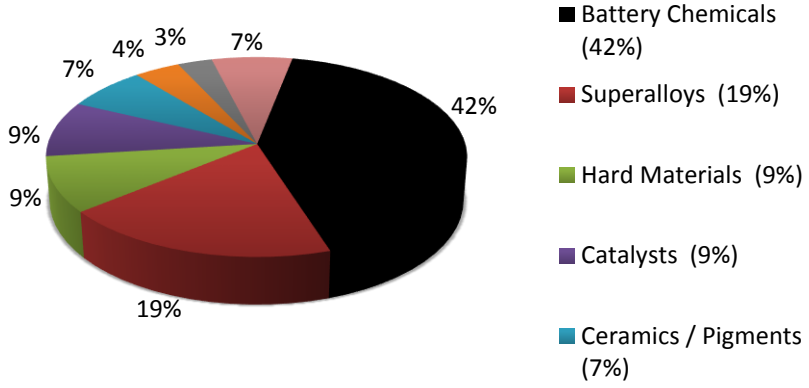
Cobalt: Robust & Diverse Market

- Wide chemical & metallurgical market applications in batteries, high strength alloys, cutting tools, magnets, catalysts & pigments
- High purity cobalt used in aerospace industry
- Cobalt sulphate & oxide used in lithium ion & nickel metal hydride batteries for electronic devices & hybrid/electric vehicles
- Chemicals account for 58% of worldwide cobalt demand & is driving future cobalt consumption, particularly in rechargeable batteries & catalysts
- Cobalt market 94,000 tonnes & expected to grow ~6% to 8% per year over next 5 years
- Supply concerns from 61% of mine production in politically unstable Congo & 43% of refinery production in China
- CRU anticipates non-metallurgical cobalt deficit in 2015 & all cobalt deficit in 2017

Cobalt Consumption by End Use 2013



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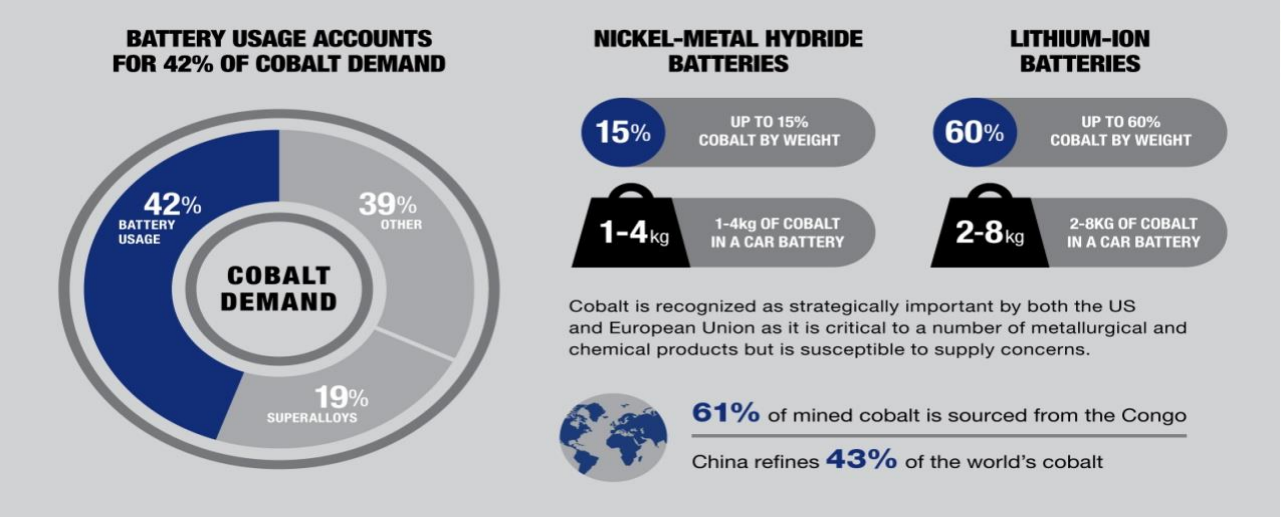
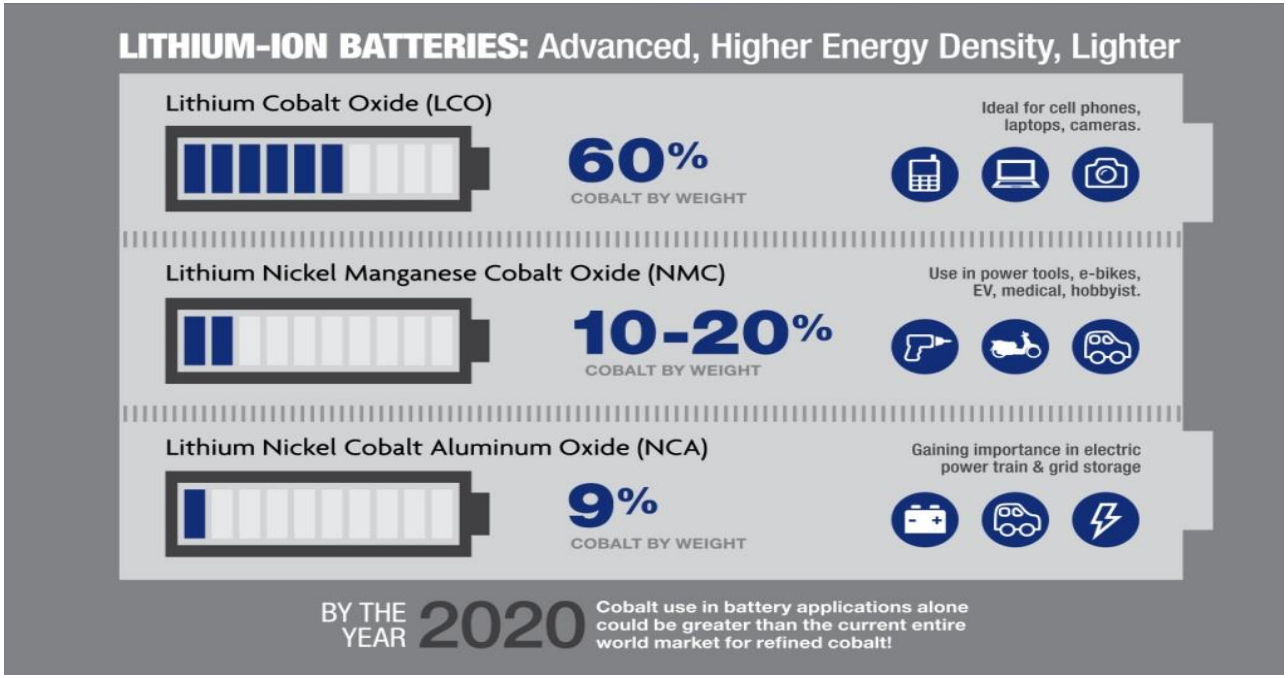
Cobalt: Battery Use Drives Demand





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Tesla Motors' "Gigafactory"

- Tesla has started construction of its $5 billion lithium-ion battery plant in Nevada
- By 2020 anticipated to produce more lithium-ion batteries annually than were produced globally in 2013
- Model S uses Nickel Cobalt Aluminum (NCA) cathode chemistry from Panasonic (contains ~9% cobalt)
- Tesla prefers North America suppliers to minimize environmental impacts & material costs

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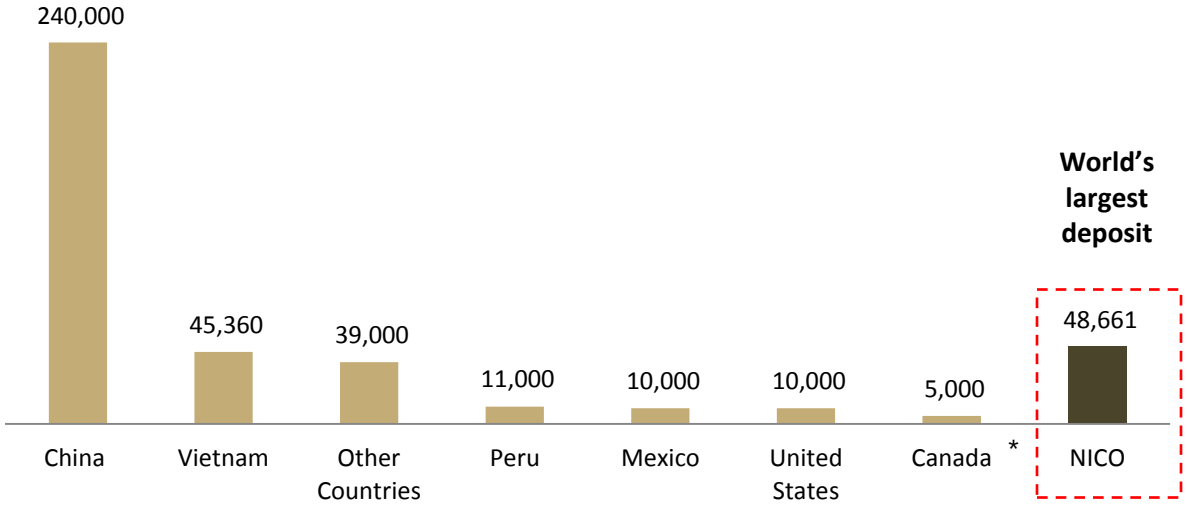
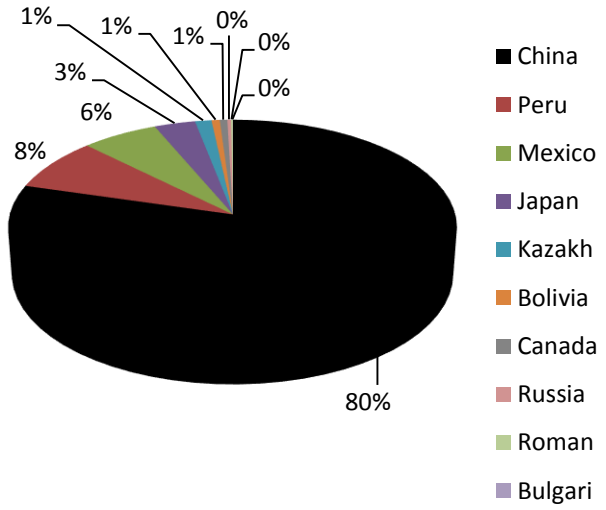
Bismuth: Limited Supply

- World market ~15,000 to 20,000 tonnes per year
- China principal source of bismuth, accounts for 60% of world reserves & 80% of world production
- China closed 20% of its production due to environmental & mine safety issues – Policies to restrict exports
- NICO is World's largest deposit - 12% of global reserves
- NICO will be a reliable North American vertically integrated producer

World Bismuth Reserves (Tonnes)



World Bismuth Mine Production (MT)



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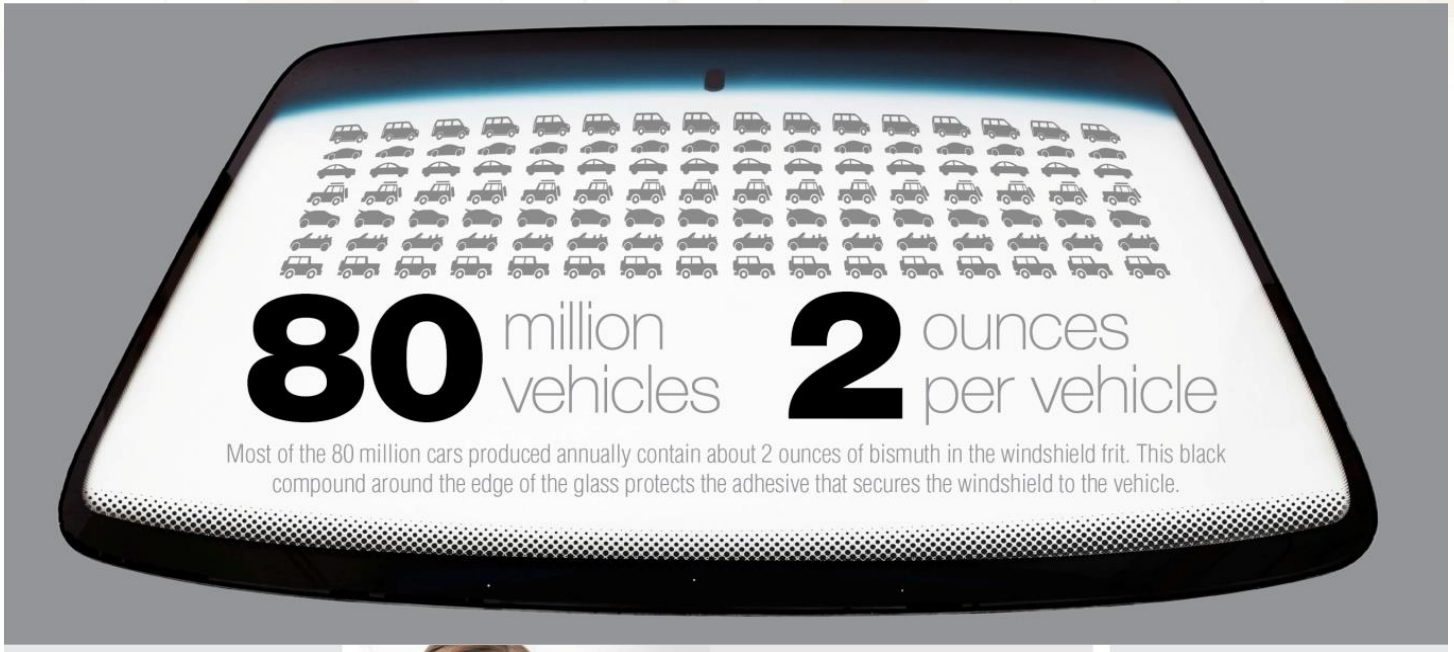
*Canada reserves exclude NICO
Source: USGS Industry Survey 2010 & Company market studies

Bismuth: Automotive & Health Use



Health

- Pepto-Bismol® & similar stomach settling medicines
- Cosmetics
- Lead replacement in potable water sources & electronics
- Catheters & bandages

Other

- Castings, fire retardants, sprinkler systems, lubricating greases

Automotive

- Rust protection undercoating
- Paint pigments & pearlescent coating
- Brake linings & clutch pads

Electronics

- Electronic solders
- Free-machining steel

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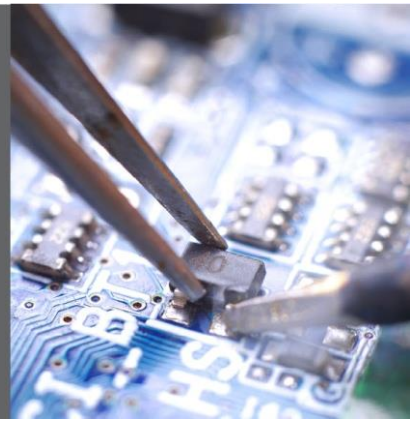
Bismuth: Environmentally Friendly

- Traditional uses in low temperature & fusible alloys, cosmetics, chemicals, fire retardants & sprinkler systems
- New markets focus on non-toxic, environmentally safe replacement for lead in plumbing & electronic solders, brass, steel & aluminum, ceramic glazes, hot dip galvanizing, pigments & automotive anti-corrosion coatings & windshield frits:
  - Global framework to eliminate lead expected to drive increased bismuth consumption
  - European REACH & RoHS legislation to eliminate lead in electronics
  - Lead banned in US from wetted surfaces of potable drinking water sources (pipes, fixtures & solders)

Growing Number of Applications

Demand for bismuth is increasing in a variety of new products as a result of legislation, growing environmental awareness, and health & safety concerns of manufacturers

- **U.S. Reduction of Lead in Drinking Water Act**
- **EU REACH, Restriction of Hazardous Substances Directive & Waste Electrical and Electronic Equipment Directive**



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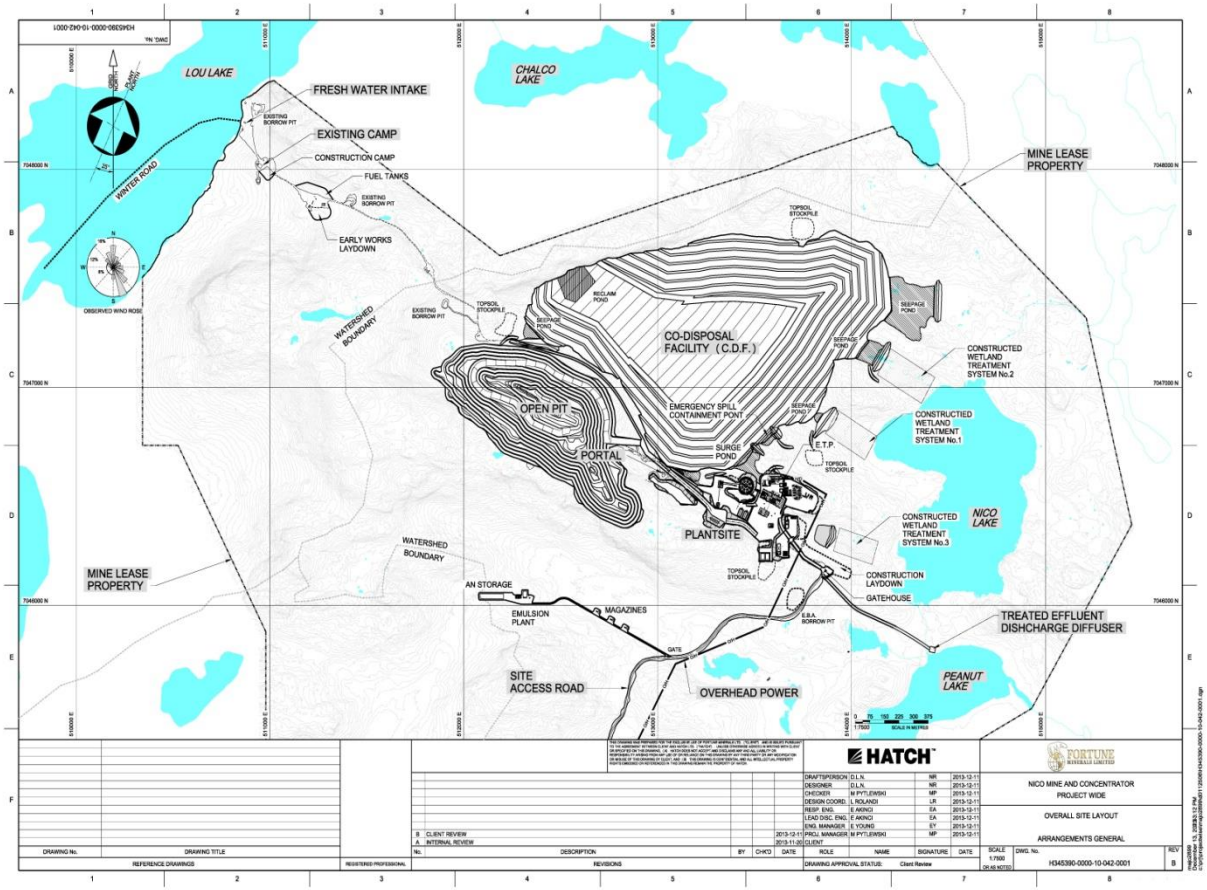
Source: USGS Industry Survey

Mine & Concentrator



20 yr mine life at 4,650 tpd

- Reserves: 33.0 Mt
- Additional 5.5 Mt low grade to be stockpiled for future processing

Primarily open pit mining

Underground mining in first 2 years

- Early access to high grade improves economics

Co-mingled waste rock & mill tailings

Plant site

- Mill & flotation concentrator
- Camp & ancillary buildings

Access road

180 employees (270 during underground operations)

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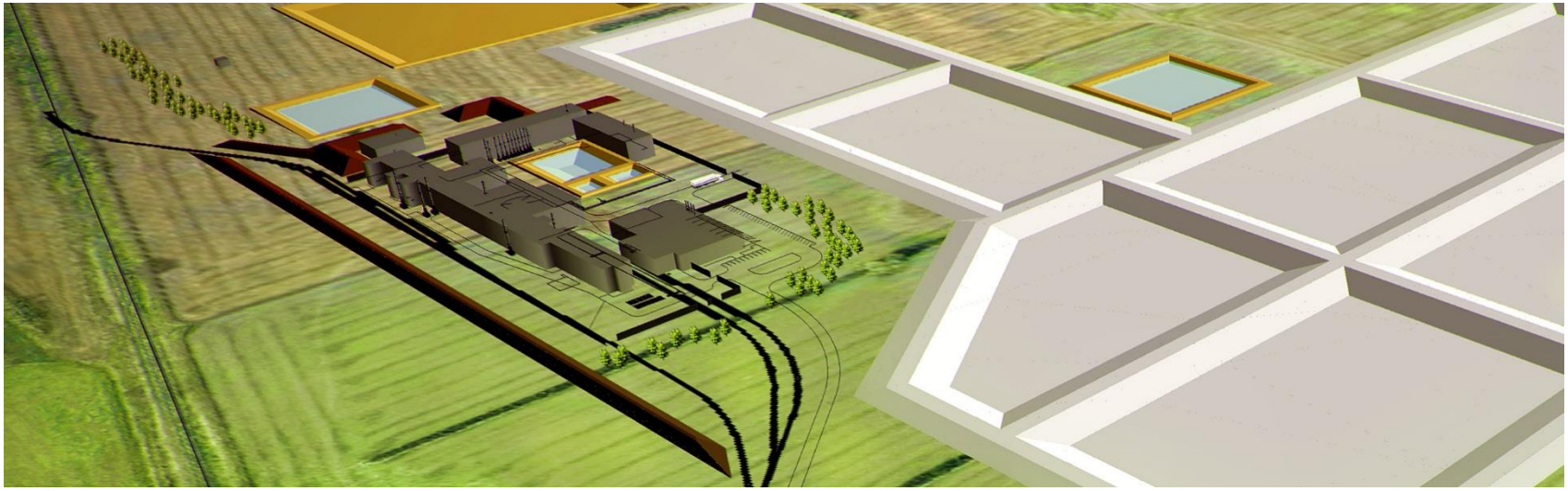
SMPP Location & Facilities

- Saskatchewan Metals Processing Plant (SMPP) is a hydrometallurgical refinery that will be built on land owned by Fortune 27 km north of Saskatoon near the Town of Langham
- SMPP allows for processing of NICO concentrate to high value metals & chemicals in a low cost jurisdiction
  - Low cost power (~5.7 cents kWh)
  - Skilled labour pool
  - Proximity to reagents & services
  - 5-year tax holiday



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2014 Micon Feasibility Study

Positive Feasibility Study with strong economics

- Vertically integrated project consisting of open pit & underground mine & mill in NT & hydrometallurgical refinery in SK
- Low capital costs of C$ 589 million
- Negative cash cost for products net of by-product credits
- Significant detailed engineering reducing risk
- Metal recoveries verified from pilot plants;
  - Gold recovery ranges from 56 to 85%, with an average ~73.7%
  - Cobalt recovery ~84%
  - Bismuth recovery ~72%
  - Copper recovery ~41%

Feasibility Study Highlights – Base Case	
Mine type	Open pit with underground in 2nd year
Mining method	Open pit: conventional truck & loader Underground: blasthole open stoping
Strip Ratio	Waste to ore 3.0 : 1
Processing rate	4,650 tonnes of ore/day
Mine life	20 years (potential for additional 3.2)
Processing	Processed to high value metal products
Levered pre-tax NPV (7%)	C$ 254 million
Levered pre-tax IRR	15.6%
Capital costs	C$ 589 million
LOM average revenue/yr	C$ 196 million
LOM average operating cost/yr	C$ 98 million
Cobalt operating cost (net of credits)	Negative US$ 5.03/lb at Base Case

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The Feasibility Study reflected in the Micon Technical Report uses Base Case Price assumptions are US$1,350/troy ounce (“oz”) for gold, US$16/pound (“lb”) for cobalt (US$19.04/lb in sulphate), US$10.50/lb for bismuth (US$12.64/lb bismuth in average production of ingot, needles and oxide), and US$2.38/lb for copper at an exchange rate of C$1=US$0.88

Shovel Ready

Permitting substantially complete

- EA's completed for mine & SMPP
- Land Use Permit & Class A Water License approvals received

Advanced relationships with NT & Tlicho Governments

- Signed Co-operative Relationship Agreement with Tlicho (aboriginal) Government
- Infrastructure, Socio-Economic & Participation Agreements advancing

Project Financing & Development

- Deloitte engaged to advise on project financing & development options targeting project level joint venture
- Project Financing with strategic partner & banks advanced
  - Minority equity investment
  - Commitment to arrange debt financing for construction
  - Partner to provide services to operation on commercially competitive terms

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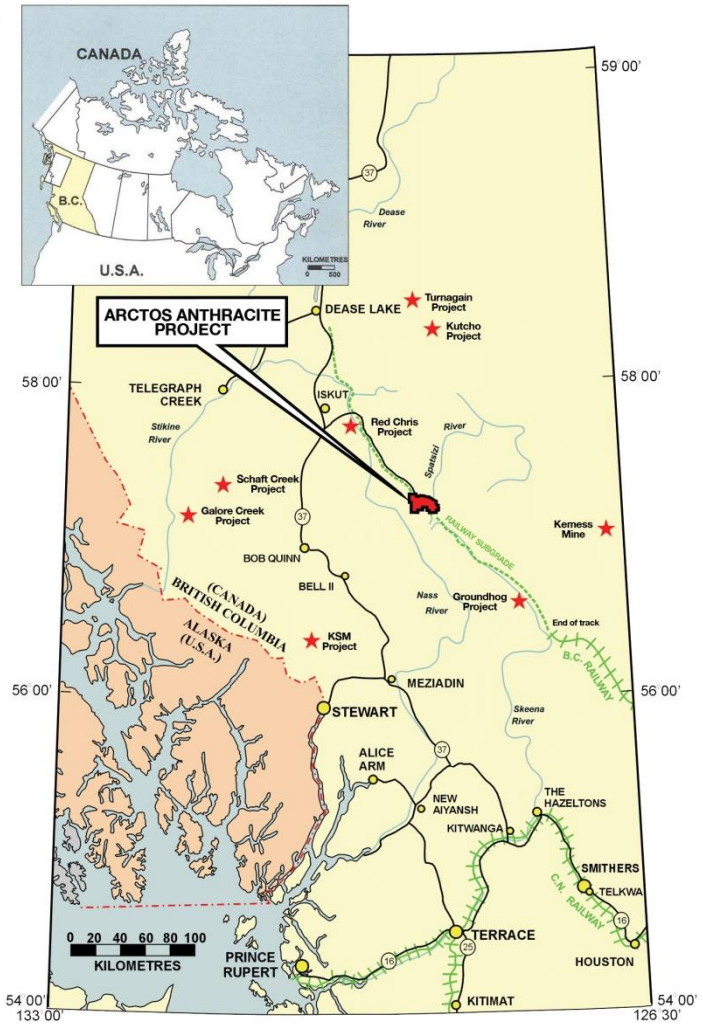
Arctos Anthracite Project

Summary Highlights

- One of the world's premier metallurgical coal development projects
- Joint Venture partnership with South Korean steel producer POSCO
- Advanced project with C$110 million of work completed including test mining, pilot plant processing & trial cargos
- Positive Feasibility Study with robust economics
- 125 Mt of run of mine coal reserves will support 25+ years of production (small fraction of total resource)
- Railway transport of coal to Ridley Terminal in Prince Rupert
- Premium lump coal, ultra-low volatile PCI & sinter products
- CN collaborating on railway extension to Arctos
- EA process advancing



World-Class Resource in Canada

- Measured & Indicated Resources of 230 Mt - Small fraction of total global resource
- Run-of-Mine Coal Reserves of 125 Mt in Lost Fox deposit remains open for possible expansion
- Historical Resources include 2 Bn + tonnes in the Speculative class (1)

Arctos Global Resources (million tonnes)

Area	Measured	Indicated	M&I	Inferred
Lost Fox	107.9	109.5	217.4	91.5
Hobbit-Broatch		13.5	13.5	258.4
Summit				9.6
Lost Fox Extension				
Total	**107.9**	**123.0**	**230.9**	**359.5**

Lost Fox Metallurgical Coal Reserves and Resources (million tonnes)

Coal Resources		
Measured	**Indicated**	**Inferred**
172.4	20.4	12.1

Run-of-Mine Coal Reserves		
Proven	**Probable**	**Total**
115.0	9.9	124.9

10% Ash Product Reserves		
Proven	**Probable**	**Total Product**
64.4	4.8	69.2

(1) The Historical Resources include 2.2 billion tonnes in the Speculative class. The historical resource estimate was developed by Gulf in 1988 and updated in 2002 by Marston-Golder to reflect changes in the estimation of Inferred Resources under Paper GSC 88-21. The Speculative portion of the resources is not compliant with current reporting standards. A qualified person has not done the work necessary to classify the historical estimate of Speculative resources as current mineral resources under NI 43-101 and the estimate should not be relied upon. Speculative Resources were developed based on estimated average coal thickness applied to the projected aerial extent of the coal.

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Anthracite: Highest Quality Coal

Arctos is one of the largest & most advanced Canadian projects of high rank anthracite coal

- Highest quality metallurgical coal with very high carbon & energy content
- Represents only 1% of world coal reserves

Metallurgical coal with diverse applications

- Metallurgical Reductants / charge carbon
- Ultra-Low Vol. PCI
- Sinter
- Other products:
  - Filter media
  - Blend coal with coking coal for making metallurgical coke
  - Direct coke replacement
  - Urea fertilizers, synthetic fuels & plastics
  - Heating & cooking briquettes
  - Pelletizing
  - Premium thermal coal
  - Cement
  - Food processing

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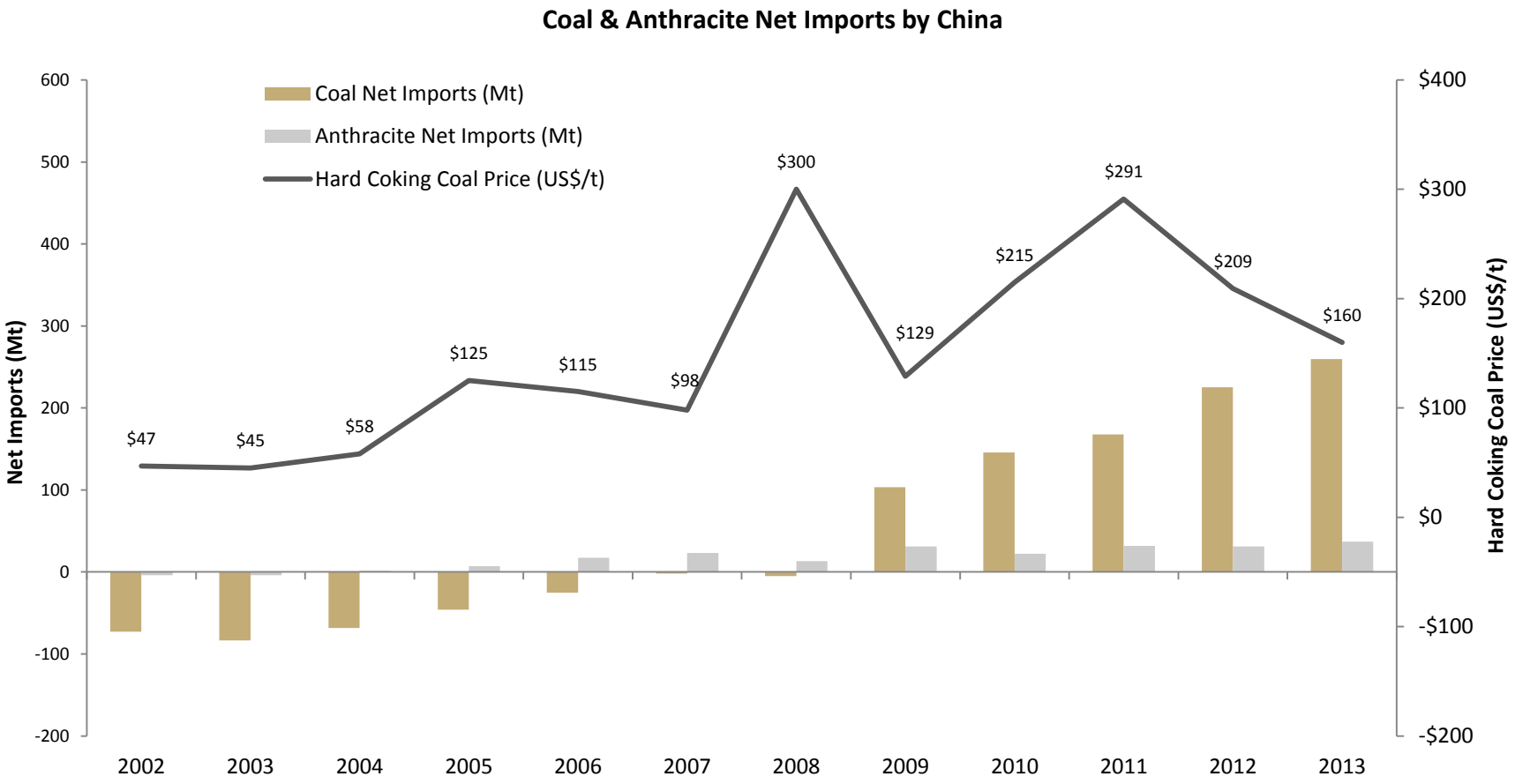
Emergence of China as Net Coal Importer

China became net coal importer of anthracite in 2004, coking coal in 2007 & all coals in 2009



Source: China Coal Resource Website, Bloomberg

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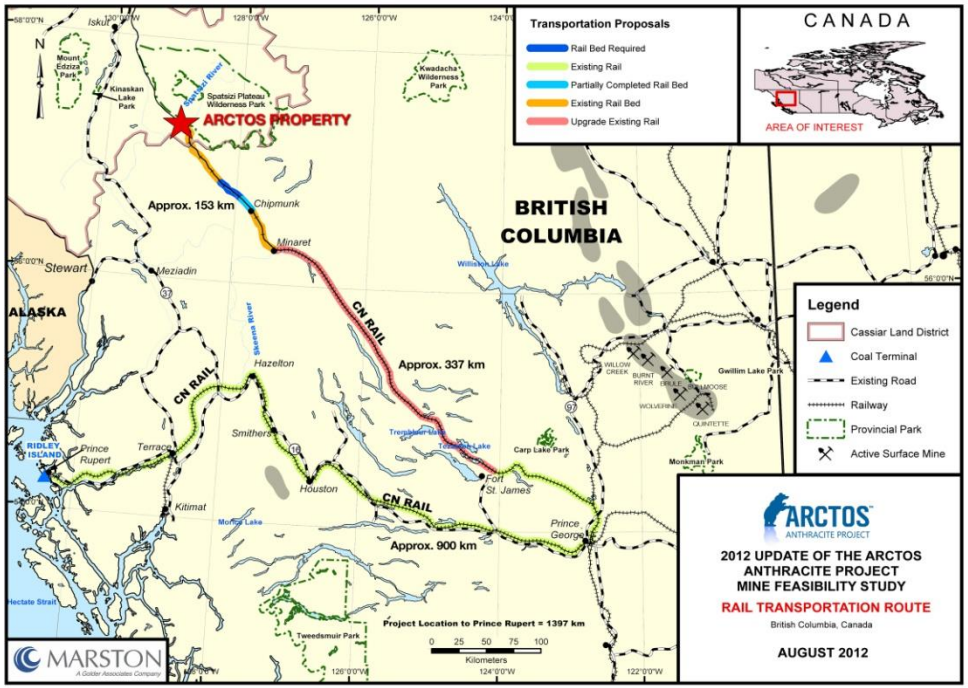
Railway Partially Constructed

- Railway road bed largely constructed to mine site by BC Government
- Project economics supports 150 km brownfield extension from Minaret
- EA on railway extension underway as part of mine development
- MOU advanced with CN to operate railway
- Other parties interested in the rail – Dramatic reduction of railway cost to improve project economics
- Railway provides access to 25 Mtpa Ridley Coal Terminal in Prince Rupert for access to global markets

Existing railway right-of-way & road bed



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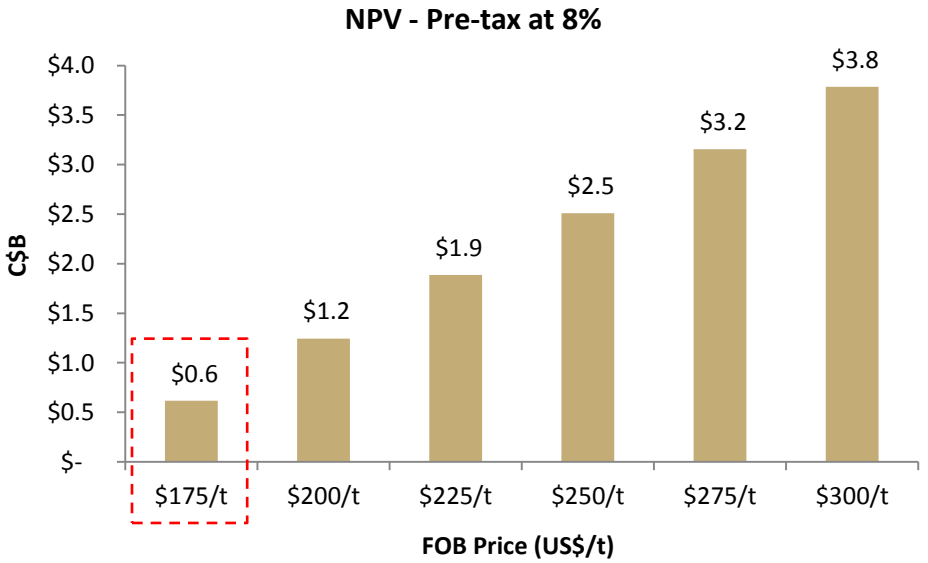
Compelling Economics & Upside

- Marston (Golder) Feasibility Study completed October 2012 based on rail transport to port & diesel power supply
- Initial 3 Mtpa production from Lost Fox deposit open pit mine, wash plant & site infrastructure
- 69.2 Mt of product coal reserves – 25+ years production
- Premium ultra-low volatile PCI product
- Life of mine average Free On Board (FOB) vessel cash cost C$127.61/tonne (US$121.22/tonne)
- Recent optimizations include connection to BC electrical grid - Forecast to save C$7/tonne

BASE CASE **Ultra-Low Volatile PCI** **US$175/tonne (C$1 = US$0.95)**		
	PRE-TAX	**AFTER TAX**
IRR	17.0%	14.7%
NPV (8%)	C$ 615.9 million	C$ 405.8 million
Capital (Years 1-3)	C$ 788.6 million (includes railway capital)	



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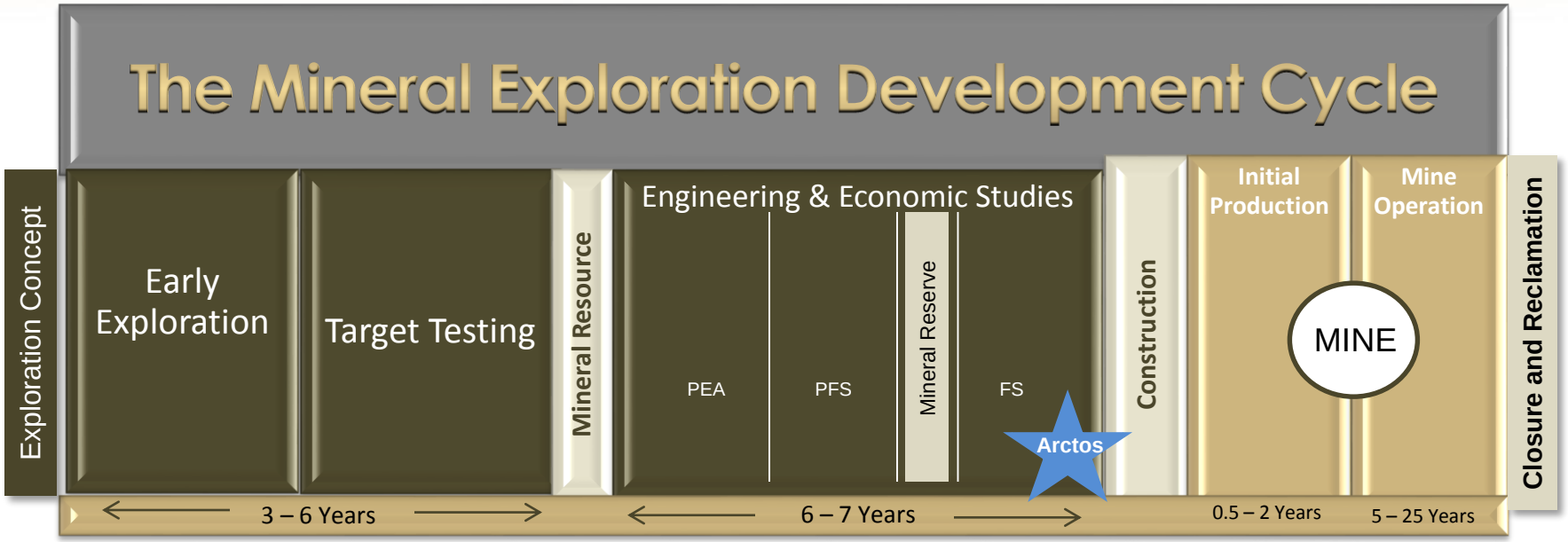
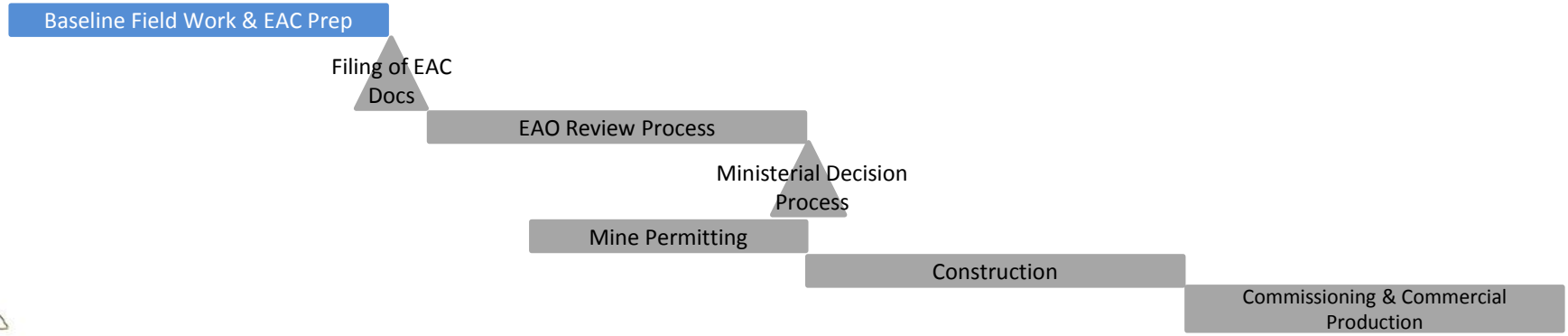
Development Milestones



Arctos Milestones to Production



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Company Strategy

- **Revenue Silver Mine**
  - Complete acquisition of mine & transition with management
  - Complete capital improvements & ramp up to full production
  - Achieve cash flow from operations

- **NICO & SMPP Project**
  - Complete detailed engineering & secure remaining permits for construction readiness
  - Complete re-zoning of SMPP lands
  - Complete Participation & Socio-economic agreements with NT & Tlicho Governments
  - Secure project financing

- **Arctos Project**
  - Complete permitting activities
  - Continue Tahltan, Gitxsan & stakeholder engagement
  - Advance rail engineering & permitting - Establish agreements with rail operator
  - Secure port capacity
  - Secure low cost power for the site with extension of electrical grid

- **Deloitte engaged to advise on project financing & development**
  - Identify strategic partners for project financing
  - Equity investment in projects

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Experienced Team

Directors

Mahendra Naik, B Comm, CPA,CA	***Chairman, Director***	CFO Fundeco - Founding director & former CFO, IAMGOLD
George Doumet, MSc, MBA	***Honorary Chairman, Director***	Chemical Engineer – President & CEO, Federal White Cement
Robin Goad, MSc, PGeo	***President & CEO, Director***	Geologist - 30 yrs mining & exploration experience
David Knight, BA, LLB	***Secretary, Director***	Partner, Norton Rose Fulbright Canada LLP specializing in securities & mining law
James Excell, BASc	***Director***	Metallurgical Engineer – 35 yrs mining experience BHP-Billiton
James Williams, BSc	***Director***	Geologist – 30 yrs mining, oil & gas experience - CEO of Southwest Productions
The Honorable Carl L. Clouter	***Director***	Commercial pilot - Former owner of charter airline in NWT
Shou Wu (Grant) Chen, MSc, MBA	***Director***	Geologist – Former Deputy Chairman & CEO, China Mining Resources Group
Ed Yurkowski, BASc	***Director***	Civil Engineer & CEO Procon Mining & Tunneling

Management

Adam Jean, HBA, CPA, CA	***VP Finance & CFO***	Chartered Accountant previously with Ernst & Young LLP
Mike Romaniuk, BASc, PEng	***VP Operations & COO***	Geologist & Process Engineer – 25+ yrs engineering, mining & construction experience primarily with Xstrata Nickel & Falconbridge
Bill Shepard, Ind. Mgt. Dipl.	***Logistics Manager***	15 yrs experience in procurement & logistics
Richard Schryer, PhD	***Director Regulatory & Environmental Affairs***	Aquatic Scientist –20+ yrs experience in mine permitting & environmental assessments
Keith Lee, BSc	***Senior Process Engineer***	25 yrs operations, engineering & mineral processing experience
Carl Kottmeier, BASc, MBA, PEng	***Project Manager***	Mining Engineer – 25 yrs engineering & operations experience
Dustin Reinders, BSc, PEng	***Project Engineer***	Mining Engineer - 5 yrs mining experience
Dianna Stoopnikoff, AScT	***Environmental Relations Manager***	15 yrs environmental & health and safety experience primarily in BC mining
Fiona Brekelmans, BAcc (Hon), CPA, CA	***Controller***	7 yrs accounting & audit experience, previously with Ernst & Young LLP
Patrick Moloney, BSc, BEd	***Human Resources Manager***	20 yrs of human resources & labor relations experience

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148 Fulllarton Street, Suite 1600, London, Ontario, Canada N6A 5P3

Troy Nazarewicz, Investor Relations Manager

info@fortuneminerals.com | 519-858-8188 | fortuneminerals.com