

FORTUNE MINERALS LIMITED CODE OF BUSINESS CONDUCT

Introduction

It is the policy of Fortune Minerals Limited and its subsidiaries (collectively referred to as the “**Company**”) to maintain the highest standard of ethics in its business and in its relations with its business partners, suppliers, shareholders, employees, the government, the media and the public. The Company’s reputation in the mining industry and in the community at large is a valued asset and maintaining a reputation of integrity and ethical conduct is integral to the Company’s continued success.

The reputation of the Company is ultimately built upon the actions of its employees, officers, and directors. The board of directors of the Company (the “**Board**”) has therefore adopted this Code of Business Conduct (the “**Code**”) to set forth the standards the Company expects its employees, officers and directors (collectively referred to herein as “**employees**”) to uphold. The provisions in this Code are mandatory and full compliance is expected of all employees as a condition of employment.

The Board shall be responsible for monitoring compliance with the Code as well as the periodic review and revision thereof. Waivers from the Code can only be granted by the Board or a committee of the Board established for considering waivers and will only be granted in exceptional circumstances.

The Code is made up of the following principles. Any employee who has questions regarding the application of a principle should ask questions of his or her immediate supervisor.

Employees must comply with all laws and regulations applicable to the Company’s business.

As a publicly-traded company operating in the mining industry, the Company is subject to complex laws and regulations, including those related to environmental protection, occupational health and safety and accurate and timely disclosure of technical, financial and other material information. The Company expects that employees will make a reasonable effort to become familiar with the laws and regulations relevant to their duties and responsibilities and to be vigilant in complying with these laws and regulations. Employees are also expected to comply with all applicable policies of the Company.

The Company will make information concerning applicable laws available to its employees. If any employee has any questions with respect to any legal requirement, he or she should refer the matter to his or her immediate supervisor.

Employees must avoid all situations in which their personal interests conflict or might conflict with the interests of the Company.

Employees should never engage in conduct which is harmful to the Company or its reputation. All employees have an obligation to be entirely free of conflicting interests when they represent the Company in business dealings or are making recommendations, which could influence the Company’s subsequent actions.

In general terms, a conflict of interest will exist where an employee's personal activities, interests or financial affairs, may influence or threaten to influence their judgment in the performance of their duties to the Company. Conflicting interests may be direct or indirect. For example, the interest may be that of the employee, a family member, a relative, or a business enterprise in which any of these individuals have an interest, financial or otherwise.

Employees must maintain the confidentiality of corporate information.

All employees must keep confidential, and not use for themselves or others, all information concerning the Company or its business that has not been disclosed to the public, unless such disclosure is authorized by a senior officer of the Company. Both the Company's Disclosure Policy and applicable securities legislation forbid the use of information which has not been disclosed to the public for the purpose in trading in the Company stock. All employees should familiarize themselves with the Company's Disclosure Policy which sets forth in detail the obligations of the Company's employees with respect to inside information.

Employees must ensure that the books and records of the Company are accurate.

The Company takes very seriously the accuracy of its financial records and financial statements. Accuracy and reliability in the preparation of all business records is of critical importance to the decision making process and to the proper discharge of financial, legal and reporting obligations. All business records, expense accounts, invoices, bills, payroll and employee records and other reports are to be prepared with care and honesty. False or misleading entries are not permitted in the books of the Company's business. All corporate and subsidiary assets and liabilities are to be recorded in compliance with the Company's accounting and internal control procedures and with Canadian generally accepted accounting principles.

The Company has recently met its obligations under Canadian securities rules by implementing an anonymous reporting program, to allow employees to report any suspicious and/or obvious misconduct relating to corporate accounting, financial or audit matters.

Employees must act with fairness and integrity.

The Company seeks competitive advantages through superior performance, never through unethical or illegal business practices. Stealing proprietary information, possessing trade secret information that was wrongfully obtained or inducing such disclosures by past or present employees of other companies, is strictly prohibited. Each employee should endeavour to respect the rights of and deal fairly with the Company's customers, suppliers, competitors and employees. No employee should take improper advantage of anyone through manipulation, concealment, abuse of proprietary information, misrepresentation of material facts, or any other intentional improper-dealing practice.

In addition, the offering or accepting of bribes, payoffs or kickbacks made directly or indirectly to obtain an advantage in a commercial transaction and the offering of gifts, gratuities, entertainment or other similar payments, except to the extent customary, are also strictly prohibited.

Employees must provide an environment free of discrimination and harassment.

The Company is committed to providing an environment free of discrimination and harassment based on race, sex, sexual orientation, colour, national or ethnic origin, religion, marital status, family status, age or disability. Harassment may occur in a variety of ways and may, in some circumstances, be unintentional. Regardless of intent, such conduct is not acceptable and may also constitute a violation of applicable laws.

Employees have the obligation to report any violation of laws or this code of business conduct.

Each employee must report any violation of law, the Code or any other internal policy of the company. In most cases, the employee should report his or her concern to his or her immediate supervisor. However, if the employee considers that the supervisor is not the appropriate individual to address the matter, or if the supervisor is not dealing with the issues raised in an appropriate manner, the employee should report the matter to the Chief executive officer, chief Financial Officer or Secretary.