NEWS RELEASE

FORTUNE MINERALS INITIATES 2013 EA PROGRAM FOR ARCTOS
Drilling program and Environmental Assessment Field work underway

Fortune Minerals Limited (TSX: FT) (OTCQX: FTMDF) (“Fortune” or the “Company”) (www.fortuneminerals.com) and POSCO Canada Ltd. (“POSCAN”) are pleased to announce that their Arctos Anthracite Joint Venture (“AAJV”) summer field program has commenced in support of the environmental assessment (“EA”) to permit the mine, wash plant and railway extension. A 30-person field camp was opened at the site on July 2nd to support the collection of environmental baseline information for the EA process. The Canadian Environmental Assessment Office recently granted substitution of the Arctos EA to British Columbia (“BC”), enabling provincial and federal jurisdictions to work closely together to incorporate all aspects of environmental safeguards and Aboriginal consultation under a ‘one project, one assessment’ approach. The data collected will augment environmental studies already completed by Fortune in prior years and contribute to the completion of the final EA report that is expected to be filed in 2014 to initiate the review process.

Most of the environmental baseline information for the mine site has already been collected under the EA process for a previous development plan. The 2013 program is focused on additional environmental baseline studies for the proposed railway extension and to address gaps and update the mine baseline data to support permitting and detailed engineering designs.

Plans for the 2013 baseline programs were submitted to the working group established by the British Columbia Environmental Assessment Office (“BCEAO”) and is comprised of First Nations and various government agencies. This group advises the BCEAO about issues related to the assessment of the project and will help assess the adequacy of any proposed mitigation measures.

Field work underway includes:
- A drilling program to support geochemical, hydrogeological and geotechnical studies
- Baseline data acquisition at both the proposed mine location and rail line
- Archaeological studies

Members of the Tahltan and Gitxsan First Nations have been hired for various archaeological, drilling and hydrology roles that will contribute to the collection of baseline environmental data for the EA process.

Overseeing site activity is Mine Manager, Dave Hayward. Dave was recently hired by the AAJV for his extensive international experience running mining camps in remote locations. Further supporting the EA work is Dianna Stoopnikoff, who joined Fortune in the role of Environmental Relationships Manager. Dianna’s initial focus will be communicating environmental aspects of the Arctos project to Aboriginal groups and stakeholders. Her BC based experience in various environmental and health and safety roles, makes her a valuable addition to the team, given the current development stage of the Arctos project.

Project overview:
The Arctos Anthracite Project is one of the world’s premier metallurgical coal projects consisting of 16,411 hectares of contiguous coal licenses in northwest BC. The project is an international collaboration between Fortune (80%) and POSCAN (20%), the Canadian subsidiary of South Korea’s POSCO, one of the world’s largest steel producers. Substantial engineering, feasibility and environmental work have already been completed for the proposed development of the Arctos project, with expenditures to date totalling approximately $100 million.

The Arctos project is located 330 km northeast of the Port of Prince Rupert and straddles the existing BC Railway right-of-way. The roadbed for this railway was constructed in the 1970’s by the BC Government, but was not completed to the Arctos site from the current terminus of track, 150 km south of the proposed mine. The railway right-of-way provides a simple brownfield access corridor to the Canadian National Railway at Minaret, and from there, to the Ridley Coal Terminal in Prince Rupert for export of metallurgical coal products to overseas steel manufacturers and metal processors. Based on the 2012 updated feasibility study for the Arctos project by Marston & Marston Inc., a division of Golder Associates Inc., the Proven and Probable Run-of-Mine Product Reserves will support a 25-year mine life (see Fortune News Release dated October 15, 2012). The project is expected to contribute 500 direct jobs and 1000 jobs in supporting activities and generate more than $10 billion in revenues and $900 million in combined federal and provincial taxes. There is also good potential to extend the mine life from the very large mineral resource base currently recognized on the Arctos licenses.

Location clarification:

Fortune wishes to clarify certain misinformation about the Arctos project that has been communicated by environmental groups. The proposed mine is not located in Nass or Skeena Watersheds and is approximately 8 km from the closest point to the Nass River’s watershed and is even farther away from the Nass River. The mine site is approximately 12 km from the closest point to the Skeena River’s watershed and even farther away from the Skeena River. Only the proposed railway extension along the existing disturbed rail bed is within the Skeena River’s watershed.

The proposed Arctos mine site is located within the Stikine River watershed but is approximately 30 km from the Stikine River itself. The AAJV will take appropriate measures to protect the creeks and rivers near the mine that ultimately flow into the Stikine River.

Anthracite coal:

Anthracite is the highest quality metallurgical coal, measured by carbon and energy content, and represents just 1% of world coal reserves. It is also the most versatile coal, suitable for use in a broad range of steel making and metallurgical processes and as a raw material to manufacture synthetic products. The natural high carbon and very low volatile (gas) content of anthracite makes it ideal for use as a premium ultra-low volatile pulverized coal injection (“PCI”) product that is injected into the blast furnace to reduce the amount of coke used in crude steel production. High carbon and low volatiles also allows anthracite to be used as a direct coke replacement and as a blend coal to make metallurgical coke that is typically made from hard coking coal. Anthracite is the only coal that can be used as sinter feed. Anthracite reductants are used in electric arc / direct reduction steel manufacturing and for the processing of ferroalloys and other metals. Carbon filters for water purification are made with anthracite coal as well as some carbon composite materials. The high carbon content of anthracite makes it the preferred coal for gasification and liquefaction technologies to make urea fertilizers, plastics and high quality synthetic fuels, particularly in Asia where natural gas supplies are scarce.
The disclosure of scientific and technical information contained in this press release has been approved by Robin Goad, M.Sc., P.Geo., President and Chief Executive Officer of the Company, who is a “qualified person” under National Instrument 43-101.

About Fortune Minerals:
Fortune is a diversified resource company with several mineral deposits and a number of exploration projects, all located in Canada. The Company is focused on the development of the Arctos Anthracite Project in BC and the vertically integrated NICO gold-cobalt-bismuth-copper project that is comprised of a mine and mill in the Northwest Territories (“NT”) that will produce a bulk concentrate for shipment to a refinery for processing to high value metal products. In addition, the Company owns the Sue-Dianne copper-silver-gold deposit and other exploration projects in the NT. Fortune is focused on outstanding performance and growth of shareholder value through assembly and development of high quality mineral resource projects.

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This press release contains forward-looking information. This forward-looking information includes, or may be based upon, estimates, forecasts, and statements as to management’s expectations with respect to, among other things, the impact of the data collected from the summer field camp, the timing of the issuance of a final EA report, the proposed development of the Arctos project, the anticipated economic impact of the Arctos project (including employment levels as well as anticipated revenues and taxes therefrom), the potential extension of the mine life and production from the Arctos project. 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 business and ability to generate sufficient funds and obtain approvals and/or permits as required, anticipated production from the Arctos project and the extension of the railway as well as the parameters and assumptions contained in the 2012 updated feasibility study). 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 risk that the Company may not be able to arrange the necessary financing to construct and operate the Arctos mine and/or the railway link, the risk that the AAJV may be terminated in accordance with its terms, the risk that the Company may not be able to conclude necessary arrangements for the transportation of coal from the Arctos site, the possibility of delays in the commencement of production from the Arctos project, the inherent risks involved in the exploration and development of mineral properties, the risk that actual capital and operating costs for the Arctos project may differ from those anticipated, uncertainties with respect to the receipt or timing of required permits and regulatory approvals, the uncertainties involved in interpreting drilling results and other geological data, fluctuating metal prices and other factors. 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 given as of the date hereof and the Company assumes no responsibility to update or revise such information to reflect new events or circumstances, except as required by law.