

LONDON, ON, Sept. 6, 2016 /CNW/ - [Fortune Minerals Ltd.](#) (TSX: FT) (OTCQX: FTMDF) ("Fortune" or the "Company") (www.fortuneminerals.com) is pleased to announce that Mr. David Massola has rejoined the Company as Vice President of Finance and Chief Financial Officer ("CFO"). Mr. Massola was a consultant to Fortune in 2015, providing administration services for the Company's operations, as well as corporate finance and restructuring advice. With more than thirty years of experience in the mining industry in senior management roles for both large multinational companies and small producers, Mr. Massola has significant financial and administrative knowledge to complement Fortune's management team as the Company advances the NICO Gold-Cobalt-Bismuth-Copper development project in Canada toward construction.

David Massola graduated from San Francisco State University with a degree in Accounting before commencing a twenty-year career with BHP-Billiton Minerals ("BHP") and its predecessors. This included work at the corporate office in San Francisco, the Escondida Copper Mine in Chile, the Island Copper Mine in British Columbia and the Ekati Diamond Mine in the Northwest Territories ("NT"), the last for which he was CFO of BHP Diamonds Inc. Dave left BHP to become Vice President and CFO of DeBeers Canada Corporation, which was developing two diamond mines in the NT and Ontario at the time. His recent experience included roles as Senior Vice President of Finance and CFO of [GlobeStar Mining Corp.](#), where he was involved with the financing, construction and operation of a copper-gold mine in the Dominican Republic and negotiated its subsequent sale. He was also the President and Chief Executive Officer ("CEO") of [Continental Nickel Ltd.](#), which was developing a mine in Tanzania, and led negotiations for its subsequent takeover.

Robin Goad, President and CEO of Fortune commented, "We are very gratified to have Dave Massola back at this critical stage for the Company as we negotiate financing for the NICO development and complete important agreements with governments and First Nations. Fortune will benefit from Dave's extensive knowledge of international finance, accounting and executive management, which includes experience with mine development and operations in Canada's north as well as corporate and project finance for smaller mine developers."

Fortune owns the NICO Cobalt-Gold-Bismuth-Copper project, a planned Canadian vertically integrated producer of battery-grade cobalt chemicals for the lithium-ion battery industry, with gold and bismuth co-products, and copper as a minor by-product. More than \$115 million has been spent by Fortune in advancing this project from an in-house discovery in the mid 1990's to a development asset with a positive feasibility study and environmental assessment approvals for both the mine and concentrator in the NT and refinery in Saskatchewan. NICO has also been test mined and pilot plant processed to mitigate development risks, and Front-End Engineering and Design ("FEED") studies have been completed with detailed engineering for procurement. An execution plan has been prepared for project delivery and the Company is working to secure off-take agreements and project financing to commence construction.

NICO has proven and probable mineral reserves totaling more than 33 million tonnes that will support a 21-year mine life at a planned mill throughput rate of 4,650 metric tonnes of ore per day. An attractive economic attribute of the project is a high concentration ratio with flotation that reduces the ore to approximately 180 wet tonnes of bulk concentrate per day containing the recoverable metals. The concentrate is planned to be shipped south to the refinery in Saskatchewan for downstream processing to value-added metals and chemicals. Life of mine average annual production is projected to be 41,300 ounces of gold, 1,615 tonnes of cobalt contained in a battery grade cobalt sulphate heptahydrate, 1,750 tonnes of bismuth contained in metal ingots and oxide powder, and 265 tonnes of copper.

Cobalt is a critical metal needed to manufacture the cathodes of lithium-ion batteries used in portable electronic devices, electric vehicles and stationary storage cells. The demand for cobalt in batteries has driven the increase in consumption at a compounded annual growth rate ("CAGR") of approximately 6% over the last two decades. The market is now approximately 110,000 tonnes with batteries accounting for about 49% of the demand, up from 1% in the mid-1990's. Demand for cobalt is expected to increase significantly with the proliferation of automotive electrification and the use of stationary storage cells to store electricity from intermittent wind and solar generation and off-peak charging from the electrical grid. At least 12 battery megafactories have been either announced or are under construction to meet the expected increase in demand, including the Tesla gigafactory currently under construction in Nevada.

The increase in cobalt consumption and the fact that approximately 65% of mine production is currently sourced from the politically unstable Democratic Republic of the Congo, have raised concerns about the future supply of cobalt. NICO is planned to be an important new Canadian producer with supply chain transparency and uninterrupted custody from ore right through to the production of battery chemicals. The more than 1.11 million ounces of gold in the NICO mineral reserves is also a highly liquid co-product whose price is commonly countercyclical to the other contained metals. In addition, NICO contains approximately 12% of global bismuth reserves, which is a metal that also has supply chain concerns due to the dominant Chinese mine and refinery production.

The disclosure of scientific and technical information contained in this press release has been approved by Robin Goad, M.Sc., P.Geo., President and CEO of Fortune, who is a "Qualified Person" under National Instrument 43-101. The technical report on the feasibility study referred to above, entitled "Technical Report on the Feasibility Study for the NICO-Gold-Cobalt-Bismuth-Copper Project, Northwest Territories, Canada", dated April 2, 2014 and prepared by Micon International Limited, from which certain information in this press release has been extracted, has been filed on SEDAR and is available under the Company's profile at www.sedar.com

About Fortune Minerals

Fortune is a Canadian development stage mining company focused on advancing the vertically integrated NICO gold-cobalt-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 NICO and a potential future source of incremental mill feed to extend the life of the NICO mill. The Company also maintains the right to repurchase the Arctos anthracite coal deposits in northwest British Columbia that were recently purchased by a provincial Crown corporation.

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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 (including the Company's plans to secure off-take agreements and project financing to start construction), the estimation of mineral reserves and mineral resources, the realization of mineral reserve estimates and the amount of estimated future production. 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, present and future business strategies and the environment in which the Company will operate in the future, including the price of gold, cobalt and other by-product metals, anticipated costs and ability to achieve goals). 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 market for rechargeable batteries and the use of stationary storage cells may not grow to the extent anticipated and discrepancies between actual and estimated production, mining 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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Contact

[Fortune Minerals Ltd.](#), Troy Nazarewicz, Investor Relations Manager, info@fortuneminerals.com, Tel.: (519) 858-8188, www.fortuneminerals.com