

Public road will enable NICO Mine operations as Fortune seeks financing for construction

Issued Capital: 270,899,007

LONDON, ON, Jan. 12, 2017 /CNW/ - [Fortune Minerals Ltd.](#) (TSX: FT) (OTCQX: FTMDF) ("Fortune" or the "Company") (www.fortuneminerals.com) is pleased to report that the Government of Canada, the Government of the Northwest Territories ("GNWT") and the Tlicho Government have jointly announced federal funding for the construction of the Tlicho All-Season Road ("TASR") to the community of Whati (See January 11, 2017 news release link). The federal government will provide up to 25 per cent of the construction costs for this road through the P3 Canada Fund. Procurement of the TASR - through a GNWT Public-Private-Partnership, will start with the release of the Request for Qualifications in February 2017, and will be followed by a Request for Proposal and bids from private industry to provide combined finance and construction.

Like our news? [Click-to-Tweet.](#)

Whati is located 50 km south of Fortune's proposed NICO Cobalt-Gold-Bismuth-Copper Mine, which has already received its environmental assessment approval and the major mine permits for construction, including a 50 km spur road to Whati. The TASR is a critical enabler for mine operations and will allow the Company to truck metal concentrates south to the rail head at Hay River for railway delivery to its proposed refinery in Saskatchewan for downstream processing to value added products. With development of the NICO Project, Fortune would become an important supplier of cobalt chemicals needed to manufacture lithium-ion batteries used in portable electronic devices, electric vehicles and stationary storage cells. The NICO mineral reserves also contain more than 1.11 million ounces of gold and 12% of global bismuth reserves.

David Massola, Fortune's Vice President of Finance and CFO, commented, "With cobalt and gold prices firming, and greater certainty of an all-season road, Fortune is well-positioned to secure the financing needed to begin construction of the NICO mine."

David Ramsay, a Fortune director and former GNWT Cabinet Minister, said, "This investment in public infrastructure addresses concerns over the reliability, safety and high annual costs of maintaining winter ice roads for Tlicho community re-supply and socio-economic connectivity. This all-season connection of Whati to the Northwest Territories public highway system will reduce the cost of living and improve the delivery of services in the outlying Tlicho communities. It will also help diversify the economy by providing commutable employment to the NICO Mine and nearby Snare Hydro Complex, while reducing the cost of future hydro expansions, and promote mineral exploration and development and tourism."

About the Tlicho All-Season Road:

The TASR will consist of approximately 97 km of a new 2-lane road from Highway 3 to the community of Whati, and includes four new bridges and one large arched culvert. The GNWT Department of Transportation has been working closely with the Tlicho Government since 2012 on the TASR initiative to provide reliable year-round all-weather public road access to the community of Whati and improved winter road access to the communities of Gameti and Wekweti. The routing for the TASR follows an existing brownfield land-based winter road route to minimize environmental disturbance and lower construction costs. The project is currently in the late stages of environmental assessment led by the Mackenzie Valley Environmental Impact Review Board and is expected to be completed this summer. Confirmation that funding is now available will inform the environmental assessment process in terms of timing for construction.

About NICO:

Fortune owns a 100% interest in the NICO Cobalt-Gold-Bismuth-Copper project, a planned Canadian vertically integrated producer of 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 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 Northwest Territories and refinery in Saskatchewan. NICO has also been test mined and pilot plant processed to mitigate development risks, Front-End Engineering and Design ("FEED") studies have been completed with detailed engineering for procurement, and the Company has an execution plan for project delivery. Fortune 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. Approximately 180 wet tonnes of bulk concentrate are planned to be produced per day containing the recoverable metals for shipment south to the refinery in Saskatchewan and 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, 1,750 tonnes of bismuth contained in metal ingots and oxide powder, and 265 tonnes of copper.

The disclosure of scientific and technical information contained in this press release has been approved by Robin Goad, M.Sc.,

P.Ge., President and Chief Executive Officer 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.

Follow Fortune Minerals:

[Click here to subscribe to Fortune's email list.](#)

[Click here to follow Fortune on LinkedIn.](#)

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 and the proposed construction of the TASR. 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 and the construction of the TASR). 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 TASR may not be constructed within the anticipated time frame 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.

SOURCE [Fortune Minerals Ltd.](#)

Contact

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