Fortune Minerals Ltd. Provides NICO Project Update

03.03.2020 | Business Wire

New Mineral Resource model and mine plan in preparation - Tlicho Road construction advancing and company progressing refinery site evaluation, including two brownfield options

Fortune Minerals Ltd. (TSX:FT) (OTCQB:FTMDF) (“Fortune” or the “Company”) (www.fortuneminerals.com) is pleased to provide an update of current activities toward development of the NICO Cobalt-Gold-Bismuth-Copper Project (“NICO Project”) in Canada. The NICO Project consists of a planned mine and concentrator in the Northwest Territories, and a related refinery in southern Canada where the Company plans to process concentrates from the mine to value added metals and chemicals. The Mineral Reserves of the NICO Deposit contain cobalt and bismuth, both metals identified on the U.S. Government and European Union Critical Minerals Lists, plus more than one million ounces of gold and byproduct copper (see Fortune news release, dated April 2, 2014). Development of the NICO Project would provide a reliable North American vertically integrated supply of cobalt and bismuth to mitigate supply chain concerns from geopolitical risks and geographic concentration of supply in the Democratic Republic of Congo and China. Fortune is continuing discussions with potential strategic partners interested in the NICO development and participating in the supply chain for transformative automotive electrification with cobalt chemicals required to make the cathodes of lithium-ion batteries together with a highly liquid gold co-product.

The NICO Project was assessed in a Feasibility Study prepared by Micon International Limited in 2014, based primarily on the Company’s Front-End Engineering and Design study by Aker Solutions. After assessing a contemplated 30% expanded project in a 2019 study, Fortune has refocused on a NICO Project development strategy similar to the one used for the 2014 Micon Feasibility Study based on a smaller higher grade project with lower capital costs. The Company is also pursuing a number of opportunities to improve project economics before completing an updated Technical Report.

Resource Modelling
The NICO Deposit has open pit and underground Mineral Reserves totaling 33.1 million tonnes, averaging 1.03 grams of gold per tonne, 0.11% cobalt, 0.14% bismuth and 0.04% copper.

For more detailed information about the NICO Mineral Reserves and certain technical information in this news release, please refer to the Technical Report on the NICO Project, 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 which has been filed on SEDAR and is available under the Company's profile at www.sedar.com.

Fortune has been working on an updated Mineral Resource model for the NICO Deposit and has retained P&E Mining Consultants Inc. (“P&E”) to complete this work. P&E has reinterpreted the mineralized domain wireframes used to estimate tonnage and grade in the deposit using a more constrained approach to the mineralized material boundaries and reduce external and internal dilution and grade smearing. The wireframes have also been extended to surface where the NICO Deposit is known to outcrop and to include some mineralized material at the interface with overlying volcanic rocks. Some high grade gold intersections that were missing in the previous model have also now been included. Dykes that crosscut the NICO Deposit have also been modelled in greater detail to segregate this waste material and further reduce dilution. The grade interpolation method has also been adjusted based on updated geostatistical information. The overall objective of this work is to produce a model with higher grades and gold content and reduced waste rock stripping during early years of the mine life.

New Mine Plan
Fortune is now developing a new mine plan and schedule based on the updated Mineral Resource model with focus on early access to higher grade material using a combination of open pit and underground mining methods that was also pursued in the 2014 Micon Feasibility Study. Open pit optimization and scheduling will likely be augmented during early years of the mine life with higher-grade gold-rich material sourced from deeper parts of the NICO Deposit in stopes designed close to the existing ramp system that was constructed

for earlier test mining and minimize underground pre-production development. The mine plan will also include a grade control and stockpiling strategy to defer processing of lower quality ores that was being pursued in 2019 before the Company terminated the expanded project study.

Tlicho Road Construction
Construction of the C$200 million Tlicho All-Season Road to the community of Whati for the Northwest Territories (“NWT”), federal and Tlicho governments commenced in September 2019 and is progressing at a very rapid pace. As of mid-February NWT land-use inspection reports indicate that road construction had advanced to kilometre 71 of the 97 km project, and temporary bridges had been established at two of the three river crossings. Fortune plans to construct an all-season spur road from Whati to the mine site as part of the NICO Project development in order to enable truck haulage of metal concentrates to the railway at Hay River and delivery to the refinery for processing. With greater certainty of the availability of the Tlicho All-Season Road, Fortune is now planning to align NICO Project construction using all-weather roads instead of constructing the mine using a winter ice road. This is expected to reduce capital costs and supply chain risks during construction of the mine.

Refinery Collaboration and Brownfield Site Options
Fortune is evaluating a number of sites in southern Canada to construct the NICO Project refinery. The Company has one site in Saskatchewan where it holds an option to purchase the lands, but is also examining two brownfield sites with permitted hydrometallurgical process equipment that could materially reduce capital costs for the development. Fortune will provide an update of these site options when appropriate after it completes further evaluation.

Critical Minerals
The Canadian and United States governments have signed a Joint Action Plan on Critical Mineral Collaboration (the “Joint Action Plan”) to enable more North American production of certain minerals identified by the U.S. government as critical to economic and national security. Minerals considered critical for this purpose have essential use in important industrial and security applications, cannot be easily substituted by other minerals, and their supply chain is threatened by geographic concentration of production and/or geopolitical risks. Cobalt is one of the metals identified as critical because of its use in lithium-ion rechargeable batteries powering electric vehicles, portable electronic devices and stationary storage cells to make electricity use more efficient. Cobalt is also needed in aerospace and cutting tool alloys, magnets and catalysts. More than 70% of current cobalt mine production is sourced from the Democratic Republic of the Congo (“DRC”) and China refines approximately 68% of this material.

Bismuth is also identified as a critical mineral for purposes of the Joint Action Plan and the NICO Deposit contains 12% of global bismuth reserves. Bismuth is an eco-metal used in the automotive and pharmaceutical industries and as a non-toxic and environmentally safe replacement for lead. China currently controls approximately 75% of bismuth mine and refinery production.

More North American production of cobalt and bismuth is needed to diversify the supply of both critical minerals and governments are contemplating financial support to projects that are potential near-term producers. Irrespective of the risks to current production, Fortune is well positioned to align the NICO Project development schedule with the expected deficit in cobalt supply in 2022-23 when demand for batteries in electric vehicles is anticipated to outstrip production from existing mines and known development projects.

The disclosure of scientific and technical information contained in this news release has been approved by Robin Goad, M.Sc., P.Geo., President and Chief Executive Officer of Fortune, who is a "Qualified Person" under National Instrument 43-101.

About Fortune Minerals

Fortune is a Canadian mining company focused on developing the NICO Cobalt-Gold-Bismuth-Copper Project in the Northwest Territories. The Company has an option to purchase lands in Saskatchewan where it may build the hydrometallurgical plant to process NICO metal concentrates. Fortune also owns the Sue-Dianne Copper-Silver-Gold Deposit located 25 km north of the NICO Project, which is a potential future source of incremental mill feed to extend the life of the NICO Project mill.

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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 construction of the Tlicho All-Season Road, the Company’s plans to develop the NICO Project, the preparation of an updated Technical Report for the NICO Project, the Joint Action Plan and the potential for the Sue-Dianne property to provide incremental mill feed to the NICO 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 timing of completion of the Tlicho All-Season Road; the timing of the updated Technical Report for the NICO Project and the results thereof; the Company’s ability to arrange the necessary financing to continue operations and develop the NICO Project; the receipt of all necessary regulatory approvals for the construction and operation of the NICO Project and the related hydrometallurgical refinery and the timing thereof; growth in the demand for cobalt; the time required to construct the NICO Project; and the economic environment in which the Company will operate in the future, including the price of gold, cobalt and other by-product metals, anticipated costs and the volumes of metals to be produced at the NICO Project). 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 Tlicho All-Season Road may not be completed in the anticipated time frame, the updated Technical Report for the NICO Project may take longer than anticipated and the results thereof may not be as positive as anticipated, the NICO Project may not receive the benefit of any financing under the Joint Action Plan or any other benefits therefrom, the Company may not be able to finance and develop NICO on favourable terms or at all, uncertainties with respect to the receipt or timing of required permits, approvals and agreements for the development of the NICO Project, including the related hydrometallurgical refinery, the construction of the NICO Project may take longer than anticipated, the Company may not be able to secure offtake agreements for the metals to be produced at the NICO Project, the Sue-Dianne Property may not be developed to the point where it can provide mill feed to the NICO Project, the inherent risks involved in the exploration and development of mineral properties and in the mining industry in general, the market for products that use cobalt or bismuth may not grow to the extent anticipated, the future supply of cobalt and bismuth may not be as limited as anticipated, the risk of decreases in the market prices of cobalt, bismuth and other metals to be produced by the NICO Project, discrepancies between actual and estimated mineral resources or between actual and estimated metallurgical recoveries, uncertainties associated with estimating mineral resources and reserves and the risk that even if such resources prove accurate the risk that such resources may not be converted into reserves once economic conditions are applied, the Company’s production of cobalt, bismuth and other metals may be less than anticipated 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.

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