Fortune Minerals Welcomes Canada’s C$3.8 Billion Critical Minerals Strategy to Support Domestic EV Supply Chains

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The NICO Project is one of the few advanced cobalt developments in the world to meet the growing demand in lithium-ion batteries powering electric vehicles and portable electronics

Fortune Minerals Ltd. (TSX: FT) (OTCQB: FTMDF) ("Fortune" or the "Company") (www.fortuneminerals.com) is pleased to report on the C$3.8 billion of financial support for Critical Minerals announced in last week's Government of Canada budget for 2022 ("2022 Budget"). The funds are being allocated to accelerate domestic production and processing of Critical Minerals, particularly cobalt, nickel and lithium used in the manufacture of lithium-ion rechargeable batteries for electric vehicles ("EV's"), portable electronics, and stationary storage cells to make electricity use more eficient. Fortune's 100%-owned NICO cobalt-gold-bismuth-copper project ("NICO Project") is a vertically integrated Critical Minerals development comprised of a planned open pit and underground mine and mill in Canada's Northwest Territories ("NWT") and a planned hydrometallurgical refinery in Alberta. The NICO Project is one of the few advanced cobalt development assets in the world that can be developed in the timelines required to meet current cathode chemistries and will benefit from implementation of these programs. The Mineral Reserves for the NICO deposit also include 1.1 million ounces of gold, 12% of global bismuth reserves, and copper as a minor by-product.

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The 2022 Budget recognizes the importance of a stronger domestic raw material supply chain for North American industries involved in the transition to new technologies and the growing green economy. Greater geographic vertical integration of raw material supplies will capture more value-added processing in Canada, reduce risks and costs associated with long and unreliable supply chains, and will provide munafacturers with a transparent source of Critical Minerals produced with Canadian environmental-social governance ("ESG") values. Critical Mineral developments can be encumbered by higher capital costs due to the requirement for downstream process plants that come with additional permitting and regulatory risks. Some northern projects are also impacted by an infrastructure deficit that requires additional investment by companies to construct their own facilities. The 2022 Budget provides financial supports to address many of these concerns.

2022 Budget Critical Mineral Support Highlights:

- C$1.5 billion to invest in new Critical Minerals projects, with priorities for mineral processing, materials manufacturing, and recycling for key mineral and metal products in the battery and rare-earths supply chains;
- C$80 million for public geoscience and exploration programs to help find the next generation of Critical Minerals deposits;
- Doubling of the Mineral Exploration Tax Credit ("METC") for targeted Critical Minerals, including nickel, copper, cobalt, rare earths and uranium;
- C$1.5 billion for infrastructure investments to unlock new mineral projects in key regions;
- C$144 million for research and development to support responsible extraction and processing of Critical Minerals;
- C$10 million renewal for the Centre of Excellence on Critical Minerals for three additional years;
- C$40 million to support northern regulatory processes to review and permit Critical Minerals projects;
- C$70 million for global partnerships to promote Canadian mining leadership;
- C$15 billion to support the Canada Growth Fund to restructure supply chains in areas important to Canada's future prosperity including the natural resources sector.

Fortune is encouraged that the 2022 Budget allocates significant funding to align with government policy

objectives to grow the domestic Critical Minerals supply chain. The Company is currently engaged with the Canadian and Alberta governments to secure their support for an accelerated development of the NICO Project. Fortune was recently invited by Invest In Canada to present at a an investment conference in Dubai that included a pre-recorded introduction to the NICO Project (access video here.).

NICO Project:

The NICO Project is an advanced development stage asset to provide a reliable North American source of three Critical Minerals (cobalt, bismuth and copper). Fortune has expended more than C$135 million to advance the NICO Project from an in-house discovery to a near-term producer with a 20-year supply of Critical Minerals. The Company has received environmental assessment approval and the Type "A" Water License to construct and operate the NICO mine and concentrator. Recent completion of the C$200 million Tlicho public highway to the community of Whati is a key enabler for the NICO development. This road, together with the spur road Fortune plans to construct, will allow metal concentrates to be trucked to Hay River or Enterprise, NWT for railway delivery to the Company's planned refinery in Alberta. An important economic attribute of NICO ores is a high concentration ratio from simple flotation, which allows the mill feed to be reduced to ~4% of the original mass for lower cost transportation and downstream processing of a homogeneous sulphide concentrate at the refinery.

In January, 2022, Fortune entered into an option agreement with JFSL Field Services ULC, a wholly-owned subsidiary of a large international engineering company, to purchase a former steel fabrication plant, located in Lamont County within Alberta's Industrial Heartland northeast of Edmonton. The plant has 40,000 square feet of serviced shops and buildings located close to sources of reagents, services and a commutable labour pool to materially reduce costs for the hydrometallurgical refinery.

Critical Minerals:

The Canadian and United States ("U.S.") governments have signed a Joint Action Plan on Critical Mineral Collaboration to enable greater North American production of the minerals identified as critical to economic and national security. Minerals considered critical for this purpose have essential use in important industrial and defense applications, cannot be easily substituted, and their supply chains are threatened by geographic concentration of production and/or geopolitical risks.

In addition to the support announced in the 2022 Budget, U.S. President Joe Biden recently invoked the Defense Production Act ("DPA") to accelerate the build-out of a domestic battery materials supply chain. The measure is being tailored to future energy metals such as cobalt, lithium and nickel as energy transitions from fossil fuels to renewables. "To promote the national defense, the United States must secure a reliable and sustainable supply of such strategic and critical materials," said President Biden. The U.S. relies on imports for Critical Minerals, often from what Biden termed "unreliable foreign sources". Demand for battery materials is set to increase exponentially in the coming years as automakers increase EV production and build out the required capacity. The DPA is intended as a federal government accelerator for a domestic battery metals supply chain that is still in its infancy. The real significance of invoking the DPA, however, is that it elevates battery metals to the top of the U.S. critical materials supply list. Further, U.S. domestic investment is expected to go hand in hand with mineral alliances, particularly with the European Union, Australia and Canada, the latter which itself is preparing a major investment drive into the battery supply chain.

Cobalt is an 'Energy Metal' due to its primary consumption in lithium-ion batteries. It is also consumed in aerospace, magnet and cutting tool alloys, and pigments and catalysts needed in chemical processes. The cobalt market is currently more than 160,000 tonnes of refined metal, although analysts project that consumption will grow to between 300,000 and 400,000 tonnes by the end of this decade, primarily due to demand from EV's. More than 70% of cobalt mine production is currently sourced from the Democratic Republic of the Congo, more than half of which is controlled by Chinese state-owned corporations. China also controls 68% of cobalt refinery production and 80% of cobalt chemical supply.

Bismuth is also a Critical Mineral with unique properties, including low melting temperature, high density and it is one of the few metals that expands when cooled, properties that are leveraged by the automotive industry for glass frits, anti-corrosion coatings, and metallic paints and pigments. Bismuth is non-toxic and has anti-bacterial properties making it ideal for use in pharmaceuticals such as Pepto-Bismol® and some

medical devices. The bismuth market is approximately 20,000 tonnes per annum, but has growing demand as an 'Eco-Metal' and environmentally safe replacement for lead in solders, galvanizing and brass alloys, free-machining steel and aluminum, paint, glass, ceramic glazes, radiation shielding, cosmetics, solar voltaics, ammunition, and fishing sinkers. Many of these applications have been developed because of legislation banning or restricting the use of toxic metals including lead. China controls approximately 75% of current bismuth mine and refinery production and the NICO deposit contains the World's largest known Mineral Reserve.

Copper is also identified as a Critical Mineral by Canada. The gold contained in the NICO deposit provides a countercyclical and highly liquid co-product.

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.

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 Critical Minerals project in the NWT and Alberta. Fortune also owns the satellite Sue-Dianne copper-silver-gold deposit located 25 km north of the NICO deposit and is a potential future source of incremental mill feed to extend the life of the NICO mill and concentrator.

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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 development of the NICO Project and the proposed hydrometallurgical refinery, the potential for expansion of the NICO Deposit and the Company's plans to develop 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 Company's ability to complete construction of a NICO Project refinery; the Company's ability to arrange the necessary financing to continue operations and develop the NICO Project; the support of the federal and/or provincial government for 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 2021 drill program may not result in a meaningful expansion of the NICO Deposit, the COVID-19 pandemic may interfere with the Company's ability to conduct the drill program, the Company may not be able to complete the purchase of the JSFL site and secure a site for the construction of a refinery, 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 Mineral Resources prove accurate the risk that such Mineral Resources may not be converted into Mineral 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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