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July 28, 2009

Issued Capital: 64,890,857

NEWS RELEASE

FORTUNE MINERALS TO LOCATE NICO HYDROMETALLURGICAL PROCESS FACILITY IN SOUTHERN CANADA

Fortune Minerals Limited (TSX-FT) ("**Fortune Minerals**" or the "**Company**") is pleased to announce its decision to locate the hydrometallurgical part of the process plant to treat concentrates produced from its NICO Gold-Cobalt-Bismuth-Copper development in the Northwest Territories (NWT) to a site in southern Canada. This change in the NICO project will have a material positive impact on both capital and operating costs for the development. It will also help mitigate future exposure to increasing energy costs, accelerate the construction schedule, reduce environmental impacts, and help speed the permitting process already in progress.

The NICO mine is located 160 km northwest of the City of Yellowknife, 22 km west of the Snare hydro complex and 50 km northeast of the community of Whati, NWT. NICO is a proposed vertically integrated project to mine and process ores to high value metal products, including gold doré, cobalt and bismuth cathodes (metal) and a minor amount of copper and nickel by-products using proven hydrometallurgical process methods that have been confirmed in two pilot plant tests and are used at existing refineries.

The Mackenzie Valley Environmental Impact Review Board, that is conducting the environmental assessment for the NICO development, and representatives of the federal, NWT and Tlicho (aboriginal) governments have been notified of Fortune Minerals' decision. The mine, mill and flotation concentrator will be constructed in the NWT as originally planned. Conversely, the downstream hydrometallurgical part of the process plant, comprised of pressure and acid leaching followed by electro-winning to high value metal products, and the gold leach circuit, will now be constructed at a site in southern Canada. Numerous locations have been investigated to construct this "Southern Hydrometallurgical Facility" (SHMF) over the past 6 months. Fortune Minerals has now shortlisted four sites in Alberta, Saskatchewan and Manitoba and plans to acquire one of these sites shortly.

Approximately 80,000 tonnes of metal concentrates produced at NICO each year will be transported from the property by truck (5+ trucks per day) to the rail head at Hay River, NWT for delivery to the SHMF by rail.

The economic, social and environmental benefits of relocating the SHMF to southern Canada are as follows:

- 1) **To materially reduce capital costs for the development** - there will be a significant reduction in the amount of process and construction materials to be transported to the NWT during construction, the camp facilities to accommodate workers at the NICO site will be smaller, and labour and travel expenses during construction will be lower;

- 2) **To materially reduce power costs during operations** - electricity rates in the NWT are projected to be more than 20 cents per kWh as compared to rates as low as 3.7 cents per kWh in some southern provinces;
- 3) **To reduce reagent transportation costs** - savings in reagent transportation to the NWT will offset approximately half the costs of transporting metal concentrates to the SHMF;
- 4) **To accelerate the construction period** – construction of the NICO site and SHMF will be carried out concurrently and the most technically advanced part of the process plant will be less constrained by weather and access issues;
- 5) **To simplify the NICO project for permitting** - moving the process facilities to southern Canada will eliminate the need for most of the process chemicals at the NICO site and will remove some waste products from processing, both simplifying the management of waste rock and tailings and help reduce treatment, monitoring and bonding costs;
- 6) **To accommodate aboriginal concerns for perceived potential water quality impacts** – the Tlicho Government has informed the Company that removing most of the process chemicals and simplifying waste management will address most of the concerns from Elders;
- 7) **To mitigate risk of worker turnover** - the labour requirements for the mine and concentrator as well as additional personnel required to transport concentrates south can be easily sourced from the existing labour pool in the NWT. Conversely, engineers and chemical plant operators would need to be imported from southern Canada to work at a remote site and will now have the opportunity to commute daily from their homes near the SHMF;
- 8) **To align the Company's power requirements with existing and planned hydro electric generation in the NWT** - existing and planned hydro power in the NWT cannot satisfy the increased power loads at NICO as a result of recent operational improvements, but could supply the 9 MW of electrical demand from the mine and concentrator. Selling hydro power to the NICO development presents an attractive long-term, environmentally sustainable business opportunity for the local Tlicho people and NWT government.

NICO will have average annual production of approximately 4 million pounds, each of cobalt and bismuth, as well as 81,000 ounces of gold in each of the first two years of the mine life, followed by 27,000 ounces of annual gold production in subsequent years. The project will also produce a minor amount of copper and nickel by-products. NICO will be a significant global producer of cobalt to service increasing demand in high performance rechargeable batteries used in portable electronic devices and electric- and hybrid-electric cars. Cobalt is also used in superalloys, magnets, high strength steels, catalysts, pigments and food additives (Vitamin B12). NICO is expected to be the largest independent producer of bismuth in the world to service growth in the demand for traditional products (medicines, flame retardants, fusible alloys, castings, cosmetics, lubricants and chemicals), plus a variety of new products that have been developed because bismuth is an environmentally safe replacement for lead due to lead-toxicity issues. The gold contained in the NICO deposit is an attractive counter cyclical hedge, which is primarily recovered during early years of the mine life.

Fortune Minerals is very pleased to report that relocating the SHMF to southern Canada produces positive net impacts for the NICO development for the benefit of all stakeholders. It

will also allow the Company to source materials from other projects for custom processing and also to participate in the metal recycling business for a sustainable project development.

Fortune Minerals acknowledges that on July 15, 2009, China Mining Resources Group Ltd. (China Mining), through its wholly-owned subsidiary, Best Tone Holdings Ltd., announced that it had purchased an aggregate of 9,285,000 shares in the capital of Fortune Minerals, representing 14.31% of the issued and outstanding shares in the Company. China Mining reported that these shares were purchased on The Toronto Stock Exchange for investment purposes. China Mining is a Hong Kong-based company involved in the mining, processing and selling of various metals and metal products, as well as investment and investment holding activities.

About Fortune Minerals

Fortune Minerals is a diversified natural resource company with several mineral deposits and a number of exploration projects, all located in Canada. They include the Mount Klappan anthracite coal deposits in British Columbia, and the NICO gold-cobalt-bismuth-copper deposit, the Sue-Dianne copper-silver deposit and other base and precious metals exploration projects in the Northwest Territories. Fortune Minerals also owns the buildings and equipment from the Golden Giant Mine at Hemlo, Ontario for relocation to NICO. Fortune Minerals 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 size and quality of the Company's mineral resources, progress in development of mineral properties, demand and market outlook for metals and coal and future metal and coal prices. Forward-looking information is based on the opinions and estimates of management at the date the information is given, and 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 inherent risks involved in the exploration and development of mineral properties, 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 and coal prices, the possibility of project cost overruns or unanticipated costs and expenses, uncertainties relating to the availability and costs of financing needed in the future and other factors. Mineral resources that are not mineral reserves do not have demonstrated economic viability. Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that mineral resources will be converted into mineral reserves. 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.