

FORM 51-102F3 - MATERIAL CHANGE REPORT

1. Name and Address of Company

Fortune Minerals Limited
148 Fullarton Street, Suite 1902
London, Ontario N6A 5P2

2. Date of Material Change

January 16, 2007

3. News Release

The news release attached hereto as Schedule "A" announcing the material change described herein was released through Canada News Wire Group on January 16, 2007.

4. Summary of Material Change

The material change is described in the Company's news release attached hereto as Schedule "A", which news release is incorporated herein.

5. Full Description of Material Change

5.1 Full Description of Material Change

No information other than that provided in Item 4 above is presently available

5.2 Disclosure for Restructuring Transactions

Not Applicable

6. Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

7. Omitted Information

Not Applicable.

8. Executive Officer

The following is the name and business telephone number of an executive officer of the Company who is knowledgeable about the material change in this report.

Robin Goad, President
519-858-8188

9. Date of Report

January 25, 2007.



FORTUNE MINERALS LIMITED

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January 16, 2007

Issued Capital: 38,936,407

Schedule "A" NEWS RELEASE

FORTUNE MINERALS ANNOUNCES POSITIVE NICO BANKABLE FEASIBILITY STUDY

Fortune Minerals Limited (TSX-FT) is pleased to announce the positive results of its full, bankable feasibility study (BFS) assessing the Company's 90% owned NICO gold-cobalt-bismuth project in the Northwest Territories. As a comprehensive analysis of a project's economics (typically +/- 15% precision), a BFS would be used by financial institutions to assess the credit worthiness of the project for financing. **Fortune is very pleased to report that the NICO project BFS shows attractive economics at base case metal price assumptions (*see below) and very attractive economics at current prices, which are substantially higher than base case. The Company will be proceeding with an Environmental Assessment and permitting for the mine.**

HIGHLIGHTS OF THE STUDY

- **Proven and Probable Reserves of 21.8 million tonnes, sufficient for a minimum 15-year mine life;**
- **Capital costs of C\$215.2 million;**
- **Annual metal production of:**
 - **Gold: Averages 69,000 oz in first 2 years; 24,000 oz in Years 3-15;**
 - **Cobalt: 3.25 million lbs as 99.8% cobalt cathode;**
 - **Bismuth: 3.23 million lbs contained in concentrate, averaging 45% bismuth;**
 - **In-situ reserves of 3.32 million equivalent oz of gold at base case prices;**
- **Economic results using base case metal price assumptions:**
 - **Pre-tax Internal Rate of Return (IRR) of 15.3%;**
 - **8% discounted Net Present Value (NPV) of C\$91.8 million;**
 - **Average production cash costs of US\$7.05/lb for cobalt (net of by-product credits) or US\$321/oz of equivalent gold ounces;**
- **Economic results using current metal prices:**
 - **Pre-tax IRR of 41.5%;**
 - **8% discounted NPV of \$484.4 million;**
 - **Average production cash cost of US\$3.01/lb for cobalt (net of by-product credits) or US\$252/oz of equivalent gold ounces;**
- **Already completed significant underground development and pilot plant testing; additional work planned in 2007;**
- **Golden Giant Mine (Hemlo) processing facility purchased and ready for relocation to NICO.**

The NICO BFS was led by Micon International Limited (Micon) and Met-Chem Canada Inc. (Met-Chem) with a number of additional engineering companies that were retained to work on specific parts of the project. The study was based on the assessment of a **combined open pit and underground mine** processing 4,000 tonnes of ore per day (1,460,000 tonnes per annum)

in a plant constructed at the site to produce gold doré, cobalt cathode and a high-grade bismuth concentrate. The feasibility study uses the 2-year trailing average prices as base case for the contained metals (*US\$525/oz of gold, US\$16.50/lb of cobalt & US\$4.50/lb of bismuth) and an exchange rate of US\$0.84:C\$1.00.

Location & Infrastructure:

The NICO property consists of more than 5,140 hectares of contiguous mining leases, located 160 km northwest of the City of Yellowknife, Northwest Territories, and 80 km north of the Tlicho community of Bechoko on the Highway between Yellowknife and Edmonton, Alberta.

NICO is 22 km west of the Snare hydroelectric complex, operated by the Northwest Territories Power Corporation. The study assumes installation of a power transmission line from Snare to provide the 13 MVA electrical demand load required by the project.

NICO is currently accessed by a government winter road to the nearby communities of Gameti and Wha Ti. Fortune is working with the Tlicho First Nation and the governments of the Northwest Territories and Canada to engineer and construct an all weather road to these communities and NICO, and also to connect with the roads already servicing the Snare hydroelectric facilities.

Next Steps:

The Company is preparing for a second round of underground bulk sampling at NICO in 2007. The current ramp will be extended to test the continuity of grade in the lower parts of the underground ore body, where high grades of gold and cobalt are expected.

Ore samples taken from the 2006 bulk sample program will be shipped to SGS Lakefield Research Limited over the winter road in the next few months for pilot plant metallurgical test work later in the year. The Company will also be testing various ways to up-grade the bismuth concentrate to metal products, which it believes would further improve the project economics.

Fortune is collecting all the necessary environmental baseline information and intends to commence an Environmental Assessment and mine permitting applications as soon as possible. Selection of an EPCM firm will begin in mid-2007 for detailed engineering design. The Company is targeting production from the NICO deposit in 2010.

TECHNICAL & MARKET REVIEW

Mineral Reserves:

The Mineral Reserves for the NICO deposit were estimated by Micon and P&E Mining Consultants Inc. (P&E) in 2006 based on net smelter return (NSR) cut-off values. Mr. Terrence Hennessey, P.Geo. and Mr. Eugene Puritch, P.Eng. are the Qualified Persons in accordance with National Instrument 43-101.

Open Pit Mineral Reserves (Cut-off C\$32.21/t NSR)

Classification	Tonnes	Au (g/t)	Bi (%)	Co (%)
Proven Mineral Reserve	7,058,000	1.14	0.16	0.11
Probable Mineral Reserve	13,555,000	0.70	0.16	0.13
Total Open Pit Reserve	20,613,000	0.85	0.16	0.13

Underground Mineral Reserves (Cut-off C\$77.13/t NSR)

Classification	Tonnes	Au (g/t)	Bi (%)	Co (%)
Proven Mineral Reserve	231,000	5.32	0.13	0.13
Probable Mineral Reserve	973,000	5.01	0.20	0.15
Total Underground Reserve	1,204,000	5.07	0.19	0.14

Total Mineral Reserves

Classification	Tonnes	Au (g/t)	Bi (%)	Co (%)
Proven Mineral Reserve	7,289,000	1.27	0.16	0.12
Probable Mineral Reserve	14,528,000	0.99	0.16	0.13
Total Mineral Reserve	21,817,000	1.08	0.16	0.13

Total Reserve In-Situ Metal

	Gold (oz)	Bismuth (lbs)	Cobalt (lbs)
Total	759,700	76,956,000	60,603,000

The total of in-situ metals contained in the NICO reserves represents 3.32 million equivalent ounces of gold at base case metal price assumptions and 4.17 million equivalent ounces at current metal prices (US\$625/oz Au, US\$25/lb Co & US\$8.00/lb Bi). The Proven and Probable Mining Reserves for the NICO deposit are sufficient to support a 15-year mine life at the 4,000 tonnes per day (1,460,000 tonnes per annum) production rate assessed in the study.

Pre-Production & Mine Plan:

Development of the NICO deposit would incorporate a pre-production period of two years, which includes construction of a camp to accommodate the 185 person workforce, and the process plant and related site infrastructure. A total of 10 million tonnes of waste rock pre-stripping is also required prior to commencing production, which will supply aggregate to build the plant site, roads and tailings dam structures. Lower grade ores also mined during the pre-strip will be processed during a 6-month ramp-up period to commission the mill and downstream processing facilities.

Mining at NICO will concurrently involve both underground and open pit mining methods in the first two years of operations. This approach will enable Fortune to augment lower grade reserves in the upper parts of the pit with higher grade ores sourced from deeper in the deposit and accelerate the payback.

The pit would utilize conventional truck and shovel mining methods using a 10 cubic metre diesel hydraulic shovel and 91 tonne haul trucks. The waste to ore strip ratio for the open pit averages 3.9:1 over the life of the mine. Average open pit mining costs are estimated to be C\$2.59 per tonne of rock moved.

In the underground workings, trackless mining will be used to provide 1,650 tonnes per day of high-grade ore to supplement the daily mill throughput. Access to the underground mine is by a 5 metre by 5 metre ramp driven at a minus 15% gradient, much of which has already been constructed as part of a bulk sampling program in 2006 (**see Fortune news release of October 17, 2006**), and which is continuing in 2007. A combination of longitudinal and transverse retreat mining methods will be used with the ore blasted from stopes into draw points for extraction using 10 cubic yard (7.6 cubic metre) scoop trams and then loaded into 40 tonne haul trucks for

transport to the crushing plant on surface. Backfilling will be done with cemented and unconsolidated rock fill. Fortune will own and operate the production loading and hauling fleet for the underground mine, while a contractor would provide mine development services. Total underground operating costs are estimated to be C\$34.02 per tonne of ore mined.

Operating Costs:

Total average life of mine (LOM) operating costs for the major components of the NICO project are shown in the following table:

Item	Cost C\$/t Ore
Underground Mining (2 Years Only)	34.02
Open Pit Mining	11.49
Processing	15.36
Power and Heat	6.91
Effluent Treatment	0.31
General and Administration	3.20
Metal and Concentrates Shipment	0.94
Total Average Cost LOM	39.40
Cobalt Cash Cost/lb Net of Base Case By-Product Prices	US\$7.05
Gold Cash Cost / Equivalent oz at Base Case Prices	US\$321
Cobalt Cash Cost/lb Net of Current By-Product Prices	US\$3.01
Gold Cash Cost / Equivalent oz at Current Prices	US\$252

Capital Costs:

The total direct and indirect capital costs to build the NICO mine are estimated to be C\$215.2 million. It should be noted that most of the open pit mining equipment is assumed to be acquired under a lease purchase agreement with the supplier and is therefore accounted for in the operating costs and not the capital costs

Capital Item	C\$M
Pre Production Development	16.3
Open Pit Mining Equipment	5.3
Underground Mining Equipment	3.4
Camp facilities	8.4
Plant & Surface	118.3
Tailings & Effluent Treatment Plant	7.3
Total Direct Costs	159.1
EPCM*, Contingency, Owners Costs	48.3
Working Capital	7.8
Total Indirect Costs	56.1
TOTAL	215.2

*EPCM = Engineering, Procurement and Construction Management

Process Plant:

The NICO process plant will be constructed primarily using buildings and equipment already purchased in 2006 from the Golden Giant mine at Hemlo Ontario (**see Fortune news release of August 31, 2006.**) New equipment will also be purchased to augment equipment that the Company does not presently own.

The process plant will have a conventional crushing and grinding circuit consisting of a primary jaw crusher, secondary cone crushers and ball mills. Simple flotation produces a bulk rougher sulphide concentrate that is approximately 5% by weight of the ore. The rougher concentrate is then re-ground to liberate fine bismuth from the cobalt minerals before being subjected to a secondary flotation process to produce cobalt and bismuth concentrates, both of which are gold bearing.

The bismuth concentrate averages 45% bismuth and, after it has been leached with cyanide to recover the contained gold, will be sold to a significant bismuth consumer under an off-take agreement.

The cobalt concentrate will undergo further processing at the site consisting of acid pressure leaching in an autoclave (optimized at 180° C), followed by ion exchange purification and electro-winning to produce a 99.8% cobalt cathode (metal) product.

In addition to the gold recovered from the bismuth concentrate, gold is also recovered by cyanidation of the autoclave residue and flotation cleaner tailings followed by carbon-in-pulp processing and production of gold doré.

Fortune has already completed preliminary pilot plant testing to verify the process flow sheet and predict recoveries and grades for the plant. A more comprehensive pilot plant program is planned in 2007 using ores mined during the underground bulk sampling program. The average total recovery for each of cobalt, bismuth and gold are 81%, 63%, and 59%, respectively.

Metal Markets:

NICO contains significant amounts of gold and cobalt and is one of the world's largest bismuth deposits. The metal prices used in the NICO feasibility study are their respective 2-year trailing averages and are considered conservative relative to their current prices, which are all appreciably higher.

Cobalt is a high strength, magnetic metal in increasing demand for a variety of chemical and metallurgical applications. The cobalt market has had an average annual compounded rate of growth of 8.6% over the last 5 years. Global consumption is now estimated to be 55,000 tonnes with additional significant growth predicted primarily attributable to increasing demand in high strength alloys used in the aerospace industry, its use in high performance rechargeable batteries as well as catalysts used in the petroleum industry. Cobalt's trailing average prices are: US\$17.72/lb, US\$16.50, US\$19.22 and US\$17.21/lb over the last 1, 2, 3, and 4 year periods, respectively.

Bismuth is a metal with unique properties, including very high density, low melting temperature, and it expands on solidification. Bismuth is also quite inert and scientifically recognized as one of the safest and most benign metals, making it ideally suited for numerous pharmaceuticals, medicines, and cosmetics. Due to its expansion characteristics, bismuth is also used in a variety of fusible alloys, particularly dimensionally stable alloys. Significant growth in the bismuth market is attributed to its physical properties being similar to lead except that it is non-toxic. This is driving bismuth consumption in lead-free solders for the plumbing and electronics industries, as well as for brasses, alloys used in hot-dip galvanizing, paint pigments, ammunition, radiation shielding and free cutting steel. The annual bismuth market is in excess of 10,000 tonnes and recent growth (approximately 15%) has been constrained almost entirely by a lack of supply resulting in increases in price to more than US\$8.00/lb. Fortune has entered

into a Letter of Intent to sell all of its bismuth production from NICO to MCP Metalspecialties Inc., one of the largest manufacturers of bismuth based products in the world.

The base case and current prices for each of the metals contained in the NICO deposit are shown in the following table.

	Base Case 2-Year Trailing Average Price	Current Prices¹
Gold – US\$ / oz	\$525.00	\$625.00
Cobalt (99.8%) – US\$ / lb	\$16.50	\$25.00
Bismuth (99.9%)– US\$ / lb	\$4.50	\$8.00

(1) Current Prices are as of January 16, 2007

The Canadian / United States dollar exchange rate used in the BFS is US\$0.84:C\$1.00 and is derived from a number of forecasts from financial institutions and the Canada - Export Development Corporation. The current exchange rate is US\$0.85:C\$1.00.

Economic Analysis:

The economic analysis of the NICO project indicates attractive economics at base case metal price and exchange rate assumptions. The table below lists a summary of economic measures from the BFS for base case metal price and exchange rate assumptions with sensitivity analyses for current metal prices and cobalt priced at US\$20/lb.

Economic Analysis

	Base Case Prices	Sensitivity - Current Prices	Sensitivity – US\$20 / lb Cobalt
Annual Cash Flow (C\$M)	35.3	83.8	48.8
Pre Tax IRR %	15.3	41.5	22.9
Net Present Value (8% - C\$M)	91.8	484.4	200.0

Revenue % by Metal

	Years 1 & 2	Years 3-15	Life of Mine
Gold	35%	17%	20%
Cobalt	56%	71%	68%
Bismuth	9%	13%	12%

Base Case Sensitivity to Metal Price & Canadian Dollar Changes

	Change	Effect on IRR
Gold	+/- US\$10.00 / oz	+/- 0.26%
Cobalt	+/- US\$1.00 / lb	+/- 2.20%
Bismuth	+/- US\$1.00 / lb	+/- 2.00 %
C\$:US\$ Exchange Rate	+/- US\$0.01:C\$1.00	+/- 0.69%

The NICO BFS team was led by Micon with Ian Ward, P.Eng., as the Project Manager and Met-Chem Canada Inc. conducting the site and plant engineering. The Mineral Reserve estimates were prepared by Micon and P&E in accordance with the CIM Definition Standards on Mineral Resources and Reserves prepared by the CIM Standing Committee on Reserve Definitions and

adopted by CIM Council, December 11, 2005. Mr. Terrence Hennessey, P.Geo., and Mr. Eugene Puritch, P.Eng., are the Qualified Persons responsible for the reserve estimates in accordance with National Instrument 43-101. P&E also conducted the mine planning, production scheduling and equipment selection for both the pit and underground workings. Golder Associates Ltd. was responsible for the design of the tailings and effluent treatment facilities, and also conducted the mine and site geotechnical engineering and environmental baseline studies. KVK Consulting Associates Inc. was retained to supervise the flotation metallurgy and assist with the process plant design and Hemlo plant purchase. EHA Engineering Ltd. supervised the hydrometallurgy engineering and assisted with the process plant design. EBA Engineering Consultants Ltd. carried out engineering and geotechnical services for the access road and tailings structures. A National Instrument 43-101 compliant summary of the BFS will be filed on the Sedar website (www.sedar.com) within 45 days of this release.

About Fortune Minerals

Fortune Minerals is a diversified natural resource company with seven 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 cobalt-gold-bismuth deposit, the Sue-Dianne copper-silver deposit and other base and precious metals exploration projects in the Northwest Territories. Fortune is the managing partner of Formosa Environmental Aggregates Ltd., an industrial mineral company developing the Greenock high calcium limestone quarry in Ontario. Fortune Minerals is focussed 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 future metal prices. 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. These forward-looking statements are made as of the date hereof and the Company assumes no responsibility to update them or revise them to reflect new events or circumstances, except as required by law.