

Fortune Minerals Enters Into Convertible Securities Funding Agreement for up to C\$10 Million With Lind Partners

Initial C\$1.25 million drawdown used to pay a C\$1 million downpayment for the Alberta refinery site

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LONDON, Ontario--(BUSINESS WIRE)--May 22, 2024--**Fortune Minerals Limited (TSX: FT) (OTCQB: FTMDF)** (“**Fortune**” or the “**Company**”) (www.fortuneminerals.com) is pleased to announce that it has entered into a convertible securities agreement with Lind Global Fund II, LP, managed by The Lind Partners (together, “**Lind**”) for up to C\$10,000,000. Fortune has received an initial C\$1.25 million in exchange for the issuance of a first convertible security, and subject to the agreement of both parties, additional drawdowns can be made. Most of the proceeds from the first drawdown were used to make a C\$1 million downpayment to JFSL Field Services ULC (“**JFSL**”) to extend the purchase option for the brownfield industrial site and buildings in Lamont County, Alberta on amended terms. Fortune plans to construct a hydrometallurgical refinery on this site (“**Alberta Refinery**”) to treat metal concentrates from the proposed NICO cobalt-gold-bismuth-copper mine and concentrator in the Northwest Territories (“**NWT**”) (collectively, the “**NICO Project**”) and other feed sources.

The first convertible security has a two-year term with a face value of C\$1,600,000 secured by a lien against the Company’s assets. Lind will be entitled to incrementally convert the face value amount of the first convertible security over a 24-month period, subject to certain limits, at a conversion price equal to 80% of the five-day trailing volume weighted average price of Fortune’s shares (“**VWAP**”) prior to the date of conversion. Commencing 180 days after the shares issuable under the first convertible security become free trading, Fortune has the right to repurchase the first convertible security, subject to Lind’s option to convert up to one third of the face value into Fortune common shares prior to such repurchase at a conversion price equal to 80% of the 5-day VWAP. Lind will also receive a closing fee of \$50,000 and 12,500,000 common share purchase warrants at an exercise price of \$0.065 per common share for 60 months from the date of issuance after closing.

Fortune is also pleased to report that it has entered into an amended option agreement with JFSL to acquire its 77-acre site and 42,000 square feet of serviced shops and buildings located in Lamont County Alberta where the Company plans to construct and operate the Alberta Refinery. Fortune has completed option payments to JFSL, totalling C\$1.4375 million to be applied against the C\$5.5 million purchase price and can complete the acquisition by paying JFSL the balance of the purchase price by June 28, 2024. JFSL will also have the right to use the facilities for a period of 18 months following Fortune’s purchase of the facilities. In addition, JFSL’s parent, “Worley Group” will have preferential rights to conduct certain engineering work for Fortune.

The Toronto Stock Exchange (the “**TSX**”) has provided conditional approval in respect of the Funding Agreement.

This press release shall not constitute an offer to sell or solicitation of an offer to buy nor shall there be any sale of any of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The securities will not be and have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or applicable exemption from the registration requirements.

About The Lind Partners:

The Lind Partners manages institutional funds that are leaders in providing growth capital to small- and mid-cap companies publicly traded in the US, Canada, Australia and the UK. Lind's multi-strategy funds make direct investments ranging from US\$1 to US\$30 million, invest in syndicated equity placements and selectively buy on market. Having completed more than 200 direct investments totaling over US\$2 billion in transaction value, Lind's funds have been flexible and supportive capital partners to investee companies since 2011.

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, additional drawdowns under the Funding Agreement, use of the first drawdown under the Funding Agreement, the exercise by the Company of its option to purchase of the JFSL site, the successful construction and completion of the proposed hydrometallurgical refinery at the JFSL site, and the Company's plans to develop the NICO Project, including the successful development and construction of the planned NICO cobalt-gold-bismuth-copper mine and concentrator. 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: final approval by the TSX in respect of the Funding Agreement and related matters; extension of the option in respect of the JFSL site; the Company's ability to secure the necessary financing to fund the exercise of the option and complete the purchase of the JFSL site; 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 receipt of all necessary

regulatory approvals for the construction and operation of the NICO Project, including the planned NICO cobalt-gold-bismuth-copper mine and concentrator 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 TSX may not provide final approval in respect of the Funding Agreement and related matters, that global geopolitical situations may interfere with the Company's ability to continue development of the NICO Project, the Company may not be able to complete the purchase of the JFSL 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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