

NEWS RELEASE

Fortress Enters into Agreement to Acquire the Fruta del Norte Project from Kinross

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VANCOUVER, BRITISH COLUMBIA -- (Marketwired – October 21, 2014) - Fortress Minerals Corp. ("Fortress" or the "Company") (TSX VENTURE:FST.H) is pleased to announce that it has entered into a definitive share purchase agreement (the "SPA") to purchase a 100% interest in the Fruta del Norte Gold Project ("FDN") located in Ecuador from Kinross Gold Corporation ("Kinross") for total consideration of US\$240 million (the "Acquisition"). Subject to shareholder approval, upon closing of the Acquisition, Fortress will change its name to Lundin Gold Inc. ("Lundin Gold"). Lundin Gold will be the principal gold vehicle of the companies controlled by the Lundin family, with FDN being the flagship asset upon which it will build its gold business.

The Company is concurrently announcing a brokered private placement to raise approximately C\$250 million in subscription receipts (the "Offering") in order to fund the Acquisition purchase price and capitalize the Company. The Lundin Family Trust, an existing controlling shareholder of the Company, has subscribed for up to US\$100 million of the Offering.

Creating A New Leading Gold Focused Mining Company.

The Acquisition will provide Lundin Gold with a world-class asset to start its portfolio and is a strong platform for long-term organic and external growth. The benefits of this transaction to the Company are expected to include the following:

- FDN is a unique opportunity to acquire one of the largest and highest grade undeveloped gold projects in the world with an Indicated Mineral Resource of approximately 23.5 million tonnes at an average grade of 9.59 g/t Au containing 7.26 million ounces of gold and an Inferred Mineral Resource of approximately 14.5 million tonnes at an average grade of 5.46 g/t Au containing 2.55 million ounces of gold with additional significant resource upside potential;
- FDN has the potential to be a large scale, low cost, underground gold mining operation that has had over US\$275 million invested in it since its discovery in 2006;
- FDN can move quickly through feasibility to a construction decision, leveraging the considerable amount of historical exploration, development, mine planning and permitting work that has already been completed to date;
- There is significant exploration potential both at FDN and in the more than 80,000 ha of surrounding concessions where multiple early and advanced exploration targets have already been identified;
- The Lundin family has an impressive track-record of acquiring world-class projects in highly prospective and sometimes challenging jurisdictions to generate industry leading returns benefiting from first mover advantage;
- Ecuador has been communicating the potential for mining policy reforms in order to improve international investment in the country's mining sector; and

- Following a successful Offering, there will be sufficient funding to complete feasibility work and to advance FDN to a construction decision.

Lukas Lundin, President, CEO & Director of Fortress commented, “FDN is one of the most significant gold discoveries in the last 15 years and we believe tremendous value can be generated through its development. The value created will benefit not only Fortress shareholders but also the Government and people of Ecuador, who are our most important partners in the project.” Mr. Lundin continued, “Our team is very enthusiastic about working on FDN and we are confident in our ability to rapidly advance the project to a construction decision and obtain the required permits to build this world-class gold asset. This acquisition is the first step in the building of our gold company, Lundin Gold, to carry on our previous successes in the gold industry which included the Alumbrera and Veladero gold deposit discoveries in Argentina in the 1990s.”

Acquisition Overview

The Company has entered into the SPA whereby Fortress will acquire 100% of Aurelian Resources Inc. (owned 100% by Kinross) for total consideration of US\$240 million (the “Purchase Price”), payable with a minimum of US\$100 million and up to a maximum of US\$190 million in cash, depending on the net proceeds from the Offering. The balance of the purchase price will be paid in Fortress common shares. The Fortress shares to be received by Kinross will be issued at a price equal to the Subscription Price (as defined below) under the Offering. The numbers of shares of the Company ultimately owned by each of Kinross and the Lundin Family Trust will be determined based on the size of the Offering and the allocations of cash and share consideration under the SPA. Kinross and the Lundin Family Trust have each agreed to lock-up the Fortress shares received by them pursuant to the SPA, as to 50% for a period of six months following the Acquisition closing and the remaining 50% for a period of one year following the Acquisition closing.

The Government of Ecuador has indicated its support for the transaction. Kinross and Fortress, and certain of their wholly-owned subsidiaries, have initialized bilateral agreements with the government, which are subject to the approval of the Ecuadorian Attorney General, which is a condition of the transaction. The Acquisition is also subject to the granting by the Ecuadorian Government of an 18-month extension period from transaction closing to provide time for Fortress to carry out additional project feasibility work and development negotiations and approval of Fortress shareholders at a special meeting that is expected to be held in mid-December 2014, as well as other customary stock exchange and regulatory conditions for a transaction of this nature. Each of the officers and directors of Fortress, together with their respective affiliates, have entered into voting support agreements pursuant to which they have agreed, among other things, to vote all of their shares of the Company in favour of the Acquisition and the Offering.

The Acquisition is anticipated to close mid-December 2014.

Private Placement of Subscription Receipts

In order to fund the Acquisition, Fortress has entered into an agreement with a syndicate of agents, co-led by GMP Securities L.P. and Pareto Securities Limited and Pareto Securities AB (the “Co-Lead Agents”), and including BMO Capital Markets and Scotia Capital Inc. (collectively, with the Co-Lead Agents, the “Agents”), to raise approximately C\$250 million of subscription receipts (the “Subscription Receipts”) of the Company at an indicative price of C\$4.00 per

Subscription Receipt (the "Subscription Price") through a best efforts private placement financing (the "Offering") in each of the provinces of Canada, Sweden, the United States (subject to applicable exemptions) and other jurisdictions within Europe. As part of the Acquisition, the Lundin Family Trust subscribed for up to US\$100 million of the Offering.

Each Subscription Receipt shall entitle the holder thereof to receive, without payment of any additional consideration or further action on the part of the holder, and subject to adjustment, one common share of Fortress upon the satisfaction or waiver as applicable, of certain escrow release conditions, which includes among other things, all conditions precedent to the completion of the Acquisition (the "Escrow Release Conditions") having been satisfied on or before 4:00 p.m. (Vancouver time) on February 27, 2015 (the "Escrow Release Deadline").

The gross proceeds of the Offering will be delivered to and held by a licensed Canadian trust company or other escrow agent (the "Escrow Agent") mutually acceptable to the Co-Lead Agents and the Company, acting reasonably, in an interest bearing account (the "Escrowed Funds"). The net Escrowed Funds will be released by the Escrow Agent to the Company upon satisfaction, or waiver, if applicable, of the Escrow Release Conditions prior to the Escrow Release Deadline.

If the Escrow Release Conditions have not been satisfied on or prior to the Escrow Release Deadline the Escrow Agent shall return to the holders of the Subscription Receipts, other than the Lundin Family Trust, an amount equal to the aggregate Subscription Price of the Subscription Receipts held by such holder and their pro rata portion of interest earned on the Escrowed Funds (less applicable withholding tax, if any) and the Subscription Receipts shall be cancelled. The Company agrees that it shall be responsible and liable to the holders of the Subscription Receipts for any shortfall between the aggregate Subscription Price paid by the original purchasers of the Subscription Receipts and the Escrowed Funds.

Regardless of the outcome of the Offering, the US\$100 million of Subscription Receipts subscribed for by the Lundin Family Trust will be released at closing of the Acquisition to permit the Company to complete the Acquisition.

The net proceeds from the Offering are to be used to fund the acquisition of FDN from Kinross, to complete a feasibility study and exploration programs at FDN, and for working capital purposes.

The Company has made an application for its Common Shares (including the Subscription Receipt Shares) to be admitted to a secondary listing on Nasdaq Stockholm. There is, however, no assurance that such admission will take place as expected or at all.

The Offering is expected to close on or about November 25, 2014, or such other date as the Agents and the Company may agree.

By virtue of the Lundin Family Trust's participation in the Offering, the Offering is a "related party transaction" for purposes of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* requiring Fortress to obtain minority shareholder approval of the Offering.

Advisors

GMP Securities L.P. is acting as exclusive financial advisor to the Company and its Board of Directors in connection with the Acquisition and delivered an opinion to Fortress' Board of Directors, as to the fairness, from a financial point of view, of the consideration to be paid by Fortress in the Acquisition. The Company's legal advisors are Blake, Cassels & Graydon LLP.

Qualified Person

The technical information contained in this press release is based on an NI 43-101 Technical Report, prepared by RPA dated October 21, 2014, authored by independent "Qualified Persons" (as defined under National Instrument 43-101) Luke Evans, P.Eng., David Ross, P.Geo., and Brenna Scholey, P.Eng. The report is titled "Technical Report on the Mineral Resource Estimate, Fruta del Norte Project, Ecuador", prepared for Fortress Minerals Corp. and is available on www.sedar.com.

This press release is not an offer of securities for sale in the United States or in any other jurisdiction. Securities may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"). The securities referred to in this press release have not been and will not be registered under the U.S. Securities Act and may not be offered or sold absent an exemption from registration under the U.S. Securities Act.

On behalf of the Board of Directors,

Lukas Lundin, President and CEO

About Fortress Minerals

Fortress' strategy is to identify, acquire and develop undervalued world-class precious metals assets, and to leverage our core team to unlock shareholder value. Fortress' current focus is on identifying the most economic production decision for FDN and progressing the project to production.

FOR FURTHER INFORMATION PLEASE CONTACT:

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Forward Looking Information

This news release includes “forward-looking information,” within the meaning of applicable Canadian securities laws (collectively referred to herein as “forward-looking statements” or “forward-looking information”). All statements other than statements of historical facts included in this news release, including, without limitation, the Company’s plans and business strategy, statements related to the Acquisition and statements related to the Offering may constitute forward-looking statements. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industries in which the Company operates as well as beliefs and assumptions made by the Company’s management. Although the Company believes that the expectations reflected in the forward-looking statements are reasonable, these statements, by their nature, involve risks and uncertainties and are not guarantees of future performance. Such statements are also subject to assumptions concerning, among other things, the Company’s anticipated business strategies and anticipated trends in the Company’s business. The Company can give no assurance that these estimates and expectations will prove to have been correct. Actual outcomes and results may, and often do, differ from what is expressed, implied or projected in such forward-looking statements, and such differences may be material. Some important factors that could cause actual results to differ materially from those expressed in these forward-looking statements include, but are not limited to: risks and uncertainties relating to the Acquisition; risks and uncertainties relating to the Offering and other related transactions to the Acquisition; risks and uncertainties relating to capital cost estimates, timing, foreign currency fluctuations, estimated future cash costs and amount of production; risks inherent in mining including environmental hazards, industrial accidents, unusual or unexpected geological formations, ground control problems and flooding; risks associated with the estimation of mineral resources and reserves and the geology, grade and continuity of mineral deposits; the possibility that future exploration, development or mining results will not be consistent with the Company’s expectations; actual ore mined varying from estimates of grade, tonnage, dilution and metallurgical and other characteristics; the inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses, commodity price fluctuations; uncertain political and economic environments; changes in laws or policies, foreign taxation, delays or the inability to obtain necessary governmental permits; and litigation risks. Forward-looking information may also be based on other various assumptions including, without limitation: the expectations and beliefs of management, the assumed long term price of gold or silver; and that the Company can access financing, appropriate equipment and sufficient labour and that the political environment where the Company operates will continue to support the development and operation of mining projects. Accordingly readers are cautioned that the above list of cautionary statements is not exhaustive. These and other factors could cause actual results to differ materially from the Company’s expectations expressed in the forward-looking statements included in this news release, and further details and descriptions of these and other factors are disclosed in the Company’s annual information form and other public filings which are available on SEDAR at www.sedar.com. The Company will not update these statements unless applicable securities laws require the Company to do so.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.