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FORTUNE OIL PLC
(“Fortune” or the “Company”)

Formation of Strategic Alliance to Develop New Resources Business

Fortune, the London-listed energy and natural resources company with assets in China and overseas, is pleased to announce that it has entered into a Strategic Alliance with seven leading Chinese and International organisations to support its new metals and mining business.

Fortune has signed a memorandum of understanding with Sinosteel Equipment & Engineering Co., Ltd, MCC-20 Group, Sinosteel Engineering Design & Research Institute Co., Ltd Shijiazhuang Design Institute, China Volant Industry Corporation, ProMet Engineers, Bounty Resources Armenia Ltd and SRK Consulting. The members bring a range of engineering services, construction, design, technical study and due diligence skills to the alliance. See below for additional information on each of the Strategic Alliance members.

By taking advantages of competitive capabilities and solid existing industry experience of seven leading Chinese and International organisations the Alliance will provide Fortune with world class technical consulting services and skills at low cost, to take projects from initial development through to construction and operation. It will also enable the Alliance members to take part in bigger projects than would be possible otherwise.

The initial area of possible cooperation for the alliance partners will be the technical evaluation of the potential of the Hrazdan Iron Ore project in Armenia, which is one of three iron ore mines 72% controlled by BRAL. Fortune has a 35% equity interest in BRAL (with an option to increase its equity interest to 50%) and the two companies aim to have the mine and iron ore concentration plant in commercial operation in the first half of 2013.

This agreement progresses Fortune’s strategy of pursuing overseas investment opportunities to capitalise on the demand for energy and resources in China. The Company is focusing on resource assets which are in- or near- production; in particular those assets which are under-exploited as a result of lack of finance, expertise or effective relationships.

Mr. Tee Kiam Poon, Chief Executive of Fortune Oil, commented:

“Today’s agreement is further evidence of the rapid progress Fortune has made towards creating a new resources business. This alliance of leading Chinese and International companies provides us with the skills and experience we need to ensure we develop a successful and profitable resource business.”

Longer-term, the alliance will provide Fortune with an integrated execution model which will be replicated globally as the company develops further resource assets.

For further details:

Fortune Oil PLC

Tee Kiam Poon
Premal Shah

Tel: 00 852 2583 3125
Tel: 00 852 2583 3120

Kreab Gavin Anderson

Hong Kong:

Susannah Geary
Grace Zhang

Tel: 00 852 2218 9919
Tel: 00 852 2218 9922

London:

Ken Cronin, Kate Hill, Robert Speed

Tel: 00 44 (0)20 7074 1800

Notes to Editors

Background on Fortune

Fortune is a leading independent energy company engaged investment in energy and resources. Fortune's energy group comprises oil and gas supply projects in China, and seeks to accelerate the growth of its natural gas business, backed by stable cash flows from its existing oil business. Fortune's resources group is focused on pursuing opportunities to invest in high consumption commodities, such as oil, gas, coal and metals, in countries in close proximity to China and with the ability to meet the growing demands of the Chinese market.

With over 17 years of operating history in China, Fortune has acquired a unique portfolio of high quality oil and natural gas projects across the country and has formed a strong partnership with domestic and international market leaders. Fortune is listed on the Main Market in London and has its operational headquarters in Hong Kong.

Background on the Members of the Strategic Alliance

Sinosteel Equipment & Engineering Co., Ltd. (Sinosteel MECC)

Responsible for overall Engineering, Procurement and Consulting (EPC) services.

MCC-20 Group

As a subcontractor of the EPC contractor, responsible for construction of the mine, processing plant, tailing dam, and installation of equipment.

Sinosteel Engineering Design & Research Institute Co., Ltd. Shijiazhuang Design Institute

As a subcontractor of the EPC contractor, responsible for detailed design of the mine, process plant, tailing dam.

China Volant Industry Company ("Volinco")

Arrange export credit or other possible financing solutions in compliance with EPC services.

ProMet Engineers

Engineering services of the processing plant, preliminary engineering, feasibility study, assistance to the detailed engineering design, including project management services and assistance in commissioning.

Bounty Resources Armenia Ltd (“BRAL”)

Strategic equity partner of Fortune in Armenia with responsibility to secure new investment opportunities.

SRK Consulting

Will provide consulting services to Fortune in support of this Alliance in the areas of mining and metals sector. Services will comprise the entire suite of authoring (multi-disciplinary technical studies) and reviewing mandates (due diligence) for exploration and mining assets ranging through the full spectrum of the project development chain.