



Fortuna Minerals Limited

16 October 2009

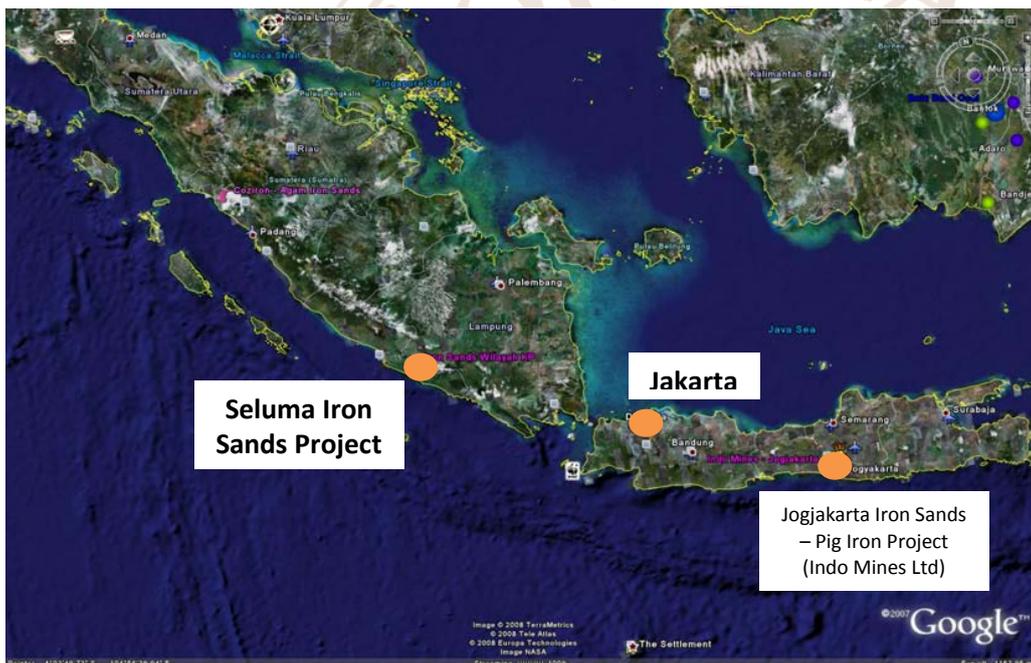
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SEPTEMBER QUARTER ACTIVITIES REPORT

The Directors of Fortuna Minerals Limited ("Fortuna" or the "Company") are pleased to provide an update of activities for the September Quarter.

SELUMA IRON SANDS PROJECT (*Fortuna option to acquire 100%*)

The Company holds an option to acquire a 100% interest in the Seluma Iron Sands Project, located approximately 75km south of the city of Bengkulu, the capital of Bengkulu Province in Sumatra, Indonesia. The project covers an area of approximately 12km², extending inland from the coast.



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Concentrations of heavy minerals sands (Iron Sands) occur as bands within beach sand beds. Sample pits within the project area and other locations along the coast indicate that the HMS units can be over 2m thick.

Exploration from 2007 has involved three separate surface sampling (pitting) programs and a limited hand auger drilling program, with the majority of this activity focused within the central portion of the KP. Results from the surface sampling have confirmed the presence of potentially economic concentrations of Iron Sands within the KP (assay results of up to 22.5% Fe (32.1% Fe₂O₃)).

Samples from the hand auger drilling were not assayed, however visual estimates indicated that the line of drilling closest to the coast contained broad zones of Iron Sands mineralisation and the line further inland contained generally minor to low levels of Iron Sands mineralisation.

Fortuna commenced a 71 hole aircore drilling program to systematically evaluate the potential of the project in late July 2009.



Figure 1 -The PT DrillCorp Internusa Aircore Drill Rig on Site at Seluma

Due to unforeseen land access issues the program was limited to 5 holes (please refer Figure 2), which formed part of a section across the prospective stratigraphy in the south east of the project area along strike from previous hand auger drilling that had returned only minor to low levels of Iron Sands mineralisation. The holes completed were mostly located in swampy country between two sand dune systems and did not extend to the coast and therefore did not test the coastal dune system or the current beach.

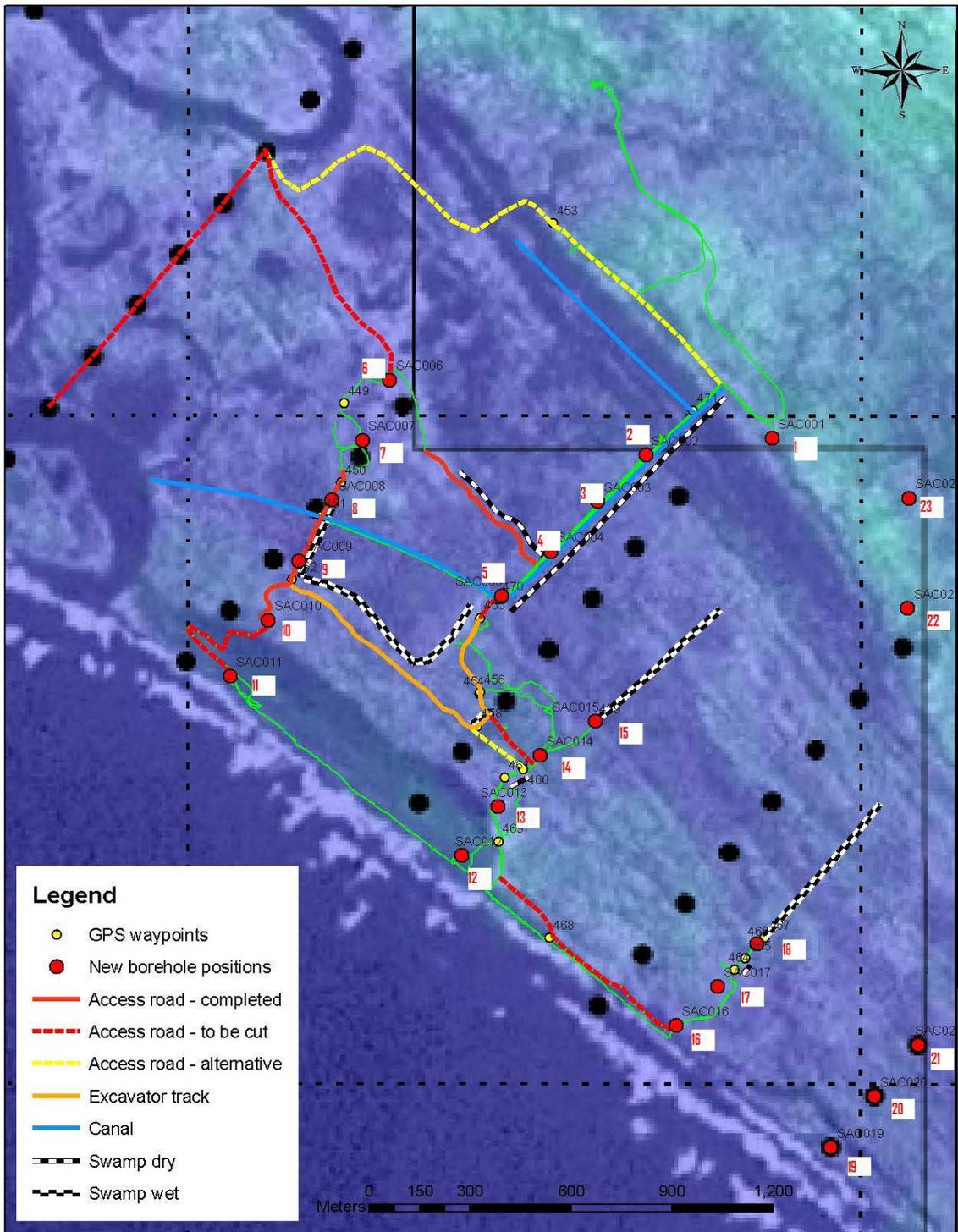


Figure 2 –Aircore Drilling Plan – South East Portion of KP

Assays from this very limited program returned only weakly anomalous results, with a better intersection of 3m at 8.42% Fe₂O₃ (5.89% Fe) from surface.

The land access issues resulted in a failure of the program to test the more prospective areas within the project area and therefore to systematically evaluate the potential of the project. Progress has recently been made to secure land access and an exploration program is planned for the current quarter.

CHRISTMAS BORE PROJECT (*Fortuna earning 75%*)

Following a review of available data these tenements were surrendered and the earn-in agreement terminated.

ACQUISITION OF WEST PILBARA MINERAL TENEMENTS

Following the end of the quarter and as announced on 13 October 2009, the Company agreed to acquire six (6) mineral tenements in the west Pilbara region of Western Australia from Pilbara Mining Pty Ltd. The acquisition is subject to, but not limited to, all necessary shareholder and regulatory approvals, and the completion of a capital raising of not less than \$500,000.

Consideration for the acquisition will be 12,000,000 ordinary shares in the Company and the reimbursement to Pilbara Mining Pty Ltd of documented tenement expenditure up to a maximum of \$600,000.

The six mineral tenements are granted exploration licenses over 365 blocks and cover approximately 1095 square kilometres. The tenements have not been the subject of systematic exploration in the past and are considered prospective for iron ore, gold and base metals, particularly copper and nickel.

PLACEMENT

Subject to shareholder approval the Company has agreed to place up to 6,000,000 shares at 10 cents per share to clients of Empire Securities Pty Ltd.

NOTICE OF MEETING

The Company intends to issue a Notice of Meeting in the near future to consider the acquisition at a shareholder meeting no later than 30 November 2009.

RE-INSTATEMENT TO TRADING

The Company intends to satisfy ASX requirements to enable its shares to be re-instated to trading on ASX in the near future. The Company will keep the market fully informed in this regard.

BOARD CHANGES

On 30 September 2009 the Board accepted the resignation of Mr Russell Lynton-Brown as a non-executive Director in order for him to pursue other business interests and opportunities.

The Board would like to thank Mr Lynton-Brown for his contribution during his time with the Company and wish him all the best with his future endeavours.

Mr James Robinson has been appointed to the Board as a non-executive Director and is continuing in his current role of Company Secretary.



Mathew Walker
Executive Chairman

For further information please contact:

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Fortuna Minerals Limited website: www.fortunaminerals.com.au

The information pertaining to the technical content of this announcement has been reviewed by Mr. Ian Prentice, who is a member of the Australasian Institute of Mining and Metallurgy. Mr. Prentice is employed by Zephyr Consulting Group Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Prentice consents to the inclusion in the announcement of the technical information in the form and context in which it appears.



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