

SASKATCHEWAN METALS PROCESSING PLANT RECLAMATION

Fortune Minerals (“Fortune”) acknowledges responsibility for all aspects of its operation and is committed to working with the Province of Saskatchewan to address and resolve environmental issues.

A conceptual decommissioning plan will provide a general guideline for Fortune’s intentions to provide the necessary resources to allow full decommissioning, reclamation, and monitoring after closure. It is Fortune’s decommissioning objective to restore the location to conditions similar to those that existed prior to the project development. It is anticipated that the site would be very similar to existing conditions except for the mounds created by capping the Process Residue Storage Facility.



At the time of facility decommissioning, the following closure activities are planned:

- Identify and remove all hazardous materials for recycling or disposal
- Plug and cap wells, according to industry standards
- Demolish all buildings not required for decommissioning services
- All on-site ponds (e.g. process water, cobalt solution, and brine solution) will be drained and filled to grade with suitable backfill, and capped with fresh soil. All fluids removed from the ponds will be tested and assessed against applicable criteria and disposed of appropriately
- On-site utilities (power and gas) will be isolated, rendered safe, and left in place
- All salvageable material (i.e. equipment and motors) will be reused, sold, or recycled
- All foundation pedestals and walls including those below sub-grade will be removed and crushed
- Re-bar will be recovered from crushed foundations for recycling
- Any remaining materials will be removed from site and disposed in an approved facility
- The plant site and roads will be re-contoured and re-vegetated
- Salvageable topsoil from site decommissioning and possibly facility construction will be used to re-contour the landscape, where applicable

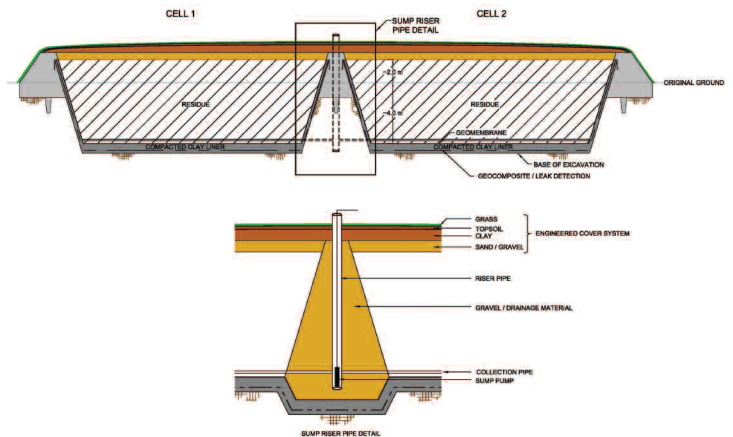
Additionally, Fortune will:

- Evaluate the use of the facility for alternative economic uses
- Examine disturbed non-farming areas for possible contamination

All activities associated with the Saskatchewan Metals Processing Plant (“SMPP”) closure, decommissioning, and reclamation will be documented. Records of decommissioning, remediation, and restoration work will be maintained by the company completing the work and shall be made available to regulatory agencies.

PROCESS RESIDUE STORAGE FACILITY

The Process Residue Storage Facility will be built two cells at a time, resulting in on-going construction, decommissioning, and reclamation over the life of the facility. This will provide a “working model” to identify potential concerns and problems while the site is operating, to ensure issues are identified and any adjustment to the design can occur, if needed, before additional cells are constructed. Each containment cell will be capped with an engineered cover system once filled. The construction of this store and release cover system will greatly reduce the potential for dust generation at the site. The cover will be placed over the residue when consolidation of the residue has slowed and it can support construction equipment. The process residue itself will be primarily scorodite and gypsum. Arsenic in the process residue will be in the form of scorodite, a stable compound that is formed under the high temperature & pressure of the autoclave during the refining process.



The store and release cover system has a barrier that will greatly reduce the amount of water and oxygen entering the storage cell, particularly during snowmelt events and heavy rainstorms. Runoff from the PRSF will be collected by perimeter ditches and diverted to a pond where it can be monitored prior to any planned release to the environment. These ditches will be maintained after the facility closure until it is determined that they are no longer needed or are detrimental to dyke stability. This will occur when the cover system is functioning as designed with an established vegetative cover and negligible surface runoff.

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Vegetated mounds of the Process Residue Storage Facility will remain in place for the long-term disposal of process residue. The low profile of the Process Residue Storage Facility with 2 m high containment dykes may facilitate return of the site to agricultural or recreational use. The long-term storage of process residue at the proposed site will require long-term monitoring and will be subject to provincial regulations.

Drainage and injection infrastructure used at the SMPP will be maintained during and after facility operations. Ditches, not in use, will be filled in and contoured to blend with the pre-development terrain and drainage patterns. Disturbed areas will be small and localized and are expected to support early successional vegetation, as plant communities are allowed to naturally develop. If these areas do not vegetate naturally, a reclamation plan will be developed and implemented.

RECLAMATION

Reclamation will occur at the SMPP site on an ongoing basis as the portions of the Process Residue Storage Facility will be capped and vegetated while the facility is in operation. Once the SMPP facility ceases operations, reclamation will generally consist of re-contouring, replacing topsoil, and re-vegetating to restore the land surface to as near as possible to the original conditions.

POST-DECOMMISSIONING MONITORING

The Process Residue Storage Facility will remain in-place, along with associated leak detection monitoring wells. Long-term monitoring of the site, including the cover systems and monitoring wells, will occur following the closure of the plant and the capping of the final containment cells. This monitoring will consider surface and groundwater chemistry, dyke stabilities, and the permanent cover of vegetation. A detailed plan to monitor the site after decommissioning will be developed in consultation with the provincial government.

A contingency plan, specific to post-decommissioning, will also be developed to determine appropriate courses of action and contact people to inform in the event of an accidental release to the environment.

Fortune has committed to developing a detailed decommissioning plan for the SMPP that will restore the site to an environmentally stable condition. It is expected this plan will be subject to a five year revision cycle, where Fortune will be required to incorporate information regarding new technologies for decommissioning and any changes to operations at the proposed SMPP. Fortune will work with provincial regulators to ensure the detailed decommissioning plan is approved prior to construction, once project designs are finalized.

The timeline for the implementation of a detailed decommissioning plan will be determined during the facility operations permitting stage. It is expected that decommissioning portions of the Process Residue Storage Facility will begin within approximately three years of residue deposition and continue until the SMPP is no longer operational. The expected life span of the proposed SMPP is 18 to 25 years, which is initially dependant on the NICO ore body life span and thereafter on any new sources of material to enrich or new technologies/processes (i.e. battery re-cycling) that may permit the extended use of the proposed facility.

ANTICIPATED DECOMMISSIONING COSTS

An estimate of the decommissioning cost will be included in the detailed decommissioning and reclamation plan. Financial assurances will be determined in consultation with Environmental Protection before construction begins. It can be expected that some form of an assurance fund will be determined and put in place through consultation with regulatory agencies. This financial assurance will ensure there is no long-term liability associated with project decommissioning, reclamation or the ongoing environmental management of the site.

This document contains forward-looking information. This forward-looking information includes statements with respect to, among other things, the proposed development of the NICO project and the SMPP, the permitting process for the NICO project and the SMPP, the anticipated capital and maintenance costs of the SMPP, the anticipated production from the SMPP, the number of employees expected to be employed at the SMPP and the wages expected to be paid to such employees, the possibility that the SMPP may be able to source materials from other projects, the anticipated impact of the SMPP on the environment and the measures expected to be taken by the Company to mitigate such impact. 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 the Company's ability to arrange necessary financing for the NICO project and the SMPP, obtain all necessary permits for the NICO project and the SMPP and negotiate an Impact and Benefit Agreement with the Tłı̄cho Government and assumptions regarding the capital and maintenance costs of the SMPP, the production from the SMPP, the number of employees to be employed at the SMPP and the wages expected to be paid to such employees and the impact of the SMPP on the environment. 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 inherent risks involved in the exploration and development of mineral properties, the risk that the Company may not be able to arrange the necessary financing to construct and operate the NICO mine or the SMPP, uncertainties with respect to the receipt or timing of required permits for the development of the NICO project or the SMPP, the risk that the Company may not be able to negotiate an Impact and Benefit Agreement with the Tłı̄cho Government, the possibility of delays in the commencement of production from the NICO project or construction of the SMPP, the risk of capital or maintenance cost overruns, the risk that the Company may not be able to source materials for the SMPP from other projects, the risk that the environmental impact of the SMPP may be greater than anticipated and other factors. 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. The disclosure of scientific and technical information contained in this document has been approved by Robin Goad, M.Sc., P.Geol., President and CEO of the Company, who is a "qualified person" under National Instrument 43-101.



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