

SASKATCHEWAN METALS PROCESSING PLANT PROCESS RESIDUE STORAGE FACILITY

PROCESS RESIDUE STORAGE FACILITY (“PRSF”) DESIGN

Shallow, engineered containment cells will be used to store process residue permanently at the site. They will be constructed and covered continuously. Each cell will have an approximate capacity for 2 to 2.5 years of storage. Small cells are easier to manage than one large cell. For example:

- As Cell 1 is being filled, Cell 2 is being constructed.
- When Cell 1 is full, operations will begin to fill Cell 2 and construction on Cell 3 will begin.
- Soil excavation from Cell 3 may be used as part of the cover for Cell 1.
- This process will be continued through all 8 to 10 proposed cells.

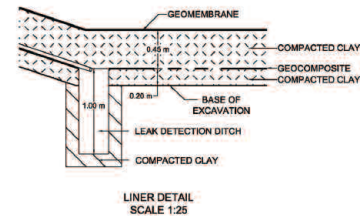
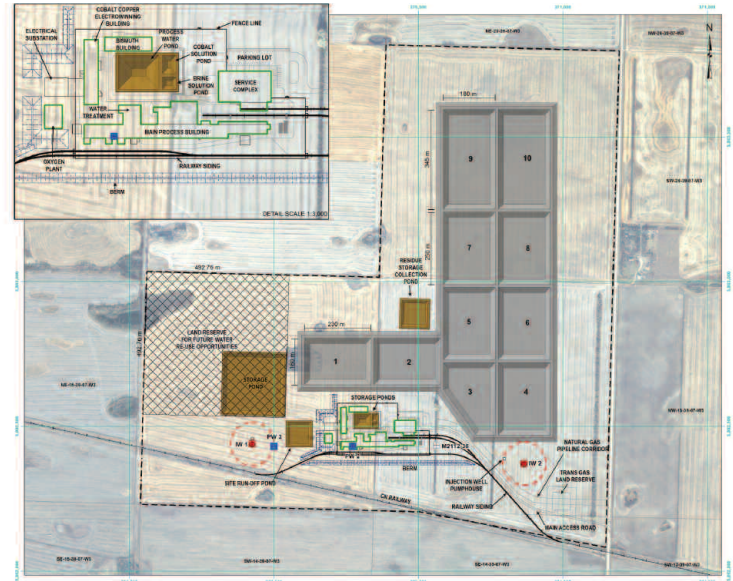
Till or Glacial Till is glacial sediment that is generally a well graded soil that consists of silts, clays and sands. It provides high levels of natural containment (for example it takes a long time for contaminant to migrate through the soil).

ENGINEERED PRSF CONTAINMENT

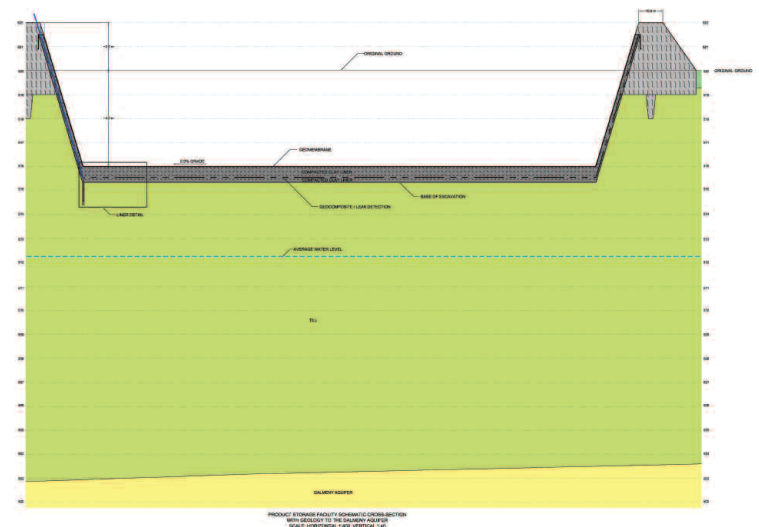
The important factors and components that make the engineered containment system work include:

- Storing process residue that is wet (eliminating dust), but not ‘slurried’ (very wet);
- Seepage collection system (leachate collection) to remove fluids that seep from the process residue and take pressure off of the underlying liner;
- Primary Composite Liner, consisting of:
 - Geomembrane liner
 - 45 cm of compacted clay soil liner
- Leak detection layer
- Secondary 20cm compacted clayey soil liner
- Meters of naturally occurring glacial till
- Constructed above ground water table

Continued on page 2



Leachate is the contaminated water that may leak out of the waste.



SASKATCHEWAN METALS PROCESSING PLANT PROCESS RESIDUE STORAGE FACILITY

The Fortune Minerals PRSF is designed with **multiple layers of defense** to prevent the movement of contaminant toward the underlying soils and aquifer. The first layer of composite liner (geomembrane liner over compacted till liner) provides a high level of containment and would be the most common form of containment in similar sites. However, above this level of containment is a seepage collection system that will draw all contaminated water to a sump and treated for re-use in the processing and/or disposed. The seepage collection system is important since it; 1) removes fluid from the system, thereby eliminating the chance for fluid to leak if other containment components failed; and, 2) more importantly, takes the fluid pressure off of the liner and dewateres the process residue over time. However, in the unlikely event that a leak forms in the primary liner, a leak detection layer exists. If leaks are detected, repairs can be initiated. Below the leak detection layer is an additional secondary soil liner to separate potential leaks from the underlying soils. Furthermore, the natural clay rich soils below the facility provide significant additional containment in the very unlikely event that all other components fail and a leak is not quickly noticed.

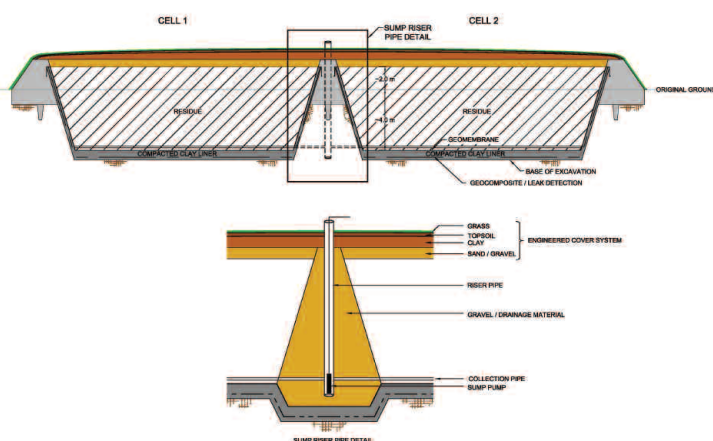
PRSF COVER SYSTEM

An engineered cover system will be constructed over each cell. Construction of the cover will begin following completion of placement of waste in the cell. The cover will be designed to reduce or eliminate infiltration of water, as well as support vegetation that is separated from the process residue. The cells are also constructed above the water table, resulting in a 'dry' container for the waste.

DUST CONTROL

The waste will be placed at approximately 30% moisture (imagine the moisture content needed to build a sand castle). The moisture level in the open cell will be monitored for dust control. Additional moisture will be added and dust control measures implemented where deemed necessary. Monitoring will verify dust suppression measures.

The engineered cover system will provide long term control of dust from the waste.



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.Geo., President and CEO of the Company, who is a "qualified person" under National Instrument 43-101.



**FORTUNE
MINERALS LIMITED**

148 Fullarton Street, Suite 1600, London, ON N6A 5P3 tel:(519) 858-8188 | info@fortuneminerals.com

FORTUNEMINERALS.COM