

Mackenzie Valley Environmental Impact Review Board

Our file: EA0405-03

August 19, 2004

Robin Goad
Fortune Minerals Ltd.
148 Fullarton Street, Suite 1508
London, ON N6A 5P3

Dear Mr. Goad:

Re: Fortune Minerals Meridian Lake Environmental Assessment on Hold

Further to our phone conversation on August 12, please accept this letter as official notification that the Environmental Assessment of your proposed exploration program at Meridian Lake near the East Arm of Great Slave Lake has been put on hold. It is my understanding that you do not intend to participate in this Environmental Assessment. Further, I understand that you have not withdrawn your Land Use Permit application (MV2004C0021) and do not intend to do so.

The Mackenzie Valley Resource Management Act (MVRMA) established a process to review proposed developments in the Mackenzie Valley that consists of Preliminary Screening, Environmental Assessment, and Environmental Impact Review. Preliminary Screening is the lowest level of scrutiny and is required for all developments that require a Land Use Permit or a Water Licence, as well as a number of other authorizations. Preliminary Screening is the responsibility of the regulatory authority issuing permits or licenses, in this case the Mackenzie Valley Land and Water Board (MVLWB). Environmental Assessment and Environmental Impact Review, which is the highest level of scrutiny, are the responsibility of the MVEIRB.

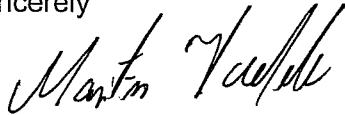
The MVLWB determined in its Preliminary Screening report that your proposed development might be cause for public concern. Following MVRMA section 125 (1), the MVLWB referred the development to the MVEIRB for an Environmental Assessment. The MVEIRB now must conduct an assessment in order to fulfill the requirements of the MVRMA. No permit, licence or other authorization, that is required to carry out a development, can be issued until these requirements are met (MVRMA section 118(1)). Consequently, the MVLWB will not be able to issue a Land Use Permit until the MVEIRB has concluded its Environmental Assessment.

Without the developer's participation the MVEIRB cannot conduct an Environmental Assessment. Therefore, the MVEIRB has put the Environmental Assessment on hold. The assessment can be re-activated at your written request at any time for 180 days. After January 15, 2005 a new Land Use Permit application will be required.

Through our public registry you can access information on previous Environmental Assessments, including some of developments of a similar nature to your proposed exploration

program. Please do not hesitate to contact me at (867) 766-7053 or mhaefe@mvairb.nt.ca, if you have any questions. I will be more than happy to go over the environmental assessment process with you and clarify what level of participation might be expected of you.

Sincerely



Martin Haefe

Environmental Assessment Officer

