





**Wek'èezhii**  
Land and Water Board

Box 32, Wekweèti, NT X0E 1W0  
Tel: 867-713-2500 • Fax: 867-713-2502 • www.wlwb.ca

Date: January 30, 2009

Application: W2008L2-0004 and W2008D0016

**Wek'èezhii West Distribution List**

**FIRST NATIONS/ABORIGINAL AND CO-MANAGEMENT ORGANIZATIONS**

Fax Code	Name	Organization	Fax and Email
	President Bill Enge	North Slave Métis Alliance	By EMAIL ONLY <input type="checkbox"/> lands@nsma.net
	President North Douglas	Behchoko Métis Local #64	BY MAIL ONLY
08	ED – Rob Marshall	Wek'èezhii Renewable Resources Board	<input type="checkbox"/> 867-873-5743 <input type="checkbox"/> execdirector@wrrb.ca <input type="checkbox"/> biologist@wrrb.ca

**GOVERNMENT - TLICHO**

10	Chief Leon Lafferty	Behchoko	<input type="checkbox"/> 867-392-6412 <input type="checkbox"/> leonlafferty@tlicho.com
11	Chief Henry Gon	Gameti	<input type="checkbox"/> 867-997-3411 <input type="checkbox"/> henrygon@tlicho.com
12	Chief Charlie Football	Wekweeti	<input type="checkbox"/> 867-713-2064 <input type="checkbox"/> charliefootball@tlicho.com
13	Chief Charlie J. Nitsiza	Whati	<input type="checkbox"/> 867-573-3018 <input type="checkbox"/> charlienitsiza@tlicho.com
14	Eddie Erasmus, Director	Tlicho Lands Protection Department	<input type="checkbox"/> 867-392-6406 <input type="checkbox"/> eddieeramus@tlicho.com

**GOVERNMENT - FEDERAL**

22	Charlene Coe for Darnell McCurdy	South Mackenzie District Office - INAC	<input type="checkbox"/> 867-669-2720 <input type="checkbox"/> coec@inac-ainc.gc.ca
23	Mineral Development Advisor	Minerals Development Division - INAC	<input type="checkbox"/> 867-669-2705
24	Lorraine Seale	Environment and Conservation - INAC	<input type="checkbox"/> 867-669-2701 <input type="checkbox"/> sealel@inac-ainc.gc.ca
25	[if for water licence, enter Nathen Richea for Robert Jenkins]	Water Resources Division - INAC	<input type="checkbox"/> 867-669-2716 <input type="checkbox"/> richean@inac-ainc.gc.ca
26	Lisa Perry	Environment Canada	<input type="checkbox"/> 867-873-8185 <input type="checkbox"/> Lisa.perry@ec.gc.ca
27	[if operation is Diamond related, Bruce Hanna, if other, Morag McPherson]	DFO	<input type="checkbox"/> 867-669-4940 <input type="checkbox"/> bruce.hanna@dfo-

			mpo.gc.ca <input type="checkbox"/> morag.mcpherson@dfo-mpo.gc.ca
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### GOVERNMENT – GNWT

15	Tom Andrews	GNWT – PWHM	<input type="checkbox"/> 867-873-0205 <input type="checkbox"/> tom_andrews@gov.nt.ca
16	Mark Davy	GNWT – MACA	<input type="checkbox"/> 867-920-6343 <input type="checkbox"/> mark_davy@gov.nt.ca
17	Duane Fleming	GNWT – Health	<input type="checkbox"/> 867-669-7517 <input type="checkbox"/> duane_fleming@gov.nt.ca
18	Gavin More- c/o Environmental Regulatory Analyst	GNWT – ENR	<input type="checkbox"/> 867-873-4021 <input type="checkbox"/> GNWT_EA@gov.nt.ca
19	Rhonda Batchelor	GNWT – DOT	<input type="checkbox"/> 867-920-2565 <input type="checkbox"/> rhonda_batchelor@gov.nt.ca
20	Kris Johnson	GNWT – ITI	<input type="checkbox"/> 867-873-0645 <input type="checkbox"/> k_Johnson@gov.nt.ca
21	Josephine Simms	WCB	<input type="checkbox"/> 867-873-4596 <input type="checkbox"/> josephines@wcb.nt.ca

### OTHERS

28	Vern Christensen	MVEIRB	<input type="checkbox"/> 867-766-7074 <input type="checkbox"/> vchristensen@mveirb.nt.ca
29	Wanda Anderson (for new/amend/renewals/extensions only)	MVLWB	<input type="checkbox"/> 867-873-6610 <input type="checkbox"/> wanda@mvlwb.com <input type="checkbox"/> anne@mvlwb.com
30	Boyd Warner	Barrenground Caribou Outfitters	<input type="checkbox"/> 867-920-4263 <input type="checkbox"/> boydw@bathurstinlet.com



Box 32, Wekweètì, NT X0E 1W0  
Tel: 867-713-2500 • Fax: 867-713-2502 • [www.wlwb.ca](http://www.wlwb.ca)

January 30, 2009

File: W2008D0016

Mr. Robin Goad  
President  
Fortune Minerals Limited  
1902-140 Fullarton Street  
London ON N6A 5P2

Fax: (519) 858-8155

Dear Mr. Goad:

**Complete Type "A" Land Use Permit Application –NICO Project – Mine and Mill, Lou Lake, NT**

This acknowledges receipt of the required proof of community engagement in support of your land use permit application, dated Nov 12, 2008, for a mine and mill within the NICO mineral claims, near Lou Lake, NT. After receiving the additional information, the Wek'èezhii Land and Water Board has deemed the application complete and will be processing your application as per Section 22 (1)(b) of the Mackenzie Valley Land Use Regulations. Please note that your application has been assigned the file number W2008D0016.

Within forty-two (42) days of the date of this letter, the Wek'èezhii Land and Water Board will take one of the following actions:

1. Issue a Type "A" permit, subject to any conditions included pursuant to Subsection 26(1);
2. order, pursuant to Subsection 24(1) of the *Mackenzie Valley Resource Management Act*, that a hearing be held or further studies or investigations be made respecting the lands proposed to be used in the land-use operation;
3. refer the application to the Mackenzie Valley Environmental Impact Review Board for an environmental assessment pursuant to Subsection 125(1) of the *Act*, or
4. where a requirement set out in Section 61 or 62 of the *Act* has not been met, refuse to issue a permit.

If you have any questions concerning this letter, contact me at (867) 713-2500 or email [mark\\_cp@wlwb.ca](mailto:mark_cp@wlwb.ca).

Yours sincerely,

A handwritten signature in cursive script that reads "Mark Cliffe-Phillips".

Mark Cliffe-Phillips  
Regulatory Specialist

Copied to: Charlene Coe for Darnell McCurdy, South Mackenzie District, INAC  
Eddie Erasmus, Tłıchǫ Lands Protection Department

November 5, 2008

Violet Camsell-Blondin, Chair  
Wek'èezhìi Land and Water Board  
Box 32, Wekweèti, Northwest Territories  
X0E 1W0

Dear Ms. Camsell-Blondin:

**Re: Updated Application for Type A Water License and Type A Land Use Permit  
for the NICO Cobalt-Gold Bismuth Project**

Fortune Minerals Ltd. (Fortune) is pleased to submit updated applications for a Type A Water License and a Type A Land Use Permit to the Wek'èezhìi Land and Water Board (WLWB) for the NICO Cobalt-Gold-Bismuth Project located within the Tłı̄chǫ territory as part of the Wek'èezhìi co-management lands. The project would comprise a mine site with open pit and underground operations, ore processing mill facilities, tailings and mine rock management areas, a camp site, waste management facilities, an effluent treatment facility and roads within the mine site. All projects elements are located within the excluded claim boundaries.

Fortune has completed extensive community consultation activities in the past in relation to the NICO Project and has organized an additional community consultation program that will take place from November 12-15<sup>th</sup>, 2008. These information sessions, which will occur in Whatì, Gamèti, Wekweèti, Behchokǫ and Yellowknife are aimed at providing the Tłı̄chǫ people with the most current plans for mine development and operation.

We look forward to working with the board during the permitting process. If you have any questions or comments, please contact the undersigned.

Sincerely,

Robin Goad, P.Eng.  
President, Fortune Minerals

RS/JK

Application for:  
**New Land Use Permit**  **Amendment**  to \_\_\_\_\_  
**Type A**

<b>1. Applicant's name and mailing address:</b>  Fortune Minerals Limited 140 Fullarton St., Ste 1902, London, ON, N6A 5P2	<b>Fax number:</b> (519) 858-8155
	<b>Telephone number:</b> (519) 858-8188
<b>2. Head office address:</b>  As above	<b>Fax number:</b>
	<b>Telephone number:</b>
<b>3. Other personnel (subcontractor, contractors, company staff etc.)</b>  Unknown at this time  <b>Number of persons on site X Number of operating days = Number of person days</b>  <b>TOTAL:</b> 600 X 548 = 328,800 person days for construction 225 X 5,475 (15 year operating life) = 1,231,875 person days for operation	
<b>4. Eligibility:</b> <b>(Refer to section 18 of the Mackenzie Valley Land Use Regulations)</b>  <u>a)(i)</u> X    a)(ii)    a)(iii)    b)(i)    b)(ii)	

**5. a) Summary of operation (Describe purpose, nature and location of all activities.)**

The project comprises a mine site with open pit and underground operations, ore processing mill facilities, tailings and mine rock management areas, service complex and mine equipment maintenance building, a camp, site access roads and water intake facilities. All project elements are within the excluded claim boundary. The project features and study areas are depicted on attached Figures 1 to 3. Figure 4a indicates the location of the proposed open pit mine, plant facilities, tailings and mine rock management areas, and related infrastructure. Figure 4b presents possible granular borrow quarry sites and possible rockfill borrow quarry sites.

**Mine**

Underground and open pit mines targeting the NICO deposit will be constructed at the NICO property. Ore reserves totaling 21.8 million tonnes (Mt) have been identified and are sufficient for a planned 15 year mine life at an annual processing rate of 1.696 Mt. Mining will be primarily by

open pit with a combination of underground and open pit during the first two years of operations. Dimensions of the open pit will be approximately 1,340 metres (m) long by 460 m wide, and 230 m deep. Mine rock from the open pit will be stored in the Mine Rock Management Area south of the open pit (Figure 4a). During the construction phase, a 10 Mt pre-strip program will be conducted in the open pit to remove overburden rock from above the ore body. A portion of the rock excavated during this phase will be used to construct site roads and the dam structures of the tailings management area.

Facilities and service systems related to underground and open pit dewatering, fuel storage, ammonium nitrate storage, ANFO production, and mobile plant maintenance (truck shop) will be constructed in association with the mining activities.

### **Mill and Processing Facilities**

The mill will perform standard crushing followed by ball mill grinding. There will be two flotation circuits producing bismuth and cobalt concentrates, which are processed in two separate hydrometallurgical circuits. These circuits consist of pressure acid leaching/precipitation/ion exchange/electrowinning (for cobalt) and chloride leaching/electrowinning/cementation (for bismuth). Copper cement or metal is produced as a by-product. Processed residues are treated for gold recovery using cyanidation. Products from the mill will be gold doré, cobalt carbonate or metal (preferred) and bismuth metal and cement (byproduct). The tailings management area will be constructed to accommodate processed rock (tailings). A Mine Rock Management Area will be constructed adjacent to the open pit (Figure 4a). Laboratory facilities will be established to handle routine analyses for the site.

### **Road Access and Airstrip**

A separate application will be submitted for the all-weather access road to the site, including a bridge over the Marian River. An airstrip will be constructed to the southeast of the operations, west of Burke Lake and is located entirely within the claim block (See Figure 4a). It will be used for emergencies, construction, and possibly charter transportation.

### **Power**

Power will be supplied by diesel generators. Hydroelectric power will be used to supplement diesel power generation when, and if, it becomes available.

**b) Please indicate if a camp is to be set up. (Please provide details on a separate page, if necessary.)**

### **Camp**

Permanent camp facilities are currently planned to be constructed southeast of the mine operations west of Nico Lake. It will have capacity for approximately 150 people during normal operations and approximately 600 people during construction. A workforce of 225 people is expected to be hired for the overall mining operation at NICO. The camp will be divided into dormitories and one general complex which will contain kitchen, storage areas, preparation areas, dining room for approximately 120 people, washrooms, offices and recreation area. A pioneer camp at the present exploration camp at Lou Lake will facilitate early construction, including construction of the permanent camp and temporary construction camp wing.

Buses will be available to transport employees to and from the site from Yellowknife and local communities. An airport will be maintained at Burke Lake for construction and emergencies, and possibly charter transport. The work rotations are currently planned to be 7, 5, or 4 day periods. A



float plane and boat dock will be maintained on Lou Lake.

Potable water will be produced on site and sewage treatment facilities will be constructed.

**6. Summary of potential environmental and resource impacts (describe the effects of the proposed land-use operation on land, water, flora & fauna and related socio-economic impacts). (Use separate page if necessary.)**

The potential environmental and resource impacts of the proposed mine, associated infrastructure and operations are addressed in Attachment 3 of the *Water License Application and Mining Industry Questionnaire to Accompany Water License Applications to the Mackenzie Valley Land and Water Board*.

A summary of community consultation activities is provided in Attachment 6.

**7. Proposed restoration plan (please use a separate page if necessary).**

The proposed restoration plan is addressed in Question 7.5 of the attached Mining Industry Questionnaire and Attachment 2 in this application package.

**8. Other rights, licenses or permits related to this permit application (mineral rights, timber permits, water licenses, etc.)**

Figure 10 shows the claim boundaries for the NICO project. This application covers the portion of the all-weather access road within the claim boundary. The bridge and all-weather access road from Whati will be covered under a separate application.

**Is this to be a pioneered road?** Yes      **Has the route been laid out or ground truthed?** Yes.

**9. Proposed disposal methods.**

The general approach to waste management at the proposed mine is summarized in Attachment 5, (General Waste Management) in this application package.

**a) Garbage:** Combustible waste materials (non-usable, non-recyclable, non-hazardous wastes) will be incinerated in petroleum-fired, scrubber-equipped incinerator, in accordance with regulations. Recyclable materials will be segregated at source for transportation to recycling facilities in a waste materials management facility proposed to be located in the vicinity of the effluent treatment facility. Non-combustible materials will be disposed in an on-site waste disposal site (sanitary landfill) to be developed within the footprint of the mine rock and tailings disposal areas.

**b) Sewage (Sanitary & Grey Water):** A sewage treatment plant will be established and operated to handle sewage from the camp and mine site. Effluent from the sewage treatment plant will be deposited into the TMA. Sludge will either be disposed in the sanitary landfill or incinerated. Where washroom facilities are required outside the serviced area, portable toilets will be used.

**c) Brush & trees:** Trees within the development areas will be cut down, cut into lengths and lain flat to decompose, or distributed to communities for firewood. Brush will be shredded and combined with organic overburden stockpiles.

**d) Overburden (Organic soils, waste material, etc.):** Overburden will be cleared from the site road alignments and development areas as required and stockpiled in one of the 4 proposed stockpile areas (Figure 4a).

<b>10. Equipment (includes drills, pumps, etc.) (Please use separate page if necessary.)</b>		
<b>Type &amp; number</b>	<b>Size</b>	<b>Proposed use</b>
<b>Trackless Underground Mining Equipment (5 x 5 m decline at 15% gradient)</b>	<b>Approx 1.2 Mt ore mined at 20-25 m sub-level intervals with draw points at 15 m centerlines.</b>	<b>Ore production, exploration; open stope mine method.</b>
Jumbo drill (1)	Electric-hydraulic	Production blasting and development
Load-haul-dump units (3)	6 cubic meter (m <sup>3</sup> ), 12.5 tonne (t) Sandvik Toro 1250 or equivalent.	Stope mucking
Underground haulage vehicles (3)	45-t, DUX DT-45 or equivalent.	Haulage of ore and waste
Production drill (1)	Top hammer or in-the hole type, 125 millimetre (mm)	Mine development drilling and ore control
Scissorlift (1)	Standard	Maintenance
Explosive Loading Vehicle (1)	Standard	Transporting of ANFO/emulsion, loading drill holes
Underground mine service vehicles (4)	Standard	Personnel and supply transport
Miscellaneous mine pumps (5 estimated)	Approximately 50 m <sup>3</sup> /day water infiltration	Underground mine ventilation and dewatering
Fresh air vent raise (1)	3 m x 3 m; 20 million BTU per hour (MBTU/h) direct propane fired heater.	Mine air and ventilation
<b>Conventional Open Pit Mining Equipment</b>		
<b>Self-propelled blast hole drill (1)</b>	<b>152-229 mm holes, in-the-hole hammer rig, single pass, Sandvik Drilltech D45Ks or equivalent</b>	<b>Ore production, waste rock production, and road, dam and infrastructure construction.</b>
Production hydraulic face shovel (1)	Terex RH90C or equivalent , 10 m <sup>3</sup> capacity	Stripping and loading
Wheeled loader (1)	Caterpillar 992 or equivalent - 11.5 m <sup>3</sup> capacity	Loading, road maintenance and ground control
Surface rock haulage trucks (5)	Caterpillar 777 or equivalent - 91 t capacity	Ore and waste transport
Track-type tractor,	Caterpillar D9 or equivalent	Haul road maintenance and

<b>Type &amp; number</b>	<b>Size</b>	<b>Proposed use</b>
bulldozer (1)		ground control
Surface grader (1)	Caterpillar 16M or equivalent.	Haul and access road maintenance, ground control
Fuel truck (1)	Standard	Mobile field refueling
Water truck (1)	Standard	Dust suppression
Mechanics truck (2)	Standard	Mobile field maintenance, air, lube
Explosives transport truck (1)	Contractor supply	Transport of explosive and blasting agents
Explosives loading truck (1)	Contractor supply	ANFO, emulsion loading
Service vehicles (12)	Miscellaneous less than 10t	Mobile field maintenance and supervision
Portable light stands (2)	Standard	Operations during periods of darkness
Pit dewatering pumps (3)	Approximately 250 m <sup>3</sup> /day combined ground water infiltration and precipitation	Freshet, rainfall, and ground water infiltration
<b>Fixed Surface - Process</b>		
	<b>4,650 dry tonnes/day average</b>	<b>Recovery of cobalt, bismuth, gold and by-products, water recovery, services.</b>
Crushing Plant	42 x 65 inch gyratory crusher, 375 kW; 7 foot (ft) standard and 7 ft short head crusher, 260 kW; 3500 t live fine ore bin;	Primary, secondary, and tertiary crushing; conveying; screening; Produce feed for the concentrator
Conventional concentrator	1 – 12 x 17'-8" rod mill, 970 kW; 3 – 12 x 14'-8" ball mills, 970 kW; regrind mill; flotation; and thickening.	Primary and secondary grinding; hydrocyclones; bulk rougher (45 min), cleaner and scavenger (18 min) flotation; regrinding; bismuth rougher, cleaning and scavenger flotation (25 min); water recovery; and services for the production of cobalt and bismuth concentrates, and cleaner tailings for cyanidation.
Pressure acid leach and Precipitation	180 t/day, 5 compartment, 6 agitator, 60 min retention, 180°C, 2200 kPa (abs) pressure vessel (autoclave); thickeners, clarifiers, filters, reaction tanks, pH control, high-pressure boiler, and services.	High pressure acid leach oxidation, thickening, filtration, solution neutralization, residual arsenic precipitation, copper recovery, zinc sulphide precipitation, cobalt precipitation as cobalt carbonate.
Ion Exchange and Cobalt Electrowinning	Cobalt carbonate re-leaching, ionic exchange columns, electrowinning cells	Ionic exchange for the removal of nickel, production of cobalt cathode by electrowinning.
Chloride leach plant	20 tonnes per day (t/day)	Leaching of bismuth concentrate; solid/liquid separation; electrowinning of pregnant

Type & number	Size	Proposed use
		chloride solution for the production of bismuth cathodes; and residual byproduct production of bismuth cement.
Gold recovery plant	Batch cyanidation – 20 t/day;  Carbon-in-pulp (CIP) - 650 t/day  Refinery  Cyanide destruction circuit	Batch cyanidation of bismuth concentrate for gold recovery, filtration, electrowinning of pregnant gold solution. Recovery of gold from pressure acid leach solid residue, bulk cleaner tails, and chloride leach solid residue; carbon strip circuit; gold electrowinning; carbon regeneration and reactivation. Processing of gold electrowinning sludges, drying, fluxing, refining for the production of gold and silver. Destruction of cyanide in slurry by the SO <sub>2</sub> -air process.
Oxygen plant	100 t/day	Provide high purity oxygen for autoclave and other unit operations
Power Plant and Heat Recovery	Diesel-fired generators with heat recovery: 18 MW peak load, 15 MW average load (number and size of generators to be determined).  Make-up Heat Boilers	Overall power requirements; probable n+1 configuration during underground operations, n+2 thereafter.  Augment plant and camp heating requirements when grid power is available.
Plant Back- up generator (1)	1500 kW	Controlled shutdown of autoclave; ventilation; lighting; process control; plant agitators; and heat
Camp Back-up generator	TBD	Emergency power.
Tailings pipeline, return (decant) water pipeline (3)		Transport of processed rock to the TMA, return of makeup water to process or to the ETF.
Effluent Treatment Facility (1)	22,300 m <sup>3</sup> /day (seasonal, maximum)	Seasonal tailings decant water treatment and discharge.
Lou Lake pump (1)	Interim (camp use through construction)	Pioneer camp potable water supply
Lou/Burke Lake pump houses, fire water tank and pump, potable water system, sewage treatment	7,200 m <sup>3</sup> /day	Camp potable water and process water; firefighting

Type & number	Size	Proposed use
facility		
Miscellaneous general surface facilities (1)	Support infrastructure	Service Complex (mine dry, management offices, repair shops, general warehouse); Laboratory, Fuel and reagent storage, cold storage building, lay down areas, mine equipment maintenance building.
Front end loader (1)	Caterpillar 980 or equivalent	Surface stockpile maintenance, plant feed
Miscellaneous service vehicles (6)	Half-ton trucks	Mobile field maintenance and supervision, employee transport.
Miscellaneous mobile heavy equipment (6) HIAB truck, self propelled articulating boom, self-propelled slab scissor lifts, forklift, skid-steer loader (Bobcat), tele-handler	All less than 10t	Maintenance and operations
<b>Construction equipment (as required)</b>  Articulated trucks, mobile heavy and medium lift cranes, excavator, wheel loader, self propelled articulating boom, self-propelled slab scissor lifts, tele-handler, dozer, cement truck and plant, mobile crushing plant, mobile batch plant (cement).	All greater than 10t	Mine and infrastructure construction

11. Fuels	Volume (Litres)	Number of containers	Capacity of containers (Litres)	Location
Diesel	712,000	Eight; enviro-tanks, already on site	89,000	Fuel storage area
	1,250,000	Power Plant Fuel – Fourteen; enviro-tanks or design build to spec	89,000	Fuel storage area
	2,082,000	Eleven; fuel bladders (pillow tanks) – 50,000 gallons each, or similar temporary storage technology	189,270	Temporary, Construction Fuel Storage

<b>Diesel</b> (cont.)	1,000	One; day tank	1,000	Plant services area – fire water pump
	1,000	One; day tank	1,000	Nico Lake camp – fire water pump
	2,250	One; integrated day tank	2,250	Plant emergency Genset
	1,000	One; integrated day tank	1,000	Permanent camp – emergency Genset
	1,000	One; integrated day tank	1,000	Temporary camp – Emergency Genset
	30,000	One; integrated day tank	30,000	Lou Lake pump house (allowance for diesel fired pump – topography, distance)
	10,000	One; integrated day tank	10,000	Burke Lake pump house (allowance for diesel fired pump – intermittent use, distance)
	19,000	One; mobile equipment	19,000	Surface fuel truck
	4,540	One; mobile equipment	4,540	Underground service truck, cassette
<b>Gasoline</b>	70,000	One; enviro-tank	70,000	Fuel storage area east of the service building
<b>Aviation fuel (Jet A and Jet B)</b>	4,100	20 drums	205	Lou Lake Camp (seasonal), 'Insta-Berm' containment or similar
	4,100	20 drums	205	Air strip 'Insta-Berm' containment or similar
<b>Propane</b>	227,000	One; Permanent supplier-installed; 60,000 gallon Tank	227,000	Process plant - high pressure boiler
	227,000	Two; Permanent supplier-installed; 30,000 gallon tanks	113,500	Make-up heat boilers (grid power) and fresh air raise fan (years 1 and 2)
	113,600	Two; Permanent supplier-installed; 15,000 gallon tanks; 15,000 gallon tanks	56,800	Crusher buildings, and ETF/Incinerator/Waste Management Area

**12. Containment fuel spill contingency plans. (Please attach separate contingency plan if necessary).**

Question 7.4 of the Mining Industry Questionnaire and Attachment 4 in this application package provides contingency and emergency plans for the operation. All liquid fuels will be stored in double wall enviro tanks and/or within the fuel storage area. Bulk hydrocarbons used within the process will be stored in the fuel storage area, with day tanks installed at the location of use

**13. Methods of fuel transfer (to other tanks, vehicles, etc.)**

The following fuel transfer activities have been identified

- Transfer of diesel fuel or gasoline from a delivery truck into the fuel storage area, or construction fuel storage area, via a supplier delivery pump system.
- Transfer of diesel fuel from the fuel storage tanks into the surface mobile fuel truck utilizing a fuel transfer pump
- Transfer of diesel fuel from the surface mobile fuel truck to surface operations heavy equipment using an integrated pump
- Transfer of diesel fuel from the fuel storage tanks into the underground service vehicle diesel fuel cassette using an integrated pump
- Transfer of diesel fuel from the underground service vehicle diesel fuel cassette to underground mobile equipment.
- Transfer of diesel and gasoline into light vehicles at the fuel storage area by mechanical dispensing systems
- Transfer of and using fuel to mix with ammonium nitrate using a supplier-supplied mixing system.
- Transfer of ANFO into blast holes using a supplier-supplied delivery system.
- Transfer of aviation fuel from barrels into aircraft either at the landing strip or at the float plane base utilizing a barrel pump.
- Transfer of diesel fuel from the surface mobile fuel truck to fixed plant tanks and equipment such as fire water pump day tanks, Genset and other small equipment using an integrated pump and nozzle.
- Transfer of propane from a delivery truck into the propane fuel tanks located at the main plant, crusher, ETF, and fresh air raise utilizing a supplier-supplied delivery system.
- Transfer of flammable hydrocarbons including fuels, solvents, and reagents (such as motor oil, hydraulic oil, grease, waste oil, MIBC, and varsol) from drums or totes into smaller containers or equipment reservoirs; or removing the same from equipment reservoirs and transferring to waste disposal facility (waste oil tank or other).

Fortune will develop a hazardous material management system to establish a standard operating procedure for the activities outlined above, and implement it prior to commencing construction. In addition, Fortune personnel dispensing fuel will be appropriately trained. Fortune personnel conducting maintenance work on fuel dispensing systems will be appropriately certified.

The fuel storage area will be constructed to meet the following codes of practice and technical guidelines, in addition to registration:

- *Canadian Council of Ministers of the Environment (2003). Environmental Code of Practice for Aboveground and Underground Storage Tank Systems Containing Petroleum and Allied Petroleum Products.*
- *Canadian Environmental Protection Act (1999).*
  - *Storage Tank Systems for Petroleum Products and Allied Petroleum Products Regulations (SOR/2008-197).*
  - *Federal Registration of Storage Tank Systems for Petroleum Products and Allied Petroleum Products on Federal Lands or Aboriginal Lands Regulations (SOR/97-10).*
- *National Fire Code of Canada 2005.*
- *CAN/CSA B149.2-05 Propane Storage and Handling Code.*

**14. Period of operation (includes time to cover all phases of project work applied for,**

<b>including restoration)</b>	
This project will be a multi-year mine facility, with a current life span estimated at 15 years from the commencement of mining. Two years of development is anticipated prior to production and at least two years of reclamation will be required following exhaustion of the resource. On-going water monitoring and treatment may be required for several years following closure.	
<b>15. Period of permit (up to five years, with maximum of two years of extension).</b>	
5 years	
<b>16. Location of activities by map co-ordinates (attached maps and sketches)</b>	
Figures 1 illustrates the study area included in this mine application. Figure 2 shows drainage patterns for the study area and Figure 3 shows the natural topography of the proposed mine area and the location of previous exploration activities. Figure 4a indicates the location of the proposed open pit mine, plant facilities, tailings and mine rock management areas, and related infrastructure components. Figure 4b presents possible granular borrow quarry sites and possible rockfill borrow quarry sites (if required).	
<b>Minimum latitude (degrees,, minutes, seconds)</b> 63° 31'	<b>Maximum latitude (degrees, minutes, seconds)</b> 63° 33'
<b>Minimum longitude (degrees, minutes, seconds)</b> 116° 41'	<b>Maximum longitude (degrees, minutes, seconds)</b> 116° 47'
<b>NAD <u>83? or 27?</u></b> NAD 83	<b>Map Sheet no.</b> 085 N
<b>17. Applicant</b>	
<b>Print name in full</b> Robin E. Goad, Fortune Minerals Limited	
<b>Signature:</b>	<b>Date:</b> November 05, 2008
<b>18. Fees</b> <b>Type A - \$150.00 **</b> <b>Type B - \$150.00 **</b> <b>(**Application Fees are Non-Refundable**)</b>	
<b>Land use fee:</b> <u>1430</u> <b>hectares @ \$50.00/hectare</b>	\$ <u>71,500</u>
<b>Assignment fee \$50.00</b>	\$ <u>50.00</u>
<b>Total application and land use fees</b>	\$ <u>71,700</u>
<b><i>Please make all cheques payable to "Receiver General of Canada"</i></b>	