

July 24, 2012

Dr. Rick Schryer
Director of Regulatory and Environmental Affairs
Fortune Minerals Limited
148 Fullarton Street, Suite 1600
London, Ontario N6A 5P3

Re: EA 0809-004, NICO Project, Fortune Minerals Limited, Request for closure scenario analysis

Dear Dr. Schryer:

On July 5, 2012, Fortune Minerals Limited (Fortune) submitted a document to the Review Board titled "Technical Report Recommendations and Responses".

In its responses to recommendations from the Tlicho Government #8 and #9, Fortune states that a response to the questions on detailed closure costing for closure plan scenarios for all treatment options will be provided at the public hearing. The Review Board believes that this information may represent key evidence on the topic of mine closure and would be of greater use to the Review Board and parties in a written submission prior to the public hearings.

The Review Board asks Fortune to provide the following by August 20, 2012:

1. The developer to provide "detailed costing for the changed closure plan, including for all treatment options that have been proposed and to clearly identify the difference in costs if the passive treatment options fails." (from Tlicho Government recommendation #8, Technical Report June 19, 2012)
2. "The developer should demonstrate the effect of failure of the passive treatment option on the net present value, ie. to compute the present value of the costs incurred in the event of failure of the option, in order to illustrate that this mine is feasible if the water has to be treated forever." (from Tlicho Government recommendation #9, Technical Report June 19, 2012)



3. One of the biggest concerns raised by parties is the possible need for perpetual active water treatment after mine closure. Although active water treatment has been identified as a contingency measure for poor water quality after the pit overflows, Fortune has not provided an indication of the relative likelihood of needing to employ this contingency. Please provide the Review Board with an estimate of this likelihood, with rationale, that is as quantitative as possible (for example, as a percentage). What additional data or information would Fortune need to refine this estimate of likelihood, for example, to a high (90%) degree of confidence?

4. Some parties have recommended that the pit be actively filled within 10 years, consistent with the information provided in 9.4.3.4 of the DAR; however, supporting details for the accelerated filling scenario have not been provided. Please provide detailed information regarding the accelerated filling scenario (from the Marian River), including the timeline, prediction of final pit water quality, and an evaluation of potential impacts to the Marian River, if any.

5. At closure, the contingency plan in the event of poor water quality is active water treatment. Please describe, in detail, the proposed plan for financing the closure contingency of long-term active water treatment.
 - What are the assumptions of the plan (investment returns, inflation and economic business as usual)?
 - What are the major sensitivities of the plan (for example, which might affect the amount or accessibility of funds on different timescales)?
 - Can you provide examples of this type of financial arrangement from other jurisdictions?

If you have questions, please contact me by phone or email.

Sincerely,

(original signed by)
Chuck Hubert
Senior EA Officer
Mackenzie Valley Review Board
(867) 766-7052
chubert@reviewboard.ca