Fortune Minerals Limited
Oil and Hazardous Material
Spill Contingency Plan

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Oil and Hazardous Material Spill Contingency Plan

The Spill Contingency Plan is effective as of April 21, 1998 and applies to all projects and operations of Fortune Minerals Limited in the Mazenod Lake Area of the Northwest Territories. The main area of exploration is the NICO Deposit located at 63°33' north latitude, 116°45' west longitude. Fortune Minerals Limited is able to operate under the land use permit number MV2002C0002.

Additional copies and updates of this Plan may be obtained by writing to the above address.

Introduction

The purpose of Fortune Minerals Limited's Hazardous Material Spill Contingency Plan is to provide a plan of action for every foreseeable spill event that may occur at the Lou Lake exploration camp in the Mazenod Lake area. It defines the responsibilities of key response personnel and outlines the procedures for responding to spills in a way that will minimize potential health and safety hazards, environmental damage, and clean up costs. The Plan has been prepared to provide easy access to all the information needed in dealing with a possible spill.

The following pages display maps defining the exploration camp operated by Fortune Minerals Limited in the Mazenod Lake area. The Lou Lake camp is at an advanced stage of exploration with 291 diamond drill holes in the NICO deposit defining a resource of gold, cobalt and bismuth. There is currently no mining operation taking place but a 30,000 tonne underground bulk sample is planned to be extracted in 2005 and 2006. There is currently one diamond drill rig at the NICO deposit at the Lou Lake site. Other activities expected to be carried out include; road and camp construction, geotechnical studies and a continuation of environmental baseline studies. Hazardous materials being used at camp include diesel fuel, Jet B fuel, regular unleaded gas, aviation gas, and propane.

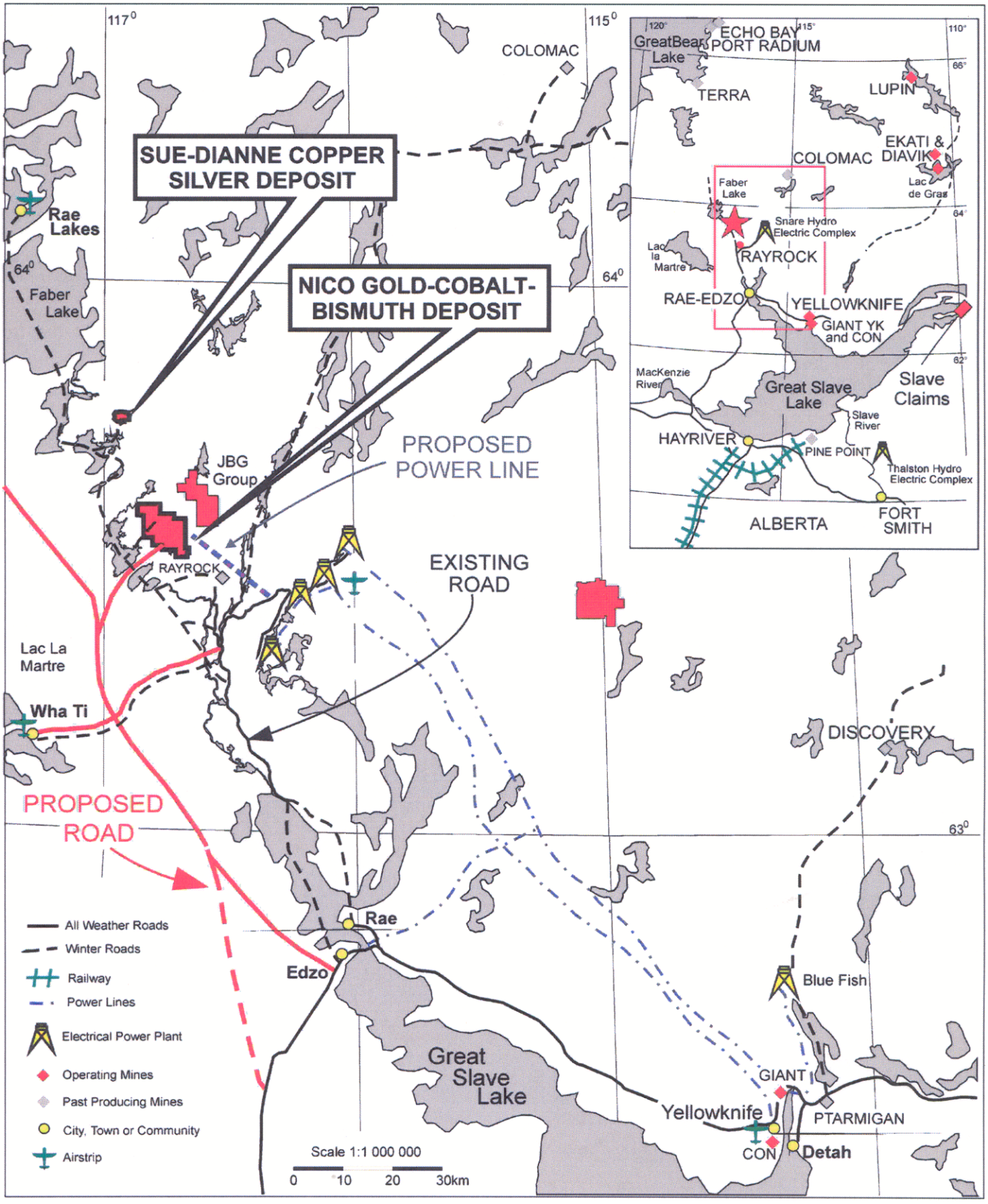

Figure 1. NICO Property Location

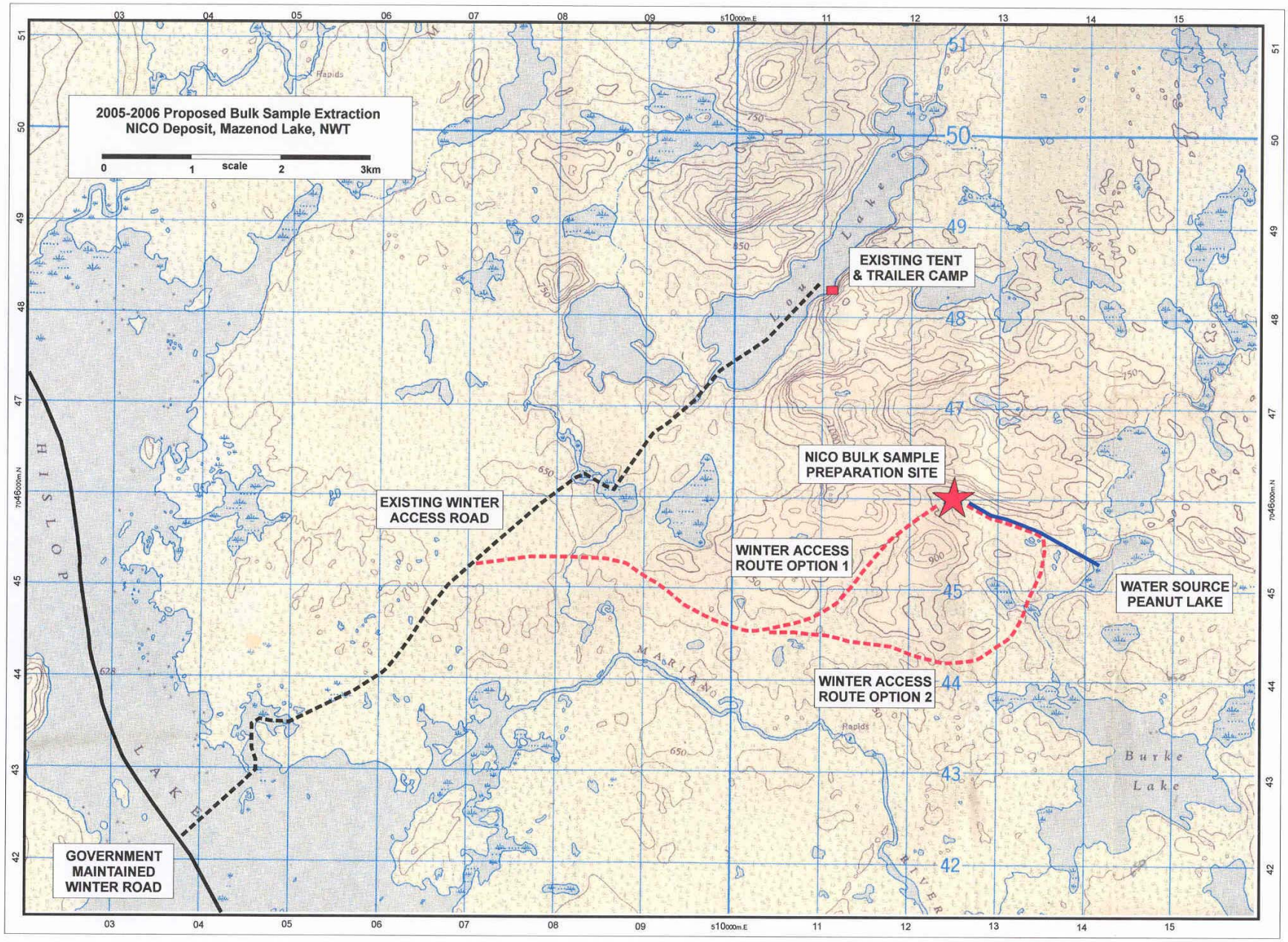

Figure 2. NICO Portal Site Location – Winter Road Access

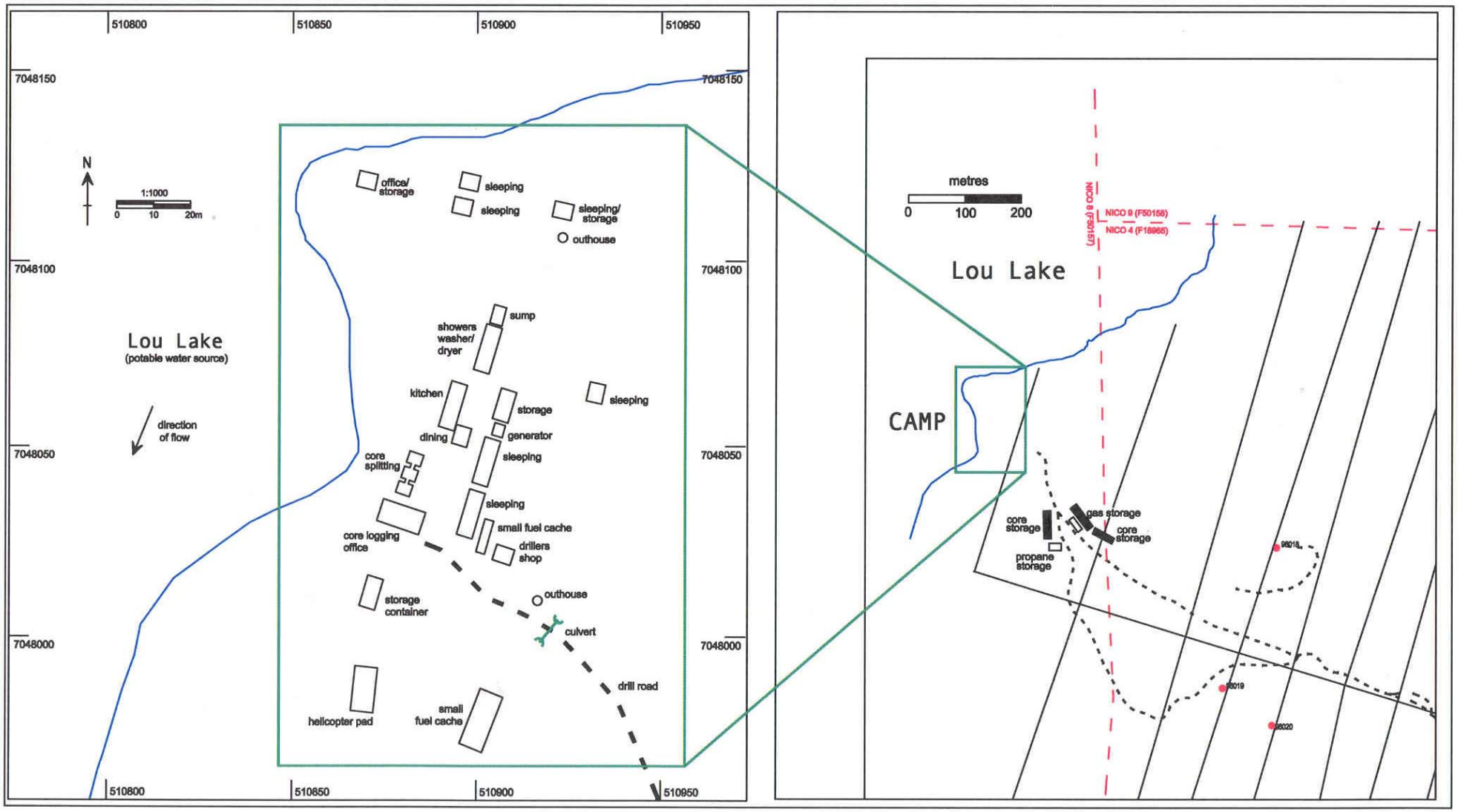

Figure 3. NICO Lou Lake Camp.

The main fuel cache at the Lou Lake camp is situated over 80 metres from the shoreline of the lake. Recent construction of several trenches has diverted runoff water and the placement of culverts has also aided in its diversion. Recent road construction undertaken during the summer of 1998 has allowed additional open space on flat, gravelly ground where approximately half of the diesel fuel cache has been relocated. It is positioned over 200 metres from the east shore of Lou Lake, will allow for easy accessibility and pose a minimum hazard to the environment in the advent of leakage.

It is the policy of Fortune Minerals Limited to cleanup any spill or environmental degradation on lands the Company is exploring. As well, it is our Company policy to:

- comply with existing regulations;
- provide such protection of the environment as is technically feasible and economically practical;
- cooperate with other groups working on protection of the environment;
- anticipate future pollution control requirements and to make provision for them; and
- keep employees, government officials and the public informed.

Response Organization

Fortune Minerals Limited will be responsible and will maintain the required personnel with proper qualifications depending on the number of people in camp. The chief geologist in charge of operations will have a minimum of: Mine Health and Safety Act –Supervisor Certificate (Level 1) and Medical First Responder qualifications.

Initial Action

List of proper procedures for reacting to a spill of hazardous material and a suggested course of action of the first person at the scene who has detected a problem.

a) Be alert and consider your safety first. If possible, identify the product spilled;
b) Assess the hazards to persons in the vicinity of the spill;
c) If possible, without further assistance, control danger to human life;
d) Assess whether the spill can be readily stopped or brought under control;
e) If safe to do so, and if possible, try to stop the flow of material;
f) Gather information on the status of the situation;
g) Report the spill without delay to the Spill Response Team and ensure that government is notified at the same time by the NWT 24 Hour Spill Report Line (867) 920-8130; and
h) Resume any effective action to contain, clean up, or stop the flow of spilled material.

Reporting Procedure

All spills or potential spills of petroleum products or other hazardous materials must be reported to the 24 Hour Spill Report Line to ensure that an investigation may be undertaken by the appropriate government authority.

The following box outlines the procedure to be taken when reporting a spill to the appropriate authority.

SPILL REPORTING PROCEDURE

1. Fill out the 'Spill Report Chart' as completely as possible before making the report.
2. Report immediately to Yellowknife using the 24 Hour Spill Report Line.

24 HOUR SPILL REPORT LINE 867-920-8130

3. Where telex is available, follow up immediately by sending a copy of the Spill Report Chart.

Facsimile 867-873-6924

4. RCMP communications may be used if other means are not available.

Additional Information or Assistance:

Environmental Protection Services, Yellowknife	Phone:	867-873-7654
	Facsimile:	867-873-0221
Mackenzie Valley Land and Water Board, Yellowknife	Phone:	867-669-0506
	Facsimile:	867-873-6610
Environment Canada, Yellowknife	Phone:	867-669-4710
	Facsimile:	867-873-8185

In preparation of making a report to the appropriate officials, the person who is reporting the spill must have specific information on hand requested by the government. The specific information needed is outlined on the following 'Spill Report' chart.

Government of Northwest Territories
SPILL REPORT
(Oil, Gas or Other Materials Considered Hazardous)

Phone 867-920-8130

A	Report Date	Date and time of Spill
B	Location, Map Coordinates, and Direction of Flow	
C	Party Responsible	
D	Product Spilled and Estimated Quantities (Provide Metric Volumes/Weights if Possible)	
E	Cause of Spill	
F	Is Spill Terminated or Continuing	
G	Extent of Contaminated Area	
H	Factors Affecting Spill or Recovery – Temperatures, Wind, Snow, Ice, Terrain, Buildings, etc.	
I	Containment – Naturally, Booms, Dykes or Other. No Containment	
J	Action, if any, Taken or Proposed to Contain, Recover, Clean-Up or Dispose	
K	Do You Require Assistance	If So, What Form
L	Hazards to Persons or Property or Environment – Fire, Drinking Water, Threat to Fish or Wildlife	
M	Comments and/or Recommendations	

Reported By	Position, Employer, Location	Telephone
Reported To	Position, Employer, Location	Telephone

Action Plan

Possible Spillage Sites

Lou Lake Camp

Fuel Cache

Equipment -protective wear (ie: hand, eye, foot, etc.)
-hand shovels, picks, axes, rakes
-wheel barrows
-heavy equipment (ie: loader &/or bulldozer &/or skidder, etc.)
-competent fuel drums for transfer
-absorbent materials (ie: EnviroMat, sand, etc.)

Procedure

1. The person who first discovers a spill of hazardous material should follow the procedures set out in section 3.0 entitled 'Initial Action' .

2. If the spill is not easily contained and/or cleaned up by the person who first discovers it, then that person will immediately report the incident to the Field Operations Supervisor.

3. Together with the Field Operations Supervisor, the situation will be reassessed and effective actions will be carried out in order to contain, clean up, and stop the flow of the spillage.

    Such actions may include:

    a) determining the origin of the spill, if fuel drums have been punctured or are leaking due to unsatisfactory seals, the fuel should be transferred into competent drums and/or seals should be replaced,

    b) absorbents and booms should be placed in order to recover all the free fuel before it is allowed to seep into the surrounding ground and/or caught up within the run off water and allowed to pass into the lake,

    c) the construction of containment dykes and recovery trenches, using available hand tools and/or heavy equipment, to divert and control runoff from the fuel cache to allow for collection before contamination of waterways,

    d) continual monitoring of the site to ensure no subsequent or new spills have occurred,

    e) safe and proper disposal of any materials used during the containment and clean up of spilled fuel (ie: if the amount of fuel is extensive,

possiblity using old drums to collect and store the contaminated fuel for use in burn pits, burning or packaging of absorbent materials), and

f) continual assessment of soils and waterways within the area in order to determine if further remediation is required.

Land Based Drill Sites

If fuel spillage has occurred at one or many of the drill sites, then it is first the responsibility of the drill company who has been contracted to do the job of successfully containing and cleaning up the site(s). If this is not accomplished to the satisfaction of the appropriate authorities, then it is the responsibility of Fortune Minerals Limited to carry out the proper procedures. The *Personnel, Materials*, and *Procedures* as outlined above concerning fuel spills at a fuel cache will not differ from those concerning drill sites and should therefore be followed accordingly.

Resource Inventory

Fortune Minerals Lou Lake camp is at an advanced stage of exploration. Although a program of extraction of ore by means of a bulk sample is planned for commencement in 2005 and continuing into 2006, a company to carry out the mining activity has not yet been contracted. Therefore, it is difficult to say with any degree of accuracy, who will be at the Lou Lake camp during this program. A select number of personnel contracted by Fortune Minerals will be regular residents at the Lou Lake camp and with the aid of others, would be responsible for the successful clean up of any fuel spill or any other hazardous material. A list of the regular residents is presented in the table below.

Kathy Neale	Fortune Minerals	London, Ontario
Derek Mulligan	Fortune Minerals	London, Ontario
Edward Williah	Fortune Minerals	Fort Rae, NWT

Resources Available on Site
Lou Lake Camp

Tool	Location
-hand shovels, picks, rakes, axes	generator shack
-wheel barrows	generator shack
-absorbents (EnviroMat)	generator shack
-skidder	yard

Training and Exercises

The following log describes the date, camp, supervisor in change, personnel in attendance, and any additional comments that may want to be noted for a mock spill control and communications exercise. Each of Fortune Minerals Limited's exploration camp sites will have a number of these on hand and will keep records of training exercises performed.

Mock Spill Control & Communications Exercises Log

Date	Camp	Supervisor Name	In Attendance	Comments
	Y NICO			
	Y NICO			
	Y NICO			
	Y NICO			
	Y NICO			
	Y NICO			

Attachment I

Hazardous Material Information
The following list includes all potentially hazardous materials being used at the Lou Lake camp:

Name of Chemical	Chemical Supplier	Potential Hazards
Diesel fuel	FC Services Ltd., Shell, or Matonabee	Fire, explosion, health, environment
Jet B fuel	FC Services Ltd., Shell, or Matonabee	Fire, explosion, health, environment
Aviation gas	FC Services Ltd., Shell, or Matonabee	Fire, explosion, health, environment
Regular unleaded gas	FC Services Ltd., Shell, or Matonabee	Fire, explosion, health, environment
Propane	ICG Propane	Fire, explosion, health, environment
Hydraulic oil	FC Services Ltd., Shell, or Matonabee	Fire, environment
Motor oil	Canadian Tire	Fire, environment
Drilling lubricants	Connors Drilling Ltd.	No potential hazards

Transportation of any of the above materials that cannot be handled by hand is generally moved using either a skidder or helicopter. Winter conditions allow for the transportation of larger materials by use of skidoo's and sleighs.