



FORTUNE MINERALS LIMITED
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August 23, 2010

Mr. Mark Cliffe-Phillips
Wek'èezhì Land and Water Board
P.O. Box 32
Wekweètì, NT X0E 1W0

Dear Mr. Cliffe-Phillips

**Subject July 2010 SNP Summary Report
Fortune Minerals Limited NICO Project
Type B Water Licence: W2006L2-0002**

Please accept this letter as our June 2010 Surveillance Network Monitoring (SNP) summary report. This report has been prepared to satisfy the following condition of the water licence:

The licensee shall within 30 days following the month being reported, submit to the Board all data and information required by the "Surveillance Network Program" including the results of the approved quality assurance plan.

Activities

Fortune's NICO Project camp site was open for all of July 2010 for the summer exploration drilling and environmental baseline monitoring programs. In addition to drilling and baseline work, general camp maintenance activities were undertaken.

Water Quality Sampling and Analysis

Water samples were collected from SNP Stations 5-2, 5-4 and 5-5 on July 20, 2010. The samples were analyzed by ALS Laboratories and the results are summarized on the attached Certificate of Analysis. Water samples were not collected from SNP Station 5-3 (Settling Pond) as no water was to be discharged. Although no water was discharging from the portal, it was being used as a source of drill water. All of the results met the WLWB criteria stipulated in Fortune's water licence.

Flow and Volume Measurements

In July, approximately 67.1 cubic metres of water were pumped from Lou Lake for domestic use at the camp. A summary of daily water taking from Lou Lake is tabulated below.

<u>Date</u>	<u>Volume</u>	
	(l/gpm)	(cubic metres)
01-Jul-10	500	2.3
02-Jul-10	400	1.8
03-Jul-10	200	0.9
04-Jul-10	500	2.3
05-Jul-10	500	2.3
06-Jul-10	500	2.3
07-Jul-10	400	1.8
08-Jul-10	600	2.7
09-Jul-10	500	2.3
10-Jul-10	600	2.7
11-Jul-10	600	2.7
12-Jul-10	400	1.8
13-Jul-10	800	3.6
14-Jul-10	400	1.8
15-Jul-10	600	2.7
16-Jul-10	600	2.7
17-Jul-10	450	2.0
18-Jul-10	600	2.7
20-Jul-10	600	2.7
21-Jul-10	600	2.7
22-Jul-10	800	3.6
23-Jul-10	1000	4.5
24-Jul-10	700	3.2
25-Jul-10	700	3.2
26-Jul-10	700	3.2
27-Jul-10	950	4.3
28-Jul-10	1000	4.5
29-Jul-10	300	1.4
30-Jul-10	800	3.6
31-Jul-10	450	2.0
Total	14750	67.1

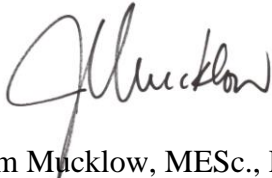


No water was pumped from SNP Station 5-4 for industrial use.

We trust that this letter and attachment are sufficient for the current requirements. Should you require clarification of some point or wish to discuss something, please contact the undersigned at your convenience.

Yours truly

FORTUNE MINERALS LIMITED



Jim Mucklow, MEng., P.Eng.
Manager, Environment and Community Affairs

Attachments: Certificate of Analysis

cc. Indian and Northern Affairs Canada





Environmental Division

Certificate of Analysis

FORTUNE MINERALS LIMITED
ATTN: JIM MUCKLOW
140 FULLARTON STREET SUITE 1902
LONDON ON N6A 5P2

Report Date: 03-AUG-10 11:12 (MT)
Version: FINAL

Lab Work Order #: **L910882**

Date Received: **21-JUL-10**

Project P.O. #: 2056
Job Reference: NIC003-5058
Legal Site Desc: FORTUNE MINERALS NICO PROJECT
CofC Numbers:

Other Information:

Comments:

Shannon Luchka
Account Manager

THIS REPORT SHALL NOT BE REPRODUCED EXCEPT IN FULL WITHOUT THE WRITTEN AUTHORITY OF THE LABORATORY.
ALL SAMPLES WILL BE DISPOSED OF AFTER 30 DAYS FOLLOWING ANALYSIS. PLEASE CONTACT THE LAB IF YOU
REQUIRE ADDITIONAL SAMPLE STORAGE TIME.

ALS LABORATORY GROUP ANALYTICAL REPORT

Sample ID Description Sampled Date Sampled Time Client ID	L910882-1 WATER 20-JUL-10 SNP 5-2 (PORTAL DISCHARGE)	L910882-2 WATER 20-JUL-10 SNP 5-4 (L GRID POND)	L910882-3 WATER 20-JUL-10 SNP 5-5 (LOU LAKE)		
Grouping	Analyte				
WATER					
Physical Tests	Conductivity (EC) (uS/cm)	281	198	63.9	
	pH (pH)	7.69	7.85	7.71	
	Total Suspended Solids (mg/L)	6.0	<3.0	<3.0	
	Total Dissolved Solids (mg/L)			62.0	
Anions and Nutrients	Ammonia-N (mg/L)	0.664	<0.050	<0.050	
Bacteriological Tests	Escherichia Coli (MPN/100mL)			<1	
	Total Coliforms (MPN/100mL)			579	
Total Metals	Aluminum (Al)-Total (mg/L)	0.552	0.073		
	Antimony (Sb)-Total (mg/L)	0.00666	0.00056		
	Arsenic (As)-Total (mg/L)	0.0229	0.175		
	Barium (Ba)-Total (mg/L)	0.0213	0.00893		
	Beryllium (Be)-Total (mg/L)	<0.0010	<0.0010		
	Bismuth (Bi)-Total (mg/L)	0.00118	<0.00020		
	Boron (B)-Total (mg/L)	0.033	<0.020		
	Cadmium (Cd)-Total (mg/L)	<0.00020	<0.00020		
	Calcium (Ca)-Total (mg/L)	25.3	20.0		
	Chromium (Cr)-Total (mg/L)	<0.00080	<0.00080		
	Cobalt (Co)-Total (mg/L)	0.0182	0.00423		
	Copper (Cu)-Total (mg/L)	0.0250	0.0106		
	Iron (Fe)-Total (mg/L)	1.01	0.149		
	Lead (Pb)-Total (mg/L)	0.00121	<0.00010		
	Magnesium (Mg)-Total (mg/L)	5.51	7.50		
	Manganese (Mn)-Total (mg/L)	0.0957	0.0058		
	Mercury (Hg)-Total (mg/L)	<0.00010	<0.00010		
	Molybdenum (Mo)-Total (mg/L)	0.0332	0.00331		
	Nickel (Ni)-Total (mg/L)	0.00352	0.00089		
	Potassium (K)-Total (mg/L)	4.69	1.32		
	Selenium (Se)-Total (mg/L)	<0.00040	<0.00040		
	Silver (Ag)-Total (mg/L)	<0.00040	<0.00040		
	Sodium (Na)-Total (mg/L)	12.3	3.4		
	Strontium (Sr)-Total (mg/L)	0.116	0.0552		
	Thallium (Tl)-Total (mg/L)	0.00024	<0.00010		
	Tin (Sn)-Total (mg/L)	<0.00040	<0.00040		
	Titanium (Ti)-Total (mg/L)	0.0231	<0.0050		
	Uranium (U)-Total (mg/L)	0.0146	0.00340		
	Vanadium (V)-Total (mg/L)	0.00093	<0.00050		

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Grouping	Analyte					
WATER						
Total Metals	Zinc (Zn)-Total (mg/L)	0.175	<0.0040			
Aggregate Organics	Biochemical Oxygen Demand (mg/L)			<2.0		
	Oil and Grease (mg/L)	<1.0	<1.0			

Reference Information

Test Method References:

ALS Test Code	Matrix	Test Description	Method Reference**
AS-T-HVAA-ED	Water	Arsenic (As)-Total (Hydride)	APHA 3114 - AAS-HYDRIDE
BOD-ED	Water	Biochemical Oxygen Demand (BOD)	APHA 5210 B-5 day Incub.-O2 electrode
HG-T-CVAA-ED	Water	Mercury (Hg) - Total	EPA 245.7 / EPA 245.1
MET-T-L-ICP-ED	Water	Total Metals in Water by ICPOES (Low)	APHA 3120 B-ICP-OES
MET-T-L-MS-ED	Water	Total Metals in Water by ICPMS (Low)	SW 846 - 6020-ICPMS
NH4-ED	Water	Ammonia-N	APHA4500NH3F Colorimetry
OGG-ED	Water	Oil and Grease-Gravimetric	APHA 5520 G HEXANE MTBE EXT. GRAVIME
PH/EC-ED	Water	pH and Conductivity	APHA 4500-H, 2510
SE-T-HVAA-ED	Water	Selenium (Se)-Total (Hydride)	APHA 3114 - AAS-HYDRIDE
SOLIDS-TDS-ED	Water	Total Dissolved Solids	APHA 2540 C
SOLIDS-TOTSUS-ED	Water	Total Suspended Solids	APHA 2540 D-Gravimetric
TC,EC-QT97-YL	Water	Total Coliform and E.coli	APHA 9223

The analysis of Total Coliform (TC) & Escherichia coli (EC) is processed by Quanti-tray (QT): Two substrates, ONPG for TC detection and MUG for EC detection are used. The substrates are added to the 100 ml sample dispensed into the 51 well tray. The tray is incubated at 35 Celcius for 24 hours. A colour reaction develops to indicate a positive reaction (presence of TC, EC). The number of positive wells are counted and converted to Most Probable Number Units (MPNU) per 100 ml. This test is also called 'rapid MPN method', therefore, the MPN results are derived from a statistical table with a 95% confidence and report as MPN units. The QT detection limit for a negative result is reported as zero.

** ALS test methods may incorporate modifications from specified reference methods to improve performance.

The last two letters of the above test code(s) indicate the laboratory that performed analytical analysis for that test. Refer to the list below:

Laboratory Definition Code	Laboratory Location
YL	ALS LABORATORY GROUP - YELLOWKNIFE, NW, CANADA
ED	ALS LABORATORY GROUP - EDMONTON, ALBERTA, CANADA

Chain of Custody Numbers:

GLOSSARY OF REPORT TERMS

Surrogate A compound that is similar in behaviour to target analyte(s), but that does not occur naturally in environmental samples. For applicable tests, surrogates are added to samples prior to analysis as a check on recovery.

mg/kg milligrams per kilogram based on dry weight of sample.

mg/kg wwt milligrams per kilogram based on wet weight of sample.

mg/kg lwt milligrams per kilogram based on lipid-adjusted weight of sample.

mg/L milligrams per litre.

< - Less than.

D.L. The reported Detection Limit, also known as the Limit of Reporting (LOR).

N/A Result not available. Refer to qualifier code and definition for explanation.

Test results reported relate only to the samples as received by the laboratory.

UNLESS OTHERWISE STATED, ALL SAMPLES WERE RECEIVED IN ACCEPTABLE CONDITION.

Analytical results in unsigned test reports with the DRAFT watermark are subject to change, pending final QC review.