



FREEPORT RESOURCES INC.

Environmental Assessment Review

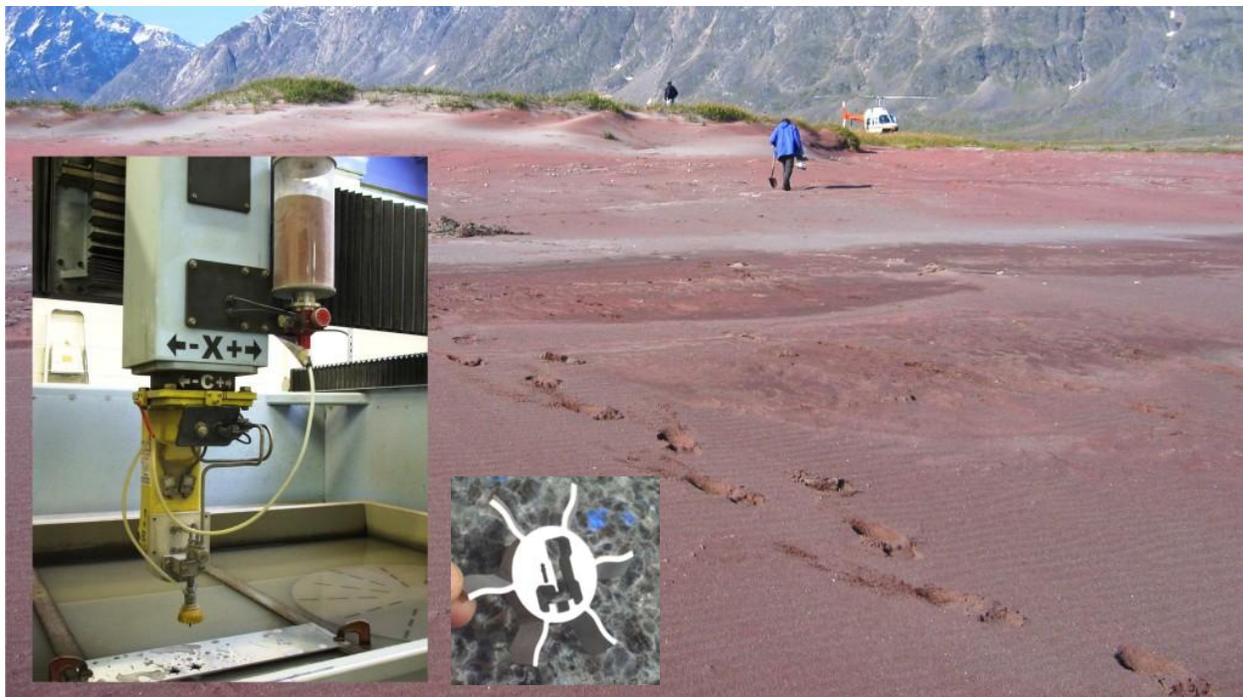
Hutton Garnet Beaches, Labrador
South Beach Bulk Sampling (Garnet Sand)

Introduction

The Hutton Garnet Beaches mineral exploration project is at an advanced stage and information is now being collected for the Feasibility Study. The deposits have unusually high concentrations of high quality industrial garnet naturally suitable for abrasive waterjet cutting. Environmental studies have been conducted (or logs kept) as part of fieldwork activities in 2000, 2001, 2004, 2005, and 2006, summarized in an Environmental Overview Report (2006). The Prefeasibility Report and Marketing Summary provides a project overview, at <http://www.freeportresources.com/i/pdf/Library/Hutton/PRMS2004.pdf>.

2010 Bulk Sampling

Freeport Resources Inc. proposes to collect a bulk sample of up to 2150 cubic metres of unconsolidated garnet sand from the surface of the South Beach deposit. The site of the proposed undertaking is located approximately 350 kilometres north of Nain, Labrador. Access to the site is by boat. No construction is required. The operation will consist of removal of sand for testing and to make garnet concentrates at an off-site processing facility. This project will be weather dependent, with bulk sampling scheduled to begin from mid July 2010, over a period of one to two weeks.



View west and inland at South Beach; multi-axis waterjet machine on left; 3D waterjet cut part on right.

The site of the bulk sampling activity is a sandy beach exposed to wave action during storms and pack ice during winter. The site is accessible by boat or helicopter. To minimize physical and biological disturbance, the beach sand will be sampled to a depth of about 30 cm (12 inches) in non-vegetated areas seaward of the dunes. The 2010 work will not have a lasting visual impact; natural processes will quickly erase any remaining traces of work after the area has been recontoured to its approximate original profile at the end of the sampling activity. Follow-up site monitoring will be undertaken.

Purpose

The purpose of this project is to confirm logistics for commercial scale production. The bulk sampling is part of a mineral exploration program to more completely delineate the garnet deposits, fine-tune the processing method, further develop garnet products, and finalize the off-site pilot plant design. Information derived from the bulk sampling project will be used to complete the Feasibility Study.

Minimal Visual & Environmental Impact

The South Beach bulk sampling will have minimal environmental impact due to many factors, including:

- Short on-site work duration (1 to 2 weeks)
- Limited equipment (2-3 small to mid-size loaders (2.5 yard bucket)
- Small crew (about 17-20 people)
- No infrastructure (tug and barge as self-contained base camp)
- No stripping (garnet sand is a surface deposit)
- No chemicals or explosives are needed
- No disturbance of vegetation (sampling restricted to vegetation-free areas)
- Limited surface disturbance due to shallow sampling of high grade deposit

The bulk sampling at South Beach has been planned to minimize impacts on site aesthetics, fish habitat, and archaeological sites. It will take place between the high tide and dune line, where virtually no vegetation exists. The sand will be removed in shallow layers to a maximum depth of about 30 cm (12 in), over about 0.7 hectares -- less than 5% of the total area of the beach. This approach will preserve its overall site contours and appearance. There is minimal possibility of sedimentation and negative impact on fish, because the garnet sand has very few fine particles (silt & clay size), the topography is essentially flat, and a 75m setback along the Helga R. will be observed. A Historic Resources Impact Assessment Study (Stage 1) completed in 2007 identified existing historic resources and confirmed that work on the garnet beaches will not impact archaeological sites. All sample processing will be done at a commercial facility off site.

The complete environmental registration document, may be viewed at:

<http://www.freeportresources.com/i/pdf/Library/Hutton/HuttonEA2010.pdf>

It is also available via the Department of Environment's website at:

<http://www.env.gov.nl.ca/env/Env/EA%202001/Project%20Info/1486.htm>



To comment on the project please contact the Environmental Assessment Division, at the Department of Environment & Conservation, P. O. Box 8700, St. John's NL A1B 4J6. Telephone: (709) 729-4211 Toll free: 1-800-563-6181 Fax: (709) 729-5518

LETTERS OF SUPPORT MAY BE EMAILED BY THURSDAY MAY 6, 2010, TO:

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