

22 May 2012

**Fortis Mining Limited (FMJ) – ASX Announcement**

**Memorandum of Understanding with CNAMPGC Holding Company Limited**

FMJ is pleased to announce that on 18 May 2012, it has entered into a Memorandum of Understanding (MoU) with CNAMPGC Holding Company Limited.

The MoU is focused on the development of the Kazakhstan projects at both Zhilyanskoe and Chelkar and establishes a cooperative working relationship, including but not limited to shareholding, mining exploration, development & production and sales & distribution. FMJ will update the market once definitive agreements are finalised.

As a first step, CNAMPGC Holding Company Limited is dispatching a mining design and production team to the Zhilyanskoe and Chelkar sites in Kazakhstan to work with FMJ to develop appropriate plans for both sites.

CNAMPGC Holding Company Limited is a subsidiary of China National Agricultural Means of Production Group Corporation (CNAMPC Group). CNAMPC Group is a China based enterprise with nationwide operations and is the leader in the area of production, trading, sales and distribution of chemical fertilisers and other agricultural related products. CNAMPC Group has the largest distribution network in China which covers more than 1,200 counties as well as operating potash mining and production facilities in Laos and China.

This development is a significant milestone for FMJ as this working relationship with CNAMPGC Group, which has proven capability and capacity to effectively develop potash reserves and to distribute the potash directly to end-users, has strengthened our ability to successfully develop the Kazakhstan projects.