

NI43-101 TECHNICAL REPORT
ON THE
SUPERIOR- KOCH- AMAR PROPERTY

situated at:

NTS 82F/12
Latitude 49°44'N
Longitude 117°46'W
UTM 5509250N, 444800E
Slocan Mining Division

Report Prepared For:

Fortune Graphite Inc.
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April 10, 2012

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SUMMARY

The Superior-Koch-Amar property, consisting of 54 mineral claims totaling 5771.85 hectares, is located in the South Valhalla Range approximately 50 kilometres west of Nelson, British Columbia.

In January, 2011, Fortune Graphite Inc. acquired the Superior, Koch, Amar property from Worldwide Graphite Producers Ltd. Fortune graphite can earn a 100% interest in the property by making a cash payment of \$500,000 and by issuing 10,000,000 shares at a deemed value of \$0.10 per share.

The Superior-Koch-Amar graphite property was actively explored from the date of its acquisition in 1997 to 2004 by Worldwide Graphite Producers Corp. This exploration has consisted of prospecting and sampling, diamond drilling, reconnaissance mapping at 1:20,000 scale and metallurgical testing. This work has revealed that graphite bearing rocks are ubiquitous to most areas of the property. Two zones, Main and Amar, have been identified as having higher concentrations of graphite. On the Main Zone graphite is hosted by marble and calc-silicate rocks; on the Amar Zone graphite is present predominantly in quartz-biotite schists and gneisses. High concentrations of graphite have been recorded elsewhere on the property but these localities have not been explored in any detail. Metallurgical work to date has indicated that approximately 75% of the graphite is +48 and -48+100 mesh size. This material with additional grinding would be suitable for the fuel cell market. Fortune Graphite has not completed any exploration on the property.

Based on the 1999 diamond drill program, a historical estimate has been completed for the Main Zone. Approximately 2.7 million tonnes grading 2.07% graphite are estimated to be present assuming an open-pit mining method and a strike length of 350 metres. A Qualified Person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves and the issuer is not treating the historical estimate as current mineral resources or mineral reserves. There has been no recent NI43-101 resource estimation completed for this property as further exploration consisting of diamond drilling, bulk sampling, verification of historical data and metallurgical testing is required to upgrade the historical estimate as a current mineral resource.

Further exploration is required, especially on the Main Zone, to properly define the graphite potential present on the property. This work will consist of approximately 2000 metres of drilling at a cost of \$400,000.

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INTRODUCTION:

In 1998, Worldwide Graphite Producers Ltd., a private company with offices located in Toronto and Vancouver, acquired the interests of a graphite property located in the Slocan area of British Columbia from prospector Horst Klassen. Worldwide Graphite Producers Corp. spent in excess of \$1,000,000 on exploration. This work confirmed the presence of graphite throughout the property.

In January, 2011, Fortune Graphite Inc. acquired the property and in November, 2011, the author was asked by David Amar, President of Fortune Graphite Inc., to update the earlier NI43-101 report that was prepared for Worldwide Graphite in order for the company to comply with recent changes with respect to 43-101 requirements. This updated version of the report addresses the deficiencies in the earlier report.

Exploration in 2004 consisted of prospecting and sampling. This work identified new graphite occurrences that resulted in the staking of additional claims. This work was done during the period June 1-December 15, 2004. Since 2004 there has been no material work done on the property other than maintenance of the claims. A search of the British Columbia's MTO database indicates that no assessment work has been filed on the property subsequent to 2004 and the 2005 Assessment report.

During the period June 1-July 31, 2004, the author spent 10 days on the property completing reconnaissance mapping and verifying the prospecting and sampling that had been done by the prospecting crew. This report is based upon the author's own observations, field work done by previous prospecting personnel and from previous reports compiled on behalf of the company

RELIANCE ON OTHER EXPERTS

The author is not relying on a report or opinion of any experts. The ownership of the claims comprising the property and the ownership of the surrounding claims has been taken from the Mineral Titles Online database maintained by the British Columbia Ministry of Energy and Mines. The data on this site is assumed to be correct.

The section on the History of the property area has been taken from the British Columbia Ministry of Energy and Mines Assessment Files. The geological assessment reports have been written by competent geologists and engineers according to the industry standards of the day. The rock, soil and silt analyses were completed by a reputable Canadian Assay Laboratories, in accord with the industry standards of the day.

PROPERTY DESCRIPTION AND LOCATION:

The Superior-Amar-Koch property, consisting of 54 unsurveyed mineral claims registered in the Slocan Mining Division, is situated in the South Valhalla Mountain Range approximately 50 kilometres west of Nelson and 51 kilometres north of Castlegar, British Columbia (Figure 1). Details pertaining to these claims are summarized in Table 1 and shown in Figure 2. The Main Zone is located at UTM co-ordinates

445361E and 5506798N in Zone 11. Fortune Graphite Inc. is the registered owner of the Superior, Koch, Amar property. These claims were acquired from Worldwide Graphite (a private company) under an agreement dated January 20, 2011. Terms of the agreement call for the Fortune Graphite to make a cash payment of \$500,000 and issue 10,000,000 common shares at a deemed value of \$0.10 per share. The \$500,000 is to be paid in monthly installments of \$15,000 commencing August 1, 2011.

Fortune Graphite Inc. is only acquiring the mineral rights and will have no surface rights. There is public access to the property. None of the property is on Private Land. To the best of the author's knowledge there are no outstanding environmental liabilities. A Notice of Work will be required before proceeding with the recommended drill program. First Nations and other interested parties may have to be consulted prior to any physical work being done.

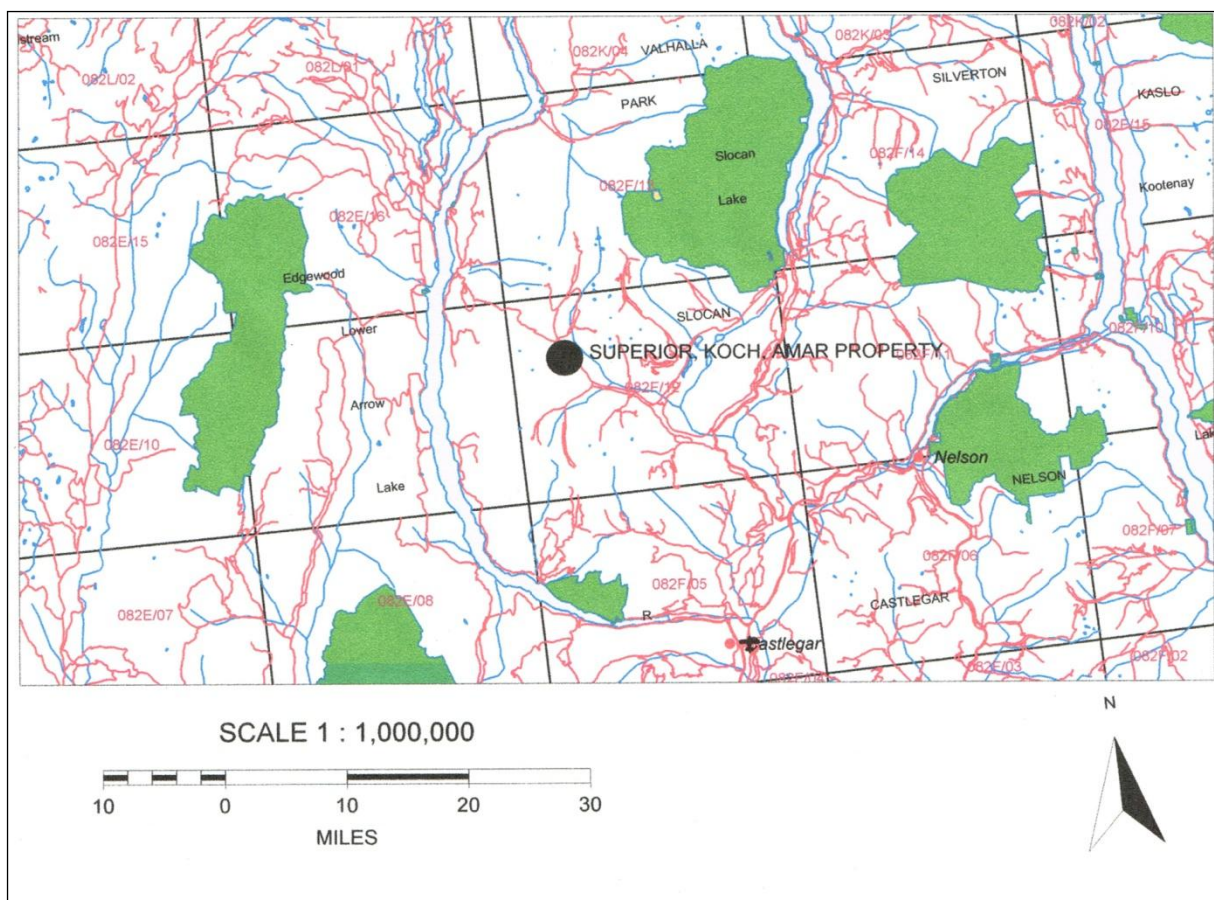


Figure 1: Location Map- Superior, Koch, Amar property.

ACCESSIBILITY, CLIMATE, LOCAL RESOURCES, INFRASTRUCTURE AND PHYSIOGRAPHY:

Access to the property is via the Little Slokan forest service road, a distance of 34 kilometres from Highway #6 at the village of Passmore, or from the village of Slokan on the same Highway for a distance of 22 kilometres. This road is well maintained by Canfor Forest Products. Access to the main showing area is via the Hoder Creek road. This road is suitable for mine haul trucks and is maintained by a forestry company. Most of the remainder of the property is accessible by less well maintained logging roads.

Table 1: Tenure data pertaining to the Superior, Koch, Amar property.

Tenure Number	Claim Name	Owner	Tenure Type	Map Number	Issue Date	Good To Date	Status	Area (ha)
346875	SUPERIOR IX	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	150.0
346876	SUPERIOR X	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	75.0
346877	SUPERIOR I	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	25.0
346878	SUPERIOR II	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	25.0
346879	SUPERIOR III	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	25.0
346880	SUPERIOR IV	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	25.0
346881	SUPERIOR V	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	25.0
346882	SUPERIOR VI	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	25.0
346883	SUPERIOR VII	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	25.0
346884	SUPERIOR VIII	246841 (100%)	Mineral	082F072	1996/jun/12	2015/apr/05	GOOD	25.0
346885	SUPERIOR XI	246841 (100%)	Mineral	082F072	1996/jun/13	2015/apr/05	GOOD	25.0
346886	SUPERIOR XII	246841 (100%)	Mineral	082F072	1996/jun/13	2015/apr/05	GOOD	25.0
346887	SUPERIOR XIII	246841 (100%)	Mineral	082F072	1996/jun/13	2015/apr/05	GOOD	25.0
346888	SUPERIOR XIV	246841 (100%)	Mineral	082F072	1996/jun/13	2015/apr/05	GOOD	25.0
346889	SUPERIOR XV	246841 (100%)	Mineral	082F072	1996/jun/13	2015/apr/05	GOOD	25.0
346890	SUPERIOR XVI	246841 (100%)	Mineral	082F072	1996/jun/13	2015/apr/05	GOOD	25.0
346891	SUPERIOR XVII	246841 (100%)	Mineral	082F072	1996/jun/13	2015/apr/05	GOOD	25.0
346892	SUPERIOR XVIII	246841 (100%)	Mineral	082F072	1996/jun/13	2015/apr/05	GOOD	25.0
346893	SUPERIOR XIX	246841 (100%)	Mineral	082F072	1996/jun/14	2015/apr/05	GOOD	25.0
346894	SUPERIOR XX	246841 (100%)	Mineral	082F072	1996/jun/14	2015/apr/05	GOOD	25.0
346899	SUPERIOR XXV	246841 (100%)	Mineral	082F072	1996/jun/14	2015/apr/05	GOOD	25.0
346900	SUPERIOR XXVI	246841 (100%)	Mineral	082F072	1996/jun/14	2015/apr/05	GOOD	25.0
346901	SUPERIOR XXVII	246841 (100%)	Mineral	082F072	1996/jun/16	2015/apr/05	GOOD	25.0
346902	SUPERIOR XXVIII	246841 (100%)	Mineral	082F072	1996/jun/16	2015/apr/05	GOOD	25.0
346903	SUPERIOR XXIX	246841 (100%)	Mineral	082F072	1996/jun/16	2015/apr/05	GOOD	25.0
347428	SUPERIOR XXX	246841 (100%)	Mineral	082F072	1996/jul/01	2015/apr/05	GOOD	25.0
347429	SUPERIOR XXXI	246841 (100%)	Mineral	082F072	1996/jul/01	2015/apr/05	GOOD	25.0
347430	SUPERIOR XXXII	246841 (100%)	Mineral	082F072	1996/jul/01	2015/apr/05	GOOD	25.0
360029	SUPERIOR XXXIII	246841 (100%)	Mineral	082F072	1997/oct/21	2013/mar/01	GOOD	400.0
360030	SUPERIOR XXXIV	246841 (100%)	Mineral	082F072	1997/oct/21	2013/mar/01	GOOD	500.0
360031	SUPERIOR XXXV	246841 (100%)	Mineral	082F072	1997/oct/24	2013/mar/01	GOOD	400.0
360032	SUPERIOR XXXVI	246841 (100%)	Mineral	082F072	1997/oct/24	2013/mar/01	GOOD	450.0

365015	MOTHER SUPERIOR	246841 (100%)	Mineral	082F072	1998/aug/09	2013/mar/01	GOOD	400.0
390990	AMAR	246841 (100%)	Mineral	082F072	2001/nov/24	2015/apr/05	GOOD	25.0
390991	GRACIA	246841 (100%)	Mineral	082F072	2001/nov/24	2015/apr/05	GOOD	25.0
390992	NISSIM	246841 (100%)	Mineral	082F062	2001/nov/24	2015/apr/05	GOOD	25.0
390993	EMILE	246841 (100%)	Mineral	082F062	2001/nov/24	2015/apr/05	GOOD	25.0
390994	SOLANGE	246841 (100%)	Mineral	082F062	2001/nov/24	2015/apr/05	GOOD	25.0
390995	DADY	246841 (100%)	Mineral	082F062	2001/nov/24	2015/apr/05	GOOD	25.0
390996	CLAUDE	246841 (100%)	Mineral	082F062	2001/nov/24	2015/apr/05	GOOD	25.0
390997	BABETTE	246841 (100%)	Mineral	082F062	2001/nov/24	2015/apr/05	GOOD	25.0
390998	GUILA	246841 (100%)	Mineral	082F062	2001/nov/24	2015/apr/05	GOOD	25.0
390999	ELIE	246841 (100%)	Mineral	082F062	2001/nov/24	2015/apr/05	GOOD	25.0
831908	SUPERIOR 50	246841 (100%)	Mineral	082F	2010/aug/20	2012/sept/16	GOOD	208.7073
834063	SUPERIOR	246841 (100%)	Mineral	082F	2010/sep/22	2013/mar/15	GOOD	271.7781
851418	SUPERIOR 40	246841 (100%)	Mineral	082F	2011/apr/11	2012/aug/11	GOOD	167.1592
857411	AMAR GROUP 1- 34	246841 (100%)	Mineral	082F	2011/jun/21	2012/jun/21	GOOD	250.8039
917489	SUPERIOR 1	246841 (100%)	Mineral	082F	2011/oct/18	2012/oct/18	GOOD	125.411
918309	SUPERIOR 2	246841 (100%)	Mineral	082F	2011/oct/19	2012/oct/19	GOOD	167.2307
922869	SUPERIOR 3	246841 (100%)	Mineral	082F	2011/oct/25	2012/oct/25	GOOD	41.8012
923009	SUPERIOR 4	246841 (100%)	Mineral	082F	2011/oct/25	2012/oct/25	GOOD	41.804
923029	SUPERIOR 5	246841 (100%)	Mineral	082F	2011/oct/25	2012/oct/25	GOOD	20.9007
923109	SUPERIOR 6	246841 (100%)	Mineral	082F	2011/oct/25	2012/oct/25	GOOD	20.9004
935249	KOCH	246841 (100%)	Mineral	082F	2011/nov/30	2012/nov/30	GOOD	1380.3563
								5771.8528

The Superior-Koch-Amar property is located in an area of moderate to high relief with slopes varying from 37 to 45 degrees. Elevations vary from 1125 to 2600 metres ASL. At lower elevations slopes are covered by mixed deciduous and coniferous forest; at higher elevations slopes consist of alpine meadows with some coniferous forest. The property has been partially logged. Some second growth forest is now present in some of the previously logged areas. Canfor Corporation holds the rights to several cut-blocks in this area.

This part of British Columbia is subject to heavy seasonal rainfall and snowfall. During the period November to March average snowfall is 120 cm. Much of this area is therefore inaccessible by road during the period from late October to late May. If logging operations are ongoing some of the roads may be maintained during the winter months.

Logistics for working in this part of the province are excellent. Gravel road access will allow the easy movement of equipment and supplies to the property. Heavy equipment is available in Nelson or Castlegar. Depending upon the type of exploration, the field season can run from May to October. The Town of Nelson has an ambulance, medical station, gas station, grocery store, restaurants and accommodations. At the present time there is no infrastructure on the property. Adjacent to the property is a mill capable of processing graphite.

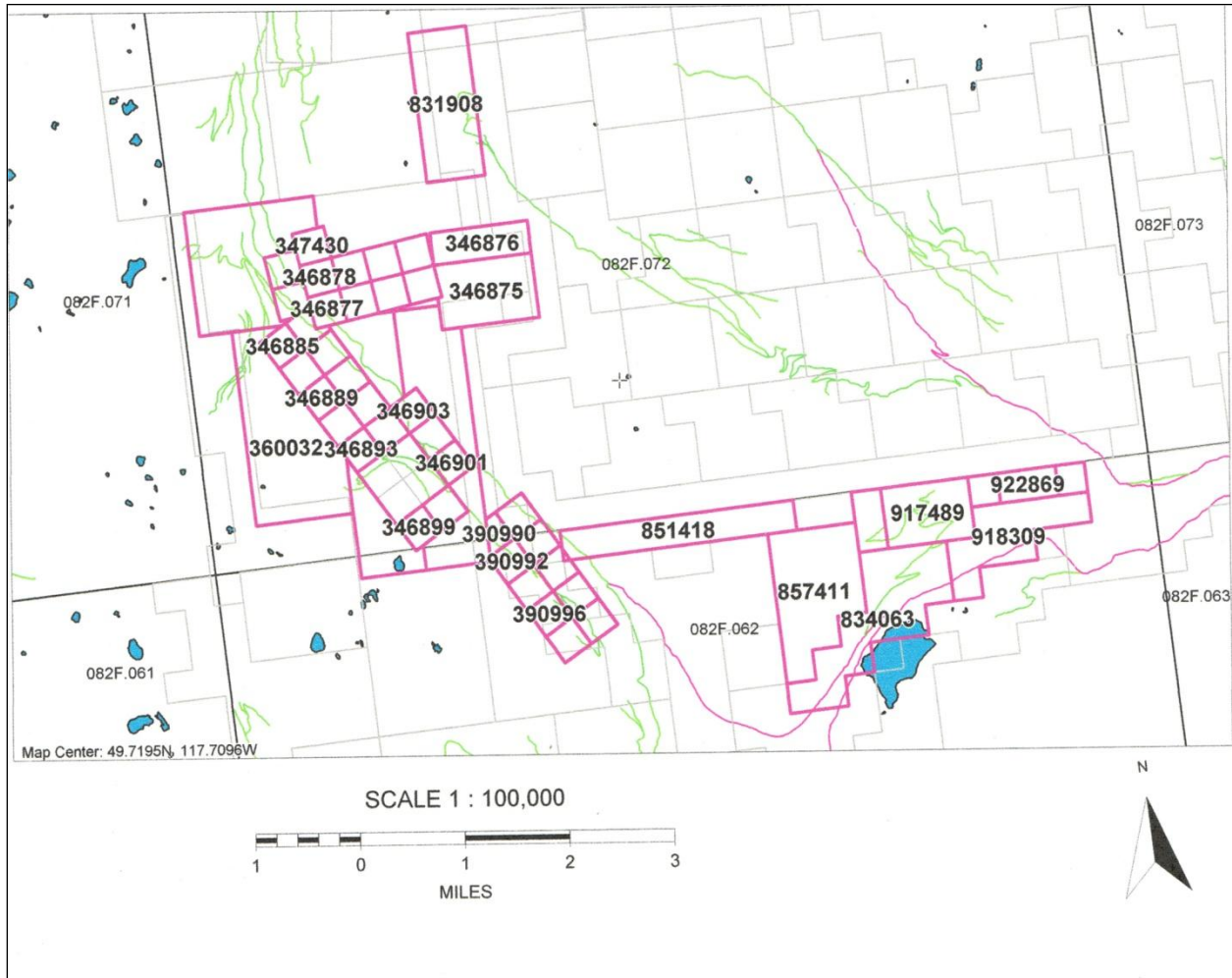


Figure 2: Claim map: Superior, Koch, Amar property.

HISTORY:

The history of this area dates back to 1965 when Reesor (1965) first noted the presence of graphite while mapping for the Geological Survey of Canada. In 1996 and 1997 the Superior claims were staked by prospector Horst Klassen who in turn optioned the property to International Mineral Resources Ltd. and its successor Worldwide Graphite Producers Ltd. in 1998. Up until this time there had only been some prospecting and preliminary mapping completed on the property. This work located the Main Zone - a band of marble and calc-silicate rocks containing significant amounts of graphite.

In 1998 samples totaling approximately 100 kilograms were collected from the Main Zone and sent to Lakefield Research for metallurgical study. Pearson, Hofman & Associates Ltd. (1998) supervised this work. Bench scale testing of the material was able to define a flowsheet that could obtain maximum graphitic carbon content with minimal flake damage. Approximately 75% of the graphite in the original

feed was recovered in the +48 and in the -48+100 mesh products. A concentration containing 95.5% graphite was produced.

In 1999, a drill program consisting of 9 holes totaling 1331.45 metres was completed in the Main Zone area. This program covered a strike length of 350 metres. Six of the 9 holes drilled intersected significant graphite bearing intervals over widths of 45 to 60 metres (SNC-Lavalin, et al, 2000). Graphite content ranged from 0.72-3.04 FC and drill intersections ranged in thickness from 0.79-27.9 metres.

In 2000 and 2001 Worldwide Graphite Producers Corp. completed a historical estimate and an updated historical estimate for the Main Zone on the Superior-Koch-Amar property. Both of these reports were compiled by G. Addie (2000, 2001) in reports entitled "A Report on the "Inferred Mineral Resource" at the Superior Graphite Property based on the 1999 Diamond Drill Program and prospecting during the year 2000" and "An update on the December 2000 Report Titled A Report on the "Inferred Mineral Resource" at the Superior Graphite Property based on the 1999 Diamond Drill Program and prospecting during the year 2000." Both of these reports can be found on the British Columbia Aris database as Assessment Report 26566, parts 2 and 3. These historical estimates were completed prior to Fortune Graphite Inc. acquiring the Superior-Koch-Amar property from Worldwide Graphite Producers Corp. The terminology used in these estimates conforms with the standards and definitions set forth by the CIM.

In his estimates, Addie used the results from 1999 drilling (Figure 1), a Specific Gravity of 2.74, horizontal lengths from drill hole to drill hole and true widths that were calculated using angles of intersection or core angle from the drill logs. He estimated an inferred mineral resource of 3.4 million tons grading 1.4% graphite assuming that mining would be done by open-pit (Addie, 2000). This estimate was updated (Addie, 2001) assuming that mining would be done by benching and selective mining. The inferred mineral resource for the Main Zone was now estimated to be 2.7 million tonnes with a grade of 2.07% graphite. An additional 112,000 tonnes grading 1.45% graphite is contained in the Footwall Zone below three postulated faults, probably in quartz-biotite schist. A Qualified Person has not done sufficient work to classify the historical estimate as current mineral resources or mineral reserves and the issuer is not treating the historical estimate as current mineral resources or mineral reserves. There have been no more recent updates or data available to the issuer. Although the historical estimates should not be entirely relied upon, the author views these historical estimates as relevant and an indication of the potential of the property. Additional exploration in the form of detailed mapping, sampling, diamond drilling, bulk sampling, metallurgical testing and verification of historical data is required to update these historical estimates.

During 2000, VLF-EM surveys were completed in the vicinity of the Main Zone and an additional 90 samples were collected for analyses (Rapski, 2001). Twenty hand trenches were dug in the Main Zone area. Additional exploration was done in 2002 (Cowie, 2003) during which time the Koch mineral claims were staked. The 2004 exploration program consisted of prospecting, sampling, reconnaissance mapping and metallurgical testing of a bulk sample. This work is the subject of this report. The geophysical survey aided in the mapping of shallow conductive trends that appeared to be related to graphite mineralization.

Fortune Graphite acquired the property in 2011 but has not done any exploration on the property.

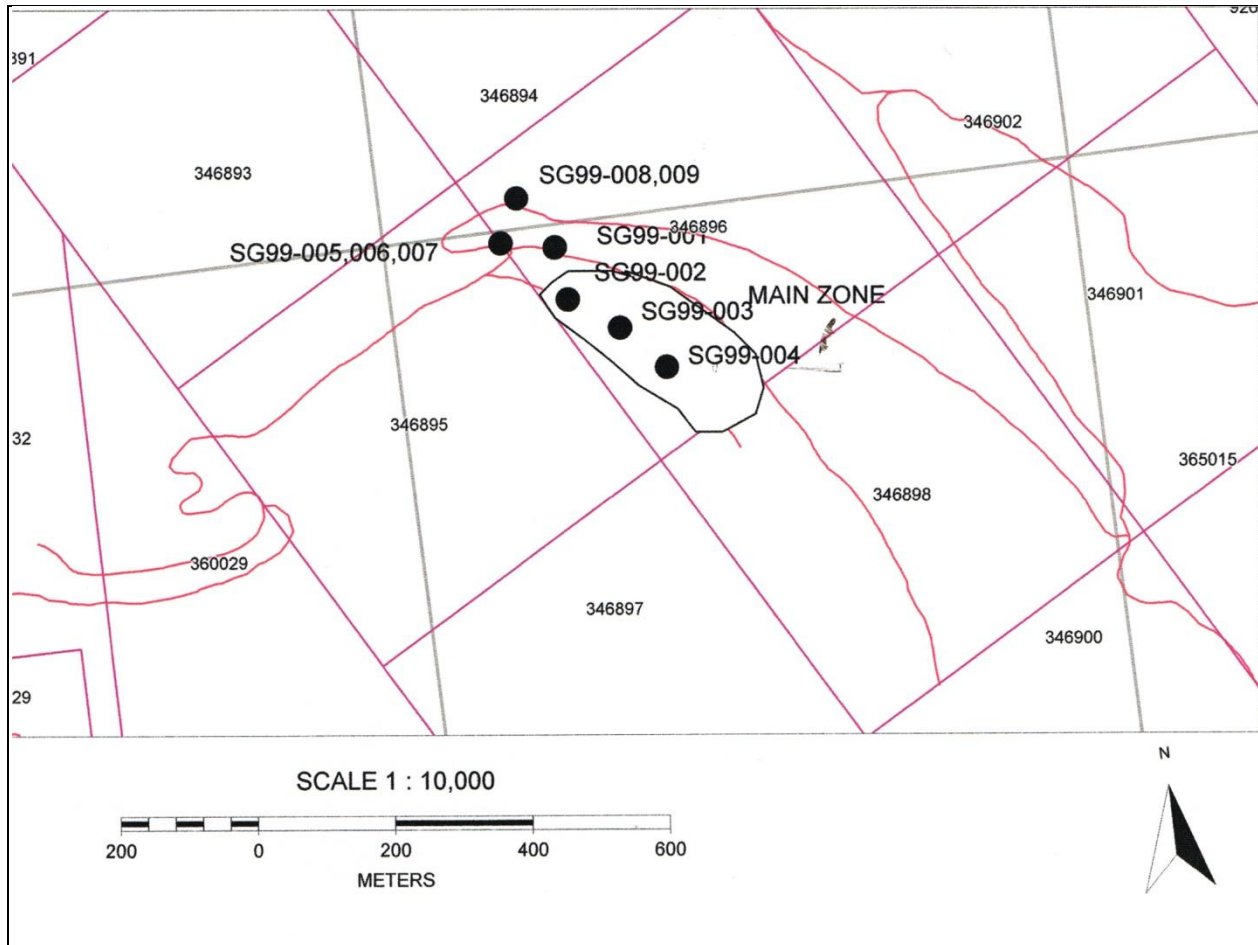


Figure 3: Location of Main Zone and drill holes.

GEOLOGICAL SETTING AND MINERALIZATION:

Regional Geology:

Fortune Graphite's Superior-Koch-Amar property is situated in the Valhalla Metamorphic Core Complex (Figure 6). Rock consists of amphibolite grade or higher paragneisses with some calc-silicate rocks and marble. Also present are augen gneiss and granitoid gneiss. The marble and calc-silicate units have been traced along strike for 8 kilometres and have been used as a regional stratigraphic marker horizon. They are host to significant graphite mineralization on the Superior claims and on the adjoining property now owned by Eagle Graphite.

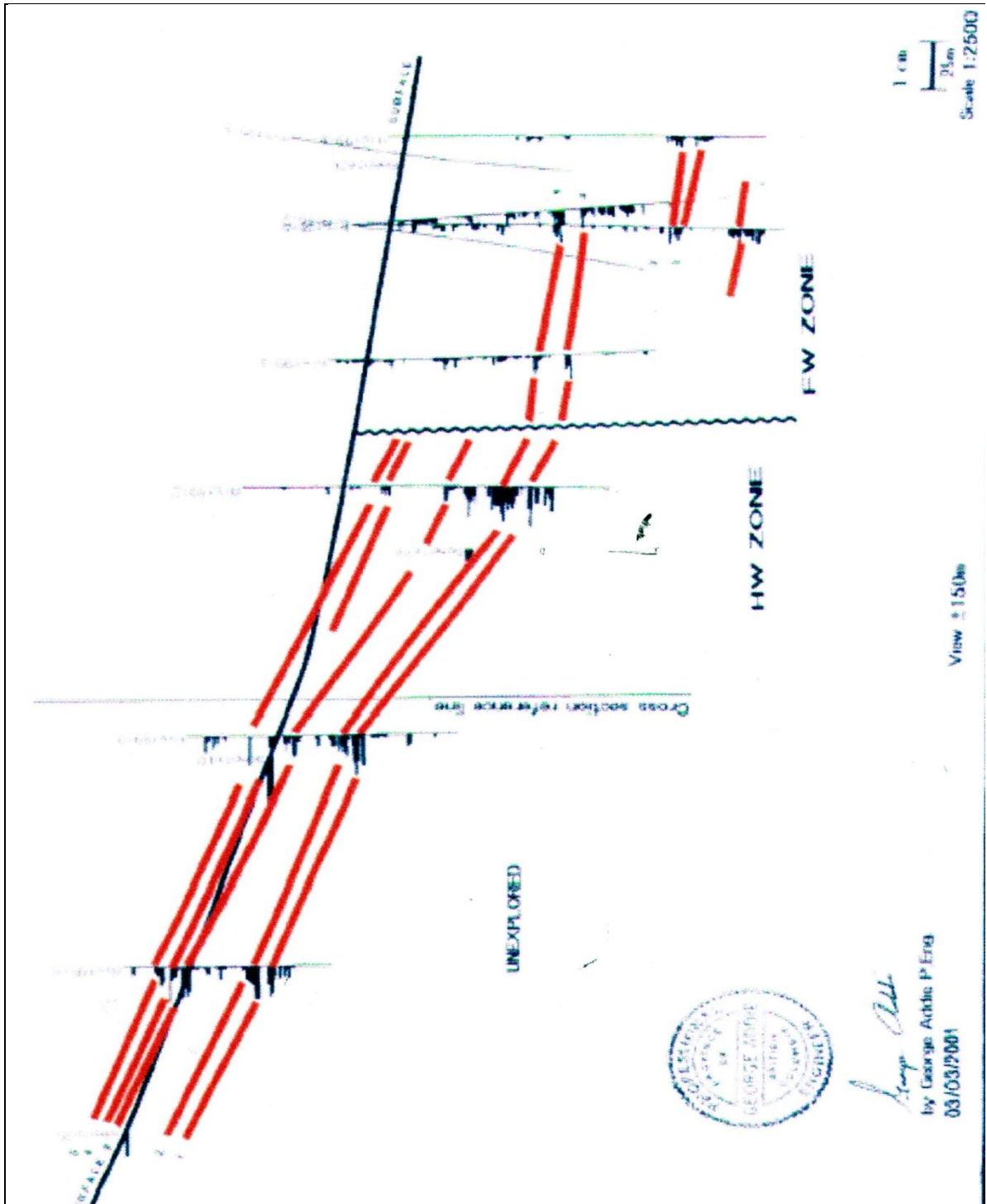


Figure 4: Longitudinal section through Main Zone (from Addie, 2001).

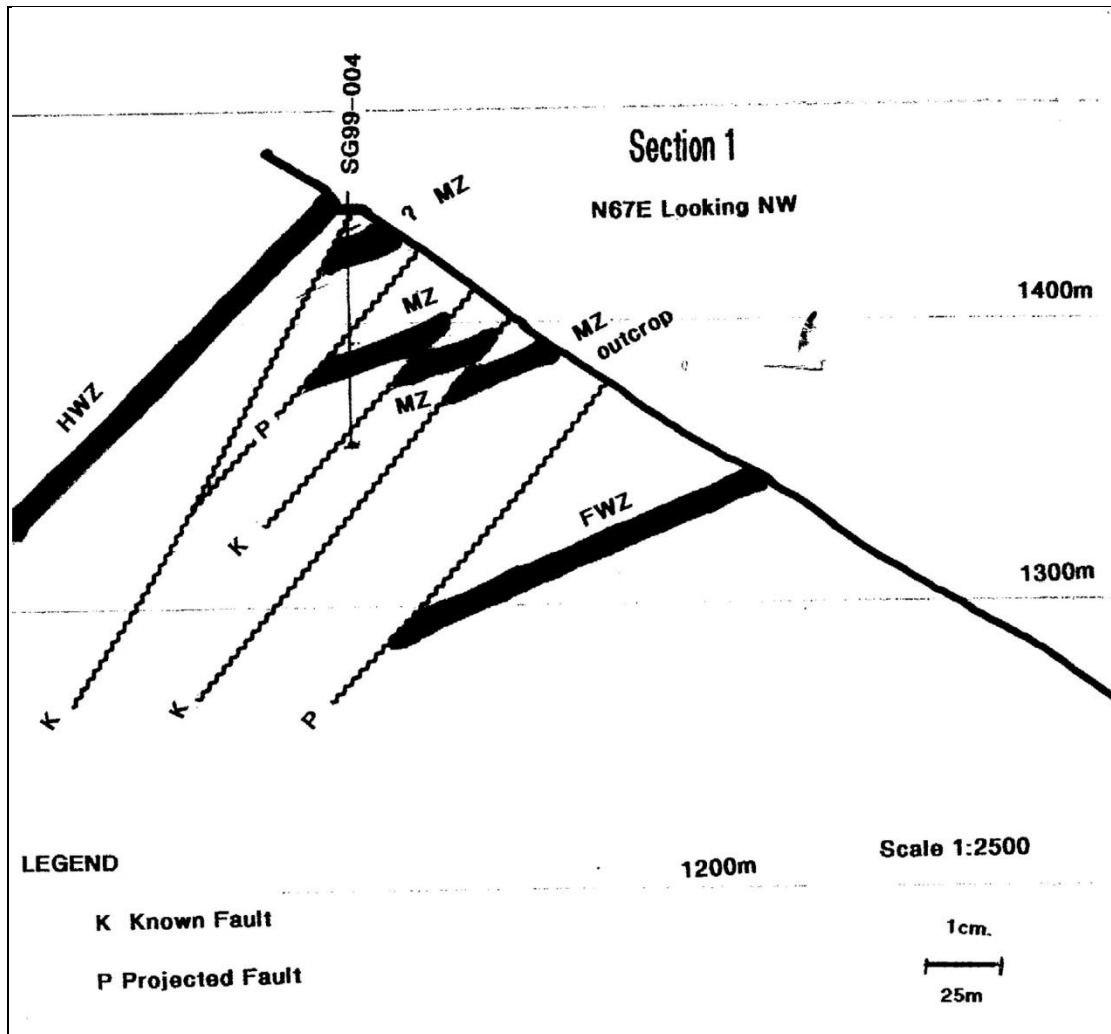


Figure 5: Cross- section through Main Zone (from Addie, 2000).

Property Geology:

Underlying most of the Superior-Koch-Amar claims are a sequence of quartz-biotite schists, amphibolite, augen gneiss, marble and calc-silicate rocks (Figure 7). In general these rocks are flat lying or shallow dipping westerly. Pegmatite occurs as lenses of variable size and thickness throughout this sequence. Intruding these rocks along the western margin of the property is quartz monzonite (Butrenchuk, 2005).

Graphite is present in graphitic quartz-biotite schist and in marble and calc-silicate rocks. The graphite bearing schists are ubiquitous to most of the property. Graphite content by volume can range up to 20% but generally is less than 5%. Grab samples from a number of localities indicate graphite content in excess of 2% C. by weight.

Mineralization:

As stated previously in this report, graphite occurs in quartz-biotite schists in variable quantities. This mineralization is best exemplified in the Main Zone from which a 3 tonne bulk sample was collected in 2004 for metallurgical testing. It also occurs in marble and calc-silicate rocks. This type of mineralization is best exemplified in the Main Zone located on the Superior claims.

Mapping and drilling to date indicate that the Main Zone consists of several well mineralized graphite intervals. Mineralization consists of graphitic and barren marbles in a unit with overall thickness ranging from 45 to 60 metres thick. The best mineralized interval is approximately 15 metres thick. Graphite grades range from 0.74% to 1.69% graphite; individual samples from the 1999 drilling program range as high as 4.44% graphite. Samples collected for the 1998 metallurgical work contained as much as 7.0% graphite.

Within the marble and calc-silicate rocks graphite occurs as elongated flakes and less commonly as platy flakes. It occurs as subhedral grains ranging in size from 50 microns to 1.2 millimetres in length with an average of 500 microns.

At the Amar Zone graphite is present in quartz-biotite schist that is exposed in a creek bed above a logging road over a stratigraphic interval of at least 20 metres. Graphite occurs as finely crystalline flakes in quantities of 5 to 10% by volume. Below the road pegmatite and schist containing minor graphite are also present.

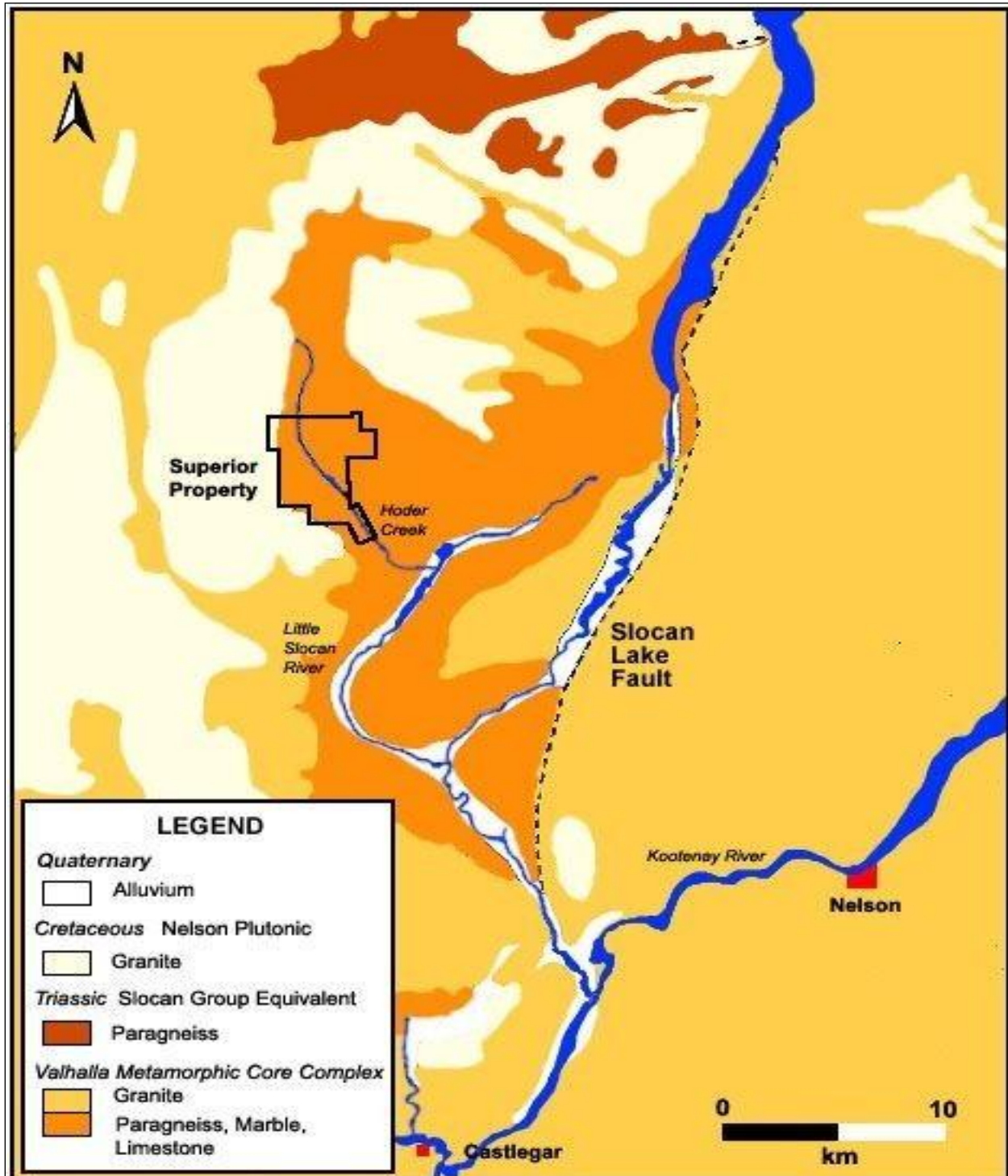
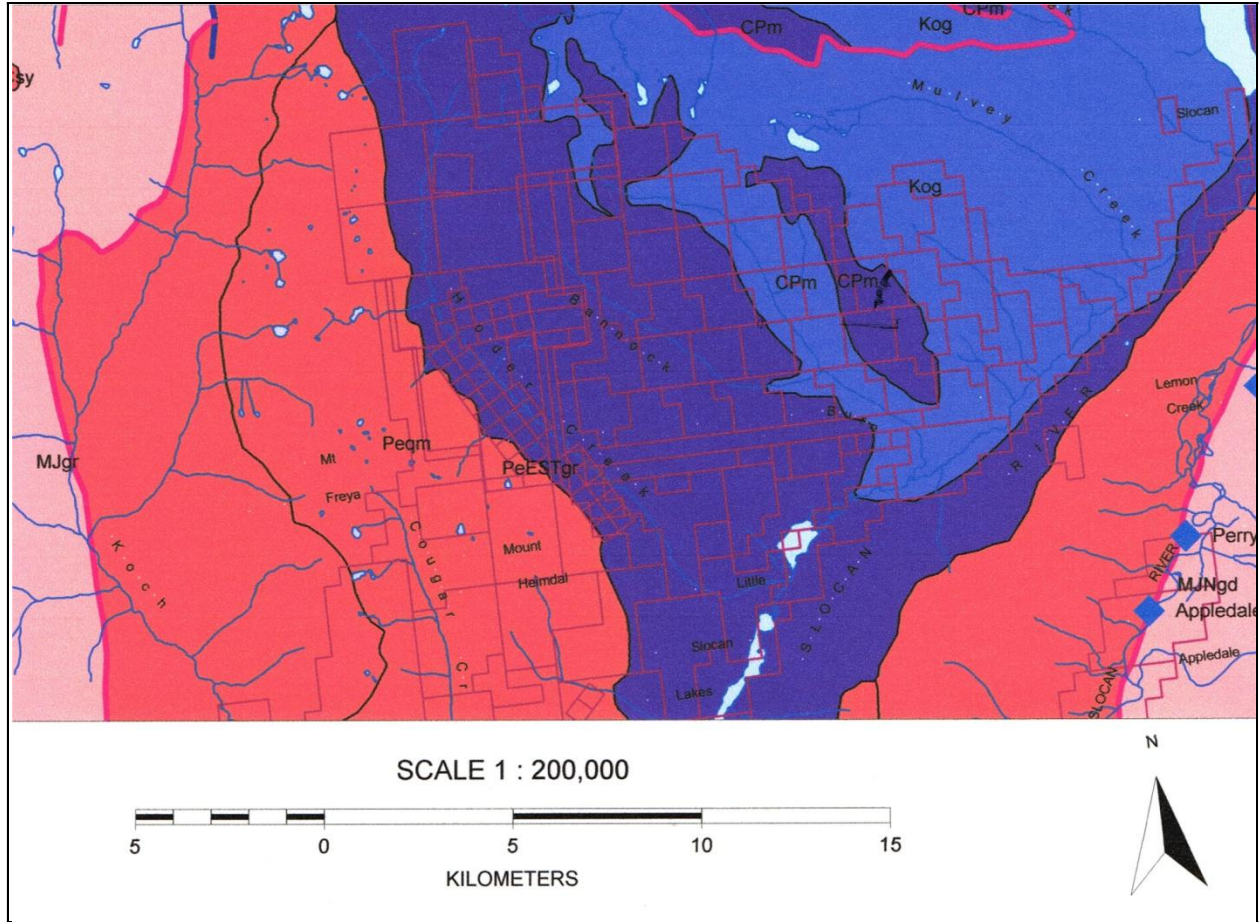


Figure 6: Regional geology: Superior, Koch, Amar property



LEGEND	
PeESTgr	Paleocene to Eocene: Sheppard, Tuzo Creek, Shingle Creek, Intrusions: granite, alkali feldspar granite
Kog	Cretaceous: unnamed orthogneiss, metamorphic rocks
CPm	Carboniferous to Permian: metamorphic rocks, undivided

Figure 7: Property geology: Superior, Koch, Amar property

DEPOSIT TYPE:

Deposits of crystalline flake graphite typically occur as disseminated flakes in metasedimentary rocks of granulite or upper amphibolite facies metamorphism. Host rocks consist of marbles, paragneiss, quartzites and amphibolites. Deposits generally occur as stratiform lenses or are saddle shaped. Economical deposits are several metres thick and hundreds of metres in strike length. Higher graphite grades are commonly located along marble-paragneiss contacts or along other zones that acted as channels for retrograde metamorphic fluids (Simandl and Kenan, 1999).

The median grade and size for crystalline flake graphite deposits is 9.0% F.C. and 2,400,000 tonnes respectively. Large deposits containing coarse flakes may be economic with grades as low as 4.0% F.C.

EXPLORATION:**1998-2003 Exploration:**

From 1998-2003 exploration work on this property consisted mainly of prospecting and sampling. The majority of this work has been done by Horst Klassen, a prospector residing in Salmo, British Columbia. Additional to this work there was a diamond drill program completed in 1999. Various VLF-EM surveys were also done. In the early stages of exploration a metallurgical study was completed on a 100 kilogram sample collected from the Main Zone.

2004 Exploration:

In 2004, the area surrounding the Superior Claims was prospected in detail. This work resulted in the discovery of the Amar Zone and the staking of the Amar claims. Approximately 105 samples were collected and submitted for analyses. Analytical work was done by Ashbury Carbon and Petro Laboratories. The author spent approximately 10 days doing reconnaissance mapping along many of the accessible logging roads as well as in the main mineralized zone. In addition to the above work, a 3 tonne bulk sample consisting mainly of graphite bearing quartz-biotite schist was collected from the newly discovered Amar Zone and submitted to Crystal Graphite Corp. for metallurgical testing.

Exploration to date has revealed that graphite is present in most areas of the property in quartz-biotite schists, in marble and calc-silicate rocks in the Main Zone and locally as very coarse flakes in pegmatite. Only the Main Zone and to a lesser extent the Amar Zone have graphite concentrations high enough to be considered as important targets. There are locations elsewhere on the property where graphite grades are high but where little is known about the areal extent of the graphite and potential as the samples collected were only grab samples and may not be representative of the actual grade.

Fortune Graphite Inc. has not completed any exploration on the Superior-Koch-Amar property.

DRILLING:

The only drilling done on the property was in 1999 during which time 9 holes totaling 1331.45 metres were drilled. All of the drilling (Table 2) was done on the Main Zone situated on the Superior Claims (Figure 8). Analyses were only completed for 6 of the 9 holes drilled. The drilling was done by Kootenay Exploration Drilling Ltd. under the supervision of SNC-Lavalin Engineers and Constructors (SLE & C, 2000). Significant mineralized intersections and Specific Gravity results are given in Tables 3 and 34 respectively.

This drill program covered approximately 350 metres of strike length on the Main Zone and tested a down dip extension approximately 100 metres below surface exposures. All samples were analyzed by International Metallurgical and Environmental Inc. in Kelowna, B.C. Check samples were submitted to Intertek Testing Services in Vancouver, B.C. With a couple of exceptions all analyses were comparable.

Table 2: Drill Hole Summary (from SNC Lavelin, et al, 2000)

Hole	Northing	Easting	Elevation	Azimuth	Dip	Total Depth (m)
SG99001	49966	10089	1400	360	-90	142.04
SG99002	49900	10114	1444	360	-90	160.01
SG99003	49800	10207	1454	360	-90	117.99
SG99004	49700	10277	1468	360	-90	90.55
SG99005	50000	10000	1400	360	-90	188.10
SG99006	50000	10000	1400	060	-60	178.35
SG99007	50000	10000	1400	060	-90	151.48
SG99008	50057	10018	1377	090	-90	163.64
SG99009	50057	10018	1377	090	-60	139.29
TOTAL:						1331.45

SAMPLE PREPARATION ANALYSES AND SECURITY:

All samples collected during the 2004 exploration work were split in 3 and sent to: Ashbury Carbon, Petro Laboratories in Ontario and Worldwide Graphite's Head Office in Toronto. Graphite (Carbon) was determined by the LECO combustion method. Petro Laboratories, in addition to the LECO method, also did a physical flotation extraction to determine the amount of graphite. Much of Petro's work was supervised by David Amar, President of Worldwide Graphite Producers Ltd. Ashbury Carbon is one of the leading authorities on graphite determination. Results from these two laboratories show a wide discrepancy in graphite content. In addition, in some of the samples there is a wide variation in results obtained from the two methods utilized by Petro Laboratories.

The majority of samples collected on the property have been in the form of grab samples. While indicative of the presence of graphite, this form of sampling does not give an accurate determination of

potential grade over any given thickness. All other sampling procedures and quality control are adequate.

DATA VERIFICATION:

For prospecting work done prior to 2004 the author was able verify many of the sample locations as they were marked with white diavik tags. Analytical results are assumed to be reliable as these results came from more than one reputable laboratory with little variation in results. At the time of the author's visit to the property drill core sampled for analyses still retained their sample tags in the core boxes. It appears that no standards or duplicates were used in the field.

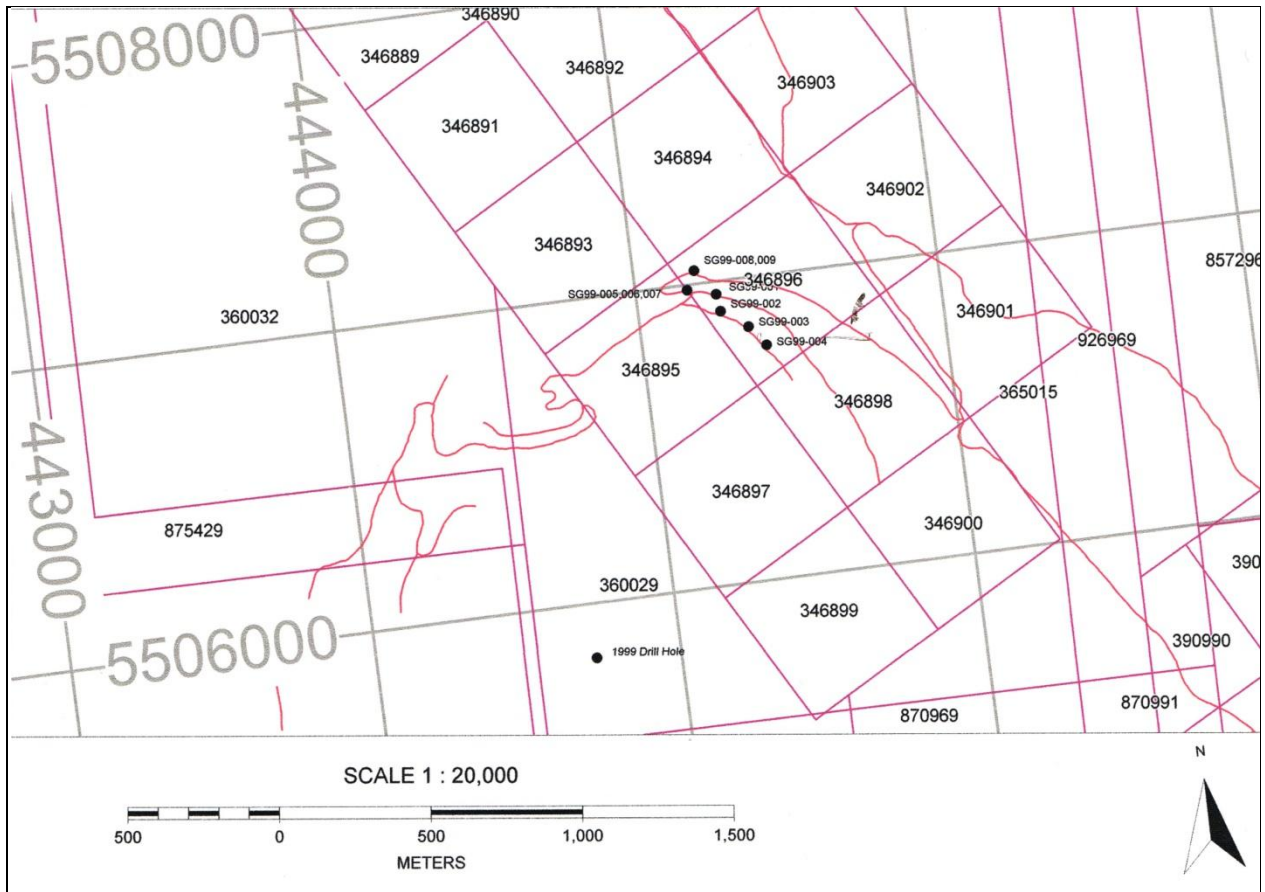


Figure 8: Drill hole locations for 1999 drilling.

TABLE 3

Summary of Significant Results: 1999 Drilling Program: (from SNC Lavelin, et al, 2000)

Hole ID	From	To	Width	Graphite %	INCLUDES:			
					From	To	Width	Graphite %
SG99001	48.85	105.00	56.15	0.33	48.85	51.95	3.10	0.93
					88.50	92.80	4.30	1.06
SG99002	87.57	135.90	48.33	1.05	102.31	105.00	2.69	1.42
					108.00	135.90	27.90	1.36
SG99003	8.10	77.10	69.00	0.74	87.20	89.77	2.20	1.24
					8.10	101.84	4.64	1.59
					27.00	135.90	27.90	1.36
					35.87			
					56.90			
					95.54			
SG99004	13.70	74.65	60.95	0.89	12.33		4.23	0.98
					27.00	28.15	1.15	3.04
					35.87	48.44	12.57	0.96
					56.90	57.72	0.82	1.13
SG99005	60.70	120.84	60.14	0.37	61.00	77.10	16.10	1.69
					95.54	97.89	2.35	1.15
					13.70	30.37	16.67	1.43
					51.85	74.65	22.80	1.14
SG99006	117.10	179.82	62.72	0.31	65.00	68.25	3.25	0.56
					88.77	89.73	0.96	1.24
					138.31	143.51	5.20	0.80
SG99006	60.70	120.84	60.14	0.37	163.72	179.82	16.10	0.74
					60.70	61.49	0.79	1.33
					78.76	82.03	3.27	0.72
					93.67	96.19	2.52	0.73
					101.52	109.30	7.78	1.24
117.74	120.84	3.10	1.09					

***Bold** indicates interpreted Main Zone (MZ) intersection.

TABLE 4: Specific Gravity Determinations (from SNC Lavelin, et al, 2000)

Hole ID	Sample ID	From	To	Rock Type Description	Specific Gravity
SG99001	143004	5.80	6.70	Graphitic Marble	2.69
SG99001	143043	55.00	56.00	Graphitic Marble	2.78
SG99001	143056	71.00	72.00	Graphitic Marble	2.78
SG99001	143076	91.50	92.80	Graphitic Marble	2.86
SG99001	143083	104.60	105.00	Graphitic Marble	2.73
SG99001	143089	136.60	137.60	Graphitic Marble	2.76
SG99002	143101	50.00	51.00	Graphitic Marble	2.79
SG99002	143117	99.00	100.00	Graphitic Marble	2.71
SG99002	143125	111.00	112.00	Graphitic Marble	2.80
SG99004	206825	33.82	34.82	Graphitic Marble	2.76
SG99004	206851	70.50	71.00	Graphitic Marble	2.71
SG99005	206875	57.37	58.61	Graphitic Marble	2.79
SG99005	206898	143.87	144.83	Graphitic Marble	2.75
SG99006	206951	93.67	94.67	Graphitic Marble	2.78
SG99006	206975	131.30	132.30	Graphitic Marble	2.70
Average					2.76
SG99002	143106	62.89	63.80	Marble/Biotite Gneiss	2.69
SG99001	143007	8.52	9.50	Pegmatite	2.64
SG99001	143017	15.62	16.10	Biotite Quartz Gneiss	2.65

Likewise, sample locations for those samples collected by G. Addie were identified in the field by aluminum tags upon which sample numbers were written. Samples collected in 2004 were verified in the field by the presence of flagging and sample numbers.

ADJACENT PROPERTIES:

The only adjoining property of significance is the Black Crystal property owned by Crystal Graphite Corp. It consists of a large crystalline flake graphite deposit located near the headwaters of Hodder Creek. Both the geological setting and type of deposit is similar to graphite deposits located on Worldwide Graphite=s claims.

A resource calculation completed prior to 2005 on Crystal Graphite=s property indicates the presence of a Measured and Indicated Resource of 848,000 tonnes grading 1.82% graphite based on a cut-off grade of 0.7% graphite. There is an additional inferred resource of 4.6 million tonnes grading 1.24% graphite. Their present production is coming from the regolith portion of the resource. This resource has not been

verified by the author. In 2006, the assets of Crystal Graphite were acquired by Eagle Graphite who recommenced operations in 2007.

Seventy-four percent of Crystal Graphite's production is for use in fuel cells while the remainder is byproducts for other markets. Fuel cell grade graphite presently sells for approximately \$2,500 U.S. per tonne.

MINERAL PROCESSING AND METALLURGICAL TESTING:

In 1998 metallurgical testing was done on a 100 kilogram sample collected from well selected samples within the central portion of the graphite bearing calc-silicate rocks and marble. The results of this work showed that 75.2% of the graphite of the original feed was recovered in the +48 and -48 +100 mesh fractions. A concentrate consisting of 95.5% graphite was able to be produced (Appendix 3).

In 2004 a 3 ton bulk sample was collected from the Amar Zone. This sample consisted primarily of graphitic quartz-biotite schist. The average fixed carbon content for this sample was 1.25%. A total of 87.0% of the graphite is in excess of 100 mesh size. A concentrate of approximately 90% graphite was able to be produced. Because Crystal Graphite was not set up for small scale bench testing recoveries of graphite were lower than would be expected under proper operating conditions. They however were able to produce a graphite concentrate.

MINERAL RESOURCES AND MINERAL RESERVE ESTIMATES:

Insufficient work has been done on the Superior-Koch-Amar property for a NI 43-101 mineral resource to be completed and the author has not reviewed and verified all of the data obtained prior to Fortune Graphite acquiring the property. Only a very small area of the Main Zone has been tested by diamond drilling and there has been no drilling done on the Amar Zone.

OTHER RELEVANT DATA AND INFORMATION:

Natural graphite can be divided into 3 types of material: amorphous, flake and high crystalline. For purposes of this report only the flake graphite will be considered.

Flake graphite occurs in metamorphic rocks in concentrations ranging from 5 to 40%. It occurs as a scaly or lamellar form in limestone (marble), gneisses and schists. Removal of the graphite from the rock is done by froth floatation. The floated product generally contains 80-90% graphite. Further concentration to greater than 98% is accomplished through chemical beneficiation processes.

Graphite has uses as a refractory mineral, in the chemical industry, in electrical appliances and in mechanical applications. Flake graphite is used predominantly in refractory applications and in the production of fuel cells.

Prices for crystalline flake graphite concentrates range from \$230 U.S. to \$750 U.S. per tonne. Prices are affected by ash and carbon content, flake size and flake size distribution. Crystalline flake graphite accounted for approximately 37% of the graphite used in the United States in 2003 (Olson, 2003).

Consumption of graphite for use in fuel cells is predicted to increase to 80,000 tons/per year. The industry trend is for higher purity and consistency in specifications and applications. Prices for graphite have recently increased (Figure 9) and now range between \$1400-\$2500 depending upon grade and quality (Source: Industrial Minerals Magazine).

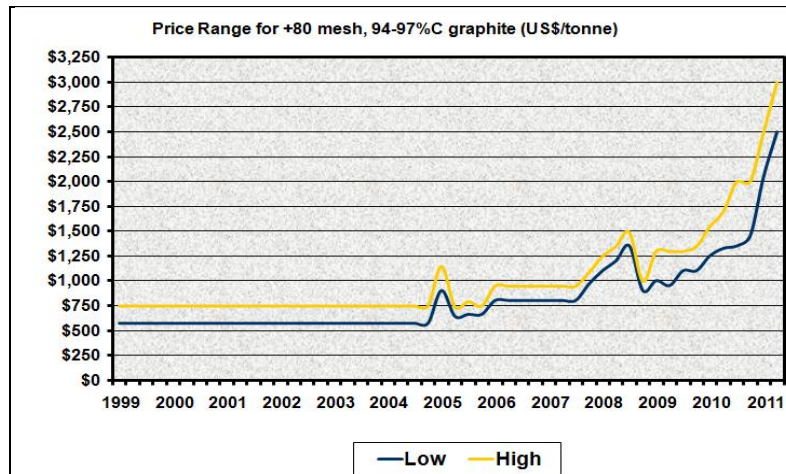


Figure 9: Graphite prices (Source: Industrial Minerals Magazine).

INTERPRETATIONS AND CONCLUSIONS:

Graphite occurs throughout the Superior-Koch-Amar property in graphitic quartz-biotite schists. It also occurs in significant amounts in marble and calc-silicate rocks in the Main Zone located adjacent to Freida Creek on the Superior claims. Exploration to date has consisted of reconnaissance mapping, prospecting and sampling, drilling and metallurgical studies. This work has shown that the graphite content can vary considerably from one area to another and within individual stratigraphic units. Better graphite grades are generally associated with marble or calc-silicate rocks. This horizon extends northerly from the Main Zone on the Superior claims to the site of Crystal Graphite's quarrying operations. Metallurgical work has indicated that an acceptable concentrate and grade can be achieved.

RECOMMENDATIONS:

Additional detailed mapping, sampling, diamond, bulk sampling, metallurgical testing, data verification are required on the Main Zone to better define the presence of graphite and to test the zone along strike. The objective of this program would be to provide sufficient information to verify the historical estimate, and determine if additional mineralization is available for a resource estimate. Approximately 1,500 meters in 15 drill holes is recommended to test this area in 2012. Detailed mapping, sampling and 500 metres of drilling is recommended for the newly discovered Amar Zone and other areas that are easily accessible in

which high graphite content was obtained in samples collected during the 2004 exploration program. Total cost for this program is estimated to be \$400,000.

TABLE 5: Proposed Phase 1 Exploration Program

Salaries:	Project Manager 30 days @ \$600/day	\$	18,000
	Geologist 100 days @ \$400/day		40,000
	Assistant 100 days @ \$250/day		25,000
Drilling:	2000 metres @ \$100/metre		200,000
Analyses:	1000 samples @ \$30/sample		30,000
	Standards 50 @ \$30/sample		1,500
Orthophoto:			10,000
Permitting:	(including bonds)		10,000
Rentals:	ATV		5,000
	Truck		10,000
Reporting			5,000
Travel			10,000
Expenses			20,000
			<hr/>
			384,500
			<hr/>
Contingency			15,500
			<hr/>
		TOTAL:	\$400,000

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CERTIFICATE OF QUALIFIED PERSON

I, Stephen B. Butrenchuk, P. Geol., of 34 Temple Crescent West, Lethbridge, Alberta T1K 4T4 do hereby certify that:

I am the independent Qualified Person of:

Fortune Graphite Inc.
Unit 3104-260 Queen's Quay West
Toronto, Ontario, M5J 2N3

I earned a Bachelor of Science degree majoring in geology from the University of Manitoba (1966) and a Master of Science degree in geology from the same university in 1970.

I am registered with the Association of Professional Engineers, Geologists and Geophysicists in the Province of Alberta as a Professional Geologist and I am registered as a Professional Geoscientist in the Province of British Columbia.

I have practiced my profession continuously for 42 years since graduation.

I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a 'qualified person' for the purposes of NI 43-101. My relevant experience for the purpose of this Technical Report is:

- 42 years of exploration experience for base and precious metals in the Canadian Cordillera and over 20 years involved with industrial minerals
- I am not employed by the company nor do I have any direct or indirect beneficial in the company or its property

I am responsible for the Technical Report titled "NI43-101 Technical Report on the Superior- Koch- Amar Property" and dated April 10, 2012, relating to the Superior- Koch- Amar property. I spent 10 days on the Superior- Koch- Amar property during the period June 1-July 31, 2004. I am not aware of any material changes to the Superior, Koch, Amar property since my last property visit.

As of April 10, 2012, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

I am independent of the issuer after applying all of the tests in section 1.5 of NI 43-101. I am also independent of Worldwide Graphite Producers Ltd.

I have read NI 43-101 and Form 43-101F, and the Technical Report has been prepared in compliance with that instrument and form.

I make this Technical Report effective as of the 10th day of April, 2012.

"signed and sealed"

Stephen B. Butrenchuk, P. Geol.

DATE AND SIGNATURE PAGE:

I, ***Stephen B. Butrenchuk***, P. Geol., P. Geo:

Am responsible for the overall preparation of all sections of this Technical Report:

“43-101 Technical Report on the Superior, Koch, Amar Property”

Prepared this Technical Report in accordance with National Instrument 43-101.

Make this Technical Report effective at April 10, 2012.

Dated this 10th of April, 2012 in the City of Lethbridge, Alberta.

“signed and sealed”

Stephen B. Butrenchuk, P. Geol., P. Geo.

