File No.: 2BE-CGP1012

May 2, 2014

Robin Hopkins Stornoway Diamond Corporation Unit 116-980 West 1st Street North Vancouver, BC V7P 3N4 Email: rhopkins@stornoway.com

Subject: 2BE-CGP1012 - Type "B"; Approval of Cancellation Application,

Stornoway Diamond Corporation, Coronation Golf Project

Dear Ms. Westcott:

The Nunavut Water Board (NWB or Board) received on July 27, 2012, from Stornoway Diamond Corporation (Corporation or Licensee), an application and supporting information (Application) for the cancellation of a water licence issued to Stornoway Diamond Corporation for the Coronation Gulf Project (Project), located 110 kilometres southeast of Kugluktuk and 500 kilometres northeast of Yellowknife, in the Kitikmeot Region of Nunavut. The Licence for the project was issued on July 26, 2010 and expired on July 31, 2012.

Following receipt, the NWB distributed the Application on August 12, 2012 for a thirty-day public comment period following which submissions¹ were received from Aboriginal Affairs and a Northern Development Canada (AANDC), Environment Canada (EC), and the Kitikmeot Inuit Association (KIA).

The NWB reviewed the application and supporting information as well the final inspection report² filed for the project by Aboriginal Affairs and Northern Development Canada while

¹ Aboriginal Affairs and Northern Development Canada (AANDC), September 20, 2012; Environment Canada (EC), September 21, 2012; and the Kitikmeot Inuit Association (KIA), September 14, 2012.

² Email from E. Paul, AANDC, to P. Beaulieu, NWB; E. Allain, AANDC; and J. Kidston, Stornoway Diamond Corporation; Re:

taking into consideration interveners' comments and recommendations. The review determined that the Application satisfies the requirements for cancellation of the licence. Therefore, in accordance with s. 43(1) (c) (i) of the Nunavut Waters and Nunavut Surface Rights Tribunal Act (Act), the Board hereby approves the cancellation of Licence 2BE-CGP1012 under **Motion No. 2013-B1-054**.

Notwithstanding cancellation of the Licence, the Licensee should note the following with respect to s. 46 of the Act: "The expiry or cancellation of a licence does not relieve the holder from any obligations imposed by the licence."

For information purposes, the NWB has included in its public registry copies of all documents associated with the licence and provided access to those documents through the following link to its FTP site (Username **public** and password **registry**):

ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-CGP1012%20Stornoway/

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Yours Truly,

Thomas Kabloona

Nunavut Water Board, Chair

Cc.: Distribution List – Kitikmeot