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December 3, 2004

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Via Email at licensing @nwb.nunavut.ca

Our file: 4703 001 045

RE: NWB2PER – Diamondex Resources Ltd – Peregrine Property – A&R Plan

On behalf of Environment Canada (EC), I have reviewed the information submitted with the above-mentioned application. The following specialist advice has been provided pursuant to Environment Canada's mandated responsibilities for the enforcement of the Canadian Environmental Protection Act, Section 36(3) of the Fisheries Act, the Migratory Birds Convention Act, and the Species at Risk Act.

Diamondex Resources Ltd. has submitted an abandonment and restoration plan as required under Part H of their existing water license.

Environment Canada recommends that the following items be added to the abandonment and restoration plan:

- The proponent shall ensure that all fuel drums are removed from the site upon completion of the project. Further, if any hydrocarbon impacted soil is present as a result of fuel spills, EC recommends that the soil receive proper treatment and/or disposal at an approved facility.
- The proponent should ensure that after burning combustible materials, the ashes are raked for non-combustibles, including nails. These items should be removed for disposal at an approved facility.
- All sumps should not only be backfilled, but should also be contoured to match the surrounding landscape.

If there are any changes in the proposed project, EC should be notified, as further review may be necessary. Please do not hesitate to contact me with any questions or comments with regards to the foregoing at (867) 975-4639 or by email at colette.meloche@ec.gc.ca.

Yours truly,

Original signed by

Colette (Meloche) Spagnuolo Environmental Assessment / Contaminated Sites Specialist

cc: (Mike Fournier, Northern Environmental Assessment Coordinator, Environment Canada, Yellowknife)

