

NIRB File No.: 07EN024 AANDC File No.: N2007C0003 NWB File No.: 2BE-SNN0813

July 25, 2012

Nicole Westcott Land Administrator Stornoway Diamond Corporation Unit 116 – 980 West 1st Street North Vancouver, BC V7P 3N4

Via Email: nwestcott@stornowaydiamonds.com

RE: Acknowledgement of Receipt of Annual Report for the Aviat Project

Dear Nicole Westcott:

Thank you for submitting Stornoway Diamond Corp.'s 2011 annual report for the Aviat Project to the Nunavut Impact Review Board (NIRB or Board) as recommended in the April 4, 2007 Screening Decision Report.

Term and Condition #7 of the Screening Decision Report recommended the following:

- 7. The Proponent shall submit an annual report with copies provided to the NIRB, INAC, the QIA, the GN-DOE and EC by January 31 each year that the project is in operation commencing January 31, 2008. The report must contain, but not be limited to, the following information:
- a. A summary of activities undertaken for the year and a work plan for the following year;
- b. The results of environmental studies undertaken and plans for future studies;
- c. Results from the Wildlife Mitigation and Monitoring Program, including an analysis of the effectiveness of mitigation measures for wildlife;
- d. A summary of local hires and initiatives;
- e. A summary of community consultations undertaken;
- f. A summary of site-visits by Land Use Inspectors with results and follow-up actions;
- g. The number of take-offs & landings from an airstrip with approved flight path with date and location:
- h. The number of helicopter touch-downs on the land with date and location (provide unless confidential);
- i. Site photos:
- j. Progressive reclamation work undertaken;

- k. Any approvals given by Land Use Inspectors regarding Caribou Protection Measures;
- 1. Efforts made to achieve compliance with the Canadian Wide Standards for Dioxins and Furans, and the Canadian Wide Standards for Mercury; and
- m. A summary of how the Proponent has complied with NIRB conditions contained within this Screening Decision, and the conditions associated with all authorizations for the project proposal.

Upon review of your submission we have concluded that the annual report contains sufficient information and there are no deficiencies to note due to the lack of exploration activities in 2011.

Thank you for providing the information requested by the Board. If you have any questions or concerns, please feel free to contact me at (867) 983-4611 or at info@nirb.ca.

Sincerely,

Tara Arko

Technical Advisor

Nunavut Impact Review Board

Cc Jeff Mercer, Aboriginal Affairs and Northern Development Canada Tracey McCaie, Aboriginal Affairs and Northern Development Canada Phyllis Beaulieu, Nunavut Water Board