DIAMONDEX
RESOURCES LTD.
CDNX: DSP

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SPILL CONTINGENCY PLAN
EXPLORATION PROPERTIES

TIM Property
NUNAVUT
2008

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1.0 INTRODUCTION

1.1 PURPOSE OF PLAN

The purpose of this Spill Contingency Plan is to provide a plan of action for all spills of hazardous materials that may occur on any exploration property. This plan defines the responsibilities of key personnel and outlines procedures to effectively and efficiently contain and recover spills of hazardous materials.

Petroleum products and hazardous materials that will be considered in this Spill Contingency Plan include but are not exclusive to:

- diesel fuel
- hydraulic oil
- lubricating oil
- gasoline
- Jet "B" fuel
- antifreeze
- propane

1.2 DIAMONDEX RESOURCES LTD. ENVIRONMENTAL POLICY

It is the policy of Diamondex Resources Ltd. to comply with all existing laws and regulations to help ensure the protection of the environment. Diamondex Resources Ltd. cooperates with other groups committed to protecting the environment and ensures that employees, government, and the public is informed on the procedures followed to help protect the environment.

2.0 SITE DESCRIPTION

2.1 GENERAL SITE DESCRIPTION:

This spill contingency plan is to be implemented at all field camps established for mineral exploration.

2.2 PETROLEUM STORAGE AND TRANSPORT

Currently there are no fuel drums stored at this site, however if fuel is to be stored it will be at a distance greater than 31 metres from the normal high water mark of any water body and will be identified by markers and appropriate signage to ensure there is no accidental encounters with onsite machinery.

All fuel and oil are transported to the various exploration properties by fixed wing aircraft, and then a helicopter would be utilized to transport the fuel to the drill site if necessary. The necessary Transportation of Dangerous Goods and WHMIS requirements will be followed.

2.3 CHEMICAL STORAGE AND TRANSPORT

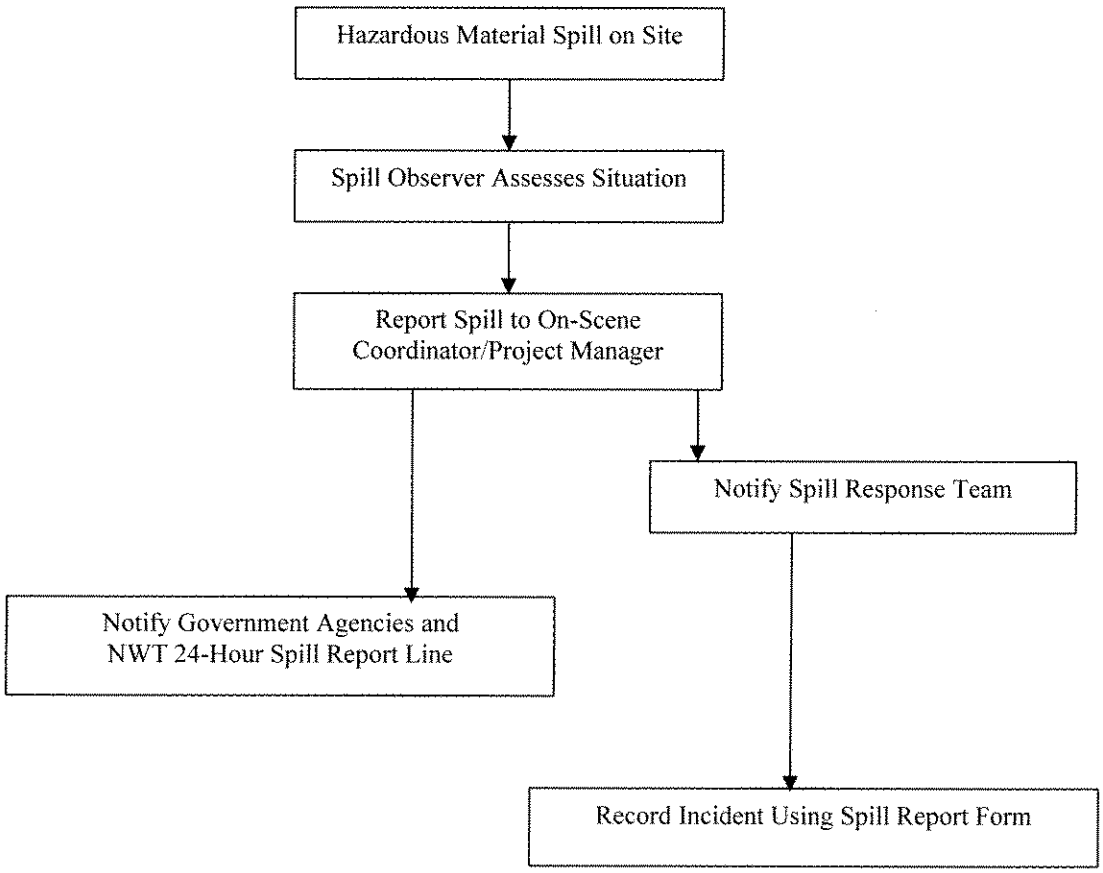
Any required chemicals are transported to site by fixed wing aircraft. As above the utmost care will be taken in the transportation and storage of chemicals should they be required on site for the purposes of drilling.

2.4 GREYWATER AND SEWAGE

Greywater will be discharged into sumps or natural depressions at least 31m away from water bodies.

3.0 RESPONSE ORGANIZATION

The following is a flow chart to illustrate the sequence of events in the event of a hazardous material spill occurring at any of the Diamondex exploration properties.



3.1 SPILL RESPONSE TEAM

The On-Scene Coordinator for the Diamondex exploration properties would need to be determined should an exploration program advance on this property. This person will appoint and train appropriate personnel to make up the Diamondex Spill Response Team for the various Diamondex exploration properties. The key personnel that make up the Diamondex Spill Response Team will be determined at a later date as described above.

On-Scene Coordinator	TBD
Site Personnel	Will generally vary in number of people throughout the year
Project Manager	TBD

The responsibilities of the On-Scene Coordinator are as follows:

1. Assume complete authority over the spill scene and coordinate all personnel involved.
2. Evaluate spill situation and develop overall plan of action.
3. Activate the spill contingency plan
4. Immediately report the spill to the NWT 24-Hour Spill Report Line (867) 920-8130, regulatory agencies, and Diamondex Management
5. Obtain additional manpower, equipment, and material if not available on site for spill response.

The responsibilities of the Project Manager are as follows:

1. Provide regulatory agencies and Diamondex management with information regarding the status of the clean up activities.
2. Act as a spokesperson on behalf of Diamondex with regulatory agencies as well as the public and media.
3. Prepare and submit a report on the spill incident to regulatory agencies within 30 days of the event.

3.2 ADDITIONAL CONTACTS

Table 1 – Emergency Contacts

CONTACT	TELEPHONE NUMBER
DIAND – Land Use Inspector	TBD
EC 24-hour Emergency	(867) 766-3737
Nunavut Water Board Inspector	TBD
Diamondex – Randy C. Turner, President	(604) 988-1159 (home)
Diamondex – David B. Clarke, V.P.Expl.	(604) 739-8506 (home)
Environment Canada	(867) 669-4700, Fax (867) 873-8185
Fixed Wing Contractor	TBD
Helicopter Contractor	TBD

Table 1 – Emergency Contacts, continued

CONTACT	TELEPHONE NUMBER
Kugaaruk RCMP	867-769-1111 (Emergency)
Kugaaruk Community Health Centre	867-769-6441
Project Manager	TBD
Discovery Mining Services	(867) 920-4600
Diamondex Office, Vancouver	(604) 687-6644

4.0 REPORTING PROCEDURE

The On Scene Coordinator must be notified immediately of any spill either by phone, radio, or in person.

The following is the spill reporting procedure:

1. Report immediately to the 24-Hour Spill Report Line Phone (867) 920-8130, Fax (867) 873-6924
2. Fill out the NWT Spill Report Form *NWT1752/0202*.

5.0 ACTION PLANS

5.1 INITIAL ACTION

The instructions to be followed by the first person on the spill scene are as follows:

1. Always be alert and consider your safety first.
2. If possible, identify the material that has been spilled.
3. Assess the hazard of people in the vicinity of the spill.
4. If possible, safely try to stop the flow of material to minimize potential for environmental impacts.
5. Immediately report the spill to the On Scene Coordinator.
6. Resume any effective action to contain, mitigate, or terminate the flow of the spilled material.

The following pages include specific instructions to be followed in the response to various types of spills including diesel fuel, hydraulic oil, lubricating oil, gasoline, aviation fuel (Jet "B"), antifreeze, and propane.

5.2 SPILL RESPONSE ACTIONS
DIESEL FUEL, HYDRAULIC OIL, AND LUBRICATING OIL

Take action only if safety permits – stop the source flow if safe to do so and eliminate all ignition sources. Never smoke when dealing with these types of spills.

On Land
Build a containment berm using soil material or snow and place a plastic tarp at the foot of the berm for easy capture of the spill after all vapours have dissipated.
Remove the spill by using absorbent pads or excavating the soil, gravel or snow.
Remove spill splashed on vegetation using particulate absorbent material.
If soil, gravel, or vegetation must be removed, contact regulatory agencies for approval before commencing with the removal.

On Muskeg
Do not deploy personnel and equipment on marsh or vegetation.
Remove pooled oil with sorbent pads and/or skimmer.
Flush with low pressure water to herd oil to collection point.
Burn only in localized areas, e.g., trenches, piles or windrows.
Do not burn if root systems can be damaged (low water table).
Minimize damage caused by equipment and excavation.

On Water
Contain spill as close to release point as possible.
Use containment boom to capture spill for recovery after vapours have dissipated.
Use absorbent pads to capture small spills.
Use skimmer for larger spills.

On Rivers and Streams
Prevent entry into water, if possible, by building a berm of trench.
Intercept moving slicks in quiet areas using (sorbent) booms.
Do not use sorbent booms/pads in fast currents and turbulent water.

On Ice and Snow
Build a containment berm around spill using snow.
Remove spill using absorbent pads or particulate sorbent material.
The contaminated ice and snow must be scraped and shoveled into plastic buckets with lids, 205 litre drums, and/or polypropylene bags.

Storage and Transfer
All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers. All containers will be stored in a well ventilated area away from incompatible materials.

Disposal
Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods before disposing of contaminated material.

5.3 SPILL RESPONSE ACTIONS
GASOLINE AND JET B AVIATION FUEL
Gasoline and Jet B form vapours that can ignite and explode – No Smoking!

Take action only if safety permits – stop the source flow if safe to do so and eliminate all ignition sources. Never smoke when dealing with these types of spills.

On Land
Build a containment berm using soil material or snow and place a plastic tarp at the foot of the berm for easy capture of the spill after all vapours have dissipated.
Remove the spill by using absorbent pads or excavating the soil, gravel or snow.
Remove spill splashed on vegetation using particulate absorbent material.
If soil, gravel, or vegetation must be removed, contact regulatory agencies for approval before commencing with the removal.

On Muskeg
Do not deploy personnel and equipment on marsh or vegetation.
Remove pooled gasoline or Jet B with sorbent pads and/or skimmer.
Flush with low pressure water to herd oil to collection point.
Burn only in localized areas, e.g., trenches, piles or windrows.
Do not burn if root systems can be damaged (low water table).
Minimize damage caused by equipment and excavation.

On Water
Contain spill as close to release point as possible.
Use containment boom to capture spill for recovery after vapours have dissipated.
Use absorbent pads to capture small spills.
Use skimmer for larger spills.

On Rivers and Streams
Prevent entry into water, if possible, by building a berm of trench.
Intercept moving slicks in quiet areas using (sorbent) booms.
Do not use sorbent booms/pads in fast currents and turbulent water.

On Ice and Snow
Build a containment berm around spill using snow.
Remove spill using absorbent pads or particulate sorbent material.
The contaminated ice and snow must be scraped and shoveled into plastic buckets with lids, 205 litre drums, and/or polypropylene bags.

Storage and Transfer
All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers. All containers will be stored in a well ventilated area away from incompatible materials.

Disposal
Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods before disposing of contaminated material.

5.4 SPILL RESPONSE ACTIONS
ANTIFREEZE

Take action only if safety permits – stop the source flow if safe to do so.

On Land
Build a containment berm using soil material or snow and place a plastic tarp at the foot of the berm for easy capture of the spill.
Remove the spill by using absorbent pads or excavating the soil, gravel, or snow.
Remove spill splashed on vegetation using particulate absorbent material.
If soil, gravel, or vegetation must be removed, contact regulatory agencies for approval before commencing with the removal.

On Water
Use containment boom to capture spill.
Pump contaminated water into 206 litre drum.

On Ice and Snow
Build a containment berm around spill using snow.
Remove spill using particulate sorbent material.
The contaminated sorbent material, ice and snow must be scraped and shoveled into plastic buckets with lids, 206 litre drums, and/or polypropylene bags.

Storage and Transfer
All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers. All containers will be stored in a well ventilated area away from incompatible materials.

Disposal
Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods before disposing of contaminated material.

5.5 SPILL RESPONSE ACTIONS
PROPANE

Take action only if safety permits. Gases stored in cylinders can explode when ignited. Keep vehicles away from accident area – No Smoking!

On Land
Do not attempt to contain the propane release.

On Water
Do not attempt to contain the propane release.

On Ice and Snow
Do not attempt to contain the propane release.

General
It is not possible to contain vapours when released.
Water spray can be used to knock down vapours if there is NO chance of ignition.
Small fires can be extinguished with dry chemical of CO_2.
Personnel should withdraw immediately from area unless a small leak is stopped immediately after it has been detected.
If tanks are damaged, gas should be allowed to disperse and no recovery attempt should be made.
Personnel should avoid touching release point on containers since frost forms very rapidly.
Keep away from tank ends.

Storage and Transfer
It is not possible to contain vapours when released.

Disposal
Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods for detective equipment that resulted in the release.

6.0 RESOURCE INVENTORY

6.1 PERSONNEL

In addition to the On Scene Coordinator and the Project Manager, other people (numbers TBD) are available on site to assist in spill response and clean up activities. The amount of people on site varies throughout the season.

6.2 GENERAL EQUIPMENT

Equipment available on site to assist in responding to a hazardous materials spill includes various hand held tools including shovels. In addition to these, spill kits will be on site during active exploration periods. Once a definite project is identified the appropriate locations of the spill kits will be provided. The spill kit contains the following supplies:

1 – 360 litre/79 gallon polyethylene overpack drum
4 – oil sorbent booms (5" X 10')
100 – oil sorbent sheets (16.5" X 20" X 3/8")
1 – drain cover (36" X 36" X 1/16")
1 – Caution tape (3" X 500')
1 – 1 lb plugging compound
2 – pair Nitrile gloves
2 – pair Safety goggles
2 – pair Tyvek coveralls
1 – instruction booklet
10 – printed disposable bags (24" X 48")

Sorbent capacity of this spill kit is 240 litres.

7.0 TRAINING

All employees working on a Diamondex Resources Ltd. exploration property will be trained in the safe operation of all machinery and tools to help prevent hazardous material spills. All employees on site will also be trained for initial spill response in the event of a spill. Annual refresher exercises will be conducted to review the procedures of this Spill Contingency Plan.