

CARE AND MAINTENANCE PLAN JERICOH DIAMOND MINE, NUNAVUT

EXECUTIVE SUMMARY

The Care and Maintenance Plan has been developed in accordance with the water licence 2AM-JER0410 and addresses how the site will be managed and how programs will be implemented during the care and maintenance phase of the project through until production operations resume.

Operations at the Jericho Diamond Mine were temporarily suspended in June of 2008. A Care and Maintenance Plan had been required under water licence 2AM-JER0410 and was requested on several occasions by the Nunavut Water Board, the Kitikmeot Inuit Association and Aboriginal Affairs and Northern Development Canada. However, a formal Care and Maintenance Plan for the site was never submitted. Shear Diamonds Ltd. (Shear) noted this deficiency during the compliance audit undertaken by the company, a requirement for the water licence renewal application.