INTERIM CLOSURE AND RECLAMATION PLAN JERICHO DIAMOND MINE, NUNAVUT

EXECUTIVE SUMMARY

The Interim Closure and Reclamation Plan (ICRP) has been developed to provide a framework for the design and construction of works related to the closure of the Jericho Diamond Mine (Jericho). The ICRP is a concept level document, subject to review and modification, based on ongoing mine development, observational data and the results of progressive reclamation. It is a living document that will be updated and modified as mining progresses.

Section M, Part 5 of the water licence requires that a final closure and reclamation plan be submitted at the time of water licence renewal; however, this project has been on care and maintenance since June of 2008 and was acquired by Shear Diamonds Ltd. (Shear) in August 2010. For this reason, this plan is being submitted as an interim plan until such time as Shear has determined the fate of the project.

At the time of the water licence renewal application, mining operations had been suspended and the site was under care and maintenance. The ICRP addresses closure requirements for the mine in both its current condition and its expected condition at the end of mining, based on the existing mine plan. The ultimate goal for reclamation, as referenced in the Nunavut mine site reclamation policy (INAC 2002) is to return the mine site to viable and, where practical, self-sustaining ecosystems that are compatible with a healthy environment and with human activities.

The ICRP includes the following:

- A summary of the reclamation objectives;
- An overview of the mine site, including the proposed mine plan;
- A description of the individual site components and proposed reclamation strategy for each;
- An assessment of the required reclamation materials;
- Identification of data gaps and requirement for further studies;
- Plans for progressive reclamation; and
- Requirements for post-closure monitoring.