

P.O. Box 119 GJOA HAVEN, NU XOB 1J0 TEL: (867) 360-6338 FAX: (867) 360-6369 הפיף בער היי אוראינ NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYINGI OFFICE DES EAUX DU NUNAVUT

August 16, 2011

File No. 2AM-JER0410

Ms. Pamela Strand, M.Sc., P. Geol. President Shear Diamonds Ltd. Suite 220, Adelaide Street Est Toronto, ON M5C 1H6

Email: pstrand@shearminerals.com

Re: 2AM-JER0410 Renewal Application Submissions in Accordance with Commitments

Dear Ms. Strand:

The Nunavut Water Board acknowledges receipt, on August 15, 2011 of the following documents submitted in accordance with Table of Commitments generated at the technical meeting and pre-hearing conference June 20 and 21, 2011:

Technical Memoranda

- Technical Memorandum F: Onsite Nitrate and TSS Analysis Methods
- Technical Memorandum G: Proposed PKCA Effluent Discharge Criteria
- Technical Memorandum H: Final Specifications of the Hydrocarbon Contact Water Remediation Unit (Oztek®)

Executive Summaries – for previously filed plans

- Aquatic effects Monitoring Plan
- Contingency Management Plan
- Fuel Storage Containment Facility Management Plan
- Interim Closure and Reclamation Plan
- Preliminary Landfarm Design Plan
- Operations, Maintenance and Surveillance Manual
- Preliminary Landfill Design Plan
- Waste Management Plan
- Waste Water Treatment Management Plan
- Waste Rock Management Plan
- Site Water Management Plan
- Processed Kimberlite Containment Area Management Plan
- Landfill Management Plan
- Landfarm Management Plan
- General Monitoring Plan
- Emergency Preparedness Plan
- Care and Maintenance Plan

Other correspondence

- Jericho Site Reclamation Inuit Owned Lands dated December 22, 2010 from Nuna Logistics
- Jericho Site Reclamation Crown Owned Lands dated August 5, 2010 from Nuna Logistics
- Life of mine water balance summary sheet, Jericho Diamond Mine, August 5, 2011

Additionally, Shear submitted, under separate cover, two (2) additional letters and one (1) updated plan as follows:

- Letter 1 proposed amendments to existing terms and conditions contained within water licence 2AM-JER0410, namely Part G, 2(e) and G, 8(a) through (d); and
- Letter 2 request for extension related to commitment #16, Operational commitment list
- Updated Plan Processed Kimberlite Containment Area Plan accompanied by the Operations, Maintenance and Surveillance Manual (OMS).

Please be advised that the Nunavut Water Board was previously briefed on the request for an extension related to commitment #16 and pending any objections to this request, from any parties, the extension is granted to August 22, 2011.

All submissions are available for download from our ftp site at the following link or by contacting our office. (Username *public* and password *registry*)

ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-JER0410/2%20ADMIN/4%20HEARINGS/

Sincerely,

Original signed by:

Phyllis Beaulieu Manager of Licensing Nunavut Water Board

Cc: Kitikmeot Distribution Stephanie Autut