

Eva Paul
Water Resource Officer
Aboriginal Affairs and Northern Development Canada
Building 918, PO Box 100
Iqaluit, NU. X0A 0H0

Dear Eva:

RE: Follow up for spill # 12-121 reported April 8th, 2012

Summary

On April 6th, 2012 at approximately 10:15 AM an oil cube containing 1100 liters of motor oil was being transported from our HWTa (Hazardous Waste Transfer Area) to our truck shop via front end loader fork lift. During transportation the cube sustained damage and spilled approximately 800 liters of motor oil on a snow covered road between the HWTa and the truck shop (Figure 1). The spill was reported to the Site manager and site staff was able to contain the spill using snow, absorbent pads, and oil booms.



Figure 1 – Motor oil spill area.

Once the spill was contained it was covered with snow and was subsequently mixed to soak up oil for relocation. The contaminated snow was scooped up with a front end bucket loader and transported via dump truck to the phase 2 fuel farm containment berm. The size of the spill was approximately 8 square meters. The coordinates of the spill are N 65°59'26.5" W 111°30'02.9".

Immediate Action

The spill was contained following the Motor Oil Spill Response Procedure outlined in Appendix A of our Contingency Management Plan. Contaminated snow was removed and relocated to the phase 2 fuel farm containment area (Figure 2 & 3). The fuel farm itself contains 120,000 L of diesel fuel which would not compromise the fuel berms storage capacity if a tank were to fail.

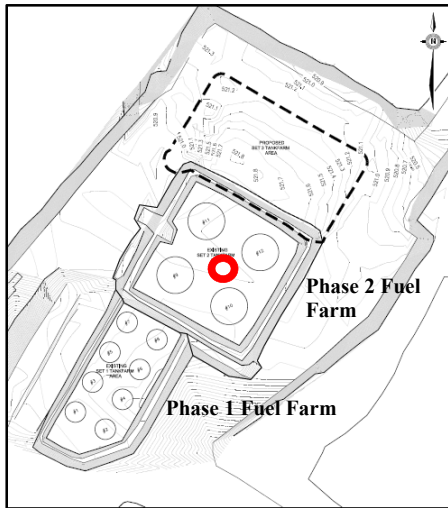


Figure 2 – Current contaminated snow location.



Figure 3 – After spill clean-up.

Follow-up Action

The contaminated snow will be moved into the phase 1 fuel farm which is to be decommissioned and the contaminated soil will be treated in our future land farm. The site also has a water decontamination unit used to remove hydrocarbons from contaminated water which will be used to pump out any water contained within the berm.

The Shear team has investigated and discussed this issue and is in the process of developing an SOP for transportation of any hazardous materials. Going forward it will be our practice to transport any hazardous materials on a flat deck and anything being transported will be secured by straps. This vehicle will be followed by another to ensure

that proper protocols are followed and that the load is monitored during transportation allowing for a quick response time if containment is compromised.

If you require additional information or clarification regarding this spill please contact me at any time.

Kyle Conway
Environmental Manager
Shear Diamonds
Jericho Diamond Mine
kconway@sheardiamonds.com
Ph - 778-372-2750