From:	Eva Paul
To:	Manuel Rappaport <manuel@tachediamonds.com
Cc:	Erik Allain; Ian Gray; Natalie Plato; Phyllis Beaulieu <licensing@nunavutwaterboard.org
Subject:	2AM-JER1119 Report of September 14 2013 Inspection
Date:	Friday, September 27, 2013 7:44:29 AM
Attachments:	IQALUIT-#741504-v1-2AM-JER1119_REPORT_OF_INSPECTION_SEPTEMBER_14_2013.pdf IQALUIT-#741545-v1-2AM-JER1119_PHOTOS_OF_SEPTEMBER_14_2013_INSPECTION.pdf

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Hello Mr. Rappaport,

I write to you in your capacity as director of Shear Diamonds Ltd. Please find attached the report and photos from my September inspection of Jericho Mine under NWB Licence 2AM-JER1119. As you are aware, Shear Diamonds (Nunavut) Corp.'s failure to comply with the March 8 2013 Inspector's Direction resulted in the management of the site being undertaken by agents under my authority using funds drawn from the existing security.

As you will see in the attached report, there remain many issues at site and a growing list of non-compliance with the Water Licence and the ***Nunavut Waters and Nunavut Surface Rights Tribunal Act***. Failure by Shear to take swift and meaningful steps towards compliance with the water licence, as detailed at the end of the attached report, will result in further action being taken by AANDC in accordance with the ***Nunavut Waters and Nunavut Surface Rights Tribunal Act***.

I look forward to hearing from you.

Regards,

Eva Paul
Water Resources Officer | Agent des ressources hydriques
Aboriginal Affairs and Northern Development Canada | Affaires autochtones et Développement du Nord Canada
Nunavut Regional Office | Bureau régional du Nunavut
Building 918, PO Box 100 | Édifice 918, CP 100
Iqaluit, NU X0A 0H0

Phone | Tél. : 867-975-4548
Cell | Mobile: 867-222-6490
Fax | Téléc. : 867-979-6445
Eva.Paul@aandc-aadnc.gc.ca