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Via electronic mail

December 21, 2011

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1J0

Dear Ms. Beaulieu:

Re: Safe (Standard) Operating Procedure - Operation of Forced Air Dual-Chamber Incinerator

In accordance with the commitment made at the pre-hearing conference and technical meeting held on June 21 and 22, 2011 in Cambridge Bay, NU, please find enclosed the safe (standard) operating procedure for incineration of waste at the Jericho Diamond Mine.

This document will be incorporated into the existing Waste Management Plan which will be revised and resubmitted by October 29, 2012.

If you require any further information please do not hesitate to contact the undersigned by email at sautut@sheardiamonds.com or by phone at (780) 435-0045.

Sincerely,

SHEAR DIAMONDS LTD.

Stephanie Autut
VP, Environment and Community Affairs

cc: Bernie McIsaac, AANDC
Robert Bedingfield, DFO
Allison Dunn, EC
Geoff Clark, KIA