



NUNAVUT WATER BOARD WATER LICENCE
SHORT TERM RENEWAL (SUBSECTION 174(1)(A)(III))

Pursuant to the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada, the Nunavut Water Board, hereinafter referred to as the Board, hereby grants to

**SHEAR DIAMONDS (NUNAVUT) CORP., A WHOLLY OWNED SUBSIDIARY OF
SHEAR MINERALS LTD. (Assigned December 1, 2010)**

(Licensee)

SUITE 220-17010-103 AVENUE, EDMONTON, ALBERTA T5S 1K7

(Mailing Address)

hereinafter called the Licensee, the right to alter, divert or otherwise use water or dispose of waste for a period subject to restrictions and conditions contained within this Licence:

Licence Number/Type: 2AM-JER0410 Type "A"

Water Management Area: NUNAVUT 07

Location: KITIKMEOT REGION, NUNAVUT

Purpose: INDUSTRIAL WATER USE AND WASTE DISPOSAL

Description: MINING AND PROCESSING

Quantity of Water not to be Exceeded: 350,400 CUBIC METRES ANNUALLY

Date of Licence: DECEMBER 21, 2004

Expiry of Licence: DECEMBER 31, 2010 (RENEWED TO MARCH 1, 2011)

This License issued and recorded at Baker Lake, Nunavut includes and is subject to the annexed conditions.

**Thomas Kaboona, Chair
Nunavut Water Board**

**APPROVED BY: Minister of Indian and
Northern Affairs**

EFFECTIVE DATE OF LICENCE: _____