



WATER USE INSPECTION REPORT

Date: August 13, 2011	Licensee Rep. (Name/Title): Kris Raffle, Apex Geoscience Ltd	
Licensee: Burnstone Ventures Inc.		Licence No.: 2BE-BAF0611 (N2007C0014)

In 2008 an assignment of the above licence was approved by the Nunavut Water Board (NWB) from De Beers Canada Inc to Pure Diamonds Exploration Inc. On June 7, 2011 Pure Diamonds Exploration Inc changed its name to Burnstone Ventures Inc (Burnstone). On July 29, 2011 the NWB received a renewal water licence application from Burnstone for the 2BE-BAF0611 (Pingujuak Camp), but at the time of the inspection the water licence had expired and a new one had not been issued.

WATER SUPPLY

Owner:/Operator: Burnstone Ventures Inc.	

Intake Facilities: A		Treatment Systems: A	
Flow Meas. Device: A	Conveyance Lines: NI	Pumping Stations: A	Screen : NI

Comments: Water for the camp is taken from Erichsen Lake; however, the camp was inactive at the time of the inspection and no water was being used. A total of 5 cubic meters of water usage is permitted in the licence.

WASTE DISPOSAL

Sewage: Sewage Treatment System (Prim./Sec/Ter.): Outhouse – Latrine Pits

Natural Water Body: ~ 40-50 m		Continuous Discharge (land or water): N/A		
Seasonal Discharge: NA		Wetlands Treatment: NA	Trench: NA	
		A LL BIA BLAA P LL BU BI		

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Discharge Quality: N/A	Decant Structure: N/A	Erosion: N/A
Discharge Meas. Device: N/A	Dyke Inspection: N/A	Seepages: N/A
Dams, Dykes: N/A	Freeboard: N/A	Spills:
Construction: N/A	O&M Plan: A	A&R Plan: A
Discharge: N/A	Effluent Discharge Rate: None	

Comments: The camp is not occupied and no sewage wastes or grey water is discharged.

Solid Waste:

Owner/Operator: Burnstone Ventures Inc.

Landfill: N/A Burn & Landfill: NA Other:
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Comments: There were no signs of any materials being burned onsite. As a requirement of the expired licence, no open burning is permitted and materials should be backhauled for proper disposal.

There is a considerable amount of garbage and debris onsite. This is due to the fact that most of the canvas tent structures have been torn down and removed. All materials that were in these structures are now scattered around the entire site. This should be remediated as soon as possible.

FUEL STORAGE:

Waste Oil Storage:

Owner/Operator: Burnstone Ventures Inc.

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

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Berms & Liners: U	Water within Berms: N/A Evidence of Leaks: A		
Drainage Pipes: N/A	Pump Station & Catchments Berm: N/A		
Pipeline Condition: N/A	Condition of Tanks: A		

Comments:

- There are numerous drums of fuel at the main camp area that have been removed from the stands and are vertical. To prevent spills from occurring, the hoses should be removed from these drums and the drums stored in secondary containment or backhauled.
- There are approximately 60 drums of fuel (full) stored at the airstrip with no secondary

containment. A secondary containment should be constructed and all drums with fuel should be transferred to this area. If the proponent has no further use for this fuel, then it should be backhauled for storage or proper disposal.

All empty drums and propane cylinders should be disposed of appropriately.

SURVEILLANCE NETWORK PROGRAM (SNP)

Samples Collec	cted	Owner /Operator: Burnstone Ventures Inc.	
NO		INAC:.NO	
Signs Posted	SNP: N/A		Warning: Posted
Records & Reporting: N/A			
Geotechnical Inspection: NI			

Comments:

Non-Compliance of Act or Licence:

- The water licence for this project has expired. The NWB did not receive a renewal application until July 29, 2011. For future reference and as a requirement of the water licence Part B: Item 5 General conditions, it is the licensee's responsibility to file the renewal application to the NWB at least three months prior to the licence expiry date.
- It is a requirement that all fuels and chemicals be stored in secondary containment. Also, all empty drums and propane cylinders should be backhauled for proper disposal.
- The entire site is a mess mainly due to the canvas tent structures being torn down and removed. A clean up of the entire site is required.
- Any/all soils contaminated with hydrocarbons must be cleaned up and shipped out for proper disposal.

lan Rumbolt Sent by E-mail

Inspector's Name Inspector's Signature