DIAMONDEX RESOURCES LTD.

CDNX: DSP

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SPILL CONTINGENCY PLAN
BRODEUR PROPERTY

NUNAVUT
JANUARY 2008

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1.0 INTRODUCTION

1.1 PURPOSE OF PLAN

The purpose of this Spill Contingency Plan is to provide a plan of action for all spills of hazardous materials that may occur on any exploration property. This plan defines the responsibilities of key personnel and outlines procedures to effectively and efficiently contain and recover spills of hazardous materials.

Petroleum products and hazardous materials that will be considered in this Spill Contingency Plan include but are not exclusive to:

- diesel fuel
- hydraulic oil
- lubricating oil
- gasoline
- Jet “B” fuel
- antifreeze
- propane

1.2 DIAMONDEX RESOURCES LTD. ENVIRONMENTAL POLICY

It is the policy of Diamondex Resources Ltd. to comply with all existing laws and regulations to help ensure the protection of the environment. Diamondex Resources Ltd. cooperates with other groups committed to protecting the environment and ensures that employees, government, and the public is informed on the procedures followed to help protect the environment.

2.0 SITE DESCRIPTION

2.1 GENERAL SITE DESCRIPTION:

This spill contingency plan is to be implemented at all field camps established for mineral exploration. Specifically the Brodeur Property is located at Latitude: 73° 20’ and 73° 40’ and Longitude: 87° 00’ and 89° 00’ (NTS Map Sheet Number 48C/04 and 05, 58D/01 and 08. The camp coordinates are: 87° 52” 10.4’ E, 73° 14” 49.4’ N. The future camp coordinates will be 88° 23” 13.56’ E, 73° 26” 57.12’ N.
See attached maps & photos showing the property and the location of the camp in Appendix 2.

2.2 PETROLEUM STORAGE AND TRANSPORT

There will be 95 drums of diesel, 3 drums of gasoline, 85 drums of aviation fuel and 30 cylinders of propane. MSDS sheets for these products adjoin this plan.

All fuel and oil are transported to the various exploration properties by plane.

2.3 CHEMICAL STORAGE AND TRANSPORT

Any required chemicals are transported to site by plane.

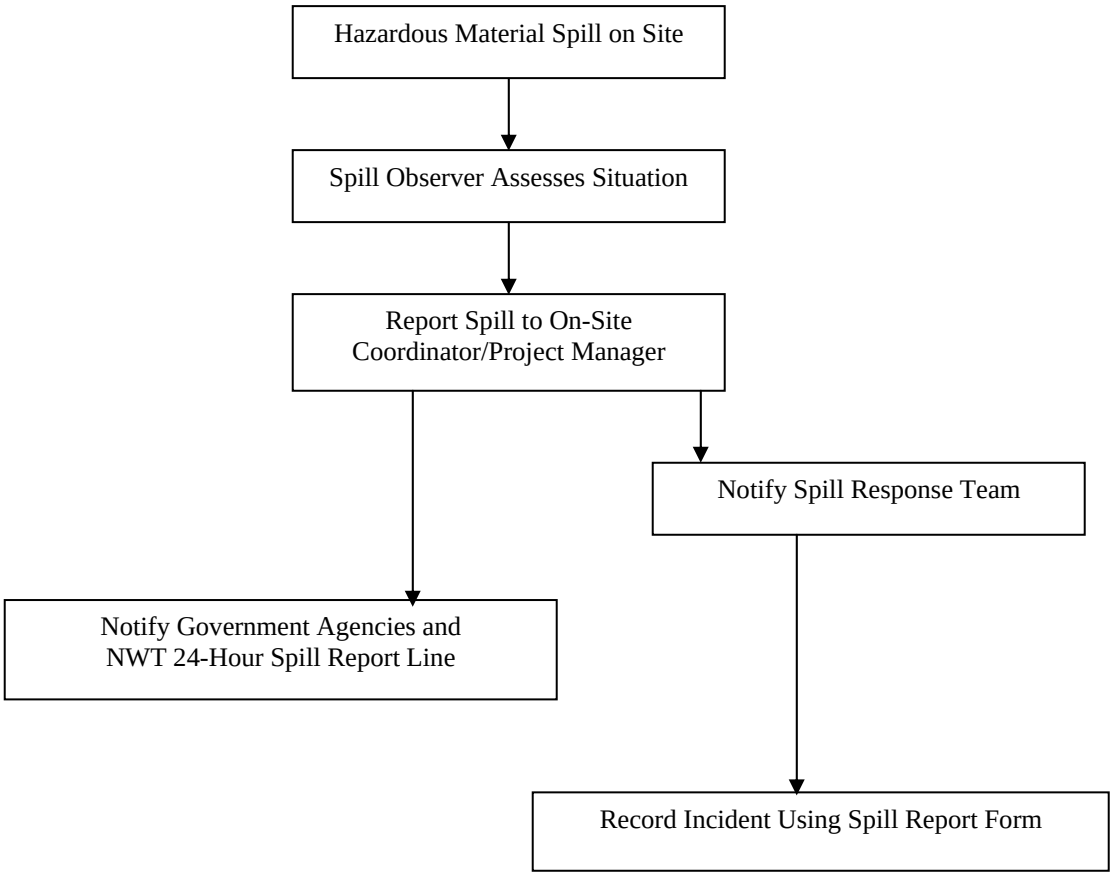
2.4 GREYWATER AND SEWAGE

Greywater will be discharged into sumps or natural depressions at least 31m away from water bodies.

3.0 RESPONSE ORGANIZATION

3.1 RESPONSE FLOW CHART

The following is a flow chart to illustrate the sequence of events in the event of a hazardous material spill occurring at any of the Diamondex exploration properties.



3.2 SPILL RESPONSE TEAM RESPONSIBILITIES

Anne Bordeleau will be the On-Scene Coordinator for the Diamondex exploration properties. Anne Bordeleau will appoint and train appropriate personnel to make up the Diamondex Spill Response Team for the various Diamondex exploration properties. The key personnel that make up the Diamondex Spill Response Team are as follows:

On-Site Coordinator	Anne Bordeleau, Operations Manager, 867-456-4517 (h)
Site Personnel	Will generally vary from 12 to 20 people throughout the year
Project Manager	Anne Bordeleau, Operations Manager, 867-456-4517 (h) (Field Office Number will be provided when in place)

.

The responsibilities of the On-Site Coordinator are as follows:

1. Assume complete authority over the spill scene and coordinate all personnel involved.
2. Evaluate spill situation and develop overall plan of action.
3. Activate the spill contingency plan
4. Immediately report the spill to the NWT 24-Hour Spill Report Line (867) 920-8130, to regulatory agencies, and to Diamondex Management

   NWT 24-Hour Spill Report Line (867) 920-8130
   Environment Canada 24-Hour Emergency Pager (867) 766-3737
   INAC, Peter Kusugak, (867) 975-4295
   Environment Canada (Iqaluit) (867) 975-4644
   Fisheries and Oceans (Iqaluit) (867) 979-8007
   Nunavut Department of Environment (Iqaluit) (867) 975-5910
   And other regulatory agencies, and Diamondex management
   (**see 3.2 – Emergency Contacts**).

5. Obtain additional manpower, equipment, and material if not available on site for spill response.

The responsibilities of the Project Manager are as follows:

1. Provide regulatory agencies and Diamondex management with information regarding the status of the clean up activities.
2. Act as a spokesperson on behalf of Diamondex with regulatory agencies as well as the public and media.
3. Prepare and submit a report on the spill incident to regulatory agencies within 30 days of the event. (NT/NU Spill Report Form in Appendix 1)

3.3 ADDITIONAL CONTACTS

CONTACT	TELEPHONE
Randy C. Turner, Pres., Diamondex Resources Ltd.	604-988-1159 (h)
David B. Clarke, V.P. Expl., Diamondex Resources Ltd.	604-739-8506 (h)
Head Office, Diamondex Resources Ltd.	604-687-6644
Environment Canada, 24-Hour Pager	867-766-3737
Peter Kusugak, INAC, Water Resources Enforcement	867-975-4295
Nunavut Department of Environment	867-975-7700
Environment Canada, Protection Services	867-975-4644
Fisheries and Oceans Canada	867-979-8000
Nunavut Environmental Protection Service, Dept. of Sustainable Development	867-975-5316
NWT 24-hour Spills Hotline	867-920-8130
Arctic Bay RCMP	867-439-1111
Resolute Bay RCMP	867-252-1111
Office of the Fire Marshal, Nunavut Emergency Service Division	867-975-5316
Anne Bordeleau, Brodeur Project Manager	867-456-4517 (h)
Brodeur Project Field Office	Field number will be provided when available

4.0 REPORTING PROCEDURES

1. Initial action: the On-Site Coordinator must be notified immediately of any spill, either by phone, radio, or in person.

2. Following this, the spill is to be reported immediately to the 24-Hour Spill Report Line Phone (867) 920-8130, Fax (867) 873-6924 and to the following agencies as required:

   NWT 24-Hour Spill Report Line (867) 920-8130
   Environment Canada 24-Hour Emergency Pager (867) 766-3737
   INAC, Peter Kusugak, (867) 975-4295
   Environment Canada (Iqaluit) (867) 975-4644
   Fisheries and Oceans (Iqaluit) (867) 979-8007
   Nunavut Department of Environment (Iqaluit) (867) 975-5910

   Any other regulatory agencies, and Diamondex Management
   (Please see 3.2 – Emergency Contacts)

3. Finally, the NT/NU Spill Report Form *NWT1752/0202*, Appendix 1, is to be filled out and submitted within 30 days.

5.0 ACTION PLANS

5.1 INITIAL ACTION

The first individual to notice a pill will:

1. Always be alert and consider your safety first.
2. If possible, identify the material that has been spilled.
3. Assess the hazard of people in the vicinity of the spill.
4. If possible, safely try to stop the flow of material to minimize potential for environmental impacts.
5. Immediately report the spill to the On Scene Coordinator.
6. Resume any effective action to contain, mitigate, or terminate the flow of the spilled material.

5.2 PRODUCT SPECIFIC SPILL RESPONSE ACTION

The following pages include specific instructions to be followed in the response to various types of spills including:

a) diesel fuel, hydraulic oil & lubricating oil
b) gasoline & aviation fuel (Jet A/A-1/B)
c) antifreeze
d) propane.

5.2 SPILL RESPONSE ACTIONS
a) DIESEL FUEL, HYDRAULIC OIL, AND LUBRICATING OIL

Take action only if safety permits – stop the source flow if safe to do so and eliminate all ignition sources. Never smoke when dealing with these types of spills.

On Land
Build a containment berm using soil material or snow and place a plastic tarp at the foot of the berm for easy capture of the spill after all vapours have dissipated.
Remove the spill by using absorbent pads or excavating the soil, gravel or snow.
Remove spill splashed on vegetation using particulate absorbent material.
If soil, gravel, or vegetation must be removed, contact regulatory agencies for approval before commencing with the removal.

On Muskeg
Do not deploy personnel and equipment on marsh or vegetation.
Remove pooled oil with absorbent pads and/or skimmer.
Flush with low pressure water to herd oil to collection point.
Burn only in localized areas, e.g., trenches, piles or windrows.
Do not burn if root systems can be damaged (low water table).
Minimize damage caused by equipment and excavation.

On Water
Contain spill as close to release point as possible.
Use containment boom to capture spill for recovery after vapours have dissipated.
Use absorbent pads to capture small spills.
Use skimmer for larger spills.

On Rivers and Streams
Prevent entry into water, if possible, by building a berm of trench.
Intercept moving slicks in quiet areas using (sorbent) booms.
Do not use sorbent booms/pads in fast currents and turbulent water.

On Ice and Snow
Build a containment berm around spill using snow.
Remove spill using absorbent pads or particulate sorbent material.
The contaminated ice and snow must be scraped and shoveled into plastic buckets with lids, 205 litre drums, and/or polypropylene bags.

Storage and Transfer
All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers. All containers will be stored in a well ventilated area away from incompatible materials.

Disposal
Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods before disposing of contaminated material.

5.2 SPILL RESPONSE ACTIONS
b) GASOLINE AND JET A/A-1/B AVIATION FUEL
Gasoline and Jet B form vapours that can ignite and explode – No Smoking!

Take action only if safety permits – stop the source flow if safe to do so and eliminate all ignition sources. Never smoke when dealing with these types of spills.

On Land
Build a containment berm using soil material or snow and place a plastic tarp at the foot of the berm for easy capture of the spill after all vapours have dissipated.
Remove the spill by using absorbent pads or excavating the soil, gravel or snow.
Remove spill splashed on vegetation using particulate absorbent material.
If soil, gravel, or vegetation must be removed, contact regulatory agencies for approval before commencing with the removal.

On Muskeg
Do not deploy personnel and equipment on marsh or vegetation.
Remove pooled gasoline or Jet B with absorbent pads and/or skimmer.
Flush with low pressure water to herd oil to collection point.
Burn only in localized areas, e.g., trenches, piles or windrows.
Do not burn if root systems can be damaged (low water table).
Minimize damage caused by equipment and excavation.

On Water
Contain spill as close to release point as possible.
Use containment boom to capture spill for recovery after vapours have dissipated.
Use absorbent pads to capture small spills.
Use skimmer for larger spills.

On Rivers and Streams
Prevent entry into water, if possible, by building a berm of trench.
Intercept moving slicks in quiet areas using (absorbent) booms.
Do not use sorbent booms/pads in fast currents and turbulent water.

On Ice and Snow
Build a containment berm around spill using snow.
Remove spill using absorbent pads or particulate sorbent material.
The contaminated ice and snow must be scraped and shoveled into plastic buckets with lids, 205 litre drums, and/or polypropylene bags.

Storage and Transfer
All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers. All containers will be stored in a well ventilated area away from incompatible materials.

Disposal
Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods before disposing of contaminated material.

5.2 SPILL RESPONSE ACTIONS
c) ANTIFREEZE

Take action only if safety permits – stop the source flow if safe to do so.

On Land
Build a containment berm using soil material or snow and place a plastic tarp at the foot of the berm for easy capture of the spill.
Remove the spill by using absorbent pads or excavating the soil, gravel, or snow.
Remove spill splashed on vegetation using particulate absorbent material.
If soil, gravel, or vegetation must be removed, contact regulatory agencies for approval before commencing with the removal.

On Water
Use containment boom to capture spill.
Pump contaminated water into 206 litre drum.

On Ice and Snow
Build a containment berm around spill using snow.
Remove spill using particulate sorbent material.
The contaminated sorbent material, ice and snow must be scraped and shoveled into plastic buckets with lids, 206 litre drums, and/or polypropylene bags.

Storage and Transfer
All contaminated water, ice, snow, soil, and clean up supplies will be stored in closed, labeled containers. All containers will be stored in a well ventilated area away from incompatible materials.

Disposal
Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods before disposing of contaminated material.

5.2 SPILL RESPONSE ACTIONS
d) PROPANE

Take action only if safety permits. Gases stored in cylinders can explode when ignited. Keep vehicles away from accident area – No Smoking!

On Land
Do not attempt to contain the propane release.

On Water
Do not attempt to contain the propane release.

On Ice and Snow
Do not attempt to contain the propane release.

General
It is not possible to contain vapours when released.
Water spray can be used to knock down vapours if there is NO chance of ignition.
Small fires can be extinguished with dry chemical of CO_2.
Personnel should withdraw immediately from area unless a small leak is stopped immediately after it has been detected.
If tanks are damaged, gas should be allowed to disperse and no recovery attempt should be made.
Personnel should avoid touching release point on containers since frost forms very rapidly.
Keep away from tank ends.

Storage and Transfer
It is not possible to contain vapours when released.

Disposal
Contact Federal and Territorial regulatory agencies to identify appropriate disposal methods for detective equipment that resulted in the release.

6.0 RESOURCE INVENTORY

6.1 PERSONNEL

In addition to the On Site Coordinator and the Project Manager, approximately 12 to 20 people are available on site to assist in spill response and clean up activities. The number of people on site varies throughout the season.

6.2 GENERAL EQUIPMENT

Equipment available on site to assist in responding to a hazardous materials spill includes various hand held tools including shovels. In addition to these, 4 spill kits will be on site during active exploration periods: one at the drill, one at the helicopter pad in camp, one at the generator and one at the camp fuel storage area. The spill kits contain the following supplies:

1 – 360 litre/79 gallon polyethylene overpack drum
4 – oil sorbent booms (5” X 10’)
100 – oil sorbent sheets (16.5” X 20” X 3/8”)
1 – drain cover (36” X 36” X 1/16”)
1 – Caution tape (3” X 500’)
1 – 1 lb plugging compound
2 – pair Nitrile gloves
2 – pair Safety goggles
2 – pair Tyvek coveralls
1 – instruction booklet
10 – printed disposable bags (24” X 48”)

Sorbent capacity of this spill kit is 240 litres.

7.0 TRAINING

All employees working on a Diamondex Resources Ltd. exploration property will be trained in the safe operation of all machinery and tools to help prevent hazardous material spills. All employees on site will also be trained for initial spill response in the event of a spill. Annual refresher exercises will be conducted to review the procedures of this Spill Contingency Plan.

Appendix 1
Nunavut Spill Report Form

Northwest Territories | Nunavut | Canada

NT-NU SPILL REPORT

OIL, GASOLINE, CHEMICALS AND OTHER HAZARDOUS MATERIALS

NT-NU 24-HOUR SPILL REPORT LINE
TEL: (867) 920-8130
FAX: (867) 873-6924
EMAIL: spills@gov.nt.ca

REPORT LINE USE ONLY

A	REPORT DATE: MONTH – DAY – YEAR	REPORT TIME	☐ ORIGINAL SPILL REPORT, OR	REPORT NUMBER ____-____
B	OCCURRENCE DATE: MONTH – DAY – YEAR	OCCURRENCE TIME	☐ UPDATE # _____ TO THE ORIGINAL SPILL REPORT	
C	LAND USE PERMIT NUMBER (IF APPLICABLE)	WATER LICENCE NUMBER (IF APPLICABLE)		
D	GEOGRAPHIC PLACE NAME OR DISTANCE AND DIRECTION FROM NAMED LOCATION	REGION ☐ NWT ☐ NUNAVUT ☐ ADJACENT JURISDICTION OR OCEAN		
E	LATITUDE DEGREES MINUTES SECONDS	LONGITUDE DEGREES MINUTES SECONDS		
F	RESPONSIBLE PARTY OR VESSEL NAME	RESPONSIBLE PARTY ADDRESS OR OFFICE LOCATION		
G	ANY CONTRACTOR INVOLVED	CONTRACTOR ADDRESS OR OFFICE LOCATION		
H	PRODUCT SPILLED	QUANTITY IN LITRES, KILOGRAMS OR CUBIC METRES	U.N. NUMBER	
	SECOND PRODUCT SPILLED (IF APPLICABLE)	QUANTITY IN LITRES, KILOGRAMS OR CUBIC METRES	U.N. NUMBER	
I	SPILL SOURCE	SPILL CAUSE	AREA OF CONTAMINATION IN SQUARE METRES	
J	FACTORS AFFECTING SPILL OR RECOVERY	DESCRIBE ANY ASSISTANCE REQUIRED	HAZARDS TO PERSONS, PROPERTY OR ENVIRONMENT	
K	ADDITIONAL INFORMATION, COMMENTS, ACTIONS PROPOSED OR TAKEN TO CONTAIN, RECOVER OR DISPOSE OF SPILLED PRODUCT AND CONTAMINATED MATERIALS			

L	REPORTED TO SPILL LINE BY	POSITION	EMPLOYER	LOCATION CALLING FROM	TELEPHONE
M	ANY ALTERNATE CONTACT	POSITION	EMPLOYER	ALTERNATE CONTACT LOCATION	ALTERNATE TELEPHONE

REPORT LINE USE ONLY

N	RECEIVED AT SPILL LINE BY	POSITION STATION OPERATOR	EMPLOYER	LOCATION CALLED YELLOWKNIFE, NT	REPORT LINE NUMBER (867) 920-8130

LEAD AGENCY ☐ EC ☐ CCG ☐ GNWT ☐ GN ☐ ILA ☐ INAC ☐ NEB ☐ TC | SIGNIFICANCE ☐ MINOR ☐ MAJOR ☐ UNKNOWN | FILE STATUS ☐ OPEN ☐ CLOSED

AGENCY	CONTACT NAME	CONTACT TIME	REMARKS
LEAD AGENCY			
FIRST SUPPORT AGENCY			
SECOND SUPPORT AGENCY			
THIRD SUPPORT AGENCY			

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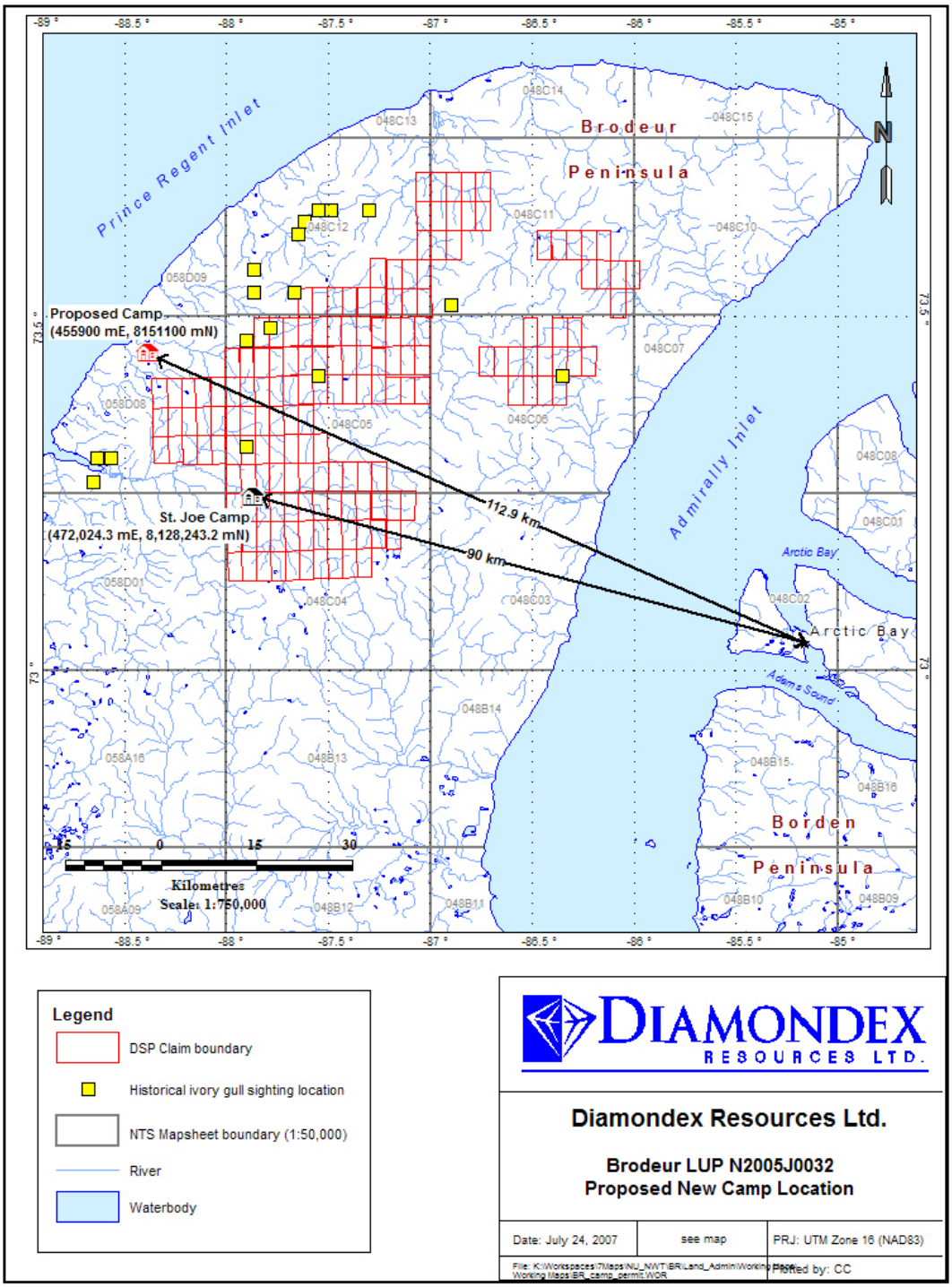
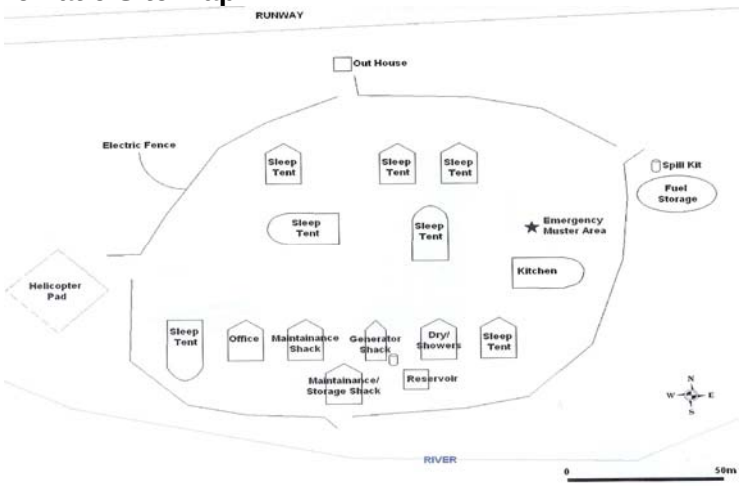
Appendix 2
Location Map,
Including Camp Locations & Brodeur Project Claim Boundaries



Appendix 3
Camp Photos & Site Map

A. St. Joe's Camp

B. St. Joe's Schematic Site Map



C. Future Camp Location