

June 3, 2010

Phyllis Beaulieu, Manager of Licensing
The Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0A 0H0

Re: Water Use Application – Remote Fly Camp, Coronation Gulf Area, NU

Dear Ms Beaulieu,

Attached please find a duly completed Type “B” Water Use Application for a small remote fly camp location that is proposed by Stornoway Diamond Corporation for the summer or fall of 2010 or 2011.

The proponent would like to establish a small, temporary, two to four person fly camp in the Coronation Gulf region in order to carry out a short term, extremely low impact exploration program on landholdings in the area. The program will take place at some point between June and late September of 2010 or 2011 and will see a small fly camp established along the shoreline of the unnamed lake to the northeast of Kiglikavik Lake (NTS 86I/15 NE). For a period of no longer than 14 days the small crew will occupy a base camp comprised of pup tents and recreational style camping equipment.

I will be in contact with your office to pay the requisite application and water use fees associated with the submission of this application via credit card, over the phone.

If you have any questions regarding this correspondence please contact the undersigned at your convenience.

Yours truly,

STORNOWAY DIAMOND CORPORATION

Per:



Nicole Westcott
Land Administrator

*Enclosures: Water License Application Form
 Exploration/Remote Camp Supplementary Questionnaire
 Figure – Location Map
 Figure – Proposed Camp Location
 Executive Summary – English
 Executive Summary – Translation
 Spill Contingency Plan, Remote Fly Camp
 Abandonment and Restoration Plan, Remote Fly Camp*