

Closure Summary

Nunavut Water Board Type “B” Water License: 2BE-CGP1012

**Licensee : Stornoway Diamond Corporation
Unit 116-980 West 1st Street
North Vancouver, BC
V7P 3N4**

Phone: 604-983-7750

Fax: 604-987-7107

Date of Issuance: July 26, 2010

Expiry Date: July 31, 2012

Stornoway Diamond Corporation (“Stornoway”) is requesting the official closure of Nunavut Water Board License 2BE-CGP1012.

This license authorizes water use (not to exceed 60 cubic meters a day) and waste disposal in association with one temporary/seasonal camp facility (the Eureka camp) and drilling activities on Stornoway’s property interests in the Coronation Gulf Region of Nunavut.

Following several seasons of being in a winterized/storage state the Eureka camp was re-opened in late May of 2011 in preparation to serve as accommodation for personnel conducting a short, four week drill program and 5 days of legal surveying activities.

A heli-portable 25A diamond drill was used throughout the duration of the drill program and no hole took more than 2 days to complete. Progressive reclamation work was conducted at all drill site locations once a drill hole was completed. All drill casings were removed when possible (if not they were cut off at ground level), all fuel, equipment and refuse was removed from the site and the hole was marked with a picket and/or tape flag for future reference. In addition the project manager would inspect each drill site upon departure to insure that little to no evidence of the land use activity remained.

The camp facility was occupied from June 4, 2011 until July 22, 2011 at which time it was put into a temporary state of storage. On August 18, 2011 the primary abandonment and reclamation activities commenced at the camp location and over the course of three days the greywater sump and latrine pit were filled in and reclaimed, most fuel, equipment and other camp related materials were removed from the land and the area was restored in accordance with the procedures described in the Abandonment and Restoration Plan which formed a part of the application for NWB License 2BE-CGP1012.

A small cache of items remaining at the site upon the crew’s departure on August 21, 2011 was removed from the area on April 30, 2012 and as of that date the only items remaining on the land use area are 6 pallets of core stacked neatly at the fully reclaimed Eureka camp location.