



Water Resources Division
Nunavut Regional Office
Iqaluit, NU
X0A 0H0

NWB File: 2BE-CGP1012
CIDMS #: 588064

Sept 20, 2012

**Re: 2BE-CGP1012 – Cancellation Application – Coronation Gulf Project –
Stornoway Diamond Corporation.**

Please be advised that Aboriginal Affairs and Northern Development Canada (AANDC) have completed a review of the Cancellation Application for water license 2BE-CGP1012 (Coronation Gulf Project) submitted by Stornoway Diamond Corporation. The NWB circulated the Cancellation Application for comments on August 18, 2012. All documents related to the request posted on the NWB ftp site under 2BE-CGP1012 were included in my review (See attached Technical Review Memo).

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4282 or by email at Ian.Parsons@aandc.gc.ca.

Sincerely,

Original signed by

Ian Parsons
Regional Coordinator

Cc. Murray Ball, Manager of Water Resources – AANDC, Nunavut Regional Office
Andrew Keim, A/ Manager of Field Operations – AANDC, Nunavut Regional Office



Technical Review Memorandum

To: Phyllis Beaulieu – Manager of Licensing, Nunavut Water Board

From: Ian Parsons – Regional Coordinator, AANDC.

Re: 2BE-CGP1012 – Cancellation Application – Coronation Gulf Project – Stornoway Diamond Corporation.

Background

The Coronation Gulf Project was proposed to be located approximately 100km to the Southeast of Kugluktuk.

The site was proposed to accommodate 10-12 people in small temporary tents for approximately 4 weeks (June to September) each year.

The temporary camp has been removed and the only structure left on site is six pallets of drill core.

As per this application the proponent is requesting water license 2BE-CGP1012 to be cancelled.

Recommendations/Comments

The Department of Aboriginal Affairs and Northern Development Canada, Water Resources Division finds the cancellation application complete and recommends that the above referenced license not be cancelled/ closed until a Water Resource Officer provides confirmation that no compliance issues are associated and/or remain outstanding with the project.

AANDC Field Operations Division has indicated that this site will be inspected in 2013.

Cc. Murray Ball, Manager of Water Resources – AANDC, Nunavut Regional Office
Andrew Keim, A/ Manager of Field Operations – AANDC, Nunavut Regional Office