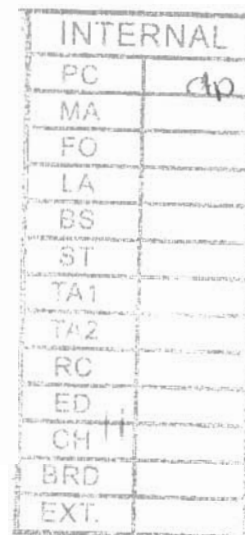


Re: Shear Minerals Ltd. – Churchill West Diamond Project



040216 NWB2CHU NPC Review - ILAE

application 8 N70047001

FAXED FEB 01 2004

All applicants for a project proposal shall comply with the requirements listed below.
The relevant sections of the plan are noted in each requirement.

GENERAL

2. **Environmental Protection: s2.4.9:** The applicant undertakes to prevent any new occurrences of pollution, garbage and contamination at the site of the development.

☒ Yes

☐ No

3. **Removal of Fuel Drums: s2.4.9:** The applicant undertakes to remove all drums safely from the site and dispose of the drums in a safe manner.

☒ Yes

☐ No

4. **New Site Restoration and Clean Up: s2.4.15 and Appendix 2, s1:** The applicant undertakes to clean up the site and restore the site to its natural condition to the greatest extent possible.

☒ Yes

☐ No

5. **Old Site Restoration and Clean Up: s2.4.10:** The applicant undertakes to clean up the site and restore the site to its original condition to the greatest extent possible, including any work required due to the applicant's action prior to this application.

☒ Yes

☐ No

ARCHEOLOGY

9. Reporting of Archaeological Sites: s4.4.3 and Appendix 3, s2 and s8: Will the applicant immediately report the discovery of all suspected archaeological sites to the Department of Culture, Language, Elders and Youth (GN)?

Yes

No

PARTICULAR ACTIVITIES

23. Code of Good Conduct for Land Users: Appendix 2: The applicant undertakes to adhere to the Code of Good Conduct at all times.

Yes

No

I, 4579 Nunavut Ltd. (name of applicant), certify that the information I have given in this application is true and correct and hereby make the above undertakings which form part of my application for a project proposal within the meaning of the Nunavut Land Claims Agreement.

Date: Feb. 2, 2004

Signature of Applicant: Randa Staro

President



P.O. Box 119
GJOA HAVEN, NU X0B 1J0
TEL: (867) 360-6338
FAX: (867) 360-6369

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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN TIMAYINGI

File No: NWB2CHW

February 16, 2004

Pamela Strand, President
Shear Minerals Ltd.
Suite 220, 9797 - 45 Avenue
Edmonton, AB T6E 5V8
Email: pstrand@compusmart.ab.ca

Subject: Shear Minerals Ltd. - Churchill West Diamond Project - New

Dear Ms. Strand:

The Nunavut Water Board (NWB) acknowledges receipt of your application for a new water license on January 12, 2004 for water use and waste disposal associated with exploratory drilling for the Churchill West Diamond Project, in the Kivalliq region. The application, a copy of which can be obtained from our ftp site (<http://ftp.nunavut.ca> in folder nwb / NWB2 EXPLORATION and sub-folder NWE2CHW) or by contacting our office, consists of the following items:

- cover letter dated December 15, 2003
- application form
- supplementary questionnaire
- map
- summary in English and Inuktitut
- list of claims and permits
- Bibliography
- Environmental Procedure Plan
- Spill Contingency Plan
- Abandonment and Restoration Plan
- application fee

We undertook a preliminary review of your application and conclude that it meets the requirements of section 48(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* ("Act"). This said, I must inform you that the NWB reserves the right to request additional information and studies pursuant to sections 48(2) of the Act or, alternatively, issue guidelines for the provision of information pursuant to section 48(3) of the Act.

However, before your application can be processed further by the NWB, it is subject to sections 38(1) to 38(5) of the Act and therefore must first be reviewed by the **Nunavut Planning Commission (NPC)** to determine its conformity with an approved land use plan. **By copy of this letter to the NPC, we are formally asking our sister board to undertake this determination and inform the NWB of its decision.**

Pursuant to Section 13.7.3 of the Nunavut Land Claims Agreement this application is of a class that does not require a public hearing, and is therefore exempt from screening by the Nunavut Impact Review Board, as per Schedule 12-1 of the NLCA. We are consequently requesting NPC to forward the application back to the NWB when its determination is complete.

Finally, by copy of this letter to the distribution list and the enclosed notice of application sent to the council of the municipality or municipalities most affected by your application, we invite interested persons to make representations directly to the NWB within 30 days from the date of this letter. The NWB may provide additional procedural instructions once the application has been reviewed.

Sincerely,

Original signed by:

Phyllis Beaulieu
Licensing Administrator

Enclosure: Notice of Application

cc: Distribution List