



Fisheries and Oceans
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April 29, 2006

Your file *Votre référence*

Our file *Notre référence*
NU-06-0011

Ms. Nicole Westcott
Stornoway Diamond Corporation
860-625 Howe Street
Vancouver, BC V6C 2T6

Via electronic mail to:
nwestcott@stornowaydiamonds.com

Dear Ms. Westcott:

Subject: Proposed works or undertakings will not likely result in negative effects to fish habitat if additional protection measures are implemented.

Fisheries and Oceans Canada (DFO) received your proposal on March 13, 2006, concerning the establishment of a new camp and mineral exploration program. To expedite future correspondence or inquiries, please refer to your referral title and file numbers when you contact us.

Referral File No.: **06-HCAA-CA7-000-000011**
Habitat File No.: **NU-06-0011**
Referral Title: **Exploration (Drilling) - MIP Project, Amadjuak Lake, Qikiqtani**

It is our understanding that your proposal consists of:

- *A mineral exploration program between April 2006 and April 2008 contained within the general latitude 72°14'N and general longitude 65°10'W involving: geological mapping, ground geophysical surveying, prospecting, rock and soil sampling, diamond drilling and exploration camp establishment and operation.*

as outlined in the following plans:

- *A water license application dated July 6, 2005 and associated documents dated June 17, 2005 submitted to the Nunavut Water Board by Hornby Bay Exploration Limited.*

If the above plans have changed since the time of submission, the advice in this letter may no longer apply and you should consult with us to determine if further review is needed.

We have concluded that the proposed works and undertakings are adequate to protect fish and fish habitat provided that the work is carried out as described in your plans and the following additional measures are implemented:

- If artesian flow is encountered, drill holes should be plugged and permanently sealed upon completion of the project.
- The use of biodegradable, salt free drill additives is encouraged over non-biodegradable types.
- All disturbed areas should be stabilized and reclaimed to pre-construction conditions upon completion of work. Work associated debris should be removed immediately after completion of construction.
- Suitable erosion and sediment suppression measures should be implemented on disturbed areas before, during and after construction until vegetation or other appropriate measures are established in order to prevent sediment from entering any waterbody.
- The cleaning, fuelling and servicing of equipment should be conducted away from any waterbody. Equipment operating near any watercourse should be free of external grease, oil, mud, or fluid leaks.
- All spills of oil, fuel, or other deleterious substances should be reported immediately to the 24-Hour Spill Line at (867) 920-8130.
- Appropriate measures, including an emergency contingency plan for inadvertent spills, should be applied to ensure that deleterious substances such as drill cuttings, petroleum products, sediment, debris, etc. do not enter any waterbody. The use of biodegradable, salt free drill additives is encouraged over non-biodegradable types.

The extraction of water via intake from any fish-bearing water body is prohibited under Section 30 of the *Fisheries Act* unless the intake is screened to prevent fish entrainment. As a result, the following additional mitigation measure should be implemented:

- The *Freshwater Intake End-of-Pipe Fish Screen Guideline* (DFO, 1995) which is available upon request or at the following internet address: www.dfo-mpo.gc.ca/Library/223669.pdf should be followed. Small lakes and streams should not be used for water withdrawal.

By implementing these additional measures and those already outlined in your plans, it is our opinion that the proposed works and undertakings will not likely result in the harmful alteration, disruption or destruction (HADD) of fish habitat, which is prohibited unless

authorized by DFO. These are recommendations to ensure that the proposed works will likely not result in a HADD of fish habitat. Therefore a subsection 35(2) Authorization is not necessary.

You could contravene subsection 35(1) of the *Fisheries Act* if a HADD of fish habitat results from any change in your proposed plan or from failure to properly implement these additional measures. Subsection 35(1) states, “*no person shall carry on any work or undertaking that results in the harmful alteration, disruption or destruction of fish habitat.*”

This letter of advice does not permit the deposit of deleterious substance (section 36 of the *Fisheries Act*) into waters frequented by fish nor does it release you from the responsibility to obtain any other federal (for example, the *Navigable Waters Protection Act*), provincial, territorial, or municipal approvals.

We request that you notify us at least 10 working days before starting the work and that a copy of this letter be kept on site while work is in progress. If you have any questions concerning the above, or if my understanding of the proposal is either incorrect, incomplete, or if there are changes to the proposed works or undertakings, please contact myself directly by telephone at (867) 979-8011, by fax at (867) 979-8039, or by e-mail at moggyd@dfo-mpo.gc.ca.

Yours sincerely,

Original signed by:

Derrick Moggy
Habitat Management Biologist

C.C.: Phyllis Beaulieu – Nunavut Water Board (licensing@nwb.nunavut.ca)