

Nunavut Water Board

Standard Form for Annual Reporting Requirements of NWB2 Exploration Water Licenses

Under the terms of your water licence issued by the Nunavut Water Board ("NWB") for the use of water and the disposal of waste into water associated with mineral exploration (NWB2 Licenses), Licensees are required to submit to the NWB an Annual Report no later than March 31st of the year following the calendar year being reported.

In order to aid the Licensee with the preparation of the Annual Report and facilitate its review by the NWB, Licensees are **required** to use the following form.

Recommendation and Helpful tips for use:

Metric units shall be used to report any relevant data.

How to Add additional space within Text boxes - Right click mouse on the row number (directly to the left of your screen) which falls within the text box range and click insert. **Do not drag or drop text box to modify size of the text box because formatting will not be maintained and data will be lost.** If you have large amounts of data recommend adding additional worksheets. Go to the help menu for assistance.

Electronic versions should be submitted in Adobe to ensure protection of your information. If you do not have shortcut keys to save as a PDF. Go to print menu . Choose to print "Entire Worksheet" then select printer option Adobe PDF and you will be prompted to save the document as a PDF document. Reminder ensure you have saved your document in Excel so that future changes can be made.

Modify the Header - Select "View" then "Header" from the main menu. Select "Custom Header" and change to reflect the valid Water Licence No.

Textboxes denoted with * are optional.

Annual Reports shall be submitted by either fax, mail or email in adobe acrobat or Excel format to:

Nunavut Water Board
c/o Manager of Licensing
P.O. Box 119
Gjoa Haven, NU X0B 1J0
Tel: 867-360-6338
Fax: 867-360-6369
Email: licensing@nwb.nunavut.ca

NWB Annual Report

Year being reported: 2006 ▼

License No: 2BE-MIP0608

Issued Date: May 17th, 2006

Expiry Date: April 31, 2008

Project Name: MIP2

Licensee: Stornoway Diamond Corporation

Mailing Address: 860-625 Howe Street
Vancouver, BC
V6C 2T6

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

Stornoway Diamond Corporation

General Background Information on the Project (*optional):

The MIP2, 2006 exploration program was conducted under the authority of DIAND Land Use Permit N2006C0011 and NWB License 2BE-MIP0608 between July 16th and August 16, 2006.

Temporary camp facilities were established during this time which accommodated a stable population of 9 personnel representing a total of approximately 240 person days (population was reduced during mob/de-mob periods). During this time a drilling program was conducted which lasted for approximately 3 weeks time. Camp facilities were supported by both charter fixed wing aircraft and an on-site helicopter.

Licence Requirements: the licensee must provide the following information in accordance with

Part B



Item 2



A summary report of water use and waste disposal activities, including, but not limited to: methods of obtaining water; sewage and greywater management; drill waste management; solid and hazardous waste management.

Water Source(s):

See attached table for all water sources utilized

Water Quantity:

100 cu.m
(including
drilling)/day

Quantity Allowable Domestic (cu.m)

1 cu.m/day

Actual Quantity Used Domestic (cu.m)

100 cu.m
(including
domestic)/day

Quantity Allowable Drilling (cu.m)

20 cu.m/day

Total Quantity Used Drilling (cu.m)

Waste Management and/or Disposal

☒ Solid Waste Disposal☒ Sewage☒ Drill Waste☒ Greywater☐ Hazardous☐ Other:

Additional Details:

Water for domestic purposes was acquired from a lake adjacent to camp (please see coordinates provided in attached table). Water for domestic use was pumped from the lake into a holding tank with a capacity of approximately 1 cu.m. (tank was filled on an average of once daily during the occupation of the camp).
 Water for drilling activities was acquired from water sources adjacent to drill collar locations (please see attached table for coordinates of both water sources and waste disposal sites related to drilling activities).
 All combustible waste was incinerated daily in a burn barrel constructed/modified for this purpose. Non-combustible waste and empty fuel drums were backhauled to Iqaluit on a regular basis for proper disposal.
 3 small greywater sumps were constructed (in the same area) to collect domestic waste water. 1 latrine sump was constructed to contain sewage waste. Please see below for details regarding all sump locations and the restoration procedures implemented upon closure of the camp facilities.

A list of unauthorized discharges and a summary of follow-up actions taken.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

No unauthorized discharges occurred under the authority of this license during 2006.

Revisions to the Spill Contingency Plan

SCP submitted and approved - no revision required or proposed ▼

Additional Details:

No revisions have been made to the Spill Contingency Plan that was submitted as a part of the application documents for this license.

Revisions to the Abandonment and Restoration Plan

AR plan submitted and approved - no revision required or proposed ▼

Additional Details:

No revisions have been made to the Abandonment and Restoration Plan that was submitted as a part of the application documents for this license.

Progressive Reclamation Work Undertaken

Additional Details (i.e., work completed and future works proposed)

At the present time there is no further work planned under the authority of this license and therefore all final abandonment and restoration work has been completed for the land use area.

As per the Abandonment and Restoration Plan for the MIP2 project all drill sites were restored to their previous condition immediately upon completion of each hole. Any drill wastes were either disposed of in an appropriate natural depression or a properly constructed sump which was backfilled immediately upon completion of use and recontoured to match the natural contours of the surrounding area.

The greywater sumps established for kitchen/domestic waste water and the latrine pit (see attached table for coordinates of waste disposal sites) were all backfilled upon demobilization and abandonment of the camp facilities. All backfilled areas were recontoured to match the natural contours of the surrounding landscape.

All camp structures, equipment and fuel drums and were removed from the camp area upon abandonment leaving little to no evidence of the land use operation.

Results of the Monitoring Program including:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where sources of water are utilized;

Details attached



Additional Details:

Please see attached listing of coordinates for sources of water utilized during the 2006 exploration program conducted under the authority of this license.

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where wastes associated with the licence are deposited;

Details attached



Additional Details:

Please see attached listing of coordinates where wastes associated with this license were deposited during the 2006 exploration program conducted under the authority of this license.

Results of any additional sampling and/or analysis that was requested by an Inspector

No additional sampling requested by an Inspector or the Board



Additional Details: (date of request, analysis of results, data attached, etc)

N/A

Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

No additional sampling requested by an Inspector or the Board



Additional Details: (Attached or provided below)

N/A

Any responses or follow-up actions on inspection/compliance reports

No inspection and/or compliance report issued by INAC ▼

Additional Details: (Dates of Report, Follow-up by the Licensee)

There were no inspections conducted on the operations subject to the authority of this license during the 2006 exploration program.

Any additional comments or information for the Board to consider

At the present time there is no further work planned under the authority of this license and therefore all abandonment and restoration work has been completed for the land use area. This information has been relayed to Andrew Keim, DIAND Water Resources Officer, in response to his inquiry into the scheduled activities for 2007 for the MIP Project. Mr. Keim was provided with the coordinates for the camp location and was advised that a final land use report would be forthcoming to all the applicable regulatory agencies within the next several weeks.

Date Submitted:

March 30, 2007

Submitted/Prepared by:

Nicole Westcott, Land Administrator

Contact Information:

Tel: 604-331-2259

Fax: 604-668-8366

email: nwestcott@stornowaydiamonds.com

GPS Coordinates for water sources utilized - 2BE-MIP0608

Source Description	Latitude WGS84			Longitude WGS84		
	° Deg	' Min	" Sec	° Deg	' Min	" Sec
Camp/Domestic Water Source	65	4	43	-72	13	13
Water Source for Drilling Activity	65	14	33.3	-72	0	19.4
Water Source for Drilling Activity	65	15	21.3	-71	55	55.4
Water Source for Drilling Activity	65	11	53.8	-72	1	19.5
Water Source for Drilling Activity	65	12	45.4	-72	0	45
Water Source for Drilling Activity	65	11	30.3	-71	51	45
Water Source for Drilling Activity	65	12	5.8	-71	53	38.4
Water Source for Drilling Activity	65	10	33.7	-71	55	35
Water Source for Drilling Activity	65	8	48.3	-71	59	31.2

GPS Locations of areas of waste disposal - 2BE-MIP0608

Location Description (type)	Latitude WGS84			Longitude WGS84		
	° Deg	' Min	" Sec	° Deg	' Min	" Sec
Greywater Sump Location (3 sumps side by side - 1 for kitchen, 1 for showers and 1 for the sink and washing machine)	65	4	44.8	-72	13	11.5
Latrine Sump Location	65	4	45.8	-72	13	11.3
Drill Waste Disposal Location	65	14	41.2	-72	0	17.4
Drill Waste Disposal Location	65	15	24.3	-71	56	13.7
Drill Waste Disposal Location	65	11	51.1	-72	1	27
Drill Waste Disposal Location	65	12	41.9	-72	0	43.6
Drill Waste Disposal Location	65	12	1	-71	51	29.1
Drill Waste Disposal Location	65	12	15.7	-71	53	30.4
Drill Waste Disposal Location	65	10	33.9	-71	55	24.3
Drill Waste Disposal Location	65	8	32.2	-71	59	41.4