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Stornoway Diamond Corporation
Abandonment and Restoration Plan

Nunavut Water
Board
MAY 11 2005
Public Registry

Introduction:

This Abandonment and Restoration Plan applies to proposed land use activities to be undertaken by Stornoway Diamond Corporation on NTS Map Sheets 29G, 39B, 39C, 39E, 39F, 39G, 39H, 49A, 49B, 49C, 49D, 49E, 49F, 49G, 49H, 59A, 59D, 59E, 59F, 59G, 59H, 120B, 340B, 340A, 560A, located in Northern Nunavut.

It is planned to initiate activities on or around June 2005. A small field crew consisting of 2 geologists and one helicopter pilot, will be mainly based out of communities (including Arviat and Baker Lake, others still to be determined). There will be occasions when the exploration area is too far from a community and a small fly camp will be established for 3 to 5 days at a time. Our 2005 reconnaissance scale program is spread over a very large area and as of yet has not been completely finalized. Weather will dictate how much ground we are able to cover. Small scale drilling activities will only be conducted should targets be identified. If targets are identified, 2 drillers will join the crew. Our activities will be supported by helicopter.

Our long-term plan is to conduct geological mapping, rock and soil sampling, prospecting, and potentially diamond drilling, all of which have a low impact on the environment.

Abandonment and Restoration Plan:

Upon completion of the Land Use Operation on NTS Map Sheets 29G, 39B, 39C, 39E, 39F, 39G, 39H, 49A, 49B, 49C, 49D, 49E, 49F, 49G, 49H, 59A, 59D, 59E, 59F, 59G, 59H, 120B, 340B, 340A, 560A, the following steps and procedures will be followed to allow proper abandonment and reclamation of the area. Each drill hole will be restored to previous conditions after completion of the hole (on average less than one week).

1. All fuel drums and drilling equipment will be removed from the site immediately upon completion of the hole.
2. On-ice drill cuttings will be scraped clean and removed to an on land sump located more than 30m from the ordinary high water mark on an on-going basis.
3. All drilling sumps (if used) will be back-filled, burying the cuttings and sludges if appropriate.
4. If the crew members discover waste of any type left behind by others, every effort will be made to remove it from the area and have it disposed of in an acceptable manner.
5. Each drill site will be inspected to ensure that all garbage (combustible and non-combustible) has been collected and removed from the area.
6. Gray water sumps and sewage pits at the camp will be back-filled.
7. All remaining garbage will be incinerated in a burn barrel.

8. All wood (tent floors, frames etc.) will be burned. The coals and ash will be raked for non-combustible items (i.e. nails etc) which will be collected and removed from the site. The remaining coals will be buried.
9. All camping materials, fuel drums, and drilling equipment (if applicable) will be removed from the site.
10. A last inspection will ensure that there is no remaining material at the site and that there is little/no evidence for Stornoway's land use activity.
11. Seasonal closures will not affect the area.