

## **Diamonds North Amaruk Project Overview**

The purpose of Diamonds North's program is to explore for the presence of kimberlites and diamonds in the Amaruk Project area which is located primarily to the south and west of the community of Kugaaruk, Nunavut. This program is a direct continuation of the work the Company has been conducting in the same area since 2006.

Any potential environmental effects this program could have are expected to be minor impacts only effecting a very small or local area. These impacts will all be addressed or stopped completely by following a number of steps. These steps are all described in detail in Diamonds North's Water License Renewal Application and Land Use Permit. It is unlikely that this program will have any short term effects on wildlife or birds. It will have no long term effects. Diamonds North is proud to be committed to running safe environmentally friendly exploration programs.

All activities proposed for this program are considered grassroots or initial stage exploration activities. The activities will include geophysical surveys conducted from the air and ground, prospecting, mapping, rock sampling and bedrock sampling by drilling approximately 20 diamond drill holes and up to 60-80 small and shallow reverse circulation drill holes per year.

All of these activities will be conducted by a crew of up to 30-40 people housed in two temporary camps. The camp locations have been used by Diamonds North in both 2006 and 2007. The camps will be made up of about 6-15 tents, some for living in and some for working in.

All activities will be done in a manner that will avoid any worker health and safety risks and limit possible environmental impacts. To ensure this Diamonds North has taken the best procedures or practises available to the exploration industry and made the following documents:

- Diamonds North Emergency Response Plan
- Diamonds North Spill Contingency Plan
- Diamonds North Safety Plan
- Diamonds North Abandonment and Restoration Plan

Diamonds North insists that all activities on its exploration projects follow the rules set out in these documents as well as any terms and conditions set out by all regulatory bodies.

A light weight diamond drill and 2-3 reverse circulation drills will be used to obtain core and rock chip samples from the bedrock. These drill holes will each be about 100 metres (328 feet) to 250 metres (800 feet) deep. Some will be widely spaced throughout the project area while others will be more closely spaced to determine the sizes of known kimberlite bodies. The drills will be moved by helicopter between hole locations. The foot print of each pad the drill sits on will be as small as possible and usually comprises an area of about 10 metres by 10 metres or 33 feet by 33 feet. Absorbant matting which works just like a sponge will be used to collect any oils and grease which may come from operating the drill. Drip trays will be used at all fueling areas. All used matting, garbage and fuel drums will be flown to Yellowknife where they will be disposed of in an approved disposal facility.

No water used or drill cuttings created by drilling will be allowed to enter any waterbodies. Only the diamond drill uses water during operations as the reverse circulation rigs utilize compressed air which further minimizes impact to the environment. All rock core and rock chips coming from the drill holes will be flown to the camp where they will be sampled and properly stored for later studies or sent to laboratories in Ontario.

All fuel used will be properly stored in centrally located areas and watched to ensure no leaks occur. It will be transported by helicopter to the drill sites.

All potential environmental impacts resulting from this program are expected to be limited to very small areas and will be addressed by using the safest and most environmentally friendly exploration practices available.

For further information on this project please contact Graham Gill at (604) 689-2010.