



A = Acceptable
U = Unacceptable
N/I = not inspected

N/A = Not applicable

WATER USE INSPECTION REPORT

Yukon Water Board
AUG 11 2008
Public Registry

(Amanuk Camp,
Siku Camp)

Date: 11 Aug 2008

Licence #: 2BE-PEZ-0813

General Comments: (Continued)

Licensee/Company: Diamonds North Resources Ltd * No water samples collected during this inspection *
Rep(s): Carl Ozyer (Project Geologist)

• Potable Source - Intake Facilities (A); Storage Structures - 2 Holding tanks (A)
• UV and f.Aes cartridge treatment (A); manufacturer's manual/guide posted on wall but no actual Operations & Maintenance Manual present; no training provided for operator.

• No flow meters installed, but volumes of water (camp) are recorded daily (A); Licensee is to provide proof of this record for volumes used at drill sites.

• Greywater sump → reinforced sump area ^(susceptible to exposure) 2 holding tanks used for solids + grease removal before water released into sump (A); sump to be covered at end of season.

(A) Toilets → PACTO plus latrines (2 pits) for backup. → PACTO waste is incinerated
• Waste disposal → garbage is incinerated and ash and non-burnable waste packaged (usually in drums) and flown out to Kuguanuk, then Yellowknife for disposal
• Licensee is to provide copy of waste tracking document (Waste Manifest) to the Inspector for proof of disposal.

• Fuel Storage → airstrip location lacking secondary containment ^(U) and one barrel was found to be leaking during inspection; chemical products ^(cardboard) stored on ground with inadequate cover (U); spill kits are located in main camp area.

• Camp → Secondary containment (instaberm) used ^{no} under heating fuel drum stands (A); however low point of hose loops are positioned outside of containment.

• Helo area → refuelling area lacking secondary containment ^(U); standing water with visible hydrocarbon sheen inside one containment; inconsistent use and management of secondary containment systems used. (U)

• Licensee is recommended to provide appropriate spill response training and awareness.

C.C.

M. Joy MELISSA JOY
Water Inspector



WATER USE INSPECTION REPORT

(continued)

Date: 11 Aug 2008

Licence #: DBE-PEL 0813

General Comments: (Continued)

~~to all employees and management at camp. ~~enclosed~~~~ ^{MD}

~~(~~enclosed~~)~~ ^{MD}
~~(~~enclosed~~)~~ ^{MD}

• Fuel Spill Contingency plan is NOT up to date and according to water license (renewal) has not been approved by the NWB. (u)

↳ licensee is ~~the~~ directed to bring this plan up to date (with the approval of Water Board and Inspector) before camp can be reopened next season.

Licensee is to provide a copy of camp shut down procedures (and photographs) to the Inspector after camp closed for the season.

* Licensee is hereby directed by the Inspector to address issues such as secondary containment / fuel handling practices before camp closes for the season and is to address all other issues in a plan to be provided within 90 days.

~~(these are issues)~~ ^{MD}

Issues cited must be addressed before both Amaruk and Siku camps are permitted to reopen next season (refer to inspection form - Siku camp).
↳ dated 10 Aug 08

• Copies of land use permit and water license kept on site (u)

• Overall camp is quite clean; environmental conditions require diligent monitoring on part of licensee to ensure fuel is managed and inspected frequently


Carl Ozyer

 MELISSA JOY
Water Inspector