

Project Summary

Corporate Address:

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2007 Land Use Plan – Qilalugaq Property, Repulse Bay Area, Nunavut

Stornoway Diamond Corporation (“Stornoway”), a Canadian owned and operated company, is dedicated to exploring for economic mineral deposits in northern Canada.

The Qilalugaq Property, located near Repulse Bay has undergone several phases of exploration since acquisition by its owner, BHP Billiton in 2001 including exploration activities such as airborne geophysics, till sampling, and drilling. The purpose of Stornoway’s activities under this water license application is to continue to evaluate the economic potential of the ten diamondiferous kimberlites already identified on the property, and to follow up on further unexplained kimberlite indicator anomalies.

Stornoway is proposing a two phase field program for 2007 which would include ground geophysics, till sampling, prospecting, and the drilling of both on ice and land based targets.

Activities to be conducted during Phase I of the proposed program are expected to include ground geophysics and the drilling of on ice targets. This initial phase is expected to begin in mid April of 2007 and continue for approximately six weeks time.

Activities to be conducted during Phase II of the proposed program are likely to include prospecting, till sampling, and the drilling of land based targets. The second phase of the program is scheduled to begin in mid June and continue to mid September (weather and logistics depending).

A Hughes 500D Helicopter will transport field and drilling crews to their work/sampling areas and will remain on site with the personnel for emergency support. Concerns raised by communities across the north with regard to flight altitude and wildlife will be respected.

Due to the proximity of this project area to the hamlet of Repulse Bay camp facilities will not be required at this time. Personnel for the project will be housed in, and work out of Repulse Bay.

Stornoway and our partners conduct extensive exploration programs within Nunavut and the Northwest Territories. We recognize the importance of our role in discovering mineral deposits and that our exploration programs must be conducted in the most socially and environmentally responsible fashion possible. Thank you in advance and we look forward to working with you.