PART 1 FORM
PROJECT PROPOSAL INFORMATION REQUIREMENTS

To access NIRB documents, project screenings, and project reviews please visit the Nunavut Impact Review Board's ftp site http://ftp.nirb.ca/. The NIRB's website (www.nirb.ca) is currently under construction. Please contact info@nirb.ca should you have any questions or require further information.

IMPORTANT!
Please be advised that your application will not be processed until the Sections 1 - 9 are completed in their entirety, in both English and Inuktitut (+ Inuinnaqtun, if in the Kitikmeot).

SECTION 1: APPLICANT INFORMATION

1. Project Name ***The Qilalugaq Project***

2. Applicant's full name and mailing address:

Stonoway Diamond Corporation	***Phone:***	***604-983-7750***
Unit 118 – 980 West 1st street	***Fax:***	***604-987-7107***
North Vancouver, BC V7P 3N4		***rhopkins@stornowaydiamonds.com***
Robin Hopkins, VP Exploration	***Email:***	

3. Primary contact's full name and mailing address:

North Arrow Minerals Inc.	***Phone:***	***604-668-8355***
Suite 960-789 West Pender Street	***Fax:***	***604-336-4813***
Vancouver, BC V6C 1H2		***mmacmorran@northarrowminerals.com***
Mike MacMorran, Project Geologist	***Email:***	

SECTION 2: AUTHORIZATION NEEDED

1. Indicate <u>all</u> authorizations associated with the project proposal:

	Regional Inuit Association (RIA)		Canadian Launch Safety (CLS)
X	Nunavut Water Board (NWB)		Environment Canada (EC)
X	Nunavut Planning Commission (NPC)		Government of Nunavut (GN)
	Indian and Northern Affairs Canada (INAC)		Department of National Defense (DND)
	Department of Fisheries and Oceans (DFO)	X	Hamlet
X	Community Government & Services (CG&S)		Parks Canada (PC)
	Nunavut Research Institute (NRI)		Canadian Wildlife Service (CWS)
	Department of Culture, Language, Elders, and Youth (CLEY)		Other (please specify):

2. List the <u>active</u> permits, licenses, or other authorizations related to the project proposal,

and their expiry date(s):
NWB 2BE-QIL1217. This licence authorizes the bulk sample and did not cover any Water use or waste disposal. Hence, an amendment is being applied for to cover drilling Water use and waste disposal.

3. **List the <u>pending</u> permits, licenses, or other authorizations related to the project proposal:**

NWB 2BE-QIL1217 amendment

4. **Has this project or <u>any components of this project</u> been previously screened or reviewed by NIRB?**

YES ■ **NO** ☐

If YES, indicate the previous project name and NIRB File No.
BHP 03EN017, BHP 04AN007, BHP 05EN020

SECTION 3: PROJECT PROPOSAL DESCRIPTION

1. **Indicate the type of project proposal (check all that apply)[1,2]:**
(See Appendix A for Project Type Definitions)

1	All-Weather Road/Access Trail	☐	**9**	Site Cleanup/Remediation	☐
2	Winter Road/ Winter Trail	☐	**10**	Oil and Natural Gas Exploration/Activities	☐
3	Mineral Exploration	X	**11**	Marine Based Activities	☐
4	Advanced Mineral Exploration	X	**12**	Scientific/International Polar Year Research*	☐
5	Mine Development /Bulk Sampling	☐	**13**	Harvesting Activities*	☐
6	Pits and quarries	☐	**14**	Tourism Activities*	☐
7	Offshore Infrastructure (port, break water, dock)	☐	**15**	Other[2]:	☐
8	Seismic Survey	☐			☐

<u>Please note:</u>

1. All project types listed above, except those marked with an asterisk (*), will also require the Proponent to submit a **Part 2 Project Specific Information Requirement (PSIR) Form**. The NIRB application process will not be considered complete without the Part 2 PSIR Form.
2. Please be advised that in order to complete the NIRB process, the NIRB may request additional information at any time during the process.
3. If "Other" is selected, contact NIRB for direction on whether a Part 2 PSIR Form is required.

2. If Project Type 3, 4 or 5 was selected above, please indicate the mineral of interest that is being extracted. Include a brief description.

	Base Metals (zinc, copper, gold, silver, etc)_____
X	Diamonds
	Uranium
	Other: _____

3a. If Project Type 12, 13 or 14 was selected above, complete the table and questions below.

Transportation Type	Quantity	Proposed Use	Length of Use
E.g. Helicopter	*1*	*Site to site pick ups and drop offs*	*6 days*

3b. Describe any docks, piers, air strips or related structures that are to be used in conjunction with the proposed project activities. **Please note**: *the building of new structures may require a Part 2 Form.*

There will be no airstrips or camps established in association with the land use activities being proposed in this application.

3c. If a temporary camp site is to be established, describe the proposed structures in detail and indicate the type and source of power for the camp site if applicable.

No camp will be established to support this land use operation. All personnel including local hires will stay in the Hamlet of Repulse Bay which is located approximately 10 km from the land use area.

A temporary facility will be setup at the drill site for core logging.

4. Personnel

Total No. of personnel on site = (A) ***2-4*** Total No. of days on-site = (B) ***56-70*** **Total No. of Person days (A) × (B)** **112-280**

5. Timing

Period of operation: from ***July/August 2015*** to ***May/June/July/Aug 2016***

Proposed term of authorization: from ***July 2015*** to ***Sept 2016***

6a. Region (check all that apply):

	North Baffin	X	Kivalliq		Kitikmeot		Transboundary: _____
	South Baffin		National Park				

6b. Describe the location of the proposed project activities in a regional context, noting the proximity to the nearest communities and any protected areas.

The proposed drilling location is approximately 10 km outside of the Hamlet of Repulse Bay (86°07'16.7 W, 66°35'32.7N (WGS84). The land use area is approximately 10 meters above local (un-named) lake level and 31 meters away from the nearest lake's normal high water level.

6c. Discuss the history of the site if it has been used for any project activities in the past.

The Qilalugaq Project has undergone several phases of exploration since being acquired by its previous owner BHP Billiton in 2001 including activities such as airborne geophysics, till sampling and drilling. The proponent began working towards acquiring an interest in the property in 2006 (Stornoway acquired 100% ownership in 2010) and since that time, has conducted prospecting and sampling activities on the property. The purpose of this next phase of exploration is to further delineate the kimberlite body and refine models (Geology and Diamond Distribution) in relation to resource definition.

6d. Indicate if there are any known archaeological/palaeontological historical sites in the area.

A database search done at the Government of Nunavut, Department of Culture and Heritage indicated that there were no archaeological sites recorded in the vicinity of the proposed drilling area.

7. Land Status (check all that applies):

☐	Crown	☒	Commissioners'	☐	Municipal
☐	Inuit Owned Surface Lands	☐	Inuit Owned Sub-Surface Lands		

8a. Co-ordinates:

Min Lat (degree/minute)	***66° 35' 22"***	Min Long (degree/minute)	***-86° 07'50"***
Max Lat (degree/minute)	***66° 35' 38"***	Max Long (degree/minute)	***-86° 07'02"***

NTS Map Sheet No: ***046L/K***
(Please ensure that maps of the project are attached (1:50,000 **if available**, 1:250, 000 **Mandatory**) available from Natural Resources Canada)

8b. If the project proposal includes a **camp**, please provide the coordinates of the camp location

Min Lat (degree/minute)	***n/a***	Min Long (degree/minute)	***n/a***
Max Lat (degree/minute)	***n/a***	Max Long (degree/minute)	***n/a***

If different from above for the camp:
NTS Map Sheet No: ***N/A***
Please ensure that maps of the project are attached (1:50,000 **if available**, 1:250, 000 **Mandatory**) available from Natural Resources Canada

Please note that additional location information may be required in a subsequent Project Specific Information Requirement (PSIR) submission. This may take the form of a digital Geographic Information Systems (GIS) file.

SECTION 4: NON-TECHNICAL PROJECT PROPOSAL DESCRIPTION

Please include a non-technical description of the project proposal, no more than 500 words, in English and Inuktitut (+Inuinnaqtun, if in the Kitikmeot). The project description should outline the following:

- The project activities, their necessity and duration;
- Method of transportation;
- Any structures that will be erected (permanent/ temporary);

- Alternatives considered; and
- Long-term developments, the projected outcome of the development for the area and its timeline.

IMPORTANT: IF THE PROPOSED ACTIVITIES REQUIRE SUBMISSION OF A NIRB PART 2 PSIR FORM, PLEASE COMPLETE SECTION 8 ONLY, OTHERWISE CONTINUE ON WITH SECTION 5.

SECTION 5: MATERIAL USE

1. List equipment to be used (including drills, pumps, aircraft, vehicles, etc.):

Equipment type and number	Size – dimensions	Proposed use
1 Helicopter (Bell 206LR or similar)	*Approx. 12 m x 2.8m x 10.6 (rotor diameter), 1,057 kg.*	• *Daily transport of personnel to/from drill site* • *Transport of drill and its components to the drill site at the start of the program and once upon its completion* • *Transport of drill core boxes from the drill site to Repulse Bay (estimated at one flight per day for approximately 8-10 weeks' time)* • *Transport of fuel drums to the drilling area and for the removal of the empty drums at the end of the program*
2 Drills (Discovery 1 model or similar) adaptable to reverse circulation drilling	*Approx. 6m x 6m x 3 m, 2,182 kg*	*Rock coring, and sample collection*

2a. Detail fuel and hazardous material use:

Fuel	Number of Containers and Capacity of Containers	Total Amount of Fuel (in Litres)	Proposed Storage Methods

Diesel	***100 (205 litres)***	***20,500***	***Temporary storage berm in town, and temporary berm at the drill site.***
Gasoline			
Aviation fuel	***100 (205 litres)***	***20,500***	***Temporary storage berm in town, and temporary berm at the drill site.***
Propane	***1 x 100 lb tank***	***100 lb tank***	***Proximal to the drill***
Other			
Hazardous Materials and Chemicals		**Total Amount of Hazardous Materials and Chemicals (in Litres)**	
Engine Oil	25 (1 litre)	25	Proximal to the drill
Antifreeze	5 (5 litres)	25	Proximal to the drill
Drilling muds/grease	2 (20 litres)	40	Proximal to the drill
Salt	2 10-20 bags	n/a	Proximal to the drill
Lead-acid battery	1	n/a	Stored within the drill
Quick Foam	5-10 (20 litres)	100-200	Proximal to the drill
Alkamer	5-10 (20 litres)	100-200	Proximal to the drill

2b. Describe the proposed Spill Prevention Plan.

See detailed Spill Contingency Plan submitted with this application

3a. Detail the anticipated daily water consumption rates

Daily amount (m^3)	Proposed water retrieval methods	Proposed water retrieval location
30-50	***Hose with screen and water pump***	***One of two lakes located with the proposed land use area (see Appendix "A" in Project Specific Information Request Form***

3b. Have you applied for a water License with the Nunavut Water Board?

X YES ☐ **NO**

If yes, what class of licence?

☐ **Class A Water Licence** **X Class B Water Licence**

SECTION 6: WASTE DISPOSAL AND TREATMENT METHODS

1. List the types of waste associated with the proposed project activities:

Type of waste	Projected amount generated	Method of Disposal	Additional treatment procedures

Sewage (human waste)	N/a		
Greywater	n/a		
Combustible wastes	Domestic (food containers, paper) – small amount	Transport to town for proper disposal	See attached letter of authorization from the Hamlet of Repulse Bay
Non-Combustible wastes	Bulk items: scrap metal – small amount	Transport to town for proper disposal	Same as above
Overburden (organic soil, waste material, tailings)	n/a		
Hazardous waste	Diesel drums Aviation fuel drums Propane Tank Engine oil/container's Antifreeze/containers Drilling muds/grease Salt Batteries	Backhauled to an approved facility for disposal or refilling. Waste oil will be collected and sealed in clearly marked 205L drums and transported to an approved disposal site. Lead-acid batteries will also be contained in appropriate sealed container, clearly marked and transported for disposal at an approved facility.	
Drill Cuttings		Cuttings will be collected in a natural sump. They will not be allowed to flow into any watercourse.	.
Drill Water		Any surface runoff during or after drilling will be contained or channeled so it will be filtrated and not directly enter any watercourse	

2. Describe the proposed Waste Management Plan.

See attached NIRB - Project Specific Information Request Form for Waste Management procedures.

SECTION 7: COMMUNITY INVOLVEMENT & REGIONAL BENEFITS

1. **List the community representatives that have been contacted and provide the minutes of the meetings if available:**

See Community Meeting Logs submitted with this application

SECTION 8: GENERAL QUESTIONS

1. **Will you be disturbing any known archaeological sites?**

☐ **YES** **X NO**

SECTION 9: APPLICANT SIGNATURE

Please sign and date your application:

On behalf of Stornoway Diamond Corp.,

Mike MacMorran	**Title**	**Date**

APPENDIX A
Project Type Definitions

Access Trail: A project proposal with the objective of providing vehicular access to an area of interest involving minimal alteration to the terrain.

Advanced Exploration: A project proposal with the objective of identifying size, grade, and physical characteristics of a mineral occurrence and to assess the economic and technical feasibility of developing the mineral deposit into a producing mine

All-Weather Road: A project proposal with the objective of road construction for use in all seasons.

Bulk Sampling: A project proposal with the objective of extracting of large samples of mineralized material involving hundreds to thousands of tonnes. Samples are selected as representative of the potential mineral deposit being sampled. May involve crushing/milling (on small-scale)

Harvesting activities: A project proposal with the objective of harvesting animals, marine mammals and/or fish from their natural habitats by means of hunting or trapping for traditional and commercial use.

Marine Based Activities: Any activity occurring in the marine environment, such as vessel use associated with land-based activities or disposal at sea.

*Please note that normal community re-supply or individual ship movements not associated with land-based project proposals shall not be screened by NIRB (Section 12.12.2 of NLCA).

Mine Development: A project proposal with the objective of extracting broken rock with mineralization of sufficient grade and tonnage to sustain commercial mining operations (ore). Mining a body of ore can be achieved by either open pit and/or underground development. Mine development may involve milling. Milling involves treatment of the extracted ore through a combination of mechanical and chemical processes to selectively recover the valuable mineral.

Mineral Exploration: A project proposal with the objective of exploring an area to find geological anomalies. It involves site reconnaissance (ground and/or air) to locate broad and fiscal mineral deposits.

Offshore Infrastructure: A project proposal with the objective of building off loading facilities constructed off the shoreline and connected to the mainland of the marine or freshwater environment. Examples include a jetty, dock, or port facility.

Oil and Gas Exploration/Activities: A project proposal that includes 1) exploration, such as seismic or geological mapping, 2) drilling of oil and gas wells, 3) construction and operation of a pipeline, a gas processing plant or any oil and gas facility within Nunavut.

Pits and Quarries: A project proposal with the objective of pitting, which involves the extraction of granular material (i.e. sands and gravels) and quarrying, which involves the removal of consolidated rock (i.e. bedrock, frozen soil).

Scientific Research: A project proposal with the objective of implementing a series of site activities comprised of observation of phenomena, measurement and collection of data necessary for scientific investigation in designated areas within a limited time period.

Seismic Survey: A project proposal with the objective of conducting a survey to map the depths and contours of rock strata by timing the reflections of sound waves released from the surface. Survey site locations may be offshore (not within 12 nautical miles of any coast), near shore, and extended onshore.

Site Cleanups: A project proposal with the objective of site cleanups (includes DEW line site cleanups), which focuses on the remediation of chemically contaminated soils, stabilization of landfills and dumps, demolition/disposal of infrastructure and debris and monitoring after cleanup is completed.

Tourism Activity: A project proposal with the objective of conducting travel predominantly for recreational, sport or leisure purposes within a designated area and limited time period.

Winter Road: A project proposal with the objective of building a road for winter use by leveling and compacting surface snow and ice. Winter road is removed at end of season.

Winter Trail: A project proposal with the objective of building a trail for winter use by a single pass of a tracked vehicle using a blade, if necessary.