

P.O. Box 119 GJOA HAVEN, NU XOB 1JO Tel: (867) 360-6338 FAX: (867) 360-6369 ຼ໑ຣ° ΔLሮሊትና ቴበLትዣ NUNAVUT IMALIRIYIN KATIMAYINGI NUNAVUT WATER BOARD OFFICE DES EAUX DU NUNAVUT

File No: 2BE-QIL0712

July 20, 2012

Ms. Nicole Westcott
Manager, Community and Regulatory Affairs-Exploration
Stornoway Diamond Corporation
Unit 116 – 980 West 1st Street
North Vancouver, BC V7P 3N4

E-mail: NWestcott@stornowaydiamonds.com

Subject: Stornoway Diamond Corporation – Qilalugaq Project – Renewal Amendment – Type "B"

Dear Ms. Westcott:

The Nunavut Water Board ("NWB") acknowledges receipt, on June 2, 2012, of a renewal/amendment application for a Type "B" water license for water use and waste disposal associated with exploration activities in the Kivalliq region of Nunavut. The application consists of the following documents:

- Cover Letter dated June 21, 2012
- Application for Water Licence Amendment
- Supplementary Questionnaire for Advanced Exploration
- Project Summary (English and Inuktitut)
- Abandonment and Restoration Plan
- Appendix A Additional Information
- Appendix B Land Use Area
- Appendix C Spill Contingency Plan
- Consolidated Financial Statements

The application can be obtained from our ftp site, Username: public, Password: registry at the following link:

ftp://nunavutwaterboard.org/PRUC/2%20MINING%20AND%20MILLING/2B/2BE%20-%20Exploration/

NIRB Screening Decision on file dated May 4, 2012 NPC Conformity on file dated March 21, 2012

A preliminary review of your application concluded that it meets the requirements of section 48(1) of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* ("Act"). However, the NWB

retains the right to request additional information and studies pursuant to sections 48(2) of the Act or to issue guidelines for the provision of information pursuant to section 48(3) of the Act. A NWB Technical Advisor may be in touch with you to clarify any technical details related to your application.

To ensure this application is dealt with in a timely fashion, the NWB forwards notice of all documentation to regulators and council of the municipality(ies) most affected by the project, inviting interested parties to make representation directly to the NWB within 30 days from the date of this letter. The NWB may provide additional procedural instructions once the application has been reviewed by interested parties.

Sincerely,

Original signed by:

Phyllis Beaulieu Manager of Licensing

Enclosure: Notice of Application

Letter to Local Organizations

Cc: NPC Conformity Info - NIRB

Distribution List – Kivalliq