

Water Resources Division Nunavut Regional Office Iqaluit, NU X0A 0H0

CIDMS#:340712

July 13, 2009

Richard Dwyer License Administrator P.O. Box 119 Gjoa Haven, NU, X0A 1J0

Re: 2BE-QIL0712 – Annual Report, 2008 – Stornoway Diamond Corporation – Qilalugaq Project

Please be advised that Indian and Northern Affairs Canada (INAC) has completed a review of 2BE-QIL0712 Type "B" Water License 2008 Annual Report for the Qilalugaq Project. The NWB circulated the Report for information purposes only, on April 17, 2009. All associated documents related to this license posted on the NWB ftp site under 2BE-QIL0712 were included in my review (see attached Technical Review Memo).

Should you have any questions or comments, please do not hesitate to contact me at (867) 975-4738 or by email at Andrea.Cull@inac.gc.ca.

Yours truly,

Original Signed By

Andrea Cull Water Management Specialist

Cc: Kevin Buck – Water Resources Manager, INAC





Technical Review Memorandum

To: Richard Dwyer – License Administrator, NWB

Peter Kusugak – Field Operations Manager, INAC Nicole Westcott – Stornoway Diamond Corporation

From: Andrea Cull – Water Management Specialist, INAC

Re: 2BE-QIL0712 – Annual Report, 2008 – Stornoway Diamond Corporation – Qilalugaq Project

The 2008 Annual Report submitted by Stornoway Diamond Corporation (Proponent) addressed some of the requirements of Part B, Item 2 of the current water license # 2BE-QIL0712. However, most of the conditions under the water licence were not applicable this year (as no work occurred at the site). It was noted that the following information was not provided in the 2008 Annual Report.

<u>Part B: Item 2, (i),</u> of the water license requires a summary report of water use and waste disposal activities,

- a) including the GPS coordinates and photographic records of any camp, water supply and waste disposal facilities, drill sites, and all sumps used for the disposal of camp greywater and drill cuttings;
 and
- b) summary of volumes of water used on a daily, monthly and annual basis, detailing the location of all water sources.

<u>Part B: Item 2, (ii),</u> requires a list of unauthorized discharges and a summary of follow-up actions taken;

<u>Part B: Item 2, (iii),</u> requires an up-to-date copy of the Spill Contingency Plan, including contact information;

<u>Part B: Item 2, (iv)</u>, requires a description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;

Part B: Item 2, (v), requires results of the Monitoring Program; and

<u>Part B: Item 2, (vi),</u> requires any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

It is a requirement under Part B, Item 2 of the license that information from this part be included in the 2008 Annual Report. Therefore, the Nunavut Water Board



should require the proponent to provide the following information to complete the water licence requirements.

This information has been forwarded to our Field Operations Unit

Cc: Kevin Buck - Water Resources Manager, INAC

