

Abandonment & Restoration Plan Qilalugaq Project

Operated By:	Stornoway Diamond Corporation
Prepared:	November 2006
Effective:	April 2007 to April 2008

INTRODUCTION

The following plan applies to exploration activities undertaken on the mineral claims comprising the Qilalugaq Project located near Repulse Bay, Nunavut, which is operated by Stornoway Diamond Corporation ("Stornoway").

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 (or equivalent) will transport field and drilling crews to their work/sampling areas and will remain on site with the personnel for emergency support.

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.

DESCRIPTION OF FACILITY

Project Supervisor – Robin Hopkins
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Locations – Various Drill Sites (To Be Determined)

Size - Fuel stored at above ground facility in sealed 205 litre (45 gal.) steel drums

Storage Capacity – Maximum fuel stored at each drill site will typically be 2 drums (410 litres) of Jet-B, 4 drums (820 litres) of diesel, one (1) 100lb-propane tank, and several cases of 4 cycle engine oil

Storage Location - Drums will be stored on flat stable terrain to reduce the chances of a leak. If available a natural depression will be utilized for storage which is well away (>100m) from water bodies and a safe distance from drilling activities.

ABANDONMENT AND RESTORATION PLAN

Drill Hole Locations

- Each drill hole will be restored to previous conditions after completion of the hole (on average less than one week).
- On-ice drill cuttings will be scraped clean and removed to a natural depression located more than 30m from the ordinary high water mark on an on-going basis.
- All fuel drums and drilling equipment will be removed from the site immediately upon completion of each hole.
- Each drill site will be inspected to ensure that all garbage (combustible and non-combustible) has been collected and removed from the area.
- If the crew members discover waste of any type left behind by others, every effort will be made to remove it from the area and have it disposed of in an acceptable manner.
- A final inspection of the site will ensure that there is no remaining material at the site ensuring that there is little/no evidence of Stornoway's land use operation upon completion of the drill hole.

Fuel Storage

- All fuel storage and handling is to be guided by the procedures set out in the Spill Contingency Plan for the Qilalugaq Project, dated November 2006.
- Empty fuel drums are to be regularly backhauled to Repulse Bay for proper disposal.