

May 8, 2007

Phyllis Beaulieu  
Manager of Licensing  
Nunavut Water Board  
P.O. Box 119  
Gjao Haven, NU  
X0B 1J0

**Re: 2BE-SNN0508 – Aviat Project - Notice of Additional Land Use Activities**

Dear Ms. Beaulieu,

This letter is being submitted in accordance with the terms and conditions attached to the recent Screening Report issued by the Nunavut Impact Review Board ("NIRB") in conjunction with the renewal application for the INAC Land Use Permit under which authority the Aviat Project operates.

Please be advised that the activities to be conducted under the recent renewal of INAC Land Use Permit N2007C0003 (issued April 16, 2007) are the same in scope to those of the licenses under which the project previously operated with the exception of the following 2 minor amendments:

1. Minor Surface Blasting - Should it be required, the utilization of small amounts of explosives may be used to fracture bedrock for the purposes of collecting geological samples. It is estimated that areas affected by this activity would be approximately 2 meters wide by 4 meters long, and would be recontoured upon completion. Should this activity take place all of the requisite permits for transport and storage of explosives will be obtained and all safety procedures followed.
2. Trenching – If results should warrant it, a light, helicopter portable mechanical trenching device may be utilized to assist in the hand stripping excavation of areas with thin till cover. Should this activity be conducted it is estimated that trenches be in the order of 30cm to 100cm deep. Overburden will be stockpiled and replaced once exploration of the area has been completed. While there is little to no vegetation in the areas where this activity may take place the ground will be scarified to promote natural re-vegetation.

Please be advised that the activities described above will only take place on Crown Land. No trenching or minor surface blasting will take place on the Inuit Owned Land Parcels that comprise a part of the Aviat Project.

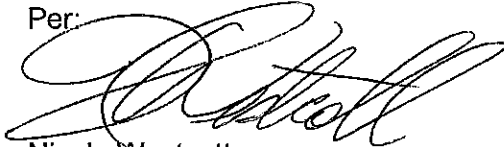
I have attached the revised Abandonment and Restoration Plan for the Aviat Project which now includes the activities described above and addresses the reclamation techniques to be employed should these activities be undertaken.

If you have any questions regarding this notice please contact the undersigned at your convenience.

Yours truly,

**STORNOWAY DIAMOND CORPORATION**

Per:



Nicole Westcott  
Land Administrator

Attachments: Abandonment and Restoration Plan – The Aviat Project, Melville Peninsula, Nunavut

Cc: Carolanne Inglis-McQuay, Technical Advisor- Nunavut Impact Review Board