September 9, 2005   September 30, 2008
Licensee: Stornoway Diamond Corporation  Mailing Address: Unit 116-980 West 1st Street North Vancouver, BC V7P 3N4  Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable): Stornoway Diamond Corporation  General Background Information on the Project (*optional):  The Aviat Project is a joint venture between Stornoway Diamond Corporation ("Stornoway") and Hunter Exploration Group, and is comprised of approximately 0.4 million acres on the Melville Peninsula. The exploration season for the Aviat Project typically runs from May to September (weather and logistics permitting) with the project operating a 15-25 person field exploration camp which is augmented by a small logistics team based in the hamlet of Igloolik. Field activities are supported by a camp based helicopter and fixed wing aircraft from Igloolik. During the 2008 field
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camp based helicopter and fixed wing aircraft from Igloolik. During the 2008 field
season the exploration activities conducted included sampling, prospecting, ground
geophysical surveys and drilling.
Licence Requirements: the licensee must provide the following information in accodance
with
Select ▼ Select ▼
A common various of costs was and costs disposal activities, including but not limited to mathed of
A summary report of water use and waste disposal activities, including, but not limited to: methods of
obtaining water; sewage and greywater management; drill waste management; solid and hazardous waste management.
Water Source(s): Camp Water Source 69° 26' 9.24", -83° 14' 27.96"
Water Quantity: Quantity Allowable Domestic (cu.m)
2 cu.m/day Actual Quantity Used Domestic (cu.m)
Quantity Allowable Drilling (cu.m)
Total Quantity Used Drilling (cu.m)
Waste Management and/or Disposal
✓ Solid Waste Disposal
✓ Sewage
✓ Drill Waste
✓ Greywater
Hazardous
Other:
Additional Details:

Water for domestic purposes was acquired from the lake located at the camp (see coordinates provided above). Water was pumped from the lake, filling holding tanks located in the Dry Tent. Upon closure of the camp for the season the screening mechanism for the kitchen and dry sump was cleaned of all food debris, the greywater was allowed to drain into the ground, and the sump was covered over. There were no blackwater sump locations during 2008 as the outhouse waste was contained by a bucket and bag system and was backhauled regularly to Igloolik for proper disposal (authorization for this disposal has been obtained and is available upon request).

All garbage was backhauled to Igloolik for proper disposal (authorization for this disposal has been obtained and is available upon request).

A list of unauthorized disc	harges and a sumr	mary of follow-up actions taken.
Spill No.:	N/A	(as reported to the Spill Hot-line)

Date of Spill: N/A

Date of Notification to an Inspector: N/A

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

No unauthorized discharges took place during the period being reported.

### **Revisions to the Spill Contingency Plan**

SCP submitted and approved - no revision required or proposed

### Additional Details:

The Spill Contingency Plan in place during the 2008 exploration season was approved by the Nunavut Water Board.

Please note that this license was renewed in October 2008 (issued as 2BE-SNN0813) at which time revisions to the Spill Contingency Plan were requested by the Board. These revisions were submitted as per the terms and conditions of the license and correspondence was subsequently issued by the Nunavut Water Board, dated January 30, 2009 which stated that the updated plans met the requirements as set out in the license and were therefore approved.

### **Revisions to the Abandonment and Restoration Plan**

AR plan submitted and approved - no revision required or proposed

### Additional Details:

The Abandonment and Restoration Plan in place during the 2008 exploration season was approved by the Nunavut Water Board.

Please note that this license was renewed in October 2008 (issued as 2BE-SNN0813) at which time revisions to the Abandonment and Restoration Plan were requested by the Board. These revisions were submitted as per the terms and conditions of the license and correspondence was subsequently issued by the Nunavut Water Board, dated January 30, 2009 which stated that the updated plans met the requirements as set out in the license and were therefore approved.

### **Progressive Reclamation Work Undertaken**

Additional Details (i.e., work completed and future works proposed)

### **Drill Hole Locations**

- each drill hole was restored to previous conditions after completion of the hole (with each site occupied on average less than one week) as per the Abandonment and Restoration Plan for this project.
- all drilling sumps were back-filled and any cuttings and sludges buried if appropriate.
- all fuel drums, drilling equipment and other materials were removed from the site immediately upon completion of the hole.
- a final inspection of each site was made before leaving to insure that there were no remaining materials at the site and that there was little/no evidence of Stornoway's land use operation.

### **Sample Locations**

- the collection of soil and till samples has little to no effect on the terrain however it was ensured that any disturbed ground was recontoured so as to not endanger any wildlife.
- in the 2 areas where blasting activities were conducted what minor excavation that was created was left "as is" in case additional sampling is required in future years. The limited surface expression of the excavations matched the topographic variations in the immediate vicinity of the sample sites.

### Camp Facility

- all refuse was kept in an animal resistant garbage box and transported regularly to Igloolik for proper and authorized disposal.
- there were no outhouse sumps as all black waste was collected transported to Igloolik on a regular basis for proper and authorized disposal.
- upon closure of the camp for the season the screening mechanism for the kitchen and dry sump was cleaned of all debris, the greywater was allowed to drain into the ground and the sump was prepared for winter and eventual re-use
- during the winter closure of the camp the generator was removed from the site and stored in Igloolik and all wiring from the electrical system was spooled and stored for use during subsequent seasons.

### **Results of the Monitoring Program including:**

The GPS Co-ordinates (in degrees, minutes and second each location where sources of water are utilized;	s of latitude and longitude) of
Details attached	▼
Additional Details:	
Please see the listing attached.	
The GPS Co-ordinates (in degrees, minutes and second each location where wastes associated with the licence	• ,
` • • · · · · · · · · · · · · · · · · ·	• ,

# Results of any additional sampling and/or analysis that was requested by an Inspector No additional sampling requested by an Inspector or the Board Additional Details: (date of request, analysis of results, data attached, etc) As no one ice drilling activities were conducted during the period being reported no water sampling was not required. Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported. No additional sampling requested by an Inspector or the Board Additional Details: (Attached or provided below) N/A Any responses or follow-up actions on inspection/compliance reports Select

Additional Details: (Dates of Report, Follow-up by the Licensee)

On August 9, 2008 Andrew Keim conducted an inspection of the Aviat camp facilities and the drilling operations. Mr. Keim did not provide Stornoway with a detailed inspection report following up issues addressed in the "Industrial Water Use Inspection Report" form that was issued at the time of the inspection therefore the following is based upon the original field report.

Water Supply - No issues noted

Remedial Action Taken - Not applicable

<u>Waste Disposal</u> - It is noted in the inspection report that the ground conditions are not conducive to a sump in the location of the one that services the kitchen and the dry tent.

**Remedial Action Taken** - Directions for improvements to the sump made by Mr. Keim during past inspections for the most part have been implemented, and, as per his direction, the sump is inspected daily.

<u>General Conditions</u> - It is noted in the inspection report that the camp is clean an well maintained and that it is recommended that stored fuel and maintenance and fuel transfer areas should have secondary containment.

**Remedial Action Taken -** As per the DIAND guidelines for temporary fuel caches secondary containment is not utilized at the Aviat Camp in situations where there are less than 19 drums (equal to 4000l) of fuel being stored . Secondary containment/spill pans/trays are utilized at fuel drums positioned at tents for heating purposes. Spill trays are in place at the generator, both at the fuel tank and underneath the generator. These details were brought to Mr. Keim's attention during his inspection.

Any additional comments or information for the Board to consider

NWB2(insert)

N/A	
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Date Submitted: Submitted/Prepared by: Contact Information: March 31, 2009

Nicole Westcott

**Tel:** 604-983-7750 **Fax:** 604-987-7107

email: nwestcott@stornowaydiamonds.com

# Appendix - 2BE-SNN0508 Annual Report - March 31, 2009 Stornoway Diamond Corporation

## **GPS** Coordinates for water sources utilized

		Latitude			Longitude			
Source Description	o Deg	, Min	, Sec	o Deg	, Min	Sec.		
Camp Water Source	69	26	9	-83	14	27		
Water Draw Location	69	16	4	-83	19	8		
Water Draw Location	69	16	5	-83	18	28		
Water Draw Location	69	15	50	-83	18	57		
Water Draw Location	69	15	50	-83	19	9		
Water Draw Location	69	15	43	-83	16	58		
Water Draw Location	69	15	56	-83	17	14		
Water Draw Location	69	15	52	-83	17	46		
Water Draw Location	69	15	27	-83	16	8		
Water Draw Location	69	15	13	-83	15	44		
Water Draw Location	69	15	25	-83	17	13		
Water Draw Location	69	15	50	-83	18	42		

# **GPS** Locations of areas of waste disposal

Location Description (type)	Latitude		Longitude			
	o Deg	, Min	, Sec	o Deg		, Sec
Camp/Sump Location	69	26	15	-83	14	32
Waste Deposit Associated With Drilling	69	16	3	-83	18	58
Waste Deposit Associated With Drilling	69	16	7	-83	18	49
Waste Deposit Associated With Drilling	69	16	11	-83	18	23
Waste Deposit Associated With Drilling	69	16	11	-83	18	6
Waste Deposit Associated With Drilling	69	15	46	-83	17	40
Waste Deposit Associated With Drilling	69	15	59	-83	18	9
Waste Deposit Associated With Drilling	69	15	49	-83	17	52
Waste Deposit Associated With Drilling	69	15	39	-83	16	39
Waste Deposit Associated With Drilling	69	15	38	-83	17	21
Waste Deposit Associated With Drilling	69	15	59	-83	17	11
Waste Deposit Associated With Drilling	69	15	26	-83	16	1
Waste Deposit Associated With Drilling	69	15	29	-83	16	29
Waste Deposit Associated With Drilling	69	15	19	-83	16	34
Waste Deposit Associated With Drilling	69	15	8	-83	15	46
Waste Deposit Associated With Drilling	69	15	27	-83	17	1
Waste Deposit Associated With Drilling	69	15	45	-83	18	20
Waste Deposit Associated With Drilling	69	15	49	-83	18	27
Waste Deposit Associated With Drilling	69	15	47	-83	18	18
Waste Deposit Associated With Drilling	69	15	47	-83	18	18
Waste Deposit Associated With Drilling	69	15	46	-83	18	33
Waste Deposit Associated With Drilling	69	15	44	-83	18	27
Waste Deposit Associated With Drilling	69	15	45	-83	18	28