

June 28, 2012

Kevin Robertson Resource Management Officer Qikiqtani Region Via Email: Andrew.Keim@aandc-aadnc.gc.ca

Re: Notice Of Land Use – The Aviat Project Land Use Permit N2007C0003 and Nunavut Water Board License 2BE-SNN0813

Dear Mr. Robertson,

As per the terms and conditions of the above referenced regulatory authorizations, please accept this letter as the official notice of land use for the Aviat Project.

A crew will be arriving in Igloolik on or around July 2, 2012 with the land use operation commencing on or around July 5, 2012 (dependent upon weather, logistical challenges, etc.).

The primary functions of the land use operation will be to demobilize the Aviat Camp (which is currently in a winterized/storage state) and perform abandonment and reclamation activities on the land use area subject to the authority of Land Use Permit N2007C0003 and NWB License 2BE-SNN0813.

In addition, beginning on or around July 16, 2012, a team of professional surveyors will be accessing the land use area to perform legal surveys on a selected number of claims on the Aviat property. This activity is expected to take approximately 5 days to complete.

At this time the total program is expected to last for approximately three weeks' time in total.

The Aviat camp location will not be occupied during this time. Accommodation for all personnel will be provided in Igloolik.

The field supervisors for the program are John Armstrong and Mike Macmorran, however if you have any questions regarding the land use operation upon receipt of this notice please contact the undersigned.

Yours truly,

STORNOWAY DIAMOND CORPORATION

Per:

Nicole Westcott

Manager of Regulatory and Community Affairs - Exploration

Cc: Joseph Monteith, A/Resource Management Officer, AANDC

Andrew Keim, Water Resources Officer, AANDC Nunavut Regional Office

Tracey McCaie, A/Manager, Land Administration, AANDC

Phyllis Beaulieu, Manager of Licensing, Nunavut Water Board