



October 27, 2005

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

**Re: Clarification of 2004 Annual Report under NWB Licence No. NWB2TAH0406**

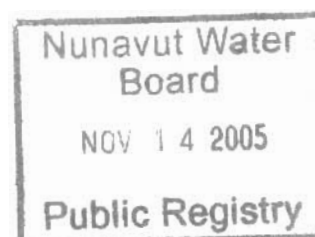
Further to your letter of October 21, 2005 in which you request clarification in accordance with Part B, Item v, please see below for the requested information and comments.

1. Item iii): Addendum addressing Part F, Item ii) and iii):  
These in fact were submitted to the Board on May 3, 2004 (see attached) and receipt of which was acknowledged on September 15, 2004 by Patrick Duxbury (also attached).  
The Abandonment and Restoration Plan has now been completed (enclosed).
2. Item iv): No where in our current Water Licence does an Item iv) exist that asks for these coordinates. The only place I can see that refers to GPS coordinates for drilling wastes only is in Part I, Item 2. However I have included these coordinates for the 2004 drilling program with this letter. These are the same coordinates given in our Annual Report for 2004. Post drilling and seasonal shutdown pictures of the camp are also enclosed.
3. Upon receipt of your letter I had a cheque made out to The Receiver General of Canada on October 25, 2005 for the March 2004-2005 and March 2005-2006 periods in question. However, I have since noticed that Diamonds North Resources Ltd. did in fact submit a cheque in the amount of \$30.00 in early 2004 and I have attached the general receipt along with a letter of Acknowledgement from yourself but with reference to the old Licence No. NWB2TAH0103 which was applied for renewal in December 2003 and subsequently renumbered as NWB2TAH0406. Therefore we request that the overpayment of \$30.00 be returned to Diamonds North.

Sincerely,

A handwritten signature in dark ink, appearing to read "D. Gill", is written over a light blue rectangular background.

D. Graham Gill



**2004 Coordinates for Water Sources and Waste Disposal Sites**  
**(Coordinates are UTM NAD 83 Zone 12)**

<b>Drill Hole/Sump</b>			<b>Water Source</b>
1. BI-04-01	545015E	7817852N	545200E 7817730N
2. BI-04-02	545022E	7817893N	as above
3. BI-04-03	530413E	7827597N	530280E 7827710N
4. BI-04-04	525512E	7832218N	525270E 7831930N
5. BI-04-05	534627E	7854909N	534570E 7855250N
6. BI-04-06	534635E	7854918N	as above
7. BI-04-07	539627E	7851659N	539680E 7851670N
8. BI-04-08	536100E	7853810N	536550E 7853440N
9. BI-04-09	542177E	7847521N	542070E 7847570N
10. BI-04-10	542175E	7847519N	as above
11. BI-04-11	542175E	7847519N	as above
12. BI-04-12	542162E	7847550N	as above

**Note:** Tuktu Camp located at 566950E 7856970N. Water source for domestic use is the Tuktu River at 567090E 7857000N.



P.O. Box 119  
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TEL: (867) 360-6338  
FAX: (867) 360-6369

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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI

Item: NWB2TAH0406/Part F/Item 1

September 15, 2004

*By Email*

To: D. Graham Gill  
Exploration Manager  
Diamonds North Resources Limited  
510-510 Burrard Street  
Vancouver, BC  
V6C 3A8

Subject: Review of addendum for Emergency Response Plan

Dear Mr. Gill,

The Nunavut Water Board has received and reviewed Diamonds North Resources Limited's addendum to the Emergency Response Plan, dated May 3, 2004, as required per Part F, Item 1 of NWB Water Licence NWB2TAH0406 ("Licence"). The addendum's content appears to meet the requirement of the Licence, and as such, the NWB has no further concerns with it.

Yours truly,

***Original Signed by;***

Patrick Duxbury  
Project Coordinator  
Nunavut Water Board



May 3, 2004

Rita Becker  
Manager of Finance, Licensing and Administration  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU  
X0B 1J0

Dear Rita:

**Re: Addendum to Water Licence NWB2TAH0406**

As per Part F: Conditions Applying To Emergency Response, Item 1, of our existing Water Licence, NWB2TAH0406, please find enclosed an updated spill response contact list which includes the addition of the Environment Canada office in Iqaluit. Also, I have included the MSDS sheets for the drilling portion of our program and a preliminary location list of all fuel storage areas which will be updated once the program begins.

Yours Truly,

A handwritten signature in dark ink, appearing to read "D. Gill", written in a cursive style.

D. Graham Gill, P.Geo.  
Exploration Manager

### **SPILL REPORTING PROCEDURE**

1. Fill, out "SPILL REPORT" form as completely as possible before making the report.
2. Report IMMEDIATELY to Yellowknife using the 24-hour Spill Report Line

**24-HOUR SPILL REPORT LINE (867) 920-8130**

**AND TO**

**DIAND WATER RESOURCES INSPECTOR (867) 975-4298**

NOTE: Telephone calls can be made collect by informing the Operator that you wish to report a spill.

RCMP communications may be used if other means are not available.

#### **Additional Information or Assistance:**

Government of Northwest Territories  
Pollution Control Division  
Yellowknife

Phone: (867) 873-7654

Department of Indian Affairs and  
Northern Development  
Yellowknife

Phone: (867) 920-8240

Environment Canada  
Yellowknife

Phone: (867) 873-3456

Environment Canada  
Iqaluit

Phone: (867) 975-4639

Diamonds North Resources Ltd.

Phone: (604) 689-2010

A detailed report on each occurrence must also be filed with the DIAND Water Resources Inspector no later than 30 days after initially reporting the event.

## **5.0 ACTION PLAN**

The following responses are recommended for fuel spills in differing environments.

**Preliminary Fuel Storage Location Areas  
Kagloryuak and Burns Lake Areas  
Victoria Island, Nunavut  
Water licence NWB2TAH0406**

- |                 |                                           |                                    |
|-----------------|-------------------------------------------|------------------------------------|
| 1. Tuktu Camp:  | 70deg 48min 23secN<br>109deg 11min 36secW | 90 drums diesel<br>100 drums Jet A |
| 2. Galaxy Site: | 70deg 29min 36secN<br>109deg 50min 36secW | 25 drums diesel<br>20drums Jet A   |
| 3. Eider Site:  | 70deg 43min 27secN<br>109deg 49min 24secW | 25 drums diesel<br>20 drums JetA   |

Each cache location will contain a spill kit, have at least one extra fuel storage container on site equal to or greater than the size of the largest fuel container and be established no closer to 31 metres of the normal high water mark of any stream or lake. All efforts will be made to cache drums on sandy subsurfaces (eskers) on flat topographic highs. All drums will be marked with Diamonds North's name. Please note that these caches are temporary and that all empties will be removed on an on-going basis through the life of the field program



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NUNAVUT WATER BOARD  
NUNAVUT IMALIRIYIN KATIMAYINGI

**NWB File No: NWB2TAH0103**

February 9, 2004

Mr. Graham Gill, P. Geo.  
Exploration Manager  
Diamonds North Resources Ltd.  
1550 – 409 Granville Street  
Vancouver, BC V6C 1T2  
Email: [ggill@diamondsnorthresources.com](mailto:ggill@diamondsnorthresources.com)

Re: Acknowledgement and Receipt of Application Fee for Tahoe Lake Project

Dear Mr. Gill:

The Nunavut Water Board acknowledges receipt on February 3, 2004 of your application fee, cheque number 001592, for the above project. Your payment has been forwarded to DIAND in Iqaluit for processing. A receipt will be issued through their office.

Please call the undersigned at (867) 360-6338 or e-mail [licensing@nwb.nunavut.ca](mailto:licensing@nwb.nunavut.ca) if you have any questions.

Sincerely,

***Original signed by:***

Phyllis Beaulieu  
Licensing Administrator

Enclosure

Cc: Elizabeth Sherlock, DIAND

Indian and Northern  
Affairs Canada

Affaires indiennes  
et du Nord Canada



RECEIPT  
RÉCÉPISSÉ GÉNÉRAL

C 137154

Date <i>Feb. 18/04</i>	Nature and no. of remittance - Forme et n° de la remise <i>Cheque # 001593</i>	Invoice no. - N° de facture _____	Branch - Direction <i>DIAND</i>
Received the sum of - Reçu la somme de <i>Thirty</i>		Location - Endroit <i>Iqaluit</i>	
		00, 100 Dollars \$ <i>30.00</i>	

From - De

For - Pour

( *Mr. Graham Hill, P. Geo.* )  
*Diamonds North Resources Ltd.*  
*1550 - 409 Granville Street*  
*Vancouver, B.C. V6C 1T2* )

*water application*  
*fee for Jahce Lake*  
*Project.*  
*E. Colford*

Authorized officer - Fonctionnaire autorisé