

SEARCH POLICY - CONSTRUCTION PHASE

profitability of the business. The Company wishes to create a safe and secure workplace for its employees, contractors and visitors. The Company will conduct physical and personnel searches to preserve the integrity of the Company, its employees and individuals who visit the mine site.

STATEMENT

Stornoway recognizes the need for an effective search policy to protect, people, products, assets and Company reputation. The protection of people is the company's primary consideration. The Company produces a precious commodity, rough diamonds. Its mine site contains a valuable process plant, equipment, vehicles and materials that must be safeguarded.

All Stornoway employees, contractors or visitors (collectively referred as authorized personnel, personnel or employees) may be permitted access to Stornoway's Renard Mine Site or other locations where diamond activity occurs if they have signed one of the following forms: the Stornoway Consent to Search Agreement as part of their Employment Contract (for Employees); or Consent to Search Form as identified

in Major Site Contracts or Service Contract documents (for Contractors); or an Invitee Access Agreement (for Visitors). By signing these documents, persons agree to comply with the Stornoway Search Policy and Procedures.

SCOPE OF POLICY

It is the responsibility of Asset Protection and contracted Security personnel to conduct searches of persons arriving and departing the mine site. Searches may also be conducted at other Stornoway operations taking place on the mine site property. Searches are instituted to protect the integrity of all employees, contractors and visitors including company assets.

All personal searches will be conducted:

- ▶ With regard to the privacy, comfort and sensitivity of the person being searched
- ▶ By a Security Officer of the same gender as the person to be searched

Security Officers and Security Contractors

Security officers and or security contractors will randomly inspect the luggage of personnel travelling to and from the mine site for contraband goods such as alcohol, illegal drugs, stolen property, firearms and ammunition. During such inspections, inspections of outerwear clothing will be made.

Personnel Arriving on Site

All personnel arriving at the mine site via an aircraft or by road will first report to the Reception building to obtain their Renard Mine Site Identification Card and access control card if applicable. All personnel arriving are required to have their carry-on bags and luggage screened by the Security Department.

Visitors who will be staying overnight receive an orientation and will be provided the Invitee Access Agreement during their orientation session.

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Day visitors (VIP's, Guests, Vendors) will be provided a brief orientation and when under the supervision of a Stornoway representative and will not be required to sign the Invitee Access Agreement.

Personnel Departing from Site

All personnel departing the mine site will obtain their aircraft boarding pass at the Logistics office located in the Reception area.

All personnel departing the mine site are required to have their luggage screened by the Security Department.

Room Searches

The majority of searches may be initiated for one of the following reasons:

1. Service personnel have advised that there is contraband in the room (liquor, remnants of cigarettes, etc.)
2. Security or other personnel have detected smoke as originating from a room
3. Information indicates that the occupant possesses contraband or is not in lawful possession of property which belongs to another person or company
4. Information indicates that company property or property not owned by the occupant of the room is or has been willfully damaged
5. Information indicates that an unsafe act or activity is occurring in a room

Room searches will always be carried out with the employee's permission and in the presence of a security supervisor and the employee's supervisor. Emergency situations may preclude advance authorization.

Use of a Search Dog

Drug detecting dogs are used in public places as well as at private businesses as a means to identify the presence of illegal drugs. The use of a Search Dog at the Renard Mine Site will be carried out from time to time in the interest of public safety and drug prevention. The Search Dog will be used periodically to search freight handling areas and the luggage of personnel travelling to and from site. Such searches are carried out to detect illegal drugs.

Working with Kimberlite or Diamond Bearing Areas

As some situations may be encountered during the Construction Phase where personnel unavoidably come into contact or work in areas containing Kimberlite or other Diamond bearing areas, Stornoway retains the right to conduct the following levels of search on such personnel:

Level 1 Search

1. Remove footwear
2. Remove headgear
3. Remove outer clothing
4. Visual inspection of scalp, nose and ears (subject should be able to show searcher that nothing is hidden)
5. Inspect underarms and soles of feet
6. Inspect all removed clothing