

DE BEERS CANADA EXPLORATION INC.

A DIAMOND IS FOREVER

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18 March, 2001

Rita Becker
Lands Administrator
Nunavut Water Board
Box 119
Gjoa Haven, NT XOE IJO

RE: REQUEST FOR AMENDMENT OF WATER LICENCE **#NWB2KIK0002 (Water Use – Kikerk/Kikkiktalik Area)**

Please accept this letter and the accompanying summary, application form and fees as a formal request for amendment of the above water-use authorisation.

I would emphasise that the exploration programme as approved under #NWB2KIK0002 has *not* changed. The purpose of the amendment simply is to add the adjoining *Tree 1* mineral claim to the area covered by the water licence, because investigation led De Beers Canada Exploration (DBCE) to focus 200m beyond the licensed area. Thus, the area now will consist of the four remaining KL claims of DBCE, formerly Monopros Limited, and the one bordering (*Tree 1*) claim of Rhonda Corporation, on which DBCE is Designated Operator. (Six of the 10 KL series claims held by DBCE/Monopros during the first year of the water licence were allowed to lapse and no longer form part of the DBCE/Monopros claimblock.) The total area, therefore, is KL 8, KL 10, KL 11 and KL 12 PLUS Tree 1.

The only other change in information as supplied to the Board for #NWB2KIK0002 is purely operational and consists in a change of drilling contractor. In 2000, Peak Exploration of Yellowknife was identified as the drilling contractor. For 2001, the drilling contractor will be Boart Longyear of North Bay, ON, which company already is drilling for DBCE in the NWT and will re-deploy its rig by helicopter from the NWT or from the Rockinghorse property to the Kikerk project for the upcoming programme on the *Tree 1* claim. (Information on the LF-70 modular drill already has been supplied to Indian and Northern Affairs and the Nunavut Impact Review Board, and also has been included with this amendment request, for the information of the Board.)

Thank you for the opportunity to make this amendment request. I trust all is in order and look forward to its prompt processing and approval.

Shirley Standafer Pfister
Lands and Government Relations

attach.