

DE BEERS CANADA EXPLORATION INC.

TEL.: (867) 766-7350
FAX : (867) 766-7351

#601 – Precambrian Building - 4920 52nd Street
Yellowknife, NT X1A 1R6

03 December 2004

Phyllis Beaulieu
Licensing Manager
Nunavut Water Board
Box 119
Gjoa Haven, NU XOB 1JO

RE: ANNUAL REPORT - #NWB2KIK0405
KIKERK/KNIFE LAKE PROJECT ACTIVITIES - 2004

Please find accompanying this letter, an Annual Report as required under *Part B, Item 1* of Nunavut Water Board (NWB) Type B Water Licence #NWB2KIK0405 for the Kikerk/Knife Lake Project, West Kitikmeot, NU.

As the mineral property is located on Crown land, this report also is being copied to Indian and Northern Affairs (INAC), Iqaluit and Kugluktuk offices, for their information.

For the NWB only, a CD-ROM of the complete report (including two accompanying spreadsheets, two maps and six photos) is being sent by air courier.

Thank you for the opportunity to make this submission. In future, I would respectfully ask the NWB to consider making the Annual Report Form available in Word or Excel format, for the convenience of proponents who do not have easy access to Acrobat Writer. The licenceholder then could have a .pdf made of the completed report form.

Shirley Standafer-Pfister
Lands and Government Relations Manager
shirley.standaferpfister@ca.debeersgroup.com

attach.

cc: Spencer Dewar – INAC-Iqaluit
Pat Larocque – INAC-Kugluktuk