



NIRB File No. 00MN059
NWB File No. 2AM-JER0410

November 25, 2010

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

Sent via email: licensing@nunavutwaterboard.org

Re: Assignment of Water Licence 2AM-JER0410 from Benachee Resources Inc. to Shear Diamonds (Nunavut) Corp.

Dear Phyllis Beaulieu:

On November 17, 2010 the Nunavut Impact Review Board (NIRB or Board) received correspondence from the Nunavut Water Board (NWB) requesting comments on the proposed assignment of the existing Type A Water Licence (2AM-JER0410) from Benachee Resources Inc. (a wholly owned subsidiary of Tahera Diamond Corporation) to Shear Diamonds (Nunavut) Corp. (Shear; a wholly owned subsidiary of Shear Minerals Ltd.). The NIRB would like to thank the NWB for this opportunity and leaves the decision on the assignment of the water licence to the discretion of the NWB.

By copy of this letter, the NIRB would also like to advise Shear that the Board requires written notification for any transfer of ownership of the Jericho Diamond Mine in order to re-assign the Jericho Diamond Mine Project Certificate [No. 002] from Benachee Resources Inc. to Shear. Furthermore, Shear is advised that the Jericho Diamond Mine Project has been in non-compliance with its Project Certificate [No.002] as outlined in previous correspondence to Benachee Resources Inc. (November 16, 2009). The NIRB respectfully requests that Shear provide the Board with a written request for a reassignment of the Jericho Diamond Mine Project Certificate [No. 002], as well as a discussion of how Shear intends to meet the requests contained within the enclosed November 16, 2009 correspondence and how it intends to comply with the Jericho Diamond Mine Project Certificate [002].

If you have any questions or require clarification on this or other matters related to the NIRB's monitoring of the Jericho Diamond Mine Project, please contact me directly at (867) 983-4607 or sgranchinho@nirb.ca.

Sincerely,



Sophia Granchinho

Monitoring Officer for the Jericho Diamond Mine Project Certificate [No. 002]
Nunavut Impact Review Board

cc: Thomas Pladsen, Benachee Resources Inc.
Pamela Strand, Shear Diamonds (Nunavut) Corp.
Allison Rippin Armstrong, Shear Diamonds (Nunavut) Corp.
Michelle Tanguay, Shear Diamonds (Nunavut) Corp.
Badeia Jawhari, Shear Diamonds (Nunavut) Corp.

Enclosed: NIRB Ltr Tahera Re PC Compliance (November 16, 2009)