

November 25th, 2004

Ms. Dionne Filiatrault
Manager Technical Services
NWB & NIRB
PO Box 119
Gjoa Haven, NU X0B 1J0



RE: Review of Tahera Diamond Corporation Submission to the Nunavut Water Board for the Jericho Diamond Project

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Dear Ms. Filiatrault

In response to your request Dillon Consulting Limited (Dillon) has reviewed the Tahera Diamond Corporation submission to the Nunavut Water Board for the Jericho Diamond project to determine what level of pre-development environmental monitoring is contained in the submission documents. As part of establishing the environmental impact that a facility has had, it is necessary to determine what, if any, contribution the operations have made to chemical concentrations in soil, surface water, sediment and other environmental media in the surrounding area. An understanding of the naturally occurring concentrations of metals and other chemicals is an essential component in this process. This information is also a necessary component of the development of a site-closure plan for the facility. Establishing background early in the development stage of the mine should help to eliminate concerns over the adequacy of background concentration data that has been an issue in establishing remediation criteria for mine-site closures in the past. It also helps to ensure that any remediation criteria developed through a Human Health and Ecological Risk Assessment process, are not set at levels that are lower than naturally occurring concentrations in the local environment.

Our review has focused on the documents contained in Appendix AA: EIS Final Submission, January, 2003, and in particular, those related to baseline conditions and to kimberlite, tailings and waste rock characterizations. We were unable to find any information relating to the characterization of background or pre-development conditions for surface soil in any of the reports. Our discussions with Tahera representatives has confirmed that background sampling has not been undertaken as yet, but that a background sampling program is planned.

We have not had an opportunity to review the sampling program and therefore are unable to comment on its adequacy at this time. This lack of review should not be viewed as an impediment to the process at this point. Review of the plan should occur over the winter so that any necessary adjustments can be made before the sampling program commences in the spring. Provided the sampling program is undertaken next year, it should provide the information necessary to establish naturally occurring background concentrations of metals and other chemicals.

Sincerely,

Dillon Consulting
Limited

Bryan Leece, Ph.D.
Senior Toxicologist
Project Manager
Dillon Consulting Limited

