

17 April 2008

Attention: Licensing Administrator

Nunavut Water Board
1 Water Street
Box 119
Gjoa Haven, Nunavut
X0B 1J0

Dear Ms. Beaulieu

Re: Tahera Diamond Corporation Jericho Diamond Mine Water License 2AM-JER0410 2007
Annual Report

AMEC Earth & Environmental (AMEC) on behalf of Tahera Diamond Corporation (Tahera) is pleased to provide Nunavut Water Board (NWB) with the enclosed annual report for the Jericho Diamond Mine (Jericho). The report was compiled from information provided by Tahera to AMEC. Three paper copies are to follow from Tahera.

The Aquatic Environmental Monitoring Program report is pending and will be provided to NWB when received and should be read with the annual report.

An as-built report for the East and Southeast dams was prepared for Tahera by EBA Engineers and is provided to NWB under separate cover.

The enclosed Annual Report is based on information provided by Tahera and is believed by AMEC to be accurate. However, AMEC accepts no responsibility for any deficiency, misstatements or inaccuracy contained in this report as a result of misstatements, omissions, misrepresentations or fraudulent information provided by others.

Yours truly,

A handwritten signature in black ink, appearing to read "Bruce Ott", with a stylized flourish at the end.

Bruce Ott
Senior Associate
E-mail: bruce.ott@amec.com

c: H. Gates, G. Missal, M. Johnson, A. Coster: Tahera
L. Payette: Nunavut Impact Review Board
G. Clark: KIA
M. Joy, P. Kusugak: INAC