

June 19<sup>th</sup>, 2006

Chief Administrative Officer  
Nunavut Water Board  
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Gjoa Haven, Nunavut  
X0B 1J0  
Delivered by Fax: (867) 360-6369

Water Resources Officer  
P.O. Box 278  
Kugluktuk, NU  
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**RE: Notification of intent to discharge from the Processed Kimberlite Containment Area (PKCA) to Stream C3 – Part G, Item 5 of License NWB1JER0410**

Please accept this letter as Tahera Diamond Corporations letter of intent as required in Part G, Item 5 of Water License NWB1JER0410, to commence with the drawdown of the PKCA to Stream C3.

Please find attached sample results collected from the PKCA for acute toxicity as required in Part G, Item 7 (a) and (b). These samples were analyzed by HydroQual Laboratories and indicate 0% mortality to Rainbow Trout, *Oncorhynchus mykiss* and crustacean *Daphnia magna*. Toxicity testing will continue to be conducted monthly as indicated by the water license. Water chemistry results from Station JER-WQ2 for parameters required in Part 5, Item 6(a) will be submitted once received from the laboratory. While discharging, samples will be collected weekly as required and submitted within the monthly SNP reports.

Should you have any additional questions do not hesitate to contact site Environmental staff at 780 644-9129.

Cheryl Wray  
Environmental Supervisor

Harold Gates  
Operations Manager