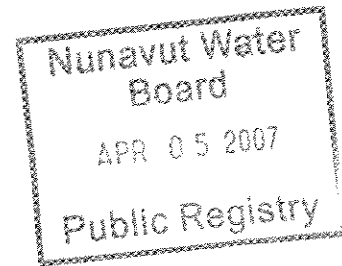


30 March 2007

File:2AM-JER0410

Via E-Mail

Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU
X0B 1J0
Attention: Chief Administrative Officer



Dear Ms. Beaulieu,

Reference: Annual Closure and Reclamation Cost Update – Licence 2AMJER0410

Tahera Diamond Corporation (Tahera) is pleased to provide Nunavut Water Board with the closure and reclamation cost update per Jericho Diamond Mine Water Licence 2AM-JER0410, Part M, Item 7. We have enclosed the following:

- Reclamation cost estimates based on the RECLAIM model updated to 31 December 2006 based on survey information obtained by the mine surveyors
- Memorandum listing changes from 31 December 2005
- A PDF version of a site map that can be printed up to 34 x 44 inches showing the mine disturbance area as of 31 December 2006.

Three (3) paper copies will follow by courier per requirements of the mine's water license.

I trust you will find all in order. Please contact me should you have any questions.

Yours truly,

A handwritten signature in black ink, appearing to read "Bruce Ott".

Bruce Ott
Director of Environment
Jericho Diamond Mine

C. Roland Jones, Greg Missal, Cheryl Wray: Tahera Diamond Corp

/bo

Tahera Diamond Corporation
P.O. Box 2341
Yellowknife, NT X1A 2P7
Tel +1 (780) 644-9116
Fax +1 (780) 644-9181
www.tahera.com

Memo

To	Nunavut Water Board	File No.	2AM-JER0401
From	Bruce Ott	cc	G. Missal
Tel	780-644-9129		C. Wray
Fax	780-644-9181		R. Jones
Date	30 March 2007		
Subject	Closure and Reclamation Cost Update		

The RECLAIM model was used to update reclamation cost estimates to December 2006. The cost breakdown is similar to that used for the 2005 estimate submitted to NWB February 2006 (AMEC 2006). The 2005 estimate was based on the reclamation and closure cost estimate submitted with the Jericho Water Licence application (AMEC July 2004).

This memorandum lists the changes in disturbance and cost estimates from the 2005 Closure cost estimate. Changes were due to on going mine facilities construction as indicated. The memorandum references costs estimate produced with the RECLAIM model; the 2006 estimate is attached.

Item	2005 Estimate	2006 Estimate
Waste Rock Dump 2 Contour Area	99,240 m ²	147,660 m ²
Waste Rock Dump 2 Reclamation Cost	\$141,923	\$174,739
Contouring		
PK Dam Contouring	60,000 m ²	1,052,940 m ²
Road Contouring	86,275 m ²	94,753 m ²
Pad Contouring	16,640 m ²	166,240 m ²
Borrow Area A Contouring	3,480 m ²	6,475 m ²
Coarse PK Contouring	0 m ²	3,774 m ²
Total Contouring	232,611 m²	1,388,002 m²
Airstrip Scarify	36,000 m ²	68,700 m ²
Pad Cover	44,400 m ³	69,799 m ³
Fine PK Cover	0 m ³	2814 m ³
Scarify/Cover Total Cost	\$400,620	\$872,119
Closure Monitoring Cost	\$531,500	\$631,500
Total Reclamation Cost to 31 December	\$6,955,627	\$7,620,373