



TAHERA CORPORATION
(TSE:TAH)

PRESS RELEASE**TAHERA CORPORATION – RESULTS FOR THE TWELVE MONTHS
ENDED DECEMBER 31, 2000**

Toronto – Tuesday April 24, 2001

Financial Results

Tahera Corporation recorded a loss of \$4,550,000 (\$0.02 per share) for the year ended December 31, 2000, which compares with a loss of \$7,340,000 for the year ended December 31, 1999 (\$0.05 per share). Operating expenses declined slightly to \$3,248,000 for the year ended December 31, 2000 compared to \$3,858,000 for the year ended December 31, 1999. Expenditures on exploration and development projects decreased in 2000 to \$4,297,000 compared to \$5,728,000 during the comparable period in 1999. At December 31, 2000, Tahera's cash balance was \$4,213,000.

Jericho Diamond Project

In June 2000, Tahera completed the Jericho Diamond Project feasibility study, which confirmed that the Project is economically robust with potential diamond production in excess of 3,000,000 carats over a minimum of 8 years. Tahera recently commenced the regulatory review period, and is working diligently with the applicable regulatory agencies in order to secure environmental approval for the Project as quickly as possible.

Jericho Area Exploration – Adding Value Through Discovery (100% TAH)

Tahera's vast landholdings in the Jericho area are considered highly prospective for additional kimberlite discoveries. One new kimberlite was discovered during the spring exploration program, and microdiamond analysis is currently underway. The summer program will run from mid June until September, and will entail further prospecting and geophysical surveys in the Jericho area, followed by diamond drilling to test priority kimberlite targets. Tahera plans to spend approximately \$2.6 million on exploration activities in the Jericho area during 2001.

The common shares of the Company trade on The Toronto Stock Exchange under the symbol "TAH".

Tahera Corporation is focused on exploring its highly prospective landholdings in Nunavut and the NWT. In conjunction with this diamond exploration focus, Tahera is committed to bringing its wholly owned Jericho Diamond Project to commercial production. Tahera also has interests in extensive joint venture exploration landholdings in Nunavut and the NWT.

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Tahera Corporation
Consolidated Balance Sheets
(unaudited)

	December 31, 2000	December 31, 1999
ASSETS		
Current Assets		
Cash and short-term deposits	\$ 4,212,500	\$ 1,133,671
Accounts receivable	231,823	157,270
Prepaid expenses	150,725	115,761
	<u>4,595,048</u>	<u>1,406,702</u>
Exploration and Development Projects	58,755,694	56,680,328
Fixed Assets	1,289,229	1,663,944
Deferred Financing Costs	442,238	682,696
Investments	<u>17,952</u>	<u>17,952</u>
	<u>\$ 65,100,161</u>	<u>\$ 60,451,622</u>
LIABILITIES		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 1,304,091	\$ 2,690,224
Debenture interest payable	-	109,259
	<u>1,304,091</u>	<u>2,799,483</u>
Secured Convertible Debentures	<u>3,417,000</u>	<u>3,417,000</u>
	<u>4,721,091</u>	<u>6,216,483</u>
SHAREHOLDERS' EQUITY		
Share Capital		
Common shares	73,232,441	62,537,425
Equity component of secured convertible debentures	265,360	265,360
Preferred shares	30,018	30,668
	<u>73,527,819</u>	<u>62,833,453</u>
Deficit	<u>(13,148,749)</u>	<u>(8,598,314)</u>
	<u>60,379,070</u>	<u>54,235,139</u>
	<u>\$ 65,100,161</u>	<u>\$ 60,451,622</u>

I anera Corporation
Consolidated Statements of Loss and Deficit
(unaudited)

	Year Ended December 31, 2000	Year Ended December 31, 1999
Revenues		
Interest	\$ 65,523	\$ 119,765
Contract processing	17,298	321,430
	<u>82,821</u>	<u>441,195</u>
Expenses		
Salaries and benefits	856,293	1,142,766
Office and general	571,346	541,245
Depreciation	449,620	503,012
Travel	423,485	334,009
Debenture interest and financing costs amortization	419,800	176,869
Directors' fees and expenses	174,251	201,682
Legal and audit	131,380	344,875
Financing costs	69,594	278,778
Interest on short term borrowings	54,075	14,766
Transfer agent and listing fees	39,430	108,261
Consulting	37,687	94,286
Capital tax	20,583	117,439
Amalgamation costs	-	-
	<u>3,247,544</u>	<u>3,857,988</u>
	(3,164,723)	(3,416,793)
Other Items		
Debt principal accretion	-	-
Write down of exploration and development projects	(1,659,451)	(1,578,229)
Settlement of legal proceedings	427,500	-
Gain (loss) on sale of fixed assets	861	(1,302,264)
Share of earnings (loss) of equity affiliates	-	-
Loss on sale of investment in equity affiliate	-	(893,143)
Write down of other investments	-	-
Gain on dilution of investment in equity affiliate	-	-
	<u></u>	<u></u>
Loss for the Year before Income Taxes	(4,395,813)	(7,190,429)
Provision for Income Taxes - Current	<u>(154,622)</u>	<u>(149,359)</u>
Net Loss for the Year	(4,550,435)	(7,339,788)
	(8,598,310)	(6,612,780)
Deficit - Beginning of Year	(8,598,314)	(36,489,469)
Capital Reduction	-	35,185,943
Assigned Value of Expired Warrants	<u>-</u>	<u>45,000</u>
Deficit - End of Year	<u>\$ (13,148,749)</u>	<u>\$ (8,598,314)</u>
Loss per share	<u>\$ (0.02)</u>	<u>\$ (0.05)</u>

IAHERA CORPORATION
Consolidated Statements of Cash Flows
(unaudited)

	Year Ended December 31, 2000	Year Ended December 31, 1999
Cash flows from (used in) operating activities:		
Loss for the period	\$ (4,550,435)	\$ (7,339,788)
Items not affecting cash -		
Depreciation	449,620	503,012
Debt principal accretion and financing costs amortization	140,439	62,063
Loss (gain) on sale of fixed assets	(861)	1,302,264
Write down of exploration and development projects	1,659,451	1,578,229
Debenture interest and management salary paid by shares	333,984	140,633
Loss on sale of investment in equity affiliate	-	893,143
	<u>(1,967,802)</u>	<u>(2,860,444)</u>
Changes in non-cash working capital items -		
Accounts receivable	(54,877)	(2,767)
Prepaid expenses	(34,964)	(67,742)
Accounts payable and accrued liabilities	(759,347)	(382,606)
	<u>(2,816,990)</u>	<u>(3,313,559)</u>
Cash flows from (used in) investing activities:		
Exploration and development projects	(4,297,030)	(5,727,566)
Fixed assets	(273,719)	(230,503)
Proceeds on sale of fixed assets	21,800	2,314,471
Proceeds on sale of investment in equity affiliate	125,000	-
Investments in equity affiliate	-	4,415
Deferred amalgamation costs	-	(20,676)
Cash acquired on purchase of New Indigo Resources Inc.	-	13,992
	<u>(4,423,949)</u>	<u>(3,645,867)</u>
Cash flows from (used in) financing activities:		
Issuance of common shares for cash	9,454,000	1,981,625
Secured convertible debentures (net)	1,750,000	2,937,601
Share issuance costs (net)	(883,582)	-
Redemption of preferred shares	(650)	(374)
Due to or from related parties	-	(516,877)
	<u>10,319,768</u>	<u>4,401,975</u>
Net Increase (Decrease) in Cash	3,078,829	(2,557,451)
Cash - Beginning of Year	1,133,671	3,691,122
Cash - End of Year	\$ 4,212,500	\$ 1,133,671
Cash and cash equivalents are comprised of:		
Cash	\$ 1,222,464	\$ 117,261
Short-term deposits	2,990,036	1,016,410
	<u>\$ 4,212,500</u>	<u>\$ 1,133,671</u>

TAHERA CORPORATION

Consolidated Statements of Cash Flows

(unaudited)

Supplemental Disclosure of Non-Cash Investing and Financing Activities:

(a) During the year ended December 31, 2000:

- (i) The Company issued 500,000 common shares on each of January 6, 2000 and December 13, 2000 for payment of a portion of management salaries for the years ending December 31, 1999 and December 31, 2000. In both cases the share price was determined in accordance with the related employment contract, which states that the share price is to be based on the arithmetic average of the closing prices of the Company's shares for the twenty trading days prior to December 1 of each year.
- (ii) The Company issued 898,500 common shares at a price of \$0.12 per share on January 6, 2000, 872,057 common shares at a price of \$0.15 per share on July 4, 2000 and 1,111,026 common shares at a price of \$0.12 per share on December 22, 2000 for payment of interest on the secured convertible debentures.

For each interest payment, the share price was determined in accordance with an agreement between the holder of the debentures and the Company which states that the share price is to be based on the aggregate sale price of all Tahera shares sold or traded during the 20 consecutive trading days ending on the fifth trading day before December 31, 1999, June 30, 2000 and December 31, 2000 respectively, divided by the total number of shares sold or traded during the same period.

- (iii) The Company issued 100,000 common share purchase warrants on April 6, 2000 in connection with the private placement of \$1,000,000 of the convertible debentures, which were converted on August 29, 2000. These warrants are exchangeable for an equal number of common shares at \$0.19 per share until April 6, 2002. The value attributed to the warrants was nominal.
- (iv) On August 29, 2000 the Company issued 11,600,000 common shares at a price of \$0.13 per share and 2,485,874 common shares at a price of \$0.12 per share upon the conversion of \$1,750,000 in convertible debentures, which had been issued during 2000.

(b) During the year ended December 31, 1999:

- (i) On March 8, 1999 the Company issued 5,000,000 shares at \$0.15 per share to the Fern Trust pursuant to a settlement agreement arising from litigation.
- (ii) The 2,250,000 common share purchase warrants outstanding at December 31, 1998 expired March 16, 1999. The attributed value of the warrants of \$45,000 was credited to the Company's deficit account.
- (iii) The Company issued 38,621,735 common shares on the business combination with New Indigo Resources Inc.
- (iv) In August 1999, in connection with the issue of secured convertible debentures in the principal amount of \$3,417,000, Tahera allocated \$265,360 to the equity component of the secured convertible debentures, and established a deferred financing cost in the same amount