From: Gill, Troy (KEX) [Troy.Gill@kennecott.com]

Sent: Tuesday, February 20, 2007 5:56 PM

To: licensing@nunavutwaterboard.org

Subject: 2005 Annual Report for NWB2ARN0507

Attachments: NWB2ARN0507 Annual Report 2005 Attacment 1.pdf; NWB2ARN0507

Annual Report 2005.pdf

Dear Sir / Madam,

Attached is the Annual Report for 2005 for water license NWB2ARN0507. Please accept my most humble and sincere apology for the very late submission of the report. It was an oversight by me, having been focussed on other projects since the end of the Arnak drilling prgramme.

The camp has not been occuppied and no water has been drawn from any of the lake sources since June 2005. In fact the camp was dismantled and removed from site in summer 2006. This being the case, we would look to closing off the water license when it expires in March this year.

Yours sincerely,

Troy Gill Project Geologist North American Diamonds

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