De Beers Canada Inc. – Exploration Division Project Summary

De Beers Canada is continuing to explore for diamonds on its Baffin Island Permits in 2007. The proposed work program will begin April 15, 2007 and will last until the end of August. The tent camp will staff 20 people during April and this may decrease to 15 during July and August. The camp will be serviced by a twin otter aircraft from Igloolik. De Beers will be using Inuit people from Igloolik as sample assistants, geophysical assistants, drill assistants, prospectors, camp attendants, expediters and wildlife monitors.

Ground geophysics will be conducted by a contracted geophysical crew, likely from Whitecliff Geophysics. This should take approximately two weeks.

Drilling is planned for April - May and July - August. This will test some targets from the geophysics.

Geological sampling, mapping and prospecting will be undertaken from the camp in June, July and August and will involve one or two crews supported by one helicopter. The crews will comprise one geologist and one Inuit assistant. The teams will move from site to site by helicopter in order to prospect and carry out geological mapping. The helicopters will refuel from the base camp or outlying fuel caches, and all empty fuel drums and samples will be removed from the area by aircraft.

The work program will be adjusted as required to minimize the disturbance to wildlife or to avoid cultural areas considered sensitive by the local communities. As it is De Beers' intention to work once again in the area during 2008, some tents and a fuel cache will be left in place at the base camp over the winter period.

This project summary has been translated into Inuktitut and has been attached to the appendices.

