



June 8, 2006

Philippe di Pizzo
Executive Director
Nunavut Water Board
P.O. Box 119
Gjoa Haven, Nunavut
X0B 1J0

Dear Mr. di Pizzo

De Beers Canada - Exploration Division is currently planning numerous diamond exploration projects in Nunavut during the summer months of 2006. These projects range in size from small community based geophysics projects through to 20+ person semi-permanent camp drilling projects.

Recently De Beers submitted a Nunavut Water License Application for our field camps in Chartrand Lake, Prince of Wales, and Devon Island. These projects are small and include geophysics, staking and till sampling. After further consideration the Chartrand Lake project will be based out of Taloyoak and will use community water only while the Prince of Wales and Eden Point projects are both scheduled to use non-permanent fly camps which will be moved every 7-12 days. Water consumption at these camps is estimated at 0.75m³ per day per camp and will be used for human consumption and hygiene only, not for industrial processes. Both projects are intended to last 4 to 6 weeks.

Based on information provided by Phyllis Beaulieu, Manager of Licensing - Nunavut Water Board we are forwarding you this letter to request that the consultation time be shortened from the usual 30 days to 15 days in order to ensure that we can complete our projects this year. Both projects are using very limited quantities of water and only for domestic purposes. Current timelines show that the projects will be unable to proceed unless this exemption is given.

We appreciate the help that the Nunavut Water Board has given us in recent months and hope that this request can be approved.

Yours truly,

A handwritten signature in black ink, appearing to read "M. Pickard".

Matthew Pickard, B. Sc. Hon., MBA, CRSP, CCEP
Safety, Health and Environment Manager
De Beers Canada Inc. – Exploration Division



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