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**BHP Billiton Diamonds Inc**  
Suite 1400  
1111 West Georgia Street  
Vancouver, BC, V6E 4M3  
Telephone: (604) 632-1450  
Facsimile: (604) 683-4125

Tuesday, 16 December 2003

RE: NWB2REP0305 - ANNUAL REPORT 2003

#### Overview

As proposed in the application, a program of surface sampling and diamond drilling with a single rig was conducted in the licence area starting in June and wrapping up in early October.

No adverse effects were incurred by local water systems.

As the crews were lodged in the Hamlet of Repulse Bay and some local people were employed on the site, a close rapport was kept with the community, which ensured that any concerns were quickly voiced and addressed.

#### Drilling

One hole was drilled from lake ice and the remainder from land-based set-ups.

Most drill positions were far enough from water bodies to obviate the need of a cuttings removal system although this was used where there was a risk of run-off. Drill water deposition on surface was contained in settling ponds or earth or berms of peat moss and/or synthetic dikes, which effectively clarifies all visible cuttings.

Calcium chloride was used to suppress freezing where permafrost was encountered but the need was not great as most holes were angled beneath lakes, where a natural thaw halo is common.

For drill hole co-ordinates (highly confidential at this time) please see below.

#### Water Usage

The drill used about 4300 gallons of water per day while working without recirculation and about 500 gallons per hole when recirculating. This was taken from lakes proximal to the set-ups. No other water was used.

#### Drill hole locations

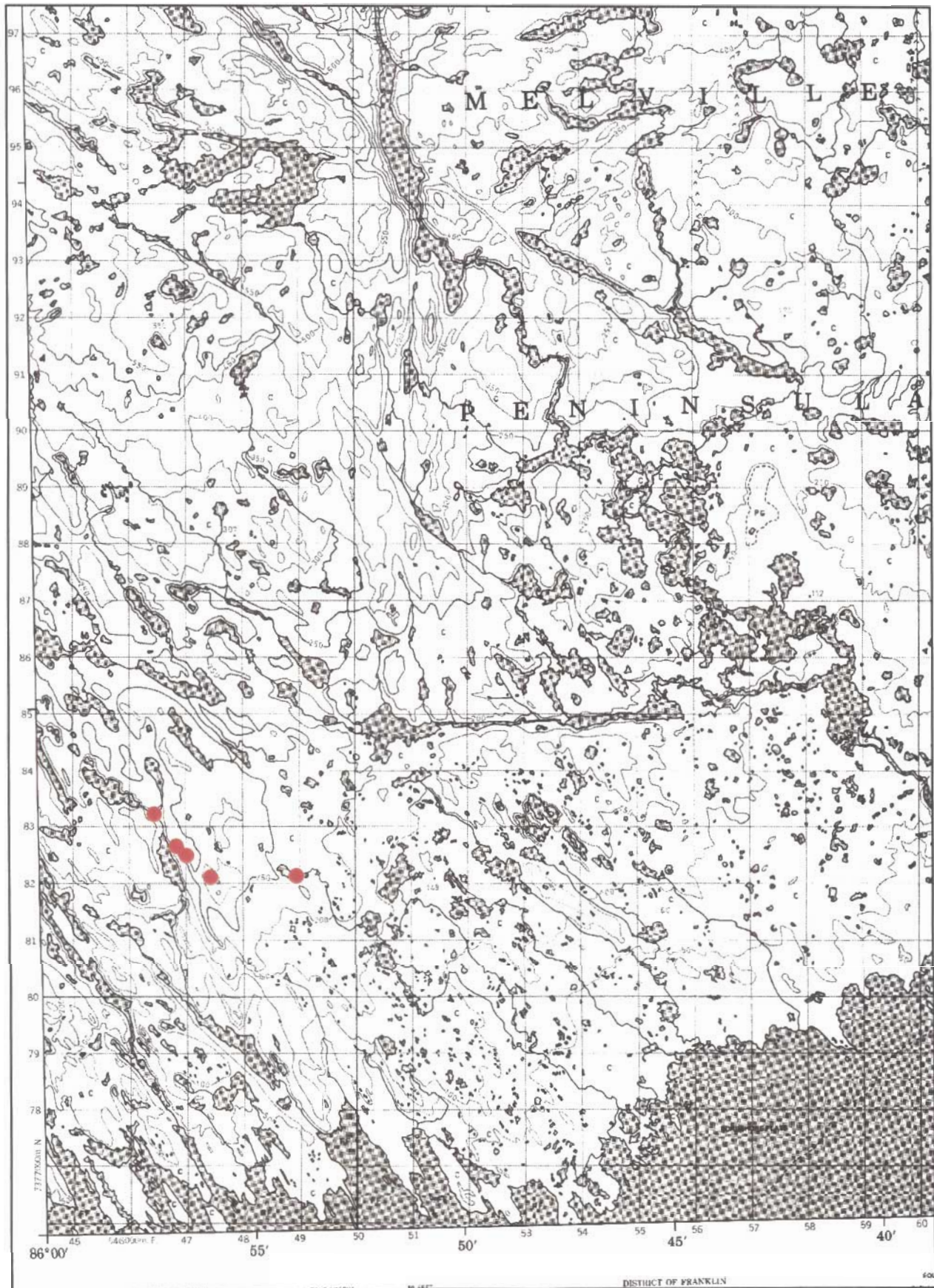
Latitude	Longitude
N66° 37' 09.3"	W86° 16' 19.0"
N66° 35' 31.3"	W86° 07' 18.3"
N66° 35' 30.6"	W86° 08' 12.9"
N66° 35' 23.2"	W86° 07' 34.9"
N66° 35' 23.7"	W86° 08' 01.2"
N66° 35' 27.9"	W86° 06' 37.5"
N66° 34' 13.7"	W86° 02' 38.0"
N66° 34' 18.1"	W86° 02' 38.7"

N66 ° 33' 25.7"	W85 ° 53' 56.9"
N66 ° 33' 20.3"	W85 ° 53' 55.2"
N66 ° 33' 20.3"	W85 ° 53' 55.2"
N66 ° 33' 17.5"	W85 ° 55' 48.8"
N66 ° 33' 31.0"	W85 ° 56' 21.3"
N66 ° 33' 59.1"	W85 ° 56' 53.4"
N66 ° 40' 12.6"	W86 ° 10' 29.4"
N66 ° 39' 31.8"	W86 ° 22' 51.3"
N66 ° 40' 21.1"	W86 ° 27' 43.4"
N66 ° 40' 23.6"	W86 ° 27' 48.7"
N66 ° 32' 57.2"	W85 ° 56' 40.9"
N66 ° 33' 15.2"	W85 ° 56' 26.4"
N66 ° 33' 14.9"	W85 ° 56' 28.4"
N66 ° 33' 30.8"	W85 ° 56' 33.9"
N66 ° 33' 30.8"	W85 ° 56' 22.2"
N66 ° 33' 30.8"	W85 ° 56' 22.2"
N66 ° 33' 56.3"	W85 ° 57' 05.5"
N66 ° 35' 32.4"	W86 ° 07' 27.7"
N66 ° 35' 32.4"	W86 ° 07' 27.7"
N66 ° 35' 28.4"	W86 ° 07' 00.2"
N66 ° 35' 28.4"	W86 ° 07' 00.2"
N66 ° 35' 28.4"	W86 ° 07' 00.2"
N66 ° 35' 28.4"	W86 ° 07' 00.2"

#### Attachments

- Drill location map #1
- Drill location map #2
- Drill photo

# NWB2REP0305 BHP BILLITON PROGRAM Map #2



2003 ANNUAL REPORT

● DRILL HOLE

0 950 1,900 3,800 5,700 7,600 Meters

This is a nautical chart of the Melville and Franklin Straits in Canada. The chart is titled "CANADA" at the top center and "EDITION 1 46 L79" at the top right. It features a coordinate grid with latitude markings on the right (66° 00' to 66° 45' N) and longitude markings at the bottom (25° to 86° 00' W). The chart shows depth contours, navigational hazards, and several red dots indicating specific locations. The chart includes a coordinate grid with latitude and longitude markings.

Drill Hole

0 1,150 2,300 4,600 6,900 9,200 Meters



Drill working. Note synthetic dam to retain and settle runoff.