

DE BEERS CANADA EXPLORATION INC.

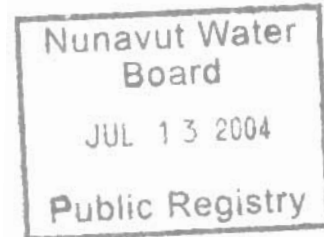
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08 July 2004

Phyllis Beaulieu
Licensing Administrator
Nunavut Water Board
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#601 4920 52nd Street
Yellowknife, NT X1A 1R6



RE: REQUEST FOR ASSIGNMENT OF "TYPE B" LICENCE
#NWB2ROC0305 (Water Use –Rockinghorse Main Claimblock)

Please accept this letter and accompanying Declaration of Licensee as a formal request by De Beers Canada Exploration Inc. (DBCE) to assign its Nunavut Water Board (NWB) Type B Water Licence #NWB2ROC0305 to Tahera Diamond Corporation, as allowed under *Section 44, Nunavut Waters and Nunavut Surface Rights Tribunal Act*.

It should be noted that DBCE and Tahera, effective June 2004, entered into an option agreement whereby Tahera has been given permission to conduct exploration and development work on DBCE's Rockinghorse (Koamaogaktok) Property-main block, currently subject to Licence #NWB2ROC0305. Tahera's intention is to conduct an exploration programme this summer, commencing sometime in July, or as soon as licence assignment is approved. The mineral claims which comprise this property remain in good standing; most were taken to lease in 2002. All authorisations with respect to this property – the water licence and two land-use permits – also remain in good standing.

Under separate cover, Tahera will make a formal request to the NWB for assignment of Licence #NWB2ROC0305 and provide a completed Undertaking of Proposed Assignee, along with the requisite application fee. (There is no security deposit associated with this licence).

Thank you for the opportunity to make this Request for Assignment. I trust all is in order and look forward to prompt processing and approval of this request. Should you have any questions, please don't hesitate to contact me.

A handwritten signature in dark ink, appearing to be "SP" or similar initials.

Shirley Standafer-Pfister
Lands and Government Relations Manager
De Beers Canada
shirley.standaferpfister@ca.debeersgroup.com

attach.