

Tahera Diamond Corporation Exploration Office #7-68 Schooner St Coquitlam BC V3K 7B1

August 30, 2007

Attn. Phyllis Beaulieu

Manager of Licensing Nunavut Water Board PO Box 119 Gjoa Haven, Nunavut X0B 0J0 (867) 360-6338

Summary Report for 2006 Polar Property

This summary report should be read in conjunction with the tables "Polar 2006 Annual Report Tahera".

During 2006 two Exploration Programs were completed on the Polar Property. In the late winter/spring, a drilling program was carried out on the Muskox Kimberlite. One diamond drill and one large diameter reverse circulation drill were utilized. During the late summer/fall, a soil sampling and ground geophysics program was also completed. During this program the camp was also utilized by Bay Resources and Nordic Diamonds. Their water usage is included in this report. Neither company used water for industrial purposes. All programs were based out of Muskox Camp.

Water is used for domestic purposes at Muskox Camp. Domestic uses include: water required for cooking, cleaning, showers, drinking, etc and averaged (estimated) 10 cubic metres per day. The camp facilities were in operation for approximately 95 days and therefore total water usage is estimated to be 950 cubic metres. The water was sourced from Muskox Lake which is proximal to Muskox Camp. The pump used is a ½ HP 115 V pump. The water intake is equipped with a mesh screen with a screen size less than 2.54 mm to prevent the entrapment of fish as per DFO guidelines. Water was filtered with a particulate filtration system as well as a UV filter.

Water use was for industrial purposes at Muskox Pipe The water required for drilling operations is sourced from the lake where the drilling takes place. Drilling utilizes approximately 40 cubic metres of water per day (diamond drill) and 20 cubic metres per day (Reverse Circulation Drill). The total diamond drilling days at the Muskox Pipe in 2006 was about 90, totaling approximately 3600 cubic metres. The Reverse Circulation Drill ran for approximately 42 days and used on average about 25 cubic metres per day,

totaling 1050 cubic metres. Therefore, the total water use at Muskox Pipe was approximately 4650 cubic metres.

Sewage and waste was managed in accordance with the plan submitted in the Remote Camp Questionnaire and the "Advanced Exploration Questionnaire". This plan has been submitted with this annual report. "Pacto" brand latrines are installed in the camp and human waste was burnt daily in the camp incinerator. Grey water was disposed in the sump next to the kitchen. A grease trap was installed in the kitchen and this was cleaned thoroughly at the end of the program. The sump is sealed and insulated and was monitored daily. There were no operational problems. Burnable waste was incinerated in camp. Non-burnable material, including incinerator residues, was backhauled to Yellowknife. Scrap metal, aerosols, batteries, as well as bulky items were included in the non-burnable material. Waste oil was removed to the Jericho minesite where it was eventually hauled off site with a waste manifest as per EPS procedures.

Drill cuttings and drill water from the diamond drill were pumped to a suitable location near the drill sites. Maps are provided. Reverse Circulation Cuttings were removed to the Jericho Minesite with some excess being removed to a sump near Muskox Lake. This location is also shown on the map of Muskox Pipe.

The following maps and documents should be considered in the reading of this document.

- Polar Final Abandonment and Restoration Plan
- Polar Spill Contingency Plan
- Detailed map of Muskox Camp
- Detailed map of Muskox Pipe.

NWB Annual Report

Year being reported:

2006

License No:

NWB2ROC0305

Issued Date:

February 1, 2003

Expiry Date: February 28, 2005

Project Name: Polar

Licensee: Tahera Diamond Corporation

Mailing Address: #7-68 Schooner St Coquitlam BC V3K 7B1

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

General Background Information on the Project (*optional):

Licence Requirements: the licensee must provide the following information in accordance with

A summary report of water use and waste disposal activities, including, but not limited to: methods of obtain water; sewage and greywater management; drill waste management; solid and hazardous waste managemen

Water Source(s): Water Quantity:

Lake adjacent to ca	mp
25 cu.m/day	Quantity Allowable Domestic (cu.m)
10 cu. m/day	Actual Quantity Used Domestic (cu.m)
50 cu.m/day	Quantity Allowable Drilling (cu.m)
65 cu. m/day	Total Quantity Used Drilling (cu.m)

Waste Management and/or Disposal

All grey
water from
domestic
use was
contained in
a grey water
sump.
Water used
in drilling
activities
was
pumped to a

sump near the drill site. See attached maps and coordinates.

Additional Details:	
A list of unauthorized discharges	s and a summary of follow-up actions taken.
Spill No.: Date of Spill: Date of Notification to Additional Details: (im	(as reported to the Spill Hot-line) an Inspector: pacts to water, mitigation measures, short/long term monitoring, etc)

No unauthorized discharges occurred

Revisions to the Spill Contingency Plan

Additional Details: Plan has

been

ammended for Bulk Sample. See attached Spill

Contingency Plan 2006

Progressive	e Reclamation Work Undertaken
	All sites that were drilled during the 2006 drilling program have been inspected and cleaned up.
Results of t	he Monitoring Program including:
riosans or t	The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each locati where sources of water are utilized;
	Additional Details:
	The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each locate where wastes associated with the licence are deposited;
	Additional Details: separate coordinates are provided for diamond drill and RC drill
	Results of any additional sampling and/or analysis that was requested by an Inspector
	Results of 2006 water testing are included in the correspondence. Sediment trap results are still pending. Additional Details: (date of request, analysis of results, data attached, etc)

Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

Additional Details: (Attached or provided below)

Any responses or follow-up actions on inspection/compliance reports

Additional Details: After the bulk sample a thorough cleanup of camp was completed after the KIA

inspection

Any additional comments or information for the Board to consider

Date Submitted: Submitted/Prepared

by:

Contact Information:

August 31, 2007

Ferg McDonnell

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GPS Coordinates for water sources utilized

	Latitude			Longitude		
Source Description	Deg	Min	Sec	Deg	M	Sec
	<u>o</u>	•	"	Q	•	"
Lake (camp)	65	58	38.64	111	44	59.82
Lake (Drilling)	65	57	23.29	111	46	57.972
		•	•			•

GPS Locations of areas of waste disposal

Location Description (type)		Latitude			Longitude		
	Deg	Ā	Sec	Deg	Min	Sec	
	<u>0</u>	,	"	<u>0</u>	,	"	
sump(camp)	65	58	37.48	111	44	59.003	
sump(drilling)	65	57	34.515	111	46	54.510	
sump(drilling)	65	57	29.002	111	46	33.276	
sump(RC drilling)	65	57	38.66	111	46	47.82	
			•	-			