



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

RE: Application for Water License on the Rockinghorse Property and Annual Reports

Dear Ms Beaulieu:

Tahera Diamond Corporation is applying for a water license on the Rockinghorse Property. We have erroneously believed that the license NWB1Jer0306 would appropriately cover our program, however we have now realized that this is not the case. We hope that the administrative delays do not infer that we have taken our environmental stewardship and water usage responsibilities lightly, nor the administrative process. During the time we have been operating on the property, we have kept our Spill Contingency Plan updated and carried out operations in accordance with the regulations and best-known practices.

This water license application also includes Annual Reports for 2005-2007. Included in this correspondence are the following:

- Water License Application
- Remote Camp Questionnaire
- Spill Contingency Plan
- Relevant MSDS
- Final Abandonment and Restoration Plan
- Property Map (with Mineral Claims marked)
- Drill Site Map (With Sumps and Water Sources marked)
- Camp Map (With sumps and Water Sources marked)
- Synopsis of Camp and Water Use 2005-2007
- Annual Report 2005-including Project Summary and standard form
- Annual Report 2006-including Project Summary and standard form

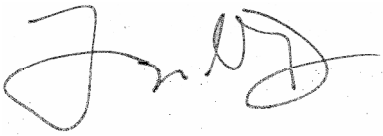
- Annual Report 2007-including Project Summary and standard form

Missing from this correspondence but forthcoming in the immediate future are:

- Inuinnaqtun Summary of project
- \$60 cheque for Application fee and Water Use fee
- Results for water monitoring in Winter/Spring 2007

Please call or email me if you have any more questions or would like to discuss the application further.

Best Regards

A handwritten signature in black ink, appearing to read 'F. McDonnell', with a stylized, cursive script.

Fergus McDonnell
Exploration Coordinator
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