

2 April 2007

Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0E 1J0

Attn: Phyllis Beaulieu

Re: Water Licence 2BE-TIM0608, IC/TIM Project

Dear Ms. Beaulieu,

As we discussed on the telephone, there was no water used and no waste disposal activities to report for water licence 2BE-TIM0608.

When Trigon had originally applied for the Water Licence, the exploration plan had included drilling for the summer of 2006. No drilling was done and, as was the original plan, there was no camp: the field crew stayed in Kugaaruk. I have attached a short summary of Trigon's field program for the summer of 2006 for your records.

We are still planning the program for the summer and fall of 2007. At this point, there are no plans for a drill program. Trigon has found that setting up camps at such an early stage of exploration is more expensive than staying in Kugaaruk so it is very unlikely that a camp will be set up for the upcoming program. I will contact you as soon as I know of any plans requiring the use of Trigon's water licence.

Please contact me at (250) 763 5533 or by e-mail at <a href="mailto:aperry@trigonuraniumcorp.com">aperry@trigonuraniumcorp.com</a> if you require any further information.

Sincerely,

Audrey Perry, Manager, Lands and Environment Trigon Diamond Corporation Ltd.