TALMORA DIAMOND INC.

FORM 2A – LISTING STATEMENT

May 8, 2008

FORM 2A

LISTING STATEMENT

This Listing Statement must be used for all initial applications for listing and for Issuers resulting from a fundamental change. CNQ requires prospectus level disclosure in the Listing Statement (other than certain financial disclosure and interim Management's Discussion and Analysis) and can require that the Issuer include additional disclosure.

General Instructions

(a) Please prepare this Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.

(b) The term “Issuer” includes the applicant Issuer and any of its subsidiaries.

(c) In determining the degree of detail required, a standard of materiality should be applied. Materiality is a matter of judgment in a particular circumstance, and should generally be determined in relation to an item's significance to investors, analysts and other users of the information. An item of information, or an aggregate of items, is considered material if it is probable that its omission or misstatement would influence or change an investment decision with respect to the issuer's securities. In determining whether information is material, take into account both quantitative and qualitative factors. The potential significance of items should be considered individually rather than on a net basis, if the items have an offsetting effect. This concept of materiality is consistent with the financial reporting notion of materiality contained in the Handbook.

(d) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation.

(e) For Issuers that are re-qualifying for listing following a fundamental change, provide historic and current details on

(i) the Issuer

(ii) all other companies or businesses that are involved in the fundamenatal change (the “target”); and

(iii) the entity that will result from the fundamental change (the "New Issuer").

Information concerning the Issuer that was contained in the most recent Listing Statement may be incorporated by reference, but this statement must indicate if any of the information in the prior statement has changed (e.g. describing a business that will no longer be undertaken by the New Issuer). Information concerning assets or lines of business of the target that will not be part of the New Issuer's business should not be included.

(f) This listing statement provides prospectus-level disclosure. It will be amended from time to time to reflect any changes to the prospectus disclosure requirements. If changed, the new form is to be used for the next listing statement the Issuer is required to file. The Issuer does not have to amend a listing statement currently on file to reflect any new disclosure requirements.

1. Table of Contents

1.1 Include a table of contents with the following headings:

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2. Corporate Structure

2.1 State the full corporate name of the Issuer or, if the Issuer is an unincorporated entity, the full name under which the entity exists and carries on business and the address(es) of the Issuer's head and registered office.

The name of the Corporation is Talmora Diamond Inc. (the "Corporation"). The Corporation's head and registered office is located at #6 Willowood Court, Toronto, Ontario, M2J 2M3.

2.2 State the statute under which the Issuer is incorporated or continued or organized or, if the Issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which the Issuer is established and exists. If material, state whether the articles or other constating or establishing documents of the Issuer have been amended and describe the substance of the material amendments.

The Corporation was incorporated on May 7, 1996, in the Province of Alberta pursuant to the *Business Corporations Act* (Alberta) under the name "Talmora Resources Inc." On January 5, 2007, the Corporation was continued into the Province of Ontario under the provisions of the *Business Corporation Act* (Ontario). On January 23, 2007, the Corporation amalgamated with another company and underwent a name change to "Talmora Diamond Inc". The Corporation is a mineral exploration company engaged in locating, acquiring and exploring for diamonds and other minerals.

2.3 Describe, by way of a diagram or otherwise, the intercorporate relationships among the Issuer and the Issuer's subsidiaries. For each subsidiary state

The Corporation has no subsidiaries or affiliates.

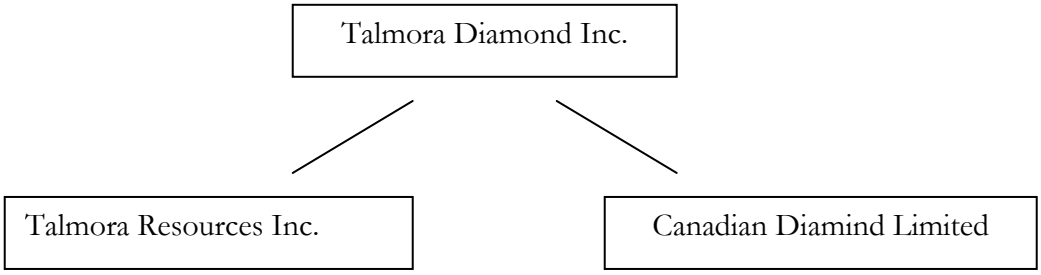
(a) the percentage of votes attaching to all voting securities of the subsidiary represented by voting securities beneficially owned, or over which control or direction is exercised, by the Issuer;

(b) the place of incorporation or continuance; and

(c) the percentage of each class of restricted shares beneficially owned, or over which control or direction is exercised, by the Issuer.

2.4 If the issuer is requalifying following a fundamental change or is proposing an acquisition, amalgamation, merger, reorganization or arrangement, describe by way of diagram or otherwise these intercorporate relationships both before and after the completion of the proposed transaction.

Talmora Diamond Inc. is requalifying following an amalgamation between Talmora Resources Inc. and Canadian Diamind Limited ("Canadian Diamind"). This amalgamation is illustrated as follows:



Instruction: A particular subsidiary may be omitted if

(a) the total assets of the subsidiary do not constitute more than 10 per cent of the consolidated assets of the Issuer at the most recent financial year end;

(b) the sales and operating revenues of the subsidiary do not exceed 10 per cent of the consolidated sales and operating revenues of the Issuer at the most recent financial year end; and

(c) the conditions in paragraphs (a) and (b) would be satisfied if

(i) the subsidiaries that may be omitted under paragraphs (a) and (b) were considered in the aggregate, and

(ii) the reference to 10 per cent in those paragraphs was changed to 20 per cent.

2.5 Non-corporate Issuers and Issuers incorporated outside of Canada must describe how their governing legislation or constating documents differ materially from Canadian corporate legislation with respect to the corporate governance principles set out in Policy 4.

This section is not applicable.

3. General Development of the Business

3.1 Describe the general development of the Issuer's business over its three most recently completed financial years and any subsequent period. Include only major events or conditions that have influenced the general development of the Issuer's business. If the business consists of the production or distribution of more than one product or the rendering of more than one kind of service, describe the principal products or services. Also discuss changes in the business of the Issuer that are expected to occur during the current financial year of the Issuer.

The Corporation is the result of an amalgamation completed on January 23, 2007 between Talmora Resources Inc. and Canadian Diamind Limited.

Talmora Resources Inc. was a Junior Capital Pool Company formed under the rules of the Alberta Stock Exchange.

Canadian Diamind Limited ("Canadian Diamind") was a private Ontario junior exploration company established to explore for diamonds.

The Corporation has been continued into the Province of Ontario.

Property

In 2003 Canadian Diamind Limited acquired 3 prospecting permits on the Horton River, 120 kilometers south of Paulatuk, in the Inuvialuit Settlement Region of the Northwest Territories.

Prior to the amalgamation Canadian Diamind Limited applied for 9 additional exploration permits and these were granted on February 1, 2007. Three of the permits are located in the Inuvialuit Settlement Region and 6 in the Sahtu Settlement Region. At the 2007 year-end Talmora held 12 contiguous permits covering 645,718 acres. The three original permits expired January 31, 2008. However, claims were staked within the permit areas prior to the expiry date.

Four new permits (144,868 acres) in the Sahtu Settlement Region were granted to Talmora on February 1, 2008 but on February 28, 2008 "The Sahtu Secretariat Inc." and a number of other "Applicants" in the Sahtu Settlement Region applied for a judicial review of the decision of the Supervising Mining Recorder to issue 60 prospecting permits within the Sahtu Settlement Region on February 1, 2008 including the 4 issued to Talmora Diamond Inc.

The "Applicants" claim that they were insufficiently consulted and accommodated by the Supervising Mining Recorder before the permits were issued. The Minister Of Indian Affairs And Northern Development and The Supervising Mining Recorder intend to oppose the application. The application does not affect the adjoining 9 permits (432,285 acres) and 50 claims (41,939.8 acres) held by Talmora.

The Corporation now has 100% rights to thirteen prospecting permits covering 577,153 acres and 50 mineral claims covering 41,939.8 acres. The property is located on Crown Land and is surrounded by permits and claims held by Sanatana Diamonds.

Project

Canadian Diamind, a predecessor company to the Corporation, acquired the property on the basis of anomalous stream sediment samples that lie on a trend that is believed to be the northern projection of the Slave Diamond Corridor displaced to the west on a pre-Paleozoic

fault running along the north shore of Great Bear Lake and through Coronation Gulf. The Slave Diamond Corridor includes the Diavik, Ekati and Jericho diamond mines and the Snap Lake and Kennady Lake deposits being permitted for production.

Diamondex Resources Ltd. acquired 6 million acres (known as the West Lena project) in 2003 about 175 kilometers west of the Canadian Diamind permits and has reported significant results in press releases. In 2004 a record number of permits were awarded for diamond exploration in the Horton River – West Lena area as a result of the success of Darnley Bay Resources Limited and Diamondex Resources Ltd.

Canadian Diamind spent approximately $150,000 on an orientation sampling survey of its three original permits in the fall of 2004. The work included the collection of 127 till and stream samples of ten litres each and examination of the –1.00mm to +0.30mm concentrate fractions. This confirmed the presence of anomalous numbers of kimberlite indicator minerals and produced a guide for further sampling.

An airborne magnetic survey of the Company's three original permits and one of the adjoining permits awarded February 1, 2007 was completed at the end of June 2007. A number of magnetic dyke-like structures strike NNW across the property. The "dykes" appear to be at a depth of 600-800m and are parallel to and probably the extension of the swarm of "dykes" that cross the Parry Peninsular and cut the "large magnetic anomaly" being explored by Darnley Bay for base metals at Paulatuk 120k to the NNW. The latter "dykes" have a spatial relation to the Darnley Bay kimberlites.

Along one of the "dykes" on the west side of Talmora's property are 4 strongly magnetic circular structures or "blows" which have model widths of about 700-1300m and appear to be at the same depth as the "dyke". The "blows" may be related to the "dykes" in the same way that the "large magnetic anomaly" at Paulatuk may be related to the "dykes" at that location. The "blows" may be the feeder pipes of an intrusive similar to that which is believed to be the cause of the "large magnetic anomaly" at Paulatuk or of an extrusive that has subsequently been eroded.

Anomalies of low magnetic susceptibility are of interest as kimberlite targets. Many of these anomalies coincide with small lakes and are concentrated along the "dykes" especially the "dyke" with the circular "blows". Some of them were ground truthed in the field program carried out in the later half of August. The field program included staking of the kimberlite targets and sampling of the tills for kimberlite indicator minerals down-ice of the magnetic targets.

The coarse (-0.50+0.30mm) fractions of all 178 till samples collected in 2007 have now been examined for kimberlite indicator minerals (KIMs) and results have been received. These samples were specifically collected down-ice of pipe-like magnetic anomalies in order to prioritize the anomalies for drill testing.

The KIMs recovered from samples collected in 2007, are very much more numerous (37 times) than the KIMs recovered from samples collected in 2004, which tested the same

general area but were not located with respect to magnetic targets. There is a strong correlation between KIMs and magnetic anomalies.

Magnetic anomalies that have anomalous KIMs down-ice will be tested by drilling and additional magnetic anomalies must be sampled. An airborne magnetic survey and reconnaissance sampling of the new permits should proceed at the same time. A more extensive program is required than any carried out by the company to date and a major funding is essential.

A program costing $2,000,000 - $4,000,000 should establish the potential of the new permits for hosting kimberlites and confirm whether or not kimberlites are present on the part of the property explored to date. Micro-diamond analysis of initial kimberlite samples will determine whether further investigation is warranted in which case an additional budget in the order of $10,000,000 -$15,000,000 would be required.

Instruction: Include the business of subsidiaries only insofar as is necessary to explain the character and development of the business conducted by the combined enterprise.

3.2 Disclose:

(1) (a) any significant acquisition completed by the Issuer or any significant probable acquisition proposed by the Issuer, for which financial statements would be required under Part 6 or 7 of OSC Rule 41-501 if this Listing Statement were a prospectus; and

(b) any significant disposition completed by the Issuer during the most recently completed financial year or the current financial year for which *pro forma* financial statements would be required under Part 8 of OSC Rule 41-501 if this Listing Statement were a prospectus.

(2) Under paragraph (1) include particulars of

(a) the nature of the assets acquired or disposed of or to be acquired or disposed of;

(b) the actual or proposed date of each significant acquisition or significant disposition;

(c) the consideration, both monetary and non-monetary paid, or to be paid, to or by the Issuer;

(d) any material obligations that must be complied with to keep any significant acquisition or significant disposition agreement in good standing;

(e) the effect of the significant acquisition or significant disposition on the operating results and financial position of the Issuer;

(f) any valuation opinion obtained within the last 12 months required under Canadian securities legislation or Canadian securities directives of a Canadian securities regulatory authority or a requirement of a Canadian stock exchange or other Canadian market to support the value of the consideration received or paid by the Issuer or any of its subsidiaries for the assets, including the name of the author, the date of the opinion, the assets to which the opinion relates and the value attributed to the assets; and

(g) whether the transaction is with a Related Party of the Issuer and if so, disclose the identity of the other parties and the relationship of the other parties to the Issuer.

The Corporation has not completed any significant acquisitions since the date of its amalgamation and there are no significant probable acquisitions proposed by the Corporation for which financial statements would be required under Part 6 or 7 of OSC Rule 41-501. The Corporation has not completed any significant dispositions during the most recently completed financial year or the current financial year for which *pro forma* financial statements would be required under Part 8 of OSC Rule 41-501.

3.3 Discuss any trend, commitment, event or uncertainty that is both presently known to management and reasonably expected to have a material effect on the Issuer's business, financial condition or results of operations, providing forward-looking information based on the Issuer's expectations as of the date of the Listing Statement.

The Corporation is subject to certain risk and uncertainties as disclosed in section 16, "Risk Factors".

Instruction: Issuers are encouraged, but not required, to supply other forward-looking information. Optional forward-looking disclosure involves anticipating a future trend or event or anticipating a less predictable effect of a known event, trend or uncertainty. This other forward-looking information is to be distinguished from presently known information that is reasonably expected to have a material effect on future operating results, such as known future increases in costs of labour or materials, which information is required to be disclosed.

4 Narrative Description of the Business

4.1 General

(1) Describe the business of the Issuer with reference to the reportable operating segments as defined in the Handbook and the Issuer's business in general. Include the following for each reportable operating segment of the Issuer:

The principal business of the Corporation carried on and intended to be carried on is the acquisition, exploration and development of diamond properties, including, but not limited to, the Horton River area, which is currently in the exploration stage.

(a) State the business objectives that the Issuer expects to accomplish in the forthcoming 12-month period.

The Corporation's business objectives in the next 12 months and beyond are to raise funds to undertake a two-phased program of diamond exploration on the Horton River area.

Phase 1 will consist of activities grouped into six partly overlapping categories: (1) compilation and analysis of existing data, including samples obtained during the 2007 program, (2) initial drilling of magnetic anomalies with associated KIMs to identify kimberlites, (3) ground magnetic surveying of selected airborne targets (4) conducting an airborne survey of the new permits, (5) further sampling, and (6) claim staking.

The initiation of the Phase 2 will be dependent upon encouragement from Phase 1 and will consist of drilling to delineate kimberlites and obtain bulk samples for diamond analysis.

(b) Describe each significant event or milestone that must occur for the business objectives in (a) to be accomplished and state the specific time period in which each event is expected to occur and the costs related to each event.

The Corporation expects the Phase 1 program will take 12-18 months to complete and cost a total of $2-4,000,000.

If the first phase of exploration is successful, the second phase of exploration will be undertaken.

The proposed budget for the diamond exploration program will be broken down as follows:

Phase 1:		2-4,000,000
Phase 2:		10-15,000,000
	Total	12-19,000,000

(c) Disclose the total funds available to the Issuer and the following breakdown of those funds:

(i) the estimated consolidated working capital (deficiency) as of the most recent month end prior to filing the Listing Statement; and

As at April 30, 2008, the Corporation had an estimated consolidated working capital in the amount of Cdn $197,493

(ii) the total other funds, and the sources of such funds, available to be used to achieve the objectives and milestones set out in paragraphs (a) and (b).

The Corporation intends to raise significant additional financing in order to achieve the objectives and milestones set out in paragraphs (a) and (b).

(d) Describe in reasonable detail and, if appropriate, using tabular form, each of the principal purposes, with approximate amounts, for which the funds available described under the preceding paragraph will be used by the Issuer.

The Corporation intends to use the funds available to implement the exploration program described above, as follows:

Complete and evaluate the analyses of the +0.25 -0.30 mm fractions of the 2007 samples.

Initiate a drill program to test as many magnetic anomalies with associated KIMs down-ice as possible. Sufficient kimberlite will be recovered from each target to provide fresh KIMs for mineralogical study and a preliminary microdiamond analysis. There are 33 targets with associated KIMs and if most of these are kimberlite there are many more magnetic anomalies (60+) that can be tested without need for sampling. The amount of money raised will determine the extent of the drill program and the amount of work that will be done on the new permits.

An airborne magnetic survey will be flown over some of the new permits. It should be flown at no greater than 200m line spacing, and preferably at 100m line spacing. This should define magnetic bodies that could represent additional kimberlite intrusions.

Kimberlite targets detected on the new permits, especially those south of 68°N, will be staked before the permits expire in 2010 and 2011 respectively.

Bedrock mapping and prospecting will be carried out around magnetic anomalies. The prospecting portion of this survey should be concentrated on searching for kimberlite boulders and outcrop, as well as tracing the source of the fercrete.

Heavy-mineral sampling (stream-sediments and tills) will be conducted over the new permit areas. These samples should be sorted and concentrated to +0.25mm to ensure compatibility with the results of the 2004 and 2007 surveys.

Much of the sampling, staking, prospecting, and mapping (bedrock and surficial) can be conducted simultaneously with the drilling. A reduced drill program will result in the other work being scaled back accordingly

An ideal and a minimum budget for Phase 1 is presented below:

	Ideal	**Minimum**
Sample processing	$55,000	$55,000
Data processing & planning	$70,000	$70,000
Drilling & camp	(3mo)$2,500,000	(6wk)$1,075,000
Airborne survey (12,000 k)	$425,000	$50,000
Staking	$75,000	$50,000
Sampling program	$375,000	$200,000
Supervision & support	$500,000	$500,000
Total	**$4,000,000**	**$2,000,000**

Instructions:

(1) The description of the Issuer's business objectives should also provide the context for the description of the milestones which are required to be disclosed. For example, one business objective of an Issuer may be to commence marketing and licencing technology nationally through direct sales and a network of agents; a milestone may be to conduct four feasibility studies over the next ten months to facilitate marketing of the technology, with an anticipated cost of $X for the studies.

(2) For the purposes of paragraph (1)(b), examples of significant events would include the hiring of key personnel, making major capital acquisitions, obtaining necessary regulatory

approvals, implementing marketing plans and strategies and commencing production and sales.

(e) For principal products or services,

(i) the methods of their distribution and their principal markets;

(ii) as dollar amounts or as percentages, for each of the two most recently completed financial years, the revenues for each category of principal products or services that accounted for 15 per cent or more of total consolidated revenues for the applicable financial year derived from

(A) sales to customers, other than investees, outside the consolidated entity,

(B) sales or transfers to investees; and

(C) sales or transfers to controlling shareholders; and

(iii) if not fully developed, the stage of development of the principal products or services and, if the products are not at the commercial production stage,

(A) the timing and stage of research and development programs,

(B) the major components of the proposed programs, including an estimate of anticipated costs,

(C) whether the Issuer is conducting its own research and development, is subcontracting out the research and development or is using a combination of those methods, and

(D) the additional steps required to reach commercial production and an estimate of costs and timing.

Talmora Diamond Inc. is a precious minerals exploration company and does not produce any products or services.

(f) Concerning production and sales

(i) the actual or proposed method of production of products and if the Issuer provides services, the actual or proposed method of providing services;

(ii) the payment terms, expiration dates and terms of any renewal options of any material leases or mortgages, whether they are in good standing and, if applicable, that the landlord or mortgagee is a Related Person of the Issuer;

(iii) specialized skill and knowledge requirements and the extent that the skill and knowledge are available to the Issuer;

(iv) the sources, pricing and availability of raw materials, component parts or finished products;

(v) the importance, duration and effect on the segment of identifiable intangible properties such as brand names, circulation lists, copyrights, franchises, licences, patents, software, subscription lists and trademarks;

(vi) the extent to which the business of the segment is cyclical or seasonal;

(vii) a description of any aspect of the Issuer's business that may be affected in the 12 months following the date of the Listing Statement by renegotiation or termination of contracts or sub-contracts and the likely effect;

(viii) the financial and operational effects of environmental protection requirements on the capital expenditures, earnings and competitive position of the Issuer in the current financial year and the expected effect, on future years;

(ix) the number of employees, as at the most recent financial year end or as an average over that year, whichever is more relevant; and

(x) any risks associated with foreign operations of the Issuer and any dependence of the segments upon the foreign operations.

This section is not applicable.

(g) The competitive conditions in the principal markets and geographic areas in which the Issuer operates, including, if reasonably possible, an assessment of the Issuer's competitive position.

This section is not applicable

(h) With respect to lending operations of an Issuer's business, the investment policies and lending and investment restrictions.

This section is not applicable

(2) Disclose the nature and results of any bankruptcy, or any receivership or similar proceedings against the Issuer or any of its subsidiaries or any voluntary bankruptcy, receivership or similar proceedings by the Issuer or any of its subsidiaries, within the three most recently completed financial years or the current financial year.

The Corporation has not been the subject of any bankruptcy, receivership or similar proceeding, whether voluntary or otherwise, within the three most recently completed financial years or the current financial year.

(3) Disclose the nature and results of any material reorganization of the Issuer or any of its subsidiaries within the three most recently completed financial years or the current financial year.

The Corporation is the result of an amalgamation completed on January 23, 2007 between Talmora Resources Inc. and Canadian Diamind Limited.

Talmora Resources Inc. was a Junior Capital Pool Company formed under the rules of the Alberta Stock Exchange.

Canadian Diamind was a private Ontario junior exploration company established to explore for diamonds.

The Corporation has been continued into the Province of Ontario.

There have been no other material reorganizations completed by the Corporation within the three most recently completed financial years and the current financial year.

Instructions:

(1) The Issuer's stated business objectives must not include any prospective financial information with respect to sales, whether expressed in terms of dollars or units, unless the information is derived from a financial forecast or financial projection prepared in accordance with National Policy Statement No. 48 or any successor instrument and is included in the Listing Statement.

(2) Where sales performance is considered to be an important objective, it must be stated in general terms. For example, the Issuer may state that it anticipates generating sufficient cash flow from sales to pay its operating cost for a specified period.

4.2 For issuers with asset backed securities outstanding provide the disclosure required by items 6.2 and 10.3 of OSC Form 41-501F1 as if the securities were or were being distributed under a prospectus .

Corporation has no asset-backed securities outstanding.

Instructions:

(1) For the purposes of this item "asset backed security" has the same meaning as in item 6.2 of Form 41-501F1.

4.3 For Issuers with a mineral project, disclose the following information for each property material to the Issuer:

The Corporation holds 1 property, the **Horton River Property**.

(1) Property Description and Location

(a) The area (in hectares or other appropriate units) and location of the property.

The Company currently holds thirteen prospecting permits (577,153 acres) and 50 claims (41,939.8 acres) in the Horton River area, approximately 95-190 km south of Paulatuk in the Northwest Territories. three of the permits (214,983 acres) are in the Inuvialuit Settlement Area and ten of the permits (362,170 acres) are in the adjoining Sahtu Settlement Area.

The property is centred at 68º 07' 30" Latitude and 123º 30' 00" Longitude and is included on NTS map sheets 97A-5 NW & SW; 97A-4 NW, SW & SE; 97A-3 SW; 96N-16 NE &SE; 96O-13 SW & SE; 96O-14 NE, NW, SE & SW, and 96O-15 NW & SW.

(b) The nature and extent of the Issuer's title to or interest in the property, including surface rights, obligations that must be met to retain the property and the expiration date of claims, licences and other property tenure rights.

The Corporation owns 100% of the property which is located on Crown land. The Crown owns both mineral and surface rights to the permit and claim areas, the exploration and exploitation of which is governed by the Canada Mining Regulations. Prospecting permits, claims, mining leases and work permits are dealt with under the Regulations. The Land Settlement Agreements deal with environmental matters, creates environmental agencies and related procedures, and provides the Inuvialuit and Sahtu with equal representation on the

agencies. Those who conduct economic activity in the Region need their approval.

The permits require a deposit paid in advance, refundable when equivalent exploration work has been performed, of $0.10/acre for the first work period, $0.20/acre for the second work period and $0.40/acre for the third work period. The first and second work periods are 2 years north of 68°N latitude and 1 year south of 68°N latitude. Areas of interest within the permits may be staked by the permit holder before the expiration of the permits but may not be staked by the permit holder for 1 year after the expiration of the permits.

Claims require assessment work of $4.00/acre for the first two years and $2.00/acre for each year thereafter.

Six permits (217,302 acres) south of 68°N in the Sahtu region are valid until January 31, 2010 provided performance deposits are made or work is done amounting to $86,921 before January 31, 2009. A performance deposit of $21,730 has been made for year one and $43,461 has been made for year two. Assessment credits for work performed in 2007 if and when approved will be applied against two of the permits resulting in a refund of $21,730.2 for years one and two and a reduction of $28,973.6 in the deposit required before January 31, 2009.

Three permits (214,983 acres) north of 68°N in the Inuvialuit region are valid until January 31, 2012 provided performance deposits are made or work is done amounting to $42,997 before January 31, 2009 and $85,994 before January 31, 2011. A performance deposit of $21,498 has been made for the first two year period. Assessment credits for work performed in 2007 if and when approved will be applied against all three of the permits resulting in a refund of $21,498.3 for year one and a reduction of $41,043.3 in the deposit required before January 31, 2009.

The four permits (144,868 acres) subject to an application for judicial review and located south of 68°N in the Sahtu region are valid until January 31, 2011 provided performance deposits are made or work is done amounting to $28,973.6 before January 31, 2009 and $57,947.2 before January 31, 2010. A performance deposit of $14,486.8 has been made for year one.

Details of the permits and claims are shown below:

Permit #	NTS Sheet	Expiry Date	Acres	Region
2827(Lapsed)	97 A4 NW	January 31, 2000	71,661	Inuvialuit
2828(Lapsed)	97 A5 NW	January 31, 2008	70,886	Inuvialuit
2829(Lapsed)	97 A5 SW	January 31, 2008	70,886	Inuvialuit
7307	97 A4 SW	January 31, 2012	71,661	Inuvialuit
7306	97 A4 SE	January 31, 2012	71,661	Inuvialuit
7305	97 A3 SW	January 31, 2012	71,661	Inuvialuit

7309	96 O14 N	January 31, 2010	36,217	Sahtu (Deline)
7311	96 O14 SW	January 31, 2010	36,217	Sahtu (Deline)
7308	96 O14 NE	January 31, 2010	36,217	Sahtu (Deline)
7310	96 O14 SE	January 31, 2010	36,217	Sahtu (Deline)
7312	96 O15 NW	January 31, 2010	36,217	Sahtu (Deline)
7313	96 O15 SW	January 31, 2010	36,217	Sahtu (Deline)
7618(New)	96 N16 SE	January 31, 2011	36,217	Sahtu (K'asho Got'ine)
7619(New)	96 N16 NE	January 31, 2011	36,217	Sahtu (K'asho Got'ine)
7620(New)	96 O13 SE	January 31, 2011	36,217	Sahtu (Deline)
7621(New)	96 O13 SW	January 31, 2011	36,217	Sahtu (Deline)

Claims

Tag #	**Name**	**NTS Sheet**	**Record Date**	**Acres**
F96901	RD1	97 A/4	October 11, 2007	2,582.50
F96902	RD2	97 A /4	October 11, 2007	2,582.50
F96903	RD3	97 A /4	October 11, 2007	2,582.50
F96904	RD4	97 A /4	October 11, 2007	2,582.50
F96905	RD5	97 A /4	October 11, 2007	2,582.50
F96906	RD6	97 A /4	October 11, 2007	2,582.50
F96907	RD7	97 A /4	October 11, 2007	2,582.50
F96908	RD8	97 A /4	October 11, 2007	2,582.50
F96909	RD9	97 A /4	October 11, 2007	2,582.50
F96910	RD10	97 A /5	October 11, 2007	2,582.50
F96911	RD11	97 A /5	October 11, 2007	2,582.50
F96912	RD12	97 A /5	October 11, 2007	2,582.50
F96913	RD13	97 A /5	October 11, 2007	2,582.50
F96914	RD14	97 A /5	October 11, 2007	2,582.50
F96915	RD15	97 A /5	October 11, 2007	2,582.50
F96916	RD16	97 A /5	October 11, 2007	206.60
F96917	RD17	97 A /5	October 11, 2007	51.65
F96918	RD18	97 A /5	October 11, 2007	51.65
F96919	RD19	97 A /5	October 11, 2007	51.65
F96920	RD20	97 A /4	October 11, 2007	51.65
F96921	RD21	97 A /4	October 11, 2007	51.65
F96922	RD22	97 A /5	October 11, 2007	206.60
F96923	RD23	97 A /4	October 11, 2007	51.65
F96924	RD24	97 A /4	October 11, 2007	103.30
F96925	RD25	97 A /5	October 11, 2007	51.65
F96926	RD26	97 A /5	October 11, 2007	51.65
F96927	RD27	97 A /5	October 11, 2007	51.65
F96928	RD28	97 A /5	October 11, 2007	51.65
F96929	RD29	97 A /5	October 11, 2007	51.65
F96930	RD30	97 A /5	October 11, 2007	51.65
F96931	RD31	97 A /5	October 11, 2007	51.65
F96932	RD32	97 A /5	October 11, 2007	51.65

F96933	RD33	97 A /5	October 11, 2007	51.65
F96934	RD34	97 A /5	October 11, 2007	51.65
F96935	RD35	97 A /5	October 11, 2007	206.60
F96936	RD36	97 A /5	October 11, 2007	51.65
F96937	RD37	97 A /5	October 11, 2007	51.65
F96938	RD38	97 A /5	October 11, 2007	103.30
F96939	RD39	97 A /5	October 11, 2007	309.90
F96940	RD40	97 A /5	October 11, 2007	103.30
F96991	RD41	97 A /5	October 11, 2007	51.65
F96992	RD42	97 A /5	October 11, 2007	51.65
F96993	RD43	97 A /5	October 11, 2007	51.65
F96994	RD44	97 A /5	October 11, 2007	51.65
F96995	RD45	97 A /5	October 11, 2007	51.65
F96996	RD46	97 A /5	October 11, 2007	51.65
F96997	RD47	97 A /4	October 11, 2007	51.65
F96998	RD48	97 A /4	October 11, 2007	309.90
F96999	RD49	97 A /4	October 11, 2007	51.65
F97000	RD50	97 A /4	October 11, 2007	309.90

(c) The terms of any royalties, overrides, back-in rights, payments or other agreements and encumbrances to which the property is subject.

The property on which the Corporation's permits lie is not subject to any royalties, overrides, back-in rights, payments or other agreements or encumbrances.

(d) All environmental liabilities to which the property is subject.

The property on which the Corporation's permits lie is not subject to any reported or known environmental liabilities.

(e) The location of all known mineralized zones, mineral resources, mineral reserves and mine workings, existing tailings ponds, waste deposits and important natural features and improvements.

There are no known mineralized zones, mineral resources, mineral reserves and mine workings, existing tailings ponds, waste deposits and important natural features and improvements.

(f) To the extent known, the permits that must be acquired to conduct the work proposed for the property and whether permits have been obtained.

A land use permit will be required to conduct a drill program if the drill equipment, excluding drill rods, pumps, and other ancillary equipment weighs

more than a 500 kg threshold. Application for a land use permit will be made when and if required.

A drill weighing less than the 500 kg threshold will require a water use permit if water is used.

A drill program of any sort may require a land use permit if it is necessary to establish a camp of more than two people for more than 100 man-days.

(2) Accessibility, Climate, Local Resources, Infrastructure and Physiography

(a) The means of access to the property.

Helicopter and fixed-wing aircraft provide access to the property from Paulatuk, Colville Lake, Inuvik and Norman Wells. Twin Otter aircraft with off-strip tyres land on gravel bars of the Horton River

Canoe access along the Horton River is possible.

(b) The proximity of the property to a population centre and the nature of transport.

Paulatuk is a coastal community with a population of about 275. It has a 1,200 m gravel airstrip with three times weekly scheduled air service. From mid-August to late September there is barge service from Inuvik.

(c) To the extent relevant to the mining project, the climate and length of the operating season.

Temperatures range from –20° C to –35° C in the winter months (mid-October through mid-May) and 5° C to 20° C in the summer months (mid-May through mid-October). Mean annual rainfall is 200 to 300mm in the summer and mean annual snowfall is 60 to 80cm in winter.

The operating season is during the winter freeze-up, and in the summer months.

(d) The sufficiency of surface rights for mining operations, the availability and sources of power, water, mining personnel, potential tailings storage areas, potential waste disposal areas, heap leach pads areas and potential processing plant sites.

Surface rights of the property are held by the Crown. Management is not aware of any reason why they should not be used for mining operations.

The nearest available source of power is at Paulatuk, located 120 kilometres to the north. Power would have to be generated on site.

A limited number of mining personnel may be found in Paulatuk, which has a population of approximately 275 people. Additional personnel may be flown in from other northern villages or from southern Canada.

Potential tailing storage areas, waste disposal areas and processing plant sites are sufficient should a discovery lead to the development of a mine. Talmora Diamond Inc. is exploring for diamonds and heap leach pad areas are not a factor in diamond mining.

(e) The topography, elevation and vegetation.

The topography, elevation, and vegetation of the Horton River area has been described in the Millard Report as follows:

The area of the Talmora permits is within the Mackenzie Lowlands. It is located on upland area of low to moderate relief deeply incised by the Horton River and some of its tributaries. Elevations range from 240m (ASL) at the level of the Horton River to about 460m in upland areas. The higher elevations are relatively smooth, generally featureless, and well drained with scattered small lakes, many of which are sinkholes. There are very few wetlands or muskegs.

(3) History

(a) The prior ownership of the property and ownership changes and the type, amount, quantity and results of the exploration work undertaken by previous owners, and any previous production on the property, to the extent known.

The history of the exploration work undertaken by previous owners, and any previous production on the property, has been summarized as follows in the Millard Report:

DBR collected 64 high-energy stream-sediment samples over the southern part of their project area in 2000. Many of these contained indicator minerals, mostly the heavier ilmenites and spinels, but also a few garnets and clinopyroxenes. The Canadian Diamind permits, which include 17 of these sample-sites, were acquired in 2003 on the basis of this survey.

<u>Property Acquistion</u>

Canadian Diamind funded the acquisition of the permits based upon the results of work done by DBR and under an agreement with that company.

Canadian Diamind granted DBR an option to purchase 100% of the permits before March 2003. DBR was not able to exercise the options and Canadian Diamind became the unencumbered owner of the permits. Canadian Diamind granted DBR a new option to purchase a 50% interest in the permits before October 31, 2003 and again DBR was not able to do so.

The agreement with DBR allows Canadian Diamind to disclose to third parties the results of exploration work conducted by DBR on the permits. Much of DBR's exploration data is, or has been, available on its web site.

The permits were acquired as a diamond prospect on the basis of anomalous stream sediment samples and because the permits lie on the extension of a favourable zone of diabase dykes along which DBR has discovered 10 kimberlite pipes (6 known to be diamondiferous).

(b) If a property was acquired within the three most recently completed financial years of the Issuer or during its current financial year from, or is intended to be acquired by the Issuer from, an insider or promoter of the Issuer or an associate or affiliate of an insider or promoter, the name and address of the vendor, the relationship of the vendor to the Issuer, and the consideration paid or intended to be paid to the vendor.

This section is not applicable.

(c) To the extent known, the name of every person or company that has received or is expected to receive a greater than five per cent interest in the consideration received or to be received by the vendor referred to in subparagraph (b).

This section is not applicable.

(4) Geological Setting — The regional, local and property geology.

The geological setting, including regional, local and property geology, has been described as follows in the Millard Report:

Regional Geology

The regional bedrock geology of the Horton River area consists of a north-westward thickening sequence of Phanerozoic, primarily Paleozoic, sediments overlying Proterozoic metasediments. This sequence has been intruded by diabase dykes and sills related to the Franklin Igneous Event (718–723 Ma).

Bedrock Geology

Sedimentary Rocks

Proterozoic metasediments are exposed in the Brock Inlier northeast of the permit area, in Tuktut Nogait National Park. Balkwill and Yorath (1970) mapped the Brock River Area (NTS 97D), which is to the north and northeast, thus describing the sedimentary rocks in the region. Their observations, combined with drill core observations from Darnley Bay Resources DB-001, located on Thrasher Lake, approximately 85 km north of the permit area is as follows (after Casselman et al, no date):

Quaternary

Alluvium and delta deposits (Qa): Gravel, sand, silt, and clay river deposits and outwash fans (not intersected in DB-001).
Moraines and eskers (Qm): Gravel, sand, silt, clay, and till deposits (0 – 31m in DB-001).

Lower Cretaceous

Horton River Formation (Kh): Soft, plastic, black shale and ironstone (not intersected in DB-001).

Langton Bay Formation Kl): Sandstone and minor coal, mudstone, and siltstone (31 – 137m in DB-001).

Lower to Middle Devonian

Hare Indian Formation (Dhi): Green shale at the top and black, highly fissile shale at the base with local beds of siltstone and limestone (137-365m in DB-001).

Hume Formation (Dh): Well bedded and rubbly, highly fossiliferous limestone with interbedded shale in the middle and towards the base (not intersected in DB-001).

Bear Rock Formation (Db): Dolomite with maroon shale at base (365-377m in DB-001).

Upper Cambrian to Lower Ordovician

Ronning Group: Believed to be correlative with the Franklin Mountain Formation. Upper unit is dolomite with drusy quartz and stomatolitic and oolitic chert; Middle unit is interbedded pale gray and pale orange dolomite; Lower unit is thin-bedded dolomite with cyclic repetitions of laminated beds, oolitic beds, stromatolitic beds, and dolomitic shale (377-964m in DB-001; Middle unit not intersected).

Cambrian

Saline River Formation (Cs): Laminated red and green shale, buff siltstone and dense, flaggy dolomite with halite and thin gypsum beds (964-1051m in DB-001).

Mount Cap Formation (Ccp): Glauconitic sandstone with minor intraformational conglomerates and green and gray shale/mudstone (1051-1091m in DB-001).

Mount Clark Formation (Cck): Light gray to white sandstone/arenite with intraformational arenite pebble conglomerate, local beds of red and green quartz arenite (1091-1137m in DB-001).

Old Fort Island Formation (Co): White, gray, locally red and green, cross-bedded quartz arenite/sandstone (1137-1167m in DB-001).

Proterozoic

Shaler Group – Escape Rapids Formation: (1167-1200m in DB-001).

Bloody Falls Member: Fine to medium grained, cross-bedded to ripple cross-laminated quartz arenite and lith-arenite interbedded with ripple cross-laminated to plain laminated siltstone. Thin interbeds of argillaceous concretionary limestone and stromatolitic dolostone common near the top (1200 –1812m in DB-001).

Intrusive Rocks

Rocks that intrude the above sedimentary sequence include diabase dykes and sills as well as kimberlite pipes. Diabase dykes and sills, believed to be of the Late Proterozoic Franklin Igneous Event (718-723 Ma), intrude the Precambrian rocks east of the permit area.

Ten kimberlite pipes were discovered by DBR on the Parry Peninsula, northwest of Paulatuk. The kimberlites intrude Cambrian-Devonian rocks and one has been dated at 270 Ma. Six of the eight kimberlites tested are diamondiferous.

<u>Relation of Diabase Dykes and Kimberlites</u>

A correlation between diabase dykes and kimberlites has been established in the Slave Province. Most of the diamondiferous kimberlites occur close to the central core or the most concentrated part of the Mackenzie dyke swarm (1220 Ma). Although much younger (52 Ma), the kimberlites have followed the same deep-seated fractures as the dykes.

Deep-seated, northwest trending, linear magnetic anomalies, believed to be part of the Franklin diabase dyke swarm, are located on the permit area (Davies, 2005). Although of different ages, the Franklin dykes are parallel to the Mackenzie dyke swarm of the Slave province. There is reason to believe that the fractures occupied

by both dyke swarms are related and that the Franklin fractures are displaced as much as 350 km to the west of the Mackenzie fractures by a major Precambrian fault (Figure 3).

Quaternary Geology

The region was glaciated numerous times during the Late Wisconsinan. Yorath et al. (1974) report the presence of three till units in a river cut along the lower reaches of Horton River. Klassen (1971) reports that regionally, some localized areas remained unglaciated during the last of these Late Wisconsinan glacial events.

Prest et al. (1968) show a regional southeast to northwest ice direction. Ice flowed north-westerly from the Keawtatin Ice Divide during the Late Wisconsinan. In this region, the Laurentide Ice Sheet formed two major lobes: one offshore in the Amundsen Gulf flowed generally west and southwest, whereas the lobe pertinent to the present report flowed generally northwest (Figure 4).

Local Geology of the Permit Area

Bedrock Geology

No bedrock mapping has been conducted over the land encompassed by the Canadian Diamind permits to date. However, field observations indicate that the area is covered by gently sloping to flat-lying Paleozoic rocks, which form a carbonate plain of low relief, generally less than 50m. This plain or plateau has been deeply incised, up to about 230m, by the Horton River and its tributaries.

A small outlier of Cretaceous(?) sediments was observed near the northwest corner of the permit area (Millard, 2004).

Quaternary Geology

Prest et al. (1968) show a general southeast to northwest ice-flow direction over the permit area. Veillette (2000) mapped the surficial geology of the area for DBR, based primarily upon air-photo interpretation. Both studies indicate a general southeast to northwest ice-flow direction. This direction is reflected by the low-amplitude flutings that can be found west of the Horton River in the central part of the permit area. The orientation of these flutes indicates that the last ice-flow direction was from approximately 140^0. No evidence of more westerly flowing ice, as mapped by Veillette (2000) a short distance to the west and northeast of the permit area, was observed during Millard's (2004) investigation.

Glacial sediments are represented by ground moraine. Ground moraine in the permit area is composed of subglacial, or basal till and is usually less than about 3m thick, although in some areas, particularly those that are fluted, it becomes somewhat thicker. These till deposits are readily identifiable by the presence of mudboils. The till has a silty matrix and contains a very low (<1%) component of Precambrian rocks in the coarse fraction. That postglacial colluvial processes have often affected

these deposits is evident from the solifluction lines that are readily apparent from the air and on the ground.

Low-amplitude chaotic ridges occur near the northwest corner of the permit area. These features, which can be observed on the air photos as a donut-and-brain pattern, represent thin, hummocky ablation moraine lying directly upon the ground moraine. These deposits consist of bouldery, sandy ablation till and are rare. That they are quite thin is suggested by the presence of mudboils, indicative of basal till, found in many of the low areas between the ridges.

Glaciofluvial features are, for the most part, restricted to terraces found along the Horton River and many of its tributaries: the Horton River was a major melt-water channel during deglaciation. Short, and generally low, esker ridges are occasionally located in some of the tributary valleys and, rarely, on the upland surfaces. Rather extensive sand plains, with a rather thick (<0.5m) peaty cover are found in the southwest part of the permit area near the tree line. These sediments, which are comprised of slightly gravely, well sorted, fine grained sand, are interpreted as being primarily outwash deposits that have been subsequently reworked by eolian processes.

Postglacial deposits include wetlands, eolian sediments, and fluvial deposits along the Horton River and its tributaries. Wetlands, commonly known as muskegs are rather rare in the upland areas, although relatively thick ($\leq$0.5m) and hummocky peat deposits occupy the sand plains discussed previously. In low areas occasional muskegs and string bogs can be found along the shoreline of many small ponds. The scarcity of wetlands reflects the generally good surficial drainage over much of the area. Eolian deposits are quite rare. Long (> 10 km in length), linear ridges, composed of well-sorted, fine-grained sand, occur near the southwest corner of the permit area on the sand plains discussed above. The orientation of these relict 'dunes' indicates a wind direction from approximately 335^0. Gravel bars and terraces along the Horton River and its tributary valleys represent modern fluvial deposits.

(5) Exploration Information — The nature and extent of all exploration work conducted by, or on behalf of, the Issuer on the property, including

(a) the results of all surveys and investigations and the procedures and parameters relating to surveys and investigations;

The nature and extent of all exploration work conducted by the Corporation and the mineralization encountered on the property have been summarized in the Millard Report as follows:

Deposit Type Being Explored

Deposit Model

The type of deposit being sought is a kimberlite diatreme(s) that contains diamonds. The diatreme(s) puncture through the Precambrian basement and the Cambrian - Devonian sedimentary units to reach the bedrock surface. This exposes the top of the diatreme(s) to weathering and partial erosion allowing distribution of kimberlite-indicator minerals (KIMs) into the glacial sediments. The glacial sediments are subsequently reworked so that KIMs can be detected in till and stream-sediment samples.

Background on Diamond Exploration

Source rocks that may contain diamonds include peridotite or eclogite. Diamond bearing peridotites and eclogites form at pressures and temperatures necessary to form and preserve diamonds ("diamond stability field"). These conditions are theorized to be located under thick, stable, Achaean age portions of the earth's crust or cratons and the diamond bearing peridotites and eclogites are found as discontinuous pods along an upper mantle horizon (Helmstaedt, 1993). The three varieties of diamond bearing peridotites are garnet harzburgite, chromite harzburgite, and garnet lherzolite.

The source rocks for diamonds are stable at mantle temperatures and pressures. A mechanism is required to rapidly bring the unstable mantle rocks to surface. A slow eruption of magma containing diamonds would probably result in oxidizing conditions and the carbon of the diamonds being resorbed into the magma, thus destroying the diamond crystals. Mantle source kimberlite magma erupts at high velocity and under reducing conditions and results in rapid cooling that promotes diamond preservation. Kimberlite magma is the most common transport medium that brings diamond-bearing igneous rocks from the upper mantle to surface. Lamproites and orangeites are other transport media.

Kimberlite

Kimberlite is a hybrid igneous rock that crystallized from a molten liquid or magma originating in the upper mantle below the diamond bearing peridotites and eclogites. The kimberlite magma has a high unstable volatile gas content that causes the magma to rapidly ascend through the upper mantle regime of high pressure, to the earth's surface (low pressure) along paths of least resistance.

The volatile gases further expand while the magma is ascending increasing the eruption velocity and fracturing the surrounding country rock. The fracturing results in rock fragments or xenoliths of the surrounding country rock becoming incorporated into the kimberlite magma. This process may result in upper mantle material, potential diamond bearing peridotite and eclogite through which the kimberlite magma passes, being disaggregated and incorporated into the kimberlite

magma. The type and amount of diamond bearing peridotite or eclogite entrained by the kimberlite magma determines the original diamond content of the kimberlite melt. The final kimberlite magma chemistry and mineralogy is a combination of the mantle source rocks and the crustal rocks through which the magma has erupted.

The eruption of kimberlite magma to surface forms a diatreme or kimberlite pipe (Mitchell, 1986, 1989, 1991). The actual shape of the kimberlite diatreme is controlled by the physical strength and weakness parameters of the country rock through which it erupts. Alternative shapes can include dykes or sills.

Kimberlite Indicator Minerals ("KIMs")

Kimberlites are characterized by the presence of KIMs. These minerals crystallized directly from a kimberlitic magma (phenocrysts), or are mantle-derived minerals (xenocrysts).

Important KIMs include: pyrope garnets, picroilmenite; titanium and magnesium-rich chromite; chrome diopside; magnesium-rich olivine; and eclogite garnets.

The initial work carried out by Dawson and Stephens (1975) was to classify pyrope garnet compositions. High-chrome pyrope garnets from harzburgite sources were classified as G10 garnets and pyrope garnets from lherzolite sources were classified as G9 garnets. Gurney (1984), Gurney and Moore (1993) and Fipke et al. (1995) redefined the G9 and G10 garnet fields on the basis of CaO and Cr_2O_3 compositions. G10 garnets are those low CaO peridotitic garnets that have compositions similar to 85% of peridotitic garnets found as inclusions in diamonds.

Further research of diamond inclusions identified composition ranges or diamond inclusion fields (DIFs) for other kimberlite minerals that are often found in kimberlites containing diamonds.

Work on kimberlitic ilmenites shows that diamonds in kimberlites with high Mg ilmenites, which formed under reducing conditions, are likely to show good diamond preservation features while those with low Mg ilmenites, which formed under oxidizing conditions, show varying degrees of resorbtion.

Mineralization

To date no bedrock diamond mineralization has been discovered on the Talmora permits. However, kimberlites on Parry Peninsula, 120 km to the NNW, are known to be diamondiferous. The Dharma kimberlite discovered by Sanatana 180 km to the SE is also diamondiferous. These kimberlites are located on an apparent trend that can be traced north-northwest across the permits.

Adjacent Properties

The Talmora permits are surrounded by permits and claims held by Sanatana Diamonds.

There has been no known exploration work conducted on the Talmora properties subsequent to DBL's regional stream-sediment sampling programme conducted in 2000 and prior to that done by Talmora in 2004. Sanatana Diamonds have sampled on a regional basis the tills on their permits surrounding Talmora and their published results show anomalous values down-ice of the Talmora permits. Sanatana have also flown airborne magnetic surveys but have not published locations.

Exploration

The reported mineral exploration in the Horton River area consists of regional heavy mineral sampling undertaken by DBL during the summer of 2000 and property-specific orientation surveys conducted by Canadian Diamind in August 2004 and by Talmora in August/September 2007.

Canadian Diamind spent approximately $150,000 on an orientation sampling survey of its three original permits in the fall of 2004. The work included the collection of 127 till and stream samples of ten litres each and examination of the –1.00mm to +0.30mm concentrate fractions. This confirmed the presence of anomalous numbers of kimberlite indicator minerals and produced a guide for further sampling. All the samples have now been examined to +0.25mm and all KIMs have been confirmed by microprobe analysis.

An airborne magnetic survey of the Company's three original permits and one of the adjoining permits was completed at the end of June 2007. A number of magnetic dyke-like structures strike NNW across the property. Along one of the "dykes" on the west side of Talmora's property are 4 strongly magnetic circular structures or "blows" which have model widths of about 700-1300m and appear to be at the same depth (600-800m) as the "dyke".

Anomalies of low magnetic susceptibility are of interest as kimberlite targets. Many of these anomalies coincide with small lakes and are concentrated along the "dykes" especially the "dyke" with the circular "blows". Some of them were ground truthed in the field program carried out in the later half of August. The field program included staking of the kimberlite targets and sampling of the tills for kimberlite indicator minerals down-ice of the magnetic targets.

The coarse (-0.50+0.30mm) fractions of all 178 till samples collected in 2007 have now been examined for kimberlite indicator minerals (KIMs) and results have been received. These samples were specifically collected down-ice of pipe-like magnetic anomalies in order to prioritize the anomalies for drill testing.

The KIMs recovered from samples collected in 2007, are very much more numerous (37 times) than the KIMs recovered from samples collected in 2004, which tested the same general area but were not located with respect to magnetic targets. There is a strong correlation between KIMs and magnetic anomalies. KIMs from the 2007 samples are yet to be confirmed by microprobe analysis.

2004 Sampling (KIMs microprobe confirmed)

Stream and till sampling was initiated on the property in 2004 to confirm earlier results and to determine which method of sampling would be more effective. At that time all concentrates were examined by HDM laboratory to +0.30 mm. The 30 stream samples produced 56 KIMs with multiple grains in 13 of them. New stream sample sites produced higher counts than the original anomalous DBR sites.

The DBR stream samples had been examined down to +0.25mm therefore duplicate samples at 5 of the anomalous DBR sites were examined in the same way. The anomalous DBR stream samples were confirmed and the work done on the duplicate samples established that very much higher KIM counts are obtained if concentrates are examined to +0.25 mm.

The 97 till samples had produced only 9 KIMs in the +0.30mm concentrates and only one had multiple grains (3). Concentrates were small averaging 1.32g per sample compared to 8.68g for the stream samples. In order to better evaluate the low KIM counts, especially in the tills, it was decided that the -0.30 +0.25 mm fractions of all the 2004 samples would be examined by HDM laboratory in 2007.

Sample Processing

In 2007 the -0.30mm fractions of 97 till and 20 stream samples were shipped to HDM laboratory in Loveland, Colorado where they were sieved to -0.30+0.25 mm and the heavies of the larger sub-samples were separated with lithium meta tungstate at SG2.90-3.00. The concentrates and smaller sub-samples were sorted and the KIMs were confirmed by microprobe analysis by Dr. Ingrid M. Kjaarsgaard at Carlton University.

Precision and repeatability

Size of sample will determine the number of KIMs recovered and the repeatability of the result. The larger the sample the better the repeatability but the cost of collecting a sample is the major cost in a helicopter supported program. The cost of examining the finer -0.30+0.25mm sample fraction is very much less than the cost of doubling the sample size and the fine fraction produces 6 times the number of KIMs as shown below.

Streams

In 2004 duplicate samples were taken at 5 stream sediment sites. As shown in table below repeatability of KIM counts was poor when concentrates were examined to +0.30 mm but counts were repeatable at a low level of precision provided they were examined to +0.25 mm.

Table

Talmora 2004 Duplicate Stream Sediments. Examined to +0.30 mm

Sample	Pyrope	Chrome diopside	Ilmenite	Chromite	Olivene	Total
7661			2	2		4
7662				1		1
7663						0
7664						0
7665			1			1
7666						0
7702			2			2
7703			1			1
7667	1		2	3		6
7791			2	3		5
	1		10	9	0	20

Talmora 2004 Duplicate Stream Sediments. Examined to +0.25 mm

Sample	Pyrope	Chrome diopside	Ilmenite	Chromite	Olivene	Total
7661			2	12		14
7662				25		25
7663			1	5		6
7664				16		16
7665			6	1		7
7666				2		2
7702			2	1		3
7703			3	14		17
7667			3	10		13
7791			4	15		19
	0	0	21	101	0	122

Till

Talmora has not tested tills for repeatability but Sanatana (2005) has done so on 16 sets of duplicate samples collected in the general area. Repeatability was poor even though their concentrates were examined down to 0.25mm. This emphasizes the need to examine all Talmora till samples to +0.25mm. The Sanatana findings are shown below and are of considerable value in the interpretation of the Talmora KIM counts.

Table

Sanatana 2004 Duplicate Till Samples.
Examined to -0.25 mm

	Sample	Pyrope	Cpx	Ilmenite	Chromite	Olivene	Total
156454						0	
156455						0	
158589				1		1	
158590				4		4	
158524	1			5		6	
158525						0	
156601					2	2	
156602				4		4	
156709						0	
156710						0	
156040						0	
156041						0	
156286						0	
156287			2	11		13	
156319						0	
156320	1					1	
156322		1				1	
156323		1				1	
156326				2		2	
156327	1	1				2	
156330						0	
156451		2	2			4	
156446	3					3	
156447						0	
156510	1			1		2	
156511						0	
156541						0	
156542						0	
156553	1	1	1	1		4	
156554						0	
156728				12		12	
156729				7		7	
	8	6	5	48	2	69	

The Sanatana duplicate till samples show that 5 of the 12 positive samples could be repeated with some degree of precision and 7 could not be repeated. There were 4 repeated barren samples.

Quality Control

HDM Laboratory routinely resort approximately 5% of their samples using a second sorter as a quality control check.

Ingrid Kjaarsgaard routinely runs quality control standards with her microprobe analyses.

Kimberlite Indicator Minerals (KIMs)

Chemical composition is generally sufficient to confirm whether a garnet or ilmenite is kimberlitic or not. However, chrome diopsides and chromites may have a "layered mafic complex" or other crustal source and newer plotting programs are being utilized by HDM laboratory to better establish their mantle affinity. As a result HDM now designate a chromite as kimberlitic if it falls outside the "layered mafic complex" field and as "mafic" if it falls within the "layered mafic complex" field and could still be kimberlitic (overlap area).

The De Beers laboratory presents chromite data in the traditional manner with the understanding that chrome diopside and chromite may have a layered complex or other crustal source and it is the overall trends that must be considered. Sanatana, who use the Kennecott laboratory, appear to use the same philosophy and plot all their chromites as Cr2O3 vs MgO. HDM used the same approach when they previously analysed the +0.30 mm fractions of the 2004 samples.

Talmora will follow the traditional usage for consistency. Kimberlite indicator minerals or KIMs will include minerals that indicate the presence of a kimberlite either by having compositions that are only found in rocks that have a mantle source (kimberlite field), or having compositions that are possibly found in rocks that have a mantle source (overlap field), or having compositions that lie on trends that include grains that probably have a mantle source or by showing a relation to other KIMs that strongly suggests that they are from the same source.

Sorting Results and Analyses

243 KIMs were recovered from the fine fractions. Most were from the stream samples but anomalous till samples were confirmed and some new anomalies defined. Of considerable interest was the recovery of chrome diopside in the fine fraction of a number of the samples for the first time. A comparison to the coarse (-1.00 +0.30 mm) fraction reported in 2005 is shown in tables below.

Table

Comparison of Total KIM Counts in Coarse (-1.00+0.30 mm) and Fine (-0.30+0.25 mm) Fractions of 2004 Stream and Till Samples

Number of Samples				Ilmenite	Pyrope	Ec. Garnet	C. D.	Chromite	Total
Streams	30	Coarse	Probed	25	4	2		25	**56**
		Fines	Probed	14			9	100	**123**
		Total		**39**	**4**	**2**	**9**	**125**	**179**
Tills	97	Coarse	Probed	5				4	**9**
		Fines	Probed	10	2		11	97	**120**
		Total		**15**	**2**	**0**	**11**	**101**	**129**

Table

Comparison of KIM Counts/Sample in Coarse (-1.00+0.30 mm) and Fine (-0.30+0.25 mm) Fractions of 2004 Stream and Till Samples

Number of Samples				Ilmenite	Pyrope	Ec. Garnet	C.D.	Chromite	Total
Streams	30	Coarse	Probed	0.83	0.13	0.07		0.83	**1.86**
		Fines	Probed	0.47			0.30	3.33	**4.10**
		Total		**1.30**	**0.13**	**0.07**	**0.30**	**4.16**	**5.96**
Tills	97	Coarse	Probed	0.05				0.04	**0.09**
		Fines	Probed	0.10	0.02		0.11	1.00	**1.23**
		Total		**0.15**	**0.02**	**0.00**	**0.11**	**1.04**	**1.32**

Stream Samples

The fine fraction of the stream samples contain 2.2 times the number of KIMs in the coarse fraction including 30% of the ilmenites, 80% of the chromites and all the CDs.

The most anomalous streams are two tributaries west of the Horton River which are strongly anomalous as far west as they have been sampled. Both these streams drain the densest cluster of pipe-like magnetic anomalies on the west side of the propertyIn general the KIM counts reflect the distribution of magnetic kimberlite targets.

Till Samples

The fine fraction of the till samples proved even more important than that of the stream samples containing 13.7 times the number of KIMs in the coarse fraction including 60% of the ilmenites, 97% of the chromites and again all the CDs.

Previously KIMs were recovered from the coarse (+0.30mm) fractions of 7 of the till samples with 1 KIM in each of 6 samples and 3 KIMs in another. In two cases adjacent samples were anomalous. It appeared that there were trains of KIMs crossing the property but these would be better defined with higher KIM counts.

Trains of KIMs including most of the chrome diopside grains are evident down-ice of a number of magnetic anomalies and can therefore help prioritize drill targets. Most of the chrome dioxide grains also have good diamond inclusion chemistry.

There are 10 trains crossing the fences of samples on the basis of a train having more than 1 KIM species or there being more than 2 grains of a single species.

Mineral Chemistry

The area of the Talmora permits has been affected by a period of lateritization and as a result many of the silicate KIMs have been destroyed by diagenetic processes. As a result the garnets and CDs that are so useful in indicating diamond potential are not present in the tills and stream sediments in any abundance and are therefore of limited use in prioritizing drill targets. Of the two silicate minerals only the chrome diopside grains show diamond inclusion chemistry (90%). Ilmenites and chromites that are relatively unaffected by lateritization are the most abundant KIMs and therefore the most useful.

Of the 6 peridotitic garnets recovered only 2 were from the fine fraction. They are all Lherzolitic (G9) in composition with a similar trend to one of the two trends of the Jericho kimberlite (Kopylova, 1998). While six is too small a number to expect any to be of Harzburgitic (G10) composition the source may, like Jericho or Victor (Sage, 2000), contain virtually no G10s. The intensity of corrosion of both peridotitic and eclogitic garnets by lateritization is not known and may vary with composition.

The TiO_2 vs Na_2O plot for eclogitic garnets shows no high Na grains. However, there are 3 &4 grains in the diamond inclusion field of the FeO vs MgO and TiO_2 vs CaO plots respectively.

The Cr_2O_3 vs CaO and Na_2O vs Al_2O_3 plots of the chrome diopsides were all found in the fine fractions sorted in 2007. Most grains have compositions that fall within the diamond inclusion field offering the encouragement one would normally hope to get from the garnets.

The Cr_2O_3 vs MgO plot of the ilmenites shows good diamond preservation characteristics.

The chromites on a variety of plots form a distinct trend with 0, 1, 1 & 3 grains in the diamond inclusion field or 16, 11, 7 & 7 grains in the Argyle field of chromites of the Cr_2O_3 vs MgO, Cr_2O_3 vs Al_2O_3, Cr_2O_3 vs TiO_2 and Al_2O_3 vs TiO_2 plots respectively.

The standard MgO vs Cr_2O_3 plot for all of Sanatana's chromites recovered in the region, which are considered by Sanatana to have good diamond chemistry (Sanatana, 2006), have a remarkably similar distribution of compositions to those of the Talmora chromites.

Ferricrete Float

Ferricrete cobbles up to 20cm were found in relative abundance on top of a frostboil in the till at one locality in the center of the property. It was also noted in the vicinity of many samples collected down-ice of magnetic targets in 2007 and appears to be of local origin. Calcrete float was also found on a gravel bar of the Horton River just west of the permits. Specimens of each of the rocks was described by McCallum [2005].

The ferricrete may be significant for the proper interpretation of KIM recovery in the area. The age of the ferricrete is not known but it must be exposed at the present landsurface which is also the source of the KIMs in the till.

ODM laboratory who concentrated the DBR samples noted that the concentrates from the area contained "few heavy minerals and the KIMs are biased to the heaviest (oxide) species, indicating significant KIM loss during panning". CDL samples from the same sites which were not panned produced almost identical results. However, HDM laboratory noted that the surface of the few garnets that CDL recovered showed corrosion features and some of the oxides showed some surface alteration. De Beers has noted the same features.

It is well known that in humid tropical climates pyrope is readily decomposed by chemical weathering while picroilmenite and chromite is resistant. Gregory and Janse (1992) describe an orientation study around the Manjamadu kimberlite dyke in Sierra Leone taken from an unpublished report of the National Diamond Mining Company (SL) Ltd. Picroilmenite content and grain size decreased in the soils away from the fresh kimberlite dyke and some of the grains became coated with Fe oxides. "In contrast, although pyrope garnet is relatively more abundant than picroilmenite in the fresh kimberlite, very little pyrope was recovered in the soils during this orientation survey."

The ferricrete provides evidence of a humid and tropical climate in the area of the permits at some time in the past. This may have been the Eocene Thermal Maximum 55 million years ago (Moran & Backman 2007). It would have affected exposed kimberlites, destroying many of the silicate KIMs and altering the rims of oxide grains.

(b) an interpretation of the exploration information;

The exposed land surface and any kimberlite penetrating this surface was subject to a period of laterite formation (possibly in Eocene) which caused diagenetic alteration of all KIMs except chromites. Ilmenites developed rutile alteration rims but most garnets, chrome diopsides and silicates generally were destroyed.

The destruction of silicate KIMs makes recovery of silicate KIMs with compositions matching the compositions of those found as diamond inclusions unlikely. Although the few garnets recovered do not fall within the diamond inclusion field the few chrome diopsides do and offer unexpected encouragement.

The coarse (-0.50+0.30mm) fractions of all 178 till samples collected in 2007 have now been examined for KIMs and visual results have been received. Microprobe results are pending. These samples were specifically collected down-ice of pipe-like magnetic anomalies in order to prioritize the anomalies for drill testing.

The KIMs recovered from samples collected in 2007, are very much more numerous (37 times) than the KIMs recovered from samples collected in 2004, which tested the same general area but were not located with respect to magnetic targets. There is a strong correlation between KIMs and magnetic anomalies.

(c) whether the surveys and investigations have been carried out by the Issuer or a contractor and if by a contractor, identifying the contractor; and

The airborne magnetic survey was carried out by UTS Geophysics. The ground magnetic surveys, staking and sampling were carried out under the supervision of insiders of the Issuer.

(d) a discussion of the reliability or uncertainty of the data obtained in the program.

The poor recovery of silicate KIMs offers a challenge. However, most ilmenites and many of the chromites are from a definite kimberlitic source. The chromites as a whole appear to be from a single population and therefore from a kimberlite source. The few silicate KIMs recovered showing diagenetic alteration and the widespread occurrence of laterite suggest a local origin for these KIMs.

There is a clear correlation between magnetic anomalies and KIMs. The magnetic anomalies are in an area with quiet magnetic background and are relatively well defined.

Recovery of fresh kimberlite from any of the magnetic anomalies will provide the mineral chemistry that will allow prioritizing of the targets for detailed follow-up.

(6) Mineralization — The mineralization encountered on the property, the surrounding rock types and relevant geological controls, detailing length, width, depth and continuity together with a description of the type, character and distribution of the mineralization.

Not applicable.

(7) Drilling — The type and extent of drilling including the procedures followed and an interpretation of all results.

Not applicable

(8) Sampling and Analysis — The sampling and assaying including

(a) a description of sampling methods and the location, number, type, nature, spacing and density of samples collected;

In 2004 10 litre samples were collected at 25 sites on the major tributaries of the Horton River including sites previously sampled by Darnley Bay Resources. The previous stream sampling was confirmed. Till samples of 10 litres were collected at 500m intervals along 3 fences across the property. In the case of both streams and tills very much higher counts of KIMs were obtained from the -0.30+0.25mm fraction than from the +0.30mm fraction.

In 2007 samples of 10 litres were collected down-ice of airborne magnetic targets. Generally three samples were collected across the ice direction about 200-300m from the target. In some case longer fences of samples were collected down-ice of several targets. There is a strong correlation between KIMs and magnetic anomalies.

(b) identification of any drilling, sampling or recovery factors that could materially impact the accuracy or reliability of the results;

Recovery of KIMs is dependent on whether the last ice movement scoured the top of the kimberlite and the abundance of KIMs in the kimberlite (some kimberlites have almost no KIMs but significant diamonds).

Sorting the concentrates and picking out KIMs in the laboratory is dependent on the skill of the sorter. Every care is taken to ensure a high recovery of KIMs.

(c) a discussion of sample quality and whether the samples are representative of any factors that may have resulted in sample biases;

Care was taken to collected a uniform type and size sample. Where possible this was from the upper 0.50m of frost boils in the case of till samples and among cobbles in stream beds in the case of stream samples. Samples were a standard 10 litres after large pebbles and rock fragments were removed from till samples by hand and stream samples were screened to -2.00cm.

(d) rock types, geological controls, widths of mineralized zones, cut-off grades and other parameters used to establish the sampling interval; and

Sampling interval is based on experience and initially on the number that one can afford to collect.

(e) quality control measures and data verification procedures.

Initial anomalous samples of Darnley Bay Resources were repeated and the results confirmed by Talmora.

In the laboratory sorters are checked on a routine basis. The more frequently sorters are checked the more consistent the results. Sorters may misidentify a mineral but should make every effort not to miss a possible KIM. Microprobe analysis will confirm the identification or not.

Generally the number of KIMs visually identified match the number confirmed by microprobe analysis even though some ilmenites and chromites might be confused and occasional grains not verified are compensated by doubtful grains that prove to be KIMs.

(9) Security of Samples — The measures taken to ensure the validity and integrity of samples taken.

Samples were sealed in canvas bags in the field and then sealed in batches of 50 in large fibre shipping bags on their arrival in inuvik.

(10) Mineral Resources and Mineral Reserves — The mineral resources and mineral reserves, if any, including

Not applicable.

(a) the quantity and grade or quality of each category of mineral resources and mineral reserves;

Not applicable.

(b) the key assumptions, parameters and methods used to estimate the mineral resources and mineral reserves; and

Not applicable.

(c) the extent to which the estimate of mineral resources and mineral reserves may be materially affected by metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing, political and other relevant issues.

Not applicable.

(11) Mining Operations — For development properties and production properties, the mining method, metallurgical process, production forecast, markets, contracts for sale of products, environmental conditions, taxes, mine life and expected payback period of capital.

Not applicable.

(12) Exploration and Development — A description of the Issuer's current and contemplated exploration or development activities, to the extent they are material.

The Issuer intends raising sufficient funds to test as many of the magnetic targets, with KIMs down-ice, as possible. At the same time the new permits will be flown in the same fashion as those flown in 2007. The new permits will also be covered initially by stream samples and when magnetic targets have been defined the magnetic targets will be sampled down-ice.

Instructions:

(1) Disclosure regarding mineral exploration development or production activities on material properties is required to comply with National Instrument 43-101, including the use of the appropriate terminology to describe mineral reserves and mineral resources.

(2) Disclosure is required for each property material to the Issuer. Materiality is to be determined in the context of the Issuer's overall business and financial condition, taking into account quantitative and qualitative factors. A property will not generally be considered material to an Issuer if the book value of the property as reflected in the Issuer's most recently filed financial statements or the value of the consideration paid or to be paid (including exploration obligations) is less than 10 per cent of the book value of the total of the Issuer's mineral properties and related plant and equipment.

(3) The information required under these items is required to be based upon a technical report or other information prepared by or under the supervision of a qualified person, as that term is defined in National Instrument 43-101.

(4) In giving the information required under these items, include the nature of ownership interests, such as fee interests, leasehold interests, royalty interests and any other types and variations of ownership interests.

4.4 Issuers with Oil and Gas Operations — For Issuers with oil and gas operations, disclose the following (in tabular form, if appropriate):

(a) Drilling Activity — The number of wells the Issuer has drilled or has participated in drilling, the number of these wells that were completed as oil wells and gas wells that are capable of production, each stated separately, and the number of dry holes, expressed in each case as gross and net wells, during each of the two most recently completed financial years of the Issuer.

(b) Location of Production — The geographical areas of the Issuer's production, the groups of oil and gas properties, the individual oil and gas properties and the plants, facilities and installations that, in each case, are owned or leased by the Issuer and are material to the Issuer's operations or exploratory activities.

(c) Location of Wells — The location, stated separately for oil wells and gas wells, by jurisdiction, if in Canada, by state, if in the United States, and by country otherwise, of producing wells and wells capable of producing, in which the Issuer has an interest and which are material, with the interest expressed in terms of gross and net wells.

(d) Interest in Material Properties — For interests in material properties to which no proved reserves have been attributed, the gross acreage in which the Issuer has an interest and the net interest of the Issuer, and the location of acreage by geographical area.

(e) Reserve Estimates — To the extent material, estimated reserve volumes and discounted cash flow from such reserves, stated separately by country and by categories and types that conform to the classifications, definitions and disclosure requirements of National Policy Statement No. 2-B Guide for Engineers and Geologists Submitting Oil and Gas Reports to Canadian Provincial Securities Administrators or any successor instrument, on both a gross and net basis as at the most recent financial year end, including information on royalties.

(f) Source of Reserve Estimates — The source of the reserve estimates and whether the reserve estimates have been prepared by the Issuer or by independent engineers or other qualified independent persons and any other information relating to reserve estimates required to be disclosed in a prospectus by any successor instrument to National Policy Statement No. 2-B.

(g) Reconciliation of Reserves — A reconciliation of the reserve volumes by categories and types that conform to the classifications, definitions and disclosure requirements of National Policy Statement No. 2-B or any successor instrument, as at the financial year end immediately preceding the most recently completed financial year to the reserve volume information furnished under paragraph 5, with the effects of production, acquisitions, dispositions, discoveries and revision of estimates shown separately, if material.

(h) History — For each quarter of the most recently completed financial year of the Issuer, with comparative data for the same periods in the preceding financial year,

(i) the average daily production volume, before deduction of royalties, of

(A) conventional crude oil,

(B) natural gas liquids, and

(C) natural gas;

(ii) the following on a per barrel basis for conventional crude oil and natural gas liquids and on a per thousand cubic feet basis for natural gas

(A) the average net product prices received,

(B) royalties,

(C) operating expenses, specifying the particular items included, and

(D) netback received;

(iii) the average net product price received for the following, if the Issuer's production of the following is material to the Issuer's overall production,

(A) light and medium conventional crude oil,

(B) heavy conventional crude oil, and

(C) synthetic crude oil; and

(iv) the dollar amounts expended on

(A) property acquisition,

(B) exploration, including drilling, and

(C) development, including facilities.

(i) Future Commitments — A description of the Issuer's future material commitments to buy, sell, exchange or transport oil or gas, stating for each commitment separately

(i) the aggregate price;

(ii) the price per unit;

(iii) the volume to be purchased, sold, exchanged or transported; and

(iv) the term of the commitment.

(j) Exploration and Development — A description of the Issuer's current and contemplated exploration or development activities, to the extent they are material.

Instruction: The information required under this item shall be derived from or supported by information obtained from a report prepared in accordance with the provisions of National Policy No. 2-B or any successor instrument.

5. Selected Consolidated Financial Information

5.1 Annual Information — Provide the following financial data for the Issuer in summary form for each of the last three completed financial years and any period subsequent to the most recent financial year end for which financial statements have been prepared, accompanied by a discussion of the factors affecting the comparability of the data, including discontinued operations, changes in accounting policies, significant acquisitions or significant dispositions and major changes in the direction of the Issuer's business:

(a) Net sales or total revenues.

As an exploration company, Talmora Diamond Inc. does not have any sales or revenue other than interest income, as follows:

For the twelve months ended December 31, 2006, Canadian Diamind received interest income in the amount of $10,755.

For the twelve months ended December 31, 2007, Talmora Diamond Inc. received interest income in the amount of $11,119.

(b) Income from continuing operations, in total and on a per share basis and fully diluted per share basis, calculated in accordance with the Handbook.

Please see 5.1(a) above.

(c) Net income or loss, in total and on a per share and fully diluted per share basis, calculated in accordance with the Handbook.

The Corporation's net losses are as follows:

For the twelve months ended December 31, 2006, Canadian Diamind had a net loss of $10,275 before extraordinary items, which is equivalent to a loss of $0.001 per share.

For the twelve months ended December 31, 2007, Talmora Diamond Inc. had a net loss of $223,084 , which is equivalent to a loss of $0.013 per share

(d) Total assets.

The Corporation's total assets as of December 31, 2006 were as follows:

The sum of $816,893 for Canadian Diamind Limited.

The sum of $1,260,949 for Talmora Diamond Inc.

(e) Total long-term financial liabilities as defined in the Handbook.

There are no long-term financial liabilities.

(f) Cash dividends declared per share for each class of share.

The Corporation has not paid dividends on its shares nor does it intend to do so in the foreseeable future. The future payment of dividends will be dependent upon the financial requirements of the Corporation to fund future growth, the financial condition of the Corporation and other factors that the board of directors of the Corporation may consider appropriate in the circumstances.

(g) Such other information as the Issuer believes would enhance an understanding of and would highlight other trends in financial condition and results of operations.

Please see section 6, "Management's Discussion and Analysis" below.

5.2 Quarterly Information — For each of the eight most recently completed quarters ending at the end of the most recently completed financial year, provide the information required in paragraphs (a), (b) and (b) of Section 5.1

Instruction:

(1) For an Issuer that has not been a reporting Issuer for the eight most recently completed quarters ending at the end of the most recently completed financial year, provide the information required in paragraphs (a), (b) and (c) of Section 5.1 for the period that the Issuer was not a reporting Issuer only if the Issuer has prepared quarterly financial statements for that period.

(2) If the Issuer is only required to file six month interim financial statements, the information required under paragraph (1) may instead be provided for each of the four most recently completed six month periods ended at the end of the most recently completed financial year for which financial statements have been prepared.

The following is a summary of selected financial data for the 8 most recently completed financial quarters for Talmora Diamond Inc.:

	1Q	2Q	3Q	4Q
2007				
Net Income (Loss)	$12,625	($45,036)	($25,979)	($223,084)
Net Income (Loss) per share – basic and diluted	$0.001	$0.003	$0.001	$0.013
2006				
Net Income (Loss)	($722)	(7,212)	$632	$10,275
Net Income (Loss) per share – basic and diluted	($0.000)	($0.001)	$0.000	$0.001

2006 Pre-amalgamation figures not available Note: For comparative purposes the number of shares prior to the amalgamation is the average number issued and outstanding divided by five (exchange ratio of 5 for 1 on amalgamation).

5.3 Dividends

(a) Describe any restriction that could prevent the Issuer from paying dividends.

The shares of the Corporation are not subject to any restrictions that would prevent the Corporation from paying dividends. The shares of the Corporation will be issued without nominal or par value. Each share will rank equally with all other shares with respect to dissolution, liquidation or winding-up of the Corporation and payment of dividends. All holders of shares are entitled to receive pro rata such dividends as may be declared by the board of directors of the Corporation out of funds legally available therefore.

(b) Disclose the Issuer's dividend policy and if a decision has been made to change the dividend policy, disclose the intended change in dividend policy.

The Corporation does not intend to declare or pay dividends in the foreseeable future. The future payment of dividends will be dependent upon the financial requirements of the Corporation to fund future growth, the financial condition of

the Corporation and other factors that the board of directors of the Corporation may consider appropriate in the circumstances.

5.4 Foreign GAAP — An Issuer may present the selected consolidated financial information required in this section on the basis of foreign GAAP if

(a) the Issuer's primary financial statements have been prepared using foreign GAAP; and

(b) if the Issuer is required under applicable securities legislation to have reconciled its financial statements to Canadian GAAP at the time of filing its financial statements or the Issuer has otherwise done so, a cross reference to the notes to the financial statements containing the reconciliation of the financial statements to Canadian GAAP is included.

Instruction:

(1) If financial information that is included in the summary is derived from financial statements included in the listing statement, but the financial information is neither directly presented in, nor readily determinable from, the financial statements, include a reconciliation to the financial statements in notes.

(2) If financial information that is included in the listing statement is derived from financial statements that are not included in the listing statement, indicate in the lead-in to the summary the source from which the information is extracted, the percentage interest that the issuer has in the person or company, the GAAP principles used, the name of the auditors, the date of the report, and the nature of the opinion expressed.

(3) The derivation of ratios included in the listing statement in notes should be disclosed in notes to the listing statement.

(4) Information included in the listing statement should be presented in a manner that is consistent with the intent of Canadian accounting recommendations and practices (e.g., cash flow data should not be interspersed with amounts from an income statement in a manner which suggests that cash flow data has been or should be presented in an income statement, and cash flow data should not be presented in a manner that appears to give it prominence equal to or greater than earnings data).

No financial information has been presented on the basis of foreign GAAP.
This section is not applicable.

6. Management's Discussion and Analysis

General Instructions and Interpretation

Provide MD&A for the most recent annual financial statements filed with the application for quotation (or filed since the last update of the quotation statement, and interim MD&A for each interim financial statement filed with the application for quotation (or filed since the last update of the quotation statement). The first interim MD&A will update the annual MD&A, and each subsequent interim MD&A will update the previous interim MD&A.

What is MD&A? — MD&A is a narrative explanation, through the eyes of management, of how the Issuer performed during the period covered by the financial statements, and of the Issuer's financial condition and future prospects. MD&A complements and supplements your financial statements, but does not form part of your financial statements. Management's objective when preparing the MD&A should be to improve the Issuer's overall financial disclosure by giving a balanced discussion of the Issuer's results of operations and financial condition including, without limitation, such considerations as liquidity and capital resources - openly reporting bad news as well as good news.

MD&A should help current and prospective investors understand what the financial statements show and do not show; discuss material information that may not be fully reflected in the financial statements, such as contingent liabilities, defaults under debt, off-balance sheet financing arrangements, or other contractual obligations; discuss important trends and risks that have affected the financial statements, and trends and risks that are reasonably likely to affect them in the future; and provide information about the quality, and potential variability, of the Issuer's earnings and cash flow, to assist investors in determining if past performance is indicative of future performance.

Date of Information — In preparing the MD&A, management must take into account information available up to the date of the MD&A. If the date of the MD&A is not the date it is filed, management must ensure the disclosure in the MD&A is current so that it will not be misleading when it is filed.

Explain the Analysis — Explain the nature of, and reasons for, changes in the Issuer's performance. Do not simply disclose the amount of change in a financial statement item from period to period. Avoid using boilerplate language. The discussion should assist the reader to understand trends, events, transactions and expenditures.

Focus on Material Information —Management does not need to disclose information that is not material. Exercise judgment when determining whether information is material.

What is Material? — Would a reasonable investor's decision whether or not to buy, sell or hold the Issuer's securities likely be influenced or changed if the information in question was omitted or misstated? If so, the information is likely material. This concept of materiality is consistent with the financial reporting notion of materiality contained in the Handbook.

Forward-Looking Information — Management is encouraged to provide forward-looking information if it has a reasonable basis for making the statements. Preparing MD&A necessarily involves some degree of prediction or projection. For example, MD&A requires a discussion of known trends or uncertainties that are reasonably likely to affect the Issuer's business. However, MD&A does not require that the Issuer provide a detailed forecast of future revenues, income or loss or other information. All forward-looking information must contain a statement that the information is forward-looking, a description of the factors that may cause actual results to differ materially from the forward-looking information, management's material assumptions and appropriate risk disclosure and cautionary language.

The MD&A must discuss any forward-looking information disclosed in MD&A for a prior period which, in light of intervening events and absent further explanation, may be misleading. Forward looking statements may be considered misleading when they are unreasonably optimistic or aggressive, or lack objectivity, or are not adequately explained. Timely disclosure obligations might also require the Issuer to issue a news release and file a material change report.

Issuers Without Significant Revenues — If the Issuer is without significant revenues from operations, focus the discussion and analysis of results of operations on expenditures and progress towards achieving management's business objectives and milestones.

Reverse Takeover Transactions — When an acquisition is accounted for as a reverse takeover, the MD&A should be based on the reverse takeover acquirer's financial statements.

Foreign Accounting Principles — If the Issuer's primary financial statements have been prepared using accounting principles other than Canadian GAAP and a reconciliation is provided, the MD&A must focus on the primary financial statements.

Resource Issuers — If the Issuer has mineral projects, the disclosure must comply with National Instrument 43-101 Standards of Disclosure for Mineral Projects, including the requirement that all scientific and technical disclosure be based on a technical report or other information prepared by or under the supervision of a qualified person. If the Issuer has oil and gas activities, the disclosure must comply with National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.

Annual MD&A

Date The date of the MD&A is April 29, 2008.

6.1 Specify the date of the MD&A. The date of the MD&A must be no earlier than the date of the auditor's report on the financial statements for the Issuer's most recently completed financial year.

The date of the MD&A is April 29, 2008.

This Management Discussion and Analysis ("MD&A") should be read in conjunction with the financial statements of the Corporation for the twelve months ended December 31, 2007 and the audited financial statements of the predecessor companies, Canadian Diamind Limited. and Talmora Resources Inc. for the year December 31, 2006. The Corporation's reporting currency is the Canadian dollar and all amounts in this MD&A are expressed in Canadian dollars. The Corporation reports its financial position, results of operations and cash flows in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

The following MD&A may contain forward-looking statements. Forward-looking statements are based on current expectations that involve a number of risks and uncertainties which could cause actual events or results to differ materially from those reflected herein. Forward-looking statements are based on the estimates and opinions of management of the Corporation at the time the statements were made.

Overall Performance

6.2 Provide an analysis of the Issuer's financial condition, results of operations and cash flows. Discuss known trends, demands, commitments, events or uncertainties that are reasonably likely to have an effect on the Issuer's business. Compare the Issuer's performance in the most recently completed financial year to the prior year's performance. The analysis should address at least the following:

(a) operating segments that are reportable segments as those terms are used in the Handbook;

(b) other parts of the business if

(i) they have a disproportionate effect on revenues, income or cash needs; or

(ii) there are any legal or other restrictions on the flow of funds from one part of the Issuer's business to another;

(c) industry and economic factors affecting the Issuer's performance;

(d) why changes have occurred or expected changes have not occurred in the Issuer's financial condition and results of operations; and

(e) the effect of discontinued operations on current operations.

Instruction:

(1) When explaining changes in the Issuer's financial condition and results, include an analysis of the effect on the Issuer's continuing operations of any acquisition, disposition, write-off, abandonment or other similar transaction.

(2) Financial condition includes the Issuer's financial position (as shown on the balance sheet) and other factors that may affect the Issuer's liquidity and capital resources.

(3) Include information for a period longer than one financial year if it will help the reader to better understand a trend.

Please read the following discussion and analysis together with the audited financials statements for the year ended December 31, 2007 and the audited financial statements of the predecessor companies, Canadian Diamind Limited and Talmora Resources Inc., for the year ending December 31, 2006.

Amalgamation of Talmora Resources Inc. with Canadian Diamind Limited

Talmora Diamond Inc. ("Talmora") was formed, effective January 23, 2007, upon the amalgamation of Talmora Resources Inc. and Canadian Diamind Limited, as disclosed in the information circular of Talmora Resources Inc. dated November 20, 2006. These transactions were approved by shareholders of the amalgamating companies at annual and special meetings held on January 5, 2007.

Former Talmora Resources Inc. shareholders were issued 5,142,105 shares (31.3%), and former Canadian Diamind Limited shareholders were issued 11,252,830 shares (68.6%), in Talmora for a total of 16,394,935 issued and outstanding common shares.

Financing

Talmora is dependent on management obtaining financing to continue operations and to fund its exploration property expenses.

Following two private placements, the first in April 2007 when 1,300,000 shares were issued at $0.10/share and the second in December 2007 when 4,080,000 shares were issued at $0.10/share, there are currently 21,774,935 common shares issued and outstanding and 7,540,000 common shares subject to issuance including 5,940,000 warrants and 1,600,000 management incentive options. Each of 3,900,000 warrants entitles the holder to acquire one common share for $0.16. 3,250,000 of these warrants expire June 30, 2008 and 650,000 expire April 18, 2009. Each of the remaining 2,040,000 warrants entitles the holder to acquire one common share for $0.20 and these warrants expire December 29, 2009. The options are exercisable at $0.10 and expire April 25, 2012.

Listing on CNQ

The common shares of Talmora Diamond Inc. commenced trading on the Canadian Trading and Quotation System Inc. ("CNQ") on May 14, 2007 under the trading symbol "TALM".

Exploration Program

Canadian Diamind Limited held 3 prospecting permits on the Horton River, 120 kilometers south of Paulatuk, in the Inuvialuit Settlement Region of the Northwest Territories. Till and stream sampling in 2004 confirmed the presence of anomalous kimberlite indicator minerals.

Prior to the amalgamation Canadian Diamind Limited applied for additional exploration permits and these were granted on February 1, 2007. At year-end Talmora held 12 contiguous permits covering 645,718 acres. The three original permits expired January 31, 2008. However, claims were staked within the permit areas prior to the expiry date.

Four new permits (144,868 acres) were granted to Talmora on February 1, 2008 but on February 28, 2008 "The Sahtu Secretariat Inc." and a number of other "Applicants" in the Sahtu Settlement Region applied for a judicial review of the decision of the Supervising Mining Recorder to issue 60 prospecting permits within the Sahtu Settlement Region on February 1, 2008 including the 4 issued to Talmora Diamond Inc.

The "Applicants" claim that they were insufficiently consulted and accommodated by the Supervising Mining Recorder before the permits were issued. The Minister Of Indian Affairs And Northern Development and The Supervising Mining Recorder intend to oppose the application. The application does not affect the adjoining 9 permits (432,285 acres) and 50 claims (41,939.8 acres) held by Talmora.

An airborne magnetic survey of the Company's three original permits and one of the adjoining permits awarded in 2007 was completed at the end of June. A number of magnetic dyke-like structures strike NNW across the property. The "dykes" appear to be at a depth of 600-800m and are parallel to and probably the extension of the swarm of "dykes" that cross the Parry Peninsular and cut the "large magnetic anomaly" being explored by Darnley Bay for base metals at Paulatuk 120k to the NNW. The latter "dykes" have a spatial relation to the Darnley Bay kimberlites.

Along one of the "dykes" on the west side of Talmora's property are 4 strongly magnetic circular structures or "blows" which have model widths of about 700-1300m and appear to be at the same depth as the "dyke". The "blows" may be related to the "dykes" in the same way that the "large magnetic anomaly" at Paulatuk may be related to the "dykes" at that location. The "blows" may be the feeder pipes of an intrusive similar to that which is believed to be the cause of the "large magnetic anomaly" at Paulatuk or of an extrusive that has subsequently been eroded.

Anomalies of low magnetic susceptibility are of interest as kimberlite targets. Many of these anomalies coincide with small lakes and are concentrated along the "dykes" especially the "dyke" with the circular "blows". Some of them were ground truthed in the field program carried out in the later half of August. The field program included staking of the kimberlite targets and sampling of the tills for kimberlite indicator minerals down-ice of the magnetic targets.

The coarse (-0.50+0.30mm) fractions of all 178 till samples collected in 2007 have now been examined for kimberlite indicator minerals (KIMs) and preliminary results have been received. These samples were specifically collected down-ice of pipe-like magnetic anomalies in order to prioritize the anomalies for drill testing. A total of 558 grains of KIMs and possible KIMs have been picked for microprobe analysis.

Microprobe analyses of the first 32 samples have been received. Of the 90 grains that were visually classified as KIMs and possible KIMs and another 17 that were considered unlikely to be KIMs but were never-the-less analysed, 95 proved to be KIMs.

The KIMs recovered from samples collected in 2007, which were located down-ice of magnetic targets, are very much more numerous (33 times) than the KIMs recovered from samples collected in 2004, which tested the same general area but were not located with respect to magnetic targets. There is a strong correlation between KIMs and magnetic anomalies.

Magnetic anomalies that have anomalous KIMs down-ice will be tested by drilling and additional magnetic anomalies must be sampled. An airborne magnetic survey and reconnaissance sampling of the new permits should proceed at the same time. A more extensive program is required than any carried out by the company to date and a major funding is essential.

A program costing $2,000,000 - $4,000,000 should establish the potential of the new permits for hosting kimberlites and confirm whether or not kimberlites are present on the part of the property explored to date. Micro-diamond analysis of initial kimberlite samples will determine whether further investigation is warranted in which case a budget in the order of $10,000,000 -$15,000,000 would be required.

Selected Annual Information

6.3 Provide the following financial data derived from the Issuer's financial statements for each of the three most recently completed financial years:

(a) net sales or total revenues;

(b) income or loss before discontinued operations and extraordinary items, in total and on a per-share and diluted per-share basis;

(c) net income or loss, in total and on a per-share and diluted per-share basis;

(d) total assets;

(e) total long-term financial liabilities; and

(f) cash dividends declared per-share for each class of share.

Talmora Resources Inc.			
	Year ended December 31, 2006 ($)	**Year ended December 31, 2005 ($)**	**Year ended December 31, 2004 ($)**
Net (Loss)	**(34,841)**	**(29,827)**	**(20,369)**
Net Income (Loss) Per Share	**(0.001)**	**(0.01)**	**(0.00)**
Total assets	**150,722**	**180,315**	**204,682**
Total liabilities	**15,571**	**10,323**	**4,863**

Canadian Diamind Limited			
	Year ended December 31, 2006 ($)	Year ended December 31, 2005 ($)	Year ended December 31, 2004 ($)
Net (Loss)	10,275	5,924	(16,526)
Net Income (Loss) Per Share	(0.001)	0.00	(0.00)
Total assets	816,893	177,182	206,130
Total liabilities	14,936	8,500	16,012

Talmora Diamond Inc.			
	Year ended December 31, 2007 ($)	Year ended December 31, 2006 ($)	Year ended December 31, 2005 ($)
Net (Loss)	(223,084)	10,275	5,924
Net Income (Loss) Per Share	(0.013)	0.001	(0.000)
Total assets	1,260,949	816,893	206,130
Total liabilities	46,909	14,936	16,012

6.4 Discuss the factors that have caused period to period variations including discontinued operations, changes in accounting policies, significant acquisitions or dispositions and changes in the direction of the Issuer's business, and any other information the Issuer believes would enhance an understanding of, and would highlight trends in, financial condition and results of operations.

This section is not applicable.

Instruction: Indicate the accounting principles that the financial data has been prepared in accordance with, the reporting currency, the measurement currency if different from the reporting currency and, if the underlying financial statements have been reconciled to Canadian GAAP, provide a cross-reference to the reconciliation that is found in the notes to the financial statements.

Results of Operations

6.5 Discuss management's analysis of the Issuer's operations for the most recently completed financial year, including

(a) net sales or total revenues by operating business segment, including any changes in such amounts caused by selling prices, volume or quantity of goods or services being sold, or the introduction of new products or services;

The Corporation is an exploration mining company and has no sales or productions. There has been no revenue generated other than the interest revenue in the amount of $11,119 received by Talmora Diamond for the twelve months ended December 31, 2007.

Generally not applicable.

(b) any other significant factors that caused changes in net sales or total revenues;

Not applicable.

(c) cost of sales or gross profit;

Not applicable

(d) for issuers that have significant projects that have not yet generated operating revenue, describe each project, including the Issuer's plan for the project and the status of the project relative to that plan, and expenditures made and how these relate to anticipated timing and costs to take the project to the next stage of the project plan;

Horton River Project, NWT

Talmora has one significant project for which it has raised $1,188,000 since June 2006 and on which it has expended $940,101 on exploration to March 31, 2008.

Canadian Diamind Limited held 3 prospecting permits on the Horton River, 120 kilometers south of Paulatuk, in the Inuvialuit Settlement Region of the Northwest Territories. The permits were acquired as a diamond prospect on the basis of anomalous stream sediment samples and because the permits lie on the extension of a favourable zone of diabase dykes along which Darnley Bay Resources Limited has discovered 10 kimberlite pipes (6 known to be diamondiferous).

Talmora believes that the favourable zone is the northern extension of the Slave Diamond Corridor displaced 350 kilometers to the west on a basement fault running along the north shore of Great Bear Lake and through Coronation Gulf. The Slave Diamond Corridor includes the Diavik, Ekati, Jericho and the Snap Lake diamond mines and Kennedy Lake deposit being permitted for production.

Till and stream sampling in 2004 confirmed the presence of anomalous kimberlite indicator minerals.

Prior to the amalgamation Canadian Diamind Limited applied for additional exploration permits and these were granted on February 1, 2007. At year-end Talmora held 12 contiguous permits covering 645,718

acres. The three original permits expired January 31, 2008. However, claims were staked within the permit areas prior to the expiry date.

Four new permits (144,868 acres) were granted to Talmora on February 1, 2008 but on February 28, 2008 "The Sahtu Secretariat Inc." and a number of other "Applicants" in the Sahtu Settlement Region applied for a judicial review of the decision of the Supervising Mining Recorder to issue 60 prospecting permits within the Sahtu Settlement Region on February 1, 2008 including the 4 issued to Talmora Diamond Inc.

The "Applicants" claim that they were insufficiently consulted and accommodated by the Supervising Mining Recorder before the permits were issued. The Minister Of Indian Affairs And Northern Development and The Supervising Mining Recorder intend to oppose the application. The application does not affect the adjoining 9 permits (432,285 acres) and 50 claims (41,939.8 acres) held by Talmora.

An airborne magnetic survey of the Company's three original permits and one of the adjoining permits awarded in 2007 was completed at the end of June. A number of magnetic dyke-like structures strike NNW across the property. The "dykes" appear to be at a depth of 600-800m and are parallel to and probably the extension of the swarm of "dykes" that cross the Parry Peninsular and cut the "large magnetic anomaly" being explored by Darnley Bay for base metals at Paulatuk 120k to the NNW. The latter "dykes" have a spatial relation to the Darnley Bay kimberlites.

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Anomalies of low magnetic susceptibility are of interest as kimberlite targets. Many of these anomalies coincide with small lakes and are concentrated along the "dykes" especially the "dyke" with the circular "blows". Some of them were ground truthed in the field program carried out in the later half of August. The field program included staking of the kimberlite targets and sampling of the tills for kimberlite indicator minerals down-ice of the magnetic targets.

The coarse (-0.50+0.30mm) fractions of all 178 till samples collected in 2007 have now been examined for kimberlite indicator minerals (KIMs) and preliminary results have been received. These samples were specifically collected down-ice of pipe-like magnetic anomalies in order to prioritize the anomalies for drill testing. A total of 558 grains of KIMs and possible KIMs have been picked for microprobe analysis.

Microprobe analyses of the first 32 samples have been received. Of the 90 grains that were visually classified as KIMs and possible KIMs and another 17 that were considered unlikely to be KIMs but were never-the-less analysed, 95 proved to be KIMs.

The KIMs recovered from samples collected in 2007, which were located down-ice of magnetic targets, are very much more numerous (33 times) than the KIMs recovered from samples collected in 2004, which tested the same general area but were not located with respect to magnetic targets. There is a strong correlation between KIMs and magnetic anomalies.

Magnetic anomalies that have anomalous KIMs down-ice will be tested by drilling and additional magnetic anomalies must be sampled. An airborne magnetic survey and reconnaissance sampling of the new permits should proceed at the same time. A more extensive program is required than any carried out by the company to date and a major funding is essential.

A program costing $2,000,000 - $4,000,000 should establish the potential of the new permits for hosting kimberlites and confirm whether or not kimberlites are present on the part of the property explored to date. The budget for the proposed drill program is as follows:

Budget

Staking 37,500 acres @ $2/acre (contract staker cost)		75,000
Sample Processing 2007 fine fractions	50,000	
Microprobe analyses	5,000	55,000
Data Processing & planning		70,000
Drill Program		
Permitting cost		75,000
Drilling 2500m @ 250/m		625,000
Contract labour		135,000
Camp construction		150,000
Camp costs – labour & board		130,000
Fuel		120,000
Helicopter & fixed-wing – 3 months		560,000
Accomodation & transport		120,000
Ground geophysics		150,000
Caustic laboratory		240,000
Reports		20,000
Contingency		175,000
Total Drilling & Camp		2,500,000

Airborne Magnetic Survey - 12,000 line kilometers	425,000
Sampling Program	
Transport – samples & personnel	45,000
Camp costs	15,000
Helicopter	120,000
Sample processing & probing	150,000
Expediting	5,000
Contingency	40,000
Total	375,000
Supervision & support	500,000
Total	**$4,000,000**

Micro-diamond analysis of initial kimberlite samples will determine whether further investigation is warranted in which case a budget in the order of $10,000,000 -$15,000,000 would be required.

(e) for resource issuers with producing mines, identify milestones such as mine expansion plans, productivity improvements, or plans to develop a new deposit;

Not applicable

(f) factors that caused a change in the relationship between costs and revenues, including changes in costs of labour or materials, price changes or inventory adjustments;

This section is not applicable.

(g) commitments, events, risks or uncertainties that you reasonably believe will materially affect the Issuer's future performance including net sales, total revenue and income or loss before discontinued operations and extraordinary items;

This section is not applicable.

(h) effect of inflation and specific price changes on the Issuer's net sales and total revenues and on income or loss before discontinued operations and extraordinary items;

This section is not applicable.

(i) a comparison in tabular form of disclosure you previously made about how the Issuer was going to use proceeds (other than working capital) from any financing, an explanation of variances and the impact of the variances, if any, on the Issuer's ability to achieve its business objectives and milestones; and

	Budget M. Millard (2005)		**Actual R. Davies (2008) + $46,523.61 Pending**	
Phase 1 [minimum required to determine whether to continue to phase 2]				
Airborne survey	9000 line k @ $35	$315,000	10,196 line k	$352,258.59
Process 2004 fine fractions	120 @ $150	$18,000	117 fine fractions	$12,267.00
Claim staking	36 claims @ $1,000	$36,000	50 claims	$50,461.83
	Contingency @ 10%	$36,000		
Exploration sub-total		**$405,000**		**$414,987.42**
Administration		*$100,000*	2007 expenses	$169,778.00
	Total	**$505,000**		**$584,765.42**
Phase 2a [assumes encouragement from phase 1]				
Till sampling [follow-up, target evaluation]	200 samples @ $1000	$200,000	178 [target evaluaqtion]	$327,132.80
Stream samples [follow-up]	50 @ $1500	$75,000		
Ground magnetic survey	8 targets @ $6,000	$48,000	10 anomalies	$25,130.73
	Contingency @ 20%	$32,000		
Exploration sub-total		**$355,000**		**$352,263.53**
Administration		*$100,000*	2008 expenses to Mar. 31	$65,087.00
	Total	**$455,000**		**$417,350.53**
Phase 2b [assumes continued encouragement]				
Drilling	4 targets @ $80,000	$320,000		
	Contingency @ 20%	$66,000		
Exploration sub-total		**$386,000**		
Administration		*$50,000*		
	Total	**$436,000**		
Exploration Total		**$1,146,000**		**$767,251**
Administration Total		*$250,000*		*$234,865*

Grand Total	**$1,396,000**	**$1,002,116**

Phase 1 exploration costs were very much on budget with higher airborne survey cost due to higher line k flown and higher staking cost due to greater number of claims staked.

Administration costs in 2007 were higher than budget because of the amalgamation of Talmora and Canadian Diamind. [$44,762 legal, $30,000 accounting, $10,000 other]

Phase 2a exploration costs were on budget but cost per sample was higher than budget because sampling was all target evaluation requiring greater use of helicopter per sample. In addition the fine fractions of all samples were examined [$21,869].

Administration costs in the 1st quarter of 2008 include a performance deposit [$36,167]on some permits which should be refunded when work is performed.

Funds were not available for the drilling proposed as Phase 2b. There are a lot more targets than expected and Talmora proposes a more extensive drill program than the Phase 2b budget above.

(j) unusual or infrequent events or transactions.

Listing on CNQ: The common shares of Talmora Diamond Inc. commenced trading on the Canadian Trading and Quotation System Inc. ("CNQ") on May 14, 2007 under the trading symbol "TALM".

Instruction: The discussion under Item 6.5(d) should include
(i) whether or not management plans to expend additional funds on the project; and
(ii) any factors that have affected the value of the project(s) such as change in commodity prices, land use or political or environmental issues.

Summary of Quarterly Results

6.6 Provide the following information in summary form, derived from the Issuer's financial statements, for each of the eight most recently completed quarters:

(a) net sales or total revenues;

(b) income or loss before discontinued operations and extraordinary items, in total and on a per-share and diluted per-share basis; and

(c) net income or loss, in total and on a per-share and diluted per-share basis.

Discuss the factors that have caused variations over the quarters necessary to understand general trends that have developed and the seasonality of the business.

Instruction:
(1) The most recently completed quarter is the quarter that ended on the last day of your most recently completed financial year. Information does not have to be provided for a

quarter prior to the Issuer becoming a reporting issuer if the Issuer has not prepared financial statements for those quarters.

(2) For sections 6.2, 6.3, 6.4 and 6.5 consider identifying, discussing and analyzing the following factors:

(i) changes in customer buying patterns, including changes due to new technologies and changes in demographics;

(ii) changes in selling practices, including changes due to new distribution arrangements or a reorganization of a direct sales force;

(iii) changes in competition, including an assessment of the issuer's resources, strengths and weaknesses relative to those of its competitors;

(iv) the effect of exchange rates;

(v) changes in pricing of inputs, constraints on supply, order backlog, or other input-related matters;

(vi) changes in production capacity, including changes due to plant closures and work stoppages;

(vii) changes in volume of discounts granted to customers, volumes of returns and allowances, excise and other taxes or other amounts reflected on a net basis against revenues;

(viii) changes in the terms and conditions of service contracts;

(ix) the progress in achieving previously announced milestones; and

(x) for resource issuers with producing mines, identify changes to cash flow caused by changes in production throughput, head-grade, cut-off grade, metallurgical recovery and any expectation of future changes.

(3) Indicate the accounting principles that the financial data has been prepared in accordance with, the reporting currency, the measurement currency if different from the reporting currency and, if the underlying financial statements have been reconciled to Canadian GAAP, provide a cross-reference to the reconciliation that is found in the notes to the financial statements.

The following is a summary of the quarterly results for Talmora Resources Inc.:

(a) Year	2006	2006	2006	2006
(b) Quarter	December 31	September 30	June 30	March 31
Revenue	$814	$1,211	$1,137	$1,055
Working Capital	$77,983	$148,876	$150,900	$160,318
Expenses	$14,539	$3,235	$10,555	$10,729
Net Income (Loss)	($13,725)	($2,024)	($9,418)	($9,674)
Net Income (Loss) (per share)	($0.004)	($0.004)	($0.0001)	($0.0001)

(a) Year	2005	2005	2005	2005
(b) Quarter	December 31	September 30	June 30	March 31
Revenue	$946	$772	$809	$793
Working Capital	$169,992	$181,850	$189,281	$197,263
Expenses	$8,503	$5,492	$4,965	$3,349
Net Income (Loss)	($29,827)	($4,720)	($4,298)	($2,556)
Net Income (Loss) (per share)	($0.0001)	($0.0009)	($0.0010)	($0.0005)

The following is a summary of the quarterly results for Canadian Diamind Limited:

(a) Year	2006	2006	2006	2006
(b) Quarter	December 31	September 30	June 30	March 31
Revenue	$5,733	$5,022	$nil	not available
Working Capital	$565,009	$638,756	$642,176	not available
Expenses	$13,656	$4,390	$7,212	not available
Net Income (Loss)	($2,973)	$632	($7,212)	not available
Net Income (Loss) (per share)	$0.000	$0.000	$0.000	not available

(a) Year	2005	2005	2005	2005
(b) Quarter	December 31	September 30	June 30	March 31
Revenue	$5	$243	$nil	not available
Working Capital	$29,148	not available	not available	not available
Expenses	$3,674	$2,298	$12,320	not available
Net Income (Loss)	($11,843)	($2,055)	($12,320)	not available
Net Income (Loss) (per share)	(0.001)	$0.000	($0.001)	not available

The following is a summary of the quarterly results for Talmora Diamond Inc.:

(a) Year	2007	2007	2007	2007
(b) Quarter	December 31	September 30	June 30	March 31
Revenue	$484	$1,273	$4,058	$5,304
Working Capital	$324,593	$34,844	$387,990	492,295
Expenses	$266,725	$27,252	$7,212	33,679
Net Income (Loss)	($164,694)	($25,979)	($45,036)	$12,625
Net Income (Loss) (per share)	($0.010)	($0.001)	($0.003)	0.001

(a) Year	2006	2006	2006	2006
(b) Quarter	December 31	September 30	June 30	March 31
Revenue	$5,733	$243	$nil	Not available
Working Capital	$565,009	not available	not available	not available
Expenses	$221	$27,252	$12,320	not available
Net Income (Loss)	17,577	$632	($7,212)	Not available
Net Income (Loss) (per share)	(0.002)	($0.000)	($0.001)	

Liquidity

6.7 Provide an analysis of the Issuer's liquidity, including

(a) its ability to generate sufficient amounts of cash and cash equivalents, in the short term and the long term, to maintain the Issuer's capacity, to meet the Issuer's planned growth or to fund development activities;

(b) trends or expected fluctuations in the Issuer's liquidity, taking into account demands, commitments, events or uncertainties;

(c) its working capital requirements;

(d) liquidity risks associated with financial instruments;

(e) if the Issuer has or expects to have a working capital deficiency, discuss its ability to meet obligations as they become due and how you expect it to remedy the deficiency;

(f) balance sheet conditions or income or cash flow items that may affect the Issuer's liquidity;

(g) legal or practical restrictions on the ability of subsidiaries to transfer funds to the Issuer and the effect these restrictions have had or may have on the ability of the Issuer to meet its obligations; and

(h) defaults or arrears or anticipated defaults or arrears on

(i) dividend payments, lease payments, interest or principal payment on debt;

(ii) debt covenants during the most recently completed financial year; and

(iii) redemption or retraction or sinking fund payments,
and how the Issuer intends to cure the default or arrears.

Instruction:

(1) In discussing the Issuer's ability to generate sufficient amounts of cash and cash equivalents, describe sources of funding and the circumstances that could affect those sources that are reasonably likely to occur. Examples of circumstances that could affect liquidity are market or commodity price changes, economic downturns, defaults on guarantees and contractions of operations.

(2) In discussing trends or expected fluctuations in the Issuer's liquidity and liquidity risks associated with financial instruments, discuss

(a) provisions in debt, lease or other arrangements that could trigger an additional funding requirement or early payment. Examples of such situations are provisions linked to credit rating, earnings, cash flows or share price; and

(b) circumstances that could impair the Issuer's ability to undertake transaction considered essential to operations. Examples of such circumstances are the inability to maintain investment grade credit rating, earnings per-share, cash flow or share price.

(3) In discussing the Issuer's working capital requirements, discuss situations where the Issuer must maintain significant inventory to meet customers' delivery requirements or any situations involving extended payment terms.

(4) In discussing the Issuer's balance sheet conditions or income or cash flow items consider a summary, in tabular form, of contractual obligations including payments due for each of the next five years and thereafter. This summary and table is not, however, mandatory. An example of a table that can be adapted to the Issuer's particular circumstances follows:

Contractual Obligations	Payments Due by Period				
	Total	Less than 1 year	1 - 3 years	4 - 5 years	After 5 years
Long Term Debt					
Capital Lease Obligations					
Operating Leases					
Purchase Obligations[1]					
Other Long Term Obligations [2]					
Total Contractual Obligations					

[1] "Purchase Obligation" means an agreement to purchase goods or services that is enforceable and legally binding on the Issuer that specifies all significant terms, including: fixed or minimum quantities to be purchased; fixed, minimum or variable price provisions; and the approximate timing of the transaction.

[2] "Other Long Term Obligations" means other long-term liabilities reflected on the Issuer's balance sheet.

The tabular presentation may be accompanied by footnotes to describe provisions that create, increase or accelerate obligations, or other details to the extent necessary for an understanding of the timing and amount of the Issuer's specified contractual obligations.

An analysis of the liquidity of Talmora Diamond Inc. is provided below:

Talmora Diamond Inc. had cash and cash equivalents in the amount of $336,423 as at December 31, 2007, compared to 423,863 as at December 31, 2006. As at December 31, 2007, Talmora Diamond Inc. had working capital in the amount of $324,593, compared to working capital of $565,009 as at December 31, 2006.

The 2007 numbers reflect the exploration expenditures incurred in the second half of the year including an airborne magnetic survey that cost $330,017 and till sampling, ground magnetic surveys and staking that cost $269,030. Staking and property acquisition costs were $63,952. Increased administrative expenditures of $103,083 ($9,022 in 2006) and professional fees at $65,467 ($16,888 in 2006) are the result of the amalgamation, the listing activities and the active exploration program of the Company. Professional fees of $34,278 in the forth quarter ($11,888 in 2006) related mostly to exploration. The cash outflow of $135,576 and $284,702 in the 2nd and 3rd quarters respectively largely reflect the exploration expenditures and the cash inflow of $266,725 in the 4th quarter reflects the private placement completed in December 2007. Interest revenues of $11,119 ($10,755 in 2006) result from the investment of the proceeds of the private placements completed in June 2006 and April 2007. The drop in interest revenues in the 3rd and 4th quarters of 2007 reflects the exploration expenditures.

The balance sheet shows an increase in deferred mineral exploration costs from $211,448 in 2006 to $874,447 in 2007. The reduction in working capital from $565,009 as at December 31, 2006 to $324,593 as at December 31, 2007 is a combination of the cost of the airborne survey, the summer exploration program and the private placement completed in December 2007.

Prior to the completion of the amalgamation, funds were expended solely to pay expenses required to keep Talmora Resources Inc. in good standing and in a position to complete the transaction. The amalgamation between Talmora Resources and Canadian Diamind was completed on January 23, 2007 to form Talmora Diamond Inc. ("Talmora Diamond").

Most of the Talmora Diamond Inc.'s requirements for capital will be through the completion of various equity financings, which will be relied upon to maintain an adequate liquidity base with which to support its operations. If such financing is unavailable for any reason, Talmora Diamond Inc. may become unable to carry out its business plan. Talmora Diamond Inc. intends to fund all future commitments with cash on hand, or through any other financing alternative it may have available to it at the time in question.

As Talmora Diamond Inc. has no business undertaking, there can be no assurance that it will be profitable. In the interim, Talmora Diamond Inc. has no source of cash flow to fund its expenditures and its continued existence depends on its ability to raise further financing for working capital as the need may arise. The length of time to needed to identify a new business, is indeterminate and the amount of resulting income, if any, is impossible to predict. Talmora Diamond Inc. does not expect to receive any income in the foreseeable future.

Talmora Diamond's Inc.'s success is dependent on the knowledge and expertise of its management and employees and their ability to identify and advance attractive business opportunities.

Other than as discussed herein, Talmora Diamond Inc. is not aware of any trends, demands, commitments, events or uncertainties that may result in the Talmora Diamond Inc.'s liquidity or capital resources either materially increasing or decreasing at present or in the foreseeable future. Material increases or decreases in the Talmora Diamond Inc.'s liquidity and capital resources will be substantially determined by the success or failure of any new proposed business of the Talmora Diamond Inc. and its ability to obtain equity financing.

An analysis of the liquidity of Talmora Diamond Inc. is provided below:

As at December 31, 2007, Talmora had cash and cash equivalents of $336,423 and working capital of $324,593. Funds are sufficient to cover the costs of analyses of the samples collected in August / September 2007 and to meet ongoing administrative expenses and meet liabilities for the ensuing year as they fall due. However, additional financing will be required in order to drill test kimberlite targets and to extend sampling and airborne magnetic surveying to the new permits.

On April 18, 2007, Talmora Diamond completed a private placement of 1,300,000 Units, comprised of 170,000 Hard Dollar Units and 1,130,000 Flow-Through Units, that were sold at $0.10 per Unit, for total proceeds of $130,000. Each Unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant ("CDL Warrant") entitles the holder to acquire one common share for $0.16 until April 18, 2009. If during the term of the Warrants the Common Shares of Talmora are listed and trade at or above Can. $0.25 for a period of 20 consecutive trading days, the Company may notify the warrant holder to exercise the warrants at a date no later than 30 calendar days after this notification date or forfeit any unexercised warrants at that time. All securities issued pursuant to the financing are subject to a four month hold period which expires on August 19, 2007. Insiders acquired a total of 350,000 Units in the financing.

During the year ended December 31, 2007, the Company renounced flow-through expenditures in the amount of $370,000 with respect to a flow-through financing that occurred during the year ended December 31, 2006, creating a future income tax liability of $120,250, of which $68,550 was allocated as a cost of issuing the flow-through shares and $51,700 was allocated as a cost of issuing warrants.

In April 2007, the Company closed a private placement financing for 170,000 non-flow-through units and 1,130,000 flow-through units at a price of $0.10 per unit for total gross proceeds of $130,000. (See Note 12) Each unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant will be exercisable at $0.16 per common share until April 18, 2009.

The fair value of the warrants of $21,000 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 100%; risk free interest rate of 4.1%; and expected life of two years.

On December 28, 2007, the Company closed another private placement financing for 3,160,000 non-flow-through units and 920,000 flow-through units at a price of $0.10 per unit for total gross proceeds of $408,000. . Each unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant will be exercisable at $0.20 per common share until December 28, 2009.

The fair value of the warrants of $59,200 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 100%; risk free interest rate of 4.1%; and expected life of two years.

On June 12, 2007, shareholders of the Company entered into an escrow agreement relating to 5,654,935 common shares of the Company and 525,000 common share purchase warrants. The escrowed securities will be released as follows: 1/10 on the listing date, 1/6 of the remaining escrowed securities 6 months after the listing date, 1/5 of the remaining escrowed securities 12 months after listing date, 1/4 of the remaining escrowed securities 18 months after the listing date, 1/3 of the remaining escrowed securities 24 months after the listing date, 1/2

of the remaining escrowed securities 30 months after the listing date and the remaining escrowed securities, 36 months after the listing date.

Options

The Company has a stock option plan under which officers, directors, employees, and consultants are eligible to receive stock options. The aggregate number of shares to be issued upon exercise of all options granted under the plan may not exceed 10% of the outstanding shares of the Company. Options granted under the plan generally have a term of five years and vest at terms to be determined by the directors at the time of grant. The exercise price of each option is fixed by the board of directors but shall not be less than the price permitted by any stock exchange on which the Company's common shares may be listed which is generally the trading price of the Company's stock at or about the grant date of the options.

A summary of changes in stock options is as follows:

	Options	Weighted Average Exercise Price	Value
	#	$	$
Balance, December 31, 2005 and 2006			**-**
Issued	1,600,000	0.10	33,102
Balance , December 31, 2007	1,600,000	0.10	33,102

The weighted average grant date fair value of the options issued during the year ended December 31, 2007 is $0.076. The fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 100%; risk free interest rate of 4.1%; and expected life of five years

As at December 31, 2007, the following options were issued and outstanding:

Number of Options	Exercise Price $	Expiry date
1,600,000 (i)	0.10	April 25, 2012

(i) 16.67% of these options vest every 3 months beginning July 25, 2007. As at December 31, 2007, 533,440 of these options had vested.

e) Contributed Surplus

	Amount $
Balance, December 31, 2005 and 2006	-
Employee stock based compensation	69,768
Non-employee stock based compensation	22,107
Balance, December 31, 2007	91,875

Capital Resources

6.8 Provide an analysis of the Issuer's capital resources, including

(a) commitments for capital expenditures as of the date of the Issuer's financial statements including

(i) the amount, nature and purpose of these commitments;

(ii) the expected source of funds to meet these commitments; and

(iii) expenditures not yet committed but required to maintain the Issuer's capacity, to meet the Issuer's planned growth or to fund development activities;

(b) known trends or expected fluctuations in the Issuer's capital resources, including expected changes in the mix and relative cost of these resources; and

(c) sources of financing that the Issuer has arranged but not yet used.

Instruction:
(1) Capital resources are financing resources available to the Issuer and include debt, equity and any other financing arrangements that management reasonably considers will provide financial resources to the Issuer.
(2) In discussing the Issuer's commitments management should discuss any exploration and development, or research and development expenditures required to maintain properties or agreements in good standing.

Please see 6,7 above

Off-Balance Sheet Arrangements

6.9 Discuss any off-balance sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Issuer including, without limitation, such considerations as liquidity and capital resources. This discussion shall

include their business purpose and activities, their economic substance, risks associated with the arrangements, and the key terms and conditions associated with any commitments, including

(a) a description of the other contracting party(ies);

(b) the effects of terminating the arrangement;

(c) the amounts receivable or payable, revenues, expenses and cash flows resulting from the arrangement;

(d) the nature and amounts of any other obligations or liabilities arising from the arrangement that could require the Issuer to provide funding under the arrangement and the triggering events or circumstances that could cause them to arise; and

(e) any known event, commitment, trend or uncertainty that may affect the availability or benefits of the arrangement (including any termination) and the course of action that management has taken, or proposes to take, in response to any such circumstances.

Instruction:

(1) Off-balance sheet arrangements include any contractual arrangement with an entity not reported on a consolidated basis with the Issuer, under which the Issuer has
   (a) any obligation under certain guarantee contracts;
   (b) a retained or contingent interest in assets transferred to an unconsolidated entity or similar arrangement that serves as credit, liquidity or market risk support to that entity for the assets;
   (c) any obligation under certain derivative instruments; or
   (d) any obligation under a material variable interest held by the Issuer in an unconsolidated entity that provides financing, liquidity, market risk or credit risk support to the Issuer, or engages in leasing, hedging or, research and development services with the Issuer.

(2) Contingent liabilities arising out of litigation, arbitration or regulatory actions are not considered to be off-balance sheet arrangements.

(3) Disclosure of off-balance sheet arrangements should cover the most recently completed financial year. However, the discussion should address changes from the previous year where such discussion is necessary to understand the disclosure.

(4) The discussion need not repeat information provided in the notes to the financial statements if the discussion clearly cross-references to specific information in the relevant notes and integrates the substance of the notes into the discussion in a manner that explains the significance of the information not included in the MD&A.

The Corporation does not have any off-balance sheet arrangements.

Transactions with Related Parties

6.10 Discuss all transactions involving related parties as defined by the Handbook.

Instruction: In discussing the Issuer's transactions with related parties, the discussion should include both qualitative and quantitative characteristics that are necessary for an understanding of the transactions' business purpose and economic substance. Management should discuss

(a) the relationship and identify the related person or entities;
(b) the business purpose of the transaction;
(c) the recorded amount of the transaction and the measurement basis used; and
(d) any ongoing contractual or other commitments resulting from the transaction.

During the year ended December 31, 2007, administration expenses of $84,450 (2006 - $8,538) were charged for services provided by four officers, one of whom, Raymond Davies, is also a director (Maria Grimes $27,865, Raymond Davies $36,137, Robert Owen $17,675 and Alan Davies $2,773) of the Company.

During the year ended December 31, 2007, deferred mineral exploration costs of $134,577 (2006 –$7,156) related to the summer field program were charged for services provided by Raymond Davies, an officer who is also a director of the Company. Of the above, $107,322 (2006 - $Nil) represented reimbursements of out-of-pocket expenses at cost. Further deferred exploration costs of $9,600 were charged at cost by HDM Laboratories, a corporation in which Raymond Davies has a significant interest, for mineralogical studies provided by unrelated third parties.

Other deferred mineral exploration costs of $21,012 were charged for services provided by a corporation controlled by Alan Davies, an officer of the Company. Included in accounts payable and accrued liabilities at December 31, 2007 was $6,274 (2006 - $Nil) due to this corporation.

The above transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

During the year ended December 31, 2006, directors and officers of the Company subscribed for 2,000,000 flow-through units and 1,500,000 non-flow-through units for gross proceeds of $70,000 pursuant to the private placement completed in June.

During the year ended December 31, 2007, directors and officers of the Company and a spouse of an officer subscribed for 40,000 non-flow-through units and 330,000 flow-through units for gross proceeds of $37,000 pursuant to the private placement completed in April and subscribed for 400,000 non-flow-through units and 400,000 flow-through units for gross proceeds of $80,000 pursuant to the private placement completed in December.

The spouse of Alan Davies, an officer of the Company, charged a finder's fee of $3,450 with respect to the December 2007 financing which was included in accounts payable as at December 31, 2007.

Fourth Quarter

6.11 Discuss and analyze fourth quarter events or items that affected the Issuer's financial condition, cash flows or results of operations, including extraordinary items, year-end and other adjustments, seasonal aspects of the Issuer's business and dispositions of business segments.

The 2007 numbers reflect the exploration expenditures incurred in the second half of the year including an airborne magnetic survey that cost $330,017 and till sampling, ground magnetic surveys and staking that cost $269,030. Staking and property acquisition costs were $63,952. Increased administrative expenditures of $103,083 ($9,022 in 2006) and professional fees at $65,467 ($16,888 in 2006) are the result of the amalgamation, the listing activities and the active exploration program of the Company. Professional fees of $34,278 in the forth quarter ($11,888 in 2006) related mostly to exploration. The cash outflow of $135,576 and $284,702 in the 2nd and 3rd quarters respectively largely reflect the exploration expenditures and the cash inflow of $266,725 in the 4th quarter reflects the private placement completed in December 2007. Interest revenues of $11,119 ($10,755 in 2006) result from the investment of the proceeds of the private placements completed in June 2006 and April 2007. The drop in interest revenues in the 3rd and 4th quarters of 2007 reflects the exploration expenditures.

The balance sheet shows an increase in deferred mineral exploration costs from $211,448 in 2006 to $874,447 in 2007. The reduction in working capital from $565,009 as at December 31, 2006 to $324,593 as at December 31, 2007 is a combination of the cost of the airborne survey, the summer exploration program and the private placement completed in December 2007.

Proposed Transactions

6.12 Discuss the expected effect on financial condition, results of operations and cash flows of any proposed asset or business acquisition or disposition if the Issuer's board of directors, or senior management who believe that confirmation of the decision by the board is probable, have decided to proceed with the transaction. Include the status of any required shareholder or regulatory approvals.

The Issuer does not propose any asset or business acquisition or disposition.

Changes in Accounting Policies including Initial Adoption

6.13 Discuss and analyze any changes in the Issuer's accounting policies, including

(a) for any accounting policies that management has adopted or expects to adopt subsequent to the end of the most recently completed financial year, including changes management has made or expects to make voluntarily and those due to a change in an accounting standard or a new accounting standard that you do not have to adopt until a future date,

(i) describe the new standard, the date the Issuer required to adopt it and, if determined, the date the Issuer plans to adopt it;

(ii) disclose the methods of adoption permitted by the accounting standard and the method management expects to use;

(iii) discuss the expected effect on the Issuer's financial statements, or if applicable, state that management cannot reasonably estimate the effect; and

(iv) discuss the potential effect on the Issuer's business, for example technical violations or default of debt covenants or changes in business practices; and

(b) for any accounting policies that management has initially adopted during the most recently completed financial year,

(i) describe the events or transactions that gave rise to the initial adoption of an accounting policy;

(ii) describe the accounting principle that has been adopted and the method of applying that principle;

(iii) discuss the effect resulting from the initial adoption of the accounting policy on the Issuer's financial condition, changes in financial condition and results of operations;

(iv) if the Issuer is permitted a choice among acceptable accounting principles,

(A) state that management made a choice among acceptable alternatives;

(B) identify the alternatives;

(C) describe why management made the choice that you did; and

(D) discuss the effect, where material, on the Issuer's financial condition, changes in financial condition and results of operations under the alternatives not chosen; and

(v) if no accounting literature exists that covers the accounting for the events or transactions giving rise to management's initial adoption of the accounting policy, explain management's decision regarding which accounting principle to use and the method of applying that principle.

Instruction: Management does not have to present the discussion under paragraph 6.13(b) for the initial adoption of accounting policies resulting from the adoption of new accounting standards.

The Corporation has not changed its accounting policies and it has no plans to change its accounting policies.

Financial Instruments and Other Instruments

6.14 For financial instruments and other instruments,

(a) discuss the nature and extent of the Issuer's use of, including relationships among, the instruments and the business purposes that they serve;

(b) describe and analyze the risks associated with the instruments;

(c) describe how management manages the risks in paragraph (b), including a discussion of the objectives, general strategies and instruments used to manage the risks, including any hedging activities;

(d) disclose the financial statement classification and amounts of income, expenses, gains and losses associated with the instrument; and

(e) discuss the significant assumptions made in determining the fair value of financial instruments, the total amount and financial statement classification of the change in fair value of financial instruments recognized in income for the period, and the total amount and financial statement classification of deferred or unrecognized gains and losses on financial instruments.

Instructions:
(1) "Other instruments" are instruments that may be settled by the delivery of non-financial assets. A commodity futures contract is an example of an instrument that may be settled by delivery of non-financial assets.

(2) The discussion under paragraph 6.14(a) should enhance a reader's understanding of the significance of recognized and unrecognized instruments on the Issuer's financial position, results of operations and cash flows. The information should also assist a reader in assessing the amounts, timing, and certainty of future cash flows associated with those instruments. Also discuss the relationship between liability and equity components of convertible debt instruments.

(3) For purposes of paragraph 6.14(c), if the Issuer is exposed to significant price, credit or liquidity risks, consider providing a sensitivity analysis or tabular information to help readers assess the degree of exposure. For example, an analysis of the effect of a hypothetical change in the prevailing level of interest or currency rates on the fair value of financial instruments and future earnings and cash flows may be useful in describing the Issuer's exposure to price risk.

(4) For purposes of paragraph 6.14(d), disclose and explain the income, expenses, gains and losses from hedging activities separately from other activities.

Critical Accounting Estimates

The Corporation does not utilize any critical accounting estimates for the financial periods discussed in this Listing Statement.

Upon becoming active in the resource exploration sector, critical accounting estimates used in the preparation of the financial statements would include the Corporation's estimate of recoverable value of its mineral properties and related deferred exploration expenditures as well as the value of any stock-based compensation. Both of these estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Corporation's control.

The Corporation's recoverability of its recorded value of its mineral properties and associated deferred exploration expenses is based on current market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Corporation operates in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, the ability of the Corporation and its subsidiaries to obtain necessary financing to complete the development, and future profitable production or the proceeds of disposition thereof.

The factors affecting stock-based compensation include estimates of when stock options might be exercised and stock price volatility. The timing for exercise of options is out of the Corporation's control and will depend on a variety of factors, including the market value of the Corporation's shares and financial objectives of the stock-based instrument holders. The Corporation used historical data to determine volatility in accordance with the Black-Scholes model. However, the future volatility is uncertain and the model has its limitations.

Disclosure Controls

The Corporation's Chief Executive Officer and Chief Financial Officer are responsible for establishing and maintaining the Corporation's disclosure controls and procedures, including

adherence to the Disclosure Policy adopted by the Corporation. They are assisted in this responsibility by the Chairperson of the Audit Committee who serves as an independent director of the Corporation. All three individuals sit on the Corporation's Disclosure Policy Committee ("DPC"). The Disclosure Policy requires all staff to keep the DPC fully apprised of all material information affecting the Corporation so that they may evaluate and discuss this information and determine the appropriateness and timing for public release. Access to such material information by the DPC is facilitated by the small size of the Corporation's senior management.

The Chief Executive Officer and Chief Financial Officer (Acting), after evaluating the effectiveness of the Corporation's disclosure controls and procedures as of December 31, 2007, have concluded that the Corporation's disclosure controls and procedures were adequate and effective to ensure that material information relating to the Corporation and its subsidiaries would have been known to them.

Management's Responsibility for Financial Statements

The information provided in this Listing Statement, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the financial statements.

Management maintains a system of internal controls to provide reasonable assurance that the Corporation's assets are safeguarded and to facilitate the preparation of relevant and timely information.

Interim MD&A

6.15 Specify the date of the interim MD&A.

The date of the first Quarter interim May 30, 2008

6.16 Interim MD&A must update the Issuer's annual MD&A for all disclosure required by sections 6.2 to 6.14 except sections 6.3 and 6.4. This disclosure must include

(a) a discussion of management's analysis of

(i) current quarter and year-to-date results including a comparison of results of operations and cash flows to the corresponding periods in the previous year;

(ii) changes in results of operations and elements of income or loss that are not related to ongoing business operations;

(iii) any seasonal aspects of the Issuer's business that affect its financial condition, results of operations or cash flows; and

(b) a comparison of the Issuer's interim financial condition to the Issuer's financial condition as at the most recently completed financial year-end.

Instruction:

(1) For the purposes of paragraph (b), do not duplicate the discussion and analysis of financial condition in the annual MD&A. For example, if economic and industry factors are substantially unchanged the interim MD&A may make a statement to this effect.

(2) For the purposes of subparagraph (a)(i), you should generally give prominence to the current quarter.

(3) In discussing the Issuer's balance sheet conditions or income or cash flow items for an interim period, you do not have to present a summary, in tabular form, of all known contractual obligations contemplated under section 6.7. Instead, you should disclose material changes in the specified contractual obligations during the interim period that are outside the ordinary course of the Issuer's business.

(4) Interim MD&A is not required for the Issuer's fourth quarter as relevant fourth quarter content will be contained in the Issuer's annual MD&A.

Selected Financial Information

The amalgamation of Canadian Diamind Limited and Talmora Resources Inc. is a capital transaction and is accounted for as a reverse takeover with Canadian Diamind Limited identified as the acquirer. The comparative figures presented are therefore those of Canadian Diamind Limited.

As at March 31, 2008, Talmora had cash and cash equivalents of $241,287 and working capital of $193,873.

Funds are sufficient to cover the remaining analytical costs and to meet ongoing administrative expenses and meet liabilities for the ensuing year as they fall due. However, additional financing will be required in order to drill test kimberlite targets and to extend sampling and airborne magnetic surveying to the new permits.

	Talmora Diamond Inc.	Talmora Diamond Inc.
	3 Months ended	
	March 31, 2008	March 31 2007
Interest Revenues	41	5,304
Admin.expenses (incl. bank charges)	62,200	28,679
Professional fees	2,887	5,000
Mineral exploration [deferred costs]	65,654	93,856
Cash Inflow/(Outflow)	(95,136)	66,113

	3 Months ended	
	March 31, 2008	December 31, 2007
Interest Revenues	41	11,119
Admin. Expenses (recovery) (incl.bank charges)	62,200	104,311
Professional fees	2,887	65,467
Cash Inflow/(Outflow)	(95,136)	(87,440)
Deferred mineral exploration costs	940,101	874,447
Total assets	1,193,974	1,260,949
Cash, cash equivalents	241,287	336,423
Accounts receivable/(payable)	(47,394)	(55,195)
Working Capital	193,873	324,593

Summary of Quarterly Results

	1Q	2Q	3Q	4Q
2008				
Assets (end of period)	$1,193,974			
Cash inflow (outflow)	$95,136			
Interest revenues	$ 41			
Net Income (loss)	($79,796)			
Net income (loss) per share- Basic and diluted	$0.013			

2007				
Assets (end of period)	$856,103	$937,636	$939,563	$1,260,949
Cash inflow (outflow)	$66,113	($135,576)	($284,702)	$266,725
Interest revenues	$5,304	$4,058	$1,273	$484
Net Income (loss)	$12,625	($45,036)	($25,979)	($164,694)
Net income (loss) per share-				
Basic and diluted	$0.001	($0.003)	($0.001)	($0.010)

Note: For comparative purposes the number of shares prior to the amalgamation is the average number issued and outstanding divided by five (exchange ratio of 5 for 1 on amalgamation).

The deferred mineral exploration costs of $65,654 for the first quarter of 2008 reflect analytical costs and the cost of preparing assessment work reports. Increased administrative expenditures of $62,200 ($28,679 in 2007) are the result of increased reporting requirements. The cash outflow of $95,136 is a reflection of the above exploration and administrative expenditures. Interest revenues of $41 ($5,304 in 2007) are down because funds were depleted and proceeds of the new financing have not earned interest.

Additional Disclosure for Issuers without Significant Revenue

6.17

(1) Unless the information is disclosed in the financial statements to which the annual or interim MD&A relates, an Issuer that has not had significant revenue from operations in either of its last two financial years must disclose a breakdown of material components of

(a) capitalized or expensed exploration and development costs;

(b) expensed research and development costs;

(c) deferred development costs;

(d) general and administration expenses; and

(e) any material costs, whether capitalized, deferred or expensed, not referred to in paragraphs (a) through (d)

and if the Issuer's business primarily involves mining exploration and development, the analysis of capitalized or expensed exploration and development costs must be presented on a property-by-property basis.

(2) The disclosure in the annual MD&A must be for the two most recently completed financial years and the disclosure in the interim MD&A for the each year-to-date interim period and the comparative period presented in the interim statements.

Please see above

7. Market for Securities

7.1 Identify the exchange(s) and quotation system(s) on which the Issuer's securities are listed and posted for trading or quoted.

The common shares of Talmora Diamond Inc. commenced trading on the Canadian Trading and Quotation System Inc. ("CNQ") on May 14, 2007 under the trading symbol "TALM".

8. Consolidated Capitalization

8.1 Describe any material change in, and the effect of the material change on, the share and loan capital of the Issuer, on a consolidated basis, since the date of the comparative financial statements for the Issuer's most recently completed financial year contained in the Listing Statement.

Please read the following discussion and analysis together with the audited financials statements for the year ended December 31, 2007 and the audited financial statements of the predecessor companies, Canadian Diamind Limited and Talmora Resources Inc., for the year ending December 31, 2006.

Amalgamation of Talmora Resources Inc. with Canadian Diamind Limited

Talmora Diamond Inc. ("Talmora") was formed, effective January 23, 2007, upon the amalgamation of Talmora Resources Inc. and Canadian Diamind Limited, as disclosed in the information circular of Talmora Resources Inc. dated November 20, 2006. These transactions were approved by shareholders of the amalgamating companies at annual and special meetings held on January 5, 2007.

Former Talmora Resources Inc. shareholders were issued 5,142,105 shares (31.3%), and former Canadian Diamind Limited shareholders were issued 11,252,830 shares (68.6%), in Talmora for a total of 16,394,935 issued and outstanding common shares.

Financing

Talmora is dependent on management obtaining financing to continue operations and to fund its exploration property expenses.

There are currently 21,774,935 common shares issued and outstanding and 7,540,000 common shares subject to issuance including 5,940,000 warrants and 1,600,000 management incentive options. Each of 3,900,000 warrants entitles the holder to acquire one common share for $0.16. 3,250,000 of these warrants expire June 30, 2008 and 650,000 expire April 18, 2009. Each of the remaining 2,040,000 warrants entitles the

holder to acquire one common share for $0.20 and these warrants expire December 29, 2009. The options are exercisable at $0.10 and expire April 25, 2012.

9. Options to Purchase Securities

9.1 State, in tabular form, as at a specified date not more than 30 days before the date of the Listing Statement, information as to options to purchase securities of the Issuer or a subsidiary of the Issuer that are held by

(a) all executive officers and past executive officers of the Issuer as a group and all directors and past directors of the Issuer who are not also executive officers as a group, indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies, without naming them;

(b) all executive officers and past executive officers of all subsidiaries of the Issuer as a group and all directors and past directors of those subsidiaries who are not also executive officers of the subsidiary as a group, in each case, without naming them and excluding individuals referred to in paragraph (a), indicating the aggregate number of executive officers and the aggregate number of directors to whom the information applies;

(c) all other employees and past employees of the Issuer as a group, without naming them;

(d) all other employees and past employees of subsidiaries of the Issuer as a group, without naming them;

(e) all consultants of the Issuer as a group, without naming them; and

(f) any other person or company, including the underwriter, naming each person or company.

Instruction:

(1) Describe the options, stating the material provisions of each class or type of option, including:

(a) the designation and number of the securities under option;

(b) the purchase price of the securities under option or the formula by which the purchase price will be determined, and the expiration dates of the options;

(c) if reasonably ascertainable, the market value of the securities under option on the date of grant;

(d) if reasonably ascertainable, the market value of the securities under option on the specified date; and

(e) with respect to options referred to in paragraph (f) of Item 9.1, the particulars of the grant including the consideration for the grant.

(2) For the purposes of item (f) of Item 9.1, provide the information required for all options except warrants and special warrants.

On April 12, 2007, Talmora granted management incentive options to directors, officers and consultants to acquire 1,600,000 shares at an exercise price of $0.10 per share which expire on April 25, 2012 pursuant to the terms of the 2006 Stock Option Plan (as defined below). The shareholders of the Corporation have approved a stock option plan (the "2006 Stock Option Plan") for directors, officers, and employees of the Corporation and other persons such as consultants. The 2006 Stock Option Plan was created in order attract, retain, and motivate personnel. The number of options and the exercise price thereof is set by the board of directors of the Corporation at the time of grant, provided that the exercise price shall not be less than the current market price of shares (subject to such discounts as may be permitted). The maximum number of shares that may be reserved for issuance pursuant to options granted under the 2006 Stock Option Plan will be 3,250,000 common shares.

Current & Past Executive Officers	925,000
Current & Past Directors	400,000
Other Consultants	275,000
	1,600,000

10. Prior Sales

10.1 State the description or the designation each class of equity or debt securities of the Issuer and describe all material attributes and characteristics, including

(a) dividend rights;

(b) voting rights;

(c) rights upon dissolution or winding-up;

(d) pre-emptive rights;

(e) conversion or exchange rights;

(f) redemption, retraction, purchase for cancellation or surrender provisions;

(g) sinking or purchase fund provisions;

(h) provisions permitting or restricting the issuance of additional securities and any other material restrictions;

(i) provisions requiring a securityholder to contribute additional capital;

(j) provisions for interest rate, maturity, and premium, if any of debt securities;

(k) the nature and priority of any security for debt securities, briefly identifying the principal properties subject to lien or charge;

(l) any material negative covenants, including restrictions against payment of dividends and restrictions against giving security on the assets of the Issuer or its subsidiaries, and provisions as to the release or substitution of assets securing debt securities;

(m) the name of the trustee under any indenture relating to debt securities and the nature of any material relationship between the trustee or any of its affiliates and the issuer or any of its affiliates; and

(n) any financial arrangements between the Issuer and any of its affiliates or among its affiliates that could affect the security for the indebtedness..

The Corporation is authorized to issue an unlimited number of shares. Upon completion of the amalgamation, the Corporation had 16,394,935 shares issued and outstanding, and 3,250,000 Series I Warrants issued and outstanding.

The holder of shares of the Corporation will be entitled to one vote for each share held on all matters to be voted on by such holders and are entitled to receive pro rata such dividends as may be declared by the board of directors of the Corporation out of funds legally available therefore and to receive pro rata the remaining property of the Corporation on dissolution. The holders of shares have no pre-emptive or conversion rights. The rights attaching to the shares can only be modified by the affirmative vote of at least two-thirds of the votes cast at a meeting of shareholders called for that purpose.

On April 18, 2007, Talmora Diamond completed a private placement of 1,300,000 Units, comprised of 170,000 Hard Dollar Units and 1,130,000 Flow-

Through Units, that were sold at $0.10 per Unit, for total proceeds of $130,000. Each Unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant ("CDL Warrant") entitles the holder to acquire one common share for $0.16 until April 18, 2009. If during the term of the Warrants the Common Shares of Talmora are listed and trade at or above Can. $0.25 for a period of 20 consecutive trading days, the Company may notify the warrant holder to exercise the warrants at a date no later than 30 calendar days after this notification date or forfeit any unexercised warrants at that time. All securities issued pursuant to the financing are subject to a four month hold period which expires on August 19, 2007. Insiders acquired a total of 350,000 Units in the financing.
On December 28, 2007, the Company closed another private placement financing for 3,160,000 non-flow-through units and 920,000 flow-through units at a price of $0.10 per unit for total gross proceeds of $408,000. . Each unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant will be exercisable at $0.20 per common share until December 28, 2009.

The fair value of the warrants of $59,200 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 100%; risk free interest rate of 4.1%; and expected life of two years.

Currently there are 21,774,935 outstanding common shares.

Warrants	number	exercise price	expiry date
June 2006 Series 1	3,250,000	$0.16	June 30, 2008
April 2007 Series II	650,000	$0.16	April 18, 2009
December 2007 Series III	2,040,000	$0.20	December 29, 2009
	5,940,000		

10.2 State the prices at which securities of the same class as the securities to be listed have been sold within the 12 months before the date of the Listing Statement, or are to be sold, by the Issuer or any Related Person and the number of securities of the class sold or to be sold at each price

Instruction: In the case of sales by a Related Person, the information required under Item 10.2 may be given in the form of price ranges for each calendar month.

There has been no sale of the Corporation's shares within the 12 months before the May 2007 Listing Statement. As of June 30, 2006 Canadian Diamind has completed a private placement financing in which 32,500,000 units were issued at a price of $0.02 per unit for gross proceeds of $650,000. Each unit consists of one common share and one-half of one common share purchase warrant. Each whole warrant entitles the holder to acquire one common share of Canadian Diamind for $0.032 until June 30, 2008. Finders fees of $27,000 were paid to two financial intermediaries. On a post-amalgamation basis, which provides for a 5:1 consolidation of the issued and outstanding Canadian Diamind securities, there are

a total of 3,250,000 warrants, each whole warrant entitling the holder to acquire on common share of Talmora Diamond for $0.16 until June 30, 2008. If during the term of the Warrants the Common Shares of Talmora are listed and trade at or above Can. $0.25 for a period of 20 consecutive trading days, the Company may notify the warrant holder to exercise the warrants at a date no later than 30 calendar days after this notification date or forfeit any unexercised warrants at that time.

On April 18, 2007, Talmora Diamond completed a private placement of 1,300,000 Units, comprised of 170,000 Hard Dollar Units and 1,130,000 Flow-Through Units, that were sold at $0.10 per Unit, for total proceeds of $130,000. Each Unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant ("CDL Warrant") entitles the holder to acquire one common share for $0.16 until April 18, 2009. If during the term of the Warrants the Common Shares of Talmora are listed and trade at or above Can. $0.25 for a period of 20 consecutive trading days, the Company may notify the warrant holder to exercise the warrants at a date no later than 30 calendar days after this notification date or forfeit any unexercised warrants at that time. All securities issued pursuant to the financing are subject to a four month hold period which expires on August 19, 2007. Insiders acquired a total of 350,000 Units in the financing.

On December 28, 2007, the Company closed another private placement financing for 3,160,000 non-flow-through units and 920,000 flow-through units at a price of $0.10 per unit for total gross proceeds of $408,000. . Each unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant will be exercisable at $0.20 per common share until December 28, 2009.

The fair value of the warrants of $59,200 was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 100%; risk free interest rate of 4.1%; and expected life of two years.

10.3 Stock Exchange Price

(1) If shares of the same class as the shares to be listed were or are listed on a Canadian stock exchange or traded on a Canadian market, provide the price ranges and volume traded on the Canadian stock exchange or market on which the greatest volume of trading generally occurs.

This section is not applicable.

(2) If shares of the same class as the shares to be listed were or are not listed on a Canadian stock exchange or traded on a Canadian market, provide

the price ranges and volume traded on the foreign stock exchange or market on which the greatest volume of trading generally occurs.

This section is not applicable.

(3) Information is to be provided on a monthly basis for each month or, if applicable, part month, of the current quarter and the immediately preceding quarter and on a quarterly basis for the next preceding seven quarters.

Information from CNQ Monthly reports

	Trading Volume	Hi	Low
May 2007	30,000	0.10	0.07
June 2007	22,500	0.05	0.04
July 2007	20,000	0.04	0.03
November 2007	41,000	0.03	0.01
February 2008	60,000	0.03	0.03
March 2008	13,000	0.025	0.025
June 2008	19,000	0.07	0.01

11. Escrowed Securities

11.1 State as of a specified date within 30 days before the date of the Listing Statement, in substantially the following tabular form, the number of securities of each class of securities of the Issuer held, to the knowledge of the Issuer, in escrow (which, for the purposes of this Form includes any securities subject to a pooling agreement) and the percentage that number represents of the outstanding securities of that class. In a note to the table, disclose the name of the depository, if any, and the date of and conditions governing the release of the securities from escrow.

ESCROWED SECURITIES

Designation of class held in escrow	Number of securities held in escrow	Percentage of class
Common shares Share purchase warrants	3,392,961 315,000	15.58% 5.30%

The depository is Computershare Trust Company of Canada which acts as transfer agent and registrar for the Shares of the Corporation, and is located at 530 8th Avenue S.W., 6th Floor, Calgary, Alberta, T2P 3S8.

On June 12, 2007, shareholders of the Company entered into an escrow agreement relating to 5,654,935 common shares of the Company and 525,000 common share purchase warrants. The escrowed securities will be released as follows: 1/10 on the listing date, 1/6 of the remaining escrowed securities 6 months after the listing date, 1/5

of the remaining escrowed securities 12 months after listing date, 1/4 of the remaining escrowed securities 18 months after the listing date, 1/3 of the remaining escrowed securities 24 months after the listing date, 1/2 of the remaining escrowed securities 30 months after the listing date and the remaining escrowed securities, 36 months after the listing date.

12. Principal Shareholders

12.1 (1) Provide the following information for each principal shareholder of the Issuer as of a specified date not more than 30 days before the date of the Listing Statement:

(a) Name.

Raymond Davies is the only principal shareholder of the Issuer.

(b) The number or amount of securities owned of the class to be listed

Raymond Davies owns 2,643,046 common shares and 540,000 share purchase warrants and has options on 425,000 common shares..

(c) Whether the securities referred to in subsection 12(1)(b) are owned both of record and beneficially, of record only, or beneficially only.

The above securities are owned both of record and beneficially.

(d) The percentages of each class of securities known by the Issuer to be owned.

This represents 12.14% of common shares, 9.09% of the share purchase warrants and 26.56% of the options on common shares.

(2) If the Issuer is requalifying following a fundamental change or has proposed an acquisition, amalgamation, merger, reorganization or arrangement, indicate, to the extent known, the holding of each person of company described in paragraph (1) that will exist after giving effect to the transaction.

The Corporation is requalifying following an amalgamation between Talmora Resources Inc. and Canadian Diamind Limited.

Prior to the amalgamation, Raymond Davies was the President and director of Talmora Resources Inc. and owned 14.4% of the issued and outstanding shares of Talmora Resources Inc. Mr. Davies also acted as the director of Canadian Diamind, and owned 10.9% of the issued and outstanding shares of Canadian Diamind.

Pursuant to the amalgamation,

(a) each Talmora Resources Inc. Shareholder will exchange their Shares for shares of the Corporation ("Shares") on the basis of one (1) Share for every one (1) Talmora Resources Inc. Share, resulting in 5,142,105 Shares being issued to Talmora Resources Inc. Shareholders;

(b) each Canadian Diamind Shareholder will exchange their Canadian Diamind Shares for Shares of the Corporation ("Shares") on the basis of one (1) Share for every five (5) Canadian Diamind Shares, resulting in 11,252,830 Shares being issued to Canadian Diamind Shareholders; and

(c) each holder of Canadian Diamind Series I Warrants will exchange their Canadian Diamind Series I Warrants on the basis of one (1) Series I Warrant for every five (5) Canadian Diamind Series I Warrants, resulting in 3,250,000 Series I Warrants being issued to holders of Canadian Diamind Series I Warrants.

As a result, 16,394,935 Shares of the Talmora were outstanding upon the effective date of the Amalgamation.

Each whole Warrant shall entitle the holder to acquire one common share of the Corporation (a "Warrant Share") for $0.16 until June 30, 2008.

On April 18, 2007, Talmora Diamond completed a private placement of 1,300,000 Units, comprised of 170,000 Hard Dollar Units and 1,130,000 Flow-Through Units, that were sold at $0.10 per Unit, for total proceeds of $130,000. Each Unit consists of one common share and one-half of one common share purchase warrant.

The Units shall consist of one common share of the Corporation (a "Share") and one-half of one common share purchase warrant (a "Warrant") which separate immediately upon issuance. Each whole Warrant shall entitle the holder to acquire one common share of the Corporation (a "Warrant Share") for $0.16 until 650,000 expire April 18 2009.

On December 28, 2007, Talmora Diamond completed a private placement of 4,080,000 Units, comprised of 3,160,000 Hard Dollar Units and 920,000 Flow-Through Units, that were sold at $0.10 per Unit, for total proceeds of $408,000. Each Unit consists of one common share and one-half of one common share purchase warrant.

The Units shall consist of one common share of the Corporation (a "Share") and one-half of one common share purchase warrant (a "Warrant") which separate immediately upon issuance. Each whole Warrant shall entitle the holder to acquire one common share of the Corporation (a "Warrant Share") for $0.20 until December 28, 2009;

Following the private placement and as at the date hereof, Talmora has 21,774,935 Shares issued and outstanding. Mr. Davies owns 2,643,046 Shares representing approximately 12.14% of the issued and outstanding Shares of the Corporation.

(3) If, to the knowledge of the Issuer, more than 10 per cent of any class of voting securities of the Issuer is held, or is to be held, subject to any voting trust or other similar agreement, disclose, to the extent known, the designation of the securities, the number or amount of the securities held or to be held subject to the agreement and the duration of the agreement. State the names and addresses of the voting trustees and outline briefly their voting rights and other powers under the agreement.

No shares are being held subject to a voting trust or other similar agreement.

(4) If, to the knowledge of the Issuer, any principal shareholder is an associate or affiliate of another person or company named as a principal shareholder, disclose, to the extent known, the material facts of the relationship, including any basis for influence over the Issuer held by the person or company other than the holding of voting securities of the Issuer.

The only principal shareholder of the Corporation is Mr. Raymond Davies. At the time of the Listing Statement, there are no other principal shareholders of the Corporation.

(5) In addition to the above, include in a footnote to the table, the required calculation(s) on a fully-diluted basis.

Please see above.

Instruction: If a company, partnership, trust or other unincorporated entity is a principal shareholder of an Issuer, disclose, to the extent known, the name of each individual who, through ownership of or control or direction over the securities of the company or membership in the partnership, as the case may be, is a principal shareholder of the company or partnership.

13 Directors and Officers

13.1 List the name and municipality of residence of each director and executive officer of the Issuer and indicate their respective positions and offices held with the Issuer and their respective principal occupations within the five preceding years.

Instruction: If, during the period, a director or officer has held more than one position with the Issuer or the Issuer's controlling shareholder or a subsidiary of the Issuer, state only the current position held.

Name, municipality of residence, and age	Position	Principal occupations within the five preceding years
Richard M. Hogarth Toronto, Ontario Age 77	Chairman and Director	Richard M. Hogarth is a retired investment advisor. Mr. Hogarth was an investment advisor with Scotia McLeod Inc. and its predecessors from 1975 to 1999, and has served as a director on the boards of a number of mining resource companies, including Tombill Mines Limited, Stall Lake Mines Limited and Voyager Explorations Limited. Mr. Hogarth is a life member of the Canadian Institute of Mining, Metallurgy and Petroleum and a member of the Prospectors and Developers Association of Canada. Mr. Hogarth will spend approximately 5% of his time on the business and affairs of the Corporation.
Raymond Davies Toronto, Ontario Age 73	President, Chief Executive Officer and Director	Raymond Davies has extensive experience in the mining industry, having served as a consultant providing mining exploration services to corporations with properties in Canada, Europe, Africa, and South America. He has also served as a director and senior officer to numerous mining resource companies. His experience includes responsibility for gold exploration programs (Tombill Mines, Hayes Resources, Craskie Mines, Mingold Resources, Hudbay, Glenmore Highlands, Finngold), diamond exploration programs (DeBeers, Lytton, New Dolly Varden, Ditem, Patrician, Pure Gold, IPSCO, Glenmore, Canadian Diamind, Canadian Overseas), base metal programs (Hudson Bay Exploration and Development Co., Limited, Belvedere Resources) geological evaluation of nearly 400 North American coal companies, and porphyry copper, tungsten, graphite and silver projects in Mexico (Amcan). Mr. Davies holds a Bachelor of Science degree from University of Witwatersrand, South Africa, and both a master and doctoral degrees from McGill University in geology. Mr. Davies is a member of, among others, Professional Engineers of Ontario, Canadian Institute of Mining, Metallurgy and Petroleum, Canadian Quaternary Association and The Board of Trade of Metropolitan Toronto. Mr. Davies will spend approximately 50% of his time on the business and affairs of the Corporation.
Robert T. Owen Calgary, Alberta	Chief Financial Officer	Robert T. Owen resides in Calgary, Alberta. He holds an Honours Bachelor of Commerce and Master of Science (Accounting) from the University of Saskatchewan, and an Honours Master of Business Administration from the University of Oregon. He is a Certified Management Accountant in Alberta and Ontario and a

Age 66		Fellow of the Certified Management Accountants of Canada. Mr. Owen began his career as a professor (1967 - 1979), teaching financial and management accounting first at Memorial University in Newfoundland, then at Queen's University (visiting), University of Oregon and then University of Calgary. He continued in a teaching capacity with Deloitte, Haskins & Sells, first as Manager (1979 - 1986) and then as National Director (1986 - 1991) of Professional Development, overseeing design, delivery and management of various professional development courses and programs. Subsequently, Mr. Owen served as director, CFO &/or consultant to a number of junior capital pool companies listed on the Alberta Stock Exchange. Since 1995, Mr. Owen has been self-employed as the President, Cougar Resource Management Inc., a bookkeeping & corporate administration services business. In addition to performing management and certain financial accounting functions for these businesses, his duties included co-ordination with legal counsel, auditors, brokers, trustees and investors, and stock exchange and compliance filing organization. Mr. Owen will spend approximately 20% of his time on the business and affairs of the Corporation.
Alan W. Davies Toronto, Ontario Age 46	Vice-President Exploration	Alan W. Davies is a resident of Houston, Texas. He received Bachelor of Science degrees in mining engineering (1984) and geological engineering (1985) from Queen's University and is a licensed professional engineer (Ontario), as well as a licensed professional geologist (Geophysics - Texas). Over the course of his career, through working with many resource companies, he has gained expertise in mineral exploration (10 years' experience - projects in Canada, U.S., Finland, Estonia and South Africa), mining engineering (4 years' experience - Nunavut, Alaska, Manitoba), geological and geotechnical projects (3 years' experience - Canada), environmental engineering (3 years' experience - Southern Ontario and Nunavut) and petroleum exploration (3 years' experience - U.S., South Africa, Indonesia, Austria, New Zealand and Mexico), and has developed a good working knowledge of Spanish and French. Mr. Davies will spend approximately 10% of his time on the business and affairs of the Corporation.
Maria Grimes Ajax, Ontario Age 61	Secretary	Maria Grimes has extensive experience in providing corporate administrative services to mining resources companies, including Talmora Resources Inc., Canadian Geovision Limited and Canadian Diamind Limited. Ms. Grimes will spend approximately 40% of her time on the business and affairs of the Corporation.
Joan E. Fiset Toronto, Ontario Age 48	Director	Joan E. Fiset has a well-grounded background in accounting, tax and treasury with extensive mining industry experience, and in addition, has excellent oral and written fluency in French and a strong knowledge of Spanish. Her education and professional qualifications include a Bachelor of Science (Honours) in mining engineering from Queen's University, a Masters of Business Administration from The University of Western Ontario, a Chartered Accountant designation and a law degree from

		University of Toronto. Ms. Fiset was called to the Bar of Ontario in 1997. She has been Manager Taxation and Treasury of Breakwater Resources Limited since April, 2004 and for six years prior to that was Taxation Manager of Inmet Mining Corporation. Ms. Fiset will spend approximately 5% of her time on the business and affairs of the Corporation.
Leslie C. Little Surrey, England Age 61	Director	Leslie C. Little is currently a consultant/investment manager with Smith & Williamson, a British investment management firm and is responsible for managing discretionary private client portfolios. He previously worked with Greig Middleton Stockbrokers, Litco Portfolio Management and Hill Samuel Investment Managers, and was responsible for managing funds and portfolios which included private clients, charities and trade unions. Mr. Little will spend approximately 5% of his time on the business and affairs of the Corporation.

13.2 State the period or periods during which each director has served as a director and when his or her term of office will expire.

Each of the directors and officers set out in the previous section have acted in this capacity since the date of the amalgamation, and will continue to do so until a determination by a meeting of the shareholders of the Corporation.

13.3 State the number and percentage of securities of each class of voting securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control or direction is exercised by all directors and executive officers of the Issuer as a group.

Instruction: Securities of subsidiaries that are beneficially owned, directly or indirectly, or over which control or direction is exercised by directors or executive officers through ownership or control or direction over securities of the Issuer do not need to be included.

The directors and executive officers of the Corporation as a group control, directly or indirectly, a total of 4,071,192 shares, representing 23.0% of the outstanding shares of the Corporation.

13.4 Disclose the board committees of the Issuer and identify the members of each committee.

The Corporation has an Audit Committee consisting of Richard M. Hogarth, Leslie Little and Joan E. Fiset of which Joan E. Fiset, C.A., will act as Chairperson. The Corporation does not have any other committees.

13.5 If the principal occupation of a director or officer of the Issuer is acting as an officer of a person or company other than the Issuer, disclose the fact and state the principal business of the person or company.

All directors of the Corporation are directors and officers of other companies, the details of which have been set out under section 13.1.

13.6 If a director or officer of the Issuer or a shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer, is, or within 10 years before the date of the Listing Statement has been, a director or officer of any other Issuer that, while that person was acting in that capacity,

(a) was the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or

In the five years preceding the date of the Listing Statement, no director or officer of the Corporation has been the subject of a cease trade or similar order, or an order that denied the other Issuer access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days.

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.

In the five years preceding the date of the Listing Statement, no director or officer of the Corporation has become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

13.7 Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, has

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

This section is not applicable.

13.8 If a director or officer of the Issuer, or a shareholder holding sufficient securities of the Issuer to affect materially the control of the Issuer, or a personal holding company of any such persons has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer, state the fact.

This section is not applicable.

13.9 Disclose particulars of existing or potential material conflicts of interest between the Issuer or a subsidiary of the Issuer and a director or officer of the Issuer or a subsidiary of the Issuer.

Certain of the directors and officers of the Corporation may also serve as directors and officers of other companies involved in mineral exploration and development and consequently, the possibility of conflict exists. Any decisions made by such directors involving the Corporation will be made in accordance with the duties and obligations of directors to deal fairly and in good faith with the Corporation and other such companies.

13.10 Management — In addition to the above provide the following information for each member of management:

(a) state the individual's name, age, position and responsibilities with the Issuer and relevant educational background,

Please see section 13.1

(b) state whether the individual works full time for the Issuer or what proportion of the individual's time will be devoted to the Issuer,

Please see section 13.1

(c) state whether the individual is an employee or independent contractor of the Issuer,

All members of management are independent contractors.

(d) state the individual's principal occupations or employment during the five years prior to the date of the Listing Statement, disclosing with respect to each organization as of the time such occupation or employment was carried on:

(i) its name and principal business;

(ii) if applicable, that the organization was an affiliate of the Issuer;

(iii) positions held by the individual; and

(iv) whether it is still carrying on business, if known to the individual;

Please see section 13.1.

(e) describe the individual's experience in the Issuer's industry; and

In addition to the foregoing as outlined in section 13.1, two of the directors of the Corporation have worked closely with other reporting issuers in the mining industry within the last five years.

The following table sets out the directors and officers of the Corporation that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name	Name of Reporting Issuer	Position	Exchange	From	To
Raymond Davies	New Dolly Varden Minerals Inc. (now Dolly Varden Resources Inc.)	Director	TSXV	04/94	present
	Ditem Explorations Inc.	Director	TSXV	08/95	present
	Patrician Diamonds Inc.	Director	TSXV	03/02	02/05
Richard M. Hogarth	Stall Lake Mines Limited	Director	VSE	1981	2004

(f) state whether the individual has entered into a non-competition or non-disclosure agreement with the Issuer.

Instruction:

(1) For purposes of this Item "management" means all directors, officers, employees and contractors whose expertise is critical to the Issuer, its subsidiaries and proposed subsidiaries in providing the Issuer with a reasonable opportunity to achieve its stated business objectives.

(2) The description of the principal occupation of a member of management must be specific. The terms "businessman" or "entrepreneur" are not sufficiently specific.

Not applicable.

14. Capitalization

14.1 Prepare and file the following chart for each class of securities to be listed:

Issued Capital

	Number of Securities (non-diluted)	Number of Securities (fully-diluted)	% of Issued (non-diluted)	% of Issued (fully diluted)
Public Float				
Total outstanding (A)	21,774,935	29,314,935	100%	100%
Held by Related Persons or employees of the Issuer or Related Person of the Issuer, or by persons or companies who beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer (or who would beneficially own or control, directly or indirectly, more than a 5% voting position in the Issuer upon exercise or conversion of other securities held) (B)	11,525,395	16,170,935	56.61%	55.16%
Total Public Float (A-B)	10,249,540	13,144,000	43.39%	44.84%
Freely-Tradeable Float				
Number of outstanding securities subject to resale restrictions, including restrictions imposed by pooling or other arrangements or in a shareholder agreement and securities held by control block holders (C)	1,413,734	639,594	6.49%	2.18%
Total Tradeable Float (A-C)	20,361,201	28,675,341	93.51%	97.82%

Public Securityholders (Registered)

Instruction: For the purposes of this report, "public securityholders" are persons other than persons enumerated in section (B) of the previous chart. List registered holders only.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities	1	4,000
5,000 or more securities	32	4,893,000
	34	4,897,000

Public Securityholders (Beneficial)

Instruction: Include (i) beneficial holders holding securities in their own name as registered shareholders; and (ii) beneficial holders holding securities through an intermediary where the Issuer has been given written confirmation of shareholdings. For the purposes of this section, it is sufficient if the intermediary provides a breakdown by number of beneficial holders for each line item below; names and holdings of specific beneficial holders do not have to be disclosed. If an intermediary or intermediaries will not provide details of beneficial holders, give the aggregate position of all such intermediaries in the last line.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities	1	500
1,000 – 1,999 securities	5	6,000
2,000 – 2,999 securities	10	22,500
3,000 – 3,999 securities	16	48,000
4,000 – 4,999 securities	48	141,500
5,000 or more securities	110	10,689,500
Unable to confirm		

Non-Public Securityholders (Registered)

Instruction: For the purposes of this report, "non-public securityholders" are persons enumerated in section (B) of the issued capital chart.

Class of Security

Size of Holding	**Number of holders**	**Total number of securities**
1 – 99 securities		
100 – 499 securities		
500 – 999 securities		
1,000 – 1,999 securities		
2,000 – 2,999 securities		
3,000 – 3,999 securities		
4,000 – 4,999 securities		
5,000 or more securities	15	11,525,396
	15	11,525,396

14.2 Provide the following details for any securities convertible or exchangeable into any class of listed securities

Description of Security (include conversion / exercise terms, including conversion / exercise price)	Number of convertible / exchangeable securities outstanding	Number of listed securities issuable upon conversion / exercise
Series I Warrants Exercise Price: $0.16 Expiry Date: June 30, 2008	3,250,000	3,250,000 common shares

Series II Warrants Exercise Price: $0.16 Expiry Date: April 18, 2009	650,000	650,000 common shares
Series III Warrants Exercise Price: $0.20 Expiry Date: December 29, 2009	2,040,000	2,040,000 common shares
Management Incentive Options Exercise Price: $0.10 Expiry Date: April 25, 2012	1,600,000	1,600,000 common shares
	7,540,000	

14.3 Provide details of any listed securities reserved for issuance that are not included in section 14.2.

There are no listed securities reserved for issuance that are not included in section 14.2.

15. Executive Compensation

15.1 Attach a Statement of Executive Compensation from Form 40 of Regulation 1015 of the Revised Regulations of Ontario, 1990 or any successor instrument and describe any intention to make any material changes to that compensation.

Aggregate Compensation

During the financial years ended December 31, 2007, 2006 and 2005, there was one Named Executive Officer of the Corporation. No compensation was paid to the Named Executive Officer during the aforementioned fiscal years. For this purpose, "Named Executive Officer" means the President and Chief Executive Officer.

Summary Compensation Table

The following table sets forth information concerning the total compensation paid to the Named Executive Officer. There were no other executive officers of the Corporation who received total

remuneration, determined on the basis of base salary and bonuses, in excess of $100,000 during each of the last three financial years ended December 31. The Corporation does not have any subsidiaries.

Name and Principal Position	Fiscal Year Ended Dec. 31	Salary ($)	Bonus ($)	Other Annual Compensation(1) ($)	Securities Under Option/SARs Granted (#)	Restricted Shares or Restricted Share Units ($)	Long Term Incentive Plan Payouts ($)	All Other Compensation ($)
James D'Cruz	2007	Nil	Nil	Nil	40,000	Nil	Nil	Nil
	2006	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2005	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Raymond Davies	2007	36,137	Nil	Nil	425,000	Nil	Nil	Nil

Notes:

(1) Perquisites and other personal benefits received in 2005, 2006 and 2007 did not exceed the lesser of $50,000 and 10% of the total annual salary and bonuses for any of the Named Executive Officer.

Stock Options

The Corporation and the shareholders of Talmora have adopted the 2006 Stock Option Plan. See Section 9 – Options to Purchase Securities.

Compensation of Directors

No directors of the Corporation were compensated by the Corporation during the financial year ended December 31, 2007 for their services in their capacity as directors.

15.2 Exception — Despite Item 15.1, the disclosure required under Items V, VIII, IX and X of Form 40 may be omitted.

Please see above.

16. Indebtedness of Directors and Executive Officers

16.1 (1) Disclose in substantially the following tabular form all indebtedness (other than routine indebtedness), and the other details prescribed in paragraph (2), for each individual who is, or at any time during the most recently completed financial year of the Issuer was, a director or executive officer of the Issuer, and each associate of such an individual,

(a) who is indebted to the Issuer or a subsidiary of the Issuer; or

(b) whose indebtedness to another entity is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or a subsidiary of the Issuer.

No director or officer of the Corporation was indebted to the Corporation at any time from the date of the amalgamation to the date of this Listing Statement.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Name and Principal Position (a)	Involvement of Issuer or Subsidiary (b)	Largest Amount Outstanding During [Last Completed Financial Year] ($) (c)	Amount Outstanding as at [current date] ($) (d)	Financially Assisted Securities Purchases During [Last Completed Financial Year] (#) (e)	Security for Indebtedness (f)

16.2 Include the following in the table required under paragraph 16.1:

(a) The name of the borrower (column (a)).

(b) If the borrower is a director or executive officer, the principal position of the borrower; if the borrower was, during the year, but no longer is a director or executive officer, include a statement to that effect; if the borrower is included as an associate of a director or executive officer, describe briefly the relationship of the borrower to any individual who is or, during the year, was a director or executive officer, name that individual and provide the information that would be required under this subparagraph for that individual if he or she was the borrower (column (a)).

(c) Whether the Issuer or a subsidiary of the Issuer is the lender or the provider of a guarantee, support agreement, letter of credit or similar arrangement or understanding (column (b)).

(d) The largest aggregate amount of the indebtedness outstanding at any time during the last completed financial year (column (c)).

(e) The aggregate amount of the indebtedness outstanding as at a specified date not more than 30 days before the date of Listing Statement (column (d)).

(f) If the indebtedness was incurred to purchase securities of the Issuer or of a subsidiary of the Issuer, separately for each class of securities the aggregate number of securities purchased during the last completed financial year with the financial assistance (column (e)).

(g) The security, if any, provided to the Issuer, a subsidiary of the Issuer or the other entity for the indebtedness (column (f)).

This section is not applicable.

16.3 Disclose in the introduction to the table required under paragraph (1) the aggregate indebtedness of all officers, directors, employees, and former officers, directors and employees of the Issuer or a subsidiary of the Issuer outstanding as at a specified date not more than 30 days before the date of the Listing Statement, that is owed to

(a) the Issuer or a subsidiary of the Issuer; or

(b) another entity if the indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Issuer or any of its subsidiaries.

This section is not applicable.

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16.4 Disclose in a footnote to, or a narrative accompanying, the table required under paragraph (1)

(a) the material terms of the indebtedness and, if applicable, of each guarantee, support agreement, letter of credit or other similar arrangement or understanding, including the term to maturity, rate of interest and any understanding, agreement or intention to limit recourse, and the nature of the transaction in which the indebtedness was incurred;

(b) any material adjustment or amendment made to the terms of the indebtedness and, if applicable, the guarantee, support agreement, letter of credit or similar arrangement or understanding; and

(c) the class of the securities purchased with financial assistance from the Issuer or held as security for the indebtedness and, if the class of securities is not publicly traded, all material terms of the securities.

This section is not applicable.

Instructions:

(1) For purposes of this item, the following interpretation applies to the term "routine indebtedness":

(a) A loan, whether or not in the ordinary course of business, is considered as routine indebtedness if made on terms, including terms relating to interest rate and security, no more favourable to the borrower than the terms on which loans are made by the Issuer to employees generally unless the amount at any time during the last completed financial year remaining unpaid under the loans to any one director or executive officer together with his or her associates exceeds $25,000, in which case the indebtedness is not routine.

(b) A loan made by an Issuer to a director or executive officer, whether or not the Issuer makes loans in the ordinary course of business, is routine indebtedness if

(i) the borrower is a full-time employee of the Issuer or a subsidiary of the Issuer;

(ii) the loan is fully secured against the residence of the borrower; and

(iii) the amount of the loan does not exceed the annual aggregate salary of the borrower from the Issuer and its subsidiaries.

(c) If the Issuer makes loans in the ordinary course of business, a loan to a person or company other than a full-time employee of the Issuer or of a subsidiary of the Issuer is routine indebtedness, if the loan

(i) is made on substantially the same terms, including terms relating to interest rate and security, as are available when a loan is made to other customers of the Issuer with comparable credit ratings; and

(ii) involves no greater than usual risks of collectibility.

(d) Indebtedness for purchases made on usual trade terms, for ordinary travel or expense advances or for loans or advances made for similar purposes is routine indebtedness if the repayment arrangements are in accordance with usual commercial practice.

(2) For purposes of this item, "support agreement" includes an agreement to provide assistance in the maintenance or servicing of any indebtedness and an agreement to provide compensation for the purpose of maintaining or servicing any indebtedness of the borrower.

(3) No disclosure need be made under this item of indebtedness that has been entirely repaid on or before the date of the Listing Statement.

17 Risk Factors

17.1 Describe the risk factors material to the Issuer that a reasonable investor would consider relevant to an investment in the Issuer, such as cash flow and liquidity problems, if any, experience of management, the general risks inherent in the business carried on by the Issuer, environmental and health risks, reliance on key personnel, the arbitrary establishment of the offering price, regulatory constraints, economic or political conditions and financial history and any other matter that in the opinion of the Issuer would be most likely to influence the investor's decision to purchase, hold or sell the Issuer's securities. Risks should be disclosed in the order of their seriousness in the opinion of the Issuer.

Investment in developmental stage ventures such as Talmora Diamond Inc. is highly speculative and subject to numerous and substantial risks. Therefore, an investor should carefully consider the risk factors indicated below. There are no known bodies of commercial ore on any of the above referenced mineral exploration properties and activities of the Corporation will constitute an exploratory search for ore.

(a) Mining Hazards/Liabilities

The Corporation may become subject to liability for cave-ins and other hazards of mineral exploration against which it cannot insure or against which it may elect not to insure because of high premium costs or for other reasons. Payment of such liabilities would reduce funds available for acquisition of mineral prospects or exploration and development and would have a material adverse affect on the financial position of the Corporation.

(b) Market Fluctuations

Factors beyond the control of the Corporation may effect the economic viability of any products discovered including market fluctuations, government regulations on such matters as prices, taxes, royalties, land tenure, importing and exporting of minerals, export restrictions, exchange controls, dividends and environmental protection.

(c) Available Funds

The ability of the Corporation to continue exploration and development of resource properties will be dependent upon its ability to raise significant additional financing hereafter. Should the Corporation not be able to obtain such financing, its properties may be lost entirely.

(d) Title

Certain of the mining properties or claims in which the Corporation has an interest may not have been surveyed and, accordingly, the precise location of the boundaries of the claims and ownership of mineral rights on specific tracts of land comprising the claims may be in doubt. Such claims have not been converted to lease and tenure, and are, accordingly, subject to regular compliance with assessment work requirement. Other parties may dispute the Corporation's title to its mining properties. Prior to the amalgamation, Canadian Diamind has conducted its own due diligence with respect to title of the properties, however this should not be construed as a guarantee of title. The Corporation's properties may be subject to prior unregistered agreements or transfers or native land claims and title may be affected by undetected defects.

Four new permits (144,868 acres) in the Sahtu Settlement Region were granted to Talmora on February 1, 2008 but on February 28, 2008 "The Sahtu Secretariat Inc." and a number of other "Applicants" in the Sahtu Settlement Region applied for a judicial review of the decision of the Supervising Mining Recorder to issue 60 prospecting permits within the Sahtu Settlement Region on February 1, 2008 including the 4 issued to Talmora Diamond Inc.

The "Applicants" claim that they were insufficiently consulted and accommodated by the Supervising Mining Recorder before the permits were issued. The Minister Of Indian Affairs And Northern Development and The Supervising Mining Recorder intend to oppose the application. The application does not affect the adjoining 9 permits (432,285 acres) and 50 claims (41,939.8 acres) held by Talmora.

(e) Competition

The competition in the mineral exploration and development business could adversely affect the Corporation's ability to acquire suitable properties for mineral exploration in the future. The Corporation competes with other exploration and mining companies, many of which have greater financial resources than the Corporation, for the acquisition of minerals claims, leases and other mineral interests.

(f) Environmental Regulation

All phases of the Corporation's operations are subject to environmental regulation in the various jurisdictions in which it operates. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Corporation's operations.

(g) Volatility of Mineral Prices

The Corporation's revenues, if any, are expected to be in large part derived from the extraction and sale of diamonds and other minerals. The prices of these commodities have fluctuated widely, particularly in recent years, and therefore the economic viability of any of the Corporation's exploration projects cannot be accurately predicted. There is no assurance that even if commercial quantities of mineralized material are discovered, a profitable market may exist for the sale of product from that mineralized material.

(h) Absence of Public Market for Common Shares

The shares of the Corporation do not currently trade on any exchange or recognized market. Accordingly, there is no public market for these shares. If and until such time as the shares are listed or quoted for trading on a stock exchange or quotation system that is recognized by the investing public, there will be no organized or public market for the sale of the shares and, therefore, holders of the shares will have no practical means to sell the shares.

18. Promoters

Instruction: In this Part, "promoter" includes any person performing Investor Relations Activities (as defined in the CNQ Policies) for the Issuer.

18.1 For a person or company that is, or has been within the two years immediately preceding the date of the Listing Statement, a promoter of the Issuer or of a subsidiary of the Issuer state

(a) the person or company's name;

Mr. Raymond Davies may be considered to be the promoter of the Corporation, in that he has taken the initiative in organizing the business and affairs of Talmora Resources Inc. and Canadian Diamind and pursuing the amalgamation.

(b) the number and percentage of each class of voting securities and equity securities of the Issuer or any of its subsidiaries beneficially owned, directly or indirectly, or over which control is exercised;

Mr. Davies owns 2,643,046 shares that represent approximately 12.14% of the issued and outstanding common shares. Mr. Davies is also be eligible to participate in the 2006 Stock Option Plan. There are 5,940,000 shares reserved for issuance pursuant to options granted under the 2006 Stock Option Plan, and Mr. Davies has been granted 425,000 management incentive options exercisable at $0.10 per share until April 25, 2012.

(c) the nature and amount of anything of value, including money, property, contracts, options or rights of any kind received or to be received by the promoter directly or indirectly from the Issuer or from a subsidiary of the Issuer, and the nature and amount of any assets, services or other consideration therefor received or to be received by the Issuer or a subsidiary of the Issuer; and

With respect to the nature and amount of anything of value received or to be received by the promoter directly or indirectly from the Corporation, as the President and Chief Executive Officer of the Corporation, Mr. Davies may receive executive compensation for his time and efforts, as well as the eligibility to participate in the 2006 Stock Option Plan.

As at the date of this Listing Statement, the board of directors of the Corporation has approved payment to the promoter of $600/day ($75.00/hr) for actual time spent on the business of the Corporation.

Options

The Company has a stock option plan under which officers, directors, employees, and consultants are eligible to receive stock options. The aggregate number of shares to be issued upon exercise of all options granted under the plan may not exceed 10% of the outstanding shares of the Company. Options granted under the plan generally have a term of five years and vest at terms to be determined by the directors at the time of grant. The exercise price of each option is fixed by the board of directors but shall not be less than the price permitted by any stock exchange on which the Company's common shares may be listed which is generally the trading price of the Company's stock at or about the grant date of the options.

As at March 31, 2008, the following options were issued and outstanding:

Number of options	Exercise Price $	Expiry date
1,600,000	0.10	April 25, 2012

16.67% of these options vest every 3 months beginning July 25, 2007.
As at March 31, 2008 , 800,160 of these options had vested.

The weighted average grant date fair value of the options issued during the period ended March 31, 2008 is $0.076. The fair value of the options was estimated using the Black-Scholes option pricing model with the following assumptions: expected dividend yield of 0%; expected volatility of 100%; risk free interest rate of 4.1%; and expected life of five years.

(c) for an asset acquired within the two years before the date of the Listing Statement or thereafter, or to be acquired, by the Issuer or by a subsidiary of the Issuer from a promoter

(i) the consideration paid or to be paid for the asset and the method by which the consideration has been or will be determined,

(ii) the person or company making the determination referred to in subparagraph (i) and the person or company's relationship with the Issuer, the promoter, or an associate or affiliate of the Issuer or of the promoter, and

(iii) the date that the asset was acquired by the promoter and the cost of the asset to the promoter.

This section is not applicable.

18.2 If a promoter or past promoter referred to in paragraph (1) has been a director, officer or promoter of any person or company during the 10 years ending on the date of Listing Statement, that

(a) was the subject of a cease trade or similar order, or an order that denied the person or company access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, state the fact and describe the basis on which the order was made and whether the order is still in effect; or

(b) became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, state the fact.

18.3 Describe the penalties or sanctions imposed and the grounds on which they were imposed or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a promoter or past promoter referred to in paragraph (1) has

(a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

(b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor in making an investment decision.

This section is not applicable.

18.4 If a promoter or past promoter referred to in paragraph (1), or a personal holding company of such promoter, has, within the 10 years before the date of the Listing Statement, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director or officer, state the fact.

19. Legal Proceedings

19.1 Describe any legal proceedings material to the Issuer to which the Issuer or a subsidiary of the Issuer is a party or of which any of their respective property is the subject matter and any such proceedings known to the Issuer to be contemplated, including the name of the court or agency, the date instituted, the principal parties to the proceedings, the nature of the claim, the amount claimed, if any, if the proceedings are being contested, and the present status of the proceedings.

Instruction: No information need be given with respect to any proceeding that involves primarily a claim for damages if the amount involved, exclusive of interest and costs, does not exceed 10 per cent of the current assets of the Issuer and its subsidiaries on a consolidated basis. However, if any proceeding presents in large degree the same legal and factual issues as other proceedings pending or known to be contemplated, the amount involved in the other proceedings shall be included in computing the percentage.

Prior to the amalgamation, the management at Talmora Resources Inc. and at Canadian Diamind Limited were not aware of any existing or contemplated legal proceedings to which its respective corporation may be a party or to which any of its business or affairs is subject.

The management of the Corporation are not aware of any existing or contemplated legal proceedings to which its corporation may be a party or to which any of its business is subject.

20. Interest of Management and Others in Material Transactions

20.1 Describe, and state the approximate amount of, any material interest, direct or indirect, of any of the following persons or companies in any transaction within the three years before the date of the Listing Statement, or in any proposed transaction, that has materially affected or will materially affect the Issuer or a subsidiary of the Issuer:

(a) any director or executive officer of the Issuer.

(b) a security holder disclosed in the Listing Statement as a principal shareholder.

(c) an associate or affiliate of any of the persons or companies referred to in paragraphs 1 or 2.

Instruction:

(1) The materiality of an interest is to be determined on the basis of the significance of the information to investors in light of all the circumstances of the particular case. The importance of the interest to the person having the interest, the relationship of the parties to the transaction with each other and the amount involved are among the factors to be considered in determining the significance of the information to investors.

(2) Give a brief description of the material transaction. Include the name of each person or company whose interest in any transaction is described and the nature of the relationship to the Issuer.

(3) For any transaction involving the purchase of assets by or sale of assets to the Issuer or a subsidiary of the Issuer, state the cost of the assets to the purchaser, and the cost of the assets to the seller if acquired by the seller within three years before the transaction.

(4) This item does not apply to any interest arising from the ownership of securities of the Issuer if the security holder receives no extra or special benefit or advantage not shared on an equal basis by all other holders of the same class of securities or all other holders of the same class of securities who are resident in Canada.

(5) Information must be included as to any material underwriting discounts or commissions upon the sale of securities by the Issuer if any of the specified persons or companies were or are to be an underwriter or are associates, affiliates or partners of a person or company that was or is to be an underwriter.

(6) No information need be given in answer to this item as to a transaction, or an interest in a transaction, if

(a) the rates or charges involved in the transaction are fixed by law or determined by competitive bids;

(b) the interest of a specified person or company in the transaction is solely that of a director of another company that is a party to the transaction;

(c) the transaction involves services as a bank or other depository of funds, a transfer agent, registrar, trustee under a trust indenture or other similar services; or

(d) the transaction does not involve remuneration for services and the interest of the specified person or company arose from the beneficial ownership, direct or indirect, of less than 10 per cent of any class of equity securities of another company that is party to the transaction and the transaction is in the ordinary course of business of the Issuer or its subsidiaries.

(7) Describe all transactions not excluded above that involve remuneration (including an issuance of securities), directly or indirectly, to any of the specified persons or companies for services in any capacity unless the interest of the person or company arises solely from the beneficial ownership, direct or indirect, of less than 10 per cent of any class of equity securities of another company furnishing the services to the Issuer or its subsidiaries.

This section is not applicable.

21. Auditors, Transfer Agents and Registrars

21.1 State the name and address of the auditor of the Issuer.

McGovern, Hurley, Cunningham LLP acts as the auditor of the Issuer, and is located at Suite 300, 2005 Sheppard Avenue East, Toronto, Ontario M2J 5B4.

21.2 State the names of the Issuer's transfer agent(s) and registrar(s) and the location (by municipalities) of the register(s) of transfers of that class of shares.

Computershare Trust Company of Canada acts as the transfer agent and registrar for the Shares of the Corporation, and is located at 530 8th Avenue S.W., 6th Floor, Calgary, Alberta, T2P 3S8.

22. Material Contracts

22.1 Give particulars of every material contract, other than contracts entered into in the ordinary course of business, that was entered into within the two years before the date of Listing Statement by the Issuer or a subsidiary of the Issuer.

Instructions:

(1) The term "material contract" for this purpose means a contract that can reasonably be regarded as material to a proposed investor in the securities being distributed and may in some circumstances include contracts with a person or company providing the Issuer with promotional or investor relations services.

(2) Set out a complete list of all material contracts, indicating those that are disclosed elsewhere in Listing Statement and provide particulars about those material contracts for which particulars are not given elsewhere in the Listing Statement.

(3) Particulars of contracts should include the dates of, parties to, consideration provided for in, and general nature of, the contracts.

The only material contract entered into by or on behalf of the Corporation within the two years before the date of the Listing Statement is the Amalgamation Agreement dated July 31, 2006 between Canadian Diamind Limited and Talmora Resources Inc.. A copy of the foregoing agreement was attached to the initial 2007 Listing Statement.

22.2 If applicable, attach a copy of any co-tenancy, unitholders' or limited partnership agreement.

This section is not applicable

23 Interest of Experts

23.1 Disclose all direct or indirect interests in the property of the Issuer or of a Related Person of the Issuer received or to be received by a person or company whose profession or business gives authority to a statement made by the person or company and who is named as having prepared or certified a part of the Listing Statement or prepared or certified a report or valuation described or included in the Listing Statement.

Raymond Davies (President and CEO) and Alan W. Davies (Vice-president), officers and shareholders of the Corporation, supervised the field program in 2007 and prepared assessment work reports that were submitted to the Northwest Territories Mining Recorder in March 2008. The 2008 assessment work reports were used to up-date the technical part of this Listing Statement. However, much of the previous technical data, that was prepared by independent consultant M Millard, was retained.

This up-dated Listing Statement is certified by Raymond Davies (CEO) and Robert Owen (CFO) and was prepared by Raymond Davies and Maria Grimes (Secretary) all of whom are officers and shareholders of the Corporation.

There is no other person or company with a direct or indirect interest in the property of the Corporation or of a Related Person of the Corporation whose business gives authority to a statement and who prepared or certified any part of this Listing Statement including any report or valuation.

23.2 Disclose the beneficial ownership, direct or indirect, by a person or company referred to in Item 23.1 of any securities of the issuer or any Related Person of the issuer.

This section is not applicable

23.3 For the purpose of Item 23.2, if the ownership is less than one per cent, a general statement to that effect shall be sufficient.

This section is not applicable

23.4 If a person, or a director, officer or employee of a person or company referred to in Item 23.1 is or is expected to be elected, appointed or employed as a director, officer or employee of the issuer or of any associate or affiliate of the issuer, disclose the fact or expectation.

24. Other Material Facts

24.1 Give particulars of any material facts about the Issuer and its securities hat are not disclosed under the preceding items and are necessary in order for the Listing Statement to contain full, true and plain disclosure of all material facts relating to the Issuer and its securites.

There are no other material facts about the Corporation that have not been disclosed under the preceding items.

25. Financial Statements

25.1 Provide the following audited financial statement for the Issuer:

(a) Copies of all financial statements including the auditor's reports required to be prepared and filed under applicable securities legislation for the preceding three years as if the issuer were subject to such law; and

Please see enclosed financial statements for year ended December 31, 2007 filed on CNQ.

(b) a copy of financial statements for any completed interim period of the current fiscal year.

Please see enclosed financial statements for Quarter ended March 31, 2008 filed on CNQ. .

25.2 For Issuers re-qualifying for listing following a fundamental change provide

(a) the information required in Items 5.1 to 5.3 for the target;

(b) financial statement for the target prepared in accordance with the requirements of Parts 4,5,6,7 8 and 9 of OSC Rule 41-501 as if the target were the Issuer;

(c) pro-forma consolidated financial statements for the New Issuer giving effect to the transaction for:

(i) the last full fiscal year of the Issuer and

(ii) any completed interim period of the current fiscal year.

Please see financial statements filed in Listing Statement, May 2007.

The first certificate below must be signed by the CEO, CFO, any person or company who is a promoter of the Issuer and two directors of the Issuer. In the case of an Issuer re-qualifying following a fundamental change, the second certificate must also be signed by the CEO, CFO, any person or company who is a promoter of the target and two directors of the target.

CERTIFICATE OF THE ISSUER

The foregoing contains full, true and plain disclosure of all material information relating to Talmora Diamond Inc. it contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at Toronto

this 11th day of August, 2008.

"Raymond Davies"	"Robert Owen"
Chief Executive Officer	Chief Financial Officer
"Raymond Davies"	"Richard M Hogarth"
Promoter (if applicable)	Director
"Joan Fiset"	
Director	

[print or type names beneath signatures]

CERTIFICATE OF THE TARGET

The foregoing contains full, true and plain disclosure of all material information relating to (full legal name of the target). It contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in light of the circumstances in which it was made.

Dated at _____

this _____ day of _____, _____.

_____	_____
Chief Executive Officer	Chief Financial Officer
_____	_____
Promoter (if applicable)	Director
_____	
Director	

[print or type names beneath signatures]