

## FORM 7

### **MONTHLY PROGRESS REPORT**

Name of CNSX Issuer: Talmora Diamond Inc. (the "Issuer").

Trading Symbol: TAI

Number of Outstanding Listed Securities: 45,431,679

Date: 05 April 2012

This Monthly Progress Report must be posted before the opening of trading on the fifth trading day of each month. This report is not intended to replace the Issuer's obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the CNSX Policies. If material information became known and was reported during the preceding month to which this report relates, this report should refer to the material information, the news release date and the posting date on the CNSX.ca website.

This report is intended to keep investors and the market informed of the Issuer's ongoing business and management activities that occurred during the preceding month. Do not discuss goals or future plans unless they have crystallized to the point that they are "material information" as defined in the CNQ Policies. The discussion in this report must be factual, balanced and non-promotional.

#### **General Instructions**

- (a) Prepare this Monthly Progress Report 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 items must be in narrative form. State when the answer to any item is negative or not applicable to the Issuer. The title to each item must precede the answer.
- (b) The term "Issuer" includes the Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

#### **Report on Business**

1. Provide a general overview and discussion of the development of the Issuer's business and operations over the previous month. Where the Issuer was inactive disclose this fact.

**An Exhibitor booth was rented for two days at the annual PDAC's convention held in March 4 - 7, 2012.**

Processing of geochemical and indicator mineral data, collected in the vicinity of company's Horton River property in the Northwest Territories, continued. Assessment work reports have been completed and were submitted to the Mining Recorder on March 29, 2012.

Various methods of financing a drill program were investigated.

2. Provide a general overview and discussion of the activities of management.

Management proposed to complete a part brokered and non part brokered private placement of up to 4,000,000 units comprised of either Hard Dollar units and/or Flow-Through Units at \$0.05 per Unit, for gross proceeds of up to \$200,000. The closing of the private placement was extended and is now expected to close not later than April 15, 2012. Each Unit consists of one common share and one-half of one common share purchase warrant. Each whole common share purchase warrant ("Warrant") entitles the holder to acquire one common share for \$0.10 until April 15, 2014. If during the term of the Warrants the common shares of Talmora trade at or above Can. \$0.20 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 15, 2012. The Company will pay a cash commission on the brokered portion of the placement at a rate to be negotiated.

The proceeds of the financing will be applied to fund exploration and for working capital.

A Press Release dated March 5, 2012 was distributed over the newswire, announcing the proposed private placement. Form 51-102F3 Material Change Report Filings was posted to Sedar.

Focus of the Issuer was on preparation for the year end audit and updating shareholder information in the Minute Book.

A report on sampling and ground-truthing of satellite images of the Talmora property, carried out in 2011, was submitted to the Mining Recorder. Credits for this work will be applied to claims staked in 2011 and should result in return of some of the cash deposits

3. Describe and provide details of any new products or services developed or offered. For resource companies, provide details of new drilling, exploration or production programs and acquisitions of any new properties and attach any mineral or oil and gas or other reports required under Ontario securities law.

Published information on neighbouring properties is continually reviewed. Assessment work reports of Darnley Bay and Sanatana and the web sites of Sanatana and Diamondex are especially useful in evaluating the mineral chemistry and the regional distribution of KIMs and how it relates to Talmora.

The mineral chemistry of KIMs in the two large areas sampled by Sanatana and Diamondex west of the Talmora property is remarkably similar. There is very little variation within subareas of the Sanatana property except on their Greenhorn claims southeast of Talmora where they discovered the very diamondiferous Dharma kimberlites. It is unusual for the mineral chemistry of KIMs from so large an area constituting most of the Lena West diamond district to vary so little and it suggests a common and more restricted source area for the KIMs.

The only known primary source of KIMs in the Lena West district are the Darnley Bay kimberlites in the NE corner and the Dharma kimberlites in the SE corner of the district. The mineral chemistry of KIMs from neither of these areas matches that of the KIMs west of Talmora. However, the KIMs on the Talmora property, allowing for the destruction of some silicate KIMs during Eocene "lateritization", do match those to the west.

Diamondex showed that many of their KIMs were from the base of the Cretaceous sediments and that the primary source was to the east. Most of the Sanatana property also lies within the Cretaceous basin. It is significant that most of the Talmora property is outside the Cretaceous basin and the property shows a strong correlation between KIMs and magnetic anomalies with characteristics of kimberlite pipes.

A short program (26 field days) of staking, sampling and airborne magnetic surveying was carried out in 2011 on and in the vicinity of the Company's Horton River property in the Northwest Territories.

Ground spectrometer surveying was carried out to ground truth satellite images available over the property (Landsat, ASTER and Hyperion). Representative samples were taken of selected surveyed materials for further analysis.

Geochemical soil samples were taken on both the up-ice and down-ice sides of selected magnetic targets. The samples have been assayed and are being evaluated.

Till samples collected down-ice of kimberlite targets on new claims have been concentrated and have been sent to a laboratory for sorting of KIMs.

4. Describe and provide details of any products or services that were discontinued. For resource companies, provide details of any drilling, exploration or production programs that have been amended or abandoned.

Magnetic anomalies that have anomalous KIMs down-ice must be tested by drilling and additional magnetic anomalies must be sampled. A more extensive program is required than any carried out by the company to date and completion of a new financing is essential.

The Company will focus on preserving assets and preparing a drill program in anticipation of receiving funds from a future major financing.

5. Describe any new business relationships entered into between the Issuer, the Issuer's affiliates or third parties including contracts to supply products or services, joint venture agreements and licensing agreements etc. State whether the relationship is with a Related Person of the Issuer and provide details of the relationship.

**No new business relationships were entered into during the month.**

6. Describe the expiry or termination of any contracts or agreements between the Issuer, the Issuer's affiliates or third parties or cancellation of any financing arrangements that have been previously announced.

**No contracts expired or were terminated during the month.**

7. Describe any acquisitions by the Issuer or dispositions of the Issuer's assets that occurred during the preceding month. Provide details of the nature of the assets acquired or disposed of and provide details of the consideration paid or payable together with a schedule of payments if applicable, and of any valuation. State how the consideration was determined and whether the acquisition was from or the disposition was to a Related Person of the Issuer and provide details of the relationship.

#### **Property Summary**

The Company's 211 claims are in good standing until August 2011 or later. A report on the airborne geophysics and sampling carried out in 2009 was submitted to the Mining Recorder to fulfill the assessment work requirements of the 125 claims with current expiry date of August 13, 2011 which should keep them in good standing for at least another year.

Application to Record 36 new claims covering 13,997.15 acres was made to the Mining Recorder's Office and were recorded on September 22, 2011

The remaining permit in the Inuvialuit region, with cash deposit of \$30,446.55, was allowed to lapse on Jan. 31, 2012. Claims have been staked over part of the permit. Credits for work done should result in refund of the deposit.

Eight permits in the Sahtu area, with cash deposits of \$57,946.60 were allowed to lapse on January 31, 2012. Credits for work done should result in refund of the deposits. .

Property Units	Size <u>Acres</u>	Record <u>Date</u>	Current <u>Expiry Date</u>
36 Claims	13,997.15	Sept.22, 2011	Sept. 22, 2013
125 Claims	12,860.85	Aug. 13, 2009	*Aug.13, 2011
9 Claims	23,242.50	Oct. 11, 2007	Oct. 11, 2013
10 Claims	1,187.95	Oct. 11, 2007	Oct. 11, 2016
<u>31 Claims</u>	<u>17,495.70</u>	Oct. 11, 2007	Oct. 11, 2017
211	68,784.15		

8. Describe the acquisition of new customers or loss of customers.

**N/A**

9. Describe any new developments or effects on intangible products such as brand names, circulation lists, copyrights, franchises, licenses, patents, software, subscription lists and trade-marks.

**N/A**

10. Report on any employee hirings, terminations or lay-offs with details of anticipated length of lay-offs.

**There were no employee hirings or lay-offs.**

11. Report on any labour disputes and resolutions of those disputes if applicable.

**N/A**

12. Describe and provide details of legal proceedings to which the Issuer became a party, 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.

**N/A**

13. Provide details of any indebtedness incurred or repaid by the Issuer together with the terms of such indebtedness.

**N/A**

14. Provide details of any securities issued and options or warrants granted.

Security	Number Issued	Details of Issuance	Use of Proceeds <sup>(1)</sup>

*(1) State aggregate proceeds and intended allocation of proceeds.*

15. Provide details of any loans to or by Related Persons.

**N/A**

16. Provide details of any changes in directors, officers or committee members.

**There were no changes in directors, officers or committee members during the month.**

17. Discuss any trends which are likely to impact the Issuer including trends in the Issuer's market(s) or political/regulatory trends.

**The Issuer's properties are currently in the exploration stage only. The Issuer relies on capital markets to carry out its exploration and evaluation activities. Failure to raise necessary funds at critical stages would have an impact.**

**The Company will focus on preserving assets and preparing a drill program in anticipation of receiving sufficient funds from a new financing.**

**A new financing if completed will allow drill testing of some of some of the magnetic anomalies on the Company's Horton River property that have characteristics of kimberlite pipes.**

**The Company's property straddles the same structure on which the Sanatana kimberlites and the Darnley Bay kimberlites lie. Initiation of the first phase of a drill program to test kimberlite targets on the Diadem/Darnley Bay JV was announced by Diadem on 4 August 2010 and on 8 September 2010 they announced the discovery of 3 new kimberlites.**

**Diamond prices have recovered most of the losses they suffered following the 2008 crash. There are predictions that demand, especially from India and China, will exceed production unless a major new diamond field is discovered.**

## Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Certificate of Compliance.
2. As of the date hereof there were is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to CNQ that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all CNQ Requirements (as defined in CNQ Policy 1).
4. All of the information in this Form 7 Monthly Progress Report is true.

Dated 05 April 2012.

Raymond Davies  
Name of Director or Senior  
Officer

"Raymond Davies"  
Signature  
President  
Official Capacity

<b>Issuer Details</b>	For Month End	Date of Report
Name of Issuer Talmora Diamond Inc.	2012 March 31	YY/MM/D 2012 April 05
Issuer Address 6 Willowood Court		
City/Province/Postal Code Toronto, Ontario M2J 2M3	Issuer Fax No. ( 416 ) 499-5187	Issuer Telephone No. (416 ) 491-6771
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