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 aLV @ 1:18 PM  
 10/11/05



Mr. Urban Casavant  
 Board of directors CMKM  
 Shareholders CMKM  
 Don Stoecklein

Re: Second and Final Notice of Default of Operation Agreement between CMKM Diamonds and Nevada Minerals.

Dear Mr. Casavant

We have since April 5, 2004 requested funds from CMKM in order maintain your ownership interest in The American Shaft, in Portovelo, Ecuador.

The first default letter was hand delivered April 5, 2004, at the Board meeting of CMKM. At no time since the first default notice have you been current on payments despite several requests. Therefore, according to Paragraph 1 of said agreement:

"...ownership of the mine shall be transferred to operator in the event of a default by Miner(CMKM) as defined herein."

"Events of default for the purposes if this Agreement include insolvency or bankruptcy on the part of Miner or failure to fully fund all items required by this agreement for a period of more than 30 days.

As a final courtesy, we will extend your time to make payment in full to Friday, October 29, 2005, subject to payment of funds and submission of a clear plan for future payments in order that we can proceed in good faith. In the event cleared funds have not been received in our account by the close of that business day, you will no longer have an ownership interest pursuant to the agreement between CMKM and our wholly owned subsidiary Minera Nevada, S.A. The total amount due as of this date is \$706,471.53.

In addition to personally delivering this Notice of Default to your residence, we will make delivery to your corporate counsel Mr. Stoecklein as this has been our point of contact.

We regret that our relationship has reached this point and hope that you will forward funds to our account by Friday October 29<sup>th</sup>, 2005.

Thank you,



Stephen C. Brown, CFO  
Nevada Minerals Inc.  
Minera Nevada SA