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29 September 2011

Phyllis Beaulieu Licensing Manager Nunavut Water Board Box 119 Gjoa Haven, NU X0B 1J0

RE: REQUEST TO AMEND WATER LICENCE #2BE-CHI0813 FOR NEW COMPONENTS ASSOCIATED WITH BULK SAMPLING AT CHIDLIAK PROJECT, NU

Please accept the attached submission as a request by Peregrine Diamonds Ltd. (Peregrine) to amend its existing Chidliak Type B Water Licence #2BE-CHI0813. The purpose of this amendment is to obtain permission for four new components associated with a multi-phase bulk-sample programme which is to commence in 2012: (1) additional equipment: a large-diameter reverse-circulation (RC) drill to collect bulk-sample material as chips, and five additional pieces of heavy equipment; (2) expansion of the existing Discovery Camp from 24 to 40 people; (3) establishment of a new, 30-person camp (CH-6 Temporary Camp) at 64° 19' 24.76" N lat. – 66° 31' 30.19" W long.) to serve bulk sampling of the CH-6 kimberlite; and (4) expansion of the existing winter-trail network to link camps to bulk-sample sites, water sources and cuttings-deposition locations. Peregrine already has arranged credit-card payment of the associated application fee of \$30.00.

Having already consulted the Nunavut Impact Review Board (NIRB) as to the requirement for screening of the new components, Peregrine also is providing a copy of this application directly to NIRB for its review.

Attached are the following documents: (1) NWB Amendment Application Form; (2) revised Exploration/Remote Camp Questionnaire; (3) Appendices 1 through 12; (4) Project Description for the amendment components; (5) Project Summary in English and Inuktitut; (6) existing correspondence from the Nunavut Planning Commission, confirming that Peregrine South Baffin projects fall outside an approved Land-Use Plan Region; (7) an Updated Spill Contingency Plan and one-page Emergency Response Plan; (8) an Updated Abandonment & Restoration (A&R) Plan; (9) Nunavut Impact Review Board (NIRB) Form I in English and Inuktitut; (10) NIRB Form 2 (completely revised), along with existing NIRB Screening Decision #08AN008 (28 March 2008 and 18 December 2008 amendment); and (11) Maps 1 through 9b. To enhance NWB and reviewer understanding of the proposed bulk-sampling programme and related fuel management, Peregrine also encloses a new monitoring plan for each of those areas – both as appendices and as stand-alone plans.

We trust that this amendment meets your requirements. Peregrine looks forward to its approval, as we continue in compliance with all existing regulatory obligations. Please let me know if you require further information at this time.

Shirley Standafer-Pfister Manager, Regulatory and Environmental Affairs

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attach.