



Peregrine Diamonds Ltd. Renewal Application to  
Replace 2BE-CHI1218 - Submitted January 29, 2018

General Water Licence Application  
(Application for a new Water Licence)

Document Date: April 2013

Application Submission Date:

\_\_\_\_\_  
Month/Day/Year

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NUNAVUT IMALIRIYIN KATIMAYIT  
NUNAVUT WATER BOARD  
OFFICE DES EAUX DU NUNAVUT

## DOCUMENT MANAGEMENT

Original Document Date: April 2010

### DOCUMENT AMENDMENTS

	Description	Date
(1)	Updated for public distribution as separate document from NWB Guide 4	June 2010
(2)	Updated NWB logos and reformatted table to allow rows to break across page	May 2011
(3)	Update NWB logo	April 2013
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		



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The applicant is referred to the NWB's Guide 4: *Guide to Completing and Submitting a Water Licence Application for a New Licence* for more information about this application form.

LICENCE NO: (for NWB use only)	
<b>1. APPLICANT (PROPOSED LICENSEE) CONTACT INFORMATION</b> (name, address)  Peregrine Diamonds Ltd. Suite 654 – 999 Canada Place Vancouver, BC V6C 3E1  Phone: (604) 608-4524 Fax: (604) 408-8881 e-mail: dave@pdiam.com	<b>2. APPLICANT REPRESENTATIVE CONTACT INFORMATION</b> if different from Block 1 (name, address)  David Willis, Manager of Lands & Community  Phone: (604) 608-4524 Fax: _____ e-mail: _____ (Attach authorization letter.)
<b>3. NAME OF PROJECT</b> (including the name of the project location)  Chidliak Project – Baffin Island – Hall Peninsula	
<b>4. LOCATION OF UNDERTAKING</b>  266 mineral claims with an aggregate area of 277,997 hectares. Located on the Hall Peninsula of Baffin Island. 1:50,000 scale National Topographic System ("NTS") map sheets; 26A04, 26A05, 26B01, 26B02, 26B07, 26B08, 26B09, 26B10, 26B15, 26B16  <b>Project Extents</b> The project is irregularly shaped and does not form a perfect rectangle. The central coordinate is roughly at WGS84 Latitude/Longitude Coordinate 64o 14' 25.45" (y) and -66o 20' 45.44"(x). If a perfect box were drawn to encompass all the mineral claims it would have the following coordinates. <b>NW:</b> Latitude: (64°53'00" N) Longitude: (-67°06'00" W) <b>NE:</b> Latitude: (64°53'00" N) Longitude: (-65°22'00" W) <b>SE:</b> Latitude: (64°00'00" N) Longitude: (-65°00'00" W) <b>SW:</b> Latitude: (64°00'00" N) Longitude: (-67°06'00" W) Coordinates listed above detail an area that includes all Chidliak Mineral Claims and also lands that are not part of the project.	

**Camp Location(s)**

#	Location	Longitude (x) (WGS84) dd.mm.ss	Latitude (y) (WGS84) dd.mm.ss	Longitude (x) (WGS84) dd.ddd	Latitude (y) (WGS84) dd.ddd
1	Aurora Camp	-66° 34' 43.00"	64° 36' 32.00"	-66.57861	64.60889
2	Discovery Camp	-66° 20' 45.44"	64° 14' 25.45"	-66.345956	64.240403
3	Sunrise Camp	-66° 07' 45.31"	64° 14' 17.19"	-66.129255	64.23811
4	CH6 Camp	-66° 31' 30.37"	64° 19' 24.62"	-66.525103	64.323505

**Schedule 1 – Critical Locations and Coordinates**

**5. MAP** - Attach a topographical map, indicating the main components of the undertaking.

Please see the following attached maps:

[Map 1: Project Location Map](#)

[Map 2: Project Area Map](#)

[Map 3: Permitted Locations Map](#)

[Map 4: Permitted Locations with Satellite Imagery Map](#)

NTS Map Sheet No.: [26A & 26B](#) Map Name: \_\_\_\_\_ Map Scale: [1:250,000](#)

266 mineral claims with an aggregate area of 277,997 hectares. Located on the Hall Peninsula of Baffin Island. 1:50,000 scale National Topographic System ("NTS") map sheets; 26A04, 26A05, 26B01, 26B02, 26B07, 26B08, 26B09, 26B10, 26B15, 26B16

**6. NATURE OF INTEREST IN THE LAND** - Check any of the following that are applicable to the proposed undertaking (at least one box under the 'Surface' header must be checked).

**Sub-surface**

☐ Mineral Lease from Nunavut Tunngavik Incorporated (NTI)

Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☐ Mineral Lease from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

☒ Mineral Claims from Indian and Northern Affairs Canada (INAC)

Date (expected date) of issuance: [August 17, 2009](#) Date of expiry: [August 17, 2019](#)

Mineral Lease applications were submitted to the Mining Recorders office for 10 of these mineral claims back in August of 2017

**Surface**

☒ Crown Land Use Authorization from Indian and Northern Affairs Canada (INAC) [N2012C0024](#)

Date (expected date) of issuance: [June 17, 2013](#) Date of expiry: [June 16, 2018](#)

☒ IOL Authorization from Qikiqtani Inuit Association (QIA) [Q13L1C005](#)

Date (expected date) of issuance: [April 1, 2013](#) Date of expiry: [March 31, 2019](#)

☒ Commissioner's Land Use Authorization – [Letter of Authority for Winter Trail](#)  
Date (expected date) of issuance: [February 23, 2017](#) Date of expiry: [May 15<sup>th</sup>, 2018](#)

☐ Other: \_\_\_\_\_  
Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

Name of entity(s) holding authorizations:  
[Peregrine Diamonds Ltd.](#)

## 7. NUNAVUT PLANNING COMMISSION (NPC) DETERMINATION

Indicate the land use planning area in which the project is located.

<input type="checkbox"/> North Baffin	<input type="checkbox"/> Keewatin
<input checked="" type="checkbox"/> South Baffin	<input type="checkbox"/> Sanikiluaq
<input type="checkbox"/> Akunnig	<input type="checkbox"/> West Kitikmeot

Is a land use plan conformity determination required?

☐ Yes ☒ No

If Yes, indicate date issued and attach copy \_\_\_\_\_

If No, provide written confirmation from NPC confirming that a land use plan conformity review is not required.

See [Schedule 2 - Letter from NPC dated January 5, 2018](#)

## 8. NUNAVUT IMPACT REVIEW BOARD (NIRB) DETERMINATION

Is an Article 12 Part 4 screening determination required?

☐ Yes ☒ No

If Yes, indicate date issued and attach copy \_\_\_\_\_

If No, provide written confirmation from NIRB confirming that a screening determination is not required.

This is not an application for a new project. This is the continuation of a project that commenced in 2008.  
[No amendments are requested.](#)

The project has been screened twice by NIRB, 08AN008 (March 28, 2008) and 11EA050 (February 20, 2012)

See [Schedule 2 – Letter from NPC dated January 5, 2018](#)

## 9. DESCRIPTION OF UNDERTAKING – List and attach plans and drawings or project proposal.

The Chidliak Project is a diamond exploration project that commenced in 2008. It is located on the Hall Peninsula of South Baffin Island approximately 120 kilometers northeast of the City of Iqaluit and 200 kilometers south of the Hamlet of Pangnirtung. The project area has decreased substantially. Since the last water licence renewal in 2013 the project area decreased by 63% and now consists of 266 mineral claims with an aggregate area of 277,997 hectares. Approximately 93 percent of the project area is on

Crown Lands (258,800 hectares) and the remaining 7% is on Inuit Owned Lands (19,197 hectares). Since 2013, project activities have shifted towards priority work near the centre of the claim block. The first kimberlites were drilled on the project in 2009 and since that time a total of 71 kimberlites were discovered.

Seven of the 71 kimberlites discovered are currently considered to have economic potential. Six of these kimberlites are permitted for large diameter drilling and trenching/blasting programs. These kimberlites are CH-1, CH-6, CH-7, CH-31, CH-44 and CH-45.

Peregrine has authorization for four field camps. The Discovery Camp (est. 2008), the Sunrise Camp (est. 2009) the Aurora Camp (est. 2011) and the CH-6 Camp (est. 2013). The primary camp for operations is the Discovery Camp. The other three camps are used intermittently. All camps are comprised of temporary non-permanent structures. The main camp structure are Weather-Haven tents, wood sided building with canvas skins and a Quonset at Discovery camp.

All field work is seasonal. Programs typically occur in the winter and the summer. Winter programs typically occur in March and April but may commence in late February and complete in early May (weather permitting). Summer programs typically commence in late June and are complete in late August but may extend into mid-September (weather permitting).

Most of the exploration activities undertaken are low impact including heavy mineral sampling, rock sampling, prospecting and ground geophysics. Mechanical exploration like small diameter reverse circulation and core drilling are authorized for all kimberlites and targets on the claim block. Large diameter drilling and trenching are authorized at CH-1, CH-6, CH-7, CH-31, CH-44 and CH-45.

Access to the project is by fixed wing and rotary aircraft. In the winter when snow conditions permit, a winter access trail is authorized between Iqaluit and the Discovery Camp. Winter inter-camp and interwork area trails are also authorized. Precise routing of these trails are dependent upon snow fall and snow conditions.

Two schedules are attached.

[Schedule 3: Chidliak Permit History](#)

[Schedule 4: Chidliak Project List of Authorized Activities](#)

- 10. OPTIONS** – Provide a brief explanation of the alternative methods or locations that were considered to carry out the project.

Kimberlites are natural geological formations and cannot be moved. All camps are already established. Exploration methods and tools are standard across the industry.

- 11. CLASSIFICATION OF PRIMARY UNDERTAKING** - Indicate the primary classification of undertaking by checking one of the following boxes.

- |  |  |
|--|--|
| <input type="checkbox"/> Industrial  | <input type="checkbox"/> Agricultural                    |
| <input checked="" type="checkbox"/> Mining and Milling (includes exploration/drilling/exploration camps) |  |
| <input type="checkbox"/> Conservation  |  |
| <input type="checkbox"/> Municipal (includes camps/lodges)   | <input type="checkbox"/> Recreational                    |
| <input type="checkbox"/> Power   | <input type="checkbox"/> Miscellaneous (describe below): |

See Schedule II of *Northwest Territories Waters Regulations* for Description of Undertakings.

Information in accordance with applicable Supplemental Information Guidelines (SIG) must be

submitted with a New Water Licence Application. Indicate which SIG(s) are applicable to your application.

- ☐ Hydrostatic Testing
- ☐ Tannery
- ☐ Tourist / Remote Camp
- ☐ Landfarm & On-Site Storage of Hydrocarbon Contaminated Soil
- ☐ Onshore Oil and Gas Exploration Drilling
- ☒ Mineral Exploration / Remote Camp
- ☐ Advanced Exploration
- ☐ Mine Development
- ☐ Municipal
- ☐ General Water Works
- ☐ Power

**12. WATER USE** - Check the appropriate box(s) to indicate the type(s) of water use(s) being applied for.

- ☒ To obtain water for camp/ municipal purposes
- ☐ To obtain water for industrial purposes
- ☐ To cross a watercourse
- ☐ To alter the flow of, or store water
- ☐ To divert a watercourse
- ☐ To modify the bed or bank of a watercourse
- ☐ Flood control
- ☒ Other: **Drill Water**

**13. QUANTITY AND QUALITY OF WATER INVOLVED** - For each type of water use indicated in Block 12, provide the source of water, the quality of the water source and available capacity, the estimated quantity to be used in cubic meters per day, method of extraction, as well as the quantities and qualities of water to be returned to source.

Please refer to [Schedule 1 – Critical Locations and Coordinates](#) for all important coordinates on the Chidliak Project. All critical locations are illustrated on [Map 3 – Permitted Locations](#).

Core drilling may take place at any location on the Chidliak claim block and the nearest local water sources will be used.

For winter water large diameter drilling, a total of five water sources with bathymetry and under ice calculations are authorized.

- 1) Sunrise Lake West
- 2) "Y" Lake
- 3) Deep Hole McKeand River
- 4) Island Lake
- 5) Turquoise Lake

Camp water sources are adjacent to the camp areas with the exception of the CH-6 Camp. This camp has only been used in the winter of 2013 and at this time potable water was hauled to the camp.

Peregrine is currently authorized for 221m<sup>3</sup> per day for drill water and 25m<sup>3</sup> per day for domestic water. Aggregate water use is 246 m<sup>3</sup> per day.

No water will be returned to the source.

Name of water source(s) (show location(s) on map):  
[See above](#).....

Describe the quality of the water source(s) and the available capacity: \_\_\_\_\_  
Water sources are fresh water. See Schedule 1 – Critical Locations & coordinates for under ice bathymetry of winter water sources.

Provide the overall estimated quantity of water to be used: Maximum 221 m<sup>3</sup>/day for drilling and 25 m<sup>3</sup>/day for domestic.

Provide the estimated quantity(s) of water to be used from each source:  
This depends on the type of work being done, the season it is being done in and the location of the work.

Indicate the estimated quantities to be used for each purpose (camp, drilling, etc.)  
Maximum 221 m<sup>3</sup>/day for drilling and 25 m<sup>3</sup>/day for domestic.

Describe the method of extraction(s): Water Pump with screen.

Estimated quantity(s) of water returned to source(s) 0 m<sup>3</sup>/day

Describe the quality of water(s) returned to source(s): No water returned to the source

**14. WASTE** – Check the appropriate box(s) to indicate the types of waste(s) generated and deposited.

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> Sewage                           | <input checked="" type="checkbox"/> Waste oil           |
| <input checked="" type="checkbox"/> Solid Waste                      | <input checked="" type="checkbox"/> Greywater           |
| <input checked="" type="checkbox"/> Hazardous                        | <input type="checkbox"/> Sludges                        |
| <input checked="" type="checkbox"/> Bulky Items/Scrap Metal          | <input type="checkbox"/> Contaminated soil and/or water |
| <input type="checkbox"/> Animal Waste                                |   |
| <input checked="" type="checkbox"/> Other (describe): drill cuttings |   |

Please refer to [Schedule 5 - Waste Management Plan](#)

**15. QUANTITY AND QUALITY OF WASTE INVOLVED** – For each type of waste indicated in Block 14, describe its composition, quantity in cubic meters/day, method of treatment and method of disposal.

Please refer to [Schedule 5 - Waste Management Plan](#). Quantity generated are estimates only.

Type of Waste	Composition	Quantity Generated	Treatment Method	Disposal Method
Sewage	Pactol Waste	50 litres per 24 hour day	NA	Incinerated
Solid Waste/Domestic garbage	Food, misc. debris, domestic garbage, paper	242 litres per 24 hour day	N/A	Incinerated
Hazardous Waste	Primarily Empty Fuel Drums	5 drums per 24 hour day	N/A	Recycled or Sent to certified waste handler in Iqaluit
Bulky Items Scrap Metal	Drill Metal Waste	500kg per program	N/A	Sorted and sent to Iqaluit landfill metal recycling area



Waste Oil	Motor Oil	410 litres	N/A	Recycled as heater/incinerator fuel or sent to certified waste handler in Iqaluit
Grey Water	Wash Water from showers, sinks kitchen etc.	4m <sup>3</sup> per 24 hour day.	Liqui-Bac	Sand/gravel screen and hole
Large Diameter Drill Cuttings	Kimberlite	2m <sup>3</sup> per 24 hour day	N/A	Collected and deposited in engineer selected pre-approved rock basin
Core Drill Cuttings	Kimberlite	0.16m <sup>3</sup> per 24 hour day	N/A	Collected in natural sumps or depressions, some left in hole
RC Drill Cuttings	Kimberlite	0.08m <sup>3</sup> per 24 hour day	N/A	Dry Cuttings are left at hole

**16. OTHER AUTHORIZATIONS** – In addition to the sub-surface and surface land use authorizations provided in Block 6, indicate any other authorizations required in relation to the proposed undertaking. Authorization:

Administering Agency: \_\_\_\_\_

Project Activity: \_\_\_\_\_

Date (expected date) of issuance: \_\_\_\_\_ Date of expiry: \_\_\_\_\_

No other authorizations.....authorizations are listed in Section 6 under both surface and sub-surface.

**17. PREDICTED ENVIRONMENTAL IMPACTS OF UNDERTAKING AND PROPOSED MITIGATION MEASURES** - Describe direct, indirect, and cumulative impacts related to water and waste.

Please see [Schedule 6 - Environmental Impacts](#)

DFO documents of Note:

- 1) Freshwater Intake End-of-Pipe Fish Screen guideline (1995)
- 2) DFO Protocol for Winter Water Withdrawal from Ice-covered Waterbodies in the Northwest Territories and Nunavut (2010)

**18. WATER RIGHTS OF EXISTING AND OTHER USERS OF WATER**

Provide the names, addresses and nature of use for any known persons or properties that may be adversely affected by the proposed undertaking, including those that hold licences for water use in precedent to the application, domestic users, in-stream users, authorized waste depositors, owners of property, occupiers of property, and/or holders of outfitting concessions, registered trapline holders, and holders of other rights of a similar nature.

Advise the Board if compensation has been paid and/or agreement(s) for compensation have been

reached with any existing or other users.

There are no other known water licence holders in the project area.

**19. INUIT WATER RIGHTS**

Advise the Board of any substantial affect of the quality, quantity or flow of waters flowing through Inuit Owned Land (IOL), and advise the Board if negotiations have commenced or an agreement to pay compensation for any loss or damage has been reached with one or more Designated Inuit Organization (DIO).

There is no substantial use of water requested nor is the quality of the water flowing affected. No negotiations have taken place with any DIO.

**20. CONSULTATION** – Provide a summary of any consultation meetings including when the meetings were held, where and with whom. Include a list of concerns expressed and measures to address concerns.

Please refer to [Schedule 7 - Consultation Catalogue](#)

**21. SECURITY INFORMATION**

Provide an estimate of the total financial security for final reclamation equal to the total outstanding reclamation liability for land and water combined sufficient to cover the highest liability over the life of the undertaking. Estimates of reclamation costs must be based on the cost of having the necessary reclamation work done by a third party contractor if the operator defaults. The estimate must also include contingency factors appropriate to the particular work to be undertaken.

Where applicable, the financial security assessment should be prepared in a manner consistent with the principals respecting mine site reclamation and implementation found in the *Mine Site Reclamation Policy for Nunavut*, Indian and Northern Affairs Canada, 2002.

There are no changes to operations. This is a renewal request. Please refer to [Schedule 8 – Security Information](#)

**22. FINANCIAL INFORMATION**

Provide a statement of financial responsibility. See [Schedule 9 – Financial Statement](#)  
If the applicant is a business entity, provide a list of the officers of the company.

**Company Officers:**

- 1) Tom Peregoodoff = President & CEO
- 2) Greg Shenton – CFP
- 3) Herman Grutter – VP Technical Services
- 4) Eric Friedland – Executive Chairman

**Directors:**

- 1) Eric Friedland
- 2) Robert T. Boyd
- 3) Peter Meredith
- 4) Richard Cohen
- 5) Alan Carter
- 6) Chantal Gosselin
- 7) Myron Goldstein

If the applicant is a business entity attach a copy of the Certificate of Incorporation or evidence of registration of the company name.

See [Schedule 10 – Corporate Certificates](#)

**23. STUDIES UNDERTAKEN TO DATE** - List and attach copies of studies, reports, research, etc.

Please refer to [Schedule 11 – Bibliography of Environmental Baseline Studies](#)

**24. PROPOSED TIME SCHEDULE** – Indicate the proposed start and completion dates for each applicable phase of development (construction, operation, closure, and post closure).

All field work is seasonal. Programs typically occur in the winter and the summer. Winter programs typically occur in March and April but may commence in late February and complete in early May (weather permitting). Summer programs typically commence in late June and are complete in late August but may extend into mid-September (weather permitting).

Construction

Proposed Start Date: \_\_\_\_\_ Proposed Completion Date: \_\_\_\_\_  
(month/year) (month/year)

Operation

Proposed Start Date: \_\_\_\_\_ Proposed Completion Date: \_\_\_\_\_  
(month/year) (month/year)

Closure

Proposed Start Date: \_\_\_\_\_ Proposed Completion Date: \_\_\_\_\_  
(month/year) (month/year)

Post - Closure

Proposed Start Date: \_\_\_\_\_ Proposed Completion Date: \_\_\_\_\_  
(month/year) (month/year)

For each applicable phase of development indicate which season(s) activities occur.

Construction

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

Operation

☒ Winter ☐ Spring ☒ Summer ☐ Fall ☐ All season

Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season


Post - Closure

☐ Winter ☐ Spring ☐ Summer ☐ Fall ☐ All season

**25. PROPOSED TERM OF LICENCE**

Number of years (maximum of 25 years): **5** years

Requested Date of Issuance: <b>June 1, 2018</b> (month/year)	Requested Expiry Date: <b>May 31, 2023</b> (month/year)
(The requested date of issuance must be <u>at least</u> three (3) months from the date of application for a type B water licence and <u>at least</u> one (1) year from the date of application for a type A water licence, to allow for processing of the water licence application. These timeframes are approximate and do not account for the time to complete any pre-licensing land use planning or development impact requirements, time for the applicant to prepare and submit a water licence application in accordance with any project specific guidelines issued by the NWB, or the time for the applicant to respond to requests for additional information. See the NWB's <i>Guide 5: Processing Water Licence Applications</i> for more information)	
<p><b>26. ANNUAL REPORTING</b> – If not using the NWB's <i>Standardized Form for Annual Reporting</i>, provide details regarding the content of annual reports and a proposed outline or template of the annual report.</p> <p style="color: blue;">NWB annual report format has been used for the Nunavut Water Board. Reports have been submitted for all years. Report for calendar year 2017 is forthcoming.</p>	
<p><b>27. CHECKLIST</b> – The following must be included with the application for the water licensing process to begin.</p> <p>Written confirmation from the NPC confirming that NPC's requirements regarding land use plan conformity have been addressed.</p> <p> <input checked="" type="checkbox"/> Yes                     <input type="checkbox"/> No                     If no, date expected _____                 </p> <p>Written confirmation from the NIRB confirming that NIRB's requirements regarding development impact assessment have been addressed.</p> <p> <input type="checkbox"/> Yes                     <input type="checkbox"/> No                     If no, date expected _____                 </p> <p>Completed General Water Licence Application form.</p> <p> <input checked="" type="checkbox"/> Yes                     <input type="checkbox"/> No                     If no, date expected _____                 </p> <p>Information addressing Supplemental Information Guideline (SIG) , where applicable (see Block 11)</p> <p> <input checked="" type="checkbox"/> Yes                     <input type="checkbox"/> No                     If no, date expected _____                 </p> <p>English Summary of Application. – See <a href="#">Schedule 12</a></p> <p> <input checked="" type="checkbox"/> Yes                     <input type="checkbox"/> No                     If no, date expected _____                 </p> <p>Inuktitut and/or Inuinnaqtun Summary of Application. See <a href="#">Schedule 13</a></p> <p>                     Yes                     <input checked="" type="checkbox"/> No                     If no, date expected <a href="#">forthcoming</a> </p> <p>Application Fee of \$30.00 CDN (Payee Receiver General for Canada).</p> <p> <input checked="" type="checkbox"/> Yes                     <input type="checkbox"/> No                     If no, date expected _____                 </p> <p>Water Use Fee Deposit of \$30.00 CDN (Payee Receiver General for Canada). The actual water use fee will be calculated by the NWB based upon the amount of water authorized for use in accordance with the Regulations at the time of issuance of the licence.</p> <p> <input checked="" type="checkbox"/> Yes                     <input type="checkbox"/> No                     If no, date expected _____                 </p>	

<b>28. SIGNATURE</b>			
<u>David Willis</u>	<u>Manager of Lands</u>		<u>Jan. 26, 2018</u>
<b>Name (Print)</b>	<b>Title (Print)</b>	<b>Signature</b>	<b>Date</b>