

CHIDLIAK PROJECT

NIRB File Number: 08EN002 INAC File Number: N2008C0005 QIA File Number: Q08L1C01 NWB File Number: 2BE-CHI0813

NANUQ PROJECT

NIRB File Number: 08AN008 INAC File Number: N2007C0039 NWB File Number: 2BE-NAN0813

March 27, 2009

Shirley Standafer-Pfister Manager, Regulatory and Environmental Affairs Peregrine Diamonds Ltd. #201 – 1250 Homer Street Vancouver, BC V6B 1C6

Via Email: Shirley@pdiam.com

RE: Acknowledgement of Receipt of Annual Report for Chidliak Project, South Baffin Island, and Nanuq Project, North Kivalliq Region

Dear Shirley Standafer-Pfister:

Thank you for submitting Peregrine Diamonds Ltd. 2008 Annual Report for the Chidliak Project to the Nunavut Impact Review Board (NIRB or Board) as recommended in the March 28, 2008 Screening Decision Report.

Term and Condition #5 of the Screening Decision Report recommended the following:

- 5. The Proponent shall submit an annual report with copies provided to the NIRB, INAC, QIA and the Government of Nunavut, Department of Environment (GN-DOE) before March 31 of each year during the project operation period. The report must contain, but not be limited to, the following information:
 - A summary of activities undertaken in the reporting year;
 - A work plan for the following year;
 - An analysis regarding potential impacts to wildlife from the project, and the any mitigation measurements adopted to modify the operational activities to minimize the impacts to wildlife in project areas.
 - Description of any wildlife encounters and any actions/mitigation measures taken;
 - A summary of site-visits by Land Use Inspectors with results and follow-up actions;

- Site photos;
- A summary of community consultations;
- Progressive reclamation work undertaken;
- Efforts made to achieve compliance with the Canadian Wide Standards for Dioxins and Furans, and the Canadian Wide Standards for Mercury;
- A summary of the number and location of spills and failures which activated the Spill Contingency Plan;
- The number of helicopter touch-downs on the land with date and location (provide unless confidential)

Also, Term and Condition #1 of Monitoring and Reporting Requirements in the December 18, 2008 Screening Decision Report recommended the following:

- 1. The Proponent shall submit an annual report as indicated in NIRB Screening Decision Report dated March 28, 2008, including reporting on the following additional project components and activities, and associated mitigation measures employed:
 - Trenching;
 - On ice drilling (in particular, water quality data); and
 - Lake ice airstrip operation.

Upon review of your submission we have concluded that the Annual Report contains the above specified information and there are no deficiencies to note.

Thank you for providing the information requested by the Board. If you have any questions or concerns, please feel free to contact me at (867) 983-4610 or at info@nirb.ca.

Sincerely,

Tara Arko

Assistant Technical Advisor Nunavut Impact Review Board

cc: Spencer Dewar, INAC Salamonie Shoo, QIA Michael Mifflin, GN-DOE Phyllis Beaulieu, NWB