



**NIRB File Nos.: 08AN008, 11EA050**

AANDC File No.: N2012C0024

Previous AANDC File No.: N2008C0005

NWB File No.: 2BE-CHI0813

November 9, 2012

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

Via email: [Shirley@pdiam.com](mailto:Shirley@pdiam.com)

**Re: Application Acknowledgement and Comment Request for Peregrine Diamonds Ltd.'s Application for a New AANDC Land Use Permit and Application to Renew the NWB Water Licence for the "Chidliak" project**

Dear Shirley Standafer-Pfister:

On September 5, 2012 the Nunavut Impact Review Board (NIRB or Board) received materials from Peregrine Diamonds Ltd. (Peregrine) in support of its application for a *new* Aboriginal Affairs and Northern Development Canada (AANDC) Land Use Permit (No. 2012C0024) to replace the previously issued and expiring permit (No. N2008C0005), and a renewal of the Nunavut Water Board (NWB) Type B Licence (No. 2BW-CHI0813). Both the AANDC and NWB regulatory instruments are associated with Peregrine's "Chidliak" project which the NIRB assessed previously as two separate screenings, the exploration phase proposal (File No. 08AN008) and the "Bulk Sample at Chidliak" proposal (File No. 11EA050). On September 18 and 19, 2012 the NIRB received referrals to screen the current applications from the NWB and AANDC respectively and commenced screening accordingly.

Please be advised that the original "Chidliak" project proposal (NIRB File No. 08AN008) was received by the NIRB from the Qikiqtani Inuit Association (QIA) on January 28, 2008 and from Indian and Northern Affairs Canada (INAC; now AANDC) on February 13, 2008 and was screened by the NIRB in accordance with Article 12, Part 4 of the Nunavut Land Claims Agreement (NLCA). On March 28, 2008 the NIRB issued a NLCA 12.4.4(a) screening decision to the Minister of INAC and the President of QIA indicating the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

Additional authorization and extension requests associated with the original “Chidliak” project have also been reviewed by the NIRB following screening of the original project proposal (08AN008). In each instance the NIRB confirmed that the applications were exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and the activities therein remained subject to the terms and conditions recommended in the March 9, 2011 Screening Decision Report. A summary of the additional applications associated with NIRB File No. 08AN008 are presented in Table 1.

**Table 1: Additional applications associated with NIRB File No. 08AN008**

<b>Date of Decision</b>	<b>Document</b>	<b>Type of Application</b>	<b>Authorizing Agency (AA)</b>	<b>AA File Number</b>
December 18, 2008	Screening: 12.4.4(a)	Amendment	INAC	N2008C0005
April 16, 2009	Exemption: 12.4.3	Access to IOL	QIA	Q09L1C11
October 1, 2009	Exemption: 12.4.3	2-year Extension to LUP	INAC	N2008C0005
November 9, 2010	Exemption: 12.4.3	Amendment and Extension to LUP	INAC/NWB	N2008C0005/2BE-CHI0813
March 9, 2011	Exemption: 12.4.3	Research – weather monitoring	NRI	01 083 11N-M (2012 renewal 01 002 12R-M)

The NIRB’s assessment of the original “Chidliak” exploration project (File No. 08AN008) and all considerations given to the relevant authorizations as indicated in the table above included the following project activities:

- Setup and operation of 3 temporary camps;
- Establishment of temporary helipad area at camp site;
- Temporary storage of fuel and propane at camp site;
- Staking and prospecting;
- Ground magnetic surveying and heavy mineral sampling;
- Airborne magnetic and electromagnetic surveying by helicopter;
- Surface sediment sampling program to involve:
  - Helicopter support of a 2-person crew in new prospecting area known as Qilaq and Chidliak (2009 amendment);
- On-ice and land-based drilling program;
- Use of Buffalo DC3 for fuel hauls to temporary camp;
- Use of lake ice airstrip (particularly the establishment of ice runway for Buffalo DC3);
- Use of helicopter to move drill from site to site;
- Increase in water consumption rate (from 60 cubic meters to 95 cubic meters per day);
- Trenching for the collection of 100 tonnes of kimberlite surface samples;
- Blasting activities;
- Use of Twin Otter to set up and supply the camp;

- Seasonal movement of personnel to and from drill sites and/or camps via snowmobile and helicopter;
- Demobilization and winterization of camp;
- Establishment of two (2) meteorological stations near the Discovery Camp, to remain operational until December 2014.

Please be advised that the “Bulk Sample at Chidliak” project proposal (File No.: 11EA050) was received by the NIRB from AANDC on October 12, 2011. The proposal was screened in accordance with Part 4, Article 12 of the NLCA and on February 20, 2012 the NIRB issued a 12.4.4(a) screening decision to the Minister of Aboriginal Affairs and Northern Development indicating that the proposed project could proceed subject to the NIRB’s recommended project-specific terms and conditions. Originally screened project components and activities included the following:

- Bulk sampling program at 5 locations, collecting an approximate combined total of 600 tonnes from all sites;
- Transportation of a large-diameter reverse-circulation drill to site and use in the collection of bulk-sample materials;
- Overland transportation to site and subsequent use of 5 additional pieces of heavy equipment: Challenger 875C, Morooka MST 3000, 2 CAT loaders and Sno-Cat BR-350;
- Expansion of the existing Discovery Camp from 24 to 40 people;
- Have approximately 2000 drums of diesel, 250 drums of aviation fuel, 20 drums of gas, 65 cylinders of propane, 3 cylinders of oxygen, 4 cylinders of Oxygen/acetylene for welding and 200 drums of oils/lubricants and cleaners brought in by air and stored on site;
- Expansion of the existing winter trail network by a total of 3.6 kilometers;
- Establishment of a new 30-person camp (“CH-6 temporary camp”) to accommodate personnel associated with the bulk sample program. New camp to consist of:
  - 8 sleeper tents;
  - 1 medic tent/first-aid shack;
  - 2 dry tents;
  - 1 Pacto tent;
  - 1 kitchen tent;
  - 1 office tent;
  - Generator shed;
  - Incinerator;
  - Construction of a bermed fuel area and associated re-fuelling station; and
  - Helipad and winter landing strip for Twin aircraft.

### **Additional Activities Proposed with Current Applications for New Land Use Permit and Water Licence Renewal**

Peregrine is currently proposing to include the following additional components/activities within its new Land Use Permit and renewed Water Licence.

- Inclusion of a contingency water source for the CH-6 drilling site;
- Transportation of kimberlite bags to Iqaluit via the previously approved overland trail;

- Overland transportation of approximately 1,500 drums of fuel from Iqaluit annually;
- Inclusion of a natural landing strip at Discovery Camp (for contingency use if needed); and
- Inclusion of additional options for diameter of bulk sample drill holes.

The NIRB has determined that this request may result in a change to the original scope of the project.

The AANDC and NWB applications and the NIRB screening files (Nos. 08AN008 and 11EA050) are available from the NIRB's ftp site as follows:

**08AN008:**

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2008/08AN008-Peregrine%20Diamonds%20-%20Chidliak/>

**11EA050:**

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2012/11EA050-Peregrine%20Diamonds-Chidliak/>.

Please note that Section 12.4.3 of the NLCA states that:

*“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:*

*(a) such component or activity was not part of the original project proposal; or*

*(b) its inclusion would significantly modify the project.”*

The NIRB is of the opinion that the applications for a new AANDC Land Use Permit and renewal of the NWB Water Licence are not likely to *significantly* change the general scope of the original project activities. Therefore, the NIRB is proposing to re-issue the same terms and conditions as those in the attached February 20, 2012 Screening Decision, along with any new terms and conditions the NIRB may consider appropriate. The NIRB is copying parties and municipalities potentially affected by this project and we invite interested persons to comment directly to the NIRB by **November 1, 2012, (extended to November 19, 2012)**.

The NIRB would like Parties to provide comments regarding:

- Whether the inclusion of the additionally proposed component(s) and/or activity(ies) would significantly modify the project;
- Any additional mitigation measures that are appropriate; and,
- Any other matter of importance to the Party related to the project proposal.

Please send your comments directly to the NIRB at [info@nirb.ca](mailto:info@nirb.ca) or via fax to **(867) 983-2594**.

If you have any questions or concerns, please do not hesitate to contact myself at [kgillard@nirb.ca](mailto:kgillard@nirb.ca) or by phone (867) 983-4619.

Sincerely,

A handwritten signature in blue ink that reads "Kelli Gillard". The signature is fluid and cursive, with the first name "Kelli" and last name "Gillard" clearly distinguishable.

Kelli Gillard B.Sc., P.Ag.  
Technical Advisor  
Nunavut Impact Review Board

cc: Distribution List  
Bernie MacIsaac, Qikiqtani Inuit Association  
Jeff Mercer, Aboriginal Affairs and Northern Development Canada  
Tracey McCaie, Aboriginal Affairs and Northern Development Canada  
Phyllis Beaulieu, Nunavut Water Board

Enclosed (3): NIRB Screening Decision Report, File No.: 08AN008 (December 18, 2008)  
NIRB Screening Decision Report, File No.: 11EA050 (February 20, 2012)  
English Comment Form  
Inuktitut Comment Form