

Water Resources Division Nunavut Regional Office Iqaluit, NU X0A 0H0

November 4, 2010

Richard Dwyer Licensing Administrator Nunavut Water Board PO Box 119 Gjoa Haven, NU X0A 1J0

Re: 2BE-CHI0813 – Chidliak Project – Peregrine Diamonds Ltd – Amendment Application

Please be advised that Indian and Northern Affairs Canada (INAC) has completed a review of the above noted licence amendment application.

The Nunavut Water Board (NWB) distributed the application for comment on October 12, 2010.

In conducting this review, I have referred to all documents on the Nunavut Water Board FTP site as it relates to 2BE-CHI. Attached is a Technical Review Memorandum for your consideration.

Please feel free to contact me should you have any questions or comments. I can be reached at (867) 975-4566 or by email at tanya.trenholm@inac.gc.ca.

Sincerely,

Original signed by

Tanya Trenholm Pollution Policy Specialist



Our File # 9545-2-3.2BE.CHIA Doc. CIDMS # 432454

Technical Review Memorandum

To: Phyllis Beaulieu, Manager of Licensing - Nunavut Water Board

From: Tanya Trenholm, Pollution Policy Specialist - Indian and Northern Affairs

Canada – Water Resources Division

Re: 2BE-CHI0813 – Amendment Application – Chidliak Project –

Peregrine Diamonds Ltd.

Recommendations / Comments

Following a review of the application, it was noted that the Applicant has provided a remediation cost estimate of \$404,745.00 for activities associated with their exploration program.

Apart from respectfully requesting the NWB consider the remediation cost estimate provided by the Applicant, INAC has no further comments to the NWB at this time.

Please feel free to contact me at your convenience should you wish to further discuss any part of this submission to the Board. I can be reached at 867-975-4566 or via email, tanya.trenholm@inac.gc.ca.

Cc. Lou-Ann Cornacchio, Manager, Water Resources Division – Indian and Northern Affairs Canada;