



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee	Licensee Representative
Peregrine Diamonds Ltd	Dave Willis
Licence No. / Expiry	Representative's Title
2BE-CHI1218	Land Administrator
Land / Other Authorizations	Land / Other Authorizations
N2012C0024	--
Date of Inspection	Inspector
17/07/15	Justin HACK
Activities Inspected	
<input type="checkbox"/> Camp	<input type="checkbox"/> Drilling
<input type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Mining
<input type="checkbox"/> Other: Culvert	<input type="checkbox"/> Construction
	<input checked="" type="checkbox"/> Reclamation
	<input type="checkbox"/> Fuel Storage
	<input type="checkbox"/> Other: Bridge

Conditions:		A - Acceptable	C - Concern	U - Unacceptable	NA – Not Applicable	NI – Not Inspected		
Water Use	Condition	Comment	Site Conditions	Condition	Comment	Haz/Mat Management	Condition	Comment
Intake/Screen	NI		Water Management Structures	C	4	Storage	NI	
Flow Measure. Device	NI		Culverts / Bridges	NA		Spills	NI	
Source:	A		Drainage	NA		Spill Plan	NI	
Water Use:	NI		Erosion / Sediment	A				
Recirculation (y /n)	NI		Mitigation Measures	NA		Administrative		
			Reclamation Activities	NA		Records	NA	
			Materials Storage	A		Reports	A	
Waste Disposal			Signage	NI		Plans	A	
Waste Water	C	5				Notifications	NA	
Solid Waste	C	6	Monitoring			Other		
Hazardous Waste	A		Sample Collection / Analysis	NA				
*The number in the comments field will correspond with specific comments provided below.								
Samples taken by Inspector:			Location(s):					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								

SECTION 1	<input checked="" type="checkbox"/> Comments (s.1)	<input type="checkbox"/> Non-Compliance with Act or Licence (s.__)	<input type="checkbox"/> Action Required (s.__)
Background			
<p>Nunavut Water Licence #2BE-CHI1218 was issued to Peregrine Diamonds Ltd on February 8, 2012 for the use of 95 cubic metres of water per day and the disposal of waste for camp operations and activities related to exploration including diamond drilling, large diameter reverse-circulation drilling, and other associated activities.</p> <p>Water Use and Waste Disposal is authorized through this licence at the Chidliak Project, supported from the Discovery, Sunrise, Aurora, CH-6 Camps located on the Hall Peninsula.</p> <p>Inspector’s Statement</p> <p>On July 17, 2015 a water licence inspection was conducted for water licence 2BE-CHI1218. Sites visited included the Discovery, Sunrise, Aurora and CH-6 campsites, Drill Waste Disposal Area and nearby drill sites. At the time of inspection, the camp was inactive; however, Peregrine Diamonds Ltd had the camp operational shortly after the inspection for use in summer 2015.</p> <p>Observations:</p> <p><u>Direct Water Use</u></p> <div><div>1. Domestic and Drilling Purposes</div><div>a. No water was being used at the time of inspection.</div><div>2. Water Sources</div><div>a. No concerns</div></div> <p><u>Water Management Structures</u></p> <div><div>3. Secondary Containment Structures</div><div>a. Secondary containment was present for the storage of hazardous materials at the camps. Larger secondary containment structures that were storing fuel had an SEI Industry, RainDrain attached to the lower end of the structure to filter out hydrocarbons. No fuel leaks were apparent within these structures. The proponent is reminded that ongoing maintenance of these temporary structures is required to ensure their integrity.</div><div>b. Smaller secondary containment surrounding fuel tanks attached to camp tents were working as intended. Many of these structures are not covered and require annual maintenance to prevent over-topping of water.</div><div>4. Drill Waste Disposal Area</div><div>a. The drill waste disposal area is an area of concern. As detailed in the Licence, all drill waste must be deposited into a properly constructed sump or natural depression that prevents discharges into the environment. It is recommended that Peregrine re-evaluate this location and determine that all water from this facility can be controlled and discharged as required while meeting the discharge criteria limits in the licence. A follow-up</div></div>			



inspection of this site will be conducted in 2016.

Waste Disposal

5. Drill Waste Disposal Area

a. Potential concern related to the uncontrolled discharge from the Drill Waste Disposal Area. All discharges from this facility must be controlled and must meet discharge criteria as determined within the licence.
6. General Waste Management at Camp

a. Small concerns related to the management of ash produced from incineration. Please ensure all ash is properly contained and managed to prevent it from entering water. In a follow-up phone call after the inspection, Peregrine identified that this concern was addressed. This will be confirmed at the next water licence inspection during the summer of 2016.

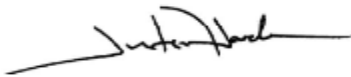
[Click here to enter text.](#)

SECTION 2

☐ Comments (s. 2_)

☐ Non-Compliance with Act or Licence, (s. __)

☐ Action Required (s. __)

Licensee or Representative	Inspector's Name
	Justin Hack
Signature	Signature
	
Date	Date
	21/10/2015

Office Use Only:

Follow-up report to be issued by Inspector

☒ Yes ☐ No