

File: 2BE-CHI1218/TR/B2

October 22, 2015

David Willis, Land Administrator Peregrine Diamonds Ltd. 201 – 1250 Homer Street Vancouver, BC V6B 1C6

Email: <u>dave@pdiam.com</u>

Subject: Licence No. 2BE-CHI1218 "Chidliak Project", Qikiqtani Region, Nunavut;

Submission of 2014 Annual Report

Dear Mr. Willis,

The Nunavut Water Board ("NWB") received on October 14, 2015, the 2014 Annual Report for the above-mentioned project. The report was forwarded to the distribution list for information.

The Report for Chidliak Project included the followings:

- Chidliak Exploration Site CH6 August 2014 Water Quality Sampling Event, prepared by Tetra Tech EBA Inc. and dated October 23, 2014 with an
 - o Appendix A: Laboratory Analytical Results.

The Annual Report was found to be meeting the reporting requirements of License 2BE-CHI1218 with the exception of submission timing. The NWB is pleased to note that related to the 2014 trenching activities water quality in the CH6 trench and in its outflow were within 2BE-CHI1218 Water Licence effluent quality criteria.

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 Ext. 35 or karen.kharatyan@nwb-oen.ca, at your earliest convenience.

Yours truly,

(for) Karén Kharatyan Technical Advisor

cc: Distribution List – Qikiqtani