NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

October 30, 2017

David Willis
Manager Lands & Community
Peregrine Diamonds Ltd.
Suite 654 – 999 Canada Place
Vancouver, B.C. V6B 3E1

Email: dave@pdiam.com

Subject: Licence No. 2BE-CHI1218 – Review of 2015 and 2016 Annual Reports

Dear Mr. Willis:

The Nunavut Water Board (NWB or Board) has completed the review of the following documents submitted to satisfy relevant conditions of the Water Licence No. 2BE-CHI1218 issued to Peregrine Diamonds Ltd. to allow for the use water and disposal of waste in support of the Chidliak Project, located approximately 75 km northeast of Iqaluit and 133 km south of Pangnirtung, within the Qikiqtani Region of Nunavut:

o   2015 Annual Report submitted along with the 2015 Trench Water Monitoring Report;
o   2016 Annual Report submitted along with the 2016 Trench Water Monitoring Report.

The 2015 and 2016 Annual Reports and the 2015 and 2016 Trench Water Monitoring Reports (Monitoring Reports) were submitted on November 3, 2016. Copies of the Reports which were distributed to the public for information purposes are available at the NWB Public Registry using the following link:

ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-CHI1218%20Peregrine/3%20TECH/1%20GENERAL%20(B)/2%20ANNUAL%20RPT/

The 2015 and 2016 Annual Reports are found to be generally meeting the reporting requirements of the Licence 2BE-CHI1218. In addition, the results presented in the Monitoring Reports indicate that the 2015 and 2016 analytical results for water samples collected from the Trench Water Containment were in compliance with the Licence effluent quality criteria for discharge.

Consequent with this, the Board considers that the Licensee has fulfilled the requirements under Part B, Item 2 and Part D, Item 14 of the Water Licence.

Should you have any further questions, please feel free to contact the NWB's Licensing Department at 867-979-3079 or by email to licensing@nwb-oen.ca

Regards,
Sonia Aredes
Technical Advisor
Cc: Qikiqtani Distribution List