



November 27, 2017

**BY ELECTRONIC MAIL**

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Dear Ms. Aredes:

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**Re: NWB Approval Request for a Trench at the CH-44 Kimberlite**

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Peregrine Diamonds Ltd. ("Peregrine") holds Nunavut Water Board ("NWB") Water Use Licence 2BE-CHI1218. The permit was issued in December of 2012 and expires on June 1, 2018. The permit has been the subject of two amendments:

**November 13, 2014** – Water usage increase to 246m<sup>3</sup> per day

**March 10, 2017** – Additional water sources

This letter is a submission of a trench plan for a single trench at the CH-44 kimberlite on the Chidliak project. The location is detailed in Table 1.

**Table 1:** Trench Location CH-44

Location	Projection	Datum	Latitude (y) (ddmmss)	Longitude (x) (ddmmss)
CH-44 Kimberlite	Lat/Long	WGS84	64° 13' 32.52"	-66° 20' 8.88"

Trenching and blasting are approved as activities under both the previous licence (2BE-CHI0813) and the current licence (2BE-CHI1218). The proposed trenching activities will not use any water nor generate any wastewater however there is likelihood that post reclamation subsidence may create a hollow where water can accumulate and water will flow through the area during the freshet.

**CH-44 Background**

The CH-44 kimberlite was discovered in 2010. Drill campaigns were undertaken on this kimberlite in 2010, 2011, 2012, and 2014. This would be the first trench sample collected at CH-44. Trench activities are anticipated for March 2018. The trench would measure approximately 10 meters x 20 meters.

## **Trench Plans**

Attached is the following trench plan:

- 1) *Trenching Plan – CH-44 Kimberlite*

Peregrine recently made the decision to undertake the trench and would like to initiate this activity in March 2018 to take advantage of the winter weather and frozen ground conditions. It is noted in part “F” of the permit that a Trenching Plan requires 90 days for approval.

If you have any questions or require further information please do not hesitate to contact me directly at (604) 608-4524 or by email at [dave@pdiam.com](mailto:dave@pdiam.com).

Yours truly,



David Willis  
Manager, Lands & Community

## **TRENCHING PLAN – CH-44 KIMBERLITE**

*November 27, 2017*

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The proposed trench location is at the CH-44 kimberlite. This kimberlite is an approved bulk sample location.

### **Location of Trench**

- 1:250,000 NTS = 26B
- 1:50,000 NTS = 26B-01
- Crown Land
- Projections: Latitude/Longitude
- Datum: WGS 84
- Latitude (y) = 64° 13' 32.52" (centre)
- Longitude(x) = -66° 20' 8.88" (centre)
- Mineral Claim: CH393 (K12885)

### **Approximate Dimensions**

The trench will measure approximately 10 metres wide by 20 metres long. Most of the trench will be three (3) to four (4) meters deep. The maximum trench depth will be approximately six (6) meters.

### **Approximate Mass**

The estimated sample mass is 1500 tonnes.

### **Proposed Mitigation Measures for the prevention of the transport of sediments, blasting residues, fly rock and other materials from the trench area to nearby water bodies.**

- 1) The nearest water-body and/or watercourse is a stream 200 meters southwest of the trenching activity.
- 2) The potential for direct flow into the watercourse noted above is limited.
- 3) The terrain is flat, thus the natural topography is favourable for preventing the transport of sediments, blasting residues, fly-rock and other materials.
- 4) All activities will take place in the winter under sub-zero conditions where water is frozen.
- 5) No water discharge from the trench is anticipated.
- 6) This is a small operation and bulk explosives are not required.
- 7) Blast shots will be small and thoroughly burnt at ignition.
- 8) A limited number of blast events will occur (two or three).
- 9) The blast radius will be small due to the small shot size.
- 10) Blast mats will be utilized.
- 11) Best work practices will be applied. Cover rock/sediments will be piled neatly and stockpiled for reclamation.

- 12) The trench will be reclaimed immediately after the sample is excavated. The trench area, once re-filled with reserved native material, will be contoured to match the surrounding landscape and prevent erosion.

### **Projected Volume and Quality of Water Discharge**

- 1) Water is not being utilized for this activity.
- 2) No waste water will be generated from this activity.
- 3) No water discharge is anticipated.
- 4) Trenching activities will take place under frozen winter conditions.

### **Proposed Monitoring Program**

The trench will be reclaimed after the sample is excavated. As a volume of rock has been removed, some subsidence is anticipated. This may result in a small depression in the centre of the trench where water can pool. The site will be monitored during subsequent field programs. If water is present during the summer of 2017 a water sample will be collected and sent for analysis.









