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SPILL CONTINGENCY PLAN

CHIDLIAK, QILAQ AND CUMBERLAND PROJECTS¹¹, BAFFIN, NU (including both Crown Land and IOL Parcels) PEREGRINE DIAMONDS LTD.

Revision 11: 06 July 2012

LIST OF REVISIONS: ADDENDUM PAGE

Original Plan: 03 January 2008
Revision 1: 28 July 2008
Revision 2: 01 March 2009
Revision 3: 29 May 2009
Revision 4: 25 March 2010
Revision 5: 07 May 2010
Revision 5b: 27 September 2010
Revision 6: 17 January 2011
Revision 7: 23 March 2011
Revision 8: 11 May 2011
Revision 9: 20 September 2011
Revision 10a: 01 April 2012
Revision 10b: 04 July 2012
Revision 11: 06 July 2012

(NOTE 1: Revisions are identified in the text with a superscript number at the end of the revised or added sentence, phrase or paragraph. Superscript numbers appear as ², ³, ⁴, ⁵, ⁶, ⁷, ⁸, etc.)

(NOTE 2: Revisions denote changes such as programme or date changes, change of phone number, change or addition of personnel, addition of equipment or products, new or adjusted maps and new appendices.)

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APPENDICES

Appendix A - MATERIAL SAFETY DATA SHEETS (MSDS)

Index to contents of sections on Fuels, Fuel Additives, Oil; Drilling Muds, Greases, Lubricants;
and Miscellaneous Chemicals⁸

(Complete MSDS CD – Appendix 2 – is being supplied to AANDC as requested. Since MSDS inventory has not changed, and at the request of NIRB and NWB, these regulators are referred to their latest MSDS CD, submitted in September 2011)¹¹

Appendix B - SPILL RESPONSE: PRACTICE DRILL

Record, with photographs, of a Chidliak camp spill-response exercise held 31 August 2011⁹

Appendix C – “Notice of Modification” Letter to Nunavut Water Board regarding Single Event of Blasting which Occurred in July 2010⁶

STANDARD OPERATION PROCEDURE

“Response Inventory Procedure for Mobile Fuel-Carrying Equipment” (April 2012)^{10a}

INTRODUCTION

The Spill Contingency Plan for “Chidliak and Adjoining Qilaq Property, and Cumberland Prospecting Permits⁵” of Peregrine Diamonds Ltd. (Peregrine), found on the following pages, shall be in effect from the current date (January 2013¹¹) until the end of January 2014¹¹, and is subject to revision as required. The main activity of the year will be collection of an initial bulk sample⁹, part of a multi-phase sample programme⁹, between mid-February (opening of the CH-6 Camp)¹¹ and 01 June⁹ when the bulk-sampling of at least 3¹¹ kimberlites will be completed.⁹ Utilising support initially from Sunrise Camp ice strip to move in a reverse-circulation drill, equipment and startup fuel, the focus will then shift to Discovery Camp, which will be the logistical base and fuel-storage/transfer/refuelling centre for the programme.⁹ Exploration by means of core drill(s) already on site may follow the bulk-sampling programme and conclude in September 2013.¹¹ Discovery Camp has been expanded¹¹ to accommodate 40 people; CH-6 Camp¹¹ will accommodate 30 to serve drilling of the CH-6 kimberlite.⁹ Support services come from Iqaluit, approximately 75km SW⁹ of the southwest corner of Chidliak². The Chidliak property is comprised of 852⁷ claims located across 18 mapsheets in NTS 26A, 26B, 25O and 25P. Qilaq is comprised of 114 claims (pending)¹¹ and Cumberland currently is comprised of 18¹¹ Prospecting Permits. This Spill Plan will be in effect for all 3⁹ properties², for exploration on Crown Land¹¹ and any sampling, geophysical surveying, drilling and related on IOLs.¹¹ It also must be noted that Peregrine properties² are remote; no communities are nearby, and thus no persons other than the camp population of Peregrine geologists, geophysical personnel, helicopter pilots, drillers, cook/first-aider (Level II certification or higher), medic, camp managers² and attendant(s), environmental/bear monitors² and other site personnel¹¹ would be affected in the event of an incident. In the case of the Cumberland Peninsula sampling project, Pangnirtung is only 50km¹¹ W of the closest point on the Cumberland Project, so special attention will continue to be given to co-ordinating activities with local land-use.⁷

All employees, whether permanent or casual, and programme contractors, are required to be trained in Peregrine procedures, field and wildlife safety, spill and fire procedures and environmental awareness prior to engaging in work at a Peregrine site. Peregrine is keenly aware that planning for an emergency situation is not an option but an obligatory activity, equal in importance to the exploration programme itself. This Contingency Plan will be posted in camp and at each worksite or office of each project² and will be distributed to supervisory personnel for dissemination to staff and contractors.

BASIC STEPS – SPILL PROCEDURE

A spill is classified as the discharge of petroleum products or other dangerous substances into the environment. Potential hazards created by the spill for humans, vegetation, water resources, fish and wildlife vary in severity, depending on several factors, including nature of the material, quantity spilled, location and season. Refer to this Plan⁹ for specific response information. The general emergency response to be followed in the event of a spill at the Chidliak Project, the Qilaq Project⁴, adjoining IOLs² or the Cumberland Project⁵, is:

Protect people - prevent personnel from approaching the site and keep them at a distance sufficiently removed that they will not be injured by, or cause, a fire or explosion

Identify the product and its source - check container design, warning labels, markings, Material Safety Data Sheets, etc., to enable prompt and appropriate response.

Stop the flow at the source - reduce or terminate flow of product without endangering anyone

Assess the seriousness of the spill - assess potential dangers of the spill to human health and safety, the aquatic environment, wildlife, ground water, vegetation and other land resources.

Report the spill - complete a NU Spill Report Form and contact the NU 24-hour Spill Report Line.

Provide information on the form to the Environment Canada officer by phone/FAX or e-mail³, including location of spill, (company) name of polluter, type and amount of material spilled, date and time of the spill, any perceived threat to human health or the environment, and remedial actions taken and planned.

Clean up spill - follow procedures appropriate to location, environment, material, time of year.

Evaluate and learn - after the emergency has passed, evaluate the incident and the cleanup with the goal of continuous improvement in prevention and response; train or re-train personnel and ensure a practice incident-and-response drill is held at least once per field season (cf. Appendix - "Spill Response: Practice Drill").

24-Hour Spill Report Line: (867) 920-8130 or fax (867) 873-6924

Environment Canada Enforcement: 24-Hour Emergency Line: (867) 920-8130

AANDC⁹ Water Resources Officer (Iqaluit): (867) 975-4298

AANDC⁹ Lands Administrator (Iqaluit): (867) 975-4275

AANDC⁹ Manager of Field Operations (Iqaluit): (867) 975-4295

PERMITS AND AUTHORISATIONS

The Chidliak and Qilaaq⁴ properties together total almost 964 500¹¹ ha; in spring 2012, the Cumberland property totalled 242 000 ha¹¹. Most of Chidliak-Qilaaq is on Crown land, but 6¹¹ surface parcels of Inuit-Owned Lands (IOLs) intersect Chidliak and Qilaaq¹¹. This Spill Plan will be in effect on both Crown Land and IOLs as noted on Page 1 above.¹¹

Aboriginal Affairs and Northern Development Canada⁸ (AANDC)⁸ Class A Land-Use Permit #N2008C0005 is in force for Chidliak Project activity on Crown land, along with a Nunavut Water Board (NWB) Type B Water Licence #2BE-CHI0813; a renewed permit and licence are being sought to replace the existing authorisations before they expire in June 2013¹¹. The existing QIA Licence #Q10L1C008-Extension⁹ for exploration on Chidliak and Qilaaq IOLs⁸ and existing QIA Licence #Q10L1C014-Extension⁹ for activity on IOLs within the Cumberland Project⁶ are in effect until 01 March 2013,⁸ and new authorisations will be sought to replace them before they expire.¹¹

SPILL-RESPONSE TEAM LEADERS

The following are in charge of the Chidliak sites³, in respect of management or control of contaminants.

Project Manager, Al O'Connor⁶: Camp phones (below) or 24-hour mobile: (604) 379-0998.⁶

Shirley Standafer-Pfister, Manager, Regulatory and Environmental Affairs²:
(604) 408-8880³, (604) 408-8881 (FAX); 24-hour mobile: (250) 686-1769.³

Sunrise camp phones (camp closed) ^{10b}
 Operations Manager: Discovery (778) 372-2761 (office), (778) 372-2698 (office cordless) ^{10b}
 CH-6 Camp (to be provided) ⁹
 Aurora Camp (inactive) ^{10b}

Project Manager-Qilaq – Dave Ritcey: (604) 408-8880 (office). ^{10b}
 Project Manager-Cumberland – Dave Willis: 24-hour mobile: (604) 836-3284. ⁸

Name and address of proponent in charge of the projects² noted in this Plan:
 Peregrine Diamonds Ltd.
 Suite 201-1250 Homer Street
 Vancouver, BC V6B 1C6

FACILITY DESCRIPTION

Facility – Seasonal tent camps which can accommodate personnel numbers as follows: 24 – Sunrise, 24 – Aurora, 40 – Discovery and 30 – CH-6 Camp. ¹¹ All have or will have above-ground fuel storage in 205L drums (diesel, Jet-B, petrol/gasoline) and propane in 45kg cylinders. Discovery also will have a Designated Fuel Station where drum fuel will be transferred to enviro-tanks. ⁹

Location – Discovery camp and natural-gravel airstrip: 64° 14' 25" N. lat. – 66° 20' 45" W. long. ³
 Sunrise camp² on unnamed lake to the east: 64° 14' 16" N lat. – 66° 07' 38" W long. ³
 Aurora Camp⁸ at: 64° 36' 33" N. lat. – 66° 34' 36" W. long. ⁵
 CH-6 camp and natural-gravel airstrip: 64° 36' 33" N lat. – 66° 34' 36" W long. Fuel: stored on flat, gravel/cobble area at each camp², a safe distance from the tents and well away (>30m) from waterbodies. Both large caches³ and tent drums⁶ are bermed in secondary containment. ³

Table 1: Projected Fuel and Oil Use for 2013¹¹ Exploration Activities

Fuels	No. of Containers	Capacity of Containers
Diesel for drilling, equipment, camps	2000 ⁹ drums	205L
Aviation turbine fuel (Jet-B)	250 ⁹ drums	205L
Aviation turbine fuel (Jet-B) – Cumberland ⁵	500 drums	205L (if req'd)
Unleaded petrol (gasoline)	20 ⁹ drums	205L
Propane	65 ⁹ cylinders	45kg
Oxygen (medical)	3 ⁹ cylinders	10kg
Oxygen and Acetylene (welding cutting)	4 ⁹ cylinders (total)	45kg
Oils/lubricants/cleaners	200 ⁹	1L to 5L (typical sizes)

Empty drums sent out intact or crushed; ⁹ cylinders regularly backhauled.

Table 2: Contents of Spill Kits – Spring to Autumn 2013¹¹

Fuel Cache/Heli Area and Airstrip³–Spill-Kit Drums – 1 per Cache² and 1 per Airstrip³

1 complete drum kit will be supplied at each fuel cache,² at each⁹ gravel airstrip, and at each⁹ ice airstrip, with (as a minimum) absorbents, socks, disposal bags. (Kits at all⁹ camps⁵ will contain the following: safety goggles, rubber gloves, absorbents, socks, sealant putty and a plastic disposal bag.) [Note: On-ice cleanup measures are discussed on Pages 37-38].

Auxiliary kits (e.g., approximately 130L-136L size) will be deployed around cache areas, as required. ²

Camps – Spill-Kit Drums – 1 (Full Size)⁶ per Camp (as a Minimum) plus 5 Kits at Discovery⁹

Location: Stationed at gen-shed in camp, but can be deployed where required: 1 complete drum kit will be supplied with (as a minimum) absorbents, socks, disposal bags. (Kits at all⁹ camps⁵ will contain the following: safety goggles, rubber gloves, absorbents, socks, sealant putty and a plastic disposal bag.)

NOTE: *Discovery Camp Designated Fuel Station will have 5 spill kits, as well as extra absorbents and other response items (cf. Map 1 below).*⁹

RC Drill and⁹ Core Drillshack – Spill-Kit Drums – 1 per Drillsite⁶

Trenching Site – Spill-Kit Drums – 1² (if trenching were to occur)⁴

Fuel Cache (on Land) proximal to Lake-Based Drillsite – Spill-Kit Drums – 1⁴

Location: Moves with drillshack² or cache: 1 complete drum kit will be supplied with (as a minimum) absorbents, socks, disposal bags, whether the hole is land-based or ice-based.³

At all locations, additional bundles of absorbents will be present in addition to the spill kits.

Table 3: General Response Inventory – Spring to Autumn 2013¹¹ – Chidliak Property

- Fire extinguishers (valid/recharged) in each structure: Tents, sheds.
- Water pump and spare at camp; hoses and fittings
- Hammers, assorted weights, at core shack or storage shed²
- Cat 247B2 Multi-Terrain Loader (to move drums or other loads)³ and Kubota Sub-Tractor (for snow-clearing on lakes)⁶ Cat 930 loader brought in for bulk sample (to move drums or other loads)⁹
- Assorted 10L-20L plastic pails; galvanised metal pails (approx. 10L each)
- Ice auger (gas-powered) c/w extensions (for spring conditions)
- 121L plastic garbage bags (boxes of 20 each) – kitchen and latrine
- Plastic tarps – assorted sizes
- Extra bundles of absorbents
- Fuel-transfer pump and spare at each² camp
- Refuge drums (empty drums for containing spilt substances).

TRAINING AND PRACTICE DRILLS

All members of the programme response team – as well as members of the general team, such as the Regulatory/Environment Manager² and the Expeditor – will be familiar with the spill-response resources at the worksites (including their location and how to access them), this Spill Plan, and appropriate spill-response methods. Involvement of other personnel may be required, from time to time. This familiarity will be acquired through:

1. Initial or refresher training (practice drills), as appropriate, provided once per field season (cf. Appendix - “Spill Response: Practice Drill”).
2. Regular inventory updates, provided in list form to all team members. Information to be reported includes listing of resources, number of items and locations, condition, date of last inspection and any comments (e.g., expiry dates, under whose authority they may be accessed and special handling instructions, if any).

CONTACT LIST – SPILL RESPONSE/ASSISTANCE

Mobile Emergency Spill Response – Nunatta Environmental Services Inc., Iqaluit (NTI-registered company) ⁷ nunatta@northwestel.net

Axel Have	(867) 979-1488 (during business, after hours)
Jim Wilson	(same ofc.); 867-222-4111 (mobile) ¹¹

Qikiqtaaluk Corporation Expediting/Logistics	qc@nunavut.com	(867) 222-1020 ³ (867) 979-8433 (FAX)
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Discovery Mining Services ³	logistics@pdiam.com	(867) 445-1644 (24 hours) ³ (867) 222-3630 (Iqaluit mobile)
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Environment Canada	Inspector ¹⁰	(867) 975-4644 ¹⁰
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Manager, Field Operations ⁴	Aboriginal Affairs and Northern Development (AANDC) ⁹ Nunavut (Iqaluit Office)	(867) 975-4295 ⁴ (867) 975-6445 (FAX)
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Water Res. Officer AANDC (Iqaluit) ⁹	(867) 975-4298
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RCMP, Iqaluit detachment	Emergencies only:	(867) 979-1111
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RCMP, Pangnirtung detachment	Emergencies only:	(867) 473-4111
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Iqaluit Fire Department	(867) 979-4422 (emergency)
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24-hour spill line: (867) 920-8130 ² spills@gov.nt.ca ²

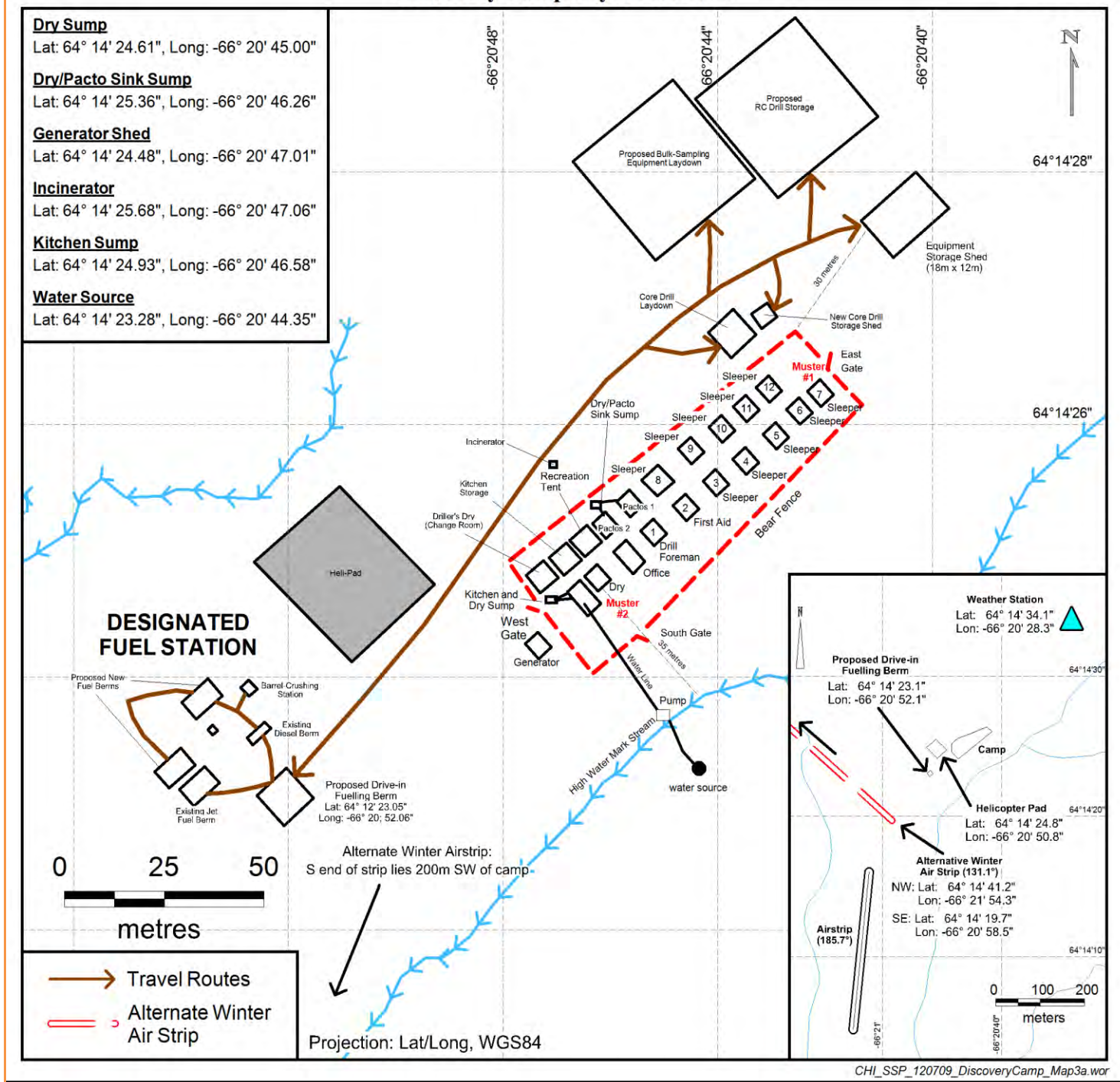
Qikiqtani Inuit Association	Iqaluit Office	(867) 979-5391
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Environ. Conserv. Officer	GN-DOE- Iqaluit Office	(867) 975-7700
Workers' Safety and Compensation Commission ⁹	Board –Occupational Health and Safety (Iqaluit Office)	(877) 404-4407

Workers' Safety and Compensation Commission ⁹	Board-Exploration Site Accident Reports	(800) 661-0792 (24hr)
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Peregrine Diamonds Ltd.
Discovery Camp Layout for 2013

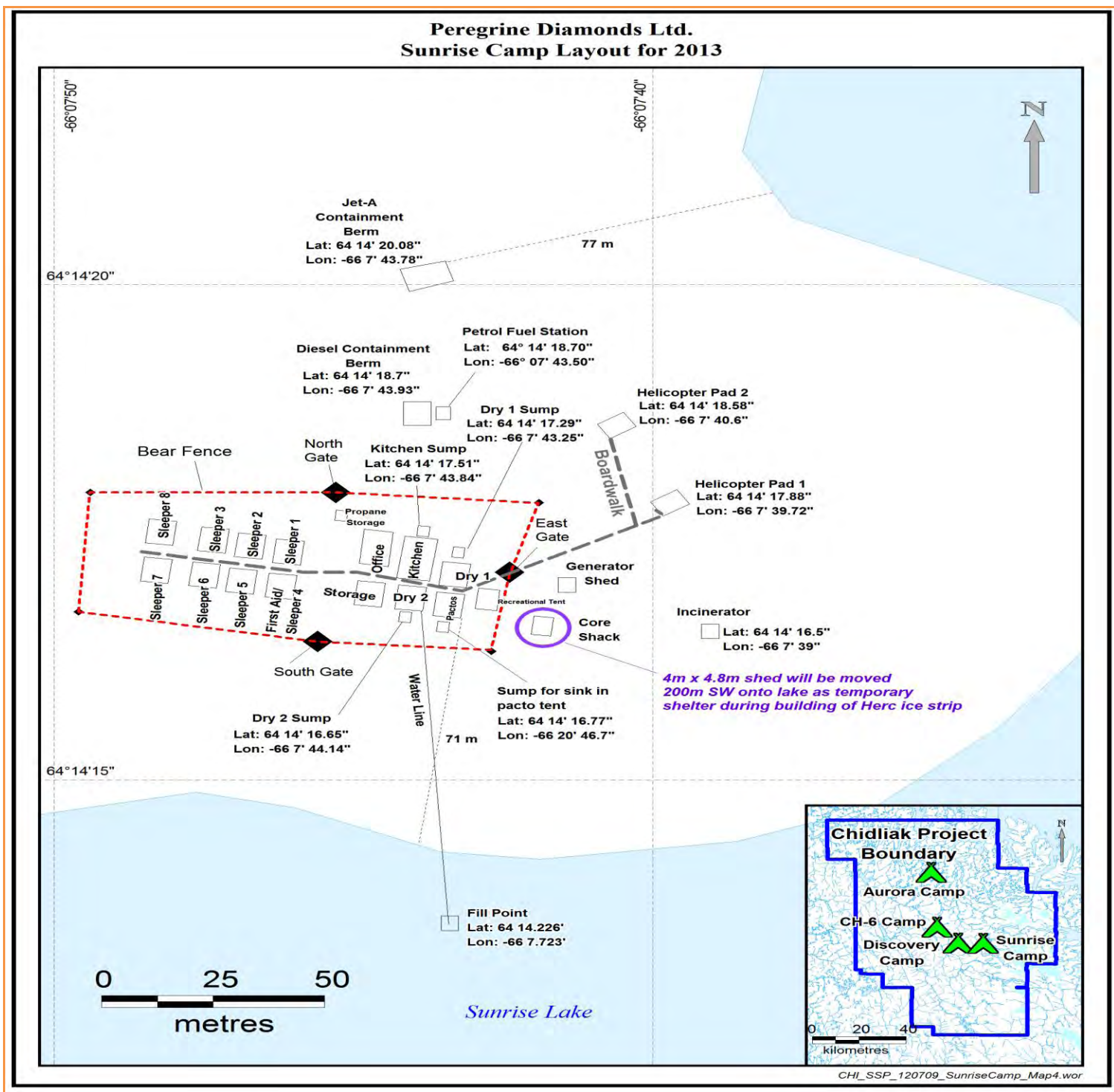
MAP 1



Discovery Camp as it will appear after addition of Designated Fuel Station in 2013¹¹ and Expansion⁹.
A contingency winter airstrip is shown in inset map above; a separate map of both airstrips in relation to the camp accompanies the renewal application.¹¹

MAP 2¹¹

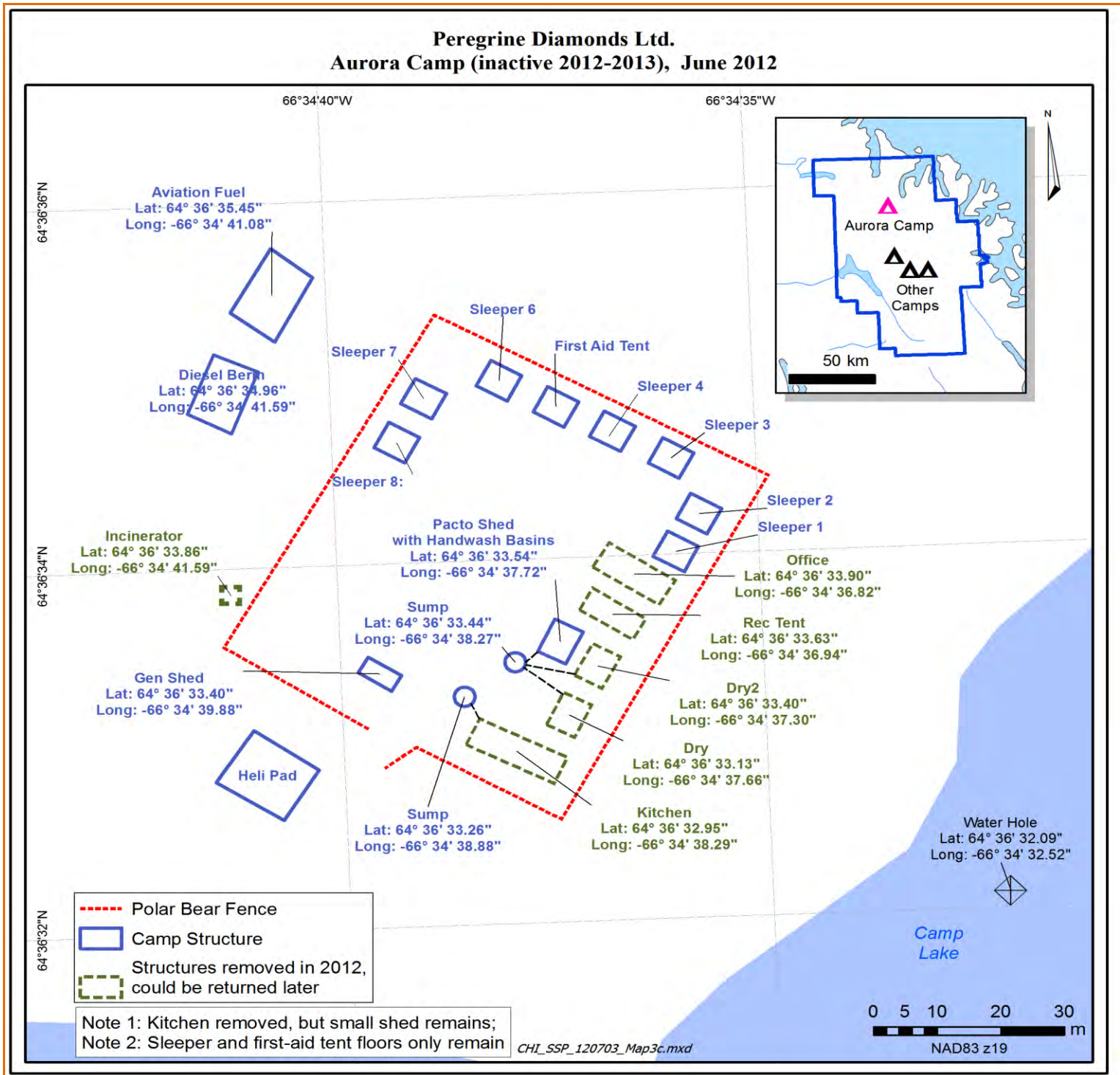
Peregrine Diamonds Ltd. Sunrise Camp Layout for 2013



Sunrise Camp, depicting core shack, which will become a temporary survival shed on the lake during Herc strip building. For the bulk sample, it is anticipated that Sunrise be open only between early- to mid-winter.¹¹

MAP 3¹¹

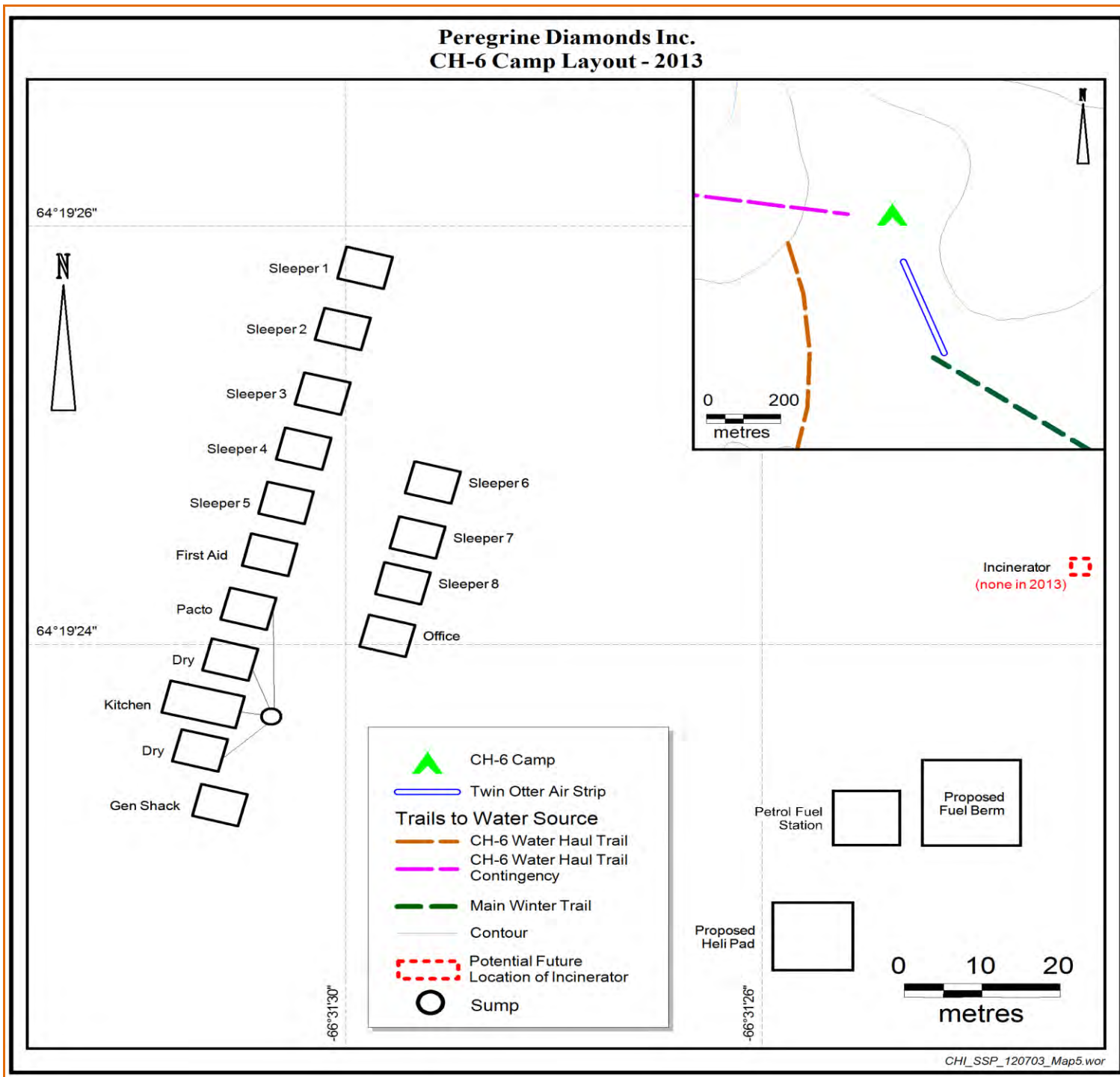
Peregrine Diamonds Ltd. Aurora Camp (inactive 2012-2013), June 2012



Aurora Camp layout as of June 2012. (Peregrine does not intend to reopen Aurora for the winter 2013 bulk-sampling programme.)¹¹

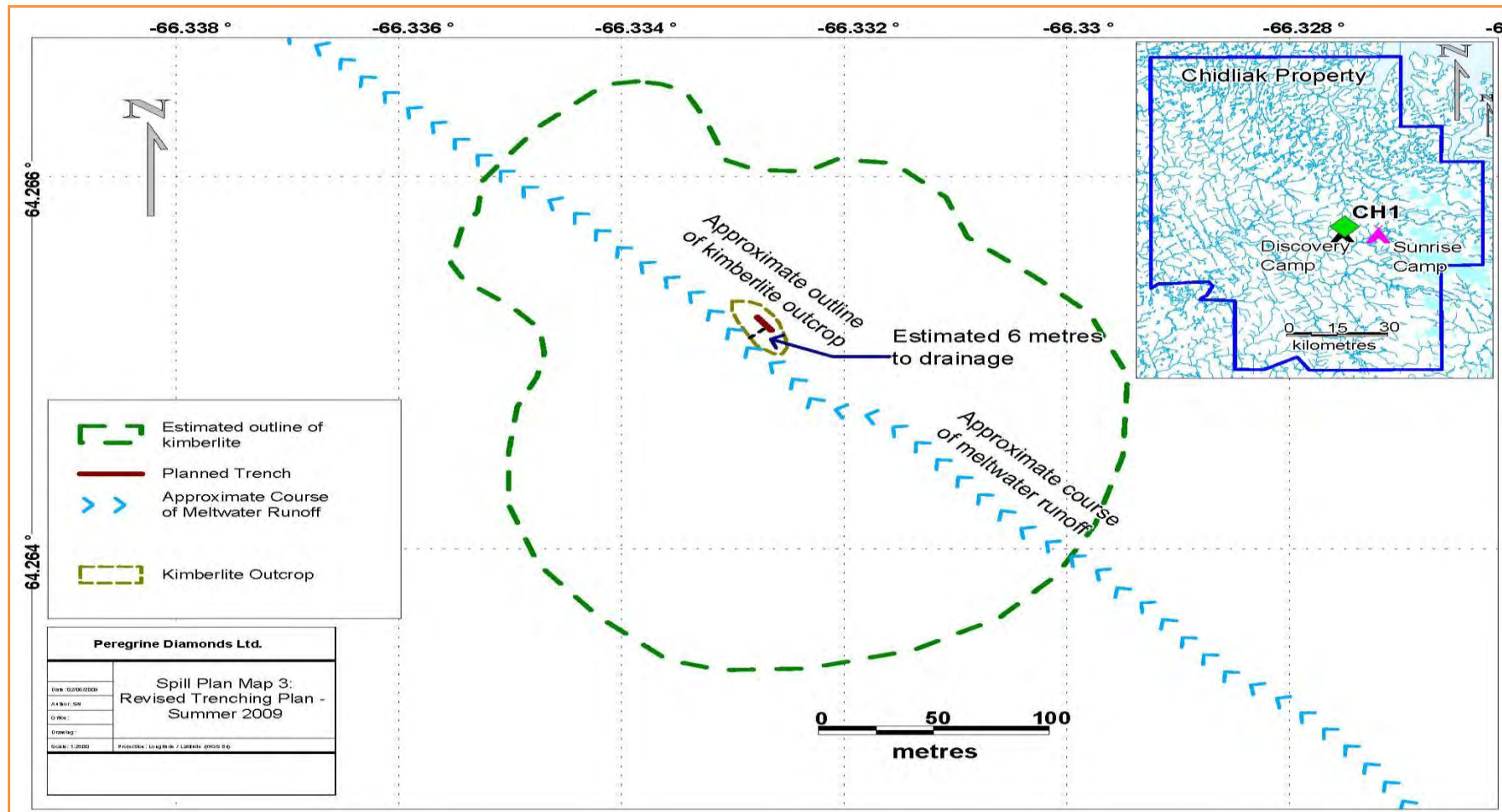
MAP 4 ¹¹

Peregrine Diamonds Inc. CH-6 Camp Layout - 2013



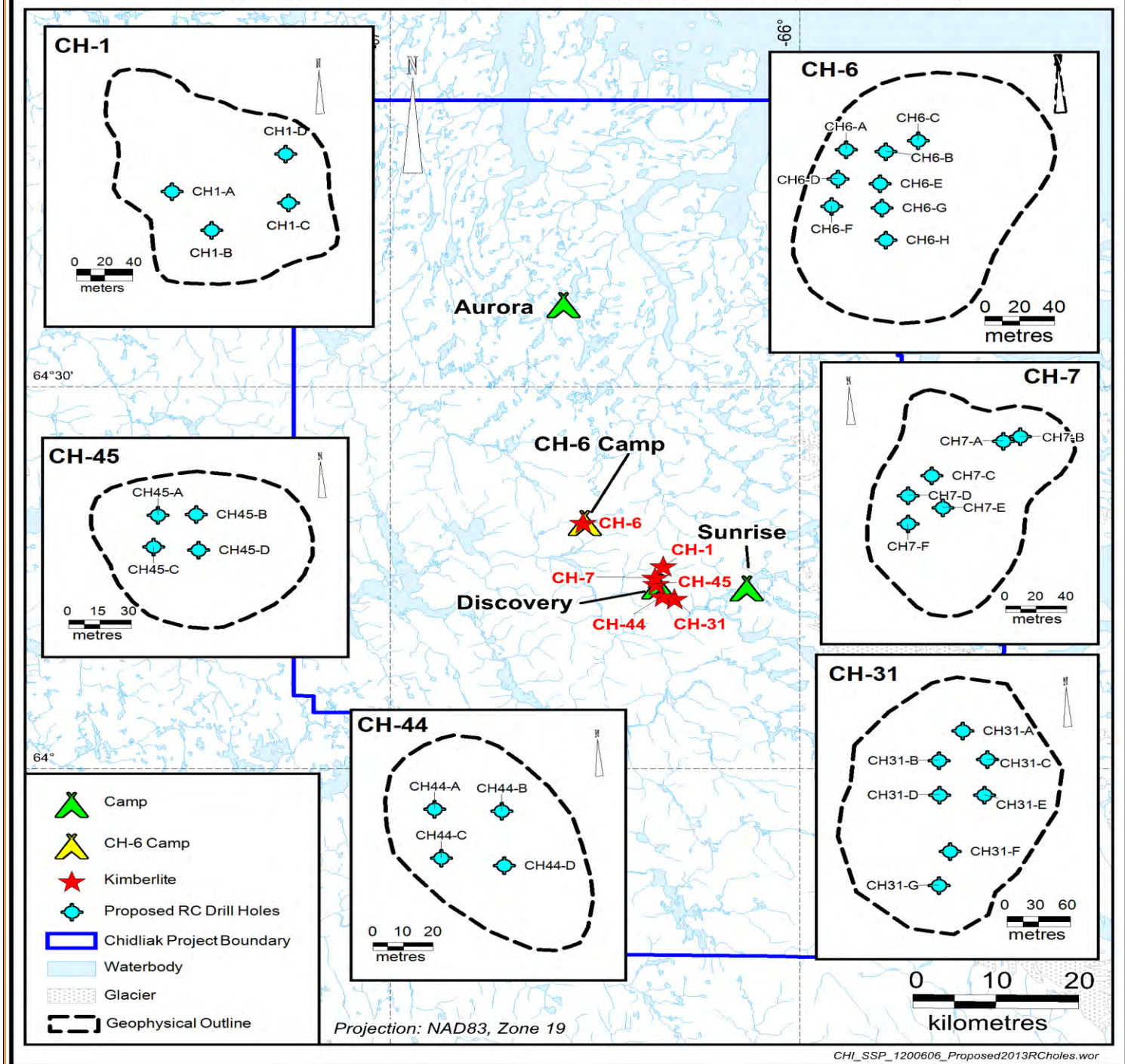
CH-6 Camp is a winter camp established to support bulk sampling which will commence in winter 2013.⁹ For 2013, waste will be trucked regularly to Discovery Camp for incineration; the designated and approved Incinerator unit may be installed the following winter, if needed.¹¹

MAP 5⁹



Trenching plan was approved for CH-1 kimberlite but trenching has not yet occurred.¹¹

Peregrine Diamonds Ltd.
Provisional Bulk-Sampling Drill Plan - 2013:
All Potential Drillholes from which Final Selection of Drillholes will be Made **MAP 6a**



Provisional 2013 bulk-sampling drill plan with “long list” LDDH from which selection of 12-15 final drillholes will be made.¹¹



APPENDIX A

APPENDIX TO SPILL CONTINGENCY PLAN – CHIDLIAK, QILAQ AND CUMBERLAND PROJECTS, BAFFIN, NU¹¹

MATERIAL SAFETY DATA SHEETS (MSDS)

*(Index only is presented below. For the complete MSDS
Inventory (Appendix 2), please refer to MSDS CD)¹¹*

MATERIAL SAFETY DATA SHEETS (MSDS) INDEX (UPDATED)

FUELS, FUEL ADDITIVES, OIL Chidliak, Qilaq and Cumberland Projects – 2013 Programmes (and activity on IOLs, as applicable)

MSDS-Air Tool Oil-Kleen-Flo-2010-CURRENT-Added to List-Cooper
MSDS-ATF Dexron III-Mercon-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-ATF Type F Oil-Petro-Canada-2010-CURRENT-Added to List
MSDS-Bombardier BRP XP-S Mineral 2-Stroke Injection Oil-413803000-Unregulated
MSDS-ChainOil-Light-Shell-2008-CURRENT
MSDS-Delo LE400 Synthetic SAE 5W40-2008-CURRENT-Added to List
MSDS-Diesel Fuel No 2-Conoco-2010-Added to List-Cooper
MSDS-Diesel Fuel Oil Conditioner-Kleen-Flo-2009-CURRENT
MSDS-DIESEL Fuel-PetroCan-2009-CURRENT
MSDS-Duron 10W-30 Heavy Duty EngineOil-PetroCan-2009-CURRENT
MSDS-Duron 15W-40 Heavy Duty EngineOil-PetroCan-2010-CURRENT
MSDS-Essolube HD Engine Oil 15W-40-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-Essolube HDX Plus Engine Oil 10-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-Hydraul 50-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-HYDREX_MV 22_36_60-PetroCan-2009-CURRENT
MSDS-HYDREX_MV_Arctic_15-PetroCan-2010-CURRENT-Updated
MSDS-HYDREX Extreme-PetroCan-2011-CURRENT-Added to List
MSDS-Jet A1-Shell-2008-CURRENT
MSDS-Jet A-A1-PetroCan-2009-CURRENT
MSDS-Jet B-PetroCan-2009-CURRENT
MSDS-Kaybob Frac Oil 300-Amoco-2010-CURRENT-Added to List-Cooper
MSDS-Kerosene-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-Kleen Start-Starting Fluid-Kleen-Flo-2010-CURRENT
MSDS-Light Distillate Winter DIESEL-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-Mobil Hydraulic Oil 15 Special-Exxon-2010-CURRENT-Added to List-Cooper
MSDS-Mobil Jet Oil 254-Esso-2008-CURRENT
MSDS-Mobil Jet Oil II-Esso-2007-CURRENT
MSDS-Petrol Unleaded-Shell-2010-CURRENT
MSDS-Petrol-Unleaded-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-Petrol-Unleaded-PetroCan-2010-CURRENT
MSDS-Polaris 2T VES Synthetic Oil-2007-CURRENT
MSDS-Polaris Prem Blue SemiSynthetic Blend Oil-2007-CURRENT
MSDS-Portable Heater Fuel-Imperial Oil-2010-CURRENT-Added to List-Cooper

FUELS, FUEL ADDITIVES, OIL (*cont.*)
Chidliak, Qilaq and Cumberland Projects – 2013 Programmes
(and activity on IOLs, as applicable)

MSDS-Propane-Air Liquid-2011-CURRENT-Updated-Cooper
MSDS-PWC 150 Frac Fluid-Poco-2010-CURRENT-Added to List-Cooper
MSDS-Quaker State SAE 30 Motor Oil-2008-CURRENT
MSDS-Quick Start Ether Cylinders-2011-CURRENT-Added to List
MSDS-Rotella T 10W-30-CJ-4-Engine Oil-Shell-2009-CURRENT
MSDS-Rotella T 15W-40-CJ-4-Engine Oil-Shell-2009-CURRENT
MSDS-Snowmobile Motor Oil-PetroCan-2009-CURRENT
MSDS-Sour Natural Gas-Conoco-2010-CURRENT-Added to List-Cooper
MSDS-Stihl Bar and Chain Lubricant-Omni-2010-CURRENT-Added to List-Cooper
MSDS-Sweet Natural Gas-Conoco-2010-CURRENT-Added to List-Cooper
MSDS-United Farmers of AB Hydraulic Oil XL-L-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-United Farmers of AB Hydraulic Oil XL-LoTemp-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-Used Oil-Safety Kleen-2010-CURRENT-Added to List-Cooper
MSDS-XD-3 Extra Engine Oil 10W-30-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-XD-3 Extra Engine Oil 15W-40-Imperial Oil-2010-CURRENT-Added to List-Cooper

DRILLING MUDS, GREASES, LUBRICANTS
Chidliak, Qilaq and Cumberland Projects – 2013 Programmes
(and activity on IOLs, as applicable)

MSDS-Aeroshell Fluid 41-Aircraft-2009-CURRENT
MSDS-Aeroshell Grease 7-Aircraft-2008-CURRENT
MSDS-Aeroshell Grease 22-Aircraft-2008-CURRENT
MSDS-Alcomer 120L OS-Diversity Tech-2008-most CURRENT
MSDS-Allstar Lubricant Sealer-Topco-2011-CURRENT-Added to List-Cooper
MSDS-API Modified Thread Compound-Topco-2010-CURRENT-Added to List-Cooper
MSDS-API ModifThreadCompound-PetroCan-2009-CURRENT
MSDS-Arctic Blend Boiler Compound-World Chemicals-2010-CURRENT-Added to List-Cooper
MSDS-Bayol 35 Mineral Oil-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-Bio Foam-Diversity Tech-2008-CURRENT
MSDS-Brazilian WW Gum Rosin-2008-CURRENT-Added to List
MSDS-Calcium Chloride-Pestell-2011-CURRENT-Updated
MSDS-Compro Compressor Fluid 32 68 100 150-Petro-Canada-2009-CURRENT
MSDS-CSB-Beet Juice Antifreeze-Westway-2007-most CURRENT
MSDS-DD2000-MATEX-Control Chemical-2011-CURRENT-Updated
MSDS-Distillate 822-Prairie Mud-2009-CURRENT-Added to List-Cooper
MSDS-Drill Rod Grease-PetroCan-2010-CURRENT
MSDS-Duron Synthetic Oil-Petro-Canada-2010-CURRENT-Added to List
MSDS-Enviro Grease- Drill Rod Grease-Poly-Drill-2008-CURRENT
MSDS-EP1_EP2-Precision-General-Purpose-2010-CURRENT-Added to List
MSDS-Esso Gear Oil GX 75W-90-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-GEN 49D with Cetane Improver-Maryn-2010-CURRENT-Added to List-Cooper
MSDS-Grease OG-0-1-2-PetroCan-2010-CURRENT-Added to List-Cooper
MSDS-Howes Lubricator 70-30 and Winter Treat Plus-RB Howes-2010-CURRENT-Added to List-Cooper
MSDS-Insulating Cement R-ANH Refractories-2009-CURRENT-Added to List
MSDS-Kopr Kote Thermal Grade-Jet-Lube-2010-CURRENT-Added to List-Cooper
MSDS-LBX Special Grease-Jet-Lube-2010-CURRENT-Added to List-Cooper
MSDS-Lithium Complex Moly 3 or 5-Grease Warehouse-2007-CURRENT
MSDS-LPS 1 Premium Lubricant-2008-CURRENT
MSDS-LPS 2 Aerosol-PetrolDistillate-2009-CURRENT
MSDS-NL Collar Compound-Topco-2010-CURRENT-Added to List-Cooper
MSDS-PD1300-Poly-Drill-2008-CURRENT
MSDS-Penetrol-Halliburton-2011-CURRENT-Added to List for 2012
MSDS-Powr Kote-Jet-Lube-2010-CURRENT-Added to List-Cooper
MSDS-Precision Synthetic-Petro-Canada-2011-CURRENT-Added to List
MSDS-Precision Synthetic Moly-Petro-Canada-2011-CURRENT-Added to List
MSDS-Precision XL 3 Moly Arctic-Petro-Canada-2009-CURRENT-Added to List
MSDS-Produro TO-4 XL Synthetic Blend Lo-Temp-PetroCan-2011-CURRENT-Added to List
MSDS-Produro TO-4 10W 30 50 60-PetroCan-2011-CURRENT-Added to List
MSDS-Pure Vis-Mineral Oil Viscosifier-Poly-Drill-2009-CURRENT
MSDS-Rando HDZ Lubricating Oil-Chevron-2008-CURRENT-Added to List
MSDS-Rockwell Foamer-Rockwell Servicing-2010-CURRENT-Added to List-Cooper

DRILLING MUDDS, GREASES, LUBRICANTS (cont)
Chidliak, Qilaq and Cumberland Projects – 2013 Programmes
(and activity on IOLs, as applicable)

MSDS-Rod Ease-Miswaco-2009-CURRENT-Added to List
MSDS-Traxon-80W-90-85W-140-PetroCan-2009-CURRENT
MSDS-Traxon Synthetic 75W-90-PetroCan-2009-CURRENT
MSDS-Unirex-EP2 Grease-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-United Farmers of AB Multipurpose Gear Oil 80W-90-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-United Farmers of AB THG Fluid Extra-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-Univis N22-Imperial Oil-2010-CURRENT-Added to List-Cooper
MSDS-WD40-Aerosol-2010-CURRENT-Updated
MSDS-WD40-BulkLiquid-2008-CURRENT
MSDS-White Lithium Grease-Bulk-2010-CURRENT-Added to List
MSDS-Zincote-Topco-2010-CURRENT-Added to List-Cooper

MISCELLANEOUS CHEMICALS
Chidliak, Qilaq and Cumberland Projects – 2013 Programmes
(and activity on IOLs, as applicable)

MSDS-50-50 Premixed Diesel Extended Life Antifreeze Coolant-Recochem-2010-CURRENT-Added to List-Cooper
MSDS-262 Threadlocker Permanent Strength-Loctite-2010-CURRENT-Added to List-Cooper
MSDS-ABC Fire Extinguisher-PyroChem-2011-CURRENT-Updated
MSDS-Acetylene-Air Liquide-2011-CURRENT-Added to List
MSDS-Air Brake Antifreeze-Rechochem-2010-CURRENT-Added to List-Cooper
MSDS-Air Compressed-Air Liquide-2010-CURRENT-Added to List-Cooper
MSDS-Armashell Chrome Cleaner-Kleen-Flo-2010-CURRENT-Added to List-Cooper
MSDS-Auto Glass Cleaner-Radiator Specialty-2010-CURRENT-Added to List-Cooper
MSDS-Back Off Bear Deterrent--2010-CURRENT
MSDS-Blueshield Pro Gouging Electrode-Air Liquide-2008-most CURRENT-Added to List
MSDS-Brake & Elec. Contact Kleen-2009-CURRENT
MSDS-Brakleen Brake Parts Cleaner-Aerosol-CRC Canada-2011-CURRENT-Added to List
MSDS-Calcium Aluminate Cement-Kerneosinc-2010-CURRENT-Added to List
MSDS-Calibration Gas-Calgaz-2010-CURRENT-Added to List-Cooper
MSDS-Carbon Dioxide-Air Liquide-2010-CURRENT-Added to List-Cooper
MSDS-Carbon Steel Electrode Prostar S6-Sidergas-2010-CURRENT-Added to List-Cooper
MSDS-Chem-Sol-Chemfax-2010-CURRENT-Added to List-Cooper
MSDS-Chevrolet Orange Spray Paint-Seymour Paint-2011-CURRENT-Added to List
MSDS-Commercial Coatings 600N Spray Pain-Martin Seymour-2010-CURRENT-Added to List-Cooper
MSDS-Dow Corning 736 Heat-Resistant Sealant-2010-CURRENT
MSDS-Electro Contact Cleaner-LPS Labs-2008-CURRENT
MSDS-Engine Degreaser 75025-CRC-2010-CURRENT-Added to List-Cooper
MSDS-Envirosol-RM-Chemicals-2010-CURRENT-Added to List-Cooper
MSDS-Esso HD Antifreeze-2010-CURRENT-Added to List-Cooper
MSDS-Esso Rad-2010-CURRENT-Added to List-Cooper
MSDS-Form-a-Gasket #2 Sealant-Loctite-2010-CURRENT-Added to List-Cooper
MSDS-Form-a-Gasket R 26C RTV Red High Temp-Loctite-2010-CURRENT-Added to List-Cooper
MSDS-Glass Cleaner-14100-CRC-2010-CURRENT-Added to List-Cooper
MSDS-Gloss Red-Barnes Distribution-Seymour Paint-2007-most CURRENT-Added to List
MSDS-Gloss White-Barnes Distribution-Seymour Paint-2010-CURRENT-Added to List
MSDS-Gun Blue-Bushnell-Aug2007-CURRENT
MSDS-High Strength Threadlocker Red Automotive GradeHenkel-2008-CURRENT-Added to List
MSDS-Kleen-Flo Silicone Gasket Maker-2009-CURRENT
MSDS-Lacquer Thinner 13-554-Recochem-2007-CURRENT
MSDS-LaFarge Portland Cement--2008-CURRENT
MSDS-Lead-Acid-BATTERY-Exide-2008-CURRENT
MSDS-LePage Prestite Contact Cement-2008-Unregulated
MSDS-LePage Speed-Set Epoxy Hardener-2008-CURRENT
MSDS-Liquid Fire Starting Fluid-Radiator Specialty-2010-CURRENT-Added to List-Cooper

MISCELLANEOUS CHEMICALS (cont)
Chidliak, Qilaq and Cumberland Projects – 2013 Programmes
(and activity on IOLs, as applicable)

MSDS-Lock De-Icer-Kleen-Flo-2009-CURRENT-Added to List
MSDS-LPS A-151 Solvent Degreaser-incl. Aerosol-2010-CURRENT
MSDS-LubeCorp Regular Diesel-Fuel Conditioner-LubeCorp-2008-CURRENT-Added to List
MSDS-Marine Enamel Gloss Alkyd Rust-Resistant White Base-Cloverdale-2010-CURRENT-Added to List-Cooper
MSDS-Marking SPRAY PAINT-RustOLEum-2008-CURRENT
MSDS-Methyl Ethyl Ketone Solvent-Scienlabs-2008-CURRENT
MSDS-Methyl Hydrate 13-390-Alcohol Solvent-Recochem-2009-CURRENT
MSDS-Motomaster Elec. Contact Cleaner-ShraderCanada-2008-CURRENT
MSDS-Nitrogen-Inert-Undated-CURRENT
MSDS-Non-Flammable Gas Mixture-Gas Liquide-2010-CURRENT-Added to List
MSDS-Original Gas Line Anti-Freeze-Kleen-Flo-2009-CURRENT-Added to List
MSDS-Oxygen-Compressed-Air Liquide-2010-CURRENT-Updated-Cooper
MSDS-Oxygen (gas liquid)-Various Uses-Air Liquide-2008-CURRENT
MSDS-Oxygen Medical-Airgas Company-2007-CURRENT
MSDS-Petro-Canada-Antifreeze-2010-CURRENT-Added to List
MSDS-Premium RV Plumbing Antifreeze-50-2010-CURRENT-Added to List-Cooper
MSDS-Preserves Protectant-Mothers-2010-Added to List-Cooper
MSDS-PRIST Aviation Glass Cleaner Aerosol-2010-CURRENT
MSDS-Propylene Glycol USP/EP-Univar-2009-CURRENT
MSDS-Propylene Glycol Antifreeze-Boss Lubricants-2009-CURRENT
MSDS-Rad Seal Radiator Stop Leak-Kleen-Flo-2009-CURRENT-Added to List
MSDS-Rough Neck-Chemfax-2010-Added to List-Cooper
MSDS-RTV Red Silicon Sensor-Safe Hi-Temp GasketMaker-LocTite-2008-most CURRENT-Added to List
MSDS-Siloo Glass Cleaner-CRC-2010-CURRENT-Added to List-Cooper
MSDS-Snowmobile Antifreeze 50-50 PreMix PG-Polaris-2007-CURRENT
MSDS-Superflex Clear RTV Silicone Adhesive Sealant-Loctite-2010-CURRENT-Added to List-Cooper
MSDS-Supreme Fuel Injector Gas Line Anti-Freeze-Kleen-Flo-2009-CURRENT-Added to List
MSDS-T300 Tar Remover-Ostrem-2010-CURRENT-Added to List-Cooper
MSDS-Tal-Strip II Aerosol-Bondo-2010-CURRENT-Added to List-Cooper
MSDS-Tal-Strip II Aircraft Coating Remover-Plastic Gallons-Bondo-2010-CURRENT-Added to List-Cooper
MSDS-Windshield Washer and Antifreeze-35-Recochem-2010-CURRENT-Added to List-Cooper
MSDS-Windshield Washer -35° C-Recochem-2009-CURRENT-Added to List
MSDS-Winter Universal Gas Line Antifreeze-PetroCan-2010-CURRENT
MSDS-Wurth Brake Cleaner 4L-2009-CURRENT

MSDS INDEX-NU-Peregrine-Jun2012

SPILL CONTINGENCY PLAN:

STANDARD OPERATING PROCEDURE (SOP)

- **Response Inventory Procedure for Mobile Fuel-Carrying Equipment**

PEREGRINE DIAMONDS SAFE WORKING PROCEDURES			
Division:	Mobile Fuel Management		
Section:			
Subject:	Response Inventory Procedure for Mobile Fuel-Carrying Equipment		
Owner:	Corporate EHS Manager	Effective Date:	April 2012
Revision:		Replaces:	

1 OBJECTIVE

- 1.01 To ensure that Operators of mobile fuel-carrying equipment, principally the Challenger 875C and backup Morooka MST 3000 used for conveying sleigh-mounted fuel tanks, put the Peregrine Spill Contingency Plan and Bulk-Fuel Management Facility Monitoring Plan into practice by carrying appropriate spill-response inventory on all trips, thereby preventing or minimising environmental impact.

2 SCOPE

- 2.01 This procedure applies to all Operators of mobile equipment carrying bulk fuel, and secondarily to the Fuel Specialist and Fuel Specialist Assistant, who will cross-check equipment departing the Designated Fuel Station.

3 INTRODUCTION

- 3.01 Whilst carrying bulk fuel on Chidliak Project winter trails to support drilling and other related activities, Operators will carry on board the following response inventory: one 9 kg (20 lb) fire extinguisher readily available for use, a 205L drum-sized spill kit (typical supplies would include: safety goggles, rubber gloves, absorbent pads, socks, Spagh-zorb or Sorbal type hydrocarbon-absorbent material, sealant putty and a plastic disposal bag). If not included in the kit, non-sparking plastic shovels, booms and extra absorbent matting will be added to the inventory. Also included will be 10 to 30m³ of hydrocarbon-rated liner material to be deployed should a larger spill occur.

- 3.02 An **Inspection Log** listing the above response inventory items will be filled out and signed by the Operator, and signed off by the Fuel Specialist or Fuel Specialist Assistant before the fuel-carrying mobile equipment leaves the Designated Fuel Station. Should any supplies be used in transit, the items used will be identified on the **Inspection Log** sheet and the usage initialled by the Operator, so that response supplies can be kept replenished on fuel-carrying mobile equipment at all times.

4 RESPONSIBILITY

- 4.01 The **Project Manager** is responsible for:
- Ensuring this procedure is implemented and maintained.
- 4.02 The **Fuel Specialist** or **Fuel Specialist Assistant** is responsible for:
- Reviewing and signing off on the **Inspection Log** and keeping the records.
- 4.03 The **Operator** is responsible for:
- Placing and maintaining the response inventory in the fuel-carrying equipment, maintaining and signing the **Inspection Log**, and deploying the response inventory as required, should a spill occur.

- 4.04 The **Operators' Supervisor** is responsible for:
- Ensuring that the Operators understand and are trained in the procedure and in proper use of the response equipment, and
- 4.05 The **Environment Manager** is responsible for:
- Monitoring the implementation of this procedure and compliance.

5 DEFINITIONS

- 5.01 **Designated Fuel Station:** Designated area at Discovery Camp for fuel transfer and equipment refuelling (*cf. Drawings 1a, 1b in the Bulk-Fuel Management Facility Monitoring Plan*), and under the control of the Fuel Specialist. The mobile fuel-carrying equipment will depart from and return to the Station, carrying an **Inspection Log** signed off by the Fuel Specialist or Fuel Specialist Assistant.
- 5.02 **Fuel Specialist:** An experienced and competent worker who has been trained in the proper fuel-handling procedure and is responsible for signing off on the response-equipment **Inspection Log**.
- 5.03 **Inspection Log:** A daily log that tracks the inventory of spill-response supplies maintained on fuel-carrying equipment.
- 5.04 **Fuel-Carrying Equipment:** For the purposes of the Chidliak bulk-sampling programme, the equipment is primarily the Challenger 875C (for hauling bulk fuel in an enviro-tank mounted on a sleigh) and secondarily the Morooka MST 3000 (backup equipment for the Challenger).

6 REFERENCES AND RELATED DOCUMENTS

- 6.01 NWT and NU Mine Health and Safety Act and Regulations (2008).
- 6.02 AANDC (formerly INAC) Class A Land-Use Permit #N2008C0005 [Chidliak land-use permit and amendments].
- 6.03 NWB Type B Water Licence #2BE-CH10813 [Chidliak water licence and amendments].
- 6.04 Chidliak/Qilaq/Cumberland Spill Contingency Plan, Version 10, Peregrine Diamonds Ltd.
- 6.05 Environmental Guideline for the General Management of Hazardous Waste – Nunavut Government Department of Environment (April 2010)
- 6.06 Indian and Northern Affairs Canada-Nunavut Fuel Storage and Handling Guidelines – Draft (April 2008)
- 6.07 Nunavut Environmental Protection Act
- 6.08 Transportation of Dangerous Goods Act, 1992 [version of 24 January 2012, or latest version]
- 6.09 Transportation of Dangerous Goods Regulations, including Amendments SOR/2011-210 and -239 [version of 20 December 2011, or latest version]

Winter-Spring 2012, 2013

PEREGRINE DIAMONDS LTD.

Inspection Log for Response Equipment - Bulk Fuel-Carrying Equipment: DESIGNATED FUEL STATION, DISCOVERY CAMP

NOTE: FILL IN 1 LOG SHEET PER TRIP PER VEHICLE

* COMPLETE KIT contains: safety goggles, rubber gloves, plastic disposal bag, absorbent pads, Spagh-zorb or Sorbal type absorbent granules, socks and sealant putty.

RESPONSE ITEM	✓ or X	IF "X", RESTOCK BEFORE TRIP -- OR NO SIGNOFF by Fuel Specialist	DATE DD/MM/YY	TIME AM, PM or 24-hr Clock	OPERATOR SIGNATURE	FUEL SPECIALIST OR FUEL SPECIALIST ASSISTANT INITIALS
Complete Spill-Kit Drum *						
Extra bundle of absorbent pads						
Booms						
Plastic Shovels (1-2)						
10 to 30m ³ Liner Material						
Fire extinguisher-9kg (20lb)						

File: INSPECTION Log - Copy for Chidliak RESPONSE Equipment SOP-v2

7 PREPARATION

- **TOOLS:** Work gloves, rubber gloves (lined for winter), safety goggles, reflective vest, steel-toed boots, hard hat ((if in an area where a hard hat should be worn), GPS, sat-phone for long-range communication in transit, two-way radio for short-range communication (near an operating camp), digital camera for documenting photos (should a spill event occur).
- **HAZARDS:** Since the enviro-tank is double walled, serious damage to this welded-steel container is highly unlikely, but minor drips of fuel could conceivably collect on the sleigh, and spill matting on board would be adequate for this purpose. Main hazard would be leakage of fuel or oil from the transport vehicle itself, for which the range of response equipment on board would be adequate to address a spill event.
- **REQUIREMENTS:** Ensure that the Operator, Fuel Specialist and Fuel Specialist Assistant, as well as the Operators' Supervisor, are aware of and trained in this procedure, and trained in the handling and storage of hazardous goods associated with mineral exploration programmes.

8 PROCEDURE

8.01 General

- Purpose of procedure: To ensure a range of spill-response inventory items are maintained on fuel-carrying equipment during trips away from the Designated Fuel Station and the camp compound (*cf. Drawings 1a and 1b, Bulk-Fuel Management Facility Monitoring Plan*).
- Typical scenario at the start of a shift might be for the fuel-carrying equipment to proceed from the storage shed to the Designated Fuel Station, where one of the two sleigh-mounted, double-walled enviro-tanks will be hitched to the fuel-carrying equipment and filled within the Fuel Transfer Berm. During the fuel transfer, or whilst the fuel-carrying equipment still is within the Designated Fuel Station, the Operator will check the on-board response inventory against the Inspection Log and sign the log if the inventory is complete. The Fuel Specialist or the Fuel Specialist Assistant will then check the log against the inventory on board and initial the log. The log is then complete, and the vehicle may start its trip along the winter trail.
- If the Operator places an "X" by any response item in the log, the vehicle is not ready to leave. The Fuel Specialist or Fuel Specialist Assistant will assist the Operator in locating the missing inventory item, after which the Operator will sign the log and the Fuel Specialist or the Fuel Specialist Assistant will initial the log to indicate that the inventory is complete for departure.
- If any of the spill-response items is used during the trip, the Operator will make a notation on the log and the item will be restocked with assistance from the Fuel Specialist or the Fuel Specialist Assistant upon the vehicle's return to the Designated Fuel Station.
- Should a spill or leak occur in transit, standard spill cleanup would occur and the Operator would radio in or phone in the occurrence to the Supervisor, taking co-ordinates of the spill location and making a documenting photo, if possible. The Supervisor to whom the information was relayed would then complete an internal report. According to Peregrine's policy, any hydrocarbon spill of 50L or more is reported to the NWT-NU Spill Line, and any spill on a waterbody (frozen during the period of use of the winter trail) or adjacent to a waterbody also would be reported to the Spill Line.

- Upon return to the Designated Fuel Station after a spill event, the Operator would debrief the Supervisor on the incident event, its location and cleanup completed. Used spill pads and other cleanup waste will be turned over to the Fuel Specialist or Fuel Specialist Assistant for proper allocation to marked hazardous waste containers as required under Transport of Dangerous Goods legislation.
- The **Inspection Log** records (as stated on Page 1) are retained by the Fuel Specialist.

9 ATTACHMENTS



Fuel enviro-tank with spill containment



Fuel sleigh that enviro-tank will be secured to



CAT Challenger to pull sleighs



Morooka will be a backup vehicle to pull sleighs

10 APPROVED RECORD

NAME	POSITION	DATE	REV #	NOTES

Health & Safety & Environment – Safe Working Procedures