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# PEREGRINE DIAMONDS LTD.

# GENERAL GUIDELINES: CHIDLIAK AND ADJOINING QILAQ PROPERTY, AND CUMBERLAND PROSPECTING PERMITS, BAFFIN, NU,

# ABANDONMENT AND RESTORATION OF CAMP FACILITIES AND WORKSITES

Revision 7: 23 March 2011



## LIST OF REVISIONS: ADDENDUM PAGE

Original Plan: 04 January 2008 Revision 1: 23 July 2008

Revision 2: 12 November 2008 Revision 3: 25 February 2009 Revision 4: 03 June 2009 Revision 5: 26 March 2010 Revision 6: 07 May 2010

Revision 6b: 27 September 2010 Revision 7: 23 March 2011

(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  $^3$ ,  $^4$ ,  $^5$ ,  $^6$  or  $^7$ )

(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.)



#### **TABLE OF CONTENTS**

INTRODUCTION	1
Waste Generator Registration	1
BUILDINGS AND CONTENTS	2
INFRASTRUCTURE SUPPORT	3
FUEL STORAGE AREAS	4
CHEMICAL STORAGE	4
MOB ILE AND FIXED EQUIPMENT	5
WATER MANAGEMENT	5
DRILL SITE MANAGEMENT AND CLOSURE; TRENCH CLOSURE	5
SEDIMENT-SAMPLING HOLE CLOSURE	6
SHORT-TERM SHUTDOWN	6
SCHEDULE FOR PLAN, POST-CLOSURE INSPECTION AND/OR	
MONITORING	6
FIGURES	

#### **FIGURES**

Figure 1a<sup>5</sup>, Figure 1b<sup>6</sup>, Figure 2

#### **DRAWINGS**

**Drawing 1, Drawing 2, Drawing 3**<sup>7</sup>

#### **MAPS**

(Map 1, Map 2, Map 2a, Map 2b, Map 2c<sup>7</sup>, Map 3, Map 4. Supplementary Map 1 of local trails, Supplementary Maps 2a<sup>7</sup>, 2b<sup>7</sup>, 2c<sup>7</sup> of Peregrine properties, Hall Peninsula and Cumberland Peninsula<sup>6</sup>, and Supplementary Map 3, which is a sketch of temporary structures which may be deployed at lake-based drill sites.<sup>5</sup>

#### INTRODUCTION

This Peregrine Diamonds Ltd. (Peregrine) Abandonment and Restoration Plan (the Plan) is in respect of the two existing<sup>6</sup> seasonal fly-in tent camps, Discovery Camp, sited beside a natural-cobble airstrip, and Sunrise Camp, sited on the shore of an unnamed lake 12km east of Discovery Camp<sup>5</sup>, and a new Third Camp, Aurora Camp<sup>7</sup>, situated on a small lake approximately 50km NW of the existing camps. <sup>6</sup> This new camp is intended to serve exploration in the property's north. <sup>6</sup> Discovery Camp is located approximately 30 minutes by air from Iqaluit and 1.0 hour by air from Pangnirtung. <sup>4</sup> Sunrise Camp and the new Third Camp will be operational for the winter 2011 programme commencing in March 2011. <sup>6</sup> Discovery Camp – the only camp with a land-based airstrip – is operational in summer only. <sup>6</sup>

For 2010-2011, this Plan also will be in effect for the Chidliak, Qilaq and Cumberland Project worksites, as well as for activity on surface Inuit-Owned Land (IOL) parcels on which exploration access may be authorised by the Qikiqtani Inuit Association (QIA). <sup>6</sup> There will be no camps erected on IOLs.<sup>3</sup>

At seasonal closure of the Chidliak camps<sup>3</sup> in September 2011 <sup>6</sup>, usable items removed from the sites may be flown to a Peregrine facility, recycled and flown to another project, sold or returned to the supplier (if applicable). Unusable inventory which cannot be burned on-site, such as waste oil or filters, will be flown off site to Iqaluit for disposal via a waste-disposal contractor, in compliance with NU Transportation of Dangerous Goods regulations. If treatable hazardous waste should exist at the time of seasonal or permanent closure, such material will be transported to Yellowknife, then to Newalta Recycling Facility in Redwater, AB, or similar licensed facility for such waste at closer distance. In the remote possibility that non-treatable or difficult-to-treat<sup>3</sup> hazardous waste should exist at the time of closure, such material will be transported to Swan Hills Special Waste Treatment Centre<sup>3</sup> in Swan Hills, AB, or other suitable licensed facility for such waste at closer distance.

#### **Validity of Land-Use Authorisation**

Indian and Northern Affairs (INAC) Class A Land-Use Permit #N2008C0005 is now in force for Chidliak Project activity on Crown land, along with a Nunavut Water Board (NWB) Type B Water Licence #2BE-CHI0813. A new Qikiqtani Inuit Association (QIA) land licence will be sought to replace<sup>3</sup> Licence #Q10L1C008 for the Chidliak and Qilaq projects. A new QIA land licence will be sought to replace<sup>3</sup> Licence #Q10L1C014 for activity on IOLs within the Cumberland Project. Any final abandonment and restoration shall occur when valid land- and water-use authorisations are in place (when such are required), and in consultation and cooperation with the designated INAC field inspectors (land and water), the QIA inspector, NWB staff and local communities, principally the closest communities, Iqaluit, 80km west<sup>3</sup> of the southwest corner of the Chidliak property block, and Pangnirtung, 133km north of the northeast corner of Chidliak. If an archaeology permit is in place, notification also shall be provided to the Nunavut Chief Archaeologist. If a then-existing land- or water-use authorisation is due to lapse during the closure process, an extension or renewal will be sought, as appropriate.

#### **Waste Generator Registration**

Peregrine is registered as Waste Generator #NUG-100030 with the Government of Nunavut – Department of the Environment (DOE), and any non-burnable waste transported off site which is not suitable for landfill disposal (such as drums of waste oil)<sup>3</sup> will be accompanied by a DOE Waste Manifest Form and a Transportation of Dangerous Goods air-carrier form (or a Dangerous Goods Shipping Document and marine booking form, if being transported by Northern Sealift & Supply out of Iqaluit to a Registered Waste Receiver). The waste will be properly handled, conveyed and then properly disposed of at its final destination by Peregrine's agent, a waste-management disposal contractor<sup>3</sup>, in accordance with existing legislation and any directives. Initial Waste Receiver is Discovery Mining Services<sup>7</sup> or Qikiqtaaluk Logistics in Iqaluit, where Peregrine will station a designated expediting person to conduct disposal or

proper onward shipment of waste. <sup>3</sup> Additional registered waste receivers (Ecolocycle and BFI Canada, both in Lachenaie, PQ) are identified in Peregrine's Waste Generator Form supplied to DOE.

#### **BUILDINGS AND CONTENTS**

The three Peregrine camps Discovery, Sunrise and North Camp (now called Aurora), can accommodate up to 24 persons each in 2011.<sup>7</sup> Camps are comprised of sleep tents, a generator shed, storage shed, first-aid tent, a Pacto toilet shed, office, core shack (Discovery and Sunrise) <sup>7</sup>, kitchen, 2 dry sheds and recreation tent (Discovery and Sunrise) <sup>7</sup> – all of which can be disassembled, removed and reused later (*Drawings 1, 2 and 3*). <sup>7</sup> Use areas include two fuel-drum storage areas per camp (one each for diesel and aviation fuel), burn area (incinerator) and helicopter-landing areas. Activities in 2011 are to include airborne geophysics, ground geophysics, lake-based drilling in the spring, summer prospecting, till sampling, land-based drilling and a mini-bulk sample, as well as environmental and archaeological studies.<sup>7</sup> Two drills with drill shacks and pump shacks<sup>7</sup> will be moved from site to site during the season, as required. Sleep and work tents will be heated by oil stoves supplied with diesel fuel in 205L drums, except at Aurora Camp, where sleep tents will be mainly reliant on electric heat.<sup>7</sup> Both Discovery and Sunrise have bear fences installed. <sup>7</sup> There will be no separate camp for the Qilaq Project; activity will be conducted either out of one of the existing camps or via Iqaluit. <sup>5</sup> Heliborne sampling associated with the Cumberland Project will be conducted out of Pangnirtung, situated west of the project area. <sup>6</sup>

Sunrise Camp, established approximately 12km<sup>5</sup> east of Discovery (*Drawing 2*), is sited on a lake which provides a natural-ice strip for landing aircraft in winter-spring. <sup>5</sup> Aurora Camp also provides a natural-ice strip on Camp Lake. <sup>7</sup>

At final closure, all tent structures, any bear fences and contents of camps deemed reusable will be dismantled and the components transported off-site by plane or via existing winter trail<sup>3</sup> (*Supplementary Map 1*). Non-reusable items will be dismantled and clean, untreated wooden components burned on site on a gravel or sand area, *if allowed* (otherwise, transported off site<sup>3</sup>), with all débris such as nails, bolts and screws raked up, bagged and removed off-site for disposal to a preauthorised community waste disposal facility. On-site burning would involve only untreated timbers, construction scrap wood and plywood, in order to lessen the fuel burden of flying out such items, and only in compliance with the Canada-Wide Standards (CWS) for Dioxins and Furans, the CWS for Mercury Emissions and other governing legislation; items such as plastics and Styrofoam are non-burnable and will not be burned on site.

Any absorbent padding used where fuel is transferred, such as at the generator and at camp structures, will be bagged and removed to the nearest authorised disposal facility after burning has ceased at camp. The area around each diesel drum will be inspected and the soil beneath will be sampled, if necessary, for potential hydrocarbon contamination; sampling will be in accordance with accepted sampling protocol and analysed in an accredited environmental laboratory against CCME criteria. Any remediation will be in accordance with the Canadian Council of Ministers of the Environment (CCME) CWS for Petroleum Hydrocarbons (PHC) in Soil (latest revision), the CCME CWS for PHC in Soil – Technical Supplement (latest revision), the Nunavut Environment Department's Environmental Guideline for Site Remediation, and informed by the PHC in Soil CWS User Guidance Document (latest revision). Contaminated soil will be drummed, manifested and disposed of properly off-site with a Waste Receiver (see Page 13), or remediated on site. Used drip pans or pails will be flown out for disposal with other contaminated solid waste. With the concurrence of regulatory authorities, contaminated soil can be shovelled onto clean tarps or hydrocarbon-resistant poly-liner<sup>3</sup> for aeration through turning. The advantages of this method is that it is faster than natural attenuation yet is non-invasive of permafrost regimes and appropriate for small, localised hydrocarbon leaks and spills, where time is available (e.g., aeration over at least several field seasons, until the excavated

soil tests within Tier 1 CCME criteria for industrial soil, coarse-grained or fine-grained). Should sufficient contaminated soils be identified prior to closure, an engineered land farm could be constructed to accommodate larger volumes of soil for longer-term remediation. Such remediation would be conducted in accordance with any plans then approved by regulatory authorities.

The drill shacks<sup>3</sup>, pump shacks<sup>3</sup> and associated equipment, any scrap, fuels, lubricants, additives and waste hydrocarbons will be flown off site at the end of the respective programme and prior to closure.

#### INFRASTRUCTURE SUPPORT

#### Freshwater Supply and Greywater System

Potable water for Discovery Camp <sup>4</sup> will be obtained from the unnamed stream south and <sup>4</sup> east of camp (see *Drawing 1*).<sup>7</sup> All lines associated with the water intake will be drained, dismantled and removed off-site for future re-use. In the case of Sunrise Camp <sup>4</sup> and the new Aurora Camp, <sup>7</sup> potable water will be obtained from the adjoining lakes (see *Drawings 2 and 3*<sup>4</sup>), and water lines would be handled as for the main camp. In all <sup>4</sup> camps, the greywater system will consist of plastic pipe, and greywater sumps which receive water from the camp kitchen and dry buildings <sup>4</sup>. The greywater lines will be drained, dismantled and removed off-site for disposal or recycled to another project. The sumps and immediate environs will be examined, any remaining débris removed, the sumps backfilled/levelled/restored to prior condition, combustibles burned or bagged and remaining bagged materials transported off-site for disposal. If necessary, the sump pits will be treated with lime or Javex to kill odours which might attract animals. Two Pacto toilets will be used for each camp, unless outhouse use is authorised <sup>3</sup>; no water use is required.

#### Refuse Disposal Facilities

All combustible wastes will be burned on site in a CSA dual-chamber fuel-fired incinerator (Inciner8 models), one per camp. Particular care will be taken to secure and then burn all food wastes at least daily, to limit animal attraction. Non-combustibles will be flown off-site for disposal, as noted elsewhere in this Plan. These practices will remain in effect until the camps are closed. At the point where incineration is no longer required, *i.e.*, at the completion of cleanup, the incinerators themselves will be removed off-site.

The wooden latrine sheds<sup>6</sup> will be dismantled and components burned, if allowed, or transported off-site for disposal.<sup>6</sup> If Pactos are on site at the time, these will be cleaned and recycled to another project. Any existing pit privy holes will be backfilled. The ground in the vicinity of the sheds<sup>6</sup> will be levelled and raked, if necessary, so that the site is restored to prior condition.

#### Generator Area

The shed will be inspected for any remaining hazardous materials (such as oil for generators, equipment and all-terrain vehicles), cleaned and dismantled for salvage or disposal, and the ground inspected. At Peregrine camps, used motor oil typically is collected in an empty drum and removed for recycling. Where practical, given the remote location, this practice will continue until final closure; where not practical, the waste oil will be flown out for proper disposal. Used materials such as floor-dry (vermiculite), drip pans and padding will be properly disposed of off-site. Any oil- or fuel-contaminated soil will be removed for proper disposal, or remediated as described on Page 2. If necessary, the ground in the vicinity of the shed will be sampled for contamination. The use areas will be raked clean and restored to prior condition.

#### <u>Transportation Facilities</u>

In 2011,<sup>6</sup> it is expected that transportation facilities at the camps will consist of the gravel/cobble airstrip at the Discovery <sup>4</sup> Camp and lake ice as an ice landing strip at the Sunrise and Aurora Camps<sup>7</sup>, as well as helicopter landing pad(s) <sup>4</sup> for each camp (a level patch of gravel adjacent to the camp. The helipad areas<sup>4</sup> will be checked and any contaminated soil will be bagged and disposed of properly off-site, or remediated as described on Page 2. If necessary, ground in the vicinity of the pads will be sampled for hydrocarbon contamination. The use areas will be raked clean and restored to prior condition. Peregrine has approval from INAC for temporary positioning of an emergency tent and core tent at lake-based drill sites. <sup>5</sup> No material will be stored on lake ice at Sunrise or Aurora Camp. <sup>7</sup> At seasonal and final closure, the ice surface will be checked for any landing-strip markers or similar and any remaining items removed.

Any access trails used between the camps and worksites, or between Discovery and Sunrise, <sup>6</sup> will be monitored to ensure no leakage of fuel or fluid (from snowmachines or heavy equipment), and no fuel will be cached on ice strips. If the CAT 247B2 Multi-Terrain Loader<sup>3</sup> is driven overland from Discovery Camp to the nearby *CH-7* mini-bulk sample site (see *Map 1*) <sup>4</sup> or similar location in 2011<sup>6</sup>, the route will be checked following use to remove any materials which had been inadvertently left behind (*e.g.*, bits of plastic, strapping, wood, *etc.*) <sup>5</sup>. Although heavy equipment is not considered transportation, its movement to worksites, or between worksites and camps, will be monitored by project personnel, and no débris left behind at its use area. When stationary, the equipment will be parked over a drip pan or on a drive-on drip pad to lessen the need for cleanup measures at camp closure.

#### **FUEL STORAGE AREAS**

For each of the camps, the fuel storage area will consist of segregated groups of drums, with empties separated from full drums of diesel and aviation fuel. Waste fuel will be sent out as manifested Class 9 waste on backhauls. Propane, as standard 45kg cylinders, will be stored upright and secured beside the kitchen and dry areas. At programme closure, unneeded drums and cylinders will be removed; at final closure, all fuel containers will be removed.

Should some drums be left in the camp cache for future use, a fuel inventory will be completed to assess the quantity and type of fuel remaining, and the storage areas inspected. Any contaminated soil will be bagged and removed for proper disposal, if in small quantity, or remediated as described on Page 2. If necessary, the ground in the storage areas will be sampled for contamination. The use areas will be restored to prior condition. This process also will be followed at any temporary fuel caches associated with sampling in the Chidliak-Qilaq areas and within the Cumberland property. <sup>6</sup> At final closure, all fuels and empty drums will be removed; usable fuel will be transported to another project or returned with empties to the supplier.

#### **CHEMICAL STORAGE**

The chemicals to be used on site will be limited to household-strength cleaning supplies such as Javex, ammonia-based cleaning sprays, wash soaps, degreasers and the like, and limited miscellaneous items such as antifreeze, insect repellent and aerosols; most cleaning and washing products used in 2010 were environmentally benign. Products will be stored in their original containers in their respective use areas, and removed off-site with routine backhauls and properly disposed of or returned to the supplier, as applicable. In 2011, the drilling contractor will store the required drilling muds, additives, oils and lubricants in a temporary shed at drillside; these materials would not be present on site at closure. Upon closure of the camps, any unused inventory will be recycled to another project, returned to the supplier or properly disposed of; partially-used containers will be removed for disposal. As part of final closure activities, areas in the immediate vicinity of

chemical storage areas, such as the kitchen, dry and generator shed, will be inspected, any soil so requiring will be collected, bagged and removed off-site for disposal.

If necessary, ground at chemical storage areas will be sampled for contamination. Should limited blasting be required in future, <sup>6</sup> materials for blasting will be under the control of the blasting contractor and not accessible to project personnel. If a storage magazine is required, this also will be under the control of the blasting contractor. When the blasting contractor leaves site, no blasting materials or devices will be left behind, and no blasting materials will be on site at time of final closure.

#### **MOBILE AND FIXED EQUIPMENT**

All mobile and fixed equipment will be removed from the site prior to closure. This inventory in 2011<sup>7</sup>will include generators, pumps, all-terrain vehicles in the camp area, snowmachines, and power and hand tools (including pneumatic electric hand drills<sup>4</sup>), welding and drilling equipment, pipe and heavy machinery (CAT 247B2 Multi-Terrain Loader<sup>4</sup>).

Any equipment required for abandonment and restoration, such as the CAT, shovels, chainsaw, a generator for power tools, *etc.*, will remain on site until all activities are completed. Areas such as sump pits will be re-covered with reserved overburden and recontoured, if required, to blend with surrounding terrain and ensure drainage away from nearby watercourses.

Before removal from site, the CAT will be employed in site cleanup, as required, with special emphasis on restoration of trenched areas, where applicable<sup>3</sup>, by means of re-covering with the stockpiled overburden and re-contouring to blend with surrounding terrain and ensure drainage away from nearby watercourses.

#### **WATER MANAGEMENT**

During fieldwork, water consumption figures will be kept and the total reported in the Nunavut Water Board (NWB) Annual Report.

Water-quality sampling will occur as part of final abandonment and restoration activities, if required, and will be conducted in compliance with the NWB water licence then in effect. Grab samples will be collected from the camp water sources (stream for Discovery camp³, lakes for Sunrise and Aurora Camp¹) for analysis of standard parameters against CCME guidelines by an accredited environmental laboratory to ensure minimal degradation from the demobilisation and abandonment of the campsite. Seasonal water-quality monitoring will occur in association with lake-based drilling in 2011⁶, in compliance with the Drilling from Ice Guidelines, at established water stations in summer⁶ and at any trench locations in future, either in neighbouring meltwater flows, or in sumps³, should water be reserved/contained in sumps for sampling due to use of explosives. Should blasting be necessary to break up the rock sample, water accumulating in blast trenches would report to a lined sump or sumps or poly tanks brought to site for monitoring; this sump water or tank water would be sampled before any release to the environment occurred.

Source water will be used only as required, *i.e.*, not wasted, and bottled water may be used to supplement drinking water, if necessary. No water use has been associated with either the Qilaq or Cumberland programmes to date<sup>6</sup>.

#### DRILL SITE MANAGEMENT AND CLOSURE; TRENCH CLOSURE

In compliance with best practice, Peregrine ensures that each drillsite is properly cleaned up when the hole is closed, not simply when the project closes. In compliance with the land-use permit or QIA land licence<sup>5</sup> then in effect, any lake-based coreholes will be closed with grout plugs, any lake-based large-diameter holes (should such be drilled in a future year) will be capped with cement, and land-based holes cemented and casings cut. Locations of drillholes are recorded as GPS co-ordinates for future

reference. Drillhole locations proposed for  $2011^7$  are attached as *Figures 1a-1b* and *Maps 2a^7, 2b and 2c^7*. The co-ordinates of any trenching site (no trenching has yet occurred<sup>5</sup>) are attached to this Plan in *Figure 2* and *Map 3*. Trench closure is discussed in the section "Mobile and Fixed Equipment".

In addition to closure of the drillhole, and removal of all associated equipment and débris, drill sumps also are inspected. In almost all cases, the underflow material consists only of sandy/silty water. However, where necessary, sumps are backfilled; if this is not possible due to snow cover and frozen ground, then any sumps requiring backfill will be filled in summer conditions. Should additives be used in any holes, the associated sediments will be placed in poly-lined sumps or in Polydril tanks<sup>5</sup> where necessary and the liner material and contents would be disposed of as waste on flight backhauls. However, Peregrine promotes use only of environmentally-benign additives, as determined by Material Safety Data Sheets (MSDS). The drill contractor is required to supply MSDS prior to an additive being approved by Peregrine for delivery to site. Drill sumps for the 2011<sup>6</sup> programme and any subsequent programmes will be sited so as to lessen the possibility of flow of drill cuttings into any neighbouring waterbodies, taking advantage of topographic features such as natural depressions and bedrock outcrops.

At final closure, old work sites, including any trench sites, will be re-inspected if necessary to ensure compliance and return of the sites to their natural condition.

#### SEDIMENT-SAMPLING HOLE CLOSURE <sup>3</sup>

In respect of the collection of surficial sediment samples on both Crown land and IOLs: Sample holes are hand dug and shallow, but will be filled, as required, after the sample has been collected and before the sampling crew moves on to the next sample site. Both foot-traverse and helicopter-supported sampling are pack in/pack out activities, where nothing is left behind by samplers in the field. Should a temporary fuel cache be sited on Crown land or surface IOL to support a sampling programme in 2011<sup>6</sup>, the cache will be sited at least 30m from Ordinary High-Water Mark of any adjacent waterbody, and will be established, preferentially, as a lined depression or an area where manufactured secondary containment<sup>6</sup> can be positioned to best accommodate fuel drums for helicopter refuelling. A spill kit will be positioned at the cache. Empty drums will be rotated out. At the end of programme, nothing will be left behind in the field. Cache co-ordinates will be recorded and provided to inspectors, should they choose to review the cache site at a later date. As with drillholes, Peregrine ensures that each sample site is left clean when the site is closed, not simply when the project closes.

#### SHORT-TERM SHUTDOWN

Since activity on the property is at an early stage, there will continue to be periods of short-term shutdown, *i.e.*, periods when the camp is inactive and no geophysical surveying, sediment sampling, drilling or other activity is occurring. At the end of the 2011<sup>6</sup> programme, the camps, fuels and any equipment will be secured for the winter. A seasonal shutdown procedure will be activated. The camps would be cleaned up and secured, an inventory taken, personal and unnecessary office items removed, and empty drums and garbage removed off site for proper disposal, thus ensuring public and wildlife safety. All fuel and water lines would be drained, and all fuel and power sources would be shut off and disconnected. However, the camp will be left in such a way that all equipment, buildings and utilities remain in serviceable and safe condition, such that startup in the next season could be effected safely and efficiently, and in consonance with the terms and intent of the governing authorisations.

#### SCHEDULE FOR PLAN. POST-CLOSURE INSPECTION AND/OR MONITORING

Prior to seasonal closure in September 2011<sup>6</sup>, inspectors will be notified of this event in advance, should they wish to visit the site. At final closure, final inspection, documentation and one or more site visits by community representatives, conducted by the permitholder in co-operation and consultation

with INAC, QIA, NWB staff and local land users, will ensure successful closure of the camps. One or more community visits also may occur, if required.

The schedule for final closure cannot be known in advance, as closure is directly related to exploration outcomes and other variables at the time, but regulators and communities will be given notice, as appropriate, and final closure activities will be completed as noted in this Plan.

Some past abandonment incidents by others (non-Peregrine) at campsites and fuel caches in the NWT and Nunavut have been unfortunate, and are not condoned by this permitholder or its agents. Peregrine practises a good-neighbour policy in all its programme areas, and voluntarily removes abandoned drums or scrap that it encounters. Where the unknown abandoned areas are extensive, the permitting authorities are supplied with co-ordinates.

If, in the judgement of regulators, it is deemed that monitoring is required in regard to some component of the Chidliak, Qilaq or Cumberland projects<sup>6</sup>, this will be carried out by the permitholder in such form and manner, and for such duration, as is best able to ensure successful abandonment and restoration of the property and its future benefit to other land users.

Shirley Standafer-Pfister Peregrine Diamonds Ltd.
 23 March 2011

## FIGURE 1a 5

# PEREGRINE DIAMONDS LTD. - CHIDLIAK PROJECT PROPOSED DRILL TARGETS 20117

ID# or KIMB. NAME	Latitude WGS84	Longitude WGS84	TOPOGRAPHY
CHI_153	64° 10' 34.94"	-66° 05' 12.76"	WATER
CHI_165	64° 37' 59.28"	-66° 32' 43.19"	WATER
CHI_440	64° 43' 56.48"	-66° 28' 16.83"	WATER
CHI_502	64° 44′ 57.32	-66° 27' 58.43"	WATER
CH-17	64° 38' 0.50"	-66° 32' 47.11"	WATER
CH-28	64° 43' 1.23"	-66° 33' 18.52"	WATER
CH-33	64° 22' 35.28"	-66° 13' 55.34"	WATER
CH-31	64° 13' 21.37"	-66° 18' 23.69"	LAND
CH-44	64° 13' 32.48"	-66° 20' 8.93"	LAND
CH-45	64° 14' 31.89"	-66° 21' 13.72"	LAND
CH-6	64° 19' 19.32"	-66° 31' 46.76"	LAND
CH-7	64° 15' 0.96"	-66° 21' 13.72"	LAND

### FIGURE 1b<sup>6</sup>

# PEREGRINE DIAMONDS LTD. – 2011<sup>7</sup> PROPOSED DRILL TARGETS ON IOLs *PA-27, PA-28*<sup>7</sup>

Target ID#	Latitude WGS84	Longitude WGS84	Surface	
Q-1	64° 42' 15.02"	65° 48' 17.19"	LAND	
Q-2	64° 40' 02.78"	65° 48' 47.85"	LAND	
CHI_502	64° 44' 57.23"	66° 27' 58.43"	WATER	
CHI_NEW TARGET	64° 43' 47.67"	66° 21' 05.17"	WATER	

# FIGURE 2 (AMENDED)<sup>4</sup>

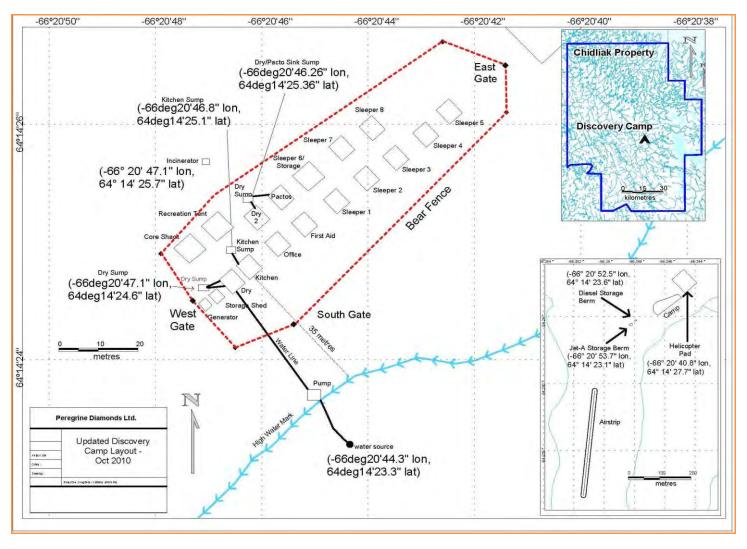
# PEREGRINE DIAMONDS LTD. – CHIDLIAK PROPOSED TRENCH LOCATIONS - 2009

TRENCH NAME	LOCATION (CENTRE CO-ORDINATES, Lat./Long.)	ORIENTATION	DIMENSIONS (W x L x D)
Trench #1 *	64° 15' 54.7" - 66° 19' 57.7"	E-W	0.9m x 10m x 0.5m

<sup>\*</sup> Trench #1 is an outcrop sample, and Peregrine expects to excavate by means of hand-held pneumatic electric drills, picks and shovels<sup>3</sup> to obviate the need for blasting in proximity to the meltwater rill at its south.

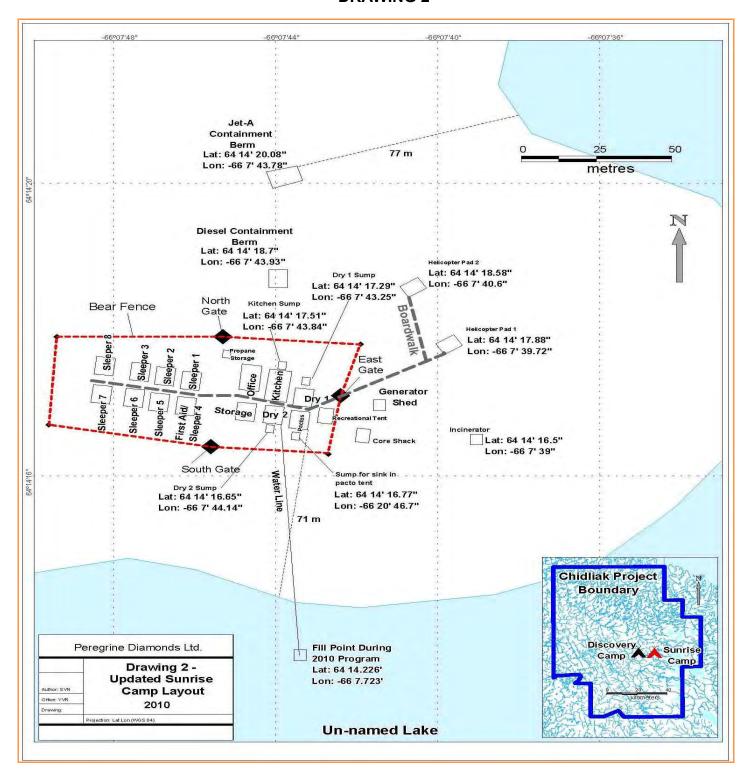
(NOTE: TRENCHING DID NOT OCCUR IN 2009 OR 2010 AND IS NOT SCHEDULED FOR 2011)<sup>6</sup>

## **DRAWING 1**7



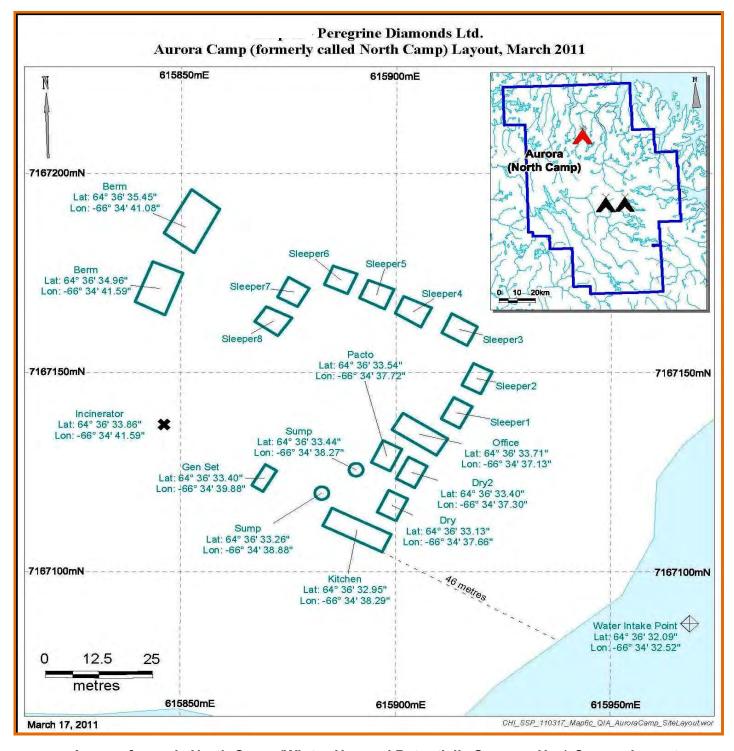
Discovery (Summer-Use) Camp - Layout <sup>7</sup>

## DRAWING 27

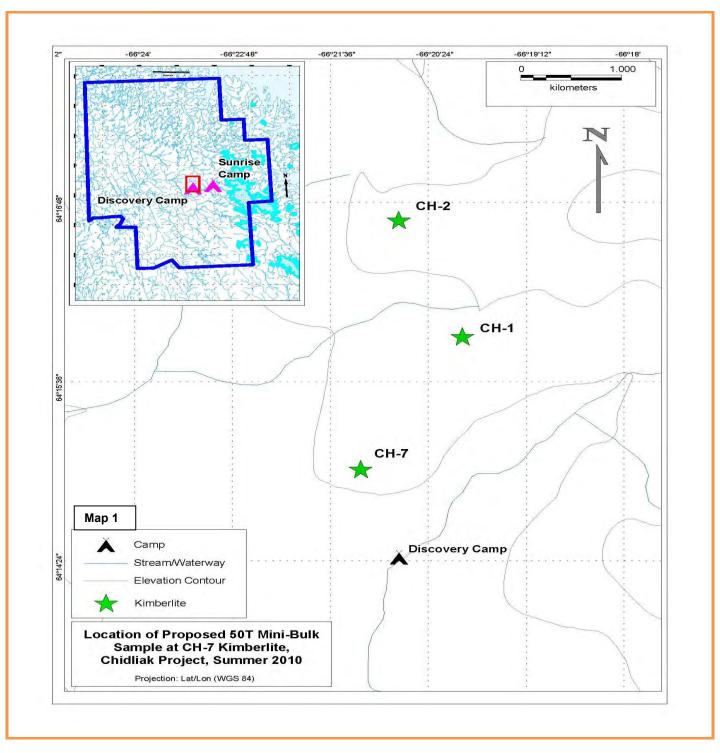


Sunrise (Winter-Use and Summer-Use) Camp - Layout  $^7$ 

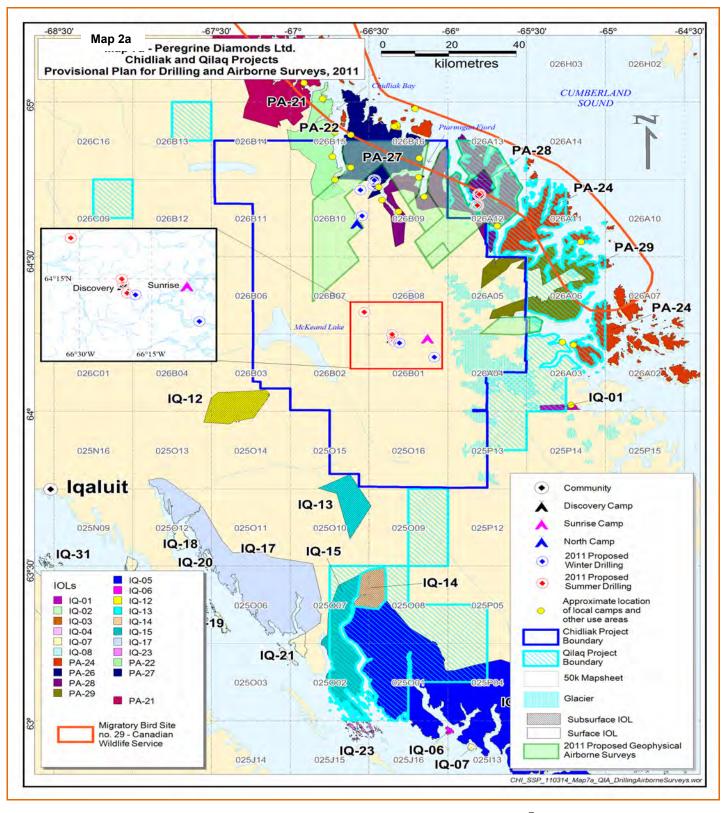
# **DRAWING 3**<sup>7</sup>



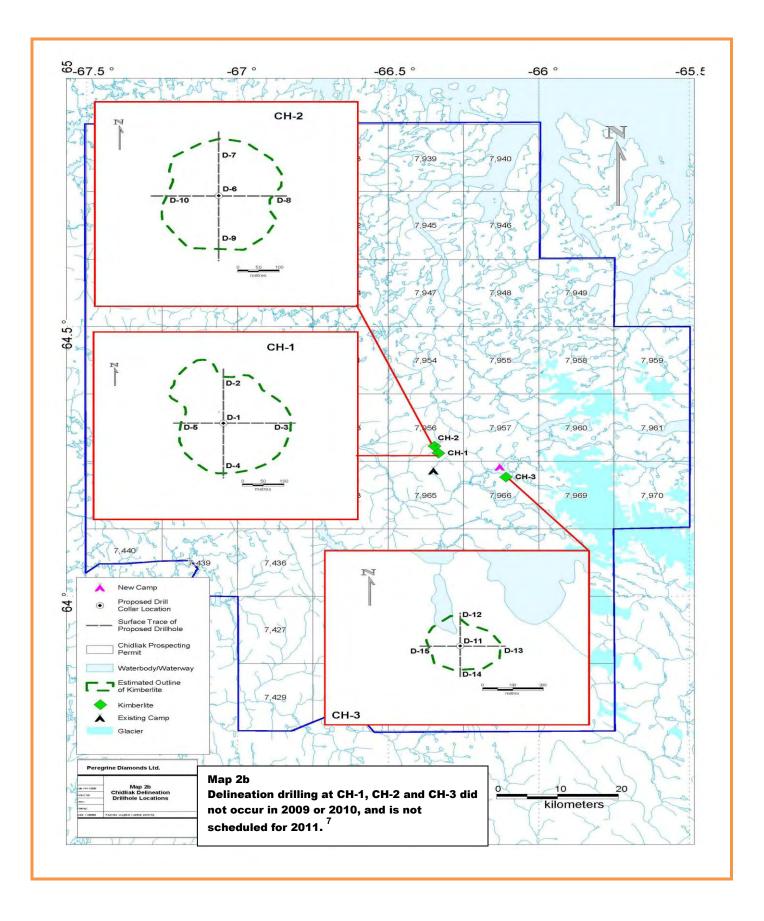
Aurora, formerly North Camp (Winter-Use and Potentially Summer-Use) Camp - Layout



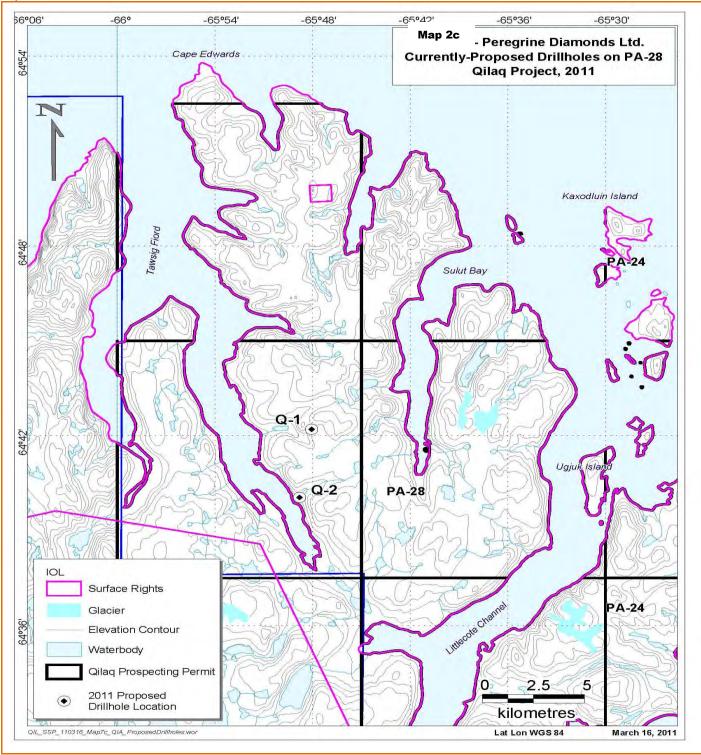
Mini-bulk sampling location for 2010 is shown above. Mini-bulk sampling location(s) for 2011 are still to be determined. <sup>7</sup>



Provisional drill plan for the Hall Peninsula, 2011. 7



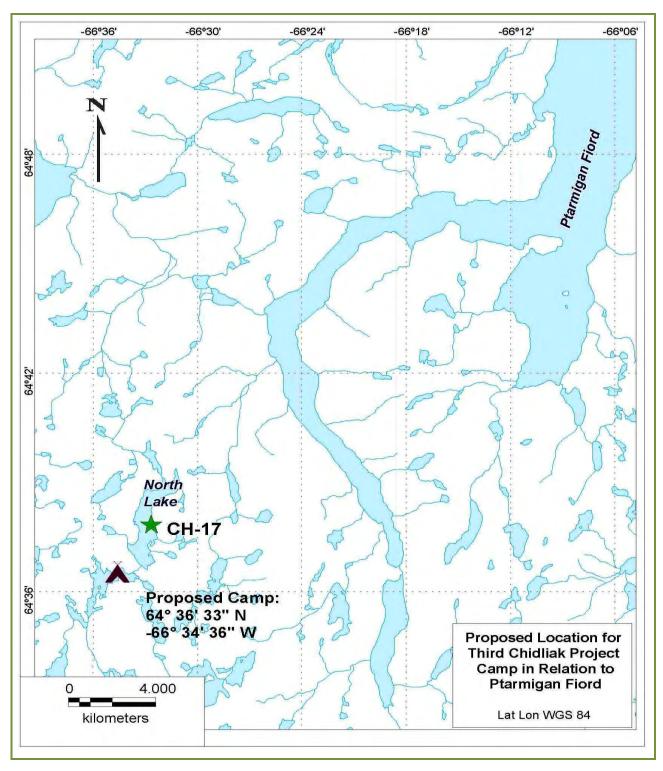




Proposed drillhole locations on IOL Parcel *PA-28 (not drilled in 2010).* Up to 8 additional targets will be selected for drilling on *PA-28* in 2011. <sup>7</sup>

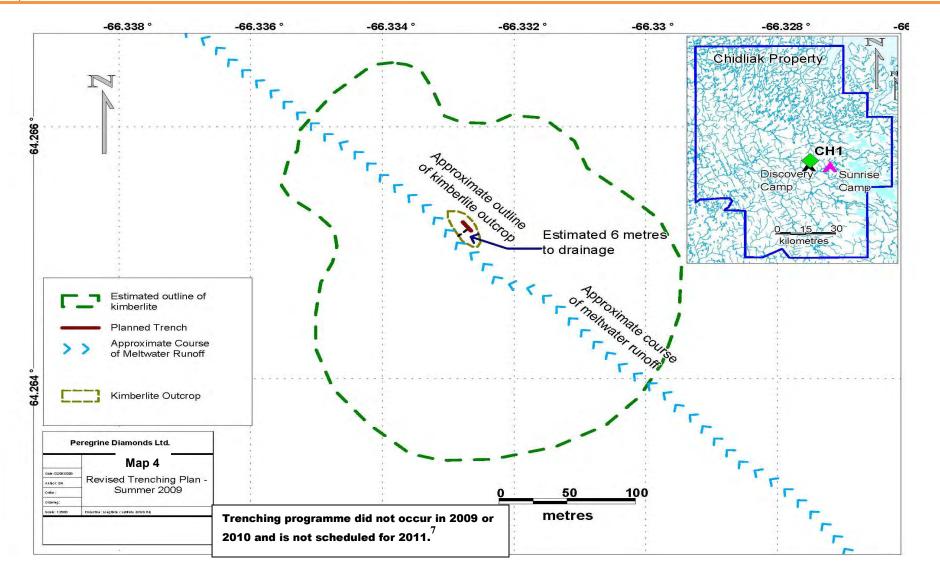


MAP 3  $^6$ 

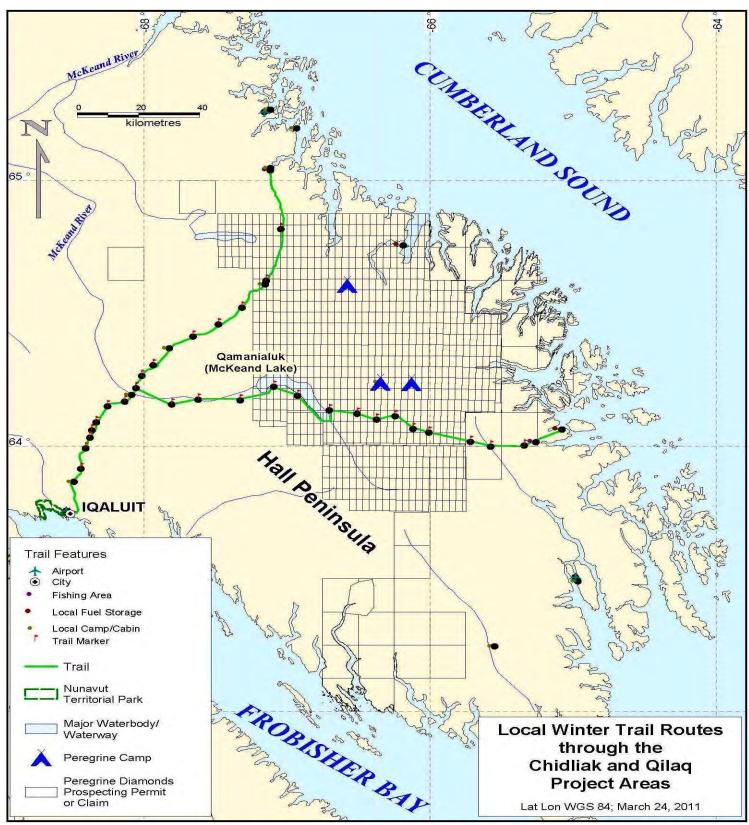


Location of Third Camp (Aurora), Chidliak Project, approx. 50km NW of Existing Camps  $^6$ 



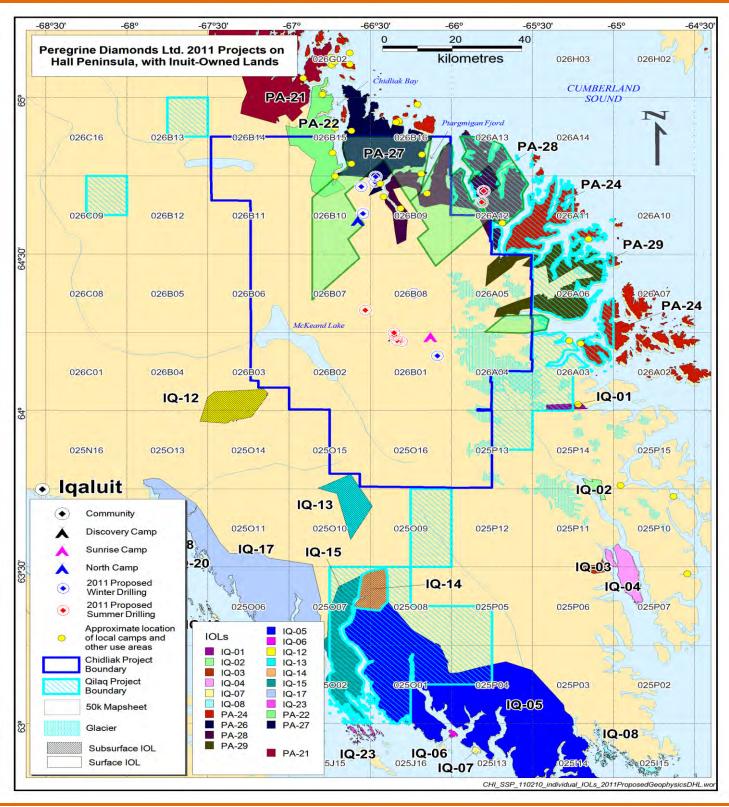






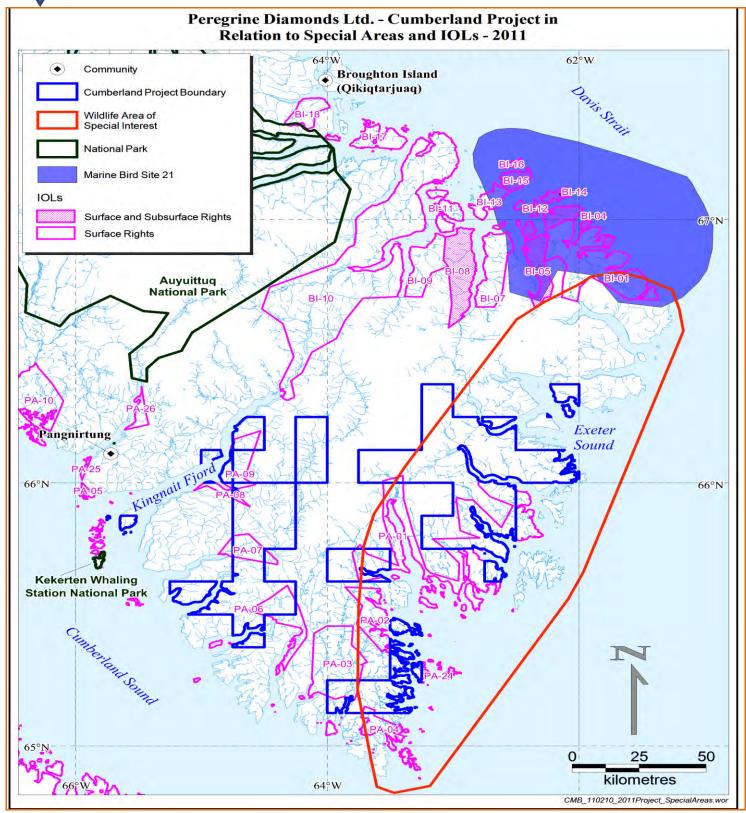
Supplementary Map 1:5 Local Trails in relation to Peregrine's Hall Peninsula Properties.





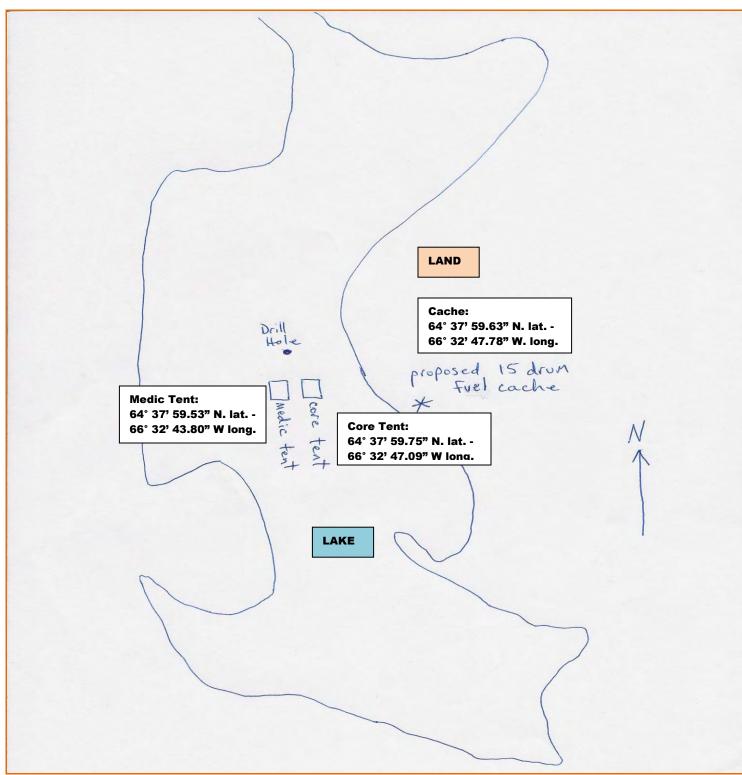
Supplementary Map 2a: 7 Peregrine Properties, Hall Peninsula.





Supplementary Map 2b: <sup>7</sup> Peregrine's Cumberland Property, Cumberland Peninsula.





Supplementary Map 3: <sup>5</sup> Sketch map depicting layout of two temporary structures at the first lake-based drill location of the Chidliak spring 2010 drill programme. Siting of temporary tents would be similar at lake-based drill locations in 2011. <sup>7</sup>