

January 19, 2026

By Electronic Mail

Mr Karén Kharatyan, Mgr of Technical Services
NWB – Licensing Department
PO Box 119
Gjoa Haven, NU X0B 1J0
Email: karen.kharatyan@nwb-oen.ca

Mr. Richard Dwyer, Mgr of Licensing
NWB – Licencing Department
PO Box 119
Gjoa Haven, NU X0B 1J0
Email: Richard.Dwyer@nwb-oen.ca

Dear Mr. Kharatyan, Mr. Dwyer:

RE: CHIDLIAK PROJECT – 2BE-CHI2333 ANNUAL WATER FEE – CALENDAR YEAR 2025

De Beers Peregrine currently holds type B water use licence 2BE-CHI2333. The following is an annual report as required by part B: General conditions (2) of the permit. The annual water use fee for this water use licence is \$1121.35 based upon fees set out in Section 12(1)(b) of the Nunavut Waters Regulations (SOR/2016-69).

Maximum water allocation = 299 m³ per day

Total days in the year = 365

Charge per cubic meter = \$0.01 per m³

Water Use Fee = \$30.00

Total annual fee: \$1121.35 (299m³ x 365 days x \$0.01 per m³ + \$30.00)

If you have any questions regarding this report or require additional information, please do not hesitate to contact me at chad.corson@debeersgroup.com or by telephone at (249) 377-4445.
Sincerely,



Chad Corson – De Beers Group
Attachments: Annual Report Excel Spreadsheet

Annual Water Report 2025
De Beers Chidliak Exploration Project
Type B Water License #CHI2333

January 19, 2026

TABLE OF CONTENTS

Background	2
Field Season Overview.....	2
Reporting Requirements	2
A. summary report of Water use and Waste disposal activities;.....	2
b. Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Inuit-owned lands for the reporting period;.....	2
c. Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands reporting period;.....	2
d. Quantity of Waste disposed of on on-site Waste disposal facility;	2
e. Quantity of Waste backhauled to approved facility for disposal;.....	2
f. A list of unauthorized discharges and a summary of follow-up actions taken;	2
g. Any revisions to the Spill Contingency Plan and Closure and Reclamation Plan, as required by Part B, Item 7, submitted in the form of an Addendum;	3
h. A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;.....	3
i. Report all artesian flow occurrences as required under Part F, Item 3;.....	3
j. A summary of all information requested and results of the Monitoring Program;.....	3
k. Details pertaining to locations of sump(s) and drill holes;.....	3
l. GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) for the locations of all temporary camps established in support of the project if the actual coordinates differ from that provided in the application;.....	3
m. A summary, including photographic records before, during and after any relevant construction activities or Modifications and/or major maintenance work carried out on facilities under this License and an outline of any work anticipated for the next year;.....	3
n. Detailed discussion on the performance, installation, and evaluation, including the use of photographic record, of the primary and secondary containment functions used in fuel storage to safeguard impacts to freshwaters;	3
o. A summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted;	4
p. Any other details on Water use or Waste disposal requested by the Board by the 1st November of the year being reported.....	4

Background

Peregrine Diamonds Ltd. (“Peregrine”) is a wholly owned subsidiary of De Beers Group. Peregrine holds type B water license 2BE-CHI2333 which commenced on June 1, 2023 and expires on May 31, 2033. The permit authorizes two hundred and ninety-nine cubic meters per day of water use. The activities authorized under this license include camp operations (Discovery Camp, Sunrise Camp, Aurora Camp, and CH-6 Camp) and activities related to exploration including:

- Trenching
- Blasting
- Core drilling (on land and on ice)
- Reverse circulation drilling (on land)
- Percussion drilling (on land; does not use water)
- Large diameter reverse circulation drilling
- Airstrips (ice and land)
- Winter trails (inter-camp and Iqaluit-camp)
- Bulk sampling
- Cuttings disposal

The following is an annual report as required by part B: General condition (2) of the license.

Field Season Overview

The Chidliak Project is currently under care and maintenance. No field programs occurred in 2025. In January 2025 De Beers began scouting a winter trail from Iqaluit to Discovery. In February 2025 the Trail project was cancelled due to low snow volumes and municipal permitting considerations. Plans were made to visit the Discovery camp in September. With low lying clouds, rains, and winds the trip was cancelled. A small Iqaluit based program took place to return some project drill equipment on the fall sea lift.

Reporting Requirements

A. summary report of Water use and Waste disposal activities;

No water was taken for drilling purposes in 2025. No Domestic water was taken in 2025. There was no waste generated from project activities in 2025.

b. Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Inuit-owned lands for the reporting period;

In 2025 no water taking occurred on Inuit Owned Lands.

c. Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands reporting period;

No water was used for domestic purposes at the Discovery camp in 2025.

d. Quantity of Waste disposed of on on-site Waste disposal facility;

No waste was disposed of onsite during 2025.

e. Quantity of Waste backhauled to approved facility for disposal;

No waste was generated in 2025. Therefore, no waste was backhauled to an approved facility for disposal.

f. A list of unauthorized discharges and a summary of follow-up actions taken;

There were no unauthorized discharges in 2025.

g. Any revisions to the Spill Contingency Plan and Closure and Reclamation Plan, as required by Part B, Item 7, submitted in the form of an Addendum;

There are currently no revisions to these plans to submit.

h. A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;

In 2025 there was no site based reclamation work. Drill equipment stored in Iqaluit was shipped back to contractors on the fall sea-lift.

i. Report all artesian flow occurrences as required under Part F, Item 3;

There were no artesian flow occurrences in 2025.

j. A summary of all information requested and results of the Monitoring Program;

Part J of the water License details the environmental monitoring requirements. No monitoring was requested in 2025. In 2025 De Beers continued its environmental baseline work at the Chidliak Project. The focus was on remote data collection and no field programs occurred.

- 1 **January to December 2025:** An array of 77 wildlife cameras remained deployed to collect wildlife data. Data cards remain deployed, and maintenance of the cameras will be performed in 2026.
- 2 **January to December 2025:** Remote meteorological station monitoring for Atmospheric monitoring studies. Weather station data continues to be collected and monitored remotely from in field stations.

k. Details pertaining to locations of sump(s) and drill holes;

No drilling occurred in 2025, therefore no sumps or drill holes occurred.

l. GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) for the locations of all temporary camps established in support of the project if the actual coordinates differ from that provided in the application;

No temporary camps were setup beyond those described in the initial application during activities in 2025.

m. A summary, including photographic records before, during and after any relevant construction activities or Modifications and/or major maintenance work carried out on facilities under this License and an outline of any work anticipated for the next year;

No construction or major maintenance occurred in 2025. Tentative plans for 2026 include a small program in the spring of 2026 to inspect the camp and maintain the array of wildlife monitoring cameras. A summer equipment maintenance and camp inspection program is also being planned.

n. Detailed discussion on the performance, installation, and evaluation, including the use of photographic record, of the primary and secondary containment functions used in fuel storage to safeguard impacts to freshwaters;

Fuel was brought into Discovery camp through the airstrip by fixed wing aircraft. Berms used to store fuel drums are all temporary in construction and made from rubber or other non-permeable fabric reinforced with aluminum sidewall brackets. The Containment berms used on site are engineered to withstand petroleum chemicals and designed to safeguard against spills to the environment. Each berm is affixed with a charcoal "Rain Drain" filter at the corners. The filters are necessary to avoid any

accidental hydrocarbon discharge. Fuel berms and storage remained at the same location as in previous years.

Table 4 - Current Fuel Counts Chidliak Project

Location	Diesel (205L)	Gasoline (205L)	Jet A (205L)	Propane (100lbs)	Propane (20lbs)
Discovery	135	1	23	34	0
CH-6	8	0	0	4	0
Sunrise	0	0	0	0	0
Aurora	0	0	0	0	0
Total:	143	1	23	38	0

o. A summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted;

During 2025 community members from Iqaluit and Pangnirtung were included in baseline studies. The focus of activities for the IQ study included completion of mapping and non-mapping with key knowledge holders in the communities of Iqaluit and Pangnirtung.

During initial planning of the winter trail employees were hired from local communities to fulfill various roles. Local businesses including; Nunatta Environmental were contracted for assistance. The winter trail was cancelled during the planning stages in February 2025.

p. Any other details on Water use or Waste disposal requested by the Board by the 1st November of the year being reported.

No additional details were requested by the board in 2025.