

01 November 2007

Phyllis Beaulieu
Licensing Manager
Nunavut Water Board
Box 119
Gjoa Haven, NU X0B 1J0

Application:
New "Type B" Water Licence,
For Existing Nanuq Project, Kivalliq, NU

Please accept this letter and the accompanying application package as a formal request, on behalf of Peregrine Diamonds Ltd. (PDL), for a new Nunavut Water Board (NWB) "Type B" Water Licence for the remote camp and exploration site, known collectively as the "Nanuq Property", Kivalliq Region, Nunavut. The previous water licence (#NWB2NAN0305), held by former claimholder Dunsmuir Ventures Ltd., has expired. A new "Class A" Indian and Northern Affairs land-use permit also is being applied for. It is hoped that submission at this time will allow the NWB sufficient time for licence issuance, so that a work programme may commence approximately 26 May 2008. Fees of \$60.00, payable to the Receiver General for Canada, to cover the application fee and water-use fee, will be provided to the NWB via credit card upon its receipt of this application.

This application package is submitted in two (2) signed hard copies, along with a CD of all documents.

It is planned to move the existing tent camp approximately 1km NW to 65° 13' 34" N lat. – 91° 05' 23" W long., at the northerly end of the existing natural-sand airstrip to serve a 15-week programme of air and ground geophysics, core-drilling and till sampling. The core drilling programme will consist of a conventional exploration drill programme (approximately 2 000m), followed by a mini-bulk core-drill programme (approximately 4 000m) recovering approximately 200t of core sample, depending on results of the initial drill programme. Two potential fly-in drill locations have been identified and are shown on the accompanying Map 3, but the specific number of drillholes and locations have not yet been selected. The entire programme is expected to conclude around 08 September 2008, at which time the 20-person camp will be closed and secured for further exploration in 2009. Should results warrant, a programme of bulk sampling by means of large-diameter drilling could occur in 2009, and an amendment would be sought in advance as soon as plans for 2009 are known. Transportation in 2008 will be by means of aircraft only, with a Twin Otter typically used for supply flights and a helicopter used to move drill equipment and personnel to/from worksites.

The accompanying application is comprised of: ⁽¹⁾ An English-language Summary; ⁽²⁾ An Inuktitut Summary; ⁽³⁾ A completed NWB application form; ⁽⁴⁾ A completed NIRB

Exploration Part 1 Form in English; ⁽⁵⁾ A completed NIRB Exploration Part 1 Form in Inuktitut; ⁽⁶⁾ A completed NIRB Exploration Part 2 Form in English; ⁽⁷⁾ A detailed Project Description (with maps, photo, figures and Appendices 1-7a and 7b; ⁽⁸⁾ Spill Contingency and Abandonment and Restoration plans; ⁽⁹⁾ A digital MapInfo file (with map data); ⁽¹⁰⁾ A completed NWB Remote-Camp Questionnaire; and ⁽¹¹⁾ A completed NWB Supplementary Questionnaire for Advanced Exploration.

Thank you for the opportunity to make this submission on behalf of PDL. Please contact me or the proponent if you have any questions, or require extra copies or re-transmissions.

A handwritten signature in black ink, appearing to be 'SP' or similar initials, written in a cursive style.

Shirley Standafer-Pfister
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(on behalf of Peregrine Diamonds Ltd.)
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