

PEREGRINE DIAMONDS LTD.
SUMMARY: REQUEST TO AMEND EXISTING LAND-USE PERMIT
AND WATER LICENCE – NANUQ PROJECT

Peregrine Diamonds Ltd. (Peregrine) would like to amend its existing land-use permit and water licence to allow for continuation of its exploration activities in 2010 on the Nanuq Property (the Property), which is located in the north Kivalliq, approximately 30km south of Wager Bay.

There are two reasons for Peregrine's request: First, our existing Class A Land-Use Permit #N2007C0039 from Indian and Northern Affairs Canada (INAC) expires in April 2010; Peregrine is asking to extend this permit for one additional year. Second, Peregrine would like to conduct drilling from lake ice in April-May 2010; in order to do that, Peregrine is requesting permission from the Nunavut Water Board (NWB) to add drilling from ice to its existing Type B Water Licence #2BE-NAN0813. Land-based drilling already is permitted under both the land-use permit and water licence. No work will occur on Inuit-Owned Land parcels.

To ensure that there is information on the water quality of the lakes where drilling would occur, Peregrine will collect water samples before, during and after drilling at each lake-based drill site. Samples will be analysed at an accredited environmental laboratory for total and dissolved metals, nutrients and other standard sampling parameters.

At present, eight targets are proposed for drilling. The base for this programme will be the 20-person Nanuq tent camp, which is located in NTS 56G/03 at the southwest edge of the claimblock; at least two targets are lake-based. Final selection of targets will be made just prior to drilling and this information will be provided to INAC and the NWB.

Other activities which are proposed but do not require an amendment are: ground geophysics prior to drilling, land-based drilling in summer (if required) and collecting followup till samples in summer. The spring programme is expected to commence in mid-April 2010 and last for up to 6 weeks; a summer programme would commence in early July 2010 and last for up to 6 weeks. Local Inuit will continue to be hired to participate in the programmes, and Inuit companies will supply services, including M&T Enterprises and Unaalik Aviation, well as local hotels and other service providers.

Peregrine looks forward to working co-operatively with its regulators and the Nunavummiut of Rankin Inlet (our main supply community), Repulse Bay and Chesterfield Inlet in conducting the Nanuq Project.