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27 September 2012

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

RE: REQUEST FOR RENEWAL OF NANUQ PROJECT TYPE B WATER LICENCE #2BE-NAN0813, KIVALLIQ, NU

Please accept the attached application submission as a request by Peregrine Diamonds Ltd. (Peregrine) to renew Nunavut Water Board (NWB) *Type B Water Licence #2BE-NAN0813*; this licence expires on 31 May 2013. The purpose of renewal is to continue with activity components already approved. A five-year renewal is sought, both for the licence and the related Land-Use Permit #N2007C0039, which expires on 13 June 2013. As no new components or activities are requested, Peregrine has completed an NWB Renewal Form. The \$30 application fee and \$219 water-usage fee are being paid to the NWB Licensing Office by credit card.

All proposed activity remains within the approved Project Scope area, and no increase in water allotment is sought. At the request of the Nunavut Impact Review Board (NIRB), a CD copy of both the NWB and Aboriginal Affairs and Northern Development Canada (AANDC) applications is being supplied to NIRB as part of Peregrine's application to NIRB.

Attached with this letter are the following documents: (1) NWB Renewal Application Form; (2) Project Description; (3) Project Summary in English and Inuktitut; (4) Appendices 1 through 7b; (5) stand-alone versions of the following updated monitoring plans -- Spill Contingency Plan, associated Emergency Response Plan and the Abandonment & Restoration (A&R) Plan; (6) MSDS Index (applies to Appendix 2, which is the MSDS CD of all products in the index); (7) Maps numbered 1 through 3; (8) NIRB Screening Decision #08EN002 (28 March 2008 – initial screening, and 23 November 2009 – Amendment #1 screening); (9) Supplementary Documents #1 through #4; (10) NIRB Part 1 Form in English and Inuktitut; (11) NIRB Part 2 Form, and (12) existing Nunavut Planning Commission (NPC) conformity documentation. NPC has advised Peregrine that it awaits receipt of a copy of the current renewal application from the applicable authorising agencies in order to determine whether a new conformity review is required. In the meantime, Peregrine has attached with this application a copy of all NPC conformity documentation as a single document.

Peregrine looks forward to a speedy licence renewal, as it continues in compliance with all existing regulatory obligations. Thank you for the opportunity to make this submission.

Shirley Standafer-Pfister Manager, Regulatory and Environmental Affairs

attach.

Nunavut Water Board 00T 1 9 20I2 Public Registry