

February 20, 2008

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

Fax # 867 360 6369

Dear Ms. Beaulieu

RE: NWB File # 2BE -NAN0305 Peregrine Diamonds LTD.

NWB Water license application/proposal listed above was reviewed for conformity against the Keewatin Regional Land Use Plan (KRLUP) under INAC file # N2007C0039 on January 7, 2008. After reviewing the file, NPC finds that the above application/proposal does not require the proponent to agree to terms which were previously agreed to.

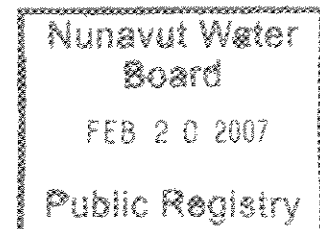
Therefore no conformity determination is needed. I have attached those terms in which the proponent undersigned with this letter which the NWB, as an recognized authorizing agency under the *NLCA*, is responsible to implement the attached requirements by incorporating the requirements directly, or otherwise ensuring that they be met, in terms of the conditions of any authorizations issues.

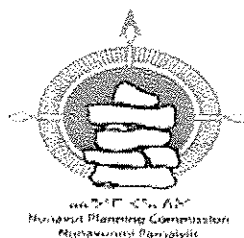
My office would be pleased to discuss these with you how to best implement these requirements and to review any draft authorizations that you wish to provide for that purpose.

Thank You

Brian Aglukark, NPC
Arviat

CC. Leslie Payette, Nunavut Impact Review Board
Jeffrey Howell, Indian & Northern Affairs
Shirley Standafer-Pfister, Peregrine Diamonds LTD.





January 7, 2008

Jeffrey Holwell
Land Admin. Specialist
INAC – Iqaluit
P.O. Box 100
Iqaluit, NU X0A 0H0

Fax 867.975.4286

Dear Mr Holwell;

Re: N20070039 Lorillard River, Kivalliq Region (Diamond Exploration)

The NPC has completed its review of the above noted project proposal. It conforms to the Keewatin Regional Land Use Plan subject to the attached.

By this letter and additional enclosures, the NPC is forwarding the project proposal with this determination to NIRB for screening.

The applicant has undertaken to comply with the attached requirements. The authorizing agencies to which this letter is addressed are responsible under the *Nunavut Land Claims Agreement* to implement any of the attached requirements by incorporating the requirements directly, or otherwise ensuring that they must be met, in the terms and conditions of any authorizations issued.

My office would be pleased to discuss with these agencies how best to implement these requirements and to review any draft authorizations that the agencies wish to provide for that purpose.

This conformity determination applies only to the above noted applications as submitted. Therefore, the proponent must ensure other applications for a permit under this project proposal not listed above are forwarded to NPC for a conformity determination against the KRLUP, and please notify the NPC immediately if any material change to the project proposal is made before authorizations are issued.

Yours Truly,

Brian Aglukark
NPC

CC. Shirley Standafer-Pfister, Peregrine Diamonds LTD.
Leslie Payette – Nunavut Impact Review Board

01/20/2008 14:00 FAX 8678572243

NUNAVUT PLANNING COM.

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Application # N2007C0039

**NUNAVUT PLANNING COMMISSION
APPLICATION TO DETERMINE CONFORMITY
WITH THE KEEWATIN REGIONAL LAND USE PLAN**

All applicants for a project proposal shall comply with the requirements listed below. The relevant sections of the plan are noted in each requirement.

GENERAL

2. **Environmental Protection:** s2.4.9: The applicant undertakes to prevent any new occurrences of pollution, garbage and contamination at the site of the development.

☒ Yes

No

3. **Removal of Fuel Drums:** s2.4.9: The applicant undertakes to remove all drums safely from the site and dispose of the drums in a safe manner.

☒ Yes

No

4. **New Site Restoration and Clean Up:** s2.4.15 and Appendix 2, s7: The applicant undertakes to clean up the site and restore the site to its natural condition to the greatest extent possible.

☒ Yes

No

5. **Old Site Restoration and Clean Up:** s2.4.10: The applicant undertakes to clean up the site and restore the site to its original condition to the greatest extent possible, including any work required due to the applicant's action prior to this application.

☒ Yes

No

6. **Low Level Air Flights:** s5.4.4 and Appendix 2, s3: Will the applicant avoid low-level flights?

Yes

☒ No

- i. If not, explain why such flights are or may be absolutely necessary.

Low-level altitude flights are necessary for
geophysics and mapping for environmental assessment
(the birds being under the instrument) to maximize

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004/007

*the special resolution of targets. Not to, provide
clear geographical description of areas shown
consistent with the surrounding area.*

- ii. If such flights are or may be absolutely necessary, will they avoid disturbance to people and wildlife?

☒ Yes☐ No

- iii. If not, explain why it is not possible to avoid such disturbance.

N/A

7. Caribou Protection Measures: s2.4.6 and Appendix 3: Will the applicant comply with the Caribou Protection Measures outlined in section 2.4.6 and in Appendix 3?

☒ Yes☐ No

8. Caribou Water Crossings: s2.4.6 and map: Will the applicant avoid, between May 15 and September 1, to construct any camp, cache any fuel or conduct any blasting within 10 km of any Designated Caribou Water Crossing identified on the certified Caribou Protection Map?

☒ Yes☐ No

ARCHEOLOGY

9. Reporting of Archaeological Sites: s4.4.3 and Appendix 3, s2 and s8: Will the applicant immediately report the discovery of all suspected archaeological sites to the Department of Culture, Language, Elders and Youth (GN)?

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☒ Yes

No

PARTICULAR AREAS

15. Game Sanctuary: s2.4.1: Is the project proposal located, in whole or in part, within the Thelon Game sanctuary?

Yes

☒ No**PARTICULAR ACTIVITIES**

23. Code of Good Conduct for Land Users: Appendix 2: The applicant undertakes to adhere to the Code of Good Conduct at all times.

☒ Yes

No

I, Shirley Stanger-Porter * (name of applicant), certify that the information I have given in this application is true and correct and hereby make the above undertakings which form part of my application for a project proposal within the meaning of the Nunavut Land Claims Agreement.

* on behalf of Perseus Diamonds Ltd.

Date: 07 January 2008 Signature of Applicant: SP



Indian and Northern
Affairs Canada

Affaires indiennes
et du Nord Canada

Land Administration
P.O. Box 100
Iqaluit, NU X0A 0H0
Phone: 867-975-4275
Fax: 867-975-4286

Your file - Votre référence

Our file - Notre référence

November 21, 2007

Brian Aglukark
Nunavut Planning Commission
P.O. Box 419
Arviat, NU X0C 0E0

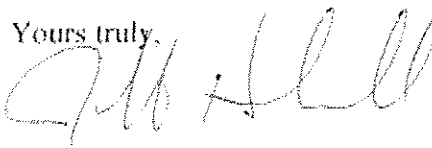
Dear Mr. Aglukark

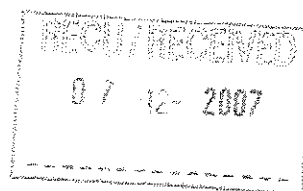
Re: Land Use Permit Application #N2007C0039
Type of Operation: Mining (Exploration)
Location: Lorillard River, Kivalliq, Nunavut NTS 56G

Pursuant to Article 11.5.10 of the Nunavut Land Claim Agreement, I am forwarding the above Land Use Application for you review against the Keewatin Regional Land Use Plans. All future correspondence produced by you office should be copied to this office and refer to file number N2007C0039.

This application is considered a CLASS A Land Use Permit application. Please advise this office once you have determined whether or not this application conforms with the above mentioned land use plan, so that we may formally accept or reject the application. This will enable us to advise the applicant of your decision as well as advise the NIRB of time frames for when their environmental screening will be due, should you decide to forward this application for their review.

Yours truly,


Jeff Holwell
Land Administrator Specialist
Land Administration



cc: Manager, Field Operations
RMO - Kivalliq

Canada