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Canada

Pêches et Océans  
Canada

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Your file Votre référence  
**08EN002**

Our file Notre référence  
**NU-09-0033**

Date November 6, 2009

Sophia Granchinho  
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Nunavut Impact Review Board  
P.O. Box 1360  
Cambridge Bay, Nunavut  
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via e-mail: [info@nirb.ca](mailto:info@nirb.ca)

Dear Ms. Granchinho:

**Subject: Peregrine Diamonds Ltd.'s Amendment Request for the Nanuq Diamond  
Exploration Project Land Use Permit (LUP)**

Fisheries and Oceans Canada (DFO), Habitat Management, would like to thank the Nunavut Impact Review Board for the opportunity to provide input into the amendment and one year extension requests submitted by Peregrine Diamonds Ltd. in support of their Nanuq Diamond Exploration project.

DFO is the federal department responsible for developing and implementing policies and programs in support of Canada's scientific, ecological, social and economic interests in oceans and freshwater. DFO would like to provide the following comments on the proposal within the scope of our mandate and regulatory responsibilities.

Our review consisted of:

- *NIRB Part 1 Form: Project Proposal Information Requirements in English*
- *NIRB Part 2 Form: Project Specific Information Requirements in English*
- *Screening Decision Report, NIRB FILE NO: 08EN002, dated March 28, 2008*

It is our understanding that the proposal consists of the following key elements:

- *The movement of an existing camp to a new location approximately 1 km overland,*
- *On land drilling – equipment to include 2 diamond drills (Boart LF-70 and/or Boyles BBS25),*
- *Two fuel caches – ones at camp and one near active drill site, for combined fuel storage totals of 102,500 L diesel, 61,500 L Jet B, 1640 L Jet gasoline, and 1125 kg propane,*
- *Exploration activities including airborne and ground geophysics, surficial sediment sampling, on-ice drilling, conventional HQ-diameter core drilling and till sampling, and*
- *Consumption of water for use in camp and with drill program.*

DFO has produced a new Operational Statement titled “Mineral Exploration Activities” which can be found at the following website:

<http://www.dfo-mpo.gc.ca/region/central/habitat/os-eo/provinces-territoires-territoires/nu/os-eo24-eng.htm>

This operational statement covers activities associated with mineral exploration on land including:

- site reconnaissance,
- line cutting,
- temporary work camp operations,
- small diameter/low density drilling,
- high density drilling and/or bulk sampling (extraction of large samples of mineralized material) through large diameter drilling, pitting, trenching and surface stripping, and
- small diameter/low density drilling carried out on ice.

The Operational Statement outlines the conditions under which the Operational Statement is applicable to and also outlines measures to protect fish and fish habitat. If the proponent is able to follow the Operational Statement they do not require a DFO review. If the proponent cannot meet all of the conditions and cannot incorporate all of the measures then the project could result in the violation of the Fisheries Act and could be subject to enforcement action. In this case, it is recommended that the proponent contact the Nunavut DFO office to obtain DFO's opinion on the possible options to avoid contravention of the Fisheries Act.

I trust the information provided will be of assistance in the Nunavut Impact Review Board's review of Nanuq Diamond Exploration project. If you or the proponent have any questions concerning the above, or if my understanding of the proposal is either incorrect, incomplete, or if there are changes to the proposed work, please contact me directly by telephone at (204) 983-2632, by fax (204) 983-7983, or by e-mail at [Loriena.Melnick@dfo-mpo.gc.ca](mailto:Loriena.Melnick@dfo-mpo.gc.ca).

Yours sincerely,

Loriena Melnick  
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Fisheries and Oceans Canada – Eastern Arctic Area

Copy: Eric Kan – Fisheries and Oceans Canada  
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