

NIRB File No.: 08EN002 AANDC File No.: N2012C0028 NWB File No.: 2BE-NAN0813

December 19, 2014

The Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern Development
c/o Tracey McCaie, Manager Land Administration
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Igaluit, NU X0A 0H0

Sent via email: tracey.mccaie@aandc.gc.ca and landsmining@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening Pursuant to Section 12.4.3 of the NLCA: Peregrine Diamonds Ltd.'s "Nanuq Diamond Exploration" project, Kivalliq Region

Dear Tracey McCaie:

On December 10, 2014 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for an extension to the Land Use Permit (No. N2012C0028) associated with Peregrine Diamonds Ltd.'s (Peregrine) "Nanuq Diamond Exploration" project proposal. On December 16, 2014 the NIRB received correspondence from the Nunavut Planning Commission confirming that the extension request did not change the previous positive conformity determination (Keewatin Land Use Plan) made on November 19, 2012.

Please be advised that the original project proposal (NIRB File No.: 08EN002) was received by the NIRB from Indian and Northern Affairs Canada (INAC; now AANDC) on January 15, 2008 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On March 28, 2008 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

Additional authorization and extension requests associated with the "Nanuq Diamond Exploration" project have also been reviewed by the NIRB following the screening of the original project proposal (File No. 08EN002). A summary of the additional applications associated with NIRB File No. 08EN002 is presented in Table 1.

Table 1: Additional applications associated with NIRB File No. 08EN002

	Application			NIRB Decision	
Authorization	Date Received by NIRB	Туре	Reason for Application	Date Issued	Туре
AANDC LUP (N2007C0039)	October 21, 2009	Amendment and 1 year Extension	Include on-ice drilling component to ongoing exploration activities	November 23, 2009	Reissued March 28, 2008 SDR with additional Terms and Conditions
AANDC LUP (N2007C0039)	October 5, 2010	Extension	Continue Exploration Activities	October 6, 2010	Reissued November 23, 2009 SDR
AANDC LUP (N2007C0039)	October 13, 2011	Extension	Continue exploration activities	October 26, 2011	Reissued November 23, 2009 SDR
AANDC LUP (N2012C0028) NWB Water Licence (2BE- NAN0813)	November 21, 2012 December 5, 2012	Replace LUP (N2007C0039) Water Licence Renewal	Continue Exploration Activities on Crown Land	December 20, 2012	Reissued November 23, 2009 SDR

Notes: AANDC = Aboriginal Affairs and Northern Development Canada; Land Use Permit: LUP; NIRB= Nunavut Impact Review Board; NWB = Nunavut Water Board; SDR= Screening Decision Report

The current AANDC application, the original NIRB Screening Decision Reports (File No. 08EN002) and related file information are available from the NIRB's online public registry at the following address:

http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2008/08EN002-Peregrine%20Diamonds%20-%20Nanuq/.

## PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 08EN002), the "Nanuq Diamond Exploration" project was located within the Kivalliq region, approximately 30 kilometres (km) south of Wager Bay, and 120 km north of the hamlet of Chesterfield Inlet. The Project was also located 12 km south of the Ukkusiksalik National Park. The Proponent indicated that it intended to target diamondiferous kimberlites through exploration drilling. The proposed project was to start in May of 2008 and potentially operate until February 2010.

The activities and components associated with this proposal included:

- The movement of an existing camp to a new location approximately 1 km overland;
- Clean-up of abandoned camp location;

- Set up seasonal camp to accommodate 20 people;
- Demobilize and secure camp at the end of each field season (over winter);
- Project supported by helicopter, fixed wing aircraft and, in the spring, by snow machine;
- Existing natural-sand airstrip;
- On land drilling equipment to include 2 diamond drills (Boart LF-70 and/or Boyles BBS25);
- 2 fuel caches one at camp and one near active drill site, for combined fuel storage totals
  of 102,500 Litres (L) diesel, 61,500 L Jet B aviation fuel, 1640 L gasoline, and 1125
  kilograms propane;
- Exploration activities to include: airborne and ground geophysics, surficial sediment sampling, conventional HQ-diameter core drilling, till sampling;
- Anticipated total 2000 metres (m) drilled for core program;
- Possibility for a mini-bulk sampling program (drilling of 4000 m) to obtain up to 200 tonnes of materials, dependent upon outcome of conventional drilling program;
- Consumption of water for use in camp and with drill program;
- Production of wastes (human, solid, hazardous, chemical);
- Incineration of wastes:
- Treatment and possible recirculation of drill and grey waters;
- Backhauling and disposal of non-combustible wastes; and
- Abandonment and reclamation.

In Peregrine's October 21, 2009 application to amend it's AANDC Land Use Permit (No. N2007C0039), it indicated that it wished to include an on-ice drilling component to its previously approved project activities, as well as extend operations from April 2010 to April 2011.

In both of its October 5, 2010 and October 13, 2011 applications, Peregrine applied for one-year extensions to its AANDC Land Use Permit (No. N2007C0039) associated with the ongoing exploration project.

In the November 21, 2012 application, Peregrine applied for a new Land Use Permit (No. N2012C0028) to replace its previous permit (No. N2007C0039) with AANDC to continue exploration activities of the same scope as previously approved.

The December 5, 2012 application for a renewal of Peregrine's Type B Water Licence (No. 2BE-NAN0813) with the NWB also indicated that the scope of its continued mineral exploration activities at the Nanuq properties remains as previously screened by the NIRB.

## CURRENT APPLICATION:

Peregrine is currently applying for a one-year extension to its Land Use Permit (No. N2012C0028) with AANDC to continue mineral exploration activities at the Nanuq properties.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the extension does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3 (a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the originally issued and additional terms and conditions as recommended in the November 23, 2009 Screening Decision Report (enclosed).

If you have any questions or require additional clarification, please contact Jaida Ohokannoak, Manager Technical Administration at (867) 983-4609 or <a href="mailto:johokannoak@nirb.ca">johokannoak@nirb.ca</a>.

Sincerely,

Ryan Barry

**Executive Director** 

Ryan Barry

Nunavut Impact Review Board

cc: David Willis, Peregrine Diamonds Ltd.

Phyllis Beaulieu, Nunavut Water Board Luis Manzo, Kivalliq Inuit Association

Enclosure: NIRB Screening Decision Report, File No.: 08EN002 (November 23, 2009)