

NWB Annual Report

Year being reported: 2009 ▼

Licence No: #2BE-NAN0813 Issued Date: 18 April 2008
 Expiry Date: 31 May 2013

Project Name: Nanuq Project

Licensee: Peregrine Diamonds Ltd.

Mailing Address: 201 - 1250 Homer Street
 Vancouver, BC V6B 1C6

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

General Background Information on the Project (*optional):

A new land permit + water licence were obtained in 2008. Permit was extended for 1 additional year on 17 November 2009 + amended on 24 November 2009 to include proposed drilling-from-ice; amendment to add drilling-from-ice to water licence was submitted to NWB on 03 December 2009. Peregrine relocated tent camp to 65° 13' 34" N lat. - 91° 05' 23" W long. in spring 2008. In 2009, camp area was staked and is now part of the Nanuq claimblock. A till-sampling programme was conducted in July-August 2009.

Licence Requirements: the licensee must provide the following information in accordance with

Part B ▼ Item 2 ▼

A summary report of water use and waste disposal activities, including, but not limited to: methods of obtaining water; sewage and greywater management; drill waste management; solid and hazardous waste management.

Water Source(s):	water intake at 65° 13' 45.15" - 91° 05' 21.76"	
Water Quantity:	10.00 m ³ /day	Quantity Allowable Domestic (cu.m)
	0.39 m ³ /day	Actual Quantity Used Domestic (cu.m)
	50.00 m ³ /day	Quantity Allowable Drilling (cu.m)
	N/A	Total Quantity Used Drilling (cu.m)

Waste Management and/or Disposal

- ☒ Solid Waste Disposal
☒ Sewage
☐ Drill Waste
☒ Greywater
☒ Hazardous
☐ Other:

Additional Details:

Sewage of avg. 15.07 L/day reported to 2 outhouses. Solid waste of avg. 146.34 L/day burnt in camp dual-chamber incinerator; rest flown out, incl. total of 65L of clean ash. Greywater from water use of 0.39 m³/day reported to camp greywater sumps (kitchen + dry sumps) at 65° 13' 44.23" - 91° 05' 25.76". Three 45kg empty propane + two 10L sealed pails of UN 3077 waste shipped off site during 2009; adjusted total of this waste in litres = 108.71L.

A list of unauthorised discharges and a summary of follow-up actions taken.

Spill No.: #09-335 (as reported to the Spill Hot-line)
 Date of Spill: whilst camp closed
 Date of Notification to an Inspector: formal rpt. 10 Jul2009

Discovered leak from 2 drums (80L diesel, 15L petrol) when camp reoccupied 07 July 2009; reported to Spill Line, 08 July; formal rpt. to inspectors, 10 July. No impacts to water. Contaminated sand dug + aerated on tarps. Petrol dissipated. Diesel had begun to dissipate with aeration + was bagged in heavy plastic + rice bags, stored in diesel berm over winter. A land farm will be part of new Rankin landfill, and could become destination of dug material if not aerated on site. Alternatively, if arrangements are made with a Registered Waste Receiver in Winnipeg, material could be containerised and shipped out to Receiver.

Revisions to the Spill Contingency Plan

SCP submitted and approved - no revision required or proposed

Additional Details:

SCP was updated when amendment was sought for permit + water licence, as "Revision II", 09 November 2009.

Revisions to the Abandonment and Restoration Plan

AR plan submitted and approved - no revision required or proposed

Additional Details:

A&R Plan was updated when amendment was sought for permit + water licence, as "Revision II", 11 November 2009.

Progressive Reclamation Work Undertaken

Additional Details (i.e., work completed and future works proposed)

No major reclamation. Reclamation of leak event actively under way. Shovel-dug holes for till samples were re-covered and inspected prior to moving on to next site, as stated in the A&R Plan. The camp was cleaned up and secured prior to overall seasonal closure on 16 August 2009. Further project work is planned in 2010.

Results of the Monitoring Program including:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where sources of water are utilized;

Details described below

Additional Details:

River water intake at 65° 13' 45.15" - 91° 05' 21.76" at camp shore immediately NW of camp compound was utilised in 2009. Water use was limited and quantity is given above.

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where wastes associated with the licence are deposited;

Details described below

Additional Details:

Sewage reported to 2 camp outhouses (65° 13' 41.82" - 91° 05' 26.24") and combustible kitchen wastes were burnt in camp incinerator, with the remaining waste (e.g., clean ash) flown out for landfill disposal. Formal landfill authorisation obtained 18 August. Empty fuel drums were returned to the expeditor. Waste solids in sealed containers were shipped to expeditor for recycling to end-users in Rankin Inlet (oil filters drained + reused).

Results of any additional sampling and/or analysis that was requested by an Inspector

No additional sampling requested by an Inspector or the Board ▼

Additional Details: (date of request, analysis of results, data attached, etc)

Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

No additional sampling requested by an Inspector or the Board ▼

Additional Details: (Attached or provided below)

Any responses or follow-up actions on inspection/compliance reports

Inspection and Compliance Report received by the Licensee (Date): ▼

Additional Details: (Dates of Report, Follow-up by the Licensee)

Water + Land Inspectors visited camp 22 July 2009. Water Inspector filed rpt. same day. Land Inspector asked that cribs for tent drums be placed in lined depression. Liner material had not arrived by camp closure on 16 August. Water inspector asked for potable-water records + proof of permission to deposit waste to landfill; items were provided after visit. Water flow was measured by gradations on camp water tank + water supply chlorinated commencing in late July 2009.

Any additional comments or information for the Board to consider

Thank you for the opportunity to provide information relative to this small field programme conducted between the dates of 07 July and 16 August 2009. The programme population consisted of an avg. population of 7 people. A document with photos and a map of camp layout as of 2009 closure is included with this report.

Date Submitted:

26 January 2010

Submitted/Prepared by:

Shirley Standafer-Pfister on behalf of Peregrine Diamonds

Contact Information:**Tel:** 250-686-1769 (direct phone)**Fax:** 604-408-8881**email:** shirley@pdiam.com

GPS Co-ordinates for water sources utilised

[illegible]

GPS Locations of areas of waste disposal

[illegible]

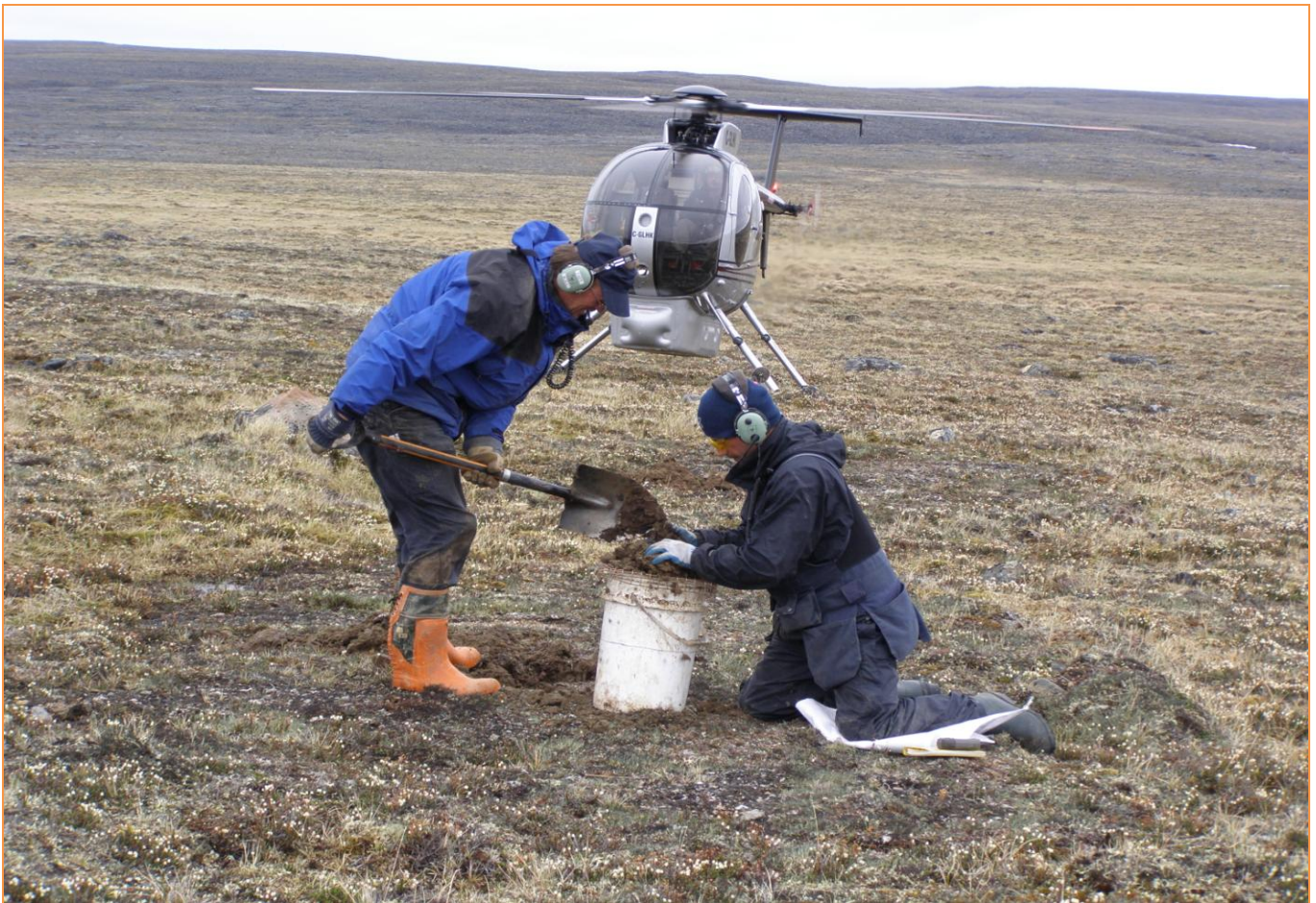
NANUQ PHOTOS AND CAMP MAP – 2009



TOP: Nanuq Camp looking north – July 2009. ABOVE: Aerial view of north end of sandy outwash plain where Nanuq Camp is located – August 2009; Lorillard River at top of photo.



TOP: Camp attendant Hugh Haqpi of Repulse Bay excavates small hydrocarbon spill on 07 July 2009. Refilled petrol drum had leaked over winter from small rupture on its side. ABOVE: Material excavated from diesel spill (when leakage occurred from a faulty bung over winter) was aerating successfully in a wooden box behind camp in late July 2009.



TOP: Looking south to Jet-B Insta-Berm and spill kit – July 2009. ABOVE: Field supervisor and Rankin Inlet technician collect and sieve a till sample on Nanuq claimblock – July 2009.

