

December 16, 2014

By ELECTRONIC MAIL

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

Dear Ms. Beaulieu:

RE: 2014 WATER USE FEE FOR 2BE-NAN0813

Peregrine Diamonds Ltd. ("Peregrine") holds Class "B" Water Use Licence 2BE-NAN1813 which expires on June 30, 2018.

Please find the following enclosed;

- 1) Annual Report for the Permit year extending from January 18, 2014 to January 17, 2015.
- 2) Annual advance fee calculation for the permit year extending from January 18, 2014 to January 17, 2015. The annual fee is \$219.00 however due to a \$54.00 credit on the account the actual charge will be \$165.00 for 60m³ per day.

Peregrine will pay the annual advance fee by credit card, the details for which will be called into your office Corporate MasterCard account. I will call you with the details.

If you require further details please do not hesitate to contact me directly at (604) 608-4524 or by email at dave@pdiam.com.

Yours truly,

PEREGRINE DIAMONDS LTD.

David Willis - Land Administrator

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NWB Annua	l Report	Year being reported: 2014 ▼				
License No:	2BE-NAN1318	Issued Date: January 18, 2013 Expiry Date: June 30, 2018				
	Project Name:	Nanuq Project				
	Licensee: Peregrine Diamonds Ltd.					
	Mailing Address:	Suite 201 - 1250 Homer Street Vancouver, British Columbia V6B 1C6				
		filing Annual Report (if different from Name of Licensee please clarify e two entities, if applicable):				
	Peregrine Dlamond	is Ltd.				
General Bac	kground Information	on the Project (*optional):				
	Project Initiated in 2 NWB2-NAN0305	2003. Previous permits are; 2BE-NAN0608, 2BE-NAN0813,				
Licence Req with		see must provide the following information in accodance				
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 Quantity:	Lorillard River 10/day				
	Waste Management Solid Waste Disp Sewage Drill Waste Greywater Hazardous					

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

Spill No.: Date of Spill:		s reported to the Spill I	Hot-line)	
Date of Notifi	cation to an Inspector: tails: (impacts to water, mitig	None gation measures, short/long	term monitoring, etc)	
No Spills				
Revisions to the Spill Cor	tingency Plan			
SCP submitted a	nd approved - no revision re-	quired or proposed		•
Additional De	tails:			
No Revision	S			
Revisions to the Abandor	ment and Restoration	Plan		
AR plan submitt	ed and approved - no revisio	n required or proposed		•
Additional De	tails:			
No Revision	S			
Progressive Reclamation	Work Undertaken			
Additional De	tails (i.e., work complete	ed and future works pr	oposed)	
	tion work undertaken ir o ensure compliance.	n 2014. Camp was ins	pected by Peregrine	
Results of the Monitoring	Program including:			
	ordinates (in degrees n where sources of wa (N/A)		ds of latitude and lon	gitude) of ▼
Additional De	tails:			
No water u	sed in 2014			
each locatio	ordinates (in degrees n where wastes assoc			gitude) of
Not Applicable	(N/A)			
Additional De	tails:			
No waste g	enerated in 2014			

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)				
	No additional sampling				
Any other de	tails on water use or waste disposal requested by the Board by November 1 of the year				
being reporte					
	No additional sampling requested by an Inspector or the Board				
	Additional Details: (Attached or provided below)				
	No other details				
Any rospons	es or follow-up actions on inspection/compliance reports				
Ally respons	No inspection and/or compliance report issued by INAC				
	Additional Details: (Dates of Report, Follow-up by the Licensee)				
[Unknown if inspection doneno documents have been received from inspector				
	onknown in inspection done documents have been received from inspector				
l					
Any addition	al comments or information for the Board to consider				
	Camp was not opened nor was any drillng undertaken in 2014. Only a single day of helicotper based hand samping and prospecting was undertaken from Rankin Inlet.				
Date Submitt Submitted/Pr Contact Infor	epared by: David Willis				