

DE BEERS GROUP

February 07, 2022

By Electronic Mail

Ms. Sarah Forte, Water Management
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Mr. Richard Dwyer, Licencing
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Mr. Karén Kharatyan, Manager of Technical
Services
NWB – Licencing Department
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Dear Mr. Dwyer, Ms. Forte, Mr. Kharatyan:

RE: NANUQ PROJECT – 2BE-NAN1823 ANNUAL WATER USE – CALENDAR YEAR 2021

In September 2018, Peregrine Diamonds Ltd. (Peregrine) was purchased by De Beers Canada Inc. (De Beers). Peregrine is now a wholly owned subsidiary of De Beers.

Peregrine currently holds water use licence 2BE-NAN1823. The annual water use fee for this water use licence is \$219.00 based upon fees set out in Section 12(1)(b) of the Nunavut Waters Regulations (SOR/2016-69).

Maximum water allocation = 60 m³ per day
Total days in the year = 365
Charge per cubic meter = \$0.01 per m³
Total annual fee: \$219.00 (60m³ x 365 days x \$0.01 per m³)

No field work was undertaken in 2021. Only one camp (Nanuq Camp) is located on the project. No fuel is stored at the camp or cached at the project.

De Beers Canada inc.

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The last field program undertaken on the Nanuq Project was a partial demobilization of the Nanuq Camp in 2016, the last exploration program was a one-day sampling program in 2014 and the last significant exploration program was during the summer to 2011.

The annual water use report for calendar year 2021 is attached.

No field programs are anticipated for 2022.

If you have any questions on this matter please do not hesitate to contact me at (604) 836-3284.

Yours truly,

DE BEERS CANADA INC. FOR PEREGRINE DIAMONDS LTD.



David Willis – De Beers Group