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SUPPLEMENT #4

**REMEDIATION QUOTE FOR NANUQ PROJECT PERMANENT CLOSURE
(IF CLOSURE WERE REQUIRED IN 2013)**



Thursday, 20 September 2012

Shirley Standafer-Pfister, Peregrine Diamonds Ltd.
Email: Shirley@pdiam.com

As requested, here is a cost estimate to remediate **Nanuq Camp**. This is assuming all drills and heavy equipment and most of the drum fuel are off site. Site should be cleaned in summer and removed from strip in summer.

Helicopter	\$10,000.00
Fuel: assume 5 Jet-B left on site to use in heli	
Twin Otter (7 trips)	\$35,000.00
Crew 7 days @ \$1700/day	\$11,900.00
Crew travel	\$ 6,000.00
Crew accomm. and meals	\$ 2,500.00
Grocery costs	\$ 1,500.00
Communication	\$ 1,500.00
Misc Supplies	\$ 1,500.00
Total	\$69,900.00

Shirley, this is a rough quote, but it should cover most of the circumstances of remediation.

Malcolm McLean
Vice President
Discovery Mining Services Ltd.

WATER AND SOIL SAMPLING ESTIMATES AT CLOSURE **(EBA ENGINEERING LTD. AND ALS ENVIRONMENTAL LABORATORY)**

(Note: Estimates are based on prices likely to be in effect in 2013)

1) Water Quality Sampling - Nanuq Camp:

Estimates 3 sites (1 at camp + 2 downstream) plus 1 duplicate + 1 field blank + 1 travel blank = 6 grab samples.

Cost for analysis (parameters under existing licence) at \$305 each: \$ 1,830.00

2) Water Sampling - Drill Sites:

Estimates 2 drillsites, if required (2 samples) plus 1 duplicate = 2 grab samples.

Cost for analysis (BTEX + F1-F4) at \$200 each: \$ 400.00

3) Water Sampling - Potable: (spot-check of camp if operating for several-day period)

Estimates 7 sample locations = 7 microbiological samples

(incl. 1 duplicate + 1 field blank + 1 travel blank)

Cost for analysis (faecals, total coliforms, *E. coli*) at \$200 each \$ 1,400.00

4) Soil Sampling - Camps:

Estimates 4 locations at camp, if required (4 samples) + 1 duplicate = 5 soil grab samples.

Cost for analysis (BTEX + F1-F4) at \$200 each: \$ 1,000.00

5) Shipment of coolers (Canadian North or First Air):

\$ 500.00

6) EBA Engineering - Sample Collection/Review Analytical Results/Reports

Estimated airfare (to/from EBA office, Yellowknife, NT) = \$2000 round-trip: \$ 2,000.00

Estimated hotel + meals travelling to/from Rankin Inlet, NU = \$350 x 1 day: \$ 350.00

Fee: 1 intermed. scientist for 24 hrs. (2 12-hr. days) total at chargeout of \$160/hr. (incl. 4% markup) \$ 3,840.00

(Note: Time estimate allows for shovel excavation of 2 minor spill sites (if encountered),

re-covering/ recontouring with clean material nearby + documenting photos.)

Estimated 1/2 day assistance from Discovery Mining Services (DMS)

Crew cost of \$1700/day x 50% of day (for expediting, logistics, any manifests, etc.): \$ 850.00

Room/board at camp for 1 day (contingency)

Cost estimated at \$200/person x 1 scientist/sampler for 1 day: \$ 400.00

Estimated EBA equipment-rental charge: \$ 750.00

7) Helicopter cost estimate - wet (same figure as used by DMS) :

\$ 4,000.00

Cost from camp to 2 water-sampling sites + 2 drillsites, minor holding time/location (total = 4 hrs.):

8) Fixed-wing cost estimate (same figure as used by DMS) :

Cost of passage via Unaalik (Rankin/Nanuq) charter, 50% of DMS flight to/from Nanuq Camp: \$ 5,000.00

TOTAL:

\$ 22,320.00

ASSUMPTION 1: Quote assumes camp is operational by DMS, to allow overnighing at camp (room/board) for 1 day (contingency).

ASSUMPTION 2: Quote assumes availability to share fixed-wing space with Discovery Mining Services.

ASSUMPTION 3: Estimate assumes no more than 2 12-hr. Days are devoted to sampling event.

EST. GRAND TOTAL, ALL REMEDIAL: = \$69,900 + \$22,320 = \$92,220