



February 8, 2018

Ms. Sarah Forte, Water Management Coordinator
INAC – Water Resources
969 Qimugjuk Building
Iqaluit , Nunavut X0A 0H0

Mr. Richard Dwyer, Licencing Administrator
NWB – Licencing Department
PO Box 119
Gjoa Haven, NU X0B 1J0

Dear Ms. Forte & Mr. Dwyer:

RE: NANUQ PROJECT – 2BE-NQN1521 ANNUAL WATER USE FEE – CALENDAR YEAR 2017

Peregrine Diamonds Ltd. (“Peregrine”) currently holds water use licence 2BE-NQN1521. 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 = 58 m³ per day

Total days in the year = 365

Charge per cubic meter = \$0.01 per m³

Total annual fee: \$211.70 (58m³ x 365 days x \$0.01 per m³)

Peregrine would like to pay the annual water use fee for calendar year 2017. Please call me at your earliest convenience in order to complete the transaction by credit card. My direct line is (604) 608-4524.

The annual water use report for calendar year 2017 is attached.

Yours truly,

PEREGRINE DIAMONDS LTD.

David Willis – Manager, Lands & Community