

2BE-NQN0914/2BE-NQN1521

PEREGRINE
DIAMONDS LTD.

October 6, 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: Annual Water Use Report Water Use Fee and Renewal Fee

Peregrine Diamonds Ltd. currently hold type B water use Licence 2BE-NQN0914 which was issued on June 18, 2009 and expires on October 31, 2014. Peregrine intends to renew this permit as its work on the Nanuq North Project will continue into the foreseeable future.

Please find enclosed the following:

- Annual Water Use Report for 2BE-NQN0914
- Annual Water Use Payment for June 18, 2014 to October 31, 2014 (\$78.88)
- Renewal Fee for 2BE-NQN0914 (\$30.00)

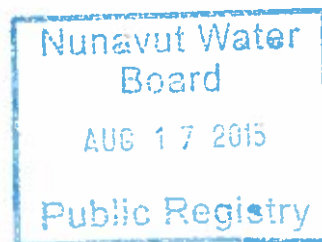
The total fees amounting to \$108.88 will be paid by credit card, the number of which will be submitted by telephone concurrent with this letter.

If you have any questions please do not hesitate to contact me at (604) 608-4524 or by email at dave@pdiam.com.

Yours truly,

PEREGRINE DIAMONDS LTD.

David Willis
Land Administrator



NWB2(insert)

NWB Annual Report

Year being reported: 2014

License No: 2BE-NQN0914

Issued Date: June 18, 2009

Expiry Date: October 31, 2014

Project Name: Nanuq North

Licensee: Peregrine Diamonds Ltd.

Mailing Address:

Unit 201 - 1250 Homer Street
Vancouver, British Columbia
V6B 1C6

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

Peregrine Diamonds Ltd. - Programme Operator

General Background Information on the Project (optional):

Nanuq North Project consists of 51 mineral claims with an aggregate area of 33,057.93 hectares. Commodity sought on the claims is diamonds.

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

Part B Item 2

As a condition of the licence, the licensee must provide the following information in accordance with the licence requirements:

Water Source(s):
Water Quantity:

Local Water Source

8	Quantity Allowable Domestic (cu.m)
0	Actual Quantity Used Domestic (cu.m)
50	Quantity Allowable Drilling (cu.m)
0	Total Quantity Used Drilling (cu.m)

Waste Management and/or Disposal

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

Additional Details:

No field work was conducted on the Nanuq North Project in 2014

Spill No.: None (as reported to the Spill Hot-line)

NWB2(Insert)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc)

Additional Details:

Additional Details:

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

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

Additional Details:

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

Additional Details:

NWB2(insert)

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 field work was conducted in 2014

Any additional sampling requested by an Inspector or the Board must be requested by the licensee and not the Inspector.

No additional sampling requested by an Inspector or the Board

Additional Details: (Attached or provided below)

No field work was conducted in 2014

Any additional sampling requested by an Inspector or the Board must be requested by the licensee and not the Inspector.

No inspection report issued by INAC

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

No field work conducted in 2014

Any additional sampling requested by an Inspector or the Board must be requested by the licensee and not the Inspector.

A field program was planned for 2014 but uncertainties about the Draft Nunavut Land Use Plan stopped the field program. Field work is anticipated in 2015.

Date Submitted:

October 6, 2014

Submitted/Prepared by:

David Willis

Contact Information:**Tel:**

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604-408-8881

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dave@pdiamond.com