

January 2, 2020

Mr Derek Donald, Technical Advisor NWB – Licencing Department PO Box 119 Gjoa Haven, NU XOB 1JO

Email: <u>Derek.Donald@nwb-oen.ca</u>

Mr. Richard Dwyer, Licencing Administrator NWB – Licencing Department PO Box 119 Gjoa Haven, NU XOB 1JO Email: Richard.Dwyer@nwb-oen.ca

Ms. Sarah Forte, Water Management Coordinator INAC – Water Resources 969 Qimugjuk Building Iqaluit , Nunavut XOA OHO Email: Sarah.Forte@canada.ca

Dear Mr. Donald, Mr. Dwyer & Ms. Forte;

RE: NANUQ NORTH PROJECT - 2BE-NQN1521 ANNUAL WATER USE - CALENDAR 2019

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

Peregrine currently holds water use licence 2BE-NQN1521. The licence commenced March 31, 2015 and expires March 30, 2021. The annual water use fee for this water 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 = $58 \text{ m}^3 \text{ per day}$ Total days in the year = 365Charge per cubic meter = $$0.01 \text{ per m}^3$ Total annual fee: $$211.70 (58\text{m}^3 \text{ x } 365 \text{ days x } $0.01 \text{ per m}^3)$

Peregrine paid the 2019 annual water use fee and the 2020 water use fee by credit card on December 4, 2019. The CIRNAC receipt number is 11242.

No field work was undertaken in 2019. No camps or fuel caches are located on the Project. The last field program undertaken on the Nanuq North Project was in the summer of 2011.

DE BEERS CANADA INC



The annual water use report for calendar year 2019 is attached.

If you have any any question son this matter please do not hesitate to contact me at $(403)\ 930-0991\ (ext.\ 2711)$

Yours truly,

DE BEERS CANADA INC. FOR PEREGRINE DIAMONDS LTD.

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David Willis - Environment and Community Coordinator