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Abandonment and Restoration Plan Nanuq North Project

Kivalliq Region, Nunavut

Peregrine Diamonds Ltd.

October 15, 2014

Nanuq North Project Abandonment and Restoration Program October 15, 2014

CAMP LOCATION

The Nanuq North camp is located on unnamed 1:50,000 scale National Topographic Map 56G-06. The coordinates for the camp are as follows:

Latitude: 65° 23' 43.5" **Longitude:** -91° 12' 54.8"

This location is approximately 300 kilometers at heading 7.45 degrees (north-northeast) of the Kivalliq Regional Centre of Rankin Inlet.

CAMP - SEASONAL SHUTDOWN

Buildings and Contents

Buildings and Contents will be dismantled and the canvas tents will be removed from site for dryings and storage. Wood structures (generator and pacto toilet shacks) and wood doors will be kept secured. Wooden bed frames will be turned upside down and secured to the wooded floors for over winter storage. The generator will be removed form site for servicing and storage

Water System

Pumps and Hoses will be drained and dismantled. Pumps and Hoses will be removed from the site for servicing and storage.

Fuel Storage

All fuel caches will be removed and drums will be located at the camp. An inventory and inspection of all fuel drums will be completed and empty fuel drums will be removed form site. Partially full fuel drums will be kept to a minimum and placed on an angle to ensure that snow and water do not enter the drum and no leakage from the drum occurs. Fuel drums will be stored on their sides.

Domestic Chemicals

No domestic chemicals (cleaners etc.) will be stored on site over winter. AL chemicals including cleaning products will be removed form site for storage and/or disposal.

Waste

All combustible waste will be incinerated. Non-combustible was will be packaged and flown out to an appropriate disposal facility.

Domestic Grey Water sump will be inspected and covered securely for the winter. Stakes will be placed around the sump so that it is easily identifiable when the camp is opened up again each year.

Sewage will be contained in pacto toilets. Bags containing waste will be incinerated and the ashes removed from the site.

CAMP – FINAL ABANDONMENT AND RESTORATION

Buildings and Contents

All buildings will be dismantled and removed. All wooden structures, including floors, will either be burned or removed.

Equipment

All equipment, including pumps, will be dismantled and removed from the project area.

Fuel Caches and Chemical Storage

All fuel drums will be removed. Al areas where there have been fuel caches will be thoroughly inspected. Any contamination will be cleaned up as well as any debris removed. If there are instances of contaminated soil will be handled as per the Spill Contingency Plan.

Sumps

The grey water sump will be inspected to ensure there is no leaching or run-off. It will be backfilled and leveled as required.

DRILLS SITES - SEASONAL AND FINAL

The drill site will be dismantled into its main components as per the drill contractor's procedures, packaged and secured along with equipment and rods. The drill will be flown out by the drilling contractor or as the contract describes.

All drill sites will be inspected for soil contamination. Any remaining waste will be taken to camp to be burned if possible or to be flown out to an approved disposal location. Natural depressions used as sumps will be inspected.

Drill sites will be subject to progressive reclamation. As much as possible drill sites will be restored immediately after the drill has been moved to the next site.

CONTAMINATION CLEAN-UP

No contamination is anticipated however should this occur any contamination will be treated as per the Nanuq North Spill Contingency Plan.