



February 2, 2018

BY ELECTRONIC MAIL

Ms. Jaida Ohokannoak, Manager, Technical Administration
Nunavut Impact Review Board
29 Mitik Street
P.O. Box 1360
Cambridge Bay, Nu X0B 0C0

Dear Ms. Ohokannoak:

RE: REPORT FOR 2017 – NANUQ PROJECT – NIRB FILE #08EN002 & 03EN099

Peregrine Diamonds Ltd. (“Peregrine”) holds AANDC class “A” land use permit N2012C0028. This permit authorizes land use activities at Peregrine’s Nanuq Project located 280 kilometres north-northeast of Rankin Inlet on 250K NTS map 56G. The permit was issued May 28th, 2013 and expires on June 13th, 2018. Peregrine also holds water use permit 2BE-NAN1318 which expires on June 30, 2018.

Critical Coordinates

Table 1 is a list of critical coordinates for the Nanuq Project.

Table 1: Critical Coordinates for the Nanuq Project

#	Location	Longitude (x) (WGS84)	Latitude (y) (WGS84)	50K NTS	Activity
1.	Nanuq Camp	-91° 05' 26”	65° 13' 43”	56G03	<ul style="list-style-type: none">• Camp partially demobilized in 2016
2.	Wooden Timbers	-91° 04' 34”	65° 13' 01”	56G03	<ul style="list-style-type: none">• Large wooden drill timbers

Field Work 2017

No field work was undertaken in 2017.

Fuel

On October 11, 2017 Peregrine received a phone call from RMO Christine Wilson from Rankin Inlet. In the telephone call RMO Wilson informed Peregrine of two (2) fuel drums observed on the sand airstrip approximately 1.5 kilometers southeast of the Nanuq Camp. Peregrine’s flight contractor



Ookpik Aviation had advised Peregrine that all the drums (full and empty) had been picked up at the completion of the partial demobilization program in 2016. Peregrine cannot confirm that it owns the drums but will investigate in 2018.

Photos



Nanuq Camp 2017



Two Fuel Drums on Sand Airstrip 2017

Other

To date Peregrine has spent approximately \$11,000,000 exploring the Nanuq mineral claims. All exploration activities on the Nanuq Project were suspended by Peregrine as the draft Nunavut Land Use Plan has designated much of the project area as prohibited to mining and exploration. This uncertainty needs to be *clearly resolved* prior to the commencement of future activities. Until such time Peregrine will, in good faith, maintain its existing land and water use permits.

If you have any questions on these items or require additional information please do not hesitate to contact me at (604) 608-4524.

Yours truly,

PEREGRINE DIAMONDS LTD.

David Willis – Manager Lands & Community