



NIRB File No.: 09EN011

AANDC File Nos.: N2009C0005, N2012C0026

NWB File No.: 2BE-NQN0914

July 17, 2013

The Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern Development
c/o Jeff Mercer, Manager, Land Administration
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Iqaluit, NU X0A 0H0

Via email: jeff.mercer@aandc.gc.ca, landsmining@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Peregrine Diamonds Ltd.'s "Nanuq North" Project, Kivalliq Region

Dear Jeff Mercer:

On April 17, 2013 the Nunavut Impact Review Board (NIRB or Board) received a positive conformity determination (Keewatin Regional Land Use Plan) from the Nunavut Planning Commission (NPC) for Peregrine Diamonds Ltd.'s (formerly Indicator Minerals Inc.) "Nanuq North" project. On May 10, 2013 the NIRB received a referral for screening for the aforementioned project from Aboriginal Affairs and Northern Development Canada (AANDC) for a new Land Use Permit (LUP) application for the "Nanuq North" project.

Please be advised that the original project proposal (NIRB File No.: 09EN011) was received by the NIRB from the NPC on March 4, 2009 and was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On April 28, 2009 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of Indian and Northern Affairs Canada (INAC, now AANDC) which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

On May 29, 2009 the NIRB received an application for an amendment request from INAC to the LUP N2009C0005 for the above mentioned project. After a thorough assessment of the amendment request and comments received, in accordance with Section 1.2.4.3 of the NLCA, the Board determined that the amendment request would result in a change to the original scope of the project. Therefore, on July 13, 2009 the NIRB re-issued the recommended project-specific terms and conditions contained within the April 29, 2009 Screening Decision Report, in addition to new terms and conditions issued as per Section 12.4.4(a) of the NLCA.

The NIRB received an application from INAC on March 28, 2011 for an extension to INAC LUP N2009C0005. After a thorough assessment of the extension request, the NIRB determined that the application was exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and reissued the enclosed Screening Decision Report on July 13, 2009.

The current AANDC application, the original NIRB Screening Decision Report (File No.: 09EN011) and related file information are available from the NIRB's online public registry at the following location:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2009/09EN011-Indicator%20Minerals%20Inc%20-%20Nanuq%20North/>.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No.: 09EN011), the "Nanuq North" project was located within the Kivalliq region, approximately 230 kilometres (km) southwest of the community of Repulse Bay and 250 km north of Chesterfield Inlet. Project activities were planned to occur just south of Wager Bay, adjacent to the southern border of Ukkusiksalik National Park on claims within the Nanuq North property. The Proponent indicated that it intended to conduct a diamond exploration program.

The activities and components associated with the previously screened proposal included:

- Diamond exploration; including prospecting, mapping, ground geophysics and delineation drilling (land);
- Use of a small lake in the Nanuq North property for drilling purposes;
- Temporary fuel caches in the field to support exploration activities;
- Community consultations in 2009 in Baker Lake, Rankin Inlet, Repulse Bay and Chesterfield Inlet;
- Use of Peregrine Diamonds Ltd.'s Nanuq camp; and
- Use of Peregrine Diamonds Ltd.'s airstrip.

The activities and components associated with the previous May 29, 2009 amendment application to LUP N2009C0005 included:

- Establishment of a remote camp for approximately 10 personnel including installation and seasonal shutdown of camp structures and facilities;
- Fuel caching of no more than:
 - 50 drums of diesel
 - 100 drums of jet fuel
 - 5 drums of gasoline
 - 25 propane tanks
- Incineration of wastes;
- Camp operations including the use of an esker airstrip near the camp; and
- Project activities conducted between August 2009 and September 2009, continuing from May to October between 2010 and 2013.

The activities and components associated with the previous March 28, 2011 extension application to LUP N2009C0005 included:

- A 1,020 metre drilling program during spring 2010 and a small till sampling program in August 2010.
- Indicator had no plans to conduct exploratory work on the Nanuq North Property during the 2011 exploration season, although future work was not ruled out.

CURRENT APPLICATION:

Peregrine Diamonds Ltd. is proposing to continue exploratory drilling activities and temporary camp activities at the “Nanuq North” project with a new AANDC LUP application (N2012C0026).

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

(a) such component or activity was not part of the original project proposal; or

(b) its inclusion would significantly modify the project.”

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed new LUP application does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening pursuant to Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the July 13, 2009 Screening Decision Report (enclosed).

If you have any questions or require additional clarification, please contact Catherine Braun Rodriguez, Technical Advisor, at (867) 983-4607 or crodriguez@nirb.ca.

Sincerely,



Ryan Barry
Executive Director
Nunavut Impact Review Board

cc: David Willis, Peregrine Diamonds Ltd.
Tracey McCaie, Aboriginal Affairs and Northern Development Canada
Phyllis Beaulieu, Nunavut Water Board
Luis Manzo, Kivalliq Inuit Association

Enclosure: NIRB Screening Decision Report, File No.: 09EN011 (July 13, 2009)