



**Mackenzie Valley Land and Water Board**

7th Floor - 4910 50th Avenue • P.O. Box 2130  
YELLOWKNIFE, NT X1A 2P6  
Phone (867) 669-0506 • FAX (867) 873-6610

February 12, 2009

File: MV2004C0001

Ms. Shirley Standafer-Pfister  
Manager  
Regulatory and Environmental Affairs  
Peregrine Diamonds Ltd.  
201 - 1250 Homer Street  
VANCOUVER BC V6B 1C6

Fax: (604) 408-8881

Dear Ms. Standafer-Pfister:

**Land Use Permit Extension Request Approval**

Thank you for your letter of January 12, 2009 requesting a two-year extension on the land use permit located at Lac de Gras West. The Mackenzie Valley Land and Water Board hereby extends Land Use Permit MV2004C0001 to February 25, 2011.

If you have any questions, please telephone (867) 669-0506 or email [permits@mvlwb.com](mailto:permits@mvlwb.com).

Yours sincerely,

A handwritten signature in black ink, appearing to read "W. Hagen".

Willard Hagen  
Chair

Copied to: Darnell McCurdy, District Manager, South Mackenzie District, INAC  
Tyree Mullaney, Regulatory Officer, MVLWB



**Land Use Permit Extension  
February 12, 2009**

Permit Class	Permit No	Amendment No
A	MV2004C0001	

Subject to the Mackenzie Valley Land Use Regulations and the terms and conditions in this Permit, authority is hereby granted to:

Peregrine Holdings Ltd.

Permittee

to proceed with the land use operation described in application of:

Signature: Max Braden	Date: January 2, 2004
Type of land use operation: Mining exploration	
Location: Lac de Gras, Mackay Lake, and Thonokied Lake areas	

This Permit may be assigned, extended, discontinued, suspended, or cancelled pursuant to the Mackenzie Valley Land Use Regulations.

Dated at Yellowknife this 12<sup>th</sup> day of February, 2009

Signature Chair

Signature Witness

Commencement date  
February 26, 2004

Expiry date  
February 25, 2011

**NOTE**

It is a condition of this Permit that the Permittee comply with any other applicable act, regulation, ordinance, by-law, or order. Default hereof may result in suspension or cancellation of this Permit.

## Conditions Annexed to and Forming Part of Land Use Permit #MV2009X0002

### Part A: Scope of Permit

1. This Permit entitles Deton'Cho Corporation to conduct the following activities:  

Diamond drilling and drill moves with a dozer at the Deton'Cho Training Center, located just off the Dettah access road at: 62° 27' 20.18" N, 114° 18' 12.96" W.
2. The Permit is issued subject to the conditions contained herein with respect to the use of land for the activities and area identified in Part A, Item 1 of this Permit.
3. Compliance with the terms and conditions of this Permit does not absolve the Permittee from responsibility for compliance with the requirements of all applicable federal, territorial and municipal legislation.

### Part B: Definitions

**"Act"** means the *Mackenzie Valley Resource Management Act*.

**"Artesian Aquifer"** means a water-bearing stratum, which when encountered during drilling operations, produces a pressurized flow of groundwater that reaches an elevation above the ground surface.

**"Board"** means the Mackenzie Valley Land and Water Board established under Part 4 of the *Mackenzie Valley Resource Management Act*.

**"Drill Waste"** means all materials or chemicals, solid or liquid, associated with the drilling of boreholes and includes borehole cuttings.

**"Inspector"** means an Inspector designated by the Minister under the *Mackenzie Valley Resource Management Act*.

**"Sump"** means a man-made pit, trench, hollow, or cavity in the earth's surface used for the purpose of depositing waste material therein.

### Part C: Conditions Applying to All Activities (the headings correspond to subsection 26 of the Mackenzie Valley Land Use Regulations)

#### 26(1)(a) Location and area

1. The Permittee shall not conduct this land use operation on any lands not designated in the accepted application. PLANS

#### 26(1)(b) Time

2. The Permittee shall advise an Inspector at least ten days prior to the completion of the land use operation of: REPORTS  
BEFORE  
REMOVAL
  - a) The plan for removal or storage of equipment and materials; and
  - b) When final clean-up and restoration of the land used will be completed.

- |    |                                                                                                                                                                   |                   |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 3. | The Permittee shall provide in writing to the Board and Inspector, at least 48 hours prior to commencement of this land use operation, the following information: | IDENTIFY<br>AGENT |
|    | a) Name of person, or persons, in charge of the field operation to whom notices, orders, and reports may be served;                                               |                   |
|    | b) Alternates; and                                                                                                                                                |                   |
|    | c) All methods for contacting the above person(s).                                                                                                                |                   |

**26(1)(c) Type and size of equipment**

- |    |                                                                                                                                                                                    |                               |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| 4. | The Permittee shall not use any equipment except of the type, size, and number that is listed in the accepted application, unless otherwise authorized in writing by an Inspector. | ONLY<br>APPROVED<br>EQUIPMENT |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|

**26(1)(d) Methods and techniques**

- |    |                                                                                                                           |                                            |
|----|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|
| 5. | The Permittee shall remove or cut off and seal all drill casings at ground level immediately upon completion of drilling. | REMOVAL AND<br>SEALING OF<br>DRILL CASINGS |
|----|---------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|

**26(1)(e) Type, location, capacity, and operation of all facilities**

- |    |                                                                                                                                                                 |                     |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|
| 6. | The Permittee shall not locate any Sump within 100 m of the ordinary high water mark of any water body, unless otherwise authorized in writing by an Inspector. | SUMPS FROM<br>WATER |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|

- |    |                                                                               |                    |
|----|-------------------------------------------------------------------------------|--------------------|
| 7. | The Permittee shall ensure that the land use area is kept clean at all times. | CLEAN WORK<br>AREA |
|----|-------------------------------------------------------------------------------|--------------------|

**26(1)(f) Control or prevention of ponding of water, flooding, erosion, slides, and subsidence of land**

- |    |                                                                                                                                                                             |                        |
|----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| 8. | a) The Permittee shall, where flowing water from bore holes is encountered, plug the bore hole in such a manner as to permanently prevent any further outflow of water; and | PLUG ARTESIAN<br>WELLS |
|    | b) Immediately report the artesian occurrence to the Inspector.                                                                                                             |                        |

**26(1)(g) Use, storage, handling, and ultimate disposal of any chemical or toxic material**

- |    |                                                                                                                                       |                          |
|----|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 9. | The Permittee shall not use chemicals in connection with the land use operation that were not identified in the accepted application. | APPROVAL OF<br>CHEMICALS |
|----|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------|

- |     |                                                                                          |             |
|-----|------------------------------------------------------------------------------------------|-------------|
| 10. | The Permittee shall deposit all non-toxic Drill Waste into a natural depression or Sump. | DRILL WASTE |
|-----|------------------------------------------------------------------------------------------|-------------|

- |     |                                                                                     |                                |
|-----|-------------------------------------------------------------------------------------|--------------------------------|
| 11. | The Permittee shall dispose of all combustible waste petroleum products by removal. | WASTE<br>PETROLEUM<br>DISPOSAL |
|-----|-------------------------------------------------------------------------------------|--------------------------------|

12. The Permittee shall report all spills immediately to the 24-hour Spill Report Line (867) 920-8130, in accordance with instructions contained in "Spill Report" form NU/N.W.T.	REPORT CHEMICAL AND PETROLEUM SPILLS
<b>26(1)(h) Wildlife and fish habitat</b>	
<b>26(1)(i) Storage, handling, and disposal of refuse or Sewage</b>	
13. The Permittee shall dispose of all sewage and graywater as proposed in the accepted application.	SEWAGE DISPOSAL
14. The Permittee shall remove all garbage and debris from the land use area to a disposal site as specified in the accepted application.	SEWAGE IN SUMP
<b>26(1)(j) Protection of historical, archaeological, and burial sites</b>	
<b>26(1)(k) Objects and places of recreational, scenic, and ecological value</b>	
<b>26(1)(l) Security deposit</b>	
15. All costs to remediate the area under this Permit are the responsibility of the Permittee.	RESPONSIBILITY FOR REMEDIAION COSTS
<b>26(1)(m) Fuel storage</b>	
16. The Permittee shall not place any fuel storage containers within 100 m of the normal high water mark of any water body, unless otherwise authorized in writing by an Inspector.	FUEL BY STREAM
17. The Permittee shall seal all container outlets except the outlet currently in use.	SEAL OUTLET
18. The Permittee shall mark all fuel containers, including 205-L drums, with the Permittee's name and permit number.	MARK CONTAINERS
19. The Permittee shall ensure that adequate contingency plans and spill kits are in place, prior to commencement of operations, to respond to any potential spills.	SPILL RESPONSE
<b>26(1)(n) Methods and techniques for debris and brush removal</b>	
<b>26(1)(o) Restoration of the lands</b>	
20. The Permittee shall complete all clean-up and restoration of the lands used prior to the expiry date of this Permit.	CLEAN-UP
21. The Permittee shall backfill and restore all Sumps prior to the expiry date of this Permit.	BACKFILL SUMPS

**26(1)(p) Display of permits and permit numbers**

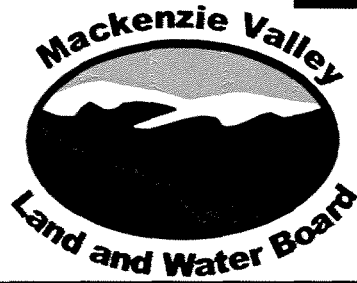
22. The Permittee shall keep on hand, at all times during this land use operation, a copy of the Permit.

COPY OF  
PERMIT

**26(1)(q) Matters not inconsistent with the regulations**

23. The Permittee shall ensure that all persons working under the authority of the Permit are aware of and will adhere to the conditions as stated in the Permit.

NOTIFICATION  
TO ALL  
EMPLOYEES/  
CONTRACTORS



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FILE NUMBER: MV2004C0001

Date: February 13, 2009

To: Ms Shirley Standafer-Pfister, Manager, Reg & Environ Affairs

Organization: Peregrine Diamonds

Fax Number: (604) 408-8881

Copied To: \_\_\_\_\_

From: Janna for Tyree Mullaney, Regulatory Officer

Number of pages including cover 7

**Remarks:**

**Approval of Land Use Permit MV2004C0001 Extension Request.**

**Attached are: Approval letter  
 Permit Cover  
 Conditions**

- Enclosures
- For your information
- For your comment
- For your action
- For your approval

<u>Delivered by</u>	<u>Date</u>
<input type="checkbox"/> Mail	_____
<input checked="" type="checkbox"/> Email/Fax	<u>Feb 13/09</u>
<input type="checkbox"/> Hand Delivered	_____
Sent by:	<u>JW</u>


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