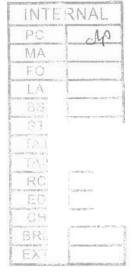
March 31, 2004

Ms. Phyllis Beaulieu Licensing Administrator Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0A 1J0

Dear Ms. Beaulieu:





Project No.: CAM-2 (3.6)

RE: 2003 Annual Report for Water Use License #NWB5GLA0308

UMA Engineering Ltd. is submitting the following annual report as per the requirements of Part B.1 of the above noted water use license. The report is being submitted on behalf of Defence Construction Canada and the Department of National Defence.

The following is a summary of the work completed at the CAM-2 site in 2003:

- The construction camp was set up.
- Berm construction at the Non-Hazardous Waste Landfill was started.
- The key trench at the Tier II Soil Disposal Facility was excavated.
- The regrading and reshaping at the USAF Landfill was completed.

The work plan for 2004 will be to continue with the clean up activities as described in the project description.

A sewage lagoon was constructed late in August 2003 to support the construction cam, as per the specifications included in the water use licence application. Due to the coarse-grained nature of the material available at the CAM-2 site and the relatively short period of time on site, the sewage lagoon did not retain the discharged effluent. All effluent discharged into the lagoon infiltrated the ground. No samples of the sewage effluent were collected because insufficient effluent quantities were available to obtain a sample for analysis.

The following table provides a summary of the water usage from the Water Supply Lake and the effluent discharge to the sewage lagoon.

J:\General\Earth & Water\Eva Schulz\DEWLINE\2004\CAM-2\C2 WUL annual report.doc



Month	Quantity of Water Obtained (cubic metres)	Quantity of Sewage Effluent Discharged (cubic metres)						
August	72	58						
September	196	157						
TOTAL	268	215						

There was one spill occurrence at the CAM-2 site in 2003. The spill was reported via telephone to the Spill Report Line and a report was also sent. Approximately 100-125 litres of diesel fuel were spilled because of an overflow during transfer. Geomembrane liner material and earthen dikes were used to contain the spill. The impacted soil will be excavated and placed in the hydrocarbon-contaminated soil treatment facility upon its construction in 2004. A copy of the spill report is included as an attachment.

A community meeting was held in Gjoa Haven to discuss the clean up program at CAM-2 on July 3, 2003. A copy of the presentation and meeting minutes is attached to this report.

An overall site plan and project layout are included to show the locations of the various work areas described in this report.

We trust the information provided is consistent with the requirements of Water Use Licence #NWB5GLA0308. Please feel free to contact the undersigned if you have any questions or comments.

Sincerely,

UMA ENGINEERING LTD.

Eva Schulz, P.Ag. Environmental Scientist

eschulz@umagroup.com

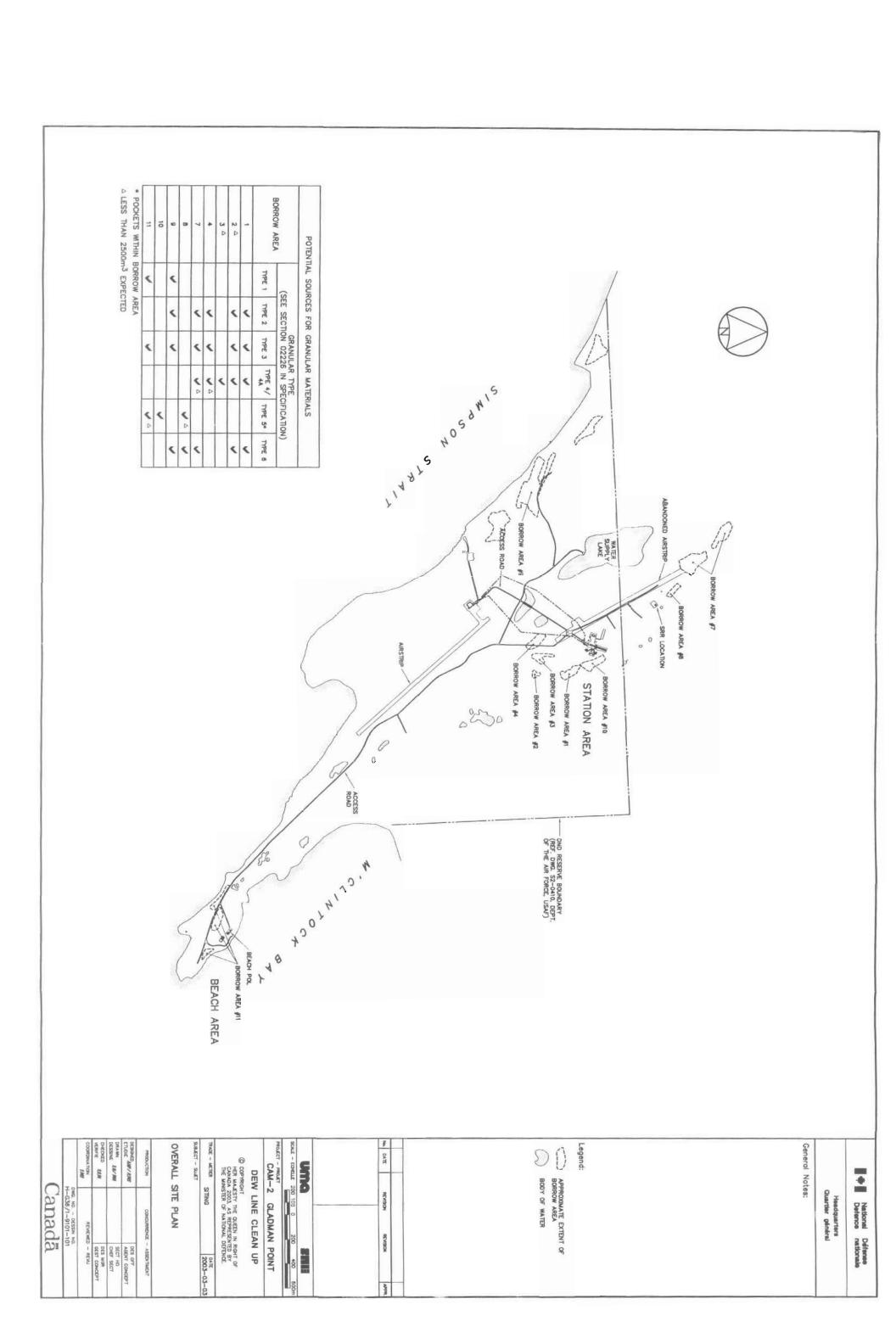
Encl. Overall Site Plan, Project Layout

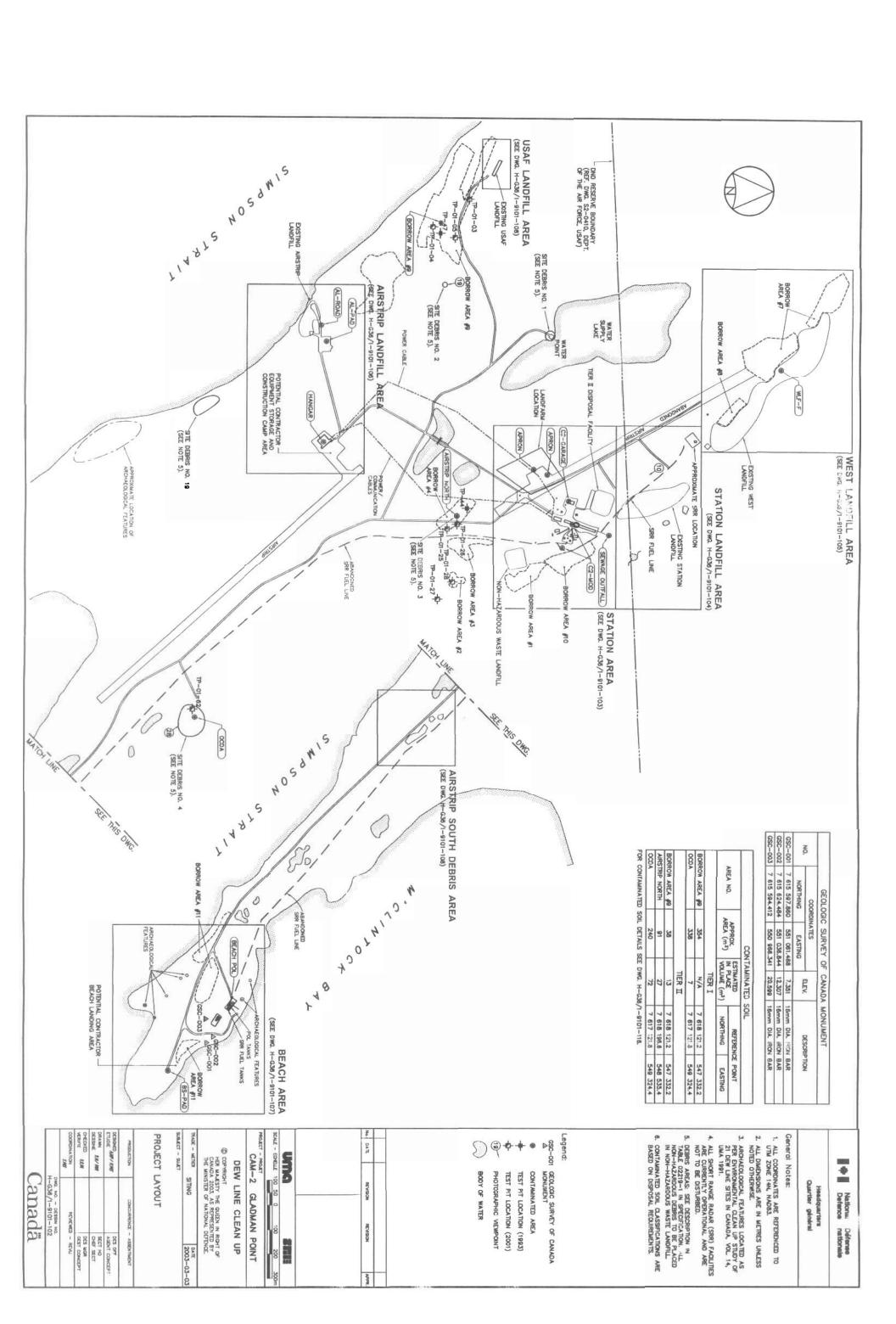
Community Meeting Notes

Spill Report

cc: Jim Wall/Philippe di Pizzo, NWB

Phil Warren, DCC





DEW Line Clean Up Project Community Meetings 2003 March 11th- 12th 2003

March 11th- 12th 2003 Hall Beach (FOX-M) Gjoa Haven (CAM-2) July 3rd, 2003 Qikiqtarjuaq (FOX-5)

Meetings 2003 Community

Community Meetings

March $11^{th} - 12^{th}$, 2003 Hall Beach (FOX-M) Gjoa Haven (CAM-2) July 3^{rd} , 2003 Qikiqtarjuaq (FOX-5)

Representatives:

Suzanne Belanger-Fontaine, Department of National Defence

Allison Lobsinger- Department of National Defence Scott Hamilton, Defence Construction Canada Nick Monteiro, Defence Construction Canada Wayne Ingham, Environmental Sciences Group Daniela Loock, Environmental Sciences Group Roland Merkosky, UMA Group Barry Fedorak, UMA Group Randy Wheeler, SGE-Acres Group Tania Guty, Public Works and Government Services Canada

Community Meetings for the New Starts in 2003

During the week of March 10th, 2003, public meetings were held at Hall Beach and Gjoa Haven, followed by a public meeting in Qikiqtarjuaq on July 3, 2003. The purpose of these meetings was to update the communities on our site work plan for the summer of 2003. This document contains a copy of each presentation delivered, the minutes of the meetings, as well as pictures of the events and the communities themselves.

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Appendix A –I Hall Beach Cor Gjoa Haven Co Qikiqtarjuaq Co	nmunity mmunit	Meeti y Meet	ng .		 		***	 	 			 	 				. A	-1 -3
Appendix B – Hall Beach Cor Gjoa Haven Co Qikiqtarjuaq Co	nmunity mmunit	Meeti y Mee	ng . ting		 			 	 			 	 			 	В	-1 -4

Appendix C - Thumbnails of other photos taken on the tour

Hall Beach -March 11th, 2003

Meeting at 7 pm - Hamlet Council Chambers, Hall Beach

Presenters: Scott Hamilton, Nick Monteiro, Wayne Ingham, Randy Wheeler

Support: Daniela Loock,

Gjoa Haven - March 12th, 2003

Meeting at 7 pm - Community Hall, Gjoa Haven

Presenters: Scott Hamilton, Daniela Loock, Roland Merkosky Support: Nick Monteiro, Wayne Ingham, Randy Wheeler

Qikiqtarjuaq - July 3rd, 2003

Meeting at 7:00- Avviuujag Gymnasium

Presenters: Suzanne Belanger-Fontaine, Scott Hamilton, Wayne Ingham, Barry Fedorak,

Tania Guty.

Support: Daniela Loock, Allison Lobsinger

Gjoa Haven Community Meeting (CAM-2)

Gioa Haven Community Hall

7:00pm - 9:30pm

Attendance

There were approximately 30-35 members of the community in attendance, as people entered the hall they signed an attendance sheet, the following is a list of those people.

Peter Akkikungnaq (Mayor), Raymond Kamookak (Hamlet SAO), Charlie Cahiel, Judas S.R. Karoo, Joseph Akoak, Alan Johnson, James Olngnantug, Mark Ullikatag, Adam Algriq, David Siksik, Donald Kogvik, Mar Kuinunak, Matthew Tiriganiaq, Samuel Takkinug, Alex Ruben, Mary Porter, Ben Pittuguo, Jim Wall (Nunavut Water Board), Dionne Filiatrault (Nunavut Water Board), Alan Johnson. In addition approximately 15 residents and elders of Hall Beach who did not sign in

Translator: Tommy Nalungniaq

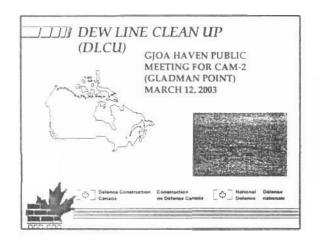
Brief Agenda

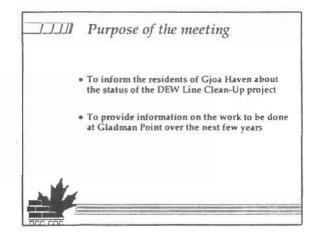
- 1. Introduction and prayer by Mayor Peter Akkikungnaq
- 2. Presentations:
 - General Introduction to the DLCU Project Scott Hamilton (DCC)
 - Overview of environmental investigations conducted at CAM-2 Dr. Daniela Loock (ESG)
 - Overview of engineering component of the cleanup at CAM-2 Roland Merkosky (UMA)

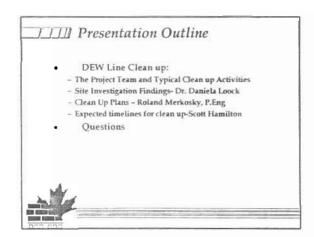
Door Prize: A pair of binoculars was awarded at the end of the meeting.

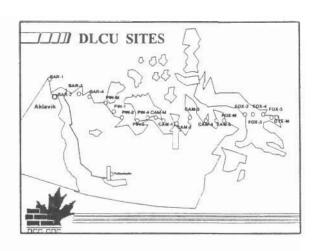
- 3. Group Discussion Highlights Detailed meeting notes can be found in Appendix A-3
- 4. Pictures taken at the meeting and of the community, as well as aerial views of Gjoa Haven can be found in Appendix B-4

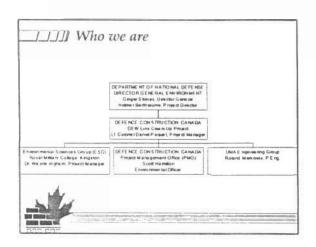
2. Presentations

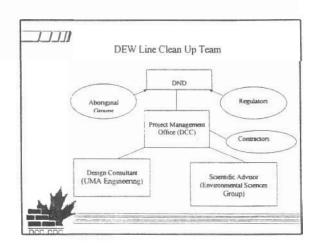


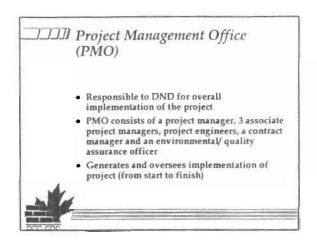


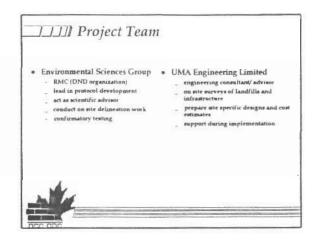


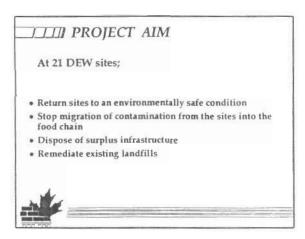


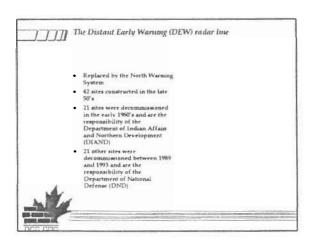


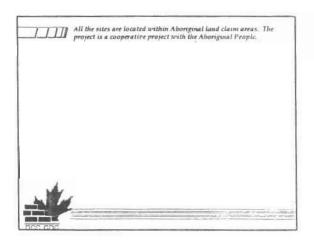


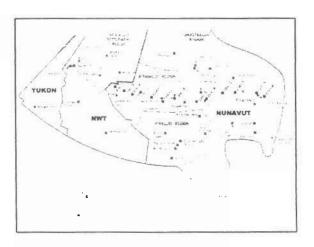


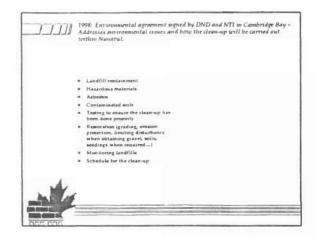






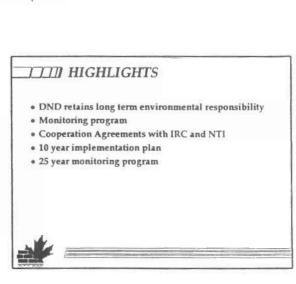


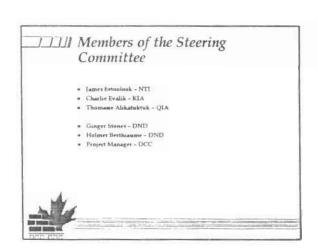


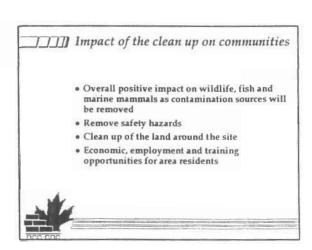


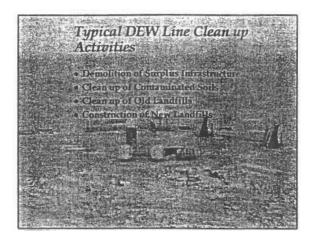


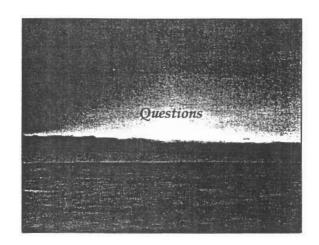


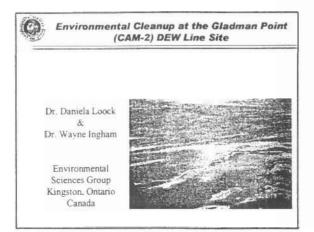








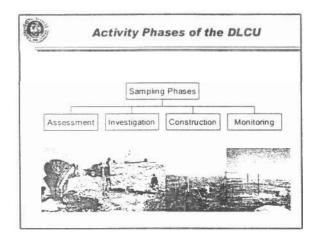


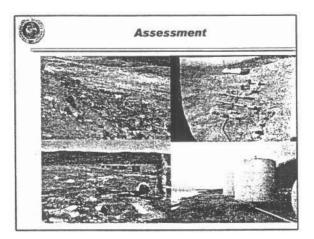




Role of ESG

- To carry out an environmental investigation of the site
- · To provide scientific advice for the cleanup
- To ensure appropriate removal of contaminated soils and materials during the cleanup







Initial Assessment

1989:

Initial assessments sponsored by DND/DIAND/USAF



The DEW Line Clean Up Protocol

- · To restore sites to an environmentally safe condition
- To prevent migration of contaminants into the ecosystem
- Includes the DEW Line Cleanup Criteria (DCC)
- · Cleanup plans for individual sites