



INDUSTRIAL WATER USE INSPECTION REPORT

DATE: 30 July 2008 COMPANY REP.: Douglas Craig (Defence Construction Canada)
LICENSEE: Defence Construction Canada LICENCE #: 1BR-JEN0712

WATER SUPPLY

Source: Water Lake Quantity Used: Not found in record sheet in chlorination trailer Meter Rdg.: Meter (if present) not visible during inspection

Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable

Intake Facilities _____ Storage Structures _____ Treatment Systems _____ Recycling _____
Flow Meas. Device _____ Conveyance Lines _____ Pumping Stations _____ Modifications _____

Comments: Water is trucked from the lake to a holding tank → chlorinated → then goes into 2 tanks inside kitchen area trailer → goes thru UV (offline) and cartridge filtration; 3 potable water stations (fountains) where reverse osmosis units are used; no mercury spill available → Kitwana rep (George Rankin) had no applicable training (none produced) in regards to water treatment and maintaining the site's system.

WASTE DISPOSAL

Tailings: Tailings Pond ☐ Natural Lake ☐ Underground ☐
Sewage: Sewage Treat. System ☐ Tailings Pond ☐ Natural Water Body ☐
Continuous Discharge ☒ Inter. Dischg. ☐
Solid Waste: Open Dump ☐ Landfill ☐ Burn & Bury ☒ Underground ☐

Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable N/I = Not inspected.
Discharge Quality U Conveyance Lines N/A Disch. Meas. Dev. N/I Freeboard n/a
Decant Structures N/A Pond Treatment U Dams, Dykes U Seepages U
Dyke Inspections N/A Runoff Diversion N/A Erosion _____ Spills _____

Effluent Discharge Rate: daily Samples Collected: d downhill of lagoon/incinerator area near shore
Comments: Sewage is pumped into a septic tank which is pumped out daily into sewage "lagoon" (2 cells) * Lagoon has no liners (just a dirt/gravel bermed area) and seepage is apparent.
Incinerator (open stack) for burnable wastes; ashes scooped into bin for burial at a non-hazardous landfill site

GENERAL CONDITIONS

Indicate: A - Acceptable U - Unacceptable N/A - Not Applicable
Ore & Waste Rock Stockpiles ☒ Records & Reporting onsite - minimal Surv. Net. Prog. N/I - to follow up.
Geotechnical Inspection _____ Posting, Signage more required Contingency Plan N/I - to be sent
Restoration Activities _____ New Construction U Fuel Storage U
Mine Water Discharge _____ Chemical Storage _____ Annual Report 2007 update submitted.

Comments: Fuel storage practices - very poor; lack of secondary containment and parts of product, jerry cans scattered throughout site. Water tanks being used as fuel tanks for diesel storage → improper tanks, improper labelling, berms (some lined, some not) with standing water.

Violations of Act or Licence: _____
Licensee given 30 days to come up with a plan to address issues observed on site during inspection, as well as to remove/replace current "fuel" storage tank with

General Comments: appropriate tanks.

Page 2 attached ☐ Yes ☒ No

Environmental Officer
Licensee Representative's Title

MELUSSA JOY
Inspector's Name

[Signature]
Licensee Representative's Signature

[Signature]
Inspector's Signature