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Affairs CanadaAffaires indiennes  
et du Nord Canada**FACSIMILE TRANSMITTAL  
TRANSMISSION PAR TÉLÉCOPIEUR**Number of pages including this page  
Nombre de pages incluant cette page

36

Date

2005-01-18

**FROM - DE**

Name - Nom Lena Akulukjuk	Position title - Titre du poste Land Operations Clerk	
Directorate - Direction Land Administration	Branch - Direction générale INAC	
Room - Pièce Bldg 918	Facsimile no. - N° de télécopieur (867) 975-4286	Telephone no. - N° de téléphone (867) 975-4282

**TO - À**

Name - Nom Luke Suluk Implementation Coordinator Nunavut Planning Commission, Arviat, NU	Facsimile no. - No de télécopieur (867) 857-2243	Telephone no. - N° de téléphone (867) 857-2242
---------------------------------------------------------------------------------------------------	-----------------------------------------------------	---------------------------------------------------

ATTEN: Luke

RE: Land Use Application # N2006J0003

Please see attached letter and application.

If you have any questions, don't hesitate to give us a call.

Thank you

Lena



Indian and Northern  
Affairs Canada

Affaires indiennes  
et du Nord Canada

Land Administration  
P.O. Box 100  
Iqaluit, NU X0A 0H0  
Phone: 867-975-4283  
Fax: 867-975-4286

*Your file Votre référence*

*Our file Notre référence*

January 17, 2006

Mr. Luke Suluk  
Implementation Coordinator  
Nunavut Planning Commission  
P.O. Box 419  
Arviat, NU X0C 0E0

Dear Mr. Suluk:

**Re: Land Use Permit Application # N2006J0003**  
**Type of Operation: Campsite**  
**Location: Coral Harbour Area, Kivalliq, Nunavut**

Pursuant to Article 11.5.10 of the Nunavut Land Claim Agreement, I am forwarding the above Land Use Application for your review against the Keewatin Regional Land Use Plan. All future correspondence produced by your office should be copied to this office with reference to file number N2006J0003.

This application is considered a CLASS A Land Use Permit application. Please advise this office once you have determined whether or not this application conforms with the above mentioned land use plan, so that we may formally accept or reject the application. This will enable us to advise the applicant of your decision as well as advise the NIRB of time frames for when their environmental screening will be due, should you decide to forward this application for their review.

At this time, I would like to point out that this is a re-application, for the same activities, as file number N2002J0042 which was screened by NPC and approved, as per correspondence dated December 16, 2002. Should you require further information, please feel free to contact our office.

Sincerely,

Jeff Holwell

A/Land Administrator Specialist  
Land Administration

**Canada**



Indian and Northern  
Affairs Canada

Affaires indiennes  
et du Nord Canada

Land Administration  
P.O. Box 100  
IQALUIT, NU X0A 0H0  
Phone: 867-975-4275  
Fax: 867-975-4286

Your file Votre référence

Our file Notre référence

January 17, 2006

Mr. Luke Eetuk  
Coral Harbour Development Corporation  
P.O. Box 177  
Coral Harbour, NU X0C 0G0

Dear Mr. Eetuk:

**RE: Application for Land Use Permit # N2006J0003**  
**Type of Operation: Campsite**  
**Location: Coral Harbour Area, Kivalliq, Nunavut**

This is to inform you that the Keewatin Regional Land Use Plan came into effect on June 20, 2000. Therefore, pursuant to Article 4.5.19 of the Nunavut Land Claim Agreement, all applications for project proposals falling within the areas covered by this plan must be reviewed by the Nunavut Planning Commission (NPC) to determine conformity with the plans before they can be accepted by this department.

This is to inform you that the above application you submitted to this office has now been forwarded to the NPC for their review against the Regional Land Use Plan for the area you wish to conduct your activities.

Although it is not being accepted by this department at this time, we have issued an application number in order that we may keep a record of your application.

Once we receive a reply from the NPC, you will be advised on whether or not your application may be accepted by this department.

Sincerely,

Jeff Holwell  
A/Land Administrator Specialist  
Land Administration

cc: NPC

**Canada**

## ***Kivalliq Arctic Foods Ltd***

*Box 329, Building 100*

*Rankin Inlet, Nunavut X0C 0G0 Canada*

*Phone: 867-645-3137 Facsimile: 867-645-3467*

*Wholesalers & Processors of Natural Country Food Products*

December 2, 2005

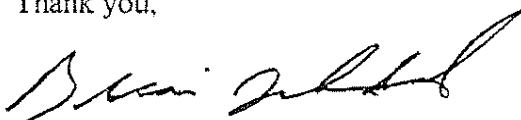
Land Administrator  
Department of Indian and Northern Affairs Canada  
P.O. Box 100  
Iqaluit, Nunavut  
X0A 0H0

Dear Sir:

Please find the application forms for the Coral Harbour annual caribou harvest.  
As well find a cheque payable, for Two Hundred Dollars ( \$ 200.00) to the Receiver  
General of Canada drawn on Kivalliq Arctic Foods account for payment on behalf of the  
Coral Harbour Development Corp.

I guess in the interim if other information is needed please contact myself, until the Coral  
Harbour Development Corp. gets a manager in place.

Thank you,



Brian Schindel  
Kivalliq Arctic Foods Ltd.

11/29/2005 17:29 FAX 867 845 3467

KIVALLIQ ARCTIC FOODS

003/008

Coral Harbour Development Corp.  
P.O. Box 177  
Coral Harbour, Nunavut  
X0C 0G0  
Ph: 867-925-8118  
Fax: 867-925-8118

November 29, 2005

John Craig  
Assistant Land Administrator  
Department of Indian and Northern Affairs  
P.O. Box 100  
Iqaluit, Nunavut X0A 0H0


Dear Mr. Craig:

Please find our faxed copy of the application for the Land Use Permit.  
We will promptly send the original application to you by express post.

As well please find a letter, requesting an extension on our previous permit.

Due to office renovations please note that our temporary phone number is: 867-925-9440 & our temporary fax number is 867-867-925-8801

Yours truly,



Luke Eetuk  
Coral Harbour Development Corp



Indian and Northern Affairs Indiennes  
Affairs Canada et du Nord Canada

APPLICATION FOR LAND USE PERMIT  
DEMANDE DE PERMIS D'UTILISATION DES TERRES

Office use only - Réservé pour usage interne seulement

Application fee - Droits de demande du permis Land use fee - Droits d'utilisation des terres General receipt no. - N° de reçu Date Class - Catégorie Permit no. - N° de permis

1. Applicant's name and mailing address (Full name, no initials) - Nom et adresse du ou des requérant (s) (Nom au complet pas d'initiales)	
CORAL HARBOUR DEVELOPMENT CORPORATION P.O. BOX 177 CORAL HARBOUR, NU. XOC OGO	Fax no. - N° de télécopieur 867-925-8052 Telephone no. - N° de téléphone 867-925-8118
2. Head office address - Adresse du siège social	
AS ABOVE	
Field supervisor - Chef de chantier Luke Lietuk	Radio telephone - Téléphone-radio Telephone no. - N° de téléphone
3. Other personnel (Subcontractor, contractors, company staff, etc.) - Autre personnel (sous-traitants, entrepreneurs, personnel de société, etc.)	
TOTAL: Approximately 60 People	
4. Qualifications - Titres refer to Section 21 - Territorial Land Use Regulations consultez l'article 21 - du Règlement sur l'utilisation des terres territoriales	
No(s) exploration permit mineral claims - if applicable N°(s) des permis d'exploration minière, s'il y a lieu	
a(i) <input type="checkbox"/> a(ii) <input type="checkbox"/> a(iii) <input type="checkbox"/> b <input type="checkbox"/> c <input type="checkbox"/>	
5. a) Summary of operation (Describe purpose, nature and locations of all activities - refer to Section 22 (2) (b) - Territorial Land Use Regulations). (Use last page of form if additional room is required) Résumé des opérations (exposez le but, la nature ainsi que l'emplacement de toutes les activités - consultez l'article 22 (2)(b) - du Règlement sur l'utilisation des terres territoriales). Utilisez la dernière page du formulaire si vous avez besoin d'espace supplémentaire. A camp involving approximately 15 employees will set up mobile abattoir for the purpose of the annual caribou harvest. When operational the camp will employ up to 65 individuals for an approximate period of 1 1/2 months. The coordinates for the camp are as follows: N 64° 15' W 83° 26'	
b) Please indicate if a camp is to be set up (Use last page to provide details). Indiquez si un camp doit être aménagé (Utilisez la dernière page pour donner des détails) Yes the camp will be set up as a portable abattoir meeting CFIA requirements for meat inspection, please refer to the operational plan giving much detail to the project.	
6. Summary of potential environmental and resource impacts (Describe the effects of the proposed program on land, water, flora & fauna and related socio-economic areas (Use separate pages if necessary) Résumé des conséquences possibles sur l'environnement et les ressources (décrire les effets du programme proposé sur les terres, l'eau, la flore et la faune et les domaines socio-économiques connexes (Utilisez des pages supplémentaires au besoin) The project will not effect the environment, in any way, all debris will be disposed of at the landfill, the facilities, and equipment will be transported back to the community for storage. The grey water will be discarded at a minimum of 50 metres, away from a water source, taking in account the landscape which is as well prevailing away from any water source.	

2006-01-18 09:35 From-



Indian and Northern Affairs Canada  
Affaires Indiennes et du Nord Canada

7. Proposed restoration plans (please use last page if required) - Plans proposés de restauration (au besoin, utiliser la dernière page)  
Please refer to the operational plan sections 14 Fuel, 15.0 Water & Garbage on pages 22, 23

8. Other rights, licenses or permits related to this permit application (mineral claims, timber permits, water licences, etc.)  
Autres droits, autorisations ou permis associés à cette demande de permis (claims miniers, permis de coupe, permis d'exploitation hydraulique, etc.)  
Applications have been submitted to the Kivalliq Inuit Association, for access to Inuit owned land, the Nunavut Water Board for water use.

- Roads: Is this to be a pioneered road? Please provide details on back page  
Routes: ☐ La route doit-elle être aménagée? Donnez les détails sur la dernière page.  
Has the route been laid out of ground truthed? ☐ La trace a-t-elle été établie et le terrain nivelé?  
Has funding been applied for i.e. RTAP? ☐ Avez-vous demandé du financement?

9. Proposed disposal methods - Méthodes d'élimination proposées

1. Garbage. Garbage will be transported to the community dump  
Ordures Broussailles et arbres: c) Brush & trees: N/A  
2. Sewage (Sanitary & Grey Water): Eaux usées (Eaux d'égout et eaux ménagères)  
Sewage, which is stored in plastic bags from the portable washrooms will be transported back to the community to be disposed off  
Grey water will be disposed a minimum of 50 metres from any water source.  
3. Overburden (Organic soils, waste material, etc.) Terrain de recouvrement (Dépôts organiques, déchets, etc.)  
Equipment (includes drills, pumps, etc.) (Please use last page if required)  
Matériel (comprend foreuses, pompes, etc.) (Utilisez la dernière page au besoin)

Type & Number - Type et nombre	Size - Dimension	Proposed use - Utilisation proposée
Caterpillar on tracks	D 6	Haul supplies to camp, and haul the finished Product back to the airport
Bombardier on tracks		Haul personnel and supplies to camp
		Haul the garbage to the garbage dump

Fuels - Combustibles (✓)	Number of containers - Nombre de réservoirs	Capacity of containers - Capacité des réservoirs
- Diesel	20 barrels of heating oil	45 gallon barrels
- Gasoline - Essence	1	500 gallon
- Aviation Fuel - Carburant aviation		
- Propane	4	100 lb tanks
- Other		

12. Containment fuel spill contingency plans (Please attach separate contingency plan if necessary)  
Plans d'urgence d'isolement de carburant en cas de déversement (veuillez joindre un plan d'urgence distinct au besoin)  
All fuels will be stores approximately 100 metres from camp and 50 metres from any water source. A heavy poly will be installed under and around containers to prevent any leakage.

13. Methods of fuel transfer (To other tanks, vehicles, etc.) - Méthodes de transfert des combustibles (vers d'autres réservoirs, véhicules, etc.)  
Heating oil and Diesel will be transferred by manual transfer pump. Snowmobiles will be refuelled using 4 Gravity Fed System from the tank

11/29/2005 17:31 FAX 867 645 3467

KIVALLIQ ARCTIC FOODS

007/008



Indian and Northern  
Affaires Canada

Affaires Indiennes  
et du Nord Canada

14. Period of operation (includes time to cover all phases of project work applied for, including restoration)  
Période d'opération (comprend toute période du début à la fin des projets, y compris la remise en état)

January - March 31, 2006

15. Period of permit up to two years, with maximum of one year extension  
Période du permis (valable pour une durée de deux ans et prolongation maximale d'un an)

Start date - Date du début du projet Completion date - Date d'achèvement

► January - March, 2006

16. Location of activities by map co-ordinates (attached maps and sketches)  
Emplacement de activités selon les coordonnées géographiques (cartes et esquisses jointes)

MN Lat Deg	MN Lat Min	MN Lat Sec	MN Long Deg	MN Long Min	MN Long Sec
60°	15'		87°	26'	

Map Sheet No.

N° de feuille de carte ►

17. Applicant - Requêteur

Print name in full - Écrivez votre nom au complet en lettres imprimées

Luke Etuk

Signature

Nov 30/05

Date

18. Fees - Droits

☒ Class A \$150.00

☐ Class B \$150.00

Land use fees:

Droits d'utilisation des terres

Hectare @ \$50.00 = ✓  
(Less than or equal to 2 ha.)

1 Hectare @ \$50.00 =

(Each additional ha. Or portion of a ha. In excess of 2 ha.)

Total application and land use fees

Total des droits de demande de permis et d'utilisation des terres

\$

150.00  
50.00  
200.00  
KV

Office use only - Réserve pour usage interne seulement

19. Calculation of area involved (including access, staging areas, airstrips, campsites, etc.)

Calcul des aires en cause (comprend l'accès, les aires de transit, les pistes d'atterrissage, les camps, etc.)

Total area (Ha.)

Less 2 hectares

TOTAL (For fee calculation)

Superficie totale

Moins 2 hectares (-2)

(Aux fins du calcul des droits)

20. Application checklist - Vérification de la demande

1. ☐ Application signed and dated  
Demande signée et datée

f) ☐ Timber permit applied for  
Permis de coupe du bois demandé

2. ☐ Fees attached  
Droits ci-joints

g) ☐ Fees attached  
Droits ci-joints

c) ☐ Map included  
Carte incluse

h) ☐ Lease applied for  
Gill demandé

d) ☐ Address and telephone number  
Adresse et numéro de téléphone

e) ☐ Screening report  
Rapport d'examen

Accepted by - Accepté par

Date



11/30/2005 21:06 FAX 867 845 3467

KIVALLIQ ARCTIC FOODS

001/002

Indian and Northern Affairs Canada  
Affaires Indiennes et du Nord Canada14. Period of operation (including time to cover all phases of project work applied for, including restoration)  
Période d'opération (comprend toute période du début à la fin des projets, y compris la remise en état)

January - March 31, 2006

15. Period of permit (up to two years; with maximum of one year extension) Start date - Date du début du projet Completion date - Date d'achèvement  
Période du permis (valable pour une durée de deux ans et prolongation maximale d'un an)  
► January - March, 200616. Location of activity by map co-ordinates (attached maps and sketches)  
Emplacement de services selon les coordonnées géographiques (cartes et esquisses ci-jointes)MN Lat Deg 64' MN Lat Min 15" MAX Lat Deg 63' MAX Lat Min 26"  
MN Long Deg MN Long Min MAX Long Deg MAX Long Min

Map Sheet No.

N° de feuille de carte ►

17. Applicant - Requerant

Print name in full - Écrire votre nom au complet en lettres majuscules

Luke Eetuk

Signature

Date

Nov 30/05

18. Fees - Droits

☒ Class A \$150.00☐ Class B \$150.00

Land use fees:

Droits d'utilisation des terres

Hectare @ \$50.00 =  
(Less than or equal to 2 ha.)

Hectare @ \$50.00 =

\$

\$

150.00  
50.00

(Each additional ha. Or portion of a ha. in excess of 2 ha.)

Total application and land use fees

Total des droits de demande de permis et d'utilisation des terres

\$

200.00  
XX

Office Use Only - Réserve pour usage interne seulement

19. Calculation of area involved (including access, staging areas, airstrips, campsites, etc.)

Calcul des aires en cause (comprend l'accès, les aires de transit, les pistes d'atterrissage, les camps, etc.)

Total Area (Ha.)

Less 2 hectares

TOTAL (For fee calculation)

Superficie totale

Moins 2 hectares (-2)

(Aux fins du calcul des droits)

20. Application checklist - Vérification de la demande

1. ☐ Application signed and dated  
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Permis de coupe du bois demandé2. ☐ Fees attached  
Droits ci-jointsg) ☐ Fees attached  
Droits ci-jointsc) ☐ Map included  
Carte incluseh) ☐ Lease applied for  
Bail demandéd) ☐ Address and telephone number  
Adresse et numéro de téléphonee) ☐ Screening report  
Rapport d'évaluation

Accepted by - Acceptée par

Date

11/30/2005 20:52 FAX 887 645 3487

KIVALLIQ ARCTIC FOODS

003/005

Coral Harbour Development Corp.  
P.O. Box 177  
Coral Harbour, Nunavut  
X0C 0G0  
Ph: 867-925-8118  
Fax: 867-925-8052

November 23, 2005

John G Craig  
Assistant Land Administrator  
Land Administration - Nunavut  
Department of Indian and Northern Affairs

Dear Mr. Craig:

We are in the midst of completing our land use permit for the caribou harvest 2005/2006 on Southampton Island.

Being that the permit takes between 30 to 45 days for review, and due to the holiday season, we ask that an extension be granted to our previous permit 2002 J42.

This then would allow us to get the camp set up, and we should then be able to start harvesting in mid-February, 2006.

As well please find 2005, 2006 permit we have completed.

For your information, there are no changes in logistics, equipment or handling of materials.

Yours truly,



Luke Eetuk  
Coral Harbour Development Corporation.

Enclosure: work plan, and map of harvest area

2006  
*Southampton Island  
Caribou Harvest*

*Operational Plan*

Prepared by  
Coral Harbour Community Development Corp.  
P.O. Box 177, Coral Harbour, NU  
X0C 0C0

Phone: 867-925-8818

Fax: 867-925-8052

## *CONTENT*

- 1.0 Executive Summary
- 2.0 Organizational Structure
- 3.0 Camp Location
- 4.0 Harvesting
- 5.0 Packaging
- 6.0 Non-edible and Local Use only
- 7.0 Washroom Facility
- 8.0 Kitchen and Dining Facility
- 9.0 Sleeping Quarters
- 10.0 Abattoir
- 11.0 Breaking/Packing Tent
- 12.0 Transportation
- 13.0 Communication
- 14.0 Fuel
- 15.0 Water and garbage
- 16.0 Safety
- 17.0 Visitors and Dignitaries
- 18.0 General Camp Rules
- 19.0 CFIA General

## 1.0 Executive Summary 2006

The Southampton Island caribou harvest has occurred in each year since 1995. The harvest was initially introduced as a herd management initiative to assist in the control of the caribou population on the island. In light of the tremendous economic benefits realized by the harvest, it has since grown into a viable and sustainable venture for the community. It provides local employment for numerous individual within the community promotes local purchasing and is viewed as economic success for Coral Harbour. Over the life of the harvest, the project has also gained valuable credibility with Federal and Territorial agencies.

Since its inception, the annual harvest has proven crucial in implementing herd management strategies for the Southampton Caribou population; it has also created much needed seasonal employment to the community of Coral Harbour. Kivalliq Arctic Foods, through its aggressive marketing scheme has managed to gain international recognition for its unique line of products. The harvest currently employs approximately 45 individuals seasonally during the hunt and another 17 full time employees during the processing stages; these incredible employment statistics cannot be ignored considering our fragile economy.

The Coral Harbour Development Corporation was the only bidder for the 2003 and 2004 harvests. The Aviiq HTO put the harvest out for bid again for three years on the expiration of the 2004 harvest. The Coral Harbour Development Corporation won the right to continue operating the harvest for the next three years (2005, 2006 & 2007). The corporation is committed to further expanding and improving the existing harvest. Contracts for 278,000 pounds (2003), 180,000 pounds (2004) and 180,000 pounds (2005) of caribou meat had been secured with Kivalliq Arctic Foods. A similar arrangement is being negotiated for the 2006 season.

The then Department of Sustainable Development completed a population survey of the Southampton herd in June of 2004; the results obtained clearly demonstrate the need for continued harvesting with an established commercial quota of 4,000 animals for 2006. It is feared that any disruption in commercial harvesting could potentially undermine the numerous years of vigilant herd management which the community has participated in. Assuming the population remains relatively stable, we expect to harvest approximately 3,500 to 4,000 animals annually for the next two to three years.

## 2.0 Organizational Structure

Responsibilities for all aspects of the harvest including pre harvest mobilization, harvesting, processing, packaging and transport of product to the airport and demobilization rest with the abattoir manager who is yet to be appointed. An Assistant Harvest Manager has also been appointed to assist the abattoir manager with normal camp and abattoir operations.

**Harvest Manager** – to be named.

**Assistant Harvest Manager** – Luke Fehuk has been appointed to assist the Harvest Manager and will be delegated responsibilities pertaining to abattoir or camp operations as deemed necessary by the manager.

### 3.0 Camp Locations

Due to the decrease in product requirements for the 2005 and 2006 season and adherence to proposed harvest ratios; a relocation of the camp during harvesting is not anticipated.

Camp 1 – N64' 15" W83' 26" approximately 4 miles northwest of the airport

The site has been chosen because of its suitability for all aspects of the project as well as a known area where caribou congregate during winter months. The camp will be set-up on a small lake (without name) to ensure that all facilities and equipment are on level ground as well as provide the camp with easy access to fresh water.

Permits from Kivalliq Inuit Association and DIAND are being approved for the 2006 seasons. Copies will be forwarded to CFIA as requested; the DIAND permit covers all requirements outlined within the NU Water Board, NU Impact Review Board and NU Planning Commission. The GN Wildlife Harvesting permit will be issued prior to harvest start-up.

The harvest will begin once harvest pre-review is completed and approved in early February and run until March 5<sup>th</sup> or until all contract obligations are met. We anticipate approximately four weeks to harvest the total number of animals necessary; this does not include time for mobilization and demobilization.

### 4.0 Harvesting

The harvesting group consists of seven highly skilled local hunters, two other individuals will be on stand-by in the event that one of the hunters is indisposed for any length of time. The Harvest Manager will dispatch hunters at timed

intervals to specified locations and regulate the flow of animals to the abattoir to ensure maximum productivity. The Harvest Manager will determine the number of animals to be harvested by each hunter on each trip to ensure maximum flow and prevent any congestion at the skinning area; shooting may be ceased temporarily in the event of congestion or abattoir problems, this will remain at the discretion of the Harvest Manager or as directed by CFIA. The hunters will be instructed to take only head and neck shots to maximize productivity and minimize meat wastage; animals taken with less desirable shots will be either condemned or partially processed as instructed by CFIA staff. The animals will be bled immediately by cutting the throat behind the jaw cutting the carotid artery upon harvesting to ensure complete drainage of blood and the oesophagus to prevent bloating; these will then be transported to the abattoir (within 1 hour) for processing.

The hunters will be using their own snowmobiles and qamutiqs; the individuals will be using 22-250, 25-06 or 270 calibre rifles and carry emergency supplies with them on their excursion; these include but are not limited to satellite phone/HF radio, GPS, stoves, sleeping bag and one day's rations.

### 5.0 Processing

The processing methodology is similar to that used in previous harvests; all meat handling personnel will be issued clean disposable coveralls every morning and will change as required. The Harvest Manager will ensure that all heads and carcasses are identified and prepared for inspection simultaneously using approved detachable, three part, and water resistant carcass identification tags. Any antler will be removed from the heads prior to the carcass entering the skinning area. The lower legs will be cleared of skin and knifed through the knee joints. The carcass will then be placed on a skinning bed. The skimmers/hoist operators will then open back legs knifing from the inside out and partially clear the hide from the carcass, the penis and tail will be removed and the anal area and surrounding tissue will be freed. The hide will be chained to a base ring (if necessary), a gambrel inserted and the carcass hoisted removing skin the hide as the carcass is raised. Prior to hoisting the brisket will be split using a 25" hand meat saw which will be sanitized in the sanitizer provided as necessary and hung on a hook provided. An eight knife and hand saw electric sanitizer will be located in the skinning area and all knives and saw sanitized as needed. Staff will be using rubber gloves (Ansell #297) lined with cotton gloves and wash hands as required to ensure no excess hair is present on the carcasses.

The hides and legs will be transported from skinning area via a second door in the skinning area to designated sled and snowmobile for removal from the

processing site. Heads will be prepared for presentation to the inspector and moved to the evisceration area at the same time as the associated carcass.

Once the carcass has passed into the clean area it will be singed to remove any hair that may be present and then eviscerated, with the viscera placed and presented for inspection. The evisceration table is 36" high and consist of three removable 18"x30"x8" deep bins with handles. The bins are slightly sloped to entrap fluids and are equipped with SS handles at both ends for easy dumping into gut chute for furtherance to the gut sleds. The guts will be moved from the abattoir to the two (2) gut hauling sleds via a plastic covered plywood gut chute approximately two feet square (same design as 2005). The condemned carcasses and condemned portion of carcasses will be removed from abattoir via gut chute to gut sleds; salvaged carcasses deemed for local use only will be quartered and bagged with briskets and shanks and removed from abattoir via designated sled. Once eviscerated, the carcasses will be partially trimmed to eliminate contamination from warble damage; they will then be split and moved to the final trimming area, trimmed and inspected. Briskets and fore shanks will be removed and bagged for local use and the remaining carcass portion moved to hardening area for freezing. The split saw will be sanitized as needed using a stainless steel electric sanitizer mounted on a small stainless steel bench; this unit will ensure that temperature is maintained at minimum 82 degrees.

The trimmings, fat and excess tissue removed during the trimming stages will be collected into tubs and transferred into bags as they become full. The bags will be removed from the abattoir to the appropriate sled and transported to the designated local use area. A SS pail lined with food grade plastic bag will be located near the head inspection table to collect tongues; the bag will be replaced as necessary and removed from the abattoir.

Two boot wash stations have been installed in the washroom and will be cleaned and re-filled as necessary, a larger boot wash station will also be installed at the abattoir entrance to ensure that no contamination is brought into the facility and no blood is tracked outside the abattoir. Brushes will also be supplied to assist removal of stubborn blood stains. A 5' strip of poly will be attached to the bottom of the abattoir wall to prevent splatter onto tent.

Knife sanitizers will be located at skinning, evisceration, inspection, splitting, trimming and final inspection areas. The units are constructed of stainless steel (SS), equipped with self contained electric heating elements, equipped with SS legs (approx. 3' high) and are capable of sanitizing eight knives simultaneously at a minimum 82 degrees Celsius. During operations hot water will be carried from washroom with SS buckets to refill the two 105 litre barrels used for topping sanitizers, boot washes and cleaning. The same SS buckets will also be used to



clean the head inspection and gutting tables as necessary. Each evening prior to operations the two 105 litre barrels will be filled at the water storage area and sledged to the abattoir. Each barrel will be heated overnight with two electric submersible heaters to provide hot water for morning start-up. These barrels will be topped up several times during the day to provide hot water for daily operations.

All of the equipment within the abattoir and including the abattoir were purchased for the start of the 2003 season; the gutting table is stainless steel and contains three sloped inspection bins with handles to allow the inspector more working area. The head inspection table is 24"W x 48"L x 36"H with expanded metal tops, the packing tables (4) are 30"W x 60"L x 36"H, auxiliary abattoir table (1) will be 24" x 48" x 36"H (for DSD Biologist or other staff), the adjustable skinning horse, roller rack, work benches with non-slip surfaces for trimmers and low profile blood containers are also constructed of stainless steel. A Hobart #6614 band saw and Jarvis #444 split saw will be used for the harvest.

Lighting will be supplied throughout the skinning, eviscerating, inspecting, trimming and packing areas; these consist of dual mounted 500 watt halogen work lights, at least two sets of these types of light will be installed in all major stations of the abattoir. Heat for the abattoir will be supplied by one 185,000 BTU oil fired fan forced furnace ducted into the abattoir.

The abattoir floor will consist of snow which will be replaced daily. Upon completion of the day's hunt, the abattoir staff will remove soiled snow from abattoir to an area no less than 150 meters from the facility and bring fresh snow to spread throughout the abattoir. At various times throughout the harvest excess ice build up around workstations and sanitizers will be removed to ensure comfortable and safe areas. The inclusion of low profile blood buckets, which will be drained into the gut sled as necessary, will greatly reduce the amount of soiled snow thus reducing daily clean-up time. All equipment, doors and tools will be thoroughly cleaned at the conclusion of each harvesting day. During breaks, abattoir staff will ensure that all knife sanitizer water is replaced and any soiled garments are discarded and new ones put on before proceeding with further processing. Staff will be instructed to thoroughly wash their hands when leaving and before re-entering the abattoir. Paper towel dispensers and wastebaskets will be located in the skinning, eviscerating, inspection and trimming areas. All knife carrying staff will be equipped with scabbards and the gutter will also have a meshed SS finger glove for safety and a neoprene apron that can be easily cleaned. Abattoir staff will have access to six 12" diamond sharpeners, six intruder hand held sharpeners and one electric Firestone sharpener which will be located in the maintenance shop; only the Camp Maintainer will be allowed to sharpen knives in the evening once harvesting has

ceased for the day. Utility hooks will be installed throughout the abattoir to hang saws, scabbards or other abattoir equipment during breaks or when not in use.

## 6.0 Packaging

The contractor owns 250 sets of trolleys, gambrels (SS) and hooks (SS) which should suffice for any good day of harvesting. At no time will carcasses or carcass parts make contact with snow. If needed, plastic or tarps will be laid down for carcasses. The carcasses will be moved directly from the hardening area to the breaking/packing tent via existing rail system therefore reducing contact and possible contamination. A 22'W x 20'L x 12'H stress skin tent will be used to accommodate our packing crew; it has been designed to fit over existing rail system. The recording station within the tent will be heated with a 500-watt electric heater to prevent digital equipment from freezing. A five thousand pound floor scale will be used for weighing the product; accurate records will be kept on daily weights and each individual combo bins including distinction of parts. The product will be packaged in heavy gauge food grade bags, sealed with 8" steel twist ties and then put into steel mesh bin for weighing. After weighing the product will be placed in a line corrugated combo bin on the appropriate skid for shipping. The bin liners will also be sealed with 8" steel twist ties before attaching CFIA bin identification tags. The combo bins are 41 1/2" x 36 1/2" x 41 1/2" high and come with friction lock lids to prevent snow or other contaminant from entering as well as protect the product from sunlight. All breaking/packing personnel will be required to use disposal coveralls and new gloves and replace them on a daily basis or as necessary. The band saw will be cleaned daily and sanitized as necessary.

The carcasses will be removed from the rail system, broken into shoulder, loin and hind sections using a Hohart #6614 band saw and immediately packaged into food grade plastic bags and secured with steel twist ties. The broken and wrapped portions will then be placed on a 4'x 4', 5000 pound capacity floor scale, weighed, recorded and sorted prior to loading into plastic lined combo bins. Each bin will be clearly marked with contents, weight and required identification tags and CFIA seals. A log containing CFIA identification number, product content and weight will be kept of each bin throughout the transport to the airport and loading to aircraft. A copy of this log will be given to CFIA at any point during the project.

The Hamlet D6H crawler will be utilized to transport combo bins to the airport where they will be placed compactly in a designated section of the airport

instructed not to enter processing areas or come in contact with approved meat product.

The building will remain on its skid for the duration of the harvest and shower stall constructed approximately 14" above main floor (overall measurement from bottom of skid to bottom of shower stall is approximately 33.5") thus allowing ample gravity fed drainage into grey water sleds. Steps will also be installed at all buildings requiring them.

Honey bags will be removed every night or as needed to avoid spillage and ensure capacity during morning rush; they will also be removed during the day as needed. The washroom will be kept clean and tidy at all times. An ample supply of paper towel and toilet tissue will be kept on site at all times.

### 7.1 Kitchen/Dinning Facilities

The kitchen is a stick built 12'W x 16'L fully insulated building equipped with electric and propane stoves, shelving, sink, running cold and hot water. Two dinning facilities have been constructed to accommodate up to 45 people at a sitting; one is 12'W x 16'L and the other is 12'W x 20'L, both are equipped with picnic style tables. The buildings are equipped with windows that open and front and back entry in case of fire or other emergencies. Staggered breaks and meals will be offered to allow all CFIA and CDC staff the opportunity to fully and comfortably enjoy meal times. All three buildings have been designed and constructed to fit together once on site to allow easy traffic flow throughout the facilities. All units have interior and exterior lighting and a 120,000 BTU oil fired fan forced furnace will supply heat. The kitchen will also house our communication equipment, first aid kit and fire extinguisher. All emergency contact numbers and trained First Aid staff names will be prominently posted adjacent to the phone.

All cookware, utensils and bowls have been purchased in 2005; these will be sanitized thoroughly with a .5% bleach solution after every meal. Personnel will be asked to supply their own cups however Styrofoam cups will be available as well, paper plates will be used for meals. Hannah Angootealuk has been appointed as Head Cook and two helpers have been hired to assist with kitchen duties. All three kitchen staff have been required to undergo physical examinations at the local Health Centre to ensure they are deemed medically suitable for food processing; Nurses' report will be kept in individual files and will be made available to CFIA staff upon request.

All food will be purchased through the local stores, a minimum ten day supply of food will be kept on hand at the camp at all times and stored either in the kitchen or in a new 8'W x 10'L unheated storage building attached to the kitchen. Food will be re-supplied to the camp by use of local Bombardier; these will be loaded into the interior of the vehicle by staff within the community and off-loaded at camp by kitchen staff only; Bombardier Driver or Bombardier Haulers will not be permitted to carry out these duties.

#### Typical meals:

- Breakfast - hot and cold cereals, toast, eggs, bacon, juices, milk, coffee and tea (breakfast will be served between 7:00 and 9:00 am).
- Lunch - soups (commercial canned or packaged), sandwiches (processed meats), juices, coffee or tea (lunch served between 11:30 - 1:30 pm).
- Supper - two vegetables (potato and other), meat (pork chops, chicken, beef cuts), coffee, tea, juices, milk or water. Once or twice a week local menu including, but not limited to caribou stew or fish chowder will be served; other menu options will be available to those not wishing traditional meals (supper served between 5:30 - 7:00 pm).
- Breaks - coffee, tea, juices, milk, water and cookies or freshly made deserts and pastries (breaks are at 10:00 am and 3:00 pm).

The kitchen will be supplied with basic items found in normal kitchen which include, but are not limited to, salt, pepper, sugar, spices and sauces.

No abattoir clothing or smoking will be allowed in the kitchen and dinning areas. Staff will be encouraged to leave winter outerwear in their respective cabins to prevent congestion in the dinning area however coat racks will be available throughout the main dinning hall.

## 7.2 Sleeping Quarters

Sleeping arrangements include 12 stick built fully insulated buildings ranging in size from 10 x 12 to 12 x 20 (duplexes). All units are equipped with interior and exterior lighting, smoke detectors, fire extinguishers. Nine (9) of the units will be equipped with 1.5kw electric baseboard heaters, three (3) will supply their own heat; most cabins are equipped with permanent bunks although one will use cots; personnel have been instructed to supply their own foam mattresses and sleeping bags.

The inspectors' quarters are equipped with 3 bunks with 4" foam mattresses; the sleeping area is somewhat separate from the general work area. A table, pedestal

desk and storage area is also supplied within the unit. This unit is not new but very comfortable; CFIA may request alternate accommodations if unsatisfied with assigned quarters. Any female CFIA staff will be assigned quarters with local female staff in one of our new buildings. All new buildings are painted, comfortable and energy efficient. They will have fire extinguishers; smoke alarms, lights, electrical outlets and lockable front entries to ensure privacy and security. CFIA staff will supply their own sleeping bags, the company will supply foam mattresses.

The two power generators will be located close together and in the event of a mechanical failure of one of the units the second generator could be quickly connected to the failed unit in order to either complete the carcass processing or provide power to the camp. The abattoir generator will be wired either to the camp maintainer's cabin or the assistant manager's cabin in order to detect a failure of the unit during non-operational hours. In the unlikely event of a failure by both units, camp personnel will be instructed to muster in kitchen area, which will be heated, by small generators or naphtha gas heaters until the situation has been assessed. In the event that the camp has to be evacuated all personnel will be instructed to muster at the airport.

## 8.0 Abattoir

The abattoir is constructed of galvanized steel ribs covered by a stress skin member, very similar in composition to last year's covering. The abattoir overall dimensions are 22'W x 100'L x 12'H; this will provide ample space for all aspects of processing, eliminate congestion and allow for the inclusion of low profile bloods containers at specified stations. The abattoir entrances/exits consist of two swinging wooden doors which will be covered in plastic and sealed as much as possible to prevent heat loss; these doors will be located at either end of the abattoir to allow the incoming carcasses from the skinning area and allow finished product out into the hardening area. The gut chute will be constructed of plywood and covered with plastic to prevent build-up of blood and sealed as much as possible to prevent heat loss. The entire rail system is 200' long; 20' for skinning, 80' for eviscerating, trimming and inspecting, 95' for hardening and 5' for breaking and packing. The skinning area of the abattoir is approximately 22'W x 20'L, fully enclosed and contains two separate entrances/exits (for incoming animals and staff). The main abattoir will be approximately 22'W x 80'L which will give ample working area for all staff, swinging doors will be installed at either end of the main abattoir to allow consistent and unobstructed flow of carcasses. These will be covered with plastic vapour barrier, which will

be replaced at the end of each day or as necessary. Any modifications required by CFLA can be incorporated prior to harvest start up.

## 9.0 Breaking/Packing Tent

The breaking/packing tent is designed and structured the same as the new abattoir and will fit directly on top of the rail system therefore allowing the transfers of carcasses from the hardening area into the tent with minimal effort. Four large SS sorting tables, a five thousand pound floor scale and a small working area will be installed in the tent; it is in our opinion that the staff will be very comfortable in this environment.

## 10.0 Generator

The main generators are two (2) John Deere model #40DSEJB capable of producing a maximum of 40kw of power each. We also have three (3) 5kw portable generators to assist with the power requirements for the maintenance shop and the tank farm if necessary. The main generators will be housed in a new 10' x 12' buildings centrally located within the camp. Coleman stoves, lanterns and naphtha will also be stored on site in the event that power generation is affected. All main camp buildings and abattoir will be hooked up to the generators via heavy duty suspended (approx. 12' above ground) extension cords and funnelled through commercial 200 amp, 64 breaker panel boxes. The tank farm will each have its own 5kw portable generation unit.

## *Generator Listing*

John Deere Model #40DSEJB (x2) Main	maximum	80kw
Winco Model #CSA.WC6000H/B Auxiliary	maximum	5.5kw
Winco Model #CSA.WC6000H/B Auxiliary	maximum	5.5kw
Hawpower Model #HPE4800 Auxiliary	maximum	4.8kw
		-----
TOTAL		95.8KW

Additional generators which can be used if necessary

- Winco Model #CSAWC6000HB 5.5 Kw
- Briggs and Stratton 3.8 Kw

Main camp consumption estimates (main generator #1)  
Heating all kitchen, washroom, dining, sleeping facilities

4 x 2kw electric heaters = 8kw	8 Kw
9 x 1.5kw electric heaters = 12kw	12 Kw
lights, radios and communication equipment	5 Kw
Stove, toaster and other cooking equipment	8
Kw	
11 gallon hot water tank	1.5 Kw
Water pump	.75Kw
Electric submersible pump	.5 Kw
	-----
	35.75 Kw

Abattoir (Main Generator #2)

Lights 10 sets x 1kw	10 Kw
Split saw and sanitizers	10 Kw
Oil fired 185,000BTU fan forced furnace x 2	5 Kw
Electric Winch	1 Kw
Long handled heaters	2 Kw
	-----
	28Kw

Breaking/Packing tent

Band saw (estimated)	1.5Kw
Lights, calculator, etc.	1.5Kw
Small commercial electric heater	.5Kw
	-----
	3.5 Kw

Tanks farm (5 Kw portable generator #1)

Electric Transfer pumps	1.5Kw
Reciprocal saw (antler removal)	1 Kw
Lights	1 Kw
	-----
	3.5Kw

Maintenance Tent

Lights	1 Kw
Small commercial heater (on occasion)	.5 Kw
Small power tools (on occasion)	.5 Kw
Welder (on occasion)	2 Kw
	-----
	4 Kw
Total Estimate Usage	74.75Kw

The main generators are expected to run 24 hours a day; a qualified and competent technician has been contracted to ensure their proper operation for the duration of the harvest.

A comfortable level of heat will be provided throughout the camp facilities.

NOTE: The main generators were used in the 2004 harvest and provided ample electricity throughout the camp even during peak periods.

### 11.0 Maintenance

Eric Emiktowt, a second year electrician will be contracted to maintain the camp generator and perform routine repairs throughout the camp. A 22'W x 28'L stress skin building has also been purchased to assist with camp equipment repairs, which include hunter snowmobiles, qamutiqs and Bombardier. The building will have lighting and semi-heat if necessary; all necessary tools will be kept on site. A small supply of lumber, hardware and plumbing fixtures will also be kept on site.

### 12.0 Transportation

A Caterpillar D6H crawler will be used to transport meat to the airport as well as assist with mobilization and de-mobilization. Each building is supplied with its own skid to avoid delays in mobilization; two other skids will be used for transport of meat (12'W x 20'L steel skid and a 12'W x 25'L steel skid); these are solely dedicated to meat transport and /or abattoir equipment relocation.

A 1975 Bombardier has been contracted to transport CFIA and Harvest Management to and from camp; the vehicle can comfortably accommodate up to 12 individuals although it is not expected that more than six people will be transported at any one time. The Bombardier will be used for re-supplying the



camp with food and fuels using two 6'W x 12'L solid hitch skids on backhaul to the camp. In the event that the bombardier breaks down or requires extended servicing, snowmobiles will be used to re-supply the camp with necessary food supplies and fuels; the Cat will also assist with removal of non-edible condemned part once all combo bins have been transported to the airport and using only designated skids..

Assuming the following:

- Non-edible condemned parts estimated at 150,000 pounds
- Approximately 24 harvesting days required to fulfill contract
- Maximum towing capacity of Bombardier is 6,000 pounds
- Minimum 1 trip per day to dump site

6,000 pounds/day (1 trip) x 24 harvesting days = 144,000 pounds transported

It would seem that Bombardier will have the capacity to keep-up with normal camp operation, however local snowmobiles will be made available and the Cat once transport of edible product is completed if the need arises.

All other camp personnel will be required to supply their own transportation to/from camp. A reliable snowmobile will be made available to CFIA throughout the duration of the harvest.

All camp sleds will have solid hitches installed to minimize potential accidents, these include all hunter sleds, gut hauling and grey water removal sleds.

#### Skids and sleds

Carcass sleds (Hunters)	7	each
Grey water sleds with solid hitch	2	each
Gut sleds with solid hitch	2	each
Hide sled with solid hitch	1	each
Local Use Only sled with solid hitch	1	each
Leg sled with solid hitch	1	each
Bombardier sleds with solid hitch	3	each
(1-inedible/garbage,1-fuel,1-local use)		
Edible product sleds with tow cable	2	each
(1-steel 12'x20',1-steel 14'x25')		
Auxiliary local sleds with tow ropes	10	each

### 13.0 Communication

outdoor valve to prevent contamination of the hoses used for the abattoir water supply. All water hoses will be stored in an identifiably clean warm area when not in use. A water sample has been taken prior to camp set-up and indicates no Coliform or E.Coli contamination however it has been recommended by the Regional Health Officer that a mild chlorine be added to potable water to ensure consistent water quality; further sampling will be done prior to harvest start-up and upon completion of the harvest as required by CFIA and NU Water Board. The water samples are sent to Keewatin Regional Health Board officials in Rankin Inlet for testing. Hot and cold water will be supplied throughout the washroom and kitchen area using a pressurized electric water pump. Water samples were taken in early December and results indicate that mild water treatment has been recommended; a mesh screen will also be fitted onto the submersible pump. An identified camp person will be responsible for maintaining a supply of fresh water for all areas of the camp. This person will be supplied with the necessary identifiable equipment to properly ensure clean water is supplied and will be instructed not to assist with any other camp duties that may cause contamination of the water supply.

Grey water from sinks and shower will be drained into exterior holding tanks fitted on a small solid-hitch sleds, approximately 4'W x 6'L x 2'D, these will be towed onto the land for disposal in accordance with NWB specifications.

Raw sewage bags will be removed from washrooms by a designated person and transported to a designated area for freezing and then transported to community via Bombardier and skid. General camp garbage will be disposed of in the same manner. The Bombardier will be hauling continuously and therefore any build-up of garbage or sewage is not expected.

## 16.0 Safety

It is the goal of the CDC to provide the safest environment possible for its staff and CFIA; proper communication, first aid kits, fire extinguishers, smoke alarms have all been installed or are present on site. The local Health Centre has been notified of our anticipated start date and will be on standby for any emergencies. WCB has also been made aware of our plans and has approved of our approach towards conducting the harvest. The Assistant Harvest Manager or assigned camp supervisor on R&R days will also have, on site, a rifle to deal with any unexpected predatory problems. Routine camp perimeter patrols will be conducted in the evenings and early morning to monitor any predatory problems; due to the high volume of traffic in and around the camp, no problems are anticipated. During camp shutdowns at least one local resident and the camp manager will remain with the CFIA staff to ensure their safety. These people will

be familiar with the operation of the generators and other camp equipment as well as the firearm for predatory control. Reliable transportation for site evacuation will be available for all those in camp. At no time will CFIA staff be allowed to remain in camp without proper supervision.

#### Emergency Numbers

Coral Harbour Health Centre	867-925-9916
Coral Harbour RCMP	867-925-1111
Town contact #1	867-925-8118
Town contact #2 (Clara Ell)	867-925-8014
Camp Satellite Phone	613-988-7337

The following individuals are qualified to administer First Aid and have agreed to treat CFIA and CDC staff if the need arises, copies of certificates will be kept on file and available for CFIA review upon request.

#### Qualified First Aid Attendants

Luke Eetuk (Assistant Harvest Manager)	Canadian Red Cross (First Aid/CPR)
To be named (Harvest Manager)	Medic First Aid (Basic Plus)

### 17.0 Visitors and Dignitaries

We are expecting visitors from the community from time to time; these people will be directed and confined to the dining area to avoid line disruption and potential contamination of product. The camp manager may tour V.I.P. visitors at any time and will ensure that these visitors will be properly dressed and instructed on proper procedures prior to entering a production area.

### 18.0 General Camp Rules

These include but are not limited to:

- 1) Work hard and respect your co-workers.
- 2) Work safe – no foolishness during working hours.
- 3) No unauthorized departures from station or camp without Harvest Manager approval.
- 4) Zero tolerance for alcohol, drugs, verbal and physical abuse.
- 5) Quiet time for all staff will be 11:00 pm.
- 6) Absolutely no pets allowed.

Employees breaching any of the above rules will be immediately disciplined or dismissed depending on the offence. The above constitutes general rules of conduct however numerous other postings will exist around the camp to ensure productivity, privacy and security (ex. No authorized personnel allowed in the generator house.)

## 19.0 CFIA General

A \$5000 deposit and estimated costs for two inspection stations for 24 harvesting days will be advanced to CFIA upon receipt of invoice. Split shifts are also requested in the event that weather delays or abattoir servicing is necessary during the course of the harvest. Normal abattoir hours of operation will be 9:00 am to 5:30 pm (first animal in at 9:30 am) seven days a week except (at Harvest Manager's discretion) every second Saturday afternoon and Sunday (all day) to allow for community/family quality time. Any discrepancies will be claimed/disbursed within 30 days of harvest completion. Flights and accommodations for first team of inspectors will be arranged and paid for by CDC upon confirmation of travel schedules and points of origin by CFIA Saskatoon office. CFIA will be responsible for expenses incurred by crew changes and any non scheduled transport of their staff. CDC will be responsible for lodgings and meals for all CFIA staff while at the camp for the duration of the harvest.

### General Information:

- Coveralls, gloves, combo bins, twist ties and other relevant supplies will be onsite and most stored in a modified sea container complete with shelving.
- Storm days and designated R&R days where staff will be allowed to return to community; camp will be supervised by no less than two staff; one of which will have knowledge of generator operation and maintenance; this individual will also have a rifle in his possession to deal with any predatory problems.

CORAL HARBOUR COMMUNITY DEVELOPMENT CORPORATION  
PROFORMA FINANCIAL STATEMENTS  
TWO YEARS ENDING MAY 31<sup>ST</sup>, 2007  
(prepared without audit)

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CORAL HARBOUR COMMUNITY DEVELOPMENT CORP.  
SUMMARY OF SIGNIFICANT ASSUMPTIONS AND ACCOUNTING POLICIES  
EMPLOYED IN THE PREPARATION OF THE PROJECTED STATEMENTS OF  
INCOME AND CHANGES IN CASH RESOURCES.

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This financial projection of income and changes in cash resources is to the best of management's knowledge and belief and reflect the expected results of operations for the projection period. Accordingly, the projections reflect management's judgement based on present circumstances of the expected conditions and expected course of action should the development proceed as envisaged. The assumptions disclosed herein are those that management believe are significant to the projection, however, some assumptions will inevitably not materialize and unanticipated events and circumstances may occur subsequent to the date of this projection; therefore the actual results achieved during the projected period of operations may vary from the projection and the variations may be material.

1. SUMMARY OF SIGNIFICANT POLICIES

DEPRECIATION

Depreciation of fixed assets is recorded using the method indicated at the noted rates:

	Rate	Method of depreciation
Buildings	5%	Declining balance
Equipment	20%	Declining balance
Vehicles	30%	Declining balance
Leaseholds	20%	Straight line

PREPAID ITEMS

Where practical, prepaid items are recognized as such so as to provide accuracy in the cash flow forecast.

2. GROSS REVENUE

The revenue for the operation has been estimated by management and is based upon management's past experience modulated by its analysis of current and projected market conditions. The projected increases stem from additional product harvested as experience with the harvest grows.

Total expectation in pounds harvested	180,000
Expected price received per pound	\$3.75

3. COST OF SALES

The cost of product sales has been estimated by management using specific costs experienced in the past along with product margins relevant from past experience where appropriate.

CORAL HARBOUR COMMUNITY DEVELOPMENT CORP.  
SUMMARY OF SIGNIFICANT ASSUMPTIONS AND ACCOUNTING POLICIES  
EMPLOYED IN THE PREPARATION OF THE PROJECTED STATEMENTS OF  
INCOME AND CHANGES IN CASH RESOURCES.

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4. ADMINISTRATIVE EXPENSES

The administrative expenses except where otherwise indicated are based on management's expectations and future adjustments as estimated by management.

5. OTHER RELEVANT CRITICAL PARAMETERS

Employer's payroll burden applied	14.80%
Business profits tax	17.00%
Inflation for succeeding years	2.00%
Operating interest rate where applicable	8.00%

## CORAL HARBOUR COMMUNITY DEVELOPMENT CORP.

## Proforma Income Statement

	2006	2007
Revenue		
Caribou	\$675,000	\$675,000
Direct operating expenses:		
Labour	386,027	391,748
Fuel	30,633	31,245
Packaging material	20,400	20,808
Processing supplies	23,460	23,929
Provisions	66,300	67,626
Royalties paid to HTO	3,300	3,600
Total direct expense	530,120	538,957
Administrative burden:		
Accounting	5,100	5,202
Bank charges	612	624
Communications	1,836	1,836
Consulting	65,300	35,300
Depreciation	50,191	41,857
Freight	15,300	15,606
Insurance	5,100	5,202
Legal	2,040	2,081
Licences and fees	510	520
Loan interest	30,479	29,252
Miscellaneous	1,020	1,040
Office expense	4,080	4,162
Remediation	15,300	15,606
Rent	6,120	6,242
Repairs and maintenance	5,100	5,202
Salaries	62,061	63,302
Small tools	3,060	3,121
Travel	3,060	3,121
Vehicle expense	2,040	2,081
Total admin. burden	278,309	241,358
Net income (loss) before other income	-133,429	-105,315
Grants or other subsidies	150,000	100,000
Net income (loss) before income taxes	16,571	-5,315
Provision for income taxes	0	0
Net income (loss)	16,571	-(5,315)



Coral Harbour Development Corporation  
Pro-forma Income Statement  
Period ending June 30, 2005

**Revenue**

Caribou meat sales \$ 617,359.25

**Total Revenue**

617,359.25

**Direct Operating Expenses**

Camp Labour 351,373.55  
Ammunition 13,105.57  
Fuel 48,820.70  
Equipment Rental 71,781.22  
Packaging Materials 21,758.73  
Pallets 3,760.00  
Processing Supplies 59,120.07  
Provisions 48,329.07  
Workers Compensation 13,162.00  
Rent -Cabins 3,500.00

634,710.91

**Feasibility Expenses**

Abattoir Foreman 5,600.00  
CFIA Inspection Fees 14,297.64  
Camp Boss 22,612.50  
Pre-harvest site assessment 6,876.50

49,386.64

**Administrative Burden**

Bank-Charges 396.38  
Communications 5,232.26  
Consulting Fees 34,865.00  
Miscellaneous Freight Charges 217.50  
Legal Fees 90.00  
License Fees 756.00  
Office Supplies 1,100.86  
Rent Office 4,500.00  
Repairs & Maintenance 8,912.75  
Bookkeeping Salaries 13,058.12  
Travel 7,243.13

76,372.00

**Total Expenses**

760,469.55

Net Loss before other income

(143,110.30)

INAC Contribution

100,000.00

Surplus - (Net Loss)

(43,110.30)

# KVRW02J271 Coral Harbour Development Cooperation

