

NWB3PAN

Jim Wall Technical Advisor Nunavut Water Board P.O. Box 119 Gjoa Haven, NU XOB 110

Memorandum of Understanding, 12 December, 2002:

Intentions of Pangnirtung Fisheries Ltd. concerning fish offal disposal in Pangnirtung from the Pangnirtung fish plant operations.

We understand that the Nunavut Water Board has issued an amendment to water license number NWB3PAN0207 to include the dumping of fish process offal in a terrestrial pit located within the confines of the present Pangnirtung municipal dump site.

The dimensions are roughly 30 by 90 feet, 5 feet in depth. Dumping has commenced at a rate of approximately 1 ton of offal per day and will continue through the month of May each year. Total offal dump amounts are 150 tons per year.

A layer of calcium will be added to the offal layers to facilitate degradation and decomposition.

Our intention is to utilize this method only as a stop gap measure until a final offal processing solution is completed. At this time this appears to include a deboner as well as a plate freezer solution to remove approximately 90% of the present offal waste with only a small percentage of bone waste remaining. This bone residue will continue to be dumped in the offal dump area. This solution may change but it appears that this is the most affordable and feasible method of handling the by-product.

We will keep you informed of our progress concerning this matter as well as any changes in dumping amount or content.

Michael Nowinski General Manager

Pangnirtung Fisheries Limited

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