WATER USE INSPECTION REPORT

| Date: July 04,2009 | Licensee Rep. (Name/Title): Bhabesh Roy | | |
|---------------------------------|---|--------------|---------------------|
| Licensee: Government of Nunavut | | Licence No.: | 3BM-RUT- Unlicensed |

WATER SUPPLY

| Source(s): Water Lake | Quantity used: Unknown |
|--|--------------------------|
| Owner:/Operator: Government of Nunavut | Local service contract - |

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

| Intake Facilities: A | Storage Structure: A | Treatment Systems: A | Chemical Storage: A |
|----------------------|----------------------|----------------------|---------------------|
| Flow Meas. Device: A | Conveyance Lines: U | Pumping Stations: A | Screen : A |

Comments: The Government of Nunavut (GN) remains unlicensed and manages the water/ waste water municipal services in the community via local service contract.

WASTE DISPOSAL

Sewage: Sewage Treatment System (Prim./Sec/Ter.):None-Sewage discharged directly to ocean

| Natural Water Body: No | Continuous Discharge (land or water): water (ocean) | |
|-------------------------|---|--------------|
| Seasonal Discharge: N/A | Wetlands Treatment: None | Trench: None |

Solid Waste: Not Applicable

Owner/Operator: Hamlet of Resolute Bay

| Landfill: Old one in use. Burn & Landfill: U Other: Bulk metals area | |
|--|--|
|--|--|

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

| Discharge Quality: U | Decant Structure: NA | Erosion: NI |
|----------------------------|---|------------------------|
| Discharge Meas. Device: NA | Dyke Inspection: NA | Seepages: U |
| Dams, Dykes: NA | Freeboard: NA | Spills: 08-560 closed |
| Construction: NA | O&M Plan: U (none submitted) | A&R Plan: U |
| Periods of Discharge: Con. | Effluent Discharge Rate: Unknown | |

Comments: Sewage from community is continuously pumped onto the shoreline in front of town and directly into the environment (Ocean). Obvious nutrient loading noted (bloom).

FUEL STORAGE: Tank farm has a large quantity of contaminated water within the bermed area.

Waste Oil Storage: None

Owner/Operator: Government of Nunavut

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

| Berms & Liners: A | Water within Berms: U | Evidence of Leaks: NI |
|--------------------------|--|-----------------------|
| Drainage Pipes: U | Pump Station & Catchments Berm: NI | |
| Pipeline Condition: U | Condition of Tanks: Old tanks decommissioned, Rips in liner noted in Containment area. Suction hose noted on berm. | |

Comments: A suction hose on the wall of the berm was noted during the inspection. The inspector has concerns that water may have been pumped out of the containment area as stated by local businessmen and contractors. The Licensee is reminded to include evidence and results of any required sampling prior to the discharge of any water from within the containment area prior to discharge.

SURVEILLANCE NETWORK PROGRAM (SNP)

| Samples Collected Owner /Operator: No | | Owner /Operator: N | o samples from Government have been submitted |
|--|---|--------------------|---|
| 2 | INAC: Potable water source & Effluent discharge | | source & Effluent discharge |
| Signs Posted | SNP: none | | Warning: 1 at effluent discharge pipe |
| Records & Reporting: No records of water usage, waste discharge. | | | |
| Geotechnical Inspection: N/A | | | |

Non-Compliance of Act or Licence: The Government of Nunavut is in the process of applying for a water license. The Government of Nunavut is currently not in compliance with the Nunavut Water and Nunavut Surface Rights Tribunals Act.

| Inspector's Name | Inspector's Signature |
|------------------|-----------------------|
| A.Keim | Sent by E-mail |