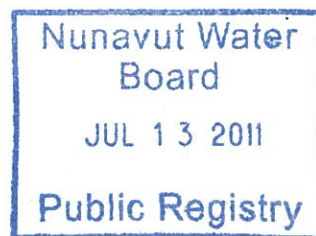




CANADIAN ARCTIC
HOLIDAYS


ARCTIC WATCH
WILDERNESS LODGE

June 21, 2011



**Annual Report of Water Usage for the year 2010
Licence Number 3BL-AWL1015 – Type B**

**Submitted to: Nunavut Water Board
P.O. Box 119, Gjoa Haven, Nunavut X0B 1J0**

The following information is in regards to Canadian Arctic Holiday Ltd. for the summer of 2010. Arctic Watch Wilderness Lodge was operational for 5 weeks this season.

a) Summary Report of water use and waste disposal activities:

Daily water usage for July and August 2010 – 5 week period, was 5 cubic meters or less.

Grey Water and filtered through membrane and gravel, Black water filtered through gravel. Inspection completed by Indian and Northern Affairs environmental inspector.

b) Unauthorized Discharges

There were no unauthorized discharges during the operating year of 2010.

c) Spill Contingency Plan:

Spill Contingency Plan remains the same, there are no changes to be reported.

d) Description of all progressive and/or final reclamation work undertaken:

Arctic Watch Wilderness lodge was operational for 5 weeks during the summer of 2010. The lodge is on Federally Leased land. Guides take tourist, by sea kayak, foot, ATV and Special truck, primarily for wildlife viewing of beluga whales, muskox and polar bears.

Groups from Arctic Watch travel a max of 30 km from Arctic Watch. Reservations of guest were down in number during this season

e) Monitoring Program

Arctic Watch Wilderness lodge was open for the month of July and 1 week in August for a total of 5 weeks.

Daily water usage did not exceed 5 cubic meters per day. Water is drawn from the Cunningham River. The location of the lodge and water facility is: Latitude 74 °4' 45" N and Longitude 93° 48' 30"W.

Black and grey water waste system is located downstream from the water intake and more than 30 meters from the shore of the river.

f) Other Information:

Please be advised that due to insufficient reservations Arctic Watch Wilderness Lodge will not be open for the 2011 season.

Sincerely,



Richard Weber