



July 10, 2017

Greetings,

Sears Canada Inc. and Clifton Associates Ltd. are pleased to provide this quarterly update on the environmental assessment, monitoring and remediation activities that are ongoing in the community of Hounsfield Heights-Briar Hill (HH-BH). Since the previous Beacon posting in March 2017, Sears and Clifton:

-) Have finalized the 2017 Winter Soil Vapour Monitoring Program and the report will be submitted shortly;
-) Have finalized the 2017 Q2 Groundwater Monitoring and Sampling Program and the report will be submitted shortly;
-) Submitted the Annual Report, as required, by AEP;
-) Have continued the assessment of the Plume Stop pilot study and are currently exploring the option of a secondary Plume Stop pilot study further west along 11th Avenue; and,
-) Are in the process of beginning the 2017 Summer Soil Vapour Monitoring Program and further delineation drilling within the southwest portion of the Site.

As previously communicated, the Soil Vapour Monitoring Program was implemented as an additional means of assessing risk to human health within the community. The sampling events for Winter 2017 were completed earlier this year and the report will be submitted to Alberta Environment and Parks (AEP) for review. We are pleased to advise that the results of the Soil Vapour Monitoring Program continue to indicate that there is no risk to human health from soil vapours. As the AEP previously reviewed the Soil Vapour Quality Guidelines, we do not anticipate any comments as the soil vapour quality guidelines used in the report were deemed acceptable for evaluating the risks at the site.

The second quarter Groundwater Monitoring and Sampling event for 2017 was completed earlier this year and the report is being finalized and will shortly be submitted to AEP. A copy of the report will be posted to the Environmental Site Assessment Repository database for review (see link below for access). As reported in the last communication, the data collected during this sampling event was generally consistent with all previous sampling events conducted.

It has been almost a year since the initial installation of the first Plume Stop Pilot study and results continue to be very positive. Clifton is continuing to evaluate the progress of the Plume Stop, which continues to indicate reductions in total Petroleum Hydrocarbon (PHC) concentrations in the groundwater samples. As this is only one option being investigated, we continue to operate the Dual Phase Vapour Extraction System as it continues to effectively extract PHC contaminated groundwater from the subsurface.

For copies of current or historical documentation, please visit the Environmental Site Assessment Repository (ESAR) website at www.esar.alberta.ca/esarmain.aspx > and enter a PBL Search for Plan: 8210266



Throughout 2017, we expect to continue with the evaluation of the Plume Stop technology and are presently assessing the benefits of a secondary installation of the technology along 11th Avenue. As Plume Stop continues to indicate positive results, we anticipate the full installation of this technology to aid in the remediation of the community in the near future. This work will be completed in conjunction with the regularly scheduled 2017 Summer Soil Vapour Monitoring Program along with further delineation drilling within the southwest portion of the Site.

Sears and Clifton appreciate the opportunity to provide this information to the residents of the HH-BH Community. If you have any questions or concerns, please feel free to contact one of the Sears or Clifton representatives listed below.

Yours sincerely,

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