July 3, 2012

Mr. Daniel Chisick
Industrial Metals (2011)
2141 Logan Avenue
Winnipeg, MB R2R 0J3

Dear Mr. Chisick:

Enclosed is Licence No. 265 HW dated July 3, 2012 issued in accordance with The Dangerous Goods Handling & Transportation Act to Chisick Metals (2000) Ltd. and 4316681 Canada Inc. operating as Industrial Metals (2011) for the continued operation of a Waste Lead Acid Battery transfer facility (the facility) located at 550 Messier Street, in Winnipeg, Manitoba, in accordance with the Application received on September 5, 2008 filed under The Dangerous Goods Handling and Transportation Act, and the additional information received on September 1, 2009, January 11, 2011 and February 8, 2012.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any alteration to the facility as licensed.

For further information on the administration and application of the Licence, please feel free to contact Ms. Kim Fedick, Environment Officer at (204) 945-0992.

Pursuant to Section 25 of The Dangerous Goods Handling & Transportation Act, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation within 30 days of the date of the Licence.

Yours truly,

Tracey Braun, M.Sc.
Director
Environment Act

Enc.
c: Don Labossiere, Director, Environmental Compliance and Enforcement
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 265 HW (by the Licencee only) is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by July 17, 2012

On behalf of Industrial Metals (2011) ____________________ Date ____________________

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
Licence No./Licence no 265 HW
Issue Date/Date de délivrance July 3, 2012

In accordance with The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12)/
Conformément à la Loi sur la manutention et le transport des marchandises dangereuses (C.P.L.M. c. D12)

THIS LICENCE IS ISSUED TO:/CETTE LICENCE EST DONNÉE À:

CHISICK METALS (2000) LTD. and 4316681 CANADA INC. operating as
INDUSTRIAL METALS (2011)
"the Licencee"

for the continued operation of a Waste Lead Acid Battery transfer facility (the facility) located at 550
Messier Street, in Winnipeg, Manitoba, in accordance with the Application received on September 5,
2008 filed under The Dangerous Goods Handling and Transportation Act, and the additional
information received on September 1, 2009, January 11, 2011 and February 8, 2012 and subject to the
following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means an analytical facility accredited by the Standard Council of Canada
(SCC), or accredited by another accrediting agency recognized by Manitoba Conservation to be
equivalent to the SCC, or be able to demonstrate, upon request, that it has the quality assurance/quality
control (QA/QC) procedures in place equivalent to accreditation based on the international standard
ISO/IEC 17025, or otherwise approved by the Director;

"contaminant" means a contaminant as defined in The Dangerous Goods Handling and Transportation
Act;

"Director" means an employee so designated pursuant to The Dangerous Goods Handling and
Transportation Act;

"Environment Officer" means an employee so designated pursuant to The Dangerous Goods Handling
and Transportation Act;

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
"licenced carrier" means a person who has a valid licence to transport hazardous waste pursuant to Manitoba Regulation 175/87 under The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12);

"mercury switch" means a switch which contains mercury as part of the on/off mechanism such as switches used in trunk light fixtures;

"permanently closed" means that the facility has not been operated for a period of 6 months or more;

"registered generator" means a person who is registered as a hazardous waste generator pursuant to Manitoba Regulation 175/87 under The Dangerous Goods Handling and Transportation Act (C.C.S.M. c. D12);

"Switch Out" means the national programme dedicated to removing, collecting and managing mercury switches; and

"waste battery" means a lead-acid electromotive battery that
   a) through use, storage, handling, defect, damage, expiry of shelf life or other similar circumstance can no longer be used for its original purpose; or
   b) for any other reason, the owner or person in possession of the battery intends to dispose of it.

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the facility.

2. In addition to any of the terms or conditions specified in this Licence, the Licencee shall, upon the request of the Director:
   a) sample, monitor, analyze and/or investigate specific areas of concern regarding any segment, component or aspect of contaminant storage, containment, treatment, handling, disposal or emission systems, for such contaminants or ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, for such duration and at such frequencies as may be specified;
   b) determine the environmental impact associated with the release of any contaminant(s) from the said facility; or
   c) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, bioassay data, flow rate measurements and such other information as may from time to time be requested.
3. The Licencee shall, unless otherwise specified in this Licence:
   a) carry out all sampling of, and preservation and analyses on, water, soil or air samples in accordance with methodologies approved in writing by the Director;
   b) have all analytical determinations undertaken by an accredited laboratory; and
   c) report the results to the Director, in writing and in an electronic form acceptable to the Director within 60 days of the samples being taken.

4. The Licencee shall submit all information that is required to be provided under this Licence to the Director, in writing and in such form (including number of copies) and of such content as may be requested by the Director. Each submission shall be clearly labeled with the Licence Number and Client File Number associated with this Licence.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

5. The Licencee shall not receive at the facility any hazardous waste other than waste batteries and mercury switches.

6. The Licencee shall continue to participate in the Switch Out programme by which suppliers remove mercury switches from scrap vehicles and other scrap that would be expected to contain mercury switches before taking the scrap to the facility.

7. The Licencee shall, where mercury switches are not removed from scrap vehicles, collect the mercury switches and dispose of them in a manner that is acceptable to the Director.

8. The Licencee shall provide training for all persons who will be assigned duties with respect to the facility in:
   a) Transportation of Dangerous Goods Regulations; and
   b) procedures pertaining to the operation of the facility including spill response.

   The records of this training shall be made available for inspection by an Environment Officer upon request.

9. The Licencee shall initiate and maintain a record for all waste batteries received at the facility. The record shall contain, for each day that waste batteries are received, the
   a) date of receipt;
   b) name and address of the carrier;
   c) quantity or weight of batteries received;
   d) source of the batteries; and
   e) the Manitoba Generator Registration Number for each source of waste batteries, where applicable.

10. The Licencee shall, unless otherwise specified by this Licence, retain all records during the full life of operation of the facility, and after closure, for such period of time as may be specified by the Director. Records may be transferred from their original form to other accepted forms for information storage.
11. The Licencee shall make available for inspection by an Environment Officer upon request a summary of the record referred to in Clause 9 of this Licence.

12. The Licencee shall arrange for all waste batteries received at the facility to be transported within 30 days by a licenced carrier to a recycling or disposal facility operating under the authority of a Licence issued pursuant to The Dangerous Goods Handling and Transportation Act in Manitoba, or under an approval of similar type in another jurisdiction.

13. The Licencee shall store the waste batteries in an area that provides containment.

14. The Licencee shall store the waste batteries on pallets with a layer of corrugated cardboard, or other material which will prevent casing ruptures, placed between successive layers of waste batteries. The full pallet of batteries shall have two layers of batteries and be shrink wrapped with plastic before shipment from the facility.

15. The Licencee shall conspicuously place in the area used for storage of waste batteries effective neutralizing materials, or materials approved by the Director in writing, for the containment or clean up of spills.

16. The Licencee shall in the event of a spill, dispose of the water used to clean up the spill in accordance with applicable regulations.

17. The Licencee shall not allow the inventory of waste batteries at the facility to exceed 5000 waste batteries at any one time.

18. The Licencee shall, within 60 days of the date of this Licence, submit an emergency response contingency plan, in accordance with the Canadian Centre for Occupational Health and Safety emergency planning guidelines.

19. The Licencee shall, within 30 days of the date of this Licence, post with the Manitoba Department of Conservation and Water Stewardship in the amount of $10,000 Cdn:
   a) a permit bond issued by a surety company licenced to do business in the Province of Manitoba;
   b) an irrevocable letter of credit; or
   c) another acceptable security satisfactory to the Director.

   This permit bond, irrevocable letter of credit, or other security and renewals thereof shall remain in place for the duration of the operation of the facility. The Director may order forfeiture of the permit bond, irrevocable letter of credit, or other security, either in whole or in part, by giving written notice to that effect to the Licencee, upon the Director being satisfied that the Licencee is in breach of any specification, limit, term or condition of this Licence, or for reimbursement of any costs or expenses incurred by the Province of Manitoba in rectifying environmental damage caused or contributed to by the operation of the facility.

20. The Licencee shall obtain approval in writing from the Director for any proposed alteration to the facility, which is likely to cause an environmental effect, before proceeding with an alteration.
21. The Licencee shall, in the event that the facility is to be permanently closed as a waste lead acid battery transfer facility, or is offered for sale, conduct an investigation, to the satisfaction of the Director, to identify any contamination that may have resulted from the operation of the facility.

22. The Licencee shall, where the investigation referred to in Clause 21 of this Licence shows that contamination of the environment has occurred, submit a remediation proposal to the Director and, upon approval of this proposal by the Director, the required remediation shall be carried out by the Licencee.

23. The Licencee shall, in the event of an Environmental Accident as defined in *The Dangerous Goods Handling and Transportation Act* and Regulations thereunder, take all necessary actions to contain the spill, manage the impacted environment, and to restore the environment to the satisfaction of an Environment Officer or the Director.

**REVIEW AND REVOCATION**

A. If, in the opinion of the Director, the Licencee has exceeded or is exceeding or has or is failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.

B. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of this Licence, the Director may require the filing of a new application pursuant to *The Dangerous Goods Handling and Transportation Act*.

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Tracey Braun, M.Sc.
Director
Dangerous Goods Handling and Transportation Act

Client File No.: 5364.00

Conee Registration No. MB R 30080

Consignor Registration No. MB G 01707