IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125) THIS LICENCE IS ISSUED PURSUANT TO SECTION 10(1) TO:

GENERAL FOODS INC, doing business as MELROSE COFFEE COMPANY; “the Licencee”

for the operation of the Development being a coffee processing facility, which roasts, flavours and blends coffee beans, including all related activities, located at 2 Scurfield Boulevard in Lot 7, Block 6 of the Whyte Ridge Industrial Park in the City of Winnipeg, in accordance with the correspondence dated December 19, 1996, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

“affected area” means a geographical area, affected by a noise or odour nuisance, excluding the property of the Development;

“Director” means an employee so designated pursuant to The Environment Act;

“noise nuisance” means an unwanted sound, in an affected area, which is annoying, troublesome, or disagreeable to a person:
   a) residing in an affected area;
   b) working in an affected area; or
   c) present at a location in an affected area which is normally open to the members of the public;

if the unwanted sound
   d) is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director, and within a 90 day period, from 5 different persons falling within clauses a), b), or c), who do not live in the same household;

“odour nuisance” means a continuous or repeated odour, smell or aroma, in an affected area, which is offensive, obnoxious, troublesome, annoying, unpleasant, or disagreeable to a person:
   a) residing in an affected area;
   b) working in an affected area; or
   c) present at a location in an affected area which is normally open to the members of the public;

if the odour, smell or aroma
   d) is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director, and within a 90 day period, from 5 different persons falling within clauses a), b), or c), who do not live in the same household;
“waste(s)” means waste products of any kind whatsoever or the run-off from such waste products and includes both liquid and solid materials.

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 Development, at all times.

2. The Licencee shall reduce the production and dissemination of wastes by initiating and maintaining waste reduction and waste recycling programs.

3. The Licencee shall, unless otherwise specified in this Licence:
   a) carry out all sampling of, and preservation and analyses on, air samples in accordance with methodologies and other conditions as approved by the Director;
   b) have all analytical determinations performed by an accredited laboratory or a laboratory approved by the Director; and
   c) report the results to the Director within 60 days of the samples being taken.

LIMITS, TERMS AND CONDITIONS

4. The Licencee shall not emit particulate matter from the Development such that:
   a) particulate matter:
      i) exceeds 0.23 grams per dry standard cubic metre calculated at 25 degrees Celsius and 760 millimetres of mercury, corrected to 12 percent carbon dioxide for processes involving combustion, from any point source of the Development;
      ii) exhibits a visible plume with an opacity of greater than 5 percent at any point beyond the property line of the Development; or
      iii) results in the deposition of visible particulate residue at any time beyond the property line of the Development; or
   b) opacity from any point source of the Development equals or exceeds:
      i) 20 percent as the average of any 24 consecutive opacity observations taken at 15 second intervals;
      ii) 20 percent for more than 16 individual opacity observations within any 1 hour period; or
      iii) 40 percent for any individual opacity observation.

5. The Licencee shall not cause or permit a noise nuisance to be created as a result of the operation of the Development, and shall take such steps as the Director may require to eliminate or mitigate a noise nuisance.

6. The Licencee shall not cause or permit an odour nuisance to be created as a result of the operation of the Development, and shall take such steps as the Director may require to eliminate or mitigate an odour nuisance.
7. The Licencee shall not operate the coffee roasters, with the exceptions provided by Clause 8 of this Licence, if all roaster emission air exhausts are not directed to and treated by the fully operational afterburner and associated catalytic converter pollution control device.

8. The Licencee, unless otherwise directed by the Director, may operate the coffee roasters with their air exhausts bypassing the afterburner and associated catalytic converter pollution control device, if the following limitations are not exceeded:
   a) within any seven (7) day period between January 1 and December 31, for 4 hours;
   b) within any one (1) calendar month between January 1 and December 31, for 12 hours; or
   c) between January 1 and December 31, for 48 hours.

9. The Licencee shall, where the conditions of Clause 8 of this Licence are exceeded:
   a) cease the roasting process at the finish of the current batch;
   b) immediately discontinue all further roasting activities until the afterburner and associated catalytic converter pollution control device are operational and in full service.

10. The Licencee shall maintain a log book of all maintenance activities and downtime of the afterburner and associated catalytic converter pollution control device. The log book shall be available upon request for inspection and shall contain, at minimum, the following:
    a) date/time of log entry;
    b) nature of event;
    c) time and duration of event;
    d) if there is downtime which coincides with roasting activity, the accumulated downtime for these 7-day/calendar month/year periods; and
    e) signature of employee/manager.

11. The Licencee shall notify the Director, by facsimile or other acceptable means, within one working day of any shutdown of the afterburner and associated catalytic converter pollution control device where the roasting process was continued. Such notification shall include the actual time of the roasting process where the emissions were not treated by the afterburner and associated catalytic converter pollution control device; the reason for the shutdown of the afterburner and associated catalytic converter pollution control device; and the corrective measures and other actions taken.

12. The Licencee shall notify the Director of an intended alteration of process, which may affect in any manner a waste discharge or emission, prior to implementing such alteration.
REVIEW AND REVOCATION

A. This Licence replaces Licence No. 1133 which is hereby rescinded.

B. 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.

C. 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 proposal pursuant to Section 10 of The Environment Act.

Larry Strachan, P. Eng.
Director
Environment Act

Client File No.: 2762.00