In accordance with the Manitoba Environment Act (C.C.S.M. c. E125)

THIS LICENCE IS ISSUED TO:

**FRANKLIN FERTILIZER LTD.: “the Licencee”**

for the construction and operation of the Development being the operation of an anhydrous ammonia storage and handling operation, including all related activities, at SE1/4 12-15-17 WPM and subject to the following specifications, limits, terms and conditions:

**DEFINITIONS**

In this Licence,

"ambient concentration" means the measurement of a substance contained in an air sample (corrected to a temperature of 25 ° C and to a pressure of 101.3 kilopascals) which has been collected from any point beyond the property line of the operation;

"chemical products" includes but is not limited to fertilizers, pesticides and herbicides;

"opacity" means the degree to which emissions reduce the transmission of light and obscure the view of an object in the background;

"operation" includes all activities or processes, directly or indirectly related to the Development, and which are or may occur on or at SE 1/4 12-15-17 WPM;

"particulate matter" means any finely divided liquid or solid matter other than water droplets;

"particulate residue" means that part or portion of an atmospheric emission which is deposited onto a surface;

"permanent anhydrous ammonia tank(s)" means any storage container approved and certified for the storage of anhydrous ammonia which is firmly attached to a fixed, non-moveable supporting structure.
GENERAL SPECIFICATIONS

1. The Licencee shall ensure that a high standard of equipment maintenance and good housekeeping and operational practices are carried out with respect to the Development, at all times.

LIMITS, TERMS AND CONDITIONS

I - AIR EMISSIONS

2. The Licencee shall not emit particulate matter from the operation such that particulate matter:
   i) exhibits a plume with an opacity of greater than 5 percent at any point beyond the property line of the development; or
   ii) results in the deposition of visible particulate residue at any time beyond the property line of the development.

3. The Licencee shall not emit ammonia from the operation such that the ambient concentration of ammonia in air is in excess of:
   i) 10 parts per million at any time when measured past the property line of the operation;
   ii) 2 parts per million on an 1-hour average when measured past the property line of the operation.

II - LIQUID EMISSIONS

4. The Licencee shall not discharge any liquid beyond the property line of the operation as a result of:
   i) any on-site ammonia spill; or
   ii) wastewater generated from any response action due to an on-site release of ammonia.

5. The Licencee shall immediately contain and dispose of any release of ammonia so that there is no contamination of surface water or ground water as a result of such release.

III - CHEMICAL STORAGE/HANDLING

6. The Licencee shall not store or handle any chemical products at this operation other than anhydrous ammonia.

IV - STORAGE TANK LOCATION

7. The Licencee shall locate any permanent anhydrous ammonia tank(s) used for the on-site storage of ammonia prior to redistribution, a minimum distance of:
   i) 800 metres from residential areas, schools, hospitals and other institutions; or
   ii) 100 metres from a single isolated residence; or
   iii) 100 metres from the edge of the right of way of a highway.
REVOCATION

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

Larry Strachan, P. Eng.
Director
Environment Act