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

THIS LICENCE IS ISSUED TO:

B & R SEEDS LTD. - ST. CLAUDE: “the Licencsee”

for the construction and operation of the Development being a crop protection products warehouse, seed cleaning/treating, and distribution facility to be located on the NE 1/4 15-8-7 WPM in the Rural Municipality of Grey, 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 Development;

“chemical” includes, but is not limited to petroleum products, fertilizers and pesticides;

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

“4 minute period(s) in the aggregate” means any 16 readings, not necessarily contiguous, taken at 15 second intervals within a 1 hour sampling period;

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

"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;

“pesticide storage structure(s)” means any building(s) where agricultural crop protection products are stored for either commercial or retail purposes;

“point source” means any point of emission from a Development where pollutants are ducted into the atmosphere;

“sewage” means human body, toilet, liquid, waterborne culinary, sink or laundry waste.
GENERAL SPECIFICATIONS

1. The Licencee shall comply with the current edition of the Crop Protection Institute of Canada’s warehousing standards regarding the handling and storage of crop protection chemicals, and with all applicable federal and provincial regulations.

2. The Licencee shall install and maintain, for any structures used for the storage of crop protection chemicals, an automatic system(s) for fire detection and security.

3. 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.

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

LIMITS, TERMS AND CONDITIONS

I - AIR EMISSIONS

5. The Licencee shall not emit particulate matter from the Development such that:
   i) particulate matter:
      a) 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;
      b) exhibits a visible plume with an opacity of greater than 5 percent at any point beyond the property line of the Development; or
      c) results in the deposition of visible particulate residue at any time beyond the property line of the Development; or
   ii) opacity from any point source of the Development equals or exceeds:
      a) 20 percent for a four minute period(s) in the aggregate in any one hour; or
      b) 40 percent at any time.

II - LIQUID EMISSIONS

6. The Licencee shall not direct any spillage, contaminated run-off or pollutant, other than sewage, to an approved sewage disposal system.

7. The Licencee shall contain and clean up immediately any chemical spills to prevent soil, surface water or ground water contamination.

8. The Licencee shall ensure that the site retention area is protected with an additional 45 cm of compacted clay material or other materials approved by the Director.
9. The Licencee shall ensure that the Development is adequately diked and that control culverts are installed at the low end of the Development and remain in the closed position. The Regional Office of Manitoba Environment in Portage la Prairie shall be contacted for approval to open the control culverts to permit land drainage.

10. The Licence shall ensure that the surface of the containment area is inspected semiannually for desiccation cracks, and that the containment area's continuity is maintained.

**III - REMEDIAL ACTION**

11. The Licencee, upon obtaining approval from an Environment Officer, shall immediately dispose of any contaminated material in accordance with the approval.

**IV - EMERGENCY CONTINGENCY PLAN**

12. The Licencee shall submit, within ninety (90) days of the issuance of this Licence, an emergency response contingency plan to be approved by the Director. This plan shall include, but not be limited to, items which will address: measures implemented for spill prevention and containment; security; personnel training; fire and other response arrangements.

**V - PESTICIDES**

13. The Licencee shall construct and maintain the concrete floors and curbs of all pesticide storage structure(s) so as to prevent spilled liquids from leaking into the soil.

14. The Licencee shall create and maintain a current duplicate inventory of all pesticides stored at the Development, with one copy stored at the premises of the Development, and the other copy stored at a location off-site from the Development.

15. The Licencee shall store only pesticides registered under the Pest Control Products Act of Canada at the Development.

16. The Licencee shall contain on the Development:
   i) any on-site pesticide spill;
   ii) wastewater generated from any response action due to an on-site release of pesticides; and
   iii) contaminated water resulting from the extinguishing of any fire involving pesticides.

17. The Licencee shall locate the pesticide storage structure(s) a minimum distance of:
   i) 100 metres from any property zoned residential; and
   ii) 100 metres from single residences unless a written consent form is obtained from the owner(s).
VI - SAMPLING AND ANALYSIS

18. The Licencee, at the request of the Director, shall conduct soil, air (stack and/or ambient), ground water, surface water or noise monitoring at or adjacent to the Development.

19. The Licencee shall have each soil, air or water sample collected pursuant to Clause 16 analyzed by a laboratory approved by the Director and using methods approved by the Director for any of the following analytes as may be specified by the Director:
   i) Particulate Matter (in air): and
   ii) Pesticides.

20. The Licencee shall submit a copy of the sampling report complete with analytical results as specified pursuant to Clauses 16 and 17, to the Director within 60 days of the completion of the sampling program.

REVOCATION

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

[Signature]
Larry Strachan, P. Eng.
Director
Environment Act

File No.: 3860.00