April 17, 2008

Sebastian Lau
Wesman Salvage
PO Box 67 – St. Boniface Postal Station
Winnipeg MB R2H 2B4

Dear Mr. Lau:

Enclosed is Dangerous Goods Handling and Transportation Act Licence No. 228 HW dated April 17, 2008 issued in accordance with The Dangerous Goods Handling and Transportation Act to Kar-Basher Manitoba Inc. operating as Wesman Salvage for the continued operation of a Waste Lead Acid Battery transfer facility (the facility) located at 855, 49th Street East, in Brandon, Manitoba, in accordance with the Application dated February 4, 1998 and the additional information received on February 26, 2008.

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.

For further information on the administration and application of the Licence, please feel free to contact Peter Crocker, Environment Officer at (204) 726-6565.

Pursuant to Section 25 of The Dangerous Goods Handling and Transportation Act, this licencing decision may be appealed by any person who is aggrieved 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
Dangerous Goods Handling
and Transportation Act

Enc.
c: B. Wright, Regional Director, Western Region
c: Peter Crocker, Environment Officer
c: City of Brandon

NOTE: Confirmation of Receipt of this Licence No. 228 HW (by the Licencee only) is required by the Director of Environmental Assessment & Licensing Branch. Please acknowledge receipt by signing in the space provided below and faxing a copy back to the Department by April 23, 2008.
THE DANGEROUS GOODS HANDLING and TRANSPORTATION ACT
LOI SUR LA MANUTENTION ET LE TRANSPORT DES
MARCHANDISES DANGEREUSES

LICENSE

Licence No./Licence n° 228 HW
Issue Date/Date de délivrance April 17, 2008

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:/CET LICENCE EST DONNÉ À:

KAR-BASHER MANITOBA LTD. operating as WESMAN SALVAGE; "the Licencsee"

for the continued operation of a Waste Lead Acid Battery transfer facility (the facility) located at 855, 49th Street East, in Brandon, Manitoba, in accordance with the Application dated February 4, 1998 filed under The Dangerous Goods Handling and Transportation Act, and the additional information received on February 26, 2008, 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 any solid, liquid, gas, waste, radiation or any combination thereof that is foreign to or in excess of the natural constituents of the environment and:
   a) that affects the natural, physical, chemical or biological quality of the environment; or
   b) that is or is likely to be injurious or damaging to the health or safety of a person;

"Director" means an employee of the department who has been designated or appointed by the Minister;

"Environment Officer" means a department employee so designated or appointed by the minister;

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

**A COPY OF THIS LICENCE MUST BE KEPT ON SITE AT THE FACILITY AT ALL TIMES**
"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;

"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); and

"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).

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencsee 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 Licencsee shall implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the facility, sufficient to minimize discharges and cause no significant adverse environmental effects at all times.

2. The Licencsee shall, for the facility, upon the request of the Director and in addition to any of the specifications, limits, terms or conditions specified in this Licence:
   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 contaminants 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 Licencsee 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) use an accredited laboratory for all analytical determinations; and
   c) report the results to the Director within 60 days of the samples being taken.
4. The Licencee shall provide to the Director, upon request, all information required under this Licence, in writing and in such form and content (including number of copies), as may be specified by the Director.

5. The restrictions and conditions of this Licence are severable. If any restriction or condition of this Licence, or the application thereof, to any circumstance is held invalid, the application of such restriction or condition to other circumstances and the remainder of this Licence shall not be affected thereby.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

6. The Licencee shall not receive at the facility any hazardous waste other than waste batteries.

7. The Licencee shall train personnel handling dangerous goods, as required by The Dangerous Goods Handling and Transportation Act and Regulations thereunder.

8. 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.

9. 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.

10. The Licencee shall make available for inspection by an Environment Officer upon request a summary of the record referred to in Clause 8 of this Licence.

11. The Licencee shall arrange for all waste batteries received at the facility to be transported within 120 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.

12. The Licencee shall store the waste batteries in the metal shipping container (steel building) and not in any other place where there are ports or drains that lead directly or indirectly to a sewer system.
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 2000 waste batteries at any one time.

18. The Licencee shall submit to the Director for approval, within 60 days of the date of this Licence, a contingency plan, in accordance with the Manitoba Industrial Accidents Council (MIAC) Industrial Emergency Response Planning Guide, outlining procedures to be used in the event of a leak, spill, fire, or other hazardous condition at the facility.

19. The Licencee shall, within 30 days of the date of this Licence, post with the Manitoba Department of Conservation 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 proposal pursuant to The Dangerous Goods Handling and Transportation Act.

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

Client File No.: 4470.00

Consignor Registration No. MB G 03258
Consignee Registration No. MB R 30058