John Foster, Interim EHS Manager
Terra International (Canada) Inc.
4 Parkway North, Suite 400
Deerfield IL 60015 USA

Dear Mr. Foster:

Enclosed is revised Environment Act Licence No. 3067 R dated March 12, 2014 issued to Terra International (Canada) Inc. – Brandon for the operation of the Development being an anhydrous ammonia storage and distribution facility located at 8030 Richmond Avenue East, on the N ½ 10-10-18 and S ½ 05-05-18 WPM in the City of Brandon. Environment Act Licence No.3067 is hereby rescinded.

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 Development as licensed.

For further information on the administration and application of the licence please contact Peter Crocker, Environment Officer at 204-726-6565.

Pursuant to Section 27 of The Environment Act, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation and Water Stewardship within 30 days of the date of the Licence.

Yours truly,

“original signed by”

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. 3067 R (by the Licencee only) is required by the Director of Environmental Approvals Branch. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by March 26, 2014.
In accordance with *The Environment Act* (C.C.S.M. c. E125)/
Conformément à la *Loi sur l'environnement* (C.P.L.M. c. E125)

Pursuant to Section 10(1) and 14(2) / Conformément au Paragraphe 10(1) et 14(2)

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

**TERRA INTERNATIONAL (CANADA) INC.**

*"the Licencee"*

for the operation of the Development being an anhydrous ammonia storage and distribution facility located at 8030 Richmond Avenue East, on the N ½ 10-10-18 and S ½ 05-10-18 WPM in the City of Brandon and subject to the following specifications, limits, terms and conditions:

**DEFINITIONS**

"*accredited laboratory*" means an analytical facility accredited by the Standard Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Conservation and Water Stewardship 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;

"*chemical*" includes, but is not limited to petroleum products, fertilizers and pest control products;

"*Director*" means an employee so designated pursuant to *The Environment Act*;

"*Environment Officer*" 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 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; or

e) is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b) or c) and the Director is of the opinion that if the noise had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90-day period, from 5 different persons 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 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; or

e) is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b), or c) and the Director is of the opinion that if the unwanted odour, smell of aroma had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90-day period from 5 different persons who do not live in the same household;

"permanent anhydrous ammonia tank(s)" means any storage container certified for the storage of anhydrous ammonia which is attached to a fixed supporting structure;

"sewage" means human body, toilet, liquid, waterborne culinary, sink or laundry waste.

TERMS AND CONDITIONS

Respecting General Terms and Conditions

1. 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, and each submission shall be clearly labeled with the Licence Number and Client File Number associated with this Licence.

2. The Licencee shall, in addition to any of the following specifications, limits, terms and conditions specified in this Licence, upon the request of the Director:
   a) sample, monitor, analyze or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems, for such pollutants or ambient quality, aquatic toxicity, leachate characteristics and discharge emission rates, for such duration and at such frequencies as may be specified;
   b) determine the environmental impact associated with the release of any pollutants from the Development;
c) conduct specific investigations in response to the data gathered during environmental monitoring programs; or

d) provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical 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 preservations and analyses on liquid samples in accordance with the methods prescribed in the most current edition of Standard Methods for the Examination of Water and Wastewater or in accordance with equivalent preservation and analytical methodologies approved by the Director;
   b) carry out all sampling of, and preservation and analyses on, soil and air samples in accordance with methodologies approved by the Director;
   c) only utilize an accredited laboratory for analytical determinations; and
   d) report the results to the Director within 60 days of the samples being taken, or within another timeframe as specified by the Director.

**SPECIFICATIONS, LIMITS AND CONDITIONS**

**Respecting Construction and Operation**

4. Licencee shall obtain all necessary municipal, provincial and federal permits and approvals for construction of relevant components of the Development prior to commencement of construction.

5. The Licencee shall, at all times during the operation of the Development, implement a high standard of equipment maintenance and operational practices.

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

7. The Licencee shall, in the case of physical or mechanical equipment breakdown or process upset where such breakdown or process upset results or may result in the release of a pollutant in an amount or concentration, or at a level or rate of release, that causes or may cause a significant adverse effect, immediately report the event by calling 204-944-4888 (toll-free 1-855-944-4888). The report shall indicate the nature of the event, the time and estimated duration of the event and the reason for the event.

8. The Licencee shall, following the reporting of an event pursuant to Clause 7,
   a) identify the repairs required to the mechanical equipment;
   b) undertake all repairs to minimize unauthorized discharges of a contaminant;
   c) complete the repairs in accordance with any written instructions of the Director; and
   d) submit a report to the Director about the causes of breakdown and measures taken, within one week of the repairs being done.
Respecting Anhydrous Ammonia

9. The Licencee shall install a minimum 1.8 metre high fence surrounding the Anhydrous Ammonia Tank(s) to discourage access to unauthorized persons.

10. The Licencee shall not emit ammonia from the Development such that the ambient concentration of ammonia in air is in excess of:
   a) 10 parts per million at any time when measured at any point beyond the property line of the Development; or
   b) 2 parts per million as an 1-hour average when measured at any point beyond the property line of Development.

11. The Licencee shall meet or exceed the most recent version of the Fertilizer Safety & Security Council - Ammonia Code of Practice & Implementation Guide and possess a valid Certificate of Compliance.

Respecting Emissions

12. 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.

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

14. The licencee shall document all releases, spills, leaks or discharges of chemicals that occur within the Development in an incident log. The incident log shall document at a minimum the date, time, chemical, estimated volume and the clean up actions taken for each release, spill, leak or discharge. The incident log shall be updated within 24 hours of an incident occurrence and be made available at the request of an Environment Officer.

15. The Licencee shall only remove or permit removal of storm water or surface water that has accumulated on the development if there have been no documented releases, spills, leaks or discharges of chemicals (from the previous removal to the current). In the event a documented incident has occurred, the Licencsee must receive authorization from an Environment Officer from the designated Regional Office of Manitoba Conservation and Water Stewardship prior to removal of any accumulated liquid. If any accumulated liquid may be contaminated, it shall be sampled and tested for appropriate parameters by an accredited laboratory prior to any request for removal.

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

17. The Licencee shall contain and clean up immediately any pest control product or chemical spills in order to prevent soil, surface water or ground water contamination.

18. The Licencee shall remediate, within a time frame stipulated by the Director, all on and off-site environmental impacts as a result of any release of a chemical.
Respecting Emergency Response Planning

19. The Licencee shall prepare and maintain an emergency response contingency plan in accordance with the most recent version of the Fertilizer Safety & Security Council - Ammonia Code of Practice & Implementation Guide.

Respecting Site Decommissioning

20. The Licencee shall submit within one (1) year prior to closure of the facility, for the approval of the Director, a formal detailed Decommissioning Plan for the facility.

21. The Licencee shall implement, on closure of the facility, the approved Decommissioning Plan.

REVIEW AND REVOCATION

A. This Licence replaces Environment Act Licence 3067 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.

“original signed by”

Tracey Braun, M.Sc.
Director
Environment Act

Client File No.: 5670.00