



Environment, Climate and Parks
Environmental Approvals Branch
1007 Century St
Winnipeg MB R3H 0W4
T 204 945-8321 F 204 945-5229
www.gov.mb.ca/sd

File No.: 6126.00

May 30, 2022

Daymon Guillas
PADCOM
Box 460
Russell MB R0J 1W0
dguillas@manitobapotash.ca

Dear Daymon Guillas:

Re: Environment Act Licence No. 3375

Thank you for your proposal. The Environment Act licensing process promotes a healthy environment, society, and economy for now and tomorrow.

Enclosed Licence No. 3375 is issued to Potash and Agri Development Corporation of Manitoba Ltd. (PADCOM). The licence is for the construction and operation of a 250,000 tonnes per year dissolution potash mine and potash processing facility located on section 28-20-29 WPM, in the Hamlet of Harrowby, Rural Municipality of Russell-Binscarth.

PADCOM must operate the development according to all licence requirements as well as all applicable federal, provincial, and municipal regulations and by-laws.

The licence holder must submit a notice of alteration to the director for approval prior to altering the development as licensed.

Anyone affected by the issuance of this licence may appeal this decision to the Minister of Environment, Climate and Parks. If you wish to appeal, please send your reasons, in writing, to the Minister's attention by June 29, 2022.

If you have any questions regarding this approval, please contact Kristy Forrestall, Regional Supervisor, Environmental Compliance and Enforcement Branch at Kristy.Forrestall@gov.mb.ca or 204- 573-0518.

Sincerely,

Original Signed By

James Capotosto
Director

Enclosure

- c. Kristal Harman, Yvonne Hawryliuk, Kristy Forrestall - Environmental Compliance and Enforcement
Siobhan Burland Ross, Jennifer Winsor - Environmental Approvals
Public Registry

Rescinded

LICENCE

File No.: 6126.00

Licence No. / Licence n°: **3375**
Issue Date / Date de délivrance : **May 30, 2022**

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 11(1) / Conformément au Paragraphe 11(1)

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

POTASH AND AGRI DEVELOPMENT CORPORATION OF MANITOBA LTD.
(PADCOM); "the Licensee"

for the construction and operation of a 250,000 tonnes per year dissolution potash mine and potash processing facility located on section 28-20-29 WPM, in the Hamlet of Harrowby, in the Municipality of Russell-Binscarth in accordance with the Proposal filed under The Environment Act on September 2, 2021 and additional information dated February 15, 2022 and March 14, 2022 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means an analytical facility accredited by the Standards Council of Canada (SCC), or accredited by another accrediting agency recognized by Manitoba Environment, Climate and Parks 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;

"affected area" means a geographical area, excluding the property of the Development;

"approved" means approved by the Director or assigned Environment Officer in writing;

"CCME" means the Canadian Council of Ministers of the Environment

"contaminated soil" means soil which contains contaminant concentrations in excess of the applicable remediation criteria cited in the CCME's "Canadian Environmental Quality Guidelines" report ISBN 896-997-34-1, update 5.0, 2006, or any future amendment thereof;

"Closure Plan" means a plan indicating the actions to be taken for the closure of the Development;

"dangerous good" means a product, substance or organism as defined in The Dangerous Goods Handling and Transportation Act, or any amendments thereto;

"day" or "daily" means any 24-hour period;

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

"Director of Mines" means the Director of the branch responsible for administration of The Mines and Minerals Act or any amendments thereto;

"effluent" means wastewater flowing or pumped out of the potash processing facility;

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

"Environmental Management System (EMS)" means the part of the overall management system that includes organizational structure, planning activities, responsibilities, practices, procedures, processes, and resources for developing, implementing, achieving, reviewing and maintaining the environmental policy;

"fugitive emissions" means particulate matter escaping from sources within the Development into the atmosphere other than through any of the emission stacks or vents;

"groundwater" means water below the ground surface in a zone of saturation;

"holding tank" means a watertight receptacle, conforming to the requirements of the latest edition of Canadian Standards Association (Association) Standard B66-10, Prefabricated Septic Tanks and Sewage Holding Tanks, and bearing a valid stamp or mark indicating certification by the Association, designed to retain wastewater, greywater or wastewater effluent;

"industrial wastewater" means wastewater derived from an industry which manufactures, handles or processes a product and does not include wastewater from commercial and residential buildings;

"mine" means any of the surface and sub-surface workings, overburden, waste rock and ore stockpiles, all ancillary buildings, wastewater treatment facilities, impoundment or control facilities, tailings management areas and such other on-site infrastructure as may be located on the mine site and associated with the Development;

"mine site" means the entire operational, disturbed or impacted surface area of land and water located within the boundaries of those surface rights acquired and held by the Licensee for the construction and operation of the Development;

"mine water" means water pumped to the surface from underground mine workings or from an open pit, or contaminated runoff or leachate from ore or waste rock stockpiles exposed to precipitation, or polluted mine site runoff, or any combination thereof, but excluding sewage;

"mothballed" means placed into a state of non-use, or temporarily closed, while at the same time maintained in a state of readiness for potential re-use or re-opening;

"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 unwanted sound 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 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 odour, smell or 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;

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

"PM₁₀" means particulate matter that is 10 micrometres (μm) or less in diameter;

"PM_{2.5}" means particulate matter that is 2.5 micrometres (μm) or less in diameter;

"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;

"point source" means any point of emission from a Development where pollutants are emitted to the atmosphere by means of a stack;

"pollutant" means a pollutant as defined in The Environment Act;

"potash processing facility" means the main potash processing facility structure;

"process wastewater" means a liquid stream, containing or comprised of process water or any chemicals used by the Development, which is designated for release into the environment;

"record drawings" means engineering drawings complete with all dimensions which indicate all features of the Development as it has actually been built;

"restoration" means the re-establishment of the site of the Development with characteristics as close as possible to pre-development conditions;

"sewage" means household and commercial wastewater that contains human waste;

"SDS" means safety data sheets;

"solid waste" means solid waste as defined in Waste Management Facilities Regulation, or any future amendments thereto, respecting waste disposal grounds, excluding waste rock;

"stack" means a duct, pipe, chimney, vent, opening or other structure through which pollutants are emitted to the atmosphere;

"Standard Methods for the Examination of Water and Wastewater" means the most recent edition of Standard Methods for the Examination of Water and Wastewater published jointly by the American Public Health Association, the American Waterworks Association and the Water Environment Federation;

"surface runoff" means any overland flow of liquid off the developed area;

"visible emissions" means any air-borne particulate matter which obscures visibility;

"waste disposal ground" means an area of land designated by a person, municipality, provincial government agency, or crown corporation for the disposal of waste and approved for use in accordance with Waste Management Facilities Regulation, or any future amendments thereto, or a Licence pursuant to The Environment Act;

"wastewater" means the spent or used water of a community or industry which contains dissolved and suspended matter;

"wastewater collection system" means the sewer and pumping system used for the collection and conveyance of domestic, commercial and industrial wastewater; and

"WHMIS" means Workplace Hazardous Materials Information System.

GENERAL TERMS AND CONDITIONS

This section of the Licence contains requirements intended to provide guidance to the Licensee 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.

Retain Copy of Licence

1. The Licensee shall at all times maintain a copy of this licence at the Development or at the premises from which the Development's operations are managed.

Future Sampling

2. In addition to any of the limits, terms and conditions specified in this Licence, the Licensee shall, upon the request of the Director:
 - a) sample, monitor, analyze and/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 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 pollutant(s) 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, 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 Licensee 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, compost, and air samples in accordance with methodologies approved by the Director;
 - c) have all analytical determinations undertaken by an accredited laboratory; and
 - d) report the results to the Director, in writing and in an electronic format acceptable to the Director, within 60 days of the samples being taken.

Reporting Format

4. The Licensee shall submit all information required to be provided to the Director or Environment Officer under this Licence, in written and electronic format, in such form (including number of copies) and of such content as may be required by the Director or Environment Officer, and each submission shall be clearly labeled with the Licence Number and File Number associated with this Licence.

Land Agreements

5. The Licensee shall acquire any necessary land agreements prior to constructing the Development.

Equipment Breakdown

6. The Licensee 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 the 24-hour environmental accident reporting line at 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.
7. The Licensee shall, following the reporting of an event pursuant to Clause 6,
 - a) identify the repairs required to the mechanical equipment;
 - b) undertake all repairs to minimize unauthorized discharges of a pollutant;
 - 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.

Safety and Security

8. The Licensee shall continually maintain an up-to-date inventory of any process and cleaning chemicals used and/or stored on-site that would be captured by any applicable federal/provincial WHMIS regulations and protocols, and make this information and applicable SDS sheets available to an Environment Officer upon request.
9. The Licensee shall prepare, within 90 days of the date of issuance of this Licence, and maintain an emergency response contingency plan in accordance with the Canadian Centre for Occupational Health and Safety "Emergency Response Planning Guide" or other emergency planning guidelines acceptable to the Director.
10. The Licensee shall implement and continually maintain in current status, an Environmental Management System (EMS) for the Development which is acceptable to the Director.

Fire Reporting

11. The Licensee shall, in the event of a fire which continues in excess of thirty (30) minutes or requires fire suppression assistance from personnel outside of the potash processing facility (example: fire department):

- a) call the fire department; and
- b) report the fire by calling the Environmental Emergency Report Line (204-944-4888 or toll free 1-855-944-4888), identifying the type of materials involved and the location of the fire.

On-Site Wastewater

12. The Licensee shall comply with the provisions of the Onsite Wastewater Management Systems Regulation or any future amendment thereto.

Environmental Coordinator

13. The Licensee shall designate an employee, within 60 days of the date of issuance of this Licence, as the Licensee's Environmental Coordinator, whose job description will include assisting the Licensee in complying with the limits, terms and conditions in this Licence and assisting Senior Management of the Licensee to manage environmental issues at the Development. The name of the Environmental Coordinator shall be submitted in writing to the Director within 14 days of appointment and any subsequent appointment.

Future Studies

14. The Licensee shall actively participate in any future watershed based management study, plan or nutrient reduction program, approved by the Director.

Respecting Complaint Handling

15. The Licensee shall, prior to operation of the development:
 - a) prepare and maintain a complaint handling plan acceptable to the Director;
 - b) manage all complaints in accordance with the complaint handling plan; and
 - c) maintain complaint records at the Development and make available for review upon request by an Environment Officer.

Community Liaison Committee

16. The Licensee shall maintain the Community Liaison Committee (CLC) established in accordance with the terms of reference provided in Appendix A of this Licence.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Construction

17. The Licensee shall notify the designated Environment Officer not less than two weeks prior to beginning any construction at the Development. The notification shall include the intended starting date of construction and the name of the contractor(s) responsible for the construction.
18. The Licensee shall obtain all necessary federal, provincial and/or municipal licences, authorizations, permits and/or approvals for construction of relevant components of the Development prior to commencement of construction.
19. The Licensee shall, with respect to on-site earthen construction works, construct and maintain silt fences in the drainage routes transporting surface runoff off the property of the Development until vegetation has been re-established on the disturbed areas.
20. The Licensee shall dispose of non-reusable construction debris from the Development at a waste disposal ground operating under the authority of a permit issued pursuant to Waste Management Facilities Regulation, or any future amendment thereof, or a Licence issued pursuant to The Environment Act.
21. The Licensee shall comply with the requirements of The Heritage Resources Act, and suspend construction and immediately notify the Historic Resources Branch if heritage resources are encountered during the construction of the Development.
22. The Licensee shall, during construction at the Development, operate, maintain and store all materials and equipment in a manner that prevents any deleterious substances (fuel, oil, grease, hydraulic fluids, coolant, paint, uncured concrete and concrete wash water, etc.) from entering watercourses, and have an emergency spill kit for in-water use available on site during construction.

Respecting Operation

23. The Licensee shall implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the Development, at all times.
24. The Licensee shall reclaim and recycle as much spent water, site drainage water and process water as possible to supply the process water demands of the potash processing facility.
25. The Licensee shall operate the site drainage pond in such a manner that:
 - a) all drainage water collected on site is sent to the site drainage pond;
 - b) only site drainage water is collected in the pond;

- c) all collected drainage water is pumped into the potash processing facility and stored in a tank for reuse as process water; and
 - d) the site drainage pond is not used for storage purposes.
26. The Licensee shall, in the event of a rainfall event that exceeds the site drainage pond maximum capacity and results in release of water from the pond:
- a) notify the Environment Officer;
 - b) conduct daily sampling and testing of pond water for conductivity and concentrations of:
 - i) potassium;
 - ii) sodium;
 - iii) calcium;
 - iv) magnesium;
 - v) chlorine;
 - vi) sulphate; and
 - vii) carbonates;
 - c) record the total volume of drainage water released from the pond; and
 - d) submit monitoring and sampling results to the Environment Officer.
27. The Licensee shall, on a monthly basis or as approved by the Director,
- a) conduct sampling and testing of the drainage water to be reused as process water for conductivity and concentrations of:
 - i) potassium;
 - ii) sodium;
 - iii) calcium;
 - iv) magnesium;
 - v) chlorine;
 - vi) sulphate; and
 - vii) carbonates; and
 - b) submit sampling results to the Environment Officer upon request.
28. The Licensee shall not direct pollutants into any surface drainage route leading off the property of the Development or into the local groundwater except in accordance with this licence.
29. The Licensee shall not stockpile potash material outdoors at any time and shall store and contain the potash material within the potash processing facility.
30. The Licensee shall transport all potash material in covered containers in such a manner to prevent loss of material to the environment to the satisfaction of an Environment Officer.
31. The Licensee shall load all potash material in a sheltered structure to reduce fugitive dust migration of potash material to the environment to the satisfaction of an Environment Officer.

Respecting Chemical Storage and Spill Containment

32. The Licensee shall install and maintain spill recovery equipment at the Development at all times.
33. The Licensee shall comply with all the applicable requirements of:
 - a) The Storage and Handling of Petroleum Products and Allied Products Regulation;
 - b) The Dangerous Goods Handling and Transportation Act, and regulations issued thereunder, respecting the handling, transport, storage and disposal of any dangerous goods brought onto or generated at the Development; and
 - c) the Office of the Fire Commissioner – Province of Manitoba.
34. The Licensee shall provide containment for all vessels containing chemicals in each area of the development where the chemicals are stored, loaded, transferred, used or otherwise handled, in compliance with the current Fire Code Regulation, or any future amendment thereof, such that any product leakage or spillage and any contaminated liquid generated is contained within the Development and contamination of groundwater and surface water is prevented.

Respecting Air Pollution Control Devices

35. The Licensee shall direct all air streams, which contain a pollutant(s) of concern to the Director, to a pollution control device which has been designed for and demonstrated to be capable of reducing, altering, eliminating or otherwise treating the pollutant(s).
36. The Licensee shall prepare, prior to commissioning of the potash processing facility for operation, and maintain the following manuals which shall be kept at the Development and available for review upon request by an Environment Officer:
 - a) a standard operating procedural manual and a maintenance schedule for each air emission pollution control device based on the manufacturer's specifications and recommendations;
 - b) an updated standard operating procedural manual and a maintenance procedure for each air emission pollution control device within 120 days of the addition, elimination or change regarding any air emission control device; and
 - c) a copy of the manufacturer operational and maintenance manual.
37. The Licensee shall not operate any process directing an emission to an air pollution control device at the Development unless:
 - a) the operating and maintenance measures and status of the device are in full compliance with the procedures and timetables as per Clause 36;
 - b) all emissions from the process are directed to the fully operational air pollution control device;
 - c) all discharges of treated emissions from the air pollution control devices are immediately directed to a stack; and

- d) the emissions do not contain concentrations of pollutants which:
 - i) are in violation of any other applicable legal instrument including an Act, Regulation or by-law; or
 - ii) otherwise create a significant negative environmental or health impact in the affected area.
38. The Licensee shall maintain a log of the most recent 24 month period to record any downtime of an air pollution control device due to either the breakdown or maintenance of that air pollution control device. The log shall be kept at the Development and shall be available upon request for inspection by an Environment Officer. The log shall record, at minimum, the following information:
- a) identification of the air pollution control device and the process(es) it serves;
 - b) time/date of log entry;
 - c) nature of event;
 - d) time and duration of event;
 - e) action taken;
 - f) the accumulated downtime of this air pollution control device for the events for each calendar year; and
 - g) approval of the Environmental Coordinator.
39. The Licensee shall handle, store and dispose of all pollutants collected by the air pollution control equipment in a manner suitable to their characterization as type of waste or dangerous good.

Respecting Air Emissions

40. The Licensee 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 five 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.
41. The Licensee 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.

42. The Licensee shall not cause or permit a noise 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 specify to eliminate or mitigate a noise nuisance.

Respecting Air Emissions – Monitoring, Source Sampling, Analysis, Reporting

43. The Licensee shall, upon written request by the Director, provide and maintain a stack or stacks including all necessary sampling facilities for the sampling of air emissions at the Development. The stack or stacks shall be provided:
- at a location(s) and within a time frame satisfactory to the Director; and
 - to the specifications and in accordance with the most recent version of Manitoba Environment, Climate and Parks Guideline, Guideline for Stack Sampling Facilities, unless otherwise approved by the Director.
44. The Licensee, upon a written request from the Director, shall submit a detailed plan for any area of the Development which is acceptable to and approved by the Director, for the sampling and analysis of potential air pollutants, released as stationary point and fugitive emissions, including any compounds determined by the Director. The plan shall identify the rationale for the sampling, the ways and means by which the sampling program will be implemented including any special measures or methods which would be necessitated by influencing factors such as unfavourable weather conditions, the need for large or additional sample volumes, the need for multiple sampling runs, the methods used for the sampling and the analysis for each compound, the detection level to be attained, a comprehensive QA/QC program, and other items as may be identified by the Director.
45. The Licensee shall perform all stack sampling in accordance with the most recent version of Manitoba Environment, Climate and Parks Report No. 96-07, Interim Stack Sampling Performance Protocol, unless otherwise approved by the Director.
46. The Licensee shall arrange the scheduling of the sampling program submitted pursuant to Clause 44 of this Licence such that a representative of Manitoba Environment, Climate and Parks could be available to monitor and audit the implementation of the sampling program.
47. The Licensee shall complete the sampling of emissions according to the approved plan submitted pursuant to Clause 44 of this Licence, within a timeframe to be determined by the Director.
48. The Licensee shall submit a report, for the approval of the Director, of the completed sampling and analysis plan approved pursuant to Clause 44 of this Licence, within 90 days of the receipt of the analytical results of that sampling plan. The report shall contain at minimum:
- the raw data collected;
 - calculation of emission rates for all parameters;

- c) a discussion of the sampling and analytical portions of the program including any anomalies of sampling and analysis; and
- d) a discussion of the significance of the data gathered with specific attention to:
 - i) the significance for potential acute and chronic impacts to health or environment from exposure to concentrations of the compounds detected;
 - ii) the need for risk assessment of the impact of emissions;
 - iii) the need for the establishment of ambient air monitoring stations;
 - iv) the need for dispersion modeling of emissions;
 - v) results and conclusions of the QA/QC program; and
 - vi) other issues as may be determined by the Director.

Respecting Solid Wastes

- 49. The Licensee shall not undertake any on-site burning of solid waste.
- 50. The Licensee shall minimize the generation of domestic solid waste and maximize, wherever possible, the collection and recycling of recyclable wastes generated through the operation of the Development.
- 51. The Licensee shall dispose of all solid waste generated at the Development, which is not recycled, only to a waste disposal ground operating under the authority of a permit issued pursuant to the Waste Management Facilities Regulation or any future amendment thereof, or a Licence issued pursuant to The Environment Act.

Respecting Dangerous Goods or Hazardous Waste

- 52. The Licensee shall not release dangerous goods or hazardous wastes into the wastewater collection system.
- 53. The Licensee shall collect, transport and store used oil or hydraulic fluids removed from on-site machinery in secure, properly labeled, non-leaking containers and shall regularly send them to a recycling or disposal facility approved to accept hazardous wastes.

Respecting Wastewater

- 54. The Licensee shall operate the Development in such a manner that:
 - a) all domestic wastewater and sewage is directed toward the onsite holding tanks; and
 - b) all wastewater from the onsite holding tanks is removed regularly by a Licensed hauler to a wastewater treatment facility operated under the authority of a Licence issued under The Environment Act.

Respecting Compliance

55. The Licensee shall submit a Notice of Alteration and obtain Director's approval for proposed changes to the Development as licensed prior to implementing any changes.
56. The Licensee shall adhere to the commitments made in the Proposal and in additional information submitted during the environmental assessment review and approved pursuant to this licence during construction and operation of the Development.

MONITORING AND REPORTING

Respecting Air Quality Monitoring

57. The Licensee shall submit, upon the written request and for the approval of the Director, a program for:
 - a) the sampling, analysis and reporting of levels of pollutants, as determined by the Director, at a selected location(s) beyond the property boundaries of the Development; and
 - b) the location, installation and operation of a meteorological monitoring station.
58. The Licensee shall:
 - a) implement the program approved pursuant to Clause 57 of this Licence within a timeframe stipulated by the Director; and
 - b) submit a report within 60 days of the receipt of the analytical results of the sampling program pursuant to Clause 57 of this Licence for the approval of the Director containing at minimum:
 - a. the raw data collected;
 - b. a discussion of the sampling and analytical portions of the program including any anomalies of sampling and analysis; and
 - c. a discussion of the significance of the data gathered with specific attention to:
 - i) the significance for potential acute and chronic impacts to health or environment from exposure to concentrations of the compounds detected;
 - ii) the need for risk assessment of the impact of emissions;
 - iii) the need for the establishment of ambient air monitoring stations;
 - iv) results and conclusions of the QA/QC program; and
 - v) other issues as may be determined by the Director.

Respecting Operation Monitoring

59. The Licensee shall during each year maintain the following records:
 - a) volume of potash mined and processed;

- b) process wastewater volumes recycled within the Development;
- c) drainage water volumes discharged from the site drainage pond;
- d) maintenance and repairs; and
- e) other reporting as requested by the Director.

60. The Licensee shall submit an annual report to the Environment Officer by February 28 of the following year including all records required by Clause 59 of this Licence.

61. The Licensee shall:

- a) prepare a Groundwater Monitoring Plan for the development;
- b) submit the Groundwater Monitoring Plan to the Director for approval; and
- c) implement the Groundwater Monitoring Plan as approved by the Director.

Respecting Financial Assurance

62. The Licensee shall prepare, prior to construction of any component of the development, a remediation and closure plan assessment, satisfactory to the Director, that includes, but is not limited to, the following:

- a) estimated cost to assess the impacts of that component of the development to soil and groundwater;
- b) estimated cost to remediate impacts of that component of the development identified in the assessment referred to in clause 62 a); and
- c) estimated cost to decommission that component of the development.

63. The Licensee shall maintain and post with Manitoba Environment, Climate and Parks, in the amount determined in Clause 62 of this Licence:

- a) a permit bond issued by a surety company licensed 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 and decommissioning of the potash processing 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 Licensee, upon the Director being satisfied that the Licensee 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 potash processing facility.

Upon notification of the approved closure plan referred to in Clause 64 of this licence, the permit bond, irrevocable letter of credit, or other security posted in accordance with Clause 64 of this licence shall be cancelled and the approved closure plan shall be considered as an acceptable security per sub-clause c).

Respecting Closure

64. The Licensee shall:

- a) provide the Director with:
 - i) written notice six months in advance of any imminent permanent closure of this Development; or
 - ii) provide the Director with an immediate notice of any sudden decision to temporarily close this Development whereby the Development would be placed in a mothballed state for re-opening in the foreseeable future;
- b) comply with Manitoba Regulation 67/99, or any future amendment thereto, issued under The Mines and Minerals Act, respecting closure plans for mining developments, particularly in regards to addressing environmental issues including, but not necessarily limited to:
 - i) the decommissioning of the underground workings and surface infrastructure associated with the Development;
 - ii) the decommissioning of access roads and stream crossings used to access the mine site;
 - iii) the containment, control or treatment of pollutants originating from the mine site of the Development;
 - iv) the rehabilitation of the mine site area disturbed by the Development;
 - v) the restoration or replacement of fish habitats disturbed, adversely affected or lost as a result of the Development; and
 - vi) the strategy, scope, frequency and duration of post-closure environmental monitoring activities at the mine site;where applicable; and
- c) upon permanent or temporary closure of this Development, implement the environmentally related aspects of the Closure Plan approved pursuant to Manitoba Regulation 67/99, or any future amendment thereto, to the satisfaction of the Director of Mines.

Record Drawings

65. The Licensee shall:

- a) prepare "record drawings" for the Development and shall label the drawings "Record Drawings"; and
- b) provide to the Director, within one year from the date of this Environment Act Licence, two electronic copies of the "record drawings".

REVIEW AND REVOCATION

- A. If, in the opinion of the Director, the Licensee 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 Section 11 of The Environment Act.

Original Signed By

James Capotosto
Director

Rescinded

APPENDIX A TO ENVIRONMENT ACT LICENCE NO. 3375

PADCOM Community Liaison Committee Terms of Reference pursuant to Clause No. 16

Responsibility

PADCOM will establish a Community Liaison Committee (CLC) for the potash mine and processing facility development.

Representation

The Committee is required to consist of the following representatives:

- PADCOM, chair
- Citizen Representatives from local residents

A representative from Manitoba Environment, Climate and Parks will be invited to each meeting. A secretary will be assigned, by the Chair, to record discussion and decisions for each meeting when the meeting is called to order.

Terms of Reference

The Committee shall continue to meet as required by planning, construction and operational activities, but not less frequently than once a year. The Committee members may revise meeting frequency. The agenda and meeting minutes shall be posted on the public registry. The meeting may be conducted either in person or through virtual platform as agreed upon with the CLC committee members.

The Chair of the Committee shall

1. Notify Manitoba Environment, Climate and Park of the time and location of the meeting 14 days prior to each meeting.
2. Develop an agenda for each meeting with input from the Committee and circulate at least 7 days prior to each meeting.
3. Document minutes from the meetings and submit the minutes to an Environment Officer within sixty (60) days following each meeting called by the Chair.

The Committee, at the request of the Director or of its own accord, shall provide advice to the Licensee and the Director respecting, but not limited to, measures to mitigate the impact of operational activities on the local environment

