

Conservation and Water Stewardship

Climate Change and Environmental Protection Division Environmental Approvals Branch 123 Main Street, Suite 160, Winnipeg, Manitoba R3C 1A5 T 204 945-8321 F 204 945-5229 www.gov.mb.ca/conservation/eal

CLIENT FILE NO.: 5599.00

December 12, 2012

Shaun Crew, President Hemp Oil Canada Inc. P.O. Box 188 Ste. Agathe MB R0G 1Y0

Dear Mr. Crew:

Enclosed is Environment Act Licence No. 3030 dated December 12, 12 issued to Hemp Oil Canada Inc. for the operation of the Development being an industrial facility to process, produce and package hemp food products, located at 225 Pembina Trail (Lot 6 Plant 1037s VLTs in the Village of Ste. Agathe within the Rural Municipality of Ritchot, in accordance with the processal filed under *The Environment Act* on June 21, 2012 and subsequent information submitted on July 10, 312.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by two must be complied with. A Notice of Alteration must be filed with the Director for approval prior to any iteration to the Development as licensed.

For further information on the dinistration and application of the Licence, please feel free to contact Donna Smiley, Regional Supervisor 204-945, 072.

Pursuant to Section 27 of the Frestonme Act, this licensing decision may be appealed by any person who is affected by the issuarce of this large to the Minister of Conservation and Water Stewardship within 30 days of the Licensia.

Yours truey.

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. 3030 (by the Licencee only) is required by the Director of Environmental Approvals. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by December 28, 2012.

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ICHANGE I

Licence No. / Licence no

3030

Issue Date / Date de délivrance

Recember 12, 2012

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 Sections 10(1) / Conformément au Paragraphe 1 (1)

THIS LICENCE IS ISSUED TO: / CETTE LICENCE AT DESINER À:

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for the operation of the Development han, an Austria facility to process, produce and package hemp food products, located it 225 Perabina Trail (Lot 6 Plan 26373 WLTO) in the Village of Ste. Agathe within the tural Municipality of Ritchot, in accordance with the proposal filed under The wiro, and act on June 21, 2012 and subsequent information submitted on July 20, 3012 and subject to the following specifications, limits, terms and conditions.

DEFINITIONS

In the Licence,

"ac redited labor tory" means an analytical facility accredited by the Standard Council of Carla (SCC) or accredited by another accrediting agency recognized by Manitoba Conservational 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;

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

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

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

Hemp Oil Canada Inc. – Hemp Food Processing Facility Licence No. 3030 Page 2 of 7

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

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

"MSDS" means Material Safety Data Sheets;

"noise nuisance" means an unwanted sound, in an affected area, when is all eving, 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 removed 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 day period, from 5 different persons falling within clauses a) o) or), 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 soon 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 popular darea there would have been at least 5 written complaints received within a consequence, period, from 5 different persons who do not live in the rate house old;

"odour nuisance" page a continuous or repeated odour, smell or aroma, in an affected area, which is offersive, revious, troublesome, annoying, unpleasant or disagreeable to a person:

- a) residing it an affected area;
- b) working in affected area; or
- c) present a location in an affected area which is normally open to members of the blic;

the ode , 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 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;

Hemp Oil Canada Inc. – Hemp Food Processing Facility Licence No. 3030 Page 3 of 7

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

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

"QA/QC" means quality assurance/quality control;

"sanitary wastes" means human body, toilet, liquid, waterborne cy hary, ink or laundry waste;

"Standard Methods for the Examination of Water and Wast vater measure 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;

"WHMIS" means Workplace Hazardous Materials Information Setem;

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

"wastewater collection system" mens the sever and pumping system used for the collection and conveyance of domestic commer al and industrial wastewater.

GEN. PAL TEX IS AND CONDITIONS

This Section of the Lice contains requirements intended to provide guidance to the Licencee in implementing provides to ensure that the environment is maintained in such a many rasso sustains high quality of life, including social and economic development, recruition and leisure leases and future Manitobans.

- 1. In addition any of the limits, terms of conditions specified in this Licence, the scence all, 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, ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, and 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; 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.

Hemp Oil Canada Inc. – Hemp Food Processing Facility Licence No. 3030 Page 4 of 7

- 2. 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 of soil and air samples in accordance with methodologies approved by the Direction
 - c) have all analytical determinations undertaken by an accremed law ratory; and
 - d) report the results to the Director, in writing and in an electronic ormat acceptable to the Director, within 60 days of the samples by g taxon
- 3. The Licencee shall, in the event of a release spill eak, scharg of a pollutant or contaminant in an amount or concentration leve or al of release, that exceeds the limit that is expressly provided a ler the Act, another Act of the Legislature, or an Act of Parliament, or in a regulation, licence, permit, order, instruction, directive or other approval auto izationissued or made under one of those Acts, immediately report the clear, spel, leak, or discharge by calling the ature of the release, leak, or The report shall ind 204-944-4888. discharge, the time and estime ed durath the event and the reason for the release, spill, leak, or discharg
- 4. The Licencee shall subtract in the Director under this Licence it writing in such form (including number of copies) and of such content as may be required by the Director, and each submission shall be clearly labelled with the licence Number and Client File Number associated with this Licence
- of this Licences the Licencee's Environmental Coordinator, whose job description will include assisting the Licencee in complying with the limits, terms and conditions in this Licence and assisting Senior Management of the Licencee managemental issues at the Development. The name of the Environmental Coordinator shall be submitted in writing to the Director within 14 days of appointment.
- 6. The Licencee shall implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the Development at all times.

Hemp Oil Canada Inc. – Hemp Food Processing Facility Licence No. 3030 Page 5 of 7

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Air Emissions

- 7. The Licencee shall not cause or permit a noise nuisance to be created as a result of the construction, operation or alteration of the Development, and sall take such steps as the Director may require to eliminate or mitigate a noise nuisa
- 8. The Licencee shall not cause or permit an odour nuisance to be created as a sulf of the construction, operation or alteration of the Development, and shall take such steps as the Director may require to eliminate or mit tate and dour masance.
- 9. The Licencee shall control, capture and direct any sirbon remissions containing particulate matter created by cutting, shreaters, has mern recently or other processing of hemp seed and/or hemp seed poduct to air pollution control devices in such a manner that particulate maker is of emitted from the Development.
- 10. The Licencee shall handle and store a supprocessed hemp materials in such a manner that particulate matter is not emitted as the Development.

Respecting Wastewater Managemen

- 11. The Licencee shall at less on wise approved by the Director, direct all sewage and process wasteward generate at the Development into the Rural Municipality of Ritchot's wasteward election system serving the Development.
- 12. The Licence shall not be properly of the Development or seeping into the local ground.

Resp. ting Solid Vaste

- 13. The Lieencee 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.
- 14. The Licencee shall not deposit domestic solid waste into the environment except into a waste disposal ground operating under the authority of:
 - a) a permit issued pursuant to *Manitoba Regulation 150/91*, or any future amendment thereof; or
 - b) a Licence issued pursuant to The Environment Act.

Hemp Oil Canada Inc. – Hemp Food Processing Facility Licence No. 3030 Page 6 of 7

Respecting Dangerous Goods or Hazardous Wastes

- 15. The Licencee shall comply with all the applicable requirements of:
 - a) Manitoba Regulation 188/2001, or any future amendments thereto, respecting the Storage and Handling of Petroleum Products and Allied Products;
 - b) The Dangerous Goods Handling and Transportation Act, a regulations issued thereunder, respecting the handling, transport, storage and isposal of any dangerous goods brought onto or generated at the Development.
 - c) the Office of the Fire Commissioner Province of Manitoba.
- 16. The Licencee shall ensure that used oil or hydraulic fluid removed to accept hazardous wastes.
- 17. The Licencee shall ensure that spill recovery equipment havailable on-site at all times.

Respecting Emergency Planning

- 18. The Licencee shall continually maintain an up-to-date inventory of any process and cleaning chemicals used a Vor story on-site that would be captured by any applicable federal/prover What Special and protocols, and make this information and applicable has DS sheets available to any Environment Officer upon request.
- 19. The Licence shape pepare and maintain an emergency response contingency plan in accordance with Canadian Centre for Occupational Health and Safety Emergency Response Planning Guide" or other emergency planning guidelines acceptable to the Director.

Respecting Site Decommissioning

- 20. The concee 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.

Hemp Oil Canada Inc. – Hemp Food Processing Facility Licence No. 3030 Page 7 of 7

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 charge 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 1 e Environment Act.

Trany Braun, M. Sc.

Environment Act

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