

Environmental Assessment Registration

**Ár n-oileán Resources Ltd.
Tors Cove, NL**

Seal Processing Plant

**Prepared for
Dept. of Environment & Climate Change
Environmental Assessment Division**

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Section A: Proponent

Name of Corporate Body:

Ár n-oileán Resources Ltd.

Ár n-oileán is Irish Gaelic for “Our Island”, the company adopted this name as a nod to Newfoundland & Labrador, and the resources and people found here that will be at the heart of any and all success.

Address:

Mailing Address: 4 Hebbard Pl.
St. John’s, NL
A1A 5J6

Processing Plant: 2 Cove Rd
Tors Cove, NL
A0A 4A0

Chief Executive Officer:

Kendall Flood
709-727-3095
Info@nlseal.com
Principal Contact Person for purposes of environmental assessment

Section B: The Undertaking

Nature of the Undertaking

The Ár n-oileán Resources processing plant located at Tors Cove, NL will be processing seal raw material including skins, fat, meat and organs into nutraceutical and food products.

Purpose/Rationale/Need for the Undertaking

Ár n-oileán Resources Ltd. was incorporated in October 27, 2015 under the laws of the Province of Newfoundland & Labrador.

The principal business activity of the company is to operate a seal oil refinery facility at Tors Cove, NL., processing seal fat into omega-3 oil. Ár n-oileán intends to work towards a full utilization of the seals and so will also be producing nutraceuticals from protein rich seal skins and organs and meat for the food industry.

Before the company can begin the renovations and upgrades to prepare for operations the next official step in the process is to register with the Government of Newfoundland and Labrador, Department of Environment and Climate Change, Environmental Assessment Division.

Section C: Description of the Undertaking

(i): Geographic Location:

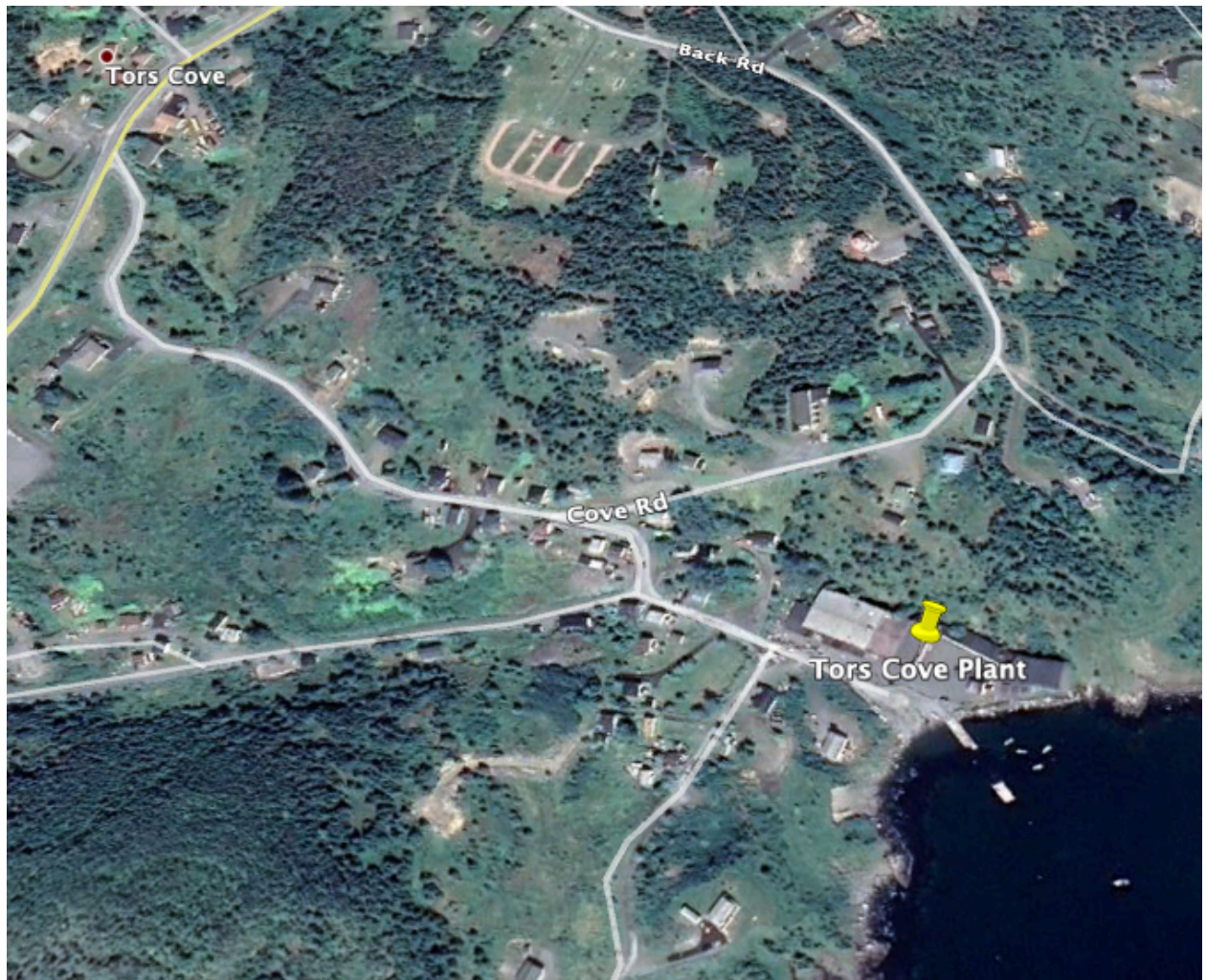
The site is located on the waterfront at 2 Cove Rd, in the service district of Tors Cove, Newfoundland and Labrador in what was formerly a fish plant owned and operated for nearly 50 years by Tors Cove Fisheries Ltd.

- Provincial District: Ferryland
 - MHA Loyola O’Driscoll
- Federal Electoral District: Avalon
 - MP Ken McDonald

Figure 001



Figure 002



(ii) Physical Features:

The site is approximately 1.7 acres, and contains four (4) buildings with a total of 43,000sqft, as follows:

- Processing and cold storage
- Omega-3 oil Refinery
- Storage building
- Administration

(iii) Construction:

The processing plant will undergo plumbing and electrical upgrades and general renovations for buildings 1-3. Building 4, the administration building will be removed entirely. It is expected that the construction period for the upgrades and renovations to be between 2 and 3 months with freezer equipment installation being completed between 3 and 4 months.

Ár n-oileán commissioned a Phase-1 Environmental Site Assessment (ESA) of the property and structures from which nothing was identified that is likely to result in potential subsurface impacts at the site. It is not expected that there will be any pollutants during the construction period, including airborne emissions, liquid effluents or solid waste materials beyond standard building materials.

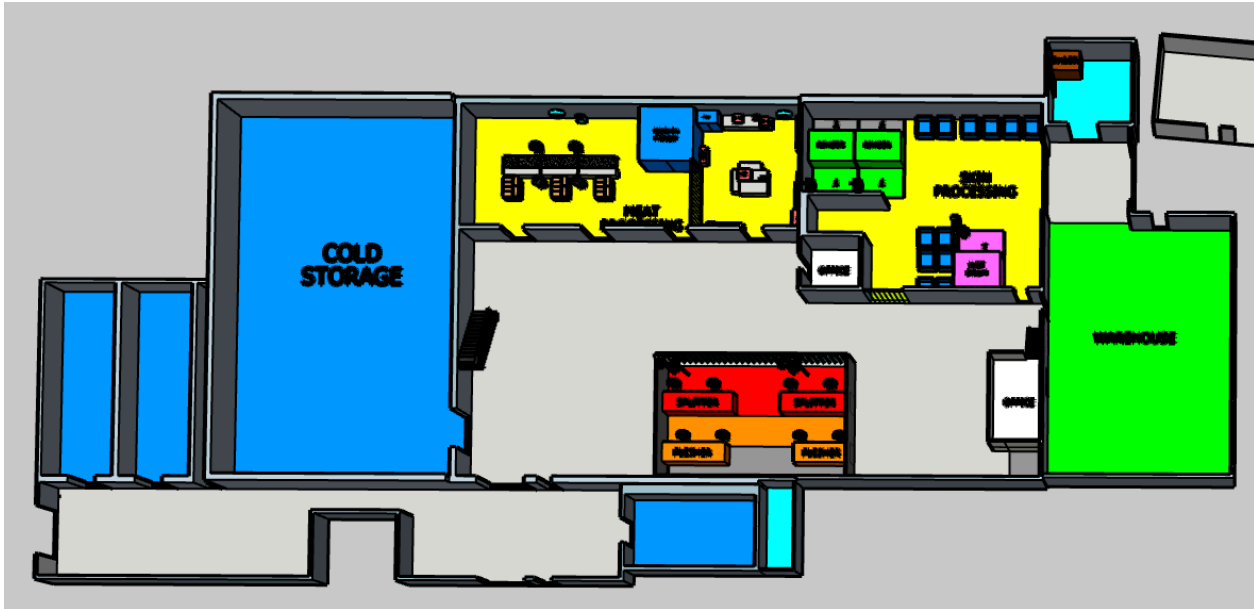
Figure 003



Building 1: *Skin / Meat Processing & Freezing / Cold Storage*

- All of the existing freezer and cold storage equipment is being replaced with new ammonia equipment with the latest technology in sensors and safety systems.
- Splitters, fleshers and washing drums will be installed for skin processing
- Meat processing equipment will be installed
- A clean room with food grade panel walls and HEPA HVAC for meat processing

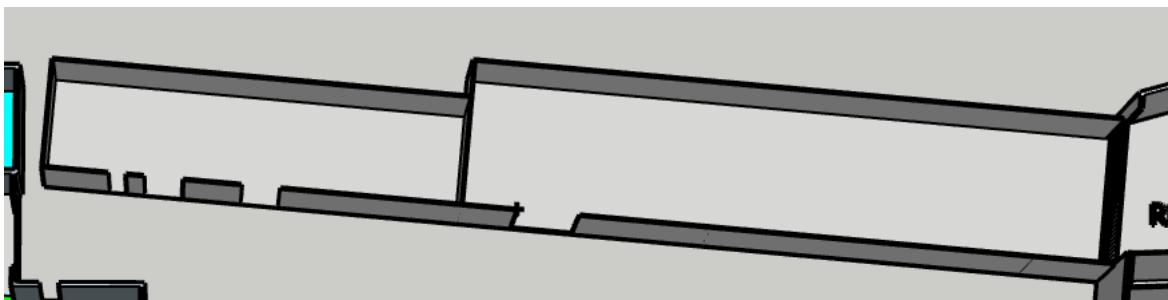
Figure 004



Building 2: *Storage*

- General renovations to prepare building to be used for storage of non-hazardous materials and equipment.

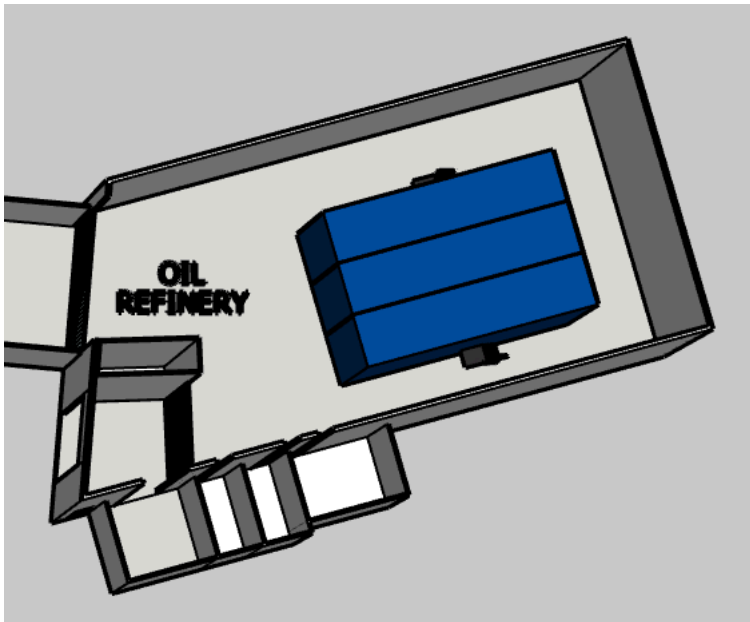
Figure 005



Building 3: *Oil Refinery*

- The oil refinery is built within three 40' custom built sea containers. These laboratory grade containers are completely self-contained and include water filtration, HEPA air filtration, sensors for monitoring quality control and safety measures as well as built in gowning room.
- Specialized detachable water supply and electrical hook-ups will be installed to quickly connect and disconnect from oil refinery containers.

Figure 006



(iv) Operation:

Ár n-oileán Resources Ltd. intends to process approximately 1,000,000kgs of seal fat into 700,000L of omega-3 oil in the first year, refining at a rate of 12,000kgs/hr, ramping up to 2,000,000L / year of processed oil over the following two years.

The number of seals used to produce these volumes will vary depending on the age and size of the seals harvested but will be within the ranges of 25,000 – 40,000 seals the 1st year and between 60,000- 125,000 seals / year by year three. The skins from the harvested seals will be primarily processed for nutraceutical protein.

In the 1st year Ár n-oileán will process between 6,000 – 12,000kgs of seal meat and organs increasing volume dramatically to over 500,000kgs by year three.

(v) Occupations:

Construction:

- The vast majority of initial upgrades and renovations including but not limited to electrical and plumbing, HVAC, and freezing/cold storage, will be provided by the contracting of 3rd party companies.

Operation:

- Ár n-oileán Resources Ltd will provide approximately 12 full time employment positions and part time positions ranging from 3-6 months of employment peaking at 50 positions.
- Below is a list of NOC codes for expected employment positions
 - 0016 – Senior managers – construction, transportation, production & utilities
 - *CEO, COO, VP of Operations*
 - 0114 – Other administrative services managers
 - *Office Manager*
 - 9213 – Supervisors, food, beverage & associated products processing
 - *Plant Manager*
 - 1521 – Shippers and receivers
 - 9421 – Chemical plant machine operations
 - *Operating the omega-3 oil refinery*
 - J163 – Hide and Pelt Processing Workers
 - *Splitter & flesher operators*
 - 9618 – Labourers in fish & seafood processing
 - *Handling seal raw material*
 - 9463 – Fish & seafood plant workers
 - *Seal meat processing*
 - 9462 – Industrial butchers & meat cutters
 - *Seal meat cutters*
 - 7452 – Material handlers
 - *Forklift operators*
- Every position being offered by Ár n-oileán Resources Ltd will be available to all genders and ages with the qualifications and capabilities of fulfilling the duties therein.

(vi) Project Related Documents:

- Seal processing licence Fisheries Minister approval letter
- Phase-1 Environmental Site Assessment (ESA)
- Water use license

See appendix

Section D: Production Waste

Ár n-oileán Resources will be producing very little waste throughout its production.

- No harsh chemicals are being used in any process.
- The washdown cleaning products are environmentally safe and biodegradable.
- Skins received into the plant in order to get the fat will not be chemically tanned, nor will they be discarded. They will be processed for use as nutraceutical protein.
 - The only waste from the skins will be the removed hair
 - The estimated annual weight of discarded seal hair is 30,000kgs over a 6-month processing duration which will be disposed of in the St. John's landfill.
- Fat will be processed into omega-3 oil leaving fat solids as a by-product and water behind.
 - Ár n-oileán has markets to sell the fat solids and so will not dispose of this valuable by-product.
 - The efficiency of the oil refinery is such that the content of fats, oils or greases in the waste water would be far below noticeable levels.
 - The analysis of the refinery wastewater for the determination of fats, oils, and grease content will be carried out at least twice per month upon start-up or as often as deemed necessary. The liquid effluent will be discharged into the harbour only after it has been tested by a qualified company and so determined that the levels are safe for discharge.
 - If at any point it is determined further treatment is necessary to discharge waste water, said treatment will be performed by a qualified company.

Section E: Approval of Undertaking

- Seal processing license
 - Government of Newfoundland & Labrador Department of Fisheries, Forestry & Agriculture, Licensing, Inspection & Quality Assurance Division
 - Contact Person: Director Derrick Lockyer
- Water use license
 - Government of Newfoundland & Labrador Department of Environment, Climate Change, and Municipalities, Water Resources Management Division
 - Contact Person: Environmental Engineer Shabnam Mostofi
 - No. WUL-21-11654 File No. 516 Authorized March 8, 2021
 - Water Withdrawal and Use from Tors Cove Pond for fish plant processing Tors Cove.

Section F: Schedule

Ár n-oileán Resources Ltd. will be ready to begin renovations and upgrades to the processing plant by August 1st, 2021 and begin operations on Jan 2nd, 2022. This timetable will provide Ár n-oileán with ample time to ready the plant and install equipment before the 2022 seal harvest begins.

Section G: Funding

The capital costs for this project will be funded through the selling of company shares and through a loan from the Atlantic Fisheries Fund. DFO 80 East White Hills Rd, P.O. Box 5667 St. John's NL A1A 5X1

Date

Kendall Flood, C.E.O.

Section H: Appendices

(ii) Seal Processing License Dept of Fisheries & Land Resources approval letter

(iii) Phase-1 Environmental Site Assessment Executive Summary - ESA conducted by Pinchin File: 274297 on May 5, 2020 (complete document available upon request).

COR/2020/01745

AUG 05 2020

Mr. Kendall Flood
Ar n-Oilean Resources Limited
4 Hebbard Place
St. John's, NL A1A 5J6

Dear Mr. Flood:

I am pleased to advise you that based on the recommendation of the Fish Processing Licensing Board, approval-in-principle is hereby given to your company for a new seal primary processing licence in Tors Cove. This approval is valid until one year from the date of this letter.

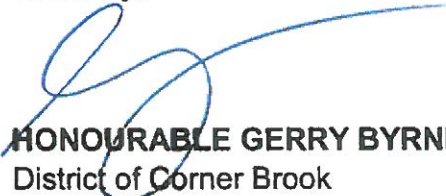
The licence for this facility will be issued when the following conditions have been met:

- (i) Receipt of proof that the facility has been issued a licence from the Canadian Food Inspection Agency; and
- (ii) A facility inspection is completed by departmental inspection staff.

The base licensing fees for the 2020-21 licence year have been waived, due to government's ongoing efforts to support businesses during the Covid-19 pandemic.

I trust this is satisfactory and wish you every success.

Sincerely,



HONOURABLE GERRY BYRNE, MHA
District of Corner Brook
Minister

- c. Ms. Lorelei Roberts-Loder, Assistant Deputy Minister, Fisheries and Aquaculture
Mr. Derrick Lockyer, Fish Processing Licensing Board Secretariat



Phase I Environmental Site Assessment

2 Cove Road
Tors Cove, Newfoundland and
Labrador

Prepared for:

Ár n-oileán Resources Ltd.

4 Hebbard Place
St. John's, NL A1A 5J6

May 5, 2020

Pinchin File: 274297



EXECUTIVE SUMMARY

Pinchin Ltd. (Pinchin) was retained, through an Authorization to Proceed, Limit of Liability and Terms of Engagement signed by Ár n-oileán Resources Ltd. (Client), to conduct a Phase I Environmental Site Assessment (ESA) of the property located at 2 Cove Road, Tors Cove, Newfoundland and Labrador (hereafter referred to as the Site).

The Site is developed with a vacant seafood processing facility which consists of two commercial buildings, an office building, and trailer.

Pinchin was advised by the Client that the purpose of the Phase I ESA was to assess potential issues of environmental concern in relation to the potential acquisition and financing of the Site.

The Phase I ESA was completed in general accordance with the Canadian Standards Association (CSA) document entitled *Phase I Environmental Site Assessment, CSA Standard Z768-01* (reaffirmed 2016), including a review of readily available historical records, a review of readily accessible regulatory records, a Site reconnaissance, interviews, an evaluation of information and reporting, subject to the limitations outlined in Section 8.0 of this report.

Based on the results of the Phase I ESA completed by Pinchin, nothing was identified that is likely to result in potential subsurface impacts at the Site. As such, no further work is recommended at this time.

Given the years of construction of the Site Buildings (i.e. approximately 1979 and early 1990s), there is a potential for asbestos-containing materials (ACMs) to be present in the Site Buildings. Pinchin did not conduct an asbestos survey as part of this Phase I ESA, nor was any sampling or inspection for asbestos conducted as part of this Phase I ESA. The Site Representative advised Pinchin that no asbestos surveys have been previously conducted at the Site, and that an Asbestos Management Program has not been developed for or implemented at the Site.

This Executive Summary is subject to the same standard limitations as contained in the report and must be read in conjunction with the entire report.

This report has been issued without having received a response from the Newfoundland and Labrador Department of Municipal Affairs and Environment (DMAE). Once a response from this regulatory body is received, the information will be reviewed by Pinchin and a copy of the response will be forwarded to the Client under separate cover. Our conclusions and recommendations may be amended based on this information.