NAME OF UNDERTAKING: MINK RANCH

Proponent:

(i) Name of Corporate Body: NF Fur Farm Enterprises Inc.

(ii) Address: 125 Merrymeeting Rd.

St. John's, NL A1C 2W3

(iii) Chief Executive Officer: Mr. Barry Nolan

President

Telephone: 709- 576-1143 Facsimile: 709-549-2244

(iv) Principal Contact Person for purposes of assessment:

Mr. Barry Nolan

President

Telephone: 709- 576-1143 Facsimile: 709-549-2244

` THE UNDERTAKING:

(i) Nature of the Undertaking:

Production of Mink.

(ii) Purpose/Rational/Need for the Undertaking:

The purpose of the project is to produce a superior quality mink pelt to satisfy the ever increasing demand of an international marketplace.

The rational is that the demand for quality mink pelts has historically been robust and increased demand from countries such as China, Korea, and Russia has created an environment which welcomes increased volumes of product available to the auction houses of North America and Europe. Availability of quality breeding stock, substantial volumes of high quality foodstuffs, and a land base particularly suited to this type of undertaking are some important factors contributing to the establishment of this project at this time.

The reappearance of fur on the runways of the fashion houses of Europe has encouraged prices to hit record levels. Decreasing land available for the expansion of mink ranches in the Scandinavian countries, traditionally associated with the production of fur bearing animals, has created an environment receptive to the establishment of mink ranches capable of producing significant numbers of quality pelts.

DESCRIPTION OF THE UNDERTAKING:

(i) Geographical location:

The proposed site, 48.3 hectares, is located on the property previously occupied by Mr. Ross Cook who operated a dairy farm at the location for many years. It is at the north eastern end of Windsor Heights which runs perpendicular to Portugal Cove Road. The land was recently advertised by the Department of Forest Resources and Agrifoods under the Land Consolation Program which encourages the establishment of agricultural enterprises on appropriate land bases.

Part of the land is under the jurisdiction of the City of St. John's and the remainder is under the jurisdiction the municipality of Portugal Cove St. Philips. It is located within the boundaries of an Agricultural Designated Area. A site identification map is attached to this document.

(ii) Physical Features:

The land is comprised of gently undulating terrain which is 75% wooded and 25% cleared land with an assortment of black spruce, larch, alder, and an assortment of scrub vegetation common to that region of the Avalon Peninsula. The trees have been harvested throughout the years and the majority of the vegetative material is in various stages of regeneration. As with all fur production facilities, this project will require a structure referred to as a feed kitchen, where feedstuffs are prepared, one or two equipment storage sheds, and a number of mink sheds where the livestock will be housed depending on their age, sex, and stage in the production cycle. Utilities will be accessed from the nearest utility poles.

(iii) Construction:

The total construction period will be approximately five (5) years.

Phase 1. November 2003 - February 2004

Land preparation for the feed kitchen and utility sheds. Construction of feed kitchen. Construction of utility sheds.

Phase 2. January 2004 - March 2004

Construction of mink sheds.

Introduction of livestock to site.

Additional sheds to be constructed as required by progeny.

(iv) Operation:

The operation of the facility will consist of the construction of six mink sheds, over a five year period, approximately 12 metres by 60 metres, which will house mink throughout their reproductive, growth & maturity cycle. The facility will consist of a feed preparation building, approximately 15 metres by 30 metres, capable of preparing a quality ration and contain equipment associated with that task. Resulting from the housing requirements of a modern, mink operation, manure generated by the animals is restricted to an area directly below the cages and protected from rain by the roof of the structure. Bedding materials such as sawdust and wood shavings have excellent absorption characteristics and will be distributed under the cages and manure will be removed at appropriate intervals for dispersal over the cleared sections of the 42.8 hectare site. The diminutive size of the mink, on average 1.4 kg, results in minimal accumulation of fecal material. When animals are harvested, on an annual basis, the intact carcass will be will be shipped to the Province of Nova Scotia in temperature controlled vehicles where custom pelt operators remove the pelt and dispose of the remainder of the carcass. The pelts are then shipped to the auction houses of Montreal and Toronto for sale. The operation will commence with approximately 2000 female mink and offspring will be in the range of 3.5 kits per female. The mink sheds will be enclosed units which will eliminate the possibility of mink leaving the facility if they manage to escape from staff during routine health checks or pelt inspection procedures.

The proposed facility is a permanent one.

(v) Occupations:

The staff for the facility will consist of the following:

General Manager	1
Farm Supervisor	1
Farm Technicians	5
Equipment Operator	1

(vi) Project Related Documents:

Copies of the following project related documents are attached:

- a. May 28,2003. Letter from the Department of Forest Resources and Agrifoods recommending approval of land base as outlined in the Call for Proposals, Farmland Development Project, Windsor Heights Area.
- b. July 18, 2003. Letter of acknowledgement of receipt of application for Crown Land located in the Windsor Heights area from the Department of Government Services and Lands, Lands Division.
- c. August 15, 2003. Letter from the Department of Environment, Environmental Assessment Division, advising the proponent on the requirement for an environmental assessment of the site and project.
- d. August 14, 2003. Subject to the conditions therein, letter from the City of St. John's advising the proponent of the approval of the Crown Land Lease referral by the city's regular council meeting of August 11, 2003.

APPROVAL OF THE UNDERTAKING:

A municipal permit to construct is required before construction commences within the appropriate municipal boundaries.

SCHEDULE:

The requirements of the Environment Assessment Act should be completed by November 10, 2003 and the construction phase of the project can commence at approximately the same time pending appropriate municipal permits are in place.

FUNDING:

Funding for the project will be from private sources.	
September 19, 2003	
	Barry Nolan President