Name of Undertaking: Discovery Trail Farm Ltd.

Proponents:

George Greening Musgravetown, NL

Lorne and Debbie Simmonds Musgravetown, NL

Managing director:

George Greening Telephone #709-467-2652 Fax # 709-467-5316

Principal contact person for purposes of environmental assessment:

George Greening, Managing director Telephone #709-467-2652 Fax # 709-467-5316

The Undertaking:

(1) Nature of the undertaking

Discovery Trail Farm Ltd. is a corporation incorporated on February 5, 2003 by George Greening, his daughter Debbie Simmonds and her husband Lorne Simmonds residing in Musgravetown, Newfoundland. The company plans to obtain a crown land grant to acquire a 2-acre parcel of land in the Musgravetown-Lethbridge Area, near Gull Pond and Morleys Siding adjacent to and in front of land leased to George and Vera Greening. The company will then construct a modern abattoir and a farmer's market type front store. In addition a barn will be built on the adjacent land to accommodate a cattle herd. The costs to construct the facilities and initial herd purchase has been estimated at \$600 000.00 and includes the following:

- Abattoir.
- Barn.
- Store front.
- Equipment.
- Initial cattle herd.

The company plans to purchase cattle for the farm from feed lots and private farmers in Nova Scotia and New Brunswick at around 800 pounds and grow the cattle to 1 500 pounds. The cattle would access the excess forage crops being produced from George and Vera Greening's farm adjacent to the acreage being presently requested.

(2) Purpose and Rationale:

To start a new business venture and create much needed employment for a third generation of Greenings. The farm would also provide the area with fresh beef product and vegetables in a small farm market set-up. The development of the identified site will compliment the adjacent farm by providing an avenue for it to sell and dispose of excess forage crops. The facility will also provide an outlet for other vegetable farmers in the area to supply product. In addition the facility will purchase pork and produce smoked bacon, sausages, and other beef and pork related products will be added to meet customer demands.

(3) Description of the Undertaking:

Company representatives have held discussions with the Forest Resource and Agrifoods Division and outlined a basic requirement for land fronting on the Discovery Trail Highway to support this farming initiative. They have identified a crown land site comprised of approximately 2 acres that is suitable for this project. Specifically the site is referenced in File# 1002440 at the Department of Government Services and Lands, Lands Branch in application number 124182 location Barretts Siding. See attached correspondence from the Lands Branch together with map location and preliminary application to develop for the site.

The site is ideally suited in that it is fronting on the Discovery Trail Highway and is directly adjacent to a forage crop farm operated by one of the company shareholders.

(4) Land Usage:

The land has no existing services, the vegetation is comprised mainly of scrub forest and there is a forest agriculture access road that runs along side the property. Initially the company will have to clear some of the land to construct the abattoir and store front. Also a barn will be at the rear of the property, on land leased to George and Vera Greening, to allow the cattle access to the forage crop fields provided by Greening's Poultry Farm which is adjacent to the proposed site. The principal use of the 2-acre site would be to accommodate the slaughtering facility.

The by-products from the abattoir such as internal organs would be temporarily stored in containers and then taken to the rendering plant in Foxtrap as the production in the slaughtering facility dictates. The blood and excess water would be stored in a holding tank and taken by a waste disposal company to an approved environmental disposal site. There would not be any negative impact on the environment. The utilization of the vacant site to handle excess forage production from the adjacent farm would enhance that operation. The farmers market set-up would be positive for vegetable growers in the area. It could provide a year round retail outlet to sell produce that would be purchased from the farmers' vegetable storage facility located in Lethbridge.

(5) Employees/Staffing:

We have determined that the project will create three much needed new full time jobs for the community:

- 1 farm assistant to work on the farm to ensure the cattle are adequately feed and properly culled.
- Lorne Simmonds- meat cutter/butcher.
- Debbie Simmonds- Front store manager.

(6) Environmental Issues:

The chosen site is very remote and is isolated from any residential, rural and/or cottage development. There are essentially three environment issues facing the operation of the combined cattle rearing and abattoir facility. Firstly the issue of the manure by-product will be addressed by grazing the cattle on several adjacent fields that will be equipped with a specialized solar fence to ensure the herd is restricted to defined areas. The manure by product from the barn will be spread on the adjacent fields that are leased to George and Vera Greening.

This will provide an environmentally friendly way of disposing of the manure produced from the cattle growing division of this undertaking. The by-product from the slaughter house including internal organs will be temporarily stored and then shipped to the rendering plant at Foxtrap on a periodic basis. The blood and excess water will be held in a storage tank for pick up by a waste disposal company and taken to an approved environmental site.

Greening's have operated farm facilities for over 26 years and are very concerned about the environment and will ensure the company will proceed in a prudent manner and comply with all Government guidelines and regulations in developing this new venture.

(7) Development Plan:

The site will be developed during the spring and late summer of 2004. From now until the end of December the company will be involved with obtaining the necessary permits from regulatory authorities and acquiring the crown land grant. In addition a plan will be developed over the winter to provide for clearing the specific site, finalizing the barn, abattoir and front store design.

Mr. Simmonds will be attending meat cutting and butcher training courses that are available from early January through to September. During the winter detailed business and marketing plans will be prepared and financing arrangements will be put in place.

Construction of the barn, abattoir and front store is anticipated to start in early May and should be completed by the end of September 2004. The barn will be completed on or before the end of June and the first cattle should be at the site in early July to allow for slaughtering in November. Gradually the company will continue to add products and diversify and develop the farm operation to meet customer demands.

(8) New Capital Asset Additions:

Since this is a new undertaking the company will have to acquire the following:

- Specialized abattoir slaughtering equipment.
- Chill room and conveyor system.
- New barn.
- New building to house the abattoir and front store.
- Shelving, refrigeration and display equipment.

The company has access to a wide range of specialized farm equipment from the adjacent farm that includes a backhoe, dump truck, and tractors and related accessories and will not need to duplicate these items.

(9) Approvals Required:

- Department of Forest Resources & Agrifoods- Agricultural Branch and Forestry Divisions
- Government Services & Lands.
- Crown Lands-application for land grant.
- Department of Environment-Environment Assessment Division.

(10) Funding:

We estimate the project will involve expenditures in the \$600 000.00 range. This estimate covers new equipment, buildings, related equipment and the basic herd. Funding for the new equipment, buildings and cattle will be obtained through normal commercial lenders and shareholders loans. The undertaking is not dependent upon a grant or loan from any government agency.

Date

Mr. George Greening Managing Director