

NAME OF UNDERTAKING: MINK RANCH

Proponent:

(i) Name of Corporate Body: T & E Enterprises

(ii) Address: P.O. Box 292
Lawn, NL
AOE 2EO

(iii) Chief Executive Officers: Mr. Aubrey Tarrant / Mr. Adrian Edwards

Telephone: (709) 873-2659
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(iv) Principal Contact Person for purposes of assessment:

Directors:
Mr. Aubrey Tarrant / Mr. Adrian Edwards
Telephone: (709) 873 -2659
Facsimile: (709) 873 -2542

THE UNDERTAKING:

(i) Nature of the Undertaking:

Production of Mink, (ii) Purpose/Rational/Need

for the Undertaking:

The purpose is to yield a high quality mink pelt to help fill the need of the international marketplace.

The rational is that the need for mink furs has always been high and has increased significantly in the past several years. Access to high caliber breeding stock, abundant quantities of high quality foodstuffs, and a land base whose climate and location lends itself well to the production of quality pelts are some of the major factors contributing to an undertaking of this nature. Record levels in pelt pricing (up 15% from 03-04 sales) together with the availability of land, versus the decreasing availability of land in countries traditionally associated with the production of fur bearing animals, makes this province an ideal location for the establishment of mink ranches capable of producing significant numbers of high quality pelts. In addition the proposed location has a competitive advantage in the area of labor cost as well as a

huge supply of labor, this accompanied by the fact that the island portion of the province is free from Aleutian Disease which can devastate a mink ranch, contributes to the need to establish a project of this nature at this time.

DESCRIPTION OF THE UNDERTAKING:

(i) Geographical location:

The proposed site, 1.0923 hectares, is located within the municipal boundaries of Lawn, Placentia Bay on the Burin Peninsula. The site is situated in a sparsely populated area of town approximately 500 meters south of a small number of local barn yards, where livestock are raised, also approximately 500 meters north of a salt fish plant owned and operated by Grand Atlantic Seafood's. The location is bordered to the west by the main road leading through the community with the local cemetery being located approximately 100 meters from that point and uninhabited otherwise, also bordered to the east by uninhabited crown land claimed by the municipality of Lawn as being within the town limits.

(ii) Physical Features:

The land has been previously developed and landscaped and slopes gently to the southwest at approximately 3% grade.

The site has an existing front lawn with some small pine trees.

The building contained on this site, a moderately attractive structure, has been

well maintained while it served as an all grade school in the community.

As with all fur production facilities this project will require a structure known as a

feed kitchen where foodstuffs are prepared, an equipment storage area, and a

number of mink sheds where livestock will be housed.

The proponents will endeavor to renovate the existing building to meet these structural needs with access being gained from the rear so as to maintain the front of the buildings physical attractiveness.

Utilities are already in existence at the site.

(iii) Construction:

Total construction period will be approximately three years.

Phase 1. July 2005 - December 2005

Renovation of existing building, which was previously a school with a large gymnasium. This will include construction of a mink housing unit, (1184 cage capacity), food preparation area, cold storage unit, garage, equipment storage room, lunchroom, office, and a washroom.

Construction offence, enclosing entire plot of land. Fence will be extended 6-8 inches below ground level to prevent mink from leaving the ranch as well as to prevent other animals from entering the ranch. Two-foot steel/aluminum sheeting will be added to the fence to prevent climbing and escape. Barbed wire will be added to the top of the fence for security reasons. It is important to note that fence construction, (in relation to mink escape) will be a precautionary measure only, as animal's permanent residence will be in individual cages, within enclosed structures.

Phase 2. December 2005 - March 2006

Construction of one additional mink shed.

Introduction of livestock to the site.

Third mink shed to be constructed as required.

(iv) Operation:

The operation of the facility will consist of the renovation of the existing building, which is 10 meters by 82 meters, and the construction of two additional mink sheds which will be 10 meters by 76 meters, over a three-year period. The gymnasium portion of the existing building will host the food preparation and cold storage unit, which will be approximately 6 meters by 18 meters, and will contain machinery associated with this task.

The facility will make use of an automated manure collection system, which is essentially a system of gutters that are located beneath the cages and are emptied into containers which will be stored in an area protected from rain by the roof of the structure. This system will create a better working environment for staff as well as increasing the well being of the mink. This manure system, combined with the use of an enclosed building will virtually eliminate any odors, thus making it neighbor friendly. The manure will be removed from the land and trucked to a nearby mink ranch in Cavendish, NL, to be composted, where travel will be necessary weekly to obtain feed. The diminutive size of the mink, on average 1.4kg, results in minimal accumulation of fecal matter.

When the mink are harvested, they will be shipped in tact, in temperature controlled vehicles to a custom pelting operation where the pelts will be removed and the remainder of the carcass to be disposed of. The pelts are then shipped to North American Fur

Auction houses for sale.

The operation will commence with, 1000 impregnated female mink that will yield

an average of 4 kits per adult.

An automatic watering system will be installed in the sheds such that the mink

will have access to a continuous supply of water. The town's water supply will be

used to provide the necessary water requirements.

As mink farming is quite dependent upon the breeding cycle, a calendar has

been included which shows a general outline of what happens during the mink year.

Breeding - Breeding to start in early March

Whelping - The breeding females will start having their kits around mid-April. Litter may range from as few as three to as many as 13, but four or five is the average.

Weaning - Separating the kits from their mother and getting them on solid food starts about 45 days after they are born.

Growth and Furring - From August to pelting time in November / December the focus is on kit growth and proper fur development.

Grading and Pelting - Prior to pelting, mink are graded such that best performers can be retained as breeding stock. Pelting starts in November and can continue to early December. Harvesting only will be performed on the purposed site, using an approved method. All pelting will take place at Viking Furs in Cavendish Trinity Bay, NL.

| | | | |
|-----------------------------|-----------------|---------------------------------|-----------------------------|
| JAN | FEB | MAR | APR |
| | BREEDING | | |
| | | | WHELPING |
| MAY | JUNE | JULY | AUG |
| | | WEANING & SEPARATING | |
| WHELPING | | | GROWTH & FURRING |
| SEPT | OCT | NOV | DEC |
| | | GRADING | |
| GROWTH & FURRING | | | PELTING |

The proposed facility will be a permanent one.

(v) Occupations:

The staff for the facility in year one will consist of the following:

| | |
|---------------------------------------|---|
| Building and Maintenance Manager | 1 |
| Mink care and Mink Production Manager | 1 |
| Secretary | 1 |
| Seasonal Laborers | 2 |

(vi) Project Related Documents:

March 18/2004,
Letter from Greater Lamaline Area Development Association expressing their support of the initiative.

March 11/2005,
Letter from the town of Lawn expressing their support and requesting environmental assessment.

Letter of support from local residents.

Letter of support from Lawn New Beginnings INC.

APPROVAL OF THE UNDERTAKING:

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

SCHEDULE:

The requirements for the Environmental Assessment Act should be completed by mid July 2005, and the renovation/construction phase can

commence at approximately the same time pending appropriate municipal permits are in place.

FUNDING:

The funding for this project will be from:

ACOA - non-interest bearing, business development capital expenditure loan in an amount of \$236,000,

A \$150,000 APF non-repayable grant from the provincial government.

An interest-bearing loan for \$30,000 from the Burin Peninsula Community Business Development Corporation.

Directors' contributions for \$94,360.

Department of Industry Trade and Rural Development equity injection for \$50,000 under the Small Business Seed Capital Equity program.

No approvals have been granted to date.

May 16, 2005

Aubrey Tarrant,

Adrian Edwards,

Director

Director