

REGISTRATION PURSUANT TO SECTION 49 OF
THE ENVIRONMENTAL PROTECTION ACT

NAME OF UNDERTAKING: **Mink Farm - Off of Goose Arm Road,
Deer Lake area**

PROPONENT:

- (i) *Name of Corporate Body:*** **GIN Furs Inc.**

- (ii) *Address:*** **9 Mountain View Place
Deer Lake, NL
A8A 3J7**

- (iii) *Chief Executive Officer:*** **Mr. Gert Nymark
President/Owner
9 Mountain View Place
Deer Lake, NL
A8A 3J7
(709) 635-0112**

- (iv) *Principal Contact:*** **Mr. Brian Burke
Burke Consulting Inc.
7 Somerset Place
CBS, NL
A1W 4P3
(709) 834-6331**

THE UNDERTAKING:

(i) ***Nature of the Undertaking:***

Proposed development of a mink farm at a site off of Goose Arm Road, behind Deer Lake. The farm is being developed to produce high quality mink varieties for sale to auction houses in North America and Europe. Farm construction is proposed to begin in the Fall of 2005.

The project proponent, Mr. Gert Nymark, is an established Danish mink farmer with almost 25 years experience in the mink industry. Mr. Nymark had his own mink farming operation in Denmark which was sold in 2005, to enable him to concentrate on planning for farm development in Newfoundland and Labrador. He has produced a mixture of mink types which have been sold at the Copenhagen Fur Auction.

(ii) ***Purpose/Rationale/Need for the Undertaking:***

The proponent, Mr. Gert Nymark, sees a great potential for mink industry development in the province. The province has the proper climate for mink production as well as offering potential advantages in land, feed and labour availability and cost, as compared to Denmark.

DESCRIPTION OF THE UNDERTAKING:

• ***Geographical Location:***

The proposed site, of approximately 50 acres, is located off of Goose Arm Road, behind Deer Lake and is adjacent to a large dairy farming operation. The site is an existing agricultural lease (W89143), for which Mr. Nymark has negotiated a Purchase and Sale Agreement. Maps of the proposed site are attached in Appendix 1. These maps include an overall site location map, an aerial photo of the site and, a more detailed site map showing the proposed location for the primary farm infrastructure.

The land base is currently partially cleared, approximately 10 acres in two fields, with the remainder is in a wooded state. The site is relatively flat.

• ***Physical Features:***

Physical requirements for the mink farm to be added to the site include mink sheds, a storage/pelting shed, perimeter fencing, temporary manure storage and access roads. The current cleared area will encompass most of the land required

for the sheds and other infrastructure, as shown in the detailed site map in Appendix 1. An additional 3-5 acres may be cleared over time to meet farm expansion requirements. Additional land will also be developed, as required, for manure spreading. Each of the required physical features are further described below:

Roads

Access to the site will initially use the existing site access located off of the road to the local Rod and Gun Club. An additional site access will be constructed directly from Goose Arm Road to the proposed mink shed location, along the path of a former trail on the site. On-farm access will be upgraded and extended as required. A small stream runs between the two existing cleared fields and access across this stream will be upgraded with the installation of proper culverts.

Mink Sheds

The proposed mink sheds for this farm will be 100 m long by either 8 m or 12.5 m wide. Each shed will hold four to six rows of mink cages, depending on the width. The sheds are to be constructed using simple post and beam wooden construction, with galvanized aluminum sheeting attached for roofing, as well as a fiberglass skylights, and a plastic fabric material used on the exterior sides (to enable natural light penetration). See pictures below for examples of the type of construction to be used.



Exterior of Large Mink Shed



Interior of Large Mink Shed

An automatic watering system will be installed in the sheds such that the mink will have access to a continuous supply of water. Artesian well(s) will be used to provide the necessary water requirements.

Storage/Pelting Shed

The current site contains two small sheds which will be used for storage. An additional shed of around 2,700 sq ft (10 m x 25 m) will be constructed on-site to

provide for additional storage space for equipment and materials, for a small pelting operation, as well as a small staff room/facilities. Pelting equipment to be used will consist of used equipment from the proponents former operation in Denmark. Details on the type of equipment used is provided in Appendix 2.

Perimeter Fencing

The mink shed site (approx. 4 acres) will be enclosed with chain link fencing, to prevent encroachment by pests/animals and mink escapement. To prevent possible escapement, the bottom of the fence will be extended 6-8 inches below the ground surface. Total fence height will be approximately five to six feet.

Manure Storage

A temporary manure storage area will be constructed, consisting of a concrete pad and bucking wall, with a tarp cover to prevent washout by precipitation. This facility will be constructed and located in keeping with the Environmental Guidelines for Livestock Producers. The facility will provide for temporary storage only, with the manure ultimately being made available to local farmers for spreading and/or used on fields to be developed by the proponent.

- ***Construction:***

Project construction is projected to occur from November 2005 through to August 2009. Construction will be undertaken in a staged approach to meet the requirements of the expanding farm. Following are the projected construction requirements for each phase:

- *November 2005 - April 2006*
 - Upgrade On-Site Access
 - Clear/Level Land
 - 3 Four-Row or 1 Six-Row Mink Shed(s) for breeding stock (1,000 females)
 - Install Watering System
 - Perimeter Fencing (start)
- *April 2006 - September 2006*
 - Clear/Level Land
 - 3 Four-Row or 2 Six-Row Mink Shed(s) for pelters/breeding stock
 - Perimeter Fencing (complete)
 - 1 Storage/Pelting Shed
 - Manure Storage Pad (40'x20'x3')
 - New Access from Goose Arm Road
- *June 2008 - August 2008*
 - 1-2 Four-Row or 1 Six-Row Mink Shed(s) for expansion
 - Manure Storage Pad (40'x20'x3')
- *June 2009 - August 2009*
 - 2-3 Four-Row or 1 Six-Row Mink Shed(s) for expansion (to 4,000 females)

The main site has been selected to minimize clearing and leveling requirements. Construction involves simple structures with low potential for environmental impact.

- **Operation:**

Farm

The process of farming mink is closely tied to the natural breeding cycle of the animal. The basics of the mink year are outlined in the following figure, which was prepared for the US mink industry. For mink farming in Newfoundland and Labrador the primary seasons are as follows:

- Breeding - Breeding to start in early March;
- Whelping - The breeding females will start having their kits as early as April 20th. Litters 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 after six to eight weeks, in late June or early July;
- Growth and Furring - From August through 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 the best performers can be retained as breeding stock . Pelting starts in November and can continue to early December.

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

Mink Farm Season

GIN Furs Inc. plans to start with 1,000 disease free, high quality bred females, to be transferred from a local farm in April 2006. On average mink produce between four to five offspring. In 2006 the projected kit production will be approximately 4,000-5,000 kits. Over the following three to four years the operation will expand to 4,000 female breeders, producing up to 20,000 kits per annum.

This proposed operation will consist of the farm and pelting operations. Feed will be obtained from an external supplier.

Pelting

The following is a brief description of the pelting process. Greater detail on this process and the types of equipment used has been provided in Appendix 2.

After the grading process on the farm, where the best and the biggest are retained as breeders, the remaining mink are sent for pelting in November/December of each year. The mink are euthanised humanely in a Killing Trolley and then placed on a Body Trolley in preparation for the pelting process. The process starts by placing the mink in a Body Drum, with sawdust, to clean them and prepare them for skinning. The skinning process begins with the removal of the tail and legs and with the loosening of the skin using a Paw and Leg Spreader. A Skinning Machine will then be used to assist in separating the pelt from the body.

After skinning the fat and grease must be removed from the pelts, using a Fleshing Machine. After this is removed the pelts are placed in another drum with sawdust to remove all remaining grease. The pelts are then ready to be placed on Pin-Boards using a Pinning Machine which helps to stretch the pelts to optimal size and then staple them to the Board. Once on the Board the pelts are ready to enter the drying process.

The critical drying process involves hanging the pelts in an environmentally controlled room, at 17-18 degrees Celsius and 55-58% moisture, for three to four days, where each pelt is hung on a tube which blows air down through the pelt to dry it in a controlled manner. After drying the pelts are taken off the Boards with a Staple and Board Remover. The pelts are then complete and are transported to the stockroom where they are placed on hangers to maintain their shape and structure and maintained at a temperature of 10 degrees Celsius and at 75% humidity until the time of shipping to the auction house.

Prior to shipping farmers must tag their mink with barcodes using a Labelling Machine, to distinguish them at the auction house. The pelts are then packed in boxes and picked up by the auction company.

Production at the pelting operation will include the production of pelts from GIN Furs farming operations. Peak production in the first five years will be approximately 20,000 pelts.

Waste Production/Handling

Farm

Waste production from a mink farm consists of one primary waste stream, manure and urine from the mink, which is mixed with wood shavings and straw from the nest boxes. Manure production varies with the time of year, with lower volumes produced from late-November through May, as the farm is populated only with breeding stock, and larger and increasing volumes produced from June through

November, as the kits grow. The mixing of the manure/urine with the wood shavings/straw produces a very manageable solid waste product. The projected maximum waste production for a 4,000 female mink farm is as follows:

- Manure 720 tonnes
- Shavings/Straw 100 tonnes

Pelting

The waste stream from the pelting operation will include the mink carcasses, the fat/grease collected in the pelting process and the sawdust used during the pelting process. The projected peak waste production, when the farm reached 4,000 female breeders, is projected as follows:

- Carcass/fat 32 tonnes
- Sawdust 4 tonnes (used in pelting process to dry skins)

Waste Collection

Farm

With all animals held in cages the manure and urine collects directly under these cages, in the sheds. In a vast majority of cases the mink return to the same spot to deposit their waste on an ongoing basis. In addition, straw and/or wood shavings are used in the nest boxes and the manure/urine becomes mixed with the straw/shavings that fall through the cage, producing a more manageable waste product. For hygiene purposes and to reduce odour, waste will be collected from the sheds on a regular basis, consisting of every two weeks in the late summer and less often during cooler periods.

Waste is to be collected using a small articulating tractor which is capable of operating in the sheds. A special attachment will be imported from Denmark which enables the tractor to easily collect the waste in an efficient manner.

Pelting

Carcasses are collected during the skinning process. The fat/grease is automatically collected from the fleshing machines into barrels and the sawdust used in the drumming process is changed on a regular basis.

Waste Handling and Disposal

Farm

The handling and disposal of the waste from the mink farm will be undertaken using approved manure management strategies. The primary handling and disposal methodologies to be used will include short-term stockpiling, land application and potentially composting.

Short-term Stockpiling

Stockpiling of manure will only take place on a short-term basis, to accumulate for land application. Stockpiling will be done in an approved manner and at a site

on the farm of sufficient distance and location from the sheds and wells to ensure no risk of contamination (see detailed map in Appendix 1).

Land Application

A total of 150 female mink (plus kits and males) per acre is the recommended maximum from the “Environmental Farm Practice Guidelines for Livestock Producers in Newfoundland and Labrador” for manure spreading. As such, for a 4,000 female farm the recommended minimum acreage for manure spreading would be 26.67 acres. The site has a land base of 50 acres, providing more than sufficient area for manure spreading. In addition, manure will be made available to other local farmers for spreading on their fields.

Pelting

The handling and disposal of the waste from the pelting operation will use approved management strategies. The primary handling and disposal methodologies to be used will include burial and potentially composting. For the burial of carcasses, the “Government Service Centre Guide for the Disposal of Dead Animals Within the Province of Newfoundland and Labrador” will be followed, i.e. disposal areas will be a minimum of 150 metres from the well water supply. The carcasses will be placed in a prepared excavation, then limed and backfilled with at least 0.6 metres of fill material. The excavation site will be at least 0.3 metres from the groundwater table.

- ***Occupations:***

The proposed farm will require a projected three to five employees, in addition to the proponent, during the construction phase. The operations phase will require two full-time personnel in the first year, growing to four full-time personnel in the fourth year. Seasonal pelting employment will also be provided for an estimated five labourers in the first year, growing to 15 labourers by the fourth year.

- ***Project-Related Documents:***

N/A

APPROVAL OF THE UNDERTAKING:

Approvals required for the construction and operations phases for GIN Furs Inc. include the following:

- Waste Management Certificate - Government Services Centre - Application Submitted

SCHEDULE:

The initial land development and construction phase for this project must be started by November, 2005. Land clearing and leveling, the construction of one six-row or three four-row mink sheds, watering system installation and starting the installation of perimeter fencing must be done prior to the arrival of the breeding stock in April 2006.

FUNDING:

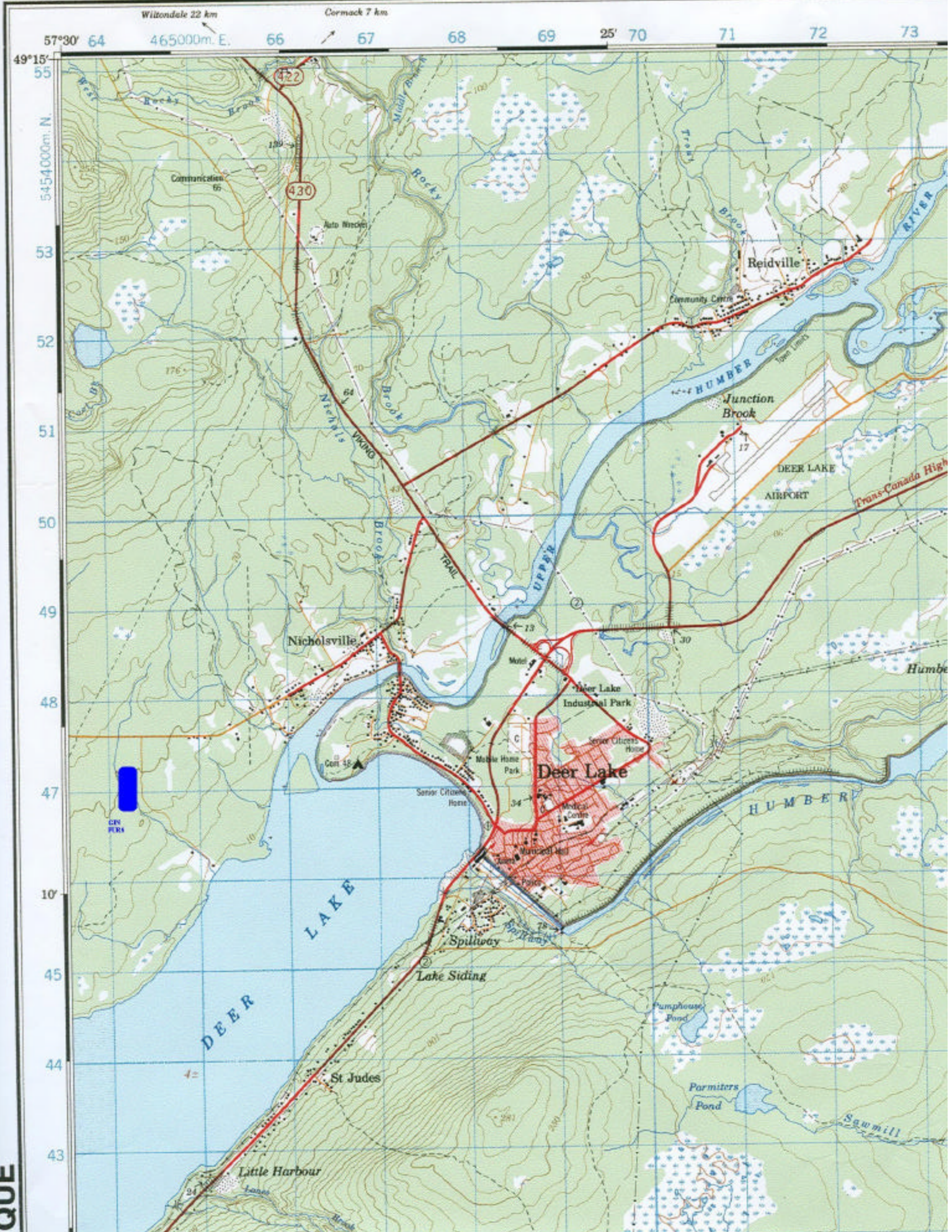
Funding for this operation will consist primarily of private investment. GIN Furs Inc. has applied for assistance through the Atlantic Canada Opportunities Agency (repayable loans), Human Resources and Skills Development Canada (wage subsidies), the Agricultural Policy Framework (APF), and the Department of Innovation, Trade and Rural Development (Small and Medium Enterprise Fund). No approvals have been granted to date.

Mr. Gert Nymark
President/Owner

Date

Appendix 1

Site Maps



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1 : 12500

08/15/2

Goose Arm Road

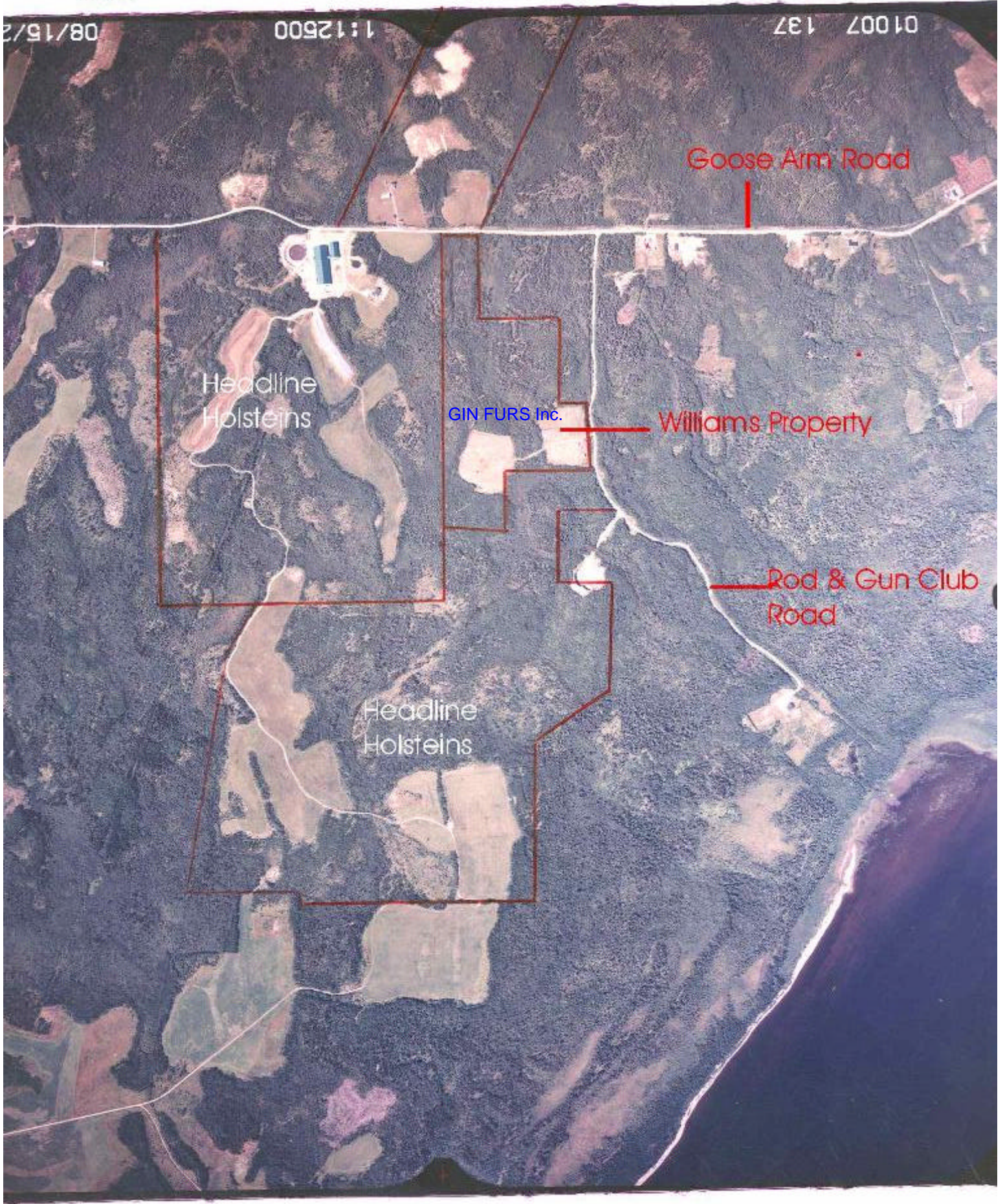
Headline
Holsteins

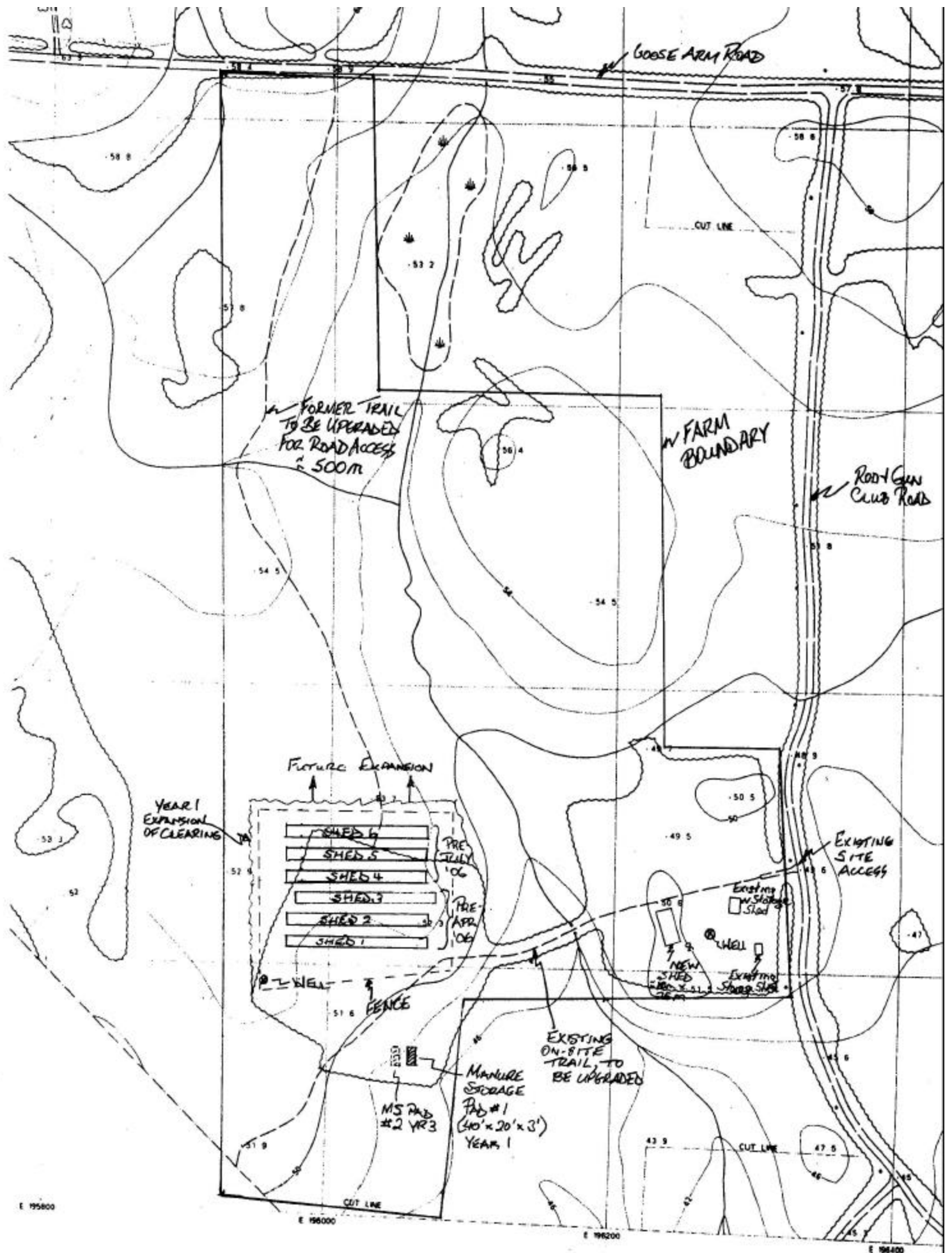
GIN FURS Inc.

Williams Property

Rod & Gun Club
Road

Headline
Holsteins





E 195800

E 196000

E 196200

E 196400

Appendix 2
Pelting Equipment

Pelting Plant Equipment

A listing of the pelting plant equipment requirements is provided in Table 1. In addition, a killing trolley and body trolley is also being contributed by the proponent. Following is a description of the type of equipment used in the pelting process.

Stretching Machines	3
Fleshing Machines	2
Cut Up Machine	1
Drying System/Units	1
Drums	3
Tail Fat Cutter	1
Tail and Leg Remover	1
Skin Removers	1
Skin Brushes	2
Pin Board Wagon	2
Pin Boards - Male	630
Pin Boards - Female	400
Board and Clips Remover	1
Compressor (8 Hp)	1
Electrical Upgrades to Danish Equip.	
<i>Total Pelting Equipment</i>	

Table 1: Pelting Equipment Provided by Proponent

- ***Killing Trolleys:*** After the mink are graded at the farm, those selected for pelting are placed in the Killing Trolleys to be euthanised. See Figure 1 for an example of a killing trolley.

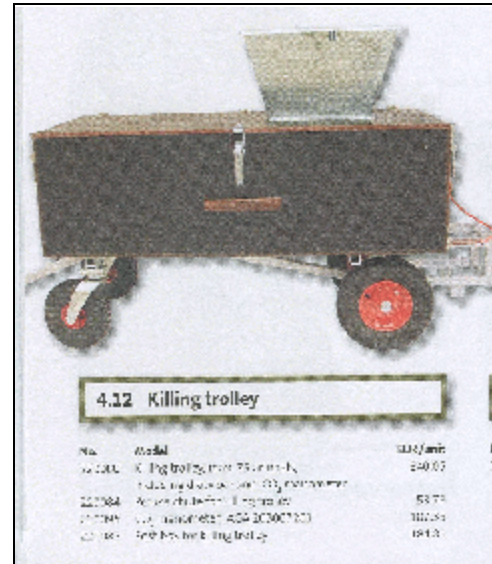


Figure 1: Killing Trolley

- ***Body Trolleys:*** Once removed from the Killing Trolleys the mink are placed on the Body Trolleys while waiting for the pelting process to begin. See Figure 2 for a picture of this equipment.

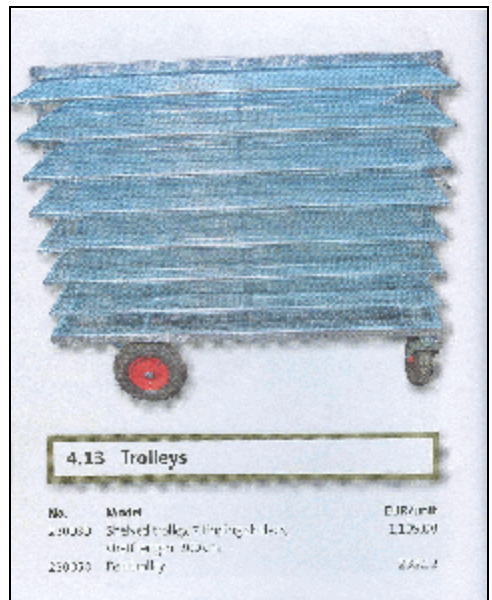


Figure 2: Body Trolley

- ***Body Drum:*** The Body Drum prepares

the mink for the skinning process. The bodies are tumbled in the drum with sawdust to remove dirt/grease from the pelts. See Figure 3 for an example of a Body Drum.

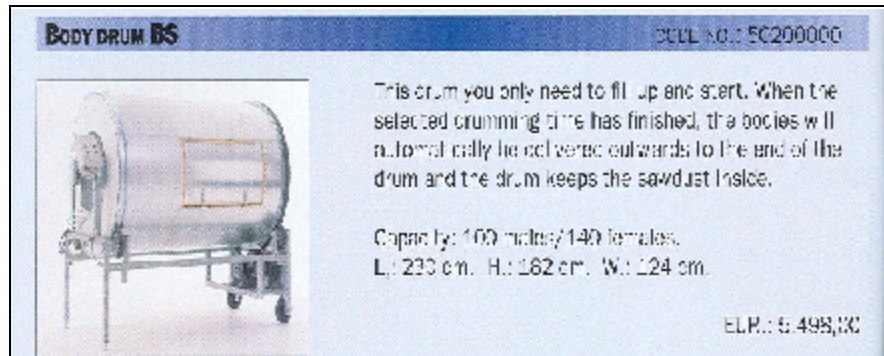


Figure 3: Body Drum

- Tail and Leg Removers:** The Tail and Leg Removers are used to cut off the mink's tail and legs prior to skinning. Figure 4 provides a picture of this type of equipment.

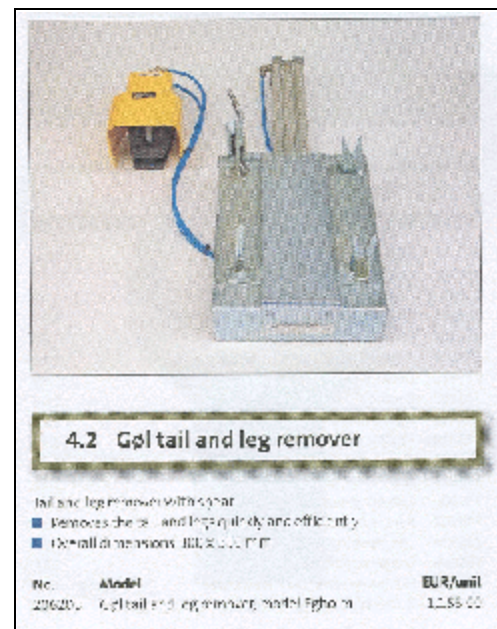


Figure 4: Tail and Leg Remover

- Paw and Leg Spreaders:** The Paw and Leg Spreaders are used in the final step before skinning. They loosen the skin from the body to make the skinning process easier and less likely to damage the pelt. Figure 5 shows this type of equipment.

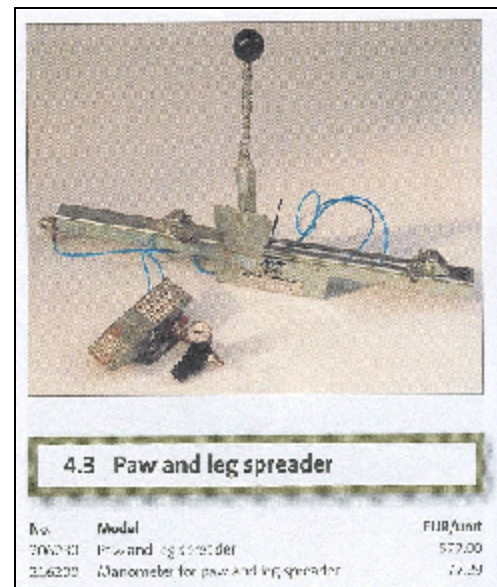


Figure 5: Paw and Leg Spreader

- **Skinning Machines:** Skinning Machines are used help in the process of separating the skin from the body. Figure 6 illustrates this type of equipment.

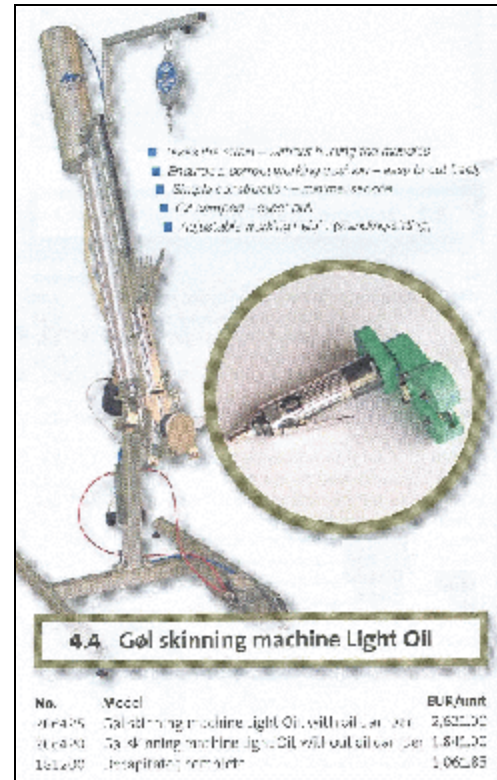


Figure 6: Skinning Machine

- **Fleshing Machines:** Once the pelt is separated from the body, the flesh and fat remaining on the pelt has to be scraped off using a fleshing machine, such as the one illustrated in Figure 7.
- **Drums:** After fleshing the pelts need to be placed in drums containing sawdust to remove any remaining grease.

HG Fleshing machine

– Fast on big skins too

The robust, P.L.U. controlled HG fleshing machine lets you set a program to match a certain type of skin, and so achieve the best possible fleshing results. The programming itself is very simple and is done through a finger touch system on the screen.

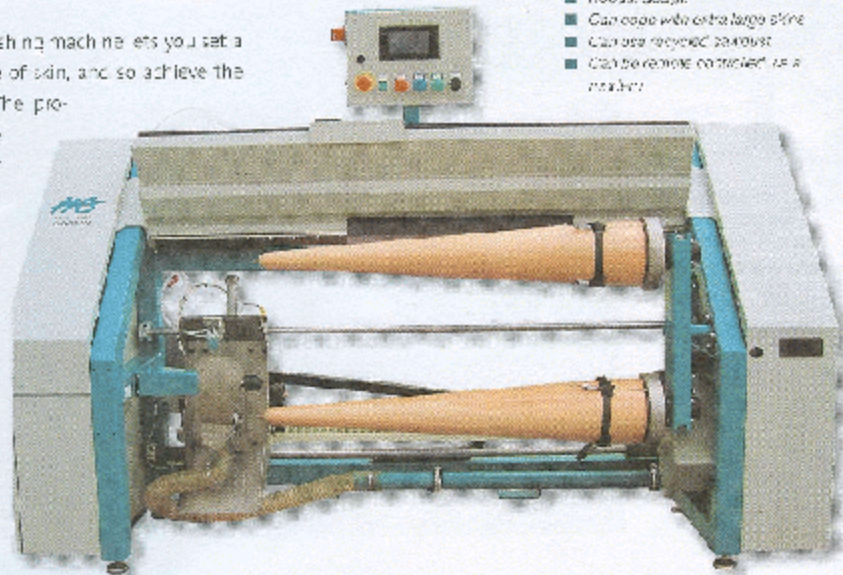
The machine is also available with a modern, so it can be remote controlled by the Hedensted Group. This solution can save you both time and money if there should be any stoppages.

The large fleshing sticks (diameter 20 cm) mean that the machine is especially suitable for very large skins. The stick rotation is increased automatically as the motor approaches the stick.

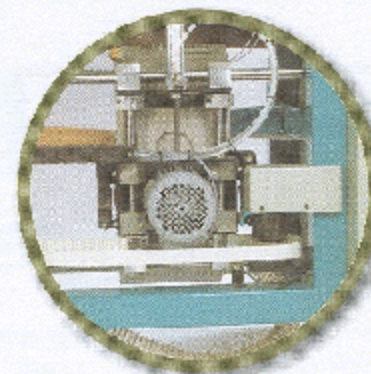
The fleshing machine has an integrated automatic sawdust function with a capacity big enough so that you do not need to constantly worry whether it is filled.

The moveable plates in the automatic sawdust function allow the machine to use recycled sawdust.

- Up to 120 skins an hour
- Robust design
- Can cope with extra large skins
- Can use recycled sawdust
- Can be remote controlled via a modem



The location of the scanning sensor means that the coarse or fine sticks do not smash the sensor away, a high speed of rotation. This means that the loading rate and thus the capacity is increased.



The offsetting of the motor allows precise scraping and a fast return stroke.

4.15 HG fleshing machine

No.	Model	EUR/unit
197000	HG fleshing machine	18,182.00
197001	On line reading	510.75
201104	HG fleshing machine, Samson Robot, with lower size sticks and optical sensors	6,707.00

Figure 7: Fleshing Machine

- **Boards and Pinning Machines:** After final drumming the pelts are stretched onto Pin Boards in preparation for the drying process. A Pinning Machine is used to help stretch the pelt and staple it to the Board. An illustration of a type of Board and Pinning Machines is provided in Figures 8 and 9.

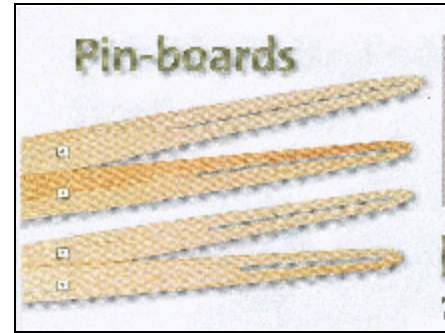


Figure 8: Pin-Boards

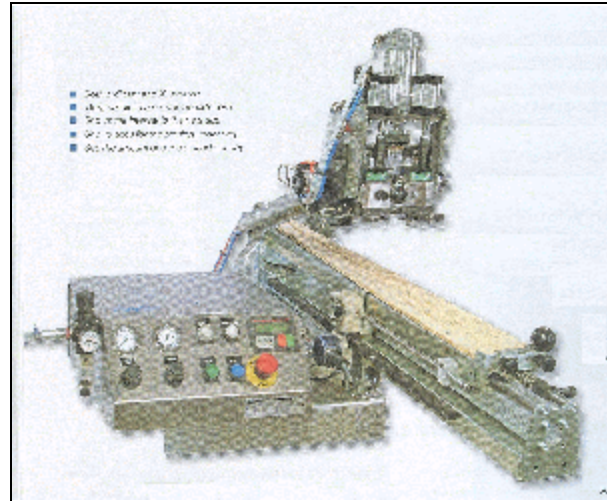


Figure 9: Pinning Machine

- **Drying System:** After placing the pelts onto Boards, they are brought to the drying room. The temperature and humidity in the room will be controlled. The Boards are hung from Drying Boxes, which contain a series of tubes through which air is blown. Over a three to four day period this system will properly dry the skins. Figure 10 illustrates a type of drying system and the Drying Boxes.

DRYING UNITS

DRYING UNITS Q-VEX

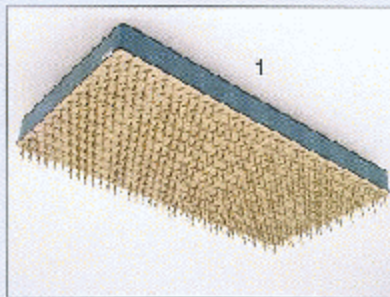


The drying unit Q-Vex model 4000, 8000 and 12000 monitors automatically the temperature, humidity and air quantity. The unit consist of a fan, humidor, heat element and the new automation. The unit constantly monitors the conditions of the inflow, which gives precise and correct air quantity for the skins.

Drying time approx. 3 - 4 days.
 Dehumidifying 15 gr. Water/skin/day.
 Temperature 18 - 20.
 Relative humidity 55 - 60 RH.
 Air quantity 4000 - 20000/h.

Model 4000	EUR.: 14.835,00
Model 8000	EUR.: 20.135,00
Model 12000	EUR.: 25.540,00

DRYING BOXES



80003200	Drying boxes with brass peg, 320 pipes.	EUR.	1.000,00
80004800	Drying boxes with brass peg, 480 pipes.	EUR.	1.250,00
80002100	Drying boxes A. with plastic hook, 210 pipes.	EUR.	466,20
80002100	Drying boxes B. with plastic hook, 210 pipes.	EUR.	466,20
81002200	Centherm derum difier CEF 22 movable.	EUR.	1.266,80
81003500	Centherm derum difier CEF 35 movable.	EUR.	1.672,85
81005000	Centherm derum difier CEF 50 movable.	EUR.	2.101,75
81008500	Centherm derum difier CEF 85 movable.	EUR.	2.936,90

Figure 10: Drying System

- **Staple and Board Removers:** Once the pelts are properly dried they must be removed from the Boards and then sent to the stock room for storage prior to shipping. This equipment will consist of the same type of equipment illustrated in Figure 11.

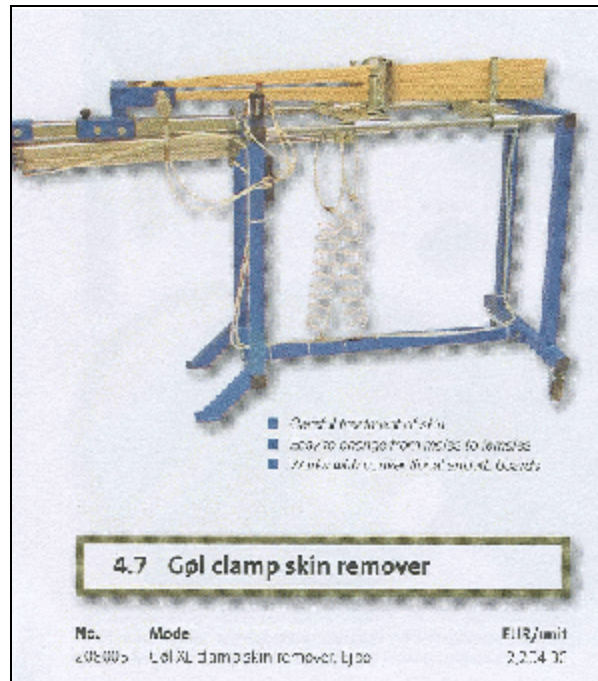


Figure 11: Skin Remover

- **Storage Room - QStock, Racks, Hangers:** The dried, completed pelts have to be properly stored until packaged for shipment to the auction house. A stock room will be established where the pelts will be properly hung on hangers and racks. The temperature and humidity of the room will be controlled.
- **Miscellaneous Equipment - Compressor, Vacuum Pump, Fat Barrels, Transport Wagons:** In addition to the major equipment outlined above, the pelting plant will also require the following equipment
 - A Compressor to operate the air operated machinery;
 - A Vacuum Pump for the collection of fat/grease;
 - Fat Barrels, where the fat/grease will be collected and stored; and
 - Transport Wagons for the movement of pelts within the building.