

NAME OF UNDERTAKING: Roaches Line Agriculture Development

PROPONENT:

- I. Name of Corporate Body: NL Cattle Company LTD
- II. Address: PO BOX 779 Spaniard's Bay, NL A0A 3X0
- III. Chief Executive Officer: Mr. Geoff Young
Name: Mr. Geoff Young
Official Title: Owner/Operator of NL Cattle Company LTD
Address: PO BOX 779 Spaniard's Bay, NL A0A 3X0
Telephone No: 709-683-3374
- IV. Principle Contact Person for purposes of environmental assessment:
Name: Mr. Geoff Young
Official Title: Owner/Operator of NL Cattle Company LTD
Address: PO BOX 779 Spaniard's Bay, NL A0A 3X0
Telephone No: 709-683-3374

THE UNDERTAKING:

- I. Name of the Undertaking: Roaches Line Agriculture Development
- II. Purpose/Rationale/Need for the Undertaking: I Geoff Young owner/operator of NL Cattle Company LTD have entered into a 10 year rental with Gary Sparkes owner/operator of Hodge Acres Farms LTD on Snows Ridge just off the TCH near Ocean Pond. I began a Cow/Calf operation in 2015 and for the last two summers 2015 & 2016 have used the back ~30 acres for pasture grazing and the front ~20 acres for hay crop.
Last season our herd size was only 7 so we had ample room for both pasture and hay crop. This 2016 season our herd size has expanded to 15 with an estimated herd size of 30 in spring of 2017. For grazing purposes we require 1.5 acres/head of good quality pasture to successfully support and bring our animals to marketable weight in 12-14 months of age. Along with high quality pasture, we require pasture to mow and produce hay crop for winter feed. Currently Hodge Acres Farms Limited has 77 acres on their current lease.
NL Cattle Co was awarded Growing Forward 2 funding to clear and development 14 acres for 2016 which we were only able to successfully clear 4.7 acres. The majority of the suitable land has been cleared in the past making expansion very difficult. Based on our business plan submitted to Department of Fisheries, Forestry and Agrifoods, Agriculture branch and Growing Forward 2 we plan on growing our Cow/Calf operation to approx. 100 head of cattle meaning we will be grazing upwards of 50 cows and 45-50 calves yearly along with our breeding bulls. We cannot achieve those numbers while situated on ~70 acres. Therefore, we are requesting this new parcel of Crown Land on Roaches Line/Veterans Memorial HWY to clear, enhance, seed and turn into pasture land suitable for cattle grazing and hay crop production.
This new Lease will provide us the means to achieve our plan with ample pasture land, hay crop development and also the ability to build infrastructure in the future such as animal housing facilities, hay storage facilities and equipment storage. Currently we cannot build fixed

structures on rented land therefore my animals, feed and equipment has been exposed to winter of 2015/2016 and again this winter.

DESCRIPTION OF THE UNDERTAKING:

I. Geographical Location:

- The geographical location for this project is on the Avalon Peninsula (Figure 1). The project consists of 3 parcels of land located along Roaches Line on both sides of the road and adjacent to Veterans Memorial HWY. Figure 2 and Figure 3 are provided to better illustrate the location in the province. The land borders the roads listed above along with the Smallwood's Poultry farm. See figure 1 for approx. location.

Requested land parcels as you can see in the pictures are bordered as follows:

Parcel 1 - on the North by Smallwood's Farm, West by the Veterans Memorial HWY East by Roaches Line HWY and South by a small strip of crown land which lies between Parcel 1&2.

Parcel 2 – on the North by the small strip of crown land between Parcel 1&2, West by the Veterans Memorial HWY, East by Roaches Line HWY and South by Crown Land.

Parcel 3 – on the North by Smallwood's Farm, West by Roaches Line HWY, East by Smallwood's Farm access road and crown land and South by crown land.

The 3 highlighted stars indicate access points which have been approved by Department of Transportation. Access for Parcel 2 is a pre-existing gravel road while access to Parcels 1&3 would need to be developed as per the guidelines set out by Department of Transportation.



Figure 1. General location.



Figure 2. General Location.

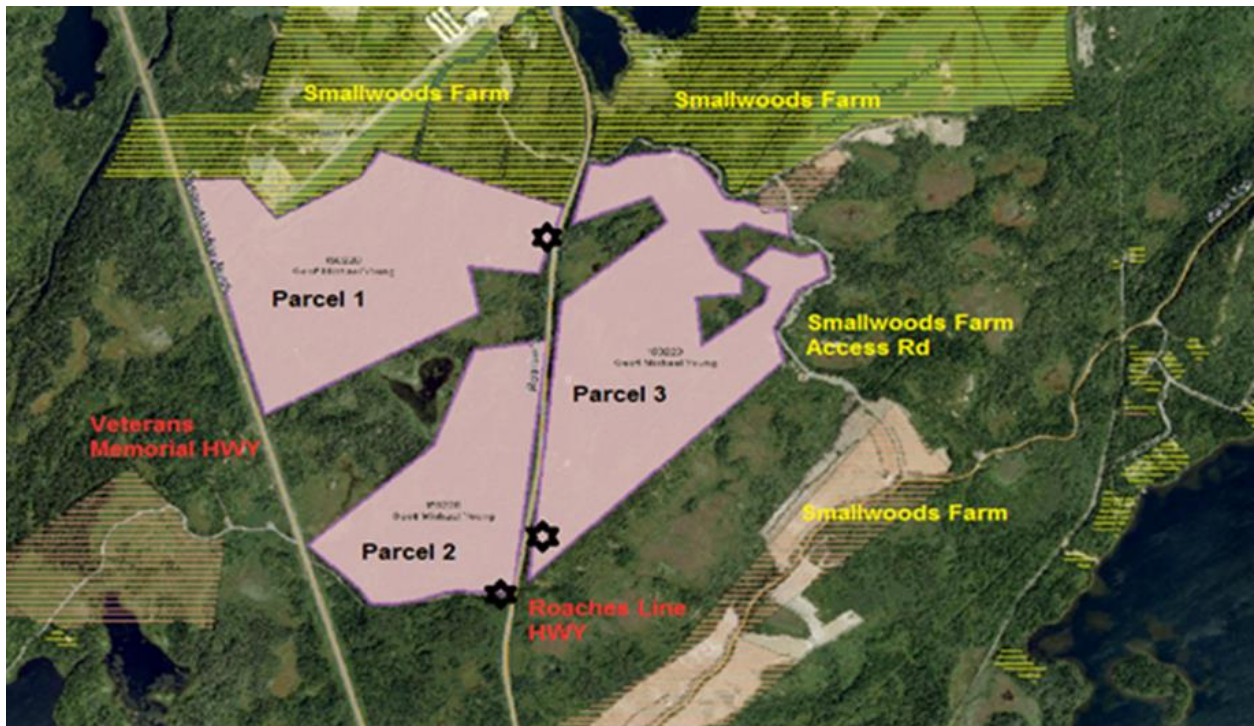


Figure 3. Project parcels and adjacent lands.

II. Physical Features:

- The undertaking will involve the rough clearing of vegetation off the requested site followed by soil enhancement (rock clearing, lime application, fertilized with manure and seeding) and for the grazing pasture fencing in the form of solar electric and/or page wire.
- The majority of the Parcels are treed which will require some cutting. Certain areas are less dense than others and our current plan would have us develop Parcel #2 first. The trees are scattered and the access road is already in place. From our initial inspection it appears we are dealing with just standard overburden. Vegetation consists mainly of spruce and fir trees along with typical alders, moss and scattered loose surface boulders.
- There are no water bodies within the proposed site which would allow us the ability to determine water flow direction but based on the grade of the Parcels, I would expect snow runoff on Parcels 1&2 to be East to West (Roaches Line HWY – Veterans Memorial HWY) and Parcel 3 to be generally neutral and absorb into the soil. All if any streams/springs exposed during rough clearing will not be redirected or blocked. It is not our intention to develop artisan wells on the property. The land will be developed only as pasture ground and any wet spots such as marsh holes or low lying depressions that naturally collect water will be used as watering holes for the cattle. We have successfully operated on Hodge Acres Farms for the last 2 years without the use of wells and/or pumps to water our cattle. We have taken advantage of small naturally flowing streams or low lying water around the farm to provide our cattle with what they need.
- The land on Parcels 1&2 has a gentle sloping action from East to West from Roaches Line HWY to Veterans Memorial HWY. Parcel 3 being on the East side of Roaches Line HWY and on top of the ridge is more flat with very little grade.
- There are no pipelines, transmission lines or residential structures in close proximity to the requested site as per the information provided in section I and Figure 1. Therefore we see no negative effects to residents and/or negative effects to the environment whether that be aquatic or land animals.

III. Construction:

- Construction period would commence in spring of 2017. It would be our intention to development a minimum of ~25 acres/year to stay ahead of herd growth and ensure adequate food supply is produced to feed the herd throughout the winter from Dec 1-April 30, 2017/2018 based on past experience. As mentioned it would be our plan to apply for Growing Forward 2 Land Development funding if successful in obtaining the much needed crown land.
- There will be no building construction of any sort on the land for the first year and the only emissions or sources of pollutants during the development stage would be hydraulic oil or diesel fuel leak from the excavator and/or farm tractor. All refueling of equipment will be done through the use of proper containers or fit for purpose diesel slip tanks. Catch pans and absorbent pads will be onsite in case of leak to minimize any environmental damage to soil.

- Since we do not use synthetic fertilizers or pesticides of any kind both on our soil or cattle I cannot see any possible impact on the groundwater. We pasture raise our cattle year round, and by doing this we evenly distribute their manure across the entire farm. By not containing the cattle in barns during the winter we do not generate large volumes of stockpiled manure that would require a properly constructed area to hold the manure till spring. We do however construct 3 sided storm shelters which they use during adverse weather. We typically place haylage in various locations around the pasture which keeps the cattle moving and distributing manure in locations we feel need it the most.
- As mentioned in section II our cattle does require water but not in the means of artisan wells and/or mechanical pumping systems. Farming in NL has many challenges but water availability is not one of them. Cattle much like Moose when free to roam will find the smallest sources of water freely flowing throughout the pasture or within the forest. It is not our intention to create ponds or streams but to locate low lying water within the Parcels and take advantage of them.
- We expect no resource conflicts since there are no mining, forestry, drilling or fisheries operations in the area.

IV. Operations:

- The Undertaking if approved will begin in 2017 and appropriate land will be cleared and developed based on the needs of the expanding herd. If consumer demands do not support a 100 head Cow/Calf operation than we would probably reduce our expected development area of 25 acres/year to an more appropriate amount. Although based on market demand and interest we feel both residents, restaurants and grocery stores would easily support a 100 head operation of 100% Locally grown Grass Fed Grass Finished Beef.
- Our operation will be a year round operation operated solely on the requested lease and the current lease currently occupied.
- The only pollutants or solid waste material generated would be the manure from the cattle. Manure will be used for fertilizer and reapplied on the fields for growth enhancement for the hay crop. We own a tandem axle manure spreader that we can use for applying cattle and poultry manure to the newly developed fields if required and also to the mature fields to enhance grass growth. To date we have not used nor do we plan to use synthetic fertilizers and/or pesticide spray. We rely on the cattle to dispose and control weed growth and their natural manure for fertilizing the soil.
- Our cattle are 100% Grass Fed and Grass Finished. We provide no grains or sacked feed of any kind therefore the manure deposited onto the soil will contain no trace amounts of chemicals or anything that could impact the soil.
- We do not see any potential causes of resource conflicts. There are no businesses in the immediate area with exception of Smallwood's Poultry farm. There are no other resource operations in the area.

V. Occupations:

- We estimate ~2 employees during the land development stage which will be myself and my son (NOC 8252) and possibly 1 additional employee during the enhancement stage (NOC 8431).

Last summer I provided part time summer employment to 2 high school students (NOC 8431). During farm operations workload is more demanding during calving season and less demanding during summer grazing months. Currently we have been able to operate this as a family owned and operated farm and plan to continue this practice but throughout the year we will be required to hire farm help for calving season and processing time.

- All work directly related to the Undertaking and land clearing will be performed by myself, son or licensed heavy duty equipment operator (NOC 7521) and will be direct hires performed by myself. I have owned and operated Iron Horse Industries LTD since 2009 which is a small excavation company so we are very familiar with the standard operating procedures of our equipment, installations of access roads and the construction of land development.

- All genders and age are looked upon equally during the hiring stages and previous cattle farming experience is highly recommended since they will be working with cattle on a daily basis.

VI. Project Related Documents:

- To date NL Cattle Company LTD has signed into a 10yr Lease agreement with Hodge Acres Farms Limited. We have completed and submitted a business plan to Department of Fisheries, Forestry and Agrifoods, Agriculture Branch and Growing Forward 2 and have also completed and received our Environmental Farm Planning Certification.

- To date for the project (Cattle Farm) we (NL Cattle Co) have applied for and been granted land development from Growing Forward 2 for 14acres on the current lease owned by Hodge Acres Farms Limited.

APPROVAL OF THE UNDERTAKING:

- I have been in constant contact with my Agriculture Rep Dwight Snow, Craig Blanchard of the Growing Forward 2 land development office, Randy Tucker of Dept of Lands Development within the Department of Agriculture and most recently with Gary Myler of Crown Lands. With their support I have obtained necessary information to get me to this point. I have been informed the Department of Agriculture has approved my request for these parcels of land along with the Department of Transportation regarding my access points. We have reviewed and selected the necessary Protected Road Zoning Regulations and have received in the mail from Stan Blackmore Service NL the necessary documents to proceed with access roads and culverts once your department has granted me approval.
- I am in contact with Forestry Services Branch regarding a commercial cutting permit and operating permit for my equipment.

SCHEDULE:

- The earliest date that commencement could begin is Spring of 2017 although I am required by Growing Forward 2 to submit my land development application the winter of 2016/2017

so it would be extremely beneficial to my farm if I obtained lease approval prior to Growing Forward 2 Land development application deadline which is this winter. Craig Blanchard of GF2 has already recommended I submit my application for the 2017 season as soon as reasonably possible.

- We are prepared to begin excavation immediately by installing the access roads as per Service NL's instructions. With that said there's much to be done prior to excavation startup. We need to study and walk the area and get a good lay of the land and begin strategically planning the best area to begin clearing. We have surveying to complete and tree removal if required prior to beginning pasture development.

FUNDING:

- This project does not depend upon funding but we will be applying for Growing Forward 2 Land clearing funding when and if we can. As mentioned we were awarded funding to clear 14 acres in 2016 and only managed 4.7 acres due to land suitability.
- To date all equipment purchases, livestock purchases, fencing and pasture enhancement, salaries and pasture lease payments have been made by ourselves whether it be personal credit or our small business credit. We are determined to succeed with our business whether we receive government funding or not but what we cannot do is succeed without additional land. We have the means of financially supporting the business and its growth but to be successful in operating a Cattle Farm we need too achieve a head count of at least 50 breeding cattle. We cannot achieve that figure on the current 77 acre lease as it stands now, we require additional land to support the herd.

January 24, 2017

Geoff Young

Date

Signature of Chief Executive Officer