



Newfoundland Cider Company
7 Wallace Road
Milton, NL A5A 3A2
(709) 427-5662

Ladies and Gentleman:

Re: Registration for Orchard Development

Please accept this registration for the development of our orchard in Milton, NL. We are located near Wallace Road in Milton, Newfoundland and are seeking to develop a 12-acre orchard and cidery at this location. Most of our start-up funds will go towards the development of a cidery, the orchard, and in specialized equipment required to efficiently produce a high quality cider

We hope the attached information provides everything you need to properly assess our project and any environmental implications. Should you require any further information, please do not hesitate to contact me.

Best Regards,

Chris Adams,
Newfoundland Cider Company

PROPONENT:

Name of Corporate Body: Newfoundland Cider Company

Address: Newfoundland Cider Company
7 Wallace Road
Milton, NL A5A 3A2

Chief Executive Officer: Chris Adams
Chair, Newfoundland Cider Company
7 Wallace Road
Milton, NL A5A 3A2
(709) 427-5662

Principal Contact: Chris Adams

THE UNDERTAKING:

Name of Undertaking: Newfoundland Cider Company Orchard and Cidery Development

Purpose/Rationale/Need: The consumption of cider in Newfoundland has increased almost fourfold since 2010. That being said, 100% of these products are either imported or contain imported ingredients. Small micro-breweries are appearing throughout the Province in response to the increasing trend towards locally produced food and drink. Although we have a challenging climate, certain varieties of apples can grow here and do quite well. Although the establishment of orchards in Newfoundland is currently underdeveloped, there is an increased interest in this field of agriculture as issues of self-sustainability gain more attention. The Newfoundland Cider company will obtain the resources, supplies and equipment necessary to produce a 12 acre apple orchard. We will process these apples and develop different flavors of cider that utilize locally produced ingredients. Initially our ciders will be sold at selected NLC stores across the Province with additional plans to sell the cider in kegs or directly from our cidery.

DESCRIPTION OF THE UNDERTAKING:

Geographical Location: The site is located in Milton, Newfoundland west of Penny's Lane and Wallace Road. One corner of the proposed site has UTM coordinates 233,008.872, 5,342,138.197 meters. It neighbours the community vet and can be access either from Wallace Road or through an access road off Penny's Lane. The main access is off Penny's Lane and is currently used and maintained by the Local Service District of Milton. Several maps are attached to this document for your review.

Physical Features: Attached you will find an illustration of our cider farm plan.

Over the course of several years, we will clear and develop the orchard. Each plot will host a specific variety of apple. Access roads will be constructed to connect each plot. We will also construct a cidery, which will contain our processing facility and a small tap room. No transmission line is required as we will be connecting to a nearby power pole. In addition, we will use the existing access road maintained by the town of Milton.

The total area of orchard to be developed is approximately 12 acres. This will be done over time. In the first year, we will develop only a few acres, as illustrated in the sketch below.

The entire site is forested, consisting mainly of spruce, fir, white birch and other deciduous plants.

The southern border of the land runs along the existing access road. The north and west borders are surrounded by forested land. The east border is shared with the community vet hospital which is accessed from Wallace Road. There is a gentle slope to the land, which has very nutrient rich soil. There are no major water bodies within or surrounding the entire location. However, there is a small brook that runs adjacent to the land. There are no salmon rivers or ponds in the immediate area. Wildlife, typical of the boreal forest could possibly be found there, such as moose, rabbits and squirrels.

We have not identified any at-risk species present in or around the proposed site.

Construction:

The attached sketch outlines the general stages of development, although this may be accelerated depending on available funds. Our main goal in the first year is to construct the cidery, build the access road and parking lot around the cidery and develop the first several acres of the orchard.

We would like to begin construction the first week of August if possible, depending on government approval.

Heavy machinery and chainsaws will be used to clear the land and develop the access road. This equipment does carry oil and gas. Special care will need to be taken to ensure there are no leaks from the equipment and that the equipment is safely refuelled and stored. During the construction of the cidery we will be using oil and gas for equipment such as generators and saws. Some brush may be burned, which would release smoke temporarily into the air. However, this can be avoided if we mulch all brush instead. Additionally, this mulch can be reused as a natural fertilizer and ground cover for the orchard. During excavation, there is the possibility that dust could be temporarily stirred into the air. We do not anticipate any sedimentation into the nearby brook, however, if this becomes an obvious concern, silt traps will be used as a precaution. We do not anticipate any solid waste materials, aside from scrap materials from the construction of the cidery, which will be properly removed from the site.

We do not anticipate any resource conflicts in this area. A soil analysis for the property has already been done, showing that the land is most suitable for agriculture. There is not much value in the wood resources, and there is no known conflict with mining or other natural resources.

Operation:

The orchard will be maintained year-round. Even in winter months, we will be maintaining and pruning trees, as well as producing and storing cider. The tap room will operate on a seasonal basis from May to October. The following is a general break down of our activities on an annual basis: September to October - Apple Harvesting; November - Cider production; December to April - shipping of cider to NLC stores and winter maintenance of the orchard; May to August - Orchard care and maintenance, tap room operation, cider production and sales.

There are no anticipated resource conflicts from the operation of the cidery and orchard. There are no major pollutants. Our main waste material will be apple mash, however this is an organic material which will be reused as a natural fertilizer. Our equipment will need to be rinsed to remove sediment and dregs. Liquid waste will be drained directly into our septic system.

Occupations:

During the construction of the orchard and cidery, approximately 4 employees will be involved. In addition to this, some work will be contracted out, such as site excavation, septic system installation and construction of the cidery. We expect the initial construction phase of the cidery and first orchards will last approximately 4 months.

During operation, the cidery will employ 2 full-time workers and 2 part-time/seasonal workers. As the orchard expands and grows, seasonal apple pickers will be hired for one month.

Anticipated occupations for this the development and operation of this undertaking are as follows:

A) Landscape and horticulture technician and specialist

– Oversight of land development during the construction phase and maintenance of plant materials thereafter.

B) Forestry Technician – Oversight of land clearing and orchard development.

C) Heavy Equipment Operator – Involved in clearing of the land, building site preparation, septic system installation, stump removal and road development.

D) Material Handler – Off loading deliveries of equipment and materials.

E) General Farm Workers – Apple harvesting, pruning, mowing grass in orchard.

F) Carpenters – Construction of the cidery.

G) Electrician – Construction of cidery

H) Plumber – Construction of cidery

I) Cider Master – Producing of the cider.

We will hire based on qualifications, regardless of age and gender.

Project Related

Documents:

Building Accessibility Review – Registration No. BA 008184

Business Plan

Farm Plan

Soil Analysis

APPROVAL OF THE UNDERTAKING:

Permits and licenses are as follows:

Building Accessibility and Fire and Life Safety Permit from Service NL

Permit to Clear Land from Department of Forestry

Winery License from NLC

License to Produce Wine in Canada from Canada Revenue Agency, Excise Duty.

Food Establishment License from Service NL

SCHEDULE:

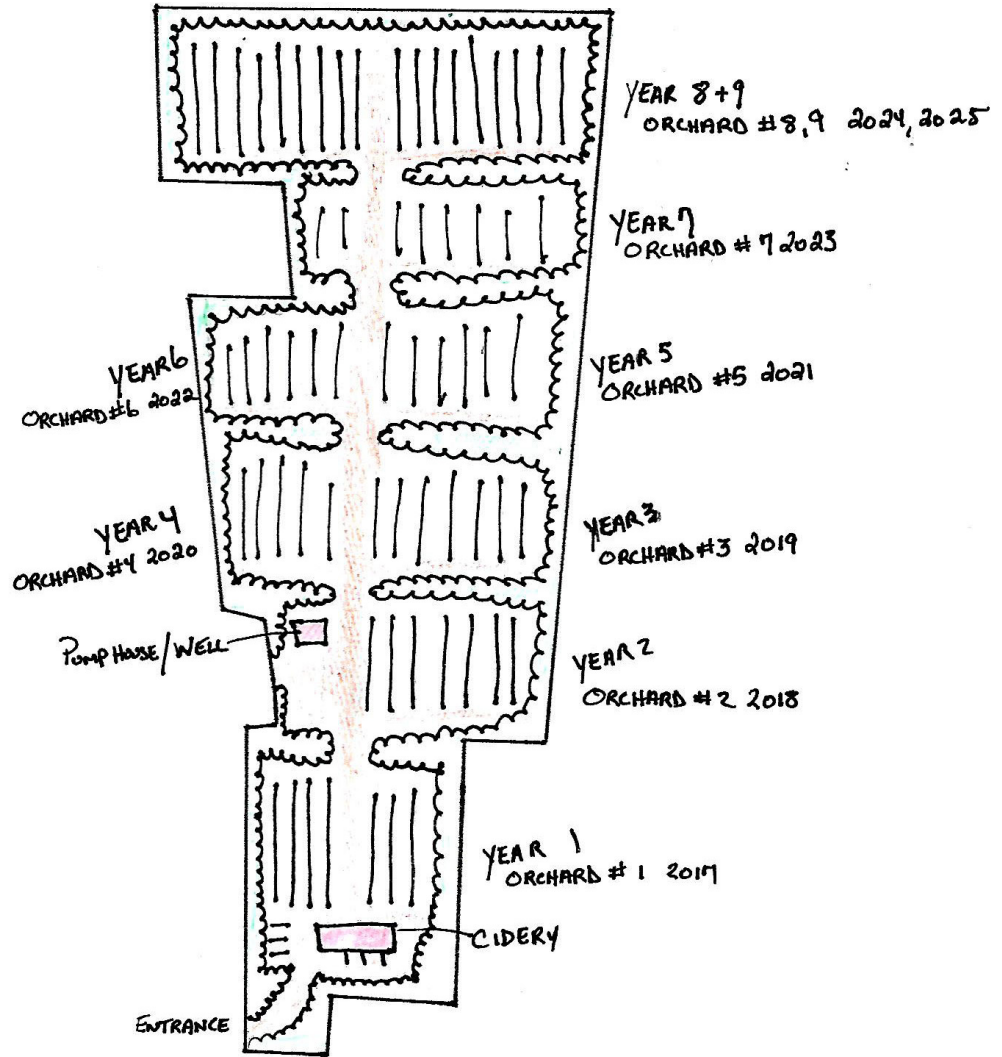
The earliest project construction could start is August 1, 2017, and the latest is September 1, 2017. This timeline is crucial to ensure we receive funding from the Grow Forward 2 program. All expenses must be submitted to this program by December 31st to qualify for funding.

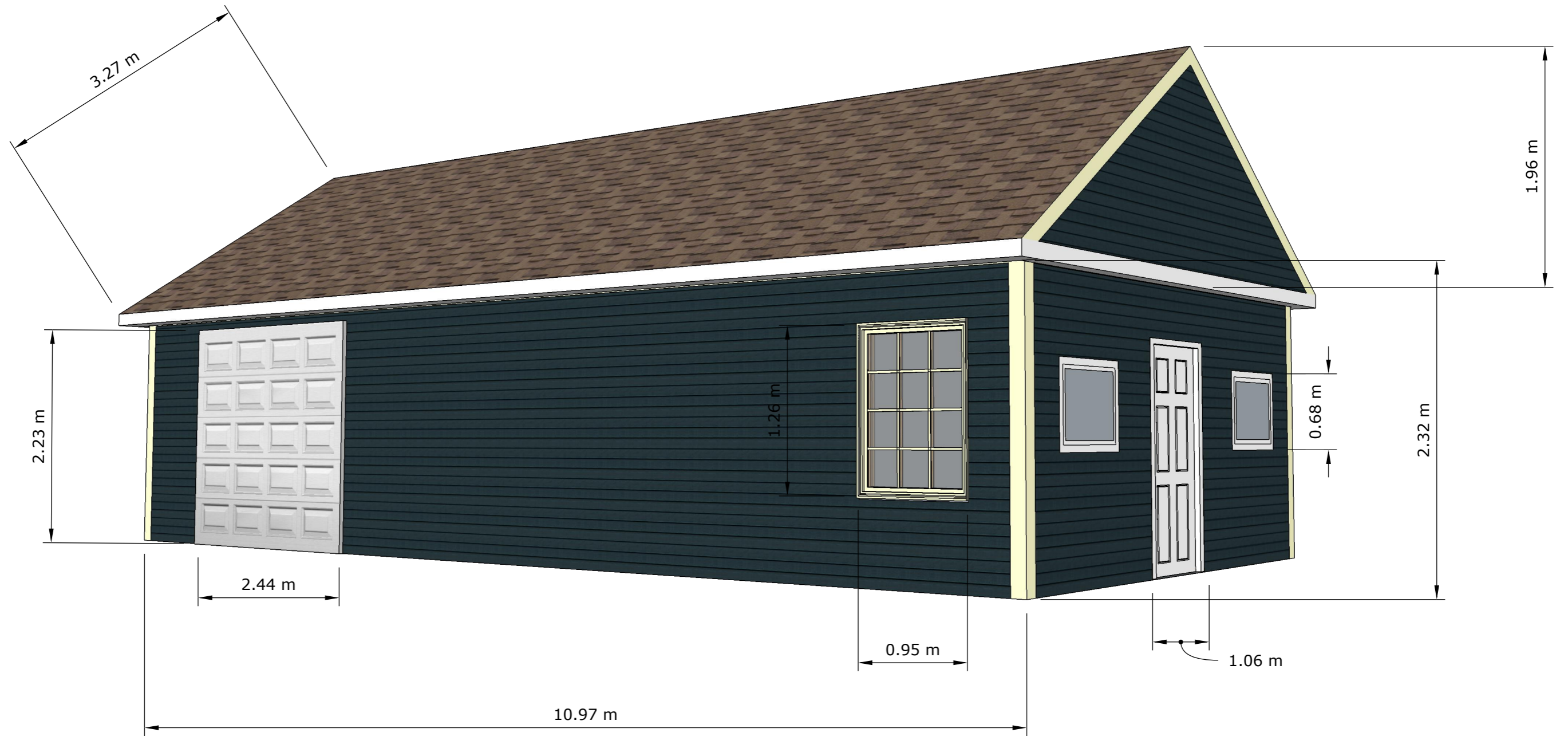
FUNDING:

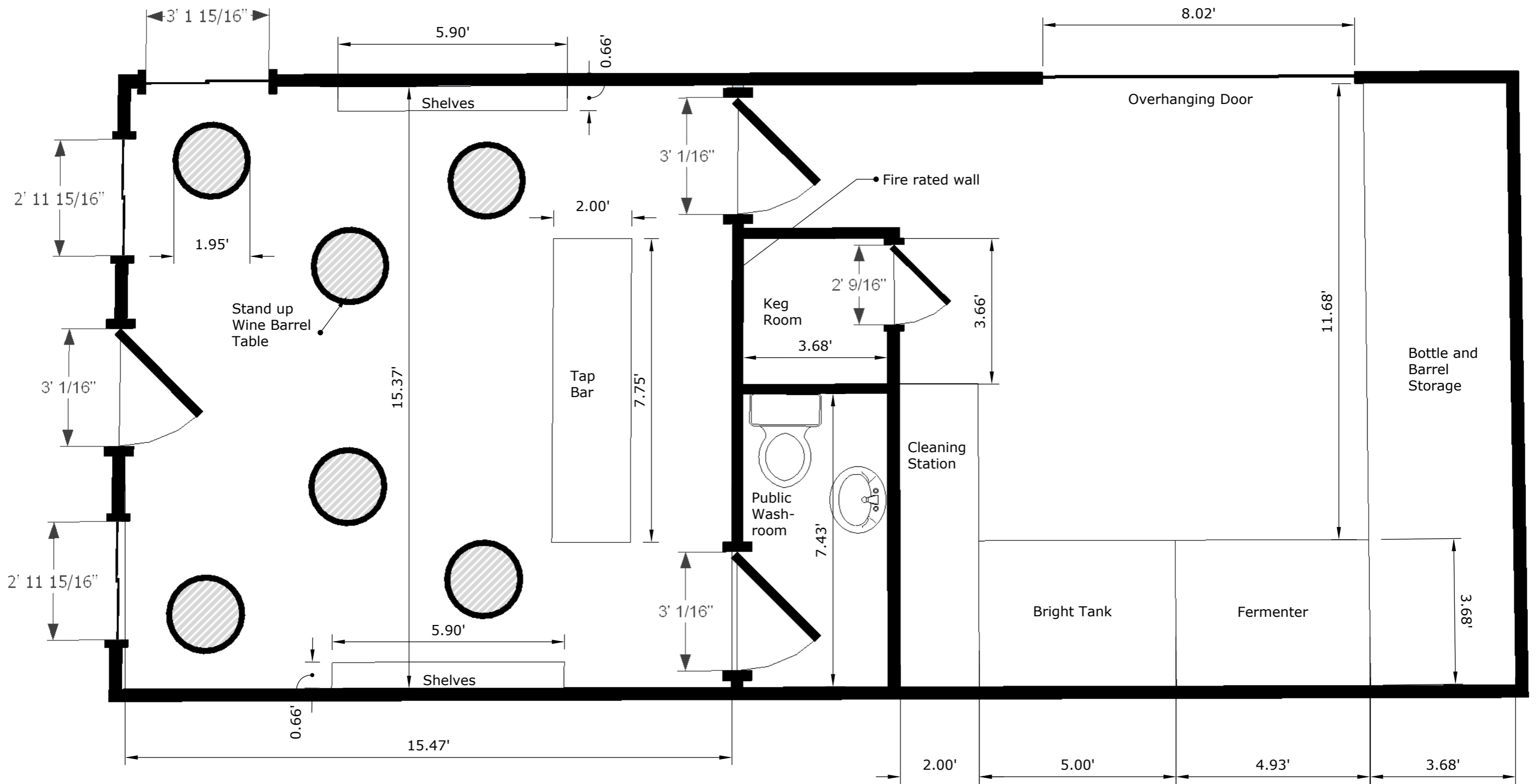
We are applying for funding from the Grow Forward 2 Program through the Department of Agriculture. We also have a loan from CBDC for \$90,000.

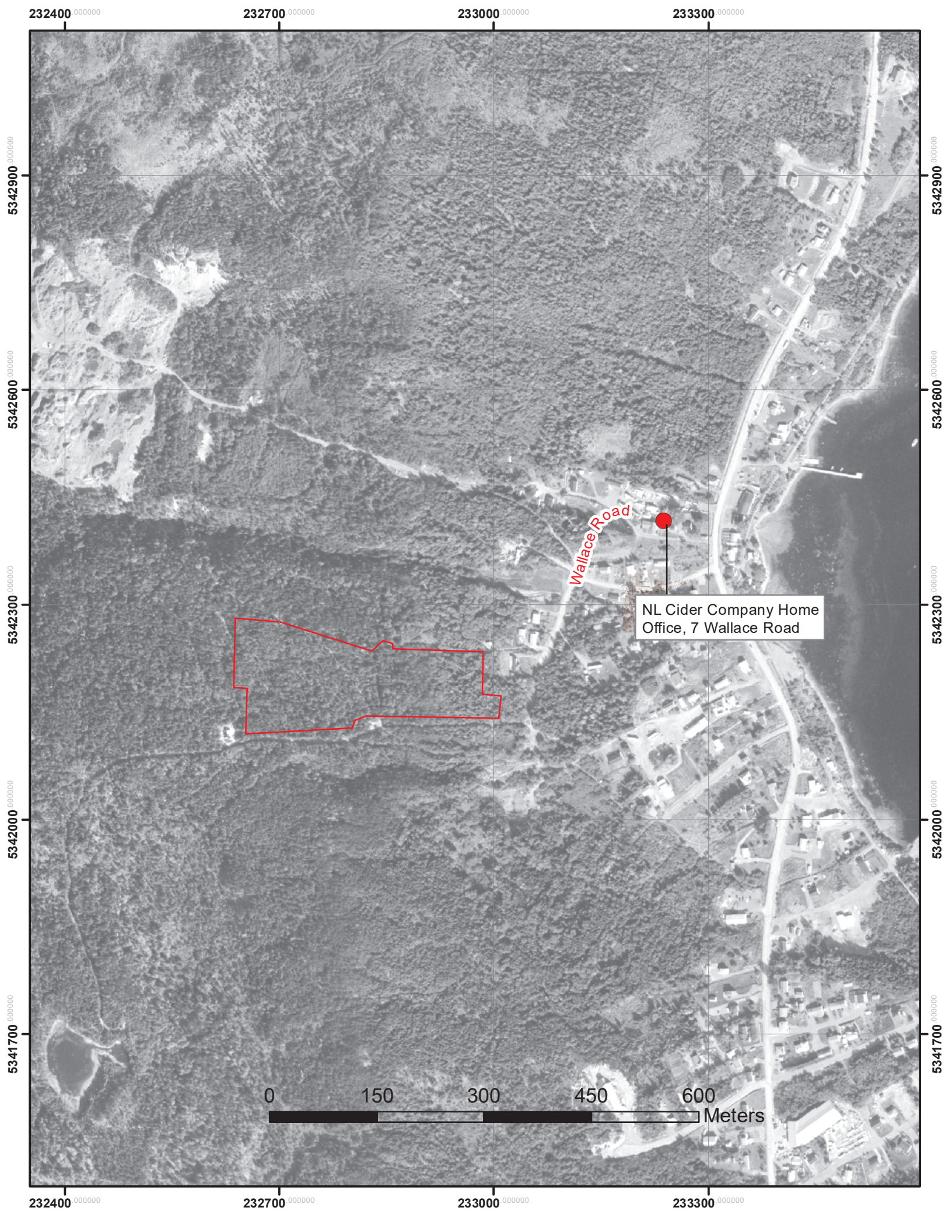
We estimate the capital costs of the project to be approximately \$110,000.

NEWFOUNDLAND CIDER COMPANY FARM PLAN









232400 000000

232700 000000

233000 000000

233300 000000

5342900 000000

5342900 000000

5342600 000000

5342600 000000

5342300 000000

5342300 000000

5342000 000000

5342000 000000

5341700 000000

5341700 000000

232400 000000

232700 000000

233000 000000

233300 000000

0 150 300 450 600 Meters

Wallace Road

NL Cider Company Home Office, 7 Wallace Road