

Hi- Point Industries

Gander Peat Bog

Environmental Assessment Registration

File Reference: 200.20.3658

Application: 71113452

Submitted To:

Minister of Environment, Conservation and Climate Change

PO Box 8700

St. John's NL A1B 4J6

Attention: Director of Environmental Assessment

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Name of Undertaking

Hi-Point Industries- Gander Peat Bog

Proponet

Name of Corporate Body: Hi- Point Industries (1991) Ltd.

Address: 141 Sunset Drive, Bishop's Falls, NL, A0H 1C0

Mailing address: P.O. Box 779, Bishop's Falls, NL A0H1C0, 709-258-6274

Chief Executive Officer:

Bill Butler (President)

Principle Contact Person for Purpose of EA:

Mike Butler (VP, General Manager)

Secondary contact: Christina Blanchard (Project Engineer, P. Eng)

The Undertaking

Name of Undertaking: Hi-Point Industries- Gander Peat Bog

This EA Registration is for quarry permit (QP) application # 71113452.

Purpose of Undertaking:

This project seeks approval for quarry permit (QP) application # 71113452, for the purpose of extraction of peat moss.

The purpose of this undertaking is to develop peat bogs for extraction (harvesting) of peat moss, which is utilized by the company to manufacture a variety of products. The new site will expand the company's production capacity, which will increase export revenue and employment opportunities.

Hi- Point Industries has been operating its existing peat moss harvest and production facility in Bishop's Falls since 1991. The proposed project would add additional peat moss resource that will be shipped to its facility in Bishop's Falls for processing and packaging. The company is also considering the construction of a new processing and packing facility in the future to further improve production capacity and efficiency.

Description of the Undertaking

Background Information

Please note: This brief section has been added to the registration document, to give additional information on the company history and the site of the proposed project.

Company History

Hi- Point Industries has been operating its peat moss harvest and production facility in Bishop's Falls since 1991. The peat quarry in Bishop's Falls produces quality sphagnum peat moss that is used to manufacture Oclansorb® and Horticultural Peat Moss.

Oclansorb® is an all-natural oil-absorbent made from 100% sphagnum peat moss, it is exported around the world and known as the premium environmental response product. Horticultural peat moss is screened, packaged, and sold in bulk for horticultural purposes, primarily exported to the USA.

In recent years Hi-Point Industries have expanded their horticultural division to meet a growing demand in the market for quality sustainable peat moss. This undertaking will allow the company to increase its production of peat moss and continue to produce into the future.

Site History

This site was selected based on previous work that was completed on the site from the 1980s to the 2000s. The initial work was completed by the private company that predated the establishment of Hi-Point Industries, then continued by Hi- Point Industries after incorporation in 1991. The site was initially selected because it has significant depths of quality sphagnum peat moss suitable for harvesting, with the site's harvest lifespan being estimated at 60 years.

The initial work included extensive development of the bog, with the establishment of perimeter ditches, settling ponds, field ditches, and removal of surface vegetation. Due to this previous work, the bog's water table was lowered, and water drainage is already well established. This site will require very limited work to bring the area into production. This will be discussed in detail in the construction section of this document.

Additionally, the site is located within 2 kilometers (km) of an existing peat moss quarry operated by the company (Quarry Permit #151237). The proximity of the two quarries will allow the company to effectively manage resources such as employees and equipment.

The existing quarry extracts (harvests) peat moss and ships it to the company's facility in Bishop's Falls for processing and packaging.

Geographical Location:

The undertaking is a proposed peat moss quarry, 121 hectares (299 acres) in size, located on a previously developed peat moss bog. The site is located approximately 16 km northeast of the Town of Gander, the site can be accessed via Route 330 (Gander Bay Highway), and Tower Road (existing resource road). The site is located near Little Island Pond, and an existing peat quarry operated by Hi-Point Industries (QP #151237). The GPS coordinates of the bog are 49.099070, -54.469628, a digital boundary file (.kmz) is available upon request.

The proposed site and referenced roads are shown below in Figure 1. Please note the quarry boundary is shown in green.

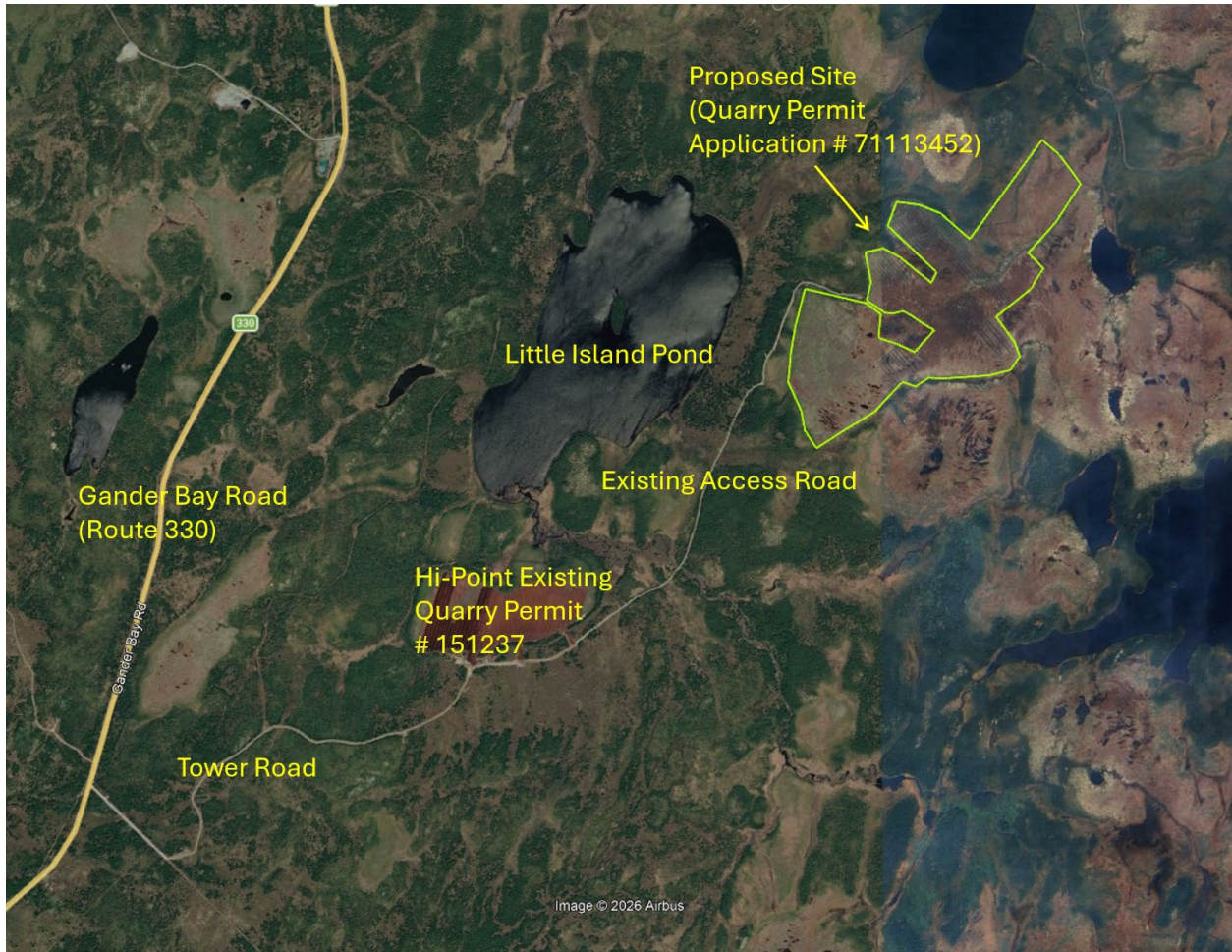


Figure 1 Location of Proposed Project

Figure 2 below shows the proposed site location and access via tower road in relation to the Gander Bay Highway (Route 330) and the Town of Gander.



Figure 2 Location of Proposed Project Relative to Town of Gander

Figure 3 below shows the proposed site in relation to Hi-Point Industries' Processing and Packing facility, located in Bishop's Falls, approximately 100km from the proposed site.

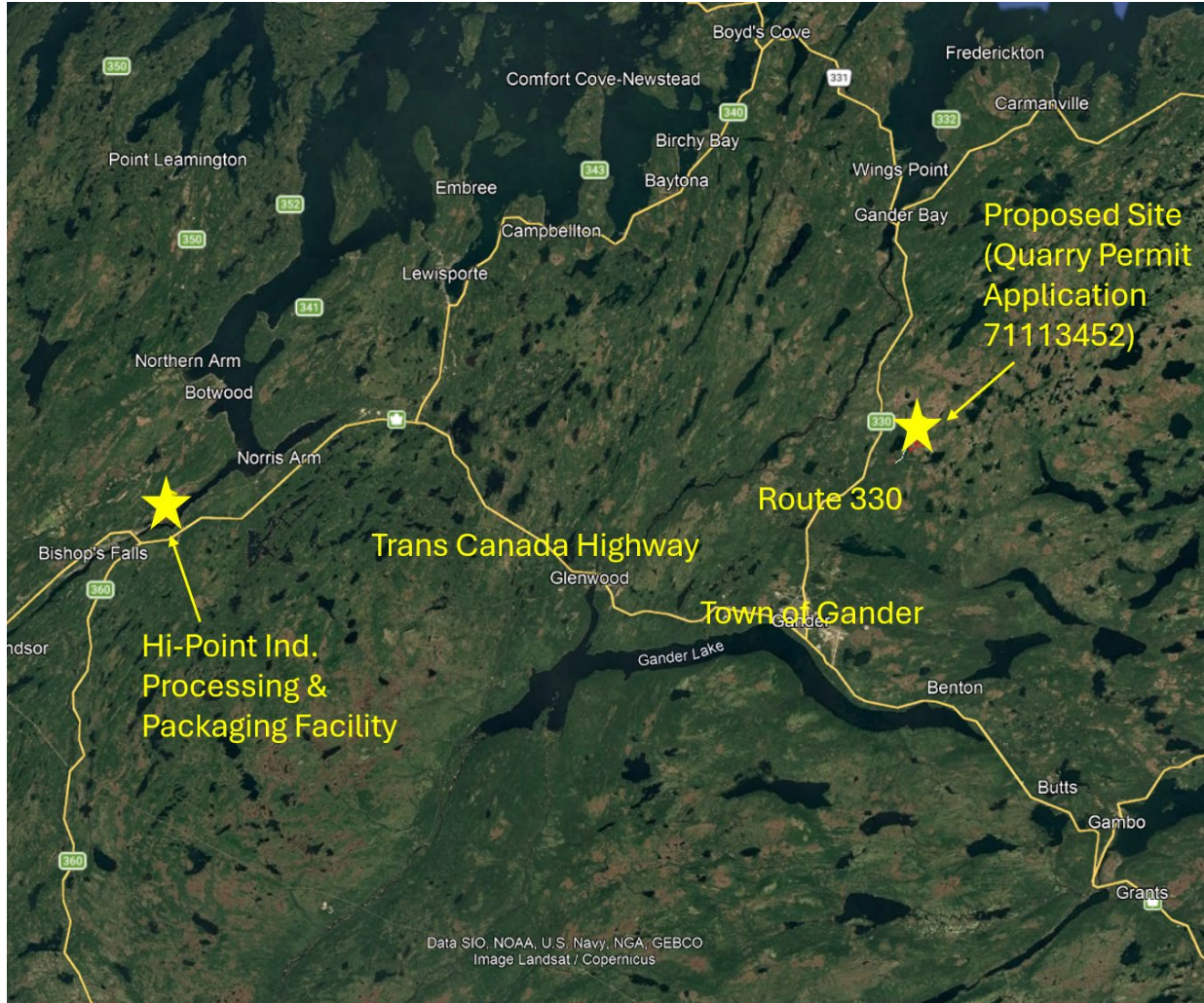


Figure 3 Proposed Site Relative to Hi-Point Facility in Bishop's Falls, NL

Finally, Figure 4 below shows the proposed site location relative to the Island of Newfoundland.

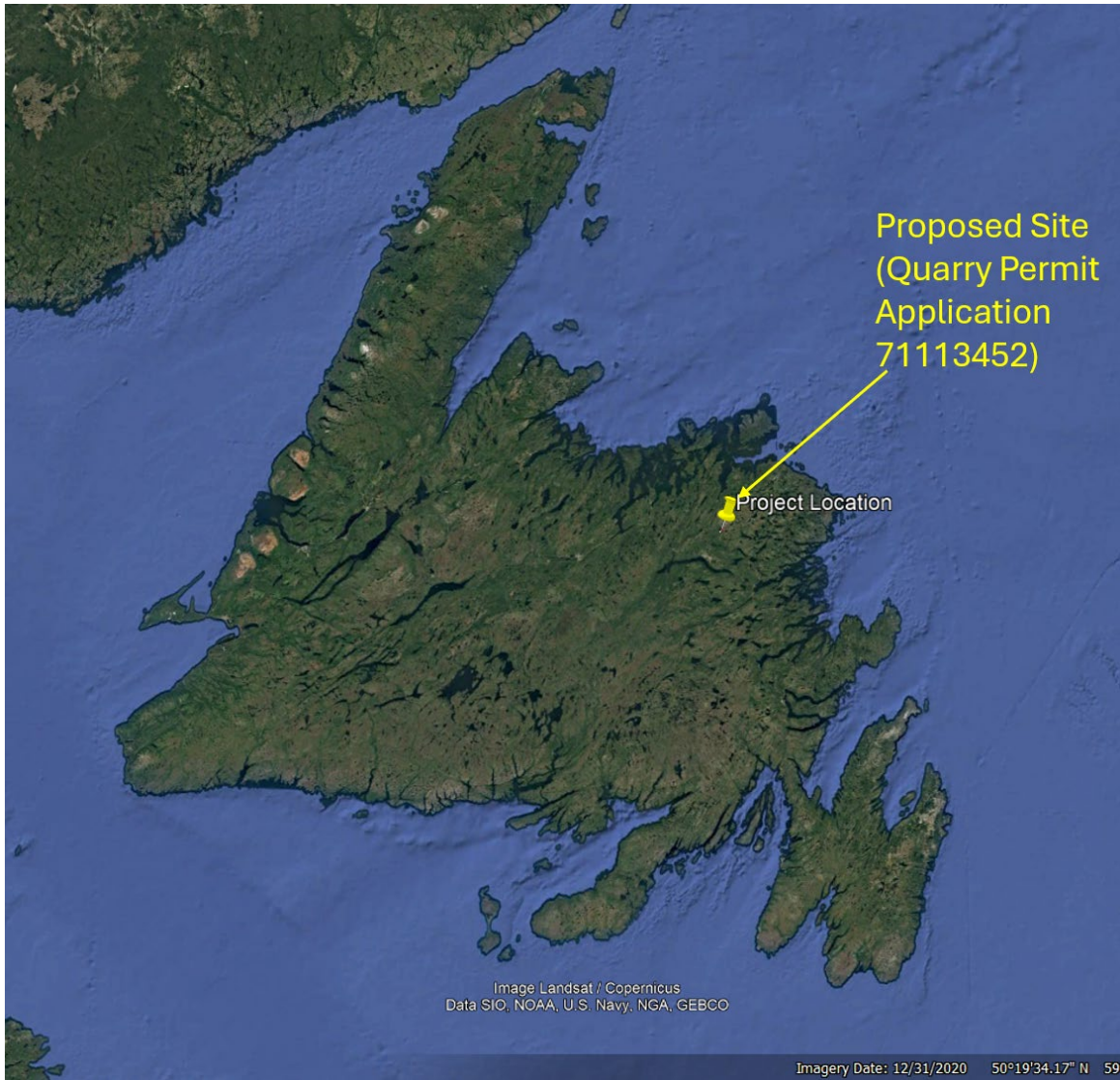


Figure 4 Project Location Relative on Island of Newfoundland

Physical Features

The proposed project location currently has physical features of a previously developed peat moss bog. This includes the presence of water drainage ditching, and peat land vegetation.

As the peat bog was previously developed (over 20 years ago) there are existing ditches that have lowered the water level of the bog. Therefore, the bog is significantly dryer than undisturbed peat lands, with less waterlogged areas and ponds present. Figure 5 below shows an aerial image of the peat bog with arrows pointing to some of the perimeter and field ditches. Not all the ditches are pointed to in the image, but they are visible from aerial

photos. Please note from the image that the areas within perimeter ditches, particularly areas covered in field ditches have almost no water (or small ponds/ flashing) present.

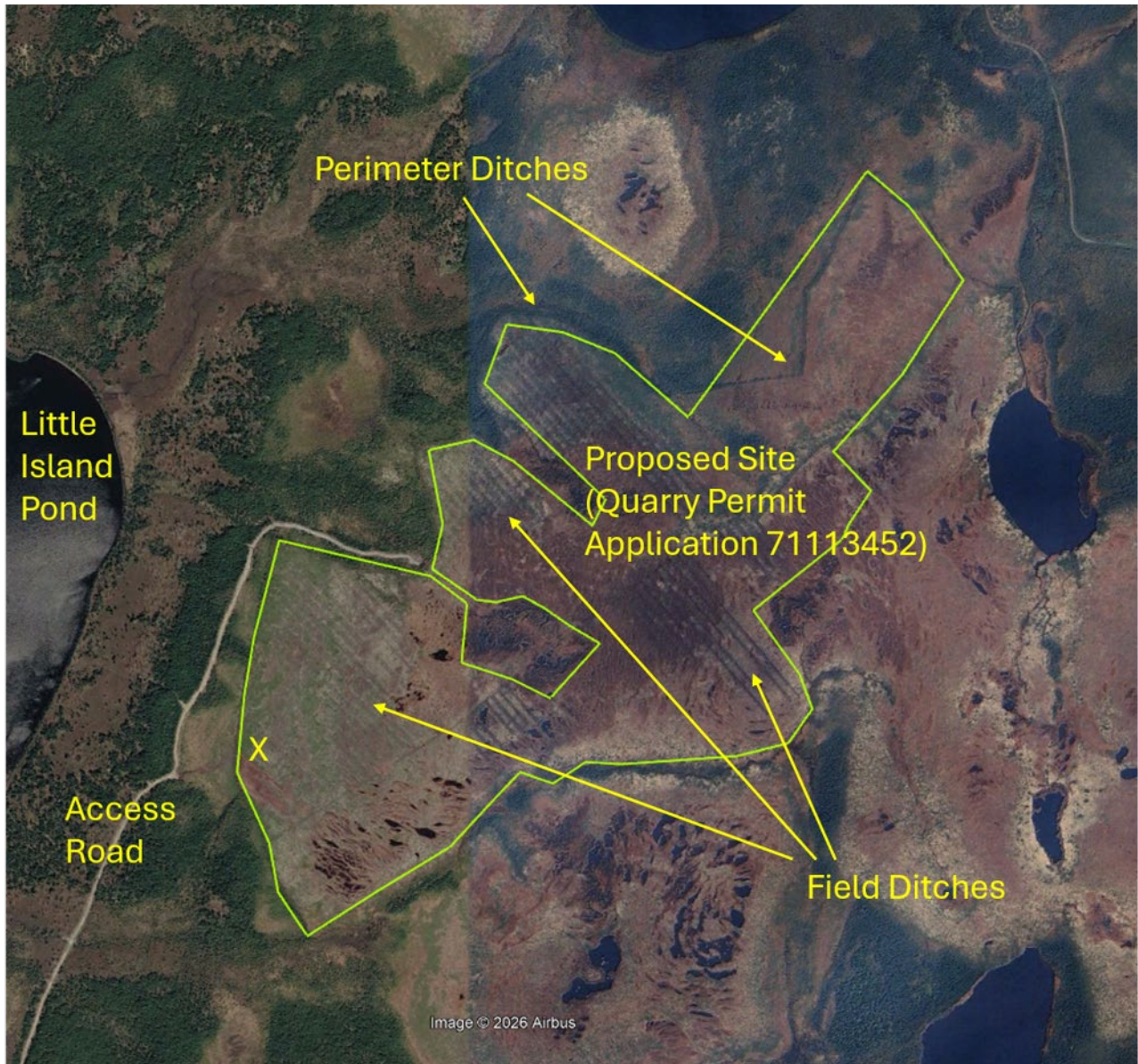


Figure 5 Physical Features- Ditches

Despite ditches being clearly visible from aerial photographs, at ground level many of the ditches are hidden by vegetation that has grown in since the initial development of the bog. Despite being obscured by vegetation, the ditches are still working to drain water off the bog and towards the perimeter ditches and settling ponds. Figure 6 below shows the ground level physical features of the bog, this photo was taken where the access road enters the proposed site, as shown by “X” on Figure 5.



Figure 6 Physical Features from Ground Level

Once construction (field development) is complete the physical features will be that of a producing peat bog operation. The primary difference from current features will be the removal of surface vegetation. The physical features during construction and operation of the peat quarry will be described further in corresponding sections of this document.

There are no building, structures, pipelines, or transmission lines on the site.

There is an existing access road that connects the operating peat quarry site (QP# 151237) to the proposed project location. The access road is approximately 1.96 km length with ditches along the length. The road top is approximately 20 feet wide, the width from outside of ditch to ditch is approximately 45-50 feet wide.

The access road was initially constructed in the past for forestry resources access and initial development of the peat bog. The company obtained a commercial cutting permit, to clear trees and brush that had grown on the road. Some minor repair work was also completed on the road, so that the bog could be accessed for exploration. Figure 7 below shows the access road, the photo was taken on the access road between the existing peat quarry site(QP #151237) and the new proposed project location (exact location of photo not recorded).



Figure 7 Site Access Road

Construction (Peat Bog Development)

The construction for this project includes peat bog development activities and other site preparations that will be detailed in this section. Please note that the terms peat bog, peat quarry, and peat field may be used interchangeably in this section to describe the peat lands that will be developed for operation.

As the location was previously developed, the peat fields require minimal development activities. Peat bog development activities include ditch maintenance, removal of surface vegetation, and top-layer chopping/scraping of fields.

Ditch maintenance includes unplugging ditches, re-ditching as required, and removing vegetation from ditches. A Dondi ditcher will be used, which is a tracked- tractor with a mechanical tool specifically designed for peat field ditching. Ditch maintenance also includes adding pipes in the ditches to create field-access points that equipment (tractors) can drive over.

Surface vegetation removal includes removal of trees and shrubs, these will be removed using chain saws, or tractors that will pull the roots out. Vegetation that is removed will be stockpiled on the end of the peat field to be used as fill.

Once trees and shrubs are removed the top-layer of the peat field can be chopped and scraped. A farm tractor with speciality attachments (chopper, stars, harrows, miller etc.) is used to chop-up and scrape the surface of the peat field (including smaller vegetation). This occurs with multiple passes of the different equipment. Figure 8 below shows what a peat field looks like after chopping, this photo was taken during development of existing peat quarry site (QP #151237). This chopped up material will be collected with peat harvesting equipment (described further in operation section) and stockpiled for fill.



Figure 8 Peat Field After Chopping

Other site preparation activities include construction of ground pads and improving field access. The fill that was collected in previous steps can be used to build “pads” for stockpiling produced peat moss and parking equipment. The pads will be located on the ends of the peat fields and will be constructed of fill layers of larger surface vegetation, chopped material, with a layer of peat moss on top. Stockpiling peat moss on this type of pad ensures that the peat moss is not contaminated by mineral soils or rock materials.

To improve peat field access, the company may add additional ditch pipes. Additionally, some areas of the peat fields may remain wet, or have pooling of water, these areas will be

filled to create an even and dry surface for farm equipment to travel across during operations.

The existing quarry access road currently provides adequate access to the proposed site for 4x4 vehicles, however the company plans to complete some minor work on the road. During the construction phase the company plans to add pull-over areas to accommodate larger vehicles moving in both directions. The company also plans to add a gravel top to the road to improve travel.

At this time there will be no construction of buildings or utilities, in the future a processing facility may be constructed nearby. If the company proceeds with this facility a separate environmental assessment registration will be completed.

Since field development activities are weather dependent, and will require no snow or excessive water present, development is limited to summer and fall months. Due to the size of the area the field preparation will require several seasons to complete, on average 100-200 acres being developed and prepared annually. The company plans to start field development in fall of 2026, with a goal of developing 50 acres while weather permits. Table 1 below shows the development schedule as planned, this is weather dependant and subject to change.

Table 1 Development Schedule

Year	Acres Developed	Total Acres Developed
2026	50	50
2027	100	150
2028	100	250
2029	49	299

Hi-Point Industries is a member of the Canadian Sphagnum Peat Moss Association (CSPMA) and follows recommendations for sustainable development of peat resources. Please see Appendix A- Responsible Development & Management of Peat Bogs for additional information.

Operation (Peat Moss Harvesting)

This section will describe the operation of the proposed peat quarry, which is peat moss extraction. Peat moss extraction, also known as peat moss harvesting, is completed using the vacuum harvesting method. The vacuum harvesting method, described in detail in this section, is considered the most sustainable peat extraction method, and is how most of the peat moss in Canada is harvested. Figure 9 is included below to show what an

operating peat moss quarry looks like, this image was taken during harvest season at the company's peat quarry in Bishop's Falls, NL.



Figure 9 Example of Producing Peat Quarry (Bishop's Falls, NL)

After field development is complete, the fields will be relatively uniform and dry allowing for vacuum harvesting to begin. Vacuum harvesting is weather dependent and can only occur during the harvest season, typically June- September. Once the harvest season begins and conditions are dry enough, the following cycle occurs as shown below in Figure 10.

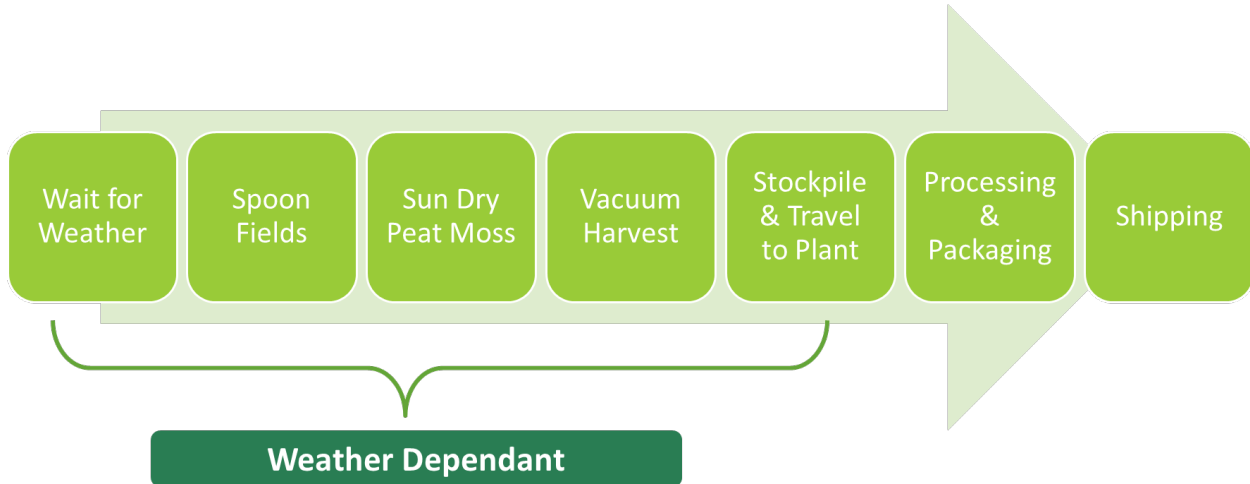


Figure 10 Vacuum Harvesting Process

The harvesting crew waits for dry weather, paying attention to the forecast, once conditions permit (can be determined with moisture test on bog, or by visually observing the bog) spooning can commence. Spoons are rake-like equipment that are pulled behind farm tractors over the peat fields. The spoons flip-up a thin layer of peat moss over the entire surface of the bog. The spoons travel over each peat field, during dry conditions in the middle of harvest season, fields can be spooned 1-2 times per day. After fields are spooned, time is required for the sun to dry the thin layer of peat moss, during dry conditions this can take a few hours, in wetter conditions this can take days. If it rains before harvest is completed, the fields will need to be spooned again prior to harvest.

Once the peat is sufficiently dry, a vacuum harvester travels across the field, sucking up the thin layer of dried peat moss. Vacuum harvesters, shown below in Figure 11, are pulled by farm tractors. Some vacuum harvesters are also equipped with spoons, so that 'spooning' occurs automatically after harvest. Once the vacuum is full, it dumps the peat moss into stockpiles.



Figure 11 Vacuum Harvesters

After a significant volume of peat moss is stock piled, it will be loaded into tractor trailers (walking floor or dump trucks) using loaders/excavators. The bulk peat moss will then be shipped to the facility in Bishop's Falls for processing and packaging.

Peat fields can produce for many years, with the depth of the peat deposit dictating the producing life span. For example, Hi-Point Industries' Bishop's Falls bog has been producing for 40+ years. It is estimated (based on probed depths) that the proposed project will produce for up to 60 years.

Currently, farm tractors and development/harvest equipment is located nearby at Quarry Permit (#151237). This equipment can be used at both the existing quarry and the new proposed project. Additional equipment will be purchased as described in the Capital Cost section.

Responsible extraction of peat moss means stopping harvest before all peat moss has been removed, which will allow for effective restoration. To learn more about restoration techniques that will be utilised please review Appendix B- Restoration of Peat Bogs.

As previously discussed, the company may eventually build a facility for processing and packaging peat moss closer to the proposed project, if this proceeds a separate environmental assessment registration will be completed.

Potential Sources of Pollutants from Operation

Fuel

Any fuel storage tanks will be registered, inspected, insured as required, and will have secondary containment installed. All storage, handling, and disposal of fuels and oils will be in compliance with Oil Control Regulations. The company manufactures oil containment products, so it can design and manufacture secondary containment systems in-house. In the event of spills, immediate action will be taken to stop, contain, and clean up the spill, spills more than 70L will be reported to the Environmental Emergency Line.

Air and Noise

Equipment shall be equipped with standard emission and noise control. Operators will be provided hearing protection for their safety. The site is in a rural area, with no surrounding neighbours within several miles of the property. Unlike other quarries, peat quarries do not require crushers or blasting, with all equipment being standard farm tractors and road work equipment (excavator, loader, dump truck).

The only airborne emissions would include standard emissions produced by tractor equipment, and isolated fumes from maintenance products (lubricants, paints, etc).

During harvesting, vacuum harvesters regularly “blow off” when the vacuum harvester is overfilled. The blow off consists 100% of natural peat moss, which falls back to the field and will be harvested on the next pass. Harvest operators are in enclosed tractors, with air filtration and air conditioning.

Garbage Disposal

All garbage generated at the location will be collected and disposed of correctly. A local collection company will be setup for lease of a garbage dump and regular scheduled waste removal (PBO Industrial Disposal or similar company).

Employees will receive training on hazardous materials and will be required to identify any hazardous waste materials. This may include used oils, batteries, paints, lubricants, coolants. These will be separated, collected, and transported safely to the companies' other facility (Bishop's Falls) where an approved contractor for collection of hazardous waste materials will regularly pick-up and dispose of any hazardous wastes.

The site has secured access with a gate installed, which will prevent illegal dumping.

Runoff

As discussed, the proposed project site was previously developed, including ditching for water management. A new application has been submitted for a permit for Alterations to a Body of Water, as peat lands are classified as wetland.

Sediment controls will be used to prevent peat moss from traveling from ditches to nearby water. Small settling ponds were established during the original ditching and allow peat moss from the ditches to settle, these are in numerous locations that the ditches flow to. Additionally, the company will install silt fencing and turbidity curtain in ditches as required.

Hi- Point Industries manufactures turbidity curtain and carries silt fence in stock.

Potential Resource Conflict

The proposed project site is located on a previously developed bog in a rural area, however the development occurred in previous decades. Because of the location of the proposed site, and lack of development or cabins in the area there is wildlife present.

Development and operations on the proposed site will operate according to Wildlife Act and Migratory Birds Regulations. This includes no clearing of vegetation within prescribed distances to nests during restricted periods.

Buffers of at least 100 meters will be maintained between peat quarry and natural water sources. The nearest natural water body is Little Island Pond, which is approximately 400 meters west of the bog.

There are no cottages, homes, or businesses in the immediate area. The safety of the public is of great importance; a gate has been installed on the access road to prevent unauthorized access to the site for recreation and hunting. Additionally, signs have been placed on the bog to advise public of the hidden ditches on the fields, and to advise the public that work is occurring and no hunting is permitted.

Forestry resource conflicts would be unapplicable as no significant harvestable timber is present on the peat bog.

Viewscape Concerns

Given the remote location of the proposed project, and distance from highway and any neighbours, visibility of the operations is not a concern.

Occupations

During field development it is expected that 2 full time seasonal employees will be required annually to complete development of the quarry. Fields that are developed will be ready for harvest in the following season and will require employees to operate. Table 2 summarizes anticipated employment for the project. Operation positions will also be full time seasonal employment.

Table 2 Employment

Year	Development Employees	Operation Employees	Total Employees
1	2	0	2
2	2	2	4
3	2	4	6
4 and beyond	1-2 (maintenance and additional development)	6+	7+

The National Occupational Classification (NOC) codes for the proposed project may include the following:

- 80010 (or 80020)- Manager in natural resources production & fishing (or agriculture)
- 820030- Supervisor in natural resources, agriculture and related production
- 84120 Farm Machinery Operators

Additionally, the project will create additional work for the Bishop’s Falls facility and will likely require additional staff there (packaging, shipping, and administrative staff).

Approval of the Undertaking

Table 3 below lists the permits, licenses and/or approvals required for this project.

Table 3 Approvals & Permits

Authority/ Department	Permit/ Licence/ Approval Required
Dept. Environment, Conservation and Climate Change – EA Division	Release from EA
Dept. Energy and Mines	Quarry Permit
Dept. Forestry, Agriculture and Lands	Commercial forestry permit
Dept. Environment, Conservation and Climate Change- Water Resources Management Division	Permit for Alterations to a Body of Water

Dept. Forestry, Agriculture and Lands	Access road licence
Canadian Food Inspection Agency	Movement Certificate for Peat Export

Schedule

Pending project approval, the company plans to start development of the peat fields in fall of 2026. Development will continue as described in Table 1, taking approximately 4 years. Peat harvesting operations can commence on fields the season after they have been developed.

Once fields are developed and in production, they will be harvested seasonally for decades to come. It is estimated the proposed project can continue harvest operations for 60 years.

Upon completion of harvesting operations the company will complete restoration, as described in Appendix B- Restoration of Peat Bogs.

Please note all development and operations work can be completed only during favorable weather conditions, typically between May- November.

Capital Cost and Funding

Hi- Point Industries is a private corporation and will fund the proposed project through cash flow, loans, and/or grants as required.

The company has already acquired several long-term sales contracts that can be used to secure financing. Additionally, there has been interest in partnerships or investments from current customers.

The proposed project has also been discussed with several government programs, departments, and funding agencies. There are several low-interest loan and non-repayable grants available that the project may qualify for.

Capital Cost

The following cost estimates are subject to change.

As fields will be developed and produced over time, the company will add tractors and peat equipment to its fleet. The company may take out leases for new farm equipment that include maintenance, or if applicable may purchased used equipment at reduced cost.

Environmental Assessment Registration

June 25th 2026



Table 4 below provides an estimated cost for equipment, this is an estimate only and represents equipment that could potentially be purchased over the first 10 years of the peat quarry operation.

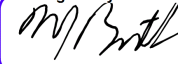
Table 4 Equipment Cost Estimate

Equipment	Estimated Price Each x QTY	Total
100 HP Farm Tractor	\$100,000 x 5	\$500,000
Loader	\$150,000	\$150,000
Vacuum Harvester	\$80,000 x 3	\$210,000
Spoon Harrows	\$20,000 x 2	\$40,000
Ditcher	\$50,000 x 1	\$50,000
Miller	\$50,000 x 1	\$50,000
Estimated Total		\$1,000,000 (Up to 1.5 Million)

Signature

6/26/2026

Date

Signed by:

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Mike Butler, Vice President, Co-owner

Appendix A- Responsible Development & Management of Peat Bogs

Canadian peat extraction follows environmental regulations and uses science-based practices for responsible resource development, management, and remediation. The CSPMA (Canadian Sphagnum Peat Moss Association) has been partnering with the scientific community for over 30 years to complete research on peat lands management and restoration.

Hi-Point Industries is a proud and active member of CSPMA. Through participation and engagement, the company is staying informed of industry best practices, research, concerns, and successes.

CSPMA has engaged with SCS Global (third party sustainability certification company) to develop the Veriflora® Responsibly Managed Peatlands Program. It is an international voluntary certification that ensures peat moss production aligns with sustainable land management practices.

The company does not currently hold Veriflora® certification but plans to implement best management practices recommended by the program, and over time work to obtain certification. The certification emphasizes continuous improvement on how peatlands are managed and restored and provides clear measurable standards.

For additional information, including science-based fact sheets, research, and industry information please visit peatmoss.com.

Appendix B- Restoration of Peat Bogs

Canadian peat producers, including Hi-Point Industries, are committed to restoring peatlands once extraction is complete. CSPMA has had long term success supporting and working with collaborators to develop science-based techniques for restoring peatlands.

CSPMA's long term partnership with Environment and Climate Change Canada called CanRePeat is aimed at transforming post-extraction peatlands and restoring their carbon storage function.

Through years of research and collaboration the Moss Layer Transfer Technique (MLTT) was developed for peatland restoration. The MLTT is based on two primary actions rewetting the site, and reintroducing peatland plants to the surface site.

Once Hi-Point Industries' peat moss bogs are post-extraction they will be restored using the MLTT. CSPMA and research partners will also be engaged to optimize and study the restoration efforts.

For more information on restoration research and MLTT, including a detailed "Peatland Restoration Guide" please visit peatmoss.com.