

Licence No.: 2359 S2 R

Licence Issued: October 28, 1998

Licence Revised: December 29, 1998

**IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125)
THIS LICENCE IS ISSUED PURSUANT TO SECTIONS 10(8), 13(1) AND 14(2) TO:**

INMETAL NORTH AMERICA LTD.; "the Licencee"

STAGE 2 LICENCE

for the operation of the Development being a metal foundry facility located at NE ¼ 34-2-29 in the Rural Municipality of Edward, in accordance with The Environment Act Proposal dated August 28, 1998, and notice of alteration dated December 7, 1998, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means facilities accredited by the Standard Council of Canada (SCC), or facilities accredited by another accrediting agency recognized by Manitoba Environment to be equivalent to the SCC, or facilities which can demonstrate to Manitoba Environment, upon request, that quality assurance/quality control (QA/QC) procedures are in place equivalent to accreditation based on the Canadian Standard Can/CSA-Z753, extension of the international standard ISO 9000, Guide 25;

"affected area" means a geographical area, excluding the property of the Development;

"Director" means an employee so designated pursuant to The Environment Act;

"Environment Officer" means an employee so designated pursuant to The Environment Act;

"noise nuisance" means an unwanted sound, in an affected area, which is annoying, troublesome, or disagreeable to a person:

- a. residing in an affected area;
- b. working in an affected area; or
- c. present at a location in an affected area which is normally open to the members of the public;

if the unwanted sound

- d. is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director, and within a 90 day period, from 5 different persons falling within clauses a), b), or c), who do not live in the same household; or
- e. is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b), or c), and the Director is of the opinion that if the unwanted sound had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90 day period from 5 different persons who do not live in the same household;

"odour nuisance" means a continuous or repeated odour, smell or aroma, in an affected area, which is offensive, obnoxious, troublesome, annoying, unpleasant, or disagreeable to a person:

- a. residing in an affected area;
- b. working in an affected area; or
- c. present at a location in an affected area which is normally open to the members of the public;

if the odour, smell or aroma

- d. is the subject of at least 5 written complaints, received by the Director in a form satisfactory to the Director, and within a 90 day period, from 5 different persons falling within clauses a), b), or c), who do not live in the same household; or
- e. is the subject of at least one written complaint, received by the Director in a form satisfactory to the Director, from a person falling within clauses a), b), or c), and the Director is of the opinion that if the unwanted odour, smell or aroma had occurred in a more densely populated area there would have been at least 5 written complaints received within a 90 day period from 5 different persons who do not live in the same household;

"opacity" means the degree to which emissions reduce the transmission of light and obscure the view of an object in the background;

"particulate matter" means any finely divided liquid or solid matter other than water droplets;

"particulate residue" means that part or portion of an atmospheric emission which is deposited onto a surface;

"sanitary sewage" means household and commercial wastewater that contains human waste;

"solid wastes" means any solid material, including but not limited to furnace slag and liner, abrasive blasting residue, polymer beads, EPS foam trimmings, spent mullite, etc. which is generated as a result of any activity at the Development; and

"wastewater" means any liquid containing a pollutant as defined in The Environment Act, associated with or resulting from the Development, which is discharged into the environment.

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall implement a high standard of equipment maintenance and good housekeeping and operational practices with respect to the Development, at all times.
2. The Licencee shall reduce the production and dissemination of wastes by initiating and maintaining waste reduction and waste recycling programs.
3. The Licencee shall, upon the request of the Director and in addition to any of the limits, terms or conditions specified in this Licence:
 - a. sample, monitor, analyze and/or investigate specific areas of concern regarding any segment, component or aspect of pollutant storage, containment, treatment, handling, disposal or emission systems, for such pollutants or ambient quality, aquatic toxicity, leachate characteristics and discharge or emission rates, for such duration and at such frequencies as may be specified;
 - b. determine the environmental impact associated with the release of any pollutants from the said Development; or
 - c. provide the Director, within such time as may be specified, with such reports, drawings, specifications, analytical data, descriptions of sampling and analytical procedures being used, bioassay data, flow rate measurements and such other information as may from time to time be requested.
4. The Licencee shall, unless otherwise specified in this Licence:
 - a. carry out all sampling of, and preservation and analyses on, water, soil or air samples in accordance

- with methodologies approved by the Director;
 - b. ensure that all analytical determinations are undertaken by an accredited laboratory; and
 - c. report the results to the Director within 60 days of the samples being taken.
5. The Licencee shall provide to the Director, upon request, all information required under this Licence, in writing and in such form and content (including number of copies), as may be specified by the Director.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Air Emissions

6. The Licencee shall not emit from the Development:
- a. particulate matter in any air emission that:
 - i. exceeds 0.23 grams per dry standard cubic metre calculated at 25 degrees Celsius and 760 millimetres of mercury, corrected to 12 percent carbon dioxide for processes involving combustion, from any point source of the Development;
 - ii. exhibits a visible plume with an opacity of greater than 5 percent at any point beyond the property line of the Development; or
 - iii. results in the deposition of visible particulate residue at any time beyond the property line of the Development; or,
 - b. particulate matter from any point source with an opacity that equals or exceeds:
 - i. 20 percent as the average of any 24 consecutive opacity observations taken at 15 second intervals;
 - ii. 20 percent for more than 16 individual opacity observations within any 1 hour period; or
 - iii. 40 percent for any individual opacity observation.
7. The Licencee shall not cause or permit a noise nuisance to be created as a result of the operation or alteration of the Development, and shall take such steps as the Director may require to eliminate or mitigate a noise nuisance.
8. The Licencee shall not cause or permit an odour nuisance to be created as a result of the operation or alteration of the Development, and shall take such steps as the Director may require to eliminate or mitigate an odour nuisance.

Respecting Emission Control Equipment

9. The Licencee shall maintain and operate all emission control equipment to the specifications and recommendations of the manufacturer.
10. The Licencee shall maintain records of all maintenance of the emission control equipment including any measurable parameters, dates of inspection/maintenance and actions taken.
11. The Licencee shall maintain records of all down times of the emission control equipment, including dates and times of down time and actions taken.
12. The Licencee shall not operate any processes with emissions which are normally treated by the emission control equipment, if the emission control equipment is not properly maintained or is not operating to the specifications of the manufacturer.
13. The Licencee shall make the records in Clause 10 and 11 of this Licence available to an Environmental Officer, upon request.

Respecting Air Emission Sampling and Analysis

14. The Licencee shall construct a stack or stacks, at the request of the Director and in such location(s) and to specifications as may be requested by the Director, for the sampling of emissions.
15. The Licencee shall install stack-sampling facilities, at the request of and in a manner satisfactory to the Director, at any or all stack or stacks.
16. The Licencee shall submit, within 90 days of the Director's written request, a proposal for the Approval of the Director, for the characterization, sampling and analysis of emissions from any process at the Development.
17. The Licencee shall complete the sampling of emissions requested in Clause 16 of this Licence in accordance with the approved proposal, and within a time frame approved by the Director.
18. The Licencee shall submit to the Director, within 90 days of receipt of the analytical results of the sampling performed per Clause 17 of this Licence, a report that discusses the characterization, sampling and analysis of emissions. The report shall also address any potential health or environmental impacts beyond the boundaries of the Development that might be caused by the emissions sampled.

Respecting Wastewater

19. The Licencee shall discharge all sanitary sewage and wastewater into the sewer system serving the community of Pierson.

Respecting Solid Waste

20. The Licencee shall handle all solid waste generated at the Development such that any contamination at the Development because of this material is prevented.
21. The Licencee shall not deposit solid waste into the environment except into a waste disposal ground operating under the authority of a permit issued pursuant to Manitoba Regulation 150/91, or any future amendment thereof, where the operator of that facility has agreed to accept the solid waste.

Respecting Emergency Planning

22. The Licencee shall submit to the Director for approval, within 60 days of the date of this Licence, a contingency plan, in accordance with the Manitoba Industrial Accidents Council (MIAC) *Industrial Emergency Response Planning Guide*, outlining procedures to be used in the event of a leak, spill, fire, or other hazardous condition at the Development.

REVIEW AND REVOCATION

- A. This Licence replaces Licence No. 2359 S2 which is hereby rescinded.
- B. If in the opinion of the Director, the Licencee has exceeded or is exceeding or has or is failing to meet the specifications, limits, terms or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.
- C. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions set out in this Licence, the Director may require the filing of a new proposal pursuant to Section 10 of The Environment Act.

"original signed by"

Larry Strachan, P. Eng.
Director

Environment Act

Client File No.: 4371.00