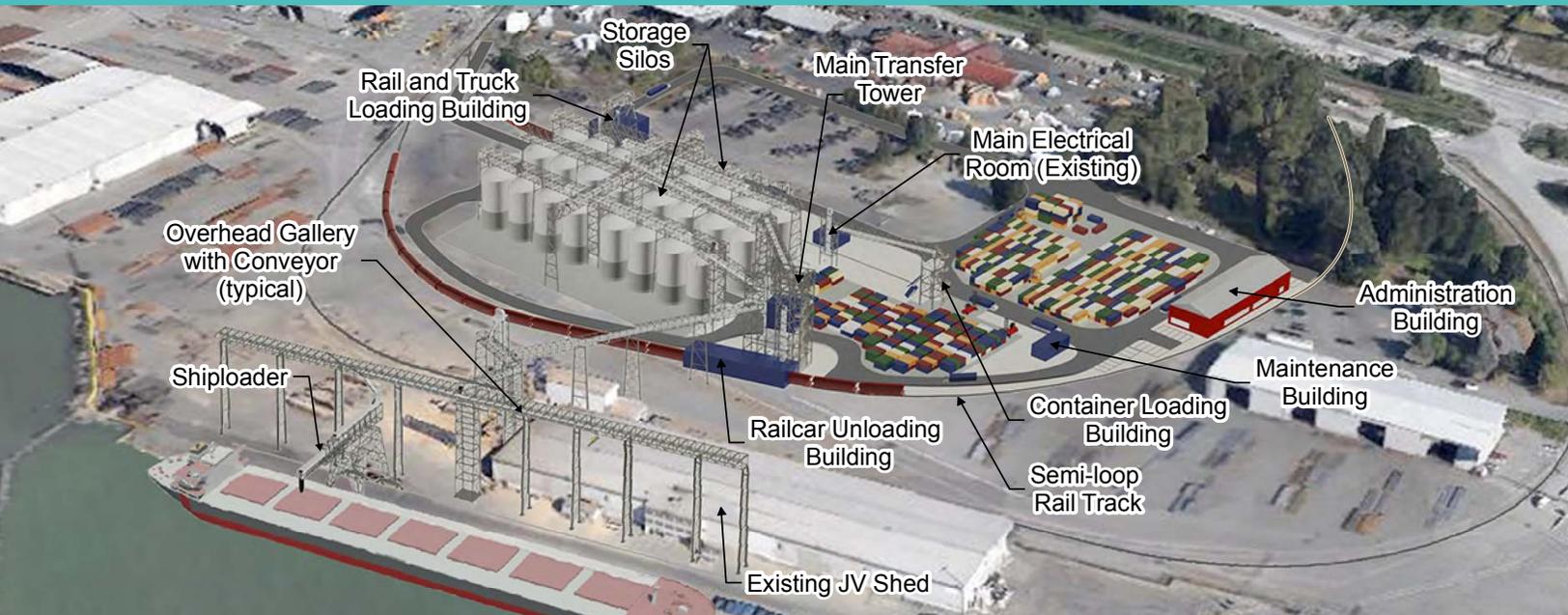


Fraser Grain Terminal Export Facility

DISCUSSION GUIDE



We are in the Application Review phase of the Vancouver Fraser Port Authority's Project and Environmental Review process. We are committed to developing a sustainable project that meets or exceeds environmental and safety standards, and provides benefits for local residents and businesses.

Fraser Grain Terminal is working with the port authority to ensure that community interests are considered as part of the Project and Environmental Review process.

Fraser Grain Terminal proposes to build a grain export facility at 11041 Elevator Road adjacent to Fraser Surrey Docks on port industrial lands in Surrey, B.C. It will be used to ship bulk grain products including wheat, barley, oil seeds, pulses and other specialty grains.

We want to help address two major constraints in getting Canadian grain to overseas customers today – limited western Canada rail capacity, and a shortage of port industrial land for grain handling. Our new facility will support Canadian farmers, increase efficiency in grain exports and build strong business relationships with customers around the world. Since 2014, exports of grain and specialty crops have increased, with India and China becoming increasingly important destinations for Canadian products.

By consolidating bulk grain handling in a state-of-the-art facility, we can increase efficiency and reduce bottlenecks in the grain supply chain while being a good neighbour to adjacent residents and businesses by using modern technology to effectively manage dust and noise. Preliminary analysis indicates that our Project will inject \$100 million directly into the local economy annually, and contribute another \$40 million indirectly.

The new facility and travelling ship loader will have a modern design that minimizes noise and dust from grain handling operations and will replace a derelict manufacturing warehouse on vacant port land that has not been used for more than two years. This modern facility will support Canadian trade, provide jobs for B.C. workers and minimize local air quality and noise effects through the use of innovative and safe technology.



Example of cascading style ship loader

The throughput for this proposed Project is 3.5 million tonnes per annum (Mt/a) bringing the total capacity for the terminal to 4 Mt/a with the 0.5Mt/a from the existing joint venture grain facility currently operating at the site. The facility will receive grains by rail then transfer the agri-products to storage silos with some product loaded directly to vessels. From the storage silos, most of the grain will be loaded onto cargo ships with the remaining product transferred into containers, rail cars or trucks. The terminal will load approximately 80 bulk vessels per year (approx. 1-2 vessels per week), including Panamax, Supramax and Handy-size vessels. While most vessels will be fully loaded at the Fraser Grain Terminal facility, larger class Panamax vessels will be loaded to the maximum capacity according to guidelines for the river draft (depth) and may be topped up at a deepwater terminal. Containers for export will be trucked to container terminals, like Deltaport. A small amount of product will be destined for distribution to customers in the Fraser Valley via rail and trucking.

NEW CONSTRUCTION ON THE SITE INCLUDES:

Unloading station and transfer tower with fully enclosed conveying equipment and a built-in dust suppression system

34 above-ground steel storage bins (24 x 3,000 t and 10 x 500 t)

Travelling ship loader with telescopic cascading spout to control dust during vessel loading

Semi-loop rail track

Realignment of an existing rail track

Extension to three existing holding rail tracks north east of the main grain facility site to reduce rail car shunting during unloading

Container loading facility and storage yards

Rail and truck loading facility

Administration building and maintenance shop

TECHNICAL STUDIES

We are committed to developing a sustainable Project that meets or exceeds environmental and safety standards, and provides benefits for local residents and businesses as well as contributing to the national economy. As part of the application process, technical studies were undertaken and full reports and information materials are available on the Project website at frasergrainterminal.ca and on the port authority's website at portvancouver.com.

EXPORTS OF GRAIN AND SPECIALTY CROPS



Example of 3,000 tonne capacity grain silo

Air Quality

Assessment of predicted air quality effects considering estimated emissions from facility operations.

KEY FINDINGS

Air quality effects were modelled based on equipment and operations of the new facility. Predicted air quality impacts on the surrounding community are low and remain well below the ambient air quality objectives for the region. Air contaminants did not exceed the ambient air quality objectives beyond the facility fenceline. The assessment found that estimated particulate matter emissions will be less in 2020 when the Project is operational compared to existing conditions as measured in 2015.

Improvements in air quality are primarily due to the use of best available technologies for dust suppression and emissions control including:

- New travelling ship loader with a cascading type telescoping loading spout that allows loading without repositioning and reduces ship engine running time
- Enclosed grain handling terminal design
- Reduced drop heights and speed of conveyors that minimize grain breakage and dust creation
- Cartridge type air filters
- Truck and rail car loading spouts that control dust



Noise level monitoring locations



Photo simulation of view from Port Royal Park in Queensborough looking SE

Noise

Assessment of how the proposed development will affect noise levels experienced by the adjacent community.

KEY FINDINGS

Noise effects to nearby communities were modelled based on equipment and operations of the new Project. With the implementation of FGT's low noise initiatives, for most residential locations in proximity to the Project, total noise level is predicted to increase less than 1 dBA with a maximum increase of approximately 2 dBA with the facility operating at full capacity. On average, an increase of less than 3 dB will generally go unnoticed, if the same change in noise level occurs over an extended period of time. Non-Project related noise is the dominant source in the local area, particularly traffic from Highway 17.

The Project design incorporates the following low noise initiatives:

- All filter unit fans fitted with silencers
- Fully enclosed conveyors that use low noise polyethylene rollers and operate at low speeds (2.54 m/s)
- Addressing rail squeal with improved track layouts and greasing of tracks
- Limiting loading in the container yard to daytime/weekday operations only

View and Shade

Assessment of the proposed Project's effect on views or shading in the surrounding community and public areas.

Visual impacts were assessed using a 3-D model to analyze the proposed siting, massing and height of the Project on public and private views for the surrounding community. Potential shade impacts were also studied. Site visits were also conducted to identify viewpoints for photo simulations.

KEY FINDINGS

- Visual changes to the site will be consistent with existing industrial and transportation land uses.
- Interpretation of 3D modelling found that the Project will have minimal impact on views, the skyline or shading of adjacent communities.
- Tall, dense vegetation to the south and south-west in the Project area and surrounding community shields most of the new infrastructure from view.
- Views from New Westminster will be similar to the port terminal facilities currently on-site.
- The Project colour scheme will integrate with existing infrastructure.



Fish, Wildlife, Vegetation and Species-at-risk

Assessment of species and habitats that could be affected by Project activities and any proposed mitigation measures.

KEY FINDINGS

- The site has been highly modified by industrial and transportation activities associated with previous development and has little native vegetation.
- Wildlife habitat limited primarily to species tolerant of human activity.
- With appropriate mitigation in place and good work practices, most construction effects on vegetation and terrestrial habitat are likely to be short in duration and localized to the immediate vicinity of the work.
- With adherence to water quality guidelines, best management practices and recommended mitigation, the Project is unlikely to cause significant adverse effects to fish and fish habitat.
- New rail track that parallels Elevator Rd overlaps with critical habitat for the federally-listed plant streambank lupine. No streambank lupine plants were found during field assessments in 2015 and 2017. A permit under the Species At Risk Act will be required to construct this portion of the new rail track.

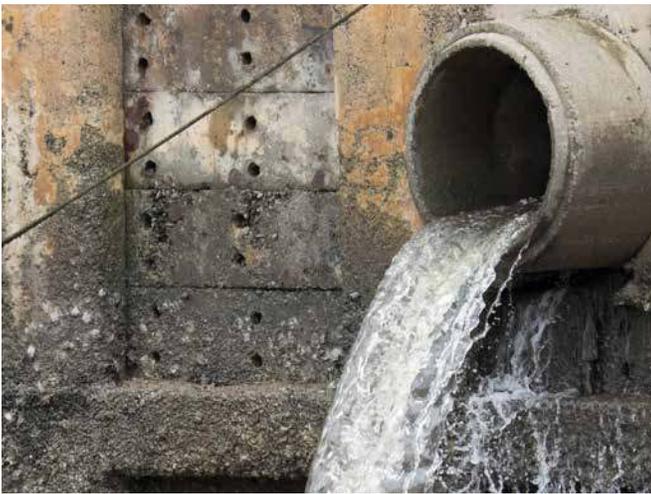


Spill Prevention, Emergency Response, and Hazardous Materials Management

Spill prevention, containment and clean-up plan, including training responses and communications procedures, as well as spill tracking and reporting.

A Spill Prevention, Emergency Response and Hazardous Materials Handling Plan was developed in accordance with industry best practices, regulatory requirements and port authority guidance. This plan includes:

- An inventory of hazardous materials anticipated to be handled or stored on site during normal operations
- Reference to appropriate spill containment and clean-up supplies available on site at all times
- Commitment that all personnel working on the Project will be familiar with the spill prevention, containment and clean-up plan
- Guidance for plan updates
- Procedures for:
 - Emergency response to reportable spills
 - Spill prevention, containment and clean-up plan for hydrocarbon products (including fuel, oil and hydraulic fluid) and any other deleterious substances
 - Training, communications and procedures for emergency response, spill tracking and reporting, records of facilities inspections



Stormwater Pollution Prevention

The Stormwater Pollution Prevention Plan outlines the management of stormwater run off for daily terminal operations considering local climate, water capture and treatment systems.

A Stormwater Pollution Prevention Plan was developed in accordance with industry best practices and port authority guidance. This plan includes:

- Identification of potential pollutant sources
- Good housekeeping on-site, and preventive maintenance of machinery
- Containment and reduction of potential stormwater contaminants
- Outline of treatment method on-site
- Implementation and monitoring, including commitment to adaptive management and continuous improvement
- Commitment that all personnel working on the Project will be familiar with the stormwater pollution prevention plan

Demolition and Construction

DEMOLITION – A project permit (PER No. 17-035) for demolition was approved in June 2017 and all documents are available on the port authority’s website.

CONSTRUCTION – We recently submitted our project permit application for the construction of the grain export facility and this was registered as Complete by the port authority in September 2017. Application documents are posted on the Vancouver Fraser Port Authority website.

The project permit applications for demolition and construction are separate and independent. The permit approval for demolition does not guarantee a subsequent approval for development of the new facility.

About Fraser Grain Terminal

Fraser Grain Terminal Ltd. is a Canadian family-owned and operated grain company with more than 100 years of experience in agribusiness and locations across Canada. Serving more than 10,000 Canadian farmers and producers, we market grain to over 40 countries.

How to Participate

Your input is important and we invite you to ask questions and provide comments on our application and the results of our technical studies. Our application, technical study reports and information materials are available on the Project website frasergrainterminal.ca and on the port authority's website www.portvancouver.com/development-and-permits/status-of-applications.

The Application Review Public Comment Period is from 15 November, 2017 to 12 December, 2017.

Visit FraserGrainTerminal.ca to:

- Find out more about the proposed Project
- Read our application and technical studies
- Complete an online feedback form
- Sign up for Project updates

Contact us by phone

1-866-302-8872

Contact us by email

comments@FraserGrainTerminal.ca

We are hosting two community open houses during the Application Review Public Comment Period. View the Project information materials and bring your questions for our Project team.

Inn at the Quay, 900 Quayside Drive, New Westminster
Thursday, 30 November, 2017 from 5:30 p.m. to 8:30 p.m.

Royal Heights Elementary School, 11665 97 Avenue, Surrey
Saturday, 2 December, 2017 from 11:00 a.m. to 2:00 p.m.

Next Steps

We will be accepting input on our grain export facility application and technical studies until 12 December, 2017.

Following the completion of the *Public Comment Period for the Application Review* the following reports will be prepared, submitted to VFPA for review and approval, then posted to the port authority website and the Project website:

- Consultation Summary Report
- Input Consideration Report

The port authority will complete a technical review and consider all Project information received. Upon completion of this review, a decision regarding our permit application will be made.

THANK YOU FOR YOUR PARTICIPATION

FraserGrainTerminal.ca