

Appendix P

**Other Potential Developments in Proximity
to the Site**

Algoma Craft Cannabis Information Sheet

What Is Algoma Craft Cannabis?

Algoma Craft Cannabis is an aspiring Cannabis micro-cultivator and micro-processor. Our mission is to provide high quality, craft-grown, and hand packaged Cannabis goods to the Canadian market place. We are local entrepreneurs and not big business merchants or a stock exchange traded company. Our passion is to grow healthy, high quality Cannabis plants and transform them into high quality Cannabis consumables. The business will be run by us. We are currently building our first operation in the Soo near Old Goulais Bay Rd and 5th Line. This will be a small indoor cultivation facility. That's the official term. We prefer 'garden' since, to us, it is our garden. We tend to the plants by hand. We harvest by hand. We inspect every flower as it is being trimmed.

We are providing this summary for informational purposes in the hopes of introducing you to our Soo based business, but also to dispel the many misconceptions about the legal Cannabis industry. We have included a page describing our current build, a page on Frequently Asked Questions, and a page on useful links. We hope you enjoy this information and look forward to showcasing our finished building sometime this spring (weather permitting!).

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ABOUT THE PROJECT

Algoma Craft Cannabis is currently building a facility to house a federally licensed Cannabis micro-cultivation and micro-processing operation. The project is located in Sault Saint Marie, Ontario. The project meets all applicable municipal zoning laws and the build is fully permitted by the City of Sault Saint Marie. Under the current federal licensing system the facility must be fully built out prior to the federal license being issued, therefore the operating license is pending completion of the build. We hope to have construction completed in the spring of 2020. The highlights of the currently planned facility are summarized as follows:

Operation type:	Algoma Craft Cannabis will be looking to license the facility as a micro-cultivation facility and micro-processing facility. According to federal regulations, a micro-cultivator is limited to a maximum growing canopy of 200 m ² (2100 sq.ft). From a practical perspective, this means that the indoor garden can generate a maximum yield of about 1200 lbs (550 kgs) of dried Cannabis annually. This equates to a typical average production of about 100 lbs of dried Cannabis monthly. This is less than the weight of monthly groceries for an average family of four (or a lot less if your family likes soda pop).
Size:	The building will have a total plan area of approximately 5500 sq.ft. and all Cannabis related operations will be contained inside the building.
Construction:	Standard, slab-on-grade, steel clad industrial building. Minimal parking area. There will be no outbuildings related to Cannabis activities.
Grow type:	The facility being constructed will comprise an indoor garden with artificial light. This means the grow area is fully contained in the building. There will be no greenhouse operation. The grow rooms are fully enclosed with solid ceilings and conventional roof. Grow lights will be in the form of high intensity halide or LEDs suspended from the ceiling. A representative grow room can be seen in Photo 1. No grow lights will be visible from the outside. From an outward perspective, this operation would appear no different from any other modern steel-clad commercial building that you find in numerous other places in the Soo. These types of structures are numerous in the Soo housing activities for carpentry shops, machine shops, construction yards, gravel pits, heavy equipment repair shops, or a myriad of other commercial operations. We are currently under construction but our finished structure should look something like the building in Photo 2.
Processing:	Processing on site will primarily consist of drying, curing and packaging of dried Cannabis. There will be no chemical processing of Cannabis on site. Algoma Craft Cannabis fully intends on living up to the "Craft" standard implied by our name. In the future we hope to expand our "processing" to include high quality edible Cannabis products. These future "processes" might include making Cannabis butter, mixing (with flour, baking powder, sugar, chocolate and other tasty food products), and baking.
Odors:	As a condition of our license (as proscribed by federal regulations) zero discernible odors are permitted from the site. Licensed indoor producers are mandated to implement odor control strategies and any air expelled from the site will be filtered to remove potential Cannabis odor using industry-standard activated carbon filtration [See Photo 3]. From a practical perspective this means that NO discernible Cannabis odors will be detectable outside of the site. This is a strict condition of the license to operate and is enforced by Health Canada.
Environmental Concerns	As mentioned above, exhaust air from the site will be filtered to eliminate potential Cannabis odor. Bearing in mind that the planned operation is essentially a small indoor garden, byproducts would include wastewater and biomass (stocks and stems of plants). Wastewater would consist of what you would expect from your home tomato garden: that is to say 99% water with trace minerals (calcium, potassium, magnesium, nitrogen,

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	<p>etc.). No harsh chemicals or pesticides will be used. Again, our mission is to supply high quality "Craft" product to the legal Canadian marketplace. The site is connected to municipal water and sewage and therefore there is ZERO material groundwater impact expected from the operation (outside of the impact of maintaining a well-kept lawn). Algoma Craft Cannabis is committed to protecting the environment. Our team is currently researching the viability of using a hybrid lighting grow method to lower both our utility bill and carbon footprint.</p>
Security:	<p>Federal regulations mandate a minimum level of security for all licensed producers. These regulations include maintaining controlled and selective access to the site, secure storage, closed-circuit cameras, access control, etc. The site will have 24/7 video surveillance and monitoring. Verified intrusions would be reported directly to the police for an immediate response. All unauthorized access to the site will be immediately flagged and a response protocol issued. Everyone working on the site will have mandatory criminal background checks. Algoma Craft Cannabis takes the safety and security of staff and public seriously. Our plan is to exceed the minimum security requirements set for micro-cultivators by Federal regulations.</p>
Shipping/Receiving	<p>As stated above, the facility is expected to produce about 100 lbs of product monthly. From a shipping/receiving perspective, shipping would only occur once or twice a month and likely to be in a small panel van. Receiving would be two to three times a month and consist mainly of small shipments of soil and nutrients. There will be between 2 and 4 full time employees on site at a given time and once per month there would be a crew of 4 to 6 additional part-time workers to perform harvesting operations. The practical result of all this is that the added traffic to the neighbourhood would be negligible in the context of the many dozens (daily) of heavy trucks travelling to and from the large gravel mining operations down the road and the municipal landfill directly across the road.</p>

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FAQ's PAGE

Q: What is the difference between a Licensed Producer ('LP') and a micro-cultivator?

A: It's all about size. A micro-cultivation operation is more similar in size to a large garden patch than it is to a farm. 2100 sq.ft of growing area. We know Italian grandma's (Nonna!) with bigger tomato gardens. Really. We do.

Q: What licenses do you need to grow Cannabis in Canada?

A: Under the most recent federal Cannabis regulations, a prospective grower needs to apply through Health Canada for a Cannabis cultivation license. This license permits a licensee to grow, dry/cure, bulk-package, store, and ship Cannabis on the licensed site. Additionally, a grower must meet local municipal bylaws, zoning laws, and comply with relevant environmental laws and building codes (just like any other legal business).

Q: We hear that Cannabis operations are smelly. Is this true?

A: It is true that Cannabis has a very distinct odor that is unpleasant to some people. Large industrial-scale outdoor Cannabis farms would produce a distinctive Cannabis odor that might be noticeable by immediate neighbors located downwind during the flowering cycle of the crop. The flowering cycle might last two weeks during which the flowers have a potent smell. Indoor growers are a different game altogether. The Cannabis Regulations (as enforced by Health Canada) have a strict "no Cannabis odor" standard for indoor growers. This means all exhaust air has to be thoroughly scrubbed (i.e. filtered) to remove residual odor prior to being expelled from the building.

Q: Will a Cannabis operation bring around a criminal element?

A: At its heart, a micro-cultivation facility is a small indoor garden. The wholesale value of the products and equipment on site at a given time of the month is far less value than the value of inventory in a jewelry store, high-end clothing retailer, sporting goods store, or electronic products store. The value of inventory in your average Best Buy store eclipses the value of products at a small Cannabis operation. While no business is immune from criminality, we expect Cannabis businesses to be no more prone to it than any other business which inventories high-margin, high-value goods. We believe that the stringent mandatory security measures enforced by Health Canada (especially the direct-dial to the local police station during unauthorized intrusions) combined with the nature of the product (it is a plant after all) keep crime rates associated with indoor Cannabis gardens low. Anecdotally, we can tell you that Health Canada relaxed their rules on mandatory security measures in January 2018 due to the fact that the measurable risk to Cannabis facilities prior to that date had been so low.

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Photo1: A Professional Indoor Grow Room



Photo 2: Building Will Look Something like This When Done



Photo 3: Heavy Duty Carbon Air Filters



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USEFUL LINKS

<https://licensedproducerscanada.ca/faq/will-craft-Cannabis-growers-in-canada-succeed-like-craft-brewers>

<https://toronto.citynews.ca/video/2018/11/09/a-look-inside-ontarios-largest-legal-marijuana-grow-op/>

<https://www.normlcanada.org/>

<https://structuralpanels.ca/Cannabis-micro-cultivation-licensing-and-its-security-requirements/>