

**ENVIRONMENTAL PROTECTION AND ENHANCEMENT ACT**

BEING CHAPTER E-12 R.S.A. 2000 (the "Act")

**ENVIRONMENTAL PROTECTION ORDER NO. EPO-EPEA-35659-10**

JMB Crushing Systems Inc.  
Suite 2300, Bentall 5 550, Burrard Street  
Vancouver BC  
V6C 2B5,  
Canada

Byron Levkulich, Director  
Suite 2300, Bentall 5 550, Burrard Street  
Vancouver BC  
V6C 2B5,  
Canada

Aaron Patsch, Director  
Suite 2300, Bentall 5 550, Burrard Street  
Vancouver BC  
V6C 2B5,  
Canada

Jeffrey Buck, former Director  
JMB Crushing Systems Inc.  
3439 Keswick Boulevard SW  
Edmonton, AB  
T6W 3B2

(Collectively, the "Parties")

WHEREAS JMB Crushing Systems Inc. ("JMB") has operated a gravel pit (the "Pit") on a portion of public land legally described as SW-30-063-08-W4M (the "Lands") in the Municipal District of Bonnyville, in the Province of Alberta;

WHEREAS Byron Levkulich and Aaron Patsch are Directors of JMB and Jeffrey Buck is a former Director of JMB ("Parties");

WHEREAS the Pit is approximately 0.347 Hectares in area. Appendix A to this Order contains a map showing the dimensions, location and features of the Pit;

WHEREAS a "pit" is defined in the *Environmental Protection and Enhancement Act* ("EPEA") to mean an operation on or excavation from the surface of the land for the purpose of removing sand and gravel and includes any associated infrastructure;

WHEREAS the Lands are contained in surface material lease 120027 (“SML 027”) that is a disposition issued to JMB under the *Public Lands Act* on January 13, 2020. SML 027 expires on January 12, 2030;

WHEREAS the Lands were held by JMB under SMC 110019 from May 26, 2011 to June 26, 2015;

WHEREAS on June 11, 2012 JMB was issued TFA 123579, authorizing early entry to SML 120027;

WHEREAS TFA 123579 was subject to the following conditions:

- The holder shall reclaim all disturbed land surfaces within two growing seasons, to occur concurrently with operations;
- Final surface reclamation must meet the requirements for the specific activity in place at time of abandonment;
- Initial efforts at re-establishing a vegetative cover on disturbed surface must be accomplished by planting native tree and shrub species; and
- The holder shall take all precautions and safeguards necessary to prevent soil and surface erosion to the satisfaction of the department in its sole discretion;

WHEREAS on January 31, 2013 JMB filed an annual return documenting the removal of 14,768.57 cubic yards of material from SML 027 during the 2012 operating year;

WHEREAS in 2014, JMB filed an annual return documenting the removal of 3,625 cubic yards of material from SML 027 during the 2013 operating year;

WHEREAS on January 13, 2020 AEP approved the Conservation and Reclamation Business Plan (“CRBP”) for SML 027;

WHEREAS Clause 13 of Schedule A – Operating Conditions to the Agreement requires the Operator to reclaim any land disturbed in accordance with the approved conservation, operation and reclamation plans;

WHEREAS on May 1, 2020, JMB obtained an initial order from the Court under the *Companies Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended;

WHEREAS on May 11, 2020 Alberta Environment and Parks (“AEP”) Public Lands Officer (“PLO”) completed an inspection on the Lands and identified the following:

- the Lands were dormant and appeared to be in the stages of final reclamation;
- lack of topsoil replacement on a large portion of the pit

WHEREAS on December 4, 2020 JMB indicated they will not be completing any further reclamation works on the Lands;

WHEREAS on February 17, 2021, Nathan Polturak, an Environmental Protection Officer (“EPO”) and Inspector under the *Environmental Protection and Enhancement Act* RSA 2000, c E-12 (the “Inspector”), conducted a review of the terms and conditions of SML 027 and 2019 satellite imagery of the area and determined that JMB contravened the *Public Lands Act* and Public Lands Administration Regulation by allowing erosion and sedimentation on or adjacent to the Lands;

WHEREAS on February 23, 2021, AEP issued a Notice of Non-Compliance (“NONC”) to JMB stating that AEP had identified issues of non-compliance of the *Public Lands Act* under SLM 027.

WHEREAS on February 26, 2021, 216 provided AEP with its response to the NONC, which stated that SML 027 is depleted and 99% of reclamation is complete;

WHEREAS section 137 of the *Environmental Protection and Enhancement Act* states that an operator must conserve and reclaim specified land and unless exempted by the regulation, obtain a reclamation certificate in respect of the conservation and reclamation;

WHEREAS the surface land disturbance in the Pit is “specified lands” as defined by the Conservation and Reclamation Regulation section 1(t)(v);

WHEREAS the Parties are persons who carry on or have carried on an activity on or in respect of specified land other than pursuant to an approval or registration, and are persons who act as principal or agent of person(s) referred to in any of EPEA section 134(b)(i) to (vi), and therefore are operators;

WHEREAS Nathan Polturak, Environmental Protection Officer, North Region (the “Inspector”) has been designated as an Inspector for the purposes of issuing Environmental Protection Orders under section 140 the *Environmental Protection and Enhancement Act*, and

WHEREAS the Inspector is of the opinion that the suspension of the operation in the Pit and directing the performance of work is necessary in order to conserve and reclaim specified land.

THEREFORE, I Nathan Polturak, Inspector, North Region, pursuant to section 140 of the *Environmental Protection and Enhancement Act*, DO HEREBY ORDER:

1. By **March 26, 2021**, the Parties shall submit to the Inspector for the Inspector’s approval, the name and qualifications of a consultant who carries a professional designation authorized to practice reclamation, which the Parties will retain to prepare and sign the below noted reclamation and remedial plan.
2. By **May 31, 2021**, the Parties shall submit to the Inspector for the Inspector’s review and approval a written reclamation and remedial plan (“Plan”).
3. The Parties shall include at minimum include all of the following in the Plan:
  - a. Particulars of the characteristics and properties of the land including topography, drainage, soils, vegetation and land capability.
  - b. A description of the adjacent land uses.
  - c. A description of the reclamation work including the type of equipment, methods and materials that will be used in implementing the Plan.
  - d. A description of the proposed reclaimed land use that includes elevations, soil replacement and re-vegetation.

- e. A proposed Schedule of Implementation that shall have **June 30, 2022** as the completion date.
  - f. A six month monitoring and maintenance program commencing **June 30, 2022**.
4. Upon approval of the Plan by the Inspector, the Parties shall conduct the work described in the approved Plan, according to the approved schedule of implementation, unless otherwise authorized in writing by the Inspector.
  5. The Parties shall submit progress updates to the Inspector on **July 30, 2021, November 30, 2021, March 31, 2022, and July 29, 2022** that include a detailed summary of all reclamation activities undertaken at the Pit;

DATED at the Town of Lac La Biche in the Province of Alberta, this 19<sup>th</sup> day of March 2021.



Nathan Polturak  
Inspector  
Environmental Protection Officer  
North Region

**Section 91 of the *Environmental Protection and Enhancement Act* may provide a right of appeal against this decision to the Alberta Environmental Appeals Board. There may be a strict time limit for filing such an appeal. A copy of Section 91 is enclosed. For further information, please contact the Board Secretary at:**

**#306 Peace Hills Trust Tower  
10011 - 109 Street  
Edmonton, Alberta, T5J 3S8  
Telephone (780) 427-6207  
Fax (780) 427-4693.**

**Notwithstanding the above requirements, the Parties shall obtain all necessary authorizations in complying with this order.**

**Take notice that this Environmental Protection Order is a remedial tool only, and in no way precludes any enforcement proceedings being taken regarding this matter under this Act or any other legislation.**

## **APPENDIX A**

**SML 120027**

Scale: 1 : 2,500

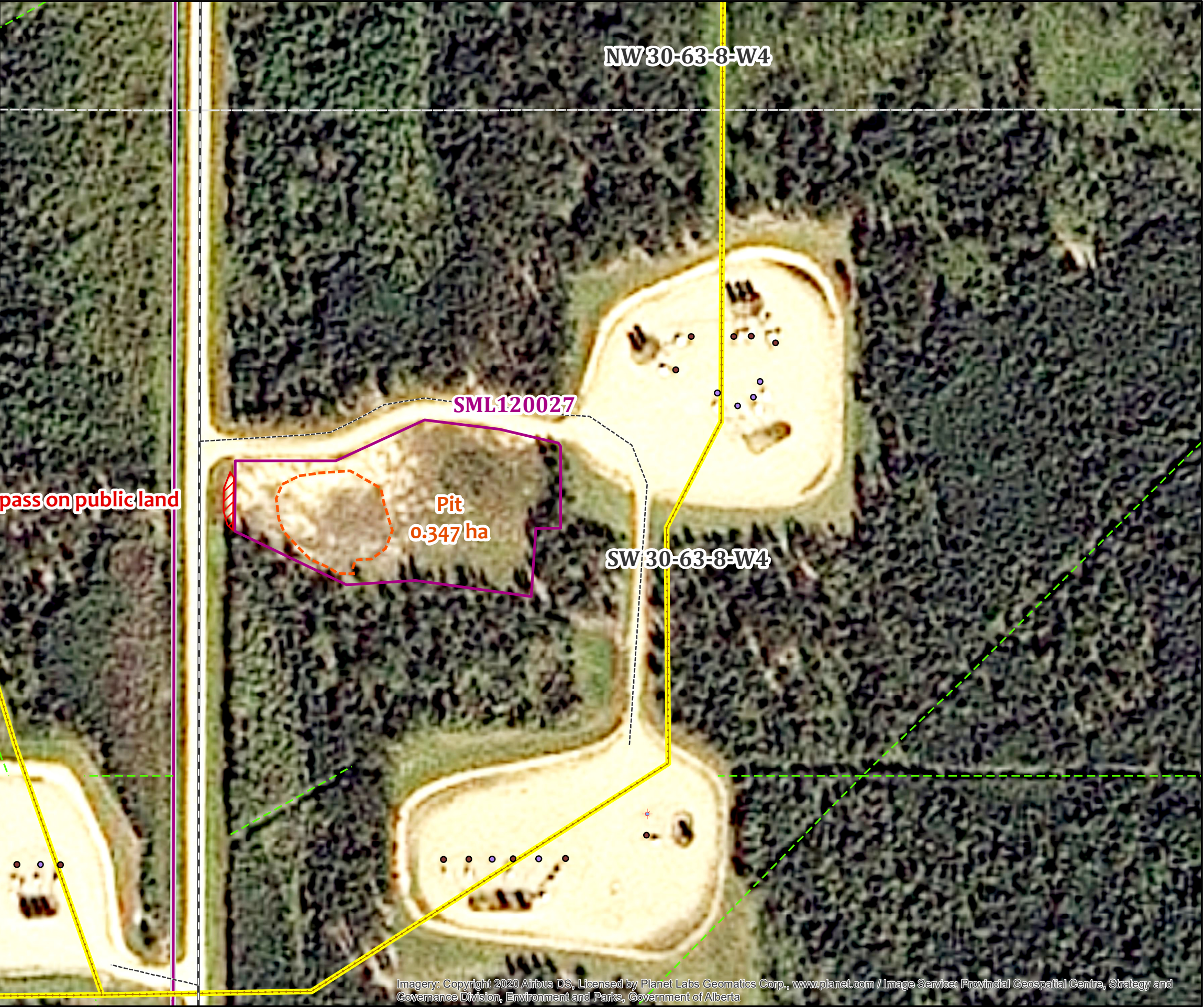
Meters 50 25 0 50 Meters

- Crude Bitumen
- Crude Bitumen Suspended
- ✱ Dry and Abandoned
- == Two Lane Gravel Road
- - - One Lane Gravel Road
- - - Cut Trail
- Pipeline
- Above Ground Pipeline
- Dispositions
- ▨ Trespass on public land
- Pit (0.347 ha)

Alberta Government

Coordinate System: NAD 1983 UTM Zone 12N  
 Produced by Northeast Geospatial Unit  
 Created by: rhonda.cornors on 3/18/2021  
 Project # NE-0581-000-00  
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