



Virtual Open House – Q+A

January 20, 2022

1. What are Red Leaf’s procurement plans? Are you intending on having this as a public tender or pre-qualifications? When will this process begin?

The overall procurement plan is still being finalized. Our EPC has been chosen as well as the major equipment supplier. Timeline for procurement to begin is Q3 2022.

2. Who will be the pulp machine equipment manufacturer?

Valmet.

3. What will be the machine speed and product basis weight/gpm?

N/A.

4. Will the plant have batch or continuous digesters?

Continuous.

5. What will be the recovery boiler and evaporator capacity?

We will not have a recovery boiler or evaporator on site.

6. Any plans for lime kiln?

No.

7. Its my understanding that wheat and other farming commodities are being used for production. What impacts are expected to the prices of these commodities locally, and how are these commodities exported to trade partners and other buyers?

We are planning to use the straw from wheat and durum crops as the source of feedstock for the project. Most of the straw is currently being chopped and spread back onto the land, so we feel there is opportunity to add additional value to wheat and durum growers. We project that we will only need straw from 15% of the cereal acres within a 120 km radius of the facility, so we do not anticipate disrupting existing markets.

8. What is the silica percentage, calcium and potassium content in the weak black liquor and how evaporator and recovery boiler will handle that?

This is wrapped up in intellectual property of RLP’s process, as such, we cannot share details.

9. What are the potential air emissions from the facility and how will they be controlled?

We have completed a baseline air emissions assessment. This model will be updated through an Environmental Protection Plan that will be conducted prior to commissioning the facility. In addition, the greenhouse gas emissions will be significantly lower than a conventional wood pulp mill due to lower water and energy required to pulp non-wood fibres. Additionally, sulphur is not used in the process so odorous compounds will not be a concern.

10. Will this mill be using a kraft pulp style digester, or will it be a thermomechanical pulp?

Our process will be continuous, pressurized, and alkaline.

11. Is wheat and durum the only straws that will be able to be used, or would other waste straw/stalk be able to be used i.e., flax or canola straw?

Spring wheat and durum straw will be the only straw used in our initial plant at about a 50/50 blend. We are focusing on these two feedstock types based both on availability and quality of pulp produced, therefore flax and canola are not being considered at this time.

12. Why did Red Leaf not locate in the Global Transportation Hub (GTH)?

Proximity to locate near the EPCOR wastewater treatment facility was a driving factor. Our property also has CN running on the north side of property, so rail access is direct. Tie-in lines also exist for connection to SaskPower.

13. How deep will the deep well injection be?

Approximately 2,000 metres, well below any groundwater tables.

14. I am curious if your plan is to hire Regina skilled local labour to construct the project?

Yes. One of the key drivers in our decision to locate in Regina was the availability and access to a local, skilled workforce.

15. Will truck traffic be using Dewdney Avenue?

Yes, most truck traffic will utilize Dewdney. A Traffic Impact Assessment is currently being finalized that will include truck routes in greater detail.

16. For servicing raw water to the facility, do you require a new line from Buffalo Pound? Is there a location to tie into an existing line?

SaskWater is constructing a new line from Buffalo Pound that will serve other industrial operators as well as Red Leaf. This is the preferred water source of the Water Security Agency.

17. Can you explain the plans for a Net Zero approach or carbon negative product a bit more? Does this depend on the addition of a biorefinery and a renewable fuels by-product?

Our pulp has up to 83% less carbon intensity associated with its production than conventional wood pulps. We are currently pursuing various pathways for our by-product that would allow for further facility climate benefits. There is potential to create a biocrude but that is not our primary pathway at present, and our current pathways do not require co-processing at a refinery.

18. Who are some of the parties contracted to purchase pulp?

Due to confidentiality, we cannot state specific names. There are converters in the US that are interested, and significant interest in Asia for our pulp. Our pulp marketing agent, CNG, has a global reach so we are looking in many geographies to sell our product, but primarily North America and Asia at this point.

19. If I remember correctly, the original plan was to locate within the City of Regina. If so, how and when did that change?

The land available did not provide the footprint required for the project. The new site has improved access to road and rail.

20. In terms of project design builds and specifications, does Allnorth intend to self perform this? If so, when can Allnorth expect design specifications and drawings to be released to the public?

Currently, we are in a FEL2 stage of engineering. At this point, we have not finalized our strategy around our engineering provider and if further support outside of Allnorth will be required.

21. What is the primary energy source?

Gas from SaskEnergy and power from SaskPower.

22. Do you have a solid waste stream?

From a sustainability perspective, we are endeavouring to use 100% of our inputs to reduce the plant's waste streams. We have systems to remove any contaminants in the straw, volumes of which will be relatively low and disposed of in an existing landfill. Some of the bigger waste streams such as wheat straw fines will be utilized in the low carbon energy space.

23. Where will the raw material be stored? Farmers' fields or at the plant?

The model we will be setting up is establishing 6-7 satellite storage sites around the project to enable quick and efficient movement of bales off farmers' fields, to facilitate efficient logistics, and for risk management purposes.

24. Are there any molded products available made from your formulation?

No. We are however currently running a pilot trial in Sweden. The pulp that will be produced from this trial is destined for molded product trials.

25. Post commissioning, will the Computerized Maintenance Management System (CMMS) be SAP? What are some of Red Leaf's preventive and predictive maintenance techniques?

A CMMS has not been selected. We will be using all forms of condition monitoring, including infrared, vibration, ultrasonic, tribology etc.

26. Can you repeat which sections of Dewdney will be utilized by the truck traffic?

This is currently being finalized in the Traffic Impact Assessment.

27. Are there plans for, or potential for expansion to, a co-gen power project to optimize steam and heat production from the plant?

At this point this is not in scope. There would be advantages to an integrated combined cycle gas turbine, but this would be in a subsequent phase of the project.

28. Has your \$350M in financing closed and when will construction begin?

No. We went out for project finance a year ago and short-listed several investors who we are expecting term sheets from. Financial close is expected to be by the end of Q2 2022. Construction will begin in Q3 or Q4 2022.

29. After the plant has been proven out, will there be future plans for plant expansion?

Yes, there are plans to scale up to multiple facilities across the Canadian Prairies due to the high availability of wheat and durum straw that is concentrated in this region (20M tonnes of cereal grain straw – less than 5% which is currently being used for other purposes).

30. If the Buffalo Pound pipeline is scheduled for Q4 2024 completion, does that translate to no fire protection during the plant construction phase?

During construction, we will be sourcing fire water from the GTH area and also building a fire water pump.

31. Is any fire water planned for the satellite straw storage areas?

We will have ponds to pull water from in the event of a fire at our satellite storage sites.