



**ST. ANTHONY
COLD
STORAGE**



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SABRI ANNUAL GENERAL MEETING 2007

"PART OF OUR FUTURE... PART OF OUR REGION"

St. Anthony Seafoods



10TH ANNIVERSARY



NRDC, as a college-based research and innovation centre, was first proposed in the fall of 2005.

It would be the mandate of the NRDC to conduct applied research and provide facilitating resources to support new innovative enterprise creation. The Centre would also establish extensive network relationships with a variety of other technical and business resources located within the community college system, university, government and industry. The NRDC would undertake strategic research, provide technical assistance, and help in the commercialization of new products and services with the intent of creating new businesses, strengthening existing businesses, and serving as an expert local resource.

The ongoing feasibility assessment process is intended to provide direction on the establishment of the NRDC.

Cod Farming

SABRI is currently investigating the opportunity that exists with cod farming in the SABRI region. Information is being gathered and after sufficient discussions, decisions will be made on whether or not to proceed.

Facts & Figures

Did you know that SABRI....

- ✓ has invested in excess of \$14.5 million in infrastructure in the region?
- ✓ has awarded more than \$150,000 in scholarships to area students?
- ✓ has provided \$340,000 to communities in the SABRI region?
- ✓ has employed more than 165 individuals from the area?
- ✓ has contributed in excess of \$2.5 million in payroll to residents of the SABRI region?
- ✓ has donated more than \$107,000 to different groups in the SABRI region?
- ✓ has helped shrimp landings in SABRI region increase from 300,000 kg in 1996 to 2 million kg in 2006.



Message from the Chair

It has been a pleasure to serve as Chairman of St. Anthony Basin Resources Inc. for the past ten years. It's hard to believe that ten years have passed by since the announcement of the 3,000 mt of shrimp by the Honorable Fred Mifflin. We sometimes wonder where this area would have been if this announcement had never happened and SABRI had never been formed. We have been very fortunate to have such a lucrative organization in our region.



Over the years we have formed many partnerships with other companies, organizations and different government agencies. It is because of our partnerships that we have been so successful. There have been a lot of tough decisions that had to be made but they were done with the idea of benefiting the most people. We have always kept the best interests of area residents in mind whenever choosing the different directions we've taken.

Last year, 2006, was overall another successful year for SABRI. There was a record amount of landings by offshore trawlers, EIMSKIP made regular visits to our port, St. Anthony Cold Storage employed more than 125 people in our area, and St. Anthony Seafoods had a record year with more than 200 employees working and more than 17 million lbs of shrimp and 1.3 million lbs of crab processed.

SABRI continues to look for new ideas to generate employment for our residents. Our staff and board work hard generating those ideas and working towards achieving our goals.

A special thanks to the Board of Directors for unselfishly giving their time and for their endless dedication to making SABRI a success story. Indeed it has been a success and we look forward to serving our citizens in the coming years.

On behalf of our Board,

Charles Reardon
Chairperson

SABRI Board & Staff

BOARD

Charles Reardon - Representing Fish Plant Workers at St. Anthony Plant. Charlie has been a member of the Board since it began in 1997 and he has been Chairperson of the Board since that time. He is currently a member of the Executive, Finance, Aquaculture, and Hiring/Scholarship Committees.

Norman Cull - Norm represents Fish Harvesters from St. Anthony Bight to Great Brehat. He joined the Board in 1999 and has been 1st Vice-President since 2002. He is also a member of the Executive and Finance Committees.

Roy Taylor - He represents Fish Plant Workers at St. Anthony Plant and has been a member of the Board of Directors since 2004. He has been 2nd Vice-President of the Board the duration of his time on the Board. He is the Chair of the Economic Development Committee and a member of the Executive and Finance Committees.

Todd Hedderson - Todd represents Communities of St. Lunaire-Griquet to L'Anse aux Meadows. He became a member of SABRI in 2001 and has been Secretary of the Board since 2006. He is a member of the Executive and Economic Development Committees and sits on the Steering Committee for our Tourism Master Plan.

Wayne Noel - Wayne is one of the originating members of SABRI who represents the economic development body called Rising Sun Developers Inc. He has been Treasurer of the Board and Chair of the Finance Committee since 1998. He is also a member of the Executive and Hiring/Scholarship Committees.

Wilfred Alyward - Representing Fish Harvesters from St. Anthony and Goose Cove. He has been a Board member since 2001 and is the current Chair of the Fisheries Committee.

Dwight Hedderson - Dwight became a member of SABRI in 2005 and he represents Fish Harvesters from Noddy Bay to L'Anse aux Meadows. He is a current member of the Fisheries Committee.

Guy Hurley - He represents Fish Harvesters from Big Brook to Ship Cove. Guy has been an active Board member since 1999 and is the current Chair of the Aquaculture Committee. He is also a member of the Fisheries Committee.

Alick Pilgrim - Alick has been a Board member of SABRI since its inception in 1997. He represents Fish Plant Workers at the St. Anthony Plant and is a member of the Aquaculture Committee.

Mamie Carroll - Representing Fish Plant Workers, other than the St. Anthony Plant. She has been a Board member since 2000 and is a member of the Economic Development Committee.

Wayne Taylor - Wayne represents the Communities from Goose Cove to Great Brehat. He has served two terms on SABRI's board from 2001-2003 and 2005-2007. He is a member of the Steering Committee for our Tourism Master Plan.

Danny Earle - Representing Fish Harvesters from St. Lunaire-Griquet to Quirpon. Danny has been a member of the Board since 2006 and is a member of the Fisheries Committee.

Arthur Kinsella - He represents the Town Council of St. Anthony and has been a member since 2005. He is a member of the Hiring/Scholarship Committee and the Tourism Master Plan Steering Committee.

Business Development Services

SABRI entered into a partnership with Atlantic Opportunities Agency (ACOA) to provide business development services to residents of SABRI's region in 2002. SABRI contracted Dave Simms of the Great Northern Peninsula Development Corporation to undertake this project. The total cost of the project was \$225,000 with ACOA contributing 75% or \$175,000 and SABRI contributing 25% or \$50,000. Services ranged from idea evaluation or business planning, to creating partnerships, linkages to investment financing or networking and mentoring.

There were a number of measurable positive outcomes from the SABRI business development services. Over 100 clients have requested business facilitating assistance. Some 20 new businesses have been started while another 11 businesses have expanded. This business activity has helped to create or maintain over 70 jobs in the local area. These businesses and jobs represent new sources of economic activity that did not exist prior to SABRI implementing its business development services. The program ended in April of 2006.



Ongoing & Future Initiatives

Anaerobic Digestion

Anaerobic digestion is the breakdown of organic waste (any animal or plant waste material resulting from the production or processing of forestry, agricultural, or animal/fish-based products) in a system which is completely absent of oxygen. In 2006 SABRI partnered with North of Fifty Thirty Association (NOFTA) and brought together a steering committee made up of the Great Northern Peninsula Development Corporation (GNPDC), Nortip, Northern Peninsula Business Network (NPBN), Innovation, Trade & Rural Development (INTRD), and Atlantic Canada Opportunities Agency (ACOA) to discuss the viability of such an operation on the Northern Peninsula.

A consultant was contracted and a feasibility study has been completed. The steering committee is continuing to finalize documentation prior to moving forward with this initiative. There are 12,000 metric tonnes of shrimp offal being dumped at sea or in landfills from St. Anthony to Port aux Choix alone. The process is one that would combine the offal with wood waste which would give you an end result of excellent compost. This process produces methane gas which can be used to produce electricity that could potentially be sold to the grid. Anaerobic digestion would be a very environmentally friendly way to dispose of the shrimp offal while producing useful substances which can be sold for revenue.

Northern Resources Diversification Center

Since October 2006, SABRI, GNPDC, and the St. Anthony Campus of the College of the North Atlantic (CNA), along with other community partners, INTRD and ACOA have been involved with a feasibility assessment process regarding the establishment of the Northern Resources Diversification Centre (NRDC). The idea of the

Donations

The majority of donations that SABRI has made has been to youth individuals or teams travelling to participate in educational or recreational activities. Since SABRI began in 1997 it has donated more than \$170,000 to residents who needed help at one time or another.

This includes \$20,000 which it has donated to the Grenfell Foundation. SABRI is very proud to support the fundraising efforts of the Grenfell Foundation to raise funds to purchase specialized medical equipment for the southern part of the Labrador-Grenfell region. The SABRI Board has approved an annual contribution of \$10,000 for a period of three years (2005, 2006, & 2007). This \$30,000 contribution will leverage matching dollars from the Provincial Government realizing a total of \$60,000 to purchase new medical equipment.



Scholarships

SABRI has always been very supportive of area residents, especially the youth.

Marine Scholarships

SABRI and Clearwater have partnered together for the past 8 years offering Marine Scholarships to students in the SABRI region. The scholarships were valued up to a maximum of \$10,000 depending on which course of study chosen. Courses included in the scholarship were:

Marine Engineering, Electrical Engineering (Power & Controls) Co-op, Mechanical (Manufacturing) Engineering Technology, Millwright (Industrial Mechanic), Machinist, Welding Engineering Technician, Marine Diesel Mechanic, Advanced Diploma - Food Safety, Advanced Diploma - Aquaculture and Bachelor of Technology.

A total of 23 students have benefitted from this program. There are currently 5 students still enrolled in the program. In addition eight students have completed the program. To date in excess of \$102,500 has been awarded to students in the SABRI region under this scholarship program with approximately \$50,000 still to be drawn on.



Entrance Scholarships/Bursaries

Since 1998 SABRI has awarded \$48,000 in scholarships and bursaries to area students who have decided to further their education.

Lester Bessey - Lester represents Communities from North Boat Harbour to Ship Cove. He has been a Board member since 2005 and sits on the Tourism Master Plan Steering Committee.

Paul Dunphy - He represents the St. Anthony & Area Chamber of Commerce and has been on the SABRI Board since 2006. He is a member of the Finance and Aquaculture Committees.

STAFF



Sam Elliott - Executive Director

Sam was hired in April of 2000. He holds a Certificate in Business Administration and a Bachelor of Vocational Education Degree through Memorial University. He has an extensive business background, both in education and industry. Prior to joining SABRI Sam was involved in the fishery as a Personnel Officer with Fishery Products International and human relations/costing with Chianti Food Processors Inc. He was also employed as an assistant manager with Household Finance, an instructor with the Fish, Food and Allied Workers (FFAW) union and an interviewer with the Fisheries Association of Newfoundland and Labrador. As a volunteer, Sam was former chairman of the St. Anthony Library Board and former finance chairman for the Grenfell Historical Society. He is currently a Director of Nordic Economic Development Corporation, Nortip Development Corporation, and the St. Anthony Port Authority. He is also Treasurer for St. Mary's Anglican Church.



Glenda Noble - Assistant Executive Director

Glenda has been with SABRI since it began in 1997. She holds a Bachelor of Arts Degree, major in Economics and minor in Business Administration from Memorial University. She is currently pursuing her Certified Management Accountant designation. She has also completed various computer and business-related courses at the Academy of Learning in St. John's. She has served as a volunteer with many groups and organizations including St. Anthony Playgroup, Women's Enterprise Bureau, Viking Trail Tourism Association and the Economic Recovery Commission of Newfoundland and Labrador. She has served as the secretary and treasurer with the St. Anthony & Area Chamber of Commerce and served a term on the St. Anthony Town Council. She is currently coach for the Harriot Curtis Collegiate Female Softball team and has been President of the St. Anthony & Area Minor Softball League for the past three years.



Glenda Burden - Program Coordinator

Glenda was hired by SABRI in the Fall of 2003 as a receptionist. Prior to joining SABRI she worked for 16 years as the Town Clerk/Manager for the Town of St. Lunenburg-Griquet. She has a great deal of experience in working with the public. She is the Program Coordinator for SABRI's Tourism Master Plan.

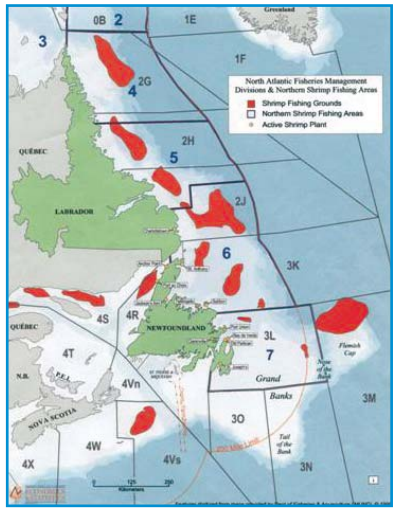


Alicia Shears - Aquaculture Coordinator

Alicia was hired in September of 2003. She holds a Bachelor of Science Degree in Environment Biology from Memorial University. Prior to joining SABRI she worked for three years as the Pool Supervisor for the Town of St. Anthony. Alicia is the coordinator for SABRI's mussel farms and processing plant. She is currently working on her Post Graduate Certificate in Quality Management.

SABRI History

April 23, 1997 marked the beginning of a new era in the fishing industry for communities around the tip of the Great Northern Peninsula. After months of lobbying DFO for an allocation of offshore shrimp, Honourable Fred Mifflin, Minister of Fisheries and Oceans, announced a 57% increase in the total allowable catch of northern shrimp and promised that the increase would bring “millions of dollars to fishing communities.” The Minister also announced that adjacency to the resource would be respected and would be a “guiding principle” in new allocations. Mr. Mifflin granted “A special allocation of 3,000 tonnes for the northern part of the Great Northern Peninsula, which takes in communities from Big Brook to Goose Cove.” From this St. Anthony Basin Resources Inc. or SABRI was born. This name was chosen since majority of the quota will be harvested in the St. Anthony Basin, located in Shrimp Fishing Area 6, approximately 100 miles off St. Anthony.



Logo - The Ship and Sea indicates SABRI's revenue source while the waves indicate future opportunities to create employment. The Gold and Ocean Blue colours reveal the strong and viable future available to SABRI.



Mandate - SABRI's mandate has always been and remains to be “To administer the 3,000 mt of Northern Shrimp on behalf of communities from Big Brook to Goose Cove, in a manner resulting in expansion of the region's economic base and improved employment opportunities for its residents.”

On October 31, 1997, Halloween, a 15 year agreement was signed by SABRI and Clearwater Fine Foods to harvest SABRI's 3000 mt shrimp quota and to operate a multi-species processing plant. The agreement ensures that the quota would be landed in St. Anthony and employment would be available to area fishermen on offshore trawlers which fished our quota.



whereby SABRI would invest \$10,000 per year. Over the two years approximately 400,000 lbs of sea cucumber has been landed with SABRI investing \$21,000. To date the fishermen have earned more than \$100,000 as income. The processing was done by Carroll's Fisheries in Cook's Harbour who employed 25 plus employees for this resource.

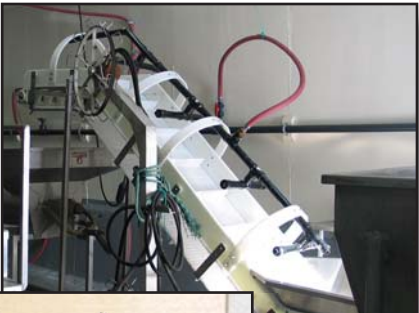
Small Loans Program

In addition to investing directly into fisheries initiatives SABRI established a small loan guarantee program for SABRI area fishermen to take advantage of. Fishermen can make application with Nortip Development Corporation or the Eagle River Credit Union and SABRI would provide a guarantee for half of the loan up to \$10,000. In addition SABRI would reimburse the fisherman any interest amount paid over 5% once the loan was repaid in full. To date loans totalling over \$140,000 have been issued to 22 fishermen with SABRI reimbursing interest amounts in excess of \$12,000.



Mussel Farming

Mussel farming became a part of SABRI's repertoire in 1999 when SABRI became a 35% partner in Arctic Aquafarms. In 2001, after a site inspection was done of SABRI's region in conjunction with Nordic and the Marine Institute, SABRI established three exploratory mussel farm sites in the St. Lunaire-Griquet area. SABRI then proceeded to apply for licences and all three sites were approved by 2003. SABRI then hired an aquaculture coordinator and three employees to work and maintain the farms. In 2004 SABRI's licences were upgraded to commercial licences and then SABRI applied for a primary processing licence. The processing licence was approved for 2005 and SABRI spent the majority of that season setting up the production plant.



SABRI started primary processing of mussels in 2006. A total of approximately 60,000 lbs was sold in 2006.



During production days additional local labour was used to help the existing workers. SABRI is continuing to develop new markets for mussels and in 2006 experimented in vacuum packing mussels which was done by the Marine Institute. There is about 130,000 lbs of mussels in the water ready to be processed in 2007. To date SABRI has invested over \$635,000 in mussel farming with \$260,000 of that in wages to employees. SABRI has received in excess of \$60,000 in revenue after only one year of harvesting and producing.

Fisheries

SABRI has been involved in many fishery initiatives since its existence. It included the beam trawl, mackerel reels and traps, whelk, toad crab, shrimp pots, seals, sea cucumbers, and sea urchins. They also have established a loan guarantee program for SABRI fishermen.

Beam Trawl

In 1998, SABRI asked for proposals from area fishermen to test the beam trawl which could allow smaller vessels to gear up for shrimp trawling. A contract was signed with Alvohn Pilgrim of St. Lunaire-Griquet using his 35' boat for 80 fishing days. SABRI invested approximately \$83,000 to this initiative.

Toad Crab



Also in 1998, SABRI had a test sample of toad crab caught by area fishermen to determine its quality and quantity. It was the 2000 fishing season before the fishery really took off. After a couple of years there were a total of 33 licences issued for rock and toad crab to SABRI fishermen. SABRI provided each fishermen with 40 pots and covered the cost of trucking. This fishery provided a much needed additional income to the fishermen. Over the 5 years while the fishery took place a total of 2.8 million lbs of rock and toad crab was landed with the fishermen realizing in excess of \$1,000,000 in revenue. SABRI invested in excess of \$181,500 over this time period.

Mackerel

In 2003 SABRI became involved in the mackerel fishery. It provided funding to fish harvesters to make two mackerel traps. The community had to identify 5 crews who would work the trap prior to SABRI approving the purchase of the twine to construct the traps. In 2006 two more communities came forward requesting help in obtaining a mackerel trap. Due to the success of the previous year SABRI approved their request and purchased twine for three more mackerel traps. In 2006 there were mackerel traps being utilized in Straitsview, Raleigh, Ship Cove and North Boat Harbour. The objective of the fishermen is to harvest enough mackerel to warrant a company coming in to buy their catch from them.

This has proven to be very successful, the fishermen's combined efforts resulted in landings totalling 835,000 lbs in 2006 with more than \$125,000 in income for the fishermen. SABRI's investment of just over \$32,000 to date has provided a great return to the fishermen involved. For the 2007 season SABRI has partnered with DFA to test some new trap designs.



Whelk



SABRI's investment in the whelk fishery began in 1998. SABRI helped alleviate some of the cost to fishermen by investing a total of \$172,000 since that time. Over the past 8 years a total of 2.8 million lbs of whelk was landed by SABRI area fishermen which meant more than \$980,000 to fishermen.

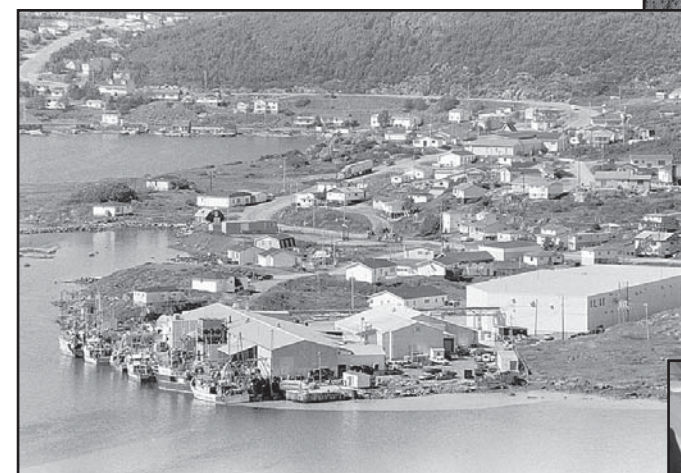
Sea Cucumber

The idea of a sea cucumber fishery was first identified by SABRI in 2004. A survey of the SABRI area was done by DFA and it showed a tremendous amount of sea cucumbers in the region. SABRI then partnered with DFA, DFO, CCFI, Marine Institute, FFAW and NOFTA to get two 100,000 lb allocations for the area in order to get scientific research completed. The agreement is for 5 years



St. Anthony Seafoods Limited Partnership

The final plant agreement was signed on August 17, 1998. The plant required an original investment of \$12 million by its partners, Clearwater 50%, SABRI 25%, and two Icelandic companies 25%. Construction of a new 34,000 square foot shrimp peeling and cold storage plant began immediately. Construction was completed in the spring of 1999 and the official opening of St. Anthony Seafoods took place on July 19 of that year.



Dignitaries were on hand as the ribbon was cut by Ms. LoriAnn Beck, a student who won an essay contest on what the plant would mean to the area. As with any new operation growing pains were expected. With no crab processing licence and as a new entrant in the shrimp processing business, relationships had to be built which took time.



But with each passing year obstacles were overcome. In 2005, St. Anthony Seafoods was awarded a snow crab processing licence and began processing that same year. 2006 marked a record year for St. Anthony Seafoods as they processed in excess of 17 million lbs of shrimp, 1.3 million lbs of crab and 3.2 million lbs of multi-species including mackerel, turbot, cod, capelin, etc. Employment was at an all time high with 32 weeks of 2 shifts and 17 weeks of 3 shifts with more than 200 people employed. The organization continues to improve every year as it becomes a major player in the fishing industry.

St. Anthony Cold Storage Limited

SABRI first started investigating the idea of establishing a cold storage facility in St. Anthony in the Fall of 2001. After countless meetings, two years of hard work and long hours, it all came to fruition on July 11, 2003 when ACOA Minister Hon. Gerry Byrne announced a partnership with SABRI to build a \$7.5 million state-of-the-art cold storage facility at St. Anthony. ACOA provided a \$3 million interest free loan to SABRI to construct the facility with SABRI financing the additional funds.



Construction of the facility began in August of 2003 and completed in the Fall of 2004. SABRI entered into a lease operating agreement with St. Anthony Cold Storage who brings the expertise of operating such a facility to the table. The 50,000 sq. foot facility includes a mobile racking system, a tunneled conveyor offloading system and a computerized online inventory system and has a 5,000 mt capacity for product.

The cold storage accepted its first offshore vessel early in November of 2004. From an operational perspective the building and the workers have performed extremely well, and customers who have used the facility have complimented the quality of service.

SABRI and St. Anthony Cold Storage continued to lobby container shipping companies to make St. Anthony a port of call. In the summer of 2005, all the hard work paid off when EIMSKIP, an international container shipping company



called the port three times when the ship *Bruarfoss* made her way into St. Anthony harbour. This trend continued in 2006 when she visited St. Anthony 7 times and made St. Anthony a regular port of call for the container ship prior to her sailing to Europe. In excess of 300 containers were shipped out of St. Anthony through the container shipping avenue in 2006 alone.

The cold storage employed more than 125 employees in 2006 with 31,000 man hours produced. Stevedoring salaries for 2006 was in excess of \$460,000 for a total of over \$1,000,000 in salaries since it began operation in 2004. With the landing of the offshore trawlers \$3-4 million is injected into the local economy on an annual basis. Direct spin-offs to the local economy include crew and management travel, fuel, trucking, crew salaries onboard vessels, cold storage salaries, provisions and repairs and maintenance.

We continue to face the challenge of higher fuel prices which undoubtedly is affecting the volume of landings at the facility.



Community Development Program

SABRI established a community grant program in 1999 whereby each community in SABRI's region would receive \$10,000 over a three-year period. The program was meant to provide the community with some capital funds in order to leverage additional funds to get some work done in their community that would benefit the residents. SABRI continued this program for 6 years and distributed \$340,000 over this period.

In 2005 SABRI made changes to the program and instead committed \$160,000 over three years to develop tourism infrastructure in the SABRI region. During consultations with the communities ideas came forward on what needed to be developed in the region. SABRI then partnered with ACOA and Industry, Trade & Rural Development to engage a consultant and develop a three year Tourism Master Plan. The plan has been completed and SABRI has made application



for funding to ACOA and INTRD to partner with SABRI in funding the \$2.4 million project. If approved the project will include a training component and is expected to employ approximately 20 people seasonally for three years. SABRI has also committed to maintain the infrastructure that will be constructed during this project through its community grant program. The kinds of items to be developed include portable kiosks, floating docks and universal signage.



Cod-SCIF Projects

In 2003-2004 SABRI administered cod-SCIF projects on behalf of communities in the SABRI region. The funds allowed tourism infrastructure to be placed in five communities in SABRI's region. Work was done in Wild Bight, North Boat Harbour, Great Brehat, St. Anthony Bight and St. Carol's. The scope of work ranged from walking trails to campsites to erecting a building. A total of \$1,025,618 of cod-SCIF funds were administered by SABRI in 2003 and 2004. Over the two years, a total of 125 employees were hired for a total of 1,585 work weeks.

