

Fisheries and Aquaculture

May 14, 2015

Investing in Economic Diversification

Northern Harvest Sea Farms to Receive \$8.15 Million to Expand Operations

Northern Harvest Sea Farms will receive \$8.15 million through the Provincial Government's Aquaculture Capital Equity Investment Program toward a \$17.6 million expansion of its aquaculture operations in the Coast of Bays region on the province's south coast.

"The aquaculture industry is helping to grow and diversify rural economies through direct and indirect jobs, and benefits to businesses. Our economic impacts study, released in January of this year, clearly indicates the increasingly important role aquaculture is having on our province's economy with respect to GDP contribution, employment and income. We look forward to seeing this industry continue to grow to meet the worldwide demand for healthy and sustainable seafood while providing jobs and economic benefits for our people and communities."

- The Honourable Vaughn Grantier, Minister of Fisheries and Aquaculture

Funding provided to expand Northern Harvest Sea Farms' operations will go towards capital asset investments in grow-out technology including automatic feeding systems, nets, cages, underwater lighting, mooring and service vessels. These investments will increase the company's production of Atlantic Salmon which the company intends to process at the Harbour Breton and St. Alban's plants.

"Aquaculture has transformed the fortunes of many rural communities in our province. There is visible new economic activity created by salmon operations particularly along the Coast of Bays. The increased production of Atlantic Salmon from this investment will lead to the reopening of the fish plant in Harbour Breton while maintaining employment at the plant in St. Alban's so today's announcement is wonderful news for the entire region."

- Tracey Perry, MHA, Fortune Bay-Cape La Hune

Budget 2015 provides \$2.8 million toward the project. This is in addition to \$2.4 million which was provided to the company in late March. The remaining funding will be provided over the next two fiscal years. Provincial Government investment will be in the form of an equity position in the company through preferred shares which will receive annual dividends until the project is complete and the Provincial Government investment is repaid. Repayment will take place over seven years beginning once the project is completed.

"This partnership with the Provincial Government will help us to further grow our operations in the Coast of Bays region with a continued focus on environmental sustainability and quality best practice. Through expanding our operations, we plan to increase our annual production of Atlantic salmon from 12,000 to 16,000 tonnes and increase employment from 145 to 180 jobs."

- Larry Ingalls, President, Northern Harvest Sea Farms

Budget 2015 allocates more than \$10 million to support the province's seafood sector building on the more than \$100 million that the Provincial Government has invested in programs and infrastructure to advance the sector since 2003.

QUICK FACTS

- The Provincial Government is investing \$8.15 million through the Aquaculture Capital Equity Investment Program to support Northern Harvest Sea Farms in expanding aquaculture operations in the Coast of Bays region on the province's south coast.
- The project is expected to increase the company's annual production of Atlantic salmon from 12,000 to 16,000 tonnes and increase employment from 145 to 180 jobs.
- Northern Harvest Sea Farms is the largest aquaculture producer in the province and is the world's first salmon company to achieve four-star Best Aquaculture Practices status from the Global Aquaculture Alliance.
- Expansion of the aquaculture sector in the province has resulted in a four-fold increase in employment and a ten-fold increase in GDP from this sector between 2003 and 2013.
- Budget 2015 allocates more than \$10 million to support the province's seafood sector building on the more than \$100 million that the Provincial Government has invested in programs and infrastructure to advance the sector since 2003.

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