



Manitoba Association for Resource Recovery Corp.

MARRC 2012 ANNUAL REPORT

THE FINE ART OF MANITOBA'S WILDERNESS

A legacy of diverse and pristine wilderness for us and future generations to cherish and protect.

Noping Provincial Park

Photo by Don Sullivan

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Annual General Meeting

Wednesday, April 30, 2013
9:00 am

Sheraton Cavalier Hotel
612 Spadina Crescent East
Saskatoon, SK
S7K 3G9

Overview of MARRC

The Manitoba Association for Resource Recovery Corp. (MARRC) is a non-profit corporation established in 1997 by manufacturers and marketers of lubricating products in Manitoba. Its mandate is to develop, implement and administer a cost-effective, sustainable, user-financed, province-wide stewardship program for used oil, used oil filters and used oil containers.

MARRC was incorporated under The Corporations Act of Manitoba on April 1, 1997. It operates in accordance with a Letter of Approval issued by Manitoba Environment on February 26, 1998 under Section 7 of the “Used Oil, Oil Filters and Containers Stewardship Regulation” of the Waste Reduction and Prevention Act.

MARRC received a letter of approval dated December 21, 2007, from the Minister of Conservation extending the Used Lubricating Product Stewardship Program for an additional 5 years to December 14, 2012. The Corporation submitted an application for a 5 year renewal of the Used Lubricating Stewardship Program with the Minister of Conservation, Province of Manitoba in August 2012 in accordance with the Letter of Approval dated December 21, 2007. The Corporation is awaiting approval of its application from the Minister of Conservation.

On May 1, 2011, the Corporation was also approved to operate the Used Antifreeze Stewardship Program by the Minister of Conservation. The Used Antifreeze Stewardship Program commenced operation August 1, 2011. The approval from the Minister of Conservation expires December 31, 2016.

The Corporation derives revenue principally in the form of Environmental Handling Charges (EHCs) applied to the sale or consumption of selected lubricating and antifreeze products in Manitoba. The Corporation’s primary expenses are related to the:

- establishment and operation of a publicly-accessible network of licensed collection facilities for used lubricating and antifreeze products,
- payment of Return Incentives to companies licensed by the province and registered with MARRC to collect used lubricating and antifreeze products and transfer them to approved processors and end-users,
- payment of Processing Incentives to companies licensed by the province and registered with MARRC to recycle used lubricating and antifreeze products, and
- development and distribution of public education materials.

MARRC’s affairs are managed by a six-person Board of Directors drawn from the member companies of MARRC and from other stakeholder organizations, including a Director representing the Antifreeze industry.

Members of MARRC

49 North Forwarding Ltd.
 6232389 Manitoba Ltd.
 ADP Distributors Inc.
 AGCO Corporation
 AMSOIL Inc.
 ATP-Inc.
 AUTO-CAMPING Ltd.
 Acklands-Grainger Inc.
 Advic Bearing and Auto Ltd.
 Affinia Canada Corporation
 Air BP Canada Ltd.
 Airparts Network Ltd.
 Altrom Canada Corporation
 American Grease Stick Co.
 Applied Industrial Technologies Ltd.
 Arctic Cat Sales Inc.
 Atlas Copco Compressors Canada
 Aviall Canada Ltd.
 BASF Canada Inc.
 BMW Canada Inc.
 BOSS Lubricants
 BP Lubricants USA Inc.
 Baldwin Filters, Inc.
 Beck/Arnley Worldparts, Inc.
 BestBuy Distributors Limited
 Bluewave Energy
 Bombardier Recreational Products Inc.
 Bosch Rexroth Canada Corp.
 Buhler Versatile Inc.
 CG Power Systems Canada Inc.
 CNH Canada Ltd.
 CORE-MARK International Inc.
 CPT Canada Power Technology Limited
 CanAgro Exports Inc.
 Canadian Pacific Railway
 Canada Safeway Limited
 Canadian Kawasaki Motors Inc.
 Canadian Tire Corporation, Limited
 Castrol Industrial North America Inc.
 Chalifour Canada
 Champion Laboratories, Inc.
 Chevron Canada Limited
 Chrysler Canada Inc.
 Churchill Marine Tank Farm Co.
 Cleanair Filter Service
 Coastal Blending & Packaging
 Comairco Ltd.
 Costco Wholesale Canada Ltd.
 Cummins Western Canada
 Daimler Trucks North America LLC
 Eni USA R&M Co. Inc.
 FRAM Group Canada Inc.
 Fastenal Canada Ltd.
 Federated Co-operatives Limited
 Ford Motor Company of Canada Ltd.
 Fort Garry Industries Ltd.
 Fred Deeley Imports Ltd
 Fuchs Lubricants Canada Ltd.

Full-Bore Marketing Ltd.
 G.F. Thompson Company Limited
 G.K. Industries Ltd.
 GFL Environmental Corp.
 Gamma Sales Inc.
 Gates Canada Inc.
 General Motors of Canada Limited
 Greenland Corporation
 Hastings Filters
 Henkel Canada Corporation
 Home Depot of Canada Inc.
 Home Hardware Stores Limited
 Honda Canada Inc.
 Husky Energy Inc.
 Husqvarna Canada Corp.
 Hyundai Auto Canada Corp.
 Imperial Oil Ltd.
 Importations Thibault Ltée
 Industrial Truck Service Ltd.
 JKL Enterprises Inc.
 John Deere Canada ULC
 Kaeser Compressors Canada Inc.
 Kia Canada Inc.
 King-O-Matic Industries Limited
 Kleen-Flo Tumbler Industries Limited
 Kubota Canada Ltd.
 Land Rover Group Canada Inc.
 Larry Penner Enterprises Inc.
 Lemky Rural Repair
 Loblaw Inc.
 Lubricon Industries Canada Limited
 MFTA Canada Inc.
 Macdon Industries Ltd.
 Magnum Oil Mb. Ltd.
 Mahle Clevite Canada ULC
 Manitoba Hydro
 Maxim Transportation Services Inc.
 Mazda Canada Inc.
 Mercedes-Benz Canada Inc.
 Mid-Canada Filtration Solutions
 Midwest Hydraulics Inc.
 Mining Technologies International Inc.
 Mitsubishi Motor Sales of Canada, Inc.
 Modern Sales Co-op
 Mopac Auto Supply Ltd.
 Mopac Auto Supply (Alberta) Ltd.
 Motion Industries (Canada) Inc.
 Motor Coach Industries Limited
 Motovan Corporation
 National Energy Equipment Inc.
 Navistar Canada Inc.
 NemCo Resources Ltd.
 New Flyer Industries Ltd.
 Newalta Corporation
 Nissan Canada Inc.
 Nynas Canada Inc.
 Oak Point Oil Distributors
 Oil Depot Limited
 Oil Mart Limited

Outboard Rebores/Alaine Supply Inc.
 PACCAR Parts, A Division of Paccar of Canada, Ltd
 PSC-Power Source Canada Ltd.
 Parker Hannifin Canada
 Parts Canada
 Petro-Canada Lubricants Inc.
 Polaris Industries Inc.
 Porsche Cars North America Inc.
 Precambrian Wholesale Limited
 Prévost, a Division of Volvo Group Canada Inc.
 RONA Inc.
 Radiator Specialty Company of Canada Ltd.
 Recochem Inc.
 Robco Inc.
 Robert Bosch Inc.
 SC CLS Holding ULC
 SMS Equipment Inc.
 Safety-Kleen Canada Inc.
 Sears Canada Inc.
 7-11 Canada
 Shell Canada Products Ltd.
 Societé Laurentide Inc.
 Southwestern Petroleum Canada Ltd.
 Subaru Canada Inc.
 Suzuki Canada Inc.
 TSC Global Inc.
 TVH Canada Ltd.
 Target Canada Co.
 Texas Refinery Corp. of Canada Limited
 The North West Company Inc.
 Toromont Industries Ltd.
 Total Lubricants Canada Inc.
 Toyota Canada Inc.
 Tranist Warehouse Distribution
 TruServ Canada Inc.
 UAP Inc.
 United Chemical Services
 Valvoline Canada Ltd.
 Vermeer Canada Inc.
 Viscosity Oil Company
 Volkswagen Canada Inc.
 Volvo Cars of Canada Corp.
 Volvo Group Canada Inc.
 Wainbee
 Wajax Equipment
 Wajax Industrial Components
 Wajax Power Systems
 Wakefield Canada Inc.
 Wallace & Carey Ltd.
 Wal-Mart Canada Inc.
 Westcon Equipment & Rentals Ltd.
 Westec Distributors Inc.
 Western Turbo & Fuel Injection Ltd.
 Westfalia Surge Inc.
 Westpower Equipment Ltd.
 Worldpac Canada Inc.
 Yamaha Motor Canada Ltd.
 Yetman's Ltd.
 Zellers / Hudson's Bay Co.

Highlights of 2012

Ambassador Program – Calendar of Events for 2012

MARRC employed three Ambassadors to travel around to various tradeshow and exhibitions in Manitoba for the purpose of enhancing awareness towards improving the recovery of used plastic oil and antifreeze containers. Below is a Calendar of Events that MARRC participated in with the Ambassador Program.

APRIL

26 South Interlake Earth Week - Stonewall	27 - 29 Rodorama Car Show - Winnipeg	
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MAY

30 Teddy Bear's Picnic - Assiniboine Park Winnipeg		
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JUNE

2 - 3 St. Claude Rodeo	3 Cruisin the Peg @ Tavern Transcona	8 Lunder Ag Fair and Parade
6 - 10 Brandon Summer Fair	14 St. Andrews Open House	15 - 16 Steinbach Summer in the City
15 - 24 Wpg. Red River Exhibition	15 EcoFather's Day Dauphin	23 - 24 Boissevain Ag Fair & Parade
29 Bison Motorcycle Classic Niverville	30 Birtle EcoDay	30 - 1 Osborne Village Canada Day

JULY

1 The Forks Canada Day	4 Rivers Fair	7 - 8 Souris Fair and Parade
7 - 9 Portage Exhibition	12 - 14 Carman County Fair	13 - 15 Selkirk Triple S Fair & Rodeo
14 Minnedosa Fun Fest Parade	19 - 22 Morris Stampede	24 Elkhorn Ag Fair
26 - 28 Austin Thresherman's Rodeo	27 - 29 Altona Sunflower Festival	

AUGUST

3 - 6 Gimli Icelandic Festival & Parade	4 Beausejour Show and Shine Car Show	5 Beausejour Pioneer Village Museum
10 -11 Melita Banana Days	10 Winkler Harvest Festival	11 Melita Mud Bog Vehicle Demo Derby
12 Melita Cruisers Show and Shine	14 - 15 Northern Association Trade Show	17 - 19 Stonewall Quarry Days
18 Hanover Ag Fair	19 Scanterbury Car Show	27 - 29 Morden Corn & Apple Festival

SEPTEMBER

9 McPhillip Car Show - Garden City Winnipeg		
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NOVEMBER

18 Manitoba Lotteries Children's Christmas Party McPhillips Street Station - Winnipeg	30 Centennial School Assembly - Stonewall
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DECEMBER

19 Crestivew School Assembly - Winnipeg	20 Stefanson School Assembly - Gimli	
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Altona Sunflower Festival & Parade



McPhillips Garden City Car Show - Winnipeg

Highlights of 2012

Ambassador Program

The Ambassadors participated with the visitors by having them respond to the sample survey.



The participants then entered for a chance to win either a \$50 Canadian Tire Gift Card or a \$50 Lottery Ticket Spree.



You could win a Canadian Tire Gift Cert. worth \$50!

Please complete the following:

1. Do you recycle your used oil & antifreeze containers?

YES _____ NO _____

2. Did you know that you can recycle your used oil & antifreeze products at any Canadian Tire store in Winnipeg including the one on Leila?

YES _____ NO _____

NAME _____

ADDRESS _____

CITY _____ PHONE # _____

LOCATION	Total Entries
Red River Exhibition	2195
Morden	688
Gimli Icelandic Festival	608
Steinbach Summer in the City	482
Morris Stampede	478
Carman Country Fair	411
Brandon Exhibition	360
Altona Sunflower Festival	328
The Forks on Canada Day	325
Austin Thresherman's Rodeo	264
Portage Exhibition	202
Stonewall Quarry Days	197
Hanover Ag Fair	196
Boissevain Ag Fair	194
Winkler Harvest Festival	192
Selkirk Triple S Fair & Rodeo	172
McPhillips Car Show	160
Lundar Fair	125
Beausejour Show & Shine	120
St. Claude Rodeo	113
Tavern United Show & Shine	108
St. Andrews Open House	103
Melita Cruisers Show & Shine	95
Northern Assoc. Comm. Council	75
Elkhorn Ag Fair	65
Rivers Fair	52
Niverville Bison Motorcycle Classic	35
TOTAL	8,343

600 Radio ads on 9 rural radio stations helped promote each specific local event. Both city of Winnipeg as well as Rural Map Fridge Magnets were distributed. They displayed the locations of Licensed collection points throughout Manitoba.

Sign Board displayed at events

FREE DRAW

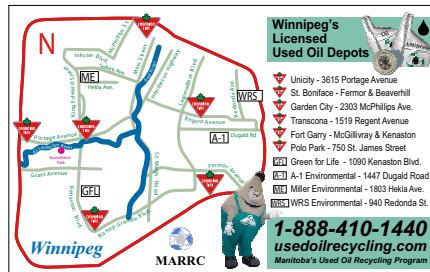
FOR A

CANADIAN TIRE

\$50.00

GIFT CARD!

Manitoba Association for Resource Recovery Corp.
Useoilrecycling.com
1-888-410-1440



Backpacks were also distributed



Highlights of 2012

Ambassador Program



The Forks on Canada Day July 1



Carman Fair



Altona Fair



Austin Thresherman's Rodeo



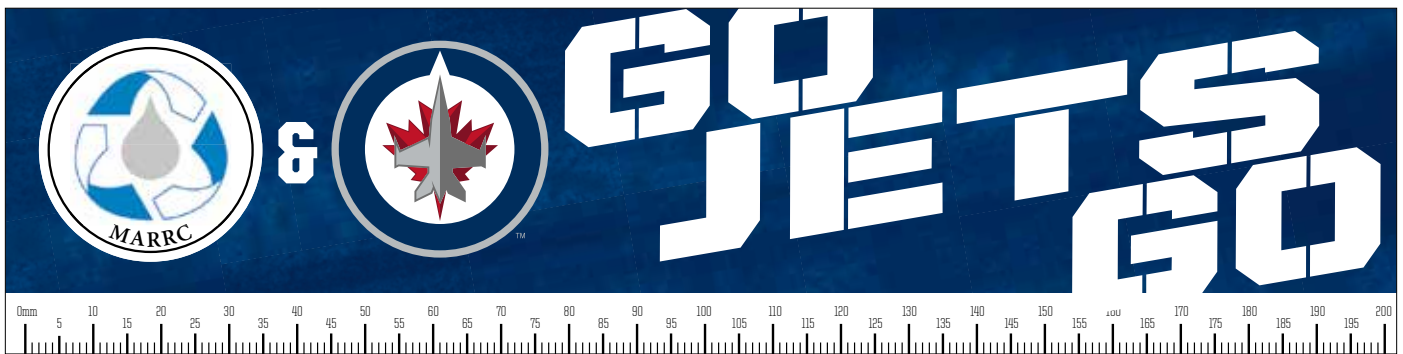
Winkler Harvest Festival

Highlights of 2012

MARRC Participates with the Winnipeg Jets

MARRC participated as a key sponsor with the Winnipeg Jets professional National Hockey League team at the January 14, 2012 home game against the New Jersey Devils. The game was a complete sell-out hosting 15,000 people in the MTS Centre. The partnership included the distribution of fridge magnets, and keychains on both the 1st and 3rd floors' promenade. Bookmarks that included both the Winnipeg Jets and Usedoilrecycling logos were distributed to every fan upon entering the building. Mr. & Mrs. Oil Drop were also on hand before the game and during the intermissions interacting with the fans. Mr. Oil Drop ice scrapers were distributed to fans at the end of the game at all of the exits as well.

During a first period time out MARRC received a presentation by True North promoting the sponsorship which was displayed on the jumbotron. MARRC also received public address announcements throughout the game; one score clock advertisement per period; one pre-game logo placement on the Power Ring and one during each period of the game. MARRC was also featured on the outdoor marquee during the game as well as game day program recognition.



Bookmarks distributed to all fans entering MTS Centre



Mr. & Mrs. Oil Drop were on hand on the promenade



Keychains, Fridge Magnets & Ice Scrapers distributed to all fans at the game



Highlights of 2012

MARRC Participates with the Winnipeg Goldeyes

MARRC participated as a key partner with the Winnipeg Goldeyes professional baseball team. The partnership included advertising during 104 games on the radio with 60 second commercials featuring the used oil recycling jingle and a specific message regarding the keytag promotion. MARRC also participated in 12 games at the entrance promenade by distributing branded keytags and flyers to all fans entering the ball park. The average attendance was 5,500 per game.

The keytags provided real value to fans as 80% of people have lost their keys at least once in their life and now a solution is provided in which they can attain them back. The keytags also serve as long term branding for both the Goldeyes and used oil recycling as the average person will see their keys 4 to 5 times every day. Tags will be kept on keys for years. Fans could either register their keytags online when they arrive home or activate them instantly by using their cell phone to scan the QR code located on the flyer card. Fans who activated their keytags would also be eligible to win a team autographed Winnipeg Goldeyes jersey! Radio advertising with Power 97 and 680 CJOB was used with over 250 ads to help spread awareness of the keytag promotion over the summer.

MARRC also featured an onfield “Race to the EcoCentre” promotion wherein two children raced while carrying empty oil containers to replica EcoCentre buildings setup on the field near first and third base with Mr. and Mrs. Oil Drop cheering them on. Public address onfield announcements were made during the event promoting the recycling of used oil & antifreeze. The entire activity along with MARRC identification was also projected on the jumbotron.



FREE Lost & Found Protection
for Your Keys **95%**
OF ALL LOST KEYS GET RETURNED

Mr. Oil Drop
USED OIL RECYCLING.COM

ACTIVATE YOUR TAG INSTANTLY!

HOW IT WORKS:

1. Attach the key tag to your key ring
2. Activate the unique ID code at www.returnmoi.com/GOLDEYES
3. Relax, if you ever lose your keys and they are found, ReturnMoi will take the necessary steps to have them safely returned to you from anywhere in the world at NO charge to you. Free service for the life of your tag!

Code # see reverse



Mr. Oil Drop
USED OIL RECYCLING.COM

RETURN FOR REWARD

IF FOUND, CALL 1-800-831-0717
OR VISIT WWW.RETURNMOI.COM

ID#: ABC1234

Keytag and flyer card distributed to fans at the entrance to the stadium



Presentation of the team autographed Winnipeg Goldeyes jersey to Ms. Anna Wiens



Mr. Oil Drop cheering on participant during the Race to the EcoCentre event held on field

Highlights of 2012

MARRC Participates with the Winnipeg Blue Bombers

MARRC participated as the game day sponsor with the Winnipeg Blue Bombers for the October 13th game against the Calgary Stampeders. The partnership included advertising on the jumbotron with a 30 second TV commercial advertisement in each of the 4 quarters of the game. It also included advertising in the Bombers' game day program as well as the positioning of MARRC's 4x8 foot sign directly behind the north end zone goal posts. Usedoilrecycling.com was also prominently displayed on the Blue Bombers' St. James Street billboard a week prior leading up to the game and was also featured on the Bombers' website for a week leading up to the game.

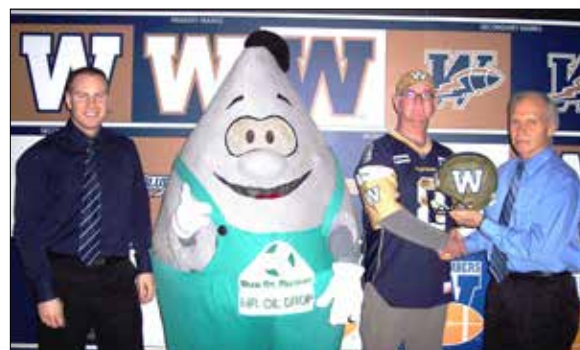
MARRC also participated at each of the 7 entrances distributing branded Keytags and information cards to everyone attending. Fans could either register their Keytags online when they arrive home or activate them instantly by using their cell phone to scan the QR code located on the flyer card. Fans who activated their Keytags would also be eligible to win a team autographed Blue Bombers Helmet! Mr. & Mrs. Oil Drop toured the stadium during the game interacting with Bomber mascots Buzz and Boomer as well as the fans.



Mr. & Mrs. Oil Drop by the field at kickoff



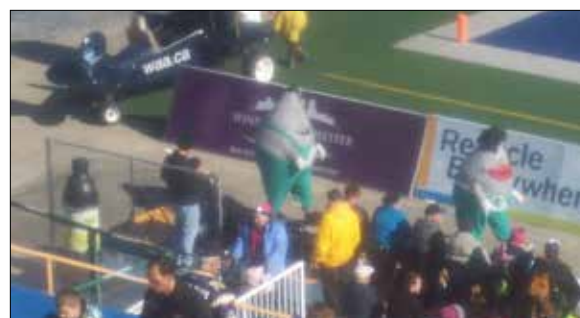
4' x 8' sign positioned behind the north end zone goal posts



Winner of the team autographed Winnipeg Blue Bomber helmet Mr. Murray Bellen



Mr. & Mrs. Oil Drop helping receive the Bomber Game Sponsorship Award



Mr. & Mrs. Oil Drop inside the stadium

Highlights of 2012

Other Events

CAA Magazine “Going Places” Headline

On Earth Day, April 22, 2012, drop off your used oil & antifreeze for free at any CAA Manitoba Service Centre.

CAA Manitoba and MARRC partnered to assist generators in the recycling of used motor oil and antifreeze products. CAA Manitoba also accepted used batteries and tires.



Birtle ECO Day

Saturday, June 30

11 a.m. – 3.p.m at the Town Square on Main street

Bring your used oil, oil filters, empty oil containers and antifreeze to the town square and receive 4L of oil back!

Come out and enjoy an afternoon of *hotdogs, drinks, draws and prizes*. Also meet *Mr. and Mrs. Oil Drop!*



Oil Recycling Day!!

Wednesday, June 6, 2012

11:00 am to 2:00 pm

Bring your used oil to the Eco Centre at the Steinbach Landfill (104 Hanover Rd E) and receive new oil FREE!

For every 5L of used oil, receive a coupon to pick up 1L of Co-op 5W-30 oil FREE.

Also, enjoy a hot dog and drink for \$2.

For more info visit www.steinbach.ca or call 346-6532.



Dauphin EcoFather's Day held June 16, 2012



Steinbach EcoDay held June 6, 2012



Crestview School Assembly December 19, 2012

Highlights of 2012

Green Manitoba EcoCalendar

MARRC participated financially, with other Partners for a Clean Environment, in the development of the EcoCalendar coordinated by Green Manitoba.

Bursaries available for a ninth year

Bursaries were available to students (\$500 each) qualifying in Environmental Studies at the University of Manitoba, University of Brandon and the University of Winnipeg.

Strategic Planning Session (August 20-23)

MARRC attended the combined Strategic Planning Session of SARRC, AUOMA, BCUOMA, SOGHU and Ontario Directors and Staff hosted by Alberta. The session focused on addressing key strategic issues and team building.

MARRC Participated with the Northern Association of Community Councils (NACC)

Their 42nd Annual tradeshow was held at the Canad Inns Polo Park Hotel in Winnipeg on August 14th and 15th. The NACC represents the interests of 52 northern and remote communities under the jurisdiction of aboriginal leaders and northern affairs. Over 200 delegates from the northern communities federal and provincial affiliates, private sector and non-profit organizations attended.



EcoCentre / Collection Depot network maturing at 80

MARRC's rural EcoCentre network stands at 53 exceeding the minimum network objective established by the province's multi stakeholder Used Oil Management Committee in 1996. The network includes the northern locations of The Pas, Flin Flon and Thompson, plus Cranberry Portage, Grand Rapids, Fisher Branch, Seymourville, Ashern and Moosehorn. In addition there are 27 other facilities licensed by Manitoba Conservation in place for the collection of used oil and antifreeze products, including 10 locations in Winnipeg (6 of which are Canadian Tire).

Training and audits promote safety and compliance

MARRC as part of its contractual arrangements with owners/operators of licensed collection facilities, provides initial and recurrent on-site training for management and staff. The training and follow-up audits are designed to promote a safe operation and compliance with each facility's operating license issued by Manitoba Conservation. During 2012, inspections were conducted at 100% of the licensed EcoCentres and collection depots in the province of Manitoba.

CAA Partnership

MARRC purchased a half page advertisement placed in the Spring and Summer editions of CAA's travel magazine called "Going Places". Readers were offered the opportunity to log onto "mroildrop.com" and provide information on their used oil and antifreeze recycling habits and be entered for a chance to win one of 5 CAA Plus Memberships. Winners were posted on the website.

Canadian Tire Network of 6 sites in Winnipeg plus Steinbach

A meeting was held with the site representatives on September 19. The purpose was to offer assistance to enhance awareness of their used oil and antifreeze recycling depots. A sample of the signage offered by MARRC is shown below.

RECYCLE Your Used Oil & Antifreeze products only here




Hours of operation

Mon-Sat 7:00 am – 9:00 pm
Sun 9:00 am – 6:00 pm

Recycle Used Oil and Antifreeze!

Please visit usedoilrecycling.com for collection depot locations throughout Manitoba.



You could **WIN a CAA Plus MEMBERSHIP!**

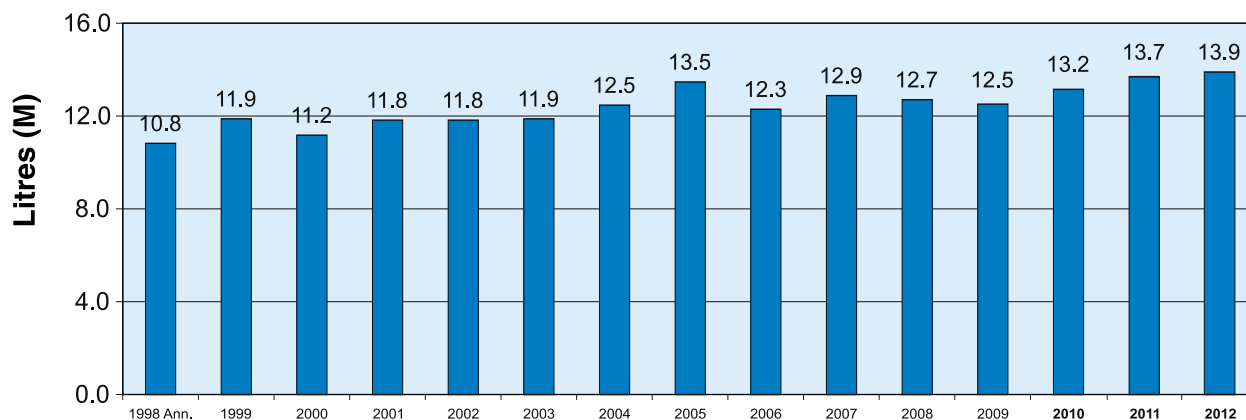
5 memberships to be won! approximate value \$100

Go to mroildrop.com and answer the question for your chance to win!

Collection Activity by Product 2012

Oil

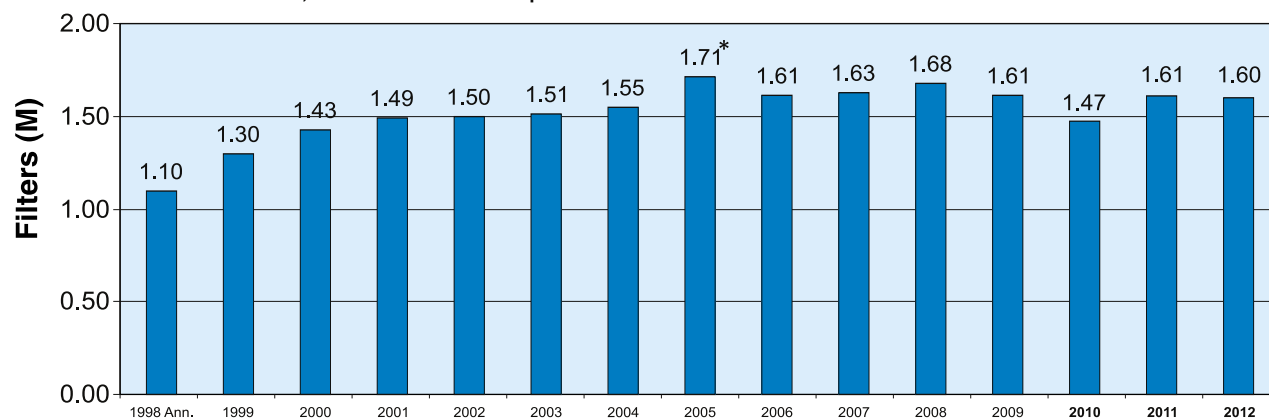
Litres Sold 27.7 (M) Litres
 Less Lost in Service 35% -9.7
 Net Recoverable 18.0 (M) Litres



77%

Filters

Filters sold 2,020
 Filters recoverable 2,020
 11,826 drums x 135 filters per drum = 1,596 M filters collected

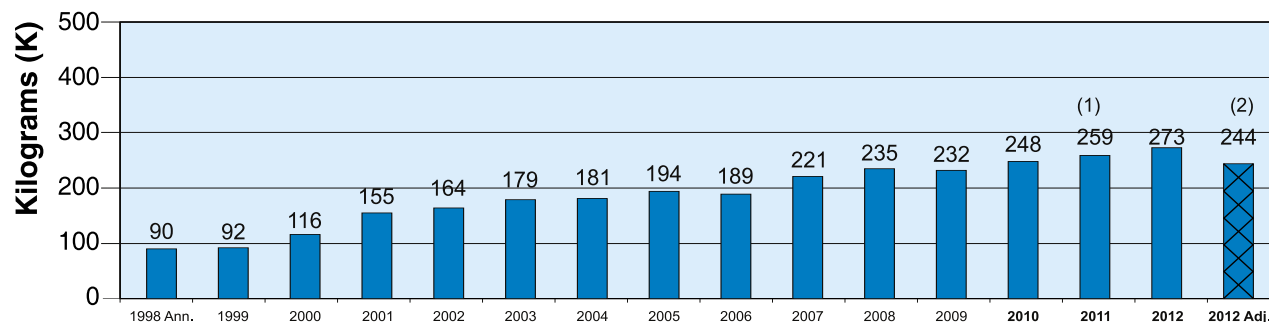


* A portion of increase in 2005 reflects filters collected in 2004 but not processed until 2005

79%

Containers under 50 litres capacity

Units Sold in Litres 11,886.3 K Litres
 Converted to Kgs ÷ 16.0
 Net Recoverable 742.9 K Kgs



(1) Impacted by Fire at Xpotential October 2, 2011

(2) Total K Kgs excluding Antifreeze Containers

33%
 Plus re-use estimate 20%
 = 53%

Collection Activity by Product

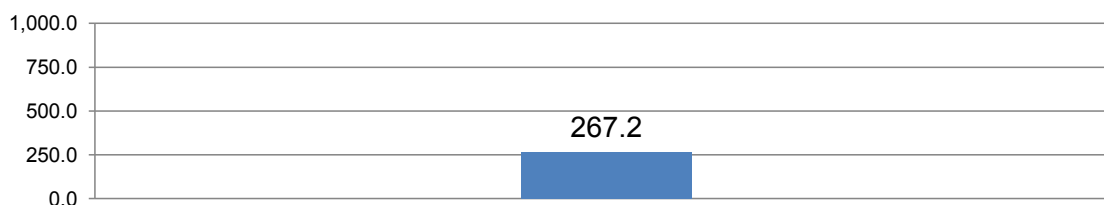
2012

Antifreeze

Fluid

Litres Sold - Concentrate 1,458.7 x 2 = 2,917.4
 Pre-Mix 999.5
 TOTAL 3,916.9
 Less Lost in Service 55% -2,154.3
 Net Recoverable 1,762.6 K Litres

Litres (K)

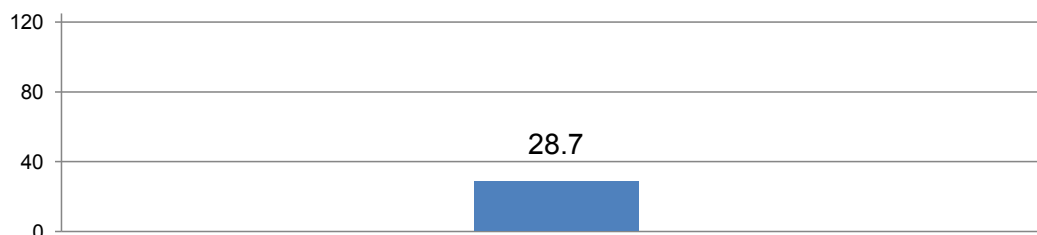


15%

Containers

Units Sold in Litres 1,872.1 K Litres
 Converted to Kgs ÷ 25.3
 Net Recoverable 74.0 K Kgs

Kilograms (K)



39%

Oil & Antifreeze Summary of Percent Collected

	Available	Amount Collected	% Collected
Oil	18.0 M Litres	13.9 M Litres	77%
Filters	2.02 M Filters	1.60 M Filters	79%
Containers (total)	742.9 K Kgs	244 K Kgs	33%
Excluding Antifreeze			
Antifreeze Fluid	1,763 K Litres	267 K Litres	15%
A/F Containers	74.0 K Kgs	29 K Kgs	39%

- Based on 35% Lost in Service

- Based on 135 filters per drum

33% of total recoverable + 20% re-used* = 53%
 (Source: Pulse Research Ltd. Container Study)

- Based on 55% Lost in Service



MARRC

Manitoba's Licensed Used Oil & Antifreeze Depots

1-888-410-1440 usedoilrecycling.com

Thompson



Legend



EcoCentres in operation

Red

Other licensed depots

10

10 licensed collection facilities in Winnipeg

Flin Flon

Cranberry Portage

The Pas

Grand Rapids

Swan River

Hollow Water

Rorketon

Moosehorn

Roblin

Dauphin

Fisher Branch

Arborg

Ashern

Chatfield

Gimli X2

Russell

Onanole

Eriksdale

Meleb

Traverse Bay

Rosburn

Erickson

Inwood

Dunnottar

St. Georges

St. Lazare

Langruth

St. Laurent

Candeboye

Birtle

Teulon

Lac du Bonnet

Hamiota

Neepawa

Gladstone

Earl Grey

Beausejour

Brandon

Carberry

Mac Gregor

Selkirk

RM Wallace

Souris

Glenboro

Portage

10

Whitemouth

Minto

Dunrea

Notre Dame

Elm Creek

Lorette

Hartney

Baldur

Carman

St. Pierre

Steinbach

Killamey

Pilot Mound

Morris

St. Jean

Melita

Deloraine

Morden

Winkler

Altona

Waskada

Vita



EcoCentres

	Location	Owner/Operator
1	Steinbach	City of Steinbach
2	Carman	Town of Carman
3	Melita	S K L Enterprises Ltd.
4	Altona	Town of Altona / RM of Rhineland
5	Neepawa	Town of Neepawa
6	Selkirk	City of Selkirk
7	Russell	Town of Russell / RM of Russell / RM of Silver Creek
8	Glenboro	RM of South Cypress / Village of Glenboro
9	Minto	RM of Whitewater
10	Pilot Mound	Louise Integrated Waste Management
11	Baldur	RM of Argyle
12	Swan River	Town of Swan River
13	Hamiota	Town of Hamiota
14	Inwood	RM of Armstrong
15	Chatfield	RM of Armstrong
16	Meleb	RM of Armstrong
17	Virden	RM of Wallace
18	Arborg	Town of Arborg / RM of Bifrost / Village of Riverton
19	Gladstone	Town of Gladstone
20	Rosburn	Town of Rosburn / RM of Rosburn
21	Portage la Prairie	Portage & District Recycling Inc.
22	Teulon	Town of Teulon / RM of Rockwood
23	Brandon	City of Brandon
24	Earl Grey	RM of St. Andrews
25	Langruth	RM of Lakeview
26	Elm Creek	RM of Grey
27	The Pas	Town of The Pas

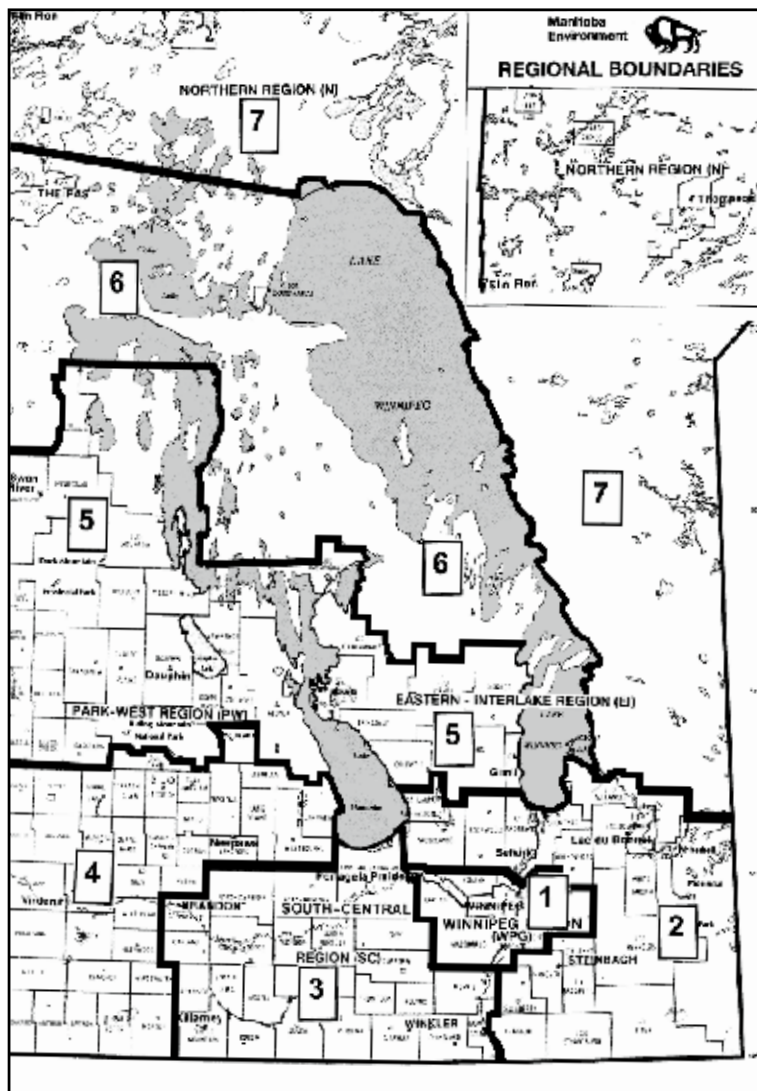
	Location	Owner/Operator
28	Winkler	City of Winkler
29	Morris	Town of Morris
30	St. Georges	RM of Alexander
31	Traverse Bay	RM of Alexander
32	Clandeboye	RM of St. Andrews
33	Dauphin	EcoOil Recycling Centre
34	Lac du Bonnet	RM of Lac du Bonnet
35	Waskada	RM of Brenda / Village of Waskada
36	Carberry	RM of North Cypress
37	Thompson	Thompson Recycling Centre
38	St. Laurent	RM of St. Laurent
39	Erickson	Town of Erickson / RM of Clanwilliam
40	Eriksdale	RM of Eriksdale
41	Flin Flon	City of Flin Flon
42	Dunrea	RM of Riverside
43	MacGregor	RM of North Norfolk / Town of MacGregor
44	Roblin	RM of Shell River / RM of Hillsburg
45	Onanole	RM of Park
46	Gimli	RM of Gimli
47	Arnes	RM of Gimli
48	Whitemouth	RM of Whitemouth / RM of Reynolds / North Whiteshell Provincial Park
49	St. Lazare	RM of Ellice / Village of St. Lazare
50	St. Pierre	RM of De Salaberry / Village of St. Pierre-Jolys
51	Lorette	RM of Taché
52	Souris	Town of Souris / RM of Glenwood
53	Birtle	Town of Birtle / RM of Birtle

Other Licensed Collection Facilities

1	Winnipeg	A-1 Environmental Services 1447 Dugald Road
2	Winnipeg	GFL Green For Life 1090 Kenaston Blvd.
3	Winnipeg	Miller Environmental Corporation 1803 Hekla Ave
4	Winnipeg	WRS Waste & Recycling Services 940 Redonda
5	Winnipeg	Canadian Tire Garden City 2303 McPhillips
6	Winnipeg	Canadian Tire East Kildonan 1519 Regent Ave.
7	Winnipeg	Canadian Tire Polo Park 750 St. James
8	Winnipeg	Canadian Tire Fort Garry McGillivray & Kenaston
9	Winnipeg	Canadian Tire St. Boniface Fermor & Beaverhill
10	Winnipeg	Canadian Tire Unicity 3615 Portage Ave.
11	Stonewall	Southside Service
12	Notre Dame	Jean Farms Ltd.
13	Morden	Pembina Valley Containers Ltd.

14	Hartney	Southwest Recycling
15	Grand Rapids	ET Developments Ltd.
16	Killarney	Town of Killarney
17	St. Jean	Miller Environmental Corporation
18	Dunnottar	Village of Dunnottar
19	Cranberry Portage	LUD of Cranberry Portage
20	Rorketon	RM of Lawrence
21	Vita	RM of Stuartburn
22	Deloraine	RM of Winchester
23	Fisher Branch	RM of Fisher
24	Moosehorn	RM of Grahamdale
25	Ashern	RM of Siglunes
26	Hollow Water	Manitoba Aboriginal and Northern Affairs
27	Beausejour	Beausejour Tire

Collection Activity by Zone



Containerization at Pump Island

Winnipeg Pilot Project at
36 Retail Gasoline Locations



Collection Percentages by Zone

Zone ►	1		2		3		4		5		6		7	
	'12	'11	'12	'11	'12	'11	'12	'11	'12	'11	'12	'11	'12	'11
Oil	62	61	7	7	15	16	5	5	5	5	1	1	5	5
Filters	48	49	10	11	22	22	9	7	7	7	1	1	3	3
Containers	37	37	10	11	17	17	11	9	12	12	1	2	12	12
Antifreeze Fluid	64	-	8	-	14	-	4	-	6	-	1	-	3	-

%

Manitoba Association for Resource Recovery Corp.

Financial Statements
**December 31, 2012, December 31, 2011
and January 1, 2011**



March 13, 2013

Independent Auditor's Report

To the Members of Manitoba Association for Resource Recovery Corp.

We have audited the accompanying financial statements of Manitoba Association for Resource Recovery Corp. (the "Corporation") which comprise the balance sheets as at December 31, 2012, December 31, 2011 and January 1, 2011, and the statements of operations, changes in net assets and cash flows for the years ended December 31, 2012 and December 31, 2011, and the related notes including a summary of significant accounting policies and other explanatory information at December 31, 2012 and December 31, 2011.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profits, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian accounting standards for not-for-profits. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Corporation's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation as at December 31, 2012, December 31, 2011 and January 1, 2011 and the results of its operations and its cash flows for the years ended December 31, 2012 and December 31, 2011 in accordance with Canadian accounting standards for not-for-profits.

PricewaterhouseCoopers LLP

Chartered Accountants

PricewaterhouseCoopers LLP
One Lombard Place, Suite 2300, Winnipeg, Manitoba, Canada R3B 0X6
T: +1 (204) 926 2400, F: +1 (204) 944 1020

PwC refers to PricewaterhouseCoopers LLP, an Ontario limited liability partnership.

Manitoba Association for Resource Recovery Corp.

Balance Sheets

			December 31, 2012	December 31, 2011	January 1, 2011
	Lubricating products stewardship program \$	Antifreeze stewardship program \$	Invested in capital assets \$	Total \$	Total \$
Assets					
Current assets					
Cash	25,516	326,670	-	352,186	96,481
Short-term investments	368,196	-	-	368,196	403,169
Environmental handling charges receivable	832,889	126,363	-	959,252	762,899
Accrued interest receivable	22,143	-	-	22,143	23,877
Prepaid expenses and deposits	905	-	-	905	905
Due from Antifreeze stewardship program	271,369	-	-	271,369	89,282
	1,521,018	453,033	-	1,974,051	3,001,462
Long-term investments	1,607,892	-	-	1,607,892	360,539
					1,567,812
Capital assets					
Office furnishings, equipment and leaseholds	-	-	35,589	35,589	25,971
Less: Accumulated amortization	-	-	25,706	25,706	24,846
	-	-	9,883	9,883	1,125
	3,128,910	453,033	9,883	3,591,826	3,363,126
					2,856,964
Liabilities and Net Assets					
Current liabilities					
Return and processing incentives payable	309,779	1,174	-	310,953	357,856
Accounts payable and accrued liabilities (note 4)	237,655	10,318	-	247,973	241,764
Due to Lubricating products stewardship program	-	271,369	-	271,369	89,282
	547,434	282,861	-	830,295	688,902
	2,581,476	170,172	-	2,751,648	2,673,099
	-	-	9,883	9,883	1,125
	2,581,476	170,172	9,883	2,761,531	2,674,224
	3,128,910	453,033	9,883	3,591,826	3,363,126
					2,856,964
Net Assets					
Unrestricted					
Invested in capital assets					
Commitments (note 5)					

Approved by the Board of Directors



Director



Director

The accompanying notes are an integral part of these financial statements.

Manitoba Association for Resource Recovery Corp.

Statements of Operations

For the years ended December 31, 2012 and December 31, 2011

	2012		2011	
	Lubricating products stewardship program \$	Antifreeze stewardship program \$	Invested in capital assets \$	Total \$
Revenue				
Environmental handling charges	3,657,132	383,859	-	3,951,923
Interest income	50,276	2,229	-	50,625
Membership fees	1,000	-	-	1,000
	<u>3,708,408</u>	<u>386,088</u>	<u>-</u>	<u>4,094,496</u>
Expenses				
Return and processing incentives	2,824,866	149,959	-	2,909,119
Container freight	136,060	14,254	-	150,314
EcoCentre support costs (note 6)	213,495	22,411	-	235,906
Wages, contract and benefits	164,342	17,251	-	181,593
Public relations and promotion (note 7)	120,587	20,089	-	140,676
Green Manitoba agreement	12,598	1,322	-	13,920
Compliance reviews	21,086	2,213	-	23,299
Ambassador program (note 8)	104,671	-	-	104,671
Professional fees	40,490	30,365	-	70,855
Rent	22,001	2,310	-	24,311
Office and administration	19,867	2,085	-	21,952
Director fees and expenses	20,719	2,175	-	22,894
Travel and automobile	11,299	1,186	-	12,485
Insurance	5,142	540	-	5,682
Telephone and fax	7,806	819	-	8,625
Meetings	10,722	1,125	-	11,847
Amortization	-	-	860	860
Bank charges and interest	2,239	235	-	2,474
Bursaries	-	-	-	-
	<u>3,737,990</u>	<u>268,339</u>	<u>860</u>	<u>4,007,189</u>
Excess (deficiency) of revenue over expenses	<u>(29,582)</u>	<u>117,749</u>	<u>(860)</u>	<u>266,546</u>

The accompanying notes are an integral part of these financial statements.

Manitoba Association for Resource Recovery Corp.

Statements of Changes in Net Assets

For the years ended December 31, 2012 and December 31, 2011

	2012		2011	
	Lubricating products stewardship program \$	Antifreeze stewardship program \$	Invested in capital assets \$	Total \$
Balance - Beginning of year	2,620,676	52,423	1,125	2,674,224
Excess (deficiency) of revenue over expenses	(29,582)	117,749	(860)	87,307
Purchase of capital assets	(9,618)	-	9,618	-
Balance - End of year	2,581,476	170,172	9,883	2,761,531
				2,674,224

The accompanying notes are an integral part of these financial statements.

Manitoba Association for Resource Recovery Corp.

Statements of Cash Flows

For the years ended December 31, 2012 and December 31, 2011

	2012		2011	
	Lubricating products stewardship program \$	Antifreeze stewardship program \$	Invested in capital assets \$	Total \$
Cash provided by (used in)				
Operating activities				
Excess (deficiency) of revenue over expenses	(29,582)	117,749	(860)	87,307
Item not affecting cash				
Amortization	-	-	860	860
				1,144
Net change in non-cash working capital items	(29,582)	117,749	-	88,167
Due to/from programs	133,971	(143,112)	-	(9,141)
Interfund transfers	(271,369)	271,369	-	-
	(9,618)	-	9,618	-
	(176,598)	246,006	9,618	79,026
				191,852
Investing activities				
Purchase of capital assets	-	-	(9,618)	(9,618)
Purchase of investments	(1,615,549)	-	-	(1,615,549)
Redemption of investments	1,567,812	-	-	1,567,812
	(47,737)	-	(9,618)	(57,355)
				42,182
Increase (decrease) in cash	(224,335)	246,006	-	21,671
				234,034
Cash - Beginning of year	249,851	80,664	-	330,515
				96,481
Cash - End of year	25,516	326,670	-	352,186
				330,515

The accompanying notes are an integral part of these financial statements.

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2012

1 Incorporation and purpose

The Corporation was formed by oil and oil filter first sellers in Manitoba to develop, implement and administer a used lubricating products stewardship program in the province and began operation on January 1, 1997. The Corporation was incorporated as a not-for-profit corporation without share capital under The Corporations Act of Manitoba on April 1, 1997. On February 26, 1998, the Corporation received approval to operate its used lubricating products stewardship program from the Minister of Environment, Province of Manitoba. On May 1, 2011, the Corporation was also approved to operate its used antifreeze stewardship program by the Minister of Conservation, Province of Manitoba. The used antifreeze stewardship program began active operations on August 1, 2011.

The Corporation's approval to operate its used lubricating products stewardship program expired on December 14, 2012. The Corporation submitted an application for a five year renewal of the used lubricating products stewardship program with the Minister of Conservation, Province of Manitoba in August 2012 in accordance with the letter of approval dated December 21, 2007. The Corporation is awaiting approval of its application from the Minister of Conservation, Province of Manitoba.

As a non-profit corporation, no provision for corporate income taxes has been made in these financial statements pursuant to paragraph 149(1)(l) of the Income Tax Act.

2 Basis of presentation

Effective January 1, 2012, the Corporation elected to adopt Canadian accounting standards for not-for-profit organizations ("ASNPO") as issued by the Canadian Accounting Standards Board. The accounting policies selected under this framework have been applied consistently and retrospectively as if these policies had always been in effect. The Corporation has not utilized any transitional exemptions on the adoption of ASNPO. There were no adjustments to the balance sheets or the statements of operations, changes in net assets and cash flows.

3 Significant accounting policies

Basis of presentation - fund accounting

The accounts of the Corporation are maintained in accordance with the principles of "fund accounting". Fund accounting is a procedure whereby a self-balancing group of accounts is provided for each accounting fund established by the Corporation.

For financial reporting purposes, the accounts have been classified into several funds. The activities carried out by each fund are as follows:

- The Lubricating products stewardship program reports funds for the operations of the used lubricating products stewardship program.
- The Antifreeze stewardship program reports funds for the operations of the used antifreeze stewardship program.
- The Invested in capital assets reports the funds for the purchase of capital assets used in the operations of the Corporation.

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2012

Significant accounting policies are as follows:

Investments

Short-term investments consist of Guaranteed Investment Certificates ("GICs") with terms maturing in less than one year. Long-term investments consist of GICs that mature after one year. Purchases and sales of investments are recognized using trade date accounting. Transaction costs attributable to the investments are netted to investment income.

Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization of office furnishings, equipment and leaseholds is calculated on a straight-line basis at an annual rate of 20% based on the estimated useful lives of these assets.

Revenue recognition

- Environmental handling charges

Revenue from environmental handling charges is recognized in the year for which suppliers and end-users assess it, as regulated by the Used Oil, Oil Filters and Containers Stewardship Regulation and by the Household Hazardous Material and Prescribed Material Stewardship Regulation of The Waste Reduction and Prevention Act.

- Interest income

Income from investments is recognized when earned and is recorded as interest income in general operations if related to unrestricted funds, or in restricted operations if related to restricted funds.

- Membership fees

The one-time membership fees are recorded as revenue when the participating companies join the Corporation.

All revenues have been recorded at their gross amount.

Return and processing incentives

The return and processing incentives are recognized as an expense in the year to which the claim relates.

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2012

Use of estimates

The preparation of financial statements in conformity with Canadian ASNPO requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

Financial instruments

Fair values

Financial assets and financial liabilities are initially recognized at fair value and their subsequent measurement at amortized cost.

Financial assets measured at amortized cost include cash, short-term investments, environmental handling charges receivable, accrued interest receivable and long-term investments.

Financial liabilities measured at amortized cost include return and processing incentives payable and accounts payable and accrued liabilities.

4 Government remittances

Government remittances consist of amounts required to be paid to government authorities and are recognized when the amounts become due. In respect of government remittances, \$34,133 (2011 - \$41,957) is included within accounts payable and accrued liabilities.

5 Commitments

Operating lease

The annual minimum rental for leased premises under a lease to February 28, 2018 is as follows:

	\$
Fiscal year ending December 31, 2013	38,972
2014	42,372
2015	43,197
2016	43,362
2017	43,362
Subsequent to 2017	7,227

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2012

EcoCentres

The Corporation has entered into two-year renewal agreements with 63 EcoCentres and licensed collection facilities that were established to provide no-cost drop-off centres for used oil and antifreeze materials.

As part of its contractual agreement with each EcoCentre owner-operator, the Corporation is committed to provide annual operating support until July 31, 2014. The operating support payment for the EcoCentres currently in operation is estimated to be as follows:

	\$
Fiscal year ending December 31, 2013	279,000
2014	162,750

6 EcoCentre support costs

	2012 \$	2011 \$
Lubricating products stewardship program		
Operating support	201,061	220,499
Operational audits, training and supplies	12,434	2,347
	<u>213,495</u>	<u>222,846</u>
Antifreeze stewardship program		
Operating support	21,230	-
Operational audits, training and supplies	1,181	9,555
	<u>22,411</u>	<u>9,555</u>
	<u>235,906</u>	<u>232,401</u>

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2012

7 Public relations and promotion

	2012 \$	2011 \$
Lubricating products stewardship program		
Winnipeg Goldeyes Baseball Club contract and merchandise	18,209	7,804
Winnipeg Goldeyes Baseball Club key tag promotion	21,169	-
Winnipeg Blue Bombers Football Club key tag promotion	19,116	-
Winnipeg Jets Hockey Club	24,591	-
Website	4,195	5,416
Green Manitoba calendar	5,000	5,000
Marketing, advertising and promotional material	21,642	35,688
Search for Mr. Oil Drop	-	41,730
CAA advertising	6,325	5,200
Mascots	340	-
	<u>120,587</u>	<u>100,838</u>
Antifreeze stewardship program		
Winnipeg Blue Bombers Football Club game day sponsorship	18,500	23,315
Communication launch - consultant	-	3,705
Government requirement - printing	1,589	3,570
	<u>20,089</u>	<u>30,590</u>
	<u>140,676</u>	<u>131,428</u>

8 Ambassador program

	2012 \$	2011 \$
Wages	31,815	23,062
Transportation, meals and accommodation	18,798	16,770
Trade show fees, uniforms, draw prizes, supplies and insurance	10,572	11,295
Handouts, bookmarks, keychains	42,805	43,730
Recruitment	681	1,366
	<u>104,671</u>	<u>96,223</u>

(5)

Manitoba Association for Resource Recovery Corp.

Notes to Financial Statements

December 31, 2012

9 Financial instruments

The Corporation manages risk and risk exposures by applying policies approved by the Board of Directors.

Fair value

The Corporation's financial instruments included on the balance sheet are comprised of cash, short-term investments, environmental handling charges receivable, accrued interest receivable, long-term investments, return and processing incentives payable and accounts payable and accrued liabilities. The carrying value of all financial instruments is at amortized cost and would approximate their fair value due to their short-term nature, except for long-term investments which approximate the carrying value using current fixed investment interest rates for similar types of investments.

Credit risk

The Corporation is exposed to credit risk through its environmental handling charges receivable. The risk is minimized due to the large registrant base.

Interest rate risk

The Corporation's exposure to interest rate risk pertains to short-term investments and long-term investments, which are subject to future changes in interest rates.

Liquidity risk

Liquidity risk is the risk that the Corporation cannot meet its financial obligations associated with financial liabilities in full. A range of alternatives is available to the Corporation including cash flow provided by operations, debt or a combination thereof. The Corporation expects to be able to meet its financial obligations in the foreseeable future.

10 Comparative figures

Certain comparative amounts have been reclassified to conform to the current year's financial statement presentation.



*Manitoba Association
for Resource Recovery Corp.*

Board of Directors and Staff



Back Row:

Lutz Ehrentraut (Secretary-Treasurer), Keith Penner, Megan Currie,
Ron Benson (Executive Director).

Front Row:

Aaron Strub (Administrative Services Manager), Richard Waller,
Manny Micklash, Joe Casciano (Chairman).

Board of Directors

Joe Casciano, Canadian Tire Corporation, Limited
Chairman

Lutz Ehrentraut, Representing the Public
Secretary-Treasurer

Richard Waller, Imperial Oil
Director

Megan Currie, UCI-Fram Group
Director

Manny Micklash, Bluewave Energy
Director

Keith Penner, Representing the Public
Director

Legal Counsel

Fillmore Riley, Barristers & Solicitors

Auditors

PricewaterhouseCoopers LLP, Chartered Accountants

Staff

Ron Benson – Executive Director
Aaron Strub – Administrative Services Manager

MARRC Office

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Mr. Oil Drop



Manitoba Association for Resource Recovery Corp.

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