

NOTICE OF CREATION OF EMISSION REDUCTION CREDITS

Proponent:

BASELINE AG SERVICES INC.
 777 – 8th ave SW, Suite 2210
 Calgary, Alberta, Canada,
 T2P 3R5

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Protocol:

Protocol Title: Tillage Quantification Protocol
 Protocol Date: February 2008 version 1.3
 Review Agency: Alberta Environment

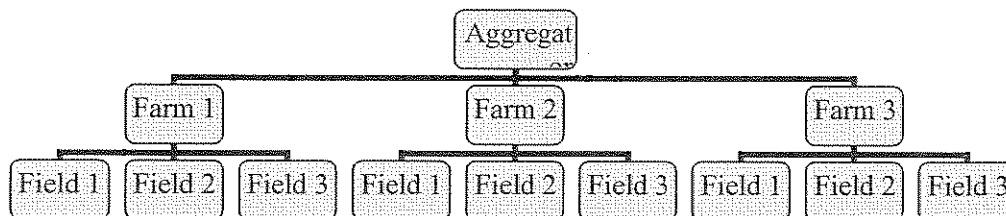
Project:

Project Name: Aggregation of Carbon Credits from No-till or Reduced-till Agricultural Practice

Project Description: This project consists of the aggregation of carbon offsets generated from the direct and indirect reductions of greenhouse gas (GHG) emissions through implementing no-till and reduced till systems on agricultural lands in Alberta. The reduction in frequency and intensity of tillage under a reduced-till or no-till system results in reduced fossil fuel use by farm equipment, reduced fossil fuel use for the production of fertilizer and other amendments, and a decrease in the amount of soil carbon and nitrogen that is released to atmosphere.

The project proponent is Baseline Ag Services Inc., a fully owned subsidiary of Blue Source Canada, operating with implementation partners of Agri-trend Aggregation Inc. (ATAI) and AgShare Agency Ltd. The project proponent has entered into a contractual agreement with individual farm operators whose agricultural practices are generating carbon offsets.

Location: The aggregation project consists of pooling of the carbon offsets generated on individual fields within individual farm operations. As such, the geographical project site may vary from year to year, and will be composed of several different individual farm fields. The general structure of the aggregation project is presented in Figure 1 below.



Creation Report:

Report Title: Summary of Emission Reductions Calculations from
Tillage Management Projects
Report Date: December 2008

Emission Reduction Credits:

Vintage: 2007
ERC Creation Period: January 01, 2007 to December 31, 2007
Emission Type: tonnes of CO2e
Quantity: **19,765 t**

Vintage: 2006
ERC Creation Period: January 01, 2006 to December 31, 2006
Emission Type: tonnes of CO2e
Quantity: **20,091 t**

Vintage: 2005
ERC Creation Period: January 01, 2005 to December 31, 2005
Emission Type: tonnes of CO2e
Quantity: **19,817 t**

Vintage: 2004
ERC Creation Period: January 01, 2004 to December 31, 2004
Emission Type: tonnes of CO2e
Quantity: **20,275 t**


Vintage: 2003
ERC Creation Period: January 01, 2003 to December 31, 2003
Emission Type: tonnes of CO2e
Quantity: **17,932 t**

Vintage: 2002
ERC Creation Period: January 01, 2002 to December 31, 2002
Emission Type: tonnes of CO2e
Quantity: **15,704 t**

I am a duly authorized corporate officer of the Proponent mentioned above and have personally examined and am familiar with the information submitted in this Notice of Creation, the accompanying Creation Report and the Protocol on which it is based. Based upon reasonable investigation, including my inquiry of those individuals responsible for obtaining the information, I hereby warrant that the submitted information is true, accurate and complete to the best of my knowledge and belief, and that all matters affecting the validity of the emission reduction claim or the protocol upon which it is based have been fully disclosed. I understand that any false statement made in the submitted information may result in de-registration of credits and may be punishable as a criminal offence in accordance with provincial or federal statutes.

Baseline Ag Services Inc.

Signature:



Date:

Feb 9, 2009

Name:

Dave LaBarre

Title:

President, Baseline Ag Services

