

This lease made in duplicate this 10th day of November, 2016.

BETWEEN:

HER MAJESTY THE QUEEN, in right of the Province of Nova Scotia, as represented by the Administrator, Nova Scotia Department of Fisheries and Aquaculture, as appointed under section 54A of the Fisheries and Coastal Resources Act, SNS 1996, c. 25,

hereinafter referred to as "**THE ADMINISTRATOR**"

OF THE ONE PART

- and -

KELLY COVE SALMON LIMITED
1 FUNDY BAY DRIVE
ST. GEORGE, NB E5C3E2

hereinafter referred to as "**THE LESSEE**"

OF THE OTHER PART

WHEREAS the Administrator, under the provisions of the Fisheries and Coastal Resources Act, S.N.S. 1996, Chapter 25 (the "Act") and the Aquaculture Licence and Lease Regulations (the "Regulations"), is authorized to renew aquaculture licences and aquaculture leases;

AND WHEREAS pursuant to the Act the Lessee was issued Aquaculture Lease No. 0602 on May 17, 2012 for a five year term from December 23, 2011 to December 22, 2016;

AND WHEREAS the Lessee wishes to renew aquaculture Lease No. 0602;

NOW THEREFORE in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. The Administrator hereby grants to the Lessee a lease to use a 20.52 hectare area located in the body of waters known as Shelburne Harbour, more particularly described in Schedule "A" attached to and forming part of this Agreement (the "site") for the marine suspended cage cultivation of *Salmo salar* (Atlantic salmon) and *Oncorhynchus mykiss* (rainbow trout).
2. The term of this lease shall be for twenty years commencing on the December 23, 2016 to December 23, 2036 with the right of renewal, in accordance with the terms of the Act and the Regulations.
3. The Lessee shall pay to the Minister of Finance and Treasury Board an annual fee as set out in the Regulations. The annual payment must be received by the anniversary date of the lease. Late payments are subject to a fee as set out in the Regulations.

4. The undertakings set out in Schedule "B" to this lease (the "undertakings"), form part of this Agreement, and the Lessee hereby agrees to comply with any conditions or limitations contained in the undertakings unless compliance for licensing purposes is expressly waived by the Administrator. The Lessee is responsible for confirming any undertakings and ensuring compliance with them.
5. The Lessee agrees to comply with any permits, protocols, approvals, licenses or permissions (the "licensing requirements") which may be required under the laws of the relevant municipality, the Province or Canada. The Lessee is responsible for confirming any licensing requirements and ensuring compliance with them.
6. This lease must not be assigned except with the written approval of the Administrator. If the Lessee is a corporation, any change in the right to control the corporation shall be deemed to be an assignment. No assignment shall be binding on the Administrator until approved by him in accordance with the Regulations.
7. In the event that the Lessee shall cease conducting an aquaculture business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver of its business assets, or avail itself of any proceeding in bankruptcy under any statute relating to insolvency or the protection of rights of creditors, the Administrator may revoke this lease and this Agreement shall be of no further force and effect subject only to the right of Her Majesty the Queen in right of the Province of Nova Scotia ("Her Majesty") to claim for damages.
8. The Lessee must adhere to the Farm Management Plan, as it is in effect for this lease from time to time, and any failure to adhere to the Farm Management Plan is a breach of this lease.
9. The Lessee shall submit to the Minister of the Nova Scotia Department of Fisheries and Aquaculture (the "Minister") an annual report stating such information as the Minister requires concerning the Lessee's use and the productivity of the site.
10. The Lessee is hereby prohibited from using the site in any way that would interfere with other leased aquaculture operations.
11. If the Administrator, in his or her sole discretion, is of the opinion that the aquaculture activities authorized by this lease are detrimental to or interfere with other leased facilities, the Administrator may revoke this lease without compensation.
12. Following the completion of a performance review, in accordance with the Regulations, of the aquacultural operation subject to this lease, the Administrator may vary any terms or conditions of this lease in order to address any concerns raised in the performance review.
13. The Administrator may revoke this lease without advance notice or compensation if the Lessee is found by a court of competent jurisdiction to be in violation of any law of the Province or Canada relating to fishery activities.
14. If the Lessee fails to perform any of its obligations under this lease, the Minister may have the obligations performed, with the amount of any costs incurred to be a debt due to Her Majesty, for which Her Majesty shall have a first priority charge on the aquacultural produce within the site.
15. If the Lessee is in breach of any term of this lease and such breach is not corrected within the time period set out in the notice from the Administrator, the Administrator may revoke this lease without further notice or compensation.

Schedule A
GPS COORDINATE INFORMATION SHEET

Application #: 0602
Applicant: Kelly Cove Salmon Ltd
Location: Shelburne Harbour County: Shelburne
Hydrographic Chart: 4241 Orthophoto #:
Dimensions of site: Approx. 315m x 650m Size: Approx 20.52 ha.

Approximate Coordinates of Application:

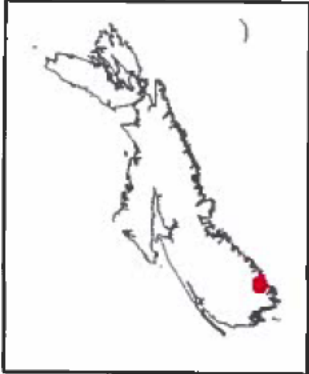
Datum used: NAD 83

Centre coordinates (approx.) Lat. 43° 43' 18.06"
Long. -65° 19' 18.51"

Corner #1	Lat. 43° 43' 28.98"	Corner #2	Lat. 43° 43' 27.98"
	Long. -65° 19' 24.12"		Long. -65° 19' 10.05"

Corner #3	Lat. 43° 43' 07.06"	Corner #4	Lat. 43° 43' 08.01"
	Long. -65° 19' 12.83"		Long. -65° 19' 26.80"

NOTE: COORDINATES ARE NOT TAKEN FROM A LEGAL SURVEY



Aquaculture Site 0602	<p>Centre Lat 43° 43' 18.06" Long -66° 19' 18.51" Corner 1 Lat 43° 43' 28.98" Long -66° 19' 24.12" Corner 2 Lat 43° 43' 27.98" Long -66° 19' 10.05" Corner 3 Lat 43° 43' 07.06" Long -66° 19' 12.83" Corner 4 Lat 43° 43' 06.01" Long -66° 19' 26.80"</p> <p style="text-align: center;">DATUM NAD 83 The above coordinates are not from a legal survey</p>
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Application Information	
Proponent :	Kelly Cove Salmon Ltd.
Site Location :	Shelburne Harbour
Dimensions :	Approx. 315 m x 650 m
Area :	Approx. 20.52 ha





 Issued Lease  Canceled Lease	 Low Water Mark
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Chart No. 4241	
Disclaimer	
<p>This map should not be used for navigation or legal purposes. It is intended for general reference use only.</p>	
MK-0602-JUN-2016	



Aquaculture Site

0602

Centre
 Lat 43° 43' 18.06" Long -66° 19' 18.61"
 Corner 1
 Lat 43° 43' 28.98" Long -66° 19' 24.12"
 Corner 2
 Lat 43° 43' 27.98" Long -66° 19' 10.05"
 Corner 3
 Lat 43° 43' 07.06" Long -65° 19' 12.83"
 Corner 4
 Lat 43° 43' 08.01" Long -65° 19' 26.80"

DATUM NAD 83
 The above coordinates
 are not from a legal survey



Application Information

Proponent : Kelly Cove Salmon Ltd.
 Site Location : Shelburne Harbour
 Dimensions : Approx. 315 m x 650 m
 Area : Approx. 20.52 ha

Chart No.

4241



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MK-0602-JUN-2016

- Issued Lease
- Canceled Lease
- Property Boundary
- Low Water Mark
- OMHW Mark
- NS Bathymetry

Schedule "B"

This Schedule sets out any undertakings required of the Lessee.

There are no undertakings required of the Lessee.

AMENDMENT TO LEASE

THIS INDENTURE made in duplicate the 27th day of October, 2022,

BETWEEN:

HIS MAJESTY THE KING, in right of the Province of Nova Scotia, as represented by the Administrator, Nova Scotia Department of Fisheries and Aquaculture, as appointed under section 54A of the Fisheries and Coastal Resources Act, SNS 1996, c. 25,

hereinafter referred to as "**the Administrator**"

OF THE ONE PART

- and -

KELLY COVE SALMON LTD.

874 Main Street
Black's Harbour, NB
E5H 1E6

hereinafter referred to as "**the Lessee**"

OF THE OTHER PART

WHEREAS the Administrator, under the provisions of the Fisheries and Coastal Resources Act, S.N.S. 1996, Chapter 25 (the "Act") and the Aquaculture Licence and Lease Regulations (the "Regulations"), is authorized to amend existing aquaculture licences and aquaculture leases;

AND WHEREAS pursuant to the Act the Lessee was issued Aquaculture Lease No. 0602 on November 10, 2016 for a term of ten years from December 23, 2016 to December 23, 2026, authorizing the Marine Cage cultivation of Atlantic Salmon (*Salmo salar*) and Rainbow Trout (*Oncorhynchus mykiss*).

AND WHEREAS the Lessee wishes to amend Lease No. 0602 to change the boundaries of the aquaculture site, without increasing the total leased area, subject to whatever undertakings are prescribed by the Administrator, in order to enable the Lessee to install and operate three (3) underwater pipes, each 400 millimetres in diameter and constructed out of high-density polyethylene, whereby fish food, electricity, and oxygen will be conveyed (one type of item per pipe) to the aquaculture site from the shoreline of an adjacent, privately-owned real property;

AND WHEREAS the Administrator consents to amend Lease No. 0602 to change the site boundaries for the above-described purpose sought by the Lessee;

NOW THEREFORE, in consideration of the mutual covenants herein and the sum of \$1.00 and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree as follows:

1. Section 1 of Lease No. 0602 is hereby amended by deleting "20.52 hectare area" and substituting "20.47 hectare area".

2. Lease No. 0602 is hereby further amended by deleting its Schedule "A" and substituting the attached Schedule "A".
3. Lease No. 0602 is hereby further amended by deleting its Schedule "B" and substituting the attached Schedule "B".
4. Except as expressly amended herein, Lease No. 0602 shall remain unchanged in full force and effect.

IN WITNESS WHEREOF the Parties have caused this Agreement to be duly executed.


SIGNED, SEALED AND DELIVERED
in the presence of

[Redacted Signature]

[Redacted Signature]

witness

) **HIS MAJESTY THE KING** in right of the
) Province of Nova Scotia, as represented by the
) Administrator, Nova Scotia Department of
) Fisheries and Aquaculture
)
)
)

) [Redacted Signature] 
) Administrator, Nova Scotia Department
) of Fisheries and Aquaculture
)
)

) Kelly Cove Salmon Ltd.
) Per: [Redacted Signature]

) ~~GLENN COOKE,~~
) ~~Vice-President~~

Kris Nicholls
Chief Operating officer

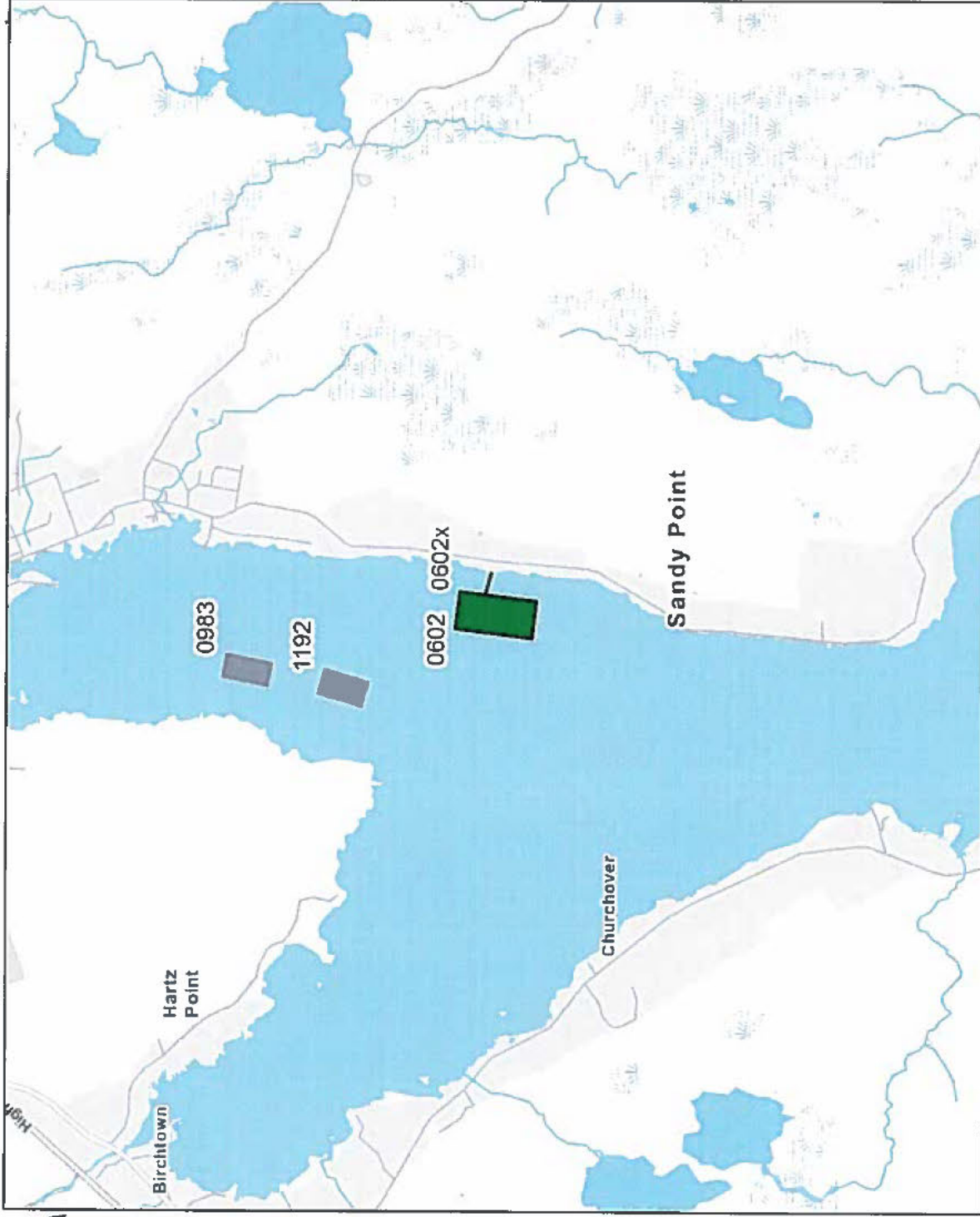
SCHEDULE A



Aquaculture Site 0602x

Corner	Latitude	Longitude
1	43° 43' 28.883"	-65° 19' 24.133"
2	43° 43' 27.928"	-65° 19' 10.121"
3	43° 43' 21.150"	-65° 19' 11.800"
4	43° 43' 19.743"	-65° 19' 3.099"
5	43° 43' 19.416"	-65° 19' 3.134"
6	43° 43' 20.824"	-65° 19' 11.043"
7	43° 43' 7.154"	-65° 19' 12.816"
8	43° 43' 8.109"	-65° 19' 26.826"
Centre	43° 43' 17.767"	-65° 19' 18.484"

DATUM: NAD 83 CSRS UTM Zone 20
The above coordinates are not from a legal survey



License/Lease Holder	County	Waterbody	Hectares	Species Type	Culture Type	Chart
Kelly Cove Salmon Ltd.	Shelburne	Shelburne Harbour	20.47	Finfish	Suspended Culture	4241

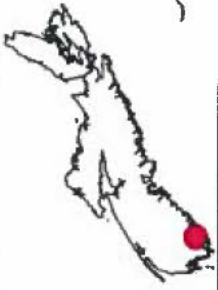
- Proposed Amendment
- Other Issued Lease

Other Proposed Application



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Date: 2022-03-14
Created By: MK

SCHEDULE A



Aquaculture Site

0602X

Corner	Latitude	Longitude
1	43° 43' 28.883"	-65° 19' 24.133"
2	43° 43' 27.928"	-65° 19' 10.121"
3	43° 43' 21.150"	-65° 19' 11.000"
4	43° 43' 19.743"	-65° 19' 3.099"
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8	43° 43' 8.109"	-65° 19' 26.826"
Centre	43° 43' 17.767"	-65° 19' 18.494"

DATUM NAD 83 CSRS UTM Zone 20
The above coordinates are not from a legal survey



License/Lease Holder
Kelly Cove Salmon Ltd.

County
Shelburne

Waterbody
Shelburne Harbour

Hectares
20.47

Species Type
Finfish

Culture Type
Suspended Culture

Chart
4241

Proposed Amendment

Other Issued Lease



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Date: 2022-05-15 Created By: MK

Schedule "B"

This Schedule sets out any undertakings required of the Lessee:

The Lessee undertakes the following:

1. The Lessee acknowledges and accepts that it does not hold the exclusive right to possession of the water column along the approximately 10 metre-wide portion of the Leased area (that portion, hereinafter the "shore to site corridor") that connects the aquaculture site to the shoreline of an adjacent, privately-owned real property (PID #80102148), as depicted in Schedule "A". Rather, the Lessee acknowledges and accepts that the shore to site corridor is being leased for the purpose of enabling the Lessee to install and operate three (3) underwater pipes, 400 millimetres in diameter and constructed out of high-density polyethylene (hereinafter, the "HDPE pipes"), whereby fish food, electricity, and oxygen will be conveyed (one type of item per pipe) to the aquaculture site. The Lessee accordingly undertakes not to prevent or hinder other users from accessing the shore to site corridor for the purpose of conducting lawful activities so long as that access does not unreasonably interfere with the Lessee's HDPE pipes and the Lessee's operation of them.