

This licence made in duplicate this 10<sup>th</sup> 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 LICENCEE**"

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 Licencee was issued Aquaculture Licence No. 0602 on May 17, 2012 for a term of five years from December 23, 2011 to December 22, 2016;

**AND WHEREAS** the Licencee wishes to renew aquaculture Licence 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 Licencee a licence 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 licence shall be for ten years commencing on the 23<sup>rd</sup> day of December, 2016 to the 23<sup>rd</sup> day of December, 2026 with the right of renewal, in accordance with the terms of the Act and the Regulations.
3. The Licencee 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 licence. Late payments are subject to a fee as set out in the Regulations.

4. The undertakings set out in Schedule "B" to this licence (the "undertakings"), form part of this Agreement, and the Licencee 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 Licencee is responsible for confirming any undertakings and ensuring compliance with them.
5. The Licencee 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 Licencee is responsible for confirming any licensing requirements and ensuring compliance with them.
6. This licence must not be assigned except with the written approval of the Administrator. If the Licencee 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 Licencee 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 licence 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 Licencee must adhere to the Farm Management Plan, as it is in effect for this licence from time to time, and any failure to adhere to the Farm Management Plan is a breach of this licence.
9. The Licencee 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 Licencee's use and the productivity of the site.
10. The Licencee is hereby prohibited from using the site in any way that would interfere with other licenced aquaculture operations.
11. If the Administrator, in his or her sole discretion, is of the opinion that the aquaculture activities authorized by this licence are detrimental to or interfere with other licenced facilities, the Administrator may revoke this licence without compensation.
12. Following the completion of a performance review, in accordance with the Regulations, of the aquacultural operation subject to this licence, the Administrator may vary any terms or conditions of this licence in order to address any concerns raised in the performance review.
13. The Administrator may revoke this licence without advance notice or compensation if the Licencee 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 Licencee fails to perform any of its obligations under this licence, 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 Licencee is in breach of any term of this licence and such breach is not corrected within the time period set out in the notice from the Administrator, the Administrator may revoke this licence without further notice or compensation.
16. Should it become necessary for Her Majesty to expropriate the Licencee's rights under this licence, it is hereby agreed that the value of the licence for purposes of expropriation compensation shall not exceed the depreciated value of improvements made by the Licencee that cannot be removed from the site. No compensation may be claimed for the cancellation of this licence where compensation is paid or payable in relation to the expropriation of a licence for the same site.

- 17. Any notices required to be given under this licence may be sent by regular mail to the parties at their addresses set out in the heading of this Agreement, and notice will be deemed to have been received by the intended recipient thereof five business days from the date on which the notice is post-marked. The parties, by agreement, may effect notice by any other means. The Licencee must notify the Administrator of any change of address within thirty (30) days.
- 18. Nothing in this Agreement shall be taken as a warranty by the Administrator that the site may be used now or in the future by the Licencee for aquaculture purposes. The Administrator assumes no responsibility whatsoever for any private property rights or for the actions of other levels of government which may interfere with the use of the site for aquaculture purposes.
- 19. This licence shall be subject to the laws of the Province of Nova Scotia and the parties hereby agree to attorn to its courts.
- 20. This licence shall be subject to any changes made from time to time in the Act, the Regulations or any other relevant legislation.

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

**SIGNED, SEALED AND DELIVERED**  
in the presence of

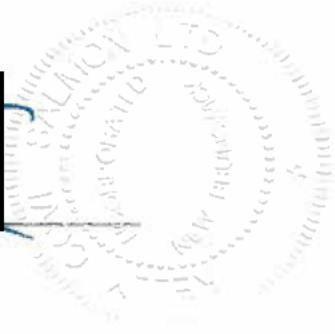
**HER MAJESTY THE QUEEN**  
in right of the Province of Nova Scotia, as  
represented by the Administrator, Nova Scotia  
Department of Fisheries and Aquaculture

[Redacted Signature]  
Witness

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

[Redacted Signature]  
Witness

Kelly Cove Salmon Ltd.  
Per: [Redacted Signature]  
Glenn Cooke



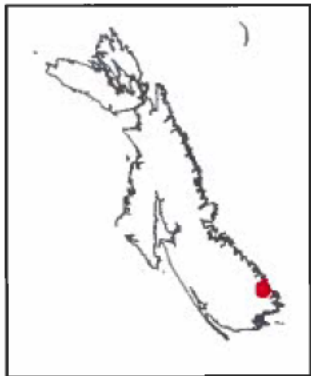
Schedule A  
**GPS COORDINATE INFORMATION SHEET**

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**



<b>Aquaculture Site</b> <b>0602</b>	<p>Centre            Lat 43° 43' 18.06" Long -65° 19' 18.51"            Corner 1            Lat 43° 43' 28.98" Long -65° 19' 24.12"            Corner 2            Lat 43° 43' 27.98" Long -65° 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"</p> <p style="text-align: center;">DATUM NAD 83            The above coordinates            are not from a legal survey</p>
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<b>Application Information</b>	
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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<b>Chart No.</b> <b>4241</b>	
<b>Disclaimer</b> This map should not be used for navigation or legal purposes. It is intended for general reference use only. MIK-0602-JUN-2016	



**Aquaculture Site  
0602**

Centre  
Lat 43° 43' 18.06" Long -65° 19' 18.51"  
Corner 1  
Lat 43° 43' 28.98" Long -65° 19' 24.12"  
Corner 2  
Lat 43° 43' 27.98" Long -65° 19' 10.06"  
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**



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

**Disclaimer**

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MK-0602-JUN-2016

**Schedule "B"**

This Schedule sets out any undertakings required of the Licencee.

There are no undertakings required of the Licencee.

AMENDMENT TO LICENCE

THIS INDENTURE made in duplicate the 27<sup>th</sup> 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 Licensee**"

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 Licensee was issued Aquaculture Licence 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 Licensee wishes to amend Licence No. 0602 to change the boundaries of the aquaculture site, without increasing the total licensed area, subject to whatever undertakings are prescribed by the Administrator, in order to enable the Licensee 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 Licence No. 0602 to change the site boundaries for the above-described purpose sought by the Licensee;

**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 Licence No. 0602 is hereby amended by deleting "20.52 hectare area" and substituting "20.47 hectare area".



2. Licence No. 0602 is hereby further amended by deleting its Schedule "A" and substituting the attached Schedule "A".
3. Licence No. 0602 is hereby further amended by deleting its Schedule "B" and substituting the attached Schedule "B".
4. Except as expressly amended herein, Licence 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

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

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[Redacted signature] \_\_\_\_\_  
Administrator, Nova Scotia Department  
of Fisheries and Aquaculture



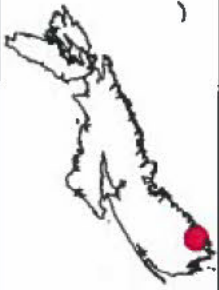
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Kelly Cove Salmon Ltd.  
Per: [Redacted signature]

~~GLENN COOKE~~ — Kris Nicholls  
~~Vice-President~~ — Chief Operating Officer



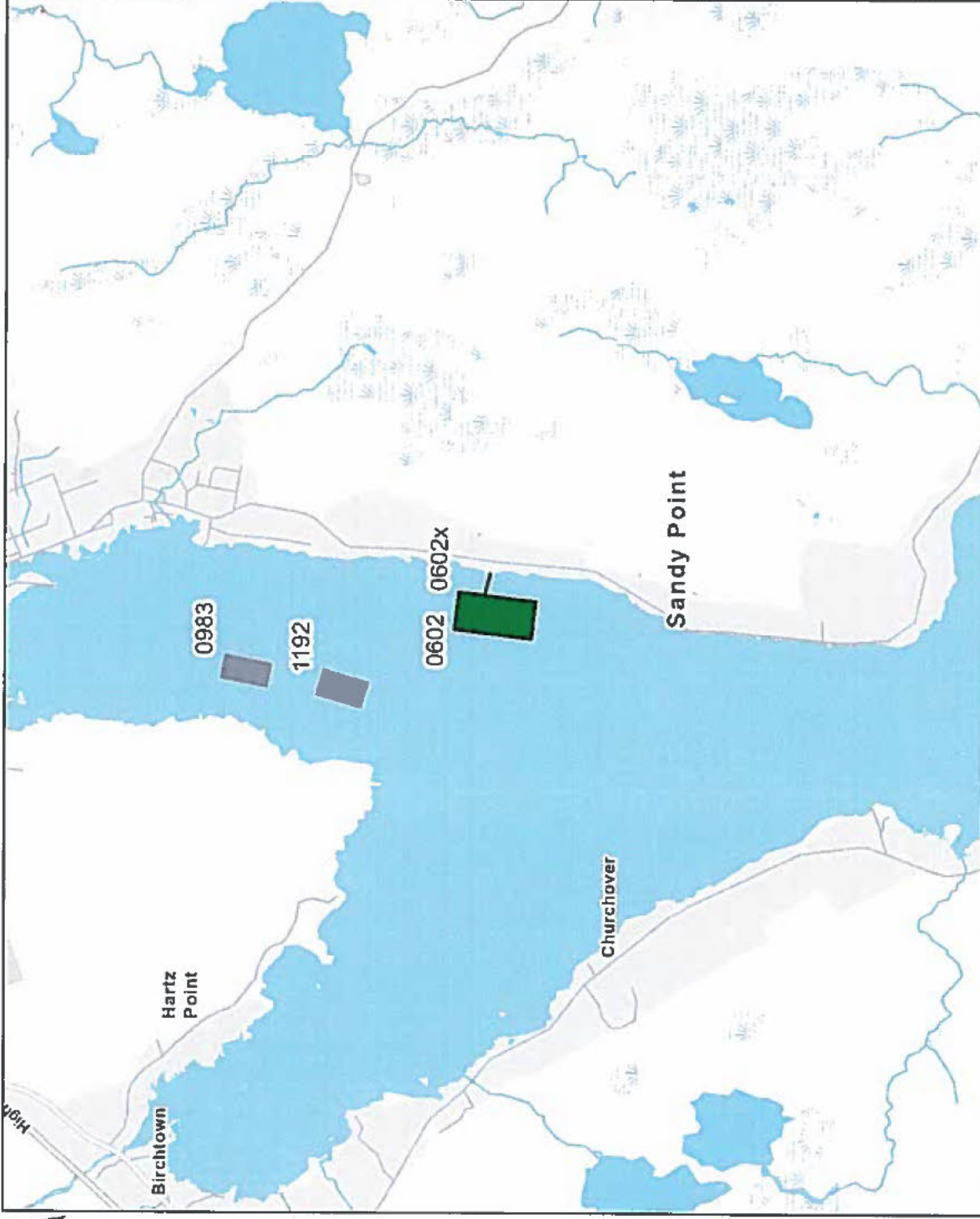
# SCHEDULE A



## 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' 11.000"
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' 12.616"
8	43° 43' 6.109"	-65° 19' 26.620"
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	County	Waterbody	Hectares	Species Type	Culture Type	Chart
Kelly Cove Salmon Ltd.	Shelburne	Shelburne Harbour	20.47	Finfish	Suspended Culture	4241
Proposed Amendment	Other Proposed Application					
Other Issued Lease						



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Date: 2022-03-14  
Created By: MK

# SCHEDULE A

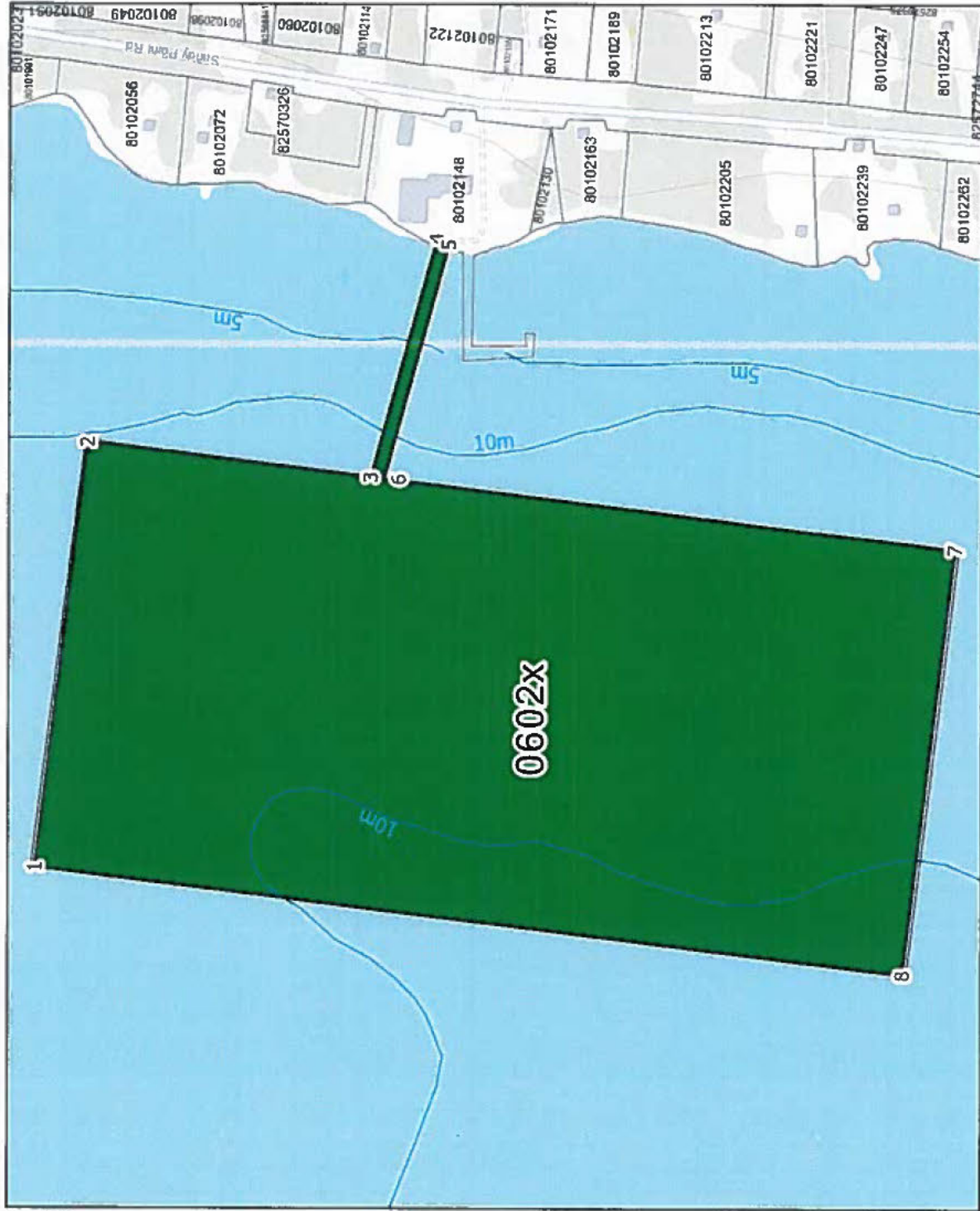


## Aquaculture Site

### 0602x

Corner	Latitude	Longitude
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Centre	43° 43' 17.767"	-65° 19' 18.494"

DATUM NAD 83 CSRS UTM Zone 20  
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License/Lease Holder	County	Waterbody	Hectares	Species Type	Culture Type	Chart
Kelly Cove Salmon Ltd.	Shelburne	Shelburne Harbour	20.47	Finfish	Suspended Culture	424-1

- Proposed Amendment
- Other Issued Lease



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 Date: 2022-03-15  
 Created By: MK

## Schedule "B"

This Schedule sets out any undertakings required of the Licensee:

The Licensee undertakes the following:

1. The Licensee 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 Licensed area (that portion, hereinafter the "shore to site corridor") that connects the aquaculture site to the shoreline of an adjacent, privately-owned real property (PD # 80102148) as depicted in Schedule "A". Rather, the Licensee acknowledges and accepts that the shore to site corridor is licensed for the purpose of enabling the Licensee to install and operate three (3) underwater pipes, each 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 Licensee 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 Licensee's HDPE pipes and the Licensee's operation of them.