

This experimental lease made in duplicate this 29th day of June, 2023,

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 -

ANNAPOLIS VALLEY FIRST NATION

29 Toney Boulevard
Cambridge Station, NS
B0P 1G0

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 grant special experimental leases;

AND WHEREAS Aquaculture Lease No. 5011 was first issued to the Lessee for a term of one year from August 8, 2022 to August 7, 2023;

AND WHEREAS under the Regulations, a special experimental lease may be renewed annually for up to 5 years;

AND WHEREAS the Lessee wishes to renew Aquaculture Lease No. 5011 for a second one-year term;

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

1. The Administrator hereby grants to the Lessee a special experimental lease to use a 3.68 hectare area located in the body of waters known as Minas Basin, Hants County, more particularly described in Schedule "A" attached to and forming part of this Agreement (that area, the "site") for the bottom cultivation with gear method of American oyster (*Crassostrea virginica*).
2. The term of this lease shall be for one year from August 8, 2023 to August 7, 2024 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 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 lease, 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. Except to the extent restricted by an enactment or this lease, the Lessee has, for aquacultural purposes, the exclusive right to use the leased sub-aquatic lands and water

column.

6. 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.
7. The Lessee must use this lease only for the research purposes set out in Schedule "C" attached to and forming part of this lease.
8. This lease must not be assigned. If the Lessee is a corporation, any change in the right to control the corporation shall be deemed to be an assignment.
9. 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 His Majesty the King in right of the Province of Nova Scotia ("His Majesty") to claim for damages.
10. 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.
11. This lease does not include any rights as to minerals in or on the site.
12. 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.
13. 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.
14. The Lessee is hereby prohibited from using the site in any way that would interfere with other leased aquaculture operations.
15. 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.
16. 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.
17. 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 His Majesty, for which His Majesty shall have a first priority charge on the aquacultural produce within the site.
18. 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.
19. Should it become necessary for His Majesty to expropriate the Lessee's rights under this lease, it is hereby agreed that the value of the lease for purposes of expropriation compensation shall not exceed the depreciated value of improvements made by the Lessee that cannot be removed from the site. No compensation may be claimed for the cancellation of this lease where compensation is paid or payable in relation to the expropriation of a licence for the same site.

20. Any notices required to be given under this lease 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 Lessee must notify the Administrator of any change of address within thirty (30) days.
21. 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 Lessee 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.
22. This lease shall be subject to the laws of the Province of Nova Scotia and the Parties hereby agree to attorn to its courts.
23. This lease 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

[Redacted signature box]

[Redacted signature box]

) **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 box]
) _____)
) Administrator - Nova Scotia Department
) of Fisheries and Aquaculture
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) **ANNAPOLIS VALLEY FIRST NATION**
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SCHEDULE A




Aquaculture Site

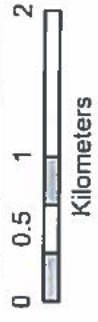
5011

Corner	Latitude	Longitude
1	45° 10' 33.456" -64° 11' 55.160"	
2	45° 10' 38.048" -64° 11' 32.280"	
3	45° 10' 29.460" -64° 11' 18.024"	
4	45° 10' 27.012" -64° 11' 20.904"	
Centre	45° 10' 31.504" -64° 11' 26.549"	

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
Annapolis Valley First Nation	Hants	Minas Basin	3.68	Shellfish	Bottom Culture with Gear	4140
 Proposed Experimental						



Disclaimer
This map should not be used for navigation or legal purposes. It is intended for general reference use only.
Data: 2021-08-10 Created By: MK

SCHEDULE A

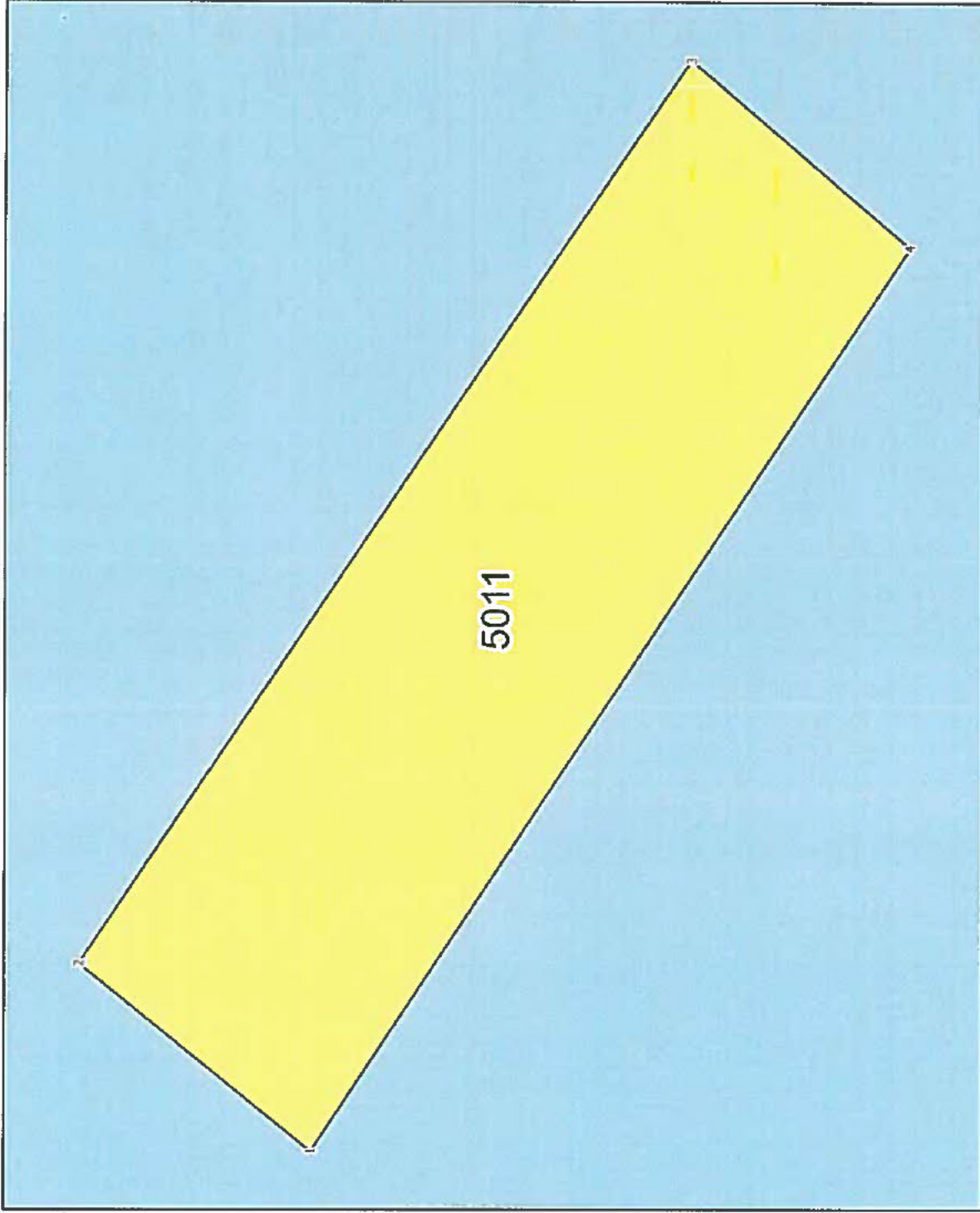


Aquaculture Site

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Annapolis Valley First Nation	Hants	Minas Basin	3.68	Shellfish	Bottom Culture with Gear	4140

- Proposed Application
- Other Issued Lease



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Schedule "B"

This Schedule sets out any undertakings required of the Lessee.

The Lessee undertakes to the following:

1. No product will be harvested for human consumption, unless all permits and approvals under the Canadian Shellfish Sanitation Program (CSSP) have been obtained. Oyster aquaculture is subject to Acts and Regulations governed by the CSSP which is delivered by the Canadian Food Inspection Agency (CFIA), Environment and Climate Change Canada (ECCC) and Department of Fisheries and Oceans Canada (DFO).
2. Prior to the transfer of Oyster spat to the site, a Nova Scotia Introductions and Transfers Committee application must be submitted, and a permit issued.

Schedule "C"

Research purposes

This Lease has been granted to enable the Lessee to research novel cultivation methods and to assess the technical feasibility of an aquaculture site in an effort to support the commercial growth of American oysters in the Minas Basin.

In particular, further to this Lease, the Lessee will be involved in the following activities:

- Fixing Oyster bags (e.g. Vexar bags) to the sea floor, with or without an exterior cage (e.g. OysterGro) using removable anchors;
- Assess the technical feasibility, growth rate, survival rate and habitat suitability to grow American oysters commercially in the above identified location;
- Evaluation of the intertidal cage placement method(s) to determine the viability to undertaking aquaculture in a macrotidal estuary;
- Assess this method of cultivation against more conventional methods in regards to the level of fouling by organisms such as algae and tunicates; and
- Oysters will be checked for mortality and measured regularly. Water quality measurements such as temperature and water depth will be monitored with remote data loggers. Other environmental data will be compiled to compare with growth rate and survival rate.