

Proposal for the Exclusive Right to Apply for a Licence and Lease Within an ADA

Instructions:

You **MUST** complete ALL fields and sections of this form, unless stated otherwise. Incomplete proposals will not be considered by the Aquaculture Administrator (the "Administrator") when selecting a proponent. The Nova Scotia Department of Fisheries and Aquaculture (the "Department") will NOT contact you should your proposal be received incomplete. The criteria under which your proposal will be assessed and rated is included at the end of this form, which you can use as an aid when writing your proposal. Although a total score is provided following assessment, it is important to note that the proposal with the highest score is not by default the successful proponent; the Administrator reserves the right to the final decision following the call for proposals.

| | |
|--------------------------|------|
| Site Number - AQ# | 8007 |
|--------------------------|------|

| Section 1: Proponent Information | |
|---|---|
| Proponent Name: | The Maritime Oyster Company |
| Name of Authorized Representative: <i>(if applicable)</i> | Tyler Murphy |
| Phone Number (work): | 902-740-0814 |
| Phone Number (cell) (optional): | |
| Fax Number (optional) | |
| Email Address: | tyler@maritimeoyster.com |
| Mailing Address: | PO Box 323, Lower Wedgeport, NS B0W 2B0 |
| Civic Address: <i>(if different than mailing address above)</i> | <i>The Civic address in Nova Scotia where your daily records will be kept with respect to the Aquaculture operation</i> |
| Additional Authorized Contact(s) (include name, phone and email): <i>(optional)</i> | [REDACTED] |

| Section 2: Company Information (if applicable) | |
|---|--|
| <i>Please attach a copy of an up-to-date <u>Shareholder's Register</u> from the corporate Minute Book of the company setting out (1) the names of each shareholder and (2) the number of shares held by each.</i> | |
| Registry of Joint Stocks Number: | 3317218 <i>Proof of compliance with the Registry of Joint Stock Companies is required. Information is available on the RJS website at http://www.gov.ns.ca/snsmr/rjsc</i> |
| Revenue Canada Business Number: |  <i>Business Number from Canada Revenue Agency. The toll-free telephone number for CRA is 1-800-959-5525 (press * to speak to a representative about obtaining a CRA Business Number).</i> |

Section 3: Proposed Production Plan Summary

- Notes:*
- 1. Refer to the call for proposals to determine what species will be considered by the Department. At this time, only suspended cultivation methods are being considered.*
 - 2. If you require additional rows, include the information into Section 5 (Production Plan Details) of your Proposed Development Plan.*

| Species Name | Expected Annual Harvest (in kg or # of units, or pieces) | Expected grow-out period (in years) | Maximum biomass on site (in kg or # of units) | # of years it will take to reach maximum production |
|---------------------|---|--|--|--|
| American Oyster | 10,000,000 oysters | 4 | 12,000,000 oysters | 4 |
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Proposed Development Plan (Sections 4 to 10)

If you need additional space to record information, refer to and include it as an attachment

Section 4: Production Plan Details

Provide a description of the infrastructure that would be in place to carry out your proposal. This includes but is not limited to: The type of gear to be used, the anticipated number and capacity of cages/bags/lines to be used over time. Dimensions and approximate number of anchors to be used, the source of seed stock and/or how it will be collected and any additional information to accompany Section 3 above. In addition, review the Site Report details for any unique mitigative measures to be considered and address them in this section. This proposal is understood to be based upon the information available at the time of the submission. In future years, the actual amount of gear used, seed stocked and other production values may be higher or lower than the projections and will be determined by operational performance outcomes experienced at the site, including, but not limited to, environmental monitoring and farm operations.

In evaluating this section, the Department will review information such as: the technical feasibility of the proposed production scale and equipment used with the requested area.

Our infrastructure would consist purely of farming the oysters for ungraded sale. The grading/value add work, done through a sister company, will be addressed later in the application.

Infrastructure for the farming operation will consist of aluminum cages, each containing 6 bags of oysters with 2 floats per cage. Total size approximately 4 ft x 3 ft. There will be 8 feet of space between cages and each line has 50 cages on it.

We will be using a Louisiana style pole system for anchors to deal with tides. This means as opposed to anchors on the bottom, we will use a line tied tight between two upright poles driven into the sea floor.

Given that we estimate a 12,000 cage operation we'd have roughly 240 lines. Large oysters will have 400 per bag while babies could have as much as 4,000 per bag. The density is based on the size. The bigger the oyster the less we put in a bag.

Section 5: Benefits to the Local Community and the Province

Provide a description of how your proposal would benefit the local community and the Province of Nova Scotia. For example, anticipated direct local jobs created, use of local suppliers, processors, seed stock, potential secondary industries, impact to other business development in the community and Province.

In evaluating this section, the Department will review information such as: the proponent's primary place of residence, the number of full-time, part-time and seasonal employees directly related to the proposal, sources of labor, types of goods and services, predicted volumes of goods and services, hatchery or seed source, location of processing of product.

As mentioned in section 4, the full scope of the operation will include our sister company, Schooner Seafoods. Schooner currently operates in the hagfish and herring industries which are seasonal. Bringing the oyster farm online would allow us to extend the work available for seasonal employees.

Schooner Seafoods has been approved for funding through the Atlantic Fisheries Fund for an automated oyster grading machine. Oysters will be sold, ungraded, from Maritime Oyster to Schooner Seafoods. Our seasonal staff (roughly 30 workers who would otherwise have no work available) using this equipment would grade and pack oysters for sale.

On top of this, the additional lease site would create 2 full time positions (\$50K to \$60K annual salary).

Ultimately, after 4 years of growing the oysters, we anticipate annual sales of 10,000,000 oysters [REDACTED]

Section 6: Past and Present Aquaculture Operations in the Province

In the table below, list all aquaculture sites with licences that are presently or have been previously issued to you by the Province of Nova Scotia. For present aquaculture sites, provide a summary of your current operation including the rationale for any sites currently underutilized. For past aquaculture sites, explain why you are no longer operating the site (i.e. what happened to the aquaculture site).

In evaluating this section, the Department will be reviewing the production and operational history of the aquaculture sites with licences currently and previously issued to the proponent (e.g. for the purposes of site utilization) and the compliance history of the proponent with respect to those sites.

Check this box if you have no past or present aquaculture operations in the Province

| Aquaculture Site Number (AQ#) | Past or Presently Issued Licence? (Check one) | | If Past: Why you are no longer operating the site / what happened to the site If Present: Summary of your current operation / rationale for underutilized sites |
|-------------------------------|---|--------------------------|--|
| | <input type="checkbox"/> | <input type="checkbox"/> | |
| 1326 | <input type="checkbox"/> | PAST | Currently growing/maintaining oysters awaiting them to reach ready for sale stage |
| | <input checked="" type="checkbox"/> | PRESENT | |
| 1087 | <input type="checkbox"/> | PAST | Currently growing/maintaining oysters awaiting them to reach ready for sale stage |
| | <input checked="" type="checkbox"/> | PRESENT | |
| | <input type="checkbox"/> | PAST | |
| | <input type="checkbox"/> | PRESENT | |
| | <input type="checkbox"/> | PAST | |
| | <input type="checkbox"/> | PRESENT | |
| | <input type="checkbox"/> | PAST | |
| | <input type="checkbox"/> | PRESENT | |

Section 7: Ability to Execute the Proposed Activities

Provide a description of your relevant knowledge and experience. This can include education, business experience, aquaculture experience, previous aquaculture compliance history, previous experience in community engagement, proposed management team (if known), other relevant information to demonstrate the technical and business skills available to execute the proposed development.

In evaluating this section, the Department will review information such as: the relevance of experience to the proposed aquaculture development, years of relevant experience and past operational success.

Tyler Murphy has grown up in the seafood sector. He has been fully involved with day to day operations of a full scale seafood processing operation for over 25 years.

His university career gives him a masters in administration focusing on politics and economics but has had training in all parts of seafood from sales, food safety, logistics and aquaculture.

His involvement with Blue Atlantic fisheries in PEI has given him the logistical, business and safety standard insights to begin Maritime Oysters operations in NS with leases 1326 and 1087. That operation (Blue Atlantic) has 91 acres of grow space with over 7000 cages growing oysters.

In addition to this he has worked with Serge Leblanc of Acadian Bay Oyster in Bouctouche NB. Serge is a marine biologist and has been growing oysters for 25 years, he is also the main source of our seed.

With Maritime Oyster and the two current leases he has perfected the operation to suit the prospect of more grow space and the knowledge to do it right. In this case we want a large volume of oysters for reprocessing and value add lines being introduced at Schooner Seafoods over the coming months.

It is pivotal to the overall success of these operations to have the volume to counter the lowering and reallocation of quotas which the operation relied upon in previous years. Having control of its own inputs, farming instead of live caught, the operation can forecast real numbers and see actual growth.

Section 8: Market Plan

Provide a description of your basic market plan. For example: Product forms, anticipated price(s), target market, distribution of product and marketing/promotion of product.

In evaluating this section, the Department will review information such as: Clear plans to sell, promote and distribute the product. Feasibility of the market plan. Benefits to the local economy.

Per our research, the oyster industry is forecasted to grow at a rate of 3% per year from 2024 to 2029 and currently has room for additional vendors. Our market plan is to use our current seafood connections (parent company R&K Murphy Enterprises) to offer oysters to their current customers (demand for lobsters and oysters come from the same customers).

Specifically we have customers in Montreal and Florida who, based on discussions around our current oyster leases and this potential expansion, have indicated they can take the bulk of the 10M units we forecast to sell each year.

On top of that we will employ an internet based marketing campaign showcasing our oysters and other value add products we will offer.

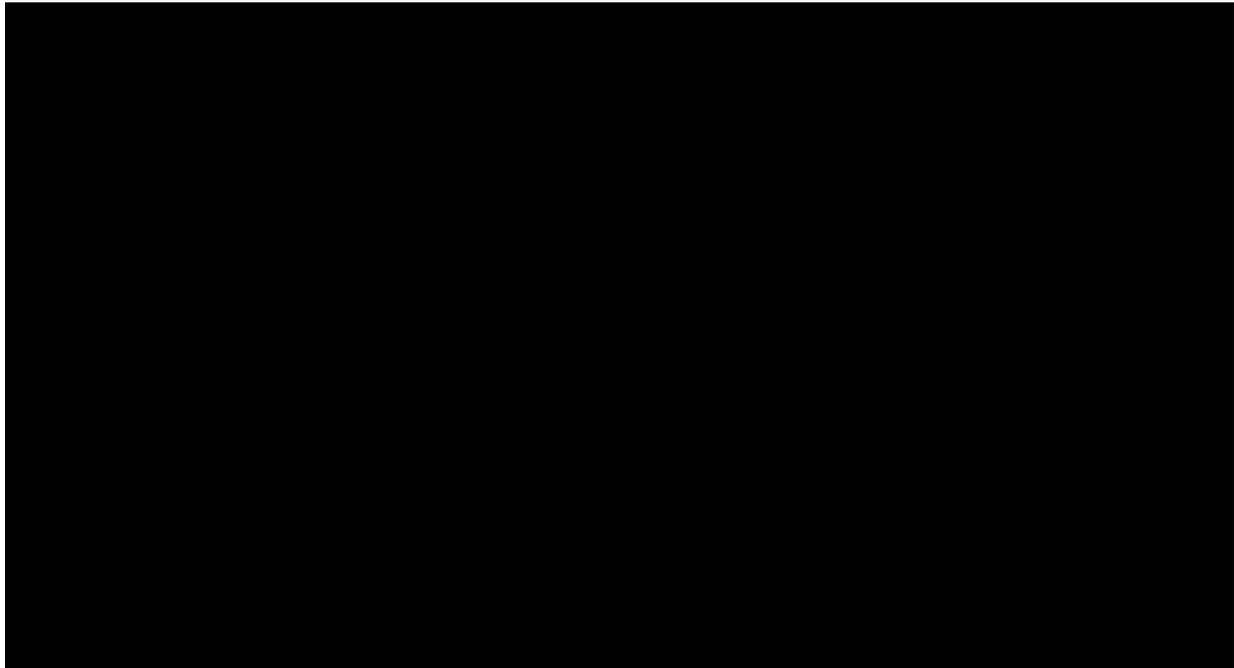
Moving forward, Maritime Oyster's operations will support new value add operations at R&K Murphy and their group of companies. Ready made Oysters Rockefeller will be one of many products we will be looking to offer the retail market.

Section 9: Financial Plan

Provide a description of your financial ability to carry out the proposed activities. Include a detailed description of your initial start-up costs and how you plan to fund these costs until you are reporting income, providing documented evidence where possible. Provide or attach a detailed breakdown of your anticipated annual revenue and expenses starting from the year of start-up to the year you are reporting income (e.g. EBITDA for one production cycle forward). Include the costs for any equipment, supplies or infrastructure. Include the type, amount and source of any financing or funding used or anticipated.

In evaluating this section, the Department will review information such as: A clear understanding of the financial requirements associated with starting and maintaining an aquaculture operation, a reasonable and achievable plan for obtaining the funds necessary to carry out the proposal and an appropriate amount of time required to become profitable.

See attached.



Section 10

How does your proposed development plan along with your unique combination of expertise, experience and resources position you as the most suitable proponent? Refer to the call for proposals to determine if there is any additional information being requested as part of your proposal. Include any other information that you would like to be considered in review of this proposal.

The Maritime Oyster Company is run by Tyler Murphy who has grown up in the seafood industry through his family's business R&K Murphy Enterprises Limited (R&K). R&K has been in the seafood industry since 1975 selling various seafood products around the globe.

The experience gained and connections made through this business naturally translate to operating in the global oyster market.

Further, Tyler has learned about the oyster business through working with Acadian Bay; spending time with them working on and learning every aspect of an oyster farm. Finally through R&K we are fully licensed with CFIA, DFO and NS Aquaculture to purchase, process and sell oysters. Southwest NS and its communities have been dependent on seafood to drive it's economy for many years and are now seeing the markets change due to climate related factors.

Putting in place farming operations will allow The Maritime Oyster Company and R&K to continue to run profitable businesses and support their surrounding communities for years to come.

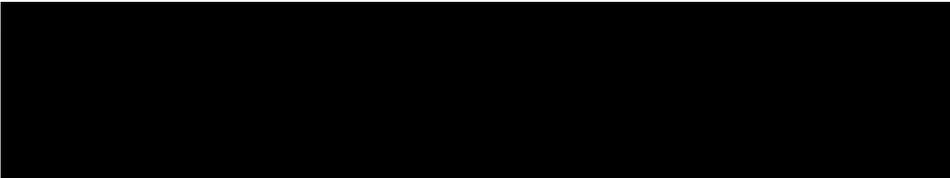
Public Notice and Disclosure

You are advised that, in the event of a successful proposal and in accordance with Aquaculture Licence and Lease Regulations, the Department will disclose the proponent’s name, the nature, geographic area, and scale of the proposed development associated with the call for proposals.

Privacy Statement

The personal and business confidential information collected as part of this form will only be used or disclosed by the Nova Scotia Department of Fisheries and Aquaculture for the purpose of deciding on the calls for proposals and any subsequent application made, should you be the successful proponent. All information collected is subject to the Freedom of Information and Protection of Privacy Act (“FOIPOP”) and will only be used or disclosed in accordance with FOIPOP.

By signing and submitting this form, I acknowledge that I have read, understood, and accept the above statements regarding the collection, use, and disclosure of the information provided on this form. I also hereby certify that the information provided within and accompanying this form is true and correct.

| | |
|---|---|
| Signature of Proponent or Authorized Representative: |  |
| Date: | June 14, 2024 |

Submit completed form via email (preferred method), mail or fax to:

E-mail (preferred method): aquaculture@novascotia.ca

Mailing Address:

Nova Scotia Department of Fisheries and Aquaculture, Licensing & Leasing
1575A Lake Rd, Sandy Point, NS B0T 1W0

Fax: 902-875-7429

Office: 902-875-7439



Fisheries and Aquaculture
1575A Lake Rd
Sandy Point, Nova Scotia
BOT 1W0

novascotia.ca

Application for a Marine Aquaculture Licence and Lease within an ADA

This form is to be completed by the successful proponent selected by the Administrator or, in the case of a corporation, an authorized representative.

| | |
|---|----------------------------------|
| Name of Successful Proponent: | Maritime Oyster c/o Tyler Murphy |
| Name of Authorized Representative (if applicable): | Tyler Murphy |

| | |
|---|------|
| ADA Site (AO#) | 8007 |
| Application File No. <i>(if no file number was provided to you, leave this field blank)</i> | |

Development Plan

A Development Plan is required to be submitted with this application and must contain all required information. Refer to the separate document titled "Guide for Marine Aquaculture Licence and Lease Within an ADA Development Plan" for how to complete a development plan.

Fees

A non-refundable application fee is required in order to process your application. Please contact the Department of Fisheries and Aquaculture (the "Department") if you have not yet received an invoice. See below for how to submit the fee required.

Payment may be submitted via the following options:

- Cheque or money order, payable to the **Minister of Finance and Treasury Board**
- Credit Card via the Online Payment Portal, at the following website:
https://accesstobusiness.snsmr.gov.ns.ca/a2b_web/fishAquaculture

Public Notice and Disclosure

As part of the process for deciding on an aquaculture application, the Department may disclose application information (and prior proposal information) to other government bodies. In accordance with Departmental policy, which seeks to promote public involvement in the process for deciding on aquaculture applications, the Department may disclose application information

(and prior proposal information) – not including, however, personal or business confidential information – on the Departmental website.

Privacy Statement

The personal and business confidential information collected as part of an aquaculture application will only be used or disclosed by the Department for the purpose of deciding on the application. All application information collected is subject to the Freedom of Information and Protection of Privacy Act (“FOIPOP”) and will only be used or disclosed in accordance with FOIPOP.

By signing and submitting this form, I acknowledge that I have read, understand, and accept the above statements regarding the collection, use, and disclosure of the information provided on this form.

| | |
|---|--|
| Signature of Proponent or Authorized Representative: |  |
| Date: | April 22 '2025 |

Submit completed form via mail, email or fax to:

Mailing Address:

Nova Scotia Department of Fisheries and Aquaculture, Licensing & Leasing
1575A Lake Rd, Sandy Point, NS B0T 1W0

E-mail: aquaculture@novascotia.ca

Fax: 902-875-7429

Office: 902-875-7439

ADA Development Plan (revised September 24 2025)

Section One: Executive Summary

Maritime Oyster is looking to expand its presence in the oyster growing/selling industry. If awarded this new lease we will look to grow 4 million additional oyster per year with a total Oystergrow cage count of 3800 by the end of our 4th year and maintain that amount ongoing. This is scaled back from our original proposal and the scale back is partially due to global trade uncertainties and as a company we feel it necessary to follow a scaled back model at current time.

In cooperation with our parent company (R & K Murphy), who has been in the seafood business for 50 years, this year, and all of its subsidiary companies; Maritime Oyster has optimal placement and logistics to easily operate a new larger scale oyster farming venture. Within our infrastructure we have access to wharves and berth-age at almost all wharves (9 public wharves) in the Argyle area, this includes power, buildings, coolers and hydraulic winches. We currently use this infrastructure to support our buying/processing/selling of lobster, tuna, swordfish, hagfish, herring, ground fish (haddock/cod/halibut/etc), crab and other species. The only addition required to accommodate this venture will be a new Oyster farming vessel; we have full intentions on building a fully electric vessel and have been in contact with the Nova Scotia Aquaculture Loan Board, Fisheries and Aquaculture Energy Efficiency Innovation Fund and ACOA to weigh the benefits of such an undertaking.

We have a fully functioning fish/seafood processing plant (Schooner Seafoods) fully licensed and certified by all areas of government such as CFIA and NSDFA, it currently employs 40-50 seasonal employees and 5-10 full time, it has packaging/freezing/processing capabilities that run in the 100 000 lb plus daily limits and new packaging equipment with varying packaging capabilities (such as skin wrap machine, thermal former and vacuum sealing). We have processing equipment such as smokers, mixers, conveyors and boxing machines. We also have many refrigerated trucks and cooling capacities to satisfy safe handling of raw oyster. Our markets are diverse and far reaching with current exports to many foreign countries and a vast reach with Canadian distribution.

Maritime Oyster has been operating 2 oyster farming leases (lease #'s 1087 and 1326) since 2018 and currently have over 2 million oyster growing in 550 cages. Late 2024 Schooner Seafoods purchased a vision grader for oysters from Hardouin in France and is ready to process up to 20 000 oysters per day, we just need to grow them.

Until 2024 we bought all of our seed stock from Acadian Bay Enterprises, however with the emergence of msx and federally controlled zones we have to look at our options differently. We will seek to have our own seed collectors (if allowable) on our farms as a quick solution and possibly look at working with other farmers to operate a local conglomerate hatchery. As a viable business we will figure out a way to work with issues as they arise.

The oyster market is stable with growth rates increasing each year. The supply rate is not exceeding the market growth and in essence is driving the selling prices up consistently for the last 4 years. One must note that current trade implications are arising, however the industry believes it to be a minor hurdle in the this ever growing market. Our focus is also not just on the live oyster market but on processed ready to eat value added products which Schooner Seafoods will be rolling out over the next few years. Some of these products will include; frozen smoked oyster on the half shell, oyster Rockefeller and we are working on a product with bio food tech in PEI to have pasteurized refrigerator stable, for up to 90 days, raw oysters on the half shell with the use of high pressure processing. We are looking to keep our processing plant busy with new products, the old volume based approach is not feasible considering lower catches/quotas and reallocation of quotas to different areas of Canada and therefore we are seeking aquaculture as a fill in for volume and value added as a fill in for revenue. Aquaculture gives us a secure flow of input material and guaranteed work, as opposed to wild caught products with all sorts of variables.

Section Two: Production Plan

Our plan was to acquire all of our seed from Acadian Bay however with the controlled and uncontrolled zones we are unable to get transfer permits. Currently, we are working with a hatchery which is in an uncontrolled zone, as we are. Otherwise, we will look at seed collectors and possibly using a local hatchery. We have reduced the number of cages we were going to introduce, and our biomass is also going to be reduced until the global market stabilizes again. Our case count will top out at 3800 and we will look at 4 million seed introduction per year for 4 years until we are selling the first seed. See following breakdown of yearly seed introduction and proposed inventory each year until maximized. Each year we assume a 10% mortality.

| | Sales (new site) | Seed introduction | Proposed inventory |
|--------|------------------|-------------------|--------------------|
| Year 1 | 0 | 4 000 000 | 4 000 000 |
| Year 2 | 0 | 4 000 000 | 7 600 000 |
| Year 3 | 0 | 4 000 000 | 10 840 000 |
| Year 4 | 0 | 4 000 000 | 13 716 000 |
| Year 5 | 2 592 000 | 4 000 000 | 13 752 000 |

| Yearly cage count | Introduced | Total |
|-------------------|------------|-------|
| Year 1 | 450 | 450 |
| Year 2 | 850 | 1300 |
| Year 3 | 1250 | 2550 |
| Year 4 | 1250 | 3800 |

Stocking density (based on year class)

| | |
|--------------|--|
| Year class 1 | 1500 pcs per bag 6 bags per cage 9000 total per cage |
| Year class 2 | 800 pcs per bag 6 bags per cage 4800 total per cage |
| Year class 3 | 400 pcs per bag 6 bags per cage 2400 total per cage |
| Year class 4 | 250 pcs per bag 6 bags per cage 1500 total per cage |

Yearly line introduction (lines are going to be 600 to 800 ft long with 50 cages per line and a minimum of 20 feet space between lines)

| | Introduction | Total |
|--------|--------------|-------|
| Year 1 | 9 | 9 |
| Year 2 | 17 | 26 |
| Year 3 | 25 | 51 |
| Year 4 | 25 | 76 |

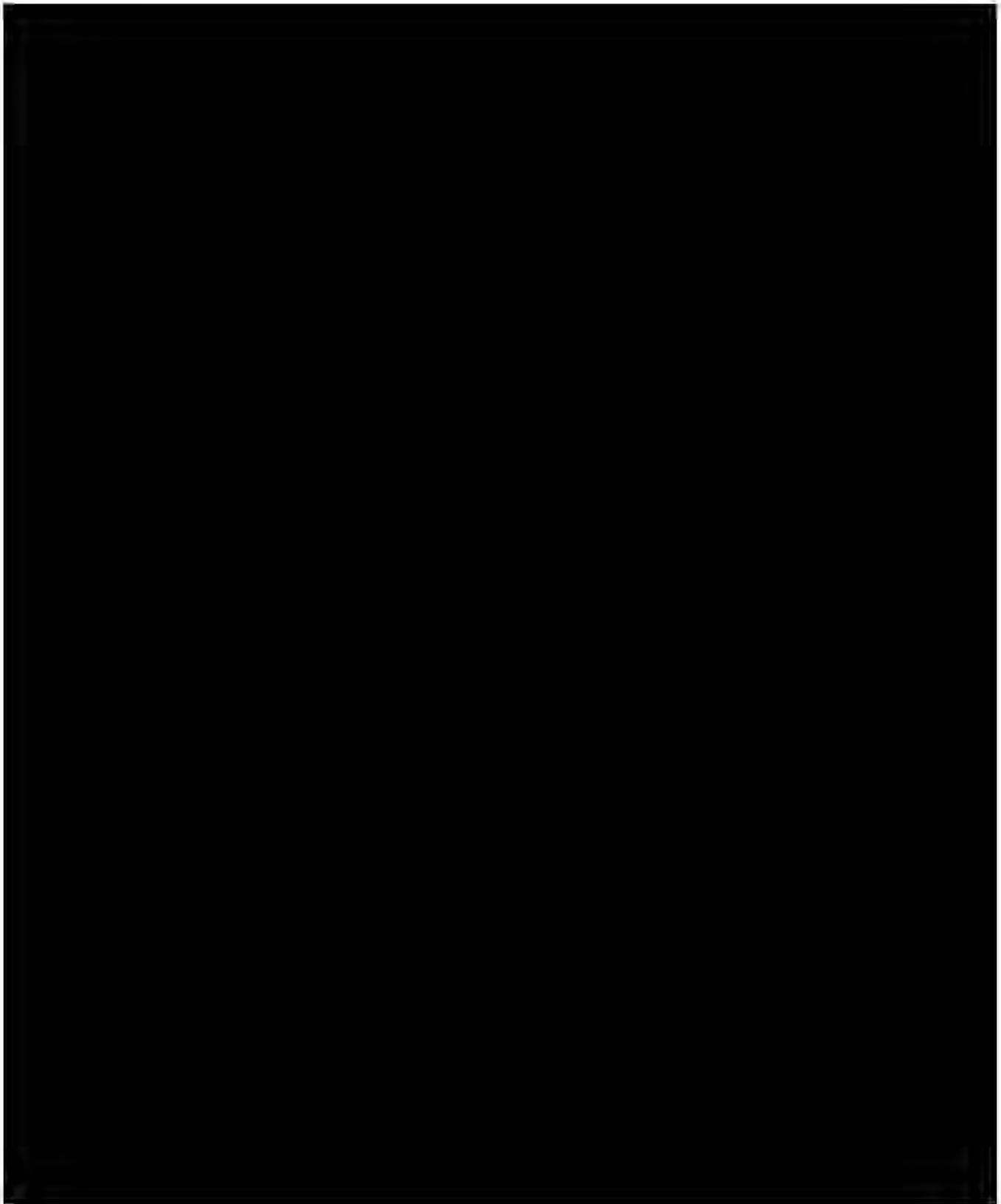
No other changes from the original plan.

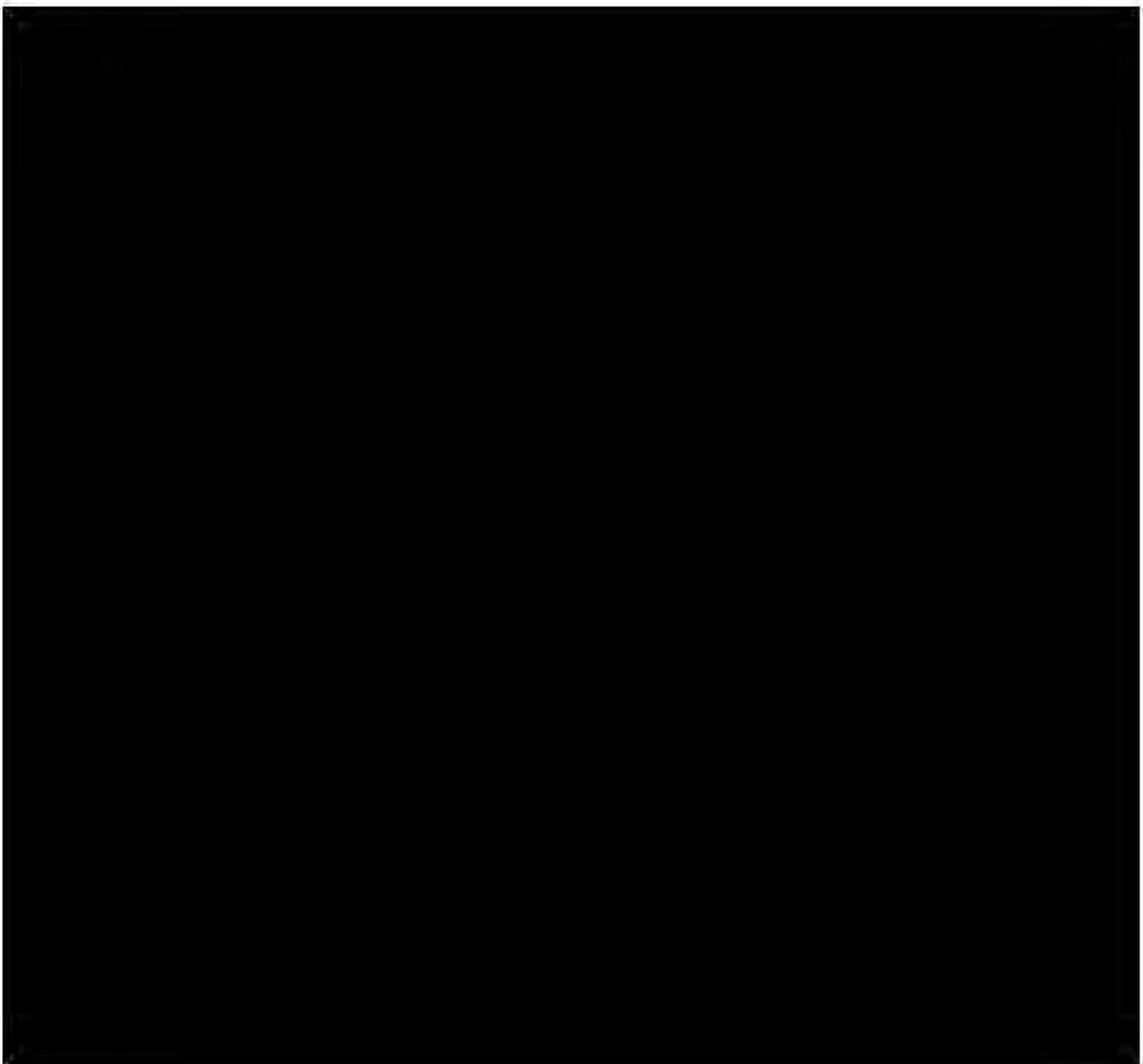
The Maritime Oyster Company

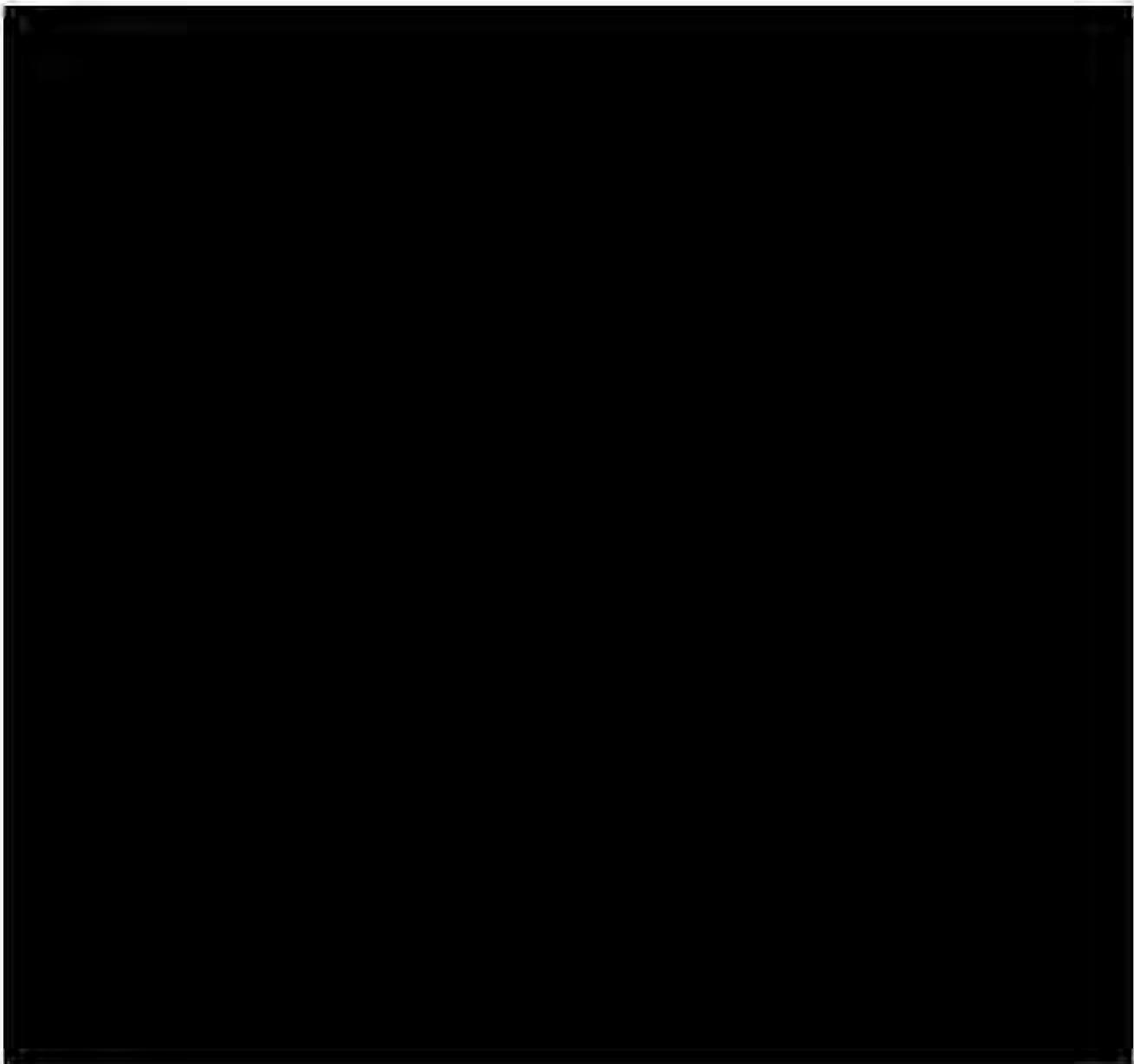
License & Lease Within ADA Application

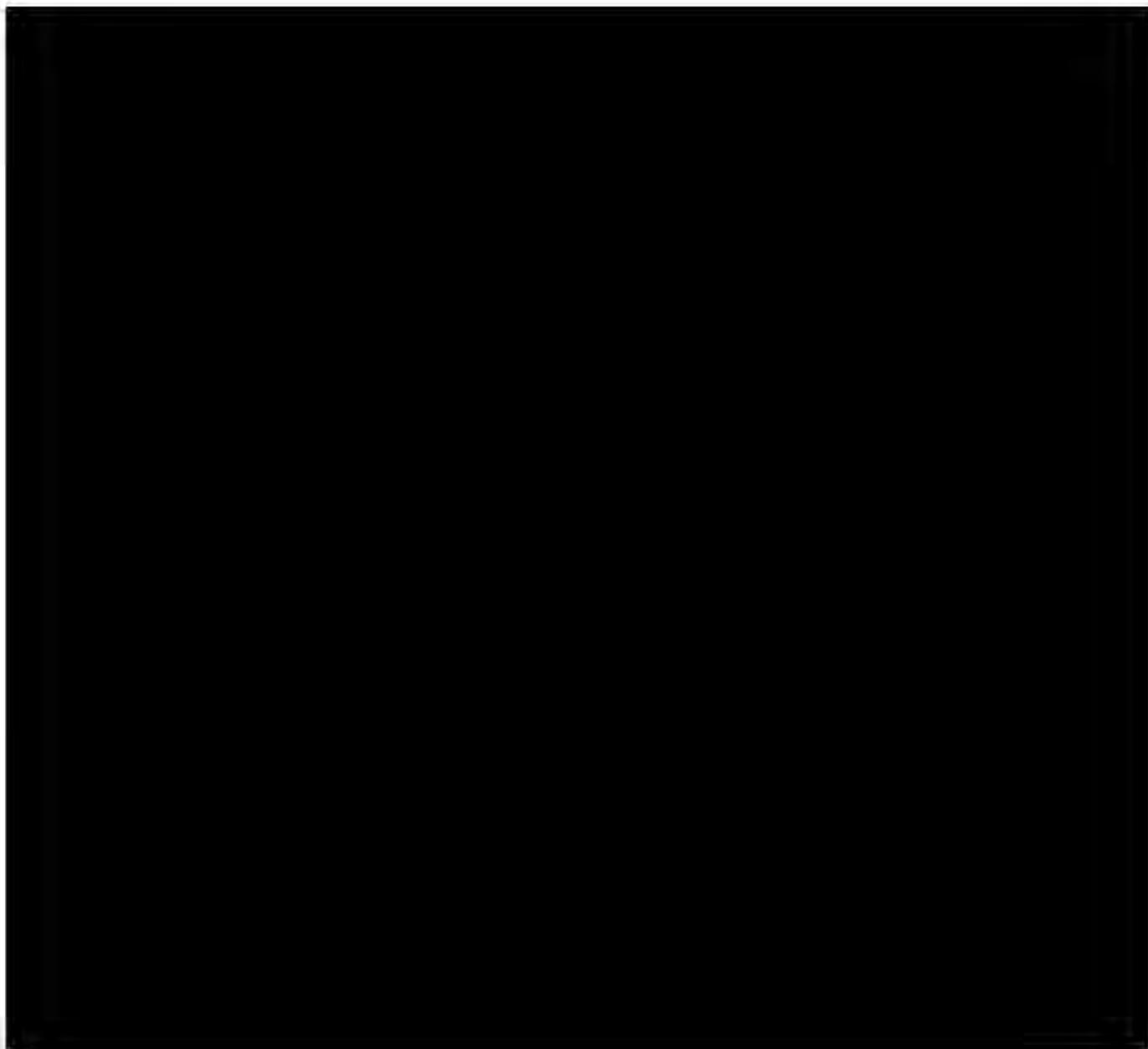
Section 3 - Financial Plan 2025

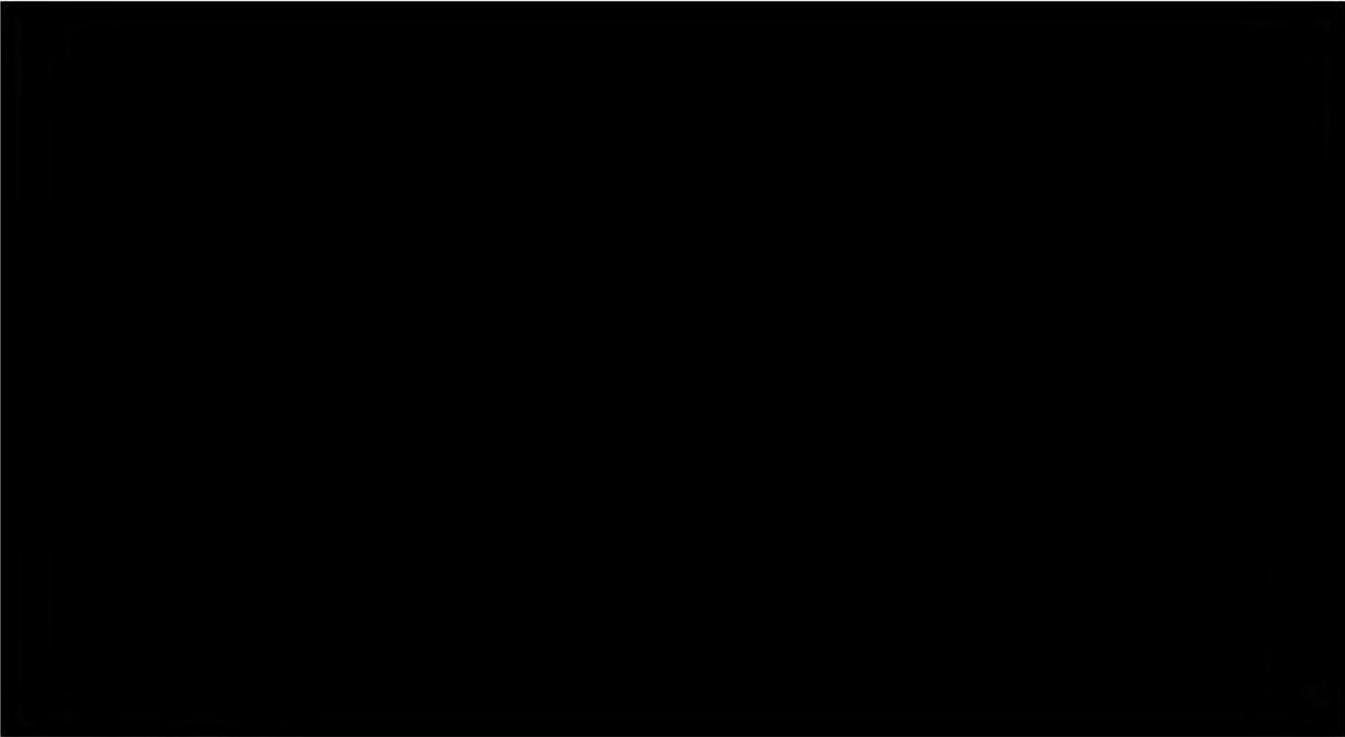












Market Plan

No change.

Section 4

Site design

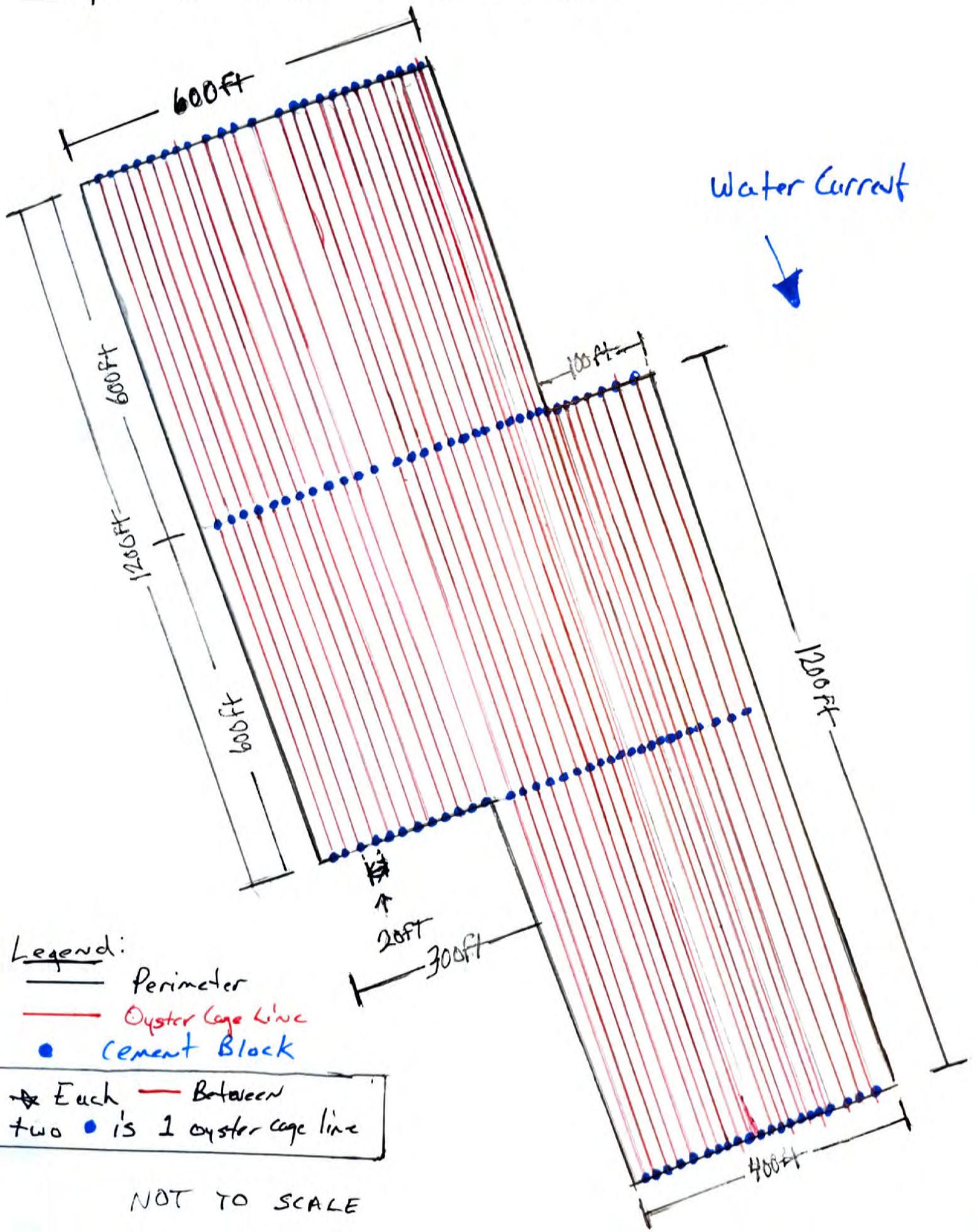
When designing this site we have looked at water flow and nutrient flow in order to maximize oyster growth and not impede or redirect any natural water flows our cage lines will be set with the direction of the prevalent currents. We have decided to go with a traditional cement anchor with a weight of 2500 lbs each.

We will place 2 anchors on bottom for each end of a line. All the placement will be done with GPS and hydraulic cranes via our oyster work boat. The ropes will be tied off on one end and then stretched to the far end and another anchor will be placed on bottom to hold the end tight. Each line will have up to a maximum of 50 cages per line. Hopefully construction of the sites can commence in spring 2026 and we will introduce cages each year for 4 years until we have reached our goal of 3800 total cages. See attached financial plan for yearly introduction.

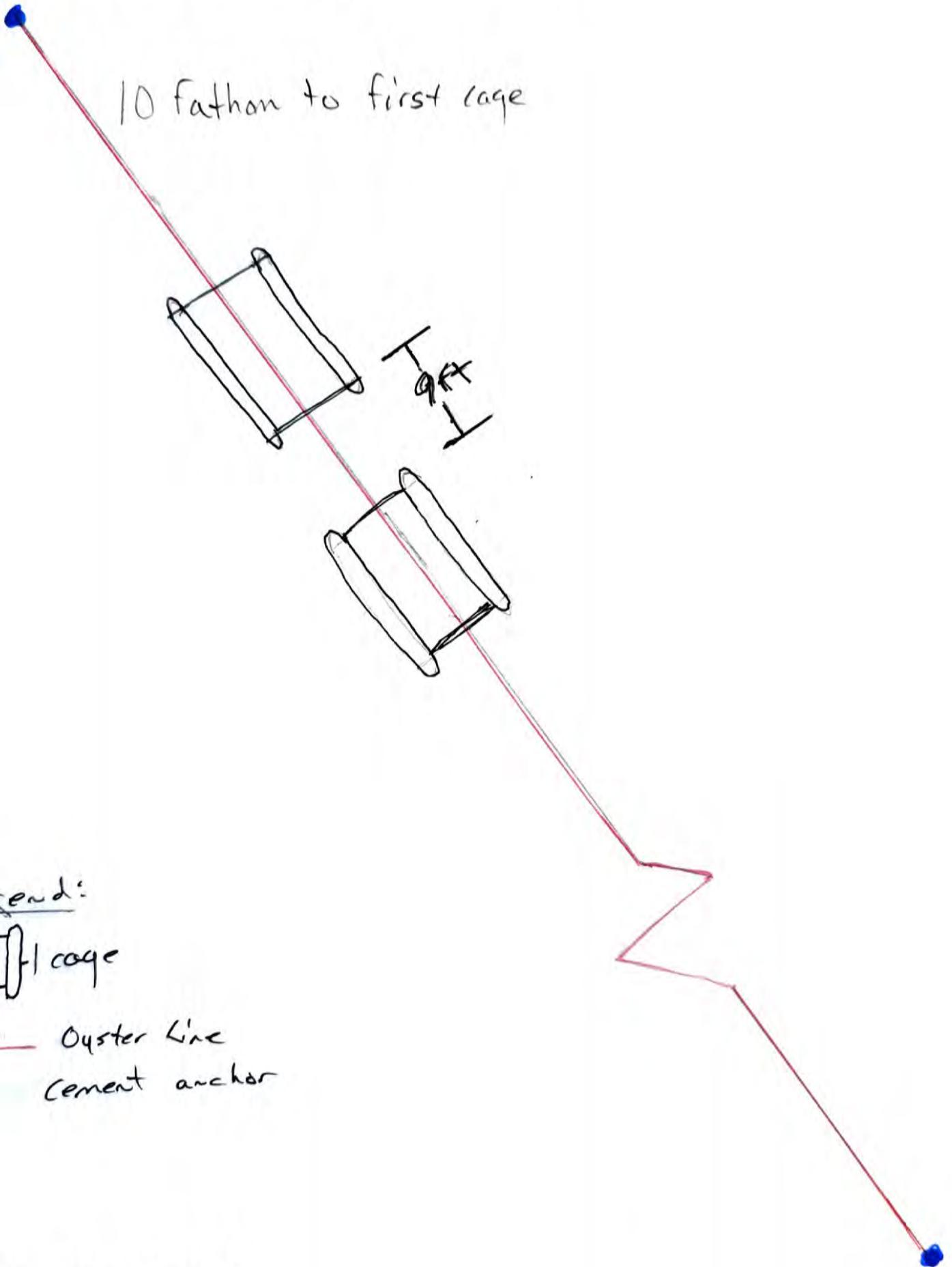
See attached down view map of aq 8007 and side view of oystergrow farming.

See attached navigable waters application confirmation.

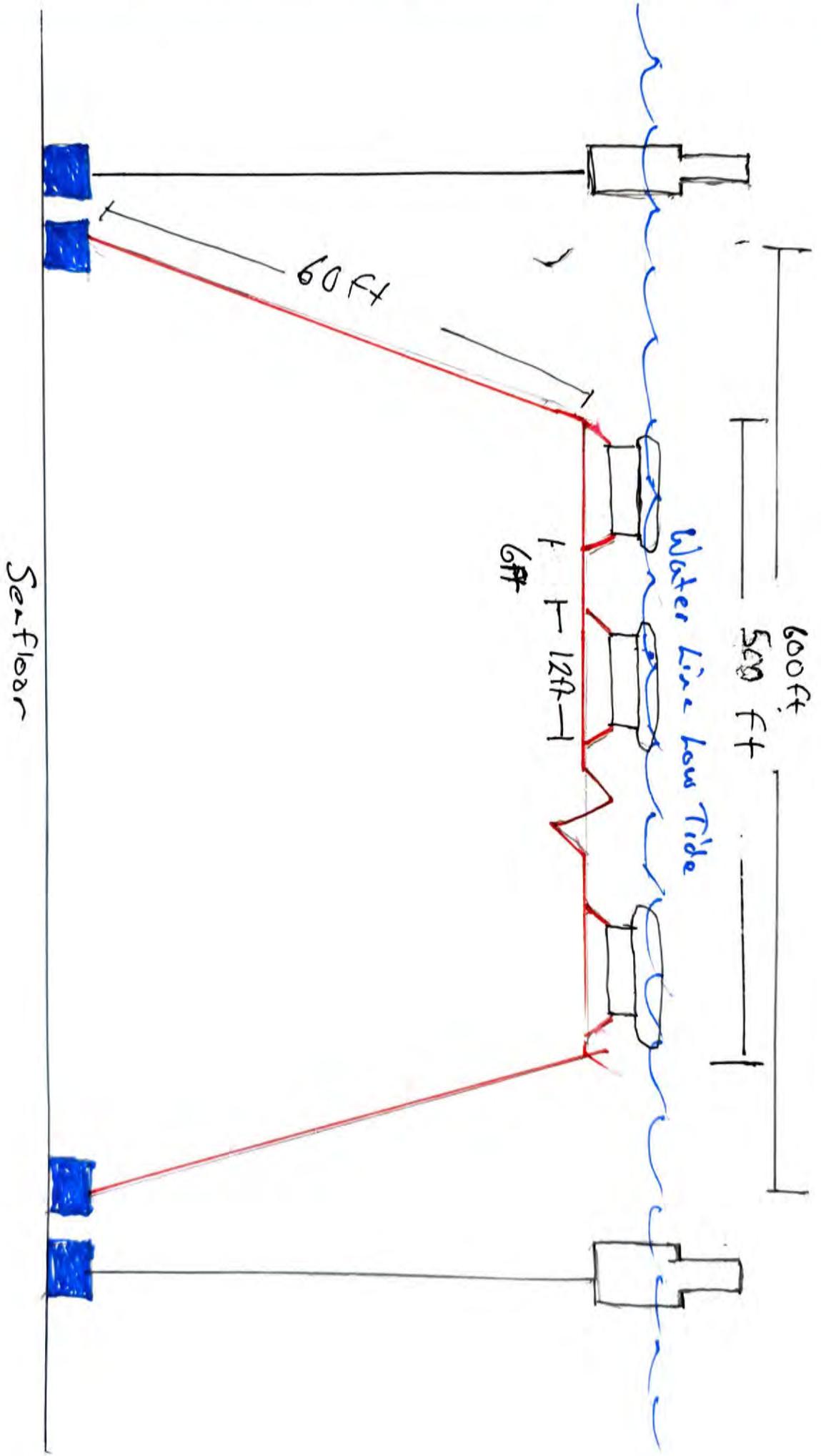
Top Down View ADA Site 8007



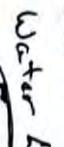
Top Down View | oyster cage Line



Side View ADA Site 8007



NOT TO SCALE

- Legend:**
-  Seafloor
 -  Water level low tide
 -  oyster cage
 -  Cement Anchor
 -  Oyster line
 -  Marker