

This lease made in duplicate this 10th day of November, 20 20.

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 -

Cape Breton Bivalve Inc.
c/o James Kennedy
PO Box 5609
Louisbourg, NS
B1C2L8

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. 1187 on July 22, 2015 for a term of five years from March 1st, 2015 to March 1st, 2020;

AND WHEREAS the Lessee wishes to renew aquaculture Lease No. 1187;

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 73.23 hectare area located in the body of waters known as St. Anns Harbour, Victoria County, more particularly described in Schedule "A" attached to and forming part of this Agreement (the "site") for the suspended cultivation of Blue mussel (*Mytilus edulis*), American oyster (*Crassostrea virginica*) and kelp (*Laminaria longicruris*).
2. The term of this lease shall be for twenty years commencing on the 2nd day of March, 2020, to the 1st day of March, 2040 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 leasing 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. This lease must not be assigned without 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.
8. 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.
9. 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.
10. This lease does not include any rights as to minerals in or on the site.
11. 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.
12. Following the completion of a performance review, in accordance with the Regulations, of the aquaculture 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 Lessee is hereby prohibited from using the site in any way that would interfere with other leased aquaculture operations.
14. 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.
15. 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.
16. 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.
17. 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.
18. Should it become necessary for Her 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 lease for the same site.
19. 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.

20. 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 Minister 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.
21. This lease shall be subject to the laws of the Province of Nova Scotia and the parties hereby agree to attorn to its courts.
22. 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

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]

[Redacted Signature]

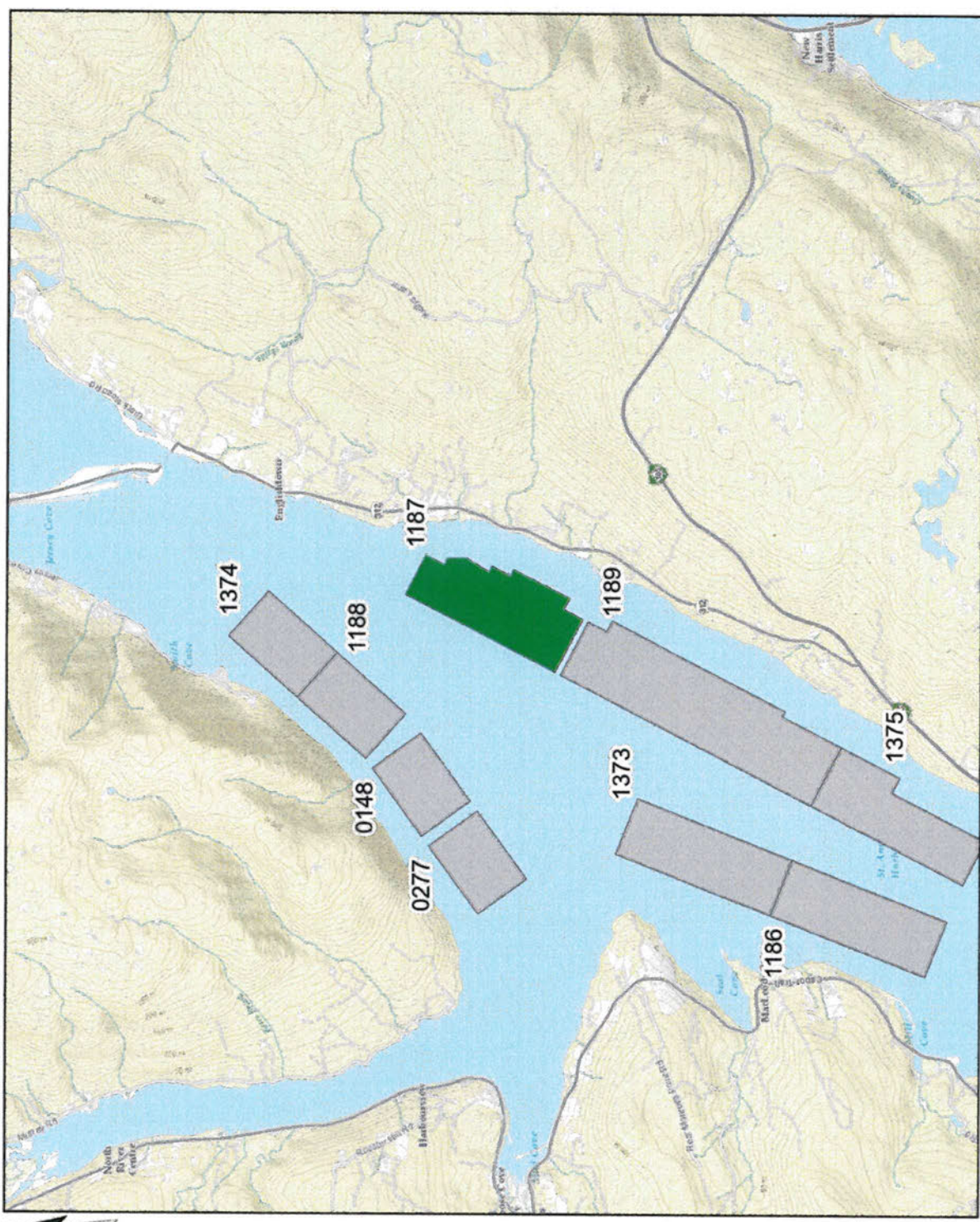
SCHEDULE A



Aquaculture Site		
1187		
Corner	Latitude	Longitude
1	46° 16' 18.480"	-60° 33' 21.960"
10	46° 15' 34.200"	-60° 33' 25.200"
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8	46° 15' 50.040"	-60° 33' 15.840"
9	46° 15' 49.320"	-60° 33' 13.320"
Centre	46° 15' 50.804"	-60° 33' 29.383"

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
Cape Breton Bivalve Inc.	Victoria	St. Ann's Harbour	73.23	Shellfish	Suspended Culture	4277
Issued Lease Other Issued Lease 0 0.5 1 2 Kilometers						
					NOVA SCOTIA Fisheries and Aquaculture Disclaimer This map should not be used for navigation or legal purposes. It is intended for general reference use only. Date: 2019-10-16 Created By: MK	

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community

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Issued Lease Other Issued Lease Other Proposed Lease NS PIDs 0 90 180 360 540 Meters						

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Schedule "B"

This Schedule sets out any undertakings required of the Lessee.

The Lessee undertakes to:

1. The Lessee will participate in a Community Liaison Committee as established by the Minister.
2. The Lessee undertakes it will comply with an environmental monitoring plan in conjunction with the Department of Fisheries and Aquaculture and the Department of Fisheries and Oceans in compliance with the Former Agreement. The monitoring plan and results of the monitoring will be made available to the Community Liaison Committee and provided to the Minister on a yearly basis.
3. The Lessee will comply with an "Industry Code of Practice" that is acceptable to the Minister. The Lessee will continue to abide by federal mitigation measures contained in the Former Agreement until the Industry Code of Practice has been finalized and acceptable in writing by the Minister or someone authorized on the Minister's behalf.
4. In addition to complying with the Industry Code of Practice, the Lessee agrees to ensure that the longlines will be submerged to a depth of 6 metres except during harvesting, socking and maintenance activities thereby reducing the attraction of birds to the culture site.

AMENDMENT TO LEASE

THIS INDENTURE made in duplicate the 30th day of April, 2021,

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 -

Cape Breton Bivalve Inc.
c/o James Kennedy
PO BOX 5609
Louisbourg, NS
B1C 2L8

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 and the Aquaculture Licence and Lease Regulations, is authorized to approve certain types of amendments to existing aquaculture licences and aquaculture leases;

AND WHEREAS the Lessee was issued Aquaculture Lease No. 1187 on November 10, 2020 for a term of twenty years from March 1, 2020 to March 1, 2040, authorizing the suspended cultivation of Blue mussel (*Mytilus edulis*), American oyster (*Crassostrea virginica*) and kelp (*Laminaria longicruris*);

AND WHEREAS the Lessee is desirous of amending Lease No. 1187 to reduce the frequency of providing the Environmental Monitoring Plan and results of the monitoring to the Community Liaison Committee and the Minister of Fisheries and Aquaculture from the current yearly basis to once every three years;

AND WHEREAS the Administrator consents to amend Lease No. 1187 to reduce the frequency of providing the Environmental Monitoring Plan and results of the monitoring to the Community Liaison Committee and the Minister of Fisheries and Aquaculture from the current yearly basis to once every three years;

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. Aquaculture Lease No. 1187 is hereby amended by deleting its Schedule "B" and substituting the attached Schedule "B", which sets out the undertakings required of the Lessee.
2. Except as expressly amended herein, Aquaculture Lease No. 1187 shall continue 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

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]

[Redacted]



Administrator, Nova Scotia Department
of Fisheries and Aquaculture

Cape Breton Bivalve Inc.

[Redacted]

[Redacted]



Schedule “B”

This Schedule sets out any undertakings required of the Lessee:

The Lessee undertakes to:

1. The Lessee will participate in a Community Liaison Committee as established by the Minister.
2. The Lessee will comply with an Environmental Monitoring Plan as required by the Department of Fisheries and Aquaculture and the Department of Fisheries and Oceans. The monitoring plan and results of the monitoring will be made available to the Community Liaison Committee and provided to the Minister once every three years, beginning in 2022. The Minister may request additional environmental monitoring if required.
3. The Lessee agrees to ensure that the longlines will be submerged to a depth of 6 metres except during harvesting, socking and maintenance activities thereby reducing the attraction of birds to the aquaculture site.

AMENDMENT TO LEASE

THIS INDENTURE made in duplicate the 16th day of November, 2022.

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 -

Cape Breton Bivalve Inc.
PO BOX 5609
c/o James Kennedy
Louisbourg, NS
B1C2L8

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 licenses and aquaculture leases in order to permit the suspended cultivation of an additional species;

AND 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 licenses and aquaculture leases in order to correct an error or to address a revised policy or a regulatory change of the Government of Nova Scotia or of the Government of Canada;

AND WHEREAS pursuant to the Act the Lessee was issued Aquaculture Lease No. 1187 on November 10, 2020 for a term of twenty years from March 1, 2020 to March 1, 2040, authorizing the suspended cultivation of Blue mussel (*Mytilus edulis*), American oyster (*Crassostrea virginica*) and kelp (*Laminaria longicurris*);

AND WHEREAS pursuant to the Act the Lessee was issued an amendment to Lease No. 1187 on April 30, 2021 to reduce the frequency of providing the Environmental Monitoring Plan and results of the monitoring to the Community Liaison Committee and the Minister of Fisheries and Aquaculture from a yearly basis to once every three years;

AND WHEREAS the Lessee is desirous of amending Lease No. 1187 to permit the suspended cultivation of Giant sea scallop (*Placopecten magellanicus*), subject to whatever undertakings are prescribed by the Administrator;

AND WHEREAS the Administrator consents to amend Lease No. 1187 to permit the cultivation of Giant sea scallop (*Placopecten magellanicus*), subject to the undertakings set out in Schedule "B" attached to this lease;

AND WHEREAS the Administrator wishes to amend Lease No. 1187 to correct an error made in Schedule "A" and Schedule "B" regarding the authorized locations, source of product and depth requirements for the cultivation of American oyster (*Crassostrea virginica*) and kelp

NOW THEREFORE, in consideration of the mutual covenants and agreements 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. Lease No. 1187 is hereby amended by adding thereto “and the suspended cultivation of Giant sea scallop (*Placopecten magellanicus*)” at the end of clause I.
2. Lease No. 1187 is further amended by deleting its Schedule “A” and substituting the attached Schedule “A”.
3. Lease No. 1187 is further amended by deleting its Schedule “B” and substituting the attached Schedule “B”.
4. Except as expressly amended herein Lease No. 1187 shall continue in full force and effect.

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

Witness

Administrator, Nova Scotia Department
of Fisheries and Aquaculture

Cape Breton Bivalve Inc.

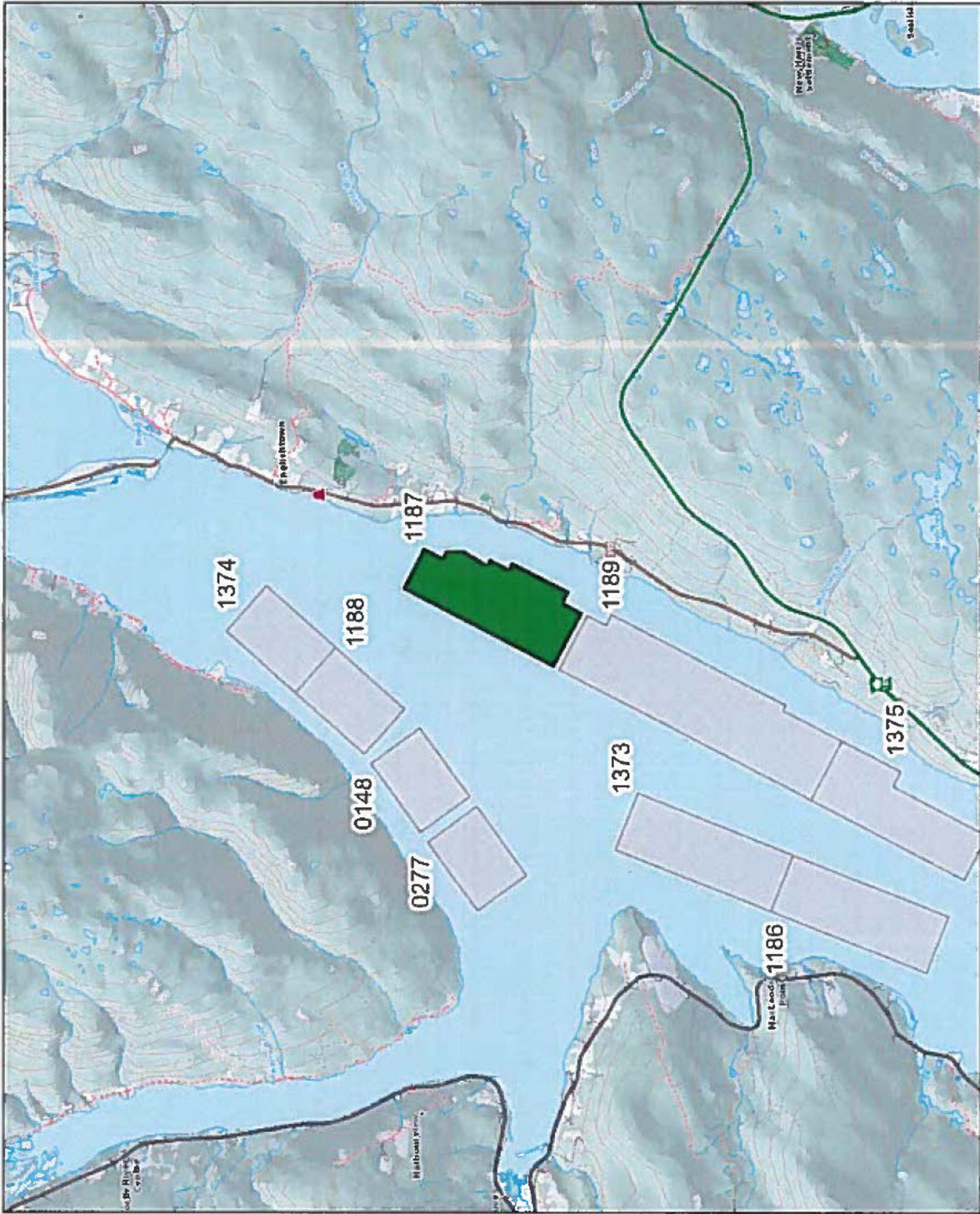
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Amendment Application Other Issued Lease	Other Proposed Lease	00.512 Kilometers		NOVA SCOTIA Fisheries and Aquaculture Disclaimer This map should not be used for navigation or legal purposes. It is intended for general reference use only. Date: 2020.04.09 Created By: MTL		

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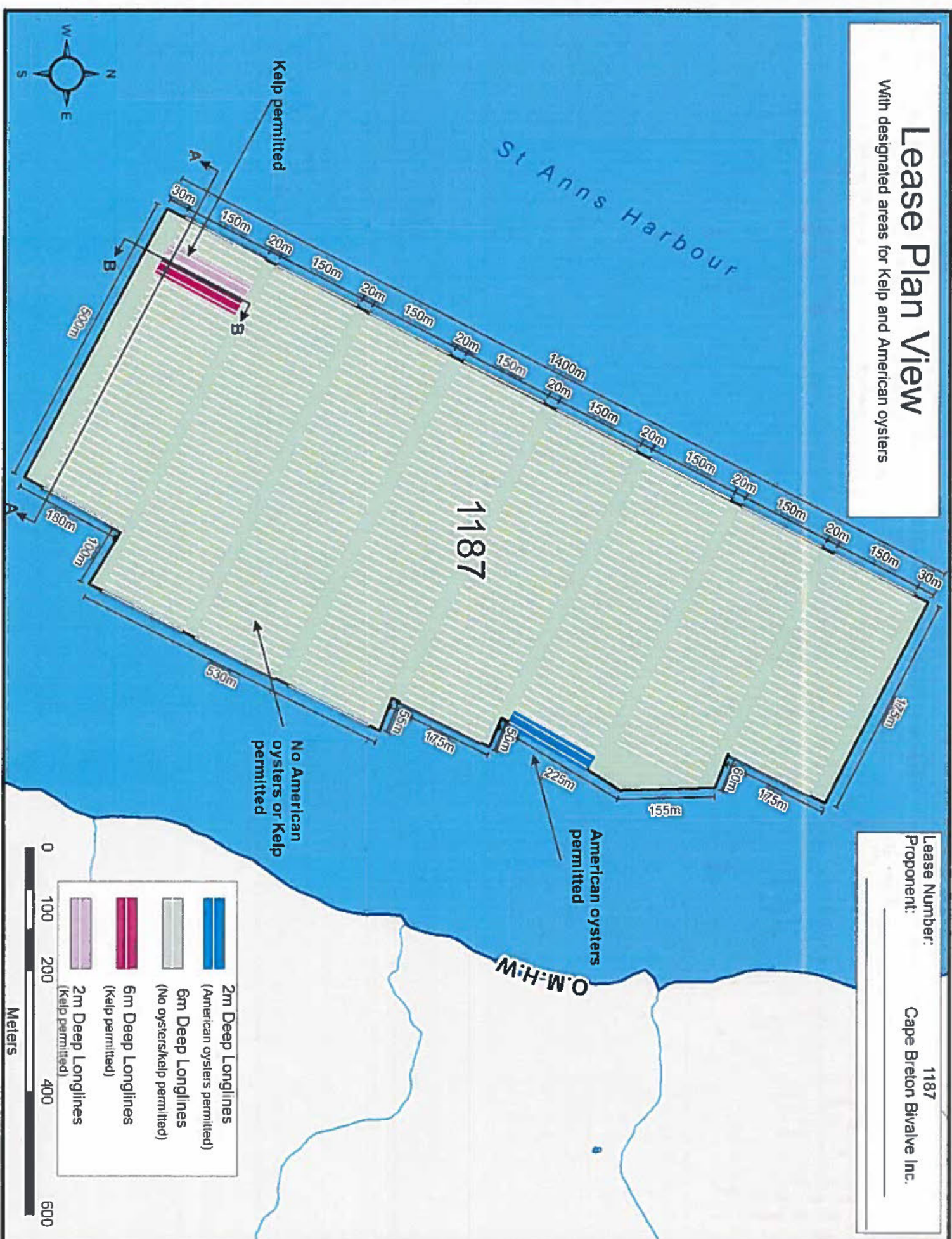
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☒ Amendment Application	☒ Other Proposed Lease	☐ NS PIDs	☐ Other Issued Lease	☐ Other Issued Lease	☐ Other Issued Lease	☐ Other Issued Lease
Disclaimer						This map should not be used for navigation or legal purposes. It is intended for general reference use only.

Lease Plan View

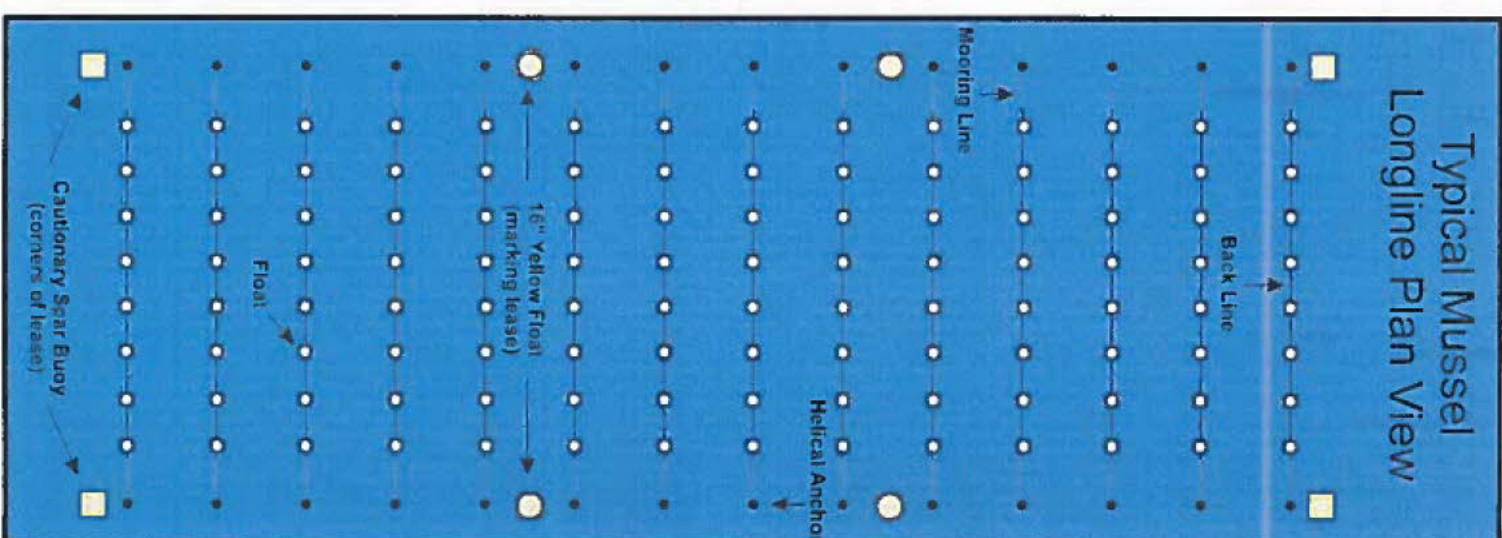
With designated areas for Kelp and American oysters



Lease Number: 1187
Proponent: Cape Breton Bivalve Inc.

1187
Cape Breton Bivalve Inc.

Typical Mussel Longline Plan View



Schedule "B"

This Schedule sets out any undertakings required of the Lessee:

The Lessee undertakes to the following:

1. The Lessee will participate in a Community Liaison Committee as established by the Minister.
2. The Lessee will comply with an Environmental Monitoring Plan as required by the Department of Fisheries and Aquaculture and the Department of Fisheries and Oceans. The monitoring plan and results of the monitoring will be made available to the Community Liaison Committee and provided to the Minister once every three years, beginning in 2022. The Minister may request additional environmental monitoring if required.
3. The Lessee agrees to ensure that the longlines will be submerged to a depth of six (6) meters below the surface of the water except during harvesting, socking and maintenance activities thereby reducing the attraction of birds to the aquaculture site.
4. The Lessee shall only cultivate American oyster from an oyster source within St. Anns Harbour.
5. The Lessee shall limit the cultivation of American oyster to two (2) of the existing longlines, situated within the boundaries of the lease site, the area of which is shown on the figure attached to this Indenture as Schedule A.
6. The Lessee shall change the minimum depth required for the position of two existing longlines, to be used for the suspended cultivation of American oyster, from six (6) meters to two (2) meters below the surface of the water. The position of these two longlines is shown on the figure attached to this Indenture as Schedule A.
7. The Lessee shall change the minimum depth required for the position of the two (2) other existing longlines, to be used for the suspended cultivation of kelp, from six (6) meters to two (2) meters below the surface of the water. These two (2) longlines are to have aforesaid kelp cultivated along the top of these longlines. The position of these two (2) longlines is shown on the figure attached to this Indenture as Schedule A.
8. Where Fisheries and Oceans Canada, pursuant to the *Management of Contaminated Fisheries Regulations*, issues an order which prohibits fishing in an area (the "closed area"), and does not list Giant Sea scallops on the prohibition order, and the site falls within the closed area, the Lessee shall not harvest or retain Giant Sea scallops from the site unless all of the following conditions are met:
 - (a) all Giant sea scallops harvested and retained shall be shucked prior to being taken from the site;
 - (b) only the adductor muscle (meat), free of all roe and viscera, from the Giant sea scallops shall be retained; and
 - (c) no intermingling of Giant sea scallop meat retained from the site shall occur, prior to processing, with Giant sea scallop meat retained from any other location.