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Public Notice – Administrative Application Posted

These documents have been submitted with respect to an administrative aquaculture licence / lease application. The information in these documents is provided as part of the routine disclosure of information by the Department of Fisheries and Aquaculture (the "Department"). Some information may be redacted as business confidential information or personal information.

These documents were provided to the Department by the applicant (with the exception of the attached Schedule "A" which was generated by the Department). The Department is not responsible for the content of these documents, including, but not limited to, the accuracy, reliability, or currency of the information contained within.

Applicant: D'Eon Oyster Company Ltd.	Type of Application: New Marine Licence and Lease (ADA)
Application File Number: AQ#1475	Species: American oyster
Location: Salt Bay, Yarmouth County	Method of Cultivation: Suspended
Application Received On: February 21, 2025	5

To learn more about the aquaculture lease and license application process, please visit https://novascotia.ca/fish/aquaculture/licensing-leasing/Aqua-Licensing-and-Leasing-Overview.pdf

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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 I	Number - AQ# 8012			
Section 1: Proponent Information				
Proponent Name: DEon Oyster Company				
Name of Authorized Representative: (if applicable)	Colton DEon			
Phone Number (work):	902-648-3472			
Phone Number (cell) (optional):				
Fax Number (optional)	N/A			
Email Address:	colton@deonoystercompany.co			
Mailing Address:	6590 Hwy 3, Lr. Eel Brook, Yar			
Civic Address: (if different than mailing address above)	Same as above The Civic address in Nova Scotia where your daily records will be kept with respect to the Aquaculture operation			
Additional Authorized Contact(s) (include name, phone and email): (optional)				

Doc ID: AQ-ADA-APP-01

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	Section 2: Company Information (if applicable)
	in up-to-date <u>Shareholder's Register</u> from the corporate Minute Book of the company the names of each shareholder and (2) the number of shares held by each.
Registry of Joint Stocks Number:	3231664 Proof of compliance with the Registry of Joint Stock Companies is required. Information is available on the RJS website at http://www.gov.ns.cu/snsmr-rjsc
Revenue Canada Business Number:	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).

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.
- If you require additional rows, include the information into Section 5 (Production Plan Details) of your Proposed Development Plan.

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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
Atlantic Oyster (Virginica)	American Additional Control of the C	3 years		6-10 years

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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.

See attached development plan document for answers on sections 4 through 10.				

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Section 5: Benefits to the Local Community and the Province		
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.		

	Coati	on 6. Doot	and Present A support true Operations in the President			
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 t	he si	te (i.e. wha	t happened to the aquaculture site).			
aquaculture s	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	x if you have no past or present aquaculture operations in the Province			
	_					
Aquaculture Site		or Presently in the contract of the contract o	If Past: Why you are no longer operating the site / what happened to the site			
Number		ck one)				
(AQ#)		,	If Present: Summary of your current operation / rationale for underutilized sites			
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0911		PASI	See attached			
		PRESENT				
	V	PRESENT				
1314		PAST	See attached			
		PRESENT				
	V	PRESENT				
1400		PAST	See attached			
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	V	T KEGETT				
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		PRESENT				
	Ш					
		PAST				
		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.				
10 00 00 00 00 00 00 00 00 00 00 00 00 0				

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				
istribute the product. Feasibility of the market plan. Benefits to the local economy.				

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.				
47 O STANDARD OF S				
9				

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? Re the call for proposals to determine if there is any additional information being requas part of your proposal. Include any other information that you would like to be considered in review of this proposal.	efer to
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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:	Colton DEon Digitally signed by Colton DEor Date: 2024.06.11 12:58:57 -03'00'
Date:	Date: June 11, 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

Section 4: Production Plan Details

DEon Oyster Company (DOC) currently cultivates Atlantic Oysters using suspended culture methods in approximately 50% of lease #1400, using 6-bag OysterGro cages. Detailed measurements of the cages can be found in Attachment A. This partial utilization is due to the lease's location in a tidal area, where the channel (a consistently deep water area even at low tide) comprises about 50% of the lease space.

Lease #1400, located in southwest Nova Scotia, experiences significant tidal variations, with regular tides differing by 10-12 feet between high and low tide. Within the channel, six rows of lines run parallel to the lease boundaries, housing over 1,400 OysterGro cages and containing approximately oysters.

Due to the severe tidal fluctuations, the cage carrying capacity per hectare is lower than the industry average. At low tide, the lines slacken and can sway with the wind, necessitating ample space between them to prevent fouling. DOC has optimized this setup to mitigate such challenges and to ensure sustainable operations.

Annually, DOC replenishes the cages from which market-sized products have been harvested with spat sourced from hatcheries and/or wild collection. Both methods are conducted with approved introduction and transfer permits from the Department of Fisheries and Oceans (DFO).

With the recent call for proposals within the new Aquaculture Development Area (ADA), DOC is keen to apply for site AQ#8012, located directly north of the current lease #1400. This new site offers an immediate solution to DOC's ongoing supply and demand challenges. For many years, DOC has had to purchase market-sized products from other oyster producers to meet growing demand. This approach has become increasingly difficult, as most of the supply does not come from Nova Scotia, and higher prices offered by processors in other areas have made it challenging to compete, especially when considering shipping costs.

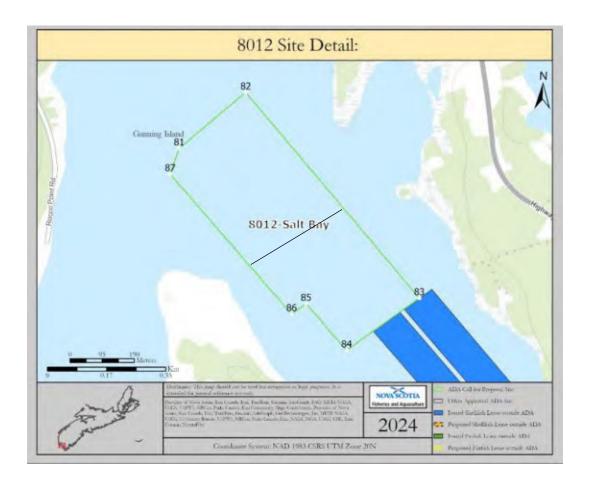
Securing AQ#8012 would be the missing piece in DOC's development puzzle, allowing for increased self-sufficiency and sustainability. The same type of OysterGro cages used in lease #1400 would be implemented in AQ#8012, leveraging years of experience and proven success in the Salt Bay area. The anchoring system, using trawler netting filled with rocks, would also remain consistent, providing stability and durability against tidal currents.

Based on DOC's current carrying capacity at lease #1400 and extensive familiarity with the area, it is estimated that approximately 10-12 hectares (based off of the measuring function on the site mapping tool website) out of the total 24.14 hectares of AQ#8012 could be effectively utilized for suspended culture. This would create space for an additional object of the real data of the cages per hectare.

Please see the attached site detail map (below and taken from the Public Notice – Call for Proposals (ADA) application) showing the rough size that DOC is applying for. The black line represents a rough area that DOC feels they could successfully grow oysters in. The decision to make the proposed area smaller than the Department of Aquaculture issued it is due to a few factors- Community engagement, stronger water currents, and finally, recreational boating. DOC spent time meeting with individuals from the community who shared similar views and collectively agreed that the remaining part of the proposed area will not work for suspended culture.

The calculations presented in Section 3 are derived from actual production percentages observed in Salt Bay with the 6-bag OysterGro cages. DOC is confident that the existing team can efficiently handle the increased workload for a couple of years, as they are already adept at managing oysters purchased from other farmers.

Expanding into AQ#8012 aligns perfectly with DOC's strategic goals, addressing the supply and demand imbalance while reinforcing the company's commitment to local production and sustainability. With proven infrastructure and a dedicated team, DOC is well-prepared to leverage this new lease for continued growth and success in the Nova Scotia oyster industry.



Section 5: Benefits to the Local Community and the Province

DOC is a family-run business and has been established in the Lr. Eel Brook community since 1996. The DEons, along with their employees, are members of this community and the surrounding areas, fostering strong local ties.

At every opportunity, DOC prioritizes supporting local businesses over chain establishments. For instance, the recent installation of solar panels on the processing facility was undertaken by Corning Electric, a local electrical company. , the owner, grew up just down the road from DOC, highlighting the strong community connection.

Another example is the procurement of materials for the OysterGro cages. DOC sourced the wire and materials from Wades Wire Trap, a local lobster trap manufacturer. During the winter months, when farm work is typically minimal, DOC's employees construct the cages, ensuring year-round productivity and local employment.

Additionally, recent renovations at DOC's processing facility were completed by Garian Construction, a trusted local contractor. These examples underscore DOC's dedication to supporting the local economy and fostering long-lasting relationships within the community.

DOC values the feedback and concerns of the community. With the announcement of the ADA, some community members who own and reside on waterfront land near Salt Bay expressed concerns about public engagement and potential impacts on recreational boating routes. In response, DOC adjusted the lease size within the application to exclude the area north of the tip of Roberts Island, alleviating concerns about navigation to and from Eel Lake through the Big Sluice.

Furthermore, DOC will also collaborate closely with Transport Canada to establish sufficient waterway channels, ensuring that the public can navigate Salt Bay without disruption, similar to the channel currently running through Lease #1400.

As DOC looks to expand into AQ#8012, there is potential for increasing the workforce. While the current team of nine employees feels confident in managing the development for the next few years, additional hires may be necessary to maintain efficiency. Job postings will be made as needed to ensure continued operational success.

The existing grading infrastructure on Lease #1400 is capable of supporting the proposed expansion. Over time, additional equipment, such as a work boat, may be required to efficiently manage tasks like flipping cages.

AQ#8012 is ______ to utilize all of DOC's current processing equipment and infrastructure. The floating workstation on Lease #1400 is well-equipped to handle the increased workload.

DOC is committed to the local community. Sustainable business practices and proactive responsiveness to community concerns underpin its operations. By supporting local businesses, meeting with the community members, and planning for future growth, DOC continues to uphold its values and contribute positively to the Argyle area

Section 6: Past and Present Aquaculture Operations in the Province

DOC currently operates three leases: #0911 and #1314 in Eel Lake, and #1400 in Salt Bay, which is also the body of water where AQ#8012 is located. These three leases are running at maximum capacity and producing at a commercial level. Production reports are meticulously filled out and submitted to the province annually, highlighting the yields generated from these leases.

Historically, DOC has trialed several leases for short (2-3 years) periods to assess their viability. Some of these leases were eventually relinquished due to logistical challenges, such as the absence of nearby wharves or boat landings, or insufficient oyster growth in the area. Decisions regarding further investment are made within a couple of years based on initial performance indicators.

Despite having data that shows similarities between new areas and proven regions, as well as observations of wild oysters on the shore, the true potential of a lease, in DOC's opinion, can only be determined by physically cultivating oysters there.

The high value DOC places on AQ#8012 is rooted in the decade of proven data (spat to market times, growth rates, etc) from lease #1400, which demonstrates consistent and reliable productivity. This history of success boosts DOC's confidence in the potential of AQ#8012 to contribute significantly to its operations.

By leveraging this new area, DOC aims to further capitalize on the productive capacity of Salt Bay, ensuring continued growth and sustainability. The solid track record of lease #1400 provides a reliable benchmark, indicating that AQ#8012 will very likely yield similar positive results.

DOC's strategic approach to lease management, backed by the proven data of the already existing leases, and a history of efficient processes, positions the company well for this proposed expansion. The acquisition and development of AQ#8012 are pivotal steps in enhancing DOC's production capabilities and ensuring the long-term sustainability of its oyster farming operations in Nova Scotia.

Section 7: Ability to Execute the Proposed Activities

Having maintained a legacy of integrity for over 28 years with a solid commitment to the future, all the while harnessing over 60 years of collective expertise, DOC has well established itself in the Nova Scotia oyster industry.

If successful in acquiring AQ#8012, it will be a significant milestone for DOC. The existing infrastructure at Salt Bay is capable of handling increased output, beyond its current production levels. DOC's employees are highly experienced and possess in-depth knowledge of the Salt Bay area and its unique environmental conditions, ensuring seamless integration and operation.

Secondly, with three leases already under management and inventory software systems in place, DOC has demonstrated proficiency in efficiently running oyster farms. This expertise allows for optimized resource management and operational efficiency.

The market demand for Nova Scotia oysters has been on a steady rise. Consumers' preference for fresh, high-quality Canadian oysters is growing annually, with Nova Scotia playing a pivotal role in meeting this demand. DOC's current processing equipment is robust and can handle greater volumes than what is presently being harvested, positioning the company for an efficient scale up on behalf of production.

To meet market demand, DOC has been sourcing oysters from across the Maritimes. While this approach fulfills immediate needs, it limits growth potential and is not sustainable in the long term due to increasing costs and tight profit margins. By expanding its own growing space, DOC can ensure a stable supply of high-quality Nova Scotia oysters, reducing reliance on external suppliers and enhancing its sustainability and productivity.

DOC's commitment to sustainability is reflected in its eco-friendly and reliable oyster farming practices. The proposed expansion will not only support market demand but also enable DOC to uphold its high standards of product quality. The expansion may also lead to job creation, with potential team growth in the coming years, while the existing skilled team will efficiently manage the new operations.

The company's deep-rooted community ties are a testament to its long-standing presence and transparency. The DEons, having been neighbors for over 40 years, contribute to a sense of trust and familiarity within the community. DOC's operations are open and transparent, with members of the community having been invited in the past to experience oyster farming firsthand on boats in Eel Lake and Salt Bay.

Oyster farming at DOC is not just a business; it's a sustainable and eco-friendly commitment to the environment and community. The company's legacy, expertise, and strategic vision position it well to meet future challenges and opportunities. By securing additional growing space, DOC can ensure a sustainable supply of high-quality oysters, fostering growth, and maintaining its reputation for years to come.

Section 8: Market Plan

DOC has been cultivating oysters since 1996. Over the years, the focus has been on producing high-quality oysters that can represent Nova Scotia on a global scale. Through extensive trial and error with various growing methods, DOC has accumulated invaluable knowledge on what works and what doesn't in their locations. This expertise has positioned DOC as a key player in the Nova Scotia oyster industry.

One of the biggest challenges in the last decade has been meeting the demand for oysters that derive directly from our area. With established markets and strong customer relationships, DOC has identified significant opportunities for growth. The proximity of the new AQ#8012 site to our existing farm will facilitate the much-needed expansion to meet this demand.

While DOC is not comfortable sharing sensitive market information developed over nearly 30 years, the
data speaks to our consistent progress. In 2023 alone, approximately
, leaving no room for growth as potential customers had to be turned away.
This unmet demand highlights a critical need for increased production capacity.

Without sufficient space to cultivate our own crop, DOC faces limitations that hinder market expansion. This current model is neither sustainable nor reliable. One of the biggest hurdles DOC aims to overcome is the constraint of cultivation space, which directly impacts our ability to scale and meet market demands.

To address these challenges, DOC is committed to expanding our operations through strategic investments and leveraging our expertise. By integrating AQ#8012 into our production, we anticipate not only meeting but eventually exceeding current market demands. This expansion will enable DOC to offer a steady supply of high-quality oysters year-round, enhancing our market position and customer satisfaction.

With that said, DOC welcomes the opportunity to discuss this section in more detail. We believe in transparent communication and would be happy to sit down in person to provide further insights and address any questions.

Section 9: Financial Plan

Section 10

With infrastructure already located on lease 1400 and AQ#8012 neighbouring current operations, DOC is confident that the integration will go smoothly. The entire DOC team has undergone training in lean manufacturing and continuous improvement. Principles which have been seamlessly integrated into everyday processes. This strategic approach has resulted in significant enhancements to operational efficiency and productivity.

In 2019, DOC implemented an off-grid, solar-powered processing barge in Salt Bay. This innovation has revolutionized our processing capabilities, reducing wasteful steps by approximately 25%. By harnessing solar power, DOC not only minimizes its environmental footprint but also ensures a more reliable and cost-effective energy source for processing activities.

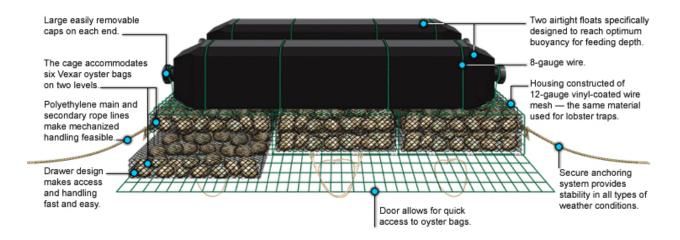
The solar-powered barge has drastically cut down processing times. Previously, processing a full section could take a couple days due to tidal constraints. Now, the same task can be completed in just six hours. This showcases the remarkable efficiency gains achieved through a lean manufacturing/continuous improvement approach and these technological advancements.

DOC is confident that AQ#8012 will be managed with the same level of expertise and precision. The team is highly experienced in the area and well-prepared to handle the expansion.

Furthermore, the demand for DOC's oysters is growing steadily. By working towards self-reliance, DOC has and will continue to reduce dependency on external factors to determine supply levels. This strategic independence allows DOC to better control production and meet market demands consistently.

The expansion area for AQ#8012 provides an excellent opportunity to scale up production without additional investment in processing infrastructure. This site offers the ideal conditions to increase oyster output, leveraging the existing setup and operational efficiencies.

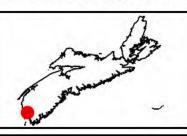
In summary, the integration of AQ#8012 into DOC's operations is a strategic move that builds on our commitment to innovation, efficiency, and sustainability. By expanding our capabilities and optimizing processes, DOC is well-positioned to meet growing market demands while maintaining high standards of quality and environmental stewardship.



OysterGro measurements as follows (only the green mesh),

5ft long X 3ft wide X 8inches tall.

SCHEDULE A



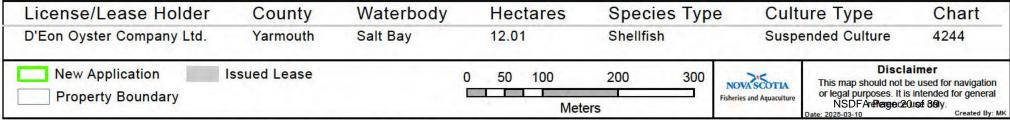
Aquaculture Site

1475

Corner Latitude Longit		Longitude	
	1	43° 48' 58.408"	-65° 55' 10.817"
	2	43° 49' 05.514"	-65° 55' 00.269"
	3	43° 48' 55.413"	-65° 54' 47.646"
	4	43° 48' 50.162"	-65° 54' 57.01"
	5	43° 48' 54.501"	-65° 55' 02.590"
	6	43° 48' 53.456"	-65° 55' 04.454"
	Centre	43° 48' 57.724"	-65° 54' 59.162"

DATUM NAD 83 CSRS UTM Zone 19 The above coordinates are not from a legal survey





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

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Application for a Marine Aquaculture Licence and Lease within an ADA

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

Name of Successful Proponent:	DEon Oyster Company Ltd.	
Name of Authorized Representative (if applicable):		

ADA Site (AQ#)	8012
Application File No. (if no file number was provided to you, leave this field blank)	1475

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

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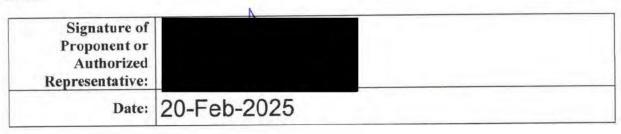
Version 1.0

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

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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.



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

Doc ID: AQ-ADA-APP-02

Version 1.0

Section 1: Executive Summary

DEon Oyster Company (DOC) is applying for lease # 1475, an aquaculture lease within Salt Bay, Yarmouth County, Nova Scotia. This development aligns with DOC's long-term growth objectives, leveraging its 28 years of experience in oyster cultivation to enhance self-sufficiency, optimize marine resource use, and meet increasing market demand.

Project Overview

DOC currently operates a successful suspended oyster farming operation on lease #1400, utilizing 6-bag OysterGro cages to cultivate Atlantic Oysters (*Crassostrea virginica*). The proposed expansion into lease #1475 will add approximately 2,330 additional cages across 10.9 hectares, increasing production capacity while maintaining sustainable stocking densities. The site benefits from ideal environmental conditions, including high tidal exchange and optimal water quality, as confirmed through extensive testing.

Environmental & Navigational Considerations

This project has been designed to ensure minimal environmental impact and safe navigation:

- Sustainable Stocking Density: Stocking levels will remain well below industry averages, ensuring balanced ecosystem interaction.
- Water Quality & Carrying Capacity: Regular testing confirms Salt Bay's capacity to support increased oyster production without ecological strain.
- Navigation Compliance: The layout exceeds Transport Canada's minimum spacing requirements, preserving navigational channels for other users.

Economic & Community Benefits

- Job Creation & Stability: The project will maintain DOC's existing workforce, with 3 full-time managerial and administrative positions and 5-8 seasonal labour roles.
- Support for Local Industry: The expansion will generate demand for marine equipment, transportation, and professional services, contributing to the local economy.
- Market Growth: DOC's expansion will enable it to meet existing customer demand, reducing reliance on external oyster purchases and strengthening its market position.

Infrastructure & Implementation Plan

- Existing Infrastructure Utilization: DOC will leverage its current processing facilities, vessels, and workforce, minimizing additional capital investment.
- Phased Expansion: Initial deployment of in Year 1, with gradual growth to full capacity over an estimated 10-year period.
- Proven Farming Methodology: The OysterGro system has already demonstrated resilience and efficiency in Salt Bay, ensuring operational continuity.

Regulatory Compliance & Application Status

DOC is committed to adhering to all regulatory requirements:

- Transport Canada Approval: The Navigation Protection Program (NPP) application was submitted on February 19, 2025 (Registry #12445) and is currently under review.
- DFO Introduction & Transfer Permits: DOC sources oyster seed from licensed hatcheries and follows all Department of Fisheries and Oceans (DFO) guidelines.
- Shellfish Sanitation Compliance: Oysters will continue to be cultivated in approved waters, meeting Canadian Shellfish Sanitation Program standards.

Conclusion

Lease #1475 enables DOC to expand in a way that aligns with its mission—prioritizing sustainability while contributing to the growth of Nova Scotia's aquaculture economy. By leveraging existing expertise, infrastructure, and natural resources, DOC will increase production capacity without compromising ecological integrity. This project represents an optimal use of marine space, balancing economic growth with environmental stewardship and community benefit.

Section 2: Production Plan

Species

DOC cultivates Atlantic Oysters (Crassostrea virginica) using suspended culture methods.

Gear Unit Type & Dimensions

DOC utilizes 6-bag OysterGro cages for suspended oyster cultivation. Each mesh cage measures 5ft long by 3ft wide by 8 inches tall. 2 floats are then attached on top of the cage. Each float measures 4.5ft long by 9 inches wide by 12 inches tall. A detailed picture of what these cages look like is demonstrated on **Attachment A**.

Maximum Number of Gear Units

OysterGro cages on lease #1400, supporting approximately oysters. Lease #1400 is 15 hectares in total but only roughly 6 hectares are situated in waters that are suitable for suspended culture. For the proposed Lease #1475 site (12 hectares), DOC estimates that an additional 2,330 cages could be accommodated while maintaining navigational options that exceed Transport Canada's minimum requirements. These figures are based on a current stocking density of per hectare on lease #1400 (which neighbours lease #1475), which is much less than industry averages. It is also worth noting that Salt Bay is more than capable of handling the increase in oyster volume. Salt Bay/Big sluice has been tested multiple times, at different times throughout the year, for different parameters (pH, salinity, temperature, dissolved oxygen, phytoplankton levels, and many other types of nutrients). With the combined mixture of freshwater river systems and the sheer amount of water that flows through the area (a tidal rise and fall of 10–16 feet daily from the Bay of Fundy), Salt Bay/Big Sluice is well-positioned for the proposed growth.

Maximum Number & Lengths of Lines

While exact line placement will ultimately depend on site conditions, DOC estimates—based on the Transport Canada map (**Attachment B**)—that approximately 142 sections (each containing 18 cages and measuring 200' long) could be installed within the lease area. This estimate includes space for anchor lines.

Recognizing that actual conditions may vary, approximately 9–10% of the lease area has been conservatively accounted for as unsuitable for suspended culture. The stocking density breakdown (**Attachment C**) reflects this adjustment, detailing the number of lines and cages required.

Each line maintains a 30-foot spacing to ensure adequate separation and ensure the lines will not tangle with each other.

Approximately 139 anchors will be required for the project, each weighing rouhly 1,800 lbs. The style of anchor proposed is illustrated in the AI-generated image provided in **Attachment D**. Anchor placement will follow the layout indicated by the purple dots in **Attachment E**.

Maximum Shellfish Introduced & On-Site Capacity

DOC expects to introduce oysters per year to ensure a manageable workload and avoid operational bottlenecks. DOC expects that lease # 1475 can easily support oysters at peak production. This results in a stocking density of roughly oysters per hectare—significantly lower than the industry average. For context, some oyster farms in Atlantic Canada achieve densities of up to 1.6 million oysters per hectare.

Seed Source

DOC sources oyster spat from licensed hatcheries. Spat is only brought on site with an Introduction and Transfer (I&T) Permit from DFO and recommendations from the Province of Nova Scotia and the Canadian Food Inspection Agency.

Expected Time to Achieve Maximum Production

Based on DOC's experience in Salt Bay and previous production cycles, it is estimated that lease #1475 could reach full production in 10 years. Depending on the year, DOC may place more or fewer oysters on-site based on availability and workforce capacity.

However, a steady growth of the oyster a year is very achievable.

Depuration

The operation does not currently require depuration, as oysters will be grown in approved waters that meet Canadian Shellfish Sanitation Program standards. Should depuration be required in the future, approval from the Canadian Food Inspection Agency will be sought.

Infrastructure

DOC will simply use the existing processing infrastructure that is currently being used to manage lease #1400. The only additional equipment that will be used for lease #1475 will be what is necessary for installing the OysterGro lines (anchors, rope, and cages).

It is also worth noting that approximately 250 OysterGro cages are currently on land and ready to be deployed.

Services and Suppliers

The processing of product will occur on-site, including grading, culling, and sizing. Buoys, anchors, ropes, and maintenance materials will always be, if able, sourced from local marine supply companies.

This project will support local suppliers and service providers, contributing to regional economic activity through purchasing gear, transportation, fuel, and professional services.

Employment

The projected workforce for lease #1475 will start off with DOC current workforce. The breakdown is a follows;

- Full-Time Employees: 3 (Managerial & Administrative)
- Part-Time/Seasonal Employees: 5-8 (Lead Harvesters, Labourers, and Support Staff)

Operational Capacity

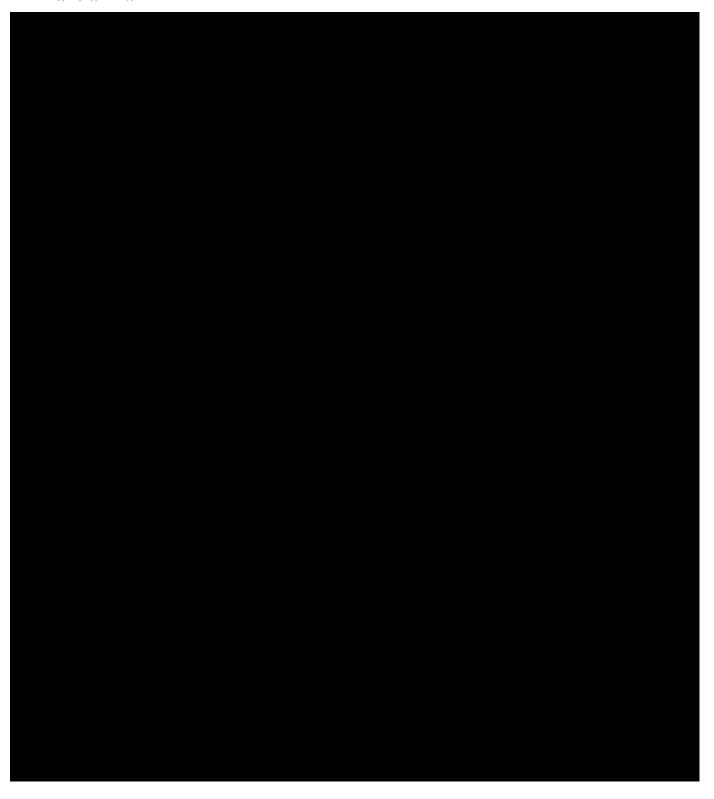
DOC's team has extensive experience managing OysterGro cages in Salt Bay and in the past, supplemented additional supply by purchasing from other farmers (with I&T permits). The team is well-equipped to handle the expansion into lease #1475 without requiring additional workforce for the initial years.

Conclusion

Expanding into lease #1475 aligns with DOC's goals of increasing self-sufficiency, reducing reliance on external suppliers, and reinforcing its commitment to sustainable, local oyster production. With proven infrastructure, an experienced team, and a well-researched production plan, DOC is well-positioned to optimize this new lease for continued growth in the Nova Scotia oyster industry.

Section 3: Business Plan

Financial Plan



Market Plan

DOC has been a dedicated part of the Nova Scotia oyster industry since 1996, supplying high-quality oysters to a well-established customer base. The expansion of lease #1475 will allow DOC to better meet existing demand while maintaining our reputation for premium products.

Product Forms

DOC produces premium, live oysters sold in the shell, primarily for raw consumption. These oysters are distributed to both wholesale and retail markets.

Anticipated Prices

Pricing fluctuates based on market conditions, demand, and seasonal availability. DOC maintains competitive pricing reflective of premium, Nova Scotia-grown oysters. While exact figures are proprietary, our pricing aligns with industry standards for high-end Atlantic Canadian oysters.

Target Market

DOC supplies a diverse customer base, including:

- Established distributors across Atlantic Canada, Ontario, and the U.S.
- High-end restaurants and seafood markets
- Wholesale buyers serving national and international markets

Distribution of Product

DOC has a well-organized distribution network that ensures product quality and freshness. Our oysters are transported directly to distributors, restaurants, and seafood retailers via refrigerated transport. Established logistics networks enable efficient product distribution within Canada and select U.S. markets.

Marketing & Promotion

DOC has built a strong reputation through years of consistent quality and customer satisfaction. Our marketing approach focuses on:

- Word-of-mouth & industry reputation: Established relationships with top seafood distributors and chefs.
- Participation in industry events & trade shows: Attendance at oyster festivals and seafood expos to strengthen brand presence.
- Social media & digital presence: Leveraging online platforms to connect with customers and showcase DOC oysters.
- Local & regional partnerships: Working with tourism and culinary organizations to promote Nova Scotia oysters.

Additional Information

DOC's market strategy focuses on maintaining and expanding relationships within our existing customer base while ensuring product consistency. Expanding to lease #1475 will enhance DOC's capacity to reliably supply its markets and support long-term growth.

Section 4: Site Design

Gear Configuration and Site Design

DOC will implement the same proven suspended culture system utilized in lease #1400 for lease #1475. The setup will consist of 6-bag OysterGro cages, which have demonstrated consistent productivity and resilience in the Salt Bay environment. The system is designed to account for local oceanographic and biophysical characteristics, ensuring both impressive production and minimal environmental impact.

Site Layout & Gear Design

- Plan View (Top-Down): The farm layout will be structured in parallel rows, maximizing water flow and access. Each row will contain OysterGro cages spaced to prevent fouling and optimize growth.
- Profile View (Side View): The cages will be suspended at a depth of roughly 12" from the water's surface. This ensures suitability for optimal oyster development while considering tidal fluctuations. Spacing and orientation will align with current flow to prevent excessive movement.
 - See the aerial/elevation & farm layout view (attachment E) for a better visual view.

Adaptation to Environmental Conditions

- Anchoring System: Stability will be maintained using a rock-filled trawler netting anchoring system, identical to the ones used in lease #1400. This method has proven to withstand Salt Bay's tidal conditions while ensuring minimal seabed disturbance.
- Tidal Considerations: With Salt Bay's 10-16 foot tidal variation, the gear spacing will accommodate slack line movement at low tide to prevent entanglement and damage.
- Seasonal Adjustments: The gear will remain deployed year-round, with adjustments made seasonally to account for storm conditions and ice movement.

Implementation Timeline

- Gear Deployment: Initial installation will begin within the first operational year, starting with an estimated . Additional cages () will be added based on performance.
- Sinking of Gear: Historically, the gear has only been sunk to the ocean floor during the winter months. This is to protect the oysters and gear from the freezing temperatures and the movement of ice (which can rip the gear apart).
- Construction & Installation: The work will be conducted using DOC's current workforce and vessels, ensuring a seamless integration with existing operations.

By leveraging DOC's 28 years of experience, lease #1475 expansion will follow an optimized, sustainable approach, reinforcing DOC's commitment to responsible aquaculture and continued growth in Nova Scotia's oyster industry.

Application for Navigation Protection Program to Transport Canada



Your Application for Approval to the Navigation Protection Program (NPP) has been successfully submitted.

From: Colton Deon

Located on: Salt Bay, Yarmouth County, Nova Scotia

For: Aquaculture facility – species other than finfish

Your project information has been sent to your regional Navigation Protection Program office for review.

An NPP officer will be in contact to advise you of the next steps.

If you wish to view your submitted application, you may login to your existing <u>External Submission Site</u> account.

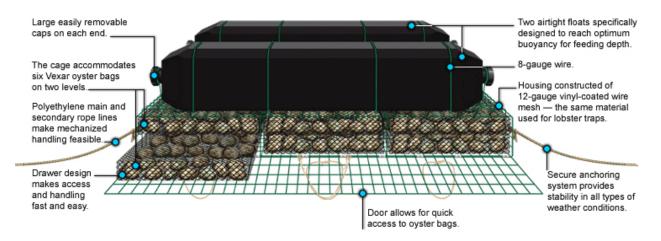


The application to Transport Canada was submitted on Feb 19, 2025 by Colton DEon of DOC. Registry # after NPP application was submitted is 12445. This is all the evidence I have at the moment of this application.

Section 5: Additional Information Requested

No additional information has been requested by the Department at this time.

Attachment A



OysterGro measurements are as follows;

Cage- 5' long X 3' wide X 8" tall. Each float- 4.5' long by 9" wide by 12" tall.

Attachment B



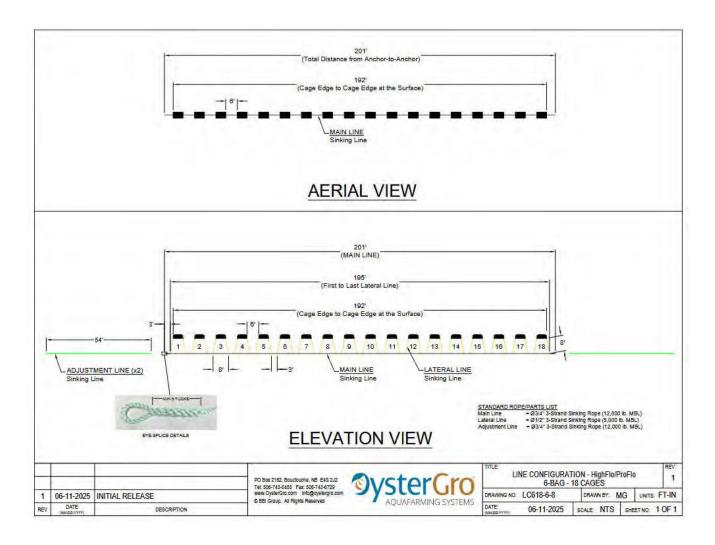
Attachment C



Attachment D



Attachment E



Attachment E

