

This lease made in duplicate this 6<sup>th</sup> day of September, 20 19.

**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 -

PEI Mussel Farm Inc.  
c/o Scott Dockendorff  
PO Box 39  
Morell, PE  
C0A1S0

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. 0726 on March 13, 2014 to PEI Mussel Farm Inc. for a term of five years from August 2, 2014 to August 2, 2019;

**AND WHEREAS** the Lessee wishes to renew aquaculture Lease No. 0726;

**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 5.97 hectare area located in the body of waters known as Lennox Passage, Richmond 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*) and Giant sea scallop (*Placopecten magellanicus*).
2. The term of this lease shall be for 20 years commencing on the 2<sup>nd</sup> of August 2019, to the 2<sup>nd</sup> of August 2039 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 )

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Administrator, Nova Scotia Department )

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PEI Mussel Farm Inc. )

Per: )

)

)

Scott Dockendorff )

[Redacted Signature]

Witness

[Redacted Signature]



[Redacted Signature]

Witness

[Redacted Signature]



Schedule A  
**GPS COORDINATE INFORMATION SHEET**

Application #: 0726  
Applicant: PEI Mussel Farms Inc.  
Location: Lennox Passage County: Richmond  
Hydrographic Chart: 4308 Orthophoto #:  
Dimensions of site: Approx. 200m x 300m Size: Approx. 5.97 hectares

**Approximate Coordinates of Application:**

Datum used: NAD 83

Centre coordinates (approx.) Lat. 45° 35' 25.80"  
Long. -60° 59' 03.00"

Corner #1	Lat. 45° 35' 31.49"	Corner #2	Lat. 45° 35' 26.82"
	Long. -60° 59' 01.32"		Long. -60° 58' 54.90"

Corner #3	Lat. 45° 35' 20.10"	Corner #4	Lat. 45° 35' 24.72"
	Long. -60° 59' 04.80"		Long. -60° 59' 11.22"

*NOTE: THESE COORDINATES ARE NOT FROM A LEGAL SURVEY.*





Fisheries and Aquaculture



### AQUACULTURE SITE

**0726**

#### CENTER COORDINATES

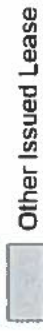
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Long -60° 59' 03.00"

CHART 4308

DATUM NAD 83

The above coordinates  
are not from a legal survey



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Kilometres





Lennox Passage



# AQUACULTURE SITE

**0726**

Proponent: PEI Mussel Farms Inc.  
Site Location: Lennox Passage  
Dimensions: Approx. 200m x 300m  
Area: Approx. 5.97 ha.

Prepared by: MK  
March 2019

Centre  
Lat 45° 35' 25.80" Long -60° 59' 03.00"  
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 Renewal Application  
 EC - Restricted Area

1:7,969



### **Schedule "B"**

This Schedule sets out any undertakings required of the Lessee.

There are no undertakings required of the Lessee.



AMENDMENT TO LEASE

THIS INDENTURE made in duplicate the 6<sup>th</sup> day of February, <sup>BM</sup> <sup>2020</sup> 2019.

**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,

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OF THE OTHER PART

**WHEREAS** the Administrator, under the provisions of the Fisheries and Coastal Resources Act, S.N.S. 1996, Chapter 25 (the "Act") and the Aquaculture Licence and Lease Regulations (the "Regulations"), is authorized to amend existing aquaculture licences and aquaculture leases in order to permit the suspended cultivation of an additional species;

**AND WHEREAS** pursuant to the Act the Lessee was issued Aquaculture Lease No. 0726 on September 6, 2019 for a term of twenty years from August 2, 2019 to August 2, 2039;

**AND WHEREAS** the Lessee is desirous of amending Lease No. 0726 to permit the cultivation of an additional species, Sugar kelp (*Saccharina latissimi*) subject to whatever undertakings are prescribed by the Administrator;

**AND WHEREAS** the Administrator consents to amend Lease No. 0726 to permit the cultivation of an additional species, Sugar kelp (*Saccharina latissimi*);

**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. 0726 is hereby amended by adding thereto "and the suspended cultivation of Sugar kelp (*Saccharina latissimi*)" at the end of clause 1.





Schedule A  
**GPS COORDINATE INFORMATION SHEET**

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Fisheries and Aquaculture



### AQUACULTURE SITE

**0726**

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CHART 4308

DATUM NAD 83

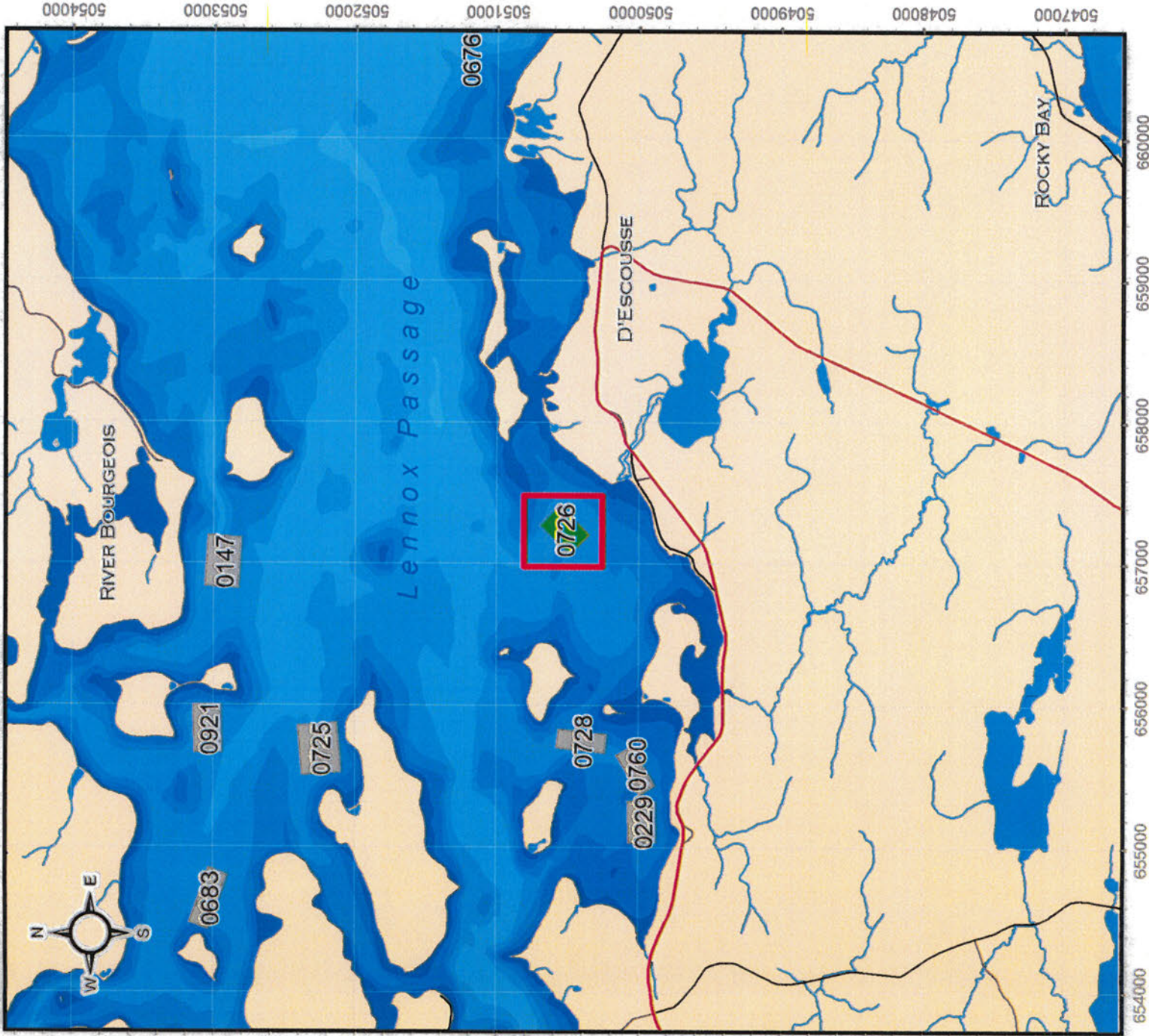
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-  Amendment Application
-  Other Issued Lease

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Kilometres







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**Site Location:** Lennox Passage  
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**Prepared by :** MK  
March 2019

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-  Amendment Application
-  EC - Restricted Area

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