

This licence made in duplicate this 15th day of September, 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 ADMINSTRATOR**"

OF THE ONE PART

- and -

Open Ocean Systems Inc.
c/o Andrew Storey
879 Manawagonish Road
Saint John, NB
E2M 3X2

hereinafter referred to as "**THE LICENCEE**"

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, Aquaculture Licence No. 0826 was issued for a term of five years from July 31, 2015 to July 31, 2020;

AND WHEREAS Aquaculture Licence No. 0826 was assigned to the Licencee on June 3, 2016;

AND WHEREAS the Licencee wishes to renew Aquaculture Licence No. 0826;

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

1. The Administrator hereby grants to the Licencee a licence to use a 4.2 hectare area located in the body of waters known as the Strait of Canso South, Guysborough County, more particularly described in Schedule "A" attached to and forming part of this Agreement (the "site") for the marine cage cultivation of Atlantic salmon (*Salmo salar*) and rainbow trout (*Oncorhynchus mykiss*).
2. The term of this licence shall be for ten years, from August 1, 2020 to July 31, 2030, with the right of renewal, in accordance with the terms of the Act and the Regulations.
3. The Licencee 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 licence. Late payments are subject to a fee of as set out in the Regulations.
4. The undertakings set out in Schedule "B" to this licence ("undertakings"), form part of this Agreement, and the Licencee hereby agrees to comply with any conditions or limitations contained in these undertakings unless compliance for licensing purposes is expressly waived in writing by the Administrator. The Licencee is responsible for confirming any undertakings and ensuring compliance with them.

5. The Licencee agrees to comply with any permits, protocols, approvals, licenses or permissions ("licensing requirements") which may be required under the laws of the relevant municipality, the Province or Canada. The Licencee is responsible for confirming any licensing requirements and ensuring compliance with them.
6. This licence must not be assigned except with the written approval of the Administrator. If the Licencee is a corporation, any change in the right to control the corporation shall be deemed to be an assignment. No assignment shall be binding on the Administrator until approved by him in accordance with the Regulations.
7. In the event that the Licencee 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 licence 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.
8. The Licencee must adhere to the Farm Management Plan, as it is in effect for this licence from time to time, and any failure to adhere to the Farm Management Plan is a breach of this licence.
9. The Licencee 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 Licencee's use and the productivity of the site.
10. The Licencee is hereby prohibited from using the site in any way that would interfere with other licenced aquaculture operations.
11. If the Administrator, in his sole discretion, is of the opinion that the aquaculture activities authorized by this licence are detrimental to or interfere with previously licenced facilities, the Administrator may revoke this licence upon reasonable notice without compensation.
12. Following the completion of a performance review, in accordance with the Regulations, of the aquacultural operation subject to this licence, the Administrator may vary any terms or conditions of this licence in order to address any concerns raised in the performance review.
13. The Administrator may revoke this licence without advance notice or compensation if the Licencee is found by a court of competent jurisdiction to be in violation of any law of the Province or Canada relating to fishery activities.
14. If the Licencee fails to perform any of its obligations under this licence, 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.
15. If the Licencee is in breach of any term of this licence and such breach is not corrected within the time period set out in the notice from the Administrator, the Administrator may cancel this licence without further notice or compensation.
16. Should it become necessary for Her Majesty to expropriate the Licencee's right under this licence, it is hereby agreed that the value of the licence for purposes of expropriation compensation shall not exceed the depreciated value of improvements made by the Licencee that cannot be removed from the site. No compensation may be claimed for the cancellation of this licence where compensation is paid or payable in relation to the expropriation of a licence for the same area.
17. Any notices required to be given under this licence 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 written agreement, may effect

notice by any other means. The Licencee must notify the Administrator of any change of address within thirty (30) days.

18. 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 Licencee for aquaculture purposes. The Administrator assumes no responsibility whatsoever for any private property rights or for the actions of other levels of government which may interfere with the use of the site for aquaculture purposes.
19. This licence shall be subject to the laws of the Province of Nova Scotia and the parties hereby agree to attorn to its courts.
20. This licence 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

[Redacted]

Witness

[Redacted]

Administrator of the Nova Scotia Department
of Fisheries and Aquaculture



[Redacted]

Witness

Open Ocean Systems Inc.

[Redacted]

Andrew Storey
President & CEO



SCHEDULE A

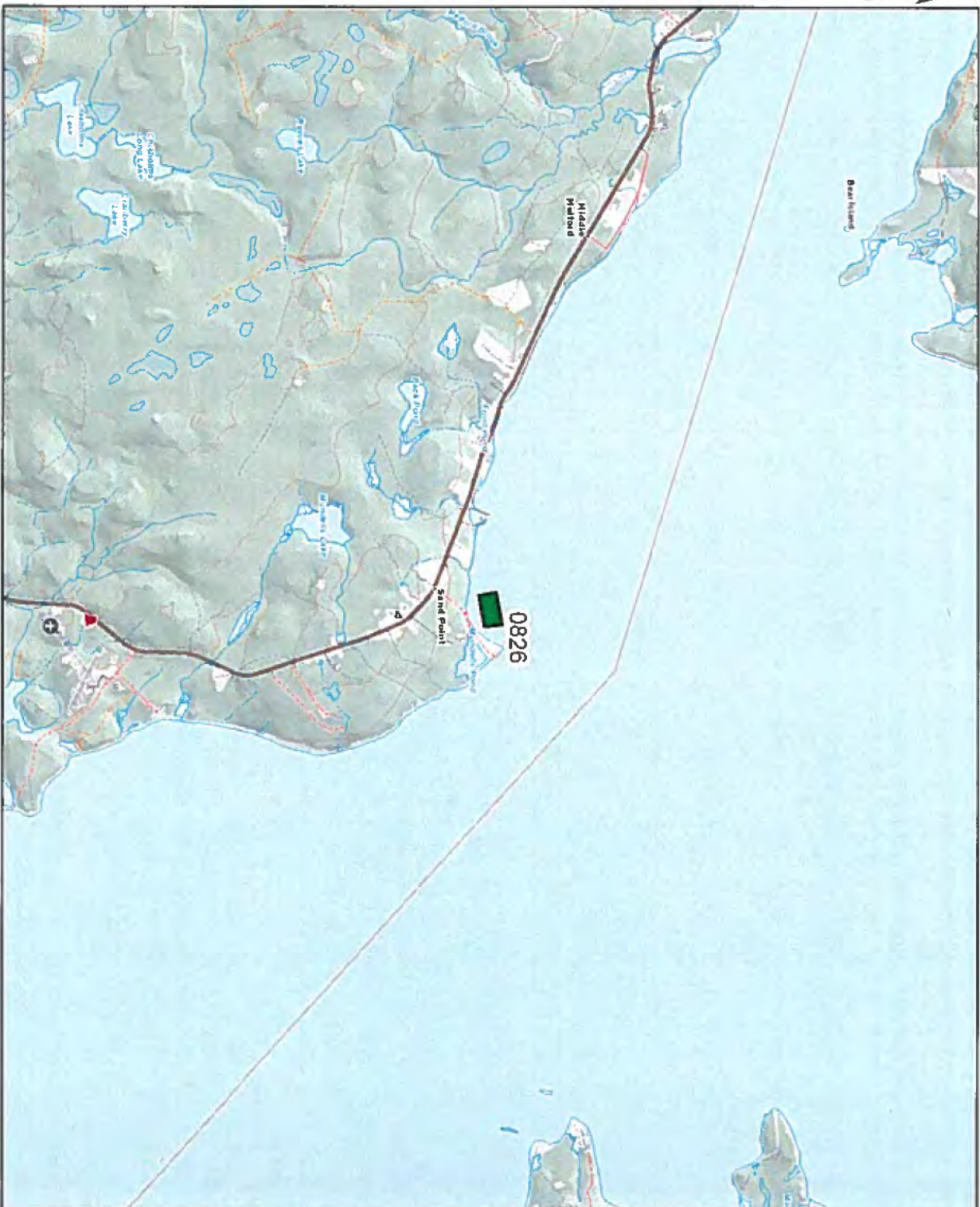


Aquaculture Site

0826

Corner	Latitude	Longitude
1	45° 31' 19.041" -61° 15' 21.229"	
2	45° 31' 20.542" -61° 15' 8.509"	
3	45° 31' 15.583" -61° 15' 7.908"	
4	45° 31' 14.181" -61° 15' 20.210"	
Centre	45° 31' 17.340" -61° 15' 14.580"	

DATUM NAD 83 CSRS UTM Zone 20
The above coordinates are not from a legal survey



License/Lease Holder

Open Ocean Systems Inc.

County

Guysborough

Waterbody

St. of Canso South

Hectares

4.2

Species Type

Finfish

Culture Type

Suspended Culture

Chart

4335

- Renewal Application
- Other Issued Lease
- Other Proposed Lease



Disclaimer
This map should not be used for navigation or legal purposes. It is intended for general reference use only.
Date: 2021-04-02
Created By: MK

SCHEDULE A

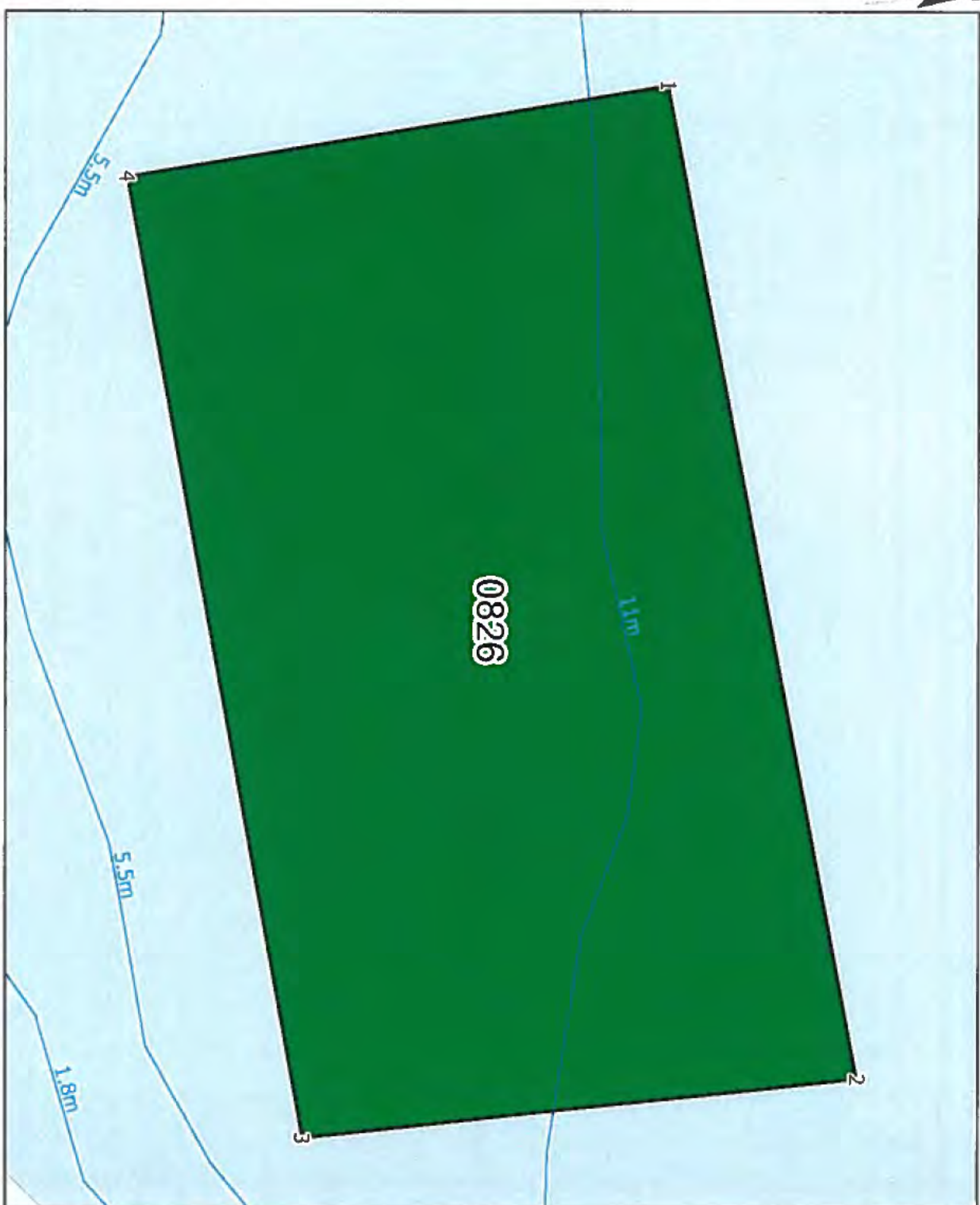


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License/Lease Holder: Open Ocean Systems Inc. County: Guysborough Waterbody: St. of Canso South Hectares: 4.2 Species Type: Finfish Culture Type: Suspended Culture Chart: 4335

Renewal Application
 Other Proposed Lease
 Other Issued Lease
 NS PIDs



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Date: 2020-04-02
Created By: TKK

Schedule "B"

This Schedule sets out any undertakings required of the Licencee.

The Licencee undertakes the following:

1. Prior to approval by the Administrator of an application by the Licencee for stocking or restocking of the site, in addition to satisfying any requirements set out in the *Aquaculture Management Regulations*, the Licencee must provide information satisfactory to the Administrator of the Licencee's ability to finance the proposed stocking or restocking of the site and of the financial viability of the Licencee's aquacultural operation at the site. The Licencee undertakes the following:
 - a) to perform a baseline assessment as defined in the *Aquaculture Management Regulations*;
 - b) to obtain approval in advance from the Minister; and
 - c) to implement an approved Farm Management Plan.
2. Prior to stocking the site and installing site infrastructure, to mark the site in accordance with Transport Canada approval #1994-200265.
3. To submit a security bond in the prescribed amount (\$25,000) in a form that is satisfactory to the Administrator.
4. Prior to stocking the site:
 - a) to perform a baseline assessment as defined in the *Aquaculture Management Regulations*;
 - b) to obtain approval in advance from the Minister; and
 - c) to implement an approved Farm Management Plan.
5. Compliance with all relevant provincial and federal legislation that relates to conducting finfish aquaculture operations in the marine environment.
6. Participation in a real-time monitoring program of prescribed oceanographic parameters, as prescribed by the Administrator. The Licencee shall make any data resulting from that program available to the Administrator in real-time, or in another such time and manner requested by the Administrator.