

This licence made in duplicate this 12th day of May, 2016.

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 -

KELLY COVE SALMON LTD
1 FUNDY BAY DRIVE
ST. GEORGE, NB E5C3E2

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 the Licencee was issued Aquaculture Licence No. 1006 on February 16, 2011 for a term of five years from September 13, 2010 to September 12, 2015;

AND WHEREAS the Licencee wishes to renew aquaculture Licence No. 1006;

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 7.61 hectare area located in the body of waters known as Aspotogan Harbour, more particularly described in Schedule "A" attached to and forming part of this Agreement (the "site") for the marine finfish, shellfish and marine plant cultivation of *salmo salar* (Atlantic salmon), *Hippoglossus hippoglossus* (Atlantic halibut), *Oncorhynchus mykiss* (Rainbow trout), *Gadus morhua* (Atlantic cod), *Mytilus edulis* (Blue mussel), *Palmaria palmate* (Dulse), *Saccharina latissima* (Kelp), *Laminaria digitata* (Kelp), and *Alaria esculenta* (Kelp).
2. The term of this licence shall be for ten years commencing on the 13th day of September 2015 to the 13th day of September, 2025 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 as set out in the Regulations.

4. The undertakings set out in Schedule "B" to this licence (the "undertakings"), form part of this Agreement, and the Licencee hereby agrees to comply with any conditions or limitations contained in the undertakings unless compliance for licensing purposes is expressly waived 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 (the "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 or her sole discretion, is of the opinion that the aquaculture activities authorized by this licence are detrimental to or interfere with other licenced facilities, the Administrator may revoke this licence 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 revoke this licence without further notice or compensation.

Schedule A
GPS COORDINATE INFORMATION SHEET

Site #: 1006
Applicant: Kelly Cove Salmon Ltd.
Location: Aspotogan Harbour County: Lunenburg
Hydrographic Chart: 4386 Orthophoto #:
Dimensions of site: Approx. 310m x 250m x 288m x 257m Size: Approx. 7.61 hectares

Approximate Coordinates of Application:

Datum used: NAD 83
Centre coordinates (approx.) Lat. 44° 30' 15.06"
Long. -64° 02' 55.32"

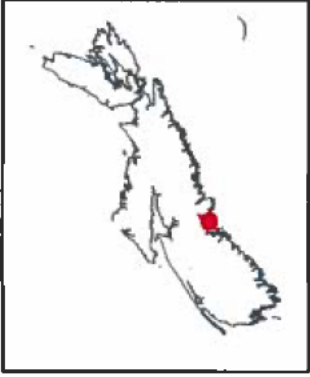
Corner #1	Lat. 44° 30' 16.08" Long. -64° 03' 04.62"	Corner #2	Lat. 44° 30' 21.54" Long. -64° 02' 52.80"
Corner #3	Lat. 44° 30' 14.52" Long. -64° 02' 47.10"	Corner #4	Lat. 44° 30' 09.24" Long. -64° 02' 57.90"

Applicant's Signature

Date:

May 9, 2016

NOTE: THESE COORDINATES ARE NOT FROM A LEGAL SURVEY.



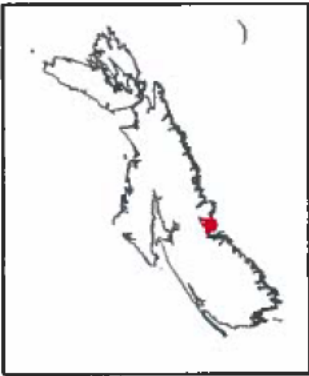
Aquaculture Site	
1006	
Center	Lat 44° 30' 15.06" Long -64° 02' 55.32"
Corner 1	Lat 44° 30' 16.08" Long -64° 03' 04.62"
Corner 2	Lat 44° 30' 21.54" Long -64° 02' 52.80"
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DATUM NAD 83 The above coordinates are not from a legal survey	



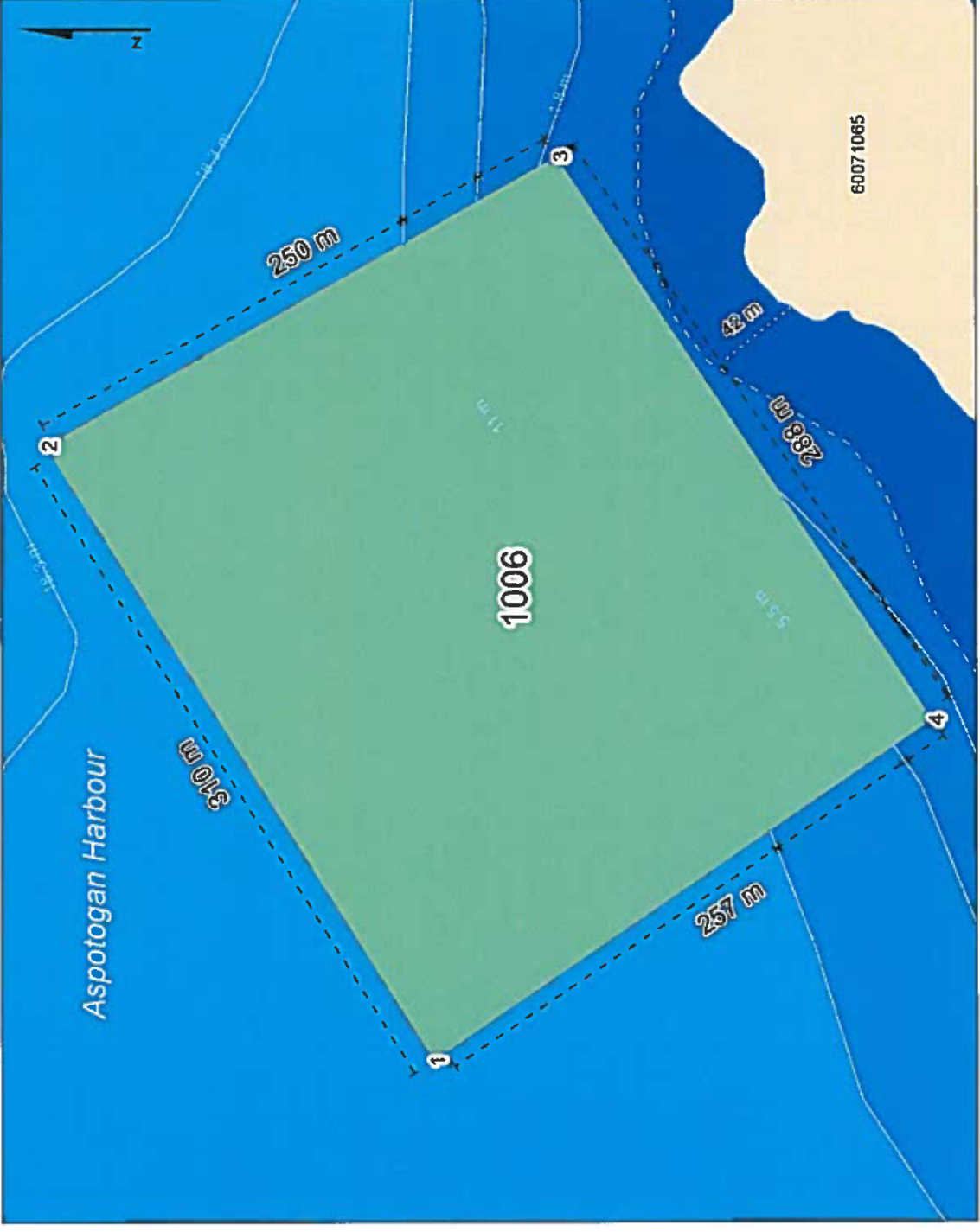
Application Information	
Proponent :	Kelly Cove Salmon Ltd.
Site Location :	Aspotogan Harbour
Dimensions :	Approx. 310m x 250m x 288m x 257m
Area :	Approx. 7.61 ha

Chart No.	
4386	
Issued Lease	Low Water Mark
Proposed Lease	OMHW Mark

Disclaimer	
This map should not be used for navigation or legal purposes. It is intended for general reference use only.	
MK-1006-JUN-2015	



Aquaculture Site	
1006	
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Schedule "B"

This Schedule sets out any undertakings required of the Licencee.

There are no undertakings required of the Licencee.