

This experimental lease made in duplicate this 27<sup>th</sup> <sup>September</sup> 24<sup>th</sup> <sup>RC</sup> day of AUGUST, 2023, Lease No. 5001

**BETWEEN:**

**HIS MAJESTY THE KING**, 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 -

**SEARISE FISHERIES LIMITED**  
45 Hill Road  
West Chezzetcook, NS  
B0T 1N0

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 grant special experimental leases;

**AND WHEREAS** Aquaculture Lease No. 5001 was first issued to the Lessee for a term of one year from August 2, 2021 to August 1, 2022;

**AND WHEREAS** Aquaculture Lease No. 5001 was renewed for a one-year term, from August 2, 2022 to August 1, 2023;

**AND WHEREAS** under the Regulations, a special experimental lease may be renewed annually for up to 5 years;

**AND WHEREAS** the Lessee wishes to renew Aquaculture Lease No. 5001 for a third one-year term;

**NOW THEREFORE** in consideration of the mutual covenants herein contained, the Parties agree as follows:

1. The Administrator hereby grants to the Lessee a special experimental lease to use a 14.24 hectare area located in the body of waters known as Three Fathom Harbour, Halifax County, more particularly described in Schedule "A" attached to and forming part of this Agreement (that area, the "site") for the bottom cultivation with gear method of Soft-shell clam (*Mya Arenaria*).
2. The term of this lease shall be for one year from August 2, 2023 to August 1, 2024 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 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 lease, 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. The Research Agreement set out in Schedule "C" to this lease forms part of this lease, and the Lessee hereby agrees to comply with and use this lease only for the research purposes contained in the Research Agreement.
6. The Lessee shall submit an interim report to the Administrator no later than 2 months prior to the end of the term of this lease. The interim report shall contain a summary of the Reporting Requirements listed in the Research Agreement set out in Schedule "C".
7. Except to the extent restricted by an enactment of this lease, the Lessee has, for aquacultural purposes, the exclusive right to use the leased sub-aquatic lands and water column.
8. The Lessee shall allow access to the site by the general public for recreational activities. The general public is not permitted to carry out Soft-shell clam (*Mya Arenaria*) harvest, enhancement, or husbandry activities at the site.
9. 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.
10. This lease must not be assigned. If the Lessee is a corporation, any change in the right to control the corporation shall be deemed to be an assignment.
11. 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 His Majesty the King in right of the Province of Nova Scotia ("His Majesty") to claim for damages.
12. 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.
13. This lease does not include any rights as to minerals in or on the site.
14. 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.
15. Following the completion of a performance review, in accordance with the Regulations, of the aquacultural 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.
16. The Lessee is hereby prohibited from using the site in any way that would interfere with other leased aquaculture operations.
17. The Lessee is hereby aware that the placing of an anchor or driving of stakes, within the limits of the site by persons other than the Lessee, provided such are included in legitimate operations incidental to fishing or catching any kind of fish other than species type, and that placing of buoys or stakes by the proper authorities, for navigation purposes, shall not be deemed as interference with the proper cultivation of the site by the Lessee.
18. 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.

19. 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.
20. 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 His Majesty, for which His Majesty shall have a first priority charge on the aquacultural produce within the site.
21. 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.
22. Should it become necessary for His 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 licence for the same site.
23. 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.
24. 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 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.
25. This lease shall be subject to the laws of the Province of Nova Scotia and the Parties hereby agree to attorn to its courts.
26. 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

) **HIS MAJESTY THE KING**  
) in right of the Province of Nova Scotia, as  
) represented by the Administrator, Nova Scotia  
) Department of Fisheries and Aquaculture  
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Witness

[Redacted]  
Administrator - Nova Scotia Department  
of Fisheries and Aquaculture

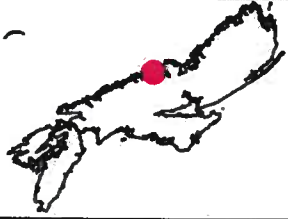
**SEARISE FISHERIES LIMITED**

Per:

[Redacted]  
Witness

[Redacted]  
**MURRAY PURCELL**  
President

# SCHEDULE A

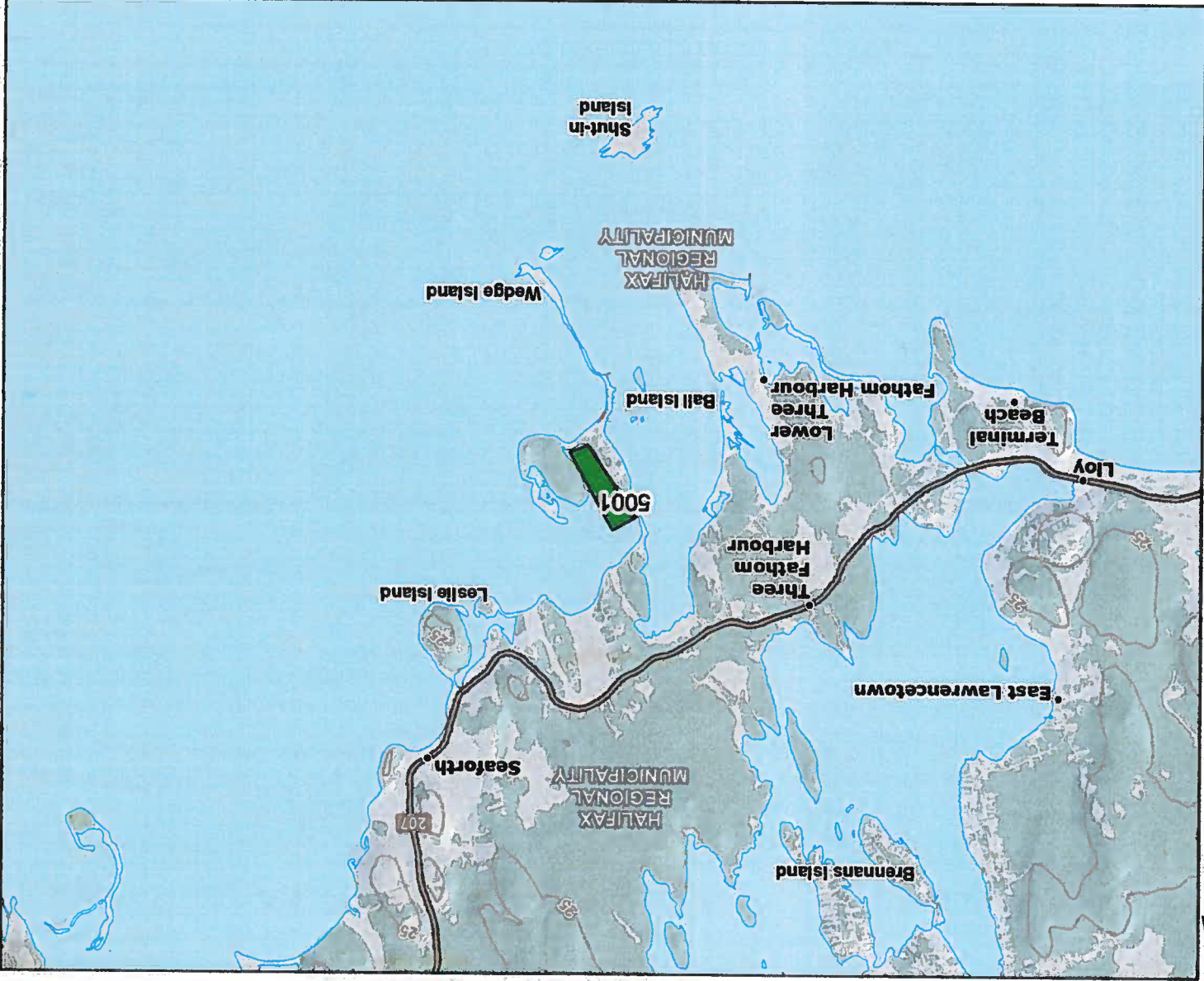


**Aquaculture Site**  
**5001**

Corner Latitude Longitude

1	44° 38' 51.720"	-63° 16' 45.780"
2	44° 38' 55.260"	-63° 16' 36.960"
3	44° 38' 34.140"	-63° 16' 20.520"
4	44° 38' 32.160"	-63° 16' 27.600"
Centre	44° 38' 43.396"	-63° 16' 32.924"

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



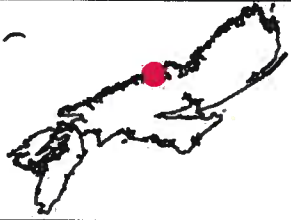
License/Lease Holder	County	Waterbody	Hectares	Species Type	Culture Type	Chart
Searise Fisheries Ltd.	Halifax	East Three Fathom Harbour	14.24	Shellfish	Bottom	4236

Experimental Renewal Application  
 Issued Experimental  
 Other Issued Lease



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This map should not be used for navigation or legal purposes. It is intended for general reference use only.  
Created By: MK  
Date: 2022-06-23

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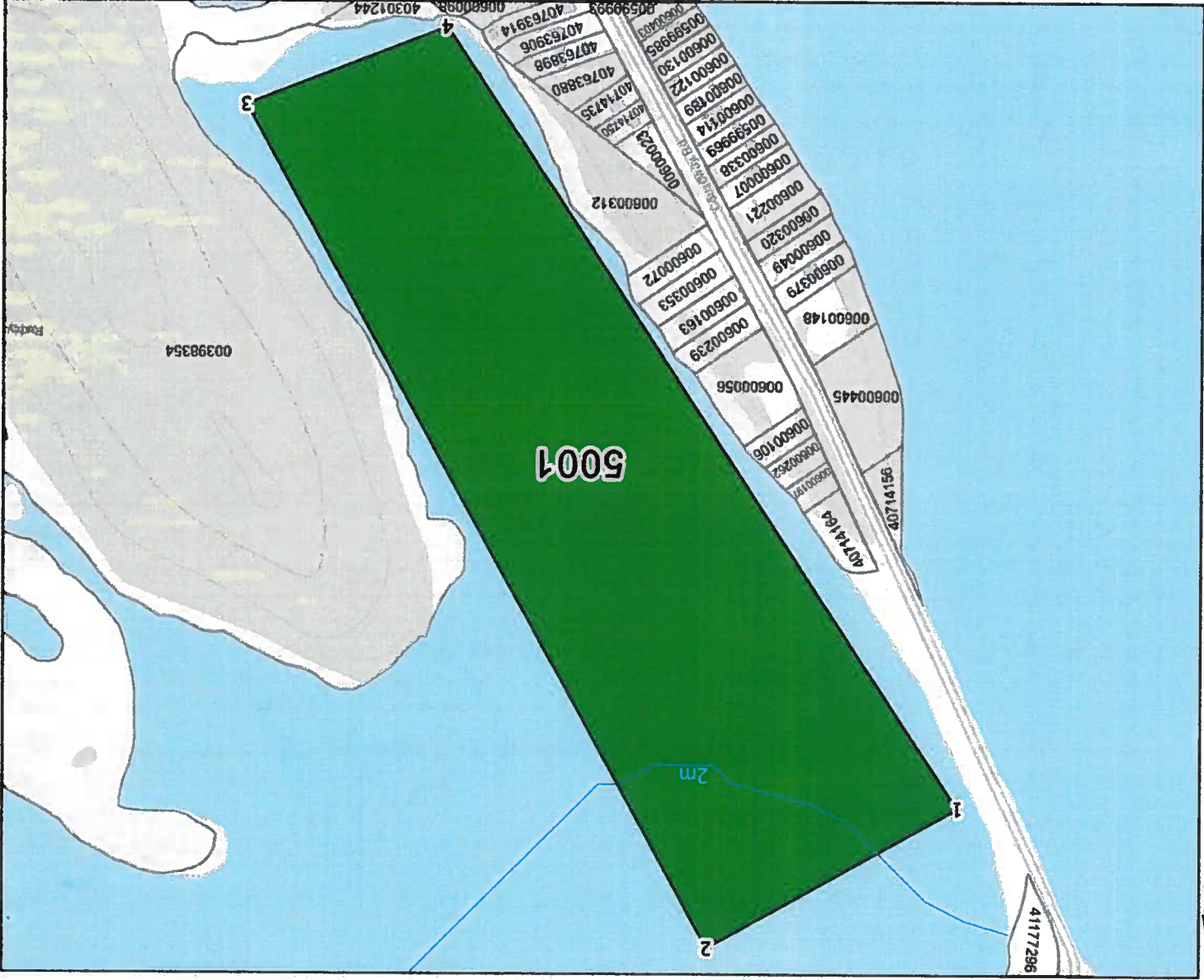


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Date: 2022-06-23

## Schedule "B"

This Schedule sets out any undertakings required of the Lessee.

The Lessee undertakes to the following:

1. No product will be harvested and sold for human consumption, unless all Provincial, Federal and Municipal permits are in place.
2. The Lessee shall not cross any other person's private real property in order to access the site, without the express written permission of the real property owner.
3. Prior to conducting any aquaculture activities, the Lessee will conduct a baseline assessment as outlined in the document titled "Baseline Sampling and Soft-shell clam Survey Plan for Searise Fisheries Ltd."
4. Prior to conducting any aquaculture activities, the Lessee will develop, and receive the Department of Fisheries and Aquaculture's approval of, a Wildlife Monitoring Plan to avoid and monitor the potential negative effects of the aquacultural operation on migratory birds, prior to conducting any aquaculture activities. This Wildlife Monitoring Plan, following the Department of Fisheries and Aquaculture's approval, will be incorporated into the Lessee's Farm Management Plan.
5. Undersized Soft-shell clams will not be harvested and/or removed from open clam fishing areas, unless through approvals from the Department of Fisheries and Oceans Canada (DFO). Proof of approval will be provided to the Province before such activity starts.
6. If the Lessee wishes to collect spat outside of the site, a spat collection permit will be obtained from the DFO.
7. The Lessee may source juvenile Soft-shell clams within the site.
8. The Lessee may transport juvenile Soft-shell clams (i.e., spat collected on mats, or harvested seed/undersized Soft-shell clams) within the site.
9. The Lessee shall not remove Soft-shell clams from the site. All handling of Soft-shell clams shall occur within the site.
10. The Lessee shall not erect snow fencing around (in whole or part) or within the site.
11. With the exception of miners moss mats, no additional infrastructure will be placed within the site without an approved administrative amendment application to the Department.

## Schedule "C"

### Research Agreement

#### Research Objectives and Activities

The purpose of this Special Experimental Lease is to assess the technical and biological feasibility of an aquaculture site and to determine its potential for commercial development, in an effort to support the sustainable expansion of Soft-shell clam aquaculture in Nova Scotia.

In particular, further to this lease, the Lessee will be involved in the following research activities:

1. Deployment of miners moss mats within the site for benthic spat collection of Soft-shell clams, except in areas with a population of Eel grass (*Zostera marina*) and evaluate their performance.
2. Portions of the site, except in areas with a population of Eel grass (*Zostera marina*), will be seeded with Soft-shell clams and monitored for growth rate and mortality rate.
3. Assessing the site and the environmental conditions for its potential to sustain and grow Soft-shell clams at a commercial level.
4. Assessing the site for its potential to provide economic prosperity.
5. Assessing the sustainability of the operation and overall production outcomes.

#### Reporting Requirements

The Lessee will be collecting the following information during the tenure of the lease which will be provided in a report to the Administrator:

- Activities that occur on site will be documented (e.g., date, time, location, size of area), including the placement of spat collection mats and areas of sediment that have been turned over and/or reseeded;
- Soft-shell clam growth rate and survival rate, categorized by areas being reseeded, areas where sediment is turned over and control areas where no active work is conducted;
- Soft-shell clam recruitment rate on benthic spat collection mats; and
- Evaluate any interactions of the aquacultural operation with local wildlife, including shorebirds, birds of prey, and nuisance animals, as well as the tolerance of any gear to tidal action, ice scour and major storms, if applicable.