

WATER USE LICENCE
Commercial (Freshwater Aquaculture)

Pursuant to the *Water Resources Act*, SNL 2002 cW-4.01

Date of Issuance: **JULY 29, 2020**

No: **WUL-20-11140**
File: **515/AQ637**

Licensee: Cold Ocean Salmon Inc.
PO Box 59
1 Boys Road
Hermitage NL A0H 1S0
julia.bungay@cookeaqua.com

Attention: **Julia Bungay**

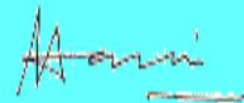
Re: **Water Use for Freshwater Aquaculture Facility in Long Pond Site #1**

The Minister of Municipal Affairs and Environment (the "Minister") hereby grants a non-exclusive water right to: **Cold Ocean Salmon Inc.** (the "Licensee") to use the water column and continue the operation of an existing freshwater aquaculture facility with an estimated area of 6 hectares in an Unnamed Pond, known as Long Pond, near Hermitage Road (47° 35' 36"N, 55° 48' 28"W), as indicated in Schedule A (attached), in reference to the original application dated March 24, 1997, the application received on July 02, 2020, and further information provided by the Department of Fisheries and Land Resources on July 24, 2020.

This Licence is subject to the terms and conditions, reservations, exceptions, and provisions stated herein and the *Water Resources Act* and regulations thereunder. Appendices A, B and Schedule A (attached) form part and parcel of this Licence.

This Licence does not release the Licensee from the obligation to obtain appropriate approvals, permits or licences from other concerned municipal, provincial and federal agencies.

The Licensee shall complete and return the attached Notification of Acceptance of Water Use Licence to the Water Rights, Investigations, and Modelling Section of the Department of Municipal Affairs and Environment within thirty (30) days of receipt of this Licence.



(for) MINISTER

GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF MUNICIPAL AFFAIRS AND ENVIRONMENT

No: WUL-20-11140
File: 515/AQ637

APPENDIX A
TERMS AND CONDITIONS FOR WATER USE LICENCE

The Minister of Municipal Affairs and Environment (the "Minister") hereby grants a non-exclusive water right to: **Cold Ocean Salmon Inc.** (the "Licensee") to use the water column and continue the operation of an existing freshwater aquaculture facility with an estimated area of 6 hectares in an Unnamed Pond, known as Long Pond, near Hermitage Road (47° 35' 36"N, 55° 48' 28"W), as indicated in Schedule A (attached), in reference to the original application dated March 24, 1997, the application received on July 02, 2020, and further information provided by the Department of Fisheries and Land Resources on July 24, 2020.

1. Ownership of water rights remains with the Crown and is not transferred. This Water Use Licence only provides permission for the Licensee to withdraw and use water for the designated purpose indicated in this Licence.
2. The non-exclusive rights and privileges hereby demised by this Licence shall not be sold, assigned, transferred, leased, mortgaged, sublet or otherwise alienated by the Licensee.
3. The Licensee acknowledges and agrees that this Licence does not grant any interest in land or any right to expand the facility or to construct onshore facilities.
4. This Licence shall expire on July 29, 2025 or earlier if suspended or modified or cancelled by the Minister due to reasons that include, but is not limited to, non-compliance with the Water Resources Act, 2002 and terms and conditions, reservations, exceptions, and provisions, lack of utilization of approved water for the designated purpose or prompt reporting pursuant to this Licence. Also, this Licence may be renewed by the Minister for such renewal term as the Minister deems appropriate, on such terms and conditions as the Minister considers appropriate and in the public interest, provided the Licensee applies for a new Licence at least hundred and eighty (180) days before the expiry of this Licence. This Licence supercedes WUL-13-023.
5. The designated purpose of the water use is Commercial/Freshwater Aquaculture.
6. The Licensee shall not at any time impair, pollute or cause to be polluted the quality of water in Long Pond and any and all bodies of water flowing into and out of Long Pond or any nearby body of water. Also, this Licence shall not be interpreted as granting any rights to cause adverse effect(s) on water in or outside the area of facility and Long Pond or other water user(s). The Water Resources Management Division of the Department of Municipal Affairs and Environment must be informed if water withdrawal and use activities or any ongoing activity has a potential to impair, pollute or cause to be polluted the quality of water of Long Pond or any nearby body of water. In addition, any and all waste material that may result from this facility activities must be removed and disposed at a site approved by the regional Government Service Centre of the Department of Service NL. The Departments of Municipal Affairs and Environment and Service NL may require samples to be submitted for testing and analysis.
7. The Licensee/Holder shall secure the aquaculture gear by suitable anchors to prevent dislodgement due to wave action and clearly mark the perimeter of the facility with cautionary buoys.

8. The Licensee shall keep all system and works in good condition and repair, and shall immediately notify the Minister if any problem arises which may adversely affect water or public safety or any and all water users. The Licensee shall be responsible for any environmental or property damage, or personal injury arising from dislodgement caused by wind, wave, or ice action, or structural failure or from other water related problems.
9. In the event that the site is no longer being used during the term created by this Licence, the Licensee shall remove the aquaculture gear and other work(s)/system(s) associated with and restore all areas affected by this facility to a state that resembles local natural conditions. Further remedial measures to mitigate environmental impacts on water resources and all areas affected by this facility can and will be specified, if necessary in the opinion of this Department.
10. This Licence shall remain in force and effect until such time as the Aquaculture Licence of the Licensee/Holder is not renewed by the Licensee/Holder or is cancelled by the Minister of Fisheries and Land Resources of the Province of Newfoundland and Labrador or his successor in office pursuant to the provisions of the Aquaculture Act, RSN 1990, c.A-13 or until such time as it is revoked by the Minister of Municipal Affairs and Environment of the Province of Newfoundland and Labrador or his successor in office for failure to comply with one or more of the provisions of this Licence (as amended from time to time) or with the provisions of the Water Resources Act, SNL 2002 c.W-4.01 and any regulations in effect thereunder from time to time and any other relevant legislation enacted by the Province of Newfoundland and Labrador in the future.
11. The Licensee agrees to be responsible for carrying out the terms and conditions of this Licence. The Licensee agrees to abide by such further terms and conditions and directives as may be issued by the Minister of Municipal Affairs and Environment from time to time in relation to the site referenced in this Licence.
12. The total number of fish introduced into Long Pond in the month of August at the location of the cages approved by Certificate of Approval C.A. 98-02-4838, shall not at any time exceed 800,000 during the term created by this Licence.
13. All fish that may be stocked at the approved site in Long Pond shall have an average weight of 130 grams and shall be removed out from Long Pond in the month of June at average weight of 150 grams.
14. The Licensee shall sample the water of Long Pond four times during the term of this Licence, and provide water quality analysis reports for all parameters prescribed in the Certificate of Approval C.A. 98-02-4838. The Licensee shall also provide any other information that the Minister may require in whatever form, manner and time in relation to this Licence. In addition, the Licensee shall annually inform, in writing, the Water Rights, Investigation, and Modelling Section of the Department of Municipal Affairs and Environment regarding any water related or environmental problems or other matters related to this Licence and compliance with its terms and conditions.
15. This Licence is subject to the Water Use Charges Regulations, NLR 60/16 under the Water Resources Act, 2002 and the Licensee shall upon receipt of an invoice stating the amount owing for water use charges, pay to the Minister the full amount within thirty (30) days of the receipt of the said invoice and if imposed by provincial legislation, fees, incentives, royalties or subsidies for water use.
16. The Licensee shall operate the works and systems in a manner which does not cause any water related and/or environmental problems. The Licensee shall immediately notify the Minister if any problem arises which may adversely affect water or public safety or any and all water users.

17. The employees of the Department of Municipal Affairs and Environment, authorized by the Minister, may at all reasonable times during the term created by this Licence enter into the Licensee's facility and the Licensee's designated places(s) of business to inspect all associated systems or works, records, statements, and accounts, and shall be entitled to copy such information as may be required by the Minister in relation to this Licence and may exercise all other powers of inspection as provided for in the Water Resources Act, 2002.
18. The Licensee and its agent(s), subcontractor(s), and consultant(s) indemnify and hold the Government and the Minister harmless against any and all liabilities, losses, claims, demands, damages or expenses including legal expenses of any nature whatsoever whether arising in tort, contract, statute, trust or otherwise resulting directly or indirectly from the non-exclusive rights granted under this Licence, systems, works and equipment in in relation to this facility, or any act or omission of the Licensee or its agent(s), subcontractor(s), or consultant(s) in or outside the water withdrawal and use activities areas and all associated systems, works and equipment, or arising out of a breach or non-performance of any of the terms and conditions, and provisions of this Licence by the Licensee or its agent(s), subcontractor(s), or consultant(s).
19. If the Licensee or its agent(s), subcontractor(s), or consultant(s) fails to perform, fulfil, or observe any of the terms and conditions, or provisions of this Licence and/or Ministerial orders and guidelines, as determined by this Department, the Minister may, after providing ten (10) day notice to the Licensee, amend, modify, suspend or cancel this Licence in accordance with the Water Resources Act, 2002.
20. Should any provision of this Licence be unenforceable, it shall be considered separate and severable from the remaining provisions of this Licence which shall remain in force and be binding as though the provision had not been included.
21. This Licence is subject to all provisions of the Water Resources Act, 2002 and any regulations in effect either at the date of this Licence or hereafter made pursuant thereto or any other relevant legislation enacted by the Province of Newfoundland and Labrador in the future.
22. This Licence shall be construed and interpreted in accordance with the laws of the Province of Newfoundland and Labrador.

All notices to be given pursuant to the terms and conditions of this Licence shall be given in writing and delivered by facsimile with auto confirmation or registered mail. If a notice is delivered by facsimile, it is deemed to have been received on the day it was sent if that day is a normal business day, if not, it is deemed to have been received on the next normal business day. If a notice is sent by registered mail, it is deemed to have been received three days after the day it was mailed. The address of the Licensee is:

Cold Ocean Salmon Inc.
PO Box 59
1 Boys Road
Hermitage NL A0H 1S0

The address and facsimile number of the Department of Municipal Affairs and Environment are:

Water Rights, Investigations, and Modelling Section
Department of Municipal Affairs and Environment
PO Box 8700
St. John's NL A1B 4J6
(709) 729-0320

GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF MUNICIPAL AFFAIRS AND ENVIRONMENT
APPENDIX B

Report to Department of Municipal Affairs and Environment

To: Water Rights, Investigations, and Modelling Section
Water Resources Management Division
Department of Municipal Affairs and Environment
PO Box 8700
St. John's NL A1B 4J6

No: WUL-20-11140
File: 515/AQ637
Authorized: JULY 29, 2020

Re: *Water Use for Freshwater Aquaculture Facility in Long Pond Site #1*

This report must be completed and filed on or before January 31st of each year or upon the completion of activities for a temporary period. Provide the information required below:

1. Has the Licensee used water during last year? Yes No
If no, explain (use extra sheet to provide more information, if any).

2. Does the Licensee wish to continue the non-exclusive water right? Yes No
If no, explain (use extra sheet to provide more information, if any).

3. Has the Licensee exceeded the estimated maximum water withdrawal of that indicated in Appendix A? Yes No
If yes, explain in the space below (use extra sheet to provide more information, if any).

In the table below, state the monthly water uses during last year or a temporary period and attach spreadsheet for daily water uses along with water quality report(s) as may be applicable:

Month	Jan.	Feb.	Mar.	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Total
Use in litres or cubic meters													

4. Is there any other matter on which the Licensee wishes to inform the Department of Municipal Affairs and Environment regarding this Licence and its terms and conditions? Yes No
If yes, explain (use extra sheet to provide more information, if any).

I/We acknowledge that the information contained in this report is true and correct.

Cold Ocean Salmon Inc.
PO Box 59
1 Boys Road
Hermitage NL A0H 1S0

Signature: _____

Name/Title: _____

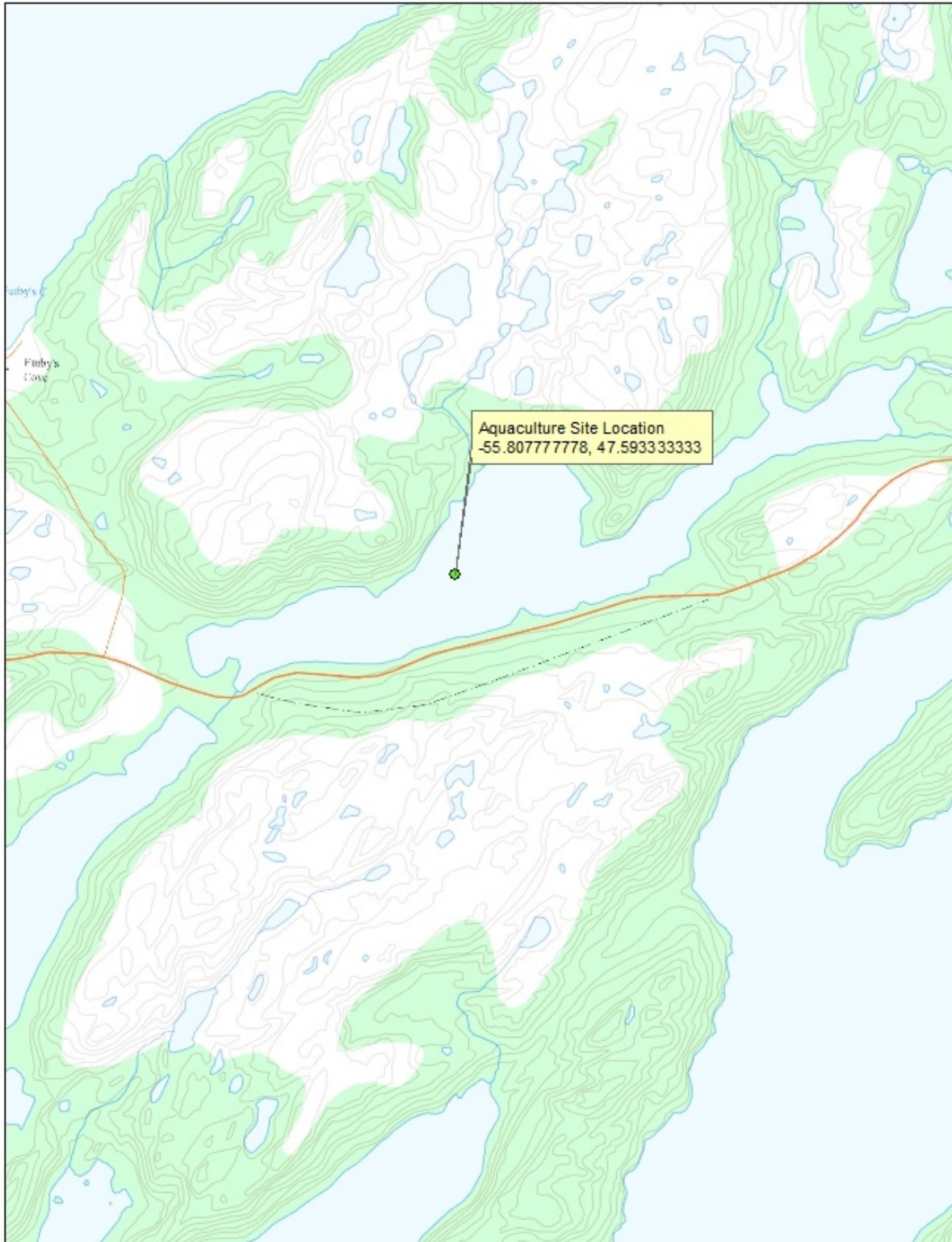
Date: _____

No: **WUL-20-11140**

File: **515/AQ637**

- cc: File Copy for Binder
- cc: Dave Mercer (Central)
Land Management Specialist
Crown Lands Administration Division
Department of Fisheries and Land Resources
davemercer@gov.nl.ca
- cc: Fisheries Protection Division
Ecosystem Management Branch
Fisheries and Oceans Canada
P.O. Box 5667
St. John's, NL A1C 5X1
FPP-NL@dfo-mpo.gc.ca
- cc: Ms. Claudette Laing
Aquaculture Licensing Administrator
Department of Fisheries and Land Resources
PO Box 679, 58 Hardy Avenue
Grand Falls-Windsor NL A2A 2K2
claudettelaing@gov.nl.ca
- cc: Renee J. Keel
Manager of Aquaculture Licensing (TA)
Department of Fisheries and Land Resources
P.O. Box 679
Grand Falls-Windsor, NL, A2A 2K2
RKeel@gov.nl.ca
- cc: Amir Ali Khan, Ph.D., P.Eng.
Manager, Water Rights, Investigations and Modelling Section
Water Resources Management Division
Department of Municipal Affairs and Environment
P.O. Box 8700
4th Floor, West Block, Confederation Building
St. John's, NL A1B 4J6
akhan@gov.nl.ca

Schedule A
Location Map for Licence





Government of Newfoundland and Labrador
Department of Municipal Affairs and Environment
Water Resources Management Division

Water Rights, Investigations, and Modelling Section
Water Resources Management Division
Department of Municipal Affairs and Environment
PO Box 8700
St. John's NL A1B 4J6

Date: **JULY 29, 2020**
File: **515/AQ637**

NOTIFICATION OF ACCEPTANCE OF WATER USE LICENCE

Water Use for Freshwater Aquaculture Facility in Long Pond Site #1

Water Use Licence No. **WUL-20-11140** issued on **JULY 29, 2020**, and valid until **JULY 29, 2025**.

As a Licensee of Water Use Licence No. **WUL-20-11140**, issued pursuant to the *Water Resources Act*, **Cold Ocean Salmon Inc.** (the "Licensee"), agrees to accept this Licence for the stated duration and abide by all terms and conditions, reservations, exceptions and provisions stated therein. The Licensee acknowledges that failure to abide by the terms and conditions, reservations, exceptions and provisions indicated in Appendices A, B and Schedule A (attached), and the *Water Resources Act* will render the Licence null and void, place the Licensee and/or their agent (s) in violation of the *Water Resources Act* and regulations thereunder and cause the Licensee to be responsible for any and all remedial measures which may be prescribed by the Department of Municipal Affairs and Environment.

Signed, sealed, and delivered by
Cold Ocean Salmon Inc.,
in accordance with its rules and
regulations in that behalf
at _____, _____, this _____ day
of _____, 2020 in the presence
of:

Witness

Per: _____
Signing Officer

Seal:

Important: The attached Water Use Licence is not valid unless the Licensee completes and returns this notification to the address above within thirty (30) days of receipt.