



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

MARINE AQUACULTURE WATER USE LICENCE
Commercial (Marine Aquaculture)

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

Date of Issuance: MAY 06, 2019

No: MAWUL-19-10267
File: 516/AQ476

Licensee/Holder: **Shells & Fins Inc.**
42 World Pond Road
Port Rexton, NL
A0H 2H0

Attention: **Rick Pippy**

Re: **Aquaculture Facility in Cap Cove, Northwest Arm, Trinity Bay**


The Minister of Municipal Affairs and Environment (the "Minister") hereby grants a non-exclusive right to: **Shells & Fins Inc.** (the "Licensee/Holder") to continue operating an existing aquaculture facility with an estimated area of 38.9 hectares in Cap Cove, Northwest Arm, Trinity Bay (48.3800000 N, 53.3755556 W) in reference to the plans submitted with the applications dated January 26, 1996, and June 16, 2004, and further information received on March 28, 2001, April 27, 2001, May 7, 2002, March 9, 2004, June 30, 2005, November 18, 2005, and May 2, 2019.

This Licence is subject to the terms and conditions stated herein and the *Water Resources Act* and regulations thereunder. Appendix A (attached) forms part and parcel of this Licence.

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

It should be noted that prior approval of any significant change(s) in the plans and/or the associated systems and works must be obtained from the Minister.

The Licensee/Holder shall complete and return the attached Notification of Acceptance of Marine Aquaculture Water Use Licence (attached) 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.


MINISTER

GOVERNMENT OF
NEWFOUNDLAND AND LABRADOR
DEPARTMENT OF MUNICIPAL AFFAIRS AND ENVIRONMENT

No: MAWUL-19-10267
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APPENDIX A
TERMS AND CONDITIONS FOR MARINE AQUACULTURE WATER USE LICENCE

The Minister of Municipal Affairs and Environment (the "Minister") hereby grants a non-exclusive water right to: **Shells & Fins Inc.** (the "Licensee/Holder") to continue operating an existing aquaculture facility with an estimated area of 38.9 hectares in Cap Cove, Northwest Arm, Trinity Bay (48.3800000 N, 53.3755556 W) in reference to the plans submitted with the applications dated January 26, 1996, and June 16, 2004, and further information received on March 28, 2001, April 27, 2001, May 7, 2002, March 9, 2004, June 30, 2005, November 18, 2005, and May 2, 2019.

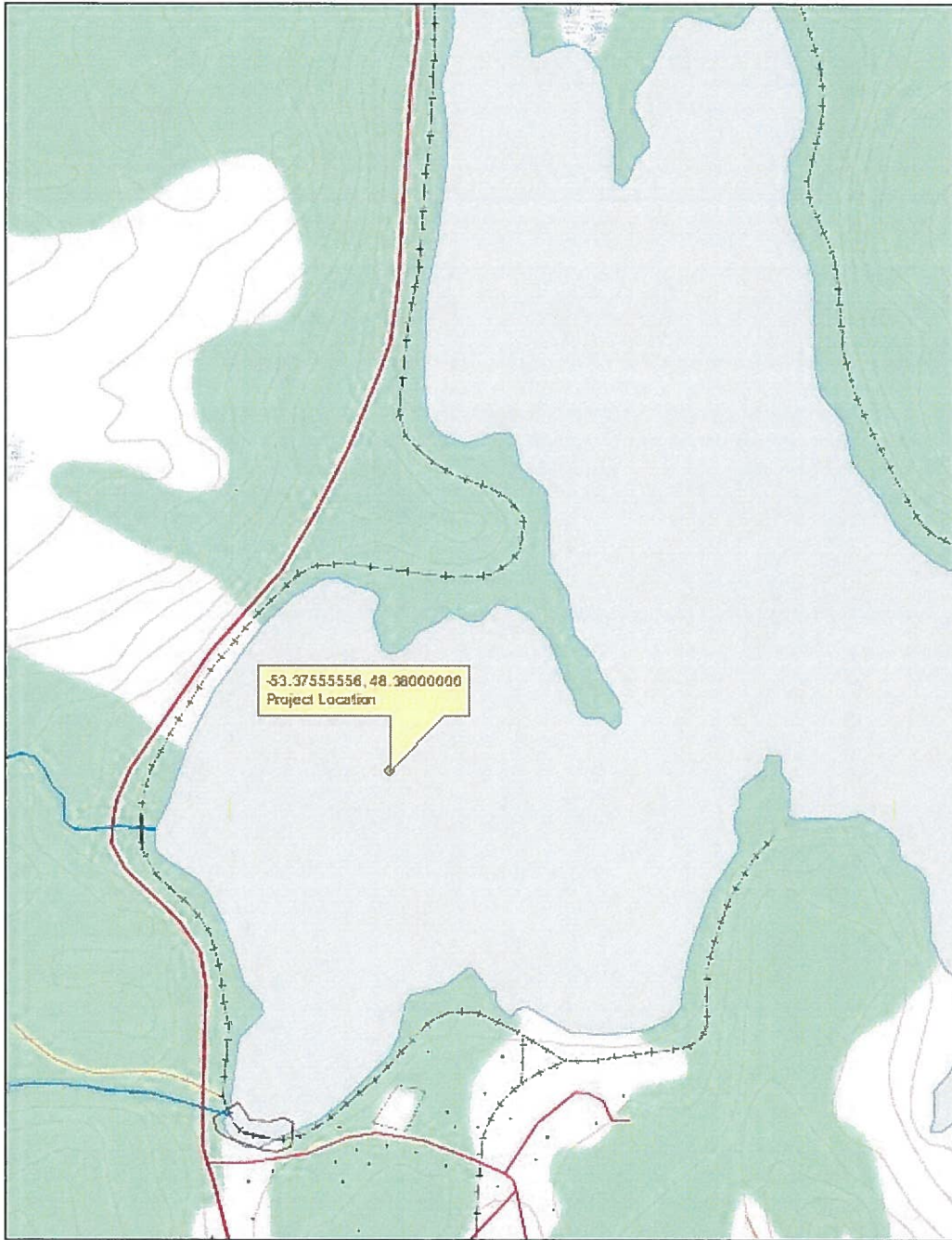
1. The designated purpose of the water use is Commercial (Marine Aquaculture).
2. The Licensee/Holder shall not impair, pollute or cause to be polluted the quality of the water.
3. The Licensee/Holder shall secure the aquaculture gear by suitable anchors to prevent dislodgement due to wave action and clearly mark the perimeter of the facility with cautionary buoys.
4. The Licensee/Holder 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/Holder 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.
5. In the event that the site is no longer being used during the term created by this Licence, the Licensee/Holder 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.
6. The Licensee acknowledges and agrees that this Licence does not grant any interest in land or any right to construct onshore facilities.
7. The Licensee/Holder 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.
8. Ownership of water rights remains with the Crown and is not transferred. The Licence only provides permission for the Licensee/Holder to use water for the purpose indicated herein. The rights and liberties granted by this Licence may only be sold, assigned, transferred, leased, mortgaged, sublet or otherwise given away by the Licensee/Holder by obtaining prior written approval from the Minister of Municipal Affairs and Environment.

9. 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.
10. The Licensee/Holder indemnifies and holds the Minister and Government 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 water rights granted under this Licence, systems and works associated with this aquaculture facility, or any act or omission of the Licensee/Holder, or arising out of a breach or non-performance of any of the terms and conditions, and provisions of this Licence by the Licensee/Holder.
11. This Licence shall expire on May 6, 2024 or earlier if suspended or modified or cancelled by the Minister due to reasons that include, but not limited to, non-compliance with the Water Resources Act, SNL 2002 c.W-4.01 and terms and conditions, reservations, exceptions, and provisions; lack of utilization of authorized 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/Holder applies for a new Licence at least hundred and eighty (180) days before the expiry of this Licence.
12. This Licence is subject to the Water Use Charges Regulations, NLR 60/16 under the Water Resources Act, 2002 and the Licensee/Holder 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.
13. The associated fees for this licence shall be collected by Fisheries and Land Resources.
14. This Licence supersedes and cancels in whole and in part Licence No. WUL-05-126.

No: MAWUL-19-10265
File: 516/AQ0174

- 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
- cc: File Copy for Binder
- cc: Ms. Renee Paterson
Senior Environmental Scientist, Water Agreements Section
Water Resources Management Division
Department of Environment and Conservation
P.O. Box 8700
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reenepaterson@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@dfm-mpo.gc.ca
- cc: Marine Safety
Transport Canada, Atlantic Regional Headquarters
Airports, Harbours and Ports, and Environmental Services
95 Foundry St.
P.O. Box 42
Moncton, NB E1C 8K6
NPPATL-PPNATL@tc.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
claudetelaing@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: MAY 06, 2019
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NOTIFICATION OF ACCEPTANCE OF MARINE AQUACULTURE WATER USE LICENCE

Aquaculture Facility in Cap Cove, Northwest Arm, Trinity Bay

"Water Use Licence No. MAWUL-19-10267 issued on MAY 06, 2019 , and valid until May 06, 2024 .

As a Licensee/Holder of Marine Aquaculture Water Use Licence No. MAWUL-19-10267, issued pursuant to the *Water Resources Act*, **Shells & Fins Inc.** (the "Licensee/Holder"), fully understands and agrees to accept this Licence and abide by all terms and conditions, reservations, exceptions and provisions stated therein. The Licensee/Holder acknowledges that failure to abide by the terms and conditions, reservations, exceptions and provisions indicated in Appendix A of the Licence and the *Water Resources Act* will render the Licence null and void, place the Licensee/Holder and/or their agent(s) in violation of the *Water Resources Act* and regulations thereunder. **In the event that the site is no longer being used during the term created by this Licence, the Licensee/Holder fully understands and agrees to accept the full responsibility for the removal of the aquaculture gear and other systems and works associated with and restore all areas affected by this facility to a state that resembles local natural conditions. Further, the Licensee/Holder fully understands and agrees to accept the full responsibility for any and all remedial measures to mitigate environmental impacts on water resources and all areas affected by this facility which can be and will be specified if necessary in the opinion of the Department of Municipal Affairs and Environment.**

Signed, sealed, and delivered by
Shells & Fins Inc.,
in accordance with its rules and
regulations in that behalf
at _____, _____, this _____ day
of _____, 2019 in the presence
of:

Witness

Per: _____
Signing Officer

Seal:

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