

This is the 1<sup>st</sup> affidavit of  
Jean-Francois Guillot in this case  
and was made on May 22, 2024

NO. S-206189  
VANCOUVER REGISTRY

**IN THE SUPREME COURT OF BRITISH COLUMBIA**

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
1057863 B.C. LTD., NORTHERN RESOURCES NOVA SCOTIA CORPORATION,  
NORTHERN PULP NOVA SCOTIA CORPORATION, NORTHERN TIMBER NOVA SCOTIA  
CORPORATION, 3253527 NOVA SCOTIA LIMITED, 3243722 NOVA SCOTIA LIMITED  
and NORTHERN PULP NS GP ULC

PETITIONERS

**A F F I D A V I T**

I, **Jean-Francois Guillot**, business person, of Trois Rivières, Québec, SWEAR THAT:

**I. INTRODUCTION**

1. I am the Chief Operating Officer of Fibre Excellence at Paper Excellence Canada Holdings Corporation ("**PEC**") and have been involved in the restructuring of the Petitioners. As such, I have personal knowledge of the matters described in this affidavit, except where I say that my knowledge is based on information from others. I believe that everything in this affidavit is true.

2. This affidavit is sworn in support of the Notice of Application by the Petitioners dated May 22, 2024 (the "**Application**") seeking:

(a) an order substantially in the form attached as Schedule "B" to the Application (the "**Settlement Agreement Approval Order**"), including:

(i) approving the Settlement Agreement (as defined below);

- (ii) extending the relief pronounced under the Amended and Restated Initial Order pronounced on August 6, 2020 (the "**ARIO**"), including the stay of proceedings (the "**Stay**"), until and including March 31, 2025 (the "**Stay Extension**");
  - (iii) approving an amendment to the Interim Financing Term Sheet (as defined below) to extend the maturity date from June 30, 2024 to March 31, 2025, remove the Milestones (as defined below), and increase the interest rate to 13% per annum; and
  - (iv) approving an amendment to the Subordinated Interim Financing Term Sheet (as defined below) to extend the maturity date from June 30, 2024 to March 31, 2025, and
- (b) an order substantially in the form attached as Schedule "C" to the Application (the "**Claims Process Order**") approving the proposed claims process (the "**Claims Process**") to identify and determine the claims against the Petitioners, Northern Pulp NS LP, and Northern Timber Nova Scotia LP (together, the "**NP Group**").

a. **Background**

3. Northern Pulp Nova Scotia Corporation ("**NPNSC**") owns a pulp mill (the "**Mill**") located on property (the "**Mill Site**") in Pictou County, Nova Scotia. NPNSC operated the Mill from its acquisition from a prior operator in 2008 until the legislated closure of the Mill in 2020.
4. As part of the operation of the Mill, NPNSC leased an existing effluent treatment facility on Boat Harbour in Nova Scotia (the "**Effluent Treatment Facility**") from the Province of Nova Scotia (the "**Province**"). The Effluent Treatment Facility had been operating for many years prior to NPNSC leasing it. As part of the acquisition of the Mill, the Province provided a certain indemnity to members of the NP Group in relation to, among other things, the Effluent Treatment Facility.
5. On May 11, 2015, the Province passed the *Boat Harbour Act*, SNS 2015, c 4 (the "**Boat Harbour Act**"), which required NPNSC to cease use of the Effluent Treatment Facility by January 31, 2020, contrary to the terms of the existing lease.

**b. The CCAA Proceeding**

6. Following the legislated closure of the Effluent Treatment Facility in January 2020, the Petitioners sought, and were granted, protection by the Court pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 on June 19, 2020 (the "**CCAA Proceeding**"). The initial order, among other things, granted a stay of proceedings for a 10-day period and appointed Ernst & Young Inc. as court-appointed monitor (the "**Monitor**").

7. On August 6, 2020, this Court pronounced the ARIO, which, among other things, approved an interim financing facility in the maximum principal amount of \$50,000,000 (the "**Interim Financing Facility**"), and associated charge, from PEC and Pacific Harbor North American Resources Ltd. ("**Pacific Harbor**", together with PEC, the "**DIP Lenders**"). On September 25, 2020, the Court approved a further credit facility in the maximum principal amount of \$6,100,000 (the "**Subordinated Interim Financing Facility**") from PEC. This was subsequently raised to \$8,900,000 pursuant to the order granted on April 29, 2022.

**c. The Petitioners' Secured Debt**

8. The Petitioners have three primary secured creditors: PEC and Pacific Harbor in their capacity as the DIP Lenders, the Province, and PEC, independently. The Petitioners' two primary assets are the Mill Site and other property held by NPNSC at the Mill Site and the freehold timberlands (the "**Timberlands**") owned by Northern Timber Nova Scotia Corporation ("**NT**"). The Petitioners' debt structure is more fully set out in Affidavit #1 of Bruce Chapman, sworn June 15, 2020, at paragraphs 38 to 64, but the secured debt can be summarized (as of today's date) as follows:

<b>NPNSC's Assets (Mill Site)</b>				
<b>Lender</b>	<b>Borrower/Guarantor</b>	<b>Nature of Interest</b>	<b>Approximate Amount Owing</b>	<b>Security</b>
PEC and Pacific Harbour	Petitioners	Interim Financing Facility	Up to \$50 million	Charge over all of the Petitioners' assets
Province	NPNSC	Loan Facility	\$22 million	Charge over all of NPNSC's assets
	NPNSC	Guarantee of NT Loan Facility	\$75 million	
PEC	NPNSC	Subordinated Interim Financing Facility	\$6 million	Charge over all of the Petitioners' assets

NPNSC's Assets (Mill Site)				
Lender	Borrower/Guarantor	Nature of Interest	Approximate Amount Owning	Security
PEC	NPNSC	Credit Agreement	\$30 million	Charge over all of NPNSC's assets

NT's Assets (Timberlands)				
Lender	Borrower/Guarantor	Nature of Interest	Approximate Amount Owning	Security
PEC and Pacific Harbour	Petitioners	Interim Financing Facility	Up to \$50 million	Charge over all of the Petitioners' assets
Province	NT	Loan Facility	\$75 million	Charge over all of NT's assets
	NT	Guarantee of NPNSC Loan Facility	\$22 million	
PEC	NPNSC	Subordinated Interim Financing Facility	\$6 million	Charge over all of the Petitioners' assets

9. In addition to its secured debts, NPNSC has various other unsecured creditors, including potential claims of the Province (which are settled as part of the Settlement Agreement). The amounts owing to these creditors will be determined through the proposed Claims Process. The Petitioners do not believe NT has any unsecured creditors and no such unsecured creditors have made themselves known during the CCAA Proceeding over the past four years.

**d. Actions Arising from the *Boat Harbour Act* and Amendment**

10. On December 16, 2021, to preserve their legal rights and remedies before the expiry of a limitation period, the NP Group, together with PEC and Hervey Investment BV (Netherlands) (together, the "**NP Litigation Parties**"), filed an action (the "**Action**") in the Supreme Court of Nova Scotia against the Attorney General of Nova Scotia representing His Majesty the King in Right of the Province of Nova Scotia. The Action particularizes the NP Litigation Parties' claims against the Province relating to the passing of the *Boat Harbour Act*.

11. In April 2022, the Nova Scotia Legislature passed *An Act to Amend Chapter 4 of the Acts of 2015, the Boat Harbour Act* (the "**Boat Harbour Act Amendment**") that amended the *Boat Harbour Act*.

12. As a result of the *Boat Harbour Act Amendment*, the Petitioners sought certain relief in the CCAA Proceeding, as described in the Notice of Application filed by the Petitioners on April 27, 2022 (the “**CCAA Relief**”).

13. Further, to avoid the consequences of the expiry of certain limitation periods relating to the *Boat Harbour Act Amendment*, the NP Litigation Parties and the DIP Lenders each delivered a Notice of Intended Action pursuant to the *Proceedings Against the Crown Act*, RSNS 1989, c. 360 dated February 20, 2024 (the “**Notices of Intended Action**”) to the Province, setting out further claims to be advanced in relation to the *Boat Harbour Act Amendment*.

**e. The Mediation Process**

14. This Court pronounced an order on April 1, 2022 (the “**Mediation Order**”) appointing the Honourable Thomas Cromwell, CC (the “**Mediator**”) to act as a neutral third party to mediate a settlement of the Mediation Claims (as defined in the Mediation Order) between the Province and the NP Litigation Parties (together, the “**Mediation Parties**”).

15. To advance this process (the “**Mediation Process**”), the Petitioners and the Province agreed to pause the following during the Stay to allow the Mediation Process to progress:

- (a) leave to appeal the Mediation Order set out in the notice of application the Province filed with the British Columbia Court of Appeal on April 21, 2022 (the “**Mediation Leave to Appeal Notice**”);
- (b) judicial review of the final terms of reference issued by the Nova Scotia Department of Environment and Climate Change (“**NSECC**”) on March 14, 2022 set out in the notice of application of NPNSC filed on April 22, 2022 with the Supreme Court of Nova Scotia (the “**TOR Judicial Review Notice**”);
- (c) the CCAA Relief; and
- (d) an application by the Province to lift the Stay so it could file and schedule a summary judgment motion in the Supreme Court of Nova Scotia to formally dismiss the Action (as described in the Province’s April 28, 2022 application response in this CCAA Proceeding).

f. **The Stay of Proceedings**

16. The Stay has been continuously extended, the latest being on December 12, 2023, when this Court pronounced an order (the “**December 2023 Order**”):

- (a) extending the Stay to June 30, 2024;
- (b) approving amendments to the Interim Financing Term Sheet (as defined below) to extend the Milestones (as defined below) and maturity date to June 30, 2024; and
- (c) approving an amendment to the Subordinated Interim Financing Term Sheet (as defined below) to extend the maturity date to June 30, 2024.

II. **MEDIATED SETTLEMENT**

17. Since the pronouncement of the December 2023 Order, the Petitioners have worked in good faith and with due diligence to advance their restructuring with the assistance of the Mediator, the Monitor, and in consultation with other material stakeholders, including the Province.

a. **The Mediation Process**

18. Since the pronouncement of the Mediation Order, the Mediation Parties have continued to participate in the Mediation Process conducted by the Mediator in an effort to resolve the Mediation Claims (as defined in the Mediation Order).

19. The Mediation Order provides that “[a]ll statements, discussions, offers made and documents produced by any of the Mediation Parties in the course of the Mediation Process [...] be confidential.” Consequently, the Petitioners cannot provide a detailed summary of the Mediation Process.

20. Fortunately, the Petitioners can report that the Mediation Process was successful and resulted in a comprehensive settlement agreement between the NP Group and the Province. Attached hereto and marked as **Exhibit “A”** to this my affidavit is an execution copy of the settlement agreement agreed to by the parties, subject to approval of this Court (the “**Settlement Agreement**”).

**b. The Settlement Agreement**

i. Overview

21. The Settlement Agreement is a global resolution of all claims between the NP Litigation Parties, the DIP Lenders, and the Province, including the litigation arising from the *Boat Harbour Act* and the *Boat Harbour Act Amendment*. As the primary secured and unsecured creditor of the Petitioners, resolving all claims with the Province is a major step toward a successful restructuring of the Petitioners.

22. The Settlement Agreement contemplates the potential development of a new mill in a new location that is mutually desirable to both parties—Liverpool, Nova Scotia (the “**New Mill**”). This project dispenses with the need to continue to advance the restart of the Mill in Pictou County, Nova Scotia.

23. The first step towards the potential construction of the New Mill is a feasibility study to determine the viability of constructing and operating the New Mill in Liverpool (the “**Feasibility Study**”). The Feasibility Study will be funded by PEC. The NP Group, in collaboration with the Province, will conduct the Feasibility Study to determine the financial feasibility of the New Mill. The parties will work to find any available government or related support that will enhance the feasibility of the New Mill. If the New Mill is feasible, the NP Group will make good faith efforts to obtain third party financing for the design, construction, and operation of the New Mill. If the New Mill is not feasible, the Settlement Agreement provides for an orderly liquidation of the Petitioners’ assets.

24. Regardless of the results of the Feasibility Study, the Mill Site and Timberlands remain valuable to the NP Group. If the New Mill is developed, the Timberlands are an essential fibre source and the wood room at the Mill Site will likely be used to process wood. If the New Mill is not feasible, the NP Group will sell the Timberlands and distribute the proceeds according to the waterfall agreed to by the Province and the NP Group. All other assets will be liquidated and distributed to the remaining creditors in accordance with their priorities.

ii. Feasibility Study

25. The Settlement Agreement requires that the NP Group complete the Feasibility Study to determine whether the construction and operation of the New Mill in Liverpool, Nova Scotia is

feasible. The deadline to complete the Feasibility Study is nine months from the court approval of the Settlement Agreement. The Feasibility Study will be independently and separately funded by PEC.

26. The Feasibility Study is designed to determine the estimated costs associated with constructing the New Mill and what government and related support is available, in order to determine if the construction and operation of the New Mill is financially viable. The Feasibility Study will determine the projected internal rate of return of the New Mill. The New Mill will only be deemed "**Financially Viable**" if the projected internal rate of return of the New Mill exceeds the 14% threshold set in the Settlement Agreement (the "**Threshold IRR**").

27. When calculating the projected internal rate of return, the following factors and assumptions are set out in the Settlement Agreement to be included in the calculation:

- (a) the projected costs of operations, including inputs, labour, and capital expenditure;
- (b) the projected price of wood sourced from Nova Scotia;
- (c) transportation costs with respect to any project from the New Mill;
- (d) project revenues from any power or other by-product sales;
- (e) the capital cost of construction;
- (f) input cost of fibre to be derived entirely from Nova Scotia;
- (g) the value of any government incentives;
- (h) the cost of maintaining the Mill Site from the date of the Settlement Agreement, including the cost of any modifications required in accordance with the plan to build the New Mill and use the Mill Site in relation thereto;
- (i) the cost of remediation of the Mill Site; and
- (j) the payments by the NP Group contemplated in the Settlement Agreement;

all calculated over a 20-year period, including such other factors and assumptions as would typically be included in the internal rate of return calculation for a project similar to the New Mill,

and which generates sufficient cash flow to service and repay the third party financing over a 10-year period. The Threshold IRR, and the factors and assumptions included therein, were negotiated by the parties to the Settlement Agreement.

28. Determining the estimated cost of each of the above factors will require substantial work by the NP Group. The NP Group, in consultation with the Province, intends to engage external advisors to assist with this work.

29. The NP Group will also require ongoing support from, and regular consultation with, the Province over the course of the Feasibility Study. The Province has committed to open dialogue with the NP Group to ensure the Feasibility Study advances productively. While unable to commit to any specific support, the Province has also agreed to work with the NP Group in good faith to determine what provincial, federal, and other programs and/or financing may be available to achieve the Threshold IRR and make good faith efforts to arrange for such programs and/or financing to be made available to the NP Group.

30. If the New Mill is Financially Viable, the parties will proceed with the "**New Mill Scenario**" set out in Article III of the Settlement Agreement. If the New Mill is not Financially Viable, the parties will proceed with the "**No Mill Scenario**" set out in Article IV of the Settlement Agreement.

31. Once the results of the Feasibility Study have been confirmed, the Petitioners will return to advise the Court on whether the results have triggered the New Mill Scenario or No Mill Scenario and the proposed next steps that flow from the applicable scenario and any orders that are necessary to implement that scenario.

iii. New Mill Scenario

32. In the event of a New Mill Scenario, the NP Group will make good faith efforts to seek third party financing for the design, construction, and operation of the New Mill on the terms set out in the Settlement Agreement to develop the New Mill. The following parameters for the third party financing are set out in the Settlement Agreement:

- (a) secured solely and exclusively against the assets of the New Mill and the Timberlands, without any recourse to the NP Group or their affiliates;
- (b) without any requirement for any equity support or other contribution by the NP Group or their affiliates; and

- (c) without any other form of credit support from the NP Group or their affiliates, except recourse to the assets of the New Mill and the Timberlands.

33. If financing is obtained, the parties will work together in good faith to obtain all necessary and/or desirable environmental approvals in accordance with applicable environmental laws and regulations required to build the New Mill. The Province agrees that it will use its best efforts to support the obtaining of all governmental and regulatory approvals necessary for the construction and operation of the New Mill. The NP Group and the Province will cooperate to amend or replace the existing ministerial order to transition the Mill Site for use as part of the New Mill operations, if necessary.

34. Upon confirming that the New Mill is Financially Viable, the NP Group will, or will arrange for another party to, pay \$15 million to the Province in exchange for an assignment or release of all obligations of the NP Group and their affiliates owing to the Province, together with all security held by the Province, excluding environmental remediation obligations and obligations under the Settlement Agreement (the "**Provincial Debts**").

35. The NP Group will also pay, or cause to be paid, the amounts required to wind-up the existing pension plans and fund the deficiencies therein on the terms and a timeline acceptable to the Nova Scotia Superintendent of Pensions.

36. While the NP Group, with support of the Province, are pursuing the development of the New Mill in a New Mill Scenario, the Petitioners expect to present a plan of arrangement to address the Petitioners' remaining creditors. The parties have further agreed that the Pictou Landing First Nation ("**PLFN**") will be treated as an unaffected creditor in any plan of arrangement proposed by the Petitioners.

iv. No Mill Scenario

37. In the event of a No Mill Scenario, the NP Group will use commercially reasonable efforts to sell and/or facilitate the sale of the Timberlands to maximise sale proceeds. The proceeds of the sale will be paid in the following order of priority in full and final satisfaction of all Provincial Debts and obligations under a closure plan to be developed by the NP Group in consultation with the Province's Department of Environment and Climate Change for the indefinite securing and monitoring of the Mill Site (the "**Closure Plan**");

- (a) to the reasonable costs of each sale, including broker fees;
- (b) to full repayment of the Interim Financing Facility, including all interest, fees, and expenses that remain unpaid in connection therewith and the CCAA priority charges;
- (c) to payment of all amounts required to wind-up the existing pension plans;
- (d) to the Province, in repayment of the Provincial Debt owed by NT, the sum of \$30 million;
- (e) to NPNSC, the sum of \$15 million to be utilised to maintain the Mill Site and implement the Closure Plan; and
- (f) the remaining proceeds, if any, to the Province, in repayment of the Provincial Debt owed by NT, and, to the extent the remaining proceeds exceed the amount outstanding thereunder, such excess shall be applied as a repayment of the Provincial Debt owed by NPNSC.

38. NPNSC will maintain the Mill Site and implement the Closure Plan with the funds, if any, provided above, together with any proceeds (net of the costs of sale) from the assets located on the Mill Site. NPNSC may seek to sell the Mill Site, and if such sale efforts are unsuccessful, NPNSC may liquidate its assets, including potentially assigning itself into bankruptcy.

v. Mill Site and Timberlands

39. The NP Group have agreed to maintain the Mill Site in accordance with all applicable existing ministerial orders, environmental laws, and regulations until NPNSC either proceeds with the remediation or sale of the Mill Site. Provided NPNSC complies with these obligations, the Province has agreed not to impose new obligations or require decommissioning, investigation, or remediation of the Mill Site.

40. During the Feasibility Study, the Petitioners intend to maintain the Mill Site and Timberlands in the CCAA Proceeding. These operations will be funded from the Timberlands, the net cashflows, and the Interim Financing Facility.

41. If the Feasibility Study supports a New Mill, the Petitioners intend to continue to use the Mill Site to support the New Mill operations through use of the room to process wood, including from the Timberlands. NPNSC and the Province will cooperate to amend or replace the existing ministerial order to transition the Mill Site for use as part of the New Mill operations, if necessary.

vi. Litigation

42. Under either scenario, upon execution of the Settlement Agreement, the NP Group and the Province will execute any documents that are necessary to dismiss or withdraw the following applications, on a with prejudice and without costs basis:

- (a) the Action;
- (b) the CCAA Relief;
- (c) the Mediation Leave to Appeal Notice; and
- (d) TOR Judicial Review Notice.

43. The NP Group and the Province will also execute mutual releases substantially in the form attached to the Settlement Agreement as Schedule "A". The mutual release releases all claims in connection with the Action or Notices of Intended Action.

44. The NP Group will further deliver a letter from the DIP Lenders and Hervey Investment BV, on a with prejudice basis, attaching an executed mutual release substantially in the form attached to the Settlement Agreement as Schedule "B".

vii. Indemnity

45. As part of the Settlement Agreement, the Province has confirmed that the indemnity agreement dated December 31, 1995 between the Province and Scott Maritimes Limited, that was acknowledged to be for the benefit of Northern Pulp NS LP, its affiliates and NPNSC, remains in full force and effect, unamended, including as a result of the *Boat Harbour Act*, the *Boat Harbour Act Amendment*, the CCAA Proceeding, or the Action. The Province has agreed to hold harmless the NP Group and their affiliates on the terms and conditions set out in the indemnity.

viii. Mediation

46. Pursuant to the Settlement Agreement, the Mediation Parties also intend to continue to retain the Mediator for the duration of the Feasibility Study. The Mediator's assistance was instrumental in achieving the settlement amongst the Mediation Parties and the NP Group anticipate the Feasibility Study will be a significant undertaking, involving multiple stakeholders at both the NP Group and the Province. If contentious matters arise during the Feasibility Study, the parties agree it would be valuable to work with the Mediator to reach an amicable resolution in hopes of resolving the issues without impacting the overall settlement.

ix. Benefits of the Settlement Agreement

47. The NP Group believe the Settlement Agreement represents the best outcome, for all stakeholders, that could be achieved from the Mediation Process. The Settlement Agreement facilitates a global resolution to all of the claims amongst the NP Litigation Parties, the DIP Lenders, and the Province. This avoids the real prospect of years of protracted litigation and substantial costs that would otherwise be incurred, to the detriment of all stakeholders.

48. By resolving all outstanding claims with the Province, the Petitioners have resolved all obligations owing to their largest secured creditor and significant unsecured creditor. The Settlement Agreement also represents a significant step forward to permit the Petitioners to either achieve financial sustainability in the New Mill Scenario or resolve their outstanding financial matters through an organised liquidation and waterfall of payments in the No Mill Scenario.

49. The Settlement Agreement provides certainty and clarity on a number of high stakes issues for a variety of stakeholders. In either scenario, there is a framework for the repayment of the outstanding pension obligations and to ensure that the NP Group's environmental obligations on the Mill Site are addressed in a responsible manner. PLFN has certainty that it will be treated as an unaffected creditor in any future Plan that may be brought by the Petitioners in the CCAA Proceeding.

50. The Settlement Agreement also opens the opportunity for development of the New Mill if the results of the Feasibility Study show that it is Financially Viable on objective terms agreed to by the key stakeholders, in a location that is preferred by all parties. This creates the possibility of the NP Group restarting business in Nova Scotia and presenting a plan of arrangement to any remaining creditors. The NP Group will seek to obtain third party project financing and work with

the Province to access any provincial, federal, and other programs and/or financing that may be available.

51. If the New Mill is not Financially Viable, the Settlement Agreement sets out a clear and certain liquidation plan that addresses outstanding claims while respecting the priority ranking of the claims. The only reordering was done in an effort to satisfy the pension and environmental obligations, and was agreed to by the affected parties. To our knowledge, there are no other creditors in NT other than the Province and PEC, therefore, the reordering does not affect any third-party creditors' interests.

52. During the Feasibility Study, the Mill Site and the Timberlands will be maintained because in a New Mill Scenario, the Timberlands would be an essential fibre source and the Mill Site would likely be used as a wood room for the New Mill. In the No Mill Scenario, the Timberlands and Mill Site will be liquidated for distribution to the creditors, therefore maintenance in the interim will maximise realisation and preserve related jobs.

53. The Settlement Agreement is the result of hundreds of hours of intensive work and negotiation by representatives of the Mediation Parties, including counsel and advisors, and with the extensive involvement and assistance of the Monitor and the Mediator. The Monitor has attended and participated in many of the key discussions and negotiations with the Mediation Parties and supports court approval of the Settlement Agreement. The Petitioners are not aware of any party in the CCAA Proceeding who is likely to object to the approval of the Settlement Agreement.

### **III. PLANNED ACTIVITIES DURING THE STAY EXTENSION**

#### **a. Feasibility Study**

54. The Petitioners require the Stay Extension to preserve the *status quo* while implementing the Settlement Agreement and, in particular, conducting the Feasibility Study. A ten-month Stay Extension until March 31, 2025 is appropriate to allow adequate time to complete the Feasibility Study, determine whether the New Mill is Financially Viable, and coordinate with the Province to decide next steps to present to the Court based on the results of the Feasibility Study.

**b. Mill Site**

55. Since the December 2023 Order, NPNSC has continued to maintain the Mill in consultation with NSECC. As described in Affidavit #12 of Bruce Chapman, sworn April 26, 2022, the Mill maintenance activities are an ongoing and recurring cost. The Petitioners have maintained the Mill in 'cold shut down' to reduce costs. A full time, 24-hour security patrol remains active on site. While the Feasibility Study is being completed, the Petitioners intend to maintain the Mill Site in 'cold shut down' to maintain the *status quo* at the least possible cost. If the New Mill is built, the Mill Site may be utilized to process wood for use at the New Mill.

56. Since the December 2023 Order, the Petitioners continued to suspend active field work for the environmental assessment process for the Mill as a cost saving measure. Given the parties have reached a mediated settlement that looks to potentially construct a mill at a different location, the internal work will now also be suspended indefinitely.

57. Given the suspension of the environmental assessment work and the parties reaching a mediated settlement, the Environmental Liaison Committee has remained suspended since the December 2023 Order. With the plan to relocate a future mill, it is not anticipated that the Environmental Liaison Committee will continue in its current form going forward.

58. During the Stay Extension, the NP Group, in consultation with the Monitor and the Province, have determined it would be prudent to remove the Mill Site from the NP Group's property insurance policy. The NP Group believes removing the Mill Site from the policy is appropriate because:

- (a) the NP Group can realise savings of approximately \$700,000 during the Stay Extension by removing the Mill Site;
- (b) the policy has a \$10 million deductible;
- (c) the value of the property on the Mill Site is unclear;
- (d) the restart of the Mill is unlikely given the Settlement Agreement;
- (e) the liability insurance will remain in place; and

- (f) the Province, as the primary secured creditor, has consented. Correspondence from the Province confirming its consent to this change is attached hereto as **Exhibit "B"**.

c. **Timberland Operations**

59. The Petitioners' Timberlands activities were described in detail in Affidavit #8 of Bruce Chapman, sworn December 4, 2020, at paragraphs 30 through 35. The Petitioners have continued their Timberlands operations in the ordinary course and will continue to do so during the Stay Extension.

60. As demonstrated in the Revised Forecast (as defined below), the Timberlands operations are cash flow neutral or marginally cash flow positive on an ongoing basis. Due to the timing of certain stumpage payments, the costs of maintaining the Timberlands have increased during the Stay Extension making the Timberlands temporarily cash flow negative. However, this is a timing issue related to historical stumpage payments that must be made and once caught up, the Timberlands are expected to again be cash flow positive.

61. The Timberlands remain a valuable asset to the Petitioners. The Timberlands are essential to the Petitioners regardless of the results of the Feasibility Study. A necessary condition to the operation of the New Mill is an adequate, proximate, and reliable fibre supply. The Timberlands serve all of these purposes for the Petitioners. Therefore, retaining the Timberlands is necessary in the New Mill Scenario and must be maintained pending completion of the Feasibility Study. In the No Mill Scenario, the sale proceeds to be distributed are from the sale of the Timberlands. Maintaining the Timberlands in their ordinary course will increase potential value if the sale does occur, and maximise returns.

62. In addition to the ordinary course operations, the Petitioners have been approached by counterparties under existing agreements requesting to exercise their options to lease land from NT to develop wind farms. Both opportunities arise from prior agreements.

i. **Higgins Exercise of Option**

63. NT has a land lease option and license agreement with Higgins Mountain Wind Farm Limited Partnership ("**Higgins**") dated April 18, 2017 (the "**Higgins Option Agreement**") attached hereto as **Exhibit "C"**. The Higgins Option Agreement grants Higgins the option to lease land in

accordance with the terms of the Higgins Option Agreement for the purpose of development of wind farms on the lands. The Higgins Option Agreement expired on April 18, 2023, but was extended by agreement to March 31, 2024. Through inadvertence, the extension of the option was granted without court approval. The extension was granted because the Petitioners believe the option adds value to the Timberlands. On December 15, 2023, Higgins exercised its option under the Higgins Option Agreement and provided a preliminary plan for the development of the lands for the wind farm purposes permitted under the Higgins Option Agreement.

64. This development of wind turbines on the lands of NT provides an ongoing revenue stream, enhances their value, and I believe makes them more valuable in either the New Mill Scenario or the No Mill Scenario. The exercise of the Higgins Option Agreement is being completed in accordance with its terms, without modification, and is supported by the Monitor and the Province (the only secured creditor with security on the relevant lands). Based on this support, NT entered into the lease on April 25, 2024 in accordance with the Higgins Option Agreement. The lease is not attached because it has confidential business terms, which would be detrimental if made public.

ii. EverWind Assignment

65. NT has an option and lease agreement with Renewable Energy Systems Canada Inc. ("RES") dated September 28, 2021 (the "RES Option Agreement") attached hereto as **Exhibit "D"**. The option was granted because the Petitioners believe the option adds value to the Timberlands. Through inadvertence, the option was granted without court approval. The RES Option Agreement grants RES the irrevocable and exclusive option to lease lands in accordance with the terms of the RES Option Agreement for the purpose of developing wind farms on the lands. The RES Option Agreement automatically renewed on October 1, 2022 and October 1, 2023, with the term set to expire on October 1, 2024. RES is entitled to exercise its option by giving written notice to NT of its intention to lease the land.

66. The RES Option Agreement permits RES to assign the RES Option Agreement without NT's consent, provided the assignee enters into an assignment and assumption agreement with NT. RES is now seeking to exercise its right to assign its interest to 4531188 Nova Scotia Limited Partnership (a subsidiary of EverWind Ltd.).

67. NT has acknowledged the assignment, with the consent of the Monitor and the Province as the only secured creditor with security on the relevant lands.

**d. Pictou Landing First Nation**

68. The Petitioners remain prepared to engage in detailed discussions with PLFN. I have been informed by John Roberts, co-counsel to the Petitioners, that he has been in contact with counsel for PLFN regarding their claims against the Petitioners and the ongoing process. The statement of claim filed by PLFN, as revised February 8, 2022, is attached hereto as **Exhibit "E"**.

69. The requested relief in the Application does not impact PLFN's interests. As discussed above, the mediated settlement does not contemplate the Mill Site being reopened, a concern of PLFN. The parties agreed in the Settlement Agreement that PLFN will be treated as an unaffected creditor in any plan of arrangement by the Petitioners in the CCAA Proceeding. Moreover, PLFN's claim against NPNSC is unaffected by the Claims Process Order, which is discussed below, and the litigation can proceed in the form currently brought by PLFN.

**e. The Claims Process**

**i. Necessity of the Claims Process**

70. I believe the Claims Process is reasonable and necessary in this CCAA Proceeding to allow the Petitioners and the Monitor to adequately determine all claims against the NP Group and is necessary to facilitate the next steps in this CCAA Proceeding.

71. A claims process is ultimately required to provide structure and certainty to the Petitioners' restructuring efforts. The Claims Process will permit the Monitor, in consultation with the NP Group, to identify, quantify, and assess all pre-filing, restructuring, and director and officer claims against the NP Group. In order to implement the Settlement Agreement, determining the nature, quantum, and priority of potential claims would assist the NP Group before entering either a New Mill or No Mill Scenario.

**ii. Timing of Claims Process**

72. The NP Group, in consultation with the Monitor, are of the view that conducting a claims process at this time and confirming the universe of claims will help to ensure orderly execution of any plan of arrangement the Petitioners put forward after the Feasibility Study in a New Mill

Scenario, or a distribution in a No Mill Scenario. Conducting a claims process at this time will also permit the determination of universe of potential claims to dovetail with the timing of the Feasibility Study, and make use of the available time efficiently.

iii. Benefit of a Negative Claims Process

73. To simplify creditor participation in the Claims Process, the NP Group, in conjunction with the Monitor, have elected for a negative claims process. For those creditors where the NP Groups' books and records value the creditor's claim, and the amount is not disputed by the NP Group, the NP Group will provide the details to the Monitor, who in turn will provide a claim amount notice setting out the amount of the creditor's claim according to the NP Group's books and records (the "**Claim Amount Notice**") along with the claims package being sent to that creditor. A creditor receiving such a notice will only have to submit a proof of claim if it disagrees with the amount of its claim set out in the Claim Amount Notice. All other creditors, or potential creditors, are permitted to file a proof of claim.

74. The NP Group's primary creditors are parties to this CCAA Proceeding. The remaining unsecured creditors are thought to all be creditors of NPNSC. The NP Group's books and records are thought to be thorough and accurate such that the negative Claims Process will accurately address most claims.

75. To capture those potential creditors that are not included in the NP Group's books and records and who may wish to submit a proof of claim, the Claims Process Order contemplates the NP Group advertising in the Halifax Chronical-Herald (provincial edition) for two business days. Given this CCAA Proceeding is highly publicized in Nova Scotia and widely known by members of the public, the NP Group feel this is adequate advertisement of the Claims Process to capture all potential creditors.

iv. Unaffected Creditors

76. The Claims Process Order lists the claims that are unaffected by the order, including:

- (a) any claims of the Province arising under applicable provincial and/or federal statutes pertaining to the environmental remediation of the Mill Site;
- (b) any claims of PEC; and

- (c) the claims raised in the notice of action filed by PLFN under Hfx. No. 335700 on September 9, 2010, as amended on August 29, 2012, February 15, 2019, and February 8, 2022.

f. **Interim Financing**

i. **Interim Financing Term Sheet**

77. The Petitioners have negotiated a further amendment (the “**Third Amended and Restated Senior DIP Financing Term Sheet**”) with the DIP Lenders to the Interim Financing Term Sheet as approved by this Court in the ARIO, and as previously amended and/or amended and restated on April 22, 2021, October 29, 2021, April 29, 2022, October 31, 2022, April 23, 2023, August 30, 2023, November 27, 2023, and December 12, 2023 (collectively, the “**Interim Financing Term Sheet**”).

78. As with previous stay extensions, the amendments include extending the maturity date in section 12 of the Interim Financing Term Sheet to March 31, 2025. However, the milestone dates in section 25 of the Interim Financing Term Sheet (the “**Milestones**”), which normally would be extended, are no longer relevant. The Milestones required the Petitioners to provide evidence to the DIP Lenders that the Petitioners had either obtained the applicable regulatory approvals for the construction of a replacement effluent treatment facility or enter a settlement agreement with the Province. As the Petitioners have reached a settlement with the Province, which precludes reopening the Mill, the Milestones have either been made irrelevant or satisfied and no longer require extension.

79. The negotiated amendment to the Interim Financing Term Sheet (i) extends the maturity date to March 31, 2025; (ii) removes the Milestone requirements; (iii) clarifies the principal amount available does not include interest (which ensures sufficient liquidity during the Stay Extension); and (iv) increases the interest rate to 13% per annum, applicable to the entirety of the principal amount of the Interim Financing Facility, from the date of the Settlement Agreement Approval Order. Any draws under the Interim Financing Facility will be in the amounts required, in consultation with the Monitor.

80. These amendments will ensure that the Petitioners have sufficient funding through the Stay Extension. The DIP Increase is necessary to maintain the assets while the Petitioners implement the Settlement Agreement, particularly, the time necessary to complete the Feasibility

Study. The Petitioners have reduced costs wherever possible, but certain operational costs remain in place pending the results of the Feasibility Study, including the Petitioners' obligation to truck water off the Mill Site.

81. The revised interest rate was a mandatory condition from the DIP Lenders. Given the current economic climate is materially different than the conditions when the Interim Financing Facility was originally granted in 2020, I believe this increase is appropriate and preferable to comparable financing the Petitioners could receive from third party financiers, in particular given that a new financier would need to refinance the entirety of the Interim Financing Facility.

82. The amendments to the Interim Financing Term Sheet are conditional upon, among other things, the approval by this Court of the Third Amended and Restated DIP Financing Term Sheet, which includes the proposed amendments described above. Attached hereto as **Exhibit "F"** is the Third Amended and Restated DIP Financing Term Sheet.

83. In the New Mill Scenario, the Interim Financing Facility will remain in place. The Petitioners will either repay the Interim Financing Facility with the financing of the New Mill or negotiate another solution with the DIP Lenders. In the No Mill Scenario, the Interim Financing Facility will be repaid from the proceeds from the sale of the Timberlands given its senior priority.

ii. Subordinated Interim Financing Term Sheet

84. NPNSC has negotiated a further amendment (the "**Subordinated Amending Agreement**") with PEC to the Subordinated Interim Financing Term Sheet as approved by this Court on September 25, 2020, and as previously amended and amended and restated on April 22, 2021, April 29, 2022, October 31, 2022, April 24, 2023, August 30, 2023, November 27, 2023, and December 12, 2023 (collectively, the "**Subordinated Interim Financing Term Sheet**").

85. The amendment is to extend the maturity date in section 10 of the Subordinated Interim Financing Term Sheet to March 31, 2025. The Petitioners do not anticipate making any additional draws during the Stay Extension. Given the provisions of the Settlement Agreement addressing the pension costs, the funding provided in the Subordinated Interim Financing Facility is now irrelevant.

86. The amendment to the Subordinated Interim Financing Term Sheet is conditional upon, among other things, the approval of this Court of the Subordinated Amending Agreement, which

includes the proposed amendment described above. Attached hereto as **Exhibit "G"** is the Subordinated Amending Agreement.

#### **IV. REVISED FORECAST**

87. The Petitioners have prepared a revised cash flow forecast (the "**Revised Forecast**"), in consultation with the Monitor, for the period from May 2024 to March 2025 (the "**Projection Period**") to, among other things, include costs incurred by the Petitioners during the Projection Period. Attached hereto as **Exhibit "H"** is the Revised Forecast.

88. The Revised Forecast shows the projected interim financing requirements of the Petitioners during the Projection Period. Financial projections are, by their nature, subject to various assumptions and a degree of uncertainty.

89. The Revised Forecast anticipates ongoing site maintenance, ongoing Timberlands operations, the continuation of this CCAA Proceeding, and the completion of the Feasibility Study. As discussed above, the Petitioners will remove the Mill Site from the Petitioners' property insurance policy as a cost saving measure. The cost of the Feasibility Study will not be drawn from the Interim Financing Facility and will not be funded by the Petitioners.

90. As shown in the Revised Forecast, the Petitioners had an opening cash balance of approximately \$2.5 million on May 1, 2024. Their projected ending cash balance as of March 31, 2025 is \$0.31 million. The Interim Financing Facility had a principal balance as of May 1, 2024 of \$36 million and capitalized and uncapitalized interest totalling \$9.8 million. The Subordinated Interim Financing Facility had a principal balance as of May 1, 2024 of \$5.7 million and capitalized and uncapitalized interest totalling \$1.5 million.

91. The Revised Forecast currently projects a draw of \$5 million from the Interim Financing Facility. With that draw, the Petitioners have sufficient liquidity to meet their obligations during the Stay Extension.

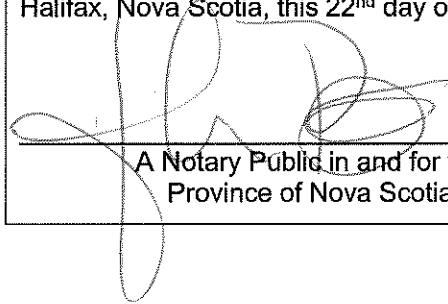
#### **V. CONCLUSION**

92. The extension sought is necessary and in the best interests of the Petitioners and their stakeholders. Specifically, over the period of the Stay Extension, the Petitioners intend to:

- (a) implement the Settlement Agreement;



This is **Exhibit "A"** referred to in **Affidavit #1** of **Jean-Francois Guillot**, sworn before me at Halifax, Nova Scotia, this 22<sup>nd</sup> day of May 2024.

A handwritten signature in black ink, appearing to be 'J. B.', is written over a horizontal line. The signature is somewhat stylized and loops around the line.

A Notary Public in and for the  
Province of Nova Scotia

## Settlement Agreement

This Settlement Agreement is made effective as of May 31, 2024

between

1057863 B.C. Ltd., Northern Resources Nova Scotia Corporation, Northern Pulp Nova Scotia Corporation ("**NPNSC**"), Northern Timber Nova Scotia Corporation ("**NT**"), 3253527 Nova Scotia Limited, 3243722 Nova Scotia Limited, Northern Pulp NS GP ULC, Northern Pulp NS LP, and Northern Timber Nova Scotia LP

(collectively, the "**NP Group**")

and

His Majesty the King in right of the Province of Nova Scotia

(the "**Province**")

Recitals:

- A. NPNSC owns a pulp mill (the "**Mill**") located on property (the "**Mill Site**") in Pictou County, Nova Scotia, which it operated from its acquisition from a prior operator in 2008 until 2020.
- B. As part of the operation of the Mill at the Mill Site, NPNSC leased an existing effluent treatment facility (the "**ETF Facility**") from the Province.
- C. The ETF Facility had been operating for a number of years prior to NPNSC leasing it. As part of the acquisition of the Mill, the Province provided a certain Indemnity (as defined below) to members of the NP Group in relation to, among other things, the ETF Facility.
- D. NT is the owner of the Timberlands (as defined below).
- E. Through a series of transactions, the Mill Site, the Timberlands (as defined below), and certain other property of NPNSC and NT have been encumbered by the Province as Security (as defined below) for certain loans and other accommodations.
- F. On May 11, 2015, the Province passed the *Boat Harbour Act*, SNS 2015, c 4 (the "**Boat Harbour Act**"), which required NPNSC to cease use of the ETF Facility by January 31, 2020, contrary to the terms of the existing lease.
- G. Following the legislated closure of the ETF Facility in January 2020, 1057863 B.C. Ltd., Northern Resources Nova Scotia Corporation, Northern Pulp Nova Scotia Corporation, Northern Timber Nova Scotia Corporation, 3253527 Nova Scotia Limited, 3243722 Nova Scotia Limited, and Northern Pulp NS GP ULC (collectively, the "**Petitioners**") sought and were granted protection by the Supreme Court of British Columbia (the "**Court**") pursuant to the *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36 on June 19, 2020 (the "**CCAA Proceeding**").
- H. In order to avoid the consequences of the expiry of certain limitation periods, on December 16, 2021, certain members of the NP Group and others commenced an

action in the Supreme Court of Nova Scotia, under action number Hfx. No. 511473 (the “**Action**”).

- I. In April 2022, the Province passed *An Act to Amend Chapter 4 of the Acts of 2015, the Boat Harbour Act* (the “**Boat Harbour Act Amendment**”) that, among other things, amended the Boat Harbour Act.
- J. As a result of the Boat Harbour Act Amendment, the Petitioners sought certain relief in the CCAA Proceeding as more particularly described in the Notice of Application filed by the Petitioners on April 27, 2022 (the “**CCAA Relief**”).
- K. Further, to avoid the consequences of the expiry of certain limitation periods, the NP Group and others, along with the DIP Lenders (as defined below), each delivered a Notice of Intended Action pursuant to the *Proceedings Against the Crown Act*, RSNS 1989, c. 360 dated February 20, 2024 (the “**Notices of Intended Action**”), setting out further claims to be advanced in relation to the Boat Harbour Act Amendment.
- L. The Parties have engaged in good faith negotiations and wish to settle the matters between them on the terms set out herein.

The Parties agree:

## **Article I. INTERPRETATION**

### **Section 1.01 Definitions**

In this Settlement Agreement, unless something in the subject matter or context is inconsistent therewith:

“**Action**” has the meaning ascribed in Recital H.

“**Affiliate**” or “**Affiliates**” means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, Controls, is controlled by, or is under common Control with, such Person.

“**ARIO**” means the Amended and Restated Initial Order pronounced by the Court on August 6, 2020 in the CCAA Proceeding.

“**Boat Harbour Act**” has the meaning ascribed in Recital F.

“**Boat Harbour Act Amendment**” has the meaning ascribed in Recital I.

“**CCAA**” means the *Companies’ Creditors Arrangement Act*, RSC, c. C-36.

“**CCAA Proceeding**” has the meaning ascribed in Recital G.

“**CCAA Relief**” has the meaning ascribed in Recital J.

“**Closure Plan**” means a plan to be developed by the NP Group in consultation with the Province’s Department of Environment and Climate Change for the indefinite securing and monitoring of the Mill Site.

**“Control”** means the possession, directly or indirectly, of the power to direct or cause the direction of the management or policies of a Person, whether through the ability to exercise voting power, by contract or otherwise.

**“Court”** has the meaning ascribed in Recital G.

**“DIP Financing”** means in interim financing provided by the DIP Lenders in the CCAA Proceeding and approved by the Court on August 6, 2020, as amended, varied, supplemented, and/or extended from time to time.

**“DIP Lenders”** means Pacific Harbor North American Resources Ltd. and Paper Excellence Canada Holdings Corporation.

**“Effective Date”** means the date on which this Settlement Agreement is approved by the Court in the CCAA Proceeding.

**“ETF Facility”** has the meaning ascribed in Recital B.

**“Enforcement Action”** means the commencement of power of sale, if applicable, foreclosure or other judicial or private sale proceedings, if applicable, appointing or obtaining the appointment of a receiver, a manager, an administrator, or a receiver and manager or other person having similar powers in respect of any person or property, attornment of rents, taking possession or control of any property or undertaking, commencing, giving or making any demand for payment, any notice of intention to enforce security or any action or proceeding seeking payment or recovery of all or any part of any indebtedness or damages in lieu thereof, or accepting a transfer of any property in lieu of foreclosure, or the exercise of any other rights or remedies available to a creditor under its security or otherwise at law or in equity, including without limitation, any bankruptcy proceedings, and/or any threat to take any step and/or action in respect of any of the foregoing.

**“Environmental Remediation Obligations”** means any and all amounts and/or liabilities owed by NPNSC to the Province arising from any environmental obligation to remediate the Mill Site arising pursuant to the environmental statutes of Nova Scotia.

**“Existing Ministerial Order”** means #MO-60003 of the Minister of Environment issued on May 14, 2020 imposing obligations on NPNSC for the care and maintenance of the Mill Site.

**“Feasibility Study”** has the meaning ascribed in Section 2.01.

**“Feasibility Study Deadline”** has the meaning ascribed in Section 2.04.

**“Financially Viable”** has the meaning ascribed in Section 2.05.

**“Indemnity”** means the Indemnity Agreement dated December 31, 1995 between the Province and Scott Maritimes Limited, as attached to the Memorandum of Understanding dated December 1, 1995 between the Province and Scott Maritimes Limited, and which was acknowledged to be for the benefit of Northern Pulp NS LP, its affiliates and NPNSC in the Acknowledgment Agreement dated May 12, 2008 from the Province addressed to Northern Pulp NS LP and its affiliates, and NPNSC.

**“IRR”** means the internal rate of return for the planning, construction, and operation of the New Mill calculated over a 20-year period in accordance with the IRR Criteria.

**“IRR Criteria”** means the factors and assumptions to be included in the calculation of the IRR for the New Mill, including but not limited to:

- a) the projected costs of operations, including inputs, labour, and capital expenditure;
- b) the projected price of wood sourced from Nova Scotia;
- c) transportation costs with respect to any product from the New Mill;
- d) projected revenues from any power or other by-product sales;
- e) the capital cost of construction;
- f) input cost of fibre to be derived entirely from Nova Scotia;
- g) the value of any government incentives;
- h) the cost of maintaining the Mill Site from the date of this Settlement Agreement, including the cost of any modifications required in accordance with the plan to build the New Mill and use the Mill Site in relation thereto;
- i) the cost of remediation of the Mill Site; and
- j) the Settlement Expenses;

all calculated over a 20-year period, including such other factors and assumptions as would typically be included in the internal rate of return calculation for a project similar to the New Mill, and which generates sufficient cash flow to service and repay the New Mill Third Party Financing over a 10-year period.

**“Liverpool Site”** means lands determined by NPNSC as being appropriate for the construction of the New Mill in or around Liverpool, Nova Scotia.

**“Mediation Order”** means the order of the Court pronounced on April 1, 2022 appointing the Honourable Thomas Cromwell, C.C. as mediator over the Province and NPNSC.

**“Mediator”** means the Honourable Thomas Cromwell, C.C.

**“Mill”** has the meaning ascribed in Recital A.

**“Mill Site”** has the meaning ascribed in Recital A.

**“Monitor”** means Ernst & Young, Inc., in its capacity as court-appointed monitor in the CCAA Proceeding.

**“New Mill”** means a new pulp mill to be built at the Liverpool Site together with the relevant infrastructure necessary to support its construction and operation, to be the

largest northern bleached softwood kraft mill in Canada, to produce not less than 500,000 air dried metric tons of pulp per year when running at full capacity.

**"New Mill Scenario"** has the meaning ascribed in Section 2.06(a).

**"New Mill Third Party Financing"** means the third party financing to be provided by a third party financier for the design, full and complete construction, and operation of the New Mill (which shall include, without limitation, all financing required to fund the projected costs to design, construct, and operate the New Mill) based on the following non-exclusive parameters:

- a) with a projected interest rate of not less than 20% per annum, payable in cash;
- b) secured solely and exclusively against the assets of the New Mill and the Timberlands, without any recourse whatsoever to any member of the NP Group and/or any of their respective Affiliates;
- c) without any requirement for any equity support, equity or quasi-equity contribution, mezzanine and/or junior financing, and/or any other contribution whatsoever provided by the NP Group or its Affiliates; and
- d) without any other forms of credit support from the NP Group and/or any of their respective Affiliates other than recourse to the assets of the New Mill and the Timberlands.

**"No Mill Scenario"** has the meaning ascribed in Section 2.06(b).

**"Notices of Intended Action"** has the meaning ascribed in Recital K.

**"NP Confirmation Date"** has the meaning ascribed in Section 2.06.

**"NP Group"** means collectively 1057863 B.C. Ltd., Northern Resources Nova Scotia Corporation, NPNSC, NT, 3253527 Nova Scotia Limited, 3243722 Nova Scotia Limited, Northern Pulp NS GP ULC, Northern Pulp NS LP, and Northern Timber Nova Scotia LP.

**"NPNSC"** means Northern Pulp Nova Scotia Corporation.

**"NT"** means Northern Timber Nova Scotia Corporation.

**"Parties"** means the parties to this Settlement Agreement, and **"Party"** means any one of the Parties.

**"Pension Plans"** means the following three registered contributory pension plans sponsored by NPNSC:

- a) NPNSC Hourly Pension Plan comprised of defined benefit provisions and defined contribution provisions for employees hired on or after June 1, 2014;
- b) NPNSC Salaried Pension Plan comprised of defined benefit provisions in respect of service before April 1, 2009 and defined contribution provisions for service after March 31, 2009; and

- c) NPNSC Pension Plan for Chip Plant Employees comprised of defined contribution provisions only.

“**Person**” has the meaning ascribed in Section 1.03.

“**Petitioners**” has the meaning ascribed in Recital G.

“**Province**” means His Majesty the King in right of the Province of Nova Scotia.

“**Provincial Debts**” means any and all obligations of the NP Group and/or any of their former and/or current Affiliates to the Province, excluding Environmental Remediation Obligations and obligations under this Settlement Agreement.

“**Security**” means any and all security of every nature and kind, including all mortgages, charges, liens, security agreements, encumbrances, options, and rights of first refusal granted by any member of the NP Group to the Province.

“**Settlement Agreement**” means this agreement, including all recitals and schedules, as may be amended in accordance herewith.

“**Settlement Expenses**” means all amounts payable under Section 3.02 and Section 3.03.

“**Threshold IRR**” means the minimum IRR that the Parties believe will permit the owner of the New Mill to obtain sufficient New Mill Third Party Financing and which provides for sufficient free cash flow to service and repay the New Mill Third Party Financing amortized over 10 years, which in any event shall be not less than 14%.

“**Timberlands**” means those lands in the Province of Nova Scotia owned by NT and more particularly described in **Schedule C**.

### **Section 1.02 Headings**

The division of this Settlement Agreement into Articles, Sections, and Schedules and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Settlement Agreement. The terms “hereof”, “hereunder”, and similar expressions refer to this Settlement Agreement as a whole and not to any particular Article, Section, Schedule, or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections, and Schedules are to Articles and Sections of and Schedules to this Settlement Agreement.

### **Section 1.03 Extended Meanings**

In this Settlement Agreement, words importing the singular number only include the plural and *vice versa*, words importing any gender include all genders, and words importing persons include individuals, corporations, limited and unlimited companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures, and governmental authorities (“**Person**”). The term “including” means “including without limiting the generality of the foregoing”.

#### **Section 1.04 Statutory References**

In this Settlement Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted, or replaced and includes any regulation made thereunder.

#### **Section 1.05 Currency**

Any references to currency herein are to the lawful money of Canada.

#### **Section 1.06 Schedules**

The following are the Schedules to this Settlement Agreement:

- Schedule A - Mutual Release Between NP Group and Province
- Schedule B - Mutual Release Between DIP Lenders, Hervey Investment BV, and Province
- Schedule C - Timberlands

### **Article II. MILL DETERMINATION**

#### **Section 2.01 Commencement of Feasibility Study**

By no later than the date falling seven (7) business days following the occurrence of the Effective Date, NPNSC will commence a study to determine whether the construction and operation of the New Mill at the Liverpool Site is feasible (the "**Feasibility Study**"), which shall include, without limitation:

- (a) determination of the estimated cost to construct the New Mill; and
- (b) the projected IRR in respect of the New Mill.

For greater certainty, the Feasibility Study shall not include detailed engineering.

#### **Section 2.02 Financing of Feasibility Study**

The Feasibility Study shall be undertaken through the engagement of professionals selected by the NP Group in consultation with the Province and utilising resources made available by the NP Group and/or their Affiliates. The cost of the Feasibility Study shall be financed by NPNSC or its Affiliates, and will not to be secured by any interim financing granted in the CCAA Proceeding.

#### **Section 2.03 Province's Good Faith Efforts and Participation**

While the Feasibility Study is being conducted, the Province will work with NPNSC in good faith to answer questions and enquiries from NPNSC regarding the Feasibility Study and to determine what provincial, federal, and other programs and/or financing may be available to achieve the Threshold IRR and will make good faith efforts to arrange for such

programs and/or financing to be made available to NPNSC. The Parties will provide each other with regular updates with respect to such good faith efforts in relation to the foregoing.

#### **Section 2.04 Timing of Feasibility Study**

NPNSC will work in good faith to complete the Feasibility Study within six (6) to nine (9) months of the Effective Date, and, in any event, no later than nine (9) months after the Effective Date (the "**Feasibility Study Deadline**"), unless extended by written agreement of the Parties, it being expressly agreed by the Parties that any failure by the relevant professionals and/or other Persons engaged to conduct the Feasibility Study (and/or any part thereof) shall not be a breach of this Settlement Agreement and/or any failure by either Party to discharge and/or otherwise perform its obligations hereunder.

#### **Section 2.05 Financial Viability**

On the Feasibility Study Deadline, the NP Group shall determine if the New Mill is reasonably likely to be financially viable ("**Financially Viable**") based on the results of the Feasibility Study. The Parties agree that the New Mill will only be Financially Viable if the IRR of the New Mill resulting from the Feasibility Study exceeds the Threshold IRR.

#### **Section 2.06 NP Group Determination**

The NP Group shall, within seven (7) business days of the Feasibility Study Deadline ("**NP Confirmation Date**"), notify the Province in writing as to whether:

- (a) the New Mill is Financially Viable (a "**New Mill Scenario**"); or
- (b) the New Mill is not Financially Viable (a "**No Mill Scenario**").

#### **Section 2.07 Status Quo and DIP Financing**

Except as set out herein, the Petitioners shall maintain normal operations in the CCAA Proceeding until the NP Confirmation Date.

The Province agrees and will not oppose the Petitioners seeking an increase of DIP Financing, whether pursuant to the existing DIP Financing terms or on other commercially reasonable terms, to meet the requirements of this Section 2.07. Without prejudice to the foregoing, the Province agrees that it shall support any request for further DIP Financing in the CCAA Proceeding in connection with this Section 2.07 that is supported by the Monitor.

#### **Section 2.08 Standstill in respect of Provincial Debts**

No interest, fees, or other costs shall accrue on, and no Enforcement Action may be commenced with respect to, the Provincial Debts from the date of this Settlement Agreement to the date on which all payments are fully paid pursuant to Section 3.02 or Section 4.01, as applicable.

### **Article III. NEW MILL SCENARIO**

In the event a New Mill Scenario occurs in accordance with the provisions of Section 2.05 and Section 2.06 above:

### **Section 3.01 Financing**

The NP Group will make good faith efforts to obtain New Mill Third Party Financing.

### **Section 3.02 Debt and Security**

The NP Group will, or will arrange for another party to, pay the sum of \$15 million to the Province on the NP Confirmation Date, in exchange for an assignment or release (in the sole discretion of the NP Group) of all Provincial Debts, together with all Security, but excluding any Provincial Debts that the NP Group request the Province retain in accordance with Article V.

### **Section 3.03 Pensions**

NPNSC will pay, or cause to be paid, the amounts required to wind-up the Pension Plans and fund the deficiencies therein on terms and a timeline acceptable to the Nova Scotia Superintendent of Pensions.

### **Section 3.04 Co-operation and Good Faith**

The Province will provide all necessary and/or desirable support to the NP Group in its efforts to obtain New Mill Third Party Financing, and such other federal and provincial support as may be available to construct the New Mill and ensure that the New Mill is fully operational. Without prejudice to any other provision of this Settlement Agreement, the Province acknowledges and agrees that no member of the NP Group and/or any of their respective Affiliates will be required to contribute any capital, in cash or in kind, and/or provide any other credit support whatsoever in connection with the planning, design, construction, and operation of the New Mill, other than the contribution of the Timberlands as security for the New Mill Third Party Financing.

Subject to sufficient New Mill Third Party Financing being conditionally obtained by the NP Group in respect of the New Mill on terms and conditions satisfactory to the NP Group, the Parties will work together in good faith to obtain all necessary and/or desirable environmental approvals in accordance with applicable environmental laws and regulations required to build the New Mill. In connection with the foregoing, the Province agrees that it will use its best efforts to support the obtaining of all governmental and regulatory approvals necessary for the construction and operation of the New Mill, all of which will be conditions precedent to the funding of any advance of the New Mill Third Party Financing.

### **Section 3.05 Ownership**

The Parties acknowledge that the owner and operator of the New Mill has not been determined, and there is no restriction or requirement that the owner and operator of the New Mill is a member of the NP Group or its Affiliates.

### **Section 3.06 Full and Final Satisfaction of All Obligations**

The Parties agree that if the NP Group satisfies its obligations set out in Section 3.01, Section 3.02, and Section 3.03 above, it has fulfilled all of its obligations in the New Mill Scenario.

#### **Article IV. NO MILL SCENARIO**

In the event a No Mill Scenario occurs in accordance with the provisions of Section 2.05 and Section 2.06 above:

##### **Section 4.01 Sale of Timberlands**

The NP Group will use commercially reasonable efforts to sell and/or facilitate the sale of the Timberlands to maximise sale proceeds. For greater certainty, this Section does not require an *en bloc* sale of the Timberlands. The proceeds of all such sales shall be applied and paid in the following order of priority in full and final satisfaction of all Provincial Debts and obligations under the Closure Plan:

- (a) to the reasonable costs of each sale, including broker fees;
- (b) to full repayment of the DIP Financing, including all interest, fees, and expenses that remain unpaid in connection therewith, the Administration Charge (as defined in the ARIO), and the Directors' Charge (as defined in the ARIO);
- (c) to payment of all amounts required to wind-up the Pension Plans;
- (d) to the Province, in repayment of the Provincial Debt owed by NT, the sum of \$30 million;
- (e) to NPNSC, the sum of \$15 million to be utilised to maintain the Mill Site and implement the Closure Plan; and
- (f) the remaining proceeds, if any, to the Province, in repayment of the Provincial Debt owed by NT, and, to the extent the remaining proceeds exceed the amount outstanding thereunder, such excess shall constitute a repayment of the Provincial Debt owed by NPNSC.

##### **Section 4.02 Sale or Closure of Mill Site**

NPNSC will maintain the Mill Site and implement the Closure Plan with the funds, if any, provided in Section 4.01(e) above, together with any proceeds (net of the costs of sale) from the assets located at the Mill Site. NPNSC shall seek to sell the Mill Site, and if such sale efforts are unsuccessful, NPNSC may, in its sole discretion, seek to liquidate its assets, including by assigning itself into bankruptcy.

#### **Article V. PLAN OF ARRANGEMENT**

Some or all of the NP Group may seek to implement a plan of arrangement in the CCAA Proceeding in order to progress the planning, design, and construction of the New Mill or otherwise in a manner not contrary to the provisions of this Settlement Agreement. The Province agrees that, if requested by the NP Group, it will:

- (a) retain a portion of the Provincial Debt as a secured or unsecured creditor (as requested by the NP Group); and
- (b) vote as a creditor in favour of any plan of arrangement put forward by any member of the NP Group in accordance with this Article V.

The Parties agree that Pictou Landing First Nation shall be treated as an unaffected creditor in any plan of arrangement by the NP Group in the CCAA Proceeding.

#### **Article VI. MILL SITE**

NPNSC will continue to comply with its obligations under the Existing Ministerial Order (or an amended ministerial order acceptable to the Parties in relation to the transition of the Mill Site to support the New Mill), environmental laws, and regulations in place as of the date of this Settlement Agreement and laws of general application, as they may be amended from time to time in the future, until such time as NPNSC may proceed with remediation of the Mill Site or the sale of the Mill Site. For so long as NPNSC so complies, the Province agrees that it will not seek to or attempt to add to the existing obligations of NPNSC in relation to the Mill Site, or to require decommissioning, investigation, or remediation of the Mill Site. In the event of a new or unforeseen adverse environmental effect (such as a weather event, or failure of an existing landfill runoff system or liner in place on site), such assurances do not limit NPNSC's requirement to address such adverse event in accordance with the then existing laws and regulations of general application.

NPNSC agrees that it will continue to allow reasonable access to the power panel located at the Mill Site as required by Michelin for so long as the same is practicable.

In a New Mill Scenario, NPNSC and the Province will cooperate to amend or replace the Existing Ministerial Order to transition the Mill Site for use as part of the New Mill's operations.

#### **Article VII. LITIGATION AND MEDIATION**

##### **Section 7.01 Litigation**

Contemporaneously with the execution of this Settlement Agreement, the Parties agree that they will execute such documents as are necessary to dismiss or withdraw the following applications, on a with prejudice and without costs basis:

- (a) the Action;
- (b) the CCAA Relief;
- (c) the notice of application by the Province filed on April 21, 2022 for leave to appeal the Mediation Order; and
- (d) the notice of application by NPNSC filed on April 22, 2022 for judicial review of the final terms of reference issued by the Nova Scotia Department of Environment and Climate Change on March 14, 2022;

and provide or cause to be provided, a mutual release substantially in the form set out on **Schedule A**.

Further, the NP Group will deliver a letter from the DIP Lenders and Hervey Investment BV, on a with prejudice basis, attaching an executed mutual release substantially in the form set out on **Schedule B**, and confirming their abandonment of the claims set out in their Notices of Intended Action.

### **Section 7.02 Indemnity**

The Province confirms that the Indemnity remains in full force and effect, unamended, including without limitation as a result of the Boat Harbour Act, the Boat Harbour Act Amendment, the CCAA Proceeding, or the Action. The Province agrees to indemnify and hold harmless the entities in the NP Group and their Affiliates on the terms and conditions set forth in the Indemnity.

### **Section 7.03 Mediation Order**

Until the NP Confirmation Date, or such other date as agreed amongst the Parties, all discussions between the NP Group, the DIP Lenders, and the Province in relation to the New Mill shall, unless agreed otherwise, be subject to the confidentiality provisions set out in the Mediation Order. The Mediator shall remain engaged to mediate any issues among the Parties.

## **Article VIII. GENERAL**

### **Section 8.01 Public Statements**

Without in any way limiting the confidentiality of the Mediation Order, neither Party shall make, publish, or communicate to any person or entity or in any public forum any comments or statements (written or oral) that intentionally seek to denigrate or disparage, discredit or cast a slur upon, or are detrimental to, or likely to be injurious to, the goodwill, reputation, or stature of the other Party or its businesses, or any of its employees, directors, and officers.

### **Section 8.02 Binding Agreement and Consideration**

The Parties acknowledge that the provisions of this Settlement Agreement provide mutually sufficient consideration for any and all rights, duties, or obligations created in the provisions of this Settlement Agreement. By executing this Settlement Agreement, the Parties warrant that this Settlement Agreement has been duly authorized, executed, and delivered and constitutes a legal, valid, and binding obligation, enforceable in accordance with its terms.

### **Section 8.03 Consents**

Each Party represents and warrants that no consent, approval, authorization, or order of any court, governmental authority, Person, or entity is required for the execution, delivery, and performance of this Settlement Agreement, other than the Petitioners obtaining the approval of the Court in the CCAA Proceeding.

Each Party represents and warrants that it has the power and authority to enter into this Settlement Agreement, that all documents delivered pursuant to same, to which it is a party, are valid, binding, and enforceable upon each of them, and that the Person or entity acting on behalf of the Party in executing this Settlement Agreement has the authority to do so.

#### **Section 8.04 Successors and Assigns**

This Settlement Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns.

#### **Section 8.05 Notice**

Communication to the respective Parties pursuant to the terms and conditions of this Settlement Agreement shall be sent to the following addresses:

For the NP Group:

Northern Pulp Nova Scotia Corporation  
Attn: Legal Department  
200 – 3600 Lysander Lane  
Richmond, BC V7B 1C3  
[contract.notices@paperexcellence.com](mailto:contract.notices@paperexcellence.com)

With a copy to:

McCarthy Tétrauit LLP  
Attn: Michael Feder, K.C. and H. Lance Williams  
745 Thurlow Street, Suite 2400  
Vancouver, BC V6E 0C5  
[mfeder@mccarthy.ca](mailto:mfeder@mccarthy.ca) and [lwilliams@mccarthy.ca](mailto:lwilliams@mccarthy.ca)

For the Province:

Office of Priorities & Planning  
Attn: ADM David MacGregor  
One Government Place  
1700 Granville Street, 3rd Floor,  
Halifax, NS, B3J 1X5  
[david.macgregor@novascotia.ca](mailto:david.macgregor@novascotia.ca)

With a copy to:

Legal Services Division, Department of Justice  
Attn: Sean Foreman, K.C. and Debbie Brown  
8<sup>th</sup> Floor, 1690 Hollis Street, PO Box 7  
Halifax, NS B3J 1V7  
[sean.foreman@novascotia.ca](mailto:sean.foreman@novascotia.ca) and [debbie.brown@novascotia.ca](mailto:debbie.brown@novascotia.ca)

All notices, documents, or other communications required or permitted by this Settlement Agreement will be in writing and deemed sufficiently given if delivered personally, if sent by registered mail, if sent by any nationally recognized courier service that provides tracking and written verification of delivery, or if transmitted by electronic mail.

### **Section 8.06 Entire Agreement**

This Settlement Agreement represents the entire agreement between the Parties with respect to the matters referred to herein, and supersedes all prior agreements, negotiations, or statements, and shall not be modified or affected by any offer, proposal, statement, or representation, either oral or written, heretofore made by or for any Party in connection with the negotiation of the terms hereof. This Settlement Agreement may not be modified or amended except in writing executed by all of the Parties.

If any provision of this Settlement Agreement is, or may be, held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless survive and continue in full force and effect without being impaired or invalidated in any way.

### **Section 8.07 Costs**

Each Party is responsible for any and all costs and expenses (including without limitation lawyers' fees) that it has incurred in connection with the negotiation and drafting of this Settlement Agreement, and no Party has any responsibility, liability, or obligation with respect to any such costs and expenses incurred by any other Party.

### **Section 8.08 Material Provisions**

Each of the representations, warranties, promises, conditions, and terms set forth herein, including, but not limited to, the releases contained herein, are essential to this Settlement Agreement. Breach of any such representation, warranty, promise, condition, or term shall be a material breach of this Settlement Agreement.

### **Section 8.09 Governing Law and Attornment**

This Settlement Agreement shall be construed in accordance with and governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Any action brought to enforce the terms of this Settlement Agreement shall be brought before the Court within the CCAA Proceeding. The Court has jurisdiction over any disputes or litigation arising under or relating to this Settlement Agreement. Each of the Parties to this Settlement Agreement hereby expressly submits to the jurisdiction of Court, for the purpose of any such litigation as set forth above and agrees to be bound by any judgment rendered thereby in connection with such litigation.

### **Section 8.10 Amendment and Waiver**

No amendment to this Settlement Agreement will be valid or binding unless set forth in writing and duly executed by all of the Parties. No waiver of any breach of any provision of this Settlement Agreement will be effective or binding unless made in writing and signed by the Party purporting to give the same and, unless otherwise provided in the written waiver, will be limited to the specific breach waived.

### **Section 8.11 Counterparts and Electronic Execution**

This Settlement Agreement may be executed in any number of identical counterparts, each of which shall be deemed an original for all purposes, and all of which

constitute, collectively, one agreement. Any signature to this Settlement Agreement delivered electronically or by facsimile shall be deemed original for all purposes.

***[Signature Pages Follow]***

**IN WITNESS WHEREOF**, the Parties hereto have executed this Settlement Agreement as of the date first written above.

**1057863 B.C. LTD.**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN RESOURCES NOVA SCOTIA CORPORATION**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN PULP NOVA SCOTIA CORPORATION**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN TIMBER NOVA SCOTIA CORPORATION**

By: \_\_\_\_\_

Name:

Title:

**3253527 NOVA SCOTIA LIMITED**

By: \_\_\_\_\_

Name:

Title:

**3243722 NOVA SCOTIA LIMITED**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN PULP NS GP ULC**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN PULP NS LP, by its general partner**

**NORTHERN PULP NS GP ULC**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN TIMBER NOVA SCOTIA LP, by its general partner**

**3243722 NOVA SCOTIA LIMITED**

By: \_\_\_\_\_

Name:

Title:

**HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF NOVA SCOTIA**

By: \_\_\_\_\_

Name:

Title:

## SCHEDULE A

### MUTUAL RELEASE BETWEEN THE NP GROUP AND PROVINCE

#### FULL AND FINAL MUTUAL RELEASE

Dated effective ●, 2024

This Final and Mutual Release Agreement (this “**Mutual Release**”) is made and entered into by and between 1057863 B.C. Ltd., Northern Resources Nova Scotia Corporation, Northern Pulp Nova Scotia Corporation, Northern Timber Nova Scotia Corporation, 3253527 Nova Scotia Limited, 3243722 Nova Scotia Limited, Northern Pulp NS GP ULC, Northern Pulp NS LP, and Northern Timber Nova Scotia LP (collectively, the “**NP Group**”) and His Majesty the King in right of the Province of Nova Scotia (the “**Province**”, and together with the NP Group, the “**Parties**” and each a “**Party**”). This Mutual Release is a binding contract, the terms of which are delineated below.

Reference is made to the settlement agreement among the Parties of even date (the “**Settlement Agreement**”). Capitalised terms not otherwise defined herein have the meanings ascribed in the Settlement Agreement. This Mutual Release is delivered in accordance with the Settlement Agreement.

For good and valuable consideration, the receipt and sufficiency of which each of the Parties hereby acknowledge, the undersigned agree to the following terms:

Each member of the NP Group (as releasor against the Province) for itself and its trustees, beneficiaries, administrators, predecessors, successors, legal representatives, employees, agents, partners, affiliates, associated and related corporations, associated and related partnerships and their present and former officers, directors, employees, agents, shareholders, insurers (the “**NP Released Parties**”), hereby releases and forever discharges the Province and its trustees, beneficiaries, administrators, predecessors, successors, legal representatives, employees, agents, officers, elected representatives, affiliates, associated and related corporations, associated and related partnerships and their present and former officers, directors, employees, agents, and insurers (the “**Province’s Released Parties**”) with respect to any and all claims, actions, demands, manner of actions, causes of action, suits, damages, of whatever nature and kind at law or in equity whether actual, pending or potential, whether known or unknown which it may, or could have, against the Province’s Released Parties that were advanced in the dispute in connection with the Action or the Notice of Intended Action by way of claim, defence, counterclaim, or third party claim, provided, however, that nothing contained herein shall release any claims arising pursuant to the Settlement Agreement or the Indemnity (the “**NP Group’s Released Claims**”).

The Province (as releasor against each member of the NP Group) for itself and for each of the Province’s Released Parties, hereby releases and forever discharges the NP Released Parties with respect to any and all claims, actions, demands, manner of actions, causes of action, suits, damages, of whatever nature and kind at law or in equity whether actual, pending or potential, whether known or unknown which it may, or could have, against each of the NP Released Parties that were advanced or could have been advanced in the dispute in connection with the Action or the Notice of Intended Action by way of claim, defence, counterclaim, or third party

claim, provided, however, that nothing contained herein shall release any claims arising pursuant to the Settlement Agreement (the "**Province's Released Claims**" and collectively with the NP Group Released Claims, the "**Released Claims**").

The Parties each acknowledge and agree that they have not been induced to execute this release by reason of any representation or warranty of any nature or kind whatsoever and that there is no condition express or implied or collateral agreement affecting the said release.

It is understood and agreed that the Parties have not assigned any of the Released Claims mentioned above.

Each Party as releasor agrees:

- 1) that if that releasor makes any claim, demand, or complaint or takes any action or proceeding against any releasee arising out of the Released Claims, that this Mutual Release shall be deemed to be a complete defense and bar to any such claim, demand, complaint, action, or proceeding;
- 2) not to make any claim or to commence or take proceedings against any other person, firm, partnership, business, or corporation in any country, place, jurisdiction, or forum who or which might claim contribution from, or to be indemnified by, a releasee, under the provisions of any statute or otherwise in respect of those matters from the Released Claims;
- 3) to indemnify and save harmless a releasee from any costs, expenses, losses, or damages whatsoever incurred by releasee in connection with or in any way related to defending or responding to any action or proceeding in any country, place, jurisdiction or forum brought by any person against releasee for contribution or indemnity or any other claim over as a result of any action or other proceeding brought by that releasor arising out of the Released Claims;
- 4) to indemnify and save harmless a releasee against and from any and all other actions, causes of action, suits, claims and demands whatsoever which have been, are being or may be asserted by or on behalf of that releasor arising out of the Released Claims in any country, place, jurisdiction or forum; and
- 5) that no Party may assign this Mutual Release or any of their rights hereunder without the prior written consent of the Parties.

AND IT IS UNDERSTOOD AND AGREED:

- a. that if any provision of this Mutual Release is found by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the other provisions of this Mutual Release shall not be affected or impaired, and the offending provision shall automatically be modified to the least extent necessary in order to be valid, legal, and enforceable;
- b. this Mutual Release may be executed in several counterparts, by original or facsimile signatures, with all copies thereof constituting one original document and notwithstanding its date of execution, shall be deemed to have become effective as of the date first above written; and

- c. this Mutual Release shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, and that no other jurisdiction's laws apply to this Mutual Release.

***[Signature Page Follows]***

**IN WITNESS WHEREOF**, the Parties hereto have executed this Mutual Release as of the date first written above.

**1057863 B.C. LTD.**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN RESOURCES NOVA SCOTIA CORPORATION**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN PULP NOVA SCOTIA CORPORATION**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN TIMBER NOVA SCOTIA CORPORATION**

By: \_\_\_\_\_

Name:

Title:

**3253527 NOVA SCOTIA LIMITED**

By: \_\_\_\_\_

Name:

Title:

**3243722 NOVA SCOTIA LIMITED**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN PULP NS GP ULC**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN PULP NS LP, by its general partner**

**NORTHERN PULP NS GP ULC**

By: \_\_\_\_\_

Name:

Title:

**NORTHERN TIMBER NOVA SCOTIA LP, by its general partner**

**3243722 NOVA SCOTIA LIMITED**

By: \_\_\_\_\_

Name:

Title:

**HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF NOVA SCOTIA**

By: \_\_\_\_\_

Name:

Title:

## SCHEDULE B

### MUTUAL RELEASE BETWEEN DIP LENDERS, HERVEY INVESTMENT BV, AND PROVINCE

#### FULL AND FINAL MUTUAL RELEASE

**Dated effective ●, 2024**

This Final and Mutual Release Agreement (this **"Mutual Release"**) is made and entered into by and between Pacific Harbor North American Resources Ltd. and Paper Excellence Canada Holdings Corporation (together, the **"DIP Lenders"**), Hervey Investment BV (together with the DIP Lenders, the **"NP Release Parties"**) and His Majesty the King in right of the Province of Nova Scotia (the **"Province"**, and together with the NP Release Parties, the **"Parties"** and each a **"Party"**). This Mutual Release is a binding contract, the terms of which are delineated below.

Reference is made to the settlement agreement among the Parties of even date (the **"Settlement Agreement"**). Capitalised terms not otherwise defined herein have the meanings ascribed in the Settlement Agreement. This Mutual Release is delivered in accordance with the Settlement Agreement.

For good and valuable consideration, the receipt and sufficiency of which each of the Parties hereby acknowledge, the undersigned agree to the following terms:

Each of the NP Release Parties (as releasor against the Province) for itself and its trustees, beneficiaries, administrators, predecessors, successors, legal representatives, employees, agents, partners, affiliates, associated and related corporations, associated and related partnerships and their present and former officers, directors, employees, agents, shareholders, insurers (the **"NP Release Parties' Released Parties"**), hereby releases and forever discharges the Province and its trustees, beneficiaries, administrators, predecessors, successors, legal representatives, employees, agents, officers, elected representatives, affiliates, associated and related corporations, associated and related partnerships and their present and former officers, directors, employees, agents, and insurers (the **"Province's Released Parties"**) with respect to any and all claims, actions, demands, manner of actions, causes of action, suits, damages, of whatever nature and kind at law or in equity whether actual, pending or potential, whether known or unknown which it may, or could have, against the Province's Released Parties that were advanced in the dispute in connection with the Action or the Notice of Intended Action by way of claim, defence, counterclaim, or third party claim, provided, however, that nothing contained herein shall release any claims arising pursuant to the Settlement Agreement or the Indemnity (the **"NP Release Parties' Released Claims"**).

The Province (as releasor against each of the NP Release Parties) for itself and for each of the Province's Released Parties, hereby releases and forever discharges the NP Release Parties with respect to any and all claims, actions, demands, manner of actions, causes of action, suits, damages, of whatever nature and kind at law or in equity whether actual, pending or potential, whether known or unknown which it may, or could have, against each of the NP Release Parties that were advanced or could have been advanced in the dispute in connection with the Action or the Notice of Intended Action by way of claim, defence, counterclaim, or third party claim, provided, however, that nothing contained herein shall release any claims arising pursuant to

the Settlement Agreement (the "**Province's Released Claims**" and collectively with the NP Release Parties' Released Claims, the "**Released Claims**").

The Parties each acknowledge and agree that they have not been induced to execute this release by reason of any representation or warranty of any nature or kind whatsoever and that there is no condition express or implied or collateral agreement affecting the said release.

It is understood and agreed that the Parties have not assigned any of the Released Claims mentioned above.

Each Party as releasor agrees:

- 1) that if that releasor makes any claim, demand, or complaint or takes any action or proceeding against any releasee arising out of the Released Claims, that this Mutual Release shall be deemed to be a complete defense and bar to any such claim, demand, complaint, action, or proceeding;
- 2) not to make any claim or to commence or take proceedings against any other person, firm, partnership, business, or corporation in any country, place, jurisdiction, or forum who or which might claim contribution from, or to be indemnified by, a releasee, under the provisions of any statute or otherwise in respect of those matters from the Released Claims;
- 3) to indemnify and save harmless a releasee from any costs, expenses, losses, or damages whatsoever incurred by releasee in connection with or in any way related to defending or responding to any action or proceeding in any country, place, jurisdiction or forum brought by any person against releasee for contribution or indemnity or any other claim over as a result of any action or other proceeding brought by that releasor arising out of the Released Claims;
- 4) to indemnify and save harmless a releasee against and from any and all other actions, causes of action, suits, claims and demands whatsoever which have been, are being or may be asserted by or on behalf of that releasor arising out of the Released Claims in any country, place, jurisdiction or forum; and
- 5) that no Party may assign this Mutual Release or any of their rights hereunder without the prior written consent of the Parties.

AND IT IS UNDERSTOOD AND AGREED:

- a. that if any provision of this Mutual Release is found by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the other provisions of this Mutual Release shall not be affected or impaired, and the offending provision shall automatically be modified to the least extent necessary in order to be valid, legal, and enforceable;
- b. this Mutual Release may be executed in several counterparts, by original or facsimile signatures, with all copies thereof constituting one original document and notwithstanding its date of execution, shall be deemed to have become effective as of the date first above written; and

- c. this Mutual Release shall be governed by and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein, and that no other jurisdiction's laws apply to this Mutual Release.

***[Signature Page Follows]***

**IN WITNESS WHEREOF**, the Parties hereto have executed this Mutual Release as of the date first written above.

**PACIFIC HARBOR NORTH AMERICAN  
RESOURCES LTD.**

By: \_\_\_\_\_

Name:

Title:

**PAPER EXCELLENCE CANADA  
HOLDINGS CORPORATION**

By: \_\_\_\_\_

Name:

Title:

**HERVEY INVESTMENT BV**

By: \_\_\_\_\_

Name:

Title:

**HIS MAJESTY THE KING IN RIGHT OF  
THE PROVINCE OF NOVA SCOTIA**

By: \_\_\_\_\_

Name:

Title:

## SCHEDULE C

### TIMBERLANDS

All real or immovable property and all interests in real or immovable property owned by Northern Timber Nova Scotia Corporation ("NT") together with all rights, privileges, servitudes, rights-of-way and easements of any nature and kind connected therewith or appertaining thereto in the Province of Nova Scotia, which lands are organized in this Schedule as Section I Lands (Freehold-Non-Migrated) and exceptions thereto and Section II Lands (Freehold-Migrated):

#### Section I Lands (Freehold-Non-Migrated)

ALL real or immovable property and all interests in real or immovable property which NT now owns together with all rights, privileges, servitudes, rights-of-way and easements of any nature and kind connected therewith or appertaining thereto in the Counties of Colchester, Cumberland, Guysborough, Halifax, Hants and Pictou, including, without limitation, those lands, title to which has been registered pursuant to the Registry Act including without limitation to those lands which have been registered in the Registry Office and that are identified by the following Book and Page references:

#### County of Colchester

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Worldwide, Inc.	Kimberly-Clark Inc.	30-Jun-01	06-Jul-01	987	998	2900	Various
Arline E. Crowell	Kimberly Clark Inc.	30-Jan-02	12-Mar-02	101	384	1200	East Mountain
Rothsay Paper Holdings Ltd.	Kimberly-Clark Inc.	08-Apr-02	30-May-02	102	101	2562	Lynn Mountain
Reta Leach	Kimberly Clark Inc.	05-Dec-02	27-Dec-02	105	150	6929	Kemptown
F.W. Taylor Lumber Limited	Kimberly-Clark Inc.	22-Oct-02	20-Nov-02	104	924	6222	Eastville
MacTara Limited	Kimberly-Clark Inc.	26-Feb-03	06-Mar-03	105	371	10002039	North River
MacTara Limited	Kimberly-Clark Inc.	18-Mar-03	31-May-03	106	911	1011303	West Rv. Station
Rothsay Paper Holdings	Kimberly-Clark Inc.	21-Mar-03	26-May-03	106	905	10023357	Castlereagh
Rothsay Paper Holdings	Kimberly-Clark Inc.	21-Mar-03	26-May-03	106	905	10223357	Castlereagh
Rothsay Paper Holdings	Kimberly-Clark Inc.	21-Mar-03	26-May-03	150	106	905	Castlereagh
James R. & Sandra M. Johnson	Kimberly-Clark Inc.	13-Jun-03	19-Jun-03			75033325	Whippy Lake
James R & Sandra M. Johnson	Kimberly-Clark Inc.	07-Nov-03	20-Nov-03			75113648	Bayhead
Kimberly-Clark Inc.	NPCC	29-Nov-04	09-Dec-04	1078	470	81046949	Various

#### County of Cumberland

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Worldwide, Inc.	Kimberly-Clark Inc.	30-Jun-01	10-Jul-01	743	1	2150	Various
Benjamin J. Fairbanks	Kimberly-Clark Inc.	31-Jan-02	27-Feb-02	757	766	659	West Bay
Rothsay Paper Holdings	Kimberly-Clark Inc.	21-Mar-03	02-May-03	787	592	1402	Castlereagh
Kimberly-Clark Inc.	NPCC	29-Nov-04	30-Nov-04	814	355	76751297	Various

**County of Guysborough**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Worldwide, Inc.	Kimberly-Clark Inc.	30-Jun-01	10-Jul-01	204	783	715	Various
Kimberly-Clark Inc.	NPCC	29-Nov-04	30-Nov-04	233	480	76751834	Various

**County of Halifax**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Worldwide, Inc.	Kimberly-Clark Inc.	30-Jun-01	09-Jul-01	6800	981	23454	Various
Cathy L. Risser	Kimberly-Clark Inc.	14-Jun-02	18-Jun-02	7069	632	24464	Lindsay Lake
Ledwidge Lumber Co. Ltd.	Kimberly-Clark Inc.	14-Nov-02	29-Nov-02	7220	1166	52012	Glenmore
MacTara Limited	Kimberly-Clark Inc.	26-Feb-03	17-Mar-03	7295	38	9919	Guysboro Rd.
MacTara Limited	Kimberly-Clark Inc.	18-Mar-03	01-Apr-03	7307	314	12155	Meaghers Grant
Kimberly-Clark Inc.	NPCC	29-Nov-04	29-Nov-04	7985	119	76740142	Various

**County of Hants**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Worldwide, Inc.	Kimberly-Clark Inc.	30-Jun-01	05-Jul-01	922	172	2730	Various
MacTara Limited	Kimberly-Clark Inc.	19-Feb-03	28-Feb-03	991	185	1037	Bennie Muckle
MacTara Limited	Kimberly-Clark Inc.	26-Feb-03	11-Mar-03	992	234	1198	Goshen Road
MacTara Limited	Kimberly-Clark Inc.	18-Mar-03	03-Apr-03	994	241	1496	Nine Mile River
MacTara Limited	Kimberly-Clark Inc.	10-Apr-03	12-May-03	997	868	2060	Cogmagun
Kimberly-Clark Inc.	NPCC	29-Nov-04	30-Nov-04	1045	454	76758821	Various

**County of Pictou**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Worldwide, Inc.	Kimberly-Clark Inc.	17-Jul-97	18-Jul-97	1244	764	4195	Granton
Her Majesty the Queen in right of the Province of Nova Scotia	Kimberly-Clark Inc.	24-Jun-99	20-Jul-99	1316	620	3185	Abercrombie
Kimberly-Clark Worldwide, Inc.	Kimberly-Clark Inc.	30-Jun-01	06-Jul-01	1383	76	2798	Various
Lloyd Jordan et al	Kimberly-Clark Inc.	03-Oct-01	10-Oct-01	1393	310	4472	McLellan
Ronald J. MacDonald et ux	Kimberly-Clark Inc.	21-May-02	03-Jun-02	1420	320	2528	Bigney
Sheldon Enos Hayter et ux	Kimberly-Clark Inc.	25-Jun-02	08-Jul-02	1425	665	3232	Gordon Summit
Serrick & McCullough	Kimberly-Clark Inc.	11-Jan-02	03-Jan-24	1448	439	300	West River
David Miller	Kimberly-Clark Inc.	28-Aug-03	24-Oct-03	1477	469	75087669	Lovat

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
John G. Fraser	Kimberly-Clark Inc.	28-Aug-03	19-Sep-03	1473	242	4192	Iron Ore
Gordon Cameron	Kimberly-Clark Inc.	06-Nov-03	14-Nov-03	1479	973	75106378	Union Centre
Kimberly-Clark Inc.	NPCC	29-Nov-04	30-Nov-04	1496	344	76752162	Various

And for greater certainty, including without limitation those lands that have been registered in the Registry Office and that are identified by the following PIDs:

#### COLCHESTER COUNTY

PID	NON-LR	LOCATION	ACREAGE
20002747	NLR	Cross Road, McCallum Settlement	75.0
20052056	NLR	Higgins Mill Road, Meadowvale	80.0
20052072	NLR	Higgins Mill Road, Meadowvale	415.0
20052809	NLR	Stewart Hill Road, Upper Stewiacke	394.88
20053732	NLR	Stewart Hill Road, Upper Stewiacke, Lot D & C	192.5
20054870	NLR	Alex Semple Road, Newton Mills	250.0
20057204	NLR	Pembroke Road, Burnside	450.0
20124293	NLR	Mines Bass River Road, Lornevale	175.0
20135646	NLR	Lynn Road, Lower Five Islands	348.0
20140752	NLR	River Phillip Road, Economy	620.0
20141495	NLR	River Phillip Road, Economy	440.0
20152096	NLR	No. 289 Highway, Eastville	64.76
20236147	NLR	River Phillip Road, Economy	75.0
20269817	NLR	Cross Road, North River	150.0
20287660	NLR	Southside Road, Upper Stewiacke	78.0
20310769	NLR	Downing Road, Onslow Mountain, Lot 18	25.72
20341384	NLR	Reid's Station Road, South Branch	19.0
20355632	NLR	Cross Road, North River	50.0
20425278	NLR	Lynn Road, Lower Five Islands	25.0
20425286	NLR	Lynn Road, Lower Five Islands	21.0
20425294	NLR	Lynn Road, Lower Five Islands	13.0
20448650	NLR	No. 4 Highway, Folly Lake	2.0
20449971	NLR	Saint Mary's Road, Eastville	2.7
20449989	NLR	Saint Mary's Road, Eastville	2.4
20458915	NLR	Stewiacke Road, Lanesville	20.0

PID	NON-LR	LOCATION	ACREAGE
20460762	NLR	River Phillip Road, Economy	45.0
20460770	NLR	River Phillip Road, Economy	25.0
20463097	NLR	Lanesville Road, Lanesville	64.0
20468591	NLR	Higgins Mill Road, Meadowvale	47.79

**CUMBERLAND COUNTY**

PID	NON-LR	LOCATION	ACREAGE
25080599	NLR	Elderkin Road, Apple River	73.0
25201831	NLR	Lakelands	20750
25345760	NLR	Lower Cover Lot A-16-1	3.68

**HALIFAX COUNTY**

PID	NON-LR	LOCATION	ACREAGE
00437335	NLR	Keith Lake, Caribou Mines	110.0
00437384	NLR	35 Long Lake, Caribou Mines	361.0
00437533	NLR	Musquodoboit Road, Marinette	9.0
00437632	NLR	Ash Hill Lake, Murchyville	122.3
00437665	NLR	Oxbow Stillwaters, Caribou Mines	115.0
00437673	NLR	3 Long Lake, Sackville	550.0
04377681	NLR	Square Lake, Moose River Goldmines	0.12
00437913	NLR	Round Island, Scraggy Lake	6.0
00437970	NLR	Calf Island, Scraggy Lake	15.0
00469676	NLR	Lindsay Lake	228.0
00486217	NLR	Mill Brook, Murchyville, Grant 1491	174.0
00486431	NLR	Long Lake, Caribou Mines	186.0
00486449	NLR	Long Lake, Caribou Mines	100.0
00486456	NLR	Long Lake, Caribou Mines	100.0
00486704	NLR	Dollar Lake, Caribou Mines	100.0
00486902	NLR	Dollar Lake, Caribou Mines	300.0
00499350	NLR	Crocket Lake, Murchyville	50.0
00531285	NLR	Spar Lake, Port Dufferin, Grant 5201A	125.0
00540013	NLR	No. 224 Highway, Chaswood	89.0

PID	NON-LR	LOCATION	ACREAGE
00541656	NLR	Mud Lake, Upper Musquodoboit, Grant 10271	184.0
00578492	NLR	Sheet Harbour-Trafalgar Road, Lochaber Mines	2.0
00581249	NLR	Cross Lake, Lochaber Mines, Grant 15457	250.0
00583674	NLR	Cross Lake, Lochaber Mines, Grant 15456	72.0
00596031	NLR	Lake Alma, Marinette	492.0
00596205	NLR	Little Lake, Upper Musquodoboit, Grant 6269	101.0
00596213	NLR	South Lake, Upper Musquodoboit, Grant 12175	263.0
00596221	NLR	Caribou Road, Upper Musquodoboit	200.0
00596239	NLR	Cameron Flowage, Upper Musquodoboit, Grant 13157	100.0
00596247	NLR	Sheet Harbour-Trafalgar Road, Anderson Intervale	72.0
00596254	NLR	Cameron Flowage, Upper Musquodoboit, Grant 13076	101.0
00596262	NLR	Crooked Lake, Upper Musquodoboit, Grant 6569	109.0
00596288	NLR	South Lake, Upper Musquodoboit	68.0
00596320	NLR	South Lake, Upper Musquodoboit, Grant 6269	129.5
00596338	NLR	South Lake, Upper Musquodoboit, Grant 15827	100.0
00596346	NLR	South Lake, Upper Musquodoboit, Grant 16782	237.0
00596445	NLR	Main Road, Elmsvale	127.0
00596452	NLR	No. 224 Highway, Elmsvale	84.0
00596460	NLR	No. 224 Highway, Elmsvale	930.0
00596478	NLR	No. 224 Highway, Elmsvale	74.0
00596544	NLR	Moose River Road, Lindsay Lake	700.0
00596684	NLR	First Pratt Lake, Caribou Mines	800.0
00642769	NLR	Moose River, Moose River Gold Mines	86.0
00642835	NLR	Otter Dam Flowage, Moose River Gold Mines	100.0
40076200	NLR	West Loon Lake, West Loon Lake	5.0
40091092	NLR	Sheet Harbour Road, Upper Musquodoboit, (Portion of) Grant 5054	93.5
40091100	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 20478	61.8
40091134	NLR	No. 224 Highway, Pleasant Valley	153.3
40091142	NLR	Sheet Harbour Road, Upper Musquodoboit Grant 5054	205.6
40091167	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 14332	50.0

PID	NON-LR	LOCATION	ACREAGE
40091175	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 10429	200.0
40091183	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 10547	500.0
40091191	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 13484	50.0
40091209	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 16045A	179.0
40091225	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 18551	56.7
40091233	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 16473	50.0
40091241	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 19210	196.4
40091258	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 18945	80.08
40091274	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 11226B	100.0
40091282	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 16045B	53.0
40091316	NLR	Sheet Harbour Road, Upper Musquodoboit, Grant 15835	100.0
40091472	NLR	Grassy Lake, Musquodoboit, Grant 19785	96.9
40091480	NLR	Grassy Lake, Musquodoboit, Grant 13513	100.0
40091498	NLR	Grassy Lake, Musquodoboit, Grant 13392A	270.0
40091506	NLR	Grassy Lake Musquodoboit, Grant 4055	100.0
40091514	NLR	Grassy Lake, Musquodoboit, Grant 13392B	103.0
40091571	NLR	West Lake, Upper Musquodoboit, Grant 17028	102.9
40091589	NLR	West Lake, Upper Musquodoboit, Grant 14026	50.0
40161309	NLR	Musquodoboit Road, Marinette	0.62
40200826	NLR	Como Lake, Upper Musquodoboit	48.2
40200842	NLR	Como Lake, Upper Musquodoboit, Grant 11075	400.0
40200859	NLR	Como Lake, Upper Musquodoboit, Grant 12989	123.0
40200867	NLR	Como Lake, Upper Musquodoboit, Grant 13075	155.0
40200875	NLR	Jakes Lake, Upper Musquodoboit	250.0
40200883	NLR	Jakes Lake, Upper Musquodoboit	200.0
40200891	NLR	Killag River, Upper Musquodoboit	257.0

PID	NON-LR	LOCATION	ACREAGE
40200909	NLR	Como Lake, Upper Musquodoboit	70.99
40200925	NLR	Cameron Flowage, Upper Musquodoboit, Grant 13245	51.9
40200933	NLR	Cameron Flowage, upper Musquodoboit	291.6
40200941	NLR	Killag River, Upper Musquodoboit	733.4
40200958	NLR	Killag River, Upper Musquodoboit	99.2
40200966	NLR	Killag River, Upper Musquodoboit, Grant 12271	100.0
40201014	NLR	Crusher Lake, Upper Musquodoboit, Grant 15833	100.0
40201022	NLR	Crusher Lake, Upper Musquodoboit, Grant 13818	200.0
40201030	NLR	181 Beaver Dam Mines Road, Marinette, Grant 9805	100.0
40201048	NLR	Crusher Lake, Upper Musquodoboit	90.17
40201055	NLR	Como Lake, Upper Musquodoboit, Grant 13462A	50.0
40201063	NLR	Tent Lake, Upper Musquodoboit	272.22
40201071	NLR	Tent Lake, Upper Musquodoboit	120.47
40201089	NLR	Tent Lake, Upper Musquodoboit	49.4
40201097	NLR	Tent Lake, Upper Musquodoboit	260.6
40201154	NLR	Ten Mile Lake Road, Como Lake, Grant 10197	150.0
40201162	NLR	Ten Mile Lake Road, Como Lake	118.6
40201170	NLR	Ten Mile Lake Road, Seven Mile Stream	203.0
40201279	NLR	Tait Lake, Como Lake, Grant 13512B	25.0
40201337	NLR	Little Teakettle Lake, Upper Musquodoboit, Grant 10258	150.0
40201394	NLR	Ten Mile Lake	99.0
40201410	NLR	Ten Mile Lake, Grant 6401A	97.0
40201444	NLR	Beaver Lake, Ten Mile Lake, Grant 10198	345.0
40201451	NLR	Beaver Lake, Ten Mile Lake	222.0
40201477	NLR	Moose Lake, Ten Mile Lake	50.0
40201485	NLR	Shallow Lake, Ten Mile Lake	122.0
40201501	NLR	Shallow Lake, Ten Mile Lake	134.6
40201527	NLR	Lake Fraser Brook, Rocky Lake, Grant 11937A	540.0
40201543	NLR	Lake Fraser, Grant 11397B	459.0
40201576	NLR	Lake Fraser Brook, Rocky Lake	136.0
40201592	NLR	Lake Fraser Brook, Rocky Lake	249.6

PID	NON-LR	LOCATION	ACREAGE
40201600	NLR	Como Lake, Rocky Lake	97.6
40201626	NLR	Como Lake, Rocky Lake	84.0
40201634	NLR	Seven Mile Stream, Rocky Lake	30.4
40201642	NLR	Lake Fraser, Grant 10216	100.0
40201766	NLR	Diamond Lake, Ten Mile Stream, Grant 12227	296.0
40201857	NLR	Abraham Lake Road, Abraham Lake	284.0
40201865	NLR	Abraham Lake Road, Abraham Lake, Grant 12217	75.0
40201873	NLR	Abraham Lake Road, Abraham Lake	5.0
40201881	NLR	Abraham Lake Road, Abraham Lake, Grant 12218	335.0
40201899	NLR	Abraham Lake Road, Abraham Lake, Grant 18855	146.0
40201907	NLR	Abraham Lake Road, Abraham Lake, Grant 11090	325.0
40201964	NLR	Trafalgar Road, Anderson Intervale	139.0
40202178	NLR	Pleasant Valley Road, Upper Musquodoboit	78.5
40202210	NLR	Pleasant Valley Road, Upper Musquodoboit, (Portion of) Grant 657	199.3
40202228	NLR	Pleasant Valley, Upper Musquodoboit	99.7
40202236	NLR	Pleasant Valley, Upper Musquodoboit	100.6
40202244	NLR	Pleasant Valley, Upper Musquodoboit	771.0
40202293	NLR	Pinch Gut Road, Upper Musquodoboit	100.0
40202301	NLR	Pinch Gut Road, Upper Musquodoboit	81.84
40202319	NLR	Pinch Gut Road, Upper Musquodoboit, (Portion of) Grant 7849	174.0
40202426	NLR	Pug Lake, Upper Musquodoboit	133.4
40202632	NLR	Sherlock Brook, Upper Musquodoboit, Grant 18899	750.3
40204657	NLR	Burke Lake, Upper Musquodoboit, Parcel 1	400.0
40202665	NLR	Sherlock Brook, Upper Musquodoboit, Grant 16047	50.0
40202723	NLR	Pug Lake, Sheet Harbour, Grant 18774	55.0
40207375	NLR	Sheet Harbour-Trafalgar Road, Seloam Lake	353.0
40207383	NLR	Sheet Harbour-Trafalgar Road, Seloam Lake	96.4
40207409	NLR	Sheet Harbour-Trafalgar Road, Seloam Lake	198.0
40207417	NLR	Sheet Harbour-Trafalgar Road, Seloam Lake	100.3
40207425	NLR	Indian Lake, Abraham Lake	480.0
40207441	NLR	Fifteen Mile Stream, Abraham Lake	378.0

PID	NON-LR	LOCATION	ACREAGE
40207466	NLR	Otter Lake, Abraham Lake	173.0
40207474	NLR	West Brook, Abraham Lake	103.0
40207482	NLR	West Brook, Abraham Lake	691.9
40207490	NLR	West Brook, Abraham Lake	540.0
40207508	NLR	Fifteen Mile Stream, Abraham Lake	204.5
40207516	NLR	West Brook, Abraham Lake	290.0
40207524	NLR	Indian Lake, Abraham Lake	88.0
40207532	NLR	Fisher Lake, Abraham Lake	185.0
40207540	NLR	Governor Lake, Abraham Lake	230.0
40207557	NLR	Governor Lake, Abraham Lake, Grant 11515	466.0
40207565	NLR	Upper Caribou Lake, Abraham Lake, Grant 10772	100.0
40207573	NLR	Upper Caribou Lake, Abraham Lake, Grant 10248	100.0
40207581	NLR	Abraham Lake, Abraham Lake	1000.0
40207599	NLR	Abraham Lake, Abraham Lake	450.0
40207607	NLR	Governor Lake, Abraham Lake	74.0
40207615	NLR	Abraham Lake, Abraham Lake	415.0
40207623	NLR	Indian Lake, Abraham Lake, Grant 10245	183.0
40207698	NLR	Governor Lake, Moose Lake	125.0
40207714	NLR	Governor Lake, Moose Lake	200.0
40207722	NLR	Indian Lake, Governor Lake	138.0
40207730	NLR	Governor Lake, Moose Lake, Grant 6148	61.8
40207953	NLR	Little Ten Mile Lake, Moose Lake, Grant 15831	193.0
40208043	NLR	Indian Lake, Governor Lake, Grant 10246	490.0
40208050	NLR	Indian Lake, Governor Lake,	185.3
40208068	NLR	Indian Lake, Governor Lake, Grant 11093	100.0
40208076	NLR	Governor Lake, Governor Lake, Grant 7493	100.0
40208092	NLR	Governor Lake, Governor Lake	320.0
40208100	NLR	Governor Lake, Governor Lake, Grant 11764	298.0
40208118	NLR	Governor Lake, Governor Lake, Grant 6567	363.0
40208217	NLR	Sheer Harbour-Trafalagar Road, Governor Lake, Grant 18944	74.31
40208266	NLR	Trout Lake, Chaplin, Grant 10908	200.0

PID	NON-LR	LOCATION	ACREAGE
40208282	NLR	Redmond Lake, Moose Lake	64.0
40208290	NLR	Sheet Harbour, Trafalagar Road, Governor Lake	306.0
40208308	NLR	Sheet Harbour, Trafalagar Road, Governor Lake	348.0
40208316	NLR	Governor Lake, Governor Lake	582.0
40208324	NLR	Cox Lake Road, Hammonds Plains, Grant 12279	520.0
40208597	NLR	Main Road, Chaplin	216.0
40208613	NLR	St Mary's Road, Chaplin	197.18
40208738	NLR	West Pogue Lake, College Lake	100.0
40208746	NLR	Twin Lakes, College Lake	78.0
40208761	NLR	Pogue Lake, College Lake, Grant 19351	92.0
40208779	NLR	Pogue Lake, College Lake	200.0
40208787	NLR	Old Guysborough Road, College Lake	5132.0
40208910	NLR	Old Guysborough Road, Pictou Lake, Grant 15926	108.0
40208928	NLR	Old Guysborough Road, Pictou Lake	105.0
40208951	NLR	South Loon Lake, East Loon Lake, Grant 18092	179.0
40208969	NLR	South Loon Lake, East Loon Lake, Grant 17022	320.0
40208977	NLR	Old Guysborough Road, East Loon Lake	265.0
40208985	NLR	West Loon Lake, East Loon Lake	523.0
40208993	NLR	St. Mary's Road, East Loon Lake	67.5
40209017	NLR	East Loon Lake, East Loon Lake, Grant 5327	111.0
40209025	NLR	South Loon Lake, East Loon Lake, Grant 16740	160.0
40209041	NLR	East Loon Lake, East Loon Lake	96.0
40209066	NLR	Old Guysborough Road, East Loon Lake, Grant 16781	169.0
40209074	NLR	South Brook Governor Lake, Grant 14876	50.0
40209090	NLR	Ten Mile Lake, Governor Lake, Grant 10622	1928.0
40209140	NLR	Martin Lake, Dean	658.0
40209157	NLR	Devils Elbow Lake, Upper Musquodoboit	100.0
40209215	NLR	Devil's Elbow Lake, Upper Musquodoboit	100.0
40209223	NLR	Devil's Elbow Lake, Upper Musquodoboit, Grant 9862	500.0
40209231	NLR	Little Teakettle Lake, Upper Musquodoboit, Grant 9868	269.0
40209249	NLR	Cow Flowage, Upper Musquodoboit, (Portion of) Grant 9865	409.0

PID	NON-LR	LOCATION	ACREAGE
40209256	NLR	Pleasant Valley Road, Upper Musquodoboit	237.68
40210197	NLR	262 Church Point Road, Sheet Harbour	2.0
40210304	NLR	River Lake, Chaplin	164.0
40210346	NLR	Seven Mile Lake, Chaplin, Grant 10907	100.0
40210353	NLR	Seven Mile Lake, Chaplin, Grant 10199	493.0
40210387	NLR	Cruickshank Lake, Chaplin, Grant 12524	200.0
40210395	NLR	Cruickshank Lake, Chaplin, Grant 10205	300.0
40210403	NLR	Bog Island Lake, Chaplin, Grant 10204	492.0
40210494	NLR	No. 7 Highway, Sheet Harbour	1.0
40211005	NLR	No. 7 Highway, Sheet Harbour	20000.0 ft <sup>2</sup>
40211500	NLR	Lochaber Mines Road, East River, Sheet Harbour	3.0
40216772	NLR	Beaver Lake, Meaghers Grant, Grant 19543	50.0
40216780	NLR	Beaver Lake Brook, Meaghers Grant, (Portion of) Grant 2930	143.0
40218893	NLR	Branch Road, Glenmore	265.0
40218927	NLR	Branch Road, Glenmore	190.0
40218935	NLR	Branch Road, Elmsvale	545.0
40218943	NLR	Branch Road, Glenmore	200.0
40219123	NLR	Caribou Road, Caribou Mines	350.0
40219131	NLR	Caribou Road, Caribou Mines	450.0
40219149	NLR	Caribou Road, Caribou Mines	100.0
40219156	NLR	Caribou Road, Caribou Mines	166.0
40219164	NLR	Rocky Lake, Caribou Mines	188.0
40219172	NLR	Rocky Lake, Caribou Mines	100.0
40219180	NLR	Rocky Lake, Caribou Mines	142.0
40219198	NLR	Caribou Road, Caribou Mines	100.0
40219206	NLR	621 Caribou Road, Caribou Mines	400.0
40219222	NLR	Caribou Road, Caribou Mines	100.0
40220055	NLR	Anti Dam Flowage, Anderson Intervale	50.0
40220675	NLR	Fourth Lake, Lochaber Mines	230.0
40220899	NLR	Sheet Harbour Lake, Sheet Harbour	450.0
40220907	NLR	Sheet Harbour Lake, Sheet Harbour	440.0

PID	NON-LR	LOCATION	ACREAGE
40220915	NLR	Sheet Harbour Lake, Sheet Harbour	5500.0
40221194	NLR	Sheet Harbour Lake, Sheet Harbour	250.0
40221210	NLR	Sheet Harbour Lake, Sheet Harbour	470.0
40221228	NLR	Sheet Harbour Lake, Sheet Harbour	310.0
40221236	NLR	Sheet Harbour Lake, Sheet Harbour	331.0
40221244	NLR	Sheet Harbour Lake, Sheet Harbour	346.0
40221251	NLR	Sheet Harbour Lake, Sheet Harbour	313.0
40221863	NLR	East River Road, Sheet Harbour	6.7
40231375	NLR	Kidney Lake, Mooseland, Grant 6628	100.0
40231383	NLR	Lake Alma, Mooseland, Grant 12093	477.0
40231391	NLR	Ferry Lake, Mosseland, Grant 11592	100.0
40231441	NLR	Crooked Lake, Marinette	100.0
40231458	NLR	Lake Mulgrave, Marinette	100.0
40231466	NLR	Lake Mulgrave, Marinette	438.0
40231474	NLR	Lake Fraser, Marinette	212.0
40231482	NLR	Lake Fraser, Marinette	77.0
40231490	NLR	Black Duck Lake, Marinette	248.0
40231508	NLR	Black Duck Lake, Marinette	50.0
40231516	NLR	Black Duck Lake, Marinette	109.0
40231524	NLR	Black Duck Lake, Marinette	50.0
40231532	NLR	Black Duck Lake, Marinette	50.0
40231540	NLR	Black Duck Lake, Marinette	100.0
40231557	NLR	Grant River, Marinette	64.0
40231565	NLR	Killag River, Marinette	130.0
40231573	NLR	Killag River, Marinette	222.0
40231649	NLR	Killag River, Marinette	100.0
40231656	NLR	Lake Fraser, Marinette	300.0
40231664	NLR	Killag River, Marinette	200.0
40231672	NLR	Lake Dan, Marinette	223.0
40231680	NLR	Lake Dan, Marinette	504.0
40231698	NLR	Lake Dan, Marinette	50.0
40231706	NLR	Lake Dan, Marinette	63.0

PID	NON-LR	LOCATION	ACREAGE
40231714	NLR	Black Brook Lake, Marinette	329.0
40231722	NLR	Black Brook Lake, Marinette	329.0
40231730	NLR	Black Brook Lake, Marinette	333.0
40231748	NLR	Black Brook Lake, Marinette	50.0
40231755	NLR	Black Brook Lake, Marinette	50.0
40231763	NLR	Black Brook Lake, Marinette	68.0
40231771	NLR	Killag River, Marinette	60.0
40231789	NLR	Killag River, Marinette	200.0
40231797	NLR	Black Brook Lake, Marinette	193.0
40231805	NLR	Black Brook Lake, Marinette	100.0
40231813	NLR	Black Brook Lake, Marinette	100.0
40231821	NLR	Lake Fraser, Marinette	123.0
40231839	NLR	Kent Lake, Marinette	100.0
40231854	NLR	Kent Lake, Marinette	551.61
40231862	NLR	River Lake, Marinette	104.59
40231870	NLR	River Lake, Marinette	94.98
40231888	NLR	Eagle Nest Basin, Marinette	393.03
40231896	NLR	River Lake, Marinette	193.63
40231920	NLR	Cope Pond, Marinette	501.65
40231938	NLR	Cope Pond, Marinette	100.0
40231946	NLR	Cope Pond, Marinette	36.0
40231953	NLR	Lawlor Lake, Marinette	100.0
40231961	NLR	Lawlor Lake, Marinette	133.0
40231979	NLR	Lawlor Lake, Marinette	100.0
40231987	NLR	Brandon Lake, Marinette	82.0
40231995	NLR	Brandon Lake, Marinette	107.0
40232001	NLR	Musquodoboit Road, Marinette	2100.0
40232019	NLR	Upper Lakes, Marinette	170.0
40232027	NLR	Lawlor Lake, Marinette	280.0
40232068	NLR	Nowlan Lake, Sheet Harbour	650.0
40232076	NLR	Union Dam Lake, Sheet Harbour	100.0
40282209	NLR	Lindsay Lake, Mooseland	318.0

PID	NON-LR	LOCATION	ACREAGE
40232217	NLR	River Lake, Mooseland	150.0
40232225	NLR	Cape Lake, Mooseland	120.0
40232233	NLR	Cape Lake, Mooseland, Grant 10965	120.0
40232241	NLR	Cape Lake, Mooseland, Grant 13385	57.0
40232282	NLR	Cape Lake, Mooseland, Grant 16937	640.0
40232357	NLR	Lake Alma, Marinette, Grant 13510	50.0
40232365	NLR	Lake Alma, Marinette, Grant 13416	71.0
40232373	NLR	Lake Alma, Marinette	100.0
40232381	NLR	Musquodoboit Road, Marinette	50.0
40232399	NLR	Jack Lowe, Marinette	500.0
40232407	NLR	Lake Alma, Marinette	100.0
40232415	NLR	Lake Alma, Marinette	133.0
40232423	NLR	Southwest Lake, Marinette	100.0
40232431	NLR	Lake Alma, Marinette, Grant 3059	283.0
40232449	NLR	Lake Alma, Marinette, Grant 16930	179.0
40232456	NLR	Lake Atlanta, Marinette, Grant 6623	100.0
40232464	NLR	Lake Atlanta, Marinette, Grant 16927	130.0
40232530	NLR	Lake Alma, Marinette	100.0
40232548	NLR	No. 224 Highway, Marinette	470.0
40232555	NLR	No. 224 Highway, Marinette	90.0
40232563	NLR	No. 224 Highway, Marinette	90.0
40232571	NLR	Killag River, Marinette	400.0
40232589	NLR	Killag River, Marinette	400.0
40232597	NLR	Musaquodoboit Road, Marinette	234.0
40232605	NLR	Musquodoboit Road, Marinette	100.0
40232613	NLR	Musquodoboit Road, Marinette	125.0
40232621	NLR	Killag River, Marinette	428.0
40232639	NLR	Killag River, Marinette	68.0
40232647	NLR	Killag River, Marinette	108.0
40232654	NLR	Musquodoboit Road, Marinette	212.0
40232662	NLR	Union Dam Flowage, Marinette	198.0
40232670	NLR	Musquodoboit Road, Marinette	100.0

PID	NON-LR	LOCATION	ACREAGE
40232688	NLR	Musquodoboit Road, Marinette	119.0
40232696	NLR	Union Dam Lake, Marinette	200.0
40232738	NLR	No. 224 Highway, Marinette	158.0
40248932	NLR	Rocky Lake, Marinette	257.21 (hectares)
40249229	NLR	No. 224 Highway, Marinette	500.0
40249294	NLR	Lake Alma, Marinette	100.0
40249526	NLR	Musquodoboit Road, Marinette	80.0
40249534	NLR	Musquodoboit Road, Marinette	8.2
40249567	NLR	Loon Lake, Moose River Gold Mines, Grant 16946	200.0
40249682	NLR	Long Stillwater Lake, Fish River, Grant 10984	100.0
40249690	NLR	Gold Lake, Fish River, Grant 18710	78.0
40251019	NLR	Butcher Hill Road, Upper Musquodoboit	200.0
40251027	NLR	Butcher Hill Road, Upper Musquodoboit	150.0
40251035	NLR	Butcher Hill Road, Upper Musquodoboit	110.0
40251134	NLR	Benvie Hill Road, Elmsvale	93.0
40251142	NLR	Benvie Hill Road, Elmsvale	165.0
40241613	NLR	Higgins Brook, Caribou Mines	75.0
40251621	NLR	Long Lake, Caribou Mines	100.0
40251639	NLR	Mud Lake, Caribou Mines	250.0
40251647	NLR	Caribou Road, Caribou Mines	85.0
40251944	NLR	Caribou Road, Upper Musquodoboit	234.0
40401317	NLR	East Loon Lake, East Loon Lake	111.0
40401325	NLR	Governor Lake, Governor Lake	2788.0
40469405	NLR	Cameron Flowage, Como Lake	5.42
40544264	NLR	Branch Road, South Branch, Grant 2222	85.0
40595548	NLR	East River Road, Sheet Harbour	2600.0
40599110	NLR	Pleasant Valley Road, Upper Musquodoboit, Parcel F	0.15 (hectares)
40637175	NLR	Saint Mary's Road, West Loon Lake	4.0
40673287	NLR	Abraham Lake Road, Abraham Lake	30.0
40694671	NLR	Abraham Lake, Abraham Lake, Grant 23537	15.0
40696775	NLR	Branch Road, Glenmore	100.0

PID	NON-LR	LOCATION	ACREAGE
40714040	NLR	Moose River Road, Lindsay Lake, Lot 95-1	59.4
40729261	NLR	Pleasant Valley Road, Dean, (Portion of) Grant 9860	368.0
40729279	NLR	Pleasant Valley Road, Dean, (Portion of) Grant 9866	10.89
40744179	NLR	Sheet Harbour-Trafalager Road, Mulgrave Hill	20.0
40744237	NLR	Cross Lake, Lochaber Mines, Grant 15455	130.75
40756892	NLR	Lake Road, Sheet Harbour, Lot 2	1.4
40780447	NLR	Saint Mary's Road, Pictou Lake	2.25
40780454	NLR	Saint Mary's Road, Pictou Lake	1.43
40799553	NLR	Butcher Lake, Caribou Mines, Grant 13575	100.0
40814535	NLR	Saint Mary's Road, Pictou Lake	1.04
40831018	NLR	Musquodoboit Road, Beaver Dam, Lot 1	1.9
40831026	NLR	Highway 224, Marinette, Lot 2	1.75
40840746	NLR	Pleasant Valley Road, Pleasant Valley	239.0
40866055	NLR	Indian Lake, Governor Lake	33.0
40866063	NLR	Sheet Harbour-Trafalgar Road, Governor Lake	6.0
40866071	NLR	Sheet Harbour-Trafalgar Road, Governor Lake	37.0
40870479	NLR	Governor Lake, Governor Lake	25.0
40870487	NLR	Governor Lake, Governor Lake	4.5
41031550	NLR	Keddy Road, Cooks Brook	.8
41182668	NLR	Head Ship Harbour Loop, Ship Harbour	7439.0 square feet
41202334	NLR	Crusher Lake, Upper Musquodoboit	79.98
41202342	NLR	Tent Lake, Upper Musquodoboit	5.28
41202359	NLR	Tent Lake, Upper Musquodoboit	21.47
41202367	NLR	Tent Lake, Upper Musquodoboit	117.26
41202375	NLR	Tent Lake, Upper Musquodoboit	69.07
41202391	NLR	Cope Pond, Marinette	20.88
41202409	NLR	Kent Lake, Marinette	175.67
41202417	NLR	River Lake, Marinette	2.71
41202425	NLR	Eagle Nest Basin, Marinette	71.47
41202433	NLR	River Lake, Marinette	5.19
41208562	NLR	Como Lake, Upper Musquodoboit	4.07

PID	NON-LR	LOCATION	ACREAGE
41208570	NLR	Como Lake, Upper Musquodoboit	2.09
41208588	NLR	Como Lake, Upper Musquodoboit	3.4
41208596	NLR	Como Lake, Upper Musquodoboit	0.48
41208604	NLR	Como Lake, Upper Musquodoboit	0.26
41224486	NLR	Pinch Gut Road, Upper Musquodoboit	15.86
41295395	NLR	Ash Hill Lake, Murchyville	43.62
41320011	NLR	Sheet Harbour-Trafalgar Road, Anderson Intervale	17.0
41320029	NLR	Sheet Harbour-Trafalgar Road, Anderson Intervale	12.0
41341082	NLR	Old Guysborough Road, College Lake	68.0
41350752	NLR	Pinch Gut Road, Upper Musquodoboit, (Portion of) Grant 7849	26.0
41353756	NLR	South Lake, Upper Musquodoboit	
41375114	NLR	Anti Dam Flowage, Anderson Intervale	27.0
41375122	NLR	Anti Dam Flowage, Anderson Intervale	7.0
41378050	NLR	Sheet Harbour Lake, Sheet Harbour	223.0
41383415	NLR	Sheet Harbour Road, Upper Musquodoboit, (Portion of) Grant 5054	6.5
41391913	NLR	Pleasant Valley Road, Upper Musquodoboit, (Portion of) Grant 657	0.7

**PICTOU COUNTY**

PID	LR / NON-LR	LOCATION	ACREAGE
00819458	NLR	Black River Road, East Branch	12.0
00831370	NLR	Glen Road, Dalhousie	10.0
00831453	NLR	Graham Road, Dalhousie	480.0
00831610	NLR	Peter Sutherland Road, Dalhouse	280.0
00831644	NLR	Dalhousie Mountain Road, Dalhousie Lot 2	973.0
00831651	NLR	Peter Sutherland Road, Diamond	110.0
00861971	NLR	Speichts Lake	50.0
00861989	NLR	Speichts Lake	30.0
00861997	NLR	Trafalgar	70.0
00911412	NLR	Bryden Brook	67.0
00911487	NLR	Trafalgar	67.0

00963694	NLR	180 Tower Road, Millsville	22500.0 ft <sup>2</sup>
65191470	NLR	Graham Road, Dalhousie	0.3
65205635	NLR	Glen Road, Mount Thom	749.0
65205643	NLR	No. 4 Highway, Mount Thom	57.0
65205650	NLR	Glen Road, Dalhousie	263.0
65205668	NLR	Glen Road, Dalhousie	18.0
65205676	NLR	Glen Road, Dalhousie	2.0
65205684	NLR	Glen Road, Dalhousie	114.0
65205692	NLR	Glen Road, Dalhousie	23.0

**GUYSBOROUGH COUNTY**

<b>PID</b>	<b>LR / NON-LR</b>	<b>LOCATION</b>	<b>ACREAGE</b>
35167568	NLR	Sanctuary Road, Governor Lake	78.0
35167576	NLR	Sanctuary Road, Governor Lake	457.0
35167592	NLR	Sanctuary Road, Governor Lake	8.0
35167600	NLR	Sanctuary Road, Governor Lake	1.0
35167618	NLR	Sanctuary Road, Governor Lake	358.0
35167626	NLR	Sanctuary Road, Governor Lake	6.0
35167634	NLR	Sanctuary Road, Governor Lake	2.5
35200617	NLR	Lower Rocky Lake	10.0
35200815	NLR	Lover Rocky Lake	2.82
35209428	NLR	Cameron Settlement Road, Trafalgar, Grant 18657	50.0
35209451	NLR	Cameron Settlement Road, Trafalgar, Grant 6129	100.0
37531217	NLR	Sanctuary Road, Trafalgar	6325.0
37539814	NLR	Lower Rocky Lake	200.0
37582582	NLR	Cameron Settlement Road, Trafalgar	841.0
37582665	NLR	1165 Sanctuary Road, Trafalgar	4032.0
37582673	NLR	Lorne Road, Trafalgar	1.0
37582681	NLR	Lorne Road, Trafalgar	5000.0ft <sup>2</sup>
37582707	NLR	Off Lorne Road, Trafalgar	0.5
37582723	NLR	Sanctuary Road, Trafalgar	5.0
37582764	NLR	Sanctuary Road, Trafalgar	150.0
37582905	NLR	Sanctuary Road, Trafalgar	5.0

**HANTS COUNTY**

PID	NON-LR	LOCATION	ACRES
45103991	NLR	Glenco Road, South Maitland	300.0

**SAVING AND EXCEPTING** all lands, rights and interests conveyed the out of the above Section I Lands that include, but are not limited to the following lands described in "Section 1 – Excepted Lands" below:

**Section I - Excepted Lands****County of Colchester**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Inc.	Selective Forest Mang. Ltd.	27-Feb-02	08-Mar-02	1015	960	1134	Folly Lake
Kimberly-Clark Inc.	Freeman O. Cox	17-Nov-03	01-Dec-03			75127150	Stewiacke Cross
Kimberly-Clark Inc.	Nature Conservancy	03-Mar-03	20-Mar-03	1059	376	10005560	Deyarmont Lake

**County of Cumberland**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Inc.	G.M. Field Ltd.	31-Jan-03	17-Feb-03	782	797	522	Fraserville
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	17-Mar-03	23-Apr-03	786	848	1266	Victoria
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	17-Mar-03	23-Apr-03	786	848	1266	Remshee Grant
Kimberly-Clark Inc.	Aqua Vista Development Ltd.	08-Feb-02	07-May-02	762	166	1561	Mattatall Lake
Kimberly-Clark Inc.	Aqua Vista Development Ltd.	14-Nov-02	28-Feb-03	783	477	669	Mattatall Lake
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	17-Mar-03	23-Apr-03	786	848	1266	Tidnish
Kimberly-Clark Inc.	Reginald & Chad Winters	16-Jul-03	30-Jul-03	793	104	2585	Moose River
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	01-May-02	08-May-02	762	265	1576	Travis Road
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	01-May-02	08-May-02	762	265	1576	Mansfield
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	17-Mar-03	23-Apr-03	786	848	1266	Amherst
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	17-Mar-03	23-Apr-03	786	848	1266	Pugwash Road
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	01-May-02	08-May-02	762	265	1576	Tidnish

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd	01-May-02	08-May-02	762	265	1576	Shinimicas
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	17-Mar-03	23-Apr-03	786	848	1266	Rockley
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	01-May-02	08-May-02	762	265	1576	Shinimicas
Kimberly-Clark Inc.	Rothesay Paper Holdings Ltd.	01-May-02	08-May-02	762	265	1576	Shinimicas

**County of Halifax**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Inc.	Halifax Regional Municipality	31-Jan-03	19-Mar-03	7297	1155	10413	Pleasant Valley
Kimberly-Clark Inc.	Halifax Water Commission	29-Jul-02	01-Aug-02	7115	1124	32493	Soldiers Lake
Kimberly-Clark Inc.	John & Stephen Rogers	26-Aug-03	15-Sep-03	7476	983	40683	South Lake
Kimberly-Clark Inc	Ledwidge Lumber	15-July-02	05-Dec-02	7227	260	53056	Fox Lake
Kimberly-Clark Inc.	Ledwidge Lumber	31-Jan-03	26-Feb-03	7280	851	7086	Fox Lake
Kimberly-Clark Inc.	Ledwidge Lumber	14-Feb-03	26-Feb-03	7280	856	7087	Fox Lake
Kimberly-Clark Inc.	Taylor Lumber Co. Ltd.	22-Oct-02	03-Sep-04	7877	560	76230276	Gibraltar
Kimberly-Clark Inc.	Nova Scotia Power	24-Jul-01	30-Aug-01	6844	709	31379	E. River Sheet Hbr.
Kimberly-Clark Inc.	Tom McInnis	11-Sep-03	13-May-04	7700	457	75496704	E. River Sheet Hbr.

**County of Hants**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Inc.	S. W. Weeks Construction Ltd.	29-Aug-02	09-Sep-02	972	665	4462	East Uniacke
Kimberly-Clark Inc.	Jennifer A. Mailman	21-May-02	07-Oct-03	1018	357	4816	Mantletree Lake
Kimberly-Clark Inc.	Municipal Enterprises Ltd.	06-Nov-01	21-Nov-01	939	188	5304	Panuke Road
Kimberly-Clark Inc.	Her Majesty the Queen	12-Aug-02	23-Dec-02	984	720	6307	Uniacke
Kimberly-Clark Inc.	S.W. Weeks Construction Ltd.	16-Dec-03	22-Dec-03	1028	975	6323	East Uniacke
Kimberly-Clark Inc.	West Hants Municipality	29-Aug-01	11-Sep-01	931	367	4021	Upper Falmouth

**County of Pictou**

Grantor	Grantee	Deed Date	Reg. Date	Book	Page	Doc.	Location
Kimberly-Clark Inc.	Sheldon E. Hayter et ux	12-Jun-02	26-Jun-02	1423	486	2972	Gordon Summit
Kimberly-Clark Inc.	Ashcroft Equipment & Services	08-Jul-02	24-Jul-02	1427	782	3566	Baileys Brook
Kimberly-Clark Inc.	D. Porter & Sons Ltd.	10-Nov-03	17-Nov-03	1480	167	108200	Kirkmount
Kimberly-Clark Inc.	John G. Fraser	28-Aug-03	16-Oct-03	1476	581	4690	Iron Ore
Kimberly-Clark Inc.	Neil MacKenzie	18-Dec-01	21-Dec-01	1402	862	5799	Glen Road
Kimberly-Clark Inc.	Thomas E. Matheson	27-Jun-03	15-Jul-03	1464	548	2909	Fitzpatrick Mtn.
Kimberly-Clark Inc.	David J. McCarthy	13-Mar-03	17-Mar-03	1452	594	1034	Three Brooks
Kimberly-Clark Inc.	Don MacLean & Duncan	14-Apr-03	22-Apr-03	1455	913	1541	Hopewell
Kimberly-Clark Inc.	Burns Family Woodlands	18-Mar-02	24-May-02	1419	8	2349	Elmfield
Kimberly-Clark Inc.	Robert Frame et ux	09-Dec-02	16-Dec-02	1445	130	6247	Lorne
Kimberly-Clark Inc.	Luddington Logging Ltd.	19-Mar-03	Not Registered				Bridgeville

**AND SAVING AND EXCEPTING out of the above Section I Lands, all lands conveyed by NT to Atlantic Star Forestry Limited and to Nova Star Forestry Limited, as follows:**

County	Grantor	Grantee	Deed Date	Reg. Date	Doc. No.
Colchester	NPCC	Nova Star	27-Jun-06	10-Jul-06	85568468
Colchester	NPCC	Atlantic Star	27-Jun-06	10-Jul-06	85569359
Colchester	NPCC	Atlantic Star	27-Jun-06	10-Jul-06	85568922
Colchester	NPCC	Atlantic Star	27-Jun-06	10-Jul-06	85569227
Cumberland	NPCC	Nova Star	27-Jun-06	17-Jul-06	85631803
Cumberland	NPCC	Atlantic Star	27-Jun-06	17-Jul-06	85631522
Cumberland	NPCC	Atlantic Star	09-Dec-09	13-Jan-10	95091527
Guysborough	NPCC	Nova Star	27-Jun-06	12-Jul-06	85587690
Guysborough	NPCC	Atlantic Star	27-Jun-06	12-Jul-06	85587567
Guysborough	NPCC	Atlantic Star	27-Jun-06	12-Jul-06	85587625
Halifax	NPCC	Nova Star	27-Jun-06	19-Jul-06	85664044
Halifax	NPCC	Atlantic Star	27-Jun-06	19-Jul-06	85664523
Halifax	NPCC	Atlantic Star	27-Jun-06	19-Jul-06	85664622
Halifax	NPCC	Atlantic Star	09-Dec-09	12-Jan-10	95085057
Halifax	NPCC	Atlantic Star	09-Dec-09	12-Jan-10	95085065
Hants	NPCC	Nova Star	27-Jun-06	18-Jul-06	85649573

County	Grantor	Grantee	Deed Date	Reg. Date	Doc. No.
Hants	NPCC	Atlantic Star	27-Jun-06	18-Jul-06	85649201
Hants	NPCC	Atlantic Star	27-Jun-06	18-Jul-06	85649300
Pictou	NPCC	Nova Star	27-Jun-06	17-Jul-06	85633957
Pictou	NPCC	Atlantic Star	27-Jun-06	17-Jul-06	85634286
Pictou	NPCC	Atlantic Star	27-Jun-06	17-Jul-06	85634617

**AND SAVING AND EXCEPTING out of the above Section I Lands, all lands conveyed by NT to Her Majesty the Queen in Right of the Province of Nova Scotia, as follows:**

**COLCHESTER COUNTY**

PID
20226403
20135414
20410882
20138525
20240065
20403242
20458964
20255311
20458972
20070587
20445615
20158093
20458824
20458840
20458881
20458865
20458907
20046835
20046843
20046868
20158333
20402798

<b>PID</b>
20445524
20157012
20157178
20450334
20450342
20450367
20450912
20012126
20012837
20012845
20446753
20446845
20450284
20450292
20450300
20450318
20450326
20450888
20450896
20450904
20450920
20450938
20458931
20458956
20459202
20459145
20459111
20458949
20459152
20459137
20459129
20459103

PID
20459194
20458923
20050837

**CUMBERLAND COUNTY**

PID
25482837
25474941
25482753

**GUYSBOROUGH COUNTY**

PID
37582533
37582509
37582525
35209287
35209295
37582517
35209303
35209311
37531480
37582731
37582574
35209212
35209220
37582749
37582772
35209345

**HALIFAX COUNTY**

PID
40201923
40201840

<b>PID</b>
40201147
41323288
40870438
40201741
40220097
40201204
40201212
41273608
40201758
40248981
41264250
40248999
00438127
40249005
40190555
41320037
40149288
40165193
40165201
40771347
41263989
41323734

**HANTS COUNTY**

<b>PID</b>
45160272
45160314
45233277
45160579
45160538
45107224
45365947

45104197
45160397
45366036
45366051
45382751

**PICTOU COUNTY**

<b>PID</b>
65196313

**AND SAVING AND EXCEPTING** out of the above Section I Lands, all lands of NT, title to which has been previously conveyed.

**AND SAVING AND EXCEPTING** out of the above Section I Lands, all lands of NT, title to which has been registered pursuant to the *Land Registration Act*.

**Section II Lands (Freehold-Migrated)**

**ALL** lands of NT in the Province of Nova Scotia, title to which is held by NT pursuant to the *Land Registration Act*, including, but not limited to the following parcel identification ("**PID**") numbers:

**COLCHESTER COUNTY**

<b>PID</b>	<b>LR</b>	<b>LOCATION</b>	<b>ACREAGE</b>
20002721	LR	Cross Road, Upper North River	108.0
20002812	LR	Cross Road, Nuttby	270.0
20005112	LR	No. 311 Highway, Kemptown	200.0
20005336	LR	McKenzie Settlement Road, North River	2022.0
20005740	LR	No. 311 Highway, North River	350.0
20005757	LR	No. 311 Highway, Central North River	824.0
20005948	LR	No. 311 Highway, North River	300.0
20009130	LR	Upper Brookside Road, Upper Brookside	85.0
20009445	LR	Jollytown Road, Jollytown	215.5
20009569	LR	Jollytown Road, East Mountain, Lot 05-1A	369.0
20011821	LR	Pembroke Road, Burnside	2.8
20012100	LR	Jollytown Road, East Mountain	37.0
20012118	LR	Pictou Road, East Mountain	56.0
20012670	LR	Pembroke Road, Riversdale	262.0
20012688	LR	Lilyvale Road, Greenfield	12263.0
20013157	LR	No. 104 Highway, Kemptown	216.42

PID	LR	LOCATION	ACREAGE
20013249	LR	No. 104 Highway, Kemptown	7740.0
20013975	LR	Pictou Road, East Mountain	2395.6
20014080	LR	Upper Kemptown Cross Road, Upper Kemptown	535.0
20046058	LR	Upper Brookfield Road, Upper Brookfield	150.0
20046074	LR	Lilyvale Road, Camden	4701.0
20046173	LR	Pembroke Road, Greenfield	317.0
20046181	LR	Lilyvale Road, Greenfield	200.0
20046744	LR	Camden Road, Camden	445.0
20046793	LR	Camden Road, Camden	2452.0
20046892	LR	Lanesville Road, Lanesville	6667.0
20047452	LR	Glenmore Road, South Branch	451.0
20048377	LR	Cloverdale Road, Birch Hill, Lot 3-26(B)	195.0
20048401	LR	Cloverdale Road, Middle Stewiacke	109.0
20049029	LR	No. 289 Highway, Middle Stewiacke	395.0
20049037	LR	South Branch Road, Middle Stewiacke	1379.0
20049227	LR	No. 289 Highway, Middle Stewiacke	490.83
20049805	LR	Camden Road, Smithfield	421.0
20049821	LR	Camden Road, Smithfield	155.0
20051132	LR	Reids Station Road, South Branch	2525.0
20054011	LR	Berry Hill Road, Upper Stewiacke	1018.0
20054847	LR	No. 289 Highway, Newton Mills	252.0
20055091	LR	Alex Semple Road, Newton Mills	22.0
20055109	LR	Alex Semple Road, Newton Mills	124.00
20055448	LR	Fisher Road, Eastville	16550.0
20055455	LR	Fisher Road, Eastville	17.0
20055539	LR	Fisher Road, Eastville	212.0
20055802	LR	No. 289 Highway, Eastville	2225.0
20055836	LR	Upper Brookfield Road, Upper Brookfield	5011.0
20055869	LR	No. 289 Highway, Eastville	162.79
20057360	LR	Pembroke Road, Island Lake	463.0
20058186	LR	Otterbrook Branch Road, Otter Brook	4474.0
20058228	LR	Lilyvale Road, Smithfield	54.0

PID	LR	LOCATION	ACREAGE
20058392	LR	Lilyvale Road, Smithfield	225.0
20070967	LR	Stevens Road, Brentwood	517.0
20074233	LR	Shortts Lake, West Road, Shortt's Lake	1034.76
20076477	LR	Riverside Road, Riverside	220.0
20076626	LR	Riverside Road, Alton	700.0
20080461	LR	Coldstream Road, Coldstream	2112.0
20083655	LR	Upper Brookfield Branch Road, Upper Brookfield, Lot 55	160.0
20092318	LR	Highlands Road, West Tatamagouche	186.0
20092359	LR	Highlands Road, West Tatamagouche	107.0
20097473	LR	Warwick Mountain Road, New Annan	108.0
20098901	LR	Truro Road, East New Annan	120.0
20099131	LR	Mountain Road, New Annan	200.0
20100632	LR	Downing Road, Belmont	570.0
20101895	LR	Graham Road, Staples Brook	217.2
20102117	LR	East Folly Mountain Road, Debert, Lot 1	65.1
20109641	LR	Upper Debert River Road, East Folly Mountain	97.0
20130878	LR	No. 4 Highway, Folly Mountain	784.0
20131777	LR	No. 4 Highway, Folly Mountain	45.62
20138988	LR	Gerrish Valley Road, Five Islands	6559.6
20139960	LR	Gerrish Valley Road, Lower Economy	98.5
20140778	LR	No. 2 Highway, Economy	175.0
20152369	LR	No. 289 Highway, Eastville	200.0
20158085	LR	Lanesville Road, Wittenburg	1002.0
20158309	LR	Cloverdale Road, Middle Stewiacke, Lot 3-25	100.0
20233235	LR	Lilyvale Road, Twin Lakes	95.0
20233292	LR	No. 289 Highway, Burnside	50.0
20233300	LR	Pembroke Road, Burnside	63.0
20233383	LR	No. 289 Highway, Burnside	1244.0
20237194	LR	Cove Road, Meadowvale	50.0
20269783	LR	Cross Road, Upper North River	133.0
20269791	LR	Cross Road, Upper North River	75.0

PID	LR	LOCATION	ACREAGE
20269809	LR	Cross Road, North River	125.0
20280038	LR	East Folly Mountain Road, East Folly Mountain	294.0
20280566	LR	Camden Road, Camden	59.1
20286829	LR	Gerrish Valley Road, Economy, Lot 3	250.0
20286837	LR	Gerrish Valley Road, Economy	50.0
20289344	LR	No. 104 Highway, Mount Thom	118.0
20290078	LR	Sutherland Road, Kemptown	150.0
20290086	LR	Kemptown Road, Kemptown	150.0
20311668	LR	Pictou Road, East Mountain	75.0
20311676	LR	Pictou Road, East Mountain	120.0
20311726	LR	Pictou Road, East Mountain	75.0
20311734	LR	Pictou Road, East Mountain	25.0
20311742	LR	Pictou Road, East Mountain	50.0
20318416	LR	761 Westchester Road, Folly Lake	8240.6
20326021	LR	Otterbrook Road, Burnside	1865.0
20326179	LR	No. 104 Highway, Kemptown	5.38
20328340	LR	Reid Road, East Mines	35.0
20340972	LR	St. Marys Road, East Loon Lake	11.0
20341806	LR	Otter Brook Road, Otter Brook	545.0
20350088	LR	No. 104 Highway, Lornevale	184.9
20353496	LR	No. 311 Highway, North River	125.0
20353504	LR	No. 311 Highway, North River	100.0
20358479	LR	Mount Thom Road, Mount Thom	1.7
20400230	LR	Upper Kemptown Road, Kemptown	1088.0
20406872	LR	No. 289 Highway, Eastville	185.0
20407664	LR	McKenzie Settlement Road, North River	500.0
20407672	LR	McKenzie Settlement Road, North River	250.0
20409801	LR	No. 311 Highway, North River	60.0
20426938	LR	Truro Road, East New Annan	50.0
20434288	LR	Moose Lake	36410.0
20434692	LR	Old Debert Road, Warwick Mountain	1270.0
20437521	LR	Pictou Road, Kemptown	2.6

PID	LR	LOCATION	ACREAGE
20438065	LR	Upper Kemptown Cross Road, Upper Kemptown	116.0
20438073	LR	Upper Kemptown Cross Road, Upper Kemptown	250.0
20440418	LR	Cloverdale Road, Birch Hill, Lot 3-26(A)	100.0
20440426	LR	Cloverdale Road, Birch Hill, Lot 3-26(A)	10.0
20440889	LR	Jollytown Road, East Mountain	27.0
20441150	LR	420 McLeod Road, Manganese Mines	1776.0
20441226	LR	No. 104 Highway, Kemptown	90.82
20441234	LR	No. 104 Highway, Kemptown	224.86
20442737	LR	Stewiacke Road, Lanesville	160.0
20442935	LR	Pembroke Road, Burnside	1.3
20442943	LR	Pembroke Road, Burnside	.6
20442950	LR	Pembroke Road, Burnside	1.9
20443164	LR	Pembroke Road, Burnside	504.8
20445797	LR	South Branch Road, Middle Stewiacke	19.0
20446167	LR	Camden Road, Smithfield	145.0
20446175	LR	Camden Road, Smithfield	317.0
20447025	LR	Pembroke Road, Riversdale	10.0
20447058	LR	No. 289 Highway, Burnside	359.0
20447868	LR	Lower Harmony Road, Camden	2063.0
20448270	LR	Westchester Road, Folly Lake	101.0
20448288	LR	Westchester Road, Londonderry	1141.9
20448668	LR	Highlands Road, West Tatamagouche	37.0
20448718	LR	Pembroke Road, Burnside	10748.0
20450193	LR	Coldstream Road, Coldstream	479.0
20450235	LR	No. 289 Highway, Eastville	0.4
20450243	LR	No. 289 Highway, Eastville	1.5
20450250	LR	No. 289 Highway, Eastville	0.5
20450268	LR	No. 289 Highway, Eastville	139.5
20450359	LR	No. 289 Highway, Eastville	47.0
20450375	LR	No. 289 Highway, Eastville	0.9
20450870	LR	Pembroke Road, Burnside	18.0
20454179	LR	Otterbrook Road, Burnside	18.0

PID	LR	LOCATION	ACREAGE
20457933	LR	Gerrish Valley Road, Lower Economy	24.0
20458766	LR	Stewiacke Road, Lanesville	80.0
20458774	LR	Stewiacke Road, Lanesville	70.0
20458832	LR	Stewiacke Road, Lanesville	20.0
20458857	LR	Stewiacke Road, Lanesville	80.0
20458873	LR	Stewiacke Road, Lanesville	6.0
20458899	LR	Stewiacke Road, Lanesville	340.0
20459251	LR	Lanesville Road, Lanesville	146.0
20459269	LR	Lanesville Road, Lanesville	570.0
20459277	LR	Lanesville Road, Lanesville	170.0
20459285	LR	Lanesville Road, Lanesville	63.0
20462370	LR	Lilyvale Road, Smithfield	19.0
20464624	LR	No. 104 Highway, Kemptown	231.0
20464632	LR	No. 104 Highway, Kemptown	9.0
20464749	LR	Lower Harmony Road, Camden	701.0
20466090	LR	Camden Road, Camden	5.0
20467312	LR	Lanesville Road, Lanesville	90.0
20467742	LR	Lanesville Road, Lanesville	31.0
20468310	LR	Lanesville Road, Lanesville	1.0
20468328	LR	Lanesville Road, Lanesville	12.0

**CUMBERLAND COUNTY**

PID	LR	LOCATION	ACREAGE
25083130	LR	476 Highway 2, Moose River	22490.0
25165234	LR	No. 104 Highway, Wentworth	36.0
25165564	LR	Swallow Road, Wentworth	405.0
25165846	LR	Lake Road, Wentworth Centre	364.0
25183617	LR	Logan Road, Wentworth Block B3	4.0
25205196	LR	New Canaan, Lot 03-1	3052.25 (hectares)
25267410	LR	Higgins Mountain Road, Westchester Lot B1	2420.0
25267428	LR	Higgins Mountain Road, Higgins Mountain	6184.0
25346925	LR	No. 104 Highway, Wentworth	79.68

25445149	LR	Logan Road, Wentworth Block B2	1696.0
25469255	LR	Swallow Road , Wentworth	50.0
25474958	LR	Logan Road, Wentworth Block B1	1222.0
25482738	LR	Grant Road, Wallace Grant	65.0
25482746	LR	Grant Road, Wallace Grant	120.0
25483009	LR	Highway 2, Moose River	3000.0
24583017	LR	Highway 2, Moose River	2.0
25483207	LR	No. 2 Highway, Moose River	2.0
25484247	LR	Highway 2, Highway Moose River	4.0

**HALIFAX COUNTY**

<b>PID</b>	<b>LR</b>	<b>LOCATION</b>	<b>ACREAGE</b>
00437640	LR	Pot Lake, Murchyville	222.0
00437657	LR	47 Square Lake, Moose River Gold Mines Grant 2833	105.0
00437715	LR	Prest Lake, Mooseland	426.0
00437723	LR	Second Rocky Lake, Mooseland	100.0
00437749	LR	Mooseland Road, Mooseland Grant 11587	81.8
00438143	LR	West River, Marinette	16.5
00438150	LR	Fairbank Lake, Moose River Gold Mines	41.67 (hectares)
00485201	LR	Moose River, Moose River Goldmines Grant 12355	128.0
00485227	LR	Long Lake, Moose River Goldmines, Grant 13061	44.0
00485268	LR	Long Lake, Moose River Goldmines, Grant 19213	46.0
00486357	LR	Sucker Lake	1226.0
00565093	LR	Seloam Lake, Sloane Lake, Grant 15712	150.0
00565366	LR	Hamilton Lake, Chaplin, Grant 3175	60.0
0565374	LR	Hamilton Lake, Chaplin, Grant 13687	100.0
00568758	LR	Ogilvie Brook, Meaghers Grant, Grant 17126	50.0
00596023	LR	Mooseland Road, Moose River Gold Mines	89.24 (hectares)
00596296	LR	Governor Lake, Upper Musquodoboit	538.0
00596304	LR	Governor Lake, Upper Musquodoboit, Grant 15454	50.00
00596312	LR	Granite Lake, Upper Musquodoboit	628.0
00596353	LR	Sheet Harbour Road, Rocky Lake	918.83
00596437	LR	Benvie Hill Road, Elmsvale	509.0

PID	LR	LOCATION	ACREAGE
00596643	LR	Frasers Back Road, Centre Musquodoboit	411.0
00596668	LR	Sheet Harbour Road, Upper Musquodoboit	682.0
00596676	LR	Grassy Lake, Musquodoboit	910.0
00596700	LR	Upper Mile Lake, Upper Musquodoboit	953.0
00596882	LR	Lays Lake, Meaghers Grant, (Portion of) Grant 16584	2759.0
00642876	LR	Melvin Lake, Moose River Gold Mines, Grant 19214	50.0
40091027	LR	Sheet Harbour Road, Upper Musquodoboit, Grant 16478	50.0
40091035	LR	Sheet Harbour Road, Upper Musquodoboit, Grant 12752	100.0
40091043	LR	No. 224 Highway, Pleasant Valley	837.87
40091076	LR	Sheet Harbour Road, Upper Musquodoboit, (Portion of) Grant 13717	54.0
40091217	LR	Sheet Harbour Road, Upper Musquodoboit, Grant 19211	60.8
40091324	LR	Sand Lake, Upper Musquodoboit, Grant 13748	50.0
40091332	LR	McGrattan's Pond, Upper Musquodoboit, Grant 10519	400.0
40091340	LR	McGrattan's Pond, Upper Musquodoboit, (Portion of) Grant 13388	207.0
40091357	LR	McGrattan's Pond, Upper Musquodoboit, Grant 14024	43.0
40091365	LR	Brook Lake, Upper Musquodoboit, Grant 13749 Lot 5	50.0
40091381	LR	West Brook, Upper Musquodoboit, Grant 14337	52.0
40091399	LR	McGrattan's Pond, Upper Musquodoboit, Grant 9365	100.0
40091407	LR	McGrattan's Pond, Upper Musquodoboit, Grant 10616	420.0
40091415	LR	McNeil Brook, Upper Musquodoboit, Grant 13390	570.0
40091423	LR	McNeil Brook, Upper Musquodoboit, Grant 13528	47.75
40091431	LR	McNeil Brook, Upper Musquodoboit, Grant 13527	52.75
40091449	LR	McNeil Dam Flowage, Upper Musquodoboit, Grant 10771	100.0
40091456	LR	McNeil Brook, Upper Musquodoboit, Grant 10922	204.0
40091522	LR	Rocky Brook Lake, Upper Musquodoboit, Grant 19644	50.0

PID	LR	LOCATION	ACREAGE
40091530	LR	No. 224 Highway, Upper Musquodoboit	412.84
40091548	LR	Kent Lake, Upper Musquodoboit	49.33
40091555	LR	Kent Lake, Upper Musquodoboit	3.96
40091563	LR	Kent Lake, Upper Musquodoboit	3.37
40091597	LR	West Lake, Upper Musquodoboit	66.5
40091605	LR	West Lake, Upper Musquodoboit, Grant 17029	91.0
40091613	LR	West Lake, Upper Musquodoboit, Grant 22198	424.0
40200727	LR	Sand Lake, Upper Musquodoboit, Grant 17687	100.0
40200743	LR	Sand Lake, Upper Musquodoboit	100.0
40200750	LR	Sand Lake, Upper Musquodoboit, Grant 12940	110.0
40200768	LR	Sand Lake, Upper Musquodoboit, Grant 13780	50.0
40200776	LR	Sand Lake, Upper Musquodoboit, (Portion of) Grant 11934	109.0
40200784	LR	Sand Lake, Upper Musquodoboit, Grant 13058	50.0
40200792	LR	Sand Lake, Upper Musquodoboit, (Portion of) Grant 10921	80.0
40200800	LR	Sand Lake, Upper Musquodoboit, Grant 18461	97.5
40200974	LR	Cameron Flowage, Upper Musquodoboit, Grant 17454 Lot 4	200.0
40200990	LR	Crusher Lake, Upper Musquodoboit, Grant 13245	121.0
40201006	LR	Crusher Lake, Upper Musquodoboit, Grant 14028	100.0
40201121	LR	Little Como Lake, (Portion of) Grant 11246	50.0
40201139	LR	Peak Monument Lake, Como Lake, Grant 16363	79.0
40201188	LR	Ten Mile Lake Road, Ten Mile Lake	124.0
40201196	LR	Ten Mile Lake Road, Como Lake, Grant 13387	107.0
40201220	LR	Ten Mile Lake Road, Seven Mile Stream	337.0
40201238	LR	Seven Mile Stream, Como Lake	202.57
40201329	LR	Farnell Lake, Pleasant Valley, Grant 17686	319.0
40201386	LR	Little Lake, Ten Mile Lake, Grant 10764	300.0
40201402	LR	Ten Mile Stream, Ten Mile Lake, Grant 6095	400.0
40201436	LR	Ten Mile Stream, Ten Mile Lake, Grant 16479	50.0
40201493	LR	Shallow Lake, Ten Mile Lake, Grant 18088	537.0
40201519	LR	Ten Mile Stream, Ten Mile Lake, Grant 16357	59.0

PID	LR	LOCATION	ACREAGE
40201535	LR	Seven Mile Stream, Lake Mulgrave, Grant 6085	100.0
40201584	LR	Seven Mild Stream, Lake Mulgrave, (Portion of) Grant 6085	84.37
40201667	LR	Corners Deadwater, Union Dam Flowage, Grant 2128	100.0
40201675	LR	Smith Brook, Union Dam Flowage, Grant 6095	110.0
40201683	LR	Reynolds Lake, Union Dam Flowage, Grant 6086	120.0
40201691	LR	Curry's Deadwater, Twelve Mile Stream, Grant 9289	100.0
40201709	LR	Curry's Deadwater, Twelve Mile Stream, (Portion of) Grant 9289	165.0
40201725	LR	Deadwater Brook, Union Dam Flowage, Grant 11091	100.0
40201733	LR	Union Dam Flowage	107.0
40201915	LR	Smith Lake, Abraham Lake	200.0
40201972	LR	Bear Brook, Anderson Intervale, Grant 9147	100.0
40202202	LR	Pleasant Valley Road, Upper Musquodoboit, Grant 17326	500.0
40202251	LR	Pleasant Valley Road, Upper Musquodoboit, Grant 10514	350.0
40202269	LR	Pleasant Valley Road, Upper Musquodoboit, (Portion of ) Grant 10515	876.0
40202285	LR	Pinch Gut Road, Upper Musquodoboit, Grant 14030	100.0
40202327	LR	Pug Lake, Upper Musquodoboit, Grant 10202	338.0
40202335	LR	Pinch Gut Road, Upper Musquodoboit, (Portion of) Grant 10195	257.0
40202343	LR	Pleasant Valley Road, Musquodoboit, Grant 8961	100.0
40202350	LR	Pleasant Valley Road, Musquodoboit, Grant 10194	475.0
40202368	LR	Pleasant Valley Road, Musquodoboit, Grant 13463A	50.0
40202376	LR	Pleasant Valley Road, Upper Musquodoboit, Grant 11123	100.0
40202384	LR	Pug Lake, Upper Musquodoboit, Grant 7068, Lot A (portion of)	72.0
40202392	LR	Pug Lake, Upper Musquodoboit, Grant 18950	236.0
40202400	LR	Pug Lake, Upper Musquodoboit, (Portion of) Grant 7849	133.0
40202418	LR	Seven Mile Stream, Upper Musquodoboit	331.0
40202434	LR	Seven Mile Stream, Upper Musquodoboit	124.8

PID	LR	LOCATION	ACREAGE
40202442	LR	Seven Mile Stream, Upper Musquodoboit, Grant 10196	100.0
40202459	LR	Seven Mile Stream, Upper Musquodoboit, Grant 18091	239.0
40202475	LR	Pleasant Valley Road, Upper Musquodoboit, Grant 10193	109.0
40202640	LR	Moore's Lake, Upper Musquodoboit, Grant 18776	270.0
40202681	LR	Upper Fisher Lake, Upper Musquodoboit	663.0
40202707	LR	Pleasant Valley Road, Pleasant Valley, Grant 101517	1272.0
40207318	LR	Twelve Mile Stream, Mulgrave Hill, Grant 10920	100.0
40207326	LR	Fifteen Mile Stream, Mulgrave Hill, (Portion of) Grant 15709	10.7
40207359	LR	Sheet Harbour-Trafalgar Road, Seloam Lake	1333.0
40207755	LR	Governor Lake, Moose Lake, (Portion of) Grant 6642	93.0
40207789	LR	Ten Mile Lake Road, Moose Lake, Grant 9147	100.0
40207813	LR	Belmore Flowage, Moose Lake, Grant 16373	125.0
40207821	LR	Pinch Gut Road, Moose Lake, Grant 10625	52.7
40207839	LR	Ten Mile Road, Moose Lake, Grant 7889	150.0
40207847	LR	Ten Mile Basin, Moose Lake, Grant 7421	200.0
40207854	LR	Pinch Gut Road, Moose Lake, Grant 7067A	100.0
40207862	LR	Pinch Gut Road, Moose Lake, (Portion of) Grant 6661	168.0
40207870	LR	Pinch Gut Road, Moose Lake, Grant 7067B	100.0
40207888	LR	Belmore Flowage, Moose Lake, Grant 16356	50.0
40207896	LR	Belmore Flowage, Moose Lake, Grant 16480	111.0
40207904	LR	Little Ten Mile Lake, Moose Lake	200.0
40207912	LR	Ten Mile Stream, Moose Lake, Grant 16361	144.0
40207961	LR	Ogden Lake, Moose Lake	200.0
40207979	LR	Ten Mile Stream, Moose Lake, Grant 7356	107.5
40207987	LR	Pinch Gut Road, Moose Lake, (Portion of) Grant 15453	79.63
40207995	LR	Pinch Gut Road, Moose Lake, Grant 15453 (portion of)	76.93
40208258	LR	Pinch Gut Road, Moose Lake, (Portion of) Grant 10909	217.0
40208274	LR	Cruickshank Lake, Chaplin, Grant 12470	300.0

PID	LR	LOCATION	ACREAGE
40208381	LR	Hamilton Lake, Chaplin	106.0
40208753	LR	St. Mary's Road, West Loon Lake, Lot R-2	308.0
40208795	LR	Moose Lake, College Lake	310.36
40208902	LR	Address Under Review by Municipality Loon Lk.	416.95
40210288	LR	River Lake, Dean, Grant 7882	100.0
40210312	LR	River Lake, Chaplin, Grant 9861	500.0
40210320	LR	Seven Mile Lake, Chaplin, Grant 18948	398.0
40210338	LR	Seven Mile Lake, Chaplin, Grant 10201	284.0
40210379	LR	River Lake, Dean, Grant 5859	100.0
40216970	LR	Cope Plain, Murchyville	729.0
40218208	LR	Wittenburg Road, Chaswood	205.0
40218323	LR	No. 224 Highway, Cooks Brook	406.0
40218794	LR	No. 224 Highway, Chaswood	420.0
40219776	LR	Sheet Harbour-Trafalagar Road, Mulgrave Hill	24.0
40219826	LR	Sheet Harbour-Trafalagar Road, Mulgrave Hill	50.0
40219883	LR	Seven Mile Stream, Lochaber Mines, (Portion of) Grant 15500A	140.0
40219891	LR	Seven Mile Stream, Lake Mulgrave, Grant 15500B	80.0
40220691	LR	Cross Lake, Lochaber Mines	66.0
40220709	LR	Cross Lake, Sheet Harbour, Grant 15456	66.0
40221491	LR	Malay Falls Road, Sheet Harbour	194.0
40222051	LR	Lochaber Mines Road, Sheet Harbour	37.0
40231367	LR	Lake Alma, Mooseland	2170.0
40231847	LR	Kent Lake Marinette	50.0
40232084	LR	Fraser Lake, Sheet Harbour, Grant 15543	50.0
40232258	LR	Keefe Lake, Mooseland, Grant 16936	119.0
40232266	LR	Keefe Lake, Mooseland, Grant 1932	173.0
40232274	LR	Keefe Lake, Mooseland, Grant 12092	242.0
40232290	LR	Keefe Lake, Mooseland, Grant 9290	100.0
40232308	LR	Keefe Lake, Mooseland	100.0
40232340	LR	Keefe Lake, Mooseland, Grant 16934	436.0
40232472	LR	Lake Atlanta, Marinette	650.0

PID	LR	LOCATION	ACREAGE
40232480	LR	Southwest Lake, Marinette, Grant 7781	100.0
40232498	LR	Southwest Lake, Marinette	167.0
40232506	LR	No. 224 Highway, Marinette	134.0
40249013	LR	Mooseland Road, Moose River Gold Mines	495.07 (hectares)
40249039	LR	Fairbank Lake, Moose River Gold Mines	.36
40249047	LR	Rocky Lake, Rocky Lake, Grant 14334	50.0
40249062	LR	Dog Lake, Moose River Gold Mines	73.0
40249096	LR	Shingle Lake, Mooseland, Grant 14031	100.0
40249104	LR	Mooseland Road, Moose River Gold Mines	1.27
40249112	LR	No. 224 Highway, Upper Musquodoboit	482.61
40249179	LR	Lucifer Lake, Otter Lake	1133.0
40249195	LR	Otter Lake, Marinette	703.0
40249203	LR	Otter Lake, Otter Lake, Grant 13386	56.0
40249542	LR	Duck Lake, Rocky Lake	140.0
40249583	LR	Little Yellow Lake, Moose River Gold Mines, Grant 14339	50.0
40249591	LR	Little Yellow Lake, Moose River Gold Mines, Grant 14333	50.0
40249609	LR	Wire Lake, Moose River Gold Mines, Grant 17337	131.0
40249617	LR	Wire Lake, Moose River Gold Mines, Grant 11587	100.0
40249633	LR	Little Yellow Lake, Moose River Gold Mines, Grant 14330	50.0
40249658	LR	Jed Lake, Moose River Gold Mines	306.0
40251100	LR	Benvie Hill Road, Elmsvale	93.0
40251159	LR	Benvie Hill Road, Elmsvale	832.0
40544249	LR	Hamilton Lake, Dean, Grant 442	50.0
40744039	LR	Cope Flowage, Pleasant Valley	82.17
40755605	LR	Chain of Lakes, Meaghers Grant, Grant 21928	133.0
40771339	LR	Robinson's Lake, Meaghers Grant, Grant 12826	555.0
41049925	LR	New Musquodoboit Road, Porters Lake	2368.0
41200734	LR	Moose Lake, College Lake	0.58
41200767	LR	0 Saint Mary's Road, West Loon Lake, Lot R-1	3.74
41200775	LR	St. Mary's Road, Loon Lake	12.26

PID	LR	LOCATION	ACREAGE
41200783	LR	Moose Lake, College Lake	0.44
41215914	LR	Beaver Dam Mines Road, Marinette	14.03
41270075	LR	Second Rocky Lake, Mooseland	0.5
41270133	LR	Seven Mile Stream, Lake Mulgrave, (Portion of) Grant 6085	24.07
41270141	LR	Pinch Gut Road, Moose Lake	44.86
41270158	LR	Little Como Lake, Como Lake, (Portion of) Grant 11246	16.3
41270166	LR	Little Como Lake, Como Lake, (Portion of) Grant 11246	15.6
41276007	LR	Mooseland Road, Mooseland (Portion of) Grant 11587	16.77
41276015	LR	Mooseland Road, Mooseland	1.46
41294554	LR	Long Lake, Moose River Gold Mines	41.0
41317009	LR	Dog Lake, Moose River, Gold Mines	47.0
41317637	LR	New Musquodoboit Road, Porters Lake	5.4
41317645	LR	New Musquodoboit Road, Porters Lake	1.0
41319195	LR	Seven Mile Stream, Upper Musquodoboit	266.0
41319203	LR	Ten Mile Lake Road, Ten Mile Lake	101.0
41319377	LR	Pinch Gut Road, Upper Musquodoboit, (Portion of) Grant 10195	46.0
41319476	LR	Pug Lake, Upper Musquodoboit, (Portion of) Grant 7068 (Lot A)	23.5
41342544	LR	McGrattan's Pond, Upper Musquodoboit	17.0
41346313	LR	Pinch Gut Road, Moose Lake, (Portion of) Grant 6661	32.0
41348558	LR	Governor Lake, Moose Lake, (Portion of) Grant 6642	4.0
41348707	LR	Sheet Harbour Road, Upper Musquodoboit, (Portion of) Grant 13717	34.0
41350075	LR	Grand Lake, Meaghers Grant	9.0
41350091	LR	Beaver Lake, Meaghers Grant, (Portion of) Grant 2930	7.0
41350760	LR	Pug Lake, Upper Musquodoboit, (Portion of) Grant 7849	67.0
41358250	LR	Cope Flowage, Pleasant Valley	6522.0 ft <sup>2</sup>
41358375	LR	Cope Flowage, Pleasant Valley	9001.12 ft <sup>2</sup>
41358383	LR	Cope Flowage, Pleasant Valley	12.0

PID	LR	LOCATION	ACREAGE
41363649	LR	Sheet Harbour Road, Rocky Lake	0.29
41374786	LR	Fifteen Mile Stream, Mulgrave Hill	2.64
41374794	LR	Fifteen Mile Stream, Mulgrave Hill	34.17
41375189	LR	Pinch Gut Road, Moose Lake, (portion of) Grant 10909	94.18
41375197	LR	Pinch Gut Road, Moose Lake, (Portion of) Grant 15453	54.5
41376930	LR	Upper Mill Lake, Upper Musquodoboit, (Portion of) Grant 9867	4877.0
41376948	LR	Upper Mill Lake, Upper Musquodoboit, Grant 9867 (Portion of)	4877.0 square feet
41382169	LR	Pleasant Valley Road, Upper Musquodoboit, (Portion of) Grant 10515	53.0
41383381	LR	Sand Lake, Upper Musquodoboit, (Portion of) Grant 13388	53.0
41383399	LR	McGrattans Pond, Upper Musquodoboit, Grant 13388 (Portion of)	53.0
41383407	LR	Sand Lake, Upper Musquodoboit, (Portion of) Grant 10921	36.0
41385147	LR	Sheet Harbour Road, Upper Musquodoboit, (Portion of) Grant 13483	5.19

**PICTOU COUNTY**

PID	LR / NON-LR	LOCATION	ACREAGE
00831768	LR	Peter Sutherland Road, Dalhousie	81.0
00850180	LR	Cove Road, Watervale	50.0
00852889	LR	Back Road, Six Mile Brook	575.0
00911131	LR	Glen Road, Lorne	104.0
0911206	LR	Stellarton Trafalgar Road, Lorne	1137.0
00911248	LR	Stellarton Trafalgar Road, Lorne	1811.0
00911321	LR	White Hill Road, Lorne	5496.0
00920694	LR	White Hill Road, Glengarry	125.0
00921395	LR	Glen Road, Glengarry	1045.0
00921452	LR	White Hill Road, Glengarry	327.0
01046077	LR	St. Marys Road, Ellen Brown Lake	714.0
65181240	LR	Back Road, Six Mile Brook	225.0

PID	LR / NON-LR	LOCATION	ACREAGE
65185589	LR	Stellarton Trafalgar Road, Lorne	0.7
65185597	LR	Stellarton Trafalgar Road, Lorne	1.8
65204794	LR	Peter Sutherland Road, Dalhousie	33.0
65204877	LR	Peter Sutherland Road, Dalhousie	1.0
65205023	LR	Peter Sutherland Road, Dalhousie	30.0
65205031	LR	Peter Sutherland Road, Dalhousie	62.0

**GUYSBOROUGH COUNTY**

PID	LR / NON-LR	LOCATION	ACREAGE
35202100	LR	Lorne Road, Trafalgar	143.0
35202118	LR	Lorne Road, Trafalgar, Grant 6096	180.0
35202126	LR	Lorne Road, Trafalgar	500.0
35202399	LR	Lorne Road, Trafalgar	5000.0ft <sup>2</sup>
35202415	LR	Lorne Road, Trafalgar	10.47 hectares
35209329	LR	No. 374 Highway, Trafalgar	33.0
35209410	LR	Cameron Settlement Road, Trafalgar, Grant 18767	1040.0
35209444	LR	Cameron Settlement Road, Trafalgar, Grant 18770	38.0
37531597	LR	Cameron Settlement Road, Cameron Settlement, Grant 14786	50.0
37531720	LR	Cameron Settlement Road, Long John Lake	36.0
37539830	LR	Lower Rocky Lake	2190.2
37539848	LR	Cameron Settlement Road, Lower Rocky Lake	566.0
37582715	LR	Lorne Road, Trafalgar	325.0

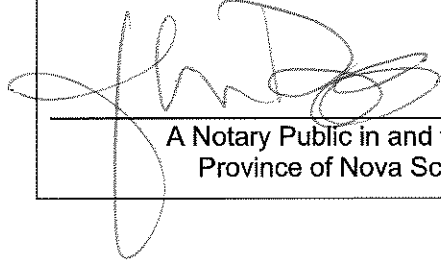
**HANTS COUNTY**

PID	LR / NON-LR	LOCATION	ACREAGE
45100971	LR	Georgefield Road, Macphee's Corner	501.0
45103280	LR	No. 215 Highway, Urbania	362.0
45103322	LR	Rose Meadow Road, Urbania	15.0
45103330	LR	Rose Meadow Road, Urbania	30.0
45115649	LR	Barr Settlement Road, Upper Kennetcook	460.0
45119427	LR	Angevine Road, Upper Kennetcook	920.0
45160389	LR	Glenco Road, South Maitland	1.6

45160413	LR	Fire Road, Urbania	9073.6
45161106	LR	Salem Cross Road, North Salem	300.0
45161148	LR	King Road, Macphees Corner	68.0
45161189	LR	Georgefield Road, Georgefield	1952.6
45165081	LR	No. 215 Highway, Urbania	93.0
45165222	LR	No. 236 Highway, Upper Kennetcook	606.0
45165230	LR	No. 236 Highway, Upper Kennetcook	156.0
45165263	LR	King Road, Upper Kennetcook	1335.9
45171477	LR	William McCulloch Road, Upper Kennetcook	180.0
45366093	LR	No. 236 Highway, Five Mile River	2014.0
45366101	LR	King Road, Macphees Corner	34.0
45366127	LR	King Road, Macphees Corner	48.0
45366242	LR	Georgefield Road, Georgefield	2463.5

**AND SAVING AND EXCEPTING** out of the above Section II Lands, all lands of NT, title to which has not been registered pursuant to the *Land Registration Act*.

This is **Exhibit "B"** referred to in **Affidavit #1** of **Jean-Francois Guillot**, sworn before me at Halifax, Nova Scotia, this 22<sup>nd</sup> day of May, 2024.

A handwritten signature in black ink, appearing to be 'J. D.', written over a horizontal line. The signature is cursive and somewhat stylized.

A Notary Public in and for the  
Province of Nova Scotia

**Danielisz, Sue**

---

**From:** Foreman, Sean <Sean.Foreman@novascotia.ca>  
**Sent:** Friday, May 10, 2024 9:51 AM  
**To:** Bowron, Ashley; Williams, Lance  
**Cc:** Brown, Debbie  
**Subject:** [EXT] NP CCAA - Property Insurance - Removal of Location 0007 (Northern Pulp Mill & Pulp Warehouse)

Lance/Ashley,

Thanks for providing the property policy for review and for the further discussions.

We have confirmed instructions that the Province does not object to removal of the “Northern Pulp Mill and Pulp Warehouse” location 0007 from the property policy (RSLC3416), estimated to save \$700K in premium costs to reduce cash flow, and agrees this will not be a further event of default under the Province’s security, on condition that the other 2 named NP locations remain in place (007-Boat Harbour Effluent Treatment; 008-Tree Nursery Operation) and liability insurance remains in place (as required by the existing Ministerial Order).

Regards,

Sean

**Sean Foreman, K.C.** [he/him]

Senior Solicitor, Litigation | Nova Scotia Department of Justice

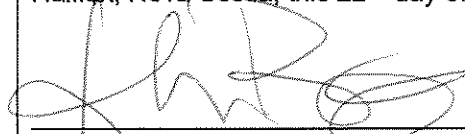
8<sup>th</sup> Floor, 1690 Hollis Street | PO Box 7 | Halifax, NS Canada | B3J 1V7

Phone: 902-717-4440 | Fax: 902-424-1730 | Email: [sean.foreman@novascotia.ca](mailto:sean.foreman@novascotia.ca)

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**External Email:** Exercise caution before clicking links or opening attachments | **Courriel externe:** Soyez prudent avant de cliquer sur des liens ou d'ouvrir des pièces jointes

This is **Exhibit "C"** referred to in **Affidavit #1** of **Jean-Francois Guillot**, sworn before me at Halifax, Nova Scotia, this 22<sup>nd</sup> day of May, 2024.



---

A Notary Public in and for the  
Province of Nova Scotia

**LAND LEASE OPTION AND  
LICENSE AGREEMENT**

**THIS AGREEMENT** is made as of the 18<sup>th</sup> day of April, 2011 (the "**Effective Date**"),

**BETWEEN:**

**NORTHERN TIMBER NOVA SCOTIA CORPORATION**, an unlimited liability company having an office in Abercrombie, Nova Scotia,

(the "**Owner**")

-and-

**HIGGINS MOUNTAIN WIND FARM GENERAL PARTNER INC.**, a body corporate, as general partner of and on behalf of **Higgins Mountain Wind Farm Limited Partnership**

(the "**Developer**")

**WHEREAS:**

1. The Owner is the registered owner of those lands legally described in Schedule "A" and having PID Number's 25267428, 20318416, 20448288 and 25267410 (the "**Lands**");
2. The Developer is interested in developing a commercial wind farm (the "**Wind Farm**") on the Lands consisting of one or more wind powered electrical generation turbines (the "**Wind Turbines**");
3. The Developer wishes to have access to the Lands to conduct various testing and environmental assessment studies thereon;
4. The Owner is prepared to grant a license to the Developer to use the Lands to conduct such tests and studies subject to the terms and conditions of this Agreement; and
5. The Owner is prepared to grant an option to lease the Lands to the Development subject to the terms and conditions of this Agreement.

**IN CONSIDERATION** of the fees paid and to be paid by the Developer to the Owner, and of the mutual covenants and agreements herein contained, the parties agree as follows;

**1.0 GRANT OF LICENSE**

The Owner hereby grants to the Developer (including its employees, agents and invitees), for the Term and subject to the provisions of this Agreement, a license (the "**License**") to enter, use and occupy one or more 2.5 acre parcels (each a "**Test Parcel**") on the Lands and install, construct,

erect, operate, repair, maintain, replace and remove on each such Test Parcel such wind and other atmospheric monitoring devices (collectively, the "Equipment") as may be deemed appropriate by the Developer, including, without limiting the generality of the foregoing, a meteorological testing tower together with such wires, cables, conduits and other ancillary structures necessary for its support. This License includes such temporary rights of ingress and egress or similar rights-of-way over the Lands as may reasonably be necessary to permit the Developer and its employees, agents and invitees, together with such vehicles and equipment as they may require, at any time of the night or day, to access the Test Parcels and to conduct such other environmental, archeological, avian, cultural resource, geotechnical foundation and soil, land surveys or other testing and assessments on the Lands as the Developer may require to assess the feasibility of installing Wind Turbines and operating a Wind Farm on the Lands (the "Access Rights"). Provided always that there shall not be more than one Test Parcel per 40 acre section of the Lands and that no Test Parcel shall be located within 200 meters of any occupied building.

## 2.0 TERM

Subject to the termination rights set out in Section 5.0, the term of this Agreement (the "Term") shall be for a period six (6) years commencing on the Effective Date.

## 4.0 USE AND OPERATIONS

4.1 The Developer hereby covenants as follows:

- 4.1.1 that the Equipment shall be designed in accordance with good engineering practice and shall be constructed, installed, maintained and repaired in a good and workmanlike manner in accordance with all applicable laws and regulations;
- 4.1.2 to obtain and pay for all necessary permits, authorizations, approvals and consents (including without limitation, any zoning consents) as may be necessary to allow for the erection, installation and operation of the Equipment, including all building

permits as may be required under local municipal or provincial building codes and to provide evidence of compliance to the Owner upon request;

- 4.1.3 to obtain, at its sole expense, electrical power for the Equipment. Such power supply shall be at the discretion of the Developer but shall in no case be based on a diesel or gasoline fired generator set except during winter months;
  - 4.1.4 as and when exercising its rights hereunder, to take reasonable steps not to interfere with the Owner's use of the land for agricultural purpose and to ensure that all livestock gates are not left open;
  - 4.1.5 in the event that the land parcel on which any Equipment is located is used for pasture, the Developer shall fence all or such portion of the Lands or take such other steps as may reasonably be necessary to prevent access by livestock to the Equipment;
  - 4.1.6 to comply with all present and future laws relating to the operation or use of the Lands including, without limitation, all environmental laws and regulations;
- 4.2 The Owner, its employees, agents or contractors, shall be permitted to enter or cross the Lands and to cross and recross any roads on the Lands at any time and from time to time on foot or with all manner of vehicles or equipment for any purpose including, without limiting the generality of the foregoing, harvesting, cutting, processing and removing forest products, replanting, constructing and maintaining access roads, examining and inspecting the Lands, accessing other lands of Owner that may be adjacent or near to the Lands, or taking such steps as Owner may deem necessary for the safety, improvement or preservation of the Lands, provided such steps do not interfere with the Developer's use of the Lands. Developer shall not be liable for any liabilities or claims arising as a result of the Owner, its employees, agents or contractors exercising the rights granted in this Section 4.2 unless such liabilities are a result of the negligence, willful misconduct or other fault of the Developer.

## 5.0 TERMINATION

The Developer may terminate this Agreement at any time upon thirty (30) days' notice to the Owner. The Owner may terminate this Agreement if the Developer is in default of any of its covenants, conditions or obligations contained in this Agreement, provided that the Owner shall have given the Developer thirty (30) days' notice to remedy or cure such default and the Developer has failed to remedy or cure within such thirty (30) days.

## 6.0 EXCLUSIVITY

The Owner shall not during the Term, grant any lease, license or other interest in or over all or any portion of the Lands to any third party for the purpose of conducting a wind assessment study, supporting the installation of wind turbines or any related equipment or systems or for any similar or related purpose or that in any way may be in competition with the Developer.

## 7.0 RESTORATION OF LANDS

The Developer shall have the right at all times during the continuance of this Agreement to remove or cause to be removed from the Lands any Equipment, which it may have placed on or in the Lands. Unless the Developer elects to exercise the option to lease the Lands, the Developer shall, promptly upon the expiration or termination of this Agreement, and in any event within 30 calendar days thereof, remove the Equipment and restore at its expense the Lands so as to make them reasonably capable of supporting the use to which they were employed on the Effective Date. This obligation shall extend to the activities of the Developer in relation to any other portion of the Lands over which the Developer exercised any rights pursuant to this Agreement. For greater certainty the parties acknowledge that the Lands are currently being used as timberland. Notwithstanding the foregoing, in no event shall Developer shall be responsible for any contamination of the Lands existing or occurring prior to the Effective Date or any existence or occurrence contamination of the Lands after the Effective Date not caused or contributed by the Developer.

## 8.0 NOTICES

All notices shall be in writing and shall be given by personal delivery or by prepaid first class mail to the address set out on page 1 or such other address as a party may hereinafter designate in accordance with this paragraph.

## 9.0 OPTION TO LEASE LANDS

The Owner hereby irrevocable and unconditionally grants the Developer an exclusive option (the "Option") to lease the Lands or, subject to Section 12.0, any such lesser portion thereof as the Developer may require together with such ancillary rights of way and easements and an area for a switching station, as may reasonably be necessary for the enjoyment thereof on terms and conditions substantially in accordance with the draft form of lease set out in Schedule "B" hereof. The Option may be exercised by the Developer at any time during the Term by delivering written notice to the Owner which notice shall include a preliminary plan providing information on the proposed locations of the wind turbines on the Lands and the size and number of the wind turbines to be constructed by the Developer together with a cheque in an amount equal to the minimum annual rent for the first year of the Operational Term (as defined in the draft form of lease attached hereto as Schedule "B"). The Developer shall provide the Owner with a reasonable opportunity to provide input on the location of the wind turbines proposed by the Developer so as to minimize the impact of the proposed wind energy project on the current use of the Lands.

## 10.0 RIGHTS AND RESTRICTIONS TO ASSIGN OR TRANSFER

10.1 The Developer shall have the unconditional right to delegate, assign, license or convey this Agreement and all or any of the benefits, powers, rights, interests and obligations obtained by or conferred upon the Developer hereunder from time to time without the consent of the Owner to an assignee which shall assume the obligations and liability of the Developer under this Agreement and be novated into this Agreement in place and stead of the Developer, and to enter into all agreements, contracts, and writings and do all necessary

acts and things to give effect to the foregoing. The Developer shall provide written notice of such assignment to the Owner.

- 10.2** The Owner covenants that all portions of the Lands which are the subject of this Agreement shall remain bound in the event that the Owner proposes to sell, assign, transfer, convey or otherwise dispose of title to all or any portion of the Lands other than the grant of a leasehold interest to the Developer pursuant to this Agreement. The Owner shall require as a condition of any such sale or transfer that the purchaser or assignee (the "Assignee") agrees with the Developer to assume the obligations of the Owner pursuant to this Agreement. No such disposition or assignment shall be effective or binding on the Developer until the Assignee has entered into a written agreement with the Developer whereby the Assignee has agreed to be bound by all of the terms hereof. The assignment provisions contained herein shall apply to any successor or permitted assign of the Owner or any purchaser or transferee of the whole or any portion of the Developer.

## **11.0 ARBITRATION**

Any dispute, controversy or claim arising out of or in relation to or in connection with this Agreement, including without limitation any dispute as to the construction, validity, interpretation, enforceability or breach of this Agreement, shall be exclusively and finally settled by arbitration. All arbitrations shall be heard in Nova Scotia and determined by a single arbitrator, in accordance with the provisions of the *Commercial Arbitration Act* (Nova Scotia) or its successor, who shall be selected by mutual agreement of the parties. If the parties cannot agree on the arbitrator within 20 days, then the arbitrator shall be appointed by a Judge of the Supreme Court of Nova Scotia on application under the provisions of the *Commercial Arbitration Act* (Nova Scotia). The arbitrator shall determine the location, schedule and process of the arbitration proceeding provided that the arbitrator shall render his decision as soon as possible and in any event in not more than 180 days. Judgment upon the arbitration award may be entered in any court having jurisdiction over the person or the assets of the party owing the judgment or application may be made to such court for a judicial acceptance of the award and an order of enforcement, as the case may be.

## **12.0 NOVA SCOTIA MUNICIPAL GOVERNMENT ACT**

This Agreement is subject to compliance, if necessary, with the Nova Scotia *Municipal Government Act*. If consent or approval, or exemption from consent or approval, of an authority is required pursuant to Nova Scotia *Municipal Government Act* as either may be modified or amended, or any successor legislation, to effect or perfect the provisions set forth in this Agreement, then the Owner shall cooperate with the Developer (at the Developer's expense) to obtain such consent or approval or exemption therefrom.

## **13.0 INTENTIONALLY DELETED**

#### 14.0 LAND REGISTRATION ACT

This Agreement shall be, and shall be deemed to be, an interest in land entitling the Developer (at the Developer's expense) to register an interest against title the Lands under the provision of the *Land Registration Act* (Nova Scotia) for the purpose of giving notice of its interest hereunder.

#### 15.0 INDEMNITY

15.1 Developer shall indemnify, defend and hold harmless Owner, its shareholders, affiliates, directors, officers, agents and employees from and against any and all claims, judgments, demands, causes of action, losses, damages, liabilities, interest, awards, penalties, costs, fees and expenses (including without limitation, reasonable legal fees and costs, on a solicitor and client basis, whether arising out of a third party claim or Owner's efforts to enforce this Section 15.01) for injury to or death of persons including employees of Developer and for any loss of or damage to the property of third parties growing or arising (directly or indirectly) out of:

- (a) any breach, violation or non-performance of any covenant, condition or agreement in the Lease set forth and contained on the part of Developer to be fulfilled, kept, observed and performed; and/or
- (b) the negligent acts or omissions, willful misconduct or tortious acts or omissions (including strict liability) of Developer, its subcontractors, agents or any person employed by them or any person whose acts Developer may be liable for during Developer's performance of its obligations and covenants herein; and/or
- (c) the Developer's use and/or occupation of any portion of the Lands during the Term of this Agreement including, without limiting the generality of the foregoing, the construction, operation and maintenance of the Equipment.

15.2 All obligations of Developer which arise during the Term pursuant to this Agreement and which have not been satisfied and the indemnities and other obligations of Developer contained in Section 15.01 shall survive the expiration or other termination of this Agreement.

#### 16.0 INSURANCE

Developer shall maintain commercial general liability insurance in an amount of at least Five Million Dollars (\$5,000,000.00) or such other limits as Owner may reasonably require from time to time in respect of any Equipment and activities of Developer on the Lands during the Term of this Agreement and, upon exercise of the Option, in respect of the Wind Farm and Developer's operation thereof, with Owner named as an additional named insured as its interests appear and any other insurance as may be reasonably requested by the Owner from time to time and Developer shall forthwith provide evidence of insurance from time to time on request by Owner.

**17.0 MISCELLANEOUS**

- 17.1 Time shall be deemed to be of the essence with respect to all time limits mentioned in this Agreement.
- 17.2 If any provision of this Agreement or the application thereof to any circumstances shall be held to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected thereby and shall remain valid and enforceable to the fullest extent permitted by law.
- 17.3 This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia and the laws of Canada applicable therein.
- 17.4 The parties shall sign, register, file or execute this and such further or other documents, and perform such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.
- 17.5 This Agreement, including any schedules attached hereto, shall constitute the entire agreement between the parties. This Agreement shall not be modified or amended except by written agreement executed and dated by both parties.
- 17.6 All rights and liabilities herein granted to or imposed on the respective parties hereto extend to and bind the executors, administrators, heirs, permitted successors, assigns and transferees of the Owner and the successors and assigns of the Developer, as the case may be.
- 17.7 The Developer shall own all information and data from tests conducted on the Lands or in any revenues received by the Developer with respect to its activities under this Agreement, all of which shall be the sole property of the Developer. Except for fixed payments explicitly described herein, the Owner shall not be entitled to any other payment or benefit accrued from this Agreement, including other tax or environmental credits, whether provincial, federal or local, or any other cash or non cash payment or benefit.
- 17.8 The division of this Agreement into articles and sections is for convenience only and shall not affect the interpretation or construction of this Agreement.
- 17.9 Owner shall keep the terms of this Agreement confidential and shall not disclose same to any third party except where required to do so by law, provided that notice is first given the Developer and the Developer shall have the right to claim to limit any such disclosure to any third party.
- 17.10 The relationship of the parties is that of independent contractors and nothing contained in this Agreement shall be construed to constitute the parties as partners, joint venturers, co-owners, or otherwise as participants in a joint or common undertaking, nor is either party

authorized to make any commitment or representation, express or implied, on the other's behalf unless authorized in writing.

- 17.11 The parties declare that they have read this Agreement, received adequate explanation of the nature of their obligations hereunder and have been advised by legal counsel or acknowledge that they have been advised to do so.
- 17.12 This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one agreement.

**REMAINDER OF PAGE LEFT INTENTIONALLY BLANK**

THE PARTIES have executed this Agreement as of the Effective Date.

NORTHERN TIMBER NOVA SCOTIA CORPORATION

[Signature]  
Witness

[Signature]  
per: Bruce Chapman

\_\_\_\_\_  
Witness

[Signature]  
per:

We have the authority to bind the Corporation

HIGGINS MOUNTAIN WIND FARM INC.

General Partner

[Signature]  
Witness

[Signature]  
per: ~~Graham Findlay~~  
Paul Pynn

I have the authority to bind the Corporation

**Schedule A**  
**(Description of Lands)**

All those parcels of land located in Wentworth Valley, Colchester County, Nova Scotia being described as of the date of this Agreement as:

1. PID 25267428;
2. PID 20318416;
3. PID 20448288; and
4. PID 25267410.

**Schedule B**  
**DRAFT LEASE**

**SCHEDULE "B"**  
**WIND FARM LEASE AGREEMENT**

Made as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date")

**BETWEEN:**

**NORTHERN TIMBER NOVA SCOTIA CORPORATION**, an unlimited liability company having an office in Abercrombie, Nova Scotia

(the "Owner")

-and-

**HIGGINS MOUNTAIN WIND FARM INC.**, a body corporate, as general partner of and on behalf of **Higgins Mountain Wind Farm Limited Partnership** (the "Developer")

**WHEREAS:**

- A. The Owner is the registered legal owner of the lands located at Higgins Mountain Road, Higgins Mountain, in Cumberland County and Westchester Road, Londonderry, Colchester County, Nova Scotia, more specifically identified as PID Numbers 25267428, 20318416, 20448288 and 25267410 (the "Lands"); and
- B. The Developer wishes to lease from the Owner, and the Owner has agreed to lease to the Developer, the Land on the terms and conditions agreed to in this here Lease Agreement.

**IN CONSIDERATION** of their mutual covenants and the payment of \$2.00 from the Developer to the Owner, the receipt and sufficiency of which are acknowledged by the Owner, the parties agree as follows:

**ARTICLE 1-BASIC TERMS, DEFINITIONS**

**1.1 BASIC TERMS**

A. Owner: Northern Timber Nova Scotia Corporation

Address: PO Box 549 Station Main  
260 Granton Abercrombie Branch Road  
New Glasgow, NS B2H 5E8

Phone Number: \_\_\_\_\_

B. Developer: Higgins Mountain Wind Farm Inc., general partner of  
Higgins Mountain Wind Farm Limited Partnership

Address: 4 MacDonald Ave  
Dartmouth, Nova Scotia B3B 1C5

Phone Number: \_\_\_\_\_

C. Land: The land is identified and legally described in Schedule "A" and known as all or part of PID Numbers 25267428, 20318416, 20448288 and 25267410.

D. Terms:

Construction Term: Shall be that period commencing on the Commencement Date and ending on the Commissioning Date to a maximum of two (2) years after the Commencement Date.

Operational Term: Shall be for a period of twenty (20) years commencing on the Commissioning Date.

E. Rent: See Article 3.

## 1.2 DEFINITIONS

The following terms shall have the meanings set out below:

"Commencement Date" means the date the Developer gives the Owner notice that the Developer is exercising the option to lease contained in the Option Agreement;

"Commissioning Date" or "Commissioning" means the date the Wind Farm in question first produces and delivers electrical energy to the utility electrical network system or any other consumer or buyer;

"Construction Term" means that period commencing on the Commencement Date and ending on the Commissioning Date to a maximum of two (2) years after the Commencement Date.

"Equipment" means all electrical infrastructure, including switch gear, and all tools, structures, machinery or vehicles required for the development, maintenance, repair and operation of the Wind Farm.

"HST" means the Harmonized Sales Tax, excise taxes or any other like taxes imposed by the Government of Canada under The Excise Tax Act or other similar legislation;

"Operational Term" means 20 years from and after the Commissioning Date;

"Land" means the land legally described in Schedule "A";

"Option Agreement" means the Land Lease Option and License Agreement executed by the parties dated \_\_\_\_\_;

"Property Taxes" means all real property and business occupancy taxes, rates, duties and assessments (including improvement rates), that are assessed, levied and charged by

any lawful authority, whether Federal, Provincial, Municipal, School Division, or otherwise on the Land;

"Quantity of Production" means the actual metered power production from the Wind Farm during each consecutive month following the date that the Commissioning Date in kilowatt hours, as measured at the point of delivery to the New Brunswick power grid.

"Rent" means as the context requires, the Quarterly Rent due from time to time pursuant to Section 3 and the aggregate of all other amounts payable by the Developer to the Owner;

"Renewal Term" means the renewal term made in accordance with Article 2.6.

"Selling Price of Power" means the rate in ¢/kWh to be paid for the supply of energy as specified under a long term energy purchase agreement between the Developer and Emera Inc., or its successors and assigns.

"Terms" shall be the Construction Term, the Operational Term and any Renewal Term;

"Wind Farm" means one or more Wind Turbines located on the Land together with all transmission and distribution lines, transformers, interconnection facilities, roads and ancillary Equipment associated therewith; and

"Wind Turbine" means a wind powered electrical generation apparatus consisting of a base, tower, nacelle/turbine assembly and rotor assembly.

"WTG" means wind turbine generator and "WTGs" means more than one WTG.

## **ARTICLE 2 – DEMISE AND TERM**

### **2.1 DEMISE**

In consideration of this Agreement and subject to its terms and conditions, the Owner hereby leases the Land and the Access Rights to the Developer for the Construction Term, the Operational Term and any further Renewals thereof.

### **2.2 CONSTRUCTION TERM**

The Construction Term shall commence on the Commencement Date and run for a period of up to two (2) years, ending on the earlier of:

- i. the Commissioning Date;
- ii. two (2) years from the Commencement Date (subject to extension day to day as a result of any force majeure that prevents, impedes or delays the construction of the Wind Farm; or
- iii. the effective date of termination of this Agreement by the Developer, as permitted herein.

### 2.3 OVERHOLDING

If, at the expiration of the Construction Term, the Operational Term or any subsequent Renewal or extension thereof, the Developer shall continue to occupy the Land without further written agreement, there shall be no tacit renewal of this Agreement, and the tenancy of the Developer thereafter shall be from year to year only, and may be terminated by either party on one year's notice. Rent shall be payable in accordance with the terms of this Agreement.

### 2.4 OWNER'S REPRESENTATIONS, WARRANTIES AND COVENANTS

The Owner represents, warrants and covenants with the Developer as follows:

- a. The Owner has good title in fee simple to the Lands, subject to any and all easements, rights-of-way, encumbrances, recorded interests or other items disclosed in the statement of registered and recorded interests for the parcel.
- b. For quiet enjoyment of the Land;
- c. Not to permit or suffer any other party to construct any Wind Turbines on any part of the Land;
- d. To use reasonable efforts to respond to all necessary requests by the Developer for consent and/or signature by the Owner to and on necessary permits, authorizations, approvals;
- e. To observe and perform all the covenants and provisos of this Lease on the part of the Owner to be observed and performed; and
- f. The Owner shall contribute reasonable time and resources to fostering community and/or indigenous people's goodwill alongside the Developer in the payment of these annual obligations.

### 2.5 DEVELOPER'S COVENANTS

The Developer hereby covenants with the Owner as follows:

- a. To use the Land for no other purpose than the construction, operation and maintenance of a commercial wind farm;
- b. To design, construct, install and maintain, and generate and transmit electricity from the Wind Farm on the Land in accordance with good utility practice and in accordance with all applicable laws, permits and regulations;
- c. To obtain at its sole expense all necessary permits, authorizations, approvals and consents (including without limitation, any zoning consents) as may be necessary to allow for the erection and installation of the Wind Farm, including all building permits as may be required under local

municipal or provincial building codes and to provide evidence of compliance to Owner upon request;

- d. Not to introduce any substance on the Land that is identified as hazardous, noxious or otherwise prohibited by any applicable laws unless such materials are stored and handled in compliance with all applicable laws;
- e. Not to locate a Wind Turbine closer than 750 meters from any inhabited building on the Land.

**2.6 COMMERCIAL REASONABLENESS**

The Developer is relieved of performing its obligations under Section 2.5(b) and (c) above from time to time for periods up to 4 months during any one lease year when it is not commercially feasible to perform such obligations.

**2.7 OPTION TO RENEW**

The Developer shall have a single option to renew this lease for a term of up to 20 years to be determined at the Developer's election (the "Renewal Term"). Such renewal will upon the same terms and conditions contained herein with Rent for any such Renewal Term being as defined in Article 3 herein..

**ARTICLE 3 – RENT**

**3.1 COVENANT TO PAY RENT**

Rent Due Each Quarter. Developer shall, in respect of each calendar quarter during the Term, pay to Owner as rent for the Lands the Quarterly Rent, and such Quarterly Rent shall be paid in arrears without notice or demand within fifteen (15) days after the end of each such calendar quarter. If the Commencement Date is not the first day of a calendar quarter, Rent for the period from the Commencement Date to the first day of the next calendar quarter shall be pro-rated on a per diem basis and paid within fifteen (15) days after the said first day of the next calendar quarter.



- [REDACTED]
- 3.3 Other compensation. In addition to the Rent, the Developer shall pay to the Owner the amounts set forth in Schedule "B".
- [REDACTED]

The amounts payable under this Section 3 shall be received by the Owner in full satisfaction for the use, occupation and enjoyment of the Lands by the Developer and of any inconvenience or loss of production that is or may be attributable to the Lands on account of the installation and operation of the Wind Farm and the exercise by the Developer of its rights hereunder.

#### ARTICLE 4 – PROPERTY TAXES

##### 4.1 PAYMENT OF PROPERTY TAXES

Property taxes shall be apportioned between the Owner and Developer as follows:

- a. The Owner shall be responsible to pay all Property Taxes related to the Lands except for those that are related to any charges or increases due to the Developer's construction of the Wind Farm, in which case those shall be paid by the Developer;
- b. The Owner shall provide the Developer with a copy of the tax assessment of the Land within seven days of the Owner's receipt of same;
- c. If the Owner fails to pay the Owner's share of the Property Taxes when due to the appropriate taxing authority, the Developer may pay the taxes and the amount so paid may be offset against the Rent otherwise payable by the Developer.

##### 4.2 CONTESTING PROPERTY TAXES

The Developer shall have the right in the name of the Owner or otherwise, at the Developer's expense, by appropriate proceedings conducted diligently and in good faith to contest or apply for the reduction of the amount, legality or mode of payment of any Property Taxes in respect of the Land or any portion thereof or any assessments with respect thereto. The Owner shall provide any consents, authorizations and other assurances as may be required in order for such taxes to be contested or such applications to be made and proceeded with. The Developer shall be entitled to any rebate of any Property Taxes it has paid. Similarly the Owner shall be entitled to any rebate of Property Taxes which in any way relate to the using of the Land for agriculture purposes.

##### 4.3 UTILITIES AND SERVICES

The Developer shall be solely responsible for and shall promptly pay to the appropriate utility suppliers all charges for water, gas, electricity, telephone and other utilities and

services used or consumed in and any other charges levied or assessed on or in respect of or services supplied to or in respect of the construction, operation and maintenance of the Wind Farm.

## **ARTICLE 5 – INSURANCE AND INDEMNITY**

### **5.1 DEVELOPER INSURANCE**

The Developer shall maintain fire and liability insurance to insure itself and its improvements during the Terms in such amounts as is consistent with prudent commercial practice.

### **5.2 MUTUAL INDEMNITY**

- (a) The Developer shall at all times indemnify the Owner against all claims, demands, losses, costs, charges, actions and other proceedings, made or brought against, suffered by or imposed upon the Owner or his/her/its property for loss, damage (except for indirect, incidental, special or consequential damages, including loss of profit, revenue or use) or injury to any person or property including servants, agents and property of the Owner, and the Developer, directly or indirectly, arising out of or sustained by the Developer's occupancy or use of or any operation connected with the Lands or any improvements placed thereon by the Developer.
- (b) The Owner shall at all times indemnify the Developer against all claims, demands, losses, costs, charges, actions and other proceedings, made or brought against, suffered by or imposed upon the Developer or its property for loss, damage (except for indirect, incidental, special or consequential damages including loss of profit, revenue or use) or injury to any person or property, including servants, agents and property of the Developer and the Owner, directly or indirectly, arising out of or sustained by the Owner's occupancy, use of or any operation connected with the Lands or any improvements placed thereon by the Owner.

## **ARTICLE 6 – LICENCE TO OWNER FOR CONTINUED ACCESS TO LANDS**

The Developer hereby grants to the Owner (including its employees, and agents), for the Terms and subject to the provisions of this Agreement, a license to enter, use and occupy the Land for any lawful purpose as may be deemed appropriate by the Owner provided that such activities do not in the reasonable opinion of the Developer interfere with the safe and efficient operation of the Wind Farm or any component thereof;

For greater certainty, it is acknowledged that Developer shall have no interest in any agricultural crops or commodities grown or raised on the Land.

## **ARTICLE 7 – RESTORATION OF LAND**

- (a) The Developer shall, promptly upon the expiration or termination of this Agreement, and in any event within 365 calendar days after such expiration or termination (the "Decommissioning Term"), use reasonable commercial efforts to remove the Wind Farm and reinstate at its expense the Land so as to make it reasonably capable of supporting the use to which it was employed on the Commencement Date. This obligation shall extend to the activities of the

Developer in relation to any other portion of the Land over which the Developer exercised any access rights pursuant to this Agreement. For greater certainty the parties acknowledge that the Land is currently being used as timberland. Provided that Developer shall not be responsible for any pre-existing contamination of the Land prior to the Commencement Date.

- (b) The Developer shall create a decommissioning fund for the purpose of reserving or providing for necessary monies to remove the Wind Farm and related equipment. The Developer shall elect how to establish and manage this fund, which may include one of the following: (i) letter of credit from a Canadian Chartered Bank, (ii) creation of performance bond from an Insurer satisfactory to the Owner, (iii) creation of a special escrow account to be held by a third party acceptable to the Owner, or (iv) another effective alternate method acceptable to the Owner. On or before the fifth anniversary of the date of the Lease the Developer shall provide to the Owner a written description of its plan to establish and manage the Decommissioning Fund. The Owner may review the plan for its adequacy, and shall provide written notice of acceptance or rejection (with reasons therefore) within thirty (30) days. If the parties cannot agree as to a suitable plan within ninety (90) days of the Owner's receipt of said plan, the dispute shall be handled under the provisions of Article 11 Arbitration. By the seventh anniversary of the date of this Lease and at all times thereafter, the Decommissioning Fund shall hold or provide for a sum of money estimated to be sufficient to decommission the project net of any salvage value, as reasonably estimated by an independent engineer, reputable demolition contractor, reputable scrap metal dealer, or assessor designated jointly by Owner and the Developer and if not, such failure shall constitute a default and entitle the Owner to remedies for default as provided herein, upon the Owner giving notice to the Developer, pursuant to the provisions contained herein. The sole purpose of the Decommissioning Fund is to pay (directly or through reimbursement) all expenses related to removing the Developer's property and improvements from the Lands. Any interest earnings on the assets of the Decommissioning Fund shall be the property of the Developer and any balance will be the property of the Developer at the expiration of this Lease in the event that (i) the Wind Farm has already been decommissioned by the Developer, or (ii) the Owner and the Developer mutually agree not to decommission the Wind Farm. The Developer is liable for any and all costs of removal of the Wind Farm, whether or not they are fully provided for by the Decommissioning Fund. This liability shall survive the termination of this Lease.

#### **ARTICLE 8 – OWNERSHIP OF EQUIPMENT**

The Owner recognizes and agrees that any Equipment installed or placed upon the Lands during the Terms remains the sole property of the Developer and the Owner shall not have any interest therein, and the Developer may remove the Equipment at any time during the Terms, and any renewals thereof, and the Developer shall remove the Equipment within six (6) months after the expiry of the Construction Term, the Operational Term or the Renewal Term, as applicable.

**ARTICLE 9 - DEVELOPER'S RIGHT TO ASSIGN, SUBLET, OR TRANSFER**

The Developer may assign, sublet, or transfer all or substantially all of its interest in the Wind Farm and/or this Agreement without the consent of the Owner. The Developer shall provide the Owner with written notice of the assignment within 60 days of the assignment.

**ARTICLE 10 - NOTICES**

All notices shall be in writing and shall be given by personal delivery or by prepaid first class mail to the address set out on page 1 or such other address as a party may hereinafter designate in accordance with this Article.

**ARTICLE 11 - ARBITRATION**

Any dispute, controversy or claim arising out of or in relation to or in connection with this Agreement, including without limitation any dispute as to the construction, validity, interpretation, enforceability or breach of this Agreement, shall be exclusively and finally settled by arbitration. All arbitration shall be heard in the province where the land is located and determined by a single arbitrator, in accordance with the provisions of the *Commercial Arbitration Act* (Nova Scotia).

**ARTICLE 13 - TERMINATION BY DEVELOPER**

The Developer may terminate this agreement at any time by providing the Owner with 365 days notice and payment of \$750.00 times the number of years remaining on the current term in full and final satisfaction of any claim for rent by the Owner.

**ARTICLE 14 - EXPROPRIATION**

If the whole or any part of the Lands or Wind Farm is taken by expropriation during the any of the Terms, and if the expropriation does not prevent or materially affect the construction and use or economic viability of the Wind Farm as a wind farm as determined by the Developer acting reasonably, the Lease shall not be terminated but shall take effect as to the portion of the Lands as remain. The parties shall be entitled to share in the expropriation award on the basis of the value of their respective interests and rights in the Lands and the use thereof as they shall at that time agree, provided that, if the parties are unable to agree upon a division of such award, it shall be settled by arbitration as provided for in this Lease and in any event the parties shall cooperate with each other to maximize the award each may be entitled to in any proceedings related to the expropriation.

**ARTICLE 15 - REQUIREMENTS OF FINANCING INSTITUTIONS**

15.1 RIGHT TO MORTGAGE LEASEHOLD - Notwithstanding any other provision of this Agreement, the Developer, and, if applicable, its sublessees may, during the Terms of this Agreement, or any renewals thereof, encumber to any person or entity (herein called a "Mortgagee") by deed of trust or mortgage or other security instrument (the "Security") all or any portion of the Developer's (or such sublessee's) interest under this Agreement and any leasehold estate hereby created or in any improvement of the Developer to the Lands for any purpose or purposes without the consent of, but with notice to, the Owner. Developer shall not incur or permit any encumbrance to be incurred that

would constitute in any way a lien or encumbrance of the interest of the Owner (or any party) in the Lands.

**15.2 OWNER'S COOPERATION** - The Owner shall, at Developer's expense, provide reasonable co-operation to the Developer, or any sublessee of the Developer in regard to any action which may reasonably be requested by the Developer for the purpose of allowing any such Mortgagee reasonable means to protect, confirm, or preserve the lien of its mortgage.

**15.3 MORTGAGEE'S RIGHT TO CURE** - The Owner acknowledges the right, but not the obligation, of the Mortgagee or its permitted designee in the exercise of the Mortgagee's rights and remedies under the Security as a substitute for the Developer, as the case may be, in accordance with Section 15.4 below, to make all demands, give all notices, cure all defaults, take all actions and exercise all rights of the Developer in accordance with this Agreement, and agrees that in such event the Owner shall continue to perform its obligations under this Agreement.

**15.4 SUBSTITUTION RIGHTS** - The Owner agrees that upon receipt by the Owner of written notice (an "Enforcement Notice") from the Mortgagee (a copy of which must also be concurrently delivered to the Developer) that an event of default has occurred and is continuing under the Security, the Mortgagee shall be entitled to proceed in place of the Developer under this Agreement, whether itself or by a receiver or receiver and manager or a permitted designee, and to enjoy all of the right title, benefit and interest of the Developer under this Agreement and to exercise any and all rights of the Developer under this Agreement, in each case in accordance with and subject to its terms, and the Owner shall comply in all respects with such exercise. Without limiting the generality of the foregoing, following delivery of an Enforcement Notice to the Owner, the Mortgagee shall have the full right and power (but not the obligation) to enforce directly against the Owner all obligations of the Owner under this Agreement and otherwise to exercise all remedies thereunder, to make all demands, give all notices and make all requests required or permitted to be made by the Developer under this Agreement, as if the Mortgagee was the Developer, for the purpose of this Agreement. The Mortgagee shall to be bound by all the covenants and obligations of the Developer under this Agreement, as the case may be, as soon as it enters into possession of the Developer's interest under this Agreement or otherwise takes steps to enforce the Security, including the giving of an Enforcement Notice, which has the effect of depriving the Developer of the ability to perform fully those covenants and obligations, and subject to the provisions of Section 15.8, any such covenant shall continue to bind the Mortgagee and Secured Parties so long as the Mortgagee continues in possession or continues to enforce the Security with the effect as aforesaid.

**15.5 NOTICE TO MORTGAGEE** - The Owner agrees that it shall give the Mortgagee a copy of any notice of default given by the Owner pursuant to this Agreement. The Owner agrees that notwithstanding anything to the contrary contained in this Agreement, upon the occurrence or non-occurrence of any event or condition under this Agreement which would immediately or with the passage of any applicable grace period or the giving of notice, or both, enable the Owner to terminate or exercise any other right or remedy under this Agreement or under Applicable Law (hereinafter a "default"), the Owner will not, without the prior written consent of the Mortgagee, cancel or terminate this Agreement or consent to or accept any cancellation or termination thereof, unless the Owner shall have first delivered to the Mortgagee written notice stating that it intends to exercise such right

on a date not less than 60 (sixty) days after the date of such notice, specifying the nature of the default giving rise to such right (and, in the case of a payment default, specifying the amount thereof) and permitting the Mortgagee to cure such default by making a payment in the amount in default or by performing or causing to be performed the obligation in default, as the case may be.

**15.6 AMENDMENT OR TERMINATION** - The Owner shall not, without the prior consent of the Mortgagee (which consent shall not be unreasonably withheld), (i) amend, supplement or otherwise modify in any material way this Agreement (as in effect on the date hereof); (ii) take any legal or administrative action which seeks, or may reasonably be expected to rescind, terminate, suspend, amend or modify this Agreement or any part thereof provided that the Owner shall not be prohibited from taking any such action if the Owner has complied with Section 15.5 hereof and the Mortgagee has failed to make any such payment and/or failed to perform or cause to be performed the obligation in default within the time allowed to do so.

**15.7 SALE** - In the event of the sale, transfer or other disposition by the Owner of its interest in the Lands or lands which are the subject of an easement or any part thereof, or the assignment by the Owner of this Agreement or any interest of the Owner thereunder, the Owner shall cause the purchaser, transferee or assignee thereof to directly assume the covenants and obligations of the Owner thereunder and hereunder and thereupon, the Owner shall, without further agreement be freed and relieved of all liability with respect to such covenants and obligations under this Agreement relating to matters arising from and after such assignment.

**15.8 ASSIGNMENT BY MORTGAGEE** - Upon the exercise by the Mortgagee of any of the remedies under the Security in respect of this Agreement, the Mortgagee may assign its rights and interests and the rights and interests of the Developer under this Agreement to any person, if, (i) such person shall expressly assume in writing all of the outstanding and future obligations of the Developer under or pursuant to this Agreement, (ii) the Mortgagee or such other person has cured or, in the case of non-monetary defaults, is using reasonable efforts to cure any defaults by the Developer under this Agreement, and (iii) such person has all requisite authority under all Applicable Laws to perform the Developer's obligations under or pursuant to this Agreement and is not in violation of any Applicable Laws with respect to such performance. Upon such assignment and assumption, the Mortgagee shall be relieved of all obligations under this Agreement arising after such assignment and assumption.

**15.9 NEW LEASE OR BANKRUPTCY** - In the event that (i) this Agreement is rejected by a trustee, liquidator, debtor-in-possession or similar Person in any bankruptcy, insolvency or similar proceeding involving the Developer, or (ii) this Agreement is terminated as a result of any bankruptcy, insolvency or similar proceeding affecting the Developer and, if after such rejection or termination, the Mortgagee shall so request, the Owner will execute and deliver to the Mortgagee or such designee(s) a new lease which shall be for the balance of the unperformed obligations of the Owner and the Developer under this Agreement. The Lease shall contain substantially the same conditions, agreements, terms, provisions and limitations as this Agreement (except for any requirements which have been fulfilled by the Developer and the Owner prior to such rejection or termination). References to the Agreement shall be deemed also to refer to any such new lease.

#### 15.10 NOTICES

- (i) The Owner shall deliver to the Mortgagee at its address set forth in the Security, or at such other address as the Mortgagee may designate in writing from time to time to the Owner, concurrently with the delivery thereof to the Developer, a copy of each material notice, request or demand given by the Owner pursuant to this Agreement. For purposes of this section, a material notice shall be deemed to be any notice with respect to, or otherwise in connection with Events of Default.
- (ii) Until such time as the Owner receives an Enforcement Notice, the Owner shall continue to communicate directly with the Developer with regard to its continuing obligations under this Agreement. Upon receipt by the Owner of an Enforcement Notice, the Owner agrees to and shall comply with and treat any and all written instructions received from the Mortgagee as if they came directly from the Developer.

**15.11 OBLIGATIONS OF MORTGAGEE** - The Owner acknowledges and agrees that any curing of or attempt to cure any Event of Default under this Agreement shall not be construed as an assumption by the Mortgagee of any covenants, agreements or obligations of the Developer under this Agreement. The Mortgagee shall not have any obligation to the Owner for the performance of any obligations under this Agreement in the event the Mortgagee succeeds to the interest of the Developer under Section 15.4 hereof.

**16.12 OWNERSHIP OF IMPROVEMENTS** - The Owner acknowledges and agrees that all improvements (the "Improvements") installed by the Developer on the Lands shall not be deemed to be permanent fixtures (even if permanently affixed to the Lands) and shall be and remain the sole property of the Developer provided however, and notwithstanding anything contained in this Agreement to the contrary if the Mortgagee has exercised its rights under Section 15.4 hereof and/or has made a payment and/or performed or caused to be performed the obligations in default within the time allowed to do so, the Owner hereby waives any statutory or common law lien that it might otherwise have in or to the Improvements or any part thereof, and agrees that the Mortgagee (or their designee) or the Developer may remove the Improvements from the Lands. Notwithstanding the foregoing, the parties agree that a waiver by the Owner of its rights in accordance with this Section shall not act as a waiver of such rights in respect of any future default by the Developer under this Agreement.

**15.13 SUBORDINATION** - Notwithstanding any of the provisions of this Agreement, any subordination of the Lease by the Developer in favour of a Mortgagee of the Lands shall be subject to such Mortgagee agreeing to be bound by the terms and conditions set forth in this Section 15 as if an original party hereto.

#### **ARTICLE 16 – CONFIDENTIALITY**

The financial terms and conditions of this Lease shall remain confidential between the parties, provided that, the Developer has the right to disclose this Lease in its entirety to lenders, investors and insurers, legal agents and professional advisors and the Owner has the right to disclose this Lease or certain terms thereof to the Owner's legal agents and professional advisors so long as these legal agents and professional advisors are advised of the confidential nature of the information and treat such information as confidential.

**ARTICLE 17 - MISCELLANEOUS**

- a. Time shall be deemed to be of the essence with respect to all time limits mentioned in this Agreement.
- b. If any provision of this Agreement or the application thereof to any circumstances shall be held to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions of this Agreement or the application thereof to other circumstances shall not be affected thereby and shall remain valid and enforceable to the fullest extent permitted by law.
- c. This Agreement shall be governed by and construed in accordance with the laws of the Province of Nova Scotia in which the Lands are located and the federal laws of Canada applicable therein.
- d. The parties shall sign such further or other documents and perform and cause to be done and performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part thereof.
- e. The Developer shall, at its own expense, be responsible for applying for and obtaining all necessary applications for consent under the provisions of the Municipal Government Act as a result of the length of the Terms and for all necessary minor variances and zoning amendments to allow the Permitted Uses to be carried on upon the Lands. The Owner covenants and agrees to co-operate with and support the Developer in the aforesaid applications and to execute all consents and other documents that the Developer reasonably requires for such purposes but at no cost to the Owner. If consent is required pursuant to the terms of the Municipal Government Act, unless and until such consent is obtained, the Terms (including any renewals or extensions thereof) shall be deemed to be twenty (20) years less one day.
- f. This Agreement, including any schedules attached hereto, shall constitute the entire agreement between the parties. This Agreement shall not be modified or amended except by written agreement executed and dated by both parties.
- g. All rights and liabilities herein granted to or imposed on the respective parties hereto extend to and bind the successors and assigns of the Owner and the permitted successors and assigns of the Developer, as the case may be.
- h. The division of this Agreement into articles and sections is for convenience only and shall not affect the interpretation or construction of this Agreement.
- i. A notice of this lease may be registered on title at the Developer's expense.

- j. Owner shall keep the terms of this agreement confidential and shall not disclose same to any third party except where required to do so by law.
- k. The relationship of the parties is that of independent contractors and nothing contained in this Agreement shall be construed to constitute the parties as partners, joint venturers, co-owners, or otherwise as participants in a joint or common undertaking, nor is either party authorized to make any commitment or representation, express or implied, on the other's behalf unless authorized in writing.

**THE PARTIES** have executed this Agreement as of the Effective Date.

EXECUTED in the presence of:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Per:

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Owner:\_\_\_\_\_

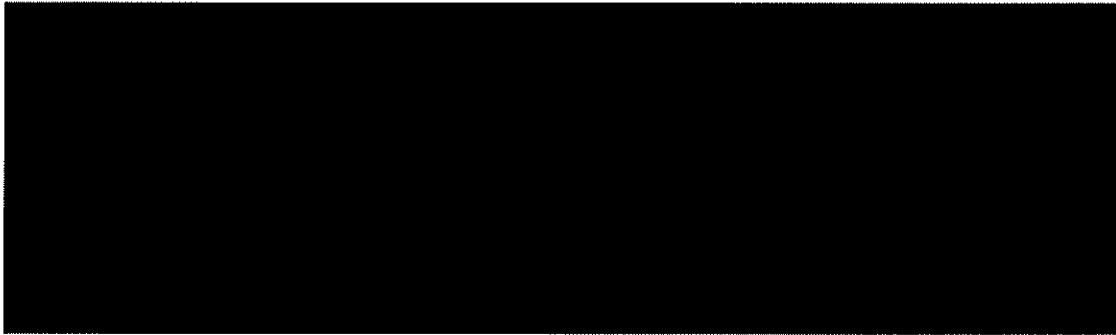
**Schedule "A"**  
**Description of Lands**

All those parcels of land located in Wentworth Valley, Colchester County, Nova Scotia being described as of the date of this Agreement as:

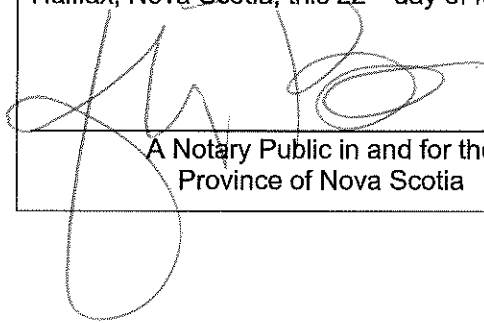
1. PID 25267428;
2. PID 20318416;
3. PID 20448288; and
4. PID 25267410.

**Schedule "B"**

[Redacted]



This is **Exhibit "D"** referred to in **Affidavit #1** of **Jean-Francois Guillot**, sworn before me at Halifax, Nova Scotia, this 22<sup>nd</sup> day of May, 2024.

A handwritten signature in black ink, appearing to be 'K. B.', is written over a horizontal line. The signature is stylized and somewhat illegible.

A Notary Public in and for the  
Province of Nova Scotia

**THIS OPTION AND LEASE AGREEMENT** made effective the 18 day of September, 2021

**BETWEEN:**

**NORTHERN TIMBER NOVA SCOTIA CORPORATION**, an unlimited liability company having an office in Abercrombie, Nova Scotia (herein "Landlord")

**AND:**

**RENEWABLE ENERGY SYSTEMS CANADA INC.**, a company incorporated under the laws of Québec with an office in Montréal, Québec (herein "Tenant")

**WHEREAS:**

- A. Landlord and Tenant entered into an Option and Lease Agreement, dated the 7th day of April, 2017 (the "Original Lease");
- B. The Original Lease has terminated and the Landlord and Tenant wish to enter into this Option and Lease Agreement on the terms and conditions set out herein;
- C. Landlord represents and warrants that it is the sole owner of the Lands as defined in this Agreement;
- D. Tenant is in the business of developing, constructing, operating and financing wind energy conversion systems to produce electrical energy for sale;
- E. Tenant wishes to evaluate the suitability of the Lands for wind energy conversion;
- F. Landlord wishes to allow Tenant to conduct or cause to be conducted environmental and geotechnical studies of its property;
- G. Thereafter Tenant may wish to construct and operate a wind farm on all or portion of the Lands and Landlord wishes now to grant to Tenant an Option to enter into a lease with Tenant to allow such use;

**IN CONSIDERATION** of the mutual covenants contained herein, Landlord and Tenant hereby agree as follows:

**1.00 DEFINITIONS**

1.01 The Preamble forms an integral part of this agreement.

## 1.02 In this Agreement:

- (a) Intentionally Deleted;
- (b) "Agreement" means this agreement and any Schedules attached hereto;
- (c) "Applicable Laws" means all laws, statutes, codes, acts, by-laws or ordinances, orders, judgments, decrees, awards, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements having force of laws, of all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers of governments, Canadian, provincial and municipal, foreseen or unforeseen, ordinary or extraordinary which now or at any time hereafter may be applicable to the Lands or any part thereof including the Occupied Area, or any use or condition of the Lands or Occupied Area or any part thereof or to Landlord or Tenant, including but not limited to, police, fire, and sanitary regulations;
- (d) "Applicable Taxes" means additional Taxes levied against the Occupied Area which represent an incremental cost to Landlord as a result of the Tenant's use or possession or right to use or possess any portion of the Lands including, without limiting the generality of the foregoing, the Tenant's installation of assessable improvements on the lands comprising the Occupied Area and as a result of the Tenant's operation of the Wind Farm on the Occupied Area; and without limiting the generality of the foregoing, Applicable Taxes which are based on the assessed value of the Lands, will be calculated by determining the percentage increase in the assessment of the Lands after the construction of the Wind Farm over the previous assessed value, such that Applicable Taxes will include that portion of the assessed value that is applicable to the Wind Farm and on other Tenant improvements and the Tenant shall be responsible for paying this percentage of the total Applicable Taxes which are based on the assessed value of the Lands until termination of expiry of this Agreement;
- (e) "COD" means the date on which the Wind Farm officially achieves commercial operation date as per the terms of the power purchase agreement entered into in connection with such Wind Farm;
- (f) "Commencement Date" means the day immediately following the day on which Tenant gives notice pursuant to Section 2.05 that it intends to exercise the Option;
- (g) "Construction Activities" means activities related to the construction, erection, repair, replacement, maintenance and repowering of the Wind Farm;
- (h) "Contaminant" means contaminant as defined in the *Environment Act*, S.N.S. 1994-95 c.1 as amended;
- (i) "Decommissioning Term" means the period of twelve months following the end of the Term;
- (j) "Environmental and Land Use Permits" means any one or more permit, approval, authorization, or determination required under Applicable Laws relating to the environment and land use to allow Tenant to develop, construct or operate the Wind Farm or any part thereof;

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- (k) "Environmental Laws" means all Applicable laws relating to the use, generation, manufacture, installation, handling, release, storage, discharge or disposal of Contaminants, but not limited to the Environment Act, S.N.S. 1994-95, c.1, as amended from time to time and any regulations made there under, and the Canadian Environmental protection Act, S.C. 1999, c.33, as amended from time to time and any regulations made there under;
- (l) "Event of Default" means an event referred to in Section 8.01;
- (m) Intentionally Deleted;
- (n) "Gross Revenues" means for the purposes of Section 4.03 the aggregate amount of total revenues actually received by Tenant from and after COD from the sale of electrical power actually generated from the WTGs of the Wind Farm or amounts received in lieu of the sale of electrical power generated from the WTGs of the Wind Farm (i.e., compensation for a curtailment of energy production). Gross Revenues for power actually generated shall be based on the production figures for the WTGs of the Wind Farm as derived from a third-party meter used to measure such electricity delivered to the electrical grid. All Gross Revenues shall be calculated without offset or deduction for any cost of producing, gathering, storing, transporting, marketing or otherwise making electricity, energy or capacity ready for sale or use and delivering it at a transmission circuit, and without offset or deduction for any type of adversarial costs incurred by Tenant in connection with collection of revenues from any of Tenant's power purchasers. Gross Revenues shall not include any federal, provincial or local tax, production or other credits, grants or abatements received by or paid to Tenant by any governmental entity or quasi-governmental entity, including, without limitation, production tax credits, investment tax credits, and property tax abatements. In addition, Gross Revenues shall not include: revenue received from sales of test energy prior to the COD; revenue received from the sale of renewable energy credits or electrical energy capacity or storage which are not associated with or derived from the electrical power generated from the Wind Farm and which are included in the price for power under the power purchase contract; amounts obtained by Tenant from financing activities, sales, leases, subleases or other dispositions of any of the Wind Farm, or the Lease or other leases; any amounts recovered from third parties arising out of the construction, repowering or repair of any of the Wind Farm (such as, without limitation, damages for breach of contract or liquidated damages for delays in completion or equipment performance); amounts received as reimbursements or compensation for wheeling costs or other electricity transmission or delivery costs; or any proceeds received by Tenant as a result of damage or casualty to the Wind Farm.
- (o) "Initial Term" has the meaning set out in Section 4.01;
- (p) Intentionally Deleted;
- (q) "Landlord Permit" has the meaning ascribed in Section 5.05;
- (r) "Lands" means those lands identified in Schedule "1.02(r)" annexed hereto including all rights of way, easements, licenses and similar rights benefitting the Lands or over other lands, the dominant tenement of which is the said Lands;

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- (s) "Lease" means the lease contemplated in Section 2.06 herein and any Schedules attached hereto which are referred to in this lease and every executed instrument which by its terms amends, modifies or supplements this lease;
- (t) "Leasehold Mortgage" has the meaning ascribed in Section 10.03;
- (u) "Leasehold Mortgagee" has the meaning ascribed in Section 10.04;
- (v) "Occupied Area" has the meaning ascribed in Section 2.07;
- (w) "Option" has the meaning ascribed in Section 2.01;
- (x) "Option Period" has the meaning ascribed in Section 2.03;
- (y) "Option Price" [REDACTED]
- (z) "Quarterly Rent" has the meaning ascribed in Section 4.03;
- (aa) "Permitted Uses" has the meaning ascribed in Section 5.01;
- (bb) "Remedial Work" has the meaning ascribed in Section 7.07(e);
- (cc) "Removal Costs" has the meaning ascribed in Section 7.05;
- (dd) "Renewal Term" has the meaning set out in Section 4.01;
- (ee) "Rent" means, as the context requires, the Quarterly Rent due from time to time pursuant to Section 4.02 and the aggregate of all other amounts payable by Tenant to Landlord under the Lease;
- (ff) Intentionally Deleted;
- (gg) "Taxes" means taxes, levies, duties, assessments, and licence fees whatsoever whether municipal, school, provincial, parliamentary or otherwise levied, imposed or assessed against the Lands or upon Landlord in respect thereof, or from time to time levied, imposed or assessed in the future in lieu thereof, including those levied, imposed or assessed for education, school and local improvements, or other similar taxes imposed upon Landlord or Tenant and including all Value Taxes, business taxes, if any, change in use tax and realty taxes from time to time payable by Landlord or levied against Landlord on account of its ownership or operation of the Lands (but excluding income or profits taxes upon the income of Landlord and any taxes levied in the event of a disposition or deemed disposition of the Lands by Landlord); and including all costs and expenses (including legal fees on a solicitor and client basis and other professional fees and interest and penalties on deferred payments) incurred by Landlord in good faith in contesting, resisting or appealing any such taxes, rates, duties, levies or assessments;
- (hh) "Term"; means either or both of the "Initial Term" and the "Renewal Term", as the case may be
- (ii) "Things" has the meaning ascribed in Section 7.05;

- (jj) “Unavoidable Delay” means any cause beyond the control of the party affected thereby which prevents the performance by such party of any obligation hereunder and not caused by its default or act of commission or omission and not avoidable by the exercise of reasonable care, excluding financial inability;
- (kk) “Value Taxes” means all goods and services taxes, sale taxes and value-added taxes imposed on Landlord with respect to the Lease or the Rent (but excluding, for greater certainty, income or profit taxes upon the income of Landlord, capital taxes of Landlord related to its ownership of the Lands and any taxes levied in the event of a disposition or deemed disposition of the Lands or any portion thereof by Landlord);
- (ll) “Wind Farm” means a wind energy generation facility consisting of WTGs and related structures, equipment, improvements and facilities and all related and interconnected underground and/or aboveground cable collection, transmission and communication systems, interconnection and switching facilities and transformers, and transmission equipment, Wind Measurement Equipment, access roads and gates, fences and signs, substation, control building, maintenance and operation building and yards, and related infrastructure, or any part or parts thereof;
- (mm) “Wind Measurement Equipment” means meteorological test tower (including anemometers and related equipment) or remote sensing devices (such as sodar or lidar) for the purpose of testing the attributes of the wind resource; and
- (nn) “WTG” means wind turbine generator and “WTGs” means more than one WTG.

## 2.00 OPTION PERIOD AND GRANT OF LEASE

- 2.01 Option. For consideration of the Option Price, Landlord hereby grants to Tenant an irrevocable and exclusive option (herein referred to as the “Option”) to lease the Lands in accordance with the terms and conditions of this Agreement, and Tenant shall, at its sole discretion, be entitled to exercise the Option at any time during the Option Period.
- 2.02 Payment of Option Price. The Option Price shall be paid by Tenant to Landlord upon execution of this Agreement and thereafter on the anniversary date of this Agreement.
- 2.03 Option Period. The Option Period shall be the period commencing on the date of execution of this Agreement and ending on October 1<sup>st</sup>, 2022. The Option Period will automatically renew for twelve (12) months commencing on October 1, 2022 for the first renewal, and on October 1 of the subsequent year(s) thereafter, unless notice of termination has been issued by the Landlord to the Tenant thirty (30) days prior to such date. The Option Period can be renewed no more than four (4) times, unless the Parties otherwise agree in writing.
- 2.04 Use of Lands during Option Period. Landlord hereby grants permission to Tenant to allow Tenant (or an authorized representative, agent or consultant of Tenant), at no additional charge, to use the Occupied Area during the Option Period for:
  - (a) the placement, maintenance, access and use of up to three Wind Measurement Equipment;

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- (b) visiting, observing and examining the Lands or environment above or around the Lands for the purposes of identifying environmental data or any information reasonably required in any permitting process anticipated by Tenant such as, by way of example, for wildlife and plant studies; and
- (c) conducting surveys, examinations and tests of any nature, including without limitation, invasive environmental, meteorological, biological, cultural, geological and geotechnical testing and the taking of reasonable site soil and/or rock samples (for which Landlord will not charge) for the purpose of performing a geo-technical analysis which sampling may involve the mobilization of a drilling unit onto the Lands (in which case, Landlord and Tenant shall, if such mobilization permanently damages any part of the Lands, forthwith pay a reasonable amount of compensation for the said damage and shall, using commercially reasonable efforts, promptly restore the ground surface of the damaged lands to their original condition). Any dispute with respect to compensation shall be resolved in accordance with Section 13.06.

Landlord acknowledges that Tenant shall retain ownership of Wind Measurement Equipment and all data collected by the Wind Measurement Equipment located on the Lands and of all the results of any and all investigations and studies made in the Occupied Area.

- 2.05 Exercise of Option. Tenant may exercise the Option by giving written notice within the Option Period to Landlord of its intention to lease the Occupied Area pursuant to the terms and conditions of this Agreement.
- 2.06 Grant. If and when Tenant exercises the Option pursuant to Section 2.05, Landlord leases to Tenant and Tenant leases from Landlord the Occupied Area to have and to hold during the Term, subject to the terms and conditions of this Agreement and such lease of the Occupied Area shall thereupon begin on the Commencement Date.
- 2.07 Definition of Occupied Area. For all purposes of this Agreement, the Occupied Area shall mean the Lands or a portion thereof:
  - 2.07.01 During the Option Period: the Lands. The Tenant agrees to provide to Landlord prior to installing any Wind Measurement Equipment on the Occupied Area a plan showing the proposed location of the Wind Measurement Equipment. The location shall be determined by the Tenant in its sole discretion after consultation with the Landlord and the Tenant may from time to time change location after consultation with the Landlord, if the Tenant considers such movement is reasonably necessary to test the wind resource in respect of all of the Lands. The Tenant shall consider in good faith any such suggestions or concerns the Landlord may have and shall use commercially reasonable efforts to implement those that are in Tenant's sole discretion reasonable and do not negatively impact the collection of wind data.
  - 2.07.02 During the period from the Commencement Date to COD: the Lands. Before exercise of the Option, the Tenant shall provide the Landlord with (i) a preliminary lay-out of the Wind Farm showing the WTGs and (ii) preliminary drawing, plan or certificate done by an engineer or land surveyor (the choice and expense being the Tenant's). The Tenant will also provide the Landlord from time to time with material iterations to the preliminary lay-out. The Landlord no later than fifteen (15) days after receipt of the preliminary lay-out or iterations thereof from the Tenant shall provide the Tenant with all, if any, suggestions or concerns the Landlord has regarding the proposed lay-out or

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iterations thereof. The Tenant shall consider in good faith any such suggestions or concerns the Landlord may have and shall use commercially reasonable efforts to implement those that either (i) are necessary to maintain existing environmental certifications (including without limitation those for established wildlife habitat) or (ii) do not negatively impact the construction or production of the Wind Farm.

2.07.03 During the period from COD to the end of the Term and the Decommissioning Term: a specific portion or portions of the Lands which portion or portions shall:

- (a) be and contain an area of the Lands, as agreed between Landlord and Tenant both acting reasonably, comprising sufficient contiguous land to (i) enable a maximum of fifty 50 WTGs and being up to 200 metres in height from base to tip of extended blade and all land necessary for roads, cable collection systems and any other parts of the Wind Farm including substation, reasonable storage, work facilities and lay-down areas for and after construction and out buildings and (ii) meet the needs of the Wind Farm and comply with all setbacks and other requirements imposed by any applicable municipal bylaw and other factors Tenant may consider reasonable and the said portion or portions may include an area of at least 150 metres around each WTG and corridors being at least 10 metres wide for road and cable collection systems and other areas as are reasonable in the circumstances such as to accommodate equipment lay-down areas, equipment mobilization and movement and installation activities;
- (b) be documented in a final as-built drawing, plan or certificate done by a licensed Nova Scotia engineer or land surveyor (the choice and expense being the Tenant's) who shall also prepare written legal descriptions of the Occupied Area and any remaining portion of the Lands sufficient to be approved as descriptions of the parcels pursuant to the *Land Registration Act*, which drawing, plan or certificate and description shall be submitted to the Landlord for information. The final drawing, plan or certificate and description shall be added as an annex to and form part of this Agreement, by way of a registerable amendment to this Agreement duly executed by Landlord and Tenant, and thereafter the said annex shall definitively describe the Occupied Area for all purposes of this Agreement;
- (c) Intentionally deleted;
- (d) To ensure timely compliance, Landlord shall provide any approvals and execute documents requested by the Tenant within 30 days of receipt of each request made pursuant to each request from Tenant to approve things and execute documents as contemplated in this Section 2.07. The Tenant shall pay all costs incurred by the Landlord in connection with the determination of the Occupied Area including, without limiting the generality of the foregoing, legal fees and disbursements on a solicitor and client basis, any costs associated with obtaining approvals or migrating any of the Lands required by the *Land Registration Act* and reasonable compensation for the time spent by the Landlord's employees or agents.

2.08 Intentionally Deleted

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2.09 No further liability if Option not Exercised. For greater certainty, if Tenant does not, within the Option Period, exercise the Option pursuant to Section 2.05, this Agreement shall terminate, effective as of the date immediately after the expiration of the Option Period and upon such termination Tenant shall, subject to Sections 7.06 and 9.02 of this Agreement, thereafter have no obligation or liability to Landlord.

2.10 Intentionally Deleted

2.11 Termination of Agreement before end of Option Period. Tenant may at its sole discretion terminate this Agreement prior to the expiry of the Option Period (provided that the Option has not then been exercised) by giving Landlord prior written notice of such termination. The Landlord may terminate this Agreement if the Tenant is in default of any of its covenants, conditions or obligations contained in this Agreement, that has not been remedied within 30 days' notice of such default. Tenant shall forthwith after termination or expiry of this Agreement remove (at Tenant's cost) any and all Wind Measurement Equipment that were placed or situated on or in the Occupied Area by Tenant during the Option Period and thereafter Tenant shall have no further obligation or liability to Landlord, subject to Sections 7.06 and 9.01 of this Agreement.

### 3.00 GENERAL COVENANTS

3.01 General Covenants of Landlord. Landlord covenants with Tenant:

- (a) Prior to the Commencement Date and subject to the provisions of this Agreement, for a license to use the Lands for the use contemplated in Section 2.04;
- (b) After the Commencement Date (provided Tenant has exercised the Option) and subject to the provisions of this Agreement, for quiet enjoyment of the Occupied Area for the Permitted Uses; and
- (c) to observe and perform all the covenants and obligations of Landlord herein.

3.02 General Covenants of Tenant. Tenant covenants with Landlord:

- (a) Upon execution of this Agreement to pay the Option Price;
- (b) After the Commencement Date (provided Tenant has exercised the Option) to pay Rent; and
- (c) to observe and perform all the covenants and obligations of Tenant herein.

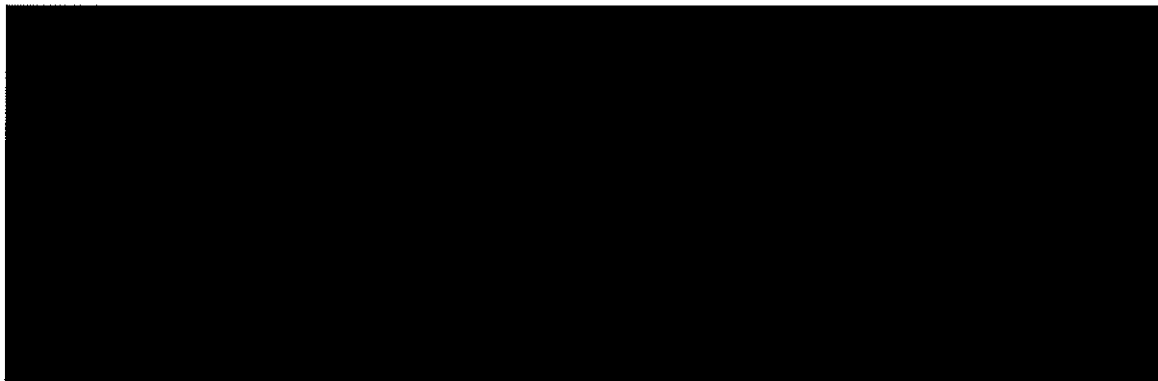
**4.00 TERM AND RENT PAYABLE**

4.01 Term and Renewals. The term (herein the "Initial Term") of the Lease shall begin on the Commencement Date and shall end on the twenty-fifth (25th) anniversary of COD.

Tenant shall have the right to:

- a) renew the Lease for an additional five (5) years (the "Renewal Term") by providing thirty (30) days written notice to Landlord prior to the expiration of the Initial Term; and
- b) enter into negotiations with the Landlord for a renewal of the Lease for an additional twenty-five (25) year term by providing thirty (30) days written notice to Landlord at any time prior to the expiration of the Term, and such negotiations to be performed by both parties in good faith and on an exclusive basis for three (3) years from the date of such notice.

4.02 Rent Due Each Quarter. Tenant shall, in respect of each calendar quarter during the Term, pay to Landlord as rent for the Occupied Area the Quarterly Rent, and such Quarterly Rent shall be paid in arrears without notice or demand within fifteen (15) days after the end of each such calendar quarter. If the Commencement Date is not the first day of a calendar quarter, Rent for the period from the Commencement Date to the first day of the next calendar quarter shall be pro-rated on a per diem basis and paid within fifteen (15) days after the said first day of the next calendar quarter.



4.04 Other compensation. In addition to the Rent, the Tenant shall pay to the Landlord the amounts set forth in Schedule 4.04.



4.06 Intentionally Deleted

4.07 Early termination. Notwithstanding anything else herein, Tenant may at any time whatsoever give written notice (herein the "Early Termination Notice") to Landlord that Tenant wishes to terminate this Lease Agreement, upon which this Lease Agreement shall be terminated on the last day (herein the "Early Termination Date") of the month that is the twelfth consecutive month following the month in which the Early Termination Notice is given and for greater

certainty, Sections 7.04 and 11.01 shall apply and be read as if the last day of the Term was the same date as the Early Termination Date.

## 5.00 USE AND OCCUPATION

5.01 Permitted Uses. Subject to the terms of this Lease and without limiting the generality of the foregoing, Tenant (and its appointed designates or contractors or subcontractors) shall be entitled to use the Occupied Area, on an exclusive basis, for the following purposes (the "Permitted Uses"):

- (a) During the Option Period:
  - i) For the uses permitted under Section 2.04;
- (b) During the Term:
  - i) to develop, construct and operate the Wind Farm;
  - ii) to convert the wind energy resources into electrical energy;
  - iii) to collect, condition, store and transmit electrical energy whether or not generated on the Occupied Area;
  - iv) to maintain, service, or repair any part or component of the Wind Farm as may be necessary or desirable, in the discretion of Tenant, from time to time; and
- (c) to do all things incidental to the uses described in the foregoing paragraphs 5.01(a) and (b).

Notwithstanding any provision herein to the contrary, Landlord acknowledges that (i) Tenant shall have no obligation to construct any Wind Farm on the Lands; and (ii) if a Wind Farm is built, Tenant may (but shall not be obligated to) replace from time to time existing WTGs or any other equipment, improvement or facilities with newer ones; and (iii) Tenant may increase or decrease the number of WTGs comprised in the Wind Farm from time to time on the Occupied Area.

5.02 No Use Other Than Permitted Use. Tenant shall use the Occupied Area only for the Permitted Uses as described in Section 5.01 and shall not use or permit to be used the Occupied Area or any part thereof for any other purpose or business or by any persons other than Tenant or its authorized agents and representatives from time to time.

5.03 Placement of WTGs. Subject also to all other provisions of this Agreement, any WTGs shall be situated in accordance with the following rules:

- (a) the foundation for any particular WTG and the gravelled working area around the base thereof must be completely situated within the Occupied Area;
- (b) any blade of any of the WTGs situated on adjacent property may traverse over the Lands either comprised or not in the Occupied Area;
- (c) where the Lands are comprised of more than one lot and Tenant, in its sole discretion, considers it desirable to place a WTG (subject to the foregoing paragraphs 5.03(a) and 5.03(b)) such that its blades will traverse over an adjacent lot owned by Landlord which adjacent lot comprises part of the Lands and such placement of the particular WTG is (solely because of the said traversing blade) not permissible in accordance with any

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municipal bylaw or other government rule or regulation, Tenant may enter into set-off waiver agreements or take other steps as may be available or applicable to allow the WTGs to be so placed, and the Landlord may use commercially reasonable efforts to assist Tenant in doing so, provided that the out-of-pocket costs (including legal fees and disbursements on a solicitor and client basis) incurred by the Landlord shall be paid by Tenant forthwith upon receipt of any invoice;

- (d) all municipal bylaw set-off requirements, if any must be complied with; and
- (e) no WTG blade may traverse over lands outside of the property bounds of the Lands provided that in any case where Tenant, in its sole discretion, considers it desirable to place a WTG such that a blade so traverses over lands outside the said boundary and if Tenant obtains a right or interest (license, leasehold or otherwise) in the all of that portion of the adjacent lands over which the said blade will traverse, Tenant may enter into set-off waiver agreements or take other steps as may be available or applicable to allow the WTGs to be so placed, and the Landlord may use commercially reasonable efforts to assist Tenant in doing so, provided that the out-of-pocket costs (including legal fees and disbursements on a solicitor and client basis) incurred by the Landlord shall be paid by Tenant forthwith upon receipt of any invoice.

- 5.04 Stockpiling topsoil. Tenant shall be permitted to stockpile and hold topsoil (to the extent obtained from excavation of any part of the Occupied Area) for use in restoring Lands after termination of the Lease.
- 5.05 Benefit of Landlord Permits. Landlord hereby transfers exclusively to Tenant the benefit, during the Term of any development, construction or operation permits issued in the name of the Landlord, including without limitation those more particularly described in Schedule 5.05 (the "Landlord Permits") annexed hereto on the condition that Tenant shall comply in all respects and at all times with any and all conditions of the said Development Permits. To the extent that any Landlord Permit cannot be transferred or assigned by Landlord by its nature or without the consent of any person, the Lease shall not constitute a contract to assign the same if an attempted assignment would constitute a breach thereof. In respect of any of such non-transferable permit, Landlord shall cooperate with Tenant in any commercially reasonable arrangement designed to provide Tenant with the benefit thereof. To the extent permitted by Applicable Law, it is expressly understood and agreed that any non-transferable Landlord Permit which is not assigned to Tenant shall be held in trust for Tenant by Landlord and all benefits derived thereunder shall be for the benefit of Tenant.
- 5.06 Prohibited Uses. Tenant shall not commit, cause or permit any unlawful nuisance or any waste or injury to or in or about the Occupied Area for the period prior to the Commencement Date and thereafter, if applicable, to or in or about the Occupied Area. Without limiting the generality of the foregoing, Tenant shall not use or permit the use of any portion of the Occupied Area for any dangerous, illegal, noxious, odorous or offensive trade, business or occurrence or other use contrary to the provisions of this Lease. Except in compliance with Applicable Laws, Tenant shall keep the Occupied Area free of debris or anything of a dangerous, noxious, odorous or offensive nature or which could create an environmental or a fire hazard.
- 5.07 Signage. Tenant shall be permitted to install and exhibit sign(s) identifying Tenant and Tenant's business activities on the Occupied Area. Such sign(s) are to be installed and

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maintained at Tenant's own expense and subject to the requirements of any municipal by-laws or other laws, regulations or orders that may be applicable from time to time.

5.08 Written notice required prior to construction to allow Landlord's harvesting. Prior to commencing Construction Activities on any part of the Occupied Area, Tenant shall give written notice (herein the "Construction Notice") to Landlord that it intends to commence such Construction Activities.

5.09 Clearing Activities. At any time Landlord shall (subject to laws, regulations or rules beyond the scope of Tenant's control) be entitled to exercise its commercial forestry activities on any part or all of the Occupied Area at its own risk and perils and dispose of the wood therefrom as it sees fit. Any such clearing and forestry work shall be done at the expense of Landlord, provided such clearing and forestry work do not interfere with the Tenant's use (as contemplated in Section 5.01) of the Occupied Area. Tenant shall not be entitled to any portion of the proceeds of sale of any such harvested wood or any portion of such wood itself from the Occupied Area. Tenant and Landlord shall collaborate to ensure, to the extent commercially advisable for the Tenant, that, as much as possible, clearing work comprised in the Construction Activities be done by Landlord.

#### 6.00 **LANDLORD'S REPRESENTATIONS, RIGHTS AND OBLIGATIONS**

6.01 Access by Landlord. Landlord, its employees, agents or contractors, shall be permitted to enter or cross the Occupied Area and to cross and recross any roads in the Occupied Area at any time and from time to time on foot or with all manner of vehicles or equipment for any purpose including, without limiting the generality of the foregoing, harvesting, cutting, processing and removing forest products, replanting, constructing and maintaining access roads, examining and inspecting the Occupied Area, accessing other lands of Landlord that may be adjacent or near to the Occupied Area, or taking such steps as Landlord may deem necessary for the safety, improvement or preservation of the Occupied Area, provided such steps do not interfere with the Tenant's use (as contemplated in Section 5.01) of the Occupied Area and the rights granted to Tenant under this Lease and such uses are in compliance with this Lease and Applicable Laws.

6.02 Permits. Landlord shall from time to time, upon (and only upon) and in accordance with direction from Tenant, apply for any permits, institute applications for zoning changes (if applicable) or any other similar authorizations that may reasonably be required by Tenant to allow Tenant to use the Occupied Area for the Permitted Uses and that, as a matter of law or in accordance with Applicable Laws, may only be issued to Landlord (or instituted by Landlord or most effectively with the cooperation of Landlord) as the owner of the Occupied Area, provided that Tenant pays Landlord in advance for any and all costs to be incurred in the course of making any such applications, including, without limiting the generality of the foregoing, all out of pocket costs (including legal fees and disbursements on a solicitor and client basis). Landlord shall follow the reasonable directions of Tenant in respect of any such applications (including, if so directed by Tenant, making enquiries as to the status of such applications) and thereafter shall not be responsible in any way for the issuance, non-issuance or any error in the issuance of the said permit(s). Landlord shall assign to Tenant the benefits of any permit (with the agreement by Tenant that Tenant is responsible for any conditions attached to the particular permit) that has been applied for by Landlord on behalf of Tenant pursuant to this Section 6.02, when and if such permit is received by Landlord and, if unassignable, shall cooperate with Tenant in any commercially reasonable arrangement designed to provide Tenant with the benefit of any such permit and shall, at Tenant's expense, do all reasonable things to maintain

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such permit in full force and good standing. To the extent permitted by Applicable Law, it is expressly understood and agreed that any such permit which is not assigned to Tenant shall be held in trust for Tenant by Landlord and all benefits derived thereunder shall be for the benefit of Tenant.

6.03 Grant of License to Tenant for access to roadways. Where Tenant reasonably requires access to and from the Occupied Area by passage over part of the Lands which as of the date hereof contains a roadway, Landlord shall grant a license to Tenant for the use of such roadway and the same shall be noted in the identification and description of the Occupied Area as contemplated in Section 2.07 and the parties shall do such things as are commercially reasonable to give effect to this provision. Tenant may, but is not obligated to, improve any roadway in respect of which this provision applies so long as Tenant (a) give reasonable notice thereof, (b) pays for all costs thereof and (c) does not make any improvements that cause the said roadway to increase to more than 10 metres in width without the consent of Landlord. For greater certainty, any such roadway improvement made by or under the direction and at the expense of Tenant pursuant to this provision shall not cause any increase in the Rent to be paid hereunder.

6.04 Intentionally Deleted

#### 7.00 **TENANT'S RESPONSIBILITIES**

7.01 Responsibilities. The Tenant hereby agrees that it shall be responsible for the following throughout the Option Period and any extensions thereof and throughout the Term if and when the Option is exercised (as each of the items below relate to the Occupied Area):

- (a) Taxes. During the Option Period and the Term to promptly pay and discharge all Applicable Taxes provided that Landlord delivers to Tenant all relevant tax statements immediately upon receipt of same as, if and when received by Landlord. Tenant shall upon the request of Landlord promptly deliver to Landlord for examination all receipts for payment of such taxes, levies, duties, assessments and licence fees. Tenant shall also pay or reimburse Landlord at times and in the manner specified by Landlord, and in the full amount of any taxes in the nature of a Value Taxes levied, rated, charged or assessed in respect of the Quarterly Rent payable under the Lease (but excluding income or profits taxes upon the income of Landlord and any taxes levied in the event of a disposition or deemed disposition of the Lands or any portion thereof by Landlord); In the event the taxing authorities provide a separate assessment and tax statement for the Applicable Taxes, Tenant agrees to pay such Applicable Taxes directly to the taxing authorities, and Landlord agrees to pay the remainder of the real property taxes levied against or allocable to facilities installed by Landlord or others for Landlord on the Property and the underlying value of the Property. Landlord shall be solely responsible for any income or other taxes assessed on the payments of Rent received by Landlord.
- (b) Contesting taxes. Tenant may contest the legal validity or the amount of any Applicable Taxes provided Tenant shall bear all costs and expenses associated with doing so. Landlord agrees to reasonably assist Tenant in such contest including the filing of any appeal that Tenant requests so long as Tenant pays for all of Landlord's reasonable expenses in connection therewith including, without limiting the generality of the foregoing, legal fees and disbursements on a solicitor and client basis.

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- (c) Utilities. To promptly pay and discharge all charges, rates, assessments and levies, if any, for heat, water, gas, hydro, sewage, and all other utilities supplied to or consumed on or in connection with the testing activities or operation of the Wind Farm on the Occupied Area;
- (d) Maintenance. To maintain the Occupied Area and all improvements thereon, including access roads, in good order and condition, keep the Occupied Area in a clean condition and remove from the Occupied Area at its expense all debris and garbage other than those generated by Landlord's activities;
- (e) Operation of Equipment and/or Facilities on the Occupied Area. Tenant shall assume full and complete responsibility for the development, construction, operation and maintenance of the Occupied Area and any structures, chattels or equipment thereon and for the repair or replacement of all fixtures or chattels located therein or thereon. Landlord shall have no responsibility whatsoever, with respect to maintenance, repairs or replacement of such fixtures or chattels; and
- (f) All Other Expenses. To pay all costs and other expenses of every nature incurred in connection with the maintenance and operation of the Wind Farm.

7.02 Payment of Costs. If Tenant fails to perform any obligation under this Agreement or to pay any costs and expenses as set out herein, Landlord may (but is not obliged to) at its sole option and discretion, on seven (7) days written notice to Tenant, perform such obligation or pay such amounts on behalf of Tenant and Tenant shall forthwith upon receipt of an invoice therefor reimburse Landlord for the cost of such action or the amount of such payment but any such payment by Landlord shall not prejudice or limit any actions which it may be entitled to take pursuant to this Agreement as a result of Tenant's failure to perform such obligation or make such payment.

7.03 Compliance with all Laws. Tenant shall from time to time and at all times:

- (a) comply with all present and future Applicable Laws relating to the occupation or use of the Occupied Area including, without limitation, all environmental laws and regulations of any jurisdiction applicable to the activity carried on from time to time by Tenant; the Tenant shall have the right to contest any legal proceedings or the validity or applicability of any Applicable Law, and
- (b) maintain and operate equipment and other property of Tenant, perform all work and conduct its business, in a manner that is in compliance with Applicable Laws relating to the occupation or use of the Occupied Area.

7.04 Decommissioning. Tenant shall:

- (a) remove, at the expense of Tenant, on or before the end of the Decommissioning Term, from the Occupied Area all structures, fixtures, chattels, equipment and things whatsoever in accordance with the provisions of Article 11; and
- (b) reimburse and indemnify Landlord for any costs incurred by Landlord to remove anything from the Occupied Area that Tenant fails to remove pursuant to paragraph 7.04(a) of this Agreement.

- 7.05 Abandonment. In the event that Tenant abandons the Occupied Area and fails to remove all structures, fixtures, chattels, equipment and things whatsoever (collectively herein referred to as the "Things") on the Occupied Area in accordance with the provisions of Section 11.01, Landlord may (but is not required to) then himself or by engaging the services of another, at the discretion of the Landlord, remove the Things and recover from Tenant any costs (herein the "Removal Costs") incurred by Landlord (or any authorized agent of Landlord) to remove the Things. For the purpose of this Section 7.05, Tenant shall be considered to have abandoned the Occupied Area if Tenant at any time ceases to operate the Wind Farm situated on the Occupied Area, other than by reason of Unavoidable Delay, and during the immediately subsequent consecutive twelve (12) months does not, other than by reason of Unavoidable Delay, either (a) commence to operate the Wind Farm for a period of at least four (4) consecutive months; or (b) remove the Things in compliance with Section 7.04 of this Agreement.
- 7.06 Liability. Tenant shall be responsible for any and all liabilities arising directly or indirectly from any claim or potential claim made by any person, government, partnership or organization of any kind related to any and all acts or omissions whatsoever taken by any person, whether Tenant or any other person, partnership or organization of any kind in connection with any use of the Occupied Area (or in connection with an omission to act or use the Occupied Area) during the Term and thereafter until all Things are removed from the Occupied Area either by Tenant or by Landlord pursuant to Section 7.04 of this Agreement, whether or not such use is a Permitted Use as contemplated in Section 5.01, and Tenant's responsibility for such liabilities shall survive the termination of this Agreement in all cases where the liability can reasonably be attributed to an act or omission that occurred during the Option Period or the Term of the Lease or during the time until such Things have been removed from the Occupied Area, for a period of three (3) years from the termination or expiry of this Agreement. For greater certainty, the liabilities and claims and potential claims in the foregoing sentence include, without limiting the generality of the foregoing sentence, those that may have a statutory or regulatory basis and those that may be based on a claim at law but shall exclude any liabilities, claim and potential claim caused by Landlord or those for whom it is in law responsible.
- 7.07 Environmental Provisions.
- a) Tenant shall comply with any and all conditions of all Environmental and Land Use Permits the benefit of which has been or is transferred to, or which have or become issued to Tenant or to Landlord authorizing or in connection with any of the Permitted Uses of the Occupied Area.
  - b) In the event the Landlord is named in any order or is otherwise requested to bring about the removal of any Contaminants from on, in or under the Occupied Area, the Tenant shall, if and only if such Contaminant has been discharged or spilled by the Tenant, hold the Landlord harmless from and shall deal with any such request or order on the Landlord's behalf in such manner as the Tenant considers appropriate, provided always that the Landlord incurs no liability, cost or responsibility in relation to same.
  - c) The Tenant shall not permit or suffer any Contaminant including without limitation, polychlorinated biphenyls ("PCBs") or substances containing PCBs or asbestos or materials containing asbestos to be present at, on or under the Occupied Area unless it has received the prior written consent of the Landlord, which consent may be unreasonably withheld.

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Any of the above noted substances which the Landlord gives written permission to suffer or permit at the Occupied Area shall be maintained by the Tenant during the Term, and removed by the Tenant at the expiry or earlier termination of the Lease in strict compliance with all Environmental Laws, at the sole cost and expense of the Tenant and the Tenant shall indemnify the Landlord from and against all claims and costs resulting from the presence of such substances, on or under the Occupied Area.

- d) The Tenant shall notify the Landlord immediately and in reasonable detail upon discovery of any Contaminant, or receipt of any claim, notice or communication relating to any Contaminant affecting the Occupied Area or if the Tenant becomes aware of any violation or potential violation by the Tenant of any Environmental Laws or any warranty, covenant or representation in this Section 7.07 and shall describe therein the action which the Tenant intends to take with respect to such matters.

Forthwith upon receipt, the Tenant shall send copies to the Landlord of all orders, approvals or licences affecting the Occupied Area and all correspondence with authorities having jurisdiction or any other person with respect to any Contaminant or Environmental Laws relating to the Occupied Area or any property in the vicinity of the Occupied Area including without limitation results of environmental tests and reports in the Tenant's possession.

- e) The Tenant covenants at its sole cost and expense to do such work as is necessary to remedy or prevent the discharge, spill or location of any Contaminant on, from or under the Occupied Area or the breach by the Tenant of any Environmental Laws or to remove any Contaminant discharged or spilled by Tenant at, on or under the Occupied Area so as to comply with Environmental Laws (such work being hereinafter referred to as the "Remedial Work").

Prior to undertaking the Remedial Work, the Tenant shall, at its own expense, prepare all necessary studies, plans and proposals with respect to the Remedial Work and submit the same for approval by the Landlord and by the Nova Scotia Department of Environment and Labour and any other public authorities having jurisdiction. The Tenant shall provide all completion bonds and other security required by the Landlord or the authorities having jurisdiction and shall carry out the work required in accordance with such approved plans and in compliance with all Environmental Laws and the Landlord's reasonable requirements. The Tenant shall keep the Landlord fully informed with respect to all aspects of the Remedial Work. The Tenant further agrees that if the Landlord determines, acting reasonably, that the Tenant is not diligently commencing or completing the Remedial Work or that the Occupied Area, the Landlord or the Landlord's reputation could be placed in jeopardy by the quality or method of performance of such Remedial Work by the Tenant, the Landlord may itself undertake the Remedial Work or a part thereof at the cost and expense of the Tenant, which cost shall be paid by the Tenant within 30 days after receipt of an invoice on account thereof. The Landlord, at the Tenant's cost shall be entitled to retain its own consultants to monitor all aspects of the Remedial Work including the determination of what Remedial Work is necessary.

- f) The Landlord or its agents may at any time and from time to time on 24 hours' prior written notice to the Tenant, enter the Occupied Area to inspect the Occupied Area and any records reasonably considered to be relevant to confirm compliance by the Tenant with all Environmental Laws and covenants hereunder or to identify the existence,

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nature and extent of any Contaminant on the Occupied Area and the Tenant's use, storage and disposal of any Contaminant. The Tenant agrees to cooperate with the Landlord and its agents in their performance of each such inspection. If the Landlord, acting reasonably determines following any such inspection, that further testing or investigation is required in order to monitor the Tenant's compliance with all Environmental Laws and covenants hereunder, the Landlord may require the Tenant, at the Tenant's expense, to arrange for such testing or investigation or may arrange for such testing or investigation itself, in which case the Landlord's costs of any such testing or investigation shall be paid by the Tenant to the Landlord within 30 days after receipt of an invoice on account thereof. The inspection contemplated by this Section 7.07(f) include, without limitation, the right to undertake soil, ground water, environmental or other tests, measurements or surveys in, on or below the Occupied Area.

- g) Upon the expiry or earlier termination of this Lease, the Tenant at its sole cost and expense:
- i) will have made a complete disclosure of all material facts and circumstances relating to environmental conditions, which to the knowledge of the Tenant have existed or exist on the Occupied Area which in any manner might affect the future use of the Occupied Area;
  - ii) ensure that there will not be any outstanding, pending or threatened orders, directives or other requirements of the Nova Scotia Department of the Environment and Labour or any other body having jurisdiction relating to the Occupied Area;
  - iii) will prevent, ameliorate or eliminate all environmental adverse effects arising from its use of the Occupied Area and will restore the natural environment of the Occupied Area in compliance with the most recent applicable guidelines of the Nova Scotia Department of the Environment and Labour or other regulatory bodies having jurisdiction.
- h) At the expiry of the Term, the Landlord, acting reasonably, may conduct such environmental investigations as it deems necessary. If these investigations and any other investigations undertaken by the Landlord at that time determine that there are environmental problems associated with the Occupied Area for which the Tenant is responsible, the Tenant shall pay to the Landlord the cost of such investigations and shall remediate such problems in accordance with the provisions of Section 7.07(e).

7.08 Insurance.<sup>1</sup> Tenant shall maintain professional liability insurance in an amount of at least two Million Dollars (\$2,000,000.00) and commercial general liability insurance in an amount of at least Five Million Dollars (\$5,000,000.00) or such other limits as Landlord may reasonably require from time to time in respect of any wind testing equipment and activities of Tenant on the Lands during the Option Period and, upon exercise of the Option, in respect of the Wind Farm and Tenant's operation thereof, with Landlord named as an additional named insured as its interests appear and any other insurance as may be reasonably requested by the Landlord from time to time and Tenant shall forthwith provide evidence of insurance from time to time on request by Landlord.

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- 7.09 Improvements. Notwithstanding any provision of the Lease (save and except for Section 7.05) or presumption at law, all improvements erected on the Occupied Area shall be and remain the property of Tenant regardless of their degree of affixation to the Occupied Area.
- 7.10 Minimum interference during construction. If the Option is exercised, Tenant shall, subject to the provisions of this Agreement, construct the Wind Farm in a way that commercially reasonably minimizes the impact on the Landlord's use of Lands that are not the Occupied Area.
- 8.00 DEFAULT**
- 8.01 Events of Default. Each of the following events shall constitute an event of default (an "Event of Default"):
- (a) all or any part of the Rent is not paid when due and upon written notice by Landlord default continues for fifteen (15) days after notice thereof;
  - (b) Tenant takes any steps or suffers any order to be made for its winding-up or other termination of its corporate existence or commits an act of bankruptcy or becomes bankrupt or takes the benefit of any statute that may be in force for bankrupt or insolvent debtors or becomes involved in voluntary or involuntary winding-up proceedings or if a receiver or receiver/manager shall be appointed for the business, property, affairs or revenues of Tenant or such person or corporation and, in the case of any such action brought against Tenant such action is not stayed or dismissed within 30 days of it having been brought;
  - (c) Tenant abandons the Occupied Area as defined in Section 7.05; or
  - (d) Tenant fails to observe, perform and keep each and every of the covenants, agreements and conditions contained in the Lease to be observed, performed and kept by Tenant and persists in the failure after 30 days written notice by Landlord requiring Tenant to remedy, correct, desist or comply (or if any breach would reasonably require more than 30 days to rectify, unless Tenant commences rectification within the 30 day notice period and thereafter promptly and effectively and continuously proceeds with the rectification of the breach);
- 8.02 Remedies on Default. Upon the occurrence and continuance of one or more Events of Default, Landlord may, at its option, and in addition to and without prejudice to all rights and remedies of Landlord available to it either by any other provision of the Lease or by statute or the general law:
- (a) sue for and collect all Rents then due and unpaid and all damages incurred by Landlord as a result of such default; and
  - (b) in the case of a default under Section 8.01 (a) provided that more than 3 Quarterly Rents remain unpaid and due or in the case of a default under Section 8.01 (b) or (c), terminate the Lease by giving Tenant ten (10) days prior written notice of the termination, and termination shall be without prejudice to Landlord's right to damages; it being agreed that Tenant shall pay to Landlord as damages the loss of income of Landlord to be derived from Occupied Area for the unexpired portion of the Term had

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it not been terminated, provided that Landlord shall not be entitled in any event to receive any damages greater than those damages Landlord would be entitled to receive at law; or

- (c) in the case of a default under Section 8.01 (c), subject and subordinated to any Leasehold Mortgagee's priority rights, seize and sell by public auction or under the authority of the Court, the Things including, without limiting the generality of the foregoing, WTG's and such structures, chattels and equipment of Tenant as are on the Occupied Area and may apply the proceeds thereof to all Rent to which Landlord is then entitled under the Lease; or
- (d) in the case of a default under Section 8.01(d) which is a material breach of a material covenant hereunder, terminate the Lease by giving Tenant forty-five (45) days prior written notice of the termination, and termination shall be without prejudice to Landlord's right to damages; it being agreed that Tenant shall pay to Landlord as damages the loss of income of Landlord to be derived from Occupied Area for the unexpired portion of the Term had it not been terminated, provided that Landlord shall not be entitled in any event to receive any damages greater than those damages Landlord would be entitled to receive at law.

8.03 Interest and Costs. Tenant shall pay monthly to Landlord interest at a rate equal to the lesser of the prime rate established as such by Landlord's bank from time to time plus one per cent per annum and the maximum rate permitted by applicable law, upon any default in payment of Rent from the due date for payment thereof until the same is fully paid and satisfied. Tenant shall indemnify Landlord against all costs and charges reasonably incurred in enforcing payment of Rent hereunder and in obtaining possession of the Occupied Area should the same be necessary.

8.04 Waiver. If Landlord shall overlook, excuse, condone or suffer any default, breach or non-observance by Tenant of any obligation hereunder, this shall not operate as a waiver of the obligation in respect of any continuing or subsequent default, breach or non-observance and no such waiver shall be implied but shall only be effected if expressed in writing and the Landlord may exercise any or all of the remedies in Section 8.02 or otherwise available to it separately or together as may see fit and the non-exercise of any particular remedy or remedies shall not prevent the exercise of any other remedy.

## 9.00 INDEMNITY

9.01 Tenant's Indemnity. Tenant shall indemnify, defend and hold harmless Landlord, its shareholders, affiliates, directors, officers, agents and employees from and against any and all claims, judgments, demands, causes of action, losses, damages, liabilities, interest, awards, penalties, costs, fees and expenses (including without limitation, reasonable legal fees and costs, on a solicitor and client basis, whether arising out of a third party claim or Landlord's efforts to enforce this Section 9.01 but excluding any damages for which compensation is provided for in Article 4) for injury to or death of persons including employees of Tenant or Landlord and for any loss of or damage to the property of third parties growing or arising directly out of:

- (a) any breach, violation or non-performance of any covenant, condition or agreement in the Lease set forth and contained on the part of Tenant to be fulfilled, kept, observed and performed; and/or

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- (b) the negligent acts or omissions, willful misconduct or tortious acts or omissions (including strict liability) of Tenant, its subcontractors, agents or any person employed by them or any person whose acts Tenant may be liable for during Tenant's performance of its obligations and covenants herein; and/or
- (c) the Tenant's use and/or occupation of any portion of the Lands during the Option Period or the Term including, without limiting the generality of the foregoing, the construction, operation and maintenance of the WTG's or Things.

except to the extent caused by the negligence or willful misconduct of Landlord, its shareholders, affiliates, directors, officers, agents and employees.

Tenant's indemnity shall not extend to any persons on the Occupied Area without Tenant's express permission. In no event shall Tenant be liable or responsible for losses of rent, business opportunities, profits or any other consequential, special or punitive damages of any kind that may result from Landlord's loss of use of the portion of the Occupied Area pursuant to this Lease, nor for property damage, personal injuries or other claims arising out of or otherwise attributable to wind interference and/or electrical generating facilities unless caused by the negligence or willful misconduct of Tenant.

9.02 Landlord's Indemnity. Landlord shall indemnify, defend and hold harmless Tenant, its shareholders, affiliates, directors, officers, agents and employees from and against any and all claims, judgments, demands, causes of action, losses, damages, liabilities, interest, awards, penalties, costs, fees and expenses (including without limitation, reasonable legal fees and costs, on a solicitor and client basis, whether arising out of a third party claim or Tenant's efforts to enforce this Section 9.02) for injury to or death of persons including employees of Tenant or Landlord and for any loss of or damage to the property of third parties growing or arising directly out of:

- (a) any breach, violation or non-performance of any covenant, condition or agreement in the Lease set forth and contained on the part of Landlord to be fulfilled, kept, observed and performed; and/or
- (b) the operations or activities of Landlord or those acting by, for or under Landlord,

except to the extent caused by the negligence or willful misconduct of Tenant, its shareholders, affiliates, directors, officers, agents and employees.

9.03 Survival of Obligations and Indemnities. All obligations which arise during the Option Period or the Term pursuant to this Agreement and which have not been satisfied and the indemnities and other obligations of Tenant contained in Article 9 shall survive the expiration or other termination of this Agreement.

## 10.00 **ASSIGNMENT**

10.01 Assignment. The Lease may be assigned by Tenant, without Landlord's consent, to any person or entity provided that the assignee enters into an Assignment and Assumption Agreement with the Landlord, in form and substance satisfactory to the Landlord under the terms of which, the assignee assumes all of the obligations under the Lease and provided the assignee is a financial institution, or a publicly traded entity, or an entity which currently operates at least 50 MW of

renewable energy projects, or an entity having at least \$50 million of assets on its book, or assignment to proposed assignee has been consented to by the off taker under the PPA related to the Wind Farm or by the Leasehold Mortgagee; an assignment of the Lease by Tenant shall operate to release Tenant from liability from and after the effective date thereof in respect of all of the covenants, terms and conditions of this Lease, express or implied, except as they may relate to the period prior to the effective date, and only to the extent that Tenant's successor assumes Tenant's obligations under the Lease and Landlord shall thereafter look solely to Tenant's successor in interest and to this Lease.

- 10.02 Sale, Conveyance and Assignment. Nothing in the Lease shall restrict the right of Landlord to sell, convey, assign, pledge or otherwise deal with the Occupied Area subject only to the rights of Tenant under this Lease provided that the assignee or purchaser assumes all of the obligations under the Lease. A sale, conveyance or assignment of the Occupied Area by Landlord shall operate to release Landlord from liability from and after the effective date thereof in respect of all of the covenants, terms and conditions of this Lease, express or implied, except as they may relate to the period prior to the effective date, and only to the extent that Landlord's successor assumes Landlord's obligations under the Lease and Tenant shall thereafter look solely to Landlord's successor in interest and to this Lease.
- 10.03 Leasehold financing and collateral assignment. Nothing in this Lease shall restrict the right of Tenant, without Landlord's consent, to hypothecate, mortgage, pledge, collaterally assign or otherwise encumber or grant security interest in all or any part of Tenant's interest in the Lease or the Wind Farm (a "Leasehold Mortgage").
- 10.04 Leasehold Mortgage. Any mortgagee under a Leasehold Mortgage (a "Leasehold Mortgagee") may enforce the following provisions against Landlord in connection with a Leasehold Mortgage:
- (a) Landlord Acknowledgements. The Leasehold Mortgagee may enforce the security of the Leasehold Mortgage and acquire title to the leasehold estate in any lawful way, and may take possession of and manage the leasehold estate and upon a foreclosure or sale pursuant to power of sale (whether private, court ordered or by a receiver) the Leasehold Mortgagee may assign the leasehold estate in accordance with the provisions of the Lease provided the Leasehold Mortgagee or the assignee of the Leasehold Mortgagee or such leasehold estate, as the case may be, shall be liable to perform the obligations imposed on Tenant by the Lease but only after and so long as the Leasehold Mortgagee or such assignee, as the case may be, has ownership or possession of the leasehold estate.
  - (b) Assumption of Obligations. In the event that and only for so long as the Leasehold Mortgagee shall be in ownership, possession or control (whether directly or by way of a receiver or receiver and manager) of the leasehold estate it shall perform all the covenants and obligations of Tenant under the Lease and it will not convey, assign, mortgage or encumber the Lease other than in accordance with the Lease and then only upon obtaining from the transferee, assignee or mortgagee any assumption agreement contemplated by the Lease.
  - (c) Liability of Leasehold Mortgagee. Notwithstanding the provisions hereof or of the Leasehold Mortgage or of the mortgage and charge of the Lease contained in the Leasehold Mortgage, unless and until the Leasehold Mortgagee has foreclosed or taken possession or control of the leasehold estate, nothing herein or therein contained shall

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render the Leasehold Mortgagee liable to Landlord under the Lease for the fulfillment or non-fulfillment of any of the obligations of Tenant thereunder, for greater certainty, upon any sale in accordance with the terms of this Agreement by the Leasehold Mortgagee or the Leasehold Mortgagee ceasing to be in ownership, possession or control of the leasehold estate, the Leasehold Mortgagee shall cease to be liable for the fulfillment or non-fulfillment of the obligations of Tenant under the Lease arising thereafter. If the Leasehold Mortgagee forecloses or takes possession or control of the leasehold estate pursuant to the Leasehold Mortgage, then, so long as the Leasehold Mortgagee shall be the owner of or in possession or control of the leasehold estate the Leasehold Mortgagee shall observe and perform all the obligations of Tenant under the Lease and that if the Leasehold Mortgagee exercises any power of sale under the Leasehold Mortgage, the Leasehold Mortgagee shall require the purchaser to agree with Landlord to observe and perform all the obligations of Tenant under the Lease.

- (d) Notice of Default. If default under the Lease occurs, Landlord agrees that it will give Notice to the Leasehold Mortgagee at the same time that Landlord gives Notice to Tenant of the applicable default and that the Leasehold Mortgagee shall have the same period of time, plus a further 30 days in the case of a monetary default and 60 days (or such longer period if possession of the leasehold estate is required in order to effect a remedy of the default and the Leasehold Mortgagee is diligently proceeding to obtain possession) in the case of a non-monetary default, after the Notice is given to Tenant, as the case may be, within which to remedy the default or defaults specified in any such Notice. If a Leasehold Mortgagee is prohibited by any process or injunction issued by a court having jurisdiction over any bankruptcy, reorganization, insolvency or other debtor-relief proceeding, from commencing or prosecuting foreclosure or other appropriate proceedings, then the times specified in for commencing or prosecuting such foreclosure or other proceedings shall be extended for the period of such prohibition; provided, however, that such Leasehold Mortgagee (or another Leasehold Mortgagee) shall have fully cured any Monetary Default and shall thereafter continue to perform such monetary obligations as and when due.
- (e) No Landlord's consent required. The transfer of Tenant's interest under this Lease to any Leasehold Mortgagee and/or to one or more purchasers or tenants (A) at a foreclosure sale by judicial or non-judicial foreclosure and sale, (B) by a conveyance by Tenant in lieu of foreclosure, or (C) by any other assignment or conveyance, including by a Leasehold Mortgagee following foreclosure and sale, or as a result of any other legal proceeding, shall not require the consent of Landlord, and upon such foreclosure, sale, conveyance, assignment or other proceeding, Landlord shall recognize such Leasehold Mortgagee or other purchaser(s) or tenant(s) as the successor to Tenant under this Lease; provided, however, subject to paragraph (f), such Leasehold Mortgagee or purchaser or tenant shall enter into an Assignment and Assumption Agreement with the Landlord, in form and substance satisfactory to the Landlord under the terms of which the Leasehold Mortgagee or purchaser or tenant shall assume the obligations of Tenant under this Lease and pay all Rents in arrears hereunder.
- (f) New Land Lease. If by reason of any default or for any other reason the Lease shall be terminated, repudiated or disclaimed before its stated expiration date, and if the Leasehold Mortgagee shall have complied with the provisions of Section 10.04 with respect to any such default, and if the Leasehold Mortgagee shall have paid all amounts owing to the Landlord by the Tenant pursuant to the Lease and shall have compensated

the Landlord in an amount satisfactory to the Landlord, acting reasonably, for any damages suffered by the Landlord as a result of the events that caused the Lease to be terminated, repudiated or disclaimed, the Leasehold Mortgagee, or a nominee of the Leasehold Mortgagee, shall be entitled to enter into a new lease of the leasehold estate for a period that but for the termination of the Lease would have been the remainder of the Term or then current renewal term of the Lease, such new lease to be effective immediately upon such termination, at the Rent and (subject as hereinafter provided) upon all of the terms, provisions, covenants and agreements contained in the Lease so long as the Leasehold Mortgagee or its nominee makes written request to Landlord for such new lease within 30 days next after the Leasehold Mortgagee is advised by Notice given by Landlord of the termination of the Lease. The failure of the Leasehold Mortgagee or its nominee to execute and deliver to Landlord such new lease within 30 days after it has been tendered by Landlord to the Leasehold Mortgagee or its nominee, or to comply with any of the other provisions and conditions herein specified with respect to such new lease, shall conclusively, unless otherwise agreed to in writing between Landlord and the Leasehold Mortgagee or its nominee, be deemed an abandonment and waiver on the part of the Leasehold Mortgagee of all rights to obtain such new lease. If there is more than one Leasehold Mortgagee of the leasehold estate that makes a request for a new lease, Landlord shall enter into a new lease of the Land with whichever of such Leasehold Mortgagees making such request has the most senior encumbrance.

- (g) No Termination, Surrender, etc. Subject to the Tenant's early termination rights set out in Section 4.07 hereof, Landlord will not agree with Tenant to terminate, forfeit, cancel, alter, amend or modify the Lease or accept the surrender of the leasehold estate prior to the end of the Term, and the same shall not be effective, without the prior written consent of the Leasehold Mortgagee, provided that this shall not affect or restrict the Landlord's rights when an Event of Default has occurred.
- (h) Agreement. Landlord will, from time to time, enter into an agreement with a Leasehold Mortgagee to give effect to these provisions together with such reasonable amendments or other similar provisions as such Leasehold Mortgagee reasonably requires.

## 11.00 SURRENDER

- 11.01 Surrender upon termination. Upon termination of the Lease, Tenant shall, at its own expense, comply with Section 7.04 and also return the Occupied Area to a state reasonably in the state in which it existed upon the Commencement Date save and except only that all legally constructed roads shall remain on the lands and the foundations (on which the towers for the individual wind turbine generators were placed) shall, unless the then in force Applicable Laws require otherwise, remain on the lands but be covered over with a reasonable amount of overburden (at the sole expense of Tenant), provided however that if the then in force Applicable Laws require the foundation to be dealt with differently than this, such actions shall be taken by Tenant within the time and in the manner as required by Applicable Laws and at the expense of Tenant. Notwithstanding anything else in this Section, Tenant shall, upon termination of the Lease, remove whatever portion of each foundation on the Occupied Area that is above a depth of 12 inches below the normal surface of the Lands as they were at the date hereof. Any debris created in the course of so removing the particular portion of the said foundation(s) shall be removed from the Lands at the sole expense of Tenant and any and all costs of excavation required in connection therewith shall be paid solely by Tenant. Any such

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restoration of the Occupied Area and removal of foundations shall be completed on or before the end of the Decommissioning Term.

- 11.02 Overholding. If Tenant continues to occupy the Occupied Area after the expiration or other termination of the Decommissioning Term without any further written agreement, Tenant shall be a monthly tenant at an amount for monthly Rent equal to two times the Quarterly Rent divided by 3 payable by Tenant immediately prior to the expiration or other termination of the Term but subject to all other provisions in the Lease to the extent that the same are applicable to a month to month tenancy, and a tenancy from year to year shall not be created by implication of law. Nothing contained in this Section shall preclude Landlord from exercising any and all of its rights set out in the Lease including, without limitation, the taking of any action for recovery or possession of the Occupied Area.

## 12.00 EXPROPRIATION

- 12.01 Complete Taking. If, during the Term, any authority having the power of expropriation expropriates all or substantially all of the Occupied Area or the Wind Farm for any public use or otherwise, then this Lease shall automatically terminate upon the earliest of (i) the effective date of the expropriation, (ii) the date that the expropriating authority takes physical possession of the Occupied Area or the Wind Farm (or substantial portion thereof), or (iii) the date that Tenant is, in its sole judgment, no longer able or permitted to operate the Wind Farm on the Occupied Area in a commercially viable manner. Tenant shall continue to pay all Rents due hereunder until the earliest of such dates, at which time Landlord and Tenant shall be relieved of any and all further obligations and conditions to each other under this Lease (except those that expressly survive termination).

- 12.02 Partial Taking. If, during the Term, any authority having the power of expropriation expropriates less than substantially all of the Occupied Area or Wind Farm, then the interests and obligations of Tenant under this Lease as to such portion of the Wind Farm or Occupied Area so expropriated shall cease and terminate upon the earliest of (i) the effective date of the expropriation, (ii) the date that the expropriating authority takes physical possession of what is being expropriated, or (iii) the date that Tenant is, in its sole judgment, no longer able or permitted to operate the portion of the Wind Farm in a commercially viable manner, and, unless this Lease is terminated as hereinafter provided, this Lease shall continue in full force and effect as to the portion of the Wind Farm and Occupied Area not expropriated and that can still be operated in a commercially reasonable manner. Upon such partial termination, the Rent for the portion of the Occupied Area not so taken shall be adjusted by Tenant equitably, and Landlord and Tenant shall execute an amendment of Lease to reflect such adjustment. Tenant shall continue to pay such equitably adjusted Rent for the remainder of the Term of this Lease. If the portion of the Wind Farm or Tenant's interest in the Occupied Area remaining following expropriation is or becomes insufficient or unsuitable for Tenant's purposes hereunder (as determined by Tenant), then Tenant may terminate this Lease by written notice to Landlord, at which time Landlord and Tenant shall be relieved of any further obligations and duties to each other under this Lease (except those that expressly survive termination).

- 12.03 Apportionment; Distribution of Award. In the event of any expropriation of all or substantially all of the Occupied Area or the Wind Farm, all sums, including damages and interest awarded shall be paid in the following order of priority:

- (a) An amount equal to the aggregate of any and all costs and losses that Tenant may sustain in the taking, removal and/or relocation of the Wind Farm shall be paid to Tenant; and
- (b) All remaining amounts of the expropriation award shall be paid to Landlord or Tenant consistent with their respective interests and Applicable Law.

### 13.00 GENERAL

13.01 Entire Agreement. There is no promise, representation or undertaking by or binding upon Landlord except such as are expressly set forth in this Agreement, and this Agreement including the Schedules contains the entire agreement between the parties hereto.

13.02 Registration. Landlord and Tenant agree that a short form of the Lease, acceptable to Landlord and Tenant both acting reasonably, shall, at the request of Tenant, be registered at the Land Registration office or Registry of Deeds for the county in which the Lands are situated in the Province of Nova Scotia sufficient for such purpose but which shall, to the extent legally permitted, preserve the confidentiality of the Rent and other financial terms of the Lease. Tenant shall at its own expense, upon expiration or earlier termination of the Term, discharge any registration made against the Occupied Area providing notice of its interest in the Lease.

13.03 Notice. Any notice required or contemplated by any provision of this Agreement shall be given in writing and shall be sufficiently given if mailed by registered mail or delivered or if sent by telecopy or similar form of immediate transmission and:

- (a) if to Landlord, delivered to:  
Northern Timber Nova Scotia Corporation  
PO Box 549, Station Main  
260 Granton Abercrombie Branch Road  
Attention: Heidi Higgins, Land Manager  
New Glasgow, NS B2H 5E8  
Telecopy No.: (902) 752-5404
- (b) if to Tenant, delivered to:  
Renewable Energy Systems Canada Inc.  
5605 avenue de Gaspé, suite 508  
Montréal, Qc, H2T 2A4  
Attention: Senior Vice President, Development  
Email: Peter.Clibbon@res-group.com

Any notice shall be deemed to have been received five postal delivery days after the date of mailing or on the day following the date of delivery or sending. If it is reasonably anticipated that mail service may be disrupted, notice must be delivered or sent by telecopy or other form of immediate transmission

13.04 Relationship of Parties. Nothing contained in this Agreement shall create any relationship between the parties hereto other than that of Landlord and Tenant.

13.05 Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the Province of Nova Scotia.

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- 13.06 Arbitration. Any question, difference, controversy, claim or dispute between Landlord and Tenant arising out of or related to this Agreement or the breach hereof and/or concerning the construction, meaning or effect of this Agreement or any part hereof, which cannot be settled amicably between the parties shall be settled by a single arbitrator mutually agreed upon, failing agreement, to be appointed pursuant to the Nova Scotia *Commercial Arbitration Act*, as amended, or similar legislation, and the decision of such arbitrator appointed pursuant to the provisions of this Agreement or the Act shall be final and binding upon the Parties.
- 13.07 Amendment or Modification. No amendment, modification or supplement to this Agreement shall be valid or binding unless set out in writing and executed by Landlord and Tenant.
- 13.08 Severability. All of the provisions of this Agreement are to be construed as covenants and agreements. If any provision of this Agreement is illegal or unenforceable, it shall be considered separate and severable from the remaining provisions of this Agreement, which shall remain in force and be binding as though the provision had never been included.
- 13.09 Captions and Headings. The captions and headings contained in this Agreement are for convenience of reference only and are not intended to limit, enlarge or otherwise affect the interpretation of the Articles, Sections or parts thereof to which they apply.
- 13.10 Interpretation. Wherever necessary or appropriate in this Agreement, the plural shall be interpreted as singular, the masculine gender as feminine or neuter and vice versa and when there are two or more parties bound by Tenant's covenants herein contained their obligations shall be joint and several.
- 13.11 Time of the Essence. Time shall be of the essence hereof.
- 13.12 Successors and Assigns. Subject to specific provisions contained in this Agreement to the contrary, this Agreement shall enure to the benefit of and be binding upon the successors and assigns of Landlord and the heirs, executors and administrators and the permitted successors and assigns of Tenant.
- 13.13 Net Lease. Tenant acknowledges and agrees that it is intended that the Lease is a completely carefree net lease to Landlord, except as specifically herein set out, that Landlord is not responsible during the term for any costs, charges, expenses or outlays of any nature whatsoever arising from or related to the Occupied Area, or the use and occupancy thereof, or the business carried on therein or thereon, and Tenant shall pay all charges impositions, costs and expenses of every nature and kind relating to the Occupied Area except as expressly herein set out.
- 13.14 Unavoidable Delay. Except as otherwise expressly provided in this Agreement, if and to the extent that either Landlord or Tenant shall be prevented, delayed or restricted by reason of Unavoidable Delay in the fulfillment of any obligation hereunder other than a monetary obligation it shall be deemed not to be in default in the performance of such covenant or obligation and any period for the performance of such obligation shall be extended accordingly and the other party to this Agreement shall not be entitled to compensation for any loss, inconvenience, nuisance or discomfort thereby occasioned.
- 13.15 Whereas clauses agreed to. The parties hereby agree that information contained in the "WHEREAS..." clauses is true and accurate.

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- 13.16 Effective Date. The Lease which becomes effective upon the exercise of the Option is conditional upon the execution of a subordination and non-disturbance agreement by Her Majesty the Queen in Right of the Province of Nova Scotia substantially in the form and tenor of the document attached hereto (the "SNDA"). The Landlord hereby agrees to provide the form of the SNDA to the Province within seven days following execution of this Agreement and to make commercially reasonable efforts to obtain execution by the Province.

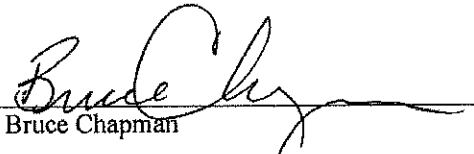
**Remainder of page intentionally left blank.**

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the date first above written.


**SIGNED, SEALED AND DELIVERED**  
in the presence of:

**NORTHERN TIMBER NOVA SCOTIA CORPORATION**

  
Witness

  
per: Bruce Chapman


  
Witness

  
per: Choong Wei Tan

We have the authority to bind the Corporation

**RENEWABLE ENERGY SYSTEMS CANADA INC.**

  
Witness

  
per: Peter Clibbon

I have the authority to bind the Corporation

CANADA )  
PROVINCE OF NOVA SCOTIA )  
COUNTY OF HALIFAX )

On this \_\_\_\_\_ day of \_\_\_\_\_ 2021, before me the subscriber personally came and appeared \_\_\_\_\_, a subscribing witness to the foregoing Lease, who having been by me duly sworn, made oath and said that Northern Timber Nova Scotia Corporation, one of the parties thereto, caused the same to be executed in its name and on its behalf by \_\_\_\_\_ its \_\_\_\_\_ and \_\_\_\_\_ its \_\_\_\_\_, its proper number of duly authorized officers, in his presence.

\_\_\_\_\_  
A Commissioner of Oaths

CANADA  
PROVINCE OF NOVA SCOTIA  
COUNTY OF HALIFAX

AFFIDAVIT

I, \_\_\_\_\_, of \_\_\_\_\_, Nova Scotia, make oath and say that:

1. I am the \_\_\_\_\_, of Northern Timber Nova Scotia Corporation, the "Corporation". Except as otherwise stated I have personal knowledge of the matters to which I have sworn in this Affidavit.
2. I and \_\_\_\_\_ executed the foregoing instrument for and on behalf of the Corporation.
3. I and \_\_\_\_\_ are authorized to execute the foregoing instrument on behalf of the Corporation and thereby to bind the Corporation.
4. I acknowledge that the Corporation executed the foregoing Instrument by its proper officer(s) duly authorized in that regard on the date of this affidavit; this acknowledgment is made for the purpose of registering such Instrument pursuant to s.31(a) of the *Registry Act*, R.S.N.S. 1989, c.392 or s.79(1)(a) of the *Land Registration Act* as the case may be.

SWORN TO at \_\_\_\_\_, in the )  
 Province of Nova Scotia, this day )  
 Of \_\_\_\_\_, 2021 before me: )  
 )  
 )  
 \_\_\_\_\_ )  
 A Commissioner of Oaths )  
 )  
 )

\_\_\_\_\_

CANADA )  
PROVINCE OF QUEBEC )

On this \_\_\_\_ day of \_\_\_\_\_, before me the subscriber personally came and appeared \_\_\_\_\_, a subscribing witness to the foregoing Lease, who having been by me duly sworn, made oath and said that Renewable Energy Systems Canada Inc., one of the parties thereto, caused the same to be executed in its name and on its behalf by \_\_\_\_\_ its \_\_\_\_\_, its proper officer, duly authorized in that behalf, in his presence.

\_\_\_\_\_  
A Notary Public in and for the  
Province of Quebec

CANADA  
PROVINCE OF QUEBEC

AFFIDAVIT

I, \_\_\_\_\_, of \_\_\_\_\_, Province of Quebec, make oath and say that:

1. I am the \_\_\_\_\_, of Renewable Energy Systems Canada Inc., the "Corporation". Except as otherwise stated I have personal knowledge of the matters to which I have sworn in this Affidavit.
2. I executed the foregoing instrument for and on behalf of the Corporation.
3. I am authorized to execute the foregoing instrument on behalf of the Corporation and thereby to bind the Corporation.
4. I acknowledge that the Corporation executed the foregoing Instrument by its proper officer(s) duly authorized in that regard on the date of this affidavit; this acknowledgment is made for the purpose of registering such Instrument pursuant to s.31(a) of the *Registry Act*, R.S.N.S. 1989, c.392 or s.79(1)(a) of the *Land Registration Act* as the case may be.

SWORN TO at \_\_\_\_\_, in the )  
 Province of Quebec, this day )  
 Of \_\_\_\_\_, 2021 before me: )  
 )  
 )  
 \_\_\_\_\_ )  
 A Notary Public in and for the )  
 Province of Quebec )  
 )

\_\_\_\_\_

Schedule "1.02(r)"

Legal descriptions of the Lands

PID 20434692  
PID 20109641  
PID 20328340  
PID 20434288

**Schedule 4.04**  
**Other Compensation**

(a) **WTG Installation Payment.** For each WTG installed by Tenant on the Property, Tenant shall pay to Landlord a one-time fee in the amount designated as the "***Turbine Installation Payment***," which payment will be due sixty (60) days after completion of such installation.

(b) **Substation Payments.** For each substation constructed or placed by Tenant on the Occupied Area, Tenant shall pay to Landlord an initial fee in the amount designated as the "***Substation Installation Payment***," which payment will be due sixty (60) days after completion of such construction, and an additional fee annually thereafter for so long as such substation(s) remain located on the Occupied Area and in use and/or operation, in the amount designated as the "***Annual Substation Payment***".

(c) **O&M Building Payments.** For each operations and maintenance building constructed or placed by Tenant on the Occupied Area, Tenant shall pay to Landlord an initial fee in the amount designated as the "***O&M Installation Payment***," which payment will be due sixty (60) days after completion of such construction, and an additional fee annually thereafter for so long as such operations and maintenance building(s) remain located on the Occupied Area and in use and/or operation, in the amount designated as the "***Annual O&M Payment***".

(d) **Road Payments.** Tenant shall pay to Landlord a one-time payment in the amount designated as the "***Road Payment***" for any new roads that Tenant constructs on the Occupied Area, which payment will be due sixty (60) days after completion of such construction.

(e) **Overhead Line Payments.** Tenant shall pay to Landlord a one-time payment in the amount designated as the "***Overhead Line Payment***" for each linear metre of overhead transmission or distribution lines that Tenant constructs on the Occupied Area, which payment will be due sixty (60) days after completion of such construction.

(f) **Corridor Payments.** In the event any new roads and overhead transmission lines are constructed by Tenant within a one hundred and twenty foot (120') corridor on the Occupied Area (a "***Corridor***"), Tenant shall pay to Landlord a one-time payment in the amount designated as the "***Corridor Payment***," which payment will be due sixty (60) days after completion of such construction. Such payment of the Corridor Payment shall be in lieu of and substitution for Tenant's obligation to pay the Road Payment and Overhead Line Payment with respect to any new road or transmission line within a Corridor.

(g) **Underground Cable Payment.** In the event that Tenant does not install any Turbine, operations and maintenance building, substation or overhead transmission or distribution line on the Occupied Area, and Tenant installs an underground power cable on the Occupied Area, Tenant shall pay to Landlord a one-time payment in the amount designated as the "***Underground Cable Payment***", which payment will be due sixty (60) days after completion of such construction.

14.2 **Other Payments.** In addition to the other amounts set forth herein, Tenant shall pay to Landlord the following additional amounts, when and if due and payable hereunder

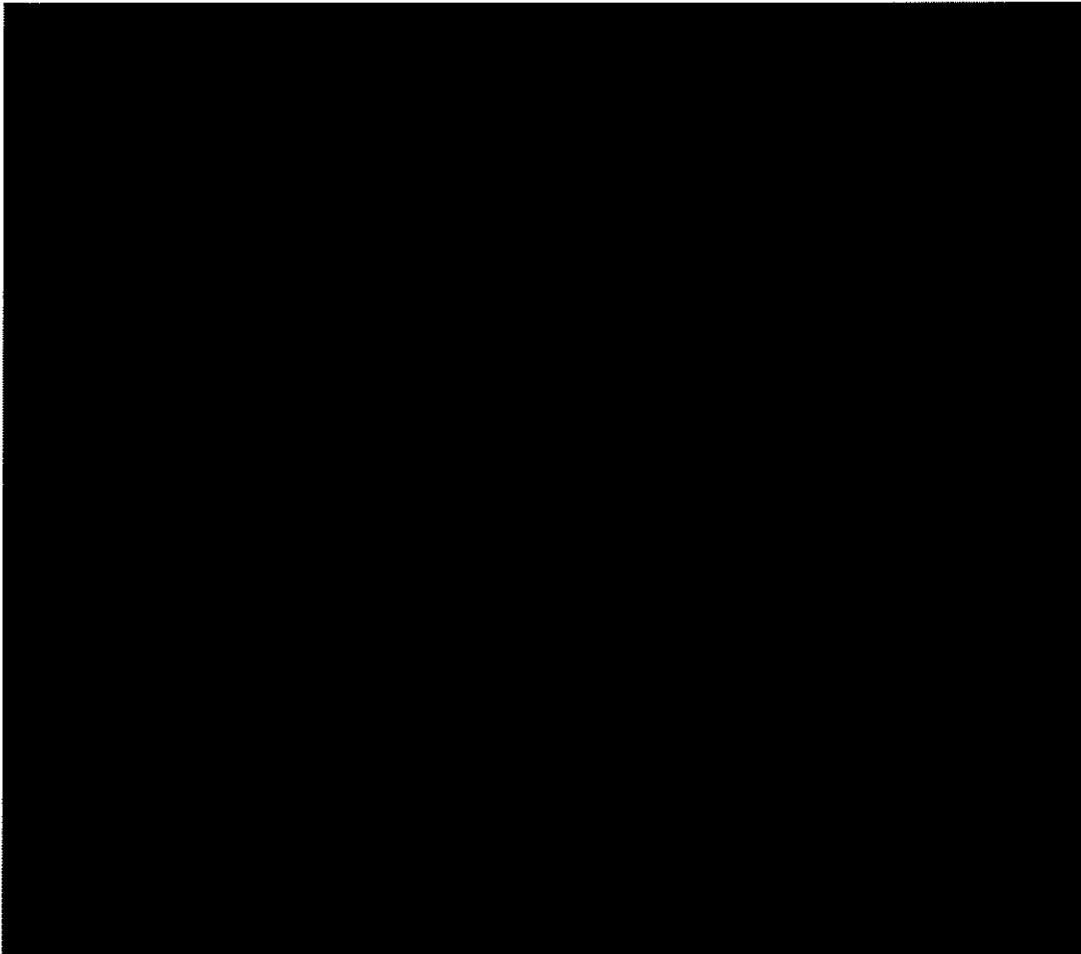
(a) **Timber Damage Payment.** Upon completion of any Construction Activities, whether prior to or after COD, and within sixty (60) days after the number of acres has been assessed by Tenant, the Tenant shall compensate Landlord with payment of a one-time sum in an amount per acre of the Occupied Area that is cleared solely due to Construction Activities on the Occupied Area as set forth in **Exhibit "B-1"** (the "***Timber Damage Payment***"). Landlord hereby recognizes and covenants that such

payment is intended to compensate the Landlord for (i) all damage to timber; and (ii) disruption of timber growing, harvesting and management activities per applicable forest practice rules

14.3 **Payments to Multiple Landlords.** When Landlord is comprised of more than one person or entity, Tenant may make Lease Payments, and pay other amounts payable by Tenant to Landlord under this Lease, separately to each person or entity constituting the Landlord hereunder (each a "**Landlord Party**") in accordance with such Landlord Party's percentage interest in the Occupied Area or in such other manner as may be directed in a written instrument executed by all Landlord Parties and delivered to Tenant.

14.4 **Audit Rights.** Landlord or its designated representative(s) shall have the right, upon ten (10) business days prior notice to Tenant, to inspect or conduct an audit of all of Tenant's records and documents related to the determination of Gross Revenues (the "**Audit**"), subject to the following conditions: (a) the Audit shall be conducted during Tenant's normal business hours at the location where Tenant maintains its books and records and shall not unreasonably interfere with the conduct of Tenant's business; (b) the Audit shall commence within thirty (30) days after Tenant makes its books and records available to Landlord or its representative and shall conclude within five (5) business days after commencement; (c) if the Audit is conducted by a third party, such Audit shall be conducted only by an independent certified public accounting firm of recognized regional or national standing or otherwise approved by Tenant (such approval not to be unreasonably withheld) and, in no event, shall any Audit be performed by a firm retained on a "contingency fee" basis; (d) Landlord and its representatives (including any accounting firm or auditor) shall treat the Audit and all information received and reviewed in connection with the Audit in a confidential manner and shall each execute a confidentiality agreement in a form approved by Tenant prior to commencing the Audit; and (e) any accounting firm's or auditor's report shall, at no charge to Tenant, be submitted in draft form for Tenant's review and comment before the final approved audit report is delivered to Tenant, and any reasonable comments by Tenant shall be incorporated into the final audit report. Notwithstanding the foregoing, Landlord shall have no right to conduct an Audit if Tenant furnishes to Landlord an audit report for the calendar year in question prepared by an independent certified public accounting firm (whether originally prepared for Tenant or another party). If Gross Revenues are found by such Audit to have been understated by more than three percent (3%), then Tenant shall pay the reasonable cost of such Audit as well as the additional Percentage Rent shown to be payable by Tenant to Landlord, plus interest on such unpaid amount at ten percent (10%) per annum calculated from the date such payment was due until paid; otherwise the cost of such Audit shall be paid by Landlord. Tenant promptly shall pay Landlord any unpaid amounts, and Landlord promptly shall refund any overpaid amounts, revealed by such inspection. Notwithstanding the foregoing, absent manifest error, any calculation of the amount of Gross Revenues relating to or paid during any calendar year shall be deemed to be conclusive and binding on the parties following the second anniversary of the last day of such calendar year.

**EXHIBIT B-1**

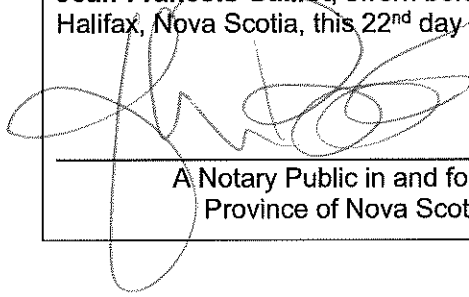


Schedule "5.05"

Applicable Development permits, if any, held by Landlord

None.

This is **Exhibit "E"** referred to in **Affidavit #1** of **Jean-Francois Guillot**, sworn before me at Halifax, Nova Scotia, this 22<sup>nd</sup> day of May, 2024.

A handwritten signature in black ink, appearing to be 'J. W. S.', is written over a horizontal line. The signature is somewhat stylized and loops around the line.

A Notary Public in and for the  
Province of Nova Scotia

2010

Hfx No. 335700

**SUPREME COURT OF NOVA SCOTIA**

BETWEEN:

~~CHIEF AILEEN FRANCIS, WAYNE DENNY, DOMINIC DENNY,  
DEBBIE DYKSTRA, CRYSTAL DENNY and ALDEN J. FRANCIS  
THE COUNCIL OF THE PICTOU LANDING FIRST NATION~~  
on their own behalf and on behalf of all members of  
the PICTOU LANDING FIRST NATION

PLAINTIFFS

- and -

THE ATTORNEY GENERAL OF NOVA SCOTIA representing  
HER MAJESTY THE QUEEN in right of  
the PROVINCE OF NOVA SCOTIA

FIRST DEFENDANT

- and -

NORTHERN PULP NOVA SCOTIA CORPORATION  
a body corporate

SECOND DEFENDANT

- and -

NEENAH PAPER COMPANY OF CANADA  
a body corporate

THIRD DEFENDANT

- and -

KIMBERLY-CLARK INC.  
a body corporate

FOURTH DEFENDANT

- and -

KIMBERLY-CLARK NOVA SCOTIA INCORPORATED  
a body corporate

FIFTH DEFENDANT

- and -

THE ATTORNEY GENERAL OF CANADA representing  
HER MAJESTY THE QUEEN in right of  
CANADA

SIXTH DEFENDANT

STATEMENT OF CLAIM – AMENDED AUGUST 29, 2012, FEBRUARY 11, 2019  
and FEBRUARY 8, 2022

THE FACTS

The Parties

1. ~~The Plaintiffs, Chief Aileen Francis, Wayne Denny, Dominic Denny, Debbie Dykstra, Crystal Denny and Alden J. Francis, are the duly elected Chief and Council of the Pictou Landing First Nation and bring this action on their own behalf and on behalf of all other~~ ~~The Plaintiffs are the duly elected Council of the Pictou Landing First Nation and bring this action on their own behalf and on behalf of all members of the Pictou Landing First Nation past, present and future.~~ The members of the Pictou Landing First Nation are descendants of the original inhabitants of the Province of Nova Scotia. In their own language they are known as "Lnu" and in English as "Mi'kmaq". The two terms are used interchangeably throughout this statement of claim. Members of the Pictou Landing First Nation are "Indians", and the Pictou Landing First Nation is a "band", within the meaning of the *Indian Act*, R.S.C. 1985, c. I-5, as amended. Pictou Landing First Nation is also known as the "Pictou Landing Indian Band". The Plaintiffs prefer to be called the "Pictou Landing First Nation" and that term will be used throughout this statement of claim. The members of the Pictou Landing First Nation are an "aboriginal people" within the meaning of s. 35 of the *Constitution Act*, 1982 (U.K.), 1982, c. 11.
  
2. The First Defendant is her Majesty the Queen in the Right of the Province of Nova Scotia (the "Province").

3. The Second Defendant, Northern Pulp Nova Scotia Corporation ("Northern Pulp"), is a body corporate with its head office at Abercrombie Point, Nova Scotia and since June 2008 has been the owner and operator of a kraft pulp mill at Abercrombie Point, Nova Scotia (the "Mill") and the lessee and operator of a pipeline, two primary settling ponds and an aerated stabilization basin ("ASB") used for holding industrial wastewater from the Mill (collectively the "Treatment Facility").

4. The Third Defendant, Neenah Paper Company of Canada ("Neenah Paper"), is a body corporate with its head office at Alpharetta, Georgia and was the owner and operator of the Mill and lessee and operator of the Treatment Facility from November 2004 to June 2008.

5. The Fourth Defendant, Kimberly Clark Inc. ("Kimberly Clark"), is a body corporate with its head office at Mississauga, Ontario and was the owner and operator of the Mill and lessee and operator of the Treatment Facility from 1997 to November 2004.

6. The Fifth Defendant, Kimberly Clark Nova Scotia Incorporated (formerly known as Scott Maritimes Limited and Scott Maritimes Pulp Limited) ("Scott Maritimes" and, together with the First Defendant, the Second Defendant, the Third Defendant, the Fourth Defendant and the Fifth Defendant, the "Defendants"), is a body corporate, with its head office at Mississauga, Ontario and was at all material times the owner and operator of the Mill from 1967 to 1997 and lessee and operator of the Treatment Facility from 1995 to 1997.

6A. The Sixth Defendant is her Majesty the Queen in the Right of Canada ("Canada").

### Traditional Lands

7. The Lnu or Mi'kmaq were part of the Algonquin nation, a large nation that occupied the eastern coast of what is now North America from Virginia to Labrador. Within the Algonquin nation, the Lnu occupied a large territory including what is now known as Nova Scotia, Prince Edward Island, eastern and northern New Brunswick and the Gaspé area of Quebec.

8. The Lnu lived a traditional life as fishers, hunters and gatherers throughout their territory including in and around a small tidal estuary connected by a narrow channel to the Northumberland Strait near what is now known as Pictou Landing. It was near this estuary that the ancestors of the Pictou Landing First Nation lived on a seasonal basis. The estuary was a bountiful source of a variety of food including fish, eels, crustaceans and shellfish. They hunted and trapped near its shores. The estuary provided a safe harbour for vessels and a sheltered recreational area. The estuary was so important to the life of the ancestors that they treated it as part of their home and called it "A'Se'K" (pronounced "Ah-sag") which means "the other room" in Lnu. The term "A'Se'K" will be used throughout this statement of claim to refer to the estuary out of respect for the traditions of the Pictou Landing First Nation.

9. Following contact with Europeans in the 16<sup>th</sup> century the ancestors continued to occupy, hunt, fish and gather and harvest food and wood throughout their territory including the area in and around A'Se'K.

### Treaty of 1760

10. After England defeated France in Nova Scotia, the British Crown entered into a treaty with the ancestors of the Pictou Landing First Nation in 1760. This treaty implicitly recognised

the right of the ancestors to occupy, hunt, fish, gather and harvest on lands within their territory including lands at A'Se'K.

#### **1761 - Promises of Legal Protection for Land**

11. In 1761, at a treaty ceremony, Lieutenant Governor Jonathan Belcher, later the first Chief Justice of Nova Scotia, assured the ancestors of the Pictou Landing First Nation that the laws of England would protect their rights and property in these words:

The Laws will be like a great Hedge about your Rights and properties, if any break this Hedge to hurt and injure you, the heavy weight of the Laws will fall upon them and punish their Disobedience.

12. Also, in 1761 a Royal Proclamation was issued in Nova Scotia acknowledging that the ancestors of the Pictou Landing First Nation had made a claim to all land along the northeastern shore of Nova Scotia, including the area around A'Se'K, and forbidding any settlement in the area.

13. In 1763 France formally ceded North America to England and England promptly issued the Royal Proclamation of 1763 providing for four colonial territories in North America, none of which included Nova Scotia, and setting out the manner of acquiring land lying outside these four territories from their original inhabitants. The Proclamation set out the process by which such lands could be surrendered to the Crown.

14. The effect of the Royal Proclamation of 1763 in Nova Scotia was to make it unlawful for the local government to grant any interest in land that had not been ceded or surrendered to the Crown in accordance with the Proclamation.

### **1766 - Lnu Understanding of Treaty Rights to Land**

15. In 1766 the ancestors of the Pictou Landing First Nation assembled at Chapel Island in Cape Breton with other Lnu and declared that no settlement would be allowed in Pictou as they understood that this land had been set aside for their use in earlier treaties including the Treaty of 1760.

### **1770's - Failure of the Law to Protect Treaty and Aboriginal Rights to Land**

16. Despite the treaty of 1760, the assurances given by Lieutenant Governor Belcher, the Royal Proclamation of 1761, the Royal Proclamation of 1763 and the fact that no land had been ceded or surrendered by the ancestors of the Pictou Landing First Nation, settlers began settling in the area around A'Se'K beginning in 1777.

### **Indian Cross Point Burying Grounds**

17. Soon all of the land in the area was the subject of a Crown grant except for an estimated 34 acres of land containing burial grounds of the ancestors of the Pictou Landing First Nation on the eastern shore of the East River a few kilometres from A'Se'K. There is no record that these lands were formally set apart for the ancestors of the Pictou Landing First Nation but they are designated on early maps as "Indian Burying Grounds" (the "Burying Grounds") in an area known as Indian Cross Point.

18. Settlers soon made claim even to the Burying Grounds. In 1784 two chiefs granted a deed to one acre of the Burying Grounds directly to James Carmichael in a transaction that failed to comply with the surrender provisions of the Royal Proclamation of 1763. Fifty years later in

1834 James Carmichael would convey this acre of land to Margaret McConnell but would purport to convey the entire Burying Grounds.

#### **1828 - Dispossessed of All Traditional Land**

19. In the meantime, the ancestors of the Pictou Landing First Nation continued to live in the area around A'Se'K despite the Crown grants to settlers. For over fifty years they continued to occupy, hunt, fish and gather and harvest an area near A'Se'K. However, the settlers viewed them as trespassers and in 1828 they were prevented from planting crops in the area and ordered to leave by the settler who held a Crown grant for the land.

20. Without any recognized territory, the ancestors of the Pictou Landing First Nation petitioned the government to acquire lands from the settlers near A'Se'K to be set apart for their exclusive use as had been done in other parts of the Province. Without any land base at all, many were destitute and relied on the Province for their subsistence.

#### **1864 - Finally 50 Acres of Land**

21. In 1864 the Province finally acquired 50 acres of land near A'Se'K (using "Indian money" from the sale of "Indian lands" in Cape Breton) and set it apart for the exclusive use and enjoyment of the ancestors of the Pictou Landing First Nation, who numbered 159 at the time.

#### **1867 - 1960 - More Land for Firewood**

22. With Confederation in 1867, the legal title to these 50 acres passed from Nova Scotia to Canada and became known as Fisher's Grant Indian Reserve No. 24. Over the next 100 years

several more small parcels of land were acquired by Canada near A'Se'K (again using "Indian money") and set apart for the ancestors of the Pictou Landing First Nation as food and fuel supplies proved inadequate on the original 50 acres. These included Fisher's Grant Indian Reserves No. 24A, 24B, 24C, 24D, 24E, 24F and 24G.

23. Over time the Pictou Landing First Nation built homes and other buildings on their lands.

#### **1960 - Division of Nova Scotia Mi'kmaq into Bands**

24. In 1960 the Department of Indian Affairs divided the Mi'kmaq of Nova Scotia into several bands. The "Pictou Landing Indian Band" was created and the records of the Indian Land Registry maintained by the Department of Indian Affairs were changed to record that all reserve lands in Pictou County were now set apart for the Pictou Landing First Nation.

#### **1962 - Amalgamation of Reserve Land**

25. In 1962 the Department of Indian Affairs amalgamated Fisher's Grant Indian Reserves No. 24, 24A, 24B, 24C, 24D and 24F into one reserve known as Fisher's Grant Indian Reserve No. 24 ("I. R. No. 24") (I. R. No. 24E had been previously sold).

#### **1963 and 1964 - Even More Land for Firewood**

26. Between 1963 and 1964 two-100 acre lots near A'Se'K were acquired by Canada using "Indian money" and set apart for the Pictou Landing First Nation as the Boat Harbour West Indian Reserve No. 37 ("I. R. No. 37") bringing the total amount of land set apart for the Pictou

Landing First Nation around A'Se'K to 691 acres: I. R. No. 24 (349 acres), I. R. No. 24G (142 acres) and I. R. No. 37 (200 acres).

#### **1964 - Limited Means and Opportunities**

27. By 1964 the Pictou Landing First Nation had few economic opportunities. Some members were engaged in the food and commercial fishery. However, literacy rates and education levels were low. Unemployment rates were high. Prevailing attitudes in the area created barriers to employment. The Pictou Landing First Nation had no collective source of revenues other than funding from the Department of Indian Affairs. It would be years before their treaty rights would be interpreted by the Courts to provide any meaningful economic opportunities.

#### **1964 - Importance of A'Se'K and Beach Front**

28. A'Se'K continued to be an important part of the life of the Pictou Landing First Nation. In this "other room" they fished eels and other fish, harvested lobster and shellfish, moored their fishing vessels and swam. They continued to occupy, hunt, fish gather and harvest on the lands adjacent A'Se'K.

29. The Northumberland Strait was also important to the Pictou Landing First Nation. Here they fished, harvested lobster and other shellfish, and swam in its warm waters in summer, particularly at the adjacent Lighthouse Beach.

30. Lighthouse Beach was a fine sand beach that was also popular with other residents of Pictou County due to its proximity to Trenton and New Glasgow some 10 kilometres away. In need of additional revenues, the Pictou Landing First Nation had established a canteen near the beach and had plans to further develop their lands along the Northumberland Strait to take advantage of its location near Lighthouse Beach which could only be accessed on foot over I. R. No. 24.

31. The community did not get the chance to do so.

#### Plans for a Pulp Mill

32. In or around 1964 Scott Maritimes decided to build the Mill at Abercrombie Point several kilometres away from A'Se'K on the western side of the East River. When completed the Mill would discharge up to 25 million gallons of toxic wastewater per day as a by-product of the pulping process. The Province agreed to provide an adequate supply of clean water to the Mill as well as a place to discharge the wastewater after its use in the pulping process. Federal regulations prohibited discharging pulp wastewater directly into the Northumberland Strait.

#### Plans for Treating Toxic Wastewater

33. The Province and Scott Maritimes devised a plan for the wastewater. It would be carried by pipeline to the eastern edge of I. R. No. 37 where it would be discharged into an open ditch and allowed to flow over the uninhabited Reserve to a primary settling lagoon to the east of I. R. No. 37. The primary settling lagoon would be created by constructing a dam across the upper reaches of A'Se'K at its western end to isolate the lagoon from the rest of A'Se'K. The wastewater would remain in the primary settling lagoon for a period of time during which some

suspended solids would settle to the bottom. The wastewater would then flow over or through the first dam into a much larger secondary lagoon formed by the construction of a second dam under Highway 348 where it crossed the channel connecting A'Se'K to the Northumberland Strait. After remaining in the secondary lagoon for a time during which further suspended solids would settle, the wastewater would be discharged over or through the second dam into the channel leading to the Northumberland Strait.

34. Both Nova Scotia and Scott Maritimes were aware that the wastewater would contain toxic and other chemicals and organic waste from the pulping process that would contaminate A'Se'K and render its waters unsuitable for any other uses.

35. The Province and Scott Maritimes agreed that the Province would expropriate or otherwise acquire from private owners an interest in land along the proposed pipeline route and around A'Se'K.

36. The Province and Scott Maritimes also agreed that the Province would acquire the riparian rights of the Pictou Landing First Nation in and to the waters of A'Se'K and accordingly the Province, through the Nova Scotia Water Commission, approached the Department of Indian Affairs, which was responsible for managing Reserve lands, and proposed the purchase of the riparian rights of the Pictou Landing First Nation in and to the waters of A'Se'K.

### **1965 - Chief and Council Worried about Adverse Impacts**

37. When the proposal was brought to the Chief and Council of the Pictou Landing First Nation, they expressed concern that the wastewater would cause, among other things, odour problems that would adversely affect their community.

### **Assurances that there would be no Adverse Impacts**

38. The Province and Scott Maritimes assured representatives of Indian Affairs and Chief and Council that while the waters of A'Se'K would no longer be suitable for fishing or recreation, the project would have no other adverse impacts on the use and enjoyment of the lands set apart for the Pictou Landing First Nation.

39. To convince Chief and Council that odour would not be a problem and there would be no adverse impacts on the community living nearby, the Province and Scott Maritimes arranged a trip to a new domestic wastewater treatment facility in Saint John, New Brunswick in October 1965. There the Chief and one Councillor were shown a holding pond containing colorless and odourless water. The Chief and the Councillor were impressed by this and were assured by representatives of the Province and Scott Maritimes that the quality of wastewater in A'Se'K would likewise be odour free.

### **Detrimental Reliance**

40. Relying on these assurances and on the Honour of the Crown, the Chief and the Councillor signed a handwritten document on October 10, 1965, while still in Saint John, agreeing in principle to the project on behalf of the Pictou Landing First Nation.

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41. Ironically, the Chief and the Councillor were motivated by the prospects of economic opportunities for all of Pictou County, as the only reason given for their decision in the short document was their belief that the new Mill would be "in the best interest of the entire area".

42. On October 21, 1965 a Band Council Resolution was signed by Chief and Council purporting to accept an immediate lump sum payment of \$60,000 in consideration of the permanent loss of fishing and hunting revenue and other benefits derived from the use of A'Se'K with a final settlement to be subject to further negotiations between the Province and the Department of Indian Affairs. The Band Council Resolution contained several conditions including that the Province would provide a slipway for boats to enter and leave A'Se'K.

#### **1966 - Commitment to Correct Adverse Impacts**

43. Subsequently, further discussions took place between Indian Affairs and the Province. Indian Affairs secured a commitment from the Province that if, after the introduction of wastewater, a septic condition arose in A'Se'K that adversely affected the Pictou Landing First Nation, the Province would take corrective action.

#### **Federal O-I-C with Conditions**

44. On September 2, 1966 a Federal Order-in-Council was issued which purported to authorize the transfer of the riparian rights of the Pictou Landing First Nation in and to A'Se'K to the Province subject to certain terms and conditions including, *inter alia*: (a) the payment by the Province of \$60,000 for the benefit of Pictou Landing First Nation; (b) provision by the

Province of a slipway for boats if requested by Pictou Landing First Nation; and (c) remedial action to be taken by the Province if a septic condition detrimental to the Pictou Landing First Nation developed in A'Se'K.

#### **No Rights Surrendered or Acquired**

45. The riparian rights of the Pictou Landing First Nation were not surrendered in accordance with the provisions of the *Indian Act* which required approval by referendum of all members of the Pictou Landing First Nation eligible to vote. Nor did the purported transaction comply with the expropriation provisions of the *Indian Act*. Both the Province and Scott Maritimes knew, or ought to have known, that the transaction did not comply with the *Indian Act* and that the Order-in-Council was *ultra vires* the Governor-in-Council.

46. Further, despite the plan to construct the pipeline through the Burying Grounds and discharge the wastewater into a ditch traversing I. R. No. 37, no interest in the Burying Grounds or in I. R. No. 37 was acquired from Pictou Landing First Nation for those purposes. Nor was any effort made to acquire the right to flood parts of I. R. No. 24 and I. R. No. 24G along the shores of A'Se'K or to create a nuisance affecting the use and enjoyment of the lands set apart for the Pictou Landing First Nation in the area.

#### **1967 - Province Goes Ahead with Project**

47. The Province subsequently constructed the pipeline and the two dams at A'Se'K as planned. No slipway was created to allow boats to access A'Se'K from the Northumberland Strait.

48. The Mill went into operation in September, 1967 and immediately began discharging wastewater at the rate of nearly 25 million gallons per day. As planned, the wastewater flowed into the pipeline, was carried through the Burying Grounds and was discharged into the open ditch at I.R. No. 37 where it was channelled across the newly acquired Reserve and into the primary settling lagoon.

#### New Chapter

49. Within a few days of start-up, the primary settling lagoon and the secondary lagoon were full of toxic wastewater, beginning a new chapter in the long and sad struggle of the Pictou Landing First Nation for the protection of their land in accordance with the Law that Chief Justice Belcher two centuries earlier had assured them would be like a Great Hedge about their rights and property.

#### Toxic Mixture

50. The wastewater contained a mix of chemicals including some of the most dangerous toxic pollutants: dioxins, furans, chloride, mercury and other heavy metals.

#### Septic Conditions

51. Organic matter in the wastewater was a natural by-product of the pulping process and turned the wastewater dark brown in colour. Organisms feeding off the organic matter consumed all of the oxygen in the lagoons. Larger organic sediments blocked the sunlight preventing photosynthesis at lower depths.

52. The combined effect of these chemicals and organic matter was to render A'Se'K septic and devoid of life.

#### **Pollution of Beach Front**

53. The adverse effects of the wastewater were not limited to the waters of A'Se'K. As the wastewater was discharged into the Northumberland Strait it dispersed in a dark coloured plume floating above the natural waters of the Strait. The plume extended from the mouth of the channel leading from A'Se'K along the shores of I. R. No. 24 and further along the shores of Lighthouse Beach leaving the water in these areas dark brown and full of floating debris and creating a brown foam along the shore. At times this foam reached a thickness of several feet and blew about like tumbleweed in the wind on the deserted Lighthouse Beach; for as a result of these conditions visitors stopped frequenting the beach and have not returned since.

#### **Air Pollution and Nuisance**

54. The wastewater not only ruined the waters of A'Se'K and the Northumberland Strait, but also contained noxious gasses, primarily foul-smelling sulphur compounds and mercaptans, which escaped into the air and were carried by the prevailing wind to I. R. No. 24 where they invaded the homes and offices, gardens and playgrounds of the Pictou Landing First Nation.

55. The concentration of these chemicals in the air was so strong that at times members of the Pictou Landing First Nation had difficulty breathing. Others developed headaches or became nauseous. The chemicals were so concentrated that they caused a chemical reaction with paint on

homes and other buildings in the community turning them black in colour and causing the paint to peel.

56. For over 40 years the residents of Pictou Landing First Nation community have endured the repugnant smell of "rotten eggs" which infiltrated and now permeates their homes, offices, cars and trucks and causes them to constantly worry about the health and safety of their children and themselves.

57. These repugnant smells continue to assault the senses of the members of the Pictou Landing First Nation residing there and seriously interfere with the use and enjoyment of their land.

#### **Flooding**

58. The Province failed to maintain the level of wastewater in A'Se'K below the ordinary high-water mark which resulted in flooding of portions of I. R. No. 24, I. R. No. 24G and I. R. No. 37. The flooding not only deprived the Pictou Landing First Nation of the use and enjoyment of the flooded land but also led to the deposit of sediment from the wastewater containing toxic chemicals on the flooded areas thereby contaminating the soil.

#### **1967 - Efforts to Seek Redress**

59. The Pictou Landing First Nation immediately complained to the Province and to Scott Maritimes about the conditions in A'Se'K and asked that remedial action be taken.

### 1970 - 25 year Wastewater Agreement

60. Two years later, on September 30, 1970, despite receiving complaints from the Pictou Landing First Nation about the conditions in A'Se'K, the Province entered into a 25-year agreement (the "Wastewater Agreement") with Scott Maritimes whereby the Province agreed to accept wastewater at A'Se'K until September 30, 1995. The Pictou Landing First Nation was not consulted about the Wastewater Agreement despite the obvious adverse impacts on them.

61. Indian Affairs also became involved and brought the conditions at A'Se'K to the attention of the Province, but took no legal action against the Province or Scott Maritimes when asked to do so by Pictou Landing First Nation.

### 1974 - Upgrades Fail to Correct Septic Conditions

62. In 1974 the Province took steps to alleviate the septic conditions. It replaced the primary settling lagoon with two settling ponds and created an aerated stabilization basin ("ASB") by installing another dam in the western end of A'Se'K near the settling ponds. It also installed mechanical aerators in the ASB to introduce more oxygen into the wastewater. From the ASB the wastewater would flow into the main body of A'Se'K which was now called a "finishing pond" where the wastewater would still remain for several days until discharge into the Northumberland Strait.

63. At the same time the Province extended the pipeline around I. R. No. 37 so that wastewater would be discharged from the pipeline directly into the new primary settling ponds thereby avoiding I. R. 37 altogether.

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64. Despite these modifications, septic conditions remained in A'Se'K and noxious gasses continued to descend upon the small First Nation community interfering with the use and enjoyment of their land.

#### Upgrades Lead to Noise Pollution

65. In addition, the mechanical aerators now introduced industrial noise to the area, further interfering with the use and enjoyment of the lands of the Pictou Landing First Nation.

#### No Slipway Built

66. Despite requests from Pictou Landing First Nation no slipway was ever built to allow boats to enter or leave A'Se'K.

67. The Pictou Landing First Nation continued to petition the Province and the Department of Indian Affairs for remedial measures to combat conditions in A'Se'K. The Department of Indian Affairs provided limited funding to enable Pictou Landing First Nation to hire lawyers to seek redress from the Province. However, these efforts were insufficient due to lack of sufficient funding and produced few results. Indian Affairs, as legal owner of the Reserves still refused to take legal action against the Province.

### 1986 - Law Suit Against Canada

68. Finally, in 1986 the Pictou Landing First Nation commenced an action against Canada as represented by the Minister of Indian Affairs. The action was framed in breach of fiduciary duty for Canada's role in allowing the Province and Scott Maritimes to use A'Se'K as a toxic dump.

### 1991 and 1992 - Promises to End the Pollution of A'Se'K

69. By 1991 Canada agreed to negotiate a settlement with Pictou Landing First Nation for its role in permitting the Province and Scott Maritimes to pollute A'Se'K. At the same time, the Province promised Pictou Landing First Nation that it would abate the adverse effects of the wastewater in A'Se'K on the Pictou Landing First Nation by ending the discharge of wastewater into A'Se'K after the Wastewater Agreement with Scott Maritimes expired in 1995. The Province also promised to remediate A'Se'K after the discharge of wastewater was discontinued so that it would once again be a tidal estuary open to the Northumberland Strait. The Province repeated the same promises in 1992.

### 1993 - Settlement with Canada

70. In July 1993 the Pictou Landing First Nation reached a settlement of their action against Canada believing that the Province intended to end the discharge of wastewater into A'Se'K after 1995. The settlement with Canada did not fully compensate the Pictou Landing First Nation for the impacts of the wastewater operations on them, nor did Canada have the authority to end the discharge of wastewater into A'Se'K. For this the Pictou Landing First Nation relied on the Honour of the Provincial Crown accepting its assurances that it would end the discharge of wastewater into A'Se'K after the Wastewater Agreement expired in 1995 and thereafter clean up

and remediate A'Se'K to its natural state. As part of the settlement, Pictou Landing First Nation and certain of its members signed and delivered to Canada documents purporting to assign certain causes of against Nova Scotia and Scott Maritimes in respect of the Wastewater Works (the "Assigned Claims").

71. Shortly afterward a committee known as the Boat Harbour Committee was formed to plan for the remediation of A'Se'K after expiry of the Wastewater Agreement in 1995. The committee included representatives of the Province, Canada and Pictou Landing First Nation. The committee met regularly to discuss the remediation of A'Se'K.

#### **1995 - More Promises to Stop Pollution and Remediate**

72. However, by the time the Wastewater Agreement expired no alternative site had been found to receive wastewater from the Mill. Instead the Province decided to continue the discharge of wastewater into A'Se'K until December 31, 2005 in order to give Scott Maritimes time to build new wastewater facilities at another location. The Province assured the Pictou Landing First Nation that the use of A'Se'K as a receiving body for wastewater from the Mill would be ended by December 31, 2005 and A'Se'K remediated. that time

#### **1995 - 10 Year Lease and Licence**

73. The Province entered into a memorandum of understanding with Scott Maritimes dated December 1, 1995 wherein it agreed to extend the term of the Wastewater Agreement from October 1, 1995 to December 31, 2005. At the same time, it agreed to, and did, enter into a 10-year lease (the "Lease") of the pipeline and the Crown lands on which the two primary settling

ponds and the ASB were located. In addition, the Province agreed to, and did, grant to Scott Maritimes a licence (the "Licence") for a 10-year term, permitting it to discharge wastewater from the ASB into the main body of A'Se'K as a finishing pond. The term of both the Lease and the Licence ran from January 1, 1996 to December 31, 2005.

74. The effect of the Lease and Licence was to transfer responsibility for the pipeline and wastewater operations at A'Se'K from the Province to Scott Maritimes. The Province was aware at all times that Scott Maritimes intended to continue the discharge of wastewater into A'Se'K under the Lease and Licence up to and including December 31, 2005, yet took no steps to consult with or ensure that the rights of the Pictou Landing First Nation were accommodated in the terms of the Lease or Licence. However, based on promises from the Province to end the discharge in 2005, Pictou Landing First Nation took no action in respect of the discharge of wastewater into A'Se'K and looked forward in good faith to December 31, 2005, relying at all times on the Honour of the Crown.

75. In 1997, 123 acres of land adjacent to I. R. No. 24 were acquired as the population of the community expanded and were later added to I. R. No. 24.

#### **1997 - Transfer of Lease and Licence to Kimberly Clark**

76. Scott Maritimes continued to operate the Mill and to discharge 25 million gallons of wastewater into A'Se'K each day of operation, until it transferred ownership of the Mill and its interest in the Lease and Licence to Kimberly Clark in 1997. The Province agreed to the transfer

of the Lease and Licence to Kimberly Clark without consultation with the Pictou Landing First Nation and accommodation of its interests.

77. Thereafter Kimberly Clark continued to operate the Mill and discharge 25 million gallons of wastewater each day into A'Se'K.

#### **2000 – Cost of Solution \$48-60 Million**

78. Sometime in or around the year 2000, Kimberly Clark commissioned an engineering report to estimate the cost of building a replacement wastewater treatment facility as the Lease and Licence were to expire on December 31, 2005. The Cost was estimated at between \$48 and \$60 million.

#### **2001 - The Pipeline Proposal**

79. Not wanting to incur the cost of building a replacement wastewater treatment facility, the Province and Scott Maritimes settled on an alternative proposal wherein the settling ponds and ASB would remain at their existing location adjacent A'Se'K. However, instead of discharging wastewater from the ASB into a finishing pond in A'Se'K, the wastewater would be routed by means of a pipeline through A'Se'K and discharged directly into the channel at the mouth of A'Se'K (the "Pipeline Proposal").

#### **Representation that Pipeline Proposal Feasible**

80. The Province and Kimberly Clark brought the Pipeline Proposal to the Pictou Landing First Nation for its consent. They represented to the Pictou Landing First Nation that the Pipeline

Project had been studied and was technically feasible. Kimberly Clark agreed to install the new pipeline and the Province promised that once the new pipeline was installed it would remove the toxic sediments from the bottom of the finishing pond in A'Se'K, remove the dam under Highway 348 and return A'Se'K to its natural state.

#### **Detrimental Reliance - MOU**

81. In 2001, relying on the Honour of the Crown and the representations of the Province and Kimberly Clark as to the feasibility of the Pipeline Project, the Pictou Landing First Nation entered into a memorandum of understanding ("MOU") with Kimberly Clark, wherein Kimberly Clark agreed to install the pipeline contemplated in the Pipeline Proposal in a timely manner so as to allow the Province to remediate A'Se'K and return it to its natural state by December 31, 2005 (the "Remediation Deadline"). In exchange Pictou Landing First Nation agreed not to protest the continued use the settling ponds and the ASB up to December 31, 2030.

#### **Extension of Lease without Consultation or Notice**

82. After securing the MOU but before the pipeline was built, the Province extended the term of the Lease to December 31, 2030 by way of an Extension Agreement dated October 22, 2002. The Province did not consult with the Pictou Landing First Nation before entering into the Extension Agreement and made no provision in the Extension Agreement for the termination of the Lease if the Pipeline Proposal was not implemented as contemplated in the MOU. The term of the Licence however remained unaffected by the Extension Agreement and would still expire on December 31, 2005.

**2004 - Transfer to Neenah Paper**

83. In 2004 the ownership of the Mill was transferred from Kimberly Clark to Neenah Paper and the Lease and Licence assigned with the consent of the Province. The Province acted without consulting the Pictou Landing First Nation or accommodating its interests.

84. Thereafter Neenah Paper operated the Mill and continued to discharge 25 million gallons of wastewater each day into A'Se'K.

**2005 - Pipeline Proposal Not Feasible**

85. As December 31, 2005 approached the Province and Neenah Paper advised Pictou Landing First Nation that the Pipeline Project was not technically feasible contrary to their earlier representations, as it would not likely pass an environmental assessment.

**2006 - Extension of Remediation Deadline under MOU**

86. On December 31, 2005 the Licence expired and the Remediation Deadline passed. Neenah Paper continued to discharge wastewater into A'Se'K with the full knowledge and consent of the Province. The Province and Neenah Paper asked the Pictou Landing First Nation to extend the Remediation Deadline in the MOU to December 31, 2008 to allow more time to find an alternative means of discharging wastewater from the ASB to the Northumberland Strait.

87. In September 2006 the Pictou Landing First Nation did agree to extend the Remediation Deadline to December 31, 2008 giving the Province and Neenah Paper three more years to resolve the problem.

**2008 - Extension of Licence without Notice or Consultation**

88. In May, 2008 the Province, Neenah Paper and Northern Pulp discussed the proposed transfer of ownership of the Mill from Neenah Paper to Northern Pulp. Northern Pulp requested and received assurances from the Province that it would have a continued right to operate the primary settling ponds and the ASB under the Lease until 2030 and to discharge wastewater into A'Se'K under the terms of the Licence over the same period of time.

89. Without notifying or consulting with the Pictou Landing First Nation, on May 13, 2008 the Province agreed to extend the Licence after December 31, 2008 on a month-to-month basis even though the Province was aware of the adverse impacts that the discharge of wastewater into A'Se'K continued to have on the members of the Pictou Landing First Nation.

**Transfer to Northern Pulp**

90. The transfer of ownership of the Mill from Neenah Paper to Northern Pulp did take place in June 2008. At that time the Pictou Landing First Nation put the Province on notice that any decision to extend the Licence would trigger a duty on the part of the Province to consult with and accommodate the rights of the Pictou Landing First Nation. The Pictou Landing First Nation was not aware that a decision had already been made to extend the Licence on a month-to-month basis.

**June 18, 2008 - Promise not to Extend the Licence without Consultation**

91. In response, and without advising the Pictou Landing First Nation of the month-to-month extension, the Province asked the Pictou Landing First Nation not to protest an extension of the Licence to December 31, 2008 (to coincide with the Remediation Deadline) and promised that the Licence would not be extended beyond December 31, 2008 without further consultation with the Pictou Landing First Nation. On June 11, 2008 the Pictou Landing First Nation agreed and took no steps to protest the extension of the Licence to December 31, 2008.

92. In October, 2008 as the Remediation Deadline approached, engineers retained by the Province and Northern Pulp to find alternatives to the Pipeline Proposal reported that there were no other feasible means of discharging wastewater into the Northumberland Strait from the ASB that would allow A'Se'K to be remediated as contemplated in the MOU and accordingly the ongoing use of the ASB and the remediation of A'Se'K as contemplated in the MOU were incompatible.

**November 19, 2008 - Renewed Demands to end Discharge of Wastewater**

93. In light of this, on November 19, 2008 the Chief of the Pictou Landing First Nation wrote to the Province advising that the Pictou Landing First Nation would not agree to any further extension of the Licence and demanded that the Province end the discharge of wastewater into A'Se'K as of December 31, 2008. The letter outlined the adverse impacts of the wastewater operations on the Pictou Landing First Nation and detailed the violation of constitutionally protected aboriginal and treaty rights occasioned by the continued use of A'Se'K as a dumping place for industrial wastewater.

**December 2, 2008 - Recognition of Adverse Impacts and Decision to Accommodate**

94. In response, no less than three Provincial Cabinet Ministers met with the Chief of the Pictou Landing First Nation on December 2, 2008 and advised her that a Cabinet decision had been made and that the Province would relocate the settling ponds and the ASB, recognizing the long-standing adverse impacts on the Pictou Landing First Nation. The Ministers said that the Province would like the Mill to continue to operate during the time it took to build replacement facilities elsewhere. The Ministers told the Chief that the Province would appoint a negotiator to negotiate with the Pictou Landing First Nation for a reasonable timetable and work plan for decommissioning the settlement ponds and the ASB and remediating A'Se'K. The Ministers also told the Chief that the Province would make a contribution to the Pictou Landing First Nation in consideration of the further inconvenience of having wastewater discharged into A'Se'K until a new facility was completed. The Ministers advised that the project would cost at least \$90 million, but the Province was prepared to spend the money to resolve the problem. These commitments were confirmed in a letter dated December 4, 2008 from Murray Scott, Minister of Transportation and Infrastructure Renewal.

95. Relying on these promises and on the Honour of the Crown, the Pictou Landing First Nation took no immediate steps to protest the continued discharge of wastewater into A'Se'K after the Remediation Deadline expired on December 31, 2008 and in April, 2009 entered into a forbearance agreement with Northern Pulp.

### March 2009 – Negotiation of Details of Accommodation Begins

96. In March, 2009 Pictou Landing First Nation entered into negotiations with a negotiator appointed by the Province as promised.

### June 2009 - Failure to Implement Accommodation Decision

97. Negotiations had not progressed far by the time of the Nova Scotia General Election of June 9, 2009. Afterward negotiations ceased without explanation. Finally, in September 2009 the new Minister of Transportation and Public Works met with the Chief and Council of the Pictou Landing First Nation and assured them that solving the wastewater problem at A'Se'K was a top priority for the Province, but that he as a new Minister would need time to study the problem to ensure that the approach outlined in the letter of December 4, 2008 was the right approach. The Minister reminded Chief and Council that the Province was facing financial difficulties.

98. Relying once again on the Honour of the Crown, Pictou Landing First Nation waited in good faith for the continued implementation of the accommodation decision contained in the letter of December 4, 2008.

99. However, 6 months passed with no word from the Province. The Pictou Landing First Nation asked the Province to confirm whether or not it would honour the decision to accommodate as set out in the December 4, 2008 letter. The Province declined to take a position stating that it was still studying the matter. The Province provided the Pictou Landing First Nation with no explanation as to what process it was following to study the matter and provided

no additional information to Pictou Landing First Nation nor did it request further information from the Pictou Landing First Nation. Pictou Landing First Nation was not invited to participate in the deliberations in any way.

#### **March 1, 2010 - Loan Agreement to Northern Pulp**

100. While the silence from the Province was deafening on the clean up of A'Se'K, in the background the Province had entered into discussions with Northern Pulp aimed at providing public funds to Northern Pulp to allow Northern Pulp to buy 475,000 acres of private forestland in Nova Scotia for \$81 million. On March 1, 2010, the day of the sale, the Province announced that it had agreed to loan Northern Pulp \$75 million to purchase the land and was at the same time buying 55,000 acres of the land from Northern Pulp for \$16.5 million (the "Land Deal"). In total \$91.5 million flowed from the Province to Northern Pulp for the stated purpose of ensuring the long-term feasibility of the Mill. Of this Northern Pulp used \$81 million to buy the lands leaving it with a surplus of \$10.5 million.

#### **The Last Straw**

101. Pictou Landing First Nation had not been advised of the impending Land Deal and only learned about it when it was publicly announced the day of the sale. The Land Deal was meant to secure a long-term supply of wood for the Mill which under current operating conditions meant the long-term discharge of wastewater into A'Se'K and the continued interference with the aboriginal and treaty rights of the Pictou Landing First Nation. However, no consultation took place with Pictou Landing First Nation in respect of the Land Deal and no accommodation was made of the rights of the Pictou Landing First Nation by, for instances, requiring the changes to

eliminate or improve conditions at A'Se'K. In contrast to this, the Province had secured the assurance of Northern Pulp that it would use part of the \$10.5 million surplus from the Land Deal to reduce emissions from the stacks at the Mill. While important to those living closer to the Mill, the lowering of stack emissions would not alleviate the odour problems at I. R. No. 24 which emanate from the wastewater in A'Se'K. The Province did not require Northern Pulp to take a single step to alleviate the adverse impacts of the wastewater treatment at A'Se'K on the Pictou Landing First Nation.

102. Moreover, the Province had obviously turned its mind to the question of consultation and accommodation of aboriginal interests as the Land Deal contained a term requiring Northern Pulp to make reasonable efforts to conclude a benefits agreement with the Pictou Landing First Nation and all Nova Scotia Mi'kmaq by December 31, 2011. However, this clause was vague and left the Pictou Landing First Nation with so little bargaining strength, as the Land Deal had already been completed, that it wholly failed to accommodate the interests of the Pictou Landing First Nation, particularly in regard to adverse impacts related to the wastewater at A'Se'K.

103. To make matters worse, the \$91.5 million given by the Province to Northern Pulp on March 1, 2010 in the Land Deal was the same amount that the Province had estimated as the cost of carrying out its accommodation decision as set out in the December 4, 2008 letter.

#### April 19, 2010 - Demand to Terminate Licence

104. Pictou Landing First Nation was struck by the contrast between the speed and commitment shown by the Province in facilitating the Loan Deal and the lack of progress in

ending the discharge of effluent into A'Se'K despite the costs of both projects being very similar. Accordingly, on April 19, 2010, Pictou Landing First Nation asked the Province to terminate the Lease and Licence effective June 30, 2010 by giving proper notice to Northern Pulp.

**June 30, 2010 – No Termination**

105. June 30, 2010 passed without any changes to the discharge of wastewater into A'Se'K. No changes have taken place since. Wastewater continues to be discharged into A'Se'K at the rate of 25 million gallons per day. The Province has provided no reasons for its decision to refuse the demands of the Pictou Landing First Nation to terminate the Lense and Licence as at June 30, 2010, nor has the Province accommodated the interests of the Pictou Landing First Nation in that decision.

105A. Pictou Landing First Nation asked Canada to take legal action against the Defendants in respect of the injury, loss, damages and trespass set out herein in its capacity as legal owner of I.R. 24 and as assignee of the Assigned Claims. Canada refused to do so.

105B. On or about January 24, 2020 Northern Pulp ceased production of pulp at the Mill but continued to discharge wastewater into A'Se'K, with the approval of the Province, in connection with the continued operation of the power boiler at the Mill up to April 26, 2020, at which point no further wastewater was discharged from the Mill to A'Se'K. Between October 21 and November 4, 2020 a section of the Pipeline was permanently removed so that it is no longer possible for wastewater to flow into A'Se'K from the Mill.

## LEGAL CLAIMS

### Interference with Aboriginal and Treaty Rights - Land

106. The Plaintiffs say that they have constitutional, treaty, aboriginal, statutory and Common Law rights to the use and enjoyment of lands set apart for them including I. R. No. 24, I. R. No. 24G and I. R. No. 37. These rights include the right to be free of airborne contaminants, obnoxious odours and industrial noise and the right to hunt, fish gather and harvest without worrying that fish, game, fowl and plants found on their lands are contaminated by toxic chemicals. The Plaintiffs repeat the facts recited above and say that the Defendants, and each of them, have unjustifiably interfered with these constitutional, treaty and aboriginal rights contrary to Section 35 of the *Constitution Act*, the Treaty of 1760, the Royal Proclamation of 1761, the Royal Proclamation of 1763, the *Indian Act*, Common Law and such other treaties, proclamations and laws that may be found to be applicable on the evidence.

### Interference with Aboriginal and Treaty Rights - Water

107. The Plaintiffs further say that they have constitutional, treaty, aboriginal, statutory and Common Law rights to the use and enjoyment of the waters adjacent to the lands set apart for them including the waters of A'Se'K and the Northumberland Strait. These rights include the right to hunt, fish, gather, harvest, navigate, and engage in recreational and cultural activities in and on the waters adjacent to their lands. It is an implied term of the Treaty of 1760 that the *waters adjacent to the lands set aside for the use and enjoyment of the Pictou Landing First Nation would be left in their natural state so as to permit the Plaintiffs to exercise their Treaty,*

aboriginal, statutory and Common Law rights in and on those waters. The Plaintiffs repeat the facts recited above and say that the Defendants have interfered with these constitutional, treaty, aboriginal, statutory and Common Law rights contrary to Section 35 of the *Constitution Act*, the Treaty of 1760, the Royal Proclamation of 1761, the Royal Proclamation of 1763, the *Indian Act*, Common Law and such other treaties, proclamations and laws that may be found to be applicable on the evidence.

#### Transfer of Riparian Rights Void

108. The Plaintiffs say that the purported transfer of riparian rights of the Pictou Landing First Nation in 1966 was void *ab initio* as: (i) it failed to comply with the provisions of the Royal Proclamation of 1761, the Royal Proclamation of 1763, the *Indian Act* and the Common Law of aboriginal title; (ii) it was undertaken on the basis of fraudulent or negligent misrepresentations by the Province that the wastewater project to be undertaken by the Province could be undertaken without adversely affecting the use and enjoyment of LR. No. 24, which misrepresentations were intended to, and in fact did, induce Pictou Landing First Nation to transfer its riparian rights and which it otherwise would not have done; (iii) it was undertaken on the basis of a mutual, common or unilateral mistaken belief as described in (ii) above; (iv) the Province, as a fiduciary, deceived the Pictou Landing First Nation as described in (ii) above; (v) the Province has acted in bad faith in performing its obligations under the transfer as described in (ii) above; and/or (vi) it was an unconscionable transaction for the reasons described in (ii) above and because there was an inequality of bargaining power between the Province and Pictou Landing First Nation, which the Province unfairly and inequitably used to its advantage in

negotiating a transfer that was detrimental to Pictou Landing First Nation for grossly inadequate consideration.

**Breach of Contract to Operate so as to Avoid Adverse Impacts**

109. In the alternative, the Plaintiffs say that if the transfer of riparian rights in 1967 was not void *ab initio*, then there was an agreement between the Province and Pictou Landing First Nation governing the transfer of the riparian rights which contained an expressed or implied provision that the Province would conduct its wastewater treatment operations at A'Se'K so as to avoid interference with the use and enjoyment of lands set apart for the Pictou Landing First Nation and would correct septic conditions that arose in A'Se'K as a result of its wastewater operations. The Plaintiffs say that Province failed to conduct its wastewater operations as agreed and that septic conditions did arise and continue to exist in A'Se'K and that the Province breached and continues to breach the agreement in failing to adequately correct those conditions and in failing to cease its wastewater operations when it became clear that the operations could not be conducted without interference with the use and enjoyment of the lands set apart for the Pictou Landing First Nation or so as to avoid septic conditions in A'Se'K.

**Breach of Collateral Contract to Operate so as to Avoid Adverse Impacts**

110. In the further alternative, the Plaintiffs say that if the transfer of riparian rights in 1967 was not void *ab initio* then the Province promised to operate its wastewater treatment facility at A'Se'K such that the wastewater would not interfere in anyway with the use and enjoyment of the lands set apart for the Pictou Landing First Nation near A'Se'K and further promised to correct any septic conditions that occurred in A'Se'K. These promises were made to secure the

transfer of the riparian rights by Canada and formed a collateral contract between the Province and the Pictou Landing First Nation. The Plaintiffs say that the Province failed to conduct its wastewater operations as agreed and that septic conditions did arise and continue to exist in A'Se'K and that the Province breached the collateral contract in failing to adequately correct those conditions and in failing to cease its wastewater operations when it became clear that the operations could not be conducted without interference with the use and enjoyment of the lands set apart for the Pictou Landing First Nation or so as to avoid septic conditions in A'Se'K.

**Misrepresentation as to Ability to Operate so as to Avoid Adverse Impacts**

111. In the further alternative, the Plaintiffs say that if the transfer of riparian rights in 1967 was not void *ab initio* then the Pictou Landing First Nation was induced to consent to the transfer by the false representations of the Province and of Scott Maritimes that the wastewater operations at A'Se'K could be operated so as to avoid interference in any way with the use and enjoyment of the lands set apart for the Pictou Landing First Nation and to avoid septic conditions, which representations were false. The Pictou Landing First Nation acted on these representations to its detriment in consenting to the transfer of its riparian rights. The Plaintiffs say that the representations were fraudulent or, in the alternative, negligent and render the transfer voidable.

**Nuisance**

112. The Plaintiffs further say that the presence of toxins and other chemicals in the water and air and the obnoxious odours and noise associated with the wastewater operations at A'Se'K

interfere and continue to interfere with the use and enjoyment of lands set apart for the Pictou Landing First Nation and adjacent waters and are nuisances.

#### Strict Liability

113. The Plaintiffs further say that the production of pulp at the Mill and the storage of wastewater from the pulping process at A'Se'K are inherently dangerous activities and the chemicals and pulp by-products in the wastewater are dangerous things that the Defendants produced and/or brought onto their land and which escaped into A'Se'K and the Northumberland Strait and onto the Plaintiffs' land and the Defendants are therefore strictly liable for the damages caused by the escape of toxins, chemicals and organic matter found in the wastewater under the Rule in *Rylands v. Fletcher*.

#### Trespass to Land

114. The Plaintiffs further say that the flooding of reserve land and the use of I. R. 37 as a conduit for wastewater constituted a trespass to property and an intentional interference with the constitutional, treaty and aboriginal rights of the Pictou Landing First Nation.

#### Promises of 1991 and 1992 - Collateral Contracts

115. The Plaintiffs say that in 1991 and 1992 the Province promised the Pictou Landing First Nation that it would discontinue the discharge of wastewater from the Mill into A'Se'K and would subsequently remediate A'Se'K in order to induce the Pictou Landing First Nation to enter into a settlement agreement with Canada. Pictou Landing First Nation did enter into a settlement agreement with Canada in 1993. The Pictou Landing First Nation say that the

promises made by the Province amounted to a collateral contract that has been breached by the Province.

**Promises of 1993 to 1995 - Collateral Contracts**

116. The Plaintiffs further say that from 1993 to 1995 the Province again promised the Pictou Landing First Nation that it would not permit the discharge of wastewater from the Mill into A'Se'K and would subsequently remediate A'Se'K by December 31, 2005 in order to induce the Pictou Landing First Nation to forbear from taking action against the Defendants to prevent the continued interference with the use and enjoyment of the lands set apart for the Pictou Landing First Nation and with other constitutional, treaty, aboriginal, statutory, contractual, Equitable and Common Law rights of the Pictou Landing First Nation. The Pictou Landing First Nation relying on these promises did forbear from taking such action and say that these promises amount to a collateral contract which has been breached by the Province.

**Fraudulent or Negligent Misrepresentation as to Feasibility of the Pipeline Proposal**

117. The Plaintiffs further say that in 2000 the Province and Kimberly Clark represented to the Pictou Landing First Nation that the Pipeline Project was technically feasible in order to induce the Pictou Landing First Nation to enter into the MOU with Kimberly Clark. This representation was either false and was made fraudulently or, in the alternative, negligently. Pictou Landing First Nation entered into the MOU to its detriment in reliance on this representation and accordingly it would be inequitable to enforce the MOU.

**MOU Fundamentally Breached or Frustrated**

118. In the alternative, the Plaintiffs say that it was a fundamental covenant of the MOU that Kimberly Clark and its successors and assigns would take all reasonable action to ensure that the Pipeline Proposal could be carried out before the Remediation Deadline. Kimberly Clark, Neenah Paper and Northern Pulp each failed to take all reasonable steps, including but not limited to, the installation of a primary clarifier and a tertiary treatment system, to ensure that wastewater could be discharged into the channel leading from A'Se'K to the Northumberland Strait so as to permit the Pipeline Proposal to be carried out in compliance with environmental laws and regulations. The Plaintiffs say that Kimberly Clark, Neenah Paper and Northern Pulp each committed a fundamental breach of the MOU. In the further alternative the Plaintiffs say that the MOU was frustrated by the inability of the Defendants to obtain environmental regulatory approvals for the Pipeline Proposal when such approval was a fundamental mutual assumption of the parties when entering into the MOU.

**Letter of December 4, 2008 – Decision to Accommodate**

119. The Province has a fiduciary, Common Law and constitutional duty flowing from s. 35(1) of the *Constitution Act, 1982*, to consult and, if indicated, accommodate the Pictou Landing First Nation, when the Province contemplates conduct that might adversely affect a treaty or aboriginal right of the Pictou Landing First Nation.

120. The Plaintiffs say that the letter of December 4, 2008 contains (a) an acknowledgement that the wastewater operations at A'Se'K have interfered, and continue to interfere, with the aboriginal and treaty rights of the Pictou Landing First Nation and (b) a written decision and promise to accommodate those interests by (i) prohibiting the discharge of wastewater into

A'Se'K after allowing a reasonable time for the establishment of another facility to receive wastewater from the Mill at another location, (ii) remediating Boat Harbour and (iii) compensating the Pictou Landing First Nation for continuing adverse impacts during the period required to carry out (i) and (ii). The Province subsequently, without reason, justification or consultation with the Pictou Landing First Nation, decided not to follow its own decision and in doing so acted in bad faith, in violation of the constitutionally protected aboriginal and treaty rights of the Pictou Landing First Nation and in breach of its duty to consult and accommodate.

#### **Letter of December 4, 2008 - Collateral Contract**

121. In the alternative, the Plaintiffs say that the promises made in the letter of December 4, 2008 were made to induce the Pictou Landing First Nation to forbear from taking legal action against Northern Pulp and the Province. The Pictou Landing First Nation says that it did enter into a forbearance agreement with Northern Pulp in April, 2009 and did in fact forbear from taking action against the Province and Northern Pulp and says that the promises by the Province amount to a binding collateral contract which was breached by the Province.

#### **Failure to Consult and Accommodate**

122. The Plaintiffs say that the duty to consult with, and if indicated, accommodate the interests of the Pictou Landing First Nation existed since 1964 when the Province learned about the plans for the Mill and that the Province has since failed to adequately consult with or accommodate the interests of the Pictou Landing First Nation in respect of any of its decisions or actions relating to the wastewater operations at A'Se'K, including in respect of the Land Deal, and accordingly has breached its duty to consult and accommodate.

### Pipeline Lease Invalid at Indian Cross Point

123. The Plaintiffs say that Pictou Landing First Nation has aboriginal title to Burying Grounds at Indian Cross Point and that the Burying Grounds were set apart for their exclusive use and enjoyment. The Plaintiffs further say that the Province had, and has, no authority by virtue of the Treaty of 1760, the Royal Proclamation of 1761, the Royal Proclamation of 1763, the *Constitution Act, 1982*, the *Indian Act* and such other treaties that might on the evidence apply, to lease any part of the Burying Grounds and that the Lease is invalid in so far as it purports to grant an interest in the Burying Grounds to Scott Maritimes and its assignees.

### Continuing Trespass at Indian Cross Point

124. The Plaintiffs further say that the construction of the pipeline and the continuing use of the pipeline to transmit wastewater to A'Se'K constituted ~~and continues to constitute~~ a continuing trespass and a violation of the constitutionally protected aboriginal and treaty rights of the Pictou Landing First Nation.

### Negligent Wastewater Operations

125. The Defendants owed a duty of care to the Plaintiffs to design, construct, operate and maintain the pipeline, the dams, the primary settling lagoon, the secondary lagoon, the settling ponds, the ASB and the finishing pond at A'Se'K (the "Wastewater Works") so as to avoid harm to the Pictou Landing First Nation. The Defendants failed to design, construct, operate and maintain the Wastewater Works in accordance with generally accepted engineering and wastewater treatment practices or otherwise so as to avoid harm to the Pictou Landing First

Nation as described herein and have thereby breached the duty of care owed to the Plaintiffs. The Defendants knew or ought to have known that designing, constructing, operating and maintaining the Wastewater Works as they did, would cause foreseeable harm to the Pictou Landing First Nation and its members. As a result of the negligence of the Defendants the Plaintiffs have suffered injury, loss and damage including personal injury and economic losses.

#### Liability as Landlord

126. The Plaintiffs say that the Province owed a duty of care to the Plaintiffs to avoid leasing the Wastewater Works to anyone whom it knew, or ought to have known, intended to operate and maintain the Wastewater Works in such a manner as to cause harm to the Plaintiffs. The Province knew or ought to have known that Scott Maritimes and its assignees intended to operate and maintain the Wastewater Works in such a manner as to cause harm to the Plaintiffs. Nonetheless the Province negligently entered into the Lease for the Wastewater Works with Scott Maritimes and in doing so breached its duty of care to the Plaintiffs. As a result of the negligence of the Province, Scott Maritimes and its assigns have operated and maintained the Wastewater Works under the Lease so as to cause harm to the Pictou Landing First Nation as described herein. As a result of the negligence of the Defendants the Plaintiffs have suffered injury, loss and damage including personal injury and economic losses.

127. In the alternative the Plaintiffs say that in so far as the Defendants other than the Province (the "Lessee Defendants") are liable to the Plaintiffs for damages arising from the operation and maintenance of the Wastewater Works whether for interference with aboriginal and treaty rights, negligence, nuisance, interference with riparian rights, causing damage under the rule in *Rylands*

v. *Fletcher*, breach of contract, negligent or fraudulent misrepresentation or such other claims as may appear just on the evidence, the Plaintiffs say that the Province is vicariously liable as a landlord for injury, loss and damage occasioned by the Lessee Defendants, when it knew or ought to have known that the Lessee Defendants intended to use the Wastewater Works in such a way as to give rise to the said claims.

#### **Peace of Mind Agreements**

128. The Plaintiffs say that the treaties, agreements and contracts referred to herein were intended by the parties thereto to provide the Pictou Landing First Nation with peace of mind and the parties contemplated that the breach of same would lead to mental suffering and anguish on the part of members of the Pictou Landing First Nation.

#### **Fiduciary Duty and Utmost Good Faith**

129. The Province at all times owed the Plaintiffs a fiduciary duty to act honourably and with the utmost good faith in its dealings with the Plaintiffs, including the duty to advise Pictou Landing First Nation in a timely manner of any action being contemplated by the Province which could adversely impact the interests of the Pictou Landing First Nation, the duty to fully disclose relevant information in its possession to the Plaintiffs so that the Plaintiffs could make informed decisions in respect of the contemplated uses of A'Se'K, the duty to be honest and forthright in its dealings with the Pictou Landing First Nation, the duty not to make arbitrary decisions and the duty to provide reasons for any decision which could have a material impact on the Pictou Landing First Nation. The Plaintiffs repeat the facts recited herein and say that the Province has breached its fiduciary duty, has failed to act honourably and has acted in bad faith throughout.

Loss and Damage

130. The Plaintiffs have suffered loss and damage as a result of the above including, but not limited to;

- (a) loss of the use and enjoyment of land;
- (b) loss of riparian rights;
- (c) loss of ability to harvest fish in or near A'Se'K due to total destruction of the shellfish and fish habitat in and near A'Se'K;
- (d) loss of navigational rights;
- (e) loss of a preferred mooring place for fishing and other vessels which forced some Pictou Landing First Nation fishermen to abandon commercial fishing due to a lack of alternative places to safely moor boats;
- (f) loss of recreational rights in and around A'Se'K and Lighthouse Beach;
- (g) loss of economic opportunities including opportunities arising (i) from the Plaintiffs' right to harvest and sell or trade fish as part of their treaty and aboriginal rights; (ii) from the location of the community next to Lighthouse Beach; and (iii) from the potential for land development;
- (h) diminution in land values;
- (i) loss of culturally significant natural resources including A'Se'K and the Burying Grounds;
- (j) loss of cultural identity;
- (k) loss of independence;
- (l) mental anguish;

(m) personal injury or risk of personal injury from exposure to toxic chemicals from the wastewater; and

(n) anxiety, stress and worry due to the unknown effects of living next to toxic wastewater and inhaling contaminated air.

131. The Defendants have wrongfully received revenues from the unjustified infringement of the Plaintiffs' rights. In addition, the Defendants have saved hundreds of millions of dollars by failing to make alternative arrangements for the discharge of wastewater in a manner that would not interfere with the rights of the Pictou Landing First Nation.

#### Legislation

132. The Plaintiffs plead and rely upon the following constitutional and legislative enactments and their predecessors and any amendments:

- (a) the *Indian Act*, R.S.C. 1985, c. I-5;
- (b) the *Constitution Act, 1867*;
- (c) the *Constitution Act, 1982*;
- (d) the Royal Proclamation of 1761;
- (e) the Royal Proclamation of 1763;
- (f) the *Environment Act*, S.N.S. 1994-95, c. 1;
- (g) the *Human Rights Act*, R.S.N.S. 1989, c. 214; and
- (h) other legislative enactments to be specified by legal counsel for the Plaintiffs.

#### Assignment to Canada

132A. The Plaintiffs say that the assignment of the Assigned Claims was invalid and ineffective and did not in law effect the assignment of the causes of action set out herein to Canada. In the alternative, if any of the Assigned Claims were in law and fact assigned to Canada, which the Plaintiff's deny, to the extent they were assigned, the compensation received from Canada was less than the actual damages suffered by the Plaintiffs and accordingly Canada owes a fiduciary duty to the Plaintiffs when deciding whether or not to pursue legal action in respect of the Assigned Claims to take into account the actual damages suffered by the Plaintiffs and the inability of the Plaintiffs to bring legal action on their own without the consent of Canada. The Plaintiffs further say that Canada owes a fiduciary duty to the Plaintiffs to protect the interests of the Pictou Landing First Nation in and to A'Se'K and L.R. 24 including by means of taking legal action against the other Defendants.

### RELIEF SOUGHT

133. The Plaintiffs claim an order providing the following remedies against the Defendants:

#### Declarations as to Aboriginal and Treaty Rights

- (a) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have an un-extinguished aboriginal and treaty right to reside on I. R. No. 24 free from airborne contaminants, including but not limited to sulphur compounds and mercaptans, which adversely affect the use and enjoyment of I. R. No. 24.
  
- (b) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have an un-extinguished aboriginal and treaty right to reside on I. R. No. 24 free from industrial noises which adversely affect the use and enjoyment of I. R. No. 24.

(c) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have an un-extinguished aboriginal and treaty right to use and enjoy the waters of A'Se'K in their natural state.

(d) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have an un-extinguished aboriginal and treaty right to maintain and protect the fish habitat in A'Se'K, in the channel leading from A'Se'K to the Northumberland Strait and in the Northumberland Strait adjacent I. R. No. 24.

(e) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have an un-extinguished aboriginal or treaty right to maintain and protect the shellfish habitat in and around A'Se'K, in and around the channel leading from A'Se'K to the Northumberland Strait and in and around the Northumberland Strait adjacent I. R. No. 24.

(f) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have an un-extinguished aboriginal and treaty right to use and enjoy the waters of the Northumberland Strait adjacent to I. R. No. 24 in their natural state.

(g) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have an un-extinguished aboriginal or treaty right to navigate in the waters of A'Se'K including the right to access A'Se'K by boat from the Northumberland Strait.

(h) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have un-extinguished aboriginal title to the Burying Grounds.

(i) In the alternative, a declaration as to the aboriginal and treaty rights of the Pictou Landing First Nation in and to the Burying Grounds since 1966.

**Declarations as to Riparian and Littoral Rights**

(j) A declaration that the Pictou landing First Nation has had since 1966 and continues to have riparian rights in and to the waters of A'Se'K.

(k) A declaration that the Pictou Landing First Nation has had since 1966 and continues to have littoral rights in and to the waters of the Northumberland Strait adjacent I. R. No. 24.

**Declaration as to Transfer of Riparian Rights in 1966**

(l) A declaration that the purported transfer of riparian rights in and to the waters of A'Se'K to the Province in 1966 is void *ab initio* and is of no force and effect as: (i) it failed to comply with the provisions of the *Indian Act*, the Royal Proclamation of 1761 and the Royal Proclamation of 1763; (ii) it was undertaken on the basis of fraudulent or negligent misrepresentations by the Province; (iii) it was undertaken on the basis of a mutual, common or unilateral mistaken belief that the wastewater project to be undertaken by the Province could be undertaken without adversely affecting the use and enjoyment of I. R. No. 24; (iv) the Province, as a fiduciary, deceived the Pictou Landing First Nation; (v) the Province has acted in bad faith in performing its obligations under the transfer; and/or (vi) it was an unconscionable transaction.

**Declarations as to Contractual Obligations**

(m) In the alternative, if the transfer of riparian rights in and to the waters of A'Se'K to the Province in 1966 is not void *ab initio*, a declaration that it was a term of the transfer, or a term of a contract collateral to the transfer agreement, that the Province would not allow conditions in A'Se'K to adversely impact the use and enjoyment of I. R. No. 24 by the Pictou Landing First Nation, would remedy any septic conditions that arose in A'Se'K and would build a slipway for boats to enter and leave A'Se'K.

(n) A declaration that the promises by the Province in 1991 and 1992 to end the discharge of wastewater into A'Se'K and thereafter to remediate A'Se'K and return it to its natural state at the end of the Wastewater Agreement amounted to a binding contract collateral to the 1993 settlement agreement with Canada.

(o) A declaration that the MOU is void *ab initio* and is of no force and effect as: (i) it failed to comply with the provisions of the *Indian Act*, the Royal Proclamation of 1761 and the Royal Proclamation of 1763; (ii) it was undertaken on the basis of fraudulent or negligent misrepresentations by the Province and Kimberly Clark Inc. as to the feasibility of the Pipeline Project; (iii) it was undertaken on the basis of a mutual, common or unilateral mistaken belief that the Pipeline Project could be carried out in compliance with applicable environmental laws; (iv) Kimberly Clark Inc. and its assigns acted in bad faith in performing their obligations under the MOU; and/or (v) it was an unconscionable transaction.

(p) A declaration that the promise by the Province to end the discharge of wastewater into A'Se'K and thereafter to remediate A'Se'K and return it to its natural state within a reasonable period of time after December 31, 2008 and to compensate the Pictou Landing First Nation for the adverse impacts associated with wastewater in A'Se'K until such time as remediation was complete, amounted to a binding contract collateral to the 2009 forbearance agreement with Northern Pulp.

**Declarations as to the Duty to Consult and Accommodate**

(q) A declaration that the Province has since 1966 owed and still owes the Pictou Landing First Nation a duty to consult with the Pictou Landing First Nation and, if indicated, accommodate the interests of the Pictou Landing First Nation in respect of all of its decisions and actions when it recognized or ought to have a recognized that the decision or action could adversely affect the claimed or established aboriginal and treaty rights of the Pictou Landing First Nation.

(r) A declaration that in consulting with and accommodating the interests of the Pictou Landing First Nation, the Province had and has a duty to take into account, among other things:

- i. the cumulative effect of government decisions and actions over time;
- ii. the failure of the Province to set apart any land for the benefit of the ancestors of the Pictou Landing First Nation in and around A'Se'K when granting lands to settlers in the 1700's;
- iii. the failure of the Province to set apart and protect the Burying Grounds for the benefit of the ancestors of the Pictou Landing First Nation since the 1700's;
- iv. the fact that despite the Crown grants to settlers the ancestors of the Pictou Landing First Nation continued to occupy, hunt, fish, gather and harvest on lands around A'Se'K for nearly 100 years after the settlers arrived until land was finally set apart for them;
- v. the failure of the Province to set apart an adequate amount of land when 50 acres was finally set apart in 1866;
- vi. the fact that all reserve lands were purchased with "Indian money" and were not a "gift" from the Crown;
- vii. the inability of the lands set apart for the Pictou landing First Nation to provide sufficient natural resources to sustain the Pictou Landing First Nation at even a subsistence level;
- viii. the dependence of the Pictou Landing First Nation on the Crown for support;
- ix. the lack of any economic benefits from the operation of the Mill or the facilities at A'Se'K;
- x. the fact that the Pictou Landing First Nation have no other lands on which to reside due the pattern of land development permitted by the Province;
- xi. the expense, inconvenience and social costs of relocating the community or mitigating against the adverse effects of the wastewater in A'Se'K;

- xii. the historical and spiritual connection of the Pictou Landing First Nation to A'Se'K;
  - xiii. the fact that Pictou Landing First Nation were limited as to where they could fish, hunt and trap by government regulation and the granting of land;
  - xiv. the social impact of large-scale industrial projects on aboriginal communities;
  - xv. the social impact of government sponsored environmental contamination on communities;
  - xvi. the lack of scientific understanding of the long-term effects of environmental contaminants on the health of people exposed to them;
  - xvii. the difficulty of establishing actual harm from environmental contamination;
  - xviii. the known risks associated with environmental contamination;
  - xix. the polluter pays principle;
  - xx. the precautionary principle requiring that where there are threats of serious or irreversible damage, the lack of full scientific certainty shall not be used as a reason for postponing measures to prevent environmental degradation,;
  - xxi. the rights of aboriginal people as protected by the Nova Scotia *Human Rights Act*, the *Canadian Charter of Rights and Freedoms*, the *Constitution Act, 1982*, international law governing the recognition and protection of the rights of indigenous peoples, the Royal Proclamations of 1761 and 1763 and the assurances provided by Chief Justice Belcher.
- (s) A declaration that the Province had, and where applicable continues to have, a duty to consult and, if indicated, accommodate the interests of the Pictou Landing First Nation with respect to:
- i. *the selection of A'Se'K as the receiving waters for wastewater from the Mill;*

- ii. the design and construction of the dams, the primary settling lagoon and the secondary lagoon;
- iii. the selection of the pipeline route;
- iv. the construction of the pipeline through the Burying Grounds;
- v. the design and construction of a ditch across I. R. No. 37;
- vi. the discharge of wastewater into a ditch on I. R. No. 37;
- vii. the regulation of water levels in A'Se'K;
- viii. the flooding of I. R. No. 24, I. R. No. 24G and I. R. No. 37;
- ix. the refusal to build a slipway at the channel leading to A'Se'K from the Northumberland Strait;
- x. the Wastewater Agreement of 1970;
- xi. the design and construction of modifications to the wastewater facilities at A'Se'K including the replacement of the primary settling lagoon with two primary settling ponds, the creation of the ASB; the installation of mechanical aerators;
- xii. the operation of the wastewater facilities;
- xiii. the extension of the Wastewater Agreement in 1995;
- xiv. the Lease;
- xv. the Licence;
- xvi. the operating approval for the Mill and the wastewater facilities at A'Se'K issued under the *Environment Act* including any alteration or renewal thereof;
- xvii. the approval of the transfer of the Mill and the assignment of the Lease and the Licence from Scott Maritimes to Kimberly Clark;
- xviii. the lease extension agreement of 2002;
- xix. the approval of the transfer of the Mill and the assignment of the Lease and Licence from Kimberly Clark to Neenah Paper;
- xx. the decision to allow Neenah Paper to continue to discharge wastewater into A'Se'K after the Licence expired on December 31, 2005;
- xxi. the decision to extend the Licence on a month-to-month basis in May 2008;

- xxii. the ongoing decision since May 2008 not to cancel the month-to-month Licence;
- xxiii. the ongoing decision not to implement the commitments made in 1966, 1991, 1992 and 1995 to stop the discharge of wastewater into A'Se'K and thereafter to remediate it;
- xxiv. the ongoing decision not to proceed with the accommodation of the aboriginal and treaty rights of the Pictou Landing First Nation as decided and promised to the Pictou Landing First Nation as set out in the December 4, 2008 letter; and
- xxv. the decision to provide funding to Northern Pulp in the Land Deal.

(f) A declaration that the Province is under a continuing duty to consult and accommodate the interests of the Pictou Landing First Nation, despite the institution of the within proceedings, including a duty to consult and accommodate in regard to:

- ~~i. the ongoing decision whether to terminate the month to month Licence;~~
- ii. changes to the terms and conditions of the month-to-month Licence, the Lease, the operating approval under the *Environment Act* and any other licence, permit or approval associated with the Mill, the pipeline or the wastewater treatment facilities at A'Se'K;
- iii. ~~the ongoing decision whether or not to prevent the discharge of wastewater into A'Se'K;~~
- iv. the ongoing decision whether or not to monitor the environmental and health impacts of the wastewater in A'Se'K;
- ~~v. a decision whether or not to enforce any rights under the month to month Licence, the Lease, the operating approval under the Environment Act and any other licence, permit, approval, statutory, common law or equitable right associated with the Mill, the pipeline or the wastewater treatment facilities at A'Se'K;~~
- ~~vi. the selection, planning, design and construction of any alternative location or facility for the discharge of wastewater from the Mill into the waters of the Northumberland Strait;~~

- vii. the remediation of A'Se'K;
- viii. the return of A'Se'K to its natural state;
- ix. any changes to or enforcement of any loan or other agreement associated with the Land Deal; and
- x. any other decision concerning the operations of the Mill or the discharge of wastewater from the Mill as long as wastewater continues to be discharged into A'Se'K or into the waters of the Northumberland Strait so as to interfere with the aboriginal and treaty rights of the Pictou Landing First Nation.

**Declarations as to Violation of Aboriginal, Treaty, Common Law, Contractual and Other Rights**

(u) A declaration that the Defendants, or such of them as appears from the evidence, have violated and interfered with the aboriginal and treaty rights of the Pictou Landing First Nation to occupy, hunt, fish, gather and harvest, to use and enjoy the lands set apart for them and to use and enjoy the waters of A'Se'K and the Northumberland Strait in their natural state, by:

- i. building dams and introducing mechanical and other engineered structures in A'Se'K to alter the natural state of A'Se'K;
- ii. constructing a pipeline through the Burying Grounds;
- iii. constructing a ditch across I. R. No. 37;
- iv. permitting wastewater containing toxins and other chemicals and organic matter from the Mill to be discharged onto I. R. No. 37;
- v. permitting wastewater containing toxins and other chemicals and organic matter from the Mill to be discharged into A'Se'K beginning in 1967;
- vi. permitting wastewater containing toxins and other chemicals and organic matter from the Mill to be discharged into the Northumberland Strait;
- vii. permitting wastewater containing toxins and other chemicals and organic matter from the Mill to flood portions of I. R. No. 24, I. R. No. 24G and I. R. No. 37;

- viii. allowing noxious gasses to escape from the wastewater and ~~contaminant~~ contaminate the air on I. R. No. 24 and other lands set apart for the Pictou Landing First Nation;
- ix. destroying of the fish and shellfish habitat in and around A'Se'K and the Northumberland Strait including in the channel leading to the Northumberland Strait.

(v) A declaration that the Defendants, or such of them as appears from the evidence, have trespassed on I. R. No. 24, I. R. No. 24G, I. R. No. 37 and the Burying Grounds by:

- i. entering upon and constructing a pipeline through the Burying Grounds;
- ii. entering upon and constructing a ditch across I. R. No. 37; and
- iii. flooding I. R. No. 24, I. R. No. 24G and I. R. No. 37.

(w) A declaration that the Defendants, or such of them as appears from the evidence, have interfered with the riparian rights of the Pictou Landing First Nation and more particularly, the right to:

- i. navigation in and on A'Se'K and the channel leading from A'Se'K to the Northumberland Strait;
- ii. take fish including shellfish from the waters and bed of A'Se'K; and
- iii. clean water in its natural state for swimming and other recreational uses in A'Se'K.

(x) A declaration that the Defendants, or such of them as appears from the evidence, have interfered with the littoral rights of the Pictou Landing First Nation and more particularly, the right to:

- i. take fish including shellfish from the waters and bed of the Northumberland Strait adjacent I. R. No. 24; and

- ii. clean water in its natural state for swimming and other recreational uses in the Northumberland Strait adjacent I. R. No. 24.
- (y) A declaration that the Defendants, or such of them as appears from the evidence, are liable for damage caused by the escape of wastewater from the Mill under the rule in *Rhylands v. Fletcher*.
- (z) A declaration that the Province fundamentally breached the transfer of riparian rights agreement of 1966 and the same is rescinded.
- (aa) A declaration that the Province has breached the collateral contracts of 1992 and 1993.
- (bb) A declaration the MOU has been rescinded.
- (cc) A declaration that the Province has breached the collateral contract contained in the letter of December 4, 2008.

**Declarations as to Violation of Equitable Rights**

- (dd) A declaration that the Province breached its fiduciary duties to the Pictou Landing First Nation in respect of the wastewater operations at A'Se'K.
  - (ee) A declaration that the Province breached its duty to consult with and accommodate the Pictou Landing First Nation in respect of the wastewater operations at A'Se'K.
  - (ff) A declaration that the Province breached its duty to act with the utmost good faith and in an honourable way in its dealings with Pictou Landing First Nation in respect of the wastewater operations at A'Se'K.
-

**Declarations as to Relief**

- (gg) ~~An interim and permanent injunction restraining Northern Pulp from discharging wastewater into A'Se'K including into the settling ponds, the ASB and the finishing pond.~~
- (hh) An interim and permanent injunction restraining Northern Pulp from discharging wastewater into the Northumberland Strait so as to contaminate the waters adjacent I. R. No. 24.
- (ii) A declaration that the Burying Grounds are owned by Canada for the benefit of the Pictou Landing First Nation.
- (jj) A declaration that neither the Province nor Northern Pulp have an interest in the Burying Grounds and that the Lease is void in so far as it purports to grant an interest in the Burying Grounds.
- ~~(kk) An interim and permanent injunction restraining Northern Pulp and/or the Province from discharging wastewater through that section of the pipeline which passes through the Burying Grounds.~~
- (ll) A mandatory injunction and order requiring Northern Pulp and/or the Province ~~to remove the pipeline from the Burying Grounds~~ and to restore the Burying Grounds to their natural state free of contamination.
- ~~(mm) An order quashing the month to month Licence.~~
- (nn) ~~An order requiring the Province to take immediate steps to prevent the continued discharge of wastewater into A'Se'K.~~
- (oo) An order requiring the Province to consult with and accommodate the Pictou Landing First Nation and an order that any Party may apply to this Court for

further directions, advice or orders in respect of the conduct of the consultation and the substance of the accommodation required;

(pp) An order that the Defendants develop and implement a remediation plan in consultation with the Plaintiffs to remediate damage caused to A'Se'K, I. R. No. 24, I. R. No 24G and I. R. No. 37 and to restore A'Se'K to its natural state.

(qq) A declaration that each of the Defendants has wrongfully received revenues from the unjustified infringement of the aboriginal, treaty and other rights of the Plaintiffs, and holds these revenues as a constructive trustee for the Plaintiffs, and an order for each of the Defendants to provide an accounting of all revenues received in relation to wastewater operations at A'Se'K and to disgorge all of those revenues, with interest, to the Plaintiffs.

(rr) A declaration against the Province as to the quantum of general, special, aggravated and punitive damages and equitable compensation.

(ss) Judgment against all other Defendants for general, special, aggravated and punitive damages and equitable compensation.

(tt) Costs on a solicitor and own client basis including advanced costs.

(uu) Prejudgment interest.

(vv) Such further and other relief as this Honourable Court deems just.

133. The Plaintiffs claim an order providing the following remedies against Canada:

(a) A declaration that the assignment of the Assigned Claims was void, invalid and of no force or effect.

- (b) A declaration that Canada has a fiduciary duty to take legal action in respect of the Assigned Claims.
- (c) A declaration that Canada has a fiduciary duty to take legal action to protect the interests of the Plaintiffs in and to A'Se'K and I.R. 24.
- (d) A declaration that Canada has breached its fiduciary duty to the Plaintiffs in failing to take legal action in respect of the Assigned Claims.
- (e) A declaration that Canada has breached its fiduciary duty to the Plaintiffs in failing to take legal action to protect the interests of the Plaintiffs in and to A'Se'K and I.R. 24.
- (f) A declaration as to the quantum of general, special, aggravated and punitive damages and equitable compensation.
- (g) Costs on a solicitor and own client basis.
- (h) Prejudgment interest.
- (i) Such further and other relief as this Honourable Court deems just.

**Signature**

Signed at Halifax, this 8<sup>th</sup> day of February, 2022.

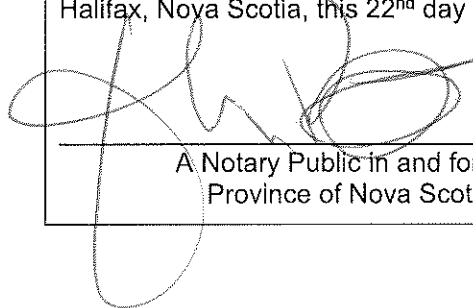


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Counsel for the Plaintiffs

**TO:** The Attorney General for the Province of Nova Scotia  
**AND TO:** Northern Pulp Nova Scotia Corporation  
**AND TO:** Neenah Paper Company of Canada  
**AND TO:** Kimberly-Clark Inc.  
**AND TO:** Kimberly-Clark Nova Scotia Incorporated

This is **Exhibit "F"** referred to in **Affidavit #1** of **Jean-Francois Guillot**, sworn before me at Halifax, Nova Scotia, this 22<sup>nd</sup> day of May, 2024.



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A Notary Public in and for the  
Province of Nova Scotia

**THIS AMENDED AND RESTATED DEBTOR-IN-POSSESSION FINANCING TERM SHEET** is made effective as of May 31, 2024.

**BETWEEN:**

**1057863 B.C. LTD., NORTHERN RESOURCES NOVA SCOTIA CORPORATION, NORTHERN PULP NOVA SCOTIA CORPORATION, NORTHERN TIMBER NOVA SCOTIA CORPORATION, 3253527 NOVA SCOTIA LIMITED, 3243722 NOVA SCOTIA LIMITED, AND NORTHERN PULP NS GP ULC**  
(collectively, the "**Borrowers**" and, each, a "**Borrower**")

- and -

**PAPER EXCELLENCE CANADA HOLDINGS CORPORATION**, as arranger and agent for the Lenders (defined below)  
(in such capacity, the "**Agent**")

- and -

**PAPER EXCELLENCE CANADA HOLDINGS CORPORATION and PACIFIC HARBOR NORTH AMERICAN RESOURCES LTD.**, as lenders  
(together, the "**Lenders**")

**WHEREAS:**

A. The Borrowers have obtained protection under the *Companies' Creditors Arrangement Act* (the "**CCAA**") pursuant to an initial order obtained from the Supreme Court of British Columbia (the "**Court**") in the CCAA proceedings (the "**CCAA Proceedings**") on June 19, 2020, as amended on June 25, 2020, July 3, 2020, August 6, 2020, September 20, 2020, December 11, 2020, April 22, 2021, October 29, 2021, April 29, 2022, October 31, 2022, April 24, 2023, August 30, 2023, November 27, 2023, December 12, 2023 and as may be further amended from time to time, including with respect to the approval by the Court of the matters and terms set forth herein (collectively, the "**Initial Order**").

B. The Agent and the Lenders arranged to provide financing to the Borrowers as described in the amended and restated term sheet made effective as of October 31, 2022, as amended by amending agreements dated April 24, 2023, August 30, 2023, November 27, 2023 and December 12, 2023 (collectively, the "**Existing Term Sheet**").

C. In contemplation of, and subject to the grant of an order further amending the Initial Order with respect to the matters and terms contained herein, the Lenders, the Agent and the Borrowers have agreed to further amend and restate the Existing Term Sheet on and subject to the terms and conditions set forth in this term sheet (this "**Term Sheet**"), to, *inter alia*, eliminate the milestones, increase the interest rate and extend the maturity date until March 31, 2025.

**NOW THEREFORE**, in consideration of the premises and the mutual covenants herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1.	<b>Interpretation</b>	Capitalized terms that are not otherwise defined herein have the meanings assigned thereto in the Initial Order.
2.	<b>Amendment and Restatement</b>	This Term Sheet amends and restates the Existing Term Sheet and is not a novation of the Existing Term Sheet. All indebtedness, liabilities, and obligations of the Borrowers under the Existing Term Sheet shall continue as indebtedness, liabilities, and obligations under this Term Sheet, and this Term Sheet shall not evidence or result in a novation of such indebtedness, liabilities, or obligations.
3.	<b>Borrowers</b>	<p>(a) 1057863 B.C. LTD. ("<b>105 BC</b>")</p> <p>(b) Northern Resources Nova Scotia Corporation</p> <p>(c) Northern Pulp Nova Scotia Corporation ("<b>Northern Pulp</b>")</p> <p>(d) Northern Timber Nova Scotia Corporation ("<b>Northern Timber</b>")</p> <p>(e) 3253527 Nova Scotia Limited</p> <p>(f) 3243722 Nova Scotia Limited</p> <p>(g) Northern Pulp NS GP ULC</p> <p>For the purposes of the DIP Facility, 105 BC is hereby appointed as the agent of the Borrowers and accordingly, any notice to be delivered to, or by, the Borrowers shall be deemed to have been satisfactorily delivered to or by all Borrowers if delivered to or by 105 BC.</p> <p>Each Borrower, on a joint and several basis, and as a primary obligor, unconditionally guarantees and covenants with the Agent (for the benefit of the Lenders) the due and punctual payment of all amounts owing by each other Borrower and the performance by the Borrowers of all other obligations arising under or in connection with this Term Sheet and/or the DIP Facility, including but not limited to all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not at any time owing by the Borrowers to the Lenders pursuant to this Term Sheet as and when the same become due and payable according to the terms hereof.</p>
4.	<b>Agent</b>	Paper Excellence Canada Holdings Corporation (in its capacity as such).
5.	<b>Lenders and Commitments</b>	<p>Paper Excellence Canada Holdings Corporation (in its capacity as Lender) and Pacific Harbor North American Resources Ltd.</p> <p>In this Term Sheet, "<b>Commitment</b>" means, with respect to each Lender, the maximum amount of Advances that such Lender has agreed to make with respect to the DIP Facility. Annex A hereto sets out each Lender's Commitment.</p>
6.	<b>Facility Type</b>	Term loan credit facility (the " <b>DIP Facility</b> ").

7.	<b>DIP Facility Amount and Advances</b>	<p>Subject to the satisfaction of the conditions precedent set forth in this Term Sheet, the principal amount of the DIP Facility is C\$50,000,000 (plus all PIK Interest and other amounts added to the principal amount under this Term Sheet from time to time), which will be made available to the Borrowers in multiple advances for the purposes described in Section 12 (each, an "<b>Advance</b>").</p> <p>Subject to satisfaction of the conditions precedent set forth in this Term Sheet, Advances shall be provided by the Lenders for the purposes set forth in Section 12 on no less than five (5) days prior written notice to the Agent, in a minimum amount of at least \$500,000.</p> <p>Any unpaid fees and expenses of the Lenders in connection with this Term Sheet shall be added to the principal amount under the DIP Facility.</p>
8.	<b>Interest Rate</b>	<p>13% per annum, from and after the effective date of this Term Sheet, on the outstanding principal amount of Advances and the amount of overdue interest thereon from time to time.</p> <p>For the purposes of the <i>Interest Act</i> (Canada), the yearly rate of interest to which any rate calculated on the basis of a period of time different from the actual number of days in the year (three hundred sixty (360) days, for example) is equivalent to the stated rate multiplied by the actual number of days in the year (three hundred sixty five (365) or three hundred sixty six (366), as applicable) and divided by the number of days in the shorter period (three hundred sixty (360) days, in the example), and the parties hereto acknowledge that there is a material distinction between the nominal and effective rates of interest and that they are capable of making the calculations necessary to compare such rates and that the calculations herein are to be made using the nominal rate method and not on any basis that gives effect to the principle of deemed reinvestment of interest.</p> <p>Each Borrower confirms that it fully understands and is able to calculate the rate of interest applicable hereunder based on the methodology for calculating per annum rates provided for in this Term Sheet. Each Borrower hereby irrevocably agrees not to plead or assert, whether by way of defence or otherwise, in any proceeding relating to this Term Sheet or any security, that the interest payable under this Term Sheet or any security and the calculation thereof has not been adequately disclosed to the Borrower, whether pursuant to section 4 of the <i>Interest Act</i> (Canada) or any other applicable law or legal principle.</p> <p>No interest or fee to be paid hereunder shall be paid at a rate exceeding the maximum rate permitted by applicable law. In the event any such interest or fee exceeds such maximum rate, such interest or fee shall be reduced or refunded, as the case may be, so as to be payable at the highest rate recoverable under applicable law.</p>

9.	<b>Payment of Interest</b>	Interest shall be accrued and capitalized and be added to the principal amount (any such interest, " <b>PIK Interest</b> "), or, at the Borrowers' election, paid in cash.
10.	<b>Default Interest</b>	Upon and during the continuance of an Event of Default, the applicable rates of interest shall be increased by 2% per annum above the otherwise then applicable rate.
11.	<b>Pricing and Fees</b>	<p><u>Commitment Fees and Standby Fees</u></p> <p>In addition to the commitment fees and standby fees that have accrued with respect to Advances under the DIP Facility made prior to the date hereof (which are fully earned and shall be payable on the Termination Date), the Borrowers shall pay to the Agent (for the account of the Lenders):</p> <ul style="list-style-type: none"> <li>(a) a commitment fee equal to 2.5% of each further Advance on and after the date hereof, which shall be earned on the date of such Advance and be payable on the Termination Date; and</li> <li>(b) a standby fee equal to 2.5% of the unadvanced Commitments contemplated to be advanced in the Cash Flow Projections filed with the Court for the relevant extension of the provisions of the Initial Order, which shall be earned on the date of such Court approval extending the provisions of the Initial Order and be payable on the Termination Date.</li> </ul> <p><u>Agency Fee</u></p> <p>The Borrowers shall pay to the Agent an agency fee equal to C\$5,000 per annum, payable annually in advance commencing from the date of this Term Sheet (the "<b>Agency Fee</b>"). For greater certainty, the Agency Fee shall be accrued and capitalized and be added to the principal amount.</p>
12.	<b>Purposes of the DIP Facility</b>	Subject to the terms and conditions set forth in this Term Sheet, Advances are to be made available pursuant to the DIP Facility based on the cash flow projections to be approved by the Agent (for and on behalf of the Lenders) and filed in support of the Borrowers' application for the Initial Order, subsequent orders issued in the CCAA Proceedings or any other cash flow projections that the Agent (on behalf of the Lenders) requests of the Borrowers for the purposes of the DIP Facility, as the case may be (the " <b>Cash Flow Projections</b> "), to pay costs and expenses associated with (a) the shutdown of the or the Boat Harbour Effluent Treatment Facility and hibernation of operations at the pulp mill (the " <b>Mill</b> ") site owned by Northern Pulp, (b) environmental protection and compliance, (c) the evaluation, prosecution, settlement or progression of claims and other legal remedies that may be available to the Borrowers and to pay transaction costs, fees and expenses, including Permitted Fees and Expenses (as defined below) and professional fees, (d) completing

		the obligations of the Borrowers pursuant to the settlement agreement among, <i>inter alios</i> , the Borrowers and His Majesty the King in right of the Province of Nova Scotia dated on or about the date hereof (the " <b>Settlement Agreement</b> ") ( <u>provided that</u> , for greater certainty, the Borrowers shall not use the proceeds of any Advance to fund costs and expenses for the Feasibility Study (as defined in the Settlement Agreement)); and (e) fees and expenses of the Agent and the Lenders pursuant to the terms of this Term Sheet incurred in connection with the DIP Facility, the CCAA Proceedings and all transactions contemplated thereunder.
13.	<b>Cash Flow Projections</b>	The Borrowers shall from time to time, as and when requested by the Agent (on behalf of the Lenders), prepare and deliver to the Agent updated Cash Flow Projections in form and substance satisfactory to the Agent.
14.	<b>Maturity</b>	All Advances made under the DIP Facility will mature and be fully repayable on March 31, 2025 (the " <b>Maturity Date</b> ").  All amounts outstanding or payable under this Term Sheet (including the principal and all unpaid accrued interest under the DIP Facility and all fees and other amounts required to be paid by the Borrowers) shall be due and payable in full (in cash) on the Maturity Date and/ or the Early Termination Date (as the case may be) (each a " <b>Termination Date</b> ") (but subject to the provisions of Section 16).
15.	<b>Early Termination Date</b>	Notwithstanding the provisions of Section 14, Advances made under the DIP Facility will be fully repayable on the earliest of (each an " <b>Early Termination Date</b> "): <ul style="list-style-type: none"> <li>(a) the completion of a sale or sales of all or substantially all of the Borrowers' assets, property and undertaking, and the final settlement or resolution of all claims of the Borrowers against third parties, as approved by the Monitor and, where required, the Court, as determined by the Agent acting on the instructions of the Lenders;</li> <li>(b) the implementation of a plan of compromise or arrangement within the CCAA Proceedings, which has been approved by the requisite majorities of the Borrowers' creditors, by the Court, and by the Lenders hereunder; and</li> <li>(c) the date on which the Initial Order expires without being extended or on which the CCAA Proceedings are terminated or dismissed.</li> </ul>
16.	<b>Payment in Kind</b>	Solely in respect of amounts made available under the DIP Facility that fund the evaluation, settlement or progression of claims or other legal remedies that may be available to the Borrowers (" <b>Relevant Advances</b> ") and notwithstanding the provisions of Section 14 and 15: <ul style="list-style-type: none"> <li>(a) the Borrowers may, in their sole discretion, elect to repay up to 50% of the amounts due and payable under or in respect of</li> </ul>

		<p>Relevant Advances (the "<b>Debtor Election PIK Amount</b>") through the Equity Payment Mechanism (as defined and described below) and not in cash; and/or</p> <p>(b) the Agent may (acting on the instructions of the Lenders), notify the Borrowers that the amounts due and payable under or in respect of Relevant Advances (or any part thereof) (the "<b>Lender Election PIK Amount</b>") be repaid through the Equity Payment Mechanism (as defined and described below) and not in cash.</p> <p><b>"Equity Payment Mechanism"</b> shall mean the delivery of shares (or such other equity instrument as may be agreed by the Lenders) in Northern Pulp or any of the other Borrowers if and as agreed by the Lenders (the "<b>Target</b>"), rather than by the payment of cash. For this purpose, the shares (or other agreed equity instruments) of the Target to be issued to the Agent (for the benefit of the Lenders) and shall be calculated based on the Debtor Election PIK Amount or the Lender Election PIK Amount (as the case may be) expressed as a percentage of the enterprise value of the Target as at the relevant Termination Date in respect of the Debtor Election PIK Amount or the Lender Election PIK Amount (as the case may be) less the debt of the Target (calculated <i>pro forma</i> to take into account the effect of any Plan of Reorganization, to the extent applicable). The enterprise value shall be calculated and determined by an independent valuer selected by the Agent and the Borrowers (acting reasonably).</p> <p>For the avoidance of doubt, a Debtor Election PIK Amount or a Lender Election PIK Amount (as the case may be) must be notified to the Agent and/or the Borrowers (as the case may be) in accordance with this Section 16, failing which, all amounts payable under or in connection with the Relevant Advances shall be paid in cash accordance with Section 14 on the relevant Termination Date.</p>
17.	<b>Prepayment and Cancellation</b>	<p>(a) <b>Illegality:</b> In the event that it is or will become unlawful in a jurisdiction in which a Lender is incorporated or conducts business for a Lender to perform its obligations or to fund or maintain its participation in the DIP Facility, the relevant Lender shall promptly give notice to the Agent of such illegality, and upon the Agent notifying the Borrowers of such illegality, the unadvanced Commitment of that Lender under the DIP Facility will be immediately cancelled and all amounts owing to that Lender under the DIP Facility will become immediately due and payable by the Borrowers (unless the participation of that lender under the DIP Facility is assigned or transferred to another person pursuant to the provisions of this Term Sheet).</p> <p>(b) <b>Change of Control:</b> if Paper Excellence Holdings B.V. or its affiliates give up control of the Borrowers (or any one of them) and/or any person or group of persons acting in concert gains control of the Borrowers (or any one of them) through no action by or assistance from Paper Excellence Holdings B.V. or its affiliates:</p>

		<p>(i) the relevant Borrower(s) shall promptly notify the Agent upon becoming aware of that event;</p> <p>(ii) thereafter, a Lender shall not be obliged to fund any Advance under the DIP Facility; and</p> <p>(iii) if a Lender so requires and notifies the Agent within five (5) business days of the relevant Borrower(s) notifying the Agent of the event, the Agent shall, by not less than three (3) business days' notice to the Borrowers, cancel the unadvanced Commitment of that Lender under the DIP Facility and declare the participation of that Lender in all outstanding Advances, together with accrued interest, and all other amounts accrued under this Term Sheet and the DIP Facility in relation to that Lender's participation(s) immediately due and payable, whereupon the unadvanced Commitment of that Lender will be cancelled and all such outstanding Advances and amounts will become immediately due and payable.</p> <p>(c) <b>Contributions from the Province:</b> if at any time after the Lenders fund any Advance used for any expense incurred in connection with the hibernation and/or shutdown of the Boat Harbour Effluent Treatment Facility (or any part(s) thereof) (the "<b>Shutdown Costs</b>"), and the Province of Nova Scotia (the "<b>Province</b>") makes a contribution towards or reimburses the Borrowers (or any one of them) for the payment of Shutdown Costs and/or any other eligible expenses (a "<b>Province Contribution</b>"), the relevant Borrower(s) shall (i) to the extent such costs and/ or other eligible expenses were paid from Advances pay the Province Contribution to the Agent (for the benefit of the Lenders) to be applied towards the prepayment of the Advances funded by the Lenders in respect of Shutdown Costs (or any part(s) thereof), and (ii) use any remaining portion of the Province Contribution to pay the relevant costs and/or eligible expenses prior to using any further Advance to do so.</p>
18.	<b>Right of First Refusal and Right to Match</b>	<p>If at any time after the date of this Term Sheet, the Borrowers (or any First Refusal one of them) wishes or enters into any discussions or takes any steps and to obtain any additional DIP financing from any other person, the Borrowers shall immediately notify the Lenders in writing. In that event, the Borrowers agree to keep the Lenders fully apprised of all such discussions and/or steps and the Borrowers further agree that each of the Lenders shall have a right of first refusal with respect to any such further DIP financing. In addition and without prejudice to the foregoing, the Borrowers agree with the Lenders that none of the Borrowers shall enter into any agreement to obtain any financing from any other person without first giving each of the Lenders the right and ability to match the commercial terms of such additional financing and, in the event that either or both of the Lenders make a matching offer of financing to the Borrowers, subject to Court approval, the Borrowers shall accept such matching offer</p>

		and the Borrowers shall not be permitted to borrow any amounts from any other person other than the Lenders (or either of them).
19.	<b>Priority of Payments</b>	Any amounts received in repayment of obligations owing under this Term Sheet shall be paid and applied as follows: (a) firstly, towards outstanding Permitted Fees and Expenses (as defined below); (b) secondly, towards outstanding interest, costs, fees and expenses payable under this Term Sheet; and (c) thirdly, towards outstanding principal amounts borrowed under the DIP Facility.
20.	<b>Voluntary Prepayment</b>	Not permitted.
21.	<b>Security</b>	All debts, liabilities, and obligations of the Borrowers under this Term Sheet or the DIP Facility provided herein shall be secured by a super-priority charge pursuant to and in accordance with the charging order(s) obtained or to be obtained from the Court as may be amended (collectively, the " <b>Charging Orders</b> ") over all of the present and future real and personal, tangible and intangible property and assets of each of the Borrowers, including without limitation all choses in action, in favour of the Agent (for and on behalf of the Lenders) in priority to all assignments, security interests, trusts, liens, mortgages, charges and encumbrances whatsoever, statutory or otherwise (the " <b>DIP Charge</b> ") except for (a) an Administration Charge in the amount of \$500,000; and (b) such other liens that are consented to by the Agent (acting on the instructions of the Lenders) in writing in its sole and unfettered discretion.
22.	<b>Permitted Fees and Expenses</b>	<p>"<b>Permitted Fees and Expenses</b>" means, collectively:</p> <ul style="list-style-type: none"> <li>(a) all reasonable and documented fees and expenses of counsel for the Borrowers in connection with the DIP Facility and the CCAA Proceedings (whether incurred prior to or during the pendency of the CCAA Proceedings) and any other proceeding pursued or defended by the Borrowers relating to the Northern Pulp facility and business;</li> <li>(b) all reasonable and documented fees and expenses of counsel to the Agent and each of the Lenders in connection with the DIP Facility, the CCAA Proceedings (whether incurred prior to or during the pendency of the CCAA Proceedings), and any other proceeding pursued or defended by the Borrowers relating to the Northern Pulp facility and business; and</li> <li>(c) all reasonable and documented fees and expenses incurred by Ernst &amp; Young Inc. (including the fees and expenses of its counsel), in its capacity as "Monitor" under the CCAA Proceedings (whether incurred prior to or during the pendency of the CCAA Proceedings) (the "<b>Monitor</b>").</li> </ul>

23.	<b>Default</b>	<p>The following events shall constitute events of default (each, an <b>"Event of Default"</b>):</p> <ul style="list-style-type: none"><li>(a) if any Borrower fails to pay to the Agent (for the account of the Lenders) when due any amount of principal, interest, fees or other amounts under the DIP Facility, this Term Sheet, whether by acceleration or otherwise;</li><li>(b) if any Borrower defaults, in the observance or performance of any other term, covenant or condition in this Term Sheet, and such default is not cured within five (5) business days of being aware of such default;</li><li>(c) any representation or statement made or deemed to be made by an Borrower in this Term Sheet or any other document delivered by or on behalf of any Borrower under or in connection with the DIP Facility is or proves to have been incorrect or misleading in any material respect when made or deemed to be made;</li><li>(d) any Borrower is not or ceases to be controlled by Paper Excellence B.V. or its affiliates through no action by or assistance from Paper Excellence Holdings B.V.;</li><li>(e) it is or becomes unlawful for any Borrower to perform any of its obligations under the DIP Facility;</li><li>(f) if the Agent (acting on the instructions of the Lenders) determines, in its sole discretion, acting reasonably, that a material adverse change has occurred after the date hereof in respect of the business, affairs or financial condition of the Borrowers, taken as a whole;</li><li>(g) if (i) the Initial Order or Charging Order is varied without the consent of the Lenders (acting through the Agent) or any other order is made which is or may be prejudicial to the Lenders' and/or the Agents' interests, acting reasonably; (ii) the Initial Order or Charging Order is appealed or leave to appeal is granted; or (iii) the stay of proceedings contained in the Initial Order is terminated or lifted in any manner;</li><li>(h) if a receiver is appointed over any property of any Borrower or any judgment or order or process of any court becomes enforceable against any Borrower or any property of any Borrower or any creditor takes possession of any property of any Borrower; or</li><li>(i) if any Borrower becomes a bankrupt under the bankruptcy laws of Canada.</li></ul>
24.	<b>Covenants</b>	<p>The following undertakings in this Section 24 shall remain in force from the date of this Term Sheet for so long as any amount is outstanding under the DIP Facility or any Commitment is in force:</p>

		<ul style="list-style-type: none"><li>(a) Provision of unaudited financial statements of each Borrower to the Agent (on a consolidated and unconsolidated basis) as soon as practicable when they become available;</li><li>(b) Provision of all documents dispatched by the Borrowers to its creditors generally at the same time as they are dispatched (including pursuant to the CCAA Proceedings);</li><li>(c) Provision of all documents and/or correspondence exchanged between the Borrowers (or any one of them) and the Province at the same time as they are exchanged (whether pursuant to the CCAA Proceedings or otherwise) and providing all further information reasonably requested by the Agent in connection with such documents and/or correspondence;</li><li>(d) Provision of all material information to the Agent with respect to any litigation or other proceedings commenced and/or continued by the Borrowers (or any one of them) and updated from time to time upon request by the Agent (acting on behalf of the Lenders) in respect of any such proceedings to the extent such proceedings are being funded by any Relevant Advance (including the Lenders being given access to counsel representing the Borrowers (or any one of them) in relation to any such proceeding), subject in each case to ensuring adequate protections for the purposes of confidentiality and legal privilege (including, for the avoidance of doubt, common interests and/or joint defence privilege);</li><li>(e) Agent (acting on behalf of the Lenders) to be given access and full information with respect to all discussions with the Province regarding hibernation of the Mill, all environmental issues (including environmental liability management issues, discussions regarding the secured debt of the Province and any contributions to any of the Borrowers that is being discussed with the Province, and the Settlement Agreement and operations thereunder;</li><li>(f) Agent (acting on behalf of the Lenders) to be given access and full information with respect to all interactions/discussions with all other stakeholders of the businesses of the Borrowers and with respect to all interactions/discussions with representatives of the Pictou Landing First Nation;</li><li>(g) Borrowers to obtain, comply with and take all necessary or desirable steps to maintain all authorizations and licences in full force and effect;</li><li>(h) Borrowers to comply in all respects with all laws to which each Borrower may be subject;</li><li>(i) Borrowers shall not enter into any settlement discussions and/or agreement with respect to any proceedings which are</li></ul>
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		<p>commenced and/or continued that are funded by any Relevant Advance (or any part thereof) without the prior written consent of the Agent (acting on the instructions of the Lenders); and</p> <p>(j) Borrowers shall not enter into a single transaction in excess of \$100,000 or a series of transactions (whether related or not) which in aggregate exceed \$500,000 without the Lenders' consent provided that the proceeds of any such transaction will be paid on account of outstanding Advances and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose of any asset of each relevant Borrower unless any such transfer and/or disposal is undertaken in accordance with the CCAA.</p>
25.	<b>Remedies</b>	<p>On and from the date falling five (5) days from the occurrence of an Event of Default:</p> <p>(a) the Agent may, acting on the instructions of the Lenders, immediately terminate the DIP Facility and cancel all unadvanced Commitments hereunder;</p> <p>(b) the Agent may, acting on the instructions of the Lenders, declare that all or part of the DIP Facility (or any of the Advances, at the sole discretion of the Lenders), together with accrued interest, and all other amounts accrued or outstanding under this Term Sheet be immediately due and payable, whereupon they shall become immediately due and payable;</p> <p>(c) the Agent may, acting on the instructions of the Lenders, declare that all or part of the Advances be payable on demand, whereupon they shall immediately become payable on demand by the Agent on the instructions of the Lenders; and/or</p> <p>(d) upon seeking an Order of the Court on five (5) days prior notice, enforce, without further notice, demand or delay, all of its rights and remedies against any Borrower and its property, assets and undertaking including, without limitation, by way of appointment of a receiver.</p> <p>No failure to exercise, nor any delay in exercising, on the part of the Agent or any Lender, any right or remedy under this Term Sheet and/or the DIP Facility (or any part thereof) shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the DIP Facility. No election to affirm the DIP Facility on the part of the Agent and/or any Lender shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Term Sheet and/or any other document entered into in connection with the DIP Facility are</p>

		cumulative and not exclusive of any rights or remedies provided by law.
26.	<b>Conditions Precedent</b>	<p>The obligation of the Lenders to make any additional Advances hereunder is subject to the prior satisfaction (or waiver in writing by the Agent, acting on the instructions of the Lenders) of the following conditions:</p> <ul style="list-style-type: none"><li>(a) The Borrowers shall have submitted a request for such Advance to the Agent in accordance with Section 7;</li><li>(b) The Initial Order, Charging Order, and DIP Charge shall be in full force and effect (subject to amendments thereto from time to time);</li><li>(c) The Agent shall have received evidence that the fees, costs and expenses due from the Borrowers pursuant to Section 29 have been paid or will be paid by the date of such Advance;</li><li>(d) The Agent shall have received a budget and cash flow projections in respect of the proposed expenses to be funded by such Advance, in form and substance satisfactory to the Agent (acting on the instructions of the Lenders);</li><li>(e) With respect to any Relevant Advance, all relevant advice and/or relevant information in respect of each proposed claim and/or proceeding to be commenced and/or continued based on the funding by such Relevant Advance shall have been provided to the Agent and the Lenders, and such advice and/or information shall be satisfactory to the Agent (acting on the instructions of the Lenders, acting reasonably); and</li><li>(f) With respect to any Advance used to fund Permitted Fees and Expenses, the Agent shall have received evidence reasonably satisfactory to the Agent (acting on the instructions of the Lenders) that the Permitted Fees and Expenses incurred prior to the proposed date of such Advance have been properly incurred and for such reductions (as may be deemed necessary based on discussions between the Agent and the Borrowers) to be negotiated, where relevant.</li></ul>
27.	<b>Indemnity / Releases</b>	<p>The Borrowers agree that they will jointly and severally indemnify and hold harmless each of the Agent and each of the Lenders, and their respective subsidiaries and affiliates, and their respective officers, directors, employees, agents and advisors from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, reasonable fees and expenses of counsel) that may be incurred by or asserted against such entity or individual in connection with this Term Sheet, the DIP Facility or any of the transactions contemplated hereby, except to the extent any of the foregoing results from the gross negligence or willful misconduct of such entity or individual as determined by a final judgment of a court of competent jurisdiction.</p>

28.	<b>Assignments by Lender</b>	Permitted (in such form as the relevant Lender may require).
29.	<b>Fees and Expenses</b>	Without prejudice to Section 22 and/or 27, the Borrowers shall be responsible for all reasonable costs, fees and expenses incurred by the Lender in connection with the negotiation, preparation and administration of this Term Sheet and any enforcement of the DIP Charge including, without limitation, all court attendances in connection therewith. All such fees and expenses shall be added to the DIP Facility and be secured by the DIP Charge.
30.	<b>Governing Law</b>	This Term Sheet shall be governed by the laws of the Province of British Columbia and the federal laws of Canada applicable therein. The parties hereby attorn to the non-exclusive jurisdiction of the Court.
31.	<b>Counterparts</b>	This Term Sheet may be executed and delivered by the parties in separate counterparts, each of such counterparts when so executed and delivered shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. Delivery of an executed copy of this Term Sheet or any counterpart to any party may be by facsimile, email (of a PDF document), or other electronic means.

*[Signature page follows.]*

IN WITNESS WHEREOF, the parties have duly executed this Term Sheet as of the date first written above.

**PAPER EXCELLENCE CANADA HOLDINGS CORPORATION, as Agent**

Per: \_\_\_\_\_  
Name:  
Title:

**PAPER EXCELLENCE CANADA HOLDINGS CORPORATION, as Lender**

Per: \_\_\_\_\_  
Name:  
Title:

**PACIFIC HARBOR NORTH AMERICAN RESOURCES LTD., as Lender**

Per: \_\_\_\_\_  
Name:  
Title:

**1057863 B.C. LTD.**

Per: \_\_\_\_\_  
Name:  
Title:

**NORTHERN RESOURCES NOVA SCOTIA CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

**NORTHERN PULP NOVA SCOTIA CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

**NORTHERN TIMBER NOVA SCOTIA CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

**3253527 NOVA SCOTIA LIMITED**

Per: \_\_\_\_\_  
Name:  
Title:

**3243722 NOVA SCOTIA LIMITED**

Per: \_\_\_\_\_  
Name:  
Title:

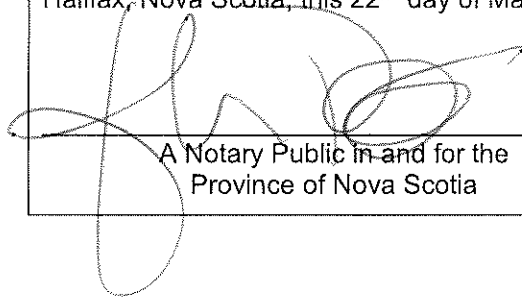
**NORTHERN PULP NS GP ULC**

Per: \_\_\_\_\_  
Name:  
Title:

**Annex A**  
**Commitments**

	<b>Lender</b>	<b>Amount of Commitment</b>
1	Paper Excellence Canada Holdings Corporation	C\$10 million
2	Pacific Harbor North American Resources Ltd.	C\$40 million

This is **Exhibit "G"** referred to in **Affidavit #1** of **Jean-Francois Guillot**, sworn before me at Halifax, Nova Scotia, this 22<sup>nd</sup> day of May, 2024.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, is written over a horizontal line. The signature is partially obscured by the text below it.

A Notary Public in and for the  
Province of Nova Scotia

**FIFTH AMENDING AGREEMENT TO AMENDED AND RESTATED SUBORDINATED  
DEBTOR-IN-POSSESSION TERM SHEET**

**THIS AMENDING AGREEMENT** is made effective as of May 31, 2024.

**AMONG:**

**NORTHERN PULP NOVA SCOTIA CORPORATION**, as borrower  
(the "**Borrower**")

- and -

**PAPER EXCELLENCE CANADA HOLDINGS CORPORATION**, as lender  
(the "**Lender**")

**WHEREAS:**

- A. The Borrower and the Lender entered into an amended and restated subordinated debtor-in-possession financing term sheet made effective as of October 31, 2022, as amended by an amending agreement made effective as of April 24, 2023, an amending agreement made effective as of August 30, 2023, an amending agreement made effective as of November 27, 2023, and an amending agreement made effective as of December 12, 2023 (as further amended, supplemented, amended and restated, replaced, or otherwise modified from time to time to the date hereof, the "**Subordinated DIP Term Sheet**").
- B. The Borrower and the Lender have agreed to amend the Subordinated DIP Term Sheet to extend the Maturity Date to March 31, 2025, upon and subject to the terms and conditions set forth in this amending agreement (this "**Agreement**").

**NOW THEREFORE**, in consideration of the foregoing premises, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1. **Interpretation.** Capitalized terms used and not otherwise defined herein have the meanings ascribed thereto in the Subordinated DIP Term Sheet.
- 2. **Amendment.** Section 10 (Maturity) of the Subordinated DIP Term Sheet is amended by: deleting the words, "June 30, 2024", and replacing them with the words, "March 31, 2025", in lieu thereof.
- 3. **Limited Effect.** Except as expressly provided herein, all of the terms and provisions of the Subordinated DIP Term Sheet are and shall remain in full force and effect and are hereby ratified and confirmed by the parties. The amendments contained herein shall not be construed as a waiver or amendment of any other provision of the Subordinated DIP Term Sheet or for any purpose except as expressly set forth herein or a consent to any further or future action on the part of the Borrower that would require the waiver or consent of the Lender.
- 4. **Conditions Precedent.** This Agreement shall not become effective unless and until:

- (a) this Agreement is duly executed and delivered by all parties hereto; and
  - (b) the Court approves this Agreement.
5. **Representations and Warranties.** The Borrower represents and warrants to the Lender, before and after giving effect to this Agreement, that:
- (a) it is validly existing and in good standing under the laws of its governing jurisdiction;
  - (b) it has the full power, legal right, and authority to enter into this Agreement and do all such acts and things as are required by this Agreement to be done, observed, or performed in accordance with the terms hereof; and
  - (c) no Event of Default has occurred or is continuing under the Subordinated DIP Term Sheet.
6. **Further Assurances.** The parties hereto shall from time to time do all such further acts and things and execute and deliver all such documents as are reasonably required in order to effect the full intent of and fully perform and carry out the terms of this Agreement.
7. **Governing Law and Submission to Jurisdiction.** This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia and the federal laws of Canada applicable therein. Any action or proceeding arising out of or relating to this and all matters contemplated hereby may be instituted in the Court, and the parties hereby attorn to the non-exclusive jurisdiction of the Court in any such action or proceeding.
8. **Counterparts.** This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

*[Signature page follows.]*

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first written above.

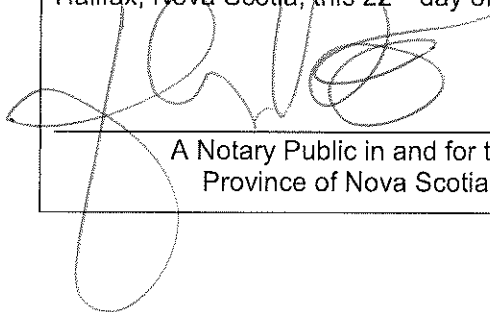
**PAPER EXCELLENCE CANADA HOLDINGS CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

**NORTHERN PULP NOVA SCOTIA CORPORATION**

Per: \_\_\_\_\_  
Name:  
Title:

This is **Exhibit "H"** referred to in **Affidavit #1** of **Jean-Francois Guillot**, sworn before me at Halifax, Nova Scotia, this 22<sup>nd</sup> day of May, 2024.

A handwritten signature in black ink, appearing to be 'J. Guillot', written over a horizontal line. The signature is cursive and somewhat stylized.

A Notary Public in and for the  
Province of Nova Scotia

Northern Pulp Group of Companies  
 CCAA Cash Flow Forecast  
 For the Period May 1st, 2024 to March 31st, 2025

All figures in Canadian dollars	Month	May	June	July	August	September	October	November	December	January	February	March	Forecast
		2024	2024	2024	2024	2024	2024	2024	2024	2025	2025	2025	Total
Beginning Cash		2,555,518	78,340	1,322,390	960,914	1,532,200	806,455	330,527	1,108,847	900,009	768,822	754,661	2,555,518
Receipts													
Woodlands Collections		467,300	717,300	714,300	454,300	825,040	711,040	788,040	1,109,300	487,780	497,780	590,395	7,352,580
Other AR Collections		-	-	-	-	-	-	-	-	-	-	-	-
HST		58,252	56,252	59,987	46,791	76,026	72,103	69,081	46,620	55,043	46,611	60,242	845,019
Total Collections		513,553	773,553	774,287	501,091	901,066	783,144	857,122	1,155,920	542,823	544,392	650,638	7,997,599
Operating Disbursements													
Mill Site Operations & Maintenance		77,855	26,105	141,880	26,105	141,186	26,105	97,980	37,605	37,605	37,605	37,605	887,355
Finance Costs - Property Taxes / Insurance		208,150	5,750	5,750	34,500	5,750	92,000	5,750	5,750	5,750	5,750	5,750	380,650
Waste Water Disposal		457,307	189,348	91,770	97,520	201,572	211,071	198,457	115,932	165,186	116,874	198,467	2,042,573
Environmental Assessment		3,105	-	-	-	-	-	-	-	-	-	-	3,105
Non-Restructuring Professional Fees		186,300	91,713	91,713	91,713	91,713	91,713	91,713	91,713	91,713	91,713	91,713	1,103,425
Hurricane Fiona - Nursery Rebuild		-	-	-	-	-	-	-	-	-	-	-	0
Salary and Benefits & HR Costs		96,875	62,100	69,000	62,100	86,700	69,800	66,700	59,800	66,700	59,800	68,080	737,655
PEC Administrative Services		-	-	-	-	-	-	-	-	-	-	-	0
Wood Costs		748,290	2,026,607	607,971	489,988	992,092	650,503	490,323	926,079	179,177	119,932	562,305	7,793,265
Miscellaneous Expenditures		-	-	-	-	-	-	-	-	-	-	-	0
Contingency		-	-	-	-	-	-	-	-	-	-	-	0
Total Operating Disbursements		1,777,941	2,401,822	1,007,683	681,925	1,498,931	1,131,192	966,932	1,236,878	646,130	430,673	963,926	12,748,029
NET OPERATING CASH FLOW		(1,264,389)	(1,628,070)	(233,396)	(300,834)	(597,865)	(348,048)	(83,800)	(60,958)	(3,307)	113,718	(313,265)	(4,750,429)
Restructuring Disbursements													
DIP Lender cost		-	-	-	-	-	-	-	-	-	-	-	-
- Interest		-	-	-	-	-	-	-	-	-	-	-	-
- Fees		-	-	-	-	-	-	-	-	-	-	-	-
- KERP		-	-	-	-	-	-	-	-	-	-	-	-
Professional Fees - Restructuring		(1,212,790)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(2,491,590)
Total Restructuring Disbursements		(1,212,790)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(127,880)	(2,491,590)
NET MONTHLY CASH FLOW		(2,477,179)	(1,755,950)	(361,476)	(428,714)	(725,745)	(475,928)	(221,680)	(208,838)	(131,167)	(14,162)	(441,162)	(7,242,019)
Ending Cash Balance		78,340	(1,677,610)	960,914	532,200	905,455	330,527	108,847	900,009	768,822	754,661	313,499	(4,886,501)
DIP DRAW		3,000,000	-	-	1,000,000	-	-	1,000,000	-	-	-	-	5,000,000
Ending cash after DIP		78,340	1,322,390	960,914	1,532,200	806,455	330,527	1,108,847	900,009	768,822	754,661	313,499	313,499

This forecast excludes all cost of disposal of the ASB Sprints. Discussion with NS Gov have them taking over the responsibility of this process

All figures in Canadian dollars	Month	May	June	July	August	September	October	November	December	January	February	March	Forecast
		2024	2024	2024	2024	2024	2024	2024	2024	2025	2025	2025	Total
Beginning Cash		479,613	421,702	363,791	305,880	247,969	190,057	132,146	57,423	516,324	458,413	400,502	479,613
Operating Disbursements													
Pension Funding		-	-	-	-	-	-	-	-	-	-	-	-
Retire Pay and Benefits		57,911	57,911	57,911	57,911	57,911	57,911	57,911	57,911	57,911	57,911	57,911	637,023
Total Operating Disbursements		57,911	57,911	57,911	57,911	57,911	57,911	57,911	57,911	57,911	57,911	57,911	637,023
NET OPERATING CASH FLOW		(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(637,023)
Restructuring Disbursements													
DIP Lender cost		-	-	-	-	-	-	-	-	-	-	-	-
- Interest		-	-	-	-	-	-	-	-	-	-	-	-
- Fees		-	-	-	-	-	-	-	-	-	-	-	-
Total Restructuring Disbursements		-	-	-	-	-	-	-	-	-	-	-	-
NET WEEKLY CASH FLOW		(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(57,911)	(637,023)
Ending Cash Balance		421,702	363,791	305,880	247,969	190,057	132,146	74,235	16,514	458,413	400,502	342,590	(157,410)
DIP DRAW		-	-	-	-	-	-	500,000	-	-	-	-	500,000
Ending cash after DIP		421,702	363,791	305,880	247,969	190,057	132,146	642,235	16,514	458,413	400,502	342,590	342,590

