



7030 Trans-Canada Highway
 Duncan, BC V9L 6A1 Canada
 www.northcowichan.ca
 T 250.746.3100
 F 250.746.3133

Jones Marine Group Foreshore Sublease Agreement

This SUBLEASE AGREEMENT made this 27 day of JUNE, 2025

BETWEEN: **The Corporation of the District of North Cowichan**
 7030 Trans-Canada Highway
 North Cowichan, BC V9L 6A1

("North Cowichan")

AND: **Jones Marine Group Ltd.**
 9871 Esplanade St.
 Chemainus, BC V0R 1K0
 Attn: Daryl Jones

("Sublessee")

WHEREAS:

- A. North Cowichan has entered a Lease (Lease No. V930939) with the Province of British Columbia. ("Province") dated May 6, 2025 (the "Lease"), attached as Schedule A;
- B. North Cowichan wishes to confer certain rights and privileges held by North Cowichan under the Lease to the Sublessee, through this Sublease agreement (the "Sublease"), for the purpose of continued commercial uses as set out in section 2.1 of the Lease, over the Land as defined in the Lease (the "Land");
- C. The Province has, pursuant to section 7.1 of the Lease, consented to North Cowichan subleasing the Land to the Sublessee, such consent attached as Schedule B; and
- D. North Cowichan has agreed to grant the Sublessee a Sublease over the Land, on the terms and conditions set out herein.

In consideration of the covenants, terms and conditions contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which parties acknowledge, the Parties agree as follows:

ACKNOWLEDGEMENT AND AGREEMENTS

1. North Cowichan grants to the Sublessee a Sublease of North Cowichan's rights under the Lease in respect of the Land.



2. The Sublessee covenants and agrees to exercise its rights under this Sublease for the sole purpose of commercial uses as set out in section 2.1 of the Lease, and in accordance with the Management Plan as defined in the Lease.
3. The Sublessee acknowledges and agrees that it has read and understands the terms and conditions of the Lease.
4. The Sublessee covenants and agrees to be bound by and observe and comply with all of terms and conditions the Lease as they apply to North Cowichan, and to observe, perform and comply with all of the covenants and other obligations of the Lessee (as defined in the Lease) under the Lease, and the exercise of any of the Sublessee's rights under this Sublease.
5. The Sublessee covenants and agrees to comply with the terms and conditions set out in the consent to sublease, which will be attached as Schedule B.
6. This Sublease shall be absolutely carefree net to North Cowichan and the Sublessee covenants and agrees to pay all **Rent** (as set out in s. 3 of the Lease, first year \$19,600) and **Security** (\$10,000 as set out in s. 6.1 of the Lease), and pay to North Cowichan all costs, fees, taxes, penalties, and other amounts in any way relating to this Sublease and the exercise of any of the Sublessee's rights under this Sublease. Without limiting the foregoing, the Sublessee agrees to take on any obligation under this Sublease to construct, replace, repair or maintain any of the Improvements or to incur any expense in respect of the Land or the Improvements. For clarity, all invoices received by North Cowichan from the Province with respect of the Lease and Sublease will be paid by North Cowichan but forwarded to the Sublessee for prompt reimbursement.
7. The Sublessee covenants and agrees not do to or omit to do any act within the Land that would cause a breach of any of North Cowichan's obligations as Lessee under the Lease.
8. The Sublessee covenants and agrees to use the Land at its own risk and that the use of the Land is on an 'as is' basis and that North Cowichan has not made any representations or warranties respecting the Land or the condition thereof.
9. If the Sublessee fails to perform any of its obligations in this Sublease, North Cowichan will have all of the remedies against the Sublessee that the Province has under the Lease for a breach of the Lease, whether expressly set out in the Lease or arising in law or equity.
10. The determination of any state of facts, promulgation of any rules or regulations, or the taking of any other action or exercise of any other rights under the Lease that is permitted to the Province will, upon written notice to the Sublessee of such action or exercise, be binding upon the Sublessee and the Land.
11. The Sublessee acknowledges and agrees that it has no greater interest in or rights with respect to the Land than North Cowichan under the Lease. To the extent that any right or benefit conferred by this Sublease contravenes or is incompatible with the Lease, such right or benefit will be amended or modified so as not to contravene or be incompatible with the Lease.
12. The Sublessee must not assign this Sublease or further Sublease or sub-licence any of its rights under this Sublease..

GENERAL INDEMNITY

13. The Sublessee covenants and agrees to indemnify and save harmless North Cowichan, its elected and appointed officials, officers and employees, against all losses, damages, costs and liabilities, including reasonable fees of solicitors and other professional advisors and including any amounts paid or payable by North Cowichan under the Lease, arising out of:
- (a) Any breach, violation or non-performance of any covenant, condition or agreement in this Sublease by the Sublessee or those for whom the Sublessee is responsible at law; and
 - (b) Any personal injury, death or property damage occurring as a direct result of the occupation or use of the Land by the Sublessee or those for whom the Sublessee is responsible at law

except to the extent caused or contributed to by the negligent acts or omissions of North Cowichan or those for whom it is in law responsible, and the Sublessee will promptly pay to North Cowichan, upon North Cowichan's demand, the amount of such losses, damages, costs and liabilities.

RELEASE

14. The Sublessee covenants and agrees with North Cowichan to:

- (a) not hold North Cowichan or any of its elected and appointed officials, officers and employees liable for, and to waive, any claim, action, damage, liability, cost or expense (including, without limitation, all legal fees on a solicitor and own client basis and experts' fees and disbursements) which the Sublessee may suffer, incur or be put to in connection with any occurrence on the Land or the adjacent lands arising in any way from or out of the exercising of the Sublessee's rights under this Sublease on the Land by the Sublessee and its employees, servants, agents, contractors, subcontractors and invitees; and
- (b) not hold North Cowichan or any of its elected and appointed officials, officers and employees liable in connection with this Sublease, whether based on contract, tort (including negligence and strict liability), under warranty or otherwise, for any special, indirect, incidental or consequential loss or damage whatsoever by the Sublessee and its employees, servants, agents, contractors, subcontractors and invitees, including, without limitation, loss of use of equipment or facilities and loss of profits or revenues. The waiver set forth above will be in addition to, and not in limitation or derogation of, any other waiver or release contained in this Sublease with respect to any loss of, or damage to, property of the Sublessee and its employees, servants, agents, contractors, subcontractors and invitees. As the above waiver may preclude the assignment of such claim, by subrogation or otherwise, to an insurer of North Cowichan (or any other person), the Sublessee agrees immediately to give any insurer of North Cowichan which has issued policies in respect of such insurance, written notice of the terms of such waiver, and to have such insurance policies properly endorsed, if necessary, to prevent the invalidation of the insurance coverage by reason of such waiver

except to the extent caused or contributed to by the negligent acts or omissions of North Cowichan or those for whom it is in law responsible.

INSURANCE

15. The Sublessee covenants and agrees to purchase and maintain during the Term, all insurance required under section 6.6 of the Lease, and to include both North Cowichan and the Province as additional insureds, and provide both North Cowichan and the Province certificates of insurance evidencing that the policies are in effect and that the Province and North Cowichan are both named as additional insureds.

ENVIRONMENTAL INDEMNITY

16. The Sublessee covenants and agrees with North Cowichan to:

- (a) indemnify and save harmless North Cowichan, its elected and appointed officials, officers and employees from and against all losses, damages, costs and liabilities, including reasonable fees of solicitors and other professional advisors (including any and all environmental or statutory liability for remediation and the cost of remediation of the Land and any adjacent property) and including any amounts paid or payable by North Cowichan under the Lease, arising out of:

- i. any breach, violation or non-performance of any covenant, condition or agreement of the Lease by the Sublessee or those for whom the Sublessee is responsible at law; and
- ii. any release or alleged release of any Hazardous Substances (as defined in the Lease) at or from the Land related to or as a result of the use and occupation of the Land or any act or omission of the Sublessee or any person for whom it is in law responsible,

except to the extent caused or contributed to by the negligent acts of North Cowichan or those for whom North Cowichan is responsible at law, and the Sublessee will promptly pay to North Cowichan, upon North Cowichan's demand, the amount of such losses, damages, costs and liabilities.

TERM AND TERMINATION

17. Unless earlier terminated, the duration of this Sublease and the rights herein granted will be from the date first above written to the date on which the Lease terminates (the "**Term**"), or any renewal or extension thereof. For clarity, the Term must not exceed the term set out in the Lease and will automatically terminate if the Lease is terminated before the expiry of its term.
18. Notwithstanding anything to the contrary contained in this Sublease, the Sublessee may terminate this Sublease upon not less than 4 months written notice to North Cowichan. For clarity, the Sublessee's termination of the Sublease does not release the Sublessee from complying at its cost with any tenure termination instructions, including any clean up and restoration work, required of the Lessee by the Province.

NOTICES

19. Any notice, request, consent or other instrument which may be required to be given under this Sublease must be given in writing and must be delivered in person, mail or email addressed to

the respective addresses set out below, or to such other address either of the parties may designate in writing:

(a) North Cowichan: **The Corporation of the District of North Cowichan**
7030 Trans-Canada Highway
Duncan, B.C. V9L 6A1
Attention: Bill Corsan, GM, Community Services & Community Relations
Email: bill.corsan@northcowichan.ca; cc: agreements@northcowichan.ca

(b) Sublessee: **Jones Marine Group Ltd.**
9871 Esplanade St.
Chemainus, BC V0R 1K0
Attn: Daryl Jones
Email: daryl@jnstugs.com


20. Any notice, request, consent or other instrument must be deemed to have been given on the day upon which it is delivered in person, or if mailed then on the 5th business day following the date of mailing.

GENERAL

21. The law of British Columbia applies.
22. Time is of the essence.
23. This Sublease enures to and is binding upon the parties.
24. In accordance with section 11.3 of the Lease, this Sublease does not release North Cowichan as Lessee from its obligations to the Province under the Lease, except as may be specified in the consent to sublease, which will be included as Schedule B.
25. The Sublessee's duties, obligations, covenants, releases and indemnities set forth in the Lease will survive the expiry of the Term or earlier termination of this Sublease.

As evidence of their agreement, each of the parties have executed this Sublease on the dates below:

Jones Marine Group Ltd., by its
authorized signatory:



Daryl Jones

27/06/2025

Date

**The Corporation of the District of
North Cowichan**, by its authorized
signatory:

Chief Administrative Officer

Date

Schedule A

Lease



Ministry of Water,
Land and Resource
Stewardship

Consent to Sub-Tenure

Lease No.: V930939

File No.: 0152062

CONSENT TO SUB-TENURE

HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister responsible for the *Land Act* (the "Province") tenured the use of the following described land to CORPORATION OF THE DISTRICT OF NORTH COWICHAN by way of a Lease dated the 6th day of May, 2025, over:

Block B of District Lot 269, and District Lot 2014, all within Cowichan District.

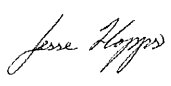
In accordance with Article 7.1 of the Lease, the tenure-holder has asked the Province to consent to a sub-tenure to (the "sub-tenure-holder").

The Province hereby consents to the sub-tenure by the tenure-holder in favour of the sub-tenure-holder on the following terms and conditions:

1. the Province's consent to the sub-tenure will not be deemed to waive or modify the rights of the Province under the Lease; and
2. the provisions of Article 7.1 of the Lease restricting the tenure-holder from assigning, mortgaging, subletting or transferring the lease without the prior written consent of the Province remains in full force and effect.

The Province's consent to the sub-tenure given this 10th day of July, 2025.

Digitally signed
by Jesse Hopps
Date: 2025.07.10
15:50:13 -07'00'



Manager, Major Projects and Crown Land Management

Duly Authorized Signatory of
HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister responsible for the *Land Act*

Ministry of Water, Land and
Resource Stewardship

West Coast Region

Jaime Berry
A Commissioner for taking
Affidavits for British Columbia
4885 Cherry Creek Road
Port Alberni BC V9Y 8E9

Expiry Date 2028-02-29

Location:
142-2080 Labieux Road
Nanaimo, BC
V9T 6J9
CANADA

Mailing Address:
142-2080 Labieux Road
Nanaimo, BC V9T 6J9
Tel: (250) 751-7220
Fax: (250) 751-7221

CERTIFIED TRUE COPY

Date: 2025-07-15

Signature: 



LEASE

Lease No.: V930939

File No.: 0152062

Disposition No.: 930939

THIS AGREEMENT is dated for reference May 6, 2025 and is made under the Land Act.

BETWEEN:

HIS MAJESTY THE KING IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the minister responsible for the Land Act, Parliament Buildings, Victoria, British Columbia

(the "Province")

AND:

CORPORATION OF THE DISTRICT OF NORTH COWICHAN
7030 Trans-Canada Highway
Duncan, BC V9L 6A1

(the "Lessee")

The parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 In this Agreement,

"Agreement" means this lease;

"Commencement Date" April 4, 2025;

"disposition" has the meaning given to it in the Land Act and includes a licence of occupation;

"Hazardous Substances" means any substance which is hazardous to persons, property or the environment, including without limitation

(a) waste, as that term is defined in the Environmental Management Act; and

- (b) any other hazardous, toxic or other dangerous substance, the use, transportation or release into the environment of which, is now or from time to time prohibited, controlled or regulated under any laws or by any governmental authority, applicable to, or having jurisdiction in relation to, the Land;

“Improvements” includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;

“Land” means that part or those parts of the Crown land either described in, or shown outlined by bold line on, the schedule attached to this Agreement entitled “Legal Description Schedule” except for those parts of the land that, on the Commencement Date, consist of highways (as defined in the *Transportation Act*);

“Management Plan” means the most recent management plan prepared by you in a form approved by us, signed and dated by the parties, and held on file by us;

“Realty Taxes” means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;

“Rent” means the rent set out in Article 3;

“Security” means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;


“Term” means the period of time set out in section 2.2;

“we”, **“us”** or **“our”** refers to the Province alone and never refers to the combination of the Province and the Lessee: that combination is referred to as **“the parties”**; and

“you” or **“your”** refers to the Lessee.

1.2 In this Agreement, “person” includes a corporation, partnership or party, and the personal or other legal representatives of a person to whom the context can apply according to law and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.

1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.

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- 1.4 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 Any liabilities or obligations of either party arising, or to be performed, before or as a result of the termination of this Agreement, and which have not been satisfied or remain unperformed at the termination of this Agreement, any indemnity and any release in our favour and any other provision which specifically states that it will survive the termination of this Agreement, shall survive and not be affected by the expiration of the Term or the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Any requirement under this Agreement for us to act reasonably shall not require us to act in a manner that is contrary to or inconsistent with any legislation, regulations, Treasury Board

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directives or other enactments or any policy, directive, executive direction or other such guideline of general application.

- 1.14 Where this Agreement contains the forms of words contained in Column I of Schedule 4 of the *Land Transfer Form Act*, those words will have the same effect and be construed as if the appropriate forms of words contained in Column II of that Schedule were contained in this Agreement, unless the context requires another construction of those words.
- 1.15 Wherever this Agreement provides that you may not undertake some activity or do something without our prior written approval or consent, our prior approval of the Management Plan will constitute our approval of, or consent to, the activity or thing to the extent the same is specifically and expressly described in the Management Plan and subject always to any conditions or qualifications that may be set in the Management Plan.

ARTICLE 2 - GRANT AND TERM

- 2.1 On the terms and conditions set out in this Agreement, we grant you a lease of the Land for commercial uses including wharfs and docks and the storage and distribution of petroleum products, no chattels, other than vessels, vessel mooring structures and ancillary items, to become stored on submerged lands purposes, as set out in the Management Plan.
- 2.2 The term of this Agreement commences on the Commencement Date and terminates on the 10th anniversary of that date, or such earlier date provided for in this Agreement. We reserve the right to terminate this Agreement in certain circumstances as expressly provided in this Agreement.

ARTICLE 3 - RENT

- 3.1 You will pay to us
- (a) for the first year of the Term, Rent of \$19,600.00, payable in advance on the Commencement Date; and
 - (b) for each year during the remainder of the Term, the Rent either determined by us under section 3.2 or established under section 3.3, payable in advance on each anniversary of the Commencement Date.
- 3.2 We will, not later than 15 days before each anniversary of the Commencement Date during the Term, give written notice to you specifying in our sole discretion the Rent payable by you under subsection 3.1(b) for the subsequent year of the Term and we will establish such Rent in accordance with our policies applicable to your use of the Land under this Agreement.

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Date: 2025-07-07

Signature: 

- 3.3 If we do not give notice to you under section 3.2, the Rent payable by you under subsection 3.1(b) for the year for which notice was not given will be the same as the Rent payable by you for the preceding year of the Term.

ARTICLE 4 - COVENANTS

- 4.1 You must
- (a) pay, when due,
 - (i) the Rent to us at the address set out in Article 10,
 - (ii) the Realty Taxes, and
 - (iii) all charges for electricity, gas, water and other utilities supplied to the Land;
 - (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
 - (c) observe, abide by and comply with
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or the Improvements including without limitation all laws, bylaws, orders, directions, ordinances and regulations relating in any way to Hazardous Substances, the environment and human health and safety, and
 - (ii) the provisions of this Agreement;
 - (d) in respect of the use of the Land by you or by any person who enters upon or uses the Land as a result of your use of the Land under this Agreement, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us, and at our written request, rectify any failure to comply with such a covenant by making the Land and the Improvements safe, clean and sanitary;
 - (e) not commit any wilful or voluntary waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance to an owner or occupier of land in the vicinity of the Land;
 - (f) use and occupy the Land only in accordance with and for the purposes set out in the Management Plan;

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Date: 2025-07-07

Signature: 

- (g) not construct, place, anchor, secure or affix any Improvement in, on, or to the Land or otherwise use the Land in a manner that will interfere with any person's riparian right of access over the Land and you acknowledge and agree that the granting of this Agreement and our approval of the Improvements under this Agreement, whether through our approval of a Management Plan (where applicable) or otherwise, do not:
- (i) constitute a representation or determination that such Improvements will not give rise to any infringement of any riparian right of access that may exist over the Land; or
 - (ii) abrogate or authorize any infringement of any riparian right of access that may exist over the Land;

and you remain responsible for ensuring that you will not cause any infringement of any such riparian right of access; despite the foregoing, you will be deemed to not be in breach of this subsection so long as each owner of any upland property adjacent to the Land whose rights of riparian access are infringed by your activities undertaken within the Land remains bound by an agreement in which that owner consents to any such infringement. Any such agreement must be in a form and on terms acceptable to us, including, if we so require that the agreement be in a form appropriate for registration in a Land Title Office against the title of the upland property. You acknowledge that if any such agreement ceases to be binding on an upland owner or is found to be ineffective or unenforceable for any reason then you remain responsible for complying with this subsection and we may terminate this Agreement in accordance with Article 8 if you fail to satisfy your obligations under this subsection;

- (h) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Land except for money that you are required to hold back under the *Builders Lien Act*;
- (i) if any claim of lien over the Land is made under the *Builders Lien Act*, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (j) not cut or remove timber on or from the Land without being granted the right under the *Forest Act* to harvest Crown timber on the Land;
- (k) not deposit on the Land, or any part of it, any earth, fill or other material for the purpose of filling in or raising the level of the Land unless you obtain our prior written approval;

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- (l) not fence the perimeter of the Land nor erect fencing on the Land unless you obtain our prior written approval;
- (m) provide without compensation temporary accommodation to any vessel that is disabled or that seeks shelter in weather conditions that would render it unseaworthy;
- (n) not store logs on the Land;
- (o) if any soil is disturbed by you as a result of your construction or maintenance of the Improvements, at your expense, restore the surface of the Land to a condition satisfactory to us;
- (p) at our request and at your expense, remove all material that migrates from the existing seawall/erosion barrier;
- (q) take all reasonable precautions to avoid disturbing or damaging any archaeological material found on or under the Land and, upon discovering any archaeological material on or under the Land, you must immediately notify the ministry responsible for administering the *Heritage Conservation Act*;
- (r) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, including without limitation to test and remove soil, groundwater and other materials and substances, where the inspection may be necessary or advisable for us to determine whether or not you have complied with your obligations under this Agreement with respect to Hazardous Substances, provided that we take reasonable steps to minimize any disruption of your operations;
- (s) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
 - (i) any breach, violation or non-performance of a provision of this Agreement,
 - (ii) any conflict between your use of the Land under this Agreement and the lawful use of the Land by any other person, and
 - (iii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

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Date: 2025-07-07

Signature: 

- (t) on the termination of this Agreement,
 - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii) and (iii), the Improvements in a safe, clean and sanitary condition,
 - (ii) within 60 days, remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building (other than as a tenant's fixture) or part of the Land and you are not in default of this Agreement,
 - (iii) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under another disposition, and
 - (iv) restore the surface of the Land as nearly as may reasonably be possible, to the condition that the Land was in at the time it originally began to be used for the purposes described in this Agreement, but if you are not directed or permitted to remove an Improvement under paragraph (iii), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

4.2 You will not permit any person who enters upon or uses the Land as a result of your use of the Land under this Agreement to do anything you are restricted from doing under this Article.

4.3 You must not use all or any part of the Land

- (a) for the storage or disposal of any Hazardous Substances; or
- (b) in any other manner whatsoever which causes or contributes to any Hazardous Substances being added or released on, to or under the Land or into the environment from the Land;

unless

- (c) such storage, disposal, release or other use does not result in your breach of any other provision of this Agreement, including without limitation, your obligation to comply with all laws relating in any way to Hazardous Substances, the environment and human health and safety; and

CERTIFIED TRUE COPY

Date: 2025-07-07

Signature: 

- (d) we have given our prior written approval to such storage, disposal, release or other use and for certainty any such consent operates only as a consent for the purposes of this section and does not bind, limit, or otherwise affect any other governmental authority from whom any consent, permit or approval may be required.

4.4 Despite any other provision of this Agreement you must:

- (a) on the expiry or earlier termination of this Agreement; and
(b) at any time if we request and if you are in breach of your obligations under this Agreement relating to Hazardous Substances;

promptly remove from the Land all Hazardous Substances stored, or disposed of, on the Land, or which have otherwise been added or released on, to or under the Land:

- (c) by you; or
(d) as a result of the use of the Land under this Agreement; or
(e) as a result of the use of the Land under the following prior agreements: Lease No. 101996

save and except only to the extent that we have given a prior written approval expressly allowing specified Hazardous Substances to remain on the Land following the expiry of the Term.

4.5 We may from time to time

- (a) in the event of the expiry or earlier termination of this Agreement;
(b) as a condition of our consideration of any request for consent to an assignment of this Agreement; or
(c) if we have a reasonable basis for believing that you are in breach of your obligations under this Agreement relating to Hazardous Substances;

provide you with a written request to investigate the environmental condition of the Land and upon any such request you must promptly obtain, at your cost, and provide us with, a report from a qualified and independent professional who has been approved by us, as to the environmental condition of the Land, the scope of which must be satisfactory to us and which may include all such tests and investigations that such professional may consider to be necessary or advisable to determine whether or not you have complied with your obligations

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Date: 2025-07-07

Signature: 

under this Agreement with respect to Hazardous Substances.


- 4.6 You must at our request from time to time, but not more frequently than annually, provide us with your certificate (and if you are a corporation such certificate must be given by a senior officer) certifying that you are in compliance with all of your obligations under this Agreement pertaining to Hazardous Substances, and that no adverse environmental occurrences have taken place on the Land, other than as disclosed in writing to us.
- 4.7 We will provide you with quiet enjoyment of the Land.

ARTICLE 5 - LIMITATIONS

- 5.1 You agree with us that
- (a) in addition to the other reservations and exceptions expressly provided in this Agreement this Agreement is subject to the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act*;
 - (b) other persons may hold or acquire rights to use the Land in accordance with enactments other than the *Land Act* or the *Ministry of Lands, Parks and Housing Act*, including rights held or acquired under the *Coal Act*, *Forest Act*, *Geothermal Resources Act*, *Mineral Tenure Act*, *Petroleum and Natural Gas Act*, *Range Act*, *Water Sustainability Act* or *Wildlife Act* (or any prior or subsequent enactment of the Province of British Columbia of like effect); such rights may exist as of the Commencement Date and may be granted or acquired subsequent to the Commencement Date and may affect your use of the Land;
 - (c) with your prior consent, which consent you will not unreasonably withhold, we may make other dispositions of or over the Land, or any part of it, by way of easement, right of way or statutory right of way, to any person, including a Crown agency or ministry, and, upon such consent being given you will, if required by us, execute and deliver to us such instrument as may be necessary to subordinate your rights under this Agreement to such easement, right of way or statutory right of way;
 - (d) for the purpose of subsection (c), you will be deemed to have reasonably withheld your consent if a disposition made under that subsection would have a material adverse impact on your use of the Land under this Agreement;
 - (e) you have no right to compensation from us and you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your use of the Land under this Agreement and any use of, or impact on the Land arising from the exercise, or

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Date: 2025-07-07

Signature: 

- operation of the interests, rights, privileges and titles described in subsections (a), (b), and (c);
- (f) if a proposed disposition under subsection (c) will not have a material adverse impact on your use of the Land under this Agreement you must not require any payment, whether as compensation or any other charge, as a condition of your consent to that disposition;
 - (g) you will not commence or maintain proceedings under section 65 of the *Land Act* in respect of any interference with your use of the Land under this Agreement that arises as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (a), (b) and (c);
 - (h) any interference with your use of the Land under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles described in subsection (a), (b) and (c) will not constitute a breach of our covenant of quiet enjoyment and you release and discharge us from all claims for loss or damage arising directly or indirectly out of any such interference;
 - (i) this Agreement does not limit any right to notice, compensation or any other benefit that you may be entitled to from time to time under the enactments described in subsection (b), or any other applicable enactment;
 - (j) you will not dredge or displace beach materials on the Land unless you have obtained our prior written approval;
 - (k) you will not moor or secure any boat or structure to the Improvements or on any part of the Land for use as a live-aboard facility, whether permanent or temporary;
 - (l) you will not interrupt or divert the movement of water or of beach materials by water along the shoreline unless you have obtained our prior written approval;
 - (m) you will not use mechanized equipment other than a pile-driver during the construction, operation or maintenance of Improvements on the Land;
 - (n) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
 - (o) any interest you may have in the Improvements ceases to exist and becomes our property upon termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(t)(ii) or (iii) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land within the time period set out in paragraph 4.1(t)(ii) or the time

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period provided for in the direction or permission given under paragraph 4.1(t)(iii); and

- (p) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly tenant only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

ARTICLE 6 - SECURITY AND INSURANCE

- 6.1 On the Commencement Date, you will deliver to us Security in the amount of \$10,000 which will
- (a) guarantee the performance of your obligations under this Agreement;
 - (b) be in the form required by us; and
 - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 6.2 Despite section 6.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other dispositions held by you.
- 6.3 We may use the Security for the payment of any costs and expenses associated with any of your obligations under this Agreement that are not performed by you or to pay any overdue Rent and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- 6.4 After we certify, in writing, that you have fully performed your obligations under this Agreement, we will return to you the Security maintained under section 6.1, less all amounts drawn down by us under section 6.3.
- 6.5 You acknowledge that we may, from time to time, notify you to
- (a) change the form or amount of the Security; and
 - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by

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Date: 2025-07-07

Signature: 

you.

6.6 You must

- (a) without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:
- (i) Commercial General Liability insurance in an amount of not less than \$2,000,000.00 inclusive per occurrence insuring against liability for personal injury, bodily injury (including death) and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
 - (ii) Sudden and accidental pollution endorsement on the Commercial General Liability insurance policy with a limit of liability not less than two million dollars (\$2,000,000); or if such endorsement is unavailable sudden and accidental pollution insurance insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the performance of this Agreement by you with a limit of liability not less than two million dollars (\$2,000,000) per occurrence, including provision to provide 30 days advance notice to us of material change or cancellation, and the policy shall include us as additional insured;
- (b) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (c) within 10 working days of Commencement Date of this Agreement, provide to us evidence of all required insurance in the form of a completed "Province of British Columbia Certificate of Insurance";
- (d) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance in the form of a completed "Province of British Columbia Certificate of Insurance";
- (e) notwithstanding subsection (c) or (d) above, if requested by us, provide to us certified copies of the required insurance policies.

6.7 We may, acting reasonably, from time to time, require you to

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- (a) change the amount of insurance set out in subsection 6.6(a); and
- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance then required to be maintained by you under this Agreement.

- 6.8 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement in your sole discretion.
- 6.9 You waive all rights of recourse against us with regard to damage to your own property.

ARTICLE 7 - ASSIGNMENT

- 7.1 You must not sublease, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold.
- 7.2 Prior to considering a request for our consent under section 7.1, we may require you to meet certain conditions, including without limitation, that you provide us with a report as to the environmental condition of the Land as provided in section 4.5.

ARTICLE 8 - TERMINATION

- 8.1 You agree with us that
- (a) if you
 - (i) default in the payment of any money payable by you under this Agreement, or
 - (ii) fail to observe, abide by and comply with the provisions of this Agreement (other than the payment of any money payable by you under this Agreement),and your default or failure continues for 60 days after we give written notice of the default or failure to you,
 - (b) if, in our opinion, you fail to make diligent use of the Land for the purposes set out in this Agreement, and your failure continues for 60 days after we give written notice of the failure to you;

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- (c) if you fail to maintain in good standing any disposition issued by us to you for the use and occupation of Crown land;
- (d) if you
 - (i) become insolvent or make an assignment for the general benefit of your creditors,
 - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
 - (iii) voluntarily enter into an arrangement with your creditors;
- (e) if you are a corporation,
 - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
 - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (f) if you are a society, you convert into a company in accordance with the *Society Act* without our prior written consent; or
- (g) if this Agreement is taken in execution or attachment by any person;

this Agreement will, at our option and with or without entry, terminate, and all of your right, interest and estate in the Land will be absolutely forfeited to us.

8.2 If the condition complained of (other than the payment of any money payable by you under this Agreement) reasonably requires more time to cure than 60 days, you will be deemed to have complied with the remedying of it if you commence remedying or curing the condition within 60 days and diligently complete the same.

8.3 You agree with us that

- (a) you will make no claim against us for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 8.1; and

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Date: 2025-07-07

Signature: 

- (b) our remedies under this Article are in addition to those available to us under the *Land Act*.

ARTICLE 9 - DISPUTE RESOLUTION

- 9.1 If any dispute arises under this Agreement, the parties will make all reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 9.2 Subject to section 9.5, if a dispute under this Agreement cannot be resolved under section 9.1, we or you may refer the dispute to arbitration conducted by a sole arbitrator appointed pursuant to the *Commercial Arbitration Act*.
- 9.3 The cost of the arbitration referred to in section 9.2 will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.
- 9.4 The arbitration will be conducted at our offices (or the offices of our authorized representative) in Nanaimo, British Columbia, and if we or our authorized representative have no office in Nanaimo, British Columbia, then our offices (or the offices of our authorized representative) that are closest to Nanaimo, British Columbia.
- 9.5 A dispute under this Agreement in respect of a matter within our sole discretion cannot, unless we agree, be referred to arbitration as set out in section 9.2.

ARTICLE 10 - NOTICE


- 10.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

MINISTRY OF WATER, LAND AND RESOURCE STEWARDSHIP
Suite 142 - 2080 Labieux Road
Nanaimo, BC V9T 6J9;

CERTIFIED TRUE COPY

Date: 2025-07-07

Signature: 

to you

CORPORATION OF THE DISTRICT OF NORTH COWICHAN
7030 Trans-Canada Highway
Duncan, BC V9L 6A1;

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- 10.2 In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 10.1.
- 10.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

ARTICLE 11 - MISCELLANEOUS

- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 11.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 11.3 The grant of a sublease, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublease, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.

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Date: 2025-07-07

Signature: 

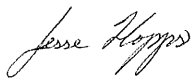
- 11.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by a period of time equal to the period of time of the delay so long as
- (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
 - (b) you diligently attempt to remove the delay.
- 11.6 You acknowledge and agree with us that
- (a) this Agreement has been granted to you on the basis that you accept the Land on an “as is” basis;
 - (b) without limitation we have not made, and you have not relied upon, any representation or warranty from us as to
 - (i) the suitability of the Land for any particular use, including the use permitted by this Agreement;
 - (ii) the condition of the Land (including surface and groundwater), environmental or otherwise, including the presence of or absence of any toxic, hazardous, dangerous or potentially dangerous substances on or under the Land and the current and past uses of the Land and any surrounding land and whether or not the Land is susceptible to erosion or flooding;
 - (iii) the general condition and state of all utilities or other systems on or under the Land or which serve the Land;
 - (iv) the zoning of the Land and the bylaws of any government authority which relate to the development, use and occupation of the Land; and
 - (v) the application of any federal or provincial enactment or law to the Land;
 - (c) you have been afforded a reasonable opportunity to inspect the Land or to carry out such other audits, investigations, tests and surveys as you consider necessary to investigate those matters set out in subsection (b) to your satisfaction before entering into this Agreement;

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- (d) you waive, to the extent permitted by law, the requirement if any, for us to provide you with a "site profile" under the *Environmental Management Act* or any regulations made under that act;
 - (e) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
 - (f) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads.
- 11.7 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.
- 11.8 This Agreement does not override or affect any powers, privileges or immunities to which you are entitled under any enactment of the Province of British Columbia.

The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of **HIS MAJESTY
THE KING IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA**
by the minister responsible for the *Land Act*
or the minister's authorized representative



Digitally signed by
Jesse Hopps
Date: 2025.07.04
14:26:14 -07'00'

Manager, Major Projects and Crown Land Management


Minister responsible for the *Land Act*
or the minister's authorized representative

CERTIFIED TRUE COPY

Date: 2025-07-07

Signature: 

SIGNED on behalf of **CORPORATION OF THE DISTRICT OF NORTH COWICHAN**
By its authorized signatories




Authorized Signatory Ted Swabey, CAO

Authorized Signatory

CERTIFIED TRUE COPY

Date: 2025-07-07

Signature: 

LEGAL DESCRIPTION SCHEDULE

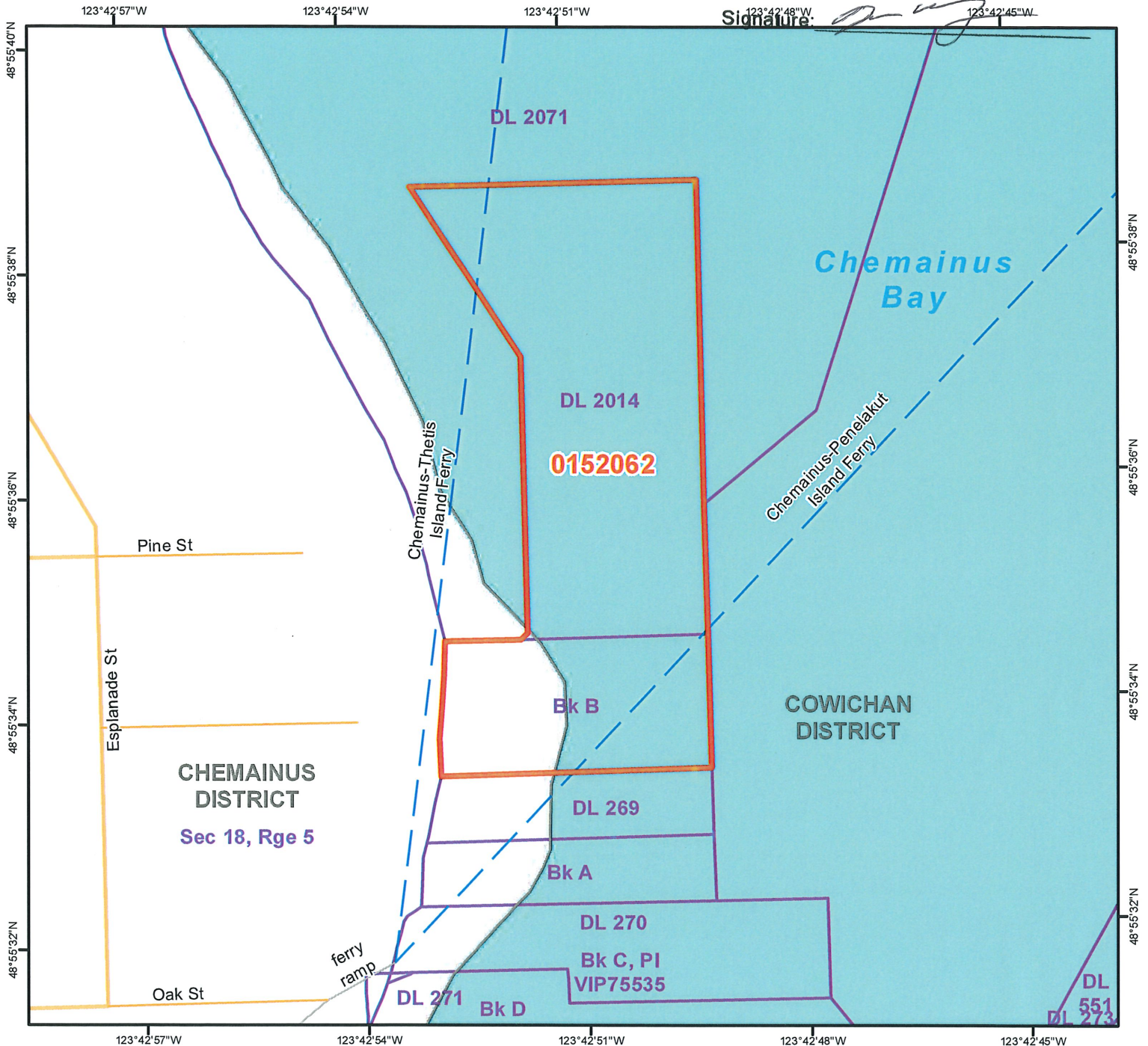
Legal Description:

Block B of District Lot 269, and District Lot 2014, all within Cowichan District.

CERTIFIED TRUE COPY

Date: 2025-07-07

Signature: 



<p>File #: 0152062</p> <p>Area (ha): 1.131</p> <p>Type: LEASE</p> <p>Subtype: STANDARD LEASE</p> <p>Purpose: COMMERCIAL</p> <p>Sub-purpose: COMMERCIAL A</p>	<p>1:1,500</p> <p>Meters</p>	<p>Government of British Columbia, DataBC, GeoBC</p>
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This map is for general reference only.
 Data layers that appear on this map may
 or may not be accurate, current or otherwise reliable.
THIS MAP IS NOT TO BE USED FOR NAVIGATION.



Ministry of Water, Land and
Resource Stewardship

ENDORSEMENTS

Lease No. V930939
Endorsement No.: 1

File No.: 0152062
Date: July 10, 2025

Portions sub-let unto Jones Marine Group Ltd. for a term expiring before April 3, 2035.

Digitally signed
by Jesse Hopps
Date: 2025.07.10
16:20:06 -07'00'

Authorized Representative
Manager , Major Projects and
Crown Land Management

Jalme Berry
A Commissioner for taking
Affidavits for British Columbia
4885 Cherry Creek Road
Port Alberni BC V9Y 8E9

Expiry Date 2028-02-29

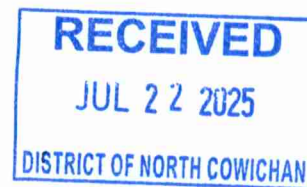
CERTIFIED TRUE COPY

Date: 2025-07-15

Signature:



SCHEDULE B
CONSENT TO SUBLEASE



July 15, 2025

File: 0152062

Corporation of the District of North Cowichan
7030 Trans-Canada Highway
North Cowichan, BC V9L 6A1

Dear Alyssa Meiner,

Enclosed is approved Consent to Sub-Tenure and Endorsement Schedule No. 1.

The enclosed consent and endorsement form an integral part of Lease No. V930939 and must be attached to it.

Please note that it is not our role to approve the *wording* in your sub-lease agreement. The District of North Cowichan is fully responsible to ensure that the sub-lease agreement is consistent with Lease No. V930939. If there are any discrepancies, then Lease No. V930939, issued to the District of North Cowichan shall prevail. Additionally, the Province's consent to the sub-tenure will not be deemed to waive or modify the rights of the Province under the lease. The term of the sub-tenure must also be within the term of Lease No. V930939 and cannot be issued for a term longer than the unexpired term of the original tenure.

Additionally, please include this letter as part of Schedule B - Consent to Sublease and return the fully executed copy for our records.

Should you have any further questions, please contact Maheen Scott, Authorizations Specialist, at Maheen.Scott@gov.bc.ca or 250-739-8551

Yours truly,

Portfolio Administrator

Enclosures: Consent to Sub-Tenure
Endorsement Schedule No. 1