

Licence No.: 1415 RRR

Licence Issued: October 9, 1990

Licence Revised: December 19, 1990

Licence Revised: March 19, 1997

Licence Revised: February 4, 2003

IN ACCORDANCE WITH THE ENVIRONMENT ACT (C.C.S.M. c. E125)

THIS LICENCE IS ISSUED PURSUANT TO SECTION 11(1) TO:

4553994 MANITOBA LTD.; "the Licencee"

for the construction and operation of the Development, known as the Granite Hills Golf Course, being a eighteen hole public golf course located on 300 acres of land adjacent to Lac du Bonnet and legally described as part of Sections 26 and 27, Township 16, Range 12E in the Rural Municipality of Lac du Bonnet and in accordance with the Proposal filed under The Environment Act on May 17, 1990 and the additional information dated November 26, 2002 and the Plan submitted on December 9, 2002 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"high water level" means a line defined by the normal high water mark determined by plant growth and soil conditions observed at and in the vicinity of land adjacent to a waterway; and

"Shoreline Preserve" means an area of land adjacent to a natural waterbody wherein development shall not occur.

GENERAL TERMS AND CONDITIONS

This Section of the Licence contains requirements intended to provide guidance to the Licencee in implementing practices to ensure that the environment is maintained in such a manner as to sustain a high quality of life, including social and economic development, recreation and leisure for present and future Manitobans.

1. The Licencee shall locate fuel storage and equipment servicing areas established for the construction and operation of the Development a minimum distance of 100 meters from any waterbody, and operate the fuel storage areas in compliance with the requirements of *Manitoba Regulation 188/2001* respecting *Storage and Handling of Petroleum Products and Allied Products*.
2. The Licencee shall, at all times during the construction of the Development, have materials available at the construction sites to contain and recover spills of fuel and other fluids associated with construction machinery.
3. The Licencee shall, during the full term of the construction of the Development, cleanup and deposit all debris from the construction sites at a Waste Disposal Ground operating under the authority of a permit issued pursuant to *Manitoba Regulation 150/91* respecting *Waste Disposal Grounds* or a Licence issued pursuant to The Environment Act.
4. The Licencee shall, during construction, dispose of all sewage and septage from on-site sanitary facilities in accordance with *Manitoba Regulation 95/88R* respecting *Private Sewage Disposal System and Privies*.
5. The Licencee shall, during construction and operation of the Development, report spills of fuels or other contaminants to an Environment Officer in accordance with the requirements of *Manitoba Regulation 439/87* respecting *Environmental Accident Reporting*. Any reportable spills shall be reported immediately to Manitoba Conservation's Environmental Accident Reporting Line at (204) 944-4888.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Pre-Construction

6. The Licencee shall, prior to construction, provide a copy of this Licence to the contractor and subcontractor(s) involved in the Development.
7. The Licencee shall provide for a Shoreline Preserve along the shore of Lac du Bonnet. The Preserve shall be a strip of land a minimum distance of 10 meters in width from the high water mark or stabilized areas along the shoreline within the Development area. Vegetation, including grasses, trees and shrubs, shall be established and maintained within the Shoreline Preserve. The limits of the Shoreline Preserve shall be surveyed and marked prior to final grading of adjacent fairways.
8. The Licencee shall, prior to construction of a sewage treatment facility for the clubhouse, submit to the Director for approval an Engineering Report on the proposed method of sewage management for the Development. The Engineering Report shall contain:
 - a. the results of a soil investigation of the proposed sewage disposal area;
 - b. a detailed design for the sewage disposal system based on the soil investigation study results; and
 - c. approval of the detailed design for the sewage disposal system by a Design Engineer.

Respecting Construction

9. The Licencee shall:
 - a. prevent the removal of existing rock, cobble and natural woody material in the water and along the shoreline;
 - b. dispose excavated material above the high water line and in a location where the material will not erode into any watercourse; and
 - c. apply and maintain effective short and long term erosion control measures until vegetation is established.
10. The Licencee shall, during construction of water retention pond(s), line the pond(s) with clay to a minimum depth of 0.5 meters to prevent seepage from the retention pond entering the groundwater aquifer.
11. The Licencee shall, from April 1 to June 15 of each year during construction, cease all construction activities that may impact Lac du Bonnet and which may affect fish mobility and fish habitat.
12. The Licencee shall ensure that the irrigation water intake is screened at all times when the intake structure is in the stream flow in accordance with the procedures described in "*A Fish Screening Guide for Water Intakes*" published by Fisheries and Oceans Canada.
13. The Licencee shall locate a pesticide storage structure(s):
 - a. in an area on the Development property that is not subject to flooding;
 - b. in a dry, well ventilated separate building enclosed by a security fence;
 - c. 100 meters from property zoned residential;
 - d. 100 meters away from single residences; and
 - e. 300 meters away from the shoreline of Lac du Bonnet.
14. The Licencee shall construct and maintain the concrete floors and curbs of a pesticide storage structure(s) so as to prevent spilled liquids from leaking into the soil.

Respecting Operation

15. The Licencee shall upon completion of construction of the Clubhouse Sewage Treatment Facility and prior to operation, submit a letter to the Director certifying that, to the satisfaction of the Design Engineer responsible for

supervising the construction, the Facility was constructed in compliance with the detailed design and specifications as contained in the Engineering Report required by Clause 8 of this Licence.

16. The Licencee shall, prior to operation of the Development, obtain a Water Rights Act Licence for water withdrawal requirements associated with the Development.
17. The Licencee shall, prior to operation of the Development, obtain an annual Pesticide Use Permit pursuant to Manitoba Regulation 94/88R for the storage, handling and application of pesticides in conjunction with the golf course operation.
18. The Licencee shall, during the operation of the Development, prohibit the use any mercury based fungicides and Diazinon on the Development.
19. The Licencee shall, during the operation of the Development, prohibit application of pesticides:
 - a. within 5 meters of the high water level of Lac du Bonnet; or
 - b. between 5 and 20 meters of the high water level of Lac du Bonnet, other than hand spot spraying.
20. The Licencee shall contain and clean up immediately:
 - a. any on-site pesticide spill;
 - b. waste water generated from any response action due to an on-site release of pesticides; and
 - c. contaminated water resulting from the extinguishing of a fire involving pesticides.
21. The Licencee, subject to obtaining approval from and Environment Officer, shall immediately dispose of any contaminated material in accordance with the approval.

Respecting Alterations to the Development

22. The Licencee shall obtain approval from the Director for any proposed alteration to the Development before proceeding with the alteration.

REVIEW AND REVOCATION

- A. This Licence replaces Licence No. 1415 RR which is hereby rescinded.
- B. If, in the opinion of the Director, the Licencee has exceeded or is exceeding or has or is failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.
- C. If the construction of the Development has not commenced within three years of the date of this Licence, the Licence is revoked.
- D. If, in the opinion of the Director, new evidence warrants a change in the specifications, limits, terms or conditions of this Licence, the Director may require the filing of a new proposal pursuant to Section 11 of The Environment Act.

"original signed by"

Larry Strachan, P. Eng.
Director
Environment Act

Client File No.: 3183.00