Licence No.: 2396
Licence Issued: May 31, 1999

IN ACCORDANCE WITH THE MANITOBA ENVIRONMENT ACT (C.C.S.M. c. E125)
THIS LICENCE IS ISSUED PURSUANT TO SECTION 11(1) TO:

FANTASY LAKE GOLF CLUB INC.: "the Licencee"

for the construction and operation of the Development being an eighteen hole Par 3 golf course located on a 64 acre parcel of land on part of the NW ¼ 6-10-5 EPM in the Rural Municipality of Springfield and in accordance with the Proposal filed under The Environment Act on March 4, 1999 and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

In this Licence,

"accredited laboratory" means a laboratory accredited by the Standard Council of Canada (SCC), another accrediting agency recognized by Manitoba Environment to be equivalent to the SCC, or at a laboratory which can demonstrate to Manitoba Environment that it has the quality assurance/quality control (QA/QC) procedures in place equivalent to accreditation based on the Canadian Standard Can/CSA-Z753, extension of the international standard ISO 9000, Guide 25.

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, during construction, ensure that any fuel storage areas established for the construction of the Development are located a minimum distance of 100 meters away from waterbodies including wetlands and ensure the storage areas comply with the requirements of Manitoba Regulation 97/88R - Storage and Handling of Gasoline and Associated Products.

2. The Licencee shall ensure that all used petroleum products and other hazardous wastes generated by the machinery used in the construction and operation of the Development are collected and disposed of in accordance with Manitoba Environment and legislative requirements.

3. The Licencee shall, during the full term of the construction of the Development, cleanup and deposit all debris from the construction site at a Waste Disposal Ground operating under the authority of a permit issued pursuant to Manitoba Regulation 150/91 respecting Waste Disposal Grounds.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

4. The Licencee shall, prior to construction, provide a copy of this Licence to the contractor and subcontractor(s) involved in the Development.

5. The Licencee shall 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.

6. The Licencee shall submit a letter to the Director upon completion of construction of the Clubhouse Sewage
Treatment Facility, 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 5 of this Licence.

7. The Licencee shall undertake water quality tests on the groundwater aquifer to establish baseline water quality conditions for the potable water supply for the Development. The water samples shall be stored and transported to an accredited laboratory for analysis in accordance with procedures specified by Manitoba Environment.

8. The Licencee shall, during construction of the water retention ponds, 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.

9. The Licencee shall, for any on-site storage of pesticides on the Development, locate a pesticide storage facility in a dry, well ventilated separate building in an area that shall not flood and shall contain runoff from the complete pesticide storage area. The pesticide storage facility shall be enclosed with a security fence.

10. The Licencee shall obtain an annual Pesticide Use Permit and comply with the requirements of Manitoba Regulation 94/88R respecting the storage, handling and application of pesticides in conjunction with the golf course operation.

11. The Licencee shall not use any mercury based fungicides or Diazinon on the Development.

12. The Licencee shall, prior to operation of the Development, obtain a Water Rights Act Licence for any water withdrawal requirements associated with the Development.

**REVIEW AND REVOCATION**

A. If, in the opinion of the Director, the Licencee have exceeded or are exceeding or have or are failing to meet the specifications, limits, terms, or conditions set out in this Licence, the Director may, temporarily or permanently, revoke this Licence.

B. If the construction of the Development has not commenced within three years of the date of this Licence, the Licence is revoked.

C. 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: 4425.00