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

DAVID W. KEATING: "the Licensee"

for the construction and operation of the Development, known as the Prairie Lake Lodges Par 3 Golf Course, being an eighteen hole public golf course located on land legally described as part of the fraction of the Northwest 1/4 of Section 7-24-28W within the Rural Municipality of Shellmouth-Boulton and in accordance with the Proposal filed under The Environment Act, dated May 6, 2005, 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 waterbody; and

"Lakeshore 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 Licensee 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.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
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 ensure that non-reusable demolition and construction debris from the Development is disposed of at a waste disposal ground operating under the authority of a permit pursuant to the Waste Disposal Ground Regulation, MR 150/91, or a Licence 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 the Onsite Wastewater Management Systems Regulation, MR 83/2003.

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 Accident Reporting Line at 204-944-4888.

6. The Licencee shall, during construction, adhere to the general recommendations on design, construction and maintenance of stream crossings as specified in the Manitoba Department of Conservation guidelines titled Manitoba Stream Crossing Guidelines for the Protection of Fish and Fish Habitat, 1996.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Pre-Construction

7. The Licencee shall, prior to construction, provide a copy of this to the contractor and subcontractor(s) involved in the Development.
8. The Licencee shall, prior to construction, conduct an inspection of the Development area to determine the presence of any rare and endangered species or ecological communities. The presence of rare and endangered species or ecological communities within the Development area shall be reported to the Biodiversity Conservation Section of the Manitoba Conservation Wildlife and Ecosystem Protection Branch in order to reach an agreement on impact mitigation measures for these species.

9. The Licencee shall provide for a Lakeshore Preserve along Lake of the Prairies. The Preserve shall be a strip of land a minimum distance of 40 meters in width from the high water level along the shoreline of the Lake of the Prairies within the Development area. Existing riverbank vegetation shall not be cleared within the Lakeshore Preserve except in the areas as shown on the Prairie Lake Golf Course 18 Hole Plan filed as part of the Environment Act Proposal, dated April 5, 2005. The limits of clearing shall be surveyed and marked prior to construction.

Respecting Construction

10. The Licencee shall install silt fencing along the golf access road and the boat launch to prevent silt from entering the Lake of the Prairies.

11. 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) 100 meters away from Lake of the Prairies.

12. 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

13. The Licencee shall, prior to operation of the Development, obtain a Water Rights Act Licence for water withdrawal requirements associated with the Development.
14. 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.

15. The Licencee shall, during the operation of the Development, prohibit the use any mercury based fungicides or Diazinon on the Development.

16. The Licencee shall, during the operation of the Development, prohibit application of pesticides:
   a) within 10 meters of the high water level of Lake of the Prairies; or
   b) between 10 and 20 meters of the high water level of Lake of the Prairies, other than hand spot spraying.

17. 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.

18. 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

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

REVIEW AND REVOCATION

A. 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.
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.

Client File No: 5097.00

Mike Van Den Bosch, P. Eng.
A/Director
Environment Act