January 10, 2011

Roy W. Dawson, Director
Old Town Harbour Ltd.
34 First Ave. NW
Dauphin, MB
R7N 1G7

Dear Mr. Dawson:

Enclosed is Environment Act Licence No. 2949 dated January 10, 2011 issued in accordance with The Environment Act to Old Town Harbour Ltd. for the construction and operation of the Development being a boat channel to Lake Dauphin as part of a proposed subdivision located in 34-24-17 W in the Rural Municipality of Ochre River, in accordance with the Environment Act Proposal dated May 25, 2010, and additional information dated September 18, 2010 and December 1, 2010.

In addition to the enclosed Licence requirements, please be informed that all other applicable federal, provincial and municipal regulations and by-laws must be complied with.

For further information on the administration and application of the Licence, please feel free to contact Jeff Fountain, Environment Officer, at (204) 677-6703.

Pursuant to Section 27 of The Environment Act, this licensing decision may be appealed by any person who is affected by the issuance of this Licence to the Minister of Conservation within 30 days of the date of the Licence.

Yours truly,

Tracey Braun, M. Sc.
Director
Environment Act

Enc.
c: Don Labossiere, Director, Environmental Operations
Public Registries

NOTE: Confirmation of Receipt of this Licence No. 2949 (by the Licencee only) is required by the Director of Environmental Assessment and Licensing. Please acknowledge receipt by signing in the space provided below and faxing a copy (letter only) to the Department by January 24, 2011.

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
In accordance with The Environment Act (C.C.S.M. c. E125) / Conformément à la Loi sur l'environnement (C.P.L.M. c. E125)

Pursuant to Section 11(1) / Conformément au Paragraphe 11(1)

THIS LICENCE IS ISSUED TO: / CETTE LICENCE EST DONNÉE À:

OLD TOWN HARBOUR LTD.; “the Licencee”

for the construction and operation of the Development being a boat channel to Lake Dauphin as part of a proposed subdivision located in 34-24-17 W in the Rural Municipality of Ochre River, in accordance with the Environment Act Proposal dated May 25, 2010, and additional information dated September 18, 2010 and December 1, 2010, and subject to the following specifications, limits, terms and conditions:

DEFINITIONS

“as constructed drawings” means engineering drawings complete with all dimensions which indicate all features of the Development as it has actually been built.

“buffer zone” means a strip of undisturbed land comprised of in-situ vegetation;

“Director” means an employee of the department appointed as such by the Minister;

“Environment Officer” means an employee of the department appointed as such by the Minister;

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. In addition to any of the limits, terms and conditions specified in this Licence, the Licencee shall, upon the request of the Director:

**A COPY OF THE LICENCE MUST BE KEPT ON SITE AT THE DEVELOPMENT AT ALL TIMES**
2. The Licencee shall collect and dispose of all used oil products and other regulated hazardous wastes generated by the machinery used in the construction and operation of the Development in accordance with applicable Manitoba Conservation and legislation requirements.

3. The Licencee shall revegetate soil in areas of the Development exposed by construction with a mixture of native or introduced grasses or legumes. These areas shall be revegetated as quickly as possible following construction to prevent soil erosion and the establishment of noxious weeds.

4. The Licencee shall ensure that shoreland created by the Development is maintained as necessary to prevent shoreline erosion and the deposition of sediment in waterways.

5. The Licencee shall dispose of non-reusable construction debris and solid waste from the Development at a waste disposal ground operating under the authority of a permit issued under *Manitoba Regulation 150/91*, or any future amendment thereof, respecting *Waste Disposal Grounds* or a licence issued pursuant to The Environment Act.

6. 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*, or any future amendment thereof, respecting *Environmental Accident Reporting*.

7. The Licencee shall, during construction and operation of the Development, establish fuel storage areas in compliance with the requirements of *Manitoba Regulation 188/2001*, or any future amendment thereof, respecting *Storage and Handling of Petroleum Products and Allied Products*. Machinery used in the construction and maintenance of the Development shall not be fueled or serviced adjacent to waterbodies.

8. The Licencee shall not remove, destroy or disturb species pursuant to *Manitoba Regulation 25/98*, or any future amendment thereof, respecting *Threatened, Endangered and Extirpated Species*, or species listed in the federal Species at Risk Act.

9. The Licencee shall, prior to construction of the Development, obtain valid work permits from Manitoba Conservation, Western Region.
SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

10. The Licencee shall, before, during and after construction of the Development, implement appropriate measures to prevent the erosion or deposition of sediment into waterbodies. Construction adjacent to waterbodies shall not occur during high rainfall events.

11. The Licencee shall not use wood treated with phenol or creosote based preservatives in the construction and maintenance of the Development.

12. The Licencee shall ensure that all material used for the construction of the Development and used as fill in connection with the Development is free of hydrocarbon or other contamination. Materials used for the construction of the Development shall be tested for contaminants upon the request of the Director or an Environment Officer, and materials found to be unsuitable shall be removed upon request of the Director.

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


Respecting Construction

15. The Licencee shall contact the Regional Fisheries Manager of Manitoba Water Stewardship and Manitoba Conservation, Environmental Operations not less than two weeks prior to beginning construction of the Development. The notification shall include the intended starting date of construction and the name of the contractor responsible for the construction.

16. The Licencee shall, at all time during construction of the Development, have materials available at the construction site to contain and recover spills of fuel and other fluids associated with construction machinery.

17. The Licencee, during construction of the development, shall collect and dispose of all sewage from the Development in accordance with applicable Manitoba Conservation and legislation requirements.

18. The Licencee, during construction of the Development, shall not disturb migratory bird nests.

19. The Licence shall, within two months of completing construction of the Development, provide to the Director “As Constructed” drawings showing the Development as built, and all ongoing sediment and erosion control measures associated with the Development.
Respecting Operation

20. The Licencee shall not undertake construction activities in connection with the Development in fish bearing waters or potentially fish bearing waters between April 1 and June 30 of any year, or during periods of high stream flow.

21. The Licencee shall not use chemical dust suppressant materials on roads within 100 metres of Dauphin Lake.

22. The Licencee shall maintain a 15 meter buffer zone from the normal water level adjacent to all surface waters, including Dauphin Lake and all canals within the Development.

23. The Licencee shall not apply pesticides within the buffer zone.

24. The Licencee shall be responsible for the operational maintenance of the Development, including but not limited to, setting boat velocity restrictions and managing water quality issues.

Respecting Alterations to the Development

25. 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 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.

Tracey Brain, M.Sc.
Director
Environment Act

Client File No.: 5482.00