In accordance with the Manitoba Environment Act (C.C.S.M. c. E125)

THIS LICENCE IS ISSUED TO:

Kilman Enterprises Ltd.: "the Licencee"

for the construction and operation of the Development being a cottage, campground and lodge development in W 24-23-29W in the Rural Municipality of Shellmouth subject to the following specifications, limits, terms and conditions:

Specifications, Limits, Terms and Conditions

1. The Licencee shall construct and operate the Development in accordance with the Environment Act Proposal dated December 28, 1992, the supplementary information contained in a letter dated March 22, 1993, a Development Agreement between the Licencee and the Rural Municipality of Shellmouth dated February 10, 1994 and an undated agreement between Manitoba Agriculture and Manitoba Natural Resources respecting water supply, fencing and cattle access.

2. The Licencee shall, prior to beginning construction activities in the vicinity of the cottage lots, submit to the Director, evidence that the potential for heritage resources in areas affected by the Development has been examined to the satisfaction of the Historic Resources Branch.

3. The Licencee shall ensure that a setback distance of not less than 30.5 metres is maintained between the 430.22 metre contour of the shoreline and the edge of cottage lots.

4. The Licencee shall obtain a timber permit from Manitoba Natural Resources before cutting or removing timber from the area affected by the Development.

5. The Licencee shall construct the access road to the Development in accordance with the route shown in Schedule B of the February 10, 1994 Development Agreement with the Rural Municipality of Shellmouth. The access road shall be constructed in accordance with the standards contained in Schedule C of the same agreement.
6. The Licencee shall provide suitable fencing along both sides of the access road to the Development where the access road passes through leased Crown land adjacent to the Development. This land is identified as Lot 1 of W 24-23-29W. The fencing shall consist of three strand barbed wire and treated posts.

7. The Licencee shall install a culvert of sufficient size to permit the passage of cattle under the access road where it passes through leased Crown land adjacent to the Development. The culvert shall be installed in accordance with the same standards which apply to drainage culverts associated with the Development.

8. The Licencee shall provide a dugout on the north parcel of the leased Crown land adjacent to the Development. The dugout shall be constructed in accordance with the specifications contained in the Agreement between Manitoba Agriculture and Manitoba Natural Resources.

9. The Licencee shall not undertake construction activities which affect erosion or sediment deposition in Lake of the Prairies between April 1 and June 15 in any year.

10. The Licencee shall re-seed soil exposed by construction activities with a mixture of native or introduced grasses or legumes.

11. The Licencee shall obtain a Transient Accommodation Facility Licence before undertaking the construction of campground facilities.

12. The Licencee shall ensure that the water supply for the campground portion of the Development is operated in accordance with Manitoba Regulations under the Public Health Act and all operating requirements as recommended by Manitoba Environment.

13. The Licencee shall ensure that the campground in the Development is operated in accordance with the requirements of Manitoba Regulation 89/88R respecting Campgrounds Regulation.

14. The Licencee shall ensure that all garbage collected in the Development is disposed of at a Waste Disposal Ground operating under the authority of a permit issued pursuant to Manitoba Regulation 150/91R respecting Waste Disposal Grounds.

15. The Licencee shall ensure that all sewage collection and disposal systems in the Development are installed in compliance with Manitoba Regulation 95/88R respecting Private Sewage Disposal Systems and Privies Regulation.

16. The Licencee shall ensure that all gray water and sewage from the Development is collected and disposed of in a lagoon facility operating in accordance with applicable Manitoba Environment and legislation requirements.
17. The Licencee shall ensure that all waste oil products generated by the machinery used in the construction and operation of the Development are collected and disposed of in accordance with applicable Manitoba Environment and legislative requirements.

18. The Licencee shall ensure that fuel storage areas established for the construction and operation of the Development shall comply with the requirements of Manitoba Regulation 97/88R respecting Storage and Handling of Gasoline and Associated Products.

**Revocation**

If, in the opinion of the Director, the Licencee has exceeded or is exceeding the limits, or has not complied or is not complying with the specifications, terms or conditions set out herein, the Director may revoke this Licence either temporarily or permanently.

[Signature]
Larry Strachan, P. Eng.
Director,
Environment Act

File No: 3548.00