

Lease Agreement

Agricultural Lease No. 0104846

THIS Agricultural Lease

BETWEEN: HER MAJESTY THE QUEEN, in the right of the Province of Saskatchewan as

represented by the Minister of Agriculture, the "Minister",

AND:

Leonard McCrea of Mankota, SK

the "Lessee"

AND:

Debra McCrea of Mankota, SK

the "Lessee"

As joint tenants (not tenants in common)

THE PARTIES AGREE as follows:

- 1) The parties agree to the terms and conditions contained in Schedule "A" which is attached to and forms part of this Agreement.
- 2) The Minister leases to the Lessee the lands situated in the Province of Saskatchewan, as described in Schedule "B" which is attached to a forms part of this agreement ("the lands").
- 3) The term of this lease is for 33 years, commencing on Jan 01, 2023 and ending on Dec 31, 2055.
- The annual rent for your lease shall be due on October 1, 2023, and in each successive year shall be due on the first day of October. Interest will begin to accrue on unpaid amounts under the lease on January 1, 2024, and January 1st of each successive year. For the purposes of subsection 7-6(2) of *The Provincial Land (Agriculture) Regulations*, the month following the billing date will be deemed to be January 1, 2024, and January 1st of each successive year.
- The Lessee shall pay a yearly cash rent as determined by the Minister in accordance with the regulations under The Provincial Lands Act, as amended from time to time, and calculated annually for each calendar year of the lease. The parties agree that until the acreage or usage is changed in accordance with this Agreement, the rent will be based on a total of 799.21 acres comprised of the following usages:

Grazing - 799.21 acres

The Minister may, by written notice to the Lessee, adjust the rent from time to time in accordance with amendments to the regulations under The Provincial Lands Act 2016, and the Lessee shall pay such adjusted ment

SIGNED AND DELIVERED on

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orized by and on behalf of the Minister of ture for the Province of Saskatchewan

SIGNED AND DELIVERED on

Lower Co. W. C.C.

Holder

Witness

Co-holder

Witness '

SCHEDULE "A"

General Terms and Conditions

1) ACTS AND REGULATIONS

The Lessee shall comply with all provisions of law, including federal, provincial or municipal, which relate to the leased lands or the Lessee's maintenance, operation and use of the leased lands. Without limiting the generality of the foregoing, the Lessee agrees that this lease is subject to all applicable provisions of The Provincial Lands Act, The Saskatchewan Water Corporation Act, The Ecological Reserves Act, The Fisheries (Saskatchewan) Act, 1994, The Irrigation Act, 1996, The Conservation and Development Act, The Crown Minerals Act, The Wildlife Habitat Protection Act, The Wildlife Act, 1998, The Forest Resources Management Act, The Environmental Management and Protection Act, 2002, The Environmental Assessment Act, The litter Control Act, The Oil and Gas Conservation Act, The Clean Air Act, The Surface Rights Acquisition and Compensation Act, The Heritage Property Act, The Parks Act, The Prairie and Forest Fires Act, 1982, of Saskatchewan and, The Migratory Birds Convention Act (Canada) and the Fisheries Act (Canada), as amended or replaced from time to time, and to all applicable regulations under said Acts.

2) MANAGEMENT AND USE

- 1) the Lessee shall:
- a) manage and be actively involved in the farming operations on the leased lands except for such periods as the Minister may authorize;
- b) adopt and carry out, to the satisfaction of the Minister, any plan of tillage, rotation of crops, weed and alien/invasive species control, range or pasture management practices, irrigation methods and other farm management or agricultural practices which, in the opinion of the Minister, are necessary to achieve sustainable production from the leased lands;
- c) erect such fences and develop such watering facilities as are necessary for the proper management of the grazing or hay lands;
 - d) use the leased lands for agricultural purposes only.

2) The Lessee shall not:

- a) accumulate, permit or allow the accumulation on the leased lands of any waste material, debris, refuse or garbage;
- b) allow any crop growing on the leased lands to go to waste by failing to harvest that crop;
- c) allow any part of the leased lands to be grazed in such a manner as to impair the normal reproduction of the vegetation;
- d) use or permit the use of the grazing or hay lands for the pasturing of livestock owned by any person other than the Lessee or a Feeder or Breeder Association of which the Lessee is a member.
- 3) The Lessee shall not, without the prior written consent of the Minister, do any of the following on the leased lands:
- a) knowingly destroy, alter or remove the residence or usual place of habitation of any wild plant or animal species that is a "wild species at risk" within the meaning of The Wildlife Act. 1998:
- b) cultivate any naturally vegetated areas including riparian areas, native prairie or dry lake beds;
 - c) change the natural course of any waterways;
- d) cut any trees or clear any tree growth unless required to maintain existing improvements on the leased lands;
- e) reside upon the lands or place or erect any buildings on the leased lands other than temporary shelters for agricultural use;
- f) sell, remove or otherwise dispose of or encumber any improvements on the leased lands;
 - g) sell or barter any hay on or removed from grazing lands;
- h) change the use of the cultivated, grazing or hay lands to any other use or the number of acres used for each as referred to in this Agreement; and in the event the Minister authorizes such a change, the yearly cash rent shall be recalculated by the Minister in accordance with the regulations under The Provincial Lands Act 2016, as amended from time to time.
- i) use the leased lands or allow the leased lands to be used for, or in conjunction with the provision of licensed or unlicensed guiding or outfitting services as defined in The Outfitter and Guide Regulations, 2004.

3) TAXES

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The Lessee shall pay, as they become due and payable, all taxes, charges, rates, duties and assessments during the term of this lease in respect to the leased lands.

4) ENTRY

The Minister's employees or agents, together with all necessary vehicles and machinery, may enter upon the leased lands at any time for the purpose of carrying out inspections or surveys, or evaluating, constructing, operating or maintaining any improvements or works on the leased lands.

5) RESERVATIONS

This lease is subject to any implied reservations or conditions to which this lease or the Minister's title is subject pursuant to The Provincial Lands Act, The Land Titles Act or any other relevant legislation.

6) CANCELLATION

The Minister may cancel this lease:

- 1) if the Lessee fails to pay any rent or charges when due;
- 2) if the Lessee fails to comply with:
 - a) any terms of this lease;
 - b) the provisions of the Acts and regulations referred to above;
- 3) upon the death of the Lessee;
- 4) if the Lessee should:
 - a) become insolvent;
- b) file a notice of intention to make a proposal or make a proposal under The Bankruptcy and Insolvency Act (Canada);
 - c) make an assignment or be petitioned into bankruptcy;
- 5) if the Lessee is incorporated, upon it being struck off the register of corporations for Saskatchewan;
- 6) where the Lessee has agreed to a development program, land or lease utilization plan, and has not adhered to the design or intent of the development program, land or lease utilization plan or has failed to complete the development program, land or lease utilization plan in the time specified;
- 7) if the Lessee fails to make any payment under any lease, promissory note, improvement purchase, permit, agreement for sale or any other debt owing to the Minister on the date specified for such payment;
- 8) where, in the opinion of the Minister, the Lessee has failed in any year to use the leased lands for agricultural purposes;
- 9) where the lessee has misrepresented or failed to disclose a material fact in the application for lease; provided that in the event of cancellation the Lessee shall continue to be liable to pay, and the Minister shall have the same remedies for recovery of rent then due or accruing due as if this lease had not been cancelled but remained in full force and effect.
- 10) where the lessee has misrepresented or failed to disclose a material fact in the application for lease; provided that in the event of cancellation the Lessee shall continue to be liable to pay, and the Minister shall have the same remedies for recovery of rent then due or accruing due as if this lease had not been cancelled but remained in full force and effect

7) OVERHOLDING

If this lease expires or is cancelled and the Lessee refuses to vacate the leased lands, the Lessee shall pay as liquidated damages, an amount equal to the amount of rent, as determined by the Minister in accordance with The Provincial Lands Regulations, that the Lessee would have been required to pay with respect to the period during which the lands have remained in the possession of the Lessee after the expiry or cancellation. This clause shall survive the expiration or cancellation of this lease, but does not imply that the Minister has agreed to the Lessee remaining on the leased lands.

8) INDEMNITY

The Lessee shall indemnify the Minister against all claims arising out of: 1) any breach or failure to perform any term of this lease; 2) damage to property resulting from the Lessee's use of the leased lands; or 3) injury to or the death of any person resulting from the use of the leased lands. This section shall survive the expiration or cancellation of this Agreement.

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9) EASEMENTS

This lease is subject to any easement granted or to be granted, by the Minister or any previous owner of the lands.

10) WAIVER

No waiver on behalf of the Minister of any breach of any of the terms of this agreement shall be binding upon the Minister unless it is in writing and any waiver so expressed shall apply only to the particular breach so waived and shall not limit the Minister's right in respect of any other breach.

11) ASSIGNMENT OR SUBLETTING

The Lessee shall not assign, sublet, transfer or otherwise dispose of this lease or any of the Lessee's rights or obligations under this Agreement without the prior written consent of the Minister.

12) CONSENT TO RELEASE AND ACQUIRE INFORMATION

1) The Lessee acknowledges that:

a. The Minister may disclose information about this lease, including the legal description, acreage leased, the purpose, terms and conditions of the lease including the amount payable pursuant to the lease and the status of the lease to a provincial or federal government agency, or to a financial institution for the purpose of determining the eligibility of the Lessee for, or continued participation of the Lessee in, any program or financial product for which the Lessee has applied.

b. The Minister, for the purpose of administering or enforcing the terms and obligations of the Lessee pursuant to this lease, may collect and use information about the Lessee, including credit or financial information, from a credit reporting agency, provincial or federal government agency, financial institution, or other person that has financial dealings with the Lessee. The Lessee agrees to provide any consent needed by the Minister to obtain the information referred to in this provision.

2) The Lessee acknowledges that:

a. The Minister may, without the consent of the Lessee, disclose the following information regarding the Lessee: name, mailing address and telephone number of the lessee, lease land description, lease type, lease term and rental amount to the individuals or organizations, and for the purposes listed below:

i. To First Nation Communities with Treaty Land Entitlement or Specific Claim Selections;

ii. To government officials for the purpose of determining eligibility and continued participation in programing offered by the Ministry of Agriculture; iii. To proponents of development projects (sand and gravel, oil and gas, etc.);

iv. To proponents for the purpose of administering any proposed projects occurring on Crown land that require lessee consent; and

v. Any other purpose the Minister determines that the public interest in disclosure outweighs any invasion of privacy that would result from the disclosure, or the disclosure would clearly benefit the Lessee.

Nothing in this agreement is intended to restrict the use or disclosure of any information that may be made without the consent of the Lessee pursuant to *The Freedom of Information and Protection of Privacy Act*.

13) NOTICES

All notices to the Lessee shall be deemed duly given and served if such notices are in writing and are posted prepaid and registered to the Lessee at the last known address of the Lessee according to the records of the Minister. All notices to the Minister shall be in writing and posted prepaid and registered to the Minister of Agriculture, 3085 Albert Street, Regina, Saskatchewan, S4S 0B1 or any other such address the Minister may designate in writing.

14) JOINT AND SEVERAL LIABILITY

Each person that signs this Agreement as a Lessee, shall be jointly and severally liable for every obligation under the lease and a breach by one of them shall entitle the Minister to cancel this lease in its entirety.

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SCHEDULE "B"

The Minister leases to the Lessee the lands situated in the Province of Saskatchewan, as listed below:

Parcel Name	Production State	Land Usage Type	Acres
Parcel 1-NE-25-03-09-3	Native (160, 0.35, 3,)	Grazing	160.00000
Parcel 1-NW-25-03-09-3	Native (160, 0.35, 3,)	Grazing	160.00000
Parcel 1-SW-35-03-09-3	Native (159.21, 0.35, 3, P)	Grazing	159.21000
Parcel 1-SE-36-03-09-3	Native (160, 0.34, 3,)	Grazing	160.00000
Parcel 1-SW-36-03-09-3	Native (160, 0.34, 3,)	Grazing	160.00000

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