

LICENCE

Licence No. / Licence n° 2736 R

Issue Date / Date de délivrance March 6, 2007

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 :

SKI ASESSIPPI LIMITED: "the Licencee"

for the construction and operation of the Development being a downhill ski facility with associated chalet properties situated in N 32-22-28W, SW 3-23-28W and S 4-23-28W in Aseissippi Provincial Park subject to the following specifications, limits, terms and conditions:

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 undertake the construction and operation of the Development in accordance with:
 - (a) The Environment Act Proposal for the original components of the Development, dated April 20, 1990;
 - (b) The report *Environmental Impact Assessment for the Proposed Aseissippi Ski Hill*, dated October, 1994 and prepared by Green Spaces Environmental Consulting;
 - (c) A letter from Daymon Guillas, Ski Aseissippi Ltd. to Larry Strachan, Manitoba Environment, dated January 7, 1995, with attachments;
 - (d) A letter from Daymon Guillas, Ski Aseissippi Ltd. to Dale Stewart, Clean Environment Commission, dated February 15, 1995 with attachments;
 - (e) The Environment Act Proposal for the expansion of the facilities of the Development, dated August 4, 2006;

- (f) The Environment Act Proposal for the development of the chalet properties, dated December 11, 2006; and
 - (g) Additional information provided respecting the chalet properties from the KGS Group to the Environmental Assessment and Licensing Branch, dated January 30, 2007.
2. The Licencee shall designate a person to serve as the Licencee's contact person with the Department for the administration and enforcement of this Licence.
 3. 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.
 4. The Licencee shall not undertake construction activities in connection with the Development during periods of rain or when runoff is occurring into or through the Development.

SPECIFICATIONS, LIMITS, TERMS AND CONDITIONS

Respecting Construction:

5. The Licencee shall establish any fuel storage areas required for the construction and operation of the Development:
 - (a) a minimum distance of 100 metres from any waterbody; and
 - (b) 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*.
6. The Licencee shall, during construction and operation of the Development,
 - (a) immediately report any reportable spills to Manitoba Conservation's Accident Reporting Line at (204) 944-4888; and
 - (b) provide a follow-up report to the Director on a reportable environmental accident outlining the cause(s) and proposing corrective action to prevent reoccurrence.
7. The Licencee shall, during construction and operation of the Development, supervise transfers of fuel, and maintain and use spill containment and cleanup equipment such as portable drip trays, supplies of absorbant material and barrels for the storage of contaminated soil.

8. The Licencee shall not remove, destroy or disturb species listed as rare, endangered, or of special concern, or their habitats. These species are listed in *Manitoba Regulation 25/98*, or any future amendment thereof, respecting *Threatened, Endangered and Extirpated Species* and in the federal Species at Risk Act.
9. The Licencee shall revegetate areas disturbed by the construction of the Development 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.
10. The Licencee shall minimize alterations to surface drainage patterns in the area of the Development.
11. The Licencee shall obtain authorization from Manitoba Water Stewardship for any drainage activities undertaken in connection with the Development that alter or divert the natural course of any waterway.
12. The Licencee shall, prior to the construction of the expanded area of the Development, receive the approval of the Director for any surface or subsurface drainage works entering the Shell River. Plans submitted for approval shall show location, drainage area, drain design details, and outlet works details.
13. The Licencee shall construct and operate the water intake works for the snow making component of the Development in accordance with all recommendations from the Department of Fisheries and Oceans and Manitoba Water Stewardship - Fisheries Branch.
14. The Licencee shall, prior to commencing vegetation clearing for any component of the Development, submit construction drawings, revegetation plans and seed mixes for approval by the Director. The drawings shall show the extent of vegetation clearing and any proposed earthwork activities, including slope alterations, trenching, berm construction and erosion protection measures. Revegetation plans and seed mixes shall be prepared separately for the ski expansion component and chalet properties component of the Development.
15. The Licencee shall not disturb natural vegetation beyond limits approved pursuant to Clause 14 of this Licence.
16. The Licencee shall implement all necessary measures to prevent erosion and sedimentation during the construction and operation of the Development. These measures shall include but not be limited to the provision of waterbars and other erosion control devices, and revegetation with erosion resistant native species.

Respecting Operation – All Components of the Development:

17. The Licencee shall dispose of all wastewater generated during the operation of the Development at a wastewater treatment facility licensed pursuant to the Environment Act.
18. The Licencee shall install and maintain sewage collection facilities associated with the Development in accordance with the requirements of *Manitoba Regulation 83/2003*, or any future amendment thereof, respecting *Onsite Waste Management Systems*.
19. The Licencee shall dispose of solid waste generated during the operation of 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.

Respecting Operation – Downhill Ski Facility:

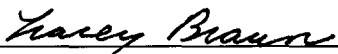
20. The Licencee shall notify the Director prior to undertaking any slope stabilization measures. The notification shall include the location, extent and circumstances of the slope stability failure, and propose remedial measures.
21. The Licencee shall operate the Development in accordance with all approved plans respecting the operation of the snowmaking system, the facility's safety plan, the facility's monitoring and mitigation plan for slope stability and other plans required by Clause 1 of this Licence.
22. The Licencee shall, by April 30 of each year, submit an annual report to the Director on the operation of the snowmaking system. The report shall include the monthly volume of water used by the system, and its times of operation.
23. The Licencee shall, by April 30 of each year, submit an annual report to the Director on slope and bank stability. The report shall include a description of remedial measures undertaken to address any identified erosion, sedimentation or slope stability problems, and a discussion of the effectiveness of the remedial measures.

Respecting Operation – Chalet Properties:

24. The Licencee shall not permit the planting of non-native and/or invasive species of trees on chalet lots or their associated area. Planted trees shall comply with information provided by the Licence and described in Clause 1 (g) of this Licence.
25. The Licencee shall comply with the requirements of regulations pursuant to the Water Protection Act with respect to the application of cosmetic fertilizers.
26. The Licencee shall include provisions in its agreement with lotholders so that the activities of lotholders are in compliance with the requirements of this Licence.
27. The Licencee shall at all times provide up to date copies of its standard agreement with lotholders to the Western Region, the Parks and Natural Areas Branch, and the Environmental Assessment and Licensing Branch of Manitoba Conservation.

REVIEW AND REVOCATION

- A. Environment Act Licence No. 2736 is hereby rescinded.
- B. 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.
- C. If construction of the development has not commenced within three years of the date of this Licence, the Licence is revoked.
- D. 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 Braun, M. Sc.
Director
Environment Act

Client File: 3172.00 (Original components of Development)
Client File: 3172.10 (Expansion components of Development)
Client File: 3172.20 (Chalet component of Development)