

SCHEDULE "B"

QUARRY CONCESSION AGREEMENT

THIS AGREEMENT is made effective as of the 1st day of January, 2019.

BETWEEN:

QIKIQTANI INUIT ASSOCIATION,
an incorporated society subsisting pursuant to the
Societies Act (Nunavut), and having its registered
office address in the City of Iqaluit, Nunavut,

(hereinafter called the "Landlord")
OF THE FIRST PART;

- and -

CANADIAN ARCTIC HOLIDAYS LTD.,
a corporation incorporated pursuant to the
Canada Business Corporations Act, and having its registered office
address in the Town of Alcove, Quebec, and extra-territorially
registered to carry on business in Nunavut,

(hereinafter called the "Tenant")
OF THE SECOND PART.

THE PARTIES HEREBY AGREE AS FOLLOWS:

1. The Landlord hereby authorizes the Tenant to take specified quantities (measured by cubic metre) of Specified Substances limited to sand and gravel material, for the permitted purposes set forth in subsection 4.01 of the Lease, from the Lands within the Property identified in Schedule "A" of the Lease, to which this Agreement is annexed as a schedule, or from Lands otherwise agreed to by the Landlord and Tenant (the "Lands"), subject to the terms and conditions set forth in this Agreement. All quantities to be taken up, and quarrying sites, shall be pre-approved in writing by the Landlord before any amount may be taken up by the Tenant.

2. The Tenant agrees that it will not take all of its required quantities of Specified Substances from one (1) site, and will, to the greatest extent practicable, conduct its quarrying activity from several permitted locations for the express purpose of reducing the size of disturbed area at any one (1) location on the Property.


3. Capitalized terms herein have the same meanings as the defined terms set forth in the Lease.
4. This Quarry Concession Agreement expires upon expiry or other termination of the Lease.
5. The Tenant agrees to pay the Landlord for all quarried material at the rates per cubic metre applicable at the time of the Tenant's request as determined by the then current policies of the Landlord. As of the date hereof the Landlord's rate is \$2.50 per cubic metre of actual sand and gravel material used (plus taxes, including, without limitation, Goods and Services Tax, if applicable).
6. This Quarry Concession Agreement is not a lease and does not create or grant any easement, profit a prendre, or any other claim or interest in land.
7. This Quarry Concession Agreement is not assignable and any purported assignment of it or of any rights or privileges hereunder shall be of no force nor effect.
8. All quarrying under this Quarry Concession Agreement shall be carried out in accordance with the terms of the *Mine Health & Safety Act* (Nunavut), as the provisions thereof may apply.
9. The Tenant agrees and acknowledges that the Landlord shall not be liable for any loss or damage to the Tenant, its agents, employees, contractors, licensees or invitees arising from or occasioned by the granting of this Quarry Concession Agreement or any activities pursuant hereto.
10. The Tenant shall indemnify and save the Landlord harmless from and against all manner of suit or action, cause of action, claim, demand, damage, cost, expense or liability for death, personal injury, economic loss, property damage, fines or costs of compliance with any permits, approvals certificates, licenses or orders of any authority of competent jurisdiction arising from or occasioned by any act or omission of the Tenant, its agents, employees, contractors, licensees or invitees (including without limitation any discharge of contaminants) on, or in respect of the Lands or arising out of or occasioned by the granting of the license herein, including, without limitation any liability arising from breach by the Tenant of any municipal, territorial or federal statute, regulation, bylaw, code or policy in force in the Nunavut Territory in respect of land utilization, health and safety, transportation of dangerous goods or environmental protection.
11. The Tenant shall be liable for any damage to the Lands occasioned by its entry and activity on the Lands in accordance with the terms and conditions of the Lease.
12. The Tenant represents and warrants that it is and shall remain in compliance with all federal, territorial and municipal statutes, regulations, bylaws, codes or policies and with the orders and requirements of any competent regulatory authorities, in respect of its entry and actions on the Lands.
13. Where required by the Landlord, the Tenant shall restore all quarrying sites to their original condition in accordance with the terms and conditions of the Lease.

14. Overburden shall be removed only from the area required for removal of the material specified and shall be preserved for restoration to the excavation area.
15. “Carving stone,” means uthugighak and sananguagaq, which means serpentines, argillite and soapstone as defined pursuant to Article 1.1.1 of the Nunavut Land Claims Agreement.
16. The Landlord may revoke this Quarry Concession Agreement and the license granted herein at any time for breach of any term of the Lease or this Agreement.
17. The Tenant shall observe, perform and abide by the Environmental Terms and Conditions, attached as Schedule “E” to the Lease, or by any Best Practices or standards established from time to time in addition thereto or in substitution therefore by the Landlord with ownership of or authority over the Lands pursuant to the Nunavut Land Claims Agreement.
18. In the event that any activity is undertaken on the Property pursuant to any other quarrying license, permit or mineral claim, the Tenant shall obtain the prior written consent of the Landlord before undertaking any operations or changing the location or nature of its operations pursuant to this Agreement and will otherwise coordinate such operations with the Landlord.
19. The Tenant shall submit a report to the Landlord indicating the quantity of material quarried and the quantity of material removed from all quarry sites. At the request of the Landlord, the quantity of material quarried that is reported by the Tenant shall be subject to certification (and adjustment of quarry fees) by an independent surveyor/assessor, who shall be acceptable to both parties.
20. The Tenant shall provide any Carving Stone quarried pursuant to the terms of this Quarry Concession Agreement, without charge or fee, to such Inuit carvers in the Qikiqtani Region as the Landlord shall in its discretion determine, and the Tenant shall not provide Carving Stone to any other persons without the consent in writing of the Landlord.
21. This Quarry Concession Agreement is subject to the terms of the Nunavut Land Claims Agreement and to any consent to access or entry order issued pursuant to the terms of Article 21 thereof and to all applicable laws in force in the Nunavut Territory.

IN WITNESS WHEREOF, the parties have executed this Agreement as evidenced by the corporate seal and signatures of the duly authorized signing officers of the parties.

QIKIQTANI INUIT ASSOCIATION

Per: 
Pauloosie Akeegok, President

Per:  c/s
Jeremiah Groves, Executive Director

CANADIAN ARCTIC HOLIDAYS LTD.

Per:  c/s
Richard Weber, President