

VACANT LAND LEASE

THIS INDENTURE made in triplicate as of the _____ of _____, 2025.

BETWEEN:

**The Corporation of the Township of Edwardsburgh/Cardinal,
Port of Johnstown Division**
(hereinafter called the “Lessor”)

OF THE FIRST PART

- and -

V6 Agronomy Inc.

(hereinafter called the “Lessee”)

OF THE SECOND PART

WHEREAS the Lessor is the owner of waterfront property, waterlots, and other lands and premises located in and around the Port of Johnstown. (the “Port”);

AND WHEREAS the Lessee has applied to the Lessor for a lease of the lands and premises hereinafter particularly described and the Lessor has agreed thereto upon and subject to the terms, conditions, stipulations, agreements and covenants hereinafter mentioned and contained.

NOW THEREFORE THIS INDENTURE WITNESSETH as follows:

Section 1.0 Intent and Interpretation

Section 1.1 Headings

The headings introducing sections and articles in this Lease are inserted for convenience of reference only and in no way define, limit, construe or describe the scope or intent of such sections or articles.

Section 1.2 Extended Meanings

The words “hereof”, “herein”, “hereunder” and similar expressions used in any section or subsection of this Lease relate to the whole of this Lease and not to that section or subsection only, unless the context indicates otherwise. The use of the neuter singular pronoun to refer to Lessor or Lessee is deemed a proper reference even though Lessor or Lessee is an individual, a partnership, an association, a corporation or a group of two or more individuals, partnerships, associations or corporations. The necessary grammatical changes required to make the provisions of this Lease apply in the plural sense where there is more than one Lessor or Lessee and to either corporations, associations, partnerships or individuals, males or females, shall in all instances be assumed as though in each case fully expressed.

Section 1.3 Partial Invalidity

If for any reason whatsoever any term, covenant or condition of this Lease, or the application thereof to any person or circumstance, is to any extent held or rendered invalid, unenforceable or illegal, then such term, covenant or condition:

- a) is deemed to be independent of the remainder of this Lease and to be severable and divisible therefrom and its invalidity, unenforceability or illegality does not affect, impair or invalidate the remainder of this Lease or any part thereof: and
- b) continues to be applicable to an enforceable to the fullest extent permitted by law against any person and circumstances other than those as to which it has been held or rendered invalid, unenforceable or illegal.

Section 1.4 Entire Agreement

This Lease and the amendments, addenda, schedules, appendices and riders attached hereto, if any, form a part of this Lease, and set forth all the covenants, promises, assurances, agreements, representations, conditions, warranties, statements and understandings (collectively, "Representations") between the Lessor and the Lessee concerning the Demised Premises and there are no Representations, either oral or written, between them other than those in this Lease. This Lease supersedes and revokes all previous negotiations, arrangements, letters of intent, offers to lease, lease proposals, brochures, Representations and information conveyed, whether oral or in writing between the parties hereto or their respective representatives or any other person purporting to represent the Lessor or the Lessee. The Lessee agrees that (i) it has not been induced to enter into this Lease by any representations not set forth in this Lease, (ii) it has not relied on any such Representations, (iii) no such Representations shall be used in the interpretation or construction of this Lease, and (iv) the Lessor shall have no liability for any consequences of claims arising as a result of, or from, any such Representations. Except as herein otherwise provided, no subsequent alteration, amendment, change or addition to this Lease shall be binding on the Lessor or the Lessee unless in writing and signed by each of them. All deletions (which term includes "lining out"), additions, alterations, amendments, changes and riders to the form of this Lease shall, at the Lessor's option, apply only to the Lessee actually executing this Lease. The Lessee agrees at its expense immediately to execute any future amendments to this Lease required by the Lessor which reflect changes required by any governmental authority or to maintain this Lease as a completely carefree, absolutely net Lease to the Lessor.

Section 1.5 Time of the Essence

Time is of the essence of this Lease and of every part hereof, except as herein otherwise provided.

Section 2.0 Lands Leased

- A) In consideration of the rents, covenants and agreements hereinafter reserved and contained, on the part of the Lessee, the Lessor does demise and lease unto the Lessee, its heirs, executors, administrators, successors and assigns, all and singular that certain parcel or tract of land and premises situate, lying and being in the Port of Johnstown designated as lands comprised of approximately 5,000 square meters at the base of the harbourfront dock and being the lands more particularly described in Schedule "A" hereto annexed, hereinafter called the "Demised Premises".

Section 2.1 Docks Not Forming Part of Demised Premises

It is expressly understood and agreed that the wharves, docks and dock walls forming part of the Port of Johnstown do not form a part of the Demised Premises.

Section 2.2 Access to the Demised Premises

- (a) For and during the Term (as hereinafter defined) of this Lease, the Lessor grants to the Lessee the right of ingress and egress in common with others, over, along, across and upon the lands of the Lessor more particularly described at Schedule "A" and in the sketch annexed to Schedule "A", hereto annexed, hereinafter called the "Right of Way".
- (b) The Lessor retains the right, upon written notice to the Lessee, to relocate the Right of Way at any time and from time to time during the Term.
- (c) The Lessor retains the right, at any time and from time to time, during the Term, to restrict ingress and egress across the Right of Way for reasons of construction, maintenance or other related works or purposes. In this regard, the Lessor agrees to complete any such works as expeditiously as possible in the circumstances and to provide the Lessee, whenever possible, an alternative means of ingress and egress to the Demised Premises during any periods of interruption.
- (d) The Lessor further retains the right to use the Right of Way for its own purposes and to grant access to it by others at its sole and unfettered discretion.

Section 3.0 Term

The term (the “Term”) of this Lease shall be one hundred fifteen (115) months, beginning on the 1st day of June 2025, and ending on the 31st day of December 2034, unless sooner terminated pursuant to any other provisions.

Section 3.1 Renewal

If at the expiration of the initial Term the Lessee shall be desirous of renewing the lease of the Demised Premises for a further term and provided that the Lessee is not and has not been in default of any of the covenants, provisos and agreements contained in this Lease, the Lessee shall have the option of renewing the within Lease for an additional term of ten (10) years, being the 1st day of June, 2035 to May 31st, 2045, provided that the Lessee shall have given to the Lessor notice in writing of its intention to renew the said Lease at least six months prior to the expiration of the Term but not more than twelve months prior to the expiration of the term. Provided that the notice provisions for exercising the Lessee’s intention to renew as set out herein are met, the Lessee shall be entitled to and the Lessor will (at the sole cost of the Lessee), grant to the Lessee, a renewal lease of the Demised Premises for the further term of ten (10) years duration and the renewal lease shall be upon the same terms and conditions as contained in the within Lease save and except that:

- i) Rental rates and the amount of the security deposit, if any, required during any renewal term, shall be as determined by the Lessor. In any event, Basic Rent shall not be less than the previous year.

There shall be no further rights of renewal of this Lease.

Section 4.0 Rent

The Lessee covenants and agrees to pay unto the Lessor, per annum, at the office of the Lessor, in lawful money of Canada, without any prior demand therefore and without any deductions of any kind whatsoever, the following as rent (“Basic Rent”):

- i.) For the period beginning June 1, 2025, and ending December 31, 2025 (Year 1), the sum of \$60,000 per annum.
- ii.) For the period beginning January 1, 2026, and ending December 31, 2026 (Year 2), the sum of \$60,850 per annum.
- iii.) For the period beginning January 1, 2027, and ending December 31, 2027 (Year 3), the sum of \$61,700 per annum.
- iv.) For the period beginning January 1, 2028, and ending December 31, 2028 (Year 4), the sum of \$62,550 per annum.
- v.) For the period beginning January 1, 2029, and ending December 31, 2029 (Year 5), the sum of \$63,400 per annum.
- vi.) For the period beginning January 1, 2030, and ending December 31, 2030 (Year 6), the sum of \$64,250 per annum.
- vii.) For the period beginning January 1, 2031, and ending December 31, 2031 (Year 7), the sum of \$65,100 per annum.
- viii.) For the period beginning January 1, 2032, and ending December 31, 2032 (Year 8), the sum of \$65,950 per annum.
- ix.) For the period beginning January 1, 2033, and ending December 31, 2033 (Year 9), the sum of \$66,800 per annum.
- x.) For the period beginning January 1, 2034, and ending December 31, 2034 (Year 10), the sum of \$67,650 per annum.

For further clarity, Basic Rent shall escalate by seventeen (17) cents percent per annum per square meter.

Section 4.1 Security Deposit

The Lessee shall deliver to the Lessor, upon execution and delivery of this Agreement, a security deposit in the amount of ten thousand six hundred and thirty-seven dollars and fifty cents (\$10,637.50) plus HST, representing first and last months' Basic Rent, to be held without interest by the Lessor as a true security deposit (the "Security Deposit"). In the event that the Lessee defaults in the payment of Basic and/or Additional Rent herein reserved or fails to perform any of the other covenants or conditions herein contained on the Lessee's part to be performed as part of the Lease, the Lessor shall have the right to apply the Security Deposit or any portion thereof toward the curing of said default or failure. In the event of any such application by the Lessor, the Lessee shall, upon demand of the Lessor, forthwith deposit with the Lessor a sufficient amount of cash to restore the Security Deposit to the original amount thereof, and the Lessee's failure to do so within ten (10) days after receipt of such demand from the Lessor shall carry with it the same consequences as failure to pay any installment of Rent due under this Lease. In the event that the Lease shall be terminated for any reason other than default upon the part of the Lessor or destruction to the Leased Premises (in any of which events the Security Deposit, less any portion thereof which may have been utilized by the Lessor to cure any default or applied to damages suffered by the Lessor shall be refunded to the Lessee), the Lessor shall have the right to retain the Security Deposit until the expiration of the Term by lapse of time (whether or not this Lease has been earlier terminated) so that the full damages of the Lessor may be ascertained. At the expiration of the Term by lapse of time, provided the Lessee has paid all of the rental herein called for and fully performed all of the other covenants and conditions on its part agreed to be performed. Within thirty (30) days after the expiration of the Term or earlier termination of the Lease, the Lessor shall return to the Lessee the Security Deposit less any portion thereof which may have been utilized by the Lessor to cure any default or applied to the last month's Rent or any damages suffered by the Lessor as a result of a Lessee default.

Section 4.2 Payment of Rent

Basic Rent shall be payable the 30th day of November in each and every year during the Term in one annual installment as described in Section 4.0.

The Lessee shall pay HST in addition to the amounts outlined at Sections 4.0 above and on all amounts payable to the Lessor.

Section 4.3 Net Lease

The Lessee acknowledges and agrees that it is intended that this Lease is an absolutely net and carefree Lease to the Lessor, except as expressly herein set out; that the Lessor is not responsible during the Term for any costs, charges, expenses and outlays of any nature whatsoever arising from or relating to the Demised Premises or the use and occupancy thereof, or the contents thereof, or the business carried on therein, except as expressly herein set out; and the Lessee shall pay all charges, imposition, taxes, costs and expenses of every nature and kind relating to the Demised Premises, except as expressly set out herein.

Without limiting the foregoing, the Lessee shall be responsible for all costs incurred by the Lessor on behalf of the Lessee.

Section 4.4 Recovery of Additional Rent

Save as otherwise expressly set out herein, all additional charges payable by the Lessee contemplated by this Lease (the "Additional Rent") shall be deemed to be and shall be treated as rent and payable and recoverable as rent, and the Lessor shall have (in addition to any other right or remedy) the same rights and remedies in the event of default by the Lessee in payment of any amount payable as Additional Rent as the Lessor would have in the case of default by the Lessee in payment of rent.

For clarity, any amount owing to the Lessor under this Lease shall be considered "Rent".

Section 5.0 Interest on Rent Past Due

If the Lessee fails to pay any Basic Rent or Additional Rent when due under this Lease, such unpaid amounts shall bear interest, payable as Additional Rent, from the date due until the date of payment, at a rate per month of 1 ½ per cent.

Section 6.0 Use

The Lessee shall only use the Demised Premises for the purpose of construction, operation and maintenance of a fertilizer terminal and for any purpose incidental to those purposes and for no other purpose without first receiving the prior written consent of the Lessor, which may be unreasonably withheld.

Section 7.0 Lessee's Covenants

The Lessee covenants with the Lessor as follows:

a) To Pay Rent

To pay the Lessor the Basic Rent, Additional Rent and all other sums set out herein at the times and in the manner herein contemplated, without any set-off, abatement or reduction whatsoever;

b) To Pay Taxes

To pay the Lessor all taxes and similar charges (including, without limitation, realty taxes, school taxes, goods & services taxes, levies, duties, assessments and local improvement rates, and other rates) charged or required by any taxing or other governmental authority against the Demised Premises, or against any installations or improvements made in, by or on the Demised Premises at any time. Such payment(s) shall be made within fifteen (15) days of presentation by the Lessor to the Lessee of an invoice indicating that such taxes and similar charges are due and payable and shall be in an amount equal to the amount(s) set out in the said invoice(s). In the event that the Lessee fails to pay the Lessor any amount(s) required hereunder when due, the Lessee acknowledges that such amount(s) shall bear interest in the manner contemplated by Section 5.0 of this Lease and, in addition to being obligated to pay the said taxes and similar charges, the Lessee shall be obligated to pay all applicable fines and other charges (including interest) charges by taxing and other governmental authorities.

The Lessee is responsible for paying its share of all municipal taxes, which shall be charged to the Lessee directly by the Corporation of the Township of Edwardsburgh/Cardinal and shall be calculated by the area of the Demised Premises leased by the Lessee.

c) To Maintain

To maintain and keep the Demised Premises, at its own expense, in good order and repair, excepting only reasonable wear and tear. Without limiting the generality of the foregoing, the Lessee specifically covenants and agrees to maintain and keep trim, and replace when necessary, all landscaping on the Demised Premises and to keep up all fences situate upon the Demised Premises and to make anew any parts thereof that may require to be new-made in a good and workmanlike manner and at proper seasons of the year;

d) To Pay Utilities

To pay, when due, all charges for utilities used in the Demised Premises including, but not limited to, electrical rates, telephone rates and gas rates. The Lessee shall also pay for apparatus, meters and other things leased or purchased in connection with utility services provided to the Demised Premises, and for all work performed by anyone in connection with such utilities; and for its proportionate share of maintenance of access roads and rail sidings;

e) To Permit Entry by Lessor

To permit the Lessor to enter the Demised Premises to view the state of repair, the Lessee to be notified of such entry. If the Lessor notifies the Lessee of the need for repairs, the Lessee will repair in accordance with such notice. On the expiration or date of early termination of this Lease, the Lessee shall surrender the Demised Premises to the Lessor in a good state of repair consistent with the obligations imposed upon the Lessee during the Term. All repairs required to be made pursuant to this Subsection shall be completed prior to the date upon which this Lease terminated, failing which, the obligations of the Lessee shall survive the expiration or other termination of this Lease and shall remain in full force and effect until fully completed;

f) To Permit Lessor to Make Repairs

To permit the Lessor, if the Lessee is in default of the provisions of Subsection 7.0 (c), to make the needed repairs for and on behalf of the Lessee and, in this regard, the Lessee hereby appoints the Lessor as its agent and agrees that the Lessor may charge its costs for all such repairs to the Lessee for immediate payment on demand;

g) To Comply With All Laws

To comply promptly with and conform to the requirements of all applicable statutes, laws, by-laws, regulations, ordinances and orders (including by-laws of the Lessor) at any time in force during the Term which affect the condition, equipment, maintenance, use or occupation of the Demised Premises, and with every applicable regulation, order and requirement of the Insurers Advisory Organization or any body having similar functions or of any liability or fire insurance company by which either the Lessor or the Lessee may be insured at any time during the Term; provided that if the Lessee defaults under the provisions of this clause, the Lessor may itself comply with the requirements of this clause and the Lessee shall forthwith pay all costs and expenses incurred by the Lessor in so doing and all such costs and expenses shall be recoverable by the Lessor as Additional Rent. Without limiting the generality of the foregoing, the Lessee specifically covenants and agrees to comply with all requirements of the Weed Control Act, R.S.O. 1990, C. W.5 (as amended from time to time) and to pull up or otherwise destroy or prevent from going to seed on the Demised Premises all noxious weeds and grasses growing thereon, the *Workplace Safety and Insurance Act*, 1997, S.O. 1997, c. 16, Sched. A and the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1 and all provincial and federal health and safety legislation (all as amended from time to time).

h) Not to Carry on a Nuisance

Not to carry on or permit to be carried on upon the Demised Premises or Right of Way any occupation or business which shall by the Lessor be deemed a nuisance; nor use, exercise or carry on or permit to be used, exercised or carried on, in or upon the Demised Premises or Right of Way or any part thereof, any noxious, noisome or offensive art, trade, business operation, occupation, or calling and that no act, matter or thing whatsoever shall at any time during the Term be done in, upon or about the Demised Premises or Right of Way or any part thereof that shall or may be or grow to the annoyance, damage or disturbance of the Lessor or occupiers or owners of the adjoining or nearby lands or premises;

i) Not to Assign

To deliver to the Lessor, if the Lessee wishes to assign this Lease or sublet, license or part with the possession of all or any part of the Demised Premises, or mortgage or otherwise encumber its interest in this Lease or in the Demised Premises, notice in writing of its intention, setting out the details of the proposed transaction. Provided that the Lessor, within thirty (30) days after its receipt of the Lessee's notice, consents in writing (which consent may be unreasonably withheld), the Lessee may assign, sublet, license or part with possession of the Demised Premises or mortgage or otherwise encumber its interest in the Lease or in the Demised Premises, as the case may be. The Lessee shall not at any time assign or sublet the whole or any portion of the Demised Premises at a premium such that the rent, payment, fee or other consideration payable by the Lessee or sublessee to the Lessee is greater than the rent payable hereunder to the Lessor. The Lessor's consent shall be given only on the condition that the Lessee is to remain fully liable for the proper performance of all of the terms of this Lease and upon the additional condition that in the case of an assignment of Lease, the Lessee shall agree in writing with the Lessor to properly perform all of the terms of the Lease. Where the Lessee is a corporation (other than a public corporation whose securities are listed on a recognized stock exchange in Canada or the United States of America), a transfer, sale, pledge or other disposition of the voting stock of the Lessee which results in a change of control of the Lessee's corporation shall be considered an assignment of this Lease by the Lessee, and shall be subject to all of the terms of this Subsection. In addition, any amalgamation by the Lessee with any other entity shall be considered an assignment of the Lease by the Lessee and shall be subject to all of the terms of this Subsection.

Notwithstanding the above, the Lessor may unreasonably withhold their consent for the Lessee's request for assignment, sublet, license, mortgage, other encumbrance or other similar transfer of the Premises;

j) Licences and Permits

The Lessee shall, at its sole cost, be responsible for obtaining, maintaining, and complying with all licences, permits, approvals, and authorizations required by any governmental or regulatory authority in connection with its use and occupancy of the Demised Premises.

k) Construction of Fertilizer Terminal

The Lessee shall be required to construct and have a fertilizer terminal fully operational no later than June 2026. Failure to do so shall entitle the Lessor, at its sole discretion and without incurring any liability, to immediately terminate this Lease and pursue any remedies available under Section 14.1 of this Lease.

l) Rules and Regulations

The Lessee and its officers, directors, servants, agents and all persons visiting or doing business with it shall be bound by and shall observe the rules and regulations attached to this Lease as Schedule "B" hereto and any further and other reasonable rules and regulations hereafter made by the Lessor of which notice shall be given to the Lessee, and all such rules and regulations shall be deemed to be incorporated into and form part of this Lease provided that such rules and regulations do not conflict with the terms of this Lease and will not be applied in a discriminatory manner.

m) No right to Encumber.

The Lessee shall not mortgage or otherwise encumber its interest in this Lease, any sublease thereof or the Demised Premises.

Section 7.1 Lessor's Consent required for Alterations

Except as previously approved by the Lessor, the Lessee shall make no significant changes, additions, alterations or leasehold improvements in or to the Demised Premises or any part thereof (collectively, "Alterations"), without the Lessor's prior written consent, which may be not be unreasonably withheld or delayed, and the Lessee shall not demolish or destroy the whole or any part of the Demised Premises. Alterations shall be considered significant if the cost thereof shall exceed \$1,500.00, or if they involve structural, electrical or mechanical changes.

To Remove Construction Liens

- a) If any construction lien be registered against the Demised Premises (or any part thereof) as a result of work done or materials supplied to the Demised Premises, the Lessee covenants and agrees to obtain and register a discharge of such lien within ten (10) days thereafter; and if the Lessee fails to do so, the Lessor may pay into court the amount required to obtain such a discharge, in the name of the Lessee, and the amount so paid, together with all disbursements and costs of such proceedings on a solicitor and his client basis, shall be payable by the Lessee to the Lessor and may be collected as Additional Rent.

Section 7.2 Signs and Posters

The Lessee covenants and agrees not to post or exhibit any signs, notices, paintings, displays, posters or any advertising whatsoever on the Demised Premises without the consent in writing of the Lessor first had and obtained.

Section 7.3 Cleanliness

The Lessee covenants and agrees to keep Demised Premises clean and trim throughout the Term or any renewal thereof, and at the end of the Term or any renewal thereof, to leave the Demised Premises clean and free from all rubbish. The Lessee covenants with the Lessor that the Lessee shall cause all materials, boats and equipment to be stored in accordance with good practice in handling such materials so that such materials shall not become a fire or other hazard. The Lessor and all persons authorized by the Lessor shall be entitled at all times to enter into and upon the Demised Premises for the purpose of examining all storage provided, however, that there shall be no obligation upon the Lessor to do so.

Section 7.4 Removal of Buildings and Equipment

Upon the expiration or earlier termination of this Lease or any renewal thereof, the Lessee shall, at the sole option of the Lessor, either (a) remove from the Demised Premises any buildings, structures, foundations, boat docks, pilings, machinery, plant, equipment, and fixtures erected, installed, or placed thereon by the Lessee, and restore the Demised Premises to a clean, level, and orderly condition all at the Lessee's sole cost, or (b) leave such improvements in place, in which case they shall, at the option of the Lessor, become the property of the Lessor without compensation to the Lessee. Underground sewers, drains, and water mains shall remain the property of the Lessor in all cases. The Lessor shall notify the Lessee of its election in writing, and

failure to remove such items when required shall entitle the Lessor to remove them at the Lessee's cost or treat them as abandoned property, at the Lessor's discretion.

Section 7.5 Quiet Enjoyment

The Lessee, subject to the provisions of this Lease, covenants for quiet enjoyment of the Demised Premises

Section 8.0 Insurance

Throughout the Term, the Lessee shall take out and maintain, at the Lessee's sole expense, in such form and with such companies as the Lessor may reasonably require, the following insurance coverage:

- a) To insure and keep fully insured (without any right of subrogation to the Insurer) all insurable buildings, goods, merchandise and other property upon the Demised Premises in which the Lessee has an insurable interest, which are liable to loss or damage by any and all risks;
- b) General liability insurance in an amount no less than ten million dollars (\$10,000,000.00) per occurrence (or such greater amount that the Lessor reasonably deems advisable) in respect of any injury to or death of person or persons or property damage due to or arising out of the Lessee's business, use or occupation of the Demised Premises;
- c) Environmental liability insurance in an amount no less than ten million dollars (\$10,000,000.00) inclusive per claim and with a deductible not to exceed twenty-five thousand (\$25,000) or as otherwise agreed to by the Lessor and shall include coverage for, but not limited to, bodily injury including death, property damage and remediation costs which are reasonable and necessary to investigate, neutralize, remove, remediate (including associated monitoring) or disposal of soil, surface water, groundwater or other contamination. The Lessor shall be named as an additional insured; and
- d) Any other form of insurance, which the Lessor, as a prudent and reasonable owner, may deem reasonable.

The aforesaid insurance shall name the Lessee and the Lessor as the named insured, with loss payable to the Lessee and to the Lessor. Notwithstanding any contribution by the Lessee to the cost of the insurance referred to in this Section 8.0, the Lessee acknowledges and agrees that:

- i.) The Lessee is not relieved of any liability arising from or contributed to by its negligence or its willful act or omission; and
- ii.) All proceeds of any insurance policies referred to in this Section 8.0 shall (with the exception of proceeds obtained pursuant to coverage maintained pursuant to Subsection (a) of this Section 8.0) be endorsed by the Lessee in favour of the Lessor forthwith following receipt thereof.

All policies of insurance maintained by the Lessee pursuant to this Section 8.0 shall provide that such insurance may not be terminated, canceled or materially altered unless thirty (30) days' written notice of such termination, cancellation or material alteration is given by the insurers to the Lessor. The Lessee shall, prior to gaining entry to all or part of the Demised Premises, deliver to the Lessor certificates of such insurance, or at the Lessor's option, certified copies of all insurance policies. Current certificates of insurance and/or certified copies of all insurance policies shall be submitted by the Lessee to the Lessor each and every year on the anniversary date of this Lease.

Section 8.1

The Lessee acknowledges and agrees that:

- a) Not to make improvements and/or Alterations or to permit and/or to omit procedures and/or operations on the Demised Premises without adequately insuring such improvements and changes;
- b) Not to do or omit or permit to be done or omitted upon the Demised Premises anything which may cause any insurance policy to be canceled or make it impossible to obtain adequate insurance protection in respect of the Demised Premises or any buildings, machinery or fixtures thereon or shall cause any insurance policy of the Lessor or of the

Lessor's tenants of adjacent or nearby lands to be canceled or make it impossible to obtain any insurance policy or shall cause the premium of any policy to increase; and

- c) In the event that the insurance premiums of the Lessor and/or the tenants of the Lessor are increased on such real and personal property as the Lessor and/or the tenants of the Lessor may from time to time see fit to insure, as a direct result of the use made by the Lessee of the Demised Premises, or from or by reason of any of the privileges granted to the Lessee hereunder, the Lessee covenants to pay to the Lessor and/or the said tenants, as the case may be, the amount of such increased premium or premiums upon receipt of due proof that the increased premium or premiums have been charged as a direct result of the use made by the Lessee of the said Demised Premises or from or by reason of the exercise of any privileges granted to the Lessee hereunder.

Section 8.2

Neither the Lessee or anyone claiming by, through or under or on behalf of the Lessee shall have any claim, right to action or right of subrogation against the Lessor, its agents or employees, for or based upon any injury, loss or damage to any person or persons or to the Demised Premises or any property therein or thereon, caused by fire, explosion or any other peril covered by any policies of insurance maintained with respect to the Demised Premises, whether or not such injury, loss or damage results or arises from negligent act or omission of the Lessor, its agents or employees, or any other person(s) for whom the Lessor is in law responsible, and the Lessee covenants and agrees that any and all policies of insurance providing coverage as aforesaid shall be forthwith endorsed with a waiver of any and all subrogation rights which might otherwise vest in the insurer of such policy or policies of insurance.

Section 9.0 Damage to Lessee's Property

The Lessor shall not be liable or responsible in any way for any loss of or damage or injury to any property belonging to the Lessee or to employees of the Lessee or to any other party while such property is in or upon the Demised Premises. Without limiting the generality of the foregoing, in no event shall the Lessor be liable for any damage to any such property caused by water, rain or snow which may leak into, issue or flow from any part of the Demised Premises or from the water, drainage pipes or plumbing works of the Demised Premises or from any other place or quarter or for any damage caused by or attributable to the condition or arrangement of any electric or other wiring or for any damage caused by anything done or omitted to be done by any Lessee.

Section 10.0 Indemnification of the Lessor for Breach of Covenants

The Lessee hereby saves the Lessor harmless and indemnified against all loss incurred by the Lessor for damages, costs or expenses on account of the non-observance by the Lessee of any of the covenants hereby entered into by the Lessee or on account of the non-performance by the Lessee of any of the things devolving upon the Lessee by the terms of this Lease to do or to have done; and where such things are not done, the Lessor may, where possible, do the same and may charge the cost thereof against the Lessee.

Section 11.0 Indemnification of the Lessor for Damage

The Lessee covenants and agrees to indemnify harmless the Lessor of and from any and all manner of claims, damages, loss, costs and charges whatsoever occasioned to or suffered by or imposed upon the Lessor, directly or indirectly, in respect of any matter or thing in consequence of or in connection with or arising out of this Lease, or the Lessee's occupancy or use of the Demised Premises or out of any operation in connection therewith or in respect of any accident, damage or injury to any person, animal, vehicle or thing by, from or on account of same in any manner whatsoever whether the same arises from the gross negligence of the Lessee or not except where the same is caused by the negligence of the Lessor.

Section 11.1

The Lessee expressly covenants and indemnifies the Lessor, without limiting the foregoing, for all claims, loss, costs and damages arising from the use of any access road, right of way, waterlot, or railway crossing.

Section 12.0 Condoning of Breaches

It is expressly understood and agreed that any condoning, excusing or overlooking by the Lessor on previous occasions of any default, breach or non-performance by the Lessee at any time or times in respect of any covenant, proviso, condition or reservation herein contained which on the part of the

Lessee ought to be observed or performed shall not be taken to operate as a waiver of the Lessor's rights hereunder in respect of any subsequent default or breach in respect thereof, nor in any way to defeat or affect the rights of the Lessor.

Section 13.0 Acceptance of Premises by Lessee

The Lessee accepts the Demised Premises "as is" in their present condition and as fit and sufficient for the purposes of the Lessee.

Section 14.0 Lessee's Default

Each of the following events will constitute an "Event of Default" under this Lease:

Failure to Pay Rent. Lessee fails to pay Basic Rent, Additional Rent or any other amount payable by Lessee under the terms of this Lease within five (5) days following notice thereof.

Failure to Perform Other Obligations. Lessee breaches or fails to comply with any provision of this Lease applicable to Lessee other than a covenant to pay Rent, and such breach or noncompliance continues for a period of fifteen (15) days after notice thereof from Lessor to Lessee; or, if such breach or noncompliance is capable of cure but cannot reasonably be cured within such fifteen (15) day period, Lessee does not commence to cure such breach or noncompliance within such fifteen (15) day period or does not thereafter pursue such cure in good faith to completion.

Notwithstanding anything in the foregoing to the contrary, the terms of this Section shall not apply with respect to any breach or noncompliance for which a cure period is specifically set forth in this Lease or for which an Event of Default is otherwise provided under this Section 14 or which cannot be cured.

Execution and Attachment Against Lessee. Lessee's interest under this Lease or in the Demised Premises is taken upon execution or by other process of law directed against Lessee, or is subject to any attachment by any creditor or claimant against Lessee.

Bankruptcy or Related Proceedings. Lessee files a petition in bankruptcy or insolvency, or for reorganization or arrangement under any bankruptcy or insolvency laws, or voluntarily takes advantage of any such laws by answer or otherwise, or dissolves or makes a general assignment for the benefit of creditors, or involuntary proceedings under any such laws or for the dissolution of Lessee are instituted against Lessee, or a receiver or trustee is appointed for the Demised Premises or for all or substantially all of Lessee's property.

Abandonment. The Demised Premises shall have been abandoned for a period of at least thirty (30) days without the Lessor's written consent.

Dissolution. Lessee shall be wound up, liquidated or dissolved or proceedings towards its winding up, liquidation or dissolution are commenced.

Licenses and Permits. A failure by Lessee to maintain in effect any license or permit necessary for the use, occupancy or operation of the Demised Premises in accordance with this Lease.

Transfer. The breach or violation by Lessee of any of the terms or conditions set forth in Section 7(i) of this Lease.

Use. The breach or violation of Lessee of any of the terms or provisions of Section 6 of this Lease concerning Lessee's use of the Demised Premises.

Section 14.1 Lessor's Remedies for Lessee's Default

If any Event of Default occurs, then the current month's Basic Rent and Additional Rent, together with the Basic Rent and Additional Rent for the three (3) months next ensuing shall immediately become due and payable and Lessor will have the right, at Lessor's election, then or at any later time while such Event of Default is continuing, to exercise any one or more of the remedies described below. Exercise of any of such remedies will not preclude the concurrent or subsequent exercise of any other remedy provided for in this Lease or otherwise available to Lessor at law or in equity:

Cure by Lessor. Lessor may, at Lessor's option but without obligation to do so, and without releasing Lessee from any obligations under this Lease, make any payment or take any action as Lessor deems necessary or desirable to cure any Event of Default in such manner and to such extent as Lessor deems necessary or desirable, provided that, prior to making any such payment or taking

any such action, Lessor notifies Lessee of Lessor's intention to do so and affords Lessee at least ten (10) days (or such shorter period as is reasonable under the circumstances) in which to make such payment or take such action, provided however, if a notice was provided by Lessor pursuant to Section 14 hereof no further notice need be given. Lessee will pay Lessor, upon demand, all advances and costs of Lessor in connection with making any such payment or taking any such action, together with an administrative fee of fifteen (15) percent of the amount owing.

er period as is reasonable under the circumstances) in which to make such payment or take such action, provided however, if a notice was provided by Lessor pursuant to Section 14 hereof no further notice need be given. Lessee will pay Lessor, upon demand, all advances and costs of Lessor in connection with making any such payment or taking any such action, together with an administrative fee of fifteen (15) percent of the amount owing.

Termination of Lease and Damages. Lessor may terminate this Lease, effective at such time as may be specified by notice to Lessee, and demand (and, if such demand is refused, recover) possession of the Demised Premises from Lessee.

Repossession and Reletting. Lessor may reenter and take possession of all or any part of the Demised Premises, without additional demand or notice, and repossess the same and expel Lessee and any party claiming by, through or under Lessee, and remove the effects of both using such force for such purposes as may be necessary, without being liable for prosecution for such action or being deemed guilty of any manner of trespass, and without prejudice to any remedies for arrears of Basic Rent and Additional Rent or right to bring any proceeding for breach of covenants or conditions. No such reentry or taking possession of the Demised Premises by Lessor will be construed as an election by Lessor to terminate this Lease unless a notice of such intention is given to Lessee. No notice from Lessor or notice given under a forcible entry and detainer statute or similar laws will constitute an election by Lessor to terminate this Lease unless such notice specifically so states. Lessor reserves the right, following any reentry or reletting, to exercise its right to terminate this Lease by giving Lessee such notice, in which event the Lease will terminate as specified in such notice. After recovering possession of the Demised Premises, Lessor shall relet the Demised Premises on commercially reasonable terms and conditions. Lessor may make such repairs, alterations or improvements a reasonably appropriate to accomplish such reletting, and Lessee will reimburse Lessor upon demand for all reasonable costs and expenses, including reasonable solicitors' fees, which Lessor may incur in connection with such reletting. Lessor may collect and receive the rents for such reletting. Regardless of Lessor's recovery of possession of the Demised Premises, so long as this Lease is not terminated, Lessee will continue to pay, on the dates specified in this Lease, the Basic Rent, Additional Rent and any other amount which would be payable if such repossession had not occurred, less a credit for the net amounts, if any, actually received by Lessor through any reletting of the Demised Premises.

Section 14.2 Lease Forfeiture for Breach of Covenants

The Lessee hereby agrees that this Lease is entered into upon and subject to the due performance and observance of the several terms and covenants to be performed and observed by the Lessee, the violation or non-performance or non-observance of any of which may be taken by the Lessor as absolutely forfeiting this Lease and giving the Lessor the right to treat the same as at an end.

Section 14.3 Distress

The Lessee waives and renounces the benefit of any laws and the provisions of any statutes which are now or may hereafter be in force whereby and of its goods, chattels or effects are or may be exempt from seizure under any writ issued out of any court of whereby the right of the Lessor to distrain is in any respect limited or restricted and without limiting the generality of the foregoing waiver, the Lessee expressly covenants and agrees that notwithstanding any law or the provision of any statute to the contrary:

- (a) The Lessor shall have the right to distrain all or any of the goods, chattels and effects of the Lessee without exception or exemption of any kind;
- (b) The Lessor shall have the right to distrain at any time of the day or night, whether or not the Demised Premises are occupied at the time or any person is there, and the Lessor shall have the right for the purpose of distraining as aforesaid to make forcible entry if peaceable entry cannot easily and conveniently be effected;
- (c) The Lessor shall have the right to distrain the said goods, chattels and effects either on the Demised Premises or any other place to which they may have been removed within thirty (30) days after removal;

- (d) The Lessor shall have the right to distrain for the full amount of the arrears of rent notwithstanding any debt alleged by the Lessee to be due it by the Lessor; and
- (e) The Lessor shall not be obliged to lock up or detain goods, chattels or effects distrained by it in the place where the same are found, but may remove the same or any part thereof to any other place satisfactory to the Lessor.

Section 14.4 Exhibiting Demised Premises

The Lessee covenants with the Lessor, during the final 3 months of the Term, or any time with the Lessee's consent, upon 24 hours' notice or sooner with the Lessee's consent, to permit the Lessor or the Lessor's agents or employees to exhibit the Demised Premises to prospective tenants.

Section 14.5 Emergency Access by Lessor

If the Lessee is not present to permit access to any part of the Demised Premises during an emergency or perceived emergency, the Lessor or its agents may, without service of notice or resort to legal process, forcibly gain access or enter upon any part of the Demised Premises without rendering the Lessor or such agents liable therefore, and without any manner affecting the obligations covenants of the Lessee under this Lease.

Section 15.0 Tenancy at Expiration of Lease

If the Lessee continues to occupy the Demised Premises after the date of expiration of the Term, and without any further agreement between the parties hereto, the Lessee shall be a monthly tenant at a monthly Basic Rate equal to 125% the monthly Basic Rent payable by the Lessee during the month immediately preceding the expiration of the Term (or the expiration of any renewal term, as the case may be). Such monthly tenancy shall, in all other respects, be subject to the terms of this Lease.

Section 16.0 Impossibility of Performance

It is understood and agreed that whenever and to the extent that the Lessor shall be unable to fulfill or shall be delayed or restricted in the fulfillment of any obligation hereunder in respect of the supply or provision of any service or utility or the doing of any work or the making of any repairs by reason of being unable to obtain the material, goods, equipment, service or labour required to enable it to fulfill such obligation or by reason of any statute, law or order-in-council or any regulation or order passed or made pursuant thereto or by reason of the order or direction of any administrator, controller, board, governmental department or officer or other authority, or by reason of not being able to obtain any permission or authority required thereby, or by reason of any other cause beyond the Lessor's control whether of the foregoing character or otherwise, the Lessor shall be relieved from the fulfillment of such obligation during the period of such delay or restriction and the Lessee shall not be entitled to compensation for any inconvenience, nuisance or discomfort thereby occasioned.

Section 17.0 Railway Siding Covenants

- a) A railway siding in the location shown by the BLUE LINE on the plan annexed to Schedule "A" is the property of the Lessor, and the Lessor reserves the right to keep the said siding in the location shown on the plan annexed hereto for as long as the Lessor so desires.
- b) With respect to the siding so shown, the Lessor shall control the use and will, from time to time, permit the Lessee priority use in common with the Lessor, or such others as the Lessor may designate, to receive railway service over the said siding.
- c) With respect to any trackage which may be constructed upon the Demised Premises including the Railway Easement, the Lessee shall at all times observe and comply with all requirements of the Railway Act S.C. (1985) C.R-2, s.1, or any successor legislation, and also requirements rules and regulations of the National Transportation Agency or any other duly constituted authority which may have jurisdiction from time to time respecting said trackage, and also to and with all reasonable requirements of the Lessor respecting said trackage. The Lessee shall, at all times when rail traffic is operating over said trackage, keep vehicles, trucks, moveable equipment and property of all kinds upon the said Demised Premises including the Railway Easement of its own or third parties clear of the siding and at a distance of not less than six (6) feet from the gauge side of the nearest rail of the said trackage, and shall at all times maintain a vertical clearance of not less than twenty-two feet, six inches (22'6") above rail level or such greater lateral or vertical clearances as may

from time to time be prescribed by the National Transportation Agency or other governing body. The use by the Lessee of any sidings serving the Demised Premises, shall at all times be subject to and in conformity with such siding or operating agreement(s) as the Lessor may enter into from time to time with any railway company or companies over the said sidings.

- d) The Lessor or its agents (including but not limited to any railroad operator or track maintenance company) from time to time operating the said siding shall not be liable on account of any injury or loss arising from such operation, which may be suffered by the Lessee or its servants or that may at any time occur in respect of any of the buildings, vehicles, erections, materials, goods, chattels or other property situate on the said siding and/or the Demised Premises, except to the extent that such injury or loss is due to the gross negligence of the Lessor or its agents or employees.
- e) The Lessee will indemnify the Lessor from all loss, damage, injury or demurrage charges suffered or incurred by or resulting to the Lessor, or its servants, or to the property of the Lessor arising from or by any reason of the use of, or by the carrying out of operations over, or the placing of any car upon the siding, for or on behalf of the Lessee, except to the extent that the same shall be due to the gross negligence of the Lessor, its servants or agents.
- f) The Lessee agrees to indemnify and save harmless the Lessor of and from all manner of claims, damages, loss, costs and charges whatsoever occasioned to or suffered by the Lessor, in respect of any accident, damage or injury to person or property arising or resulting from the use of the siding, for or on behalf of the Lessee, except to the extent that the same shall be due to the gross negligence of the Lessor, its servants or agents.
- g) The Lessee shall not construct any other railway siding on the Demised Premises including the Railway Easement without the written consent of the Lessor.
- h) The Lessee shall be responsible and liable for all costs, maintenance, damages, injuries, loss, demurrage and any other charges whatsoever for all railway sidings constructed by or for the use of the Lessee. The Lessee agrees to indemnify and save harmless the Lessor from all manner of claims, damages, loss, costs and other charges arising either directly or indirectly from the Lessee constructing and using its railway siding

Section 18.0 Environnemental Covenants

- a) The Lessee acknowledges and agrees that it has leased the Demised Premises on an “as is, where is” basis and that the Lessor has no responsibility or liability with respect to the state of repair or condition of the Demised Premises or with respect to any defects or deficiencies therein or the compliance or non-compliance of the Demised Premises with applicable environmental legislation.
- b) The Lessee assumes the sole responsibility for the contamination of the Demised Premises created during the Term and any renewals thereof by any contaminant (for the purposes of this Lease, a “contaminant” includes any solid, liquid gas, odour, heat, sound, vibration, radiation or otherwise that results directly or indirectly from human activities that may cause an adverse effect or as defined by a legislation which may be applicable) and shall wholly indemnify the Lessor with respect thereto. The Lessee shall be similarly liable for, and shall indemnify the Lessor with respect to any claims, orders, actions or demands of any kind whatsoever, with respect to any pollutant or toxic substance on or in the Demised Premises created or caused during the Term and any renewals thereof as a result of the activities of the Lessee or any other person. The Lessee shall bear sole responsibility for the cleanup and removal of any such contaminant, pollutant or toxic substance and shall be solely liable for any consequential damages claimed by anyone with respect thereto and shall wholly indemnify the Lessor with respect thereto.
- c) The liability of the Lessee shall extend, but shall not be limited to, any liability for damages or otherwise, to owners, Lessees or other occupants of properties adjacent to the Demised Premises. The liability of the Lessee shall not be affected by or limited to contaminants, pollutants, or toxic substances within the knowledge or control of the Lessee and the Lessee’s liability shall extend to all contaminants, pollutants or toxic substances on or in the Demised Premises created during the Term.
- d) The Lessee shall comply with all environmental laws and regulations affecting the Demised Premises during the Term; shall promptly advise the Lessor in writing of any orders or claims issued by any governmental authority or agency with respect to the state or

condition of the Demised Premises; and, shall upon expiration of the Term, provide a certificate from an environmental consultant acceptable to the Lessor to effect that no contaminants, pollutants or toxic substances exist on any part of the Demised Premises.

- e) If the Lessee elects to maintain insurance with respect to claims arising out of breach of environmental law and regulations or otherwise with respect to the existence of contaminants, pollutants or toxic substances on the Demised Premises, the Lessor shall be shown as a named insured under such policies of insurance. Such policies shall be endorsed so that the ability of the Lessor to recover thereunder shall be unaffected by any act, omission or negligence of the Lessee.
- f) If the Lessee fails to or refuses to comply with any of the obligations hereunder or, if the Lessee is not, in a timely and diligent fashion, attempting to comply with any of such obligation, such failure shall constitute an event of default under this Lease and shall entitle the Lessor to the same rights and remedies available with respect to any other default, including, without limitation, the right of terminating this Lease and re-entering the Demised Premises, all without releasing the Lessee from its obligations. In addition, if the Lessee fails to comply with any of its obligations hereunder, the Lessor may, at its option, elect to comply with same at the cost and expense of the Lessee (including Lessor's legal fees on a solicitor and his own client basis) and the Lessee shall pay all such costs and expenses, together with the additional sum of fifteen per cent (15%) of such costs and expenses for Lessor's overhead, to the Lessor forthwith on demand.
- g) The obligations of the Lessee, including its obligation to indemnify the Lessor, shall survive the expiration or termination of this Lease and shall remain in full force and effect until fully complied with.

Section 19.0 Notice

Any notice or request herein provided for or given hereunder if given by the Lessor to the Lessee, shall be sufficiently given if delivered or mailed by prepaid registered post addressed to the Lessee at the Demised Premises. Any notice or request herein provided for or given hereunder if given by the Lessee to the Lessor shall be sufficiently given if delivered to the Lessor at The Port of Johnstown 3035 County Rd 2, Johnstown, ON K0E 1T1, to the attention of the General Manager. Any notice or request shall be conclusively deemed to have been given on the date of its delivery or if mailed, on the fifth day following the day on which it was so mailed, as the case may be. However, in the event of an interruption or threatened interruption of postal service, notice shall be given by personal delivery only.

Section 20.0 Arbitration

Unless otherwise dealt with herein, all differences or disputes which arise between the Lessor and Lessee in relation to any matter relating to this Lease shall be referred to a single arbitrator to be agreed upon by the parties to the dispute and in default of agreement to a single arbitrator appointed by the Superior Court of Justice under the provisions of the Arbitration Act (Ontario). The award or determination which shall be made shall be final and binding upon the parties hereto.

Section 21.0 Confidentiality of Lease

The terms of this Lease may not be released without the prior written consent of both the Lessor and the Lessee.

The Lessee shall not register this Lease or any assignment or sublease without the prior written consent of the Lessor.

Section 22.0 Enurement

The covenants and agreement herein contained shall extend to, bind and enure to the benefit of the heirs, executors, administrators and successors and assigns of the parties hereto respectively, except where otherwise hereinbefore expressed, excepted or provided. Wherever the singular and masculine are used through this Lease, the same shall be construed as meaning the plural or neuter where the context of or the parties hereto so require.

[Signature Page Follows]

DRAFT

IN WITNESS WHEREOF the parties hereto have executed this Indenture as of the date first above written.

**The Corporation of the Township of
Edwardsburgh/Cardinal, Port of Johnstown
Division. (the “Lessor”)**

By: _____
Name: Leslie Drynan
Title: General Manager, Port of Johnstown

By: _____
Name: Tory Deschamps
Title: Mayor

By: _____
Name: Sean Nicholson
Title: Chief Administrative Officer

We have the authority to bind the Corporation

V6 Agronomy Inc. (the “Lessee”)

By: _____
Name:
Title:

I have the authority to bind the Corporation

SCHEDULE “A”

DESCRIPTION OF DEMISED PREMISES

A portion of land and premises situate lying and being in the Township of Edwardsburgh/Cardinal, in the United Counties of Leeds & Grenville in the province of Ontario.

Demised Premises are composed of part of the lands of the Port of Johnstown which parcel or tract of land is designated by the colour GREEN on the attached Site Plan.

The above described Demised Premises are comprised of approximately 5,000 square meters (0.5 hectares).

DRAFT



— Land lease
— Priority Rail
— Right of way



Schedule “B”
Rules and Regulations

DRAFT