

CITY OF SURREY

BY-LAW NO. 12213

A by-law to authorize the leasing of certain lands
and premises belonging to the City of Surrey.
.....

WHEREAS the lands and premises hereinafter described are the
property of the City of Surrey and it is deemed advisable to
lease the same to:

CANADIAN FARMS (RANDY SIHOTA);

AND WHEREAS the Council may by by-law lease any property owned
by the City pursuant to Section 542 of the "Municipal Act",
being Chapter 290 R.S.B.C., 1979;

NOW, THEREFORE, the Council of the City of Surrey, in open
meeting assembled, ENACTS AS FOLLOWS:

1. The Council of the City of Surrey is hereby authorized to
lease to:

Canadian Farms (Randy Sihota), having an
address at 16185 - 48th Avenue, in the
City of Surrey, Province of British Columbia,
V4P 2J9

for a term of Three (3) Years commencing on the Fifteenth
(15th) day of November, 1993, and ending on the Fourteenth
(14th) day of November, 1996; and yielding and paying
therefor during the term hereof the clear annual rent of
Seven Thousand Two Dollars (\$7,002.00) payable in monthly
installments, in advance, on the following days and times,
that is to say Five Hundred Eighty-Three Dollars Fifty
Cents (\$583.50), on the First (1st) day of each calendar
month, in each of the years, with a provision for a renewal
for a further Two (2) years under the terms and conditions
set out in the Indenture;

ALL AND SINGULAR that certain parcel or tract of lands and premises, situate lying and being in the City of Surrey, in the Province of British Columbia and being more particularly known and described as:

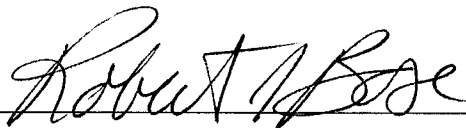
South ±24.3 hectares approximately of DL Lot 361, Group 2, Except: Firstly: Part (Plan with Fee Deposited 143105); Secondly: Part "D" (Reference Plan 8285 NWD), described as Southerly ±24.3 hectares of Mound Farm (as shown in sketch attached to Schedule "A" of this By-law).

(Portion of 5202 - 168 Street)

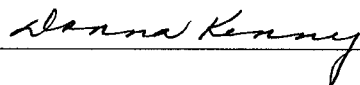
2. The Mayor and Clerk are hereby authorized to execute the said lease on behalf of the City of Surrey, in the form attached hereto and forming Schedule "A" to this By-law.
3. This By-law shall be cited for all purposes as "Canadian Farms (Randy Sihota) Land Leasing By-law, 1994, No. 12213."

PASSED THREE READINGS on the 7th day of March, A.D., 1994.

RECONSIDERED AND FINALLY ADOPTED, signed by the Mayor and Clerk, and sealed with the Corporate Seal on the 21st day of March, A.D., 1994.



MAYOR



CLERK

CLKBLW 2545

Land Title Act
Form C
Province of British Columbia

GENERAL DOCUMENT

(This Area for Land Title Office Use) Page 1 of 15 pages

1. Application: (Name, address, phone nbr. and signature of applicant)

Eleanor Enns, Agent for The City of Surrey
14245-56th Avenue
Surrey, B.C. V3X 3A2 591-4237

2. Parcel Identifier and Legal Description of Land:

(PID)	(Legal Description)
013-008-404	District Lot 361 Group 2 Except: Firstly: Part (Plan with Fee Deposited 14310F) Secondly: Parcel "D" (Reference Plan 8285) New Westminster District

3. Nature of Interest: Description	Document Reference (page & Paragraph)	Person Entitled to Interest
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Lease over part of D.L. 361 as shown on attached sketch	Pages 3 - 15	
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4. Terms: Part two of this instrument consists of (select one only)

- | | |
|---------------------------------|--|
| (a) Filed Standard Charge Terms | <input type="checkbox"/> D.F. No. |
| (b) Express Charge Terms | <input checked="" type="checkbox"/> Annexed as Part 2 |
| (c) Release | <input type="checkbox"/> There is no Part 2 of this instrument |

A selection of (a) includes any additional or modified terms referred to in Item 7 or in a schedule annexed to this instrument if (c) is selected, the charge in Item 3 is released or discharged as a charge on the land described in Item 2.

5. Transferor(s):

CITY OF SURREY, a Municipal Corporation having its offices at 14245 - 56th Avenue,
Surrey, B.C. V3A 3X1

6. Transferee(s): (including occupation(s), postal address(es) and postal code(s))

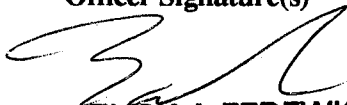
CANADIAN FARMS (Randy Sihota) a British Columbia company located at 16185 - 48th
Avenue, Surrey, B.C. V4P 2J9

7. Additional or Modified Terms: N/A

8. EXECUTION(S)

This instrument creates, assigns, modifies, enlarges, discharges or governs the priority of the interest(s) described in Item 3 and the Transferors and every other signatory agree to be bound by this instrument, and acknowledge(s) receipt of a true copy of the filed standard charge terms, if any.

Officer Signature(s)


ELICK J. FEDEWICH
Notary Public
5661 - 176A Street
Surrey, B.C.
V3S 4G8

Execution Date

Y / M / D

94, 2, 22

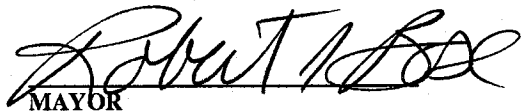
Transferor/Borrowers/Party
Signature

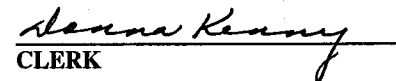
CANADIAN FARMS
(Randy Sihota) by its authorized
signatories:



CITY OF SURREY by its
authorized signatories

94, 3, 31


MAYOR


CLERK

OFFICER CERTIFICATION:

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the Evidence Act R.S.B.C. 1979, c.116, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the Land Title Act. 0541-038

**AGRICULTURAL LAND
LEASE AGREEMENT**

BETWEEN:

**CITY OF SURREY
14245 - 56th Avenue
Surrey, B.C.
V3X 3A2**

(hereinafter called "Lessor")

OF THE FIRST PART

AND:

**CANADIAN FARMS (RANDY SIHOTA)
16185-48 Avenue
Surrey, B.C.
V4P 2J9**

(hereinafter called "Lessee")

OF THE SECOND PART

WHEREAS the Lessor is the owner in fee of those certain parcels or tracts of land and premises, situate, lying and being in the City of Surrey in the Province of British Columbia and being more particularly known and described as: Parcel Identifier: 013-008-404 DL Lot 361, Group 2, Except: Firstly; Part (Plan with Fee Deposited 143105); Secondly; Part D (Reference Plan 8285 NWD).

GRANT

Leased Land

Witness that in consideration of the rents, covenants and agreements hereinafter reserved and contained on the part of Lessee to be observed and performed, Lessor demises and leases to Lessee and Lessee rents from Lessor that certain parcel of land situate in the City of Surrey, in the Province of British Columbia, described as:

South ±24.3 hectares approximately of DL Lot 361, Group 2, Except: Firstly: Part (Plan with Fee Deposited 143105); Secondly: Part D (Reference Plan 8285 NWD) described as Southerly ±24.3 hectares of Mound Farm (as shown in sketch attached as Schedule "A").

(Hereinafter referred to as "the Leased Land")

TERM

1. The Lease shall be for a term of three (3) years commencing on the 15th day of November, 1993, and terminating on the 14th day of November, 1996, the ("Lease Term").

RENT

2. (a) The Lessee shall pay rent for the Premises to the Lessor as follows:
 - (i) during each year of the Term hereof, the sum of Seven Thousand and Two Dollars (\$7,002.00) payable by Lessee in monthly installments of Five Hundred and Eighty Three Dollars Fifty Cents (\$583.50) each in advance on the first day of each calendar month.
 - (b) The Lessee shall pay directly to the appropriate taxing authority, as additional rent, when due and payable, all municipal taxes, licences, rates, duties and assessments, and all other taxes, levied against, or with respect to, the Land. The Lessee shall provide to the Lessor evidence of payment of the taxes, licences, rates, duties and assessments within thirty (30) days of their due date upon request.

LESSEE'S COVENANTS

3. The Lessee covenants with the Lessor:
 - (a) To pay rent and additional rent when due;
 - (b) To pay all charges for utilities used on the Land including electric power, sewer and water rates;
 - (c) To pay taxes, licences, rates, duties and assessments imposed or levied by any lawful authority covering any period during the term and relating to or in respect of the business of the Lessee or relating to or in respect of the Land and all improvements, fixtures, machinery, chattels or equipment on the Land;
 - (d) To use the Land as a farm and for agricultural purposes, and for no other purpose;
 - (e) To provide own water supply for irrigation of the Land, this includes the Lessee providing own pumps, pipes and equipment;
 - (f) To provide own drainage requirements;

- (g) To release the Lessor from the obligation, pursuant to Section 5(2) of the Property Law Act, R.S.B.C. 1979, c. 340 and amendments thereto, to provide a registrable instrument under the Land Title Act, R.S.B.C. 1979, c.219;
- (h) To cultivate and manage the Land in accordance with good agricultural practices. Should a dispute arise between the Lessor and Lessee as to the definition of good agricultural practices, then the matter shall be referred to arbitration in accordance with the provisions of the Commercial Arbitration Act of BRITISH COLUMBIA, and amendments thereto, or any like statute in effect from time to time, and the decision of such arbitrator shall be final and binding upon the parties. Such arbitrator shall not be restricted to charging the fees provided for in the said Arbitration Act. The costs of such arbitration shall be borne equally by the parties. Except as otherwise provided for herein, the provisions of the said Commercial Arbitration Act shall apply.
- (i) To maintain the Land in good and substantial repair, reasonable wear and tear excepted;
- (j) To allow the Lessor to enter and view the state of repair, and the Lessee will repair according to notice;
- (k) To prevent any water works, drains or water pipes from freezing, and if damage by freezing is caused to any water work, drain or water pipe, to repair at Lessee's expense same to the Lessor's satisfaction;
- (l) To keep all, as the Lessor in its absolute discretion shall determine, drains and ditches on the Land free from obstruction; and in good running order, and to remove ditch bank soil to low spots on the Land from time to time as required during the term hereof;
- (m) To pay on demand, so often as the Lessor in its absolute discretion shall determine, one-half the cost of keeping all boundary drains and ditches free from obstruction and in good running order and one-half of the cost of the removal of ditch bank soil therefrom to low spots on the Land during the term hereof;
- (n) To keep up fences;
- (o) To keep the Land tidy and maintain ordinary health, cleanliness and sanitary standards; free of debris, including brush, unlicensed vehicles, oil and toxic materials;
- (p) To keep all lawns neatly cut, trees pruned, shrubbery clipped and all gardens and flower beds neatly cultivated, and if a sewer lagoon serves the Land, then such sewer lagoon shall be maintained to the standards required by the Boundary Health Unit or other appropriate regulatory body irrespective of whether or not the sewer lagoon is located on the Land;

- (q) To keep the Land clear of noxious weeds as designated by the regulations pursuant to the Weed Control Act, R.S.B.C. 1979, C.432 and amendments thereto;
- (r) To insure the contents of the Land for loss or damage and to maintain comprehensive public liability insurance in a minimum amount of \$2,000,000 per occurrence. Such policies of insurance shall show both the Lessee and the Lessor as insureds and contain cross-liability and severability of interest clauses. The Lessee shall provide the Lessor with evidence of such insurance;
- (s) to allow the Lessor, its servants, agents, contractors and licensees to enter upon the Land to:
 - (i) conduct surveys, complete subdivision plans and other related matters;
 - (ii) install, construct, operate, use or maintain utilities;
 - (iii) install, construct, operate, use or maintain one or more roads;
 - (iv) clear;
 - (v) do anything necessary and incidental to the Lessor's business;
 - (vi) install, construct, operate, use, or maintain a sewer lagoon whether or not such sewer lagoon is required for the use of the Land;
 - (vii) demolish buildings which in the Lessor's absolute discretion are dangerous, condemned, likely to be condemned, or no longer serve a useful Land;
- (t) To observe and comply with all laws, by-laws, ordinances, rules and regulations of every municipal or other authority which in any manner relate to or affect the Lessee's business or the Land;
- (u) To forthwith repair any damage, including normal wear and tear, caused by any animal kept or allowed to be kept on the Land;
- (v) To leave the Land in good and substantial repair, reasonable wear and tear excepted;
- (w) To peaceably surrender and yield up to the Lessor the Land at the expiration or sooner determination of this Lease; and any Tenant's improvements affixed to the Land will become the property of the Lessor solely, without any compensation to the Lessee;

- (x) To indemnify the Lessor in respect of all liabilities, suits, claims, demands, costs, fines and actions of any kind for which the Lessor shall or may become liable or suffer by reason of any breach or non-performance by the Lessee of any covenant of this Lease, or by reason of any act or omission of the Lessee, his employees, invitees, agents, contractors, or licensees. This indemnity shall survive the expiration or termination of this Lease;
- (y) Not to assign;
- (z) Not to sublet;
- (aa) Not to give permission or consent to any other person to occupy the Land or any part thereof;
- (bb) Not to cut down timber;
- (cc) Not to do or permit to be done on the Land anything which may be or become a nuisance or which may in the opinion of the Lessor or its agents render the Land or any part thereof less desirable or injure the reputation of the Lessor;
- (dd) Not to do or permit to be done on the Land anything whereby any policy of insurance on the Land may become void or voidable or whereby the rate of premium in respect thereof may be increased;
- (ee) Not to suffer or permit any Builders' or other Liens for work, labour, services or materials to be filed against or attached to the Land or any portion thereof;
- (ff) Not to keep or permit to be kept any trailer, mobile home or similar residential structure on the Land, and not to allow any connection from a trailer, mobile home or similar residential structure to the Land;
- (gg) Not to erect or maintain any structure, foundation, pavement, excavation, pile of material, obstruction of flammable substance or any plant or growth upon the Land which in the Lessor's opinion might interfere with or endanger the construction, excavation, installation, maintenance, removal or replacement of any work of the Lessor or which might obstruct access by the Lessor's servants, agents, or licensees;

LESSOR'S COVENANTS

4. THE LESSOR COVENANTS WITH THE LESSEE:

- (a) For quiet enjoyment;

- (b) To compensate the Lessee for any damage caused by the Lessor to the Lessee's crops in exercising any of the rights reserved in Clause 4(s) hereof.

PROVISOS

- 5. (a) Title to any ownership of all buildings, structures, and other improvements now or hereafter constructed on the Land shall be vested in the Lessor and the Lessee shall neither remove nor permit the removal of them from the Land except as expressly permitted or required by the lease;
- (b) The Lessor is under no obligation to provide access or services to the Land or to maintain or improve existing access roads;
- (c) The Lessor hereby reserves the right to grant other dispositions of the Land or any part of it, with the prior consent of the Lessee, which consent shall not be unreasonably withheld, by way of easement, right-of-way or statutory right-of-way to the Corporation of the District of Surrey, or a person or corporation and, upon such consent being given, the Lessee shall forthwith execute and deliver to the Lessor such instrument as may be necessary to subordinate the Lessee's right and interest in the Land under this lease;
- (d) For the purpose of Clause 6(c), the Lessee shall be deemed to have withheld his consent reasonably if a grant of rights under Clause 6(c) would materially affect the exercise of the Lessee's rights hereunder;
- (e) The Lessee hereby acknowledges and agrees that no claim for compensation shall be made in any form, in respect of a grant of rights under Clause 6(c), where such rights do not materially affect the exercise of the Lessee's rights hereunder;
- (f) This Lease and the term herein granted is subject to:
 - (i) all subsisting grants to or rights of any person made or acquired under the Coal Act, Forest Act, Mineral Act, Mining (Placer) Act, Range Act, Petroleum and Natural Gas Act, Wildlife Act, or Water Act, or any extension or renewal of the same, whether or not the Lessee has actual notice of them, AND
 - (ii) the exceptions and reservations of rights, interests, privileges and titles referred to in Section 47 of the Land Title Act;

EARLY TERMINATION

6. (a) If any of the following events occur, the Lessor may, at its sole option, terminate this Lease on the last day of any month during the Lease Term and any Renewal Term by giving the Lessee not less than 365 days' prior written notice of the termination of this Lease;
 - (i) the Lessor sells, assigns, conveys or otherwise disposes of its interest in the Land to a third party;
 - (ii) the Lessor requires the Land for its own uses which shall include, without limiting the generality of the foregoing, occupation by the Lessor or any variation in the agricultural or other use of the Land as the Lessor, in its sole discretion, shall determine.
- (b) The Lessee may terminate this Lease for any reason at any time by giving the Lessor one (1) year's (365 days) written notice of termination of this Lease.
7. The Lessor shall have the unrestricted right to sell, assign, lease, convey or otherwise dispose of all or any part of its interest in this Lease or the Land, and to the extent that the purchaser or assignee from the Lessor assumes the obligations of the Lessor under this Lease, the Lessor shall thereupon and without further agreement be released of all liability under this Lease.
8. Should this Lease be terminated pursuant to Clause 7(a), then the Lessor shall compensate the Lessee for costs expended on crops planted on the Land which have a maturing period of 12 months or less and which cannot be harvested within the notice period, such compensation to include only the cost of seed, fertilizer, soil preparation, crop cultivation, and include a reasonable amount for the time and expenses of the Lessee. The amount of such compensation shall be determined for the period up to the time notice is given to the Lessee. The Lessor shall not be liable to compensate the Lessee in connection with the crops having a maturing period of more than 12 months unless the amount of such compensation is agreed in writing between the Lessor and the Lessee before the crop is planted.
9. Should the amount of compensation required for the crops as set forth in Clause 8 not be agreed upon between the Lessor and the Lessee, then the question of the amount of such compensation shall be referred to arbitration in accordance with the provisions of the Commercial Arbitration Act of BRITISH COLUMBIA, and amendments thereto, or any like statute in effect from time to time, and the decision of such arbitrator shall be final and binding upon the parties. Such arbitrator shall not be restricted to charging the fees provided for in the said Arbitration Act. The costs of such arbitration shall be borne equally by the parties. Except as otherwise provided for herein, the provisions of the said Commercial Arbitration Act shall apply.

10. Should the term hereby granted or any of the goods or chattels of the Lessee be at any time seized or taken in execution or attachment by any creditor of the Lessee, or should the Lessee make an assignment for the benefit of creditors, or on becoming bankrupt or insolvent take the benefit of any act for bankrupt or insolvent debtors, then the current month's rent and the next ensuing three months' rent shall immediately become due and payable, and the term shall immediately become forfeited and void, and it shall be lawful for the Lessor at any time thereafter to re-enter into or upon the Land or any part thereof in the name of the whole and the same to have again, repossess and enjoy as of its former estate notwithstanding anything contained herein to the contrary.

NON-PAYMENT OF RENT

11. Proviso for re-entry by the Lessor on non-payment of rent or non-performance of covenants.

DISTRESS

12. Whenever the Lessor shall be entitled to levy distress against the goods and chattels of the Lessee, it may use such force as it may deem necessary for the purpose and for gaining admission to the Land without being liable to any action in respect thereof or for any loss or damage occasioned thereby, and the Lessee hereby expressly releases the Lessor from all actions, proceedings, claims or demands whatsoever for or on account of or in respect of any such forcible entry or any loss or damage sustained by the Lessee in connection therewith.

EXPROPRIATION

13. (a) If a part of the leased premises, or any fixtures or improvements on the leased premises are expropriated during the term of this lease
- (i) the expropriation shall not constitute a breach of the Landlord's covenant for quiet enjoyment,
 - (ii) this lease shall continue in effect respecting that part of the leased premise that is not expropriated, and the rent shall be decreased by the same proportion that the land expropriated bears to the whole of the property leased herein,
 - (iii) notwithstanding Article 15.01(b) if in the reasonable opinion of the Tenant expressed in writing to the Landlord the remaining interest or estate of the Tenant is unfit for the purposes of the Tenant, then the lease shall be deemed to be frustrated at the date of public taking,

- (iv) the Tenant shall only be entitled to exercise those rights or remedies that are available to it under the statute that authorized the expropriation.
- (b) If the whole of the leased premises is expropriated
 - (i) the expropriation shall not constitute a breach of the Landlord's covenant for quiet enjoyment,
 - (ii) this lease shall terminate on the date the expropriation is effective,

SUBORDINATION OF LEASE

14. This Lease shall be deemed to be subordinate to any charge or charges from time to time created by the Lessor by mortgage or charge on the Land and any renewals, extensions or modifications to those mortgages and charges, and the Lessee shall promptly at any time as required by the Lessor execute all documents and give such further assurances as may be reasonably required to postpone its rights and privileges to the holder of any such charge or charges; PROVIDED that the holder of such mortgage or charge shall permit the Lessee to continue in quiet possession of the Land in accordance with the terms and conditions of this Lease so long as the Lessee is not in default hereunder, whether such mortgage or charge is in good standing or not.

REGISTRATION

15. The Lessee shall not register this Lease or any caveat relating thereto in the Land Title Office.

RESIDENTIAL TENANCY ACT

16. The Lessee acknowledges that the Residential Tenancy Act, S.B.C. 1984, c.15, does not apply to this Lease since the Land is used for the business of farming.

HOLDING-OVER

17. If the Lessee holds-over after the expiration of the term and the Lessor accepts rent, the new tenancy created shall be a tenancy from month-to-month and not a tenancy from year-to-year, and shall be subject to the covenants and conditions herein so far as the same are applicable to a tenancy from month-to-month.

NOTICE

18. Any notice, demand or request required to be given under the provisions of this Lease by any party shall be validly given if delivered personally, if left at the Land, or if mailed by prepaid registered mail addressed as follows:

To the Lessor:

City of Surrey
14245 - 56th Avenue
Surrey, B.C. V3X 3A2

To the Lessee:

Canadian Farms (Randy Sihota)
16185-48 Avenue
Surrey, B.C. V4P 2J9

or to such other addresses as may from time to time be given in writing.

19. Any notice or other communication referred to in the preceding paragraph shall be conclusively deemed to have been received by and given to the addressee, if personally or if left at the above aforementioned addresses, then on the day of such delivering or leaving, or if mailed, then on the fourth business day following the posting thereof, provided the notice or communication is posted within Canada.
20. If at any time, any notice or communication referred to in the preceding two paragraphs is mailed, and within the four day period aforesaid there is a known disruption of the postal service of Canada, any such notice or communication shall be delivered personally or left at the above aforementioned addresses and shall be deemed to have been given and received as set forth in the preceding paragraph.

PAYMENT OF EXPENSES

21. (a) Should the Lessor suffer any damage or incur any loss or expense or be obliged to make any payment for which the Lessee is liable hereunder by reason of any failure of the Lessee to observe and comply with any of the covenants of the Lessee herein contained, then the Lessor shall have the right to add the cost or amount of any such damage, loss, expense or payment to the rent hereby reserved, and any such amount shall thereupon immediately be due and payable and recoverable in the manner provided by law for the recovery of rent in arrears.
- (b) If the Lessee shall fail to perform or cause to be performed each and every covenant of the Lessee herein contained, the Lessor shall have the right to (but shall not be obligated to) perform or cause to be performed such covenant (including but without limiting the generality of the foregoing the right to make repairs, installations, erections and expend monies for such purposes) and all payments, expenses, charges, fees (including all legal fees on a solicitor and own client basis) and disbursements incurred or paid by or on behalf of the Lessor in respect forthwith upon demand and shall be collectible by the Lessor from the Lessee as if such amounts were rent in arrears.

TIME OF ESSENCE AND WAIVER

22. Time is of the essence of this Lease Agreement and of every term and provision hereof and no waiver by the Lessor or any breach by the Lessee shall be deemed a waiver of or in any way affect the prejudice the rights and remedies of the Lessor in respect of any further or other breach of the same or any other covenant or obligation on the part of the Lessee. The consent or approval of the Lessor to or of any act by the Lessee requiring the Lessor's consent or approval will not be deemed to waive or render unnecessary the Lessor's consent or approval to any subsequent similar action by the Lessee.

CONDITION OF PREMISES

23. The Lessee hereby acknowledges that he has inspected the Land, including any buildings situate thereon, and has found the same to be in good and tenable condition and satisfactory for his purposes.

INTERPRETATION

24. Wherever the singular or masculine is used, the same shall be deemed to include the plural, feminine or body corporate, as necessary.

ENUREMENT

25. This Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

LESSEE'S JOINT & SEVERAL LIABILITY

26. Where the Lessee is comprised of more than one person, all covenants and obligations of the Lessee hereunder shall be joint and several covenants and obligations of each person comprising the Lessee.

MUTUAL CONSENT OPTION TO RENEW

27. The Lessor and Lessee agree to a mutual consent regarding the option to renew this Lease for one additional term of two (2) years (the "Renewal Term"), if either the Lessor or the Lessee declines this option of renewal, this Lease contract then expires at the expiration of the first three (3) year term. PROVIDED THAT in order to exercise this option for such Renewal Term:
- (a) the Lessee must have duly and regularly paid the rent and additional rent reserved by this Lease, and performed all and every one of the covenants, provisos and agreement in this Lease on the part of the Lessee to be observed and performed.

- (b) the Lessee shall have given to the Lessor notice to exercise the option contained in this Paragraph 28 in writing not less than one hundred twenty (120) days or more than two hundred seventy (270) days before the date of expiry of the Lease Term.
- (c) The rent payable during such renewal term shall be at the then current market rental rates for the Land, or failing agreement by the parties on such market rental rate within one hundred twenty (120) days prior to the expiry of the term of the Lease, as determined by arbitration based on the criteria set out above, by an arbitrator under the Commercial Arbitration Act of BRITISH COLUMBIA, and amendments thereto, or any like statute in effect from time to time, and the decision of such arbitrator shall be final and binding upon the parties. Such arbitrator shall not be restricted to charging the fees provided for in the said Arbitration Act. The costs of such arbitration shall be borne equally by the parties. Except as otherwise provided for herein, the provisions of the said Commercial Arbitration Act shall apply.

Any renewal pursuant to this Paragraph 28 shall be on the terms and conditions contained in this Lease, except there shall be no additional right of renewal;

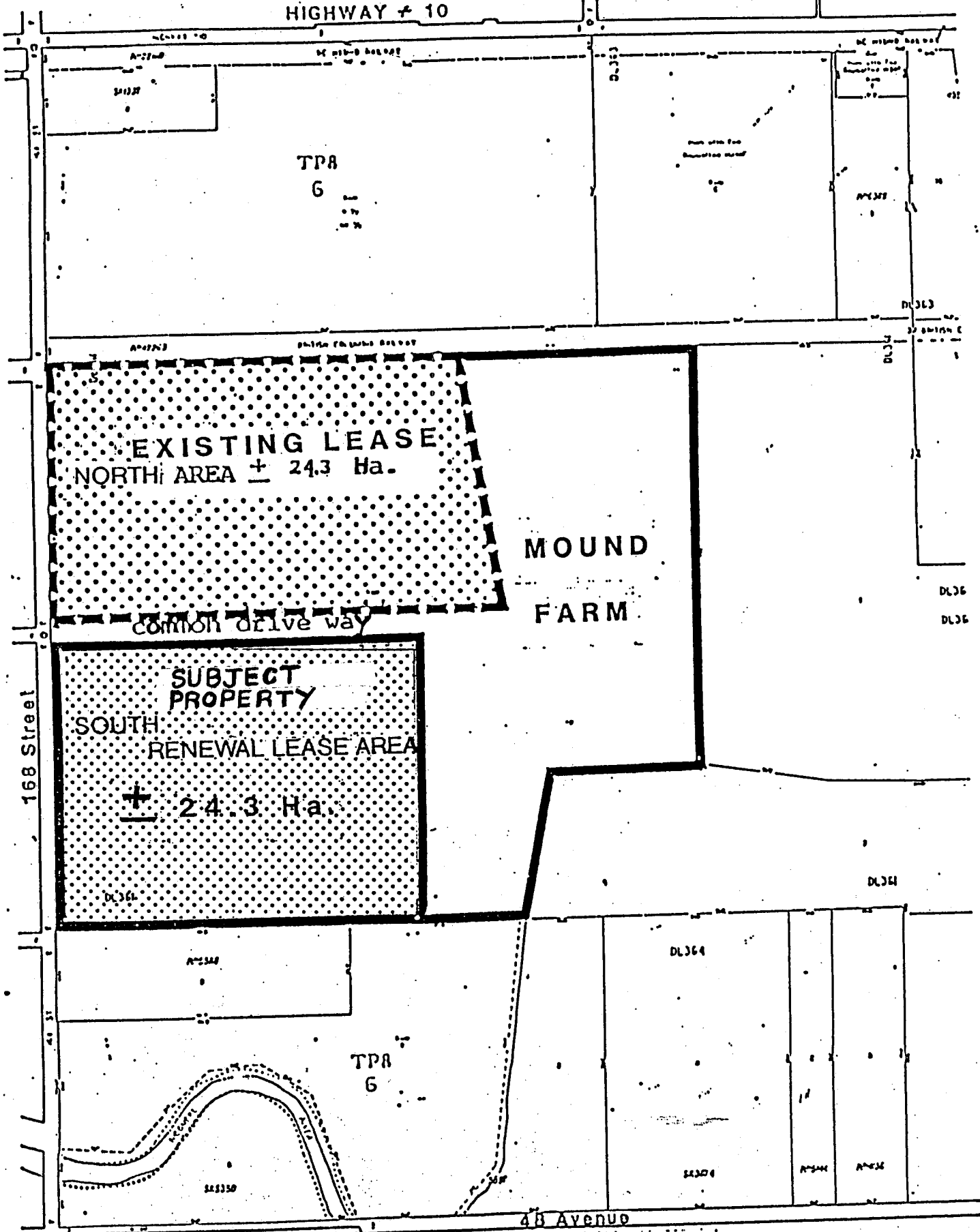
RE-ESTABLISHMENT OF PROPERTY BOUNDARIES

28. The Lessor reserves the right to prepare a Reference Plan pursuant to Section 100(1)(a) of the Land Title Act, which re-establishes and re-sets all property corners as well as raises new title to the said property.

This revised future reference plan may be done in order to enable the Lessor to base any future Lease Agreements on the newly surveyed parcel. The fence lines of the property will be measured to confirm the exact limits of the Leased Land.

PROPRM151

HIGHWAY # 10



EXISTING LEASE
NORTH AREA ± 24.3 Ha.

MOUND
FARM

SUBJECT
PROPERTY
SOUTH
RENEWAL LEASE AREA
± 24.3 Ha.

common drive way

168 Street

48 Avenue

48 avenue 03