

SCHEDULE A

to the Agreement for Non-Consulting Services between
Nawiinginokiima Forest Management Corporation (Company) and
_____ (Supplier) dated as of the Effective Date of May 1, 2023.

1.0 BACKGROUND INFORMATION RELATING TO THE NON-CONSULTING SERVICES

Nawiinginokiima Forest Management Corporation (NFMC) is the Sustainable Forest Licence (SFL) holder of the Pic and White River Forest Management Units, encompassing over 1.5 million hectares of forested land in northern Ontario. NFMC develops forest management plans, manages forest operations, supervises all silviculture programs, and monitors compliance within these forests. NFMC promotes economic growth throughout the forestry sector and supports local communities through its scholarship, donation and sponsorship, and strategic initiative programs.

2.0 DESCRIPTION OF THE NON-CONSULTING SERVICES

To implement two consecutive years of Aerial Herbicide Application Programs on the Pic and White River Forests for conifer release and site preparation beginning in late August to early September of each year as directed by the Company. The approved AWS and FMP are available on the NRIP website (https://nrip.mnr.gov.on.ca/s/fmp-online?language=en_US). The silviculture services will include:

2.1 Licenses

- a) The Supplier agrees to ensure that a valid certificate of airworthiness is in force for all aircraft employed by the Supplier during the performance of the aerial spraying.
- b) The Supplier agrees to ensure that all aircraft used to perform aerial spraying are operated and maintained in conformity with all applicable laws, rules, orders, and regulations.
- c) The Supplier agrees to maintain throughout the duration of this Agreement, that the Supplier shall be licensed to perform aerial spraying in accordance with the Pesticide Act R.S.O. 1990, c P. 11 and amendments thereto.
- d) The Supplier agrees, at his own expense, to attend at an office/location designated by NFMC for one day prior to commencement of aerial spraying to consult with and obtain directions from NFMC on the methods and procedures to be used in the performance of the aerial spraying if required by NFMC.
- e) The Supplier agrees that in the performance of this Agreement, the Supplier shall only employ duly qualified workers holding all licenses and certification reasonably required for the performance of said Agreement including without limitation, WHMIS training, Propane Handling training and Transportation of Dangerous Goods training. The Supplier is responsible to ensure its employees have completed all applicable training and that records of such training are kept current and maintained as required and, are available upon request to the Company.

2.2 Spray Control

- a) The Supplier agrees to locate his equipment and personnel at a location and date that is mutually agreed upon between the parties at least twenty-four (24) hours prior to the commencement of the aerial spraying to permit checking of aircraft calibration, checking of all equipment and reconnaissance flights over the treatment area by the pilots.
 - i. The Supplier further agrees that all equipment and personnel to be employed by the Supplier in the performance of this Agreement shall remain on site until completion of the aerial spray.
- b) The Supplier agrees that NFMC may direct the Supplier not to commence aerial spraying or to cease aerial spraying and the Supplier agrees to abide by any such direction by NFMC.
 - i. The Supplier agrees to commence the performance of aerial spraying only when, in NFMC's opinion, the conifer to be released has physiologically hardened-off.
 - ii. The Supplier agrees to commence the performance of aerial spraying according to the Aerial Herbicide Application plan, or as decided by NFMC.
- c) The Supplier must give forty-eight (48) hours' notice to NFMC before arrival on site. This is to ensure that required notification can be carried out.
- d) The Supplier agrees that the Supplier or the Supplier's representatives shall supervise all operations of the Supplier under this Agreement.
 - i. The Supplier agrees to perform aerial spraying in a diligent manner so that pesticides are sprayed only onto spray blocks designated by NFMC and evenly over the block.
 - ii. The Supplier shall be responsible for any injuries or damages arising from the operation of any aircraft and equipment supplied by the Supplier to perform aerial spraying except that the Supplier shall not be responsible for injuries to non-target components of the ecosystem, e.g. fish, wildlife, water supplies or persons insofar as the Supplier was performing aerial spraying in accordance with directions from staff of NFMC.
 - iii. Where the Supplier without NFMC's direction withdraws any aircraft or essential loading equipment from the performance of the spraying service during the contract period the Supplier agrees to provide a replacement aircraft or equipment as the case may be within forty-eight (48) hours of the withdrawal of the spray service and where the Supplier fails to do so NFMC reserves the right to provide aircraft, personnel and equipment from other sources and hold the Supplier responsible for any excess cost incurred.
 - iv. Where in NFMC's opinion the Supplier unnecessarily loses, or in error or otherwise causes pesticide to be deposited on an area not within the designated spray block and these pesticides were in the care, custody and control of the Supplier during the performance of aerial spraying, the Supplier agrees to compensate NFMC for the estimated cost of the pesticide and agrees that NFMC may deduct the amount of the estimated compensation from any monies payable or returnable to the Supplier under this Agreement.
- e) The Supplier agrees that sufficient reconnaissance flights as deemed necessary shall be flown over each spray area in order to familiarize the pilots with the spray areas and to

- ensure that there are no unauthorized persons in the block. In general, this will take place before each spray session and before any new block is started.
- f) The Supplier agrees that insofar as possible the Supplier shall adhere to and observe the methods and procedures for aerial spraying that are described in the manual entitled "Aerial Spraying for Forest Management - An Operational Manual" published by the Ontario Ministry of Natural Resources and NFMIC Pic and White River Aerial Herbicide Application Spray plans, both available on request from NFMIC.
 - g) Spray pilots are expected to determine a safe and consistent height above ground to operate as close to the treetops as possible;
 - h) NFMIC shall have the authority to discontinue spraying when conditions such as wind velocity, ambient temperature, humidity, rain, turbulence etc. in NFMIC's opinion reduce the effectiveness of spraying or result in significant off - target drift.
 - i. Weather parameters are as follows:
 - i. Wind: Maximum 12 km/hour
 - ii. Temperature: Minimum 5°C to Maximum 24°C
 - iii. Humidity: Minimum 50%
 - iv. Precipitation:
 - a. Minimum 3 hours after rain and
 - b. 2 hours before rain
 - i) NFMIC reserves the right to remove from service any pilot or aircraft, which in the opinion of NFMIC, is unsatisfactory for safe and/or effective aerial application of pesticides. In this event the Supplier will be required to replace the pilot or aircraft within forty-eight (48) hours. Replacements must be approved by NFMIC. In case the Supplier does not provide replacement aircraft or pilots as specified NFMIC reserves the right to procure aircraft, personnel and equipment from other sources and hold the Supplier responsible for any excess costs incurred.
 - j) The aerial spraying will be completed when all aerial spraying has been completed to the satisfaction of NFMIC or when NFMIC terminates the aerial spraying because of a specified biological limitation i.e., an early frost which could jeopardize spraying efficacy or possible crop tree damage.
 - k) Hectares sprayed and approved for final payment will be mutually agreed upon by NFMIC and the Supplier.
 - l) Delivery volumes, liters of mixture per hectare, will be shown in the Pic and White River Aerial Herbicide Application plans, or directed by NFMIC.
 - m) The Supplier agrees to rinse equipment and aircraft after the contract is completed and prior to mixing and loading of a different herbicide.
 - n) Sufficient water will be used to rinse all tanks, hoses, pumps etc. Rinse material will be deposited by aerial application onto an approved spray block.
 - o) The Supplier agrees that any block or polygon that has been started will be completed by the same aircraft and pilot.

3.0 WARRANTIES

At the sole discretion of NFMC, any blocks that show banding of 10% or more through an irregular deposition of herbicide will be re-sprayed at the Supplier's cost. The Supplier will be responsible for this spray re-application, at a time determined by NFMC.

3.1 Third Party Sales Performance Guarantee

Where the application is carried out within the designated parameters as outlined in the contract and Label requirements, and the control of the target vegetation is deemed not satisfactory as determined by a site assessment the following year, Suppliers Inc. agrees to the following:

- a) Provide 50% of herbicide to retreat the area(s) affected based on previous application rate.

3.2 Rainfall Guarantee

Where Supplier personnel in the absence of a Company representative decides to spray when the potential for rainfall is predicted within 4 hours of application and the effectiveness of the application is diminished as determined by a site assessment the following year, Supplier agrees to the following:

- a) Retreat the affected area at Supplier expense, and
- b) Provide sufficient herbicide to retreat the area at the original prescription quantities.

Where the Company representative directs Supplier personnel to carry out an application, and Supplier Personnel agree to carry out the application when the potential for rainfall has been forecast within 4 hours from when the application ceases and the effectiveness of the application is diminished as determined by a site assessment the following year, Supplier agrees to the following:

- a) Retreat the affected area at 50% of the price for herbicide and application combined charges for the original application.

3.3 Performance Guarantee

Where the application is carried out within the designated parameters as outlined in the contract and Label requirement, and the control of the target vegetation is deemed not satisfactory as determined by a site assessment the following year, Supplier agrees to the following:

- b) Provide sufficient herbicide to retreat the area(s) affected.

NOTE: If it is determined that the level of control was diminished by external factors such as drought, late season leaf drop, killing frost, dust cover, etc., or the prescription has been determined to be inadequate for the site, compensation for the herbicide may be reduced or denied

NOTE: Supplier reserves the right to consult an independent qualified person to assess the affected areas in determining cause and subsequent compensation.

Should the supplier not perform in accordance with the contract requirements and should errors in mixing and loading, spray system malfunction, or operating outside of the prescribed parameters result in unacceptable results, the Supplier will be responsible for a spray re-application at a time determined by NFMC. NFMC will obtain any necessary Crown approvals. Periodically NFMC may inspect the AgNav files for the purposes of determining where there was spray overlap. NFMC will notify the Supplier of any area(s) of spray overlap. The area(s) in question

will be inspected the following spring season and if the results show significant damage and/or mortality to the crop trees, NFMC and the Supplier will agree on a cost to replant the area(s). The agreed upon cost will be the responsibility of the Supplier and will be invoiced by NFMC to the Supplier once the replant is completed.

4.0 RATES

4.1 Total Amount Payable

Notwithstanding anything else in the Agreement to the contrary, the total amount payable by NFMC to the Supplier, including all disbursements such as travel and accommodation and/or delivery expenses and applicable taxes, under the Agreement shall not exceed \$000,000.00Cdn. funds in 2023, and \$000,000.00Cdn. funds in 2024.

4.2 Fixed Rates

The following Rates shall remain fixed during the Term of this Agreement:

2023 Rates (excluding HST)

Application Rate	1,000 to 1,500 ha	1,500 to 2,000 ha	> 2,000 ha
30 L/ha			
35 L/ha			
40 L/ha			
45 L/ha			
50 L/ha			

2024 Rates (excluding HST)

Application Rate	1,000 to 1,500 ha	1,500 to 2,000 ha	> 2,000 ha
30 L/ha			
35 L/ha			
40 L/ha			
45 L/ha			
50 L/ha			

Glysil (PCP# 29009) product required to complete Aerial Herbicide Application Program shall be purchased by the Company through the Supplier under the ‘Supply and Apply’ program at one of the volume rates below:

- \$ 0.00/L, if <1,499L are purchased, or
- \$ 0.00/L, if 1,500 – 7,499L are purchased, or
- \$ 0.00/L, if >7,500L are purchased,
- \$ 0.00/L is charged for on-site trailer storage of chemical

No other charge shall be payable by NFMC under the Agreement to the Supplier other than the fixed Rates established under the Agreement.

5.0 INVOICES AND PAYMENT

The Supplier shall provide NFMC with an invoice no later than fifteen (15) Business Days after the successful completion or delivery and acceptance by NFMC of any of the Non-Consulting Services described above. Each invoice shall include:

- a) Total area sprayed, by forest,
- b) The purchase order number assigned to the Agreement by NFMC, if applicable,
- c) A brief description of the Non-Consulting Services provided, and
- d) Rates for the Non-Consulting Services, and (iv) taxes, if payable by NFMC, identified as separate items.

NFMC shall approve or reject the invoice within fifteen (15) Business Days. If NFMC rejects the invoice, it shall so advise the Supplier promptly in writing and the Supplier shall provide additional information as required by NFMC to substantiate the invoice.

Each invoice must be approved by NFMC before any payment is made to the Supplier and payment shall be made within thirty (30) Business Days of such approval.

6.0 GENERAL

- a) If the Supplier makes default or delay in commencing or diligently executing or completing any of the work referred to in this Agreement or if the Supplier fails to perform or satisfactorily perform any provision of this Agreement that in NFMC's sole opinion is substantial, NFMC may give the Supplier such period of time as NFMC feels advisable in order for the Supplier to make good such default, delay or failure, as the case may be, and if the Supplier fails to do so within such period of time the Supplier agrees that NFMC may upon written notice to the Supplier terminate this Agreement and thereupon any security deposit, performance bond or holdback made under this Agreement shall be forfeit to NFMC as liquidated damages and not as a penalty.
- b) The Supplier agrees that NFMC, at NFMC's option, may provide from time to time incidental advice to the Supplier and the Supplier's employees in respect of the performance of the work referred to in this Agreement and that the Supplier agrees that the Supplier and the Supplier's employees shall comply with and observe all such advice.
- c) The Supplier agrees with NFMC that the Supplier and its employees and representatives, if any, shall at all times comply with all Federal, Provincial and Municipal laws, ordinances, statutes, rules, regulations and orders in respect of the performance of this Agreement.
- d) The Supplier agrees that NFMC may from time to time until completion of this Agreement issue an addendum of addenda to the Supplier that may have the effect of varying or making additions to the specifications hereto and the Supplier agrees to provide as soon as possible, after receipt of each addendum, to NFMC an accurate estimate of the additional charges, if any, resulting from the variation or addition or both and the Supplier, upon receipt of NFMC's written approval of the additional charges, agrees to comply with the requirements of the addendum and NFMC, subject to the provisions of this Agreement, agrees to pay the additional charges to the Supplier.

- e) If for reasons beyond control of the Supplier or NFMC, a particular area cannot be treated, the contract area will be reduced by an amount equal to the area of the block that cannot be treated.

7.0 EQUIPMENT, LABOUR, MATERIALS AND SUPPLIES

7.1 The company agrees to supply to the Supplier:

- a) All chemicals including pesticides and diluents required for the performance of aerial spraying, at central locations as specified in this Agreement.
- b) Original aerial photographs (scale approximately 1:15,000 or 1:20,000) and GIS maps with the Spray Block Boundaries, Buffer Zones and No Spray Zones clearly marked. GIS maps are to be used to locate the spray blocks within the Ontario Base Maps. The photography is to be used to perform reconnaissance on the spray blocks and to carry out aerial spraying. The Spray Block Boundaries, No Spray Zones and Buffer Zones (width and boundary) as indicated on the aerial photography are correctly located.

7.2 The Supplier agrees to supply:

- a) Sufficient aircraft to complete the aerial spraying by the dates referred to in the Pic and White River Aerial Herbicide Application plans or directed by the Company.
- b) Aircraft maintenance personnel.
- c) Aircraft equipped with an appropriate delivery system (boom and nozzle) calibrated to the delivery volumes described in the Pic and White River Aerial Herbicide Application plans or directed by the Company. The spray distribution and hopper on each aircraft must be equipped with a leak proof shut off valve capable of eliminating all dripping. Each aircraft must be equipped with a high capacity in line strainer installed on the outlet side of the pump.
- d) All equipment and labour necessary to load and transport pesticide to the application area and to transport empty pesticide containers to the chemical storage area.
- e) All equipment and labour necessary to mix pesticide and to load the mixed pesticide into the aircraft.
- f) All equipment, labour, material and supplies for the aircraft delivery system and mixing and loading equipment servicing and maintenance.
- g) Aircraft equipped with 118 to 136 Mhz radio transceivers and an Aircraft Navigation System (Ag.Nav) to aid in the accurate application of chemical on approved areas. All associated Ag.Nav shape files will be forwarded to the Company, reviewed and adjusted with the Supplier prior to any invoices being processed.
- h) Any ground vehicle that transports or temporarily stores chemical including pesticides must be placarded as per the Ontario Pesticide Act 1990 and the latest version of the Transportation of Dangerous Goods Act.
- i) All ground vehicles used for loading, mixing, dispensing etc. chemical including pesticides must be equipped with valve locks and these locks must be secured at all times that the ground vehicles are left unattended.
- j) All food, accommodation, transportation required for personnel and chemical from storage facilities to and from spray blocks.

8.0 CHEMICAL STORAGE AREAS

Bulk chemical will be stored at an unused historical air strip located on the south side of the industrial road on the Pic Forest at kilometer four (4). Any other additional storage areas required for logistics or safety will be discussed by NFMC and Supplier

9.0 FIRST NATION OPPORTUNITIES

The Supplier will make every attempt to hire workers from the local surrounding First Nation and Metis communities of Netmizaaggamig Nishnaabeg, Long Lake #58, Biigtigong Nishnaabeg, Ginoogaming and Constance Lake by running radio advertisements on local radio stations broadcasting from Thunder Bay to Sault Ste Marie and registering employment opportunities with all local employment offices.

NFMC is willing to assist the Supplier in this commitment to hiring from local First Nations if necessary.

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