SPECIAL LICENCE

THE BEACH CONTROL ACT
FOR THE USE OF THE FORESHORE AND
THE FLOOR OF THE SEA
(PURSUANT TO SECTION II OF THE BEACH CONTROL ACT 1956)

THE NATURAL RESOURCES CONSERVATION AUTHORITY (hereinafter “the Authority”) hereby grants CHINA HARBOUR ENGINEERING COMPANY (hereinafter “the Licensee”) of 5th FLOOR COURTELLEIGH CORPORATE CENTRE, 6-8 SAINT LUCIA AVENUE, KINGSTON 5 in the parish of ST. ANDREW in accordance with and subject to the provisions of the Beach Control Act 1956 and the Regulations made thereunder A LICENCE (hereinafter “the Licence”) to encroach on the foreshore and floor of the sea at the GALLEON HARBOUR in the parish of ST. CATHERINE (hereinafter “the Licensed Area”) more particularly described in the First Schedule hereto for the following purpose (hereinafter “the Works”):

TO CARRY OUT GEOTECHNICAL INVESTIGATIONS

This Licence is granted subject to the provisions of the Specific Conditions and General Conditions contained in the Second and Third Schedules hereto and shall expire on the 31st day of March in the Year 2015. This Licence shall not be transferable.

DATED this 28th day of March 2014

LICENCE NO.: L3408

JOHN JUNOR
CHAIRMAN

ROBERT COLLIE, J.P.
SECRETARY

FIRST SCHEDULE

To carry out geotechnical investigation on that portion of the foreshore and floor of the sea at GALLEON HARBOUR (Special Fisheries Conservation Area, Portland Bight Protected Area) in the parish of ST. CATHERINE, including the Great Goat Island, Little Goat Islands and the waters south of the Good Islands extending southwards towards the Shipping Channel, which abuts East on the Hellshire Hills, West on the Caribbean Sea, North on lands in the possession of the Agro-Investment Corporations and South on lands in the possession of the Commissioner of Lands as stated on the beach licence application dated 10 January 2014 bearing the application Number 2014-14017-BL00010 received and date stamped by the Natural Resources Conservation Authority 24 January 2014.

Any reply or subsequent reference to this communication should be addressed to the Chief Executive Officer to the attention of the officer dealing with the matter, and the reference quoted where applicable.

Managing and protecting Jamaica’s land, water and air
A Government of Jamaica Agency
SECOND SCHEDULE

Definitions

"Licensor" means the holder of this Licence.

"Authority" means the Natural Resources Conservation Authority established pursuant to S.3 of the Natural Resources Conservation Authority Act.

"Agency" means the National Environment and Planning Agency established pursuant to S.4 of the Executive Agencies Act.

"Representation" means any information implied or express on which the Authority has relied to grant this Licence and includes all the information contained in the Application Form and the Environmental Impact Assessment Report where applicable, addenda and all supplementary documentation and information including but not limited to correspondence.

The Licensee hereby undertakes to comply with all of the following terms and conditions:

GENERAL CONDITIONS

1. This Licence is granted for a period beginning on the date of issue herein and shall expire on the 31st day of March in the year 2015.

2. Any member of the Authority or any officer authorized in writing on its behalf may, during the continuance of this Licence, make such periodical inspections of and investigations concerning the Licensed Area and of the land adjacent to such area within the control of the Licensee as may be necessary for the purpose of ascertaining whether the terms and conditions of this Licence are being observed at not and the Licensee shall allow the authorized officer to carry out the said inspections and investigations.

3. The Authority may, in its sole discretion, revoke or suspend this Licence for any breach of the general or specific conditions.

4. The Licensee hereby agrees that it will be responsible for any work carried out pursuant to this Licence including the works of contractors, agents and any other third party.

5. The Authority may initiate legal or administrative actions for any violation of any of the terms and conditions set forth herein.

6. During the period of this Licence the Authority reserves the right to review this Licence periodically and alter, amend or introduce new terms and conditions to the provisions herein.

7. The failure of the Authority to enforce at anytime, or for any period, any one or more of the terms and conditions of this Licence shall not be considered a waiver of such terms and conditions or the waiver of the right at any time subsequent to enforce all the terms and conditions of this Licence.

8. The Licensee shall not assign, dispense with or transfer this Licence or part with any benefit arising from it or grant any sub-licence under it.

9. This Licence is granted subject to any existing legal rights of third parties or any order of any Court granting any right of user over the Licensed Area or adjoining land.

10. No sign or notice may be erected or placed upon or in the Licensed Area unless the size, wording and location thereof have previously been approved in writing by the Authority.

11. The Licensee shall, prior to the commencement of the licensed activity, post a sign in a prominent place on the licensed area using the same design and words as set out in the Fourth Schedule of this Licence.

12. Should this Licence be revoked for any reason the Authority reserves the right to itself, its servants and its agents to enter on the Licensed Area and any adjoining lands in the control of the Licensee and demolish and/or remove the encroachments and to recover from the said Licensee all costs and expenses incurred if the said Licensee does not within 30 days after Notice of Revocation is published in the Jamaica Gazette remove the said encroachments.
The discharge of oil, oily waste, trade or sewage effluent, chemicals, solid waste, poisonous, noxious or polluting substances into the Licensed Area from any vessel or equipment supporting the activity is prohibited.

The Licensee and/or its agents shall not remove or permit the removal of sand from the Licensed Area without the prior written approval of the Authority.

Subsequent to the grant of this License, the geotechnical investigations and associated structures shall neither be altered nor removed nor other encroachments constructed without the prior written approval of the Authority.

Where any mitigatory measure taken to minimize turbidity in waters is impractical or ineffective or becomes impractical as a result of abnormal weather or sea conditions, the Works shall be suspended until the weather conditions and ocean parameters revert to normality.

The Licensee shall not modify the physical nature of the Licensed Area or construct or carry out any modification in connection with the Licensed Area except under a License granted by the Authority pursuant to the Beach Control Act.

The geotechnical investigations shall be performed under the supervision of professional personnel who are qualified and competent to carry out coastal engineering works and who are conversant with the accompanying safety requirements and the hazards to employers, the public and the environment.

The Licensee shall execute a Deed of Indemnity, indemnifying the Authority and the Government of Jamaica against all actions, proceedings, claims, losses, damages, injuries, costs and expenses which may become payable by the Authority or the Government of Jamaica as a result of the Works.

**SPECIFIC CONDITIONS**

1. The Licensee shall comply with all the representations made in the application number 2014-14017-BL00010 dated 18 January 2014 received and date stamped 24 January 2014 by the Natural Resources Conservation Authority and document titled 'Implementation Plan of Geotechnical Investigation for the First-Stage Container Terminal Project in Portland Bight Port, Jamaica' dated January 2014 received and date stamped 24 January 2014 and any accompanying addenda.

2. The Licensee shall, at least seven (7) working days prior, submit a schedule for the drilling activity to the Manager, Enforcement Branch of the National Environment and Planning Agency, 10 Caledonia Avenue, Kingston 5, or EnforcementManager@nepa.gov.jm.

3. Any changes in the schedule referenced in Specific Condition 2 shall be submitted to the Manager, Enforcement Branch of the National Environment and Planning Agency, 10 Caledonia Avenue, Kingston 5, or EnforcementManager@nepa.gov.jm, at least seven (7) working days prior to the implementation of these changes.

4. In order to avoid interference to other waterway users, the Licensee shall notify users of the waterway of the scheduling of the works and shall as much as is possible, prevent obstruction to the normal waterway traffic. Such notification shall be by way of a widely circulated newspaper in Jamaica seven days prior to the start of the works. Standard navigational aids warning users of the waterway of the works shall be employed.

5. The Licensee shall ensure that boreholes are drilled only at the GPS Coordinate outlined below as stated in document titled 'Implementation Plan of Geotechnical Investigation for the First-Stage Container Terminal Project in Portland Bight Port, Jamaica' dated January 2014 received and date stamped 24 January 2014:

<table>
<thead>
<tr>
<th>No.</th>
<th>Borehole type</th>
<th>Coordinate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>longitude</td>
</tr>
<tr>
<td>ZK01</td>
<td>sampling borehole</td>
<td>77°05'10.3&quot;W</td>
</tr>
<tr>
<td>ZK02</td>
<td>SPI borehole</td>
<td>77°04'48.3&quot;W</td>
</tr>
<tr>
<td>ZK03</td>
<td>sampling borehole</td>
<td>77°05'44.0&quot;W</td>
</tr>
<tr>
<td>ZK04</td>
<td>SPI borehole</td>
<td>77°05'34.5&quot;W</td>
</tr>
<tr>
<td>ZK05</td>
<td>sampling borehole</td>
<td>77°04'35.2&quot;W</td>
</tr>
<tr>
<td>ZK06</td>
<td>SPI borehole</td>
<td>77°04'46.8&quot;W</td>
</tr>
<tr>
<td>ZK07</td>
<td>sampling borehole</td>
<td>77°04′17.3″W</td>
</tr>
<tr>
<td>ZK08</td>
<td>SPT borehole</td>
<td>77°03′47.9″W</td>
</tr>
<tr>
<td>ZK09</td>
<td>sampling borehole</td>
<td>77°04′29.5″W</td>
</tr>
<tr>
<td>ZK10</td>
<td>SPT borehole</td>
<td>77°06′00.0″W</td>
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<tr>
<td>ZK11</td>
<td>sampling borehole</td>
<td>77°03′36.5″W</td>
</tr>
<tr>
<td>ZK12</td>
<td>SPT borehole</td>
<td>77°04′12.1″W</td>
</tr>
<tr>
<td>ZK13</td>
<td>sampling borehole</td>
<td>77°03′42.2″W</td>
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<tr>
<td>ZK14</td>
<td>SPT borehole</td>
<td>77°03′13.3″W</td>
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<td>77°03′41.2″W</td>
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<td>sampling borehole</td>
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<td>sampling borehole</td>
<td>77°04′40.9″W</td>
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<td>ZK23</td>
<td>SPT borehole</td>
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<td>ZK25</td>
<td>SPT borehole</td>
<td>77°04′23.3″W</td>
</tr>
<tr>
<td>ZK26</td>
<td>SPT borehole</td>
<td>77°04′11.1″W</td>
</tr>
</tbody>
</table>

6. The Licensee shall notify the Agency in the event that a change in the location of any of the boreholes becomes necessary and shall not conduct the activity in any new area without the express written consent of the Agency.

7. The Licensee shall submit to the Agency a detailed report outlining the total area impacted to facilitate the drilling of the boreholes, the route to be constructed and the methodology that will be used to create the access routes and working footprint of the drilling activity. This report shall also indicate what type and quantity of vegetation has been so impacted.

8. Pursuant to condition #7 the Licensee shall ensure that the access routes to be created on the Goat Islands do not disrupt the hydrological regime of the wetlands that will be impacted as a result of the drilling activity. Prior to the start of any access route construction areas requiring the installation of conduits to allow for hydrologic flows is to be identified and shall be submitted to the Agency for approval.

9. The Licensee shall inform the Agency of the proposed mechanisms to prevent the increased sedimentation of the water in the wetlands and any natural drainage areas as a consequence of the access route construction and the borehole activity at least Ten (10) working days prior to the commencement of any access route construction or drilling works.

10. The Licensee shall ensure that no more than 21 cores ranging in size from 75-100mm in diameter are removed from the Goat Islands, forebore and floor of the sea as per document entitled “Implementation Plan of Geo-technical Investigation for the Fast-Stage Container Terminal Project in Portland Bight Port, Jamaica” dated January 2014 received and date stamped 24 January 2014.

11. The Licensee shall monitor turbidity values on a daily basis to ensure that during drilling, turbidity values more than 5 metres away from the site of drilling for each hole does not exceed 10 NTUs above background or ambient condition, whichever is higher. A weekly turbidity report shall be submitted to the Agency for review.

12. The Licensee shall ensure that 48 hours prior to hurricanes or other meteorological events, works should be halted and turbidity values allowed to fall below 10 NTUs or ambient conditions.

13. The Licensee shall ensure that equipment being used in the drilling activities are not placed on coals or other sensitive marine fauna.
15. The Licensee shall ensure that prior to the start of drilling for each hole the target site is cleared of any slow moving marine organism which would otherwise have been injured by the activity.

16. The Licensee shall obtain the expressed written approval of the Authority prior to any changes in number of holes to be drilled in excess of the amount stated in this Licence.

17. The Licensee shall immediately notify the Authority of any crocodile sighting and shall ensure that every effort is made so as to not disturze the animals in their natural habitat.

18. The Licensee shall ensure that prior to the commencement of the works, a detailed Emergency Response Plan for any accidental spills – fuel, lubricants or hazardous material and sediment is submitted to the Agency for approval.

19. The Licensee shall immediately notify the Agency of any spillage of or accident with any hazardous chemicals, inclusive of all hydrocarbons and environmentally damaging material and shall submit a detailed report to the Agency on the clean-up activities as per MARPOL 73/78, Annex I, Regulation 26 within seven days (7) days of the date of the incident.

20. The Licensee or its agents shall not permit the discharge of waste, including but not limited to sullage waste, oily waste or chemicals or any poisonous noxious or polluting matter into the water or on the ground, as a result of the works.

21. The Licensee shall ensure that there is no refueling of any marine vessel at sea within the drilling area unless provided for specifically in a Licence from this Authority.

22. The Licensee and its agents shall ensure that there is no blasting or use of explosives in connection with the licensed activity.

23. The Licencee shall ensure that any solid waste generated during the drilling works is disposed of at a municipal dumpsite approved by the National Solid Waste Management Authority (NSWMA).

24. All equipment, left over materials, equipment parts and any other material incidental to the Works shall be dismantled and removed from the floor of the sea and from shore based facilities at the completion of the Works and in any event, prior to the expiry of this Licence to the satisfaction of the Agency.

25. The Licensee shall ensure that all vessels to be used in the drilling operations receive the requisite approval from the Maritime Authority of Jamaica (MAJ). A copy of the approval from the MAJ shall be submitted to the Manager, Enforcement Branch, National Environment and Planning Agency, 10 Caledonia Avenue, Kingston 5 or EnforcementManager@nepa.gov.jm prior to the commencement of drilling activities.

26. The Licensee shall ensure that the final report on the results of the borehole investigation is submitted to the Agency within two months following the completion of the drilling activities.

27. The Licensee shall ensure that all correspondence, notifications, plans, final reports or any other documents being submitted to the Agency pursuant to any General and/or Specific Condition of the Licence are addressed to the Manager, Enforcement Branch, National Environment and Planning Agency, 10 Caledonia Avenue, Kingston 5 or EnforcementManager@nepa.gov.jm.

28. The granting of this Licence does not relieve the Licensee from complying with any other statutory obligation or from applying for and obtaining any permission, certification, permit or licence required by law. These include but are not limited to Building Permission under the Building Act, Planning Permission under the Town and Country Planning Act and Environmental Permits under the Natural Resources Conservation Authority Act.

**THIRD SCHEDULE**

A. On collection of the Licence, the licensing fee of $1,600.00 is to be paid

PLEASE NOTE CAREFULLY THIS IS A ONE TIME LICENSING FEE AND THE LICENCE IS NOT RENEWABLE.