



Tuesday, November 8, 2016
Project No. MON030138.01

366466 BC Ltd.
%o Mondiale Development Ltd.
300 - 911 Homer Street
Vancouver, BC
V6B 2W6

Attention: Mr. Donald Cliburn

Dear Donald,

**Re: PERFORMANCE VERIFICATION PLAN
FOR CERTIFICATE OF COMPLIANCE
199 Victory Ship Way, North Vancouver, BC (Parcel 12) (“Site”)
Site ID 1419**

Next Environmental Inc. (“NEXT”) has prepared this Performance Verification Plan (“PVP”) in support of an application for a Certificate of Compliance (“COC”) for the Site. The PVP presents the principal risk management measures that apply at the Site to maintain validity of the COC (i.e. notes key risk management controls within Schedule ‘B’ of the COC which must remain in place at the Site). The PVP was prepared in accordance with Ministry of Environment (“Ministry”) Administrative Guidance 14¹.

PRINCIPAL RISK MANAGEMENT MEASURES

A human health and ecological risk assessment (HHERA) was conducted for the Site, and the results are presented in the report entitled:

Human Health & Ecological Risk Assessment, 199 Victory Shipway, North Vancouver, BC (Parcel 12, Site ID 1419), prepared by Jeroen Wauters, Next Environmental Inc., dated November 8, 2016.

The principal risk management measures upon which the risk assessment is based, as presented in Schedule ‘B’ of the COC include:

- (a) Maintenance of at least 1m thickness of uncontaminated surface soil across the Site.

¹ Administrative Guidance 14, “Performance Verification, Operations and Maintenance and Contingency Plans”, Version 3.0, December 2015.

DETERMINATION OF PROCEDURE 12 REMEDIATION TYPE

Based on the risk management measures for the Site, the remediation type applicable at the Site is considered a Type 1b. Site-specific risk-based standards are met on the Site due to the presence of intrinsic controls at the Site, i.e. contamination at a depth greater than 1 m below ground surface. For Type 1b scenarios, a PVP is required.

PERFORMANCE VERIFICATION PLAN

A PVP is required to ensure that the principal risk management measures upon which the HHERA is based are being met at the Site.

Performance verification actions for the Site include the following:

- (a) List requirement to maintain at least 1m thickness of uncontaminated surface soil across the Site as a condition on the COC;
- (b) Maintain records related to site works that might alter ground cover;
- (c) Provide these records to the Ministry, if requested by the Director. As well, if requested by the Director, responsible person(s) must provide a signed statement on whether the required conditions are being met; and
- (d) Notify to advise the Director if and when the 1m thick surface soil cap becomes compromised or stops functioning.

Any proposed modifications to this plan must be reviewed by the Ministry, prior to any acceptance of the modification.

Report does not constitute warranty.

The assessment and conclusions in this letter are based on the interpretation of information collected during investigations, remediation and/or from relevant knowledgeable parties. The accuracy of the information available to or presented to NEXT cannot be warranted and/or is the responsibility of the issuers. NEXT does not therefore, warrant the information contained in this letter. The responsibility of NEXT is to express an opinion on the information as obtained/presented regarding the environmental status of the Site and the degree to which it constitutes a potential environmental liability, as at the date of the letter.

Services considered confidential and cannot be relied on by third parties.

The contents of this letter are confidential and are intended for the exclusive use of Mondiale Development Ltd. ("Client"), the Ministry of Environment and the Society of Contaminated Sites Approved Professionals of British Columbia unless otherwise expressly permitted by NEXT. NEXT accepts no responsibility for any damages suffered by any third party as a result of decisions made or actions taken based on this letter. Any use of the letter or reliance on or decision made based on its contents by any third party is at the risk of said party.

**MINISTRY OF ENVIRONMENT
Performance Verification Plan for COC – Parcel 12
199 Victory Ship Way, North Vancouver, BC**

NEXT is not responsible for any representations made by the Client to a third party based on the contents of this letter. The Client assumes full responsibility for damages sustained by any third party arising from representations made by the Client to a third party based on the contents of this letter.

We trust the foregoing is found satisfactory. However, if you have any questions regarding this information, please don't hesitate to call me at 604-419-3808.

Yours very truly,

NEXT ENVIRONMENTAL INC.

Jeroen Wauters, P.Eng.