ST. MARY RIVER IRRIGATION DISTRICT

CULTIVATION LEASE TENDER INSTRUCTIONS, TENDER FORM

Invitation to Tender

Sealed tenders clearly marked on the envelope “Tender for SMRID Cultivation Lease” will be received at the SMRID offices in Lethbridge, Taber and Bow Island up to 3:00 p.m., local time,

Friday, December 18, 2026.

Each tender must be accompanied by a certified cheque payable to the St. Mary River Irrigation District, for a sum not less than 20% of the tendered annual rent, forming the Tender Deposit. The Tender Deposit of the unsuccessful bidders shall be returned within six (6) weeks after tender closing. If a lease is awarded, the successful bidder's Tender Deposit shall be credited towards his first year's annual rent payment. The Tender Deposit of the successful bidder shall be forfeited as liquidated damages if the bidder declines to enter into a contract for the cultivation lease in the form provided when and if requested to do so within two (2) weeks of the closing of the bids.

SMRID reserves the right to reject any or all tenders, waive informalities, or to accept any tender deemed most favorable in the interest of the District. **Tenders must be made by a person or corporation which actively holds permanent irrigation acres with the SMRID.**

The Tender Form must be completed in full. The Tender Form, accompanied by a certified cheque, shall be submitted in a sealed envelope with "Tender for SMRID Cultivation Lease" clearly marked on the envelope.

Included in this Tender Package is:

1. A tender form for said cultivation lease.
2. An information package regarding said cultivation lease.
3. A copy of the lease agreement to be entered into by the successful bidder.

The Board reserves the right to reject any or all tenders when such rejection is in the interest of the District. The highest or any tender will not necessarily be accepted.

TENDER FORM

For lease in:

NW/SW/SE-09-12-08-W4,
containing approximately **100 dryland cultivation acres**,
in the St. Mary River Irrigation District.

The lease is for a term of three (3) consecutive periods of January 1 through December 31:
2027, 2028, 2029.

The annual rent shall be paid at an SMRID office not later than **April 1st** of each year during the term of the lease.

BID PRICE $_____/year (excluding GST) for **each year** of the 3-year term of the lease.

BID SUBMITTED BY:

Name: _____

Complete Mailing Address: _____

Phone, Email: _____

Signature: _____

Date: _____

This person or organization holds permanent irrigation acres with SMRID. ☐

Dryland Cultivation Lease Tender Information Package

NW/SW/SE-09-12-08-W4

Paul Fontaine is available to discuss any questions regarding the cultivation lease or bidding process, or to schedule a site visit. The pasture entrance gate is at (49.975187, -111.028545) and prospective bidders are encouraged to visit the site at will.

Paul Fontaine R.T.(Ag.), Land Administration

pfontaine@smrid.com

403-308-7396

100.0 acres for Dryland Cultivation Lease

ST. MARY RIVER IRRIGATION DISTRICT
CULTIVATION LEASE AGREEMENT

THIS AGREEMENT is made this th day of , 2026 ,

BETWEEN:

ST. MARY RIVER IRRIGATION DISTRICT
525 – 40th Street South
Lethbridge, AB
T1J 4M1

in the Province of Alberta
(hereinafter called "the Lessor")

OF THE FIRST PART

-and-

in the Province of Alberta
(hereinafter called “the Lessee")

OF THE SECOND PART

IN CONSIDERATION of the rents, covenants and agreements herein reserved and contained and on the part of the Lessee to be paid, kept, observed and performed, the Lessor by these presents does demise and lease unto the Lessee all that certain parcel or tract of land situated in the Province of Alberta, and being more particularly as follows, namely, those portions of:

NW-09-12-08-W4 containing **1.0 acres** more or less of **DRY CULTIVATION**,
SW-09-12-08-W4 containing **2.0 acres** more or less of **DRY CULTIVATION,**
SE-09-12-08-W4 containing **97.0 acres** more or less of **DRY CULTIVATION**

excepting thereout all mines and minerals, and as outlined in red on the attached “**SCHEDULE A**”.

RESERVING to the Lessor all mines and minerals (as "minerals" is defined in the Surface Rights Act) and all sand and gravel, clay and marl and valuable stones together with the right and liberty by itself, its servants, agents, lessees or assigns to search for and work with the same and to remove the same or their produce without making to the Lessee any compensation whatsoever for surface damage and with the full right by the Lessor without recourse to the Lessee to grant leases profits a'prendre or other rights with respect thereto all without any reduction or abatement in the rent payable by the Lessee to the Lessor under this Agreement:

TO HAVE and to hold the said cultivation lease lands unto the Lessee subject to the rents hereby reserved and the agreements, conditions, covenants, exceptions, stipulations and reservations herein contained for a term commencing **January 1, 2027.**

AND THE LESSEE covenants and mutually agrees with the Lessor as follows:

1. The Lessee shall use the Lands for the purpose of dryland cultivation from the period of January 1st to December 31st on each given year:

2027, 2028, 2029.

This lease agreement expires on January 1, 2030.

2. The annual rent shall be paid at an SMRID office not later than April 1st of each year of the aforementioned term of this lease.

The annual rent is $.

3.The Lessee will, for the entire duration of this Agreement, use and manage the cultivation lease lands in a proper and husband like manner which conserves soil health, fertility, and structure.

4. The Lessee will use only certified agricultural seed and conform to the accepted practices of cultivation.

5. The Lessor, its employees, contractors, and agents may enter the cultivation lease lands with vehicles and equipment during the term of this Agreement for the purpose of constructing, repairing, maintaining, relocating, or abandoning any irrigation works. The Lessor, its employees, contractors, and agents may enter the cultivation lease lands at any time, with or without vehicles, to inspect the condition of the cultivation lease and the Lessee's compliance with this Agreement.

6. The Lessee shall comply with the provisions of the Environmental Protection and Enhancement Act.

7. If the Lessee fails to comply with any statute, regulation, order or by-law in force for the prevention,

control, or eradication of any contagious animal disease or any noxious or prohibited weed, notice of which has been received by the Lessee, the Lessor may take any such action as it considers necessary to comply with the said statute, regulation, order or by-law. The Lessee shall be liable to the Lessor for any cost or expense of remedial actions taken by the Lessor accordingly, which may be added to the rent.

8. The Lessee shall not construct or erect any infrastructure on the cultivation lease lands without the written consent of the Lessor.

9. Subletting, subleasing, or any other transfer or assignment of the cultivation lease lands by the Lessee to another party shall be grounds for immediate termination of this Agreement.

10. The Lessee shall and will well and truly yield and pay to the Lessor the rent hereby reserved in the manner aforesaid.

11. The Lessee will not permit the cultivation lease lands to suffer any waste dumping, pollution (material, chemical, or otherwise), ground disturbance, damage, disfiguration or injury, or permit any part of the cultivation lease lands to be used for any dangerous, noxious or offensive activity, and shall not cause, permit, or maintain any nuisance on the cultivation lease lands.

12. The Lessee shall assume and pay all irrigation rates, special rates, or other amounts payable to the Board with respect to the said land under the *Irrigation Districts Act* or by agreement which are applicable to any irrigation season included within the said term in each year of the term of this agreement and produce and leave with the Lessor a receipt or receipts for the payment thereof for the current year and the Lessor shall pay all municipal land taxes, rates and assessment which may be rated or levied against the said cultivation lease lands during the said term.

13. Either party may terminate this Agreement provided the said party shall give provide written notice on or before December 31st of a given year - the receipt of which will provide for the termination of this Agreement upon the following January 1st after the said notice of termination.

14. If the Lessee shall at any time default in the due payment of any sum or sums of money whatsoever payable to the Lessor, though no formal or legal demand be made for payment thereof, or if the Lessee shall be in default of any taxes payable, or be in breach or default under any of the covenants, provisos, and conditions herein contained which on the part of the Lessee ought to be observed or performed, the Lessor may at its discretion provide notice for the immediate termination of this Agreement, and may enter upon the lands and thereafter have, possess and enjoy them as if this Agreement had never been made.

15. If the Lessee's goods and chattels or livestock on the said cultivation lease lands liable to distress shall be at any time seized or taken in execution or attachment by any creditor of the Lessee or if the Lessee shall make any assignment for the benefit of any act for bankrupt or insolvent debtors the term shall become immediately forfeited and void.

16. The parties agree that no waiver of any of the provisos, conditions, restrictions and stipulations herein contained, whether negative or positive in form, shall take effect or be binding upon the Lessor unless expressed in writing by the Lessor. Any waiver so expressed shall not limit or affect the Lessor's right with respect to any other or future breach.

17. Any notice required to be given to the Lessor under the terms of this lease shall be sufficiently given if delivered to it at 525 – 40 Street South, Lethbridge, Alberta, T1J 4M1 or at such other address as the Lessor may in writing designate.

18. Any notice required to be given to the Lessee under the terms of this Agreement shall be sufficiently given if delivered to the Lessee in person, mailed by prepaid registered mail at the address listed below, or delivered digitally at:

or at such other address as the Lessee may in writing designate. In either case, such notice shall be deemed to have been received on the date of its delivery or on the day following the date when it is handed to the post office in Lethbridge, Alberta.

ST. MARY RIVER IRRIGATION DISTRICT

Stacey Virginillo, Land Manager

Witness

SCHEDULE A

Showing the cultivation lease boundary in red outline.