

THIS SHORT FORM OF LEASE AND CONFIRMATORY LEASE made this 5th day of December, 2007

BETWEEN:

R & S REALTY LIMITED
(hereinafter called the "Lessor")

OF THE FIRST PART

-and-

GIANT TIGER STORES LIMITED
(hereinafter called the "Lessee")

OF THE OTHER PART

RECITALS

1. Whereas by lease (the "Lease") dated the 19th day of October, 2007, between the Lessor and Lessee for certain premises (hereinafter referred to as the "Demised Premises") located at 3531 Dutch Village Road, Halifax, Nova Scotia, more particularly described in Schedule "A" attached hereto, the Lessor has leased to the Lessee the Demised Premises.
2. The parties have agreed to execute and deliver a short form of lease and confirmatory lease solely for the purpose of registering notice of the Lease and confirming the terms of the same.

AGREEMENT

1. **NOW THEREFORE THIS INDENTURE WITNESSETH** that in consideration of the rent, covenants and agreements in the Lease observed and contained on the part of the Lessee to be paid, observed and performed, the Lessor has demised and leased and by these presents does confirm the demise and lease to the Lessee of the Demised Premises in accordance with the terms contained in the Lease.
2. To have and to hold the Demised Premises for a term commencing on the 29th day of March, 2008, and expiring on the 28th day of March 2018, with an option to renew for a four consecutive periods of five years on terms more particularly set out in the Lease.
3. The terms of the lease contain the restrictive covenant as attached hereto and marked Schedule "B".
4. The parties hereto further acknowledge, confirm, agree and declare that this Agreement is executed for the purpose only of registration and thereby giving notice of the Lease and confirmation of the Lease and all of its terms as to all of which reference must be had to the Lease.

SCHEDULE 'B'

1. Giant Tiger Stores Limited (the "Tenant") hereby covenants and agrees that, commencing on November 15, 2007 and continuing to and until August 31, 2014 (the "Restrictive Covenant Term"), it shall not lease, licence, suffer or permit the use of any space within the Leased Premises for the operation of a retail pharmacy or pharmaceutical dispensary, or for the sale of any items of merchandise requiring the supervision of a registered or licensed pharmacist (the "Restrictive Covenant"). It is the intention that the Restrictive Covenant set out herein shall be binding and run with and burden the lands upon which the Leased Premises and all expansions thereto, said lands being Lot R - Dutch Village Road parcel identifier 00181669 (hereinafter, the "Burdened Lands") to and for the benefit of those certain premises presently leased by Shoppers Realty Inc. at 3430 Joseph Howe Drive, Halifax, known as parcel identifier 00181586 (hereinafter, the "Benefited Lands") for and until the expiry of the Restrictive Covenant Term, at which time it shall terminate and be of no further force and effect. This Restrictive Covenant shall be deemed to be subject to the provisions of the *Competition Act*.
2. In the event that the Tenant shall convey, transfer, assign, lease, sublease, licence or enter into an agreement of purchase and sale with respect to the whole or any part of the Burdened Lands, it shall obtain from such purchaser, transferee, lessee, sublessee, licensee, user, occupier or assignee, a covenant to comply with the Restrictive Covenant set forth herein, together with a covenant to obtain a similar covenant from any subsequent purchaser, transferee, lessee, sublessee, licensee, user, occupier or assignee.
3. In the event that any part of the Burdened Lands are transferred, conveyed, assigned, let, sublet, licensed or mortgaged, then the Tenant covenants and agrees that it will annex to such transfer, deed, assignment, lease, sublease, licence, mortgage or agreement of purchase and sale as a schedule thereto, a true copy of this Restrictive Covenant, to the intent and purpose that the Burdened Lands shall be subject to the restrictive covenants set forth herein.
4. The parties hereto agree to execute such further documentation as may be required so that the Restrictive Covenant set forth herein may be registered against the title to the Burdened Lands in favour of the Benefited Lands.