

# **SCHEDULE C**

## **Britannia Remediation Framework Agreement**

## BRITANNIA REMEDIATION FRAMEWORK AGREEMENT

THIS AGREEMENT is dated for reference August 29, 2003.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the Minister of Sustainable Resource Management, Parliament Buildings, Victoria, British Columbia V8V 1X4

(the "Province")

OF THE FIRST PART

AND:

**400091 BRITISH COLUMBIA LTD.**, a body corporate, incorporated under the laws of the Province of British Columbia, having a business office at 11<sup>th</sup> Floor, 938 Howe Street, Vancouver B.C. V6Z 1N9

("400091")

OF THE SECOND PART

WHEREAS:

- A. 400091 has obtained an order absolute of foreclosure in the Foreclosure Proceeding.
- B. On the Land shown on the plan attached as Schedule D, there are 105 existing rental homes and trailers and 9 commercial properties having 9,741 square feet of gross buildable area.
- C. The Contaminated Land contains existing environmental contaminants for which remediation is desirable.
- D. The Province intends to carry out the Remediation Plan.
- E. 400091 wishes to enter into a VRA in order to define and limit its obligations and liabilities under the Waste Management Act.
- F. 400091 wishes to cooperatively assist the Province in carrying out the Remediation Plan with a view towards improving the general condition, desirability and usefulness of the Contaminated Land.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and the covenants, agreements, representations, warranties and payments hereinafter contained, the parties hereto covenant and agree as follows:

## ARTICLE 1 DEFINITIONS

1.01 In this Agreement:

**"After Acquired Adjacent Land"** means any parcel of land sharing a common boundary with any of the Land or the Museum Land, other than the Makin Land, to the extent any such parcel is, at any time, acquired by

- (a) 400091,
- (b) any corporation affiliated with 400091,
- (c) any director or officer of 400091 or of any corporation affiliated with 400091, or
- (d) any associate of any director or officer of 400091 or of any corporation affiliated with 400091

where the terms "associate" and "affiliated" have the respective meanings given those terms by section 1 of the *Company Act* [RSBC 1996] Chapter 62 in force as of April 1, 2003;

**"Clean Land"** means that part of the Land identified as such on Schedule A and includes such other areas of the Land as the parties may agree in writing should be included;

**"Completion Date"** means that date which is 3 days following the date upon which the conditions precedent set out in Article 2.01 are fulfilled or waived;

**"Contaminated Land"** means that part of the Land identified on Schedule B;

**"District Lot 891"** means

PID: 015-913-961

District Lot 891, Group 1 New Westminster District Except:

Firstly, Part in Reference Plan 4390

Secondly, Part in Plan 19960

Thirdly, Part on Highway Plan 145;

**"Environmental Levy Covenant"** means a covenant and perpetual rent charge charging the Clean Land, registrable under section 219 of the Land Title Act, whose terms are substantially those set out on Schedule E;

**"Foreclosure Proceeding"** means that action wherein 400091 is the petitioner in respect of a petition for foreclosure of the Land and other relief commenced in the Supreme Court of British Columbia under Action Number H910653 Vancouver Registry;

**"Highway Land"** means such land or interest in land required by the Minister of Transportation to fulfill the MOT Road Requirements;

**"Initial Subdivision"** means a subdivision of part of the Clean Land by which approximately 143 residential lots and approximately 9 commercial lots are to be created;

**"Land"** means the Clean Land and the Contaminated Land;

**"Makin Land"** means lands set out in Schedule I;

**"Mineral Claims"** means Undersurface Rights registered in the Vancouver Land Title Office under number G79924 together with those mineral claims described on Schedule C;

**"MOT Road Requirements"** means such requirements as are, or may be, issued by the Minister of Transportation and as are, in the opinion of the Minister of Transportation, reasonably required, with respect to the expansion of existing and other roads, whether public roads or otherwise, on or adjacent to the Land and including, without limitation requirements respecting the realignment of Highway 99 and other roads to and within the Land;

**"Museum Land"** means land described in Schedule G;

**"Permitted Encumbrances"** means those encumbrances described in Schedule F;

**"Remediation Plan"** means the program of the Province, as approved by the Regulator, but otherwise determined by the Province in its sole and absolute discretion, providing for remediation of the Contaminated Land and for the construction and operation of works on the Land to facilitate remediation together with the operation of such works after their construction;

**"Regulator"** means the "manager" as defined and designated under the Waste Management Act;

**"Road Cost and Maintenance Agreement"** means such agreements as may be made between the parties that provide for construction and maintenance costs in

respect of roads being used by both parties on the Land until such time as those roads are dedicated as public roads;

**"Site Utilities Supply Agreement"** means such agreement as may be made between the parties with respect to provision of, and access to, electrical power, water and sanitary services to the Province from the Clean Land during the period the Remediation Plan is being carried out; and

**"VRA"** means a voluntary remediation agreement or agreements under section 27.4 of the Waste Management Act made among 400091, the Regulator and such other or different parties as may be required by the Regulator, which provides, among other things, that the liability of 400091 under the Waste Management Act will, in accordance with section 27.4(2) thereof, be limited to transfer of the Contaminated Land, the Highway Land, and the Mineral Claims together with registration of the Environmental Levy Covenant and payment of the fees payable and secured thereunder to the Province.

#### ARTICLE 1

##### GOOD FAITH EFFORTS

1.01 The parties will make good faith reasonable efforts to enter into, or settle, as the case may be, each of the agreements and instruments referred to in this Agreement including, without limitation, the VRA, in the manner and by the time specified in this Agreement and to complete all the transactions contemplated by this Agreement.

#### ARTICLE 2

##### CONDITION PRECEDENT

2.01 The obligations of the parties under Article 8 and Article 9 are conditional upon settlement of, or approval of, as the case may be, the form and content of each of the documents referred to in Articles 9.02(d) and (e) and 9.03 by not later than September 12, 2003.

#### ARTICLE 3

##### ENVIRONMENTAL LEVY COVENANT TO CHARGE AND RELEASE

3.01 400091 will, concurrently with the registration of title to any After Acquired Adjacent Land grant the Environmental Levy Covenant, or cause the Environmental Levy Covenant to be granted by the registered owner, subject only to Permitted Encumbrances.

- 3.02 In the event 400091 is not, in the opinion of the Province, able to further subdivide any parcel of the Clean Land or of the After Acquired Adjacent Land the Province will release the charge created by the Environmental Levy Covenant from such parcel.

#### ARTICLE 4 INITIAL LAND SUBDIVISION

- 4.01 400091 intends, in due course following the Completion Date to apply for and thereafter take all other steps necessary to create the Initial Subdivision.

#### ARTICLE 5 REMEDIATION PROGRAM

- 5.01 The Province will, following the Completion Date, undertake the Remediation Plan at no cost to 400091.
- 5.02 The Province may exercise its sole and absolute discretion with respect to the location, scope, commencement, continuation and completion of the Remediation Plan.

#### ARTICLE 6 FELLED TIMBER

- 6.01 No interest in any felled timber situate on the Contaminated Land is intended to be conveyed to the Province under this Agreement or in any transaction contemplated by this Agreement and the Province makes no claim upon any such felled timber.
- 6.02 400091 will upon request of Province made within 6 months from the date of this Agreement, but only in accordance with such plan and timetable as is approved by the Province, remove such felled timber as may be situate on the Contaminated Land and 400091 will, upon removal, restore the area from which that timber was removed to the condition required by the Private Land Forest Practices Regulation made under the Forest Land Reserve Act (British Columbia).

## ARTICLE 7 MINE MANAGEMENT AND WATER LICENSES

- 7.01 Following the Completion Date the Province will, subject to approval under and in accordance with the Mines Act, undertake the responsibilities of a mine manager with respect to the area within the boundaries of the Land and Mineral Claims.
- 7.02 Upon approval under Article 7.01, 400091 will deliver to the Province all records and documents related to the Britannia Mine of which it has knowledge.
- 7.03 Each party will pursue independently of the other, any request that either may make of the Province to reissue the existing and cancelled water licenses respecting the Land for the benefit of both the Contaminated Land and the Clean Land.

## ARTICLE 8 TRANSFER OF CONTAMINATED LAND

- 8.01 Upon the terms and subject to the conditions of this Agreement, 400091 agrees to transfer and grant, subject only to Permitted Encumbrances, the Contaminated Land, the Highway Land, the Environmental Levy Covenant and the Mineral Claims to the Province and to register the same in the Vancouver Land Title Office in favour of the Province;
- 8.02 The Province will pay all registration charges, Property Transfer Tax Act tax and all other taxes and charges payable upon the transfer of the interests set out in Article 8.01.

## ARTICLE 9 COMPLETION, AND POSSESSION OF CONTAMINATED LAND

- 9.01 Subject to the terms and conditions hereof, the transfers and registrations contemplated by Article 8.01 will be completed no later than 5:00 p.m., local time in the City of Victoria, on the Completion Date, or at such other time and date as shall be agreed upon in writing between the parties.
- 9.02 On the Completion Date 400091 will deliver or cause to be delivered to the Province:
  - (a) a form A transfer together with any other instruments, all in form acceptable for registration under the Land Title Act, that may be necessary to convey the Contaminated Land to the Province subject only to the Permitted Encumbrances;



- (b) a form A transfer together with any other instruments, all in form acceptable for registration under the Land Title Act, that may be necessary to convey the Highway Land to the Province subject only to the Permitted Encumbrances;
  - (c) such transfers, deeds and any other instruments, all in form acceptable for registration under the Land Title Act, that may be necessary to convey the Mineral Claims to the Province subject only to the Permitted Encumbrances or such evidence, satisfactory to the Province, sufficient to confirm the surrender and extinguishment of the Mineral Claims;
  - (d) the Environmental Levy Covenant together with any other instruments, all in form acceptable for registration under the Land Title Act, that may be necessary to permit registration of the Environmental Levy Covenant subject only to the Permitted Encumbrances;
  - (e) a resolution of the directors of 400091 authorizing the transactions contemplated by this Agreement.
- 9.03 On the Completion Date each party will deliver to the other a copy of each of the Road Cost Maintenance Agreement and the Site Utilities Supply Agreement each duly executed by that party.

## ARTICLE 10 REMEDIES

- 10.01 The rights, powers and remedies conferred on the parties under this Agreement are not intended to be exclusive and each will be cumulative and in addition to and not in substitution for every other right, power and remedy existing or available to a party under this Agreement or at law or in equity and the exercise by a party of any right, power or remedy will not preclude the simultaneous or later exercise by such party of any other right, power or remedy.
- 10.02 No failure or delay on the part of either party to complain of an act or failure of the other party or to declare the other party in default, irrespective of how long such act or failure to act continues, will constitute a waiver by such party of its rights under this Agreement.



## ARTICLE 11

## WARRANTIES, REPRESENTATIONS AND ACKNOWLEDGEMENTS OF 400091

11.01 400091 warrants and represents to the Province, with the knowledge that the Province will rely upon these warranties and representations in completing its obligations under this Agreement, that:

- (a) it is a corporation duly organized and existing under the laws of British Columbia;
- (b) it has all the corporate power, capacity and authority to enter into this agreement and to carry out its obligations contemplated herein, all of which have been duly and validly authorized by all necessary corporate proceedings;
- (c) it is not a party to or threatened with any litigation or claims that would materially affect its undertaking or financial condition; and
- (d) the execution and delivery of this Agreement and the completion of the transactions contemplated hereby has been duly and validly authorized by all necessary corporate action on the part of 400091, and this Agreement constitutes a legal, valid and binding obligation of 400091 enforceable against 400091 in accordance with its terms except as limited by laws of general application affecting the rights of creditors.

11.02 400091 acknowledges and agrees that:

- (a) in entering into this Agreement 400091 has not relied upon any or written statement made by, or any other action of the Province as constituting a warranty or representation by or on behalf of the Province concerning:
  - (i) the outcome of any decision made or to be made by a statutory decision maker,
  - (ii) the present or future zoning of the Land and the bylaws of the municipality or regional district, within which the Land is located, which relate to the use and occupation of the Land;
- (b) it has made its own investigation of the economic feasibility of the transactions contemplated by this Agreement or its use of the Land, or any part thereof;
- (c) there are no warranties, representations, collateral agreements or conditions affecting this Agreement except as set out in this Agreement;

- (d) the Province is under no obligation, other than as may be expressly agreed upon in writing by the parties, to provide financial assistance or to contribute, in any way, to the cost of servicing or developing the Land or the financing of present or future business operations of 400091; and
- (e) nothing in this Agreement constitutes 400091 as the agent, joint venturer or partner of the Province.

## ARTICLE 12

### RELIANCE BY PROVINCE OF WARRANTIES AND REPRESENTATIONS

- 12.01 400091 warrants and represents to the Province, with the knowledge that the Province will rely upon these warranties and representations in completing its obligations under this Agreement, that it has the power and authority and that the necessary proceedings have been taken by it to enter into this Agreement and to carry out its obligations under this Agreement.

## ARTICLE 13

### MISCELLANEOUS

- 13.01 Time will be of the essence of this Agreement.
- 13.02 400091 will treat as confidential and will not, without the prior written consent of the Province, publish, release or disclose or permit to be published, released or disclosed, either before or after the expiration or sooner termination of this Agreement, any information supplied to, obtained by, or which comes to the knowledge of 400091 as a result of this Agreement or this Agreement itself (including any public announcement concerning this Agreement) except insofar as such publication, release or disclosure is necessary to enable 400091 to fulfill its obligations under this Agreement or to obtain financing in respect of this Agreement.
- 13.03 All notices, documents or communications required or permitted to be given under this Agreement must be in writing and will be deemed to have been given on the first business date of the recipient following delivery by hand or facsimile to the party to whom it is to be given as follows:
  - (a) to the Province,  
Ministry of Sustainable Resource Management  
P.O. Box 9361 Station Provincial Government,  
Victoria, BC V8W 9M2  
Attention: Deputy Minister of Sustainable Resource Management

with a copy to its solicitor at Ministry of Attorney General, Legal Services Branch,  
1001 Douglas Street, 6th Floor, Victoria, B. C. V8V 1X4 Fax: 250-356-9154,  
Attention: Nancy E. Brown;

(b) to 400091  
11th Floor,  
938 Howe Street  
Vancouver, BC V6Z 1N9  
Fax: (604) 331-6048  
Attention: Robert Macdonald and Jerry Bordian;

with a copy to its solicitor at McLachlan Brown Anderson 10th Floor, 938 Howe  
Street, Vancouver, BC V6Z 1N9 Fax: (604) 331-6008 Attention: William A.  
Randall;

provided, however, that a party may, by notice in writing to the other, specify  
another address for service of notices under this Agreement and, where another  
address is specified by a party, notice must be delivered to that address in  
accordance with this Article.

13.04 No remedy conferred upon or reserved to either party is exclusive of any other  
remedy in this Agreement or provided by law, but such remedy will be cumulative  
and will be in addition to any other remedy in this Agreement or now or hereafter  
existing at law, in equity or by statute.

13.05 This Agreement may be executed in counterparts with the same effect as if both  
parties had signed the same document. Each counterpart will be deemed to be  
an original. All counterparts will be construed together, and will constitute one  
and the same agreement.

#### ARTICLE 14 INTERPRETATION

14.01 This Agreement will be interpreted according to the laws of the Province of British  
Columbia.

14.02 In this Agreement, "person" includes a corporation, firm or association and  
wherever the singular or masculine form is used in this Agreement it will be  
construed as the plural or feminine or neuter form, as the case may be, and vice  
versa where the context or the parties so require.

14.03 The captions and headings contained in this Agreement are for convenience only  
and do not define or limit the scope or intent of this Agreement.

- 14.04 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to any prior or subsequent enactment of the Province of British Columbia or Canada, as the case may be, of like effect and, unless the context otherwise requires, all statutes referred to in this Agreement are enactments of the Province of British Columbia.
- 14.05 Unless the context otherwise requires, any reference to "this Agreement" means this instrument and all of the Schedules attached to it and any reference to any section or subsection by number is a reference to the appropriate section or subsection in this Agreement.
- 14.06 Wherever in this Agreement any option or discretion is conferred upon the Province or the Province is authorized or empowered to do, perform or consent to any act, matter or thing, such option or discretion may be exercised or such act, matter or thing may be done, performed or consented to on behalf of the Province by the Minister of Sustainable Resource Management so to exercise such option or discretion or do, perform or consent to such act, matter or thing.
- 14.07 The headings or captions in this Agreement are inserted for convenience only and do not form a part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.
- 14.08 Wherever the singular or masculine is used in this Agreement it will be construed as the plural or feminine or neuter, as the case may be, and vice versa where the context or the parties so require.
- 14.09 Each Schedule attached to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 14.10 This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and there are no representations or warranties, express or implied, statutory or otherwise and no agreements collateral to this Agreement than as expressly set forth or referred to in this Agreement.
- 14.11 This Agreement supersedes and replaces any agreements or undertakings regarding the subject matter of this Agreement entered into, made or given by the parties prior to the date this Agreement comes into force and effect.
- 14.12 Each of the parties will, upon the reasonable request of the other, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better or more perfect and absolute performance of the terms and conditions of this Agreement and without limiting the generality of the foregoing, 400091 will deliver to the Province all records, documents and information in its possession


or control, or that may come into its possession or control, as is reasonably required by the Province from time to time, that relate to mine workings, mine management or mine remediation.

- 14.13 If any provision of this Agreement or the application thereof to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired thereby and will be valid and enforceable to the extent permitted by law.
- 14.14 All dollar amounts expressed in this Agreement refer to lawful currency of Canada.
- 14.15 No waiver by either party of a breach or default by the other party in the observance, performance or compliance of any of its obligations under this Agreement will be effective unless it is in writing and no such waiver will be deemed or construed to be a waiver of any other breach or default and failure or delay on the part of either party to complain of an act or failure of the other party or to declare such other party in default, irrespective of how long such failure or delay continues, will not constitute a waiver by such party of any of its rights against the other party.
- 14.16 All provisions of this Agreement, including without limitation all representations and warranties made herein, will survive the Completion Date.

14.17 This Agreement will enure to the benefit of and be binding upon the Province and its assigns and 400091 and its successors and assigns.

IN WITNESS WHEREOF the parties have executed this Agreement on the day and year first above written.

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA

per:   
Authorized Signatory on behalf of  
the Minister of Sustainable Resource  
Management

400091 BRITISH COLUMBIA LTD.

Per:   
Authorized Signatory

\_\_\_\_\_  
Authorized Signatory

**SCHEDULE A**  
**CLEAN LAND**

PID: 015-868-931

District Lot 4015, Group 1 New Westminster District

PID: 015-868-982

District Lot 2734, Group 1 New Westminster District

PID: 015-914-020

District Lot 3623, Group 1 New Westminster District Except:

Firstly, Part in Reference Plans 4390,

Secondly, Part on Reference Plan 15041,

Thirdly, Part on Highway Plan 145

PID: 014-977-923

District Lot 7169A, Group 1 New Westminster District

PID: 015-913-996

District Lot 1897, Group 1 New Westminster District Except:

Firstly, Part in Reference Plan 4390,

Secondly, Part on Highway Plan 145

District Lot 891, Group 1 New Westminster District Except:

Firstly, Part in Reference Plan 4390

Secondly, Part in Plan 19960

Thirdly, Part on Highway Plan 145

And Except Plan BCP \_\_\_\_\_ (a copy of which BCP plan is attached as Schedule H)



**SCHEDULE B**  
**CONTAMINATED LAND**

PID: 015-914-887

District Lot 1892, Group 1 New Westminster District  
Minerals Registered in A.F.B. 65-244/8746-G

PID: 015-914-909

District Lot 2489, Group 1 New Westminster District

PID: 015-914-895

District Lot 2266, Group 1 New Westminster District

PID: 015-913-970

District Lot 892, Group 1 New Westminster District Except

(a) Part in reference Plan 7313

(b) Part in Plan 19960

PID: 015-914-925

District Lot 1937, Group 1 New Westminster District  
Mineral Registered in A.F.B. 65-244/8746-G

PID: 015-915-298

District Lot 2348, Group 1 New Westminster District

PID: 015-915-280

District Lot 2335, Group 1 New Westminster District

PID: 015-915-301

District Lot 2331, Group 1 New Westminster District  
Except Part in District Lot 2265

PID: 015-915-271

District Lot 2265, Group 1 New Westminster District

PID: 015-913-813

District Lot 2488, Group 1 New Westminster District

PID: 015-913-805

District Lot 2263, Group 1 New Westminster District

PID: 014-913-252

District Lot 2264, Group 1 New Westminster District

PID: 015-913-791

District Lot 2262, Group 1 New Westminster District

PID: 015-868-958

District Lot 4017, Group 1 New Westminster District

PID: 015-869-024

District Lot 2891, Group 1 New Westminster District  
Except portions in District Lots 2262 and 2263

PID: \_\_\_\_\_

Lot A

District Lot 891, Group 1 New Westminster District

Plan BCP \_\_\_\_\_ (a copy of which BCP plan is attached as  
Schedule H)

**SCHEDULE C**  
**MINERAL CLAIMS**

SCHEDULE C

## CROWN GRANTED ABSOLUTE FEE MINERAL RIGHTS

		AFS VOL/PAGE	MINERAL RIGHT TITLE NO.
1.	Lot 4018 known as Noddy Mineral Claim	65/319	G79923G
2.	Lot 4866 known as Jim Friction Mineral Claim	65/319	G79926G
3.	Lot 4868 known as Annie Mineral Claim	65/319	G79927G
4.	Lot 4393 known as Old Ironsides No. 1 Mineral Claim	65/320	G79928G
5.	Lot 4394 known as Old Ironsides No. 2 Mineral Claim	65/320	G79929G
6.	Lot 4395 known as Old Ironsides No. 3 Mineral Claim	65/320	G79930G
7.	Lot 4396 known as Old Ironsides Mineral Claim	65/320	G79931G
8.	Lot 4576 known as Ironsides Friction Mineral Claim	65/320	G79932G
9.	Lot 2782 known as Last Friction Mineral Claim	65/320	G79933G
10.	Lot 4863 known as Moss Friction Mineral Claim	65/320	G79934G
11.	Lot 4865 known as Ivy Mineral Claim	65/321	G79935G
12.	Lot 2915 known as Winston Fractional Mineral Claim	65/321	G79936G
13.	Lot 1926 known as Empress Mineral Claim	65/321	G79937G
14.	Lot 1918 known as Barbara Fractional Mineral Claim	65/321	G79938G
15.	Lot 1927 known as Victoria Mineral Claim	65/321	G79939G
16.	Lot 1878 known as Leda H. Mineral Claim	65/321	G79940G
17.	Lot 1876 known as Last Chance Fractional Mineral Claim	65/321	G79941G
18.	Lot 1890 known as Fairview Mineral Claim	65/321	G79942G
19.	Lot 1893 known as Edith Fractional Mineral Claim	65/321	G79943G
20.	Lot 1891 known as Jane Mineral Claim	65/321	G79944G
21.	Lot 1893 known as Clifton Mineral Claim	65/321	G79945G
22.	Lot 1894 known as Mineral Creek Mineral Claim	65/322	G79946G
23.	Lot 1895 known as William Mineral Claim	65/322	G79947G
24.	Lot 1896 known as Heather Fractional Mineral Claim	65/322	G79948G
25.	Lot 1931 known as Violet Mineral Claim	65/322	G79949G
26.	Lot 1877 known as May Bell Fractional Mineral Claim	65/322	G79950G
27.	Lot 2016 known as Princess Fractional Mineral Claim	65/322	G79951G
28.	Lot 2016 known as Agnes Fractional Mineral Claim	65/322	G79952G
29.	Lot 1934 known as Sumatra Mineral Claim	65/323	G79953G
30.	Lot 1879 known as Thistle Mineral Claim	65/323	G79954G
31.	Lot 1999 known as Kestive Fractional Mineral Claim	65/323	G79955G
32.	Lot 2012 known as Sultan Fractional Mineral Claim	65/324	G79956G
33.	Lot 1948 known as Sunset Fractional Mineral Claim	65/324	G79957G
34.	Lot 1997 known as Nancy Fractional Mineral Claim	65/324	G79958G
35.	Lot 1920 known as Bendigo Mineral Claim	65/324	G79959G
36.	Lot 1991 known as Bluff Fractional Mineral Claim	65/324	G79960G
37.	Lot 2013 known as Rose Fractional Mineral Claim	65/324	G79961G
38.	Lot 1635A known as South Valley Mineral Claim	65/324	G79962G
39.	Lot 1925 known as Crofton Mineral Claim	65/325	G79963G
40.	Lot 1996 known as Bridgema Mineral Claim	65/325	G79964G
41.	Lot 1998 known as Summit Mineral Claim	65/325	G79965G
42.	Lot 1994 known as Pasta Mineral Claim	65/325	G79966G
43.	Lot 2017 known as Pearl Fractional Mineral Claim	65/325	G79967G
44.	Lot 1993 known as Fanny Mineral Claim	65/325	G79968G
45.	Lot 1882 known as Lottie H. Mineral Claim	65/325	G79969G
46.	Lot 1975 known as Ike Mineral Claim	65/326	G79970G
47.	Lot 1972 known as Black Prince Mineral Claim	65/326	G79971G
48.	Lot 1974 known as Europe Mineral Claim	65/326	G79972G
49.	Lot 2167 known as Mountain View Fractional Mineral Claim	65/326	G79973G
50.	Lot 1881 known as Lois Mineral Claim	65/326	G79974G
51.	Lot 1936 known as Newcast Mineral Claim	65/326	G79975G
52.	Lot 1899 known as Daisy Mineral Claim	65/326	G79976G
53.	Lot 1917 known as Hunter's Friend Mineral Claim	65/327	G79977G
54.	Lot 1888 known as Eureka Mineral Claim	65/327	G79978G
55.	Lot 2100 known as Arrow Mineral Claim	65/327	G79979G
56.	Lot 2107 known as Norton Mineral Claim	65/327	G79980G
57.	Lot 1992 known as Shasta Fractional Mineral Claim	65/328	G79981G
58.	Lot 1991 known as Helen Mineral Claim	65/328	G79982G
59.	Lot 1933 known as Chequamegon Mineral Claim	65/328	G79983G
60.	Lot 1934 known as Texas Fractional Mineral Claim	65/328	G79984G
61.	Lot 1634A known as Olympia Mineral Claim	65/328	G79985G
62.	Lot 4403 known as Coosa Fractional Mineral Claim	65/328	G79986G
63.	Lot 1937 known as Kalspell Mineral Claim	65/328	G79987G
64.	Lot 1963 known as Leopold Mineral Claim	65/329	G79988G
65.	Lot 2084 known as Wandering Jew Mineral Claim	65/329	G79989G
66.	Lot 2049 known as St. Louis Mineral Claim	65/329	G79990G
67.	Lot 2346 known as Panquet Mineral Claim	65/329	G79991G
68.	Lot 2402 known as Long Day Mineral Claim	65/329	G79992G
69.	Lot 4579 known as South Friction Mineral Claim	65/329	G79993G
70.	Lot 4581 known as Barbara Mineral Claim	65/329	G79994G
71.	Lot 4582 known as Mercy Mineral Claim	65/329	G79995G
72.	Lot 4644 known as Swiss Mineral Claim	65/330	G79996G

## CROWN GRANTED INDEFEASIBLE FEE MINERAL RIGHTS (REG. NO. 679924)

LEGAL DESCRIPTION	INDEFEASIBLE TITLE NO.	PID NO.
1. Lot 1635B known as Utopia Mineral Claim	234884	015-858-603
2. Lot 2000 known as Park Lane Mineral Claim	234882	004-822-048
3. Lot 2078 known as Park Mineral Claim	P82588	004-822-056
4. Lot 2094 known as Little Gap Mineral Claim	P82589	004-822-233
5. Lot 2095 known as Little Gap No. 2 Mineral Claim	P82570	004-822-331
6. Lot 2329 known as Little Gap No. 3 Mineral Claim	P82571	004-822-340
7. Lot 2330 known as Netie Fractional Mineral Claim	P82572	004-822-366
8. Lot 2331 known as Power Mineral Claim	GD43442	015-915-301
9. Lot 2332 known as Hildside Mineral Claim	P82586	004-822-387
10. Lot 2333 known as Copper Bell Mineral Claim	P82557	004-822-943
11. Lot 2334 known as Copper Bell Fractional Mineral Claim	P82558	004-822-951
12. Lot 2335 known as Lyna Mineral Claim	GD43443	015-915-280
13. Lot 2347 known as Cougar Mineral Claim	P82573	004-822-382
14. Lot 2348 known as Bear Mineral Claim	GD43444	015-915-298
15. Lot 2399 known as Elk Mineral Claim	P82574	004-822-404
16. Lot 2420 known as Deer Mineral Claim	P82575	004-822-412
17. Lot 2469 known as Copper Crown Fractional Mineral Claim	P82559	004-822-560
18. Lot 2471 known as Georgia Fractional Mineral Claim	P82560	004-822-041
19. Lot 2734 known as No. 1 Fractional Mineral Claim	Q79913	015-868-922
20. Lot 2735 known as No. 2 Mineral Claim	234874	004-822-919
21. Lot 2737 known as No. 3 Fractional Mineral Claim	234874	004-822-919
22. Lot 2745 known as Wexall Mineral Claim	P82576	004-822-439
23. Lot 2850 known as No. 4 Mineral Claim	P82555	004-822-927
24. Lot 2891 known as No. 8 Fractional Mineral Claim	GD43430	015-864-034
25. Lot 2892 known as No. 9 Mineral Claim	P82562	004-822-125
26. Lot 2893 known as No. 3 Fractional Mineral Claim	P82564	004-822-065
27. Lot 2894 known as Vanda Copper Mineral Claim	P82566	004-822-133
28. Lot 2895 known as No. 10 Mineral Claim	P82553	004-822-322
29. Lot 2896 known as No. 92 Fractional Mineral Claim	P82555	004-822-027
30. Lot 2897 known as No. 91 Fractional Mineral Claim	P82587	004-822-617
31. Lot 2898 known as Roy Fractional Mineral Claim	234886	015-859-880
32. Lot 2899 known as No. 120 Fractional Mineral Claim	234885	015-859-835
33. Lot 2900 known as No. 114 Mineral Claim	GD43386	015-859-843
34. Lot 2919 known as No. 35 Fractional Mineral Claim	234873	004-822-774
35. Lot 2920 known as No. 36 Mineral Claim except part in District Lot 1666	P84828	004-865-804
36. Lot 2921 known as No. 37 Fractional Mineral Claim except part in District Lots 1666 and 3727	P84827	004-865-812
37. Lot 2922 known as No. 51 Mineral Claim	P84828	004-865-421
38. Lot 2923 known as No. 52 Mineral Claim	P84811	004-865-626
39. Lot 2929 known as No. 54 Mineral Claim	P84812	004-865-634
40. Lot 2931 known as No. 56 Mineral Claim	234876	015-849-783
41. Lot 2934 known as No. 78 Mineral Claim except part in District Lot 3018	P84823	004-865-740
42. Lot 3503 known as Plumb Mineral Claim	P82561	004-822-994
43. Lot 3506 known as Rabbs Mineral Claim	P82577	004-822-447
44. Lot 3507 known as Spaine Mineral Claim	P82578	004-822-453
45. Lot 3574 known as Marmot Fractional Mineral Claim	P82579	004-822-462
46. Lot 3575 known as Little Gap No. 4 Mineral Claim	P82580	004-822-480
47. Lot 3576 known as Little Gap No. 5 Mineral Claim	P82581	004-822-498
48. Lot 3577 known as Little Gap No. 6 Mineral Claim	P82582	004-822-516
49. Lot 3659 known as Red Fractional Mineral Claim	P82580	004-822-636
50. Lot 3700 known as Bob Fractional Mineral Claim	P82562	004-822-001
51. Lot 3701 known as Nellie Fractional Mineral Claim	234882	004-822-639
52. Lot 3703 known as Alpha Fractional Mineral Claim	P82583	004-822-528
53. Lot 3703 known as Phi Mineral Claim	P82588	004-822-641
54. Lot 3704 known as S. Mineral Claim	P82589	004-822-654
55. Lot 3705 known as L. Mineral Claim	P82590	004-822-668
56. Lot 3706 known as Epsilon Fractional Mineral Claim	P82591	004-822-676
57. Lot 3707 known as Kappa Mineral Claim	P82592	004-822-692
58. Lot 3708 known as E. Mineral Claim	P82592	004-822-706
59. Lot 3709 known as C. Mineral Claim	P82594	004-822-714
60. Lot 3710 known as G. Fractional Mineral Claim	P82595	004-822-722
61. Lot 3711 known as B. Fractional Mineral Claim	P82596	004-822-731
62. Lot 3712 known as H. Mineral Claim	P82597	004-822-757
63. Lot 3715 known as Torem Fractional Mineral Claim	P82600	004-822-781
64. Lot 3716 known as Wedge Fractional Mineral Claim	GD43409	015-894-517
65. Lot 3718 known as No. 49 Mineral Claim	P84813	004-865-642
66. Lot 3719 known as No. 41 Mineral Claim	GD43325	015-849-821
67. Lot 3720 known as Billy Fraction Mineral Claim	GD43480	015-894-584
68. Lot 3721 known as Moccasin Fractional Mineral Claim	GD43411	015-894-592
69. Lot 3937 known as Copper Mound Fractional Mineral Claim	P84814	004-865-651
70. Lot 3938 known as Surprise Fractional Mineral Claim	P84815	004-865-669
71. Lot 3939 known as No. 79 Mineral Claim except part in District Lot 3018	None	015-869-393
72. Lot 3940 known as No. 79 Fractional Mineral Claim	P84816	004-865-677
73. Lot 3941 known as No. 50 Fractional Mineral Claim	P84817	004-865-685
74. Lot 3942 known as No. 67 Fractional Mineral Claim	GD43326	015-849-864
75. Lot 3944 known as No. 69 Fractional Mineral Claim	P84818	004-865-693
76. Lot 3945 known as No. 68 Fractional Mineral Claim	P84819	004-865-707



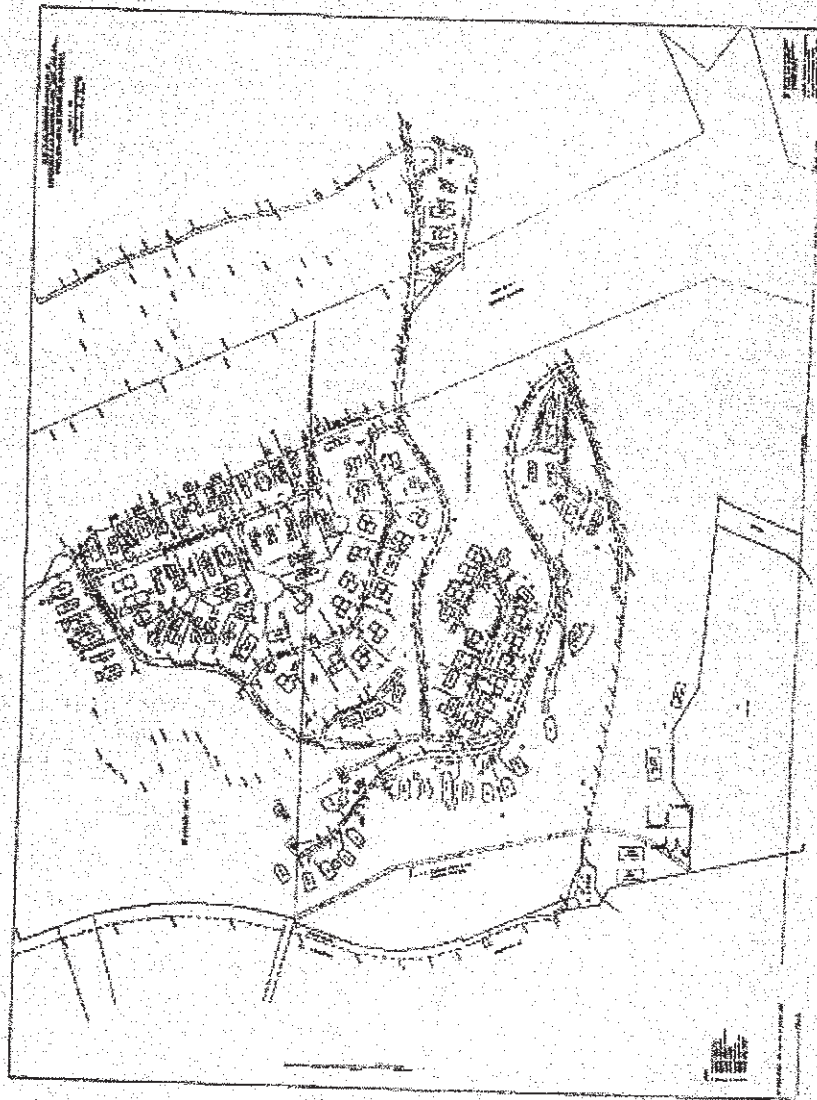
77.	Lot 3946 known as Jew Fractional Mineral Claim	PD2584	004-422-536
78.	Lot 3951 known as No. 32 Mineral Claim	234879	015-850-714
79.	Lot 3952 known as No. 33 Mineral Claim	GD43349	015-850-749
80.	Lot 3953 known as No. 34 Mineral Claim	GD43350	015-850-773
81.	Lot 3954 known as No. 35 Fractional Mineral Claim	GD43351	015-850-793
82.	Lot 3955 known as No. 36 Fractional Mineral Claim	GD43352	015-850-820
83.	Lot 3956 known as No. 38 Fractional Mineral Claim	PD4828	004-825-715
84.	Lot 4013 known as No. 37 Mineral Claim	GD43340	015-850-366
85.	Lot 4014 known as No. 38 Mineral Claim	GD43327	015-849-872
86.	Lot 4015 known as Brook Mineral Claim	GD43431	015-868-951
87.	Lot 4016 known as Souded Fractional Mineral Claim	PD7746	015-869-167
88.	Lot 4017 known as Mountain Mineral Claim	GD43433	015-868-958
89.	Lot 4021 known as No. 40 Fractional Mineral Claim	PD4821	004-865-723
90.	Lot 4023 known as Wound Fractional Mineral Claim	PD2583	004-822-561
91.	Lot 4024 known as Souded Mineral Claim	PD2587	004-822-508
92.	Lot 4143 known as Punta Mineral Claim	PD4829	004-865-847
93.	Lot 4144 known as Jupiter Mineral Claim	GD43341	015-850-498
94.	Lot 4147 known as Mary Fraction Mineral Claim	PD4875	004-865-618
95.	Lot 4148 known as Neptune Mineral Claim	GD43343	015-850-552
96.	Lot 4150 known as Mercury Mineral Claim	GD43344	015-850-600
97.	Lot 4152 known as Lure Mineral Claim	GD43328	015-869-881
98.	Lot 4153 known as Tyne Mineral Claim	GD43329	015-849-890
99.	Lot 4154 known as Argus Mineral Claim	GD43330	015-849-902
100.	Lot 4155 known as Ursa Mineral Claim	PD4830	004-865-635
101.	Lot 4156 known as Comet Mineral Claim	PD4831	004-865-671
102.	Lot 4157 known as Owl Fractional Mineral Claim	GD43331	015-849-929
103.	Lot 4158 known as Venus Fractional Mineral Claim	GD43332	015-849-937
104.	Lot 4159 known as Juno Fractional Mineral Claim	GD43333	015-849-945
105.	Lot 4160 known as Pallas Fractional Mineral Claim	GD43335	015-850-943
106.	Lot 4221 known as The Mineral Claim	GD43354	015-850-060
107.	Lot 4222 known as No. 80 Mineral Claim	GD43334	015-849-953
108.	Lot 4223 known as No. 81 Mineral Claim	GD43335	015-849-961
109.	Lot 4224 known as S.Y. Mineral Claim	GD43336	015-849-970
110.	Lot 4344 known as No. 120 Fractional Mineral Claim	GD43388	015-819-008
111.	Lot 4349 known as No. 111 Mineral Claim	GD43394	015-839-967
112.	Lot 4350 known as Red Mountain No. 2 Mineral Claim	GD43375	015-859-983
113.	Lot 4351 known as Mountain Lion Mineral Claim	GD43396	015-840-001
114.	Lot 4352 known as Mountain View Mineral Claim	GD43397	015-860-035
115.	Lot 4353 known as Lake View Mineral Claim	GD43398	015-860-043
116.	Lot 4354 known as Mountain Crest Mineral Claim	GD43399	015-860-066
117.	Lot 4355 known as Lake Chance Mineral Claim	GD43400	015-860-108
118.	Lot 4356 known as No. 103 Fractional Mineral Claim	GD43401	015-860-116
119.	Lot 4357 known as Red Mountain No. 1 Mineral Claim	GD43402	015-860-124
120.	Lot 4360 known as No. 119 Fractional Mineral Claim	GD43404	015-860-125
121.	Lot 4375 known as Zulu Fractional Mineral Claim	GD43377	015-849-988
122.	Lot 4376 known as White Fraction Mineral Claim	GD43403	015-868-621
123.	Lot 4377 known as Seal Mineral Claim	GD43691	015-868-630
124.	Lot 4378 known as Shark Fraction Mineral Claim	GD43692	015-868-648
125.	Lot 4379 known as Lobster Mineral Claim	GD43693	015-868-654
126.	Lot 4380 known as Raven Mineral Claim	GD43694	015-868-706
127.	Lot 4381 known as Pigeon Mineral Claim	GD43695	015-868-820
128.	Lot 4382 known as Canary Mineral Claim	GD43696	015-868-818
129.	Lot 4383 known as Parrot Mineral Claim	GD43697	015-868-826
130.	Lot 4384 known as Gull Mineral Claim	GD43304	015-868-834
131.	Lot 4385 known as Robin Mineral Claim	GD43305	015-868-842
132.	Lot 4386 known as Condor Fractional Mineral Claim	GD43306	015-868-851
133.	Lot 4387 known as Dove Mineral Claim	PD2601	004-822-803
134.	Lot 4388 known as Rook Fraction Mineral Claim	GD43307	015-868-883
135.	Lot 4389 known as Duck Fractional Mineral Claim	GD43308	015-868-893
136.	Lot 4390 known as Turkey Fraction Mineral Claim	GD43309	015-868-915
137.	Lot 4391 known as Quail Mineral Claim	GD43310	015-868-940
138.	Lot 4392 known as Oriole Fractional Mineral Claim	GD43311	015-868-969
139.	Lot 4393 known as Crane Mineral Claim	GD43312	015-868-991
140.	Lot 4394 known as Thrush Fractional Mineral Claim	GD43313	015-869-016
141.	Lot 4399 known as Drake Fractional Mineral Claim	GD43314	015-869-032
142.	Lot 4400 known as Gander Mineral Claim	GD43315	015-869-041
143.	Lot 4408 known as Jay Mineral Claim	GD43357	015-851-494
144.	Lot 4574 known as Nippon Fractional Mineral Claim	GD43328	015-850-021
145.	Lot 4575 known as Nippon Fractional Mineral Claim	GD43329	015-850-026
146.	Lot 4577 known as Pitmea Fraction Mineral Claim	GD43411	015-894-406
147.	Lot 4578 known as Delancey Mineral Claim	GD43412	015-894-414
148.	Lot 4580 known as Faint Mineral Claim	GD43414	015-895-106
149.	Lot 4623 known as Yea Fraction Mineral Claim	GD43360	015-851-125
150.	Lot 4622 known as Pie Fraction Mineral Claim	GD43361	015-851-150
151.	Lot 4643 known as Leoni Fraction Mineral Claim	GD43383	015-851-478
152.	Lot 5152 known as Bigfoot Mineral Claim	GD44328	015-832-384
153.	Lot 5724 known as Phoenix Mineral Claim	212902	015-844-850
154.	Lot 5725 known as Roosting Mineral Claim	GD46773	015-844-858

**SCHEDULE D**

**EXISTING PROPERTIES**



## SCHEDULE D



**SCHEDULE E**

## PART II - TERMS OF INSTRUMENT

### WHEREAS:

- A. The parties intend that this Agreement be registered as a covenant and rent charge pursuant to sections 219(2)(c) and 219(6)(b) of the *Land Title Act*.

NOW THEREFORE in consideration of the premises and other good and valuable consideration now paid by the Transferee to the Transferor (the receipt and sufficiency of which is hereby acknowledged) the Transferor agrees with the Transferee as follows:

### DEFINITIONS

1.01 In this Agreement and the recitals hereto:

**"Gross Buildable Area"** means an area containing new non residential construction, but excludes any part of such an area that replaces a non residential structure that existed on July 25, 2003, except to the extent of the amount by which the total of such replacement area exceeds the total area of that non residential structure as it existed on July 25, 2003;

**"Land"** means the land described in Item 2 of Part 1 of this General Instrument;

**"Lot"** means a lot created by a Subdivision Plan;

**"Overdue Interest Rate"** means a rate of interest that is six per cent per annum above the Prime Rate, calculated monthly, not in advance;

**"Plan Registration Date"** means the date on which a Subdivision Plan is accepted for registration in the Land Title Office;

**"Prime Rate"** means the annual rate of interest, regardless of compounding frequency and regardless of what name it is called, designated or established by the Canadian Imperial Bank of Commerce from time to time, as the reference rate for determining interest rates on Canadian dollar commercial loans in Canada;

**"Strata Lot"** means a Lot that is created by a bare land strata plan under the Strata Property Act, as amended from time to time, or under any other similar or successor legislation;

**"Subdivision Plan"** means a plan of subdivision of part of the Land including, without limitation, a subdivision creating one or more Strata Lots;

**"Transferee"** means the person named in Item 6 of Part 1 of this General Instrument;

**"Transferor"** means the person named in Item 5 of Part 1 of this General Instrument; and

**"Zoned"** means authorized for a particular land use specified under a zoning bylaw of the local government authority having jurisdiction.

## **PAYMENT**

2.01 The Transferor will pay to the Transferee,

- (a) in respect of each Lot in a Subdivision Plan that is Zoned to permit single family dwellings to be constructed, maintained or used, on each Plan Registration Date to which that Plan Registration Date relates that falls
  - (i) between January 1, 2003 and December 31, 2007, the sum of \$5,500,
  - (ii) between January 1, 2008 and December 31, 2012, the sum of \$6,500,
  - (iii) between January 1, 2013 and December 31, 2017, the sum of \$7,500,
  - (iv) after January 1, 2018, the sum of \$8,500;
- (b) in respect of each Lot in a Subdivision Plan that is Zoned to permit manufactured homes to be constructed, maintained or used on each Plan Registration Date to which that Plan Registration Date relates that falls
  - (i) between January 1, 2003 and December 31, 2007, the sum of \$2,500,
  - (ii) between January 1, 2008 and December 31, 2012, the sum of \$3,000,
  - (iii) between January 1, 2013 and December 31, 2017, the sum of \$3,500,
  - (iv) after January 1, 2018, the sum of \$4,000;
- (c) in respect of each Strata Lot in a Subdivision Plan regardless of how such Strata Lot is Zoned, on each Plan Registration Date to which that Subdivision Plan relates that falls
  - (i) between January 1, 2003 and December 31, 2007, the sum of \$3,500,
  - (ii) between January 1, 2008 and December 31, 2012, the sum of \$4,100,
  - (iii) between January 1, 2013 and December 31, 2017, the sum of \$4,800,
  - (iv) after January 1, 2018, the sum of \$5,500;

- (d) in respect of the Gross Buildable Area, as determined by the Transferee, of any construction (other than construction of any residential dwelling) upon issuance of the related building permit whose date of issue is
  - (i) between January 1, 2003 and December 31, 2007, the sum of \$2.50 per square foot of such Gross Buildable Area,
  - (ii) between January 1, 2008 and December 31, 2012, the sum of \$3.50 per square foot of such Gross Buildable Area,
  - (iii) between January 1, 2013 and December 31, 2017, the sum of \$4.00 per square foot of such Gross Buildable Area,
  - (iv) after January 1, 2018, the sum of \$5.00 per square foot of such Gross Buildable Area;
- 2.02 For greater certainty, no amount is payable under section 2.01 in respect of Lots on which homes, pads for manufactured homes or commercial structures existed as of June 1, 2003.
- 2.03 Where a Lot is Zoned to permit both single family dwellings and manufactured homes to be constructed, maintained or used, the amount payable under section 2.01 will be the amount specified in subparagraph (a) thereof.
- 2.04 All amounts from time to time received by the Transferor from the disposition of any Lot are impressed with a trust in favour of the Transferee, and all amounts payable under this Agreement that are not paid when required by this Agreement will accrue interest at the Overdue Interest Rate calculated from the date such amount was due to the date of payment.

## RECORDS

- 3.01 The Transferor will provide the Province, from time to time, upon receipt of a written request therefor such plans and other documents in its possession that may contain information by which the Province may ascertain facts upon which the payment required by section 2.01(d) is to be based.

## COVENANT AND RENT CHARGE

- 4.02 The Transferor hereby grants a perpetual rent charge of the Land to the Transferee, her successors and assigns, forever, as security for the payment of the amount payable from time to time by the Transferor to the Transferee under this Agreement.
- 4.03 The security expressed in this Agreement is granted both as a rent charge pursuant to section 219(6)(b) of the *Land Title Act* as an integral part of the statutory covenant created by this instrument and as a fee simple rent charge at common law of the Land.

## REMEDIES

- 5.01 At any time after the occurrence of any failure of the Transferor to observe, perform or comply with any covenant, obligation or proviso in this Agreement contained and on the part of the Transferor to be observed, performed or complied with (an "Event of Default") the Transferee, at its option, will be entitled to proceed to realize upon all or any part of the security hereby constituted and to enforce the Transferee's rights hereunder in one or more of the following ways:
- (a) by entering into and taking possession of the Land;
  - (b) by sale or lease of the Land under paragraph 5.02;
  - (c) by the appointment of a receiver or receiver-manager of the Land under paragraph 5.04;
  - (d) by proceedings in any court for the appointment of a receiver or receiver-manager or for the sale of the Land or for foreclosure;
  - (e) by distraint;
  - (f) by an action for recovery of any amount payable under this Agreement; and
  - (g) by any other action, suit, remedy or proceeding authorized or permitted by this Agreement or at law or in equity or by statute.
- 5.02 At any time after the occurrence of an Event of Default the Transferee will have the right, exercisable without notice to or the consent of the Transferor, to enter upon and sell or lease the Land by public auction or private sale and for such price and on such terms as to credit and otherwise and on such conditions all as the Transferee, in its sole discretion, deems advisable and:
- (a) the Transferee may rescind, suspend or vary any contract of sale or lease entered into under this paragraph;
  - (b) the Transferee may do all acts, give all assurances and execute all documents as may be necessary to give effect to a sale or lease made under this paragraph;
  - (c) the Transferee will not be liable for any loss arising out of any sale or lease made under this paragraph;
  - (d) no person seeking to purchase or lease the Land pursuant to the exercise of the Transferee's powers under this paragraph will be bound to enquire whether an Event of Default has occurred or continues or whether the sale or lease is proper or regular;
  - (e) any sale or lease purportedly made under this paragraph will be conclusively deemed to be valid and to have been made in accordance with the Transferee's powers under this paragraph; and



- (f) the Transferee will not be accountable to the Transferor for any monies due under a sale or lease made under this paragraph until any such monies are actually received by the Transferee.

5.03 The net proceeds of any sale or lease of the Land made under paragraph 5.02 will, subject to the prior claims of any secured or unsecured creditors, be applied by the Transferee:

- (a) firstly, in or towards payment of all costs, charges and expenses incurred by the Transferee; including solicitors' fees on a solicitor and client basis, of or incidental to anything done under paragraph 5.01;
- (b) secondly, in or towards payment to the Transferee of the monies owing under this Agreement; and
- (c) thirdly, in payment to the Transferor of any balance remaining.

5.04 At any time after the occurrence of an Event of Default the Transferee will have the right, exercisable by writing under the hand of any solicitor or agent authorized on its behalf, to appoint a receiver or receiver-manager of the Land (either of which is herein called the "Receiver") and to remove any Receiver so appointed and to appoint another in his or her place and if a Receiver is so appointed then:

- (a) the Receiver will be the agent of the Transferor and the Transferor will be solely responsible for the acts and defaults of the Receiver and for payment of the Receiver's remuneration, costs, charges and expenses;
- (b) the Receiver may do any or all of the following, namely
  - (i) enter upon and take possession of the Land,
  - (ii) demand, recover and receive all of the income, rents and profits of the Land and maintain any action or proceeding to collect such income, rents and profits,
  - (iii) give receipts for income and rents received,
  - (iv) carry on the Transferor's business on the Land,
  - (v) maintain, operate, manage, repair, renew, replace and restore the Land,
  - (vi) make any arrangement or compromise which the Receiver considers expedient, and
  - (vii) borrow money on the security of the Land to repair, insure or protect the Land or to pay off and discharge any lien, charge or encumbrance on the Land which has or may have priority over this Agreement;
- (c) the Receiver will be entitled to retain his or her disbursements out of the monies received by him together with commission of 5% of the



gross receipts or such higher rate as any judge of any court having jurisdiction may allow upon application;

- (d) the net profits of the sale of Land will, subject to the prior claims of any secured or unsecured creditors, be applied by the Receiver:
  - (i) firstly, in or towards payment of the disbursements and commission of the Receiver as provided in paragraph 5.04(c),
  - (ii) secondly, in or towards payment of all costs, charges and expenses of and incidental to the appointment of the Receiver,
  - (iii) thirdly, in or towards payment to the Transferee of the monies owing under this Agreement, and
  - (iv) fourthly, in payment to the Transferor of any balance remaining; and
- (e) neither the appointment of a Receiver under this paragraph nor any act of such Receiver will result in the Transferee being or being deemed to be a mortgagee in possession.

## NOTICES

6.01 Notices or demands authorized to be given under this Agreement may only be given by actual delivery or by fax or other by means of written communication mailed postage prepaid as follows:

- (a) to the Transferor at:

Macdonald Development Corporation  
11<sup>th</sup> Floor, 938 Howe Street  
Vancouver, BC V6Z 1N9

and

- (b) to the Transferee at:  
c/o Minister of Sustainable Resource Management  
Parliament Buildings  
Victoria, BC V8V 1X4

and any such notice or demand so mailed prepaid will be conclusively deemed to have been received on the eighth day following the day of the mailing of such notice or demand at any post office in the Province of British Columbia or, if delivered, on the day of delivery, or if faxed, on the date of such fax transmission.

## GENERAL PROVISIONS

7.01 If any paragraph of this Agreement or any part of a paragraph is found to be illegal or unenforceable, that part or paragraph, as the case may be, will be considered separate and severable and the remaining parts or paragraphs, as

the case may be, will not be affected and will be enforceable to the fullest extent permitted by law.

- 7.02 This Agreement will be construed in accordance with the laws of the Province of British Columbia.
- 7.03 Time is of the essence of this Agreement.
- 7.04 In this Agreement "person" includes a corporation, firm or association and wherever the singular or masculine is used it will be construed as if the plural or the feminine or the neuter, as the case may be, had been used where the context or the parties so require.
- 7.05 The headings or captions in this Agreement are inserted for convenience only and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.
- 7.06 There is no representation, warranty, guarantee, indemnity, condition or agreement or any condition or agreement applicable to, binding upon or enforceable against one party by the other with respect to the subject matter of this Agreement save for those expressed in this Agreement.
- 7.07 This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- 7.08 All dollar amounts expressed in this Agreement refer to lawful currency of Canada.
- 7.09 No consent or waiver, expressed or implied by one party to or of any breach or default by the other party in the performance by the other party of its obligations hereunder will be deemed or construed to be a consent or waiver to or of any other breach of default by the other party.

**END OF DOCUMENT**

## SCHEDULE F

### PERMITTED ENCUMBRANCES

1. With respect to the After Acquired Adjacent Land, the Highway Land and the Mineral Claims, all subsisting exceptions and reservations of rights, titles, interests and privileges contained in any previous Crown grant of the Land

2. With respect to the Environmental Levy Covenant:

PID: 015-868-931

District Lot 4015, Group 1 New Westminster District - Nil

PID: 015-868-982

District Lot 2734, Group 1 New Westminster District - Nil

PID: 015-914-020

District Lot 3623, Group 1 New Westminster District Except:

Firstly, Part in Reference Plans 4390,

Secondly, Part on Reference Plan 15041,

Thirdly, Part on Highway Plan 145 – Right of Way 140004M; and Right of Way 324477M

PID: 014-977-923

District Lot 7169A, Group 1 New Westminster District – Undersurface and other Exceptions and Reservations GC132758 and Covenant GC132759

PID: 015-913-996

District Lot 1897, Group 1 New Westminster District Except:

Firstly, Part in Reference Plan 4390,

Secondly, Part on Highway Plan 145 -Right of Way 140004M and Right of Way 324477M

District Lot 891, Group 1 New Westminster District Except:

Firstly, Part in Reference Plan 4390

Secondly, Part in Plan 19960

Thirdly, Part on Highway Plan 145

And Except Plan BCP \_\_\_\_\_ (a copy of which BCP plan is attached as Schedule H) Right of Way 140004M, Right of Way 324477M, Easement P85001

3. With respect to the Contaminated Land

PID: 015-914-887

District Lot 1892, Group 1 New Westminster District

Minerals Registered in A.F.B. 65-244/8746-G - Nil

PID: 015-914-909

District Lot 2489, Group 1 New Westminster District - Nil

PID: 015-914-895

District Lot 2266, Group 1 New Westminster District - Nil

PID: 015-913-970

District Lot 892, Group 1 New Westminster District Except

(a) Part in reference Plan 7313

(b) Part in Plan 19960

- Right of Way 140004M; Right of Way 324477M; Easement 489760M; and  
Easement P85001; Lease 489759M

PID: 015-914-925

District Lot 1937, Group 1 New Westminster District

Mineral Registered in A.F.B. 65-244/8746-G – Statutory Right of Way BN155422

PID: 015-915-298

District Lot 2348, Group 1 New Westminster District – Statutory Right of Way  
BN155422

PID: 015-915-280

District Lot 2335, Group 1 New Westminster District – Statutory Right of Way  
BN155422

PID: 015-915-301

District Lot 2331, Group 1 New Westminster District

Except Part in District Lot 2265 – Statutory Right of Way BN155422

PID: 015-915-271

District Lot 2265, Group 1 New Westminster District - Nil

PID: 015-913-813

District Lot 2488, Group 1 New Westminster District - Nil

PID: 015-913-805

District Lot 2263, Group 1 New Westminster District – Statutory Right of Way  
BN155422

PID: 014-913-252

District Lot 2264, Group 1 New Westminster District - Nil

PID: 015-913-791

District Lot 2262, Group 1 New Westminster District - Nil

PID: 015-868-958

District Lot 4017, Group 1 New Westminster District - Nil

PID: 015-869-024

District Lot 2891, Group 1 New Westminster District

Except portions in District Lots 2262 and 2263 – Nil

PID: \_\_\_\_\_

Lot A

District Lot 891, Group 1 New Westminster District

Plan BCP \_\_\_\_\_ (a copy of which BCP plan is attached as

Schedule H) – Right of Way 140004M, Right of Way 324477M, Easement

P85001