

Ruscheinski, Bonnie FLNR:EX

From: Ruscheinski, Bonnie FLNR:EX
Sent: Tuesday, December 2, 2014 3:17 PM
To: 'Tom Swann'
Subject: RE: Grace Islet
Attachments: 20141202151421.pdf

Hi Tom

Attached is the title for Grace Islet.

Cheers
Bonnie

Bonnie Ruscheinski, B.Comm., AACI, P.App. | Manager, Crown Land Opportunities | LNG, Crown Land Opportunities and Restoration Branch | Ministry of Forests, Lands and Natural Resource Operations
ph: 250-387-9746 | **cell:** 250-812-0422 | **e:** bonnie.ruscheinski@gov.bc.ca | **m:** PO Box 9352, Stn Prov Gov, Victoria BC V8W 9M1

This communication and all attachments are intended only for the addressee and are confidential. If you receive this communication in error, please delete it and notify me immediately. Thank you.

From: Tom Swann [<mailto:Tom.Swann@natureconservancy.ca>]
Sent: Tuesday, December 2, 2014 2:34 PM
To: Ruscheinski, Bonnie FLNR:EX
Subject: Grace Islet

Hi Bonnie,

I am working with Gary Townsend and his Ministry on finding an acceptable outcome for the above noted property. I have been provided with a copy of your internal valuation and would like to discuss this with you.

Thanks,

Tom

T.K. Swann, AACI, P.App., RI(BC)
Associate Regional Vice President
Director of Land Securement - BC Region

tom.swann@natureconservancy.ca

Nature Conservancy of Canada
1310 - 409 Granville Street
Vancouver, BC V6C 1T2

Direct Line - 604-331-0722

Cell: 778-838-4435

BC Regional Office

200 - 825 Broughton Street

Victoria, BC V8W 1E5

Phone - 250-479-3191

Website: <http://www.natureconservancy.ca>

Page 003 to/à Page 004

Withheld pursuant to/removed as

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Ruscheinski, Bonnie FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Tuesday, December 2, 2014 3:11 PM
To: Ruscheinski, Bonnie FLNR:EX
Subject: RE: Grace Islet

That would be fine, Bonnie. He is working for us and is covered under a confidentiality agreement. Thanks for checking and my apologies for not getting in touch with you about this sooner. I knew we had provided him some information but it had not clicked for me that we had probably given him access to your work.

Thanks again.

Gary

From: Ruscheinski, Bonnie FLNR:EX
Sent: Tuesday, December 2, 2014 3:08 PM
To: Townsend, Gary FLNR:EX
Subject: FW: Grace Islet

Hi Gary

Tom Swann had a copy of my analysis of Grace Islet and I answered a few questions for him. Is it ok for me to send him a copy of the title for Grace Islet and answer any further questions that he may have. I just want to make sure I am sharing information with only those who should have it.

Thanks
Bonnie

Bonnie Ruscheinski, B.Comm., AACI, P.App. | Manager, Crown Land Opportunities | LNG, Crown Land Opportunities and Restoration Branch | Ministry of Forests, Lands and Natural Resource Operations
ph: 250-387-9746 | **cell:** 250-812-0422 | **e:** bonnie.ruscheinski@gov.bc.ca | **m:** PO Box 9352, Stn Prov Gov, Victoria BC V8W 9M1

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To: Ruscheinski, Bonnie FLNR:EX
Subject: Grace Islet

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Thanks,

Tom

T.K. Swann, AACI, P.App., RI(BC)
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Website: <http://www.natureconservancy.ca>

Ruscheinski, Bonnie FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Tuesday, October 14, 2014 12:10 PM
To: Ruscheinski, Bonnie FLNR:EX
Cc: Edquist, Kevin FLNR:EX; Williams, Duncan FLNR:EX
Subject: Re: Grace Islet valuation

Hi Bonnie. Excellent and thorough work. Thank you.

Gary

Sent from my iPhone

On Oct 10, 2014, at 9:30 AM, Ruscheinski, Bonnie FLNR:EX <Bonnie.Ruscheinski@gov.bc.ca> wrote:

Hi Gary and Kevin

Please see my analysis attached. If you have any questions or would like any changes or have feedback, please don't hesitate to contact me.

Thanks
Bonnie

From: Townsend, Gary FLNR:EX
Sent: October-02-14 3:46 PM
To: Ruscheinski, Bonnie FLNR:EX
Subject: RE: Grace Islet valuation

Hi Bonnie, thanks for all your work on this. Please be assured that we do not want to push you beyond your comfort level and a possible range of values will be helpful.

Thanks again.

Gary

From: Ruscheinski, Bonnie FLNR:EX
Sent: Thursday, October 2, 2014 3:39 PM
To: Townsend, Gary FLNR:EX
Subject: RE: Grace Islet valuation

Hi Gary

I am pulling some for sale listings of small islands and will be doing some internet searches for islands that may have sold in the past couple of years (it will be a bit of a tedious process with the limited access to information and confidential nature of this work).

One thing that I need to stress is that I will not be able to offer an 'opinion of market value' as there is a great deal of analysis required and strict rules that my accreditation requires I adhere to when expressing any opinion of market value. What I can do is provide some data and a possible range of value without adjustments (if I can find comparables). There will be many adjustments that would need to be made to all the sales and any listings to factor in differences in location, size, zoning, moorage access, improvements, access to water and beaches, topography, site services, ect. All these adjustments are required to make an opinion of value. Also, as discussed with Kevin Edquist, some of the costs may be considered more in line of damages rather than part of any market evaluation (i.e. taxes paid for the past 20 years).

I will give you an update tomorrow on any progress I make. Please let me know if you have questions and concerns in the meantime given my above comments.

Regards
Bonnie

Bonnie Ruscheinski, B.Comm., AACI, P.App. | Manager, Crown Land Opportunities | LNG, Crown Land Opportunities and Restoration Branch
ph: 250-387-9746 | **e:** bonnie.ruscheinski@gov.bc.ca | **m:** PO Box 9352, Stn Prov Gov, Victoria BC V8W 9M1

<image001.jpg>

From: Townsend, Gary FLNR:EX
Sent: October-01-14 3:15 PM
To: Glaum, Doug FLNR:EX; Edquist, Kevin FLNR:EX
Cc: Ruscheinski, Bonnie FLNR:EX
Subject: Grace Islet valuation

Gentlemen, could you please get in touch with Bonnie asap to arrange a meeting to go over Doug's valuation work to date, discussion with the owner's agent and talk about an approach to get the information that she will need to undertake a more fulsome valuation, e.g. a boat trip to the island, but given the confidentiality of the situation, not likely a walk on the island.

Thanks Bonnie for helping us out!

Gary

<Analysis of Grace Islet values.pdf>

Ruscheinski, Bonnie FLNR:EX

From: Ruscheinski, Bonnie FLNR:EX
Sent: Friday, October 10, 2014 9:30 AM
To: Townsend, Gary FLNR:EX; Edquist, Kevin FLNR:EX
Subject: RE: Grace Islet valuation
Attachments: Analysis of Grace Islet values.pdf

Hi Gary and Kevin

Please see my analysis attached. If you have any questions or would like any changes or have feedback, please don't hesitate to contact me.

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Bonnie

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I will give you an update tomorrow on any progress I make. Please let me know if you have questions and concerns in the meantime given my above comments.

Regards

Bonnie

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Ministry of
Forests, Lands and
Natural Resource Operations

From: Townsend, Gary FLNR:EX

Sent: October-01-14 3:15 PM

To: Glaum, Doug FLNR:EX; Edquist, Kevin FLNR:EX

Cc: Ruscheinski, Bonnie FLNR:EX

Subject: Grace Islet valuation

Gentlemen, could you please get in touch with Bonnie asap to arrange a meeting to go over Doug's valuation work to date, discussion with the owner's agent and talk about an approach to get the information that she will need to undertake a more fulsome valuation, e.g. a boat trip to the island, but given the confidentiality of the situation, not likely a walk on the island.

Thanks Bonnie for helping us out!

Gary

Forests, Lands and Natural Resources

TO: Gary Townsend

FROM: Bonnie Ruscheinski, B.Comm., AACI

DATE: October 10, 2014

RE: Analysis of the Grace Islet (the 'subject property' (PID 00907713) – assumed vacant and free of any First Nation burial cairns

The following is intended for internal use by the Ministry of Forests, Lands and Natural Resources, and must not be relied upon by any other person or party, or for any other purpose. This is not intended to be an opinion of market value.

s.13,s.17

It is recommended that a full narrative appraisal report be commissioned for this property to ascertain a true market value.

Given the restrictive nature of this market investigation (there has been no inspection of the subject or comparable properties and no verification of data), the following value discussion is not intended to provide an estimate of the market value for the subject property. The following analysis does not include all of the descriptive data, analysis, and due diligence, etc. required by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it must not be construed as a formal estimate of value that meets the Standards of the Appraisal Institute of Canada.

As at October 9, 2014, sale listings of vacant islands and islets in the South Gulf Islands (in the CRD, Cowichan Land District) that are considered comparable to the subject property were investigated through sites such as Private Islands Online. Information on privately owned islands and islets in the same area that are not currently for sale in the open market was also acquired through sources such as GeoBC, BC Assessment, CRD MapViewer, and LTSA. The comparable properties presented below (see **summary chart on page 4**) are a subset of a more extensive list of islands/islets obtained during the course of analysis. The subset is considered to provide the most comparable data to the subject property (known as Grace Islet - PID 00907713) and require the least amount of adjustments.

Comparable No. 1: Powder Islet is a smaller islet compared to the subject property but is located within close proximity. It is considered one of the best comparable properties and is likely superior to the subject property largely due to nominal improvements on the site as reported by BC Assessment. Other adjustments for site services, size, time, and moorage features, etc. could not be made with the limited information available. A title transfer in June 2014 appears to be between unrelated parties but verification of whether this was an open market sale could not be conducted. This property transferred

at \$209/sq. m of land but includes some value for the older improvements on the site. BC Assessment has split the land component from the 2014 Assessment out at \$193/sq. m. Overall, this comparable is considered slightly superior to the subject property for those features that could be compared and the value of the subject would be expected to be lower than the \$193/sq. m. assessed value of the land of this comparable.

Comparable No. 2: Twilight Island is a smaller islet compared to the subject property. It is located within close proximity to the subject but further from Ganges and the marina. It is considered slightly superior to the subject property due to the nominal improvements on the site as reported by BC Assessment. Other adjustments for site services, size, time, and moorage features, etc. could not be made with the limited information available. BC Assessment has split the land component from the 2014 Assessment out at \$179/sq. m. Overall, this comparable is considered slightly superior to the subject on those features that could be compared and the assessed and market value of the subject would likely be expected to be slightly lower than this comparable.

Comparable No. 3: Harlock Island is located off the east side of Sidney and is currently listed for sale for \$169/sq. m of land which is lower than the last transfer of title which occurred in December 2011 for \$238/sq. m. of land. It is slightly smaller than the subject but otherwise is considered a very good comparable. There are three tear-down structures on the island with no value according to the marketing brochure. Other adjustments for site services, size, time, and moorage features, etc. could not be made with the limited information available. BC Assessment assessed the land at \$170/sq. m in 2014. This is considered a similar to slightly superior property compared to the subject on those features that could be compared and the assessed and market value of the subject could be expected to be in a similar to slightly lower value range as this comparable, all else being equal.

Comparable No. 4 and 5: Clam Shell Islet and Fishermans Island are both located off Salt Spring Island but farther from Ganges than the subject. They are both a similar size to the subject. The 2014 BC Assessment values are \$34/sq. m. and \$67/sq. m, respectively, which appear very low - it is suspected there is a locational factor associated with these islands that place downward pressure on the value. Other adjustments for site services, size, time, and moorage features, etc. could not be made with the limited information available. Without further investigation to understand what adjustments should be made, no weight is placed on these comparables.

Comparable No 6: Fane Island is a slightly larger island than the subject and is currently listed for sale at \$189/sq. m of land (but include nominal cabin improvements). This island is located in Navy Channel, northeast of North Pender Island which is considered inferior to the subject property. Other adjustments for site services, size, time, and moorage features, etc. could not be made with the limited information available. The 2014 BC Assessment has split the land component out at \$82/sq. m. Overall, this comparable is considered inferior to the subject on those features that could be compared and the assessed value of the subject would be expected to be higher than this comparable.

Comparable No. 7: First Sister island is a larger island than the subject property. It is located within close proximity to the subject but further from Ganges and the marina. There are nominal improvements on the island according to BC Assessment which make the value of this property in the land. Other adjustments for site services, size, time, and moorage features could not be made with the limited information available. The 2014 BC Assessment value for the land component is \$96/sq. m. Overall, this comparable is considered inferior to the subject property on those features

that could be compared and the value of the subject would be expected to be higher than the value of this comparable.

Summary

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2014 Assessment														
Comp. No.	PID	Land Square meters (approx)	Island Name	Location	2014 Total Assessment Value	Land	Improv'ts	Assessed Land \$/SM	Current List Price	List Price \$/SM land	Declared Transfer Price	Last Transfer Date	\$/SM Transfer	Compared to the Subject
Subject	009077138	5,127	Grace Islet	SUBJECT PROPERTY	\$ 590,000	\$590,000	\$ -	\$ 115				1990		
1	000950084	1,924	Powder Islet	Salt Spring close to subject and Ganges	\$ 407,800	\$372,000	\$ 35,800	\$ 193			\$403,000	June 2014	\$ 209	superior
2	000487724	2,368	Twilight Island	Salt Spring, fairly close to subject, farther from Ganges	\$ 476,000	\$424,000	\$ 52,700	\$ 179				1995		slightly superior
3	000416568	3,516	Harlock Islet	Near North Saanich	\$ 602,800	\$598,000	\$ 4,800	\$ 170	\$ 595,000	\$169	\$835,100	Dec 2011	\$ 238	similar
4	001375458	5,017	Clamshell Islet	Salt Spring but not as close to Ganges	\$ 170,000	\$170,000	\$ -	\$ 34			\$195,000	April 2008	\$ 39	inferior
5	008018979	5,826	Fishermans Island	Salt Spring, fairly close to subject, farther from Ganges	\$ 436,700	\$390,000	\$ 46,700	\$ 67				1987		inferior
6	007602901	6,861	Fane Island	Gulf Islands, Navy Channel, adjacent Pender Island	\$ 584,000	\$563,000	\$ 21,000	\$ 82	\$1,295,000	\$189		1987		inferior
7	009596038	8,373	First Sister Island	Salt Spring, fairly close to subject, farther from Ganges	\$ 809,300	\$805,000	\$ 4,300	\$ 96				2001		slightly inferior

Ruscheinski, Bonnie FLNR:EX

From: Westmacott, Susan FLNR:EX
Sent: Wednesday, October 8, 2014 10:09 AM
To: Ruscheinski, Bonnie FLNR:EX; Liesch, Nancy FLNR:EX
Cc: Edquist, Kevin FLNR:EX; Westmacott, Susan FLNR:EX; MacGregor, Sarah FLNR:EX
Subject: RE: Southern Gulf Islands
Attachments: 20141007160823.pdf; Southern_Gulf_Islands v4.xlsx; Southern_Gulf_Islands.kml

Bonnie,

I have attached an updated spreadsheet with some additional information on improvements, BC Assessment reports for those parcels with PIDs, and a KML file for your reference. Please let me know if you have any questions,
Susan

From: Ruscheinski, Bonnie FLNR:EX
Sent: Monday, October 6, 2014 8:23 AM
To: Liesch, Nancy FLNR:EX
Cc: Westmacott, Susan FLNR:EX; Edquist, Kevin FLNR:EX
Subject: RE: Southern Gulf Islands

Thank you Nancy!

This is a great start. One thing I am wondering – do you also have the information on whether there are improvements on the islands and what size?

Bonnie

From: Liesch, Nancy FLNR:EX
Sent: October-05-14 10:02 AM
To: Liesch, Nancy FLNR:EX; Ruscheinski, Bonnie FLNR:EX
Cc: Westmacott, Susan FLNR:EX; Edquist, Kevin FLNR:EX
Subject: Southern Gulf Islands

Bonnie,

Attached is the first cut of the information you were asking for, a spreadsheet listing as well as a PDF set of sketch maps. The islands captured fit the following description:

Topography	Islet or island
Size	<20,000 SM
Title	Freehold/Private
Location	South Gulf Islands

We have also reported out on surveyed crown as well as unsurveyed crown islands. Thought it could be useful for future reference, only the private islands have had a sketch map created for them.

Please note, areas are approximate and the ownership designation may not be 100% correct, more detailed research is always required if this is important.

Any feedback is appreciated, we are happy to make any further adjustments to meet your needs.

Page 016 to/à Page 046

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Ownership Class	PID	Legal Description	Square meters (approximate)	Island Name	Regional District	Land District	Assessed Value
PRIVATE	000066427	DL 43 COWICHAN DISTRICT	12,055	Deadman Islands	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	000416568	DL 67 COWICHAN DISTRICT SHWN ON PL 49268	780	Harlock Islet	CRD, NORTH SAANICH	COWICHAN DISTRICT	
PRIVATE	000950084	L 349 COWICHAN DISTRICT	1,934	Powder Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	001375458	L 222 COWICHAN DISTRICT CONT 110 ACS M/L	5,017	Clamshell Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	002869942	PT OF SEC 91 VICTORIA DISTRICT BNG THE SMALLER OF TWO ISS COMPRISING SAID SEC & KNOWN AS LITTLE SHELL IS	8,690	Little Shell Island	CRD, RURAL	VICTORIA DISTRICT	
PRIVATE	003101932	PT OF SEC 5-C TWIN ISS OYSTER SHOWN COLOURED BROWN ON PL 1595-R	1,058	Dunsmuir Islands	CVRD, RURAL	OYSTER DISTRICT	
PRIVATE	004337581	L 346 DOUGLAS IS (ALSO KNOWN AS PROTECTION IS) NANAIMO DISTRICT PL 14111	8,143	unknown	RDN, NANAIMO CITY	NANAIMO DISTRICT	
PRIVATE	005085560	L 126 LION IS COWICHAN DISTRICT	5,319	Lion Islets	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	007078811	L 8 SPHINX IS COWICHAN DISTRICT CONT 4 ACS M/L	14,909	Sphinx Island	CRD, RURAL	COWICHAN DISTRICT	

PRIVATE	007602901	DL 31 FANE OR THAIN IS COWICHAN DISTRICT	6,861	Fane Island	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	008018979	DL 73 COWICHAN DISTRICT CONT 75 OF AN AC M/L SHWN ON PL DEPOSITED UNDER DD 965871 & BNG AN IS IN LONG HARBOUR NORTH SALT SPRING IS	5,826	unknown	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	008725926	DL 17 (FLAT TOP ISS) NANAIMO DISTRICT	4,092	Carlos Island	RDN, RURAL	NANAIMO DISTRICT	
PRIVATE	009077138	L A DL 47 COWICHAN DISTRICT PL 45887	5,127	Grace Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009421645	L 2 NORTH SAANICH DISTRICT INCLUDING A STRIP 1 CH IN WIDTH MEAS INLND FROM HWM	13,574	Kolb Island	CRD, NORTH SAANICH	NORTH SAANICH DISTRICT	
PRIVATE	009451978	THOSE PTS OF SEC 5C OYSTER (TWIN ISS) OUTL RED ON PL 1489R	15,395	Bute Island	CVRD, RURAL	OYSTER DISTRICT	
PRIVATE	009595180	PT OF DL 45 COWICHAN DISTRICT IN PL 1971R	14,825	Second Sister Island	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009595953	L 33 COWICHAN DISTRICT	18,200	Owl Island	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009595988	L 37 JOHNSTONE IS COWICHAN DISTRICT	7,836	Johnson Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009596038	L 44 COWICHAN DISTRICT	8,373	First Sister Island	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009596194	L 53 COWICHAN DISTRICT	8,635	Trevor Islet	CRD, RURAL	COWICHAN DISTRICT	

PRIVATE	009596259	DL 145 COWICHAN DISTRICT	957	unknown	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009596461	L 166 COWICHAN DISTRICT	2,164	unknown	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009776966	PT OF DL 73 NANAIMO DISTRICT KNOWN AS TREE IS AS SAID IS SHWN ON PL DEPOSITED UNDER DD 11793I	8,904	Tree Island	CVRD, RURAL	NANAIMO DISTRICT	
CROWN PROVINCIAL	009813004	ARBUTUS IS VICTORIA DISTRICT	3,625	Arbutus Island	CRD, RURAL	VICTORIA DISTRICT	
CROWN PROVINCIAL	009813021	SPIT IS VICTORIA DISTRICT	1,835	Patrol Island	CRD, RURAL	VICTORIA DISTRICT	

Ruscheinski, Bonnie FLNR:EX

From: Liesch, Nancy FLNR:EX
Sent: Thursday, October 2, 2014 4:10 PM
To: Ruscheinski, Bonnie FLNR:EX
Subject: Re: Grace Islet valuation

Perfect . Will let you know if we have more questions ...

Nancy

On Oct 2, 2014, at 4:07 PM, "Ruscheinski, Bonnie FLNR:EX" <Bonnie.Ruscheinski@gov.bc.ca> wrote:

I really want what is in the CRD or Islands Trust I think as a start.

From: Liesch, Nancy FLNR:EX
Sent: October-02-14 4:06 PM
To: Ruscheinski, Bonnie FLNR:EX
Subject: RE: Grace Islet valuation

Hi Bonnie,

When you say southern gulf islands, would it be the entire Islands Trust boundary you are thinking of, or is it a different area?

Nancy

From: Ruscheinski, Bonnie FLNR:EX
Sent: October-02-14 4:02 PM
To: Liesch, Nancy FLNR:EX
Cc: Edquist, Kevin FLNR:EX
Subject: RE: Grace Islet valuation


Hi Nancy

I hope you can assist. At the bottom of this email are some of the requirements I am looking to find (and map).

Please contact me with any questions

Thanks
Bonnie

Bonnie Ruscheinski, B.Comm., AACI, P.App | Manager, Crown Land Opportunities | LNG, Crown Land Opportunities and Restoration Branch

ph: 250-387-9746  | **e:** bonnie.ruscheinski@gov.bc.ca | **m:** PO Box 9352, Stn Prov Gov, Victoria BC V8W 9M1

<image001.jpg>

From: Edquist, Kevin FLNR:EX
Sent: October-02-14 4:01 PM
To: Ruscheinski, Bonnie FLNR:EX
Cc: Liesch, Nancy FLNR:EX
Subject: RE: Grace Islet valuation

The contact's name at GeoBC is Nancy Liesch, copied her so you have her email.

From: Ruscheinski, Bonnie FLNR:EX
Sent: Thursday, October 2, 2014 3:50 PM
To: Edquist, Kevin FLNR:EX
Subject: RE: Grace Islet valuation

Thanks. ☺

From: Edquist, Kevin FLNR:EX
Sent: October-02-14 3:49 PM
To: Ruscheinski, Bonnie FLNR:EX
Subject: Grace Islet valuation

Hi, Bonnie – just have a call in to GeoBC now, will get them on it asap.

From: Ruscheinski, Bonnie FLNR:EX
Sent: Thursday, October 2, 2014 3:28 PM
To: Edquist, Kevin FLNR:EX
Subject: FW: Grace Islet valuation

Hi Kevin

Is there a guru at GeoBC who could do a search of all South Gulf islands with the parameters below. I know at BC Assessment I used to be able to do some great searches. This would save me a tremendous amount of time identifying PIDs of islands via manual searching of sites like the CRD Mapviewer. I can then pull title and see if any have sold in the recent past.

Criteria:

Topography	Islet or island
Size	<20,000 SM
Title	Freehold/Private
Location	South Gulf Islands

Once the search is done, I would like the following:

PID

Size

Name of Island

Jurisdiction/Location

Assessed Value??? – do we have access to BC Assessment info maps?

Thanks
Bonnie

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Sent: October-01-14 3:15 PM
To: Glaum, Doug FLNR:EX; Edquist, Kevin FLNR:EX
Cc: Ruscheinski, Bonnie FLNR:EX
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Thanks Bonnie for helping us out!

Gary

Page 053 to/à Page 056

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Page 057

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Page 058 to/à Page 077

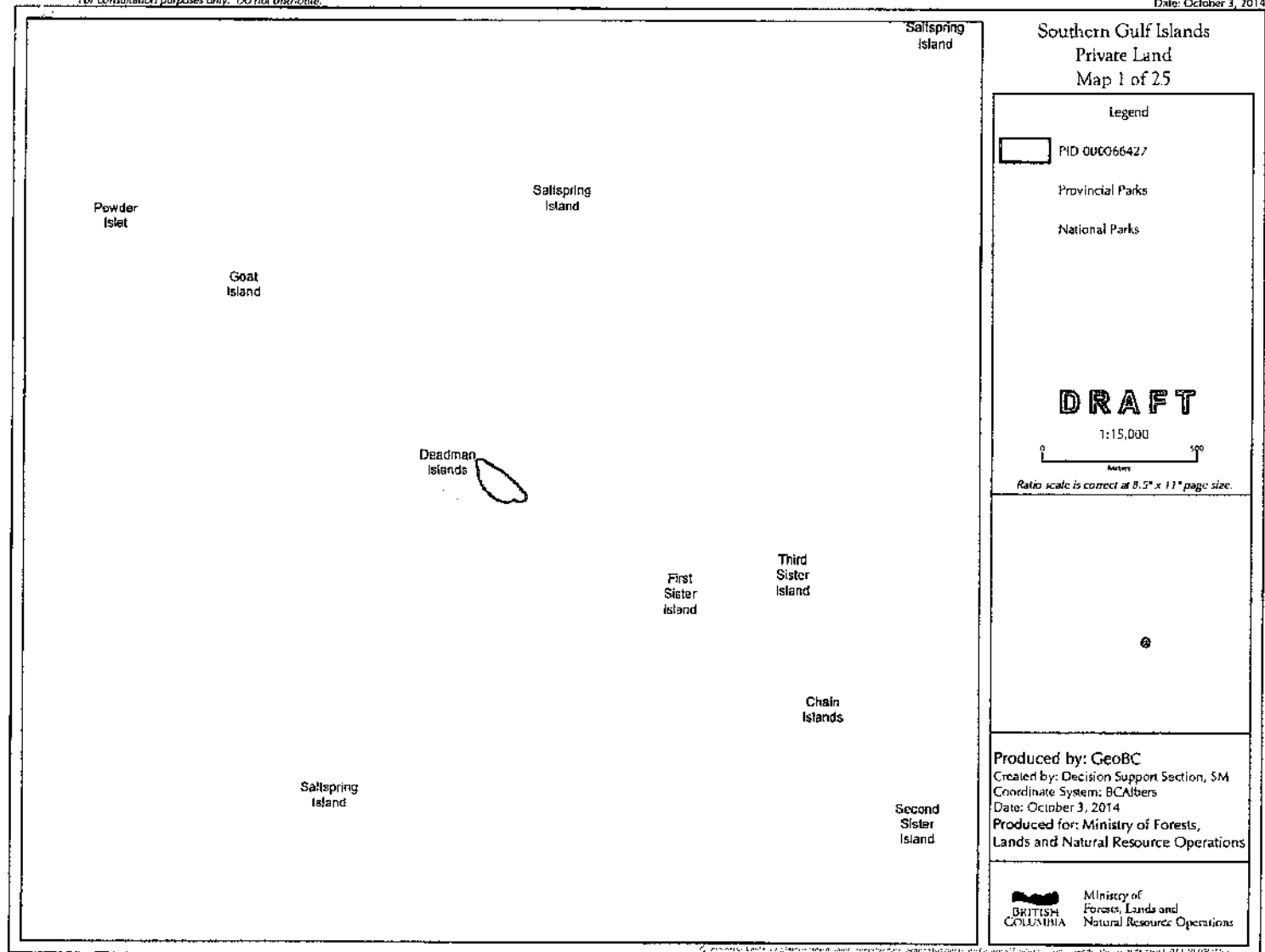
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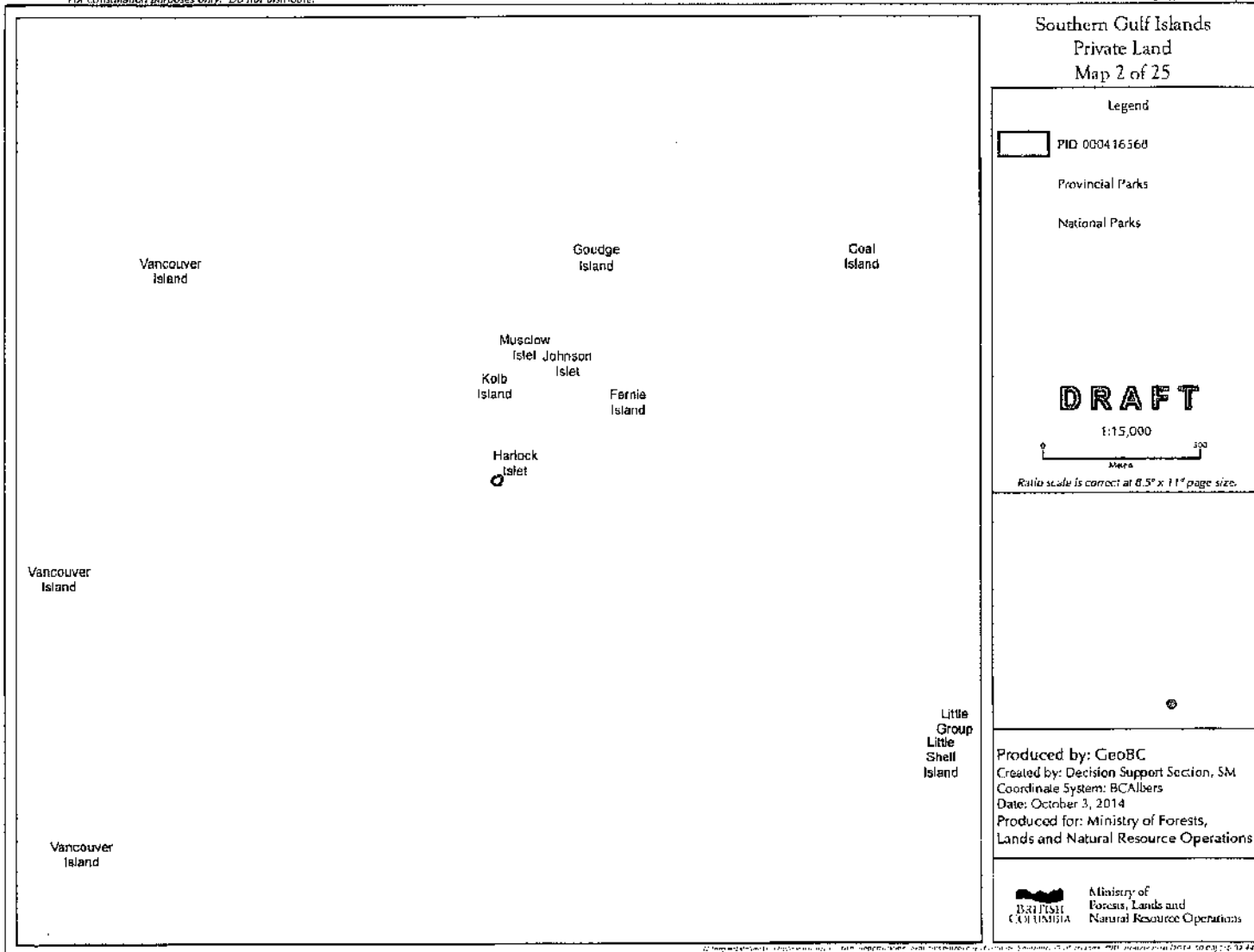
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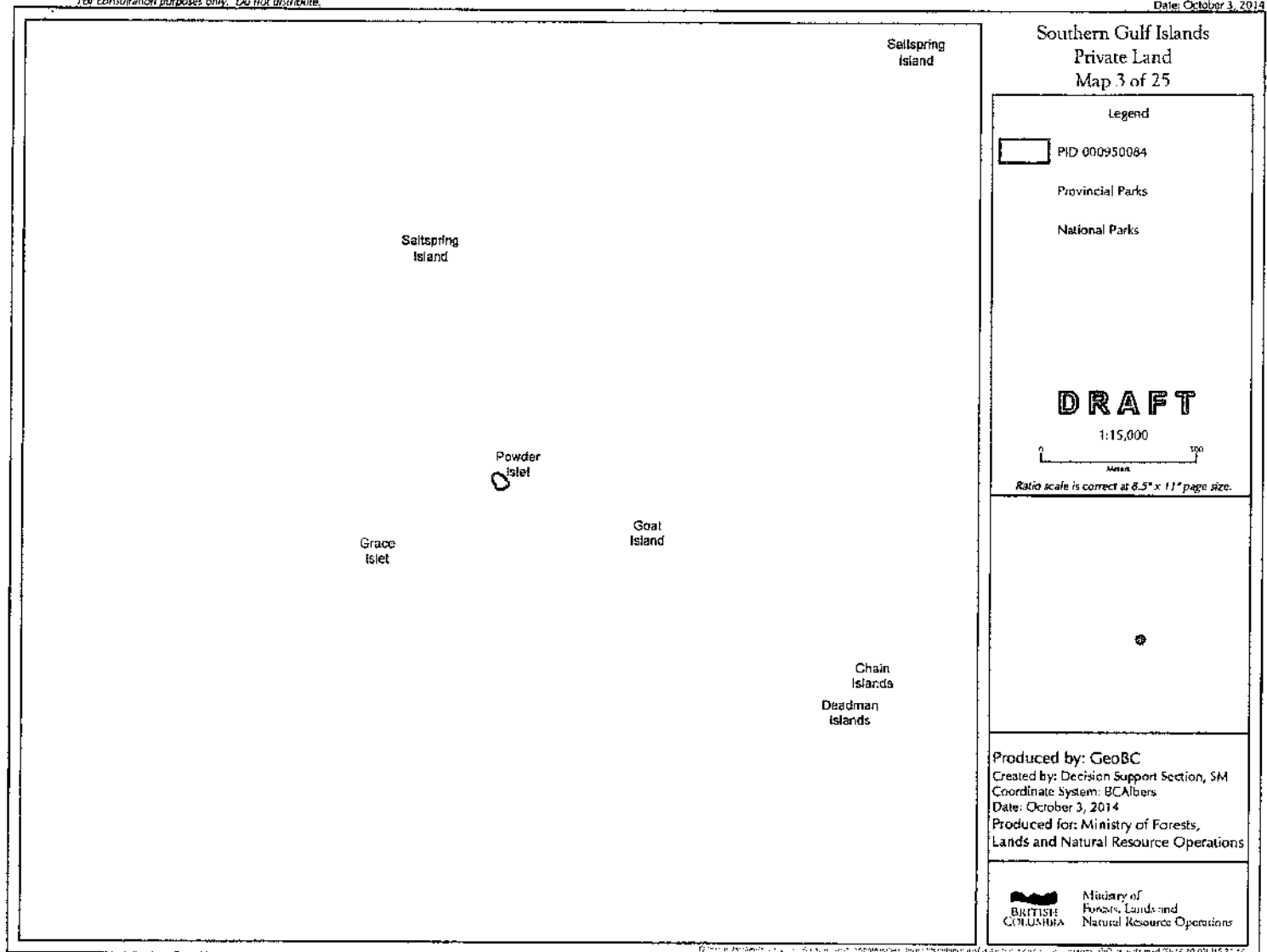
Page 025 to/à Page 054

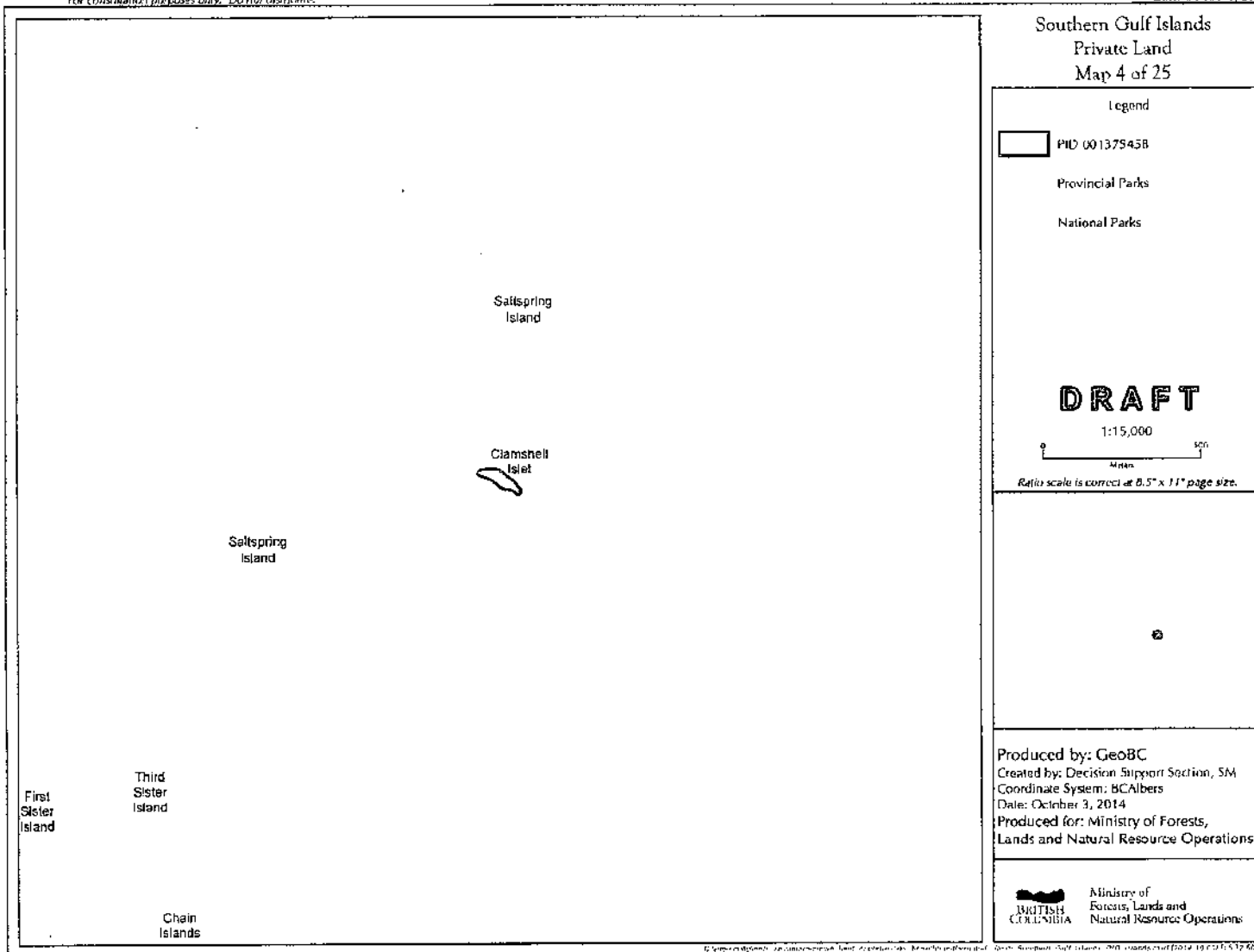
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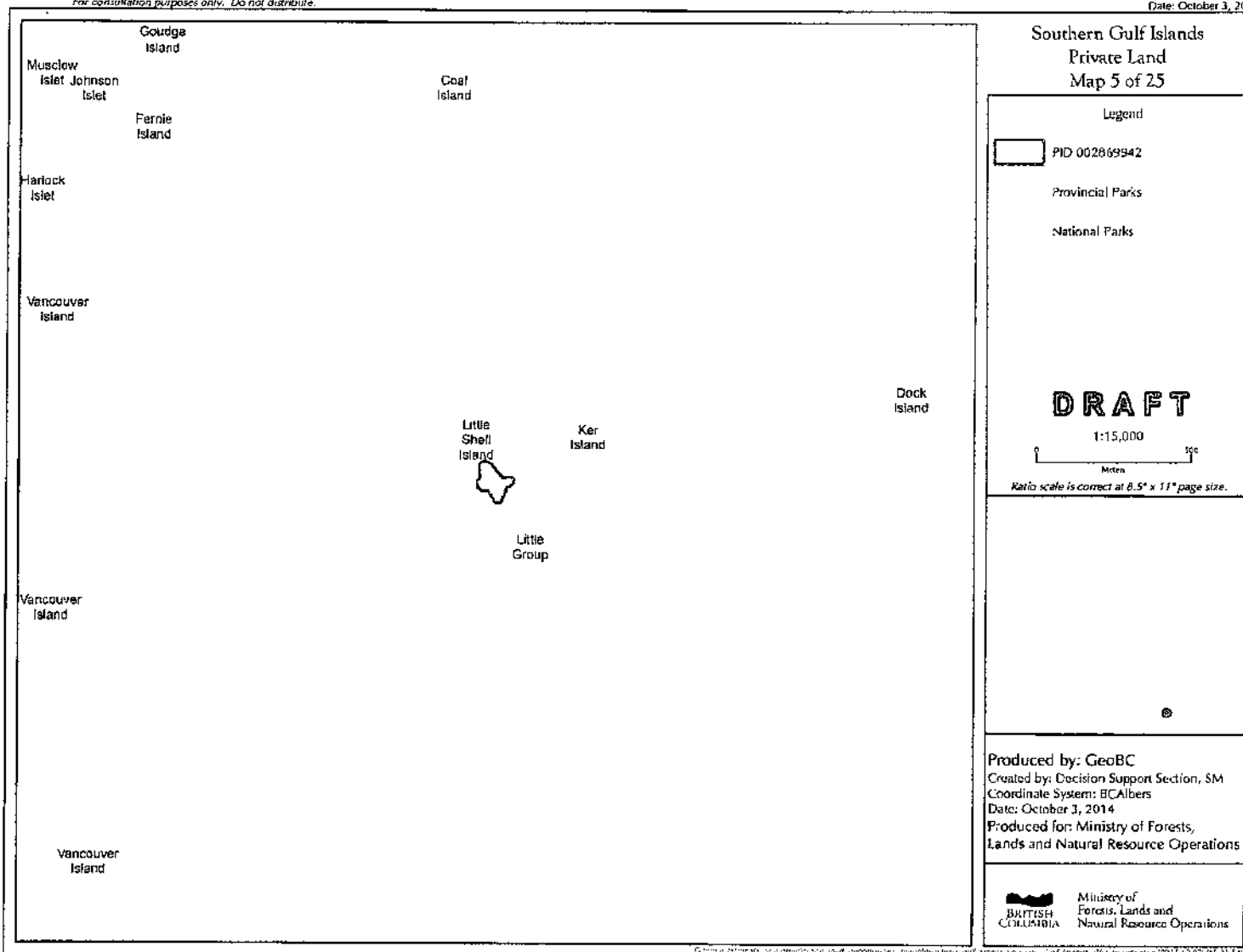


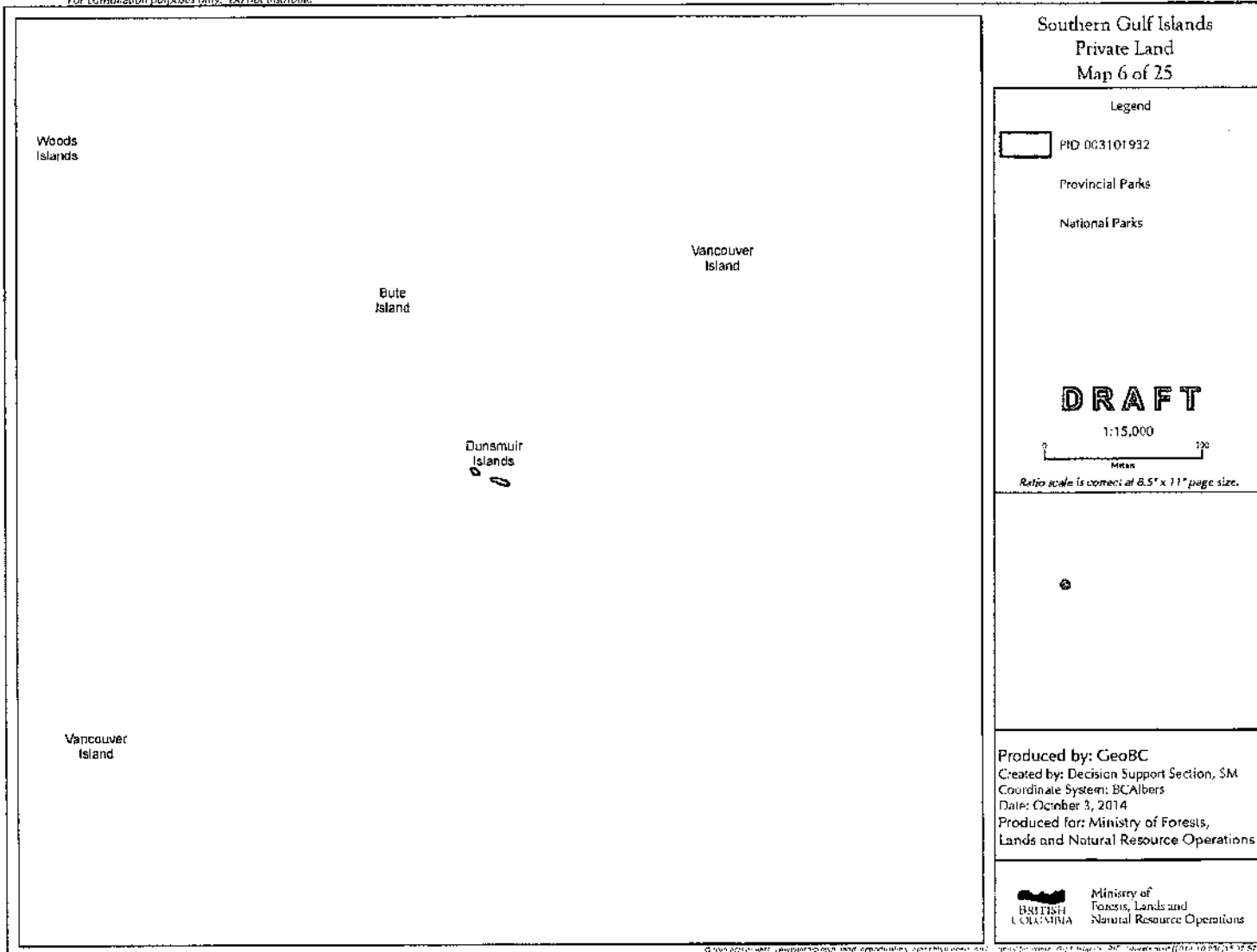


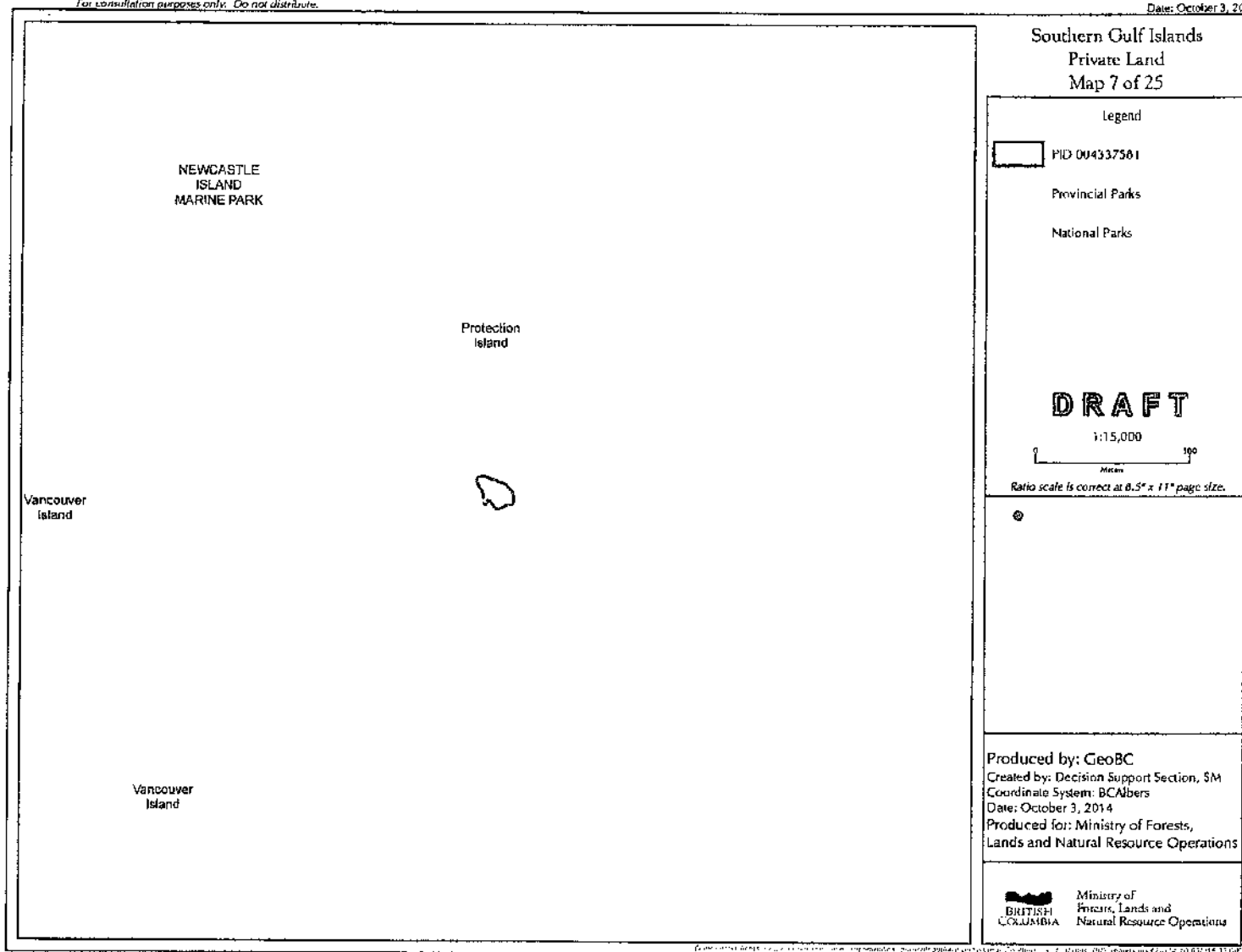


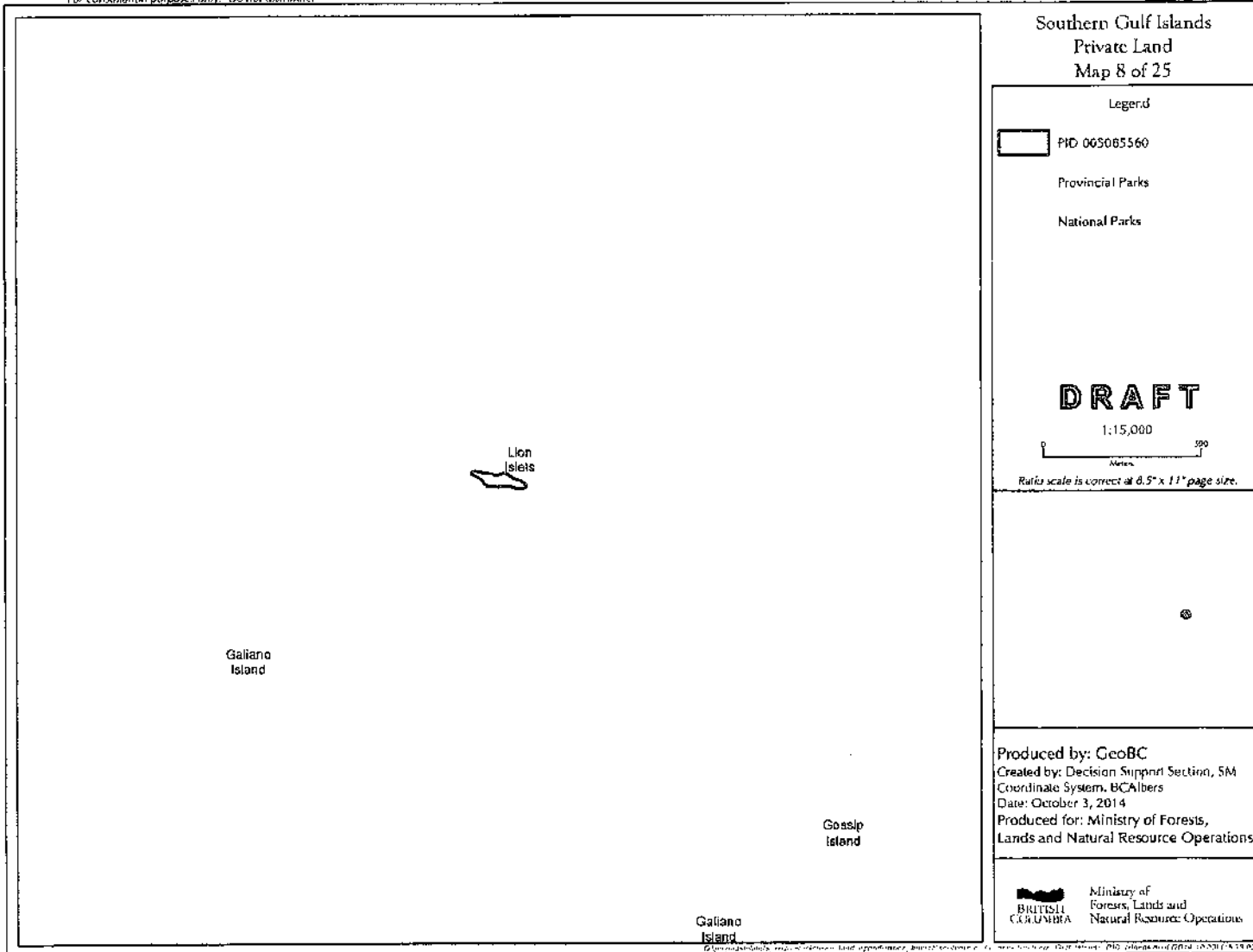
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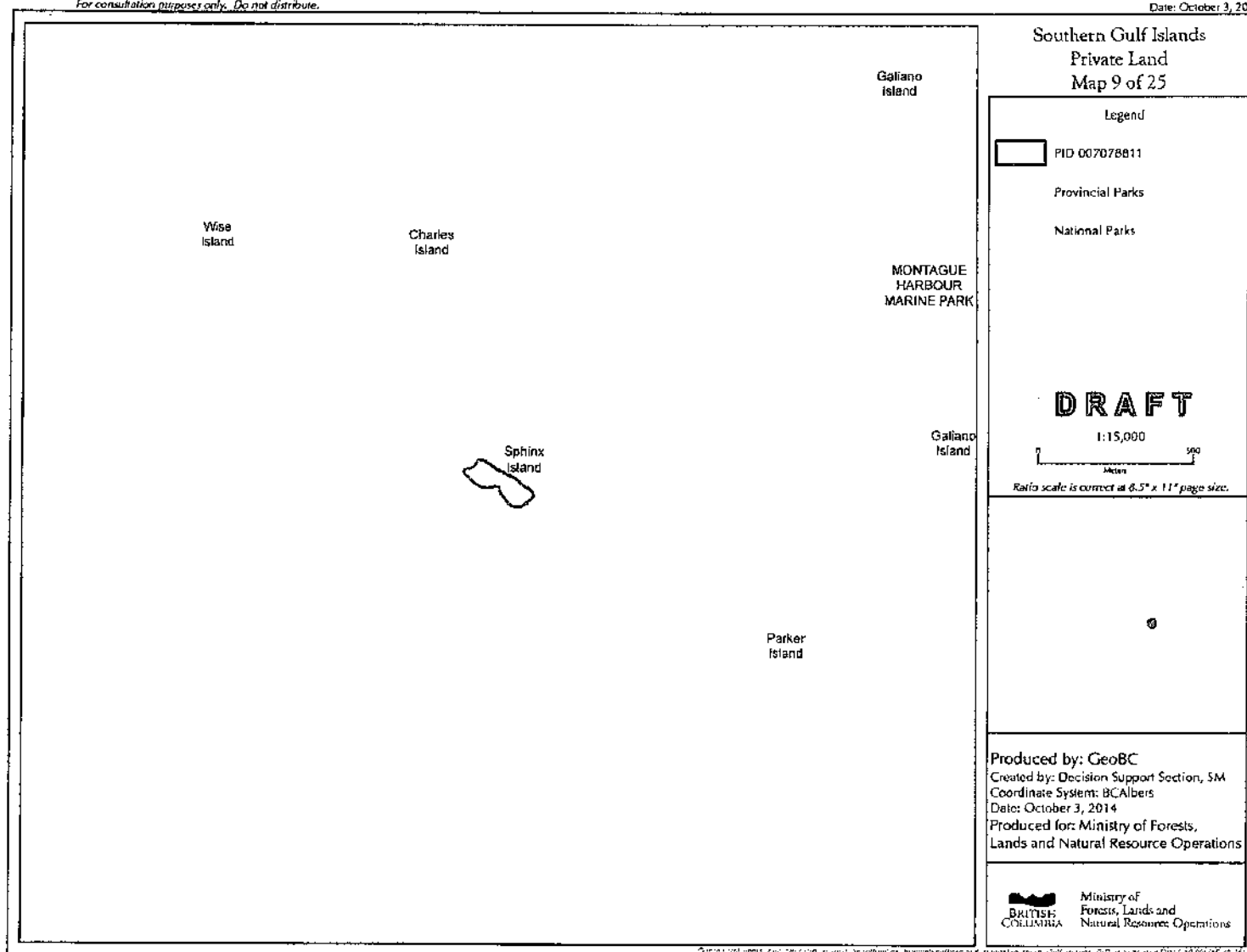
Date: October 3, 2014

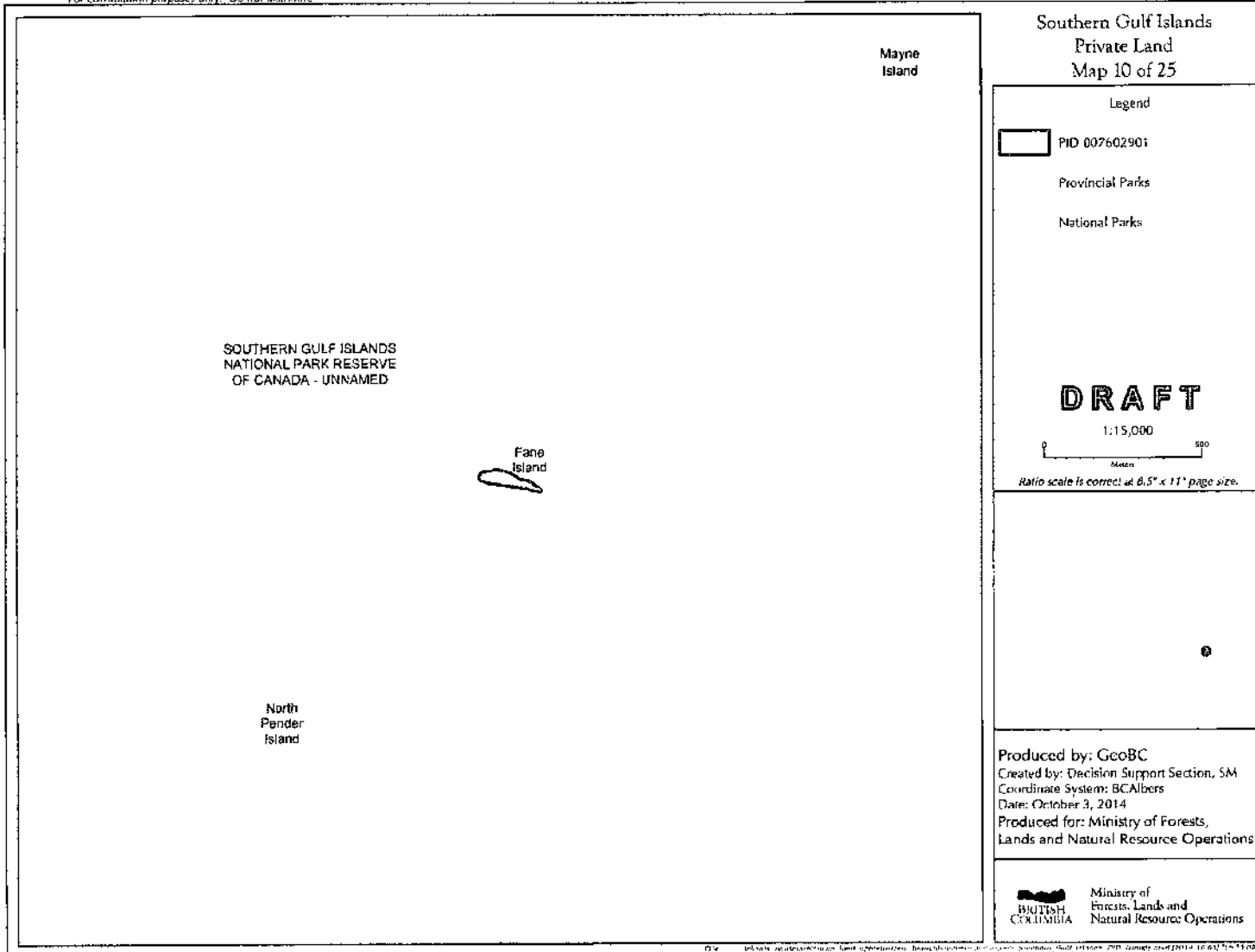


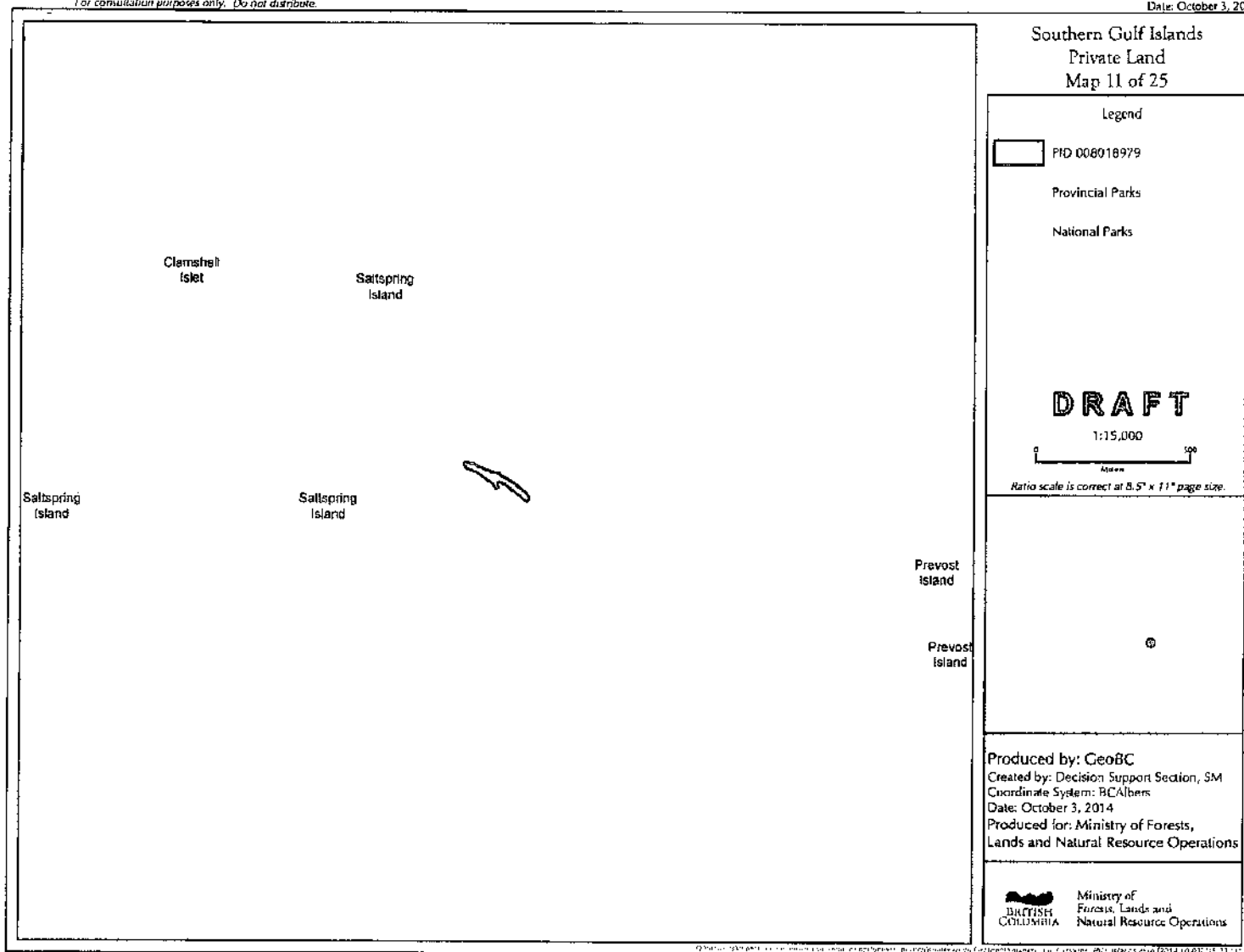


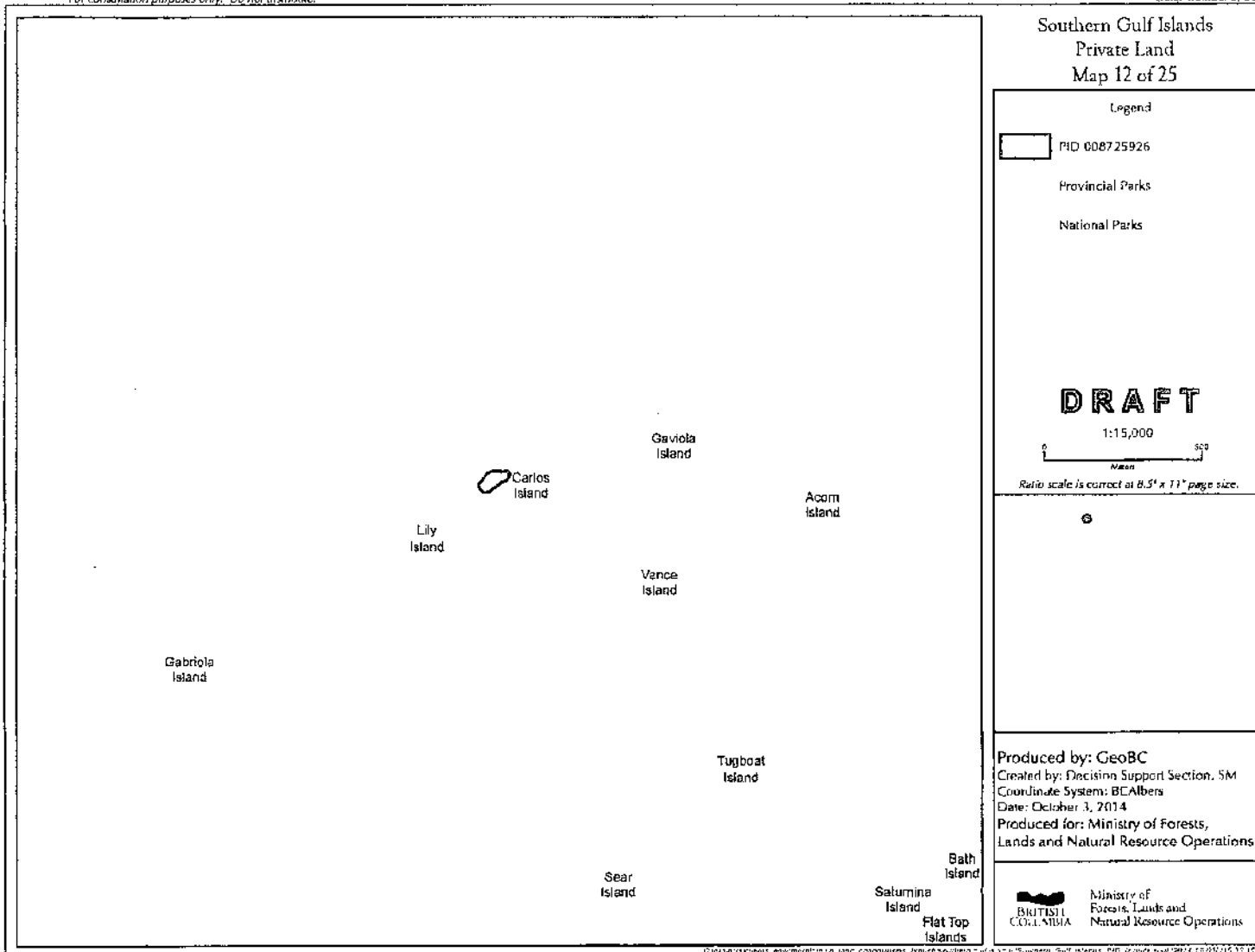


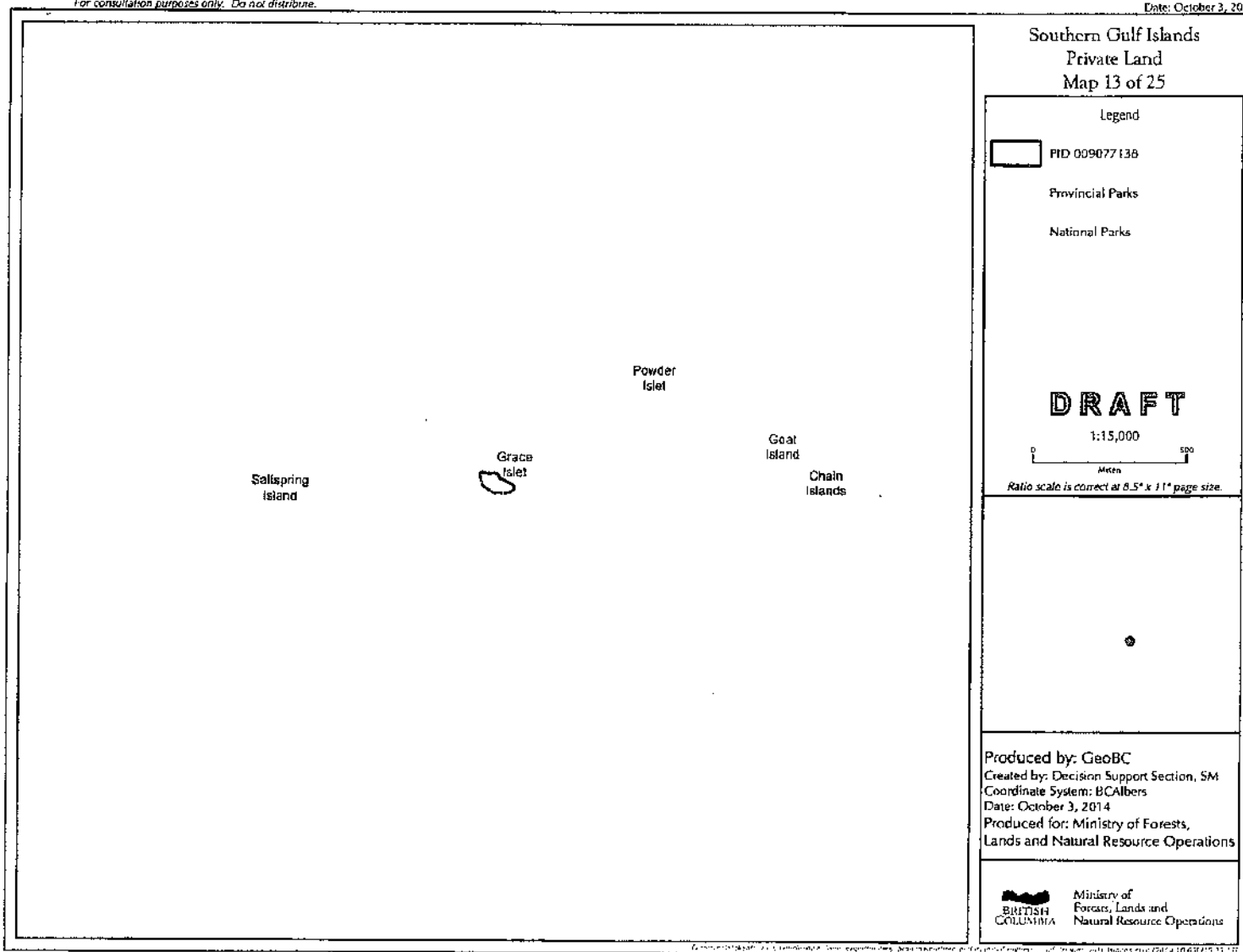


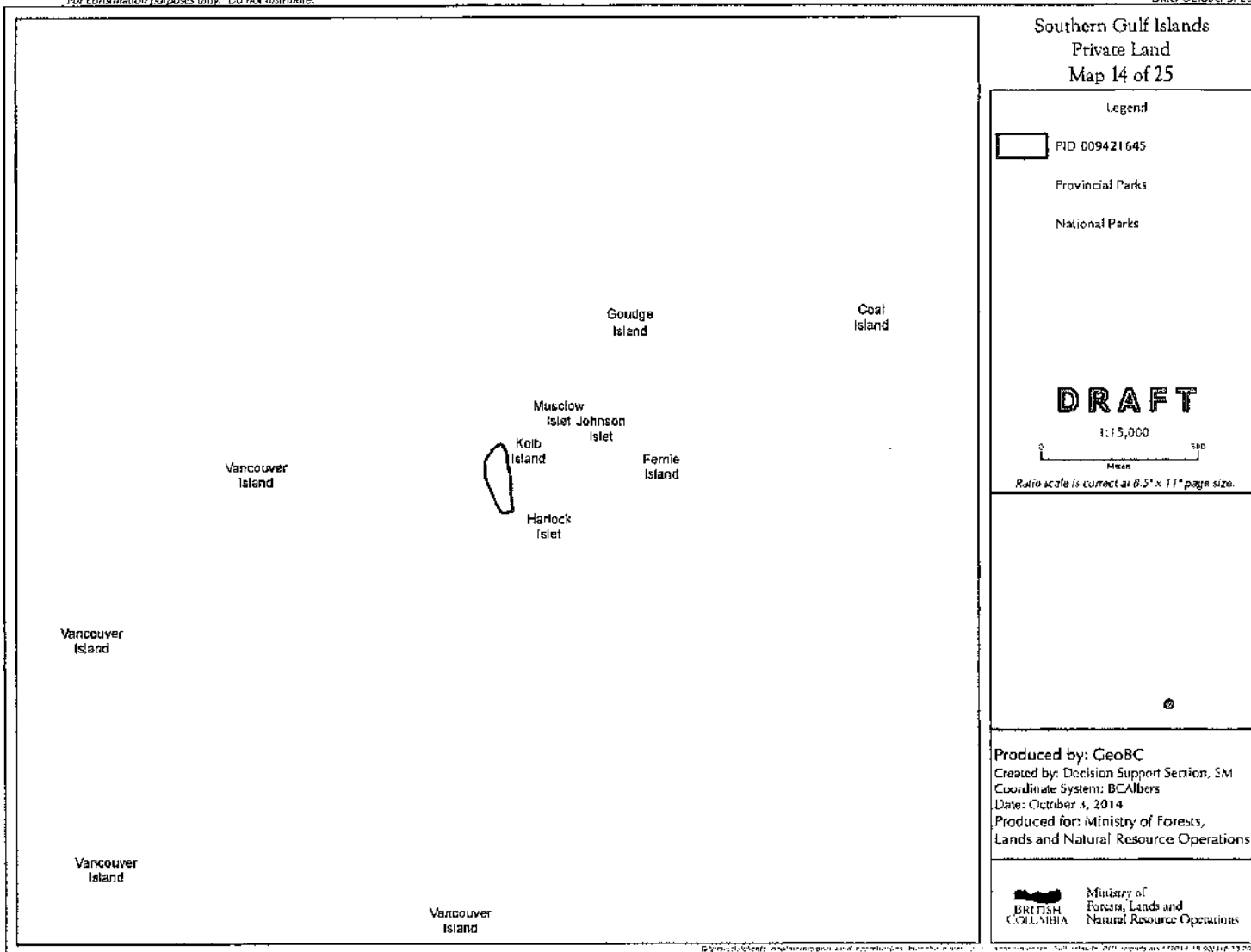


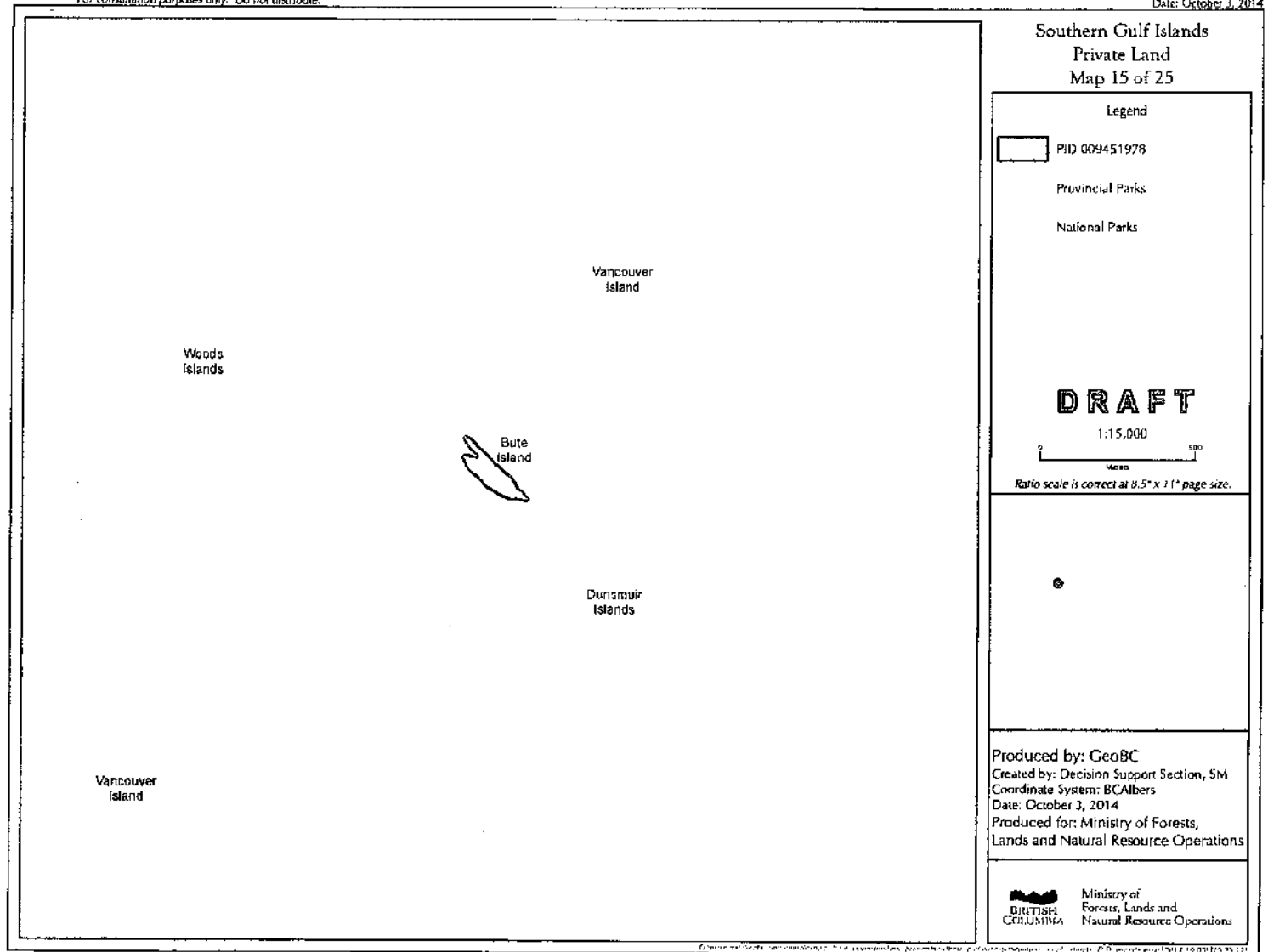


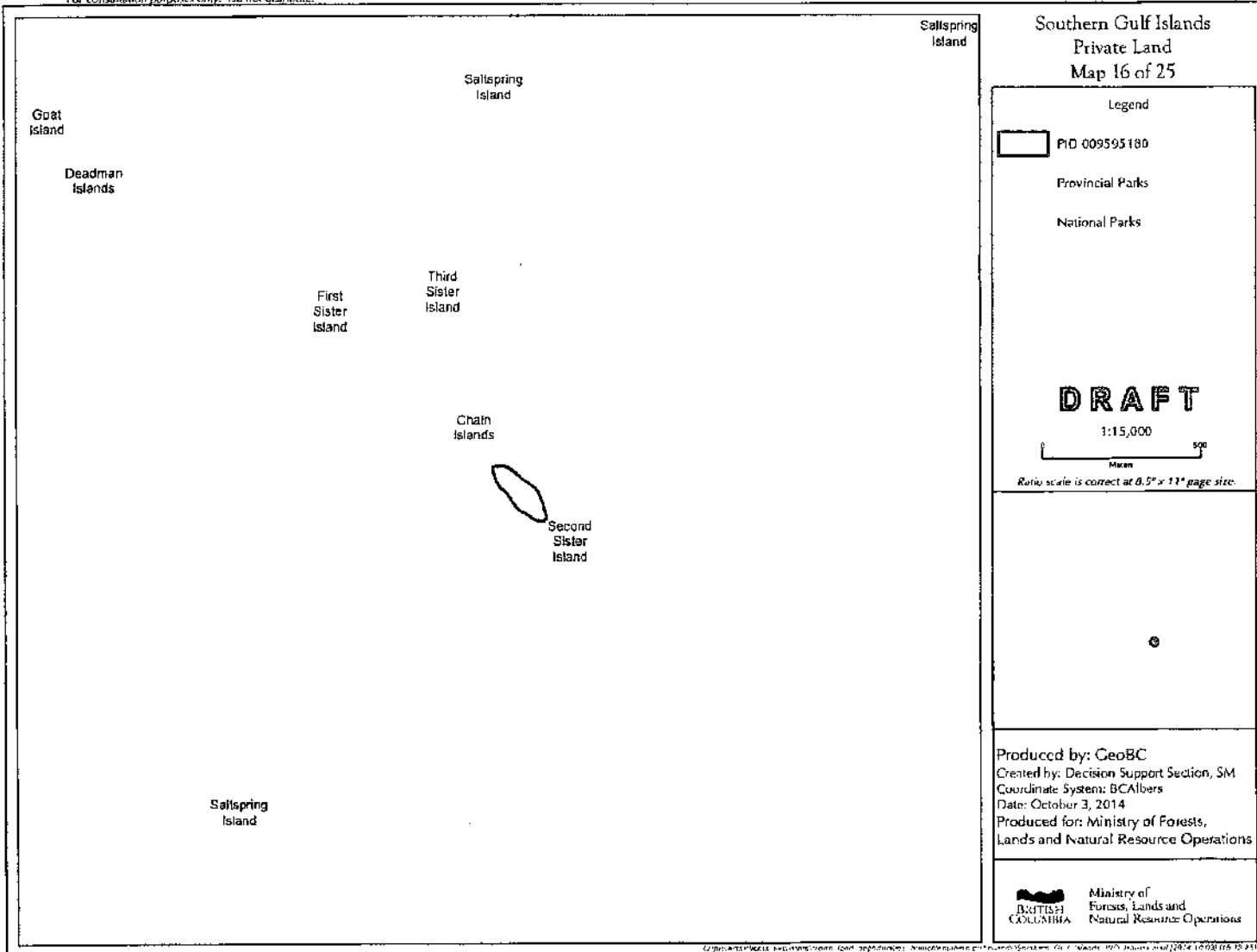


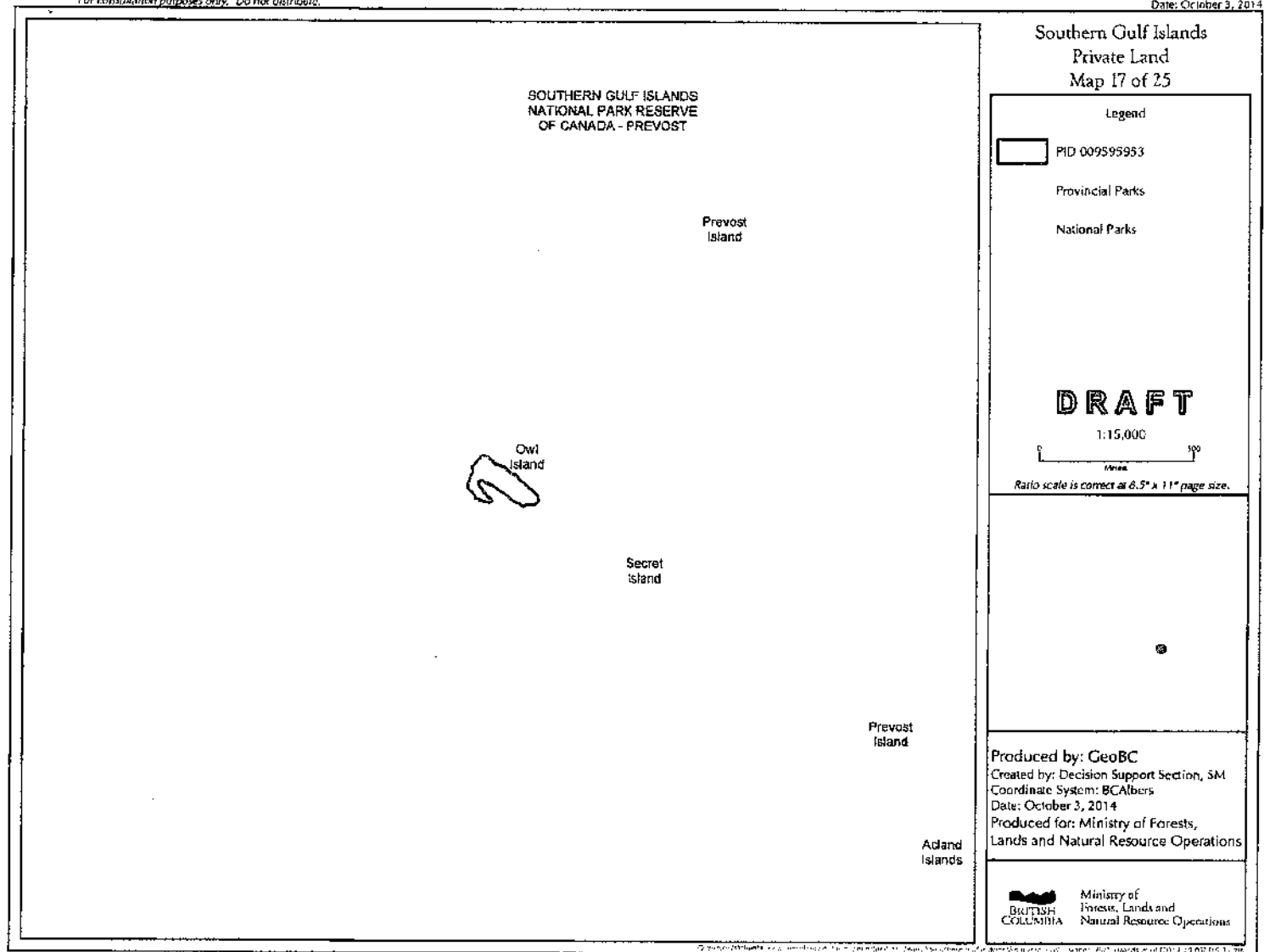


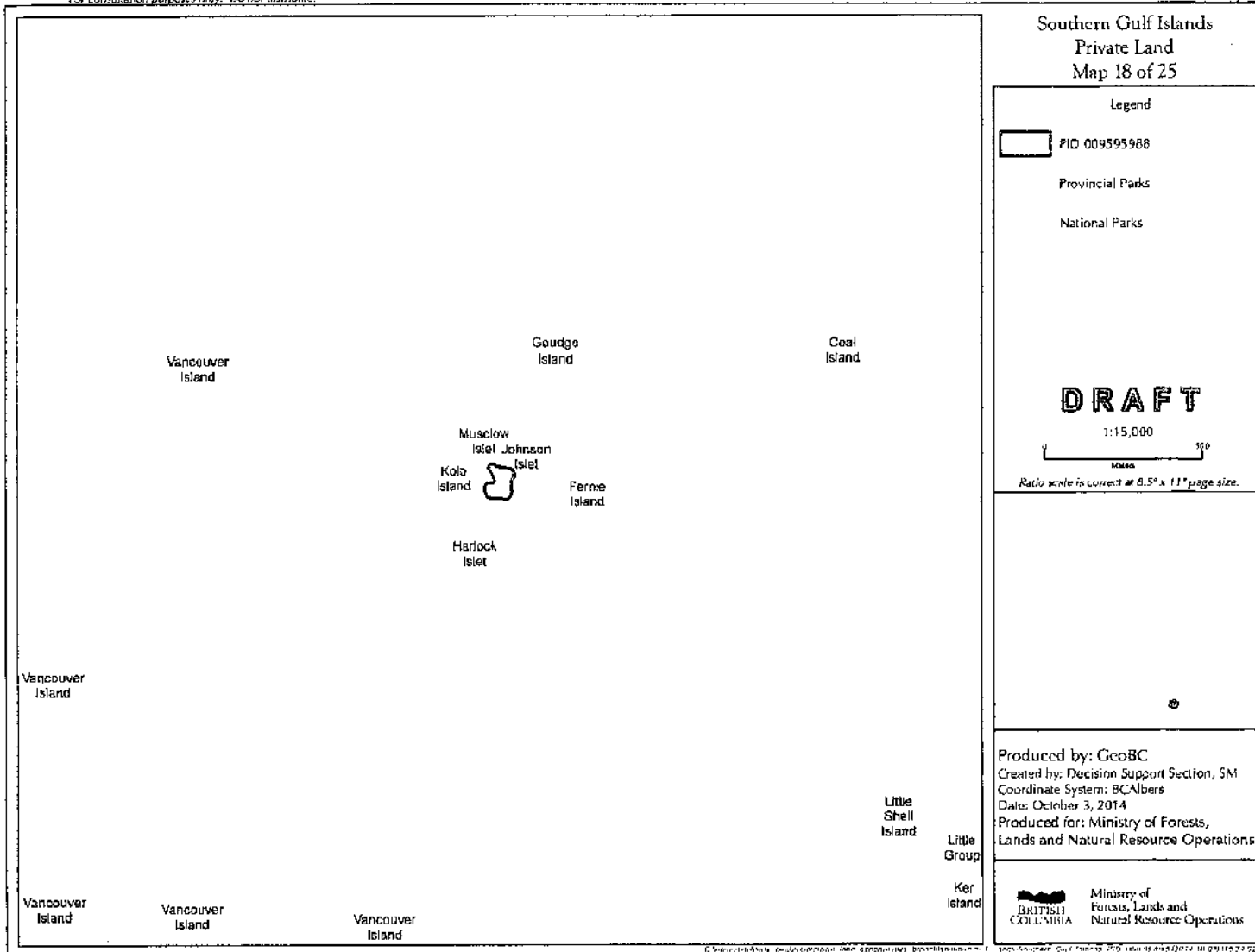


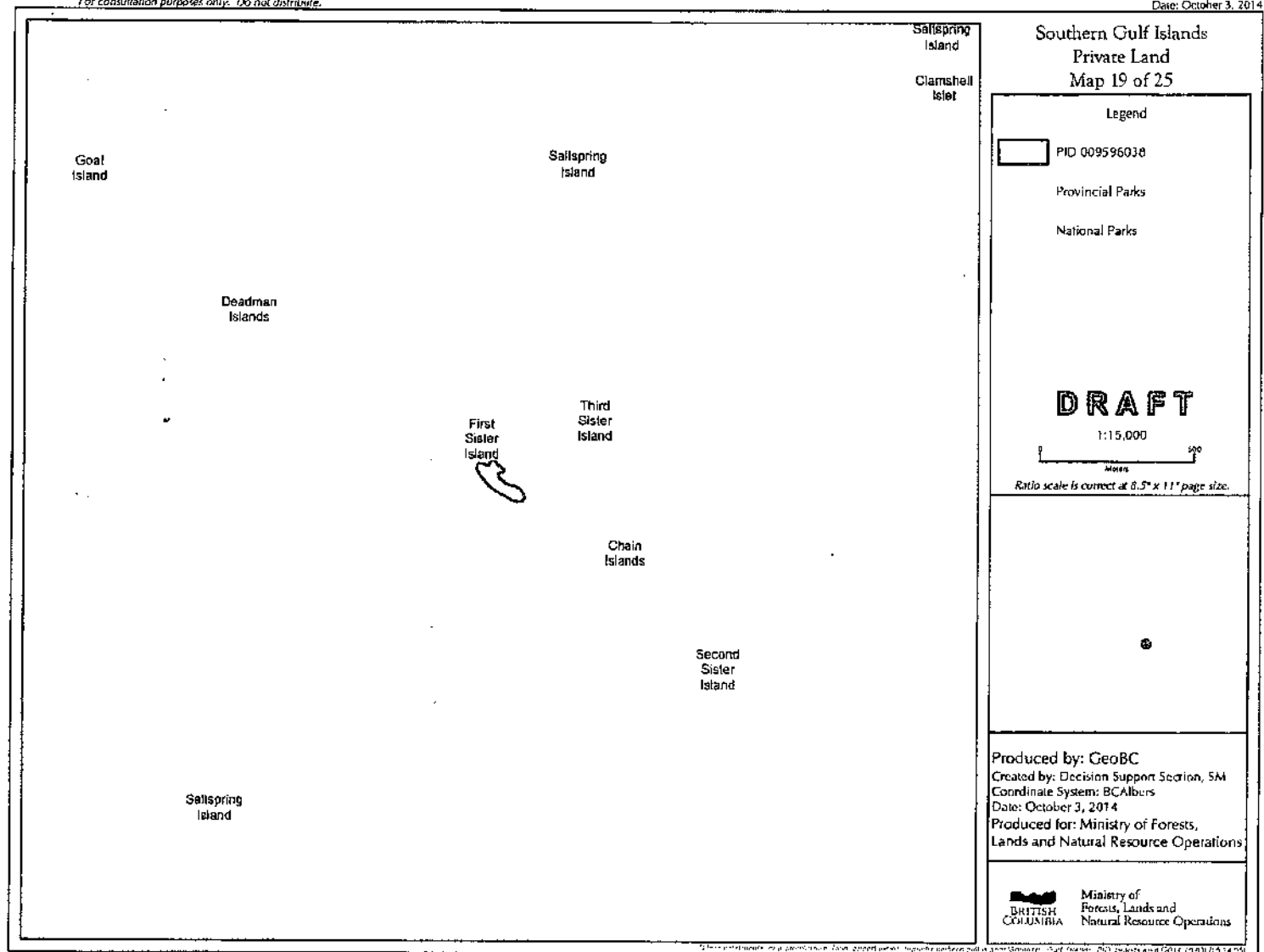












SOUTHERN GULF ISLANDS
NATIONAL PARK RESERVE
OF CANADA - WINTER COVE

King
Islets
SOUTHERN GULF ISLANDS
NATIONAL PARK RESERVE
OF CANADA - KING ISLETS

Saturna
Island

Trevor
Islet

SOUTHERN GULF ISLANDS
NATIONAL PARK RESERVE OF
CANADA - SCOTT'S HOUSE


Saturna
Island

SOUTHERN GULF
ISLANDS NATIONAL PARK
RESERVE OF CANADA

SOUTHERN GULF ISLANDS
NATIONAL PARK RESERVE
OF CANADA - FRY PROPERTY

Southern Gulf Islands
Private Land
Map 20 of 25

Legend

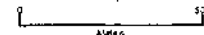
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Provincial Parks

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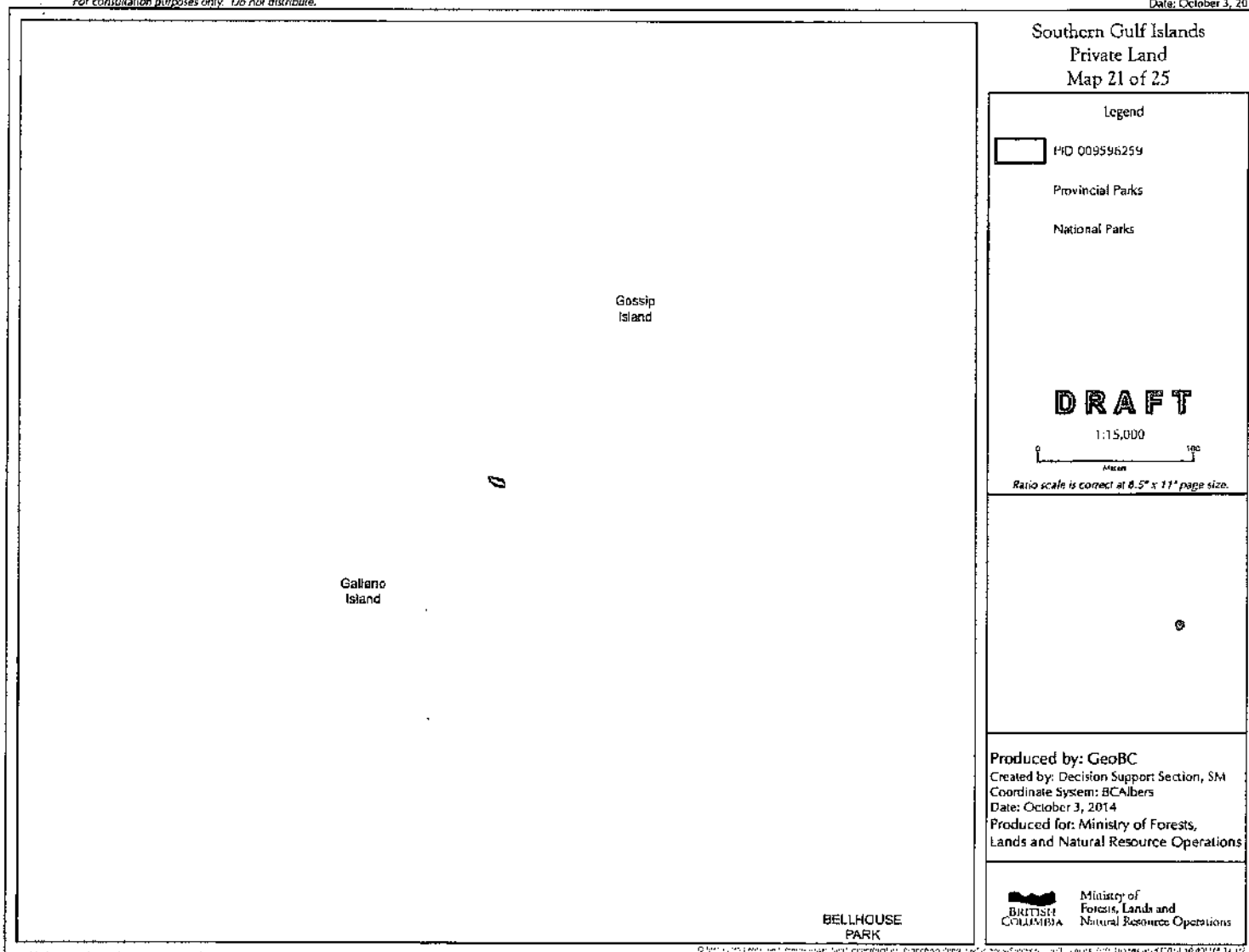
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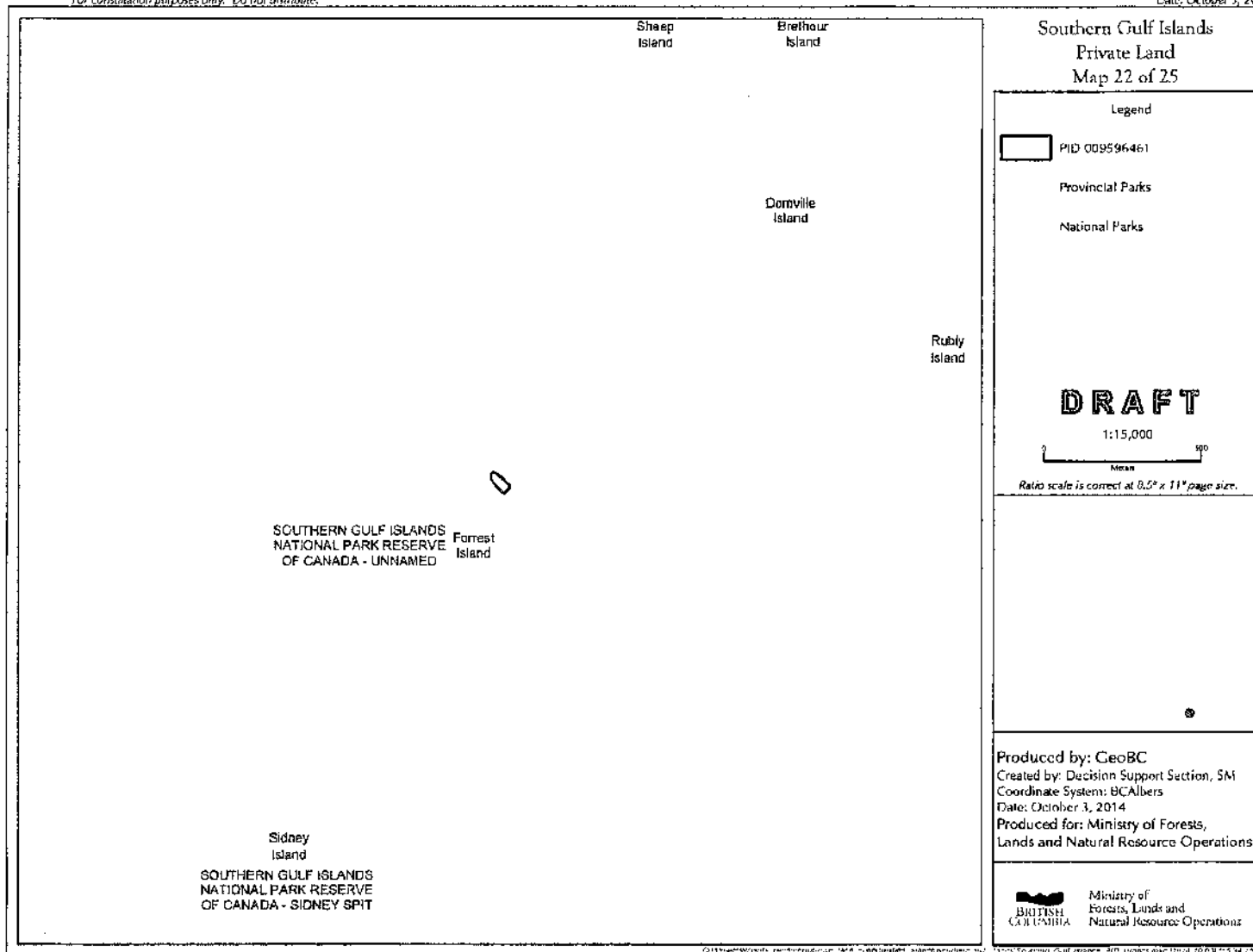
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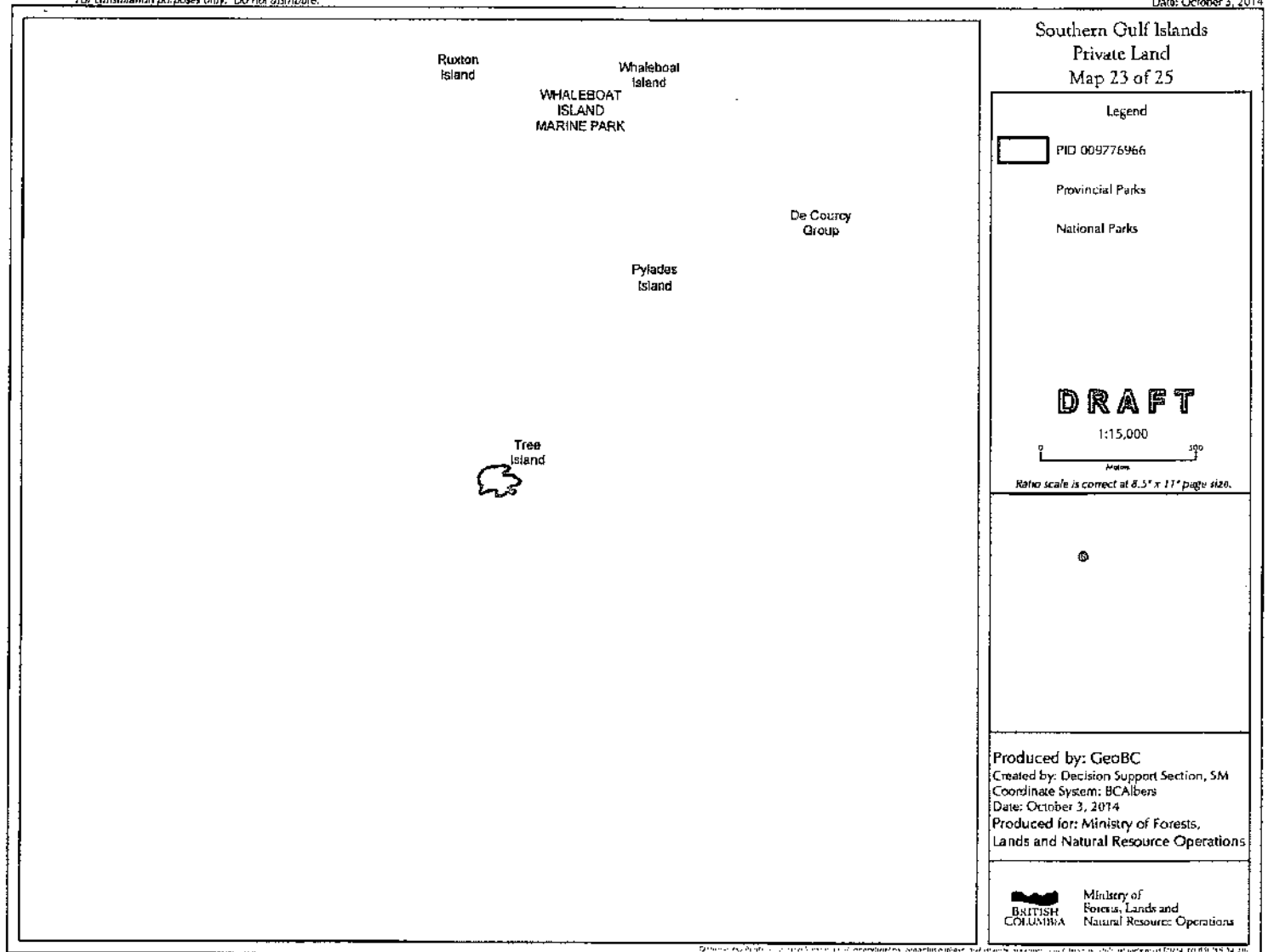
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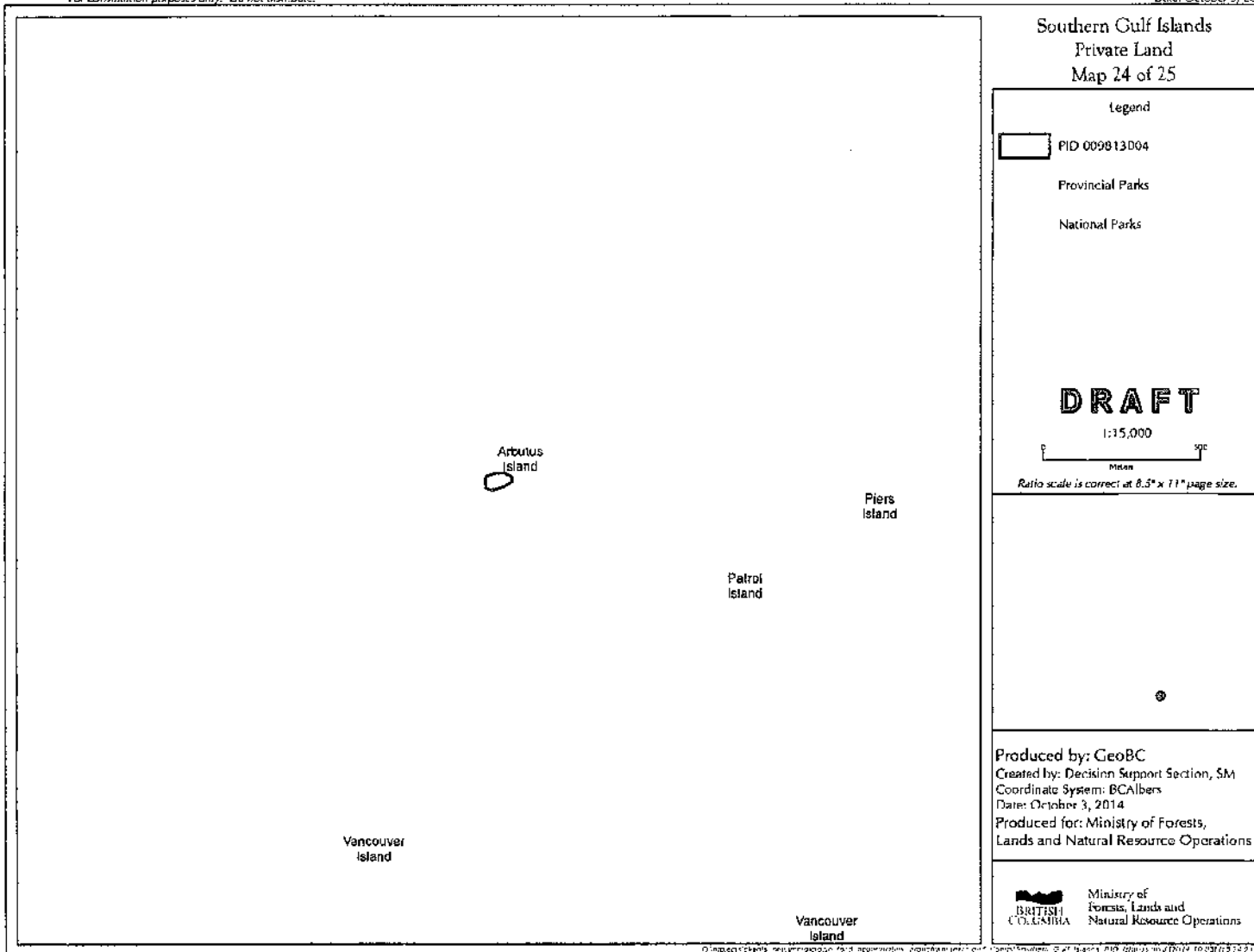


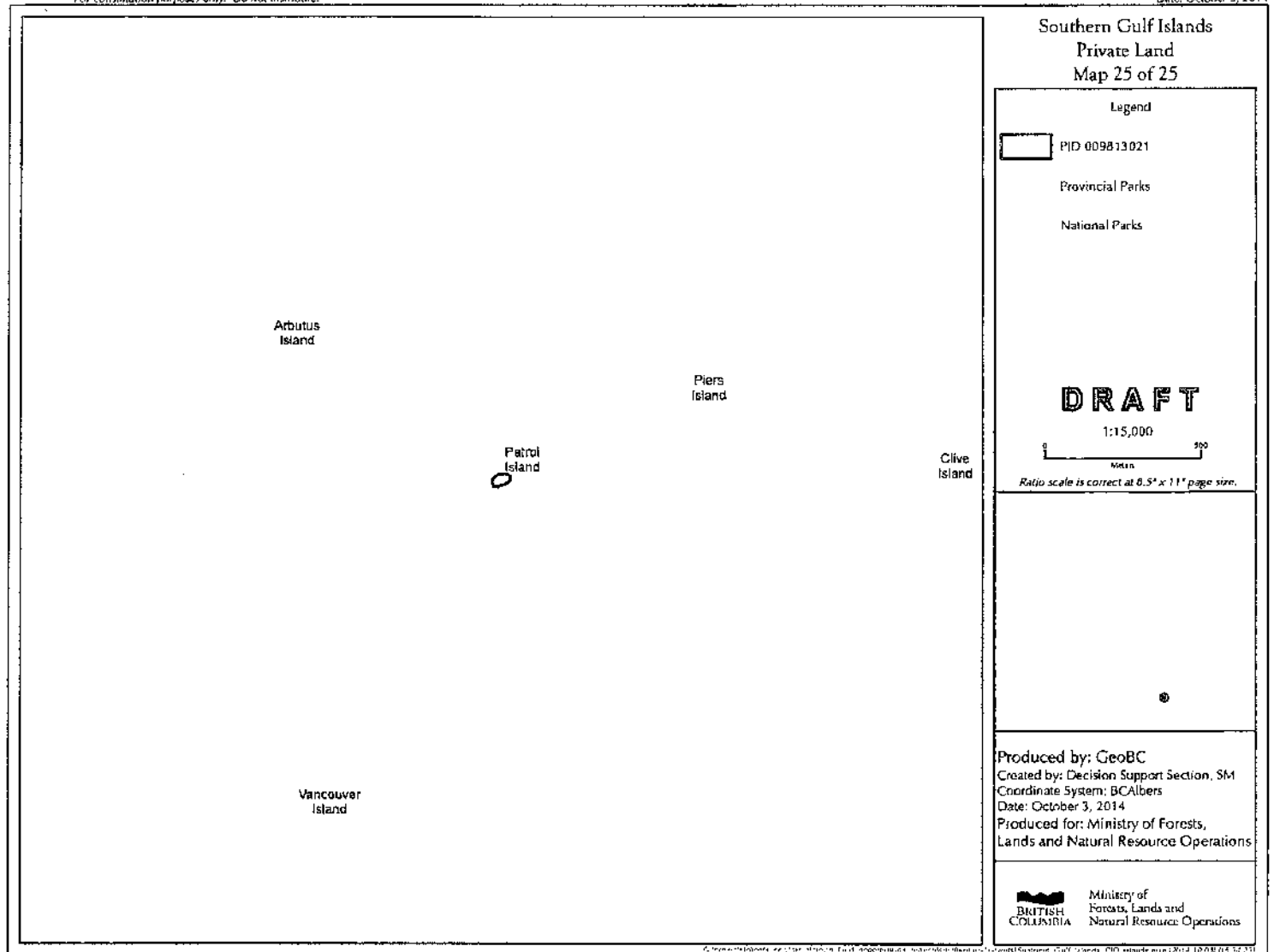
Ministry of
Forests, Lands and
Natural Resource Operations











Ownership	Class	File	Legal Description	Section	Block	Sublot	Original Owner	Current Owner	Assessed 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GeoBC September 2014

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1/6

Ownership Class	PID	Legal Description	Square meters (approximate)	Island Name	Regional District	Land District	Assessed Value
PRIVATE	000066427	DL 43 COWICHAN DISTRICT	12,018	Deadman Islands	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	000416568	DL 67 COWICHAN DISTRICT SHWN ON PL 49268	3,516	Harlock Islet	CRD, NORTH SAANICH	COWICHAN DISTRICT	
PRIVATE	000950084	L 349 COWICHAN DISTRICT	1,924	Powder Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	001375458	L 222 COWICHAN DISTRICT CONT 110 ACS M/L	5,013	Clamshell Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	002869942	PT OF SEC 91 VICTORIA DISTRICT BNG THE SMALLER OF TWO ISS COMPRISING SAID SEC & KNOWN AS LITTLE SHELL IS	8,687	Little Shell Island	CRD, RURAL	VICTORIA DISTRICT	
PRIVATE	003101932	PT OF SEC 5-C TWIN ISS OYSTER SHOWN COLOURED BROWN ON PL 1595-R	617	Dunsmuir Islands	CVRD, RURAL	OYSTER DISTRICT	
PRIVATE	004337581	L 346 DOUGLAS IS (ALSO KNOWN AS PROTECTION IS) NANAIMO DISTRICT PL 14111	2,401	unknown	RDN, NANAIMO CITY	NANAIMO DISTRICT	
PRIVATE	005085560	L 126 LION IS COWICHAN DISTRICT	5,335	Lion Islets	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	007078811	L 8 SPHINX IS COWICHAN DISTRICT CONT 4 ACS M/L	14,866	Sphinx Island	CRD, RURAL	COWICHAN DISTRICT	

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2/6

Ownership Class	PID	Legal Description	Square meters (approximate)	Island Name	Regional District	Land District	Assessed Value
PRIVATE	007602901	DL 31 FANE OR THAIN IS COWICHAN DISTRICT	7,771	Fane Island	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	008018979	DL 73 COWICHAN DISTRICT CONT 75 OF AN AC M/L SHWN ON PL DEPOSITED UNDER DD 965871 & BNG AN IS IN LONG HARBOUR NORTH SALT SPRING IS	5,786	unknown	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	008725926	DL 17 (FLAT TOP ISS) NANAIMO DISTRICT	8,165	Carlos Island	RDN, RURAL	NANAIMO DISTRICT	
PRIVATE	009077138	L A DL 47 COWICHAN DISTRICT PL 45887	2,980	Grace Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009421645	L 2 NORTH SAANICH DISTRICT INCLUDING A STRIP 1 CH IN WIDTH MEAS INLND FROM HWM	12,193	Kolb Island	CRD, NORTH SAANICH	NORTH SAANICH DISTRICT	
PRIVATE	009451978	THOSE PTS OF SEC 5C OYSTER (TWIN ISS) OUTL RED ON PL 1489R	15,427	Bute Island	CVRD, RURAL	OYSTER DISTRICT	
PRIVATE	009595180	PT OF DL 45 COWICHAN DISTRICT IN PL 1971R	15,273	Second Sister Island	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009595953	L 33 COWICHAN DISTRICT	10,762	Owl Island	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009595988	L 37 JOHNSTONE IS COWICHAN DISTRICT	7,833	Johnson Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009596038	L 44 COWICHAN DISTRICT	8,321	First Sister Island	CRD, RURAL	COWICHAN DISTRICT	

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3/6

Ownership Class	PID	Legal Description	Square meters (approximate)	Island Name	Regional District	Land District	Assessed Value
PRIVATE	009596194	L 53 COWICHAN DISTRICT	8,631	Trevor Islet	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009596259	DL 145 COWICHAN DISTRICT	853	unknown	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009596461	L 166 COWICHAN DISTRICT	2,195	unknown	CRD, RURAL	COWICHAN DISTRICT	
PRIVATE	009776966	PT OF DL 73 NANAIMO DISTRICT KNOWN AS TREE IS AS SAID IS SHWN ON PL DEPOSITED UNDER DD 117931	8,907	Tree Island	CVRD, RURAL	NANAIMO DISTRICT	
CROWN PROVINCIAL	009813004	ARBUTUS IS VICTORIA DISTRICT	3,628	Arbutus Island	CRD, RURAL	VICTORIA DISTRICT	
CROWN PROVINCIAL	009813021	SPIT IS VICTORIA DISTRICT	1,837	Patrol Island	CRD, RURAL	VICTORIA DISTRICT	
CROWN PROVINCIAL	n/a	UCL ISLAND OFF WALLACE ISLAND		unknown	CRD, RURAL	COWICHAN DISTRICT	
CROWN PROVINCIAL	n/a	UCL ISLET OFF MOWGLI ISLAND		unknown	CRD, RURAL	COWICHAN DISTRICT	
CROWN PROVINCIAL	n/a	UCL ISLET OFF MOWGLI ISLAND		unknown	CRD, RURAL	COWICHAN DISTRICT	
CROWN PROVINCIAL	n/a	UCL ISLET OFF MOWGLI ISLAND		unknown	CRD, RURAL	COWICHAN DISTRICT	
CROWN PROVINCIAL	n/a	UCL ISLET OFF SECRETARY ISLAND		unknown	CRD, RURAL	COWICHAN DISTRICT	
CROWN PROVINCIAL	n/a	UCL ISLET OFF SECRETARY ISLAND		unknown	CRD, RURAL	COWICHAN DISTRICT	
CROWN PROVINCIAL	n/a	UCL ISLET OFF SECRETARY ISLAND		unknown	CRD, RURAL	COWICHAN DISTRICT	
CROWN PROVINCIAL	n/a	UCL ISLET OFF SECRETARY ISLAND		unknown	CRD, RURAL	COWICHAN DISTRICT	

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4/6

4/6

4/6

GeoBC September 2014

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5/6

Ownership Class	PID	Legal Description	Square meters (approximate)	Island Name	Regional District	Land District	Assessed Value
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	RDN, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	RDN, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	RDN, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	RDN, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	CVRD, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	RDN, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	RDN, RURAL	n/a	
UNKNOWN	n/a	n/a		unknown	RDN, RURAL	n/a	

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6/6

6/6

188 of 364

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Subject	Name	Location	Physical Features	Legal (PID)	Title	Size (acres)	Improvements	Assessed Value	List Price	Currency	Services	Size	Adjustments		
													Location	Zoning	Time of Sale Improvement
	Grace Islet	Salt Spring	Garry oaks and natural rock formations. Rocky shoreline with pockets of sandy beaches at lower tides. All day sun because few trees.	009077138	Freehold	0.96	Three uninhabitable structures. One small dated cottage with development restrictions that would not allow a new structure in this particular location. Power to the island. Historically, water has been supplied by District of North Saanich. Protected moorage. Small cabin on site. The centre of the island offers a good building site for a residence. Septic system and drilled well. No other services offered.		\$ 595,000	CAD					
	Harlock Island	Near North Saanich		000416568	Freehold	0.92									
	Fane Island	Gulf Islands, Navy Channel, adjacent Pender Island	Adjacent to Pender Island, 5 minute boat ride to Hope Bay. Natural harbour with a substantial breakwater for easy anchorage. Water lot lease which will permit construction of a permanent dock.	007802801	Freehold	1.70			\$ 1,295,000	CAD					
	Dunsmuir Island	Ladysmith Harbour	Ready for development with development permits that potentially will be re-issued		Freehold	2.75	None		\$ 2,300,000	CAD					
	Sheep Island	Off Sidney	Treed with rocky ledges, hidden beaches, ponds.	009813462	Freehold	7.00	Two rustic cabins with boat storage, tool sheds and other out buildings.		\$ 3,200,000	USD					
	Scott Island	NE Chemainus, Stuart Channel	Treed, level and mostly natural state on low bank frontage, sandy shell beaches, protected all tide harbour		Freehold	5.30	Deep water dock with breakwater for smaller boats. Two-level West Coast style home, 4,541 SF, 5 bedrooms, six bathrooms. Adjoining self contained caretakers wind of 1,644 SF, two bedrooms, two bathrooms. Tennis court and six out buildings. Two docks.		\$ 4,900,000	CAD					

Name	Location	Physical Features	Legal (PID)	Title	Size (acres)	Improvements	Assessed Value	List Price	Currency	Adjustments			
										Services	Size	Location	Time of Sale
Jesse Island	Nanaimo	Densely covered with original growth pine, cedar, madrona and oak trees.		Freehold	9.00	Log house with 4 bedrooms, 5 baths, and 2 car garage. Deep water docking area for 3-4 boats. Caretakers home. City water, power, and telephone delivered through submarine conduits.		\$ 3,900,000	USD				
Mowgli Island	Southern Gulf Islands, Stuart Channel, East of Penelekut Island	Approximately 3,400 lineal feet of low bank waterfront with sandy beaches.	003628841	Freehold	9.00	Award winning 2,000 SF home built in 1992 featuring 4 bedrooms and a 350 SF studio house. Protected moorage.		\$ 3,800,000	CAD				
Round Island	Southern Gulf Islands, Stuart Channel, South of Ladysmith	Easy access, protected island. Unserved. 10 minute boat ride to Vancouver Island.		Freehold	7.50	None		\$ 380,000	CAD				
Lamb Island	Sechart				1.00	Built in 2000, home features three bedrooms, three baths, 2,365 SF. Patio is 2,200 SF with hot tub. Dock with deep water moorage. Guest house (724 SF) Septic field and running water exist but quality of these need to be verified. Underwater cable brings electricity, cable, telephone to the island.		\$ 3,999,000	CAD				
Little Shell Island	South Gulf Islands		0028699542		2.10								
Inskip Island	View Royal		001057600		4.90								
Arbutus Island	South Gulf Islands		009813004		0.90								
Clam Shell Island	Salt Spring Island		001375458		1.23								
First Sister Island	Salt Spring Island		009596038		2.05								
Second Sister Island	Salt Spring Island		005595100		3.77								

Name	Location	Physical Features	Legal (PID)	Title	Size (acres)	Improvements	Assessed Value	List Price	Currency	Adjustments			
										Services	Size	Location	Time of Sale Improvement
Powder Island	Salt Spring Island	Has a house but look at history	00950084		0.47								
Twilight Island	Salt Spring Island	Has a house but look at history	000487724		0.58								
Cowichan			000665959		4.00								
			000665916		1.73								

As at October 10, 2014, I have investigated for sale listings of islands and islets in the South Gulf Islands similar to the subject property known as Grace Island as well as identified privately owned islands and islets in the same area. Given the restrictions of not being able to investigate, inspect, or discuss listings or sales of any of the comparable formal estimate of value that meets the Standards. The following is intended for internal use by the Ministry of Forests, Lands and Natural Resources, and must not be relied upon by any other person or for any other purpose.

Southern Gulf Islands v2

Ownership Class	PID	Legal Description	Square meters (approximate)	Island Name	Square meters (approximate)	Island Name	Regional District	Land District	Location	Roll Number	Jurisdiction	2012 Assessment Value	2013 Assessment Value	2014 Assessment Value	Land	Improvements
PRIVATE	000950084	L 349 COWICHAN DISTRICT	1,934	Powder Islet	1,924	Powder Islet	CRD, RURAL	COWICHAN DISTRICT		12065.000	764	\$ 429,200	\$ 428,900	\$ 407,800	\$ 372,000	\$ 35,800
77	000487724	DL 45 COWICHAN DISTRICT			2,398	Twilight Island	CRD, RURAL	COWICHAN DISTRICT	Salt Spring	12046005	764			\$ 476,000	\$ 424,000	\$ 52,700
PRIVATE	000416568	DL 67 COWICHAN DISTRICT SHOWN ON PL 49268	780	Harlock Islet	8,516	Harlock Islet	CRD, NORTH SAANICH	COWICHAN DISTRICT	Near North Saanich	04978-000	332	\$ 752,100	\$ 636,600	\$ 602,800	\$ 598,000	\$ 4,800
PRIVATE	001375458	L 222 COWICHAN DISTRICT CONT 110 ACS M/L	5,017	Clamshell Islet	5,013	Clamshell Islet	CRD, RURAL	COWICHAN DISTRICT		12063.000	764	\$ 179,000	\$ 179,000	\$ 170,000	\$ 170,000	\$ -
PRIVATE	009077138	LA DL 47 COWICHAN DISTRICT PL 45887	5,127	Grace Islet	5,065	Grace Islet	CRD, RURAL	COWICHAN DISTRICT		12048.010	764	\$ 623,000	\$ 648,600	\$ 590,000	\$ 590,000	\$ -
PRIVATE	000189779	DL 73 COWICHAN DISTRICT CONT 75 OF AN AC M/L SHOWN ON PL DEPOSITED UNDER DD 965871 & BING AN IS IN LONG HARBOUR NORTH	5,826	unknown	5,786	Fishermans Island	CRD, RURAL	COWICHAN DISTRICT		12055.000	764	\$ 459,000	\$ 458,800	\$ 436,700	\$ 390,000	\$ 46,700
PRIVATE	007602901	DL 31 FANE OR THAIN IS COWICHAN DISTRICT	5,861	Fane Island	7,771	Fane Island	CRD, RURAL	COWICHAN DISTRICT	Gulf Islands, Navy Channel, adjacent Pender Island	12024.000	764	\$ 615,100	\$ 625,100	\$ 584,000	\$ 563,000	\$ 21,000
PRIVATE	009596038	L 44 COWICHAN DISTRICT	8,373	First Sister Island	8,321	First Sister Island	CRD, RURAL	COWICHAN DISTRICT		12045.000	764	\$ 855,700	\$ 855,000	\$ 809,300	\$ 805,000	\$ 4,300
PRIVATE	009596194	L 53 COWICHAN DISTRICT	8,635	Trevor Islet	8,631	Trevor Islet	CRD, RURAL	COWICHAN DISTRICT		12053.000	764	\$ 963,000	\$ 958,000	\$ 925,000	\$ 609,000	\$ 316,000
PRIVATE	002869942	PT OF SEC 91 VICTORIA DISTRICT BING THE SMALLER OF TWO ISS COMPRISING SAID SEC & KNOWN AS LITTLE SHELL IS	8,690	Little Shell Island	8,687	Little Shell Island	CRD, RURAL	VICTORIA DISTRICT		00013.000	763	\$ 692,900	\$ 692,900	\$ 652,900	\$ 652,000	\$ 900
PRIVATE	009595953	L 33 COWICHAN DISTRICT	18,200	Owl Island	10,762	Owl Island	CRD, RURAL	COWICHAN DISTRICT		12027.000	764	\$ 706,000	\$ 706,000	\$ 669,000	\$ 669,000	\$ -

As at October 10, 2014, I have investigated for sale listings of islands and islets in the South Gulf Islands similar to the subject property known as Grace Island as well as identified privately owned islands and islets in the same area. Given the restrictions of not being able to investigate, inspect, or discuss listings or sales of any of the comparable formal estimate of value that meets the Standards. The following is intended for internal use by the Ministry of Forests, Lands and Natural Resources, and must not be relied upon by any other person or for any other purpose.

Southern Gulf Islands v2

Ownership Class	PID	Legal Description	Square meters (approximate)	Island Name	Square meters (approximate)	Island Name	Regional District	Land District	Location	Roll Number	Jurisdiction	2012 Assessment Value	2013 Assessment Value	2014 Assessment Value	Land	Improvements
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[illegible]

H:\Green\Draft Data for Analysis\Outlets Islands

196 of 364

bles with any parties involved, the following information is not an estimate of the market value of the subject property. The property has not been viewed. The following does not include all of the descriptive data, etc. required by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it must not be construed as a

Adjustments																	
Assessed Land \$/SM	Manual Class (Improvements)	Actual Use	Physical Features	Improvements	List Price	List Price \$/SM	Declared Transfer Price	Last Transfer Date	\$/SM Transfer	Site Services	Size of Land	Location	Zoning	Time of Sale	Improvements	Mortgage	
\$ 193	0008 - 1 Sty Recr Home - All Ages - Fair	000 - Single Family Dwelling					103000	June 2014	\$ 384								
\$ 179				Aerial shows house													
\$ 170	0003 - 1 Sty Recr Home - All Ages - Poor	040 - Seasonal Dwelling															
\$ 34	—	001 - Vacant Residential Less Than 2 Acres															
\$ 116	8000 - Non-Manualked Structures	000 - Single Family Dwelling															
\$ 67	0004 - 1 Sty Recr Home - All Ages - Substd	000 - Single Family Dwelling															
\$ 77	0008 - 1 Sty Recr Home - All Ages - Fair	040 - Seasonal Dwelling	Adjacent to Pender Island, 5 minute boat ride to Hope Bay. Natural harbour with a substantial breakwater for easy anchorage. Water lot lease which will permit construction of a permanent dock.	Small cabin on site. The centre of the island offers a good building site for a residence. Septic system and drilled well. No other services offered.	\$ 1,295,000	\$ 167											
\$ 97	1818 - Float - Light Duty	070 - 2 Acres Or More (Outbuilding)															
\$ 71	1960 - Modern Std	000 - Single Family Dwelling															
\$ 75	0002 - 1 Sty Recr Home - All Ages - Very Poor	040 - Seasonal Dwelling															
\$ 62	—	061 - 2 Acres Or More (Vacant)															

blcs with any parties involved, the following information is not an estimate of the market value of the subject property. The property has not been viewed. The following does not include all of the descriptive data, etc. required by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it must not be construed as a

										Adjustments								
Assessed Land \$/SM	Manual Class (Improvements)	Actual Use	Physical Features	Improvements	List Price	List Price \$/SM	Declared Transfer Price	Last Transfer Date	\$/SM Transfer	Site Services	Size of Land	Location	Zoning	Time of Sale	Improvem- ents	Moorage		

bles with any parties involved, the following information is not an estimate of the market value of the subject property. The property has not been viewed. The following does not include all of the descriptive data, etc. required by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it must not be construed as a

Adjustments																
Assessed Land \$/SM	Manual Class (Improvements)	Actual Use	Physical Features	Improvements	List Price	List Price \$/SM	Declared Transfer Price	Last Transfer Date	\$/SM Transfer	Site Services	Size of Land	Location	Zoning	Time of Sale	Improvements	Moorage

As at October 10, 2014, I have investigated for sale listings of islands and islets in the South Gulf Islands similar to the subject property known as Grace Island as well as identified privately owned islands and islets in the same area. Given the restrictions of not being able to investigate, inspect, or discuss listings or sales of any of the comparable estimate of value that meets the Standards. The following is intended for internal use by the Ministry of Forests, Lands and Natural Resources, and must not be relied upon by any other person or for any other purpose.

Southern Gulf Islands v2

Ownership Class	PID	Legal Description	Square meters (approximate)	Island Name	Square meters (approximate)	Island Name	Regional District	Land District	Location	Roll Number	Jurisdiction	2012 Assessment Value	2013 Assessment Value	2014 Assessment Value	Land	Improvements
PRIVATE	000650084	L 349 COWICHAN DISTRICT	1,934	Powder Islet	1,924	Powder Islet	CRD, RURAL	COWICHAN DISTRICT		12055.000	764	\$ 429,200	\$ 426,900	\$ 407,800	\$ 372,000	\$ 35,800
??	000487724	DL 45 COWICHAN DISTRICT			2,368	Twilight Island	CRD, RURAL	COWICHAN DISTRICT	Salt Spring	12046005	764		\$ 476,000	\$ 424,000	\$ 52,700	
PRIVATE	000416568	DL 67 COWICHAN DISTRICT SHOWN ON PL 49288	780	Harrowlock Islet	9,516	Harrowlock Islet	CRD, NORTH SAANICH	COWICHAN DISTRICT	Near North Saanich	04978-000	332	\$ 752,200	\$ 636,600	\$ 602,800	\$ 598,000	\$ 4,800
PRIVATE	001375458	L 222 COWICHAN DISTRICT CONT 110 ACS M/L	5,017	Clamshell Islet	5,013	Clamshell Islet	CRD, RURAL	COWICHAN DISTRICT		12063.000	764	\$ 179,000	\$ 179,000	\$ 170,000	\$ 170,000	\$ -
PRIVATE	009277138	LA DL 47 COWICHAN DISTRICT PL 45887	5,127	Grace Islet	5,065	Grace Islet	CRD, RURAL	COWICHAN DISTRICT		12048.010	764	\$ 623,000	\$ 648,800	\$ 590,000	\$ 590,000	\$ -
PRIVATE	008028979	DL 73 COWICHAN DISTRICT CONT 75 OF AN AC M/L SHOWN ON PL DEPOSITED UNDER DD 965871 & BING AM IS IN LONG HARBOR CR NORTH SALT SPRING IS	5,826	unknown	5,786	Fishermans Island	CRD, RURAL	COWICHAN DISTRICT		12055.000	764	\$ 450,000	\$ 458,800	\$ 436,700	\$ 390,000	\$ 46,700
PRIVATE	007602901	DL 31 FANE OR THAIN IS COWICHAN DISTRICT	6,861	Fane Island	7,771	Fane Island	CRD, RURAL	COWICHAN DISTRICT	Golf Islands, Navy Channel, adjacent Pender Island	12024.000	764	\$ 615,200	\$ 615,100	\$ 584,000	\$ 563,000	\$ 21,000
PRIVATE	009596038	L 44 COWICHAN DISTRICT	8,373	First Sister Island	8,321	First Sister Island	CRD, RURAL	COWICHAN DISTRICT		12045.000	764	\$ 855,700	\$ 855,000	\$ 809,300	\$ 805,000	\$ 4,300
PRIVATE	009596194	L 53 COWICHAN DISTRICT	8,635	Trevor Islet	8,631	Trevor Islet	CRD, RURAL	COWICHAN DISTRICT		12053.000	764	\$ 963,000	\$ 958,000	\$ 925,000	\$ 609,000	\$ 316,000
PRIVATE	002869947	PT OF SEC 91 VICTORIA DISTRICT BING THE SMALLER OF TWO ISLS COMPRISING SAID SEC & KNOWN AS LITTLE SHELL IS	8,690	Little Shell Island	8,687	Little Shell Island	CRD, RURAL	VICTORIA DISTRICT		00013.000	763	\$ 692,900	\$ 692,900	\$ 652,900	\$ 652,000	\$ 900
PRIVATE	009595953	L 33 COWICHAN DISTRICT	18,200	Owl Island	10,762	Owl Island	CRD, RURAL	COWICHAN DISTRICT		12027.000	764	\$ 706,000	\$ 706,000	\$ 669,000	\$ 659,000	\$ -

As at October 10, 2014, I have investigated for sale listings of islands and islets in the South Gulf Islands similar to the subject property known as Grace Island as well as identified privately owned islands and islets in the same area. Given the restrictions of not being able to investigate, inspect, or discuss listings or sales of any of the comparable formal estimate of value that meets the Standards. The following is intended for internal use by the Ministry of Forests, Lands and Natural Resources, and must not be relied upon by any other person or for any other purpose.

Southern Gulf Islands v2

Ownership Class	P.O.	Legal Description	Square meters (approximate)	Island Name	Square meters (approximate)	Island Name	Regional District	Land District	Location	Roll Number	Jurisdiction	2012 Assessment Value	2013 Assessment Value	2014 Assessment Value	Land	Improvements
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[illegible]

H:\Grace\Crash Data for Anthony's Golf Little Island

[illegible]

With any parties involved, the following information is not an estimate of the market value of the subject property. The property has not been viewed. The following does not include all of the descriptive data, etc. required by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it must not be construed as a

Adjustments																
Assessed Land \$/SM	Manual Class (Improvements)	Actual Use	Physical Features	Improvements	List Price	List Price \$/SM	Dedared Transfer Price	Last Transfer Date	\$/SM Transfer	Site Services	Size of Land	Location	Zoning	Time of Sale	Improvem- ents	Mourage
\$ 193	0008 - 1 Sty Recr Home - All Ages - Fair	000 - Single Family Dwelling					403000	June 2014	\$ 134							
\$ 179				Aerial shows house												
\$ 170	0003 - 1 Sty Recr Home - All Ages - Poor	040 - Seasonal Dwelling														
\$ 34	—	001 - Vacant Residential Less Than 2 Acres														
\$ 116	8000 - Non-Manualized Structures	000 - Single Family Dwelling														
\$ 67	0004 - 1 Sty Recr Home - All Ages - Substd	000 - Single Family Dwelling														
\$ 72	0008 - 1 Sty Recr Home - All Ages - Fair	040 - Seasonal Dwelling	Adjacent to Pender Island, 5 minute boat ride to Hope Bay. Natural harbour with a substantial breakwater for easy anchorage. Water lot lease which will permit construction of a permanent dock.	Small cabin on site. The centre of the island offers a good building site for a residence. Septic system and drilled well. No other services offered.	\$ 1,295,000											
\$ 97	1818 - Float - Light Duty	070 - 2 Acres Or More (Outbuilding)				\$ 167										
\$ 71	0140 - 1 Sty Std - After	000 - Single Family Dwelling														
\$ 71	1960 - Modern Std	000 - Single Family Dwelling														
\$ 75	0002 - 1 Sty Recr Home - All Ages - Very Poor	040 - Seasonal Dwelling														
\$ 62	—	061 - 2 Acres Or More (Vacant)														

ables with any parties involved, the following information is not an estimate of the market value of the subject property. The property has not been viewed. The following does not include all of the descriptive data, etc. required by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it must not be construed as a

										Adjustments								
Assessed Land \$/SM	Municipal Class (Improvements)	Actual Use	Physical Features	Improvements	List Price	List Price \$/SM	Declared Transfer Price	Last Transfer Date	\$/SM Transfer	Site Services	Size of Land	Location	Zoning	Time of Sale	Improvements	Moorage		

bles with any parties involved, the following information is not an estimate of the market value of the subject property. The property has not been viewed. The following does not include all of the descriptive data, etc. required by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it must not be construed as a

Adjustments																	
Assessed Land \$/SM	Manual Class (Improvements)	Actual Use	Physical Features	Improvements	List Price	List Price \$/SM	Declared Transfer Price	Last Transfer Date	\$/SM Transfer	Site Services	Size of Land	Location	Zoning	Time of Sale	Improvem ents	Moorage	

2014 Assessment

Comp. No.	PID	Land Square meters (approx)	Island Name	Location	2014 Total Assessment Value	Land	Improv'ts	Assessed Land \$/SM	Current List Price	List Price \$/SM land	Declared Transfer Price	Last Transfer Date	\$/SM Transfer	Compared to the Subject
Subject	009077138	5,127	Grace Islet	SUBJECT PROPERTY	\$ 590,000	\$ 590,000	\$ -	\$ 115				1990		
1	000950084	1,924	Powder Islet	Salt Spring close to subject and Ganges	\$ 407,800	\$ 372,000	\$ 35,800	\$ 193			\$ 403,000	June 2014	\$ 209	superior
2	000487724	2,368	Twilight Island	Salt Spring, fairly close to subject, farther from Ganges	\$ 476,000	\$ 424,000	\$ 52,700	\$ 179				1995		slightly superior
3	000416568	3,516	Harlock Islet	Near North Saanich	\$ 602,800	\$ 598,000	\$ 4,800	\$ 170	\$ 595,000	\$169	\$ 835,100	Dec 2011	\$ 238	similar
4	001375458	5,017	Clamshell Islet	Salt Spring but not as close to Ganges	\$ 170,000	\$ 170,000	\$ -	\$ 34			\$ 195,000	April 2008	\$ 39	inferior
5	008018979	5,826	Fishermans Island	Salt Spring, fairly close to subject, farther from Ganges	\$ 436,700	\$ 390,000	\$ 46,700	\$ 67				1987		inferior
6	007602901	6,861	Fane Island	Gulf Islands, Navy Channel, adjacent Pender Island	\$ 584,000	\$ 563,000	\$ 21,000	\$ 82	\$ 1,295,000	\$189		1987		inferior
7	009596038	8,373	First Sister Island	Salt Spring, fairly close to subject, farther from Ganges	\$ 809,300	\$ 805,000	\$ 4,300	\$ 96				2001		slightly inferior
		Square meters (approximate)	Island Name											
		1,934	Powder Islet											
						\$ 589,642								
		780	Harlock Islet			\$ 820,372								
		5,017	Clamshell Islet											
		5,127	Grace Islet											

2014 Assessment

Comp. No.	PID	Land Square meters (approx)	Island Name	Location	2014 Total Assessment Value	Land	Improv'ts	Assessed Land \$/SM	Current List Price	List Price \$/SM land	Declared Transfer Price	Last Transfer Date	\$/SM Transfer	Compared to the Subject
		5,826	unknown											
		6,861	Fane Island											
		8,373	First Sister Island											
		8,635	Trevor Islet											
		8,690	Little Shell Island											
		18,200	Owl Island											

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166 of 364

As of October 30, 2014, ICA has investigated certain stages of lands and claims in the 14,933 Gulf Islands under the subject property known as Brown Island. Despite requests of not being able to investigate, report, or discuss facts as to any of the comparables with any other investors, the following information is not an estimate of the market value of the subject property. The property is not known, owned, or controlled by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it should not be considered as a formal estimate of value that meets the standards. The following is intended for internal use by the company's officers, directors, and shareholders, and it should not be relied upon by any other person or for any other purpose.

[illegible]

and the following results are obtained:

160 of 364

As of October 10, 2014, I have investigated for sale listings of lands and lots in the South Gulf Islands within the subject property known as White Island. Given the restrictions on being able to investigate, inspect, or discuss details or sales of any of the comparisons with any parties involved, the following table is not for an estimate of the market value of the subject property. The price is not been reviewed. The following does not include all of the descriptive data, etc. required by the Canadian Uniform Standards of Professional Appraisal Practice. Therefore, it must not be construed as a formal estimate of value that meets the Standards. The following is included for internal use by the Ministry of Lands, Parks and Marine Resources, and may not be relied upon by any other person for any other purpose.

Overseer by Class	PID	Legal Description	System pressure (hydroponics)	Island Name	Assigned District	Land District	Location	Assessed July 1/2013			Assessed Land/SM	Area	Standard Transfer Price	Last Transfer Date	S/SM	Adjustments									
								Total	Land	Improvements						Physical Features	Improvements	Site Price	Site Service	Size of Land	Location	Zoning	Time of Sale	Improvements	Missing
UNDEVELOPED	100/100	100/100	100/100	100/100	100/100	100/100	100/100																		

Page 01 to/à Page 03

Withheld pursuant to/removed as

s.14

Ruscheinski, Bonnie FLNR:EX

From: Williams, Duncan FLNR:EX
Sent: Tuesday, January 13, 2015 8:05 PM
To: Goad, Jennifer FLNR:EX
Subject: Re: Update: Grace

You have done an amazing job on this. Congrats.

From: Goad, Jennifer FLNR:EX
Sent: Tuesday, January 13, 2015 06:57 PM
To: Williams, Duncan FLNR:EX
Subject: FW: Update: Grace

I just wanted to thank you for letting me try and finish this project up. I really have appreciated you giving me the time (and learnings) to do so!

From: Goad, Jennifer FLNR:EX
Sent: Tuesday, January 13, 2015 6:49 PM
To: Sheldon, Tim FLNR:EX; Dohan, Trish CSNR:EX
Cc: Hall, Donna L FLNR:EX; Myers, Mary E CSNR:EX; Townsend, Gary FLNR:EX; Thomas, Vivian P GCPE:EX
Subject: Update: Grace

Hi Tim,

Here is a bit of a summary on some of the moving parts regarding Grace islet.

s.12,s.13

Thanks all,

Jenn

Ruscheinski, Bonnie FLNR:EX

From: Williams, Duncan FLNR:EX
Sent: Thursday, September 18, 2014 9:38 AM
To: Sutherland, Craig FLNR:EX
Subject: Fw: confidential re grace islet

In confidence.

From: Linda Adams [<mailto:ladams@islandstrust.bc.ca>]
Sent: Thursday, September 18, 2014 09:28 AM
To: Williams, Duncan FLNR:EX
Subject: FW: confidential re grace islet

Hi, Duncan. Just to follow up on our phone call yesterday – it was Kevin Edquist that Lisa Gordon communicated with after Trust Council passed its *in camera* resolution (see her message to him below). The actual wording of Trust Council's *in camera* resolution was:

'That the Islands Trust Council supports in principle joining a partnership with government agencies and other parties to purchase Grace Islet for heritage protection purposes, subject to further staff analysis of implications and further consideration by Trust Council if and when the Province of BC presents a purchase proposal at (fair market value) that is supported by relevant First Nations following consultation by the Province.'

Council also requested that staff report this resolution to provincial and regional district staff, on the understanding that discussions would remain confidential unless/until there was a more concrete proposal. This particular resolution arose after a teleconference that one of our Salt Spring trustees (George Grams) had with provincial and regional district staff, which consisted of:

- Craig Sutherland, A/Deputy Minister, Ministry of Forests, Lands and Natural Resource
- Operations (FLNRO)
- Kevin Edquist, A/Assistant Deputy Minister, Integrated Resource Operations, FLNRO
- Justine Batten, Director, Archaeology Branch, FLNRO
- Alastair Bryson, Chair, CRD
- Robert Lapham, CAO, CRD
- Sue Hallatt, Manager, Aboriginal Initiatives, CRD

My understanding is that, at that meeting, Trustee Grams was asked if Trust Council would be willing to participate in some form of partnership, which led to him proposing this resolution.

If there are any further discussions that the Islands Trust needs to be part of, please advise me.

See you at UBCM?

Best regards,

Linda Adams, MCIP, RPP
Chief Administrative Officer
Islands Trust
200 – 1627 Fort Street

Victoria BC V8R 1H8
Ph 250.405.5160
www.islandstrust.bc.ca
Toll free: call 1.800.663.7867 or 604.660.2421 from Vancouver

Preserving island communities, culture and environment
Please consider the environment before printing this email

From: Lisa Gordon
Sent: September-10-14 10:29 PM
To: Sue Hallatt (shallatt@crd.bc.ca); kevin.edquist@gov.bc.ca
Subject: confidential re grace islet

Hi Sue and Kevin,

Thank you both for your support during the preparation of my report to Trust Council.
We have erratic internet connections on Gambier, and this is the first time my laptop has been connected all day.
In camera today Trust Council agreed unanimously – in principle – to participate in a partnership to acquire Grace Islet.
The nature of that participation / partnership has many conditions, as you would expect. The first one is a formal proposal from the Province to Trust Council, with evidence of consent from relevant First Nations, and with a fair market value purchase price. There will be no further staff work on this until that foundation is in place, and then we can work relatively quickly (for a body that meets four times a year).
I can send the exact wording when we get back to the office on Friday – or sooner if it helps your worlds.

Cheers,

Lisa Gordon
Director, Trust Area Services
Islands Trust
200-1627 Fort St.
Victoria BC V8R 1H8
In Victoria 250-405-5174
Enquiry BC Toll-free call 1-800-663-7867
or from the lower mainland 604-660-2421

Websites: www.islandstrust.bc.ca | www.islandstrustfund.bc.ca
Preserving Island communities, culture and environment since 1974

Page 08 to/à Page 09

Withheld pursuant to/removed as

DUPLICATE

Ruscheinski, Bonnie FLNR:EX

From: Williams, Duncan FLNR:EX
Sent: Thursday, October 9, 2014 11:02 AM
To: Goad, Jennifer FLNR:EX
Subject: Grace Islet Rationale Oct 8
Attachments: Grace Islet Rationale Oct 8.docx

s.12,s.13,s.17

Background:

Construction of a private residence on Grace Islet in Ganges Harbour, Saltspring Island has triggered civil disobedience from First Nations and members of the public because the residence is on a First Nations burial ground. The property owner has attempted to accommodate First Nations concerns by designing the house to protect rock features, but the First Nations' position is that the islet is a sacred burial area and no land altering activity should take place. See attachment 4 for chronology of events. The Ministry, working with external partners, is looking at options for the purchase and the eventual conservation of the property.

Development on the private property was approved by local government (the Capital Regional District zoned the property for residential use and issued sewer and water permits for the site in 1991 and a building permit earlier in 2014). The Province has also issued a site alteration permit in 2011 under the *Heritage Conservation Act*.

s.13,s.17

s.12,s.13,s.17

Page 12 to/à Page 13

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s.12,s.13,s.17

Page 14

Withheld pursuant to removed as

s.13, s.17

Page 15 to/à Page 16

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s.13,s.16,s.17

Page 17

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s.13,s.17

Attachment 4: Chronology

Attachment 4: Chronology

1974 – Grace Islet registered as an archaeological site.

1990 – current owner purchased the property

1991 – Capital Regional District issued water and sewer permits

March 2007 – Archaeology Impact Assessment completed by owner

October 24, 2011 - the Archaeology Branch issued a site alteration permit for the private owner to build a house that protects the rock features identified on the AIA.

July 9, 2012 Archaeology Branch staff visited Grace Islet with the property owner, his agent and two professional archaeologists to conduct a site visit to confirm reports of work done contrary to the archaeology permit. No First Nations representatives were present at the request of the property owner.

September 2012 the permit holders asked the Archaeology Branch to amend the current Alteration Permit to extend the permit expiration date and allow for an analysis of the disturbed materials. First Nations were given an opportunity to provide comments with respect to this request. Justine – any comments received? See Oct entry

Oct. 10, 2012 - Minister Thomson received a letter from the Penelakut requesting the site alteration permit be cancelled. Penelakut continues to write directly to the Minister and requests that the Province purchase the property so that the site may be preserved. Tsartlip and Cowichan officially opposes any development on Grace Islet.

December 14, 2012, the Archaeology Branch issued a permit amendment to the property owner with specific conditions as to the examination of the disturbed materials and precluding any further development on the site pending receipt, review and reconsideration of the report stemming from this examination to determine if any of the cairns or other cultural materials had been disturbed..

On **May 26, 2013**, a forum with First Nations and community members was held in Ganges to discuss the Grace Islet situation. The Tsartlip, Penelakut and Cowichan First Nations attended, as well as an expert in burial cairns and an area archaeologist. Archaeology Branch staff were also present.

On **June 7, 2013**, Archaeology Branch staff met with the Penelakut and Cowichan First Nations to discuss the situation. Staff suggested the option of moving the cairns closest to the proposed house but First Nations remained adamant that any building on the islet will be a desecration of their burial island. (which they consider a sacred site).

Sept. 17, 2013: the Archaeology Branch approved amendments to the site alteration permit allowing the property owner to continue development on Grace Islet. The permit amendments included

extending the expiration date to Nov. 30, 2016, requiring that all ground alteration activities be monitoring by a qualified archaeologist, that architectural features be used to protect the cairns and implementing a restrictive covenant to permanently record the cairn locations and register them on the land title. A covenant is to be registered on the site to ensure the cairns are not disturbed in the future.

2014 – CRD issues building permit to the property owner

On **July 10, 2014**, the Capital Regional District voted unanimously to lobby the provincial government to suspend permits for a house being built over a First Nations burial site on Grace Islet in Ganges Harbour on Salt Spring Island. At their Aug. 13 meeting, the CRD denied a motion to expropriate the islet. The CRD previously zoned the land for residential use and issued water, sewer and building permits related to the development.

On **July 29, 2014**, Archaeology Branch staff, along with a building inspector from the CRD conducted a site inspection and confirmed that permit conditions are substantively being met.

On **Aug. 22, 2014**, senior ministry and Archaeology Branch staff met with five First Nations chiefs (Tseycum, Tsartlip, Cowichan, Penelakut, Lyackson) who claim an interest in the Grace Islet archaeology site. Two options were discussed at the meeting: 1) move all the cairns off the islet or relocate the four closest to the building (FNs said “no” to this); and 2) attempt to determine if purchasing the islet is possible (FNs agreed this was the only feasible solution). Ministry staff pointed out there was no mandate for this option at present, and it would be a lengthy process to obtain same. First Nations have indicated they will engage in civil disobedience if construction does not stop pending further discussions.

On **Aug. 26, 2014**, Tseycum chief Vern Jacks, Gary Holman (NDP MLA for Saanich North and the Islands) and other protestors passed beyond the islet’s high-water mark and through a fence onto private property.

On **Aug. 29, 2014**, senior ministry staff met with representatives from the Capital Regional District and Islands Trust who indicated that neither was in a position to assist in funding a purchase of the property at this time. Islands Trust also indicated that while they were interested in looking at a process to look at the zoning of other First Nations’ sensitive sites under the Islands Trust jurisdiction, there would be no selective rezoning of Grace Islet.

September 10, 2014, protest held. The protesters started at 780 Blanshard Street, the First Nations chiefs and/or representatives were invited in to have a meeting with deputy minister Tim Sheldan and ADM Craig Sutherland. After the meeting the chiefs, Tim and Craig went outside and addressed the protesters. The protesters then carried on by walking to the legislature and continuing their protest there.

September 17, 2014, First Nations Chiefs issue Grace Islet stop work order. “We’re here not only to enforce our own laws, but the provincial law,” said Chief Don Tom, a member of the Tsartlip First Nation. Tom attached a stop work order poster to fencing that surrounds the Grace Islet worksite. The order is on behalf of several Coast Salish First Nations groups that oppose the project on grounds Grace Islet is a sacred burial site.

September 23, 2014, owner of Grace Islet filed an injunction in B.C. Supreme Court asking for a no-trespassing order to keep protesters away. But the judge said the issue, in which local politicians and First Nations chiefs have joined protesters, could be more complicated than trespassing and deserved more time for preparation of legal arguments and research of aboriginal rights. The judge approved Tsartlip Chief Don Tom's request for an adjournment of one month to prepare legal arguments and consult his community. The request was supported by others involved in the case, including Victoria Coun. Ben Isitt, NDP MLA Gary Holman, Tseycum Chief Vern Jacks and activist Joe Akerman, who have been among the protesters.

October 6, 2014, protesters took to the lawn of the legislature at the beginning of the fall session.

Ruscheinski, Bonnie FLNR:EX

From: Williams, Duncan FLNR:EX
Sent: Wednesday, September 17, 2014 4:32 PM
To: Sutherland, Craig FLNR:EX
Subject: Re: Fwd: Urgent request: Grace islet Ganges Harbour

Yep. I talked to Isands Trust Ex Dir. If we go that route they will work with us.

From: Sutherland, Craig FLNR:EX
Sent: Wednesday, September 17, 2014 04:28 PM
To: Townsend, Gary FLNR:EX; Glaum, Doug FLNR:EX
Cc: Edquist, Kevin FLNR:EX; Williams, Duncan FLNR:EX
Subject: Fwd: Urgent request: Grace islet Ganges Harbour

More re: s.13

Thanks
Craig Sutherland

Begin forwarded message:

From: "Hadway, Sharon L FLNR:EX" <Sharon.Hadway@gov.bc.ca>
Date: September 17, 2014 at 4:22:18 PM PDT
To: "Sutherland, Craig FLNR:EX" <Craig.Sutherland@gov.bc.ca>
Subject: Fwd: Urgent request: Grace islet Ganges Harbour

Previous info to justine

Sent from my iPad

Begin forwarded message:

From: "Batten, Justine FLNR:EX" <Justine.Batten@gov.bc.ca>
Date: September 4, 2014 at 4:23:22 PM PDT
To: "Hadway, Sharon L FLNR:EX" <Sharon.Hadway@gov.bc.ca>
Cc: "Mayser, Rudi E FLNR:EX" <Rudi.Mayser@gov.bc.ca>, "Gage, Greg P FLNR:EX" <Greg.Gage@gov.bc.ca>
Subject: RE: Urgent request: Grace islet Ganges Harbour

Many thanks to both of you for this effort and guidance

*Justine Batten
Director
Archaeology Branch
Ministry of Forests, Lands and Natural Resource Operations*

Telephone: 250 953-3355

Fax: 250 953-3340

email: justine.batten@gov.bc.ca



Please consider the environment before printing this e-mail

From: Hadway, Sharon L FLNR:EX

Sent: Thursday, September 4, 2014 3:01 PM

To: Batten, Justine FLNR:EX

Cc: Mayser, Rudi E FLNR:EX; Gage, Greg P FLNR:EX

Subject: FW: Urgent request: Grace islet Ganges Harbour

Importance: High

Hi Justine, see response below. s.13

s.13

Thanks to Rudi for preparing this.

From: Gage, Greg P FLNR:EX

Sent: Thursday, September 4, 2014 2:54 PM

To: Hadway, Sharon L FLNR:EX

Cc: Mayser, Rudi E FLNR:EX

Subject: FW: Urgent request: Grace islet Ganges Harbour

Importance: High

Thanks to Rudi and staff for preparing this feedback:

s.13

From: Hadway, Sharon L FLNR:EX
Sent: Wednesday, September 3, 2014 4:36 PM
To: Mayser, Rudi E FLNR:EX; Gage, Greg P FLNR:EX
Subject: Urgent request: Grace islet Ganges Harbour
Importance: High

Hi, can you assist with a response to the attached email request to provide a response and implications for a s.13 Note this is needed by Thursday.

From: Batten, Justine FLNR:EX
Sent: Wednesday, September 3, 2014 4:28 PM
To: Hadway, Sharon L FLNR:EX
Subject: Grace islet Ganges Harbour

Sharon, I believe you were talking to Craig Sutherland about the Grace Islet situation. In brief we have a private property owner of an islet in Ganges Harbour who is erecting a house on the land. This has cause considerable upheaval to the local First Nations and some of the Salt Spring residents as there are burial cairns on the islet. Although the contemplated structure is designed to not damage any of the cairns, the very presence of the house on the islet is seen as desecration by the First Nations.

s.13

*Justine Batten
Director
Archaeology Branch
Ministry of Forests, Lands and Natural Resource Operations*

*Telephone: 250 953-3355
Fax: 250 953-3340
email: justine.batten@gov.bc.ca*



Please consider the environment before printing this e-mail

Period Nam	Client	RC	SL	STOB	Project	Description or Supplier Name	Document Number	Batch Name	Source System	Actual Amount
ADJ1-15	128	71400	30417	3286	7140001	Grace Islet remediation & protection	42104 771 Adjustment CAD	NR15NRH0943 Sp	Spreadsheet	s.17,s.21
16-Apr	128	71400	30417	3286	7140001	INNOCEPT REAL ESTATE OUTSOURCING LT	13292	NR16NRH0017	Payables	
16-Apr	128	71400	30417	3286	7140001	SLAWSKY, BARRY NORMAN	13288	NR16NRH0019	Payables	
16-Aug	128	71400	30417	3286	7140001	COWICHAN TRIBES	NR16NRH0198	TP16IROD 30JUL1	Payables	
16-Oct	128	71400	30417	3286	7140001	THE NATURE CONSERVANCY OF CANADA	1040	NR16NRH0270	Payables	
16-Oct	128	71400	30417	3286	7140001	THE NATURE CONSERVANCY OF CANADA	1037	NR16NRH0233	Payables	
16-Dec	128	71400	30417	3286	7140001	THE NATURE CONSERVANCY OF CANADA	1048	NR16NRH0387	Payables	
16-Dec	128	71400	30417	3286	7140001	THE NATURE CONSERVANCY OF CANADA	1048	NR16NRH0387	Payables	

0.00

CSB - CSM: Val Chura

Division: Integrated Resource Operations Division

RC: ADM Integrated Resources

Contact:



CANADA
#200 - 825 Broughton Street
Victoria, BC V8W 1E5

INVOICE

DATE: Feb 11, 2016

INVOICE # 1055 revised

Bill To:

Ministry of Forest, Lands and Natural Resource
Operations
PO Box 9352
Victoria, BC V8W 9M1

DESCRIPTION	AMOUNT
<u>Grace Islet Project</u>	
Reimbursement of expenses incurred as follows:	
<ul style="list-style-type: none">Costs incurred under Contribution and Indemnification Agreement dated January 14, 2015	
Section 2: Funding of NCC's Purchase of the Lands: s.17,s.21	
Section 2.1 (e): Legal : Stewart McDanold Stuart	
Section 2.1 (e): Land Title Search	
Section 2.1 (f): Appraisal: D.R.Coell & Associates	s.17,s.21
Section 2.1 (h): Property taxes	
<ul style="list-style-type: none">Staff time and expenses associated with management of the deconstruction phase, complete as of January 31, 2016	
<ul style="list-style-type: none">Less: 50% Charity rebate received by NCC for GST paid on Brod Demolition Invoices. (100% originally invoiced to the Province)	
<u>Additional invoice:</u>	
<ul style="list-style-type: none">Consultation fees: West Terra Projects Inc. Inv total \$S.17,S.21 less: 50% GST rebate	
Invoice due upon receipt	
Total	

West Terra Projects Inc
 2531 Mill Hill Rd
 Victoria, BC
 V9B 4X5



WEST TERRA PROJECTS
 INC
 BY D. YAGER

Invoice

Invoice To
 Nature Conservancy of Canada

Date	Invoice #
1/13/2016	62

P.O. No.	Terms
	Due on receipt

250-8836220

Item	Qty	Description	Rate	Amount
2-01-0123 Planning ...		Consultation for Grace Islet GST on sales	s.17,s.21 5.00%	75.00

s.21	Sales Tax GST 5%	s.17,s.21
	Payment/Deposit	
	Balance Due	



Modification No. 001

MODIFICATION AGREEMENT FOR SHARED COST ARRANGEMENT No. TP15IROD001

THIS MODIFICATION AGREEMENT dated for reference Feb 20, 2015

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as
represented by the Minister of Forests, Lands and Natural Resource Operations (the "Province")

AND:

Nature Conservancy of Canada (the "Recipient")

BACKGROUND

- A. The parties entered into an agreement dated **for reference** November 5, 2014 (the "Agreement"),
The Parties have agreed to modify the Agreement as follows:

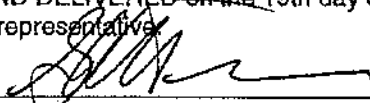
1. s.17, s.21

2. In all other respects, the Agreement is confirmed.

SIGNED AND DELIVERED on the 19th day of March, 2015, on behalf of the Province by its duly
authorized representative:

Signature

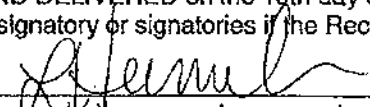
Print Name


Gary M. Townsend

SIGNED AND DELIVERED on the 19th day of March, 2015, by or on behalf of the Recipient (or by its
authorized signatory or signatories if the Recipient is a corporation):

Signature

Print Name


Linda Hannah

THIS AGREEMENT dated for reference the 5TH day of November, 2014.

BETWEEN

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the Minister of FOREST, LANDS AND NATURAL RESOURCE OPERATIONS

(the "Province")

AND *The Nature Conservancy of Canada*

(the "Recipient")

The parties to this Agreement agree as follows:

SECTION 1 – PAYMENT OF FINANCIAL CONTRIBUTION

Subject to the provisions of this Agreement, the Province must pay the Recipient the amount, in the manner, and at the times set out in Schedule B.

The Province has no obligation to make the financial contribution unless the Recipient has complied with the criteria set out in Schedule A.

The Province's obligation to make the financial contribution is subject to:

- (a) sufficient monies being available in an appropriation, as defined in the *Financial Administration Act* ("FAA"), to enable the Province, in any fiscal year when any payment of money by the Province to the Recipient falls due pursuant to this Agreement, to make that payment; and,
- (b) Treasury Board, as defined in the FAA, not having controlled or limited, pursuant to the FAA, expenditure under any appropriation referred to in subparagraph (a) of this paragraph.

SECTION 2 - INDEPENDENT RELATIONSHIP

No partnership, joint venture, agency or other legal entity is created by this Agreement or by any actions of the parties pursuant to this Agreement.

The Recipient is independent and neither the Recipient nor its servants, agents or employees are the servants, employees, or agents of the Province. The Recipient must not commit or purport to commit the Province to the payment of money to anyone.

The Province does not have control, for the purpose of the *Freedom of Information and Protection of Privacy Act*, of the records held by the Recipient.

SECTION 3 - CONFLICT OF INTEREST

The Recipient must not, during the Term, perform a service for or provide advice to any person if the performance of that service or the provision of the advice may, in the reasonable opinion of the Province, give rise to a conflict of interest between the obligations of the Recipient to the Province under this Agreement and the obligations of the Recipient to the other person.

SECTION 4 - CONFIDENTIALITY

The Recipient must treat as confidential all information and material supplied to or obtained by the Recipient, or any Third Party, as a result of this Agreement. The Recipient must not, without the prior written consent of the Province, permit its disclosure, except as required by applicable law or to the extent that the disclosure is necessary to enable the Recipient to fulfill its obligations under this Agreement.

SECTION 5 - TERMINATION

The Province may terminate this Agreement on 30 days written notice, without cause.

If this Agreement is terminated before 100% completion of the Project, the Province must pay to the Recipient that portion of the Financial Contribution which is equal to the portion of the Project completed to the satisfaction of the Province prior to termination.

SECTION 6 – DISPUTE RESOLUTION

The parties agree to first refer any matter in dispute under this Agreement to senior officers of the Parties. If the matter cannot be resolved, they must submit it to a mediator as agreed upon by both Parties. The Parties must bear equally the expenditures directly related to the mediation process.

SECTION 7 –INDEMNITY

The Recipient must indemnify and save harmless the Province, its employees and agents, from and against any and all losses, claims, damages, actions, causes of action, cost and expenses that the Province may sustain, incur, suffer or be put to at any time either before or after the expiration or termination of this Agreement, if the same or any of them are based on, arise out of or occur, directly or indirectly, by reason of any act or omission of the Recipient, or of any agent, employee, officer, director or Third Party pursuant to this Agreement, excepting always liability arising out of the independent negligent acts of the Province.

The Province must indemnify and save harmless the Recipient, its employees and agents, from and against any and all losses, claims, damages, actions, causes of action,

cost and expenses that the Recipient may sustain, incur, suffer or be put to at any time either before or after the expiration or termination of this Agreement, if the same or any of them are based on, arise out of or occur, directly or indirectly, by reason of any act or omission of the Province, or of any agent, employee, officer, director or Third Party pursuant to this Agreement, excepting always liability arising out of the independent negligent acts of the Recipient.

SECTION 8- REPAYMENT OR REDUCTIONS

An amount paid by the Province to the Recipient or which is treated as such pursuant to the terms of this Agreement, and to which the Recipient is not entitled according to the terms of this Agreement is repayable to the Province and until repaid constitutes a debt due to the Province.

If for any reason, the Project is not completed to the satisfaction of the Province, the Recipient must repay to the Province the Province's Financial Contribution (or any part which has been paid to the Recipient) under this Agreement, within 30 days of receipt by the Recipient of a written request for repayment from the Province.

SECTION 22 - ACCEPTANCE

The Recipient Indicates its agreement by dating and executing both copies of this Agreement in the space and manner indicated below free of any conditions. In signing or executing below, the Recipient is committing to a binding agreement.

IN WITNESS OF WHICH the parties have duly executed this Agreement as of the 17th day of November, 2014.

SIGNED AND DELIVERED on behalf of the Recipient

Linda Hannah
Signature of Recipient's Signing Authority

November 17/2014
Date

Linda Hannah Regional Vice-President
Printed Name & Title of Recipient's Signing Authority

Nature Conservancy of Canada

SIGNED AND DELIVERED on behalf of the Province,

Gary M. Loewens
Signature of Province's Signing Authority

Nov 19, 2014
Date

Gary M. Loewens
Printed Name & Title of Province's Signing Authority

SCHEDULE A – SERVICES

The Project

TERM

Notwithstanding the date of execution of this Agreement, the term of this Agreement starts on November 5, 2014 and ends on March 31, 2015.

PURPOSE & EXPECTED RESULTS

The parties agree to work together as described in the draft Letter of Understanding attached as a schedule to this Agreement.

DELIVERABLES

Tom Swann, BC Director of Land Securement and Associate Regional Vice President, shall participate on the Recipient's behalf, with assistance as needed from NCC staff with significant expertise in contract drafting, ecological land use planning, fundraising and administration.

REPORTING REQUIREMENTS:

Following completion of the Project the Recipient must, no later than 30 days after the end of the Term, provide a Project performance report with Project highlights, description of outcomes with respect to results set out in Schedule A, quantitative and qualitative description of the accomplishments / success of the Project; challenges faced and solutions found, information on results (negative or positive) that were not anticipated, and lessons learned.

SCHEDULE B
FINANCIAL CONTRIBUTION

PAYMENTS

1. The Province agrees to provide to the Recipient a maximum amount of s.17 during the Term of the Agreement.
2. Payments must be made in installments of \$8,000 for every ten staff days spent on the initiative as reported to the Province by The Nature Conservancy of Canada.
3. The Recipient must submit to the Province, a written statement of account showing
 - (a) the Recipient's legal name and address;
 - (b) the date of the statement and a statement number for identification;
 - (c) the Agreement Number;
 - (d) the calculation of the financial contribution being claimed, with reasonable detail of the applicable part of the Project completed to statement date; and
 - (e) any other billing information reasonably requested by the Province.

CONTRIBUTION AND INDEMNIFICATION AGREEMENT

THIS AGREEMENT made this 14th day of January, 2015

BETWEEN:

**HER MAJESTY IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA,
represented by the MINISTER OF FORESTS, LANDS
AND NATURAL RESOURCE OPERATIONS**

PO Box 9049 Stn Prov Govt
Victoria, BC V8W 9E2

(the "Province")

AND:

OF THE FIRST PART

THE NATURE CONSERVANCY OF CANADA

200-825 Broughton Street
Victoria, BC V8W 1E5

("NCC")

OF THE SECOND PART

W H E R E A S:

- A. The Province has entered into a Release dated for reference January 14, 2015 with Barry Norman Slawsky ("Slawsky"), who is the owner of the following lands:

PID: 009-077-138

Lot A, District Lot 47, Cowichan District, Plan 45887

(the "Lands").

- B. It is a condition precedent to the obligations of the Province and Slawsky under the Release that Slawsky transfer a good and marketable fee simple interest in the Lands to NCC on or before the Condition Removal Date (as such date is defined in the Release).
- C. Slawsky has agreed to transfer the Lands to the NCC on the terms and conditions set out in the Purchase and Sale Agreement that is attached hereto as Schedule "A" (the "Purchase and Sale Agreement").
- D. In the event that the Purchase and Sale Agreement fails to complete, Slawsky has agreed to transfer the Lands to the Province on the terms and conditions set

out in the Purchase and Sale Agreement that is attached hereto as Schedule "B" (the "Province Purchase and Sale Agreement").

- E. The Province and NCC both agree that it is in the public interest that the Lands be transferred by Slawsky to NCC, and further that following the transfer of title to NCC, the existing improvements on the Lands be removed by the Province, and that the Lands be restored and remediated by the Province, all as contemplated under the terms and conditions of this Agreement.
- F. The Parties acknowledge and respect the existence of aboriginal rights and title under Canadian law as it currently exists and as it may change from time to time.

NOW THIS AGREEMENT WITNESSES that in consideration of the premises, the terms and conditions hereinafter contained, the sufficiency and receipt of which is hereby acknowledged, the parties covenant and agree each with the other as follows:

1. DEFINITIONS

1.1 In this Agreement the following terms have the following meanings:

- (a) **"Business Day"** means a day other than a Saturday, Sunday or statutory holiday;
- (b) **"Closing Date"** has the same meaning as under the Purchase and Sale Agreement;
- (c) **"Deposit"** has the same meaning as under the Purchase and Sale Agreement;
- (d) **"Purchase Price"** has the same meaning as under the Purchase and Sale Agreement;
- (e) **"Vendor"** has the same meaning as under the Purchase and Sale Agreement;
- (f) **"Water Lease"** means the aquatic lease no. 103667 from the Province to Slawsky (Province of British Columbia file number 1403786).

2. FUNDING OF NCC's PURCHASE OF THE LANDS

s.17,s.21

- (b) the balance of the Purchase Price due and owing to the Vendor on the Closing Date, in accordance with the Vendor's statement of adjustments as approved by the Vendor under the Purchase and Sale Agreement;
- (c) any Goods and Services Tax that is determined to be payable in relation to the transfer of the Lands from the Vendor to NCC;
- (d) all registration, title search and filing fees, and any other out of pocket costs and disbursements incurred by NCC in connection with the completion of the transfer of the Lands to NCC;
- (e) NCC's actual costs incurred for legal services in connection with the negotiation and preparation of this Agreement, the Contract of Purchase and Sale, and the completion of the transactions contemplated thereunder;
- (f) NCC's actual costs incurred for the real estate appraisal of the Lands to be performed by Glenn Balderston of D.R. Coell and Associates;
- (g) any interest or penalty payable by NCC to third parties in relation to the matters referred to in sections 2.1(c) to (f) and (h), where the interest or penalty is imposed as a result of the failure of the Province to make payment within the time required under section 2.4;
- (h) all property taxes payable by NCC in relation to the Lands that are levied during the current calendar year.

2.2 The amount referred to in section 2.1(a) shall be paid by the Province to NCC's solicitors, Stewart McDannold Stuart in trust, on or before January 13, 2015, and in any event within a reasonable period of time that permits the NCC's solicitors to pay the Deposit to the Vendor's solicitor in accordance with section 3 of the Purchase and Sale Agreement.

2.3 The amount referred to in section 2.1(b) shall be paid by the Province to NCC on or before the Closing Date, and in any event within a reasonable period of time that permits the NCC to transmit those funds to the NCC's solicitors in order that they may pay the balance of the Purchase Price to the Vendor's solicitor in accordance with section 16(b) of the Purchase and Sale Agreement.

2.4 The amounts referred to in sections 2.1(c), (d) to (f) and (h), and any interest or penalty payable under section 2.1(g), shall be paid by the Province to NCC within thirty days of receipt of an invoice from the NCC detailing the amounts to be paid.

3. WATER LEASE

3.1 NCC agrees to take an assignment of the Vendor's interest in the Water Lease

concurrently with the transfer of the Lands to NCC under the Purchase and Sale Agreement. NCC agrees to surrender the Water Lease to the Province immediately following the transfer of the lands to NCC, with the express understanding that NCC shall assume no liability and shall not be held by the Province to be responsible for any of the obligations of the Lessee under the terms of the Water Lease, that the dock and ramp presently located within the leasehold area under the Water Lease will be used by the Province for the purposes of the Remediation Work (as defined herein), and that the Province will arrange for the removal of the dock, ramp and supporting structures and pilings upon the completion of that work, at no cost to NCC.

4. FIRST NATIONS

- 4.1 NCC confirms that it will respond respectfully and in good faith to a future request by First Nations and the Province to a change in the tenure of the Lands, provided NCC is satisfied that the terms of the proposal are consistent with NCC's mandate and policies and supported by a legal covenant or other binding agreement to protect the heritage and conservation values of the Lands.

5. FUNDING OF BASELINE INVENTORY, MANAGEMENT PLAN AND OUTREACH ACTIVITIES

- 5.1 s.17,s.21

5.2

5.3

6. REMEDIATION OF THE LANDS

- 6.1 The parties acknowledge the deep spiritual significance of the Lands to First Nations and will establish a process to fully engage them on the planning and execution of the Remediation Work (as defined in section 6.2).
- 6.2 Following the transfer of the Lands to the NCC, the Province and NCC shall consult each other and, pursuant to section 6.1, First Nations, with respect to the work necessary to:
- (a) demolish and remove all improvements constructed by the Vendor on the Lands, except to the extent the parties agree that such improvements should be left in place where their demolition or removal may damage the Lands or heritage features on the Lands; and
 - (b) otherwise restore the Lands as close as reasonably possible to the condition they were in prior to the construction of any improvements by the Vendor, including but not limited to re-vegetation of exposed soil in an ecologically appropriate manner as determined by NCC, acting reasonably and in consultation with the Province.

(collectively, the "Remediation Work").

The Province and NCC will continue to consult on an ongoing basis throughout the process of planning and executing the Remediation Work, and shall have the reasonable opportunity to respond at each stage of the planning and execution of the Remediation Work. Without limiting the foregoing and with regard specifically to the removal of the concrete footings and skim coat that have been constructed on the Lands, and the re-vegetation of exposed soil, the Province agrees that it shall not do any such Remediation Work without the prior agreement of NCC, acting reasonably and in consultation with the Province, as to the specifications for the work.

- 6.3 The Province will undertake the Remediation Work at its sole cost and expense. The Province agrees to accept a transfer from NCC of ownership of the improvements that are on the Lands as of the date of this Agreement and that are to be removed from the Lands, and such transfer shall be deemed to take place effective upon the registration of title to the Lands in the name of NCC, all with the intention that the Province may complete the Remediation Work and that the value of any salvaged materials shall be to the Province's account. The transfer of ownership of the existing improvements to the Province shall specifically exclude any improvements that the Province and NCC both agree must be left in place pursuant to section 6.2(a).
- 6.4 The Remediation Work shall be completed as expeditiously as possible, and by no later than August 31, 2015, unless it reasonably requires a longer time, in

which case the parties will negotiate in good faith to establish a new completion date for the Remediation Work.

6.5 Without limiting section 6.3, the Province shall be solely responsible for:

- (a) obtaining all approvals and permits required for the Remediation Work, including but not limited to a demolition permit from the Capital Regional District, and all necessary permits and authorizations under the *Heritage Conservation Act*;
- (b) the costs of retaining an archaeological consultant, in order to fulfil the requirements of any permit or approval under the *Heritage Conservation Act*;
- (c) the disposal of all demolition waste and materials, in accordance with all applicable statutes and regulations;
- (d) negotiating, entering into on its own behalf, and managing and overseeing all contracts necessary for the completion of the Remediation Work.

7. ASSIGNMENT OF PURCHASE AND SALE AGREEMENT

- 7.1 In the event that the fair market value of the Lands (without improvements) is determined through the Balderston Appraisal to be less than the Purchase Price, NCC may at its sole option and by written notice given to the Province on or before 4:30 p.m. on January 26, 2015, assign its interest in the Purchase and Sale Agreement to the Province, and the Province agrees to accept that assignment unconditionally.
- 7.2 In the event that the Province fails or refuses to accept the assignment of the Purchase and Sale Agreement as referred to in section 7.1, NCC may terminate the Purchase and Sale Agreement (as contemplated in section 17 of that agreement) and may terminate this Contribution Agreement, and in that event:
 - (a) to the extent the Vendor is legally obligated to return the Deposit under the Purchase and Sale Agreement, NCC shall return the Deposit to the Province upon receiving the Deposit from the Vendor's solicitor;
 - (b) the Province shall remain responsible for payment of the NCC's costs as referred to in sections 2.1(e) to (g).
- 7.3 NCC and the Province both acknowledge their mutual intention, and that of Slawsky, to re-draft and re-execute or amend the terms of the Release and the Purchase and Sale Agreement, so that the Release and the Purchase and Sale Agreement, and the Purchase Price, reflect the fair market value of the Lands ("Appraised Value") as determined under the Balderston Appraisal, if the appraised value is less than s.17,s.21

s.17,s.21 . Accordingly, NCC agrees that it shall only exercise its rights under section 7.1 and 7.2 of this Agreement in the event that NCC, the Province and Slawsky have not amended, or re-drafted and re-executed the Release and the Purchase and Sale Agreement in the circumstances described in this section 7.3 on or before noon on January 26, 2015.

- 7.4 Should the Province take assignment of the Purchase and Sale Agreement, or should the Province Purchase and Sale Agreement come into effect by satisfaction or waiver of the conditions precedent contained therein, and should the Province and Slawsky, prior to the Closing Date, amend, or re-draft and re-execute the Release and the Purchase and Sale Agreement or the Province Purchase and Sale Agreement (whichever is applicable) to reflect the Appraised Value, NCC agrees that it will take assignment of the amended or re-executed Purchase and Sale Agreement or the Province Purchase and Sale Agreement, as the case may be.
- 7.5 Should the Province take assignment of the Purchase and Sale Agreement, or should the Province Purchase and Sale Agreement come into effect by satisfaction or waiver of the conditions precedent contained therein, and should the Province and Slawsky, prior to the Closing Date, fail to amend, or re-draft and re-execute the Release and the Purchase and Sale Agreement or the Province Purchase and Sale Agreement (whichever is applicable) to reflect the Appraised Value, NCC and the Province agree to discuss the situation and to work together to find a mechanism to facilitate the transfer of the Lands to NCC directly from the Vendor whether by re-assignment of the Purchase and Sale Agreement, or assignment of the Province Purchase and Sale Agreement, or some other means, but on terms and conditions that are consistent with both the NCC Board resolution approving the NCC's acquisition of the Lands and with NCC's property acquisition policies.
- 7.6 In the event that the Release and the Purchase and Sale Agreement are amended, or re-drafted and re-executed in the circumstances described in section 7.3, or in the event the Purchase and Sale Agreement or the Province Purchase and Sale Agreement are assigned to the NCC pursuant to section 7.4, or in the event that the Province and NCC come to an agreement pursuant to section 7.5, this Agreement and the obligations of NCC and the Province under this Agreement shall continue to be in effect, and the terms of the amended, or re-executed Purchase and Sale Agreement or Province Purchase and Sale Agreement, or other agreement governing the acquisition of the Lands by NCC as negotiated under section 7.5, shall be deemed to have been substituted for Schedule "A" to this Agreement.

8. INDEMNIFICATION BY THE PROVINCE

- 8.1 The Province shall indemnify and save harmless NCC from and against any and all claims, actions, causes of action, demands, damages, costs, and expenses of

any kind whatsoever, including but not limited to NCC's legal costs and expenses on a solicitor and own client basis, which NCC may sustain, incur, suffer or be put to at any time arising from any of the following:

- (a) the Province's breach of or failure to perform a term or condition of this Agreement;
- (b) an act or omission of the Province or its contractors or sub-contractors in carrying on and performing the Remediation Work;

s.16

- (d) the Vendor's failure or refusal to perform its obligations under the Purchase and Sale Agreement.

8.2 In relation to the indemnity under section 8.1(d), the NCC shall first make all reasonable efforts to recover from the Vendor or other parties who may be liable for such claims, actions, causes of action, demands, damages, costs, and expenses before seeking recovery from the Province under this Agreement, provided that for certainty the Province shall in any event indemnify the NCC for its legal costs and expenses on a solicitor and own client basis in respect of NCC's recovery efforts, to the extent those costs are not recovered from the Vendor or other parties.

8.3 For certainty, the indemnity under section 8.1(c) shall continue to apply notwithstanding any future inability of NCC, the Province and First Nations to agree to a change in tenure of the Lands under section 4.1.

8.4 The indemnity under section 8.1 and section 8.2 shall survive the expiry or termination of this Agreement.

9. COST RECONCILIATION

9.1 In the event that NCC receives funds from third parties that are donated for a purpose that the Province has agreed to support through its financial contributions under this Agreement, then to the extent it may legally do so, NCC shall reimburse the Province up to the amount received by NCC from the Province in support of that specific purpose, but not exceeding the amount of the donations received by NCC for that purpose, and without interest.

9.2 NCC and the Province both agree and confirm that the Province's obligation to

provide funds to NCC under this Agreement shall be net of any amounts that NCC has received from the Province under the Contribution Agreement between NCC and the Province dated for reference November 25, 2014, and which NCC has expended for a purpose that the Province has agreed to support through its financial contributions under this Agreement.

10. COMMUNICATIONS

- 10.1 Neither party shall make any public written or verbal statements about this Agreement without the prior written consent of the other party.

11. NOTICE AND GENERAL PROVISIONS

- 11.1 It is hereby mutually agreed that:

any notice required to be given under this agreement will be deemed to be sufficiently given:

- (i) to be delivered at the time of delivery; and
- (ii) if mailed from any government post office in the province of British Columbia by prepaid registered mail addressed as follows:

if to the Province:

The Ministry of Forests, Lands and Natural Resource Operations,
780 Blanshard Street, Victoria BC V8W 2H1

Attention: Gary Townsend,
Assistant Deputy Minister,
Integrated Resource Operations

Telephone: 250-356-1874
Facsimile: 250-356-2150

with a copy to:

Ministry of Justice, Legal Services Branch
Attention: Kevin Contzen
13th Floor, 865 Hornby Street
Vancouver, BC V6Z 2G3

Telephone: 250 213-6049
Facsimile: 604 660-9558

if to NCC:

The Nature Conservancy of Canada
200-825 Broughton Street
Victoria, BC V8W 1E5

Attention: Thomas K. Swann
Telephone: 604-331-0722
Facsimile: 250-479-0546

with a copy to:

Stewart McDannold Stuart
Attention: Peter Johnson
2nd Floor, 837 Burdett Avenue
Victoria, BC V8W 1B3
Telephone: 250-380-7744
Facsimile: 250-380-3008

Unless otherwise specified herein, any notice required to be given under this Agreement by any party will be deemed to have been given if mailed by prepaid registered mail, or sent by facsimile transmission, or delivered to the address of the other party set forth on the first page of this Agreement or at such other address as the other party may from time to time direct in writing, and any such notice will be deemed to have been received if mailed or faxed, 72 hours after the time of mailing or faxing and, if delivered, upon the date of delivery. If normal mail service or facsimile service is interrupted by strike, slow down, force majeure or other cause, then a notice sent by the impaired means of communication will not be deemed to be received until actually received, and the party sending the notice must utilize any other such services which have not been so interrupted or must deliver such notice in order to ensure prompt receipt thereof.

11.2 TIME

Time is to be the essence of this Agreement.

11.3 BINDING EFFECT

This Agreement will enure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors, and permitted assignees.

11.4 WAIVER

The waiver by a party of any failure on the part of the other party to perform in accordance with any of the terms or conditions of this Agreement is not to be construed as a waiver of any future or continuing failure, whether similar or dissimilar.

11.5 HEADINGS

The headings in this Agreement are inserted for convenience and reference only and in no way define, limit or enlarge the scope or meaning of this Agreement or any provision of it.

11.6 LANGUAGE

Wherever the singular, masculine and neuter are used throughout this Agreement, the same is to be construed as meaning the plural or the feminine or the body corporate or politic as the context so requires.

11.7 CUMULATIVE REMEDIES

No remedy under this Agreement is to be deemed exclusive but will, where possible, be cumulative with all other remedies at law or in equity.

11.8 LAW APPLICABLE

This Agreement is to be construed in accordance with and governed by the laws applicable in the Province of British Columbia.

11.9 COUNTERPART

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

IN WITNESS WHEREOF the parties hereto have set their hands and seals as of the day and year first above written.

SIGNED AND DELIVERED on behalf of the Nature Conservancy of Canada



Linda Hannah, Regional Vice-President,
British Columbia

SIGNED AND DELIVERED on behalf of Her Majesty in Right of the Province of
British Columbia, represented by the Minister of Forests, Lands
and Natural Resource Operations

A handwritten signature in black ink, appearing to read 'Tim Sheldon', is written over a horizontal line.

Tim Sheldon, Deputy Minister

Page 21 to/à Page 30

Withheld pursuant to/removed as

s.21,s.22

Page 31 to/à Page 32

Withheld pursuant to/removed as

s.3

**Schedule B – Purchase and Sale Agreement
(The Province and Barry Norman Slawsky)**

**THE PROVINCE OF BRITISH COLUMBIA
AGREEMENT OF PURCHASE AND SALE**

THIS AGREEMENT is dated for reference the 14th day of January, 2015.

BETWEEN:

HER MAJESTY THE QUEEN in right of THE PROVINCE OF BRITISH COLUMBIA
(the "Purchaser")

AND:

BARRY NORMAN SLAWSKY
s.22

(the "Vendor")

WHEREAS:

- A. The Vendor is the owner of freehold title to the Lands;
- B. The Vendor has agreed to sell the Lands to NCC by the NCC Sale Agreement;
- C. In the case that the NCC Sale Agreement fails to complete due to the default of NCC, or in the discretion of the Purchaser should the NCC Sale Agreement otherwise fail to complete, the Vendor has agreed to sell the Lands to the Purchaser and the Purchaser has agreed to purchase all of the Vendor's right, title, and interest in and to the Lands on the terms and conditions set out in this Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement, the parties agree as follows:

1. Definitions

In this Agreement:

- (a) "Closing Date" means February 6, 2015;
- (b) "Contaminants" means any explosives, radioactive material, asbestos materials, urea, formaldehyde, underground or aboveground tanks, pollutants, contaminants, deleterious substances, dangerous goods or substances, hazardous, corrosive or toxic substances, special waste or waste of any kind or other substance the storage, manufacture, disposal, handling, treatment, generation, use, transport, remediation or release into the environment of which is prohibited, controlled or regulated under Environmental Laws.
- (c) "Deposit" means the deposit paid by NCC to the Vendor under the NCC Sale Agreement;

- (d) "Environmental Laws" means any and all statutes, laws, regulations, orders, bylaws, permits and other lawful requirements of any federal, provincial, municipal or other governmental authority having jurisdiction over the Lands now or hereafter in force relating to the environment, health, occupation, health and safety, product liability or transportation of dangerous goods, including all applicable guidelines and standards with respect to the foregoing as adopted by any of those governmental authorities from time to time and the principles of common law and equity.
- (e) "Lands" means the property legally described as PID 009-077-138, Lot A, District Lot 47, Cowichan District, Plan 45887.
- (f) "NCC" means the Nature Conservancy of Canada;
- (d) "NCC Closing Date" means the "Closing Date" as defined in the NCC Sale Agreement;
- (h) "NCC Sale Agreement" means the agreement of purchase and sale of the Lands between NCC and the Vendor, dated January 14, 2015;
- (i) "Permitted Encumbrances" means those legal notations listed on the title attached as Schedule "B" hereto; and
- (j) "Purchase Price" means the sum of One Million Three Hundred Thousand (\$1,300,000.00) Dollars.

2. Purchase and Sale

The Purchaser agrees to purchase from the Vendor, and the Vendor agrees to sell to the Purchaser, a good and marketable freehold title to the Lands, free and clear of all registered and unregistered encumbrances except the Permitted Encumbrances, on the terms and conditions set out herein.

3. Conditions Precedent.

- (a) The obligation of the Vendor to complete the sale of the Land is subject to the satisfaction of the following conditions on or before the Closing Date, unless and to the extent waived, in writing, by the Vendor at any time on or before that date:
 - (i) the failure of the NCC Sale Agreement to close on the NCC Closing Date.
- (b) The obligation of the Purchaser to complete the purchase of the Land is subject to the satisfaction of the following conditions on or before the Closing Date, unless and to the extent waived, in writing, by the Purchaser at any time on or before that date:
 - (i) the failure of the NCC Sale Agreement to close on the NCC Closing Date due to its termination under section 17(a) of the NCC Sale Agreement, or due to the default of NCC.
- (c) In consideration of Ten (\$10.00) Dollars, non-refundable, paid by the Purchaser to the Vendor, and by the Vendor to the Purchaser, the receipt and sufficiency of which each party hereby acknowledges, the Vendor and Purchaser agree not to revoke this agreement while it remains subject to any of the foregoing conditions precedent. The parties agree

that this Agreement will become an unconditional contract for the sale and purchase of the Land forthwith upon the satisfaction or waiver of the foregoing conditions precedent.

- (d) The Parties further agree that the conditions precedent in subsection (a) are for the sole benefit of the Vendor, and the conditions precedent in subsection (b) are for the sole benefit of the Purchaser, and the Vendor and Purchaser are entitled to waive their respective conditions precedent in their sole and absolute discretion so that their obligation to complete the sale or purchase of the Lands only arises upon satisfaction or waiver of their respective conditions precedent. If the conditions precedent are not satisfied, or waived in writing on or before the Closing Date, this Agreement will be null and void, and each of the parties hereto will have no further obligations to or rights against the other in respect of this Agreement.

4. Application of Deposit

If the Vendor has retained all or any portion of the Deposit:

- (a) on the Closing Date, such amount will be credited to the Purchaser on account of the Purchase Price, if the Vendor and the Purchaser complete the sale and purchase of the Lands on the Closing Date; or
- (b) if the Purchaser is in default of its obligation under this Agreement to purchase the Lands on the Closing Date, unless such default is waived in writing by the Vendor, such amount will be retained by the Vendor and the amount so retained will be in complete satisfaction of any claim arising against the Purchaser.
- (c) if the Vendor is in default of its obligation to complete the sale of the Lands on the Closing Date, unless such default is waived in writing by the Purchaser or the Purchaser has elected to complete the purchase of the Lands, such amount will be paid by the Vendor to the Purchaser, without prejudice to any other right or remedy of the Purchaser.

5. Payment of the Purchase Price

The Purchase Price shall be paid as follows:

- (a) by application of the Deposit as outlined in section 4 herein; and
- (b) as to the balance of the Purchase Price, but subject to the adjustments described in section 7 herein, by cheque payable to the Vendor's solicitor on the Closing Date in accordance with section 16(b) of this Agreement.

6. Closing

The Closing of the transaction contemplated by this Agreement shall occur on the Closing Date, or such other date as the Vendor and Purchaser may agree to in writing.

7. Adjustments

All adjustments, both in-coming and out-going with respect to rent, taxes, utilities and other items normally adjusted between a vendor and a purchaser on the sale of similar property shall be made as of the Closing Date, and the Purchase Price shall be adjusted accordingly.

8. Vendor's Representations and Warranties

The Vendor represents and warrants to the Purchaser that:

- (a) the Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
- (b) there are no actions, proceedings, investigations or claims, pending or to the best of the Vendor's knowledge threatened, with respect to the Lands, or with respect to the Vendor, if decided adversely could materially affect the ability of the Vendor to comply with its obligations hereunder or that relate to the presence of Contaminants in, on, under or migrating to or from the Lands;
- (c) to the best of the Vendor's knowledge, and without investigation, at the Closing Date, the Lands will comply with all Environmental Laws and will not be subject to any outstanding or threatened notice or defect or non-compliance, work order, pollution, abatement order, pollution prevention order, remediation order or any other order from any federal, provincial, municipal or other governmental authority;
- (d) the Vendor is the registered and beneficial owner of the Lands;
- (e) the Lands are not capital property of the Vendor used primarily
 - (i) in a business of the Vendor carried on with reasonable expectation of profit, or
 - (ii) by a GST registrant in making taxable supplies of the Lands by way of lease, license or similar arrangement
- (f) the sale of the Lands is not being made in the course of the Vendor's business;
- (g) the Lands have not been subdivided by the Vendor (other than where the severance has been only in two parts provided there was no previous subdivision, or done by an expropriating authority);
- (h) on the Closing Date the Vendor will not have any indebtedness to any person, business, company, or governmental authority which by operation of law or otherwise then constitutes a lien, charge or encumbrance on the Lands or which could affect the right of the Purchaser to own, occupy, and obtain revenue from the Lands except for the Permitted Encumbrances;
- (i) there is no claim or litigation pending or, to the knowledge of the Vendor, threatened with respect to the Vendor, the Lands, or the occupancy or use of the Lands by the Vendor which could affect the right of the Purchaser to own, occupy, and obtain revenue from the Lands or the ability of the Vendor to perform its obligations under this Agreement;
- (j) on the Closing Date, the Vendor will have good and marketable title to the Lands free and clear of all liens, charges, and encumbrances except for the Permitted Encumbrances;
- (k) no lien under the *Builders Lien Act* exists or is claimed with respect to the Lands nor any part of the Lands; and

- (f) the Vendor has made available to the Purchaser all relevant documentation relating to the Lands including, without limitation, a list of all Environmental Reports or heritage assessments or reports of which it is aware and copies of those in its possession or control, and all records in its possession or control associated with the historical and current use of the Lands (collectively, the "Property Documents"). The Purchaser agrees to maintain the confidentiality of the Property Documents pending the completion of the transfer of the Lands. The Vendor warrants and represents that the Property Documents contain all material information relating to the Lands of which the Vendor is aware, or which is in the Vendor's possession or control and, to the best of the Vendor's knowledge, are true, accurate and complete.

The representations and warranties contained in this section shall survive the Closing Date and shall continue in full force and effect for the benefit of the Purchaser thereafter, notwithstanding any independent inquiry or investigation by the Purchaser.

9. **Intentionally Deleted**

10. **Vendor's Covenants**

The Vendor covenants and agrees that:

- (a) from the date this Agreement is executed by the Vendor until the Closing Date, the Vendor will not commit nor allow any acts that would degrade or destroy the Lands or flora or cultural features on the Lands, and will transfer the Lands to the Purchaser in substantially the same condition as when last viewed by the Purchaser on December 18, 2014, except that the Vendor and its contractor are permitted to undertake site construction project demobilization, including the removal of sea cans, and construction equipment, provided the Vendor and its contractor exercise reasonable care not to damage, degrade or destroy the Lands or flora or cultural features on the Lands when doing so.
- (b) the Vendor will complete, execute and deliver to the Purchaser the Vendor's Exemption Certificate attached hereto as Schedule "A" upon signing this Agreement;
- (c) on or before the Closing Date the Vendor will terminate all contracts that the Vendor has entered into or authorized respecting the construction of improvements on the Lands;
- (d) subject to this Agreement completing, and as of the Closing Date, the Vendor hereby surrenders and assigns to the Purchaser all of his interest in and to the aquatic lands lease #103667 granted by Her Majesty the Queen in the right of the province of British Columbia. For certainty this assignment does not include the transfer of ownership of the dock, ramp and supporting structures that as of the date of this Agreement are situated within the leasehold area.

The covenants contained in this section shall survive the Closing Date and shall continue in full force and effect for the benefit of the Purchaser thereafter, notwithstanding any independent inquiry or investigation by the Purchaser.

11. **Purchaser's Representations and Warranties**

- (a) The Purchaser represents and warrants to the Vendor as of the Closing Date, that the Purchaser has or will have on or before the Closing Date taken all necessary action to

authorize and approve the execution and delivery of this Agreement and the transactions contemplated herein.

12. **Purchaser's Covenant**

The Purchaser shall provide the Vendor's solicitor with an executed discharge of Easement EC25539 and EC30846 concurrently with the transfer the Lands under this Agreement, with the understanding that the Vendor may offer to register the said discharges (at his sole cost) in exchange for the grant to the Vendor by the Owners, Strata Plan 1671 of a license to access and cross over the common property of Strata Plan 1671, or such other consideration that the Vendor may negotiate. The Vendor may only utilize the discharges for this purpose on the express condition and understanding, that:

- (a) he will not hold himself out as an agent of the Purchaser;
- (b) the terms and conditions and all obligations of the Vendor under any agreement shall be for the Vendor's account; and
- (c) the Vendor shall only have the right to utilize the discharges for this purpose if the discharges are registered within sixty (60) days following the Closing Date, and if not registered within that time period they shall be returned to the Purchaser's solicitor.

13. **Access**

From and after the acceptance of this Agreement and upon receiving the prior consent of the Vendor, not to be unreasonably withheld, the Purchaser shall have the right at the Purchaser's sole cost and expense, with twenty-four hours notice to the Vendor, from time to time to enter and inspect the Lands and carry out such reasonable tests and inspections and scientific inventories as the Purchaser deems necessary. The Purchaser shall exercise due diligence to prevent any damage or disruption to the Lands in the course of tests, inspections and visits.

14. **Possession**

Immediately upon completion, the Purchaser shall have vacant possession of, and clear title to the Lands subject only to the Permitted Encumbrances.

15. **Risk**

Until the Closing Date the Lands shall be at the risk of the Vendor and the Vendor will hold all insurance policies on the Lands and the proceeds thereof in trust for the parties as their interests may appear.

16. **Closing Procedure**

The closing procedure for the purchase and sale of the Lands, free and clear of all registered and unregistered encumbrances except the Permitted Encumbrances, shall be as follows unless otherwise agreed in writing between the parties:

- (a) The Purchaser shall cause its solicitors to prepare and deliver to the Vendor's solicitor all those documents listed below requiring execution by the Vendor prior to the Closing Date. The Vendor shall return to the Purchaser's solicitor the following duly executed documents by the Vendor prior to the Closing Date:

- (i) a Form A transfer (the "Transfer") in fee simple;
 - (ii) Vendor's statement of adjustments;
 - (iii) a statutory declaration of the Vendor confirming that he has terminated all construction agreements in accordance with section 10(c), that all amounts due and owing to any contractor, subcontractor, worker, material supplier or other person who may assert a builders lien against the Lands or any improvement on the Lands have been paid in full, subject only to the holdback required under section 4 of the *Builders Lien Act*; and
 - (iv) such other documents and assurances as the Purchaser and its solicitors may reasonably require.
- (b) The Purchaser's solicitor shall hold the above documents in his possession and on the Closing Date shall apply to register the Transfer and other documents requiring registration in the appropriate Land Title Office. Upon receiving a post registration title search from the Land Title Office showing that the Purchaser will, in the normal course of Land Title Office practice, become the registered owner of the Lands, free of registered and unregistered encumbrances except the Permitted Encumbrances, the Purchaser's solicitor shall deliver to the Vendor's solicitor by way of a cheque the balance of the Purchase Price due to the Vendor as shown on the approved Vendor's statement of adjustments.
- (c) In the event that the transfer is submitted for registration at the Land Title Office and a satisfactory post-registration title search is not received, the Purchaser's solicitor shall withdraw the transfer from the Land Title Office and return the transfer to the Vendor's solicitor. In the event that the transfer is not submitted for registration in the Land Title Office, the Purchaser's solicitor shall return the transfer to the Vendor's solicitor unregistered.
- (d) The Vendor's solicitor shall hold Seventy Five Thousand (\$75,000.00) Dollars from the Purchase Price paid under section 16(c), in trust, until the time period for filing builders liens under the contracts referred to in section 10(c) has expired in accordance with section 20 of the *Builders Lien Act*. In the event that a claim of builders lien is filed against the title to the Lands within that time period, the Vendor's solicitor shall, upon written demand of the Purchaser, pay the amount held in trust to the Purchaser's solicitor for the purpose of making an application under section 23(1) of the *Builders Lien Act*, but only in the event the Vendor has not obtained a discharge of the said lien or liens within thirty (30) days of the lien or liens being filed.
17. **Purchaser's Right To Terminate or Assign**
- The Purchaser may at the Purchaser's sole option assign this Agreement.
18. **General**
- (a) Time shall be of the essence of this Agreement.
- (b) This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.

- (c) Each party will pay its own legal fees. The Purchaser will bear all costs of the registration of the Transfer in the Land Title Office. The Vendor will bear all costs of clearing title to the Lands so that it is free of all registered and unregistered encumbrances except the Permitted Encumbrances prior to the Closing Date.
- (d) Any demand or notice which may be given pursuant to this Agreement will be in writing and delivered, faxed, or sent by postage prepaid mail and addressed:
 - (i) to the Vendor:

C/O John Alexander
Cox Taylor
26 Bastion Square
Victoria, BC V8W 1H9
Telephone: 250-388-4457
Facsimile: 250-388-4236
 - (ii) to the Purchaser:

The Ministry of Forests, Lands and Natural Resource Operations,
780 Blanshard Street, Victoria BC V8W 2H1
Attention: Gary Townsend,
Assistant Deputy Minister,
Integrated Resource Operations
Telephone: 250 356-1874
Facsimile: 250 356-2150

with a copy to:

Ministry of Justice, Legal Services Branch
Attention: Kevin Contzen
13th Floor, 865 Hornby Street
Vancouver, BC V6Z 2G3
Telephone: 250 213-6049
Facsimile: 604 660-9558
- (e) This Agreement may be executed in counterpart with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.
- (f) Each of the parties shall, at the expense of the other party, execute and deliver all such further documents and do such further acts and things as the other party may reasonably request from time to time to give full effect to this Agreement.
- (g) None of the provisions of this Agreement shall merge in the transfer of the Lands or any other document delivered on the Closing Date, and the provisions of this Agreement shall survive the Closing Date.
- (h) Except as may be specifically agreed in writing, no action or failure to act by a party to this Agreement shall constitute a waiver of any right or duty afforded any of them under

(i) This Agreement constitutes the entire agreement between the parties with respect to the subject matter of the Agreement and contains all of the representations, warranties, covenants and agreements of the respective parties, and may not be amended or modified except by an instrument in writing executed by all parties. This Agreement supersedes all prior agreements, memoranda, and negotiations between the parties.

Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister of Forests, Lands and Natural Resource Operations:

Darry Norman Slawsky

SCHEDULE "A"

VENDOR'S EXEMPTION CERTIFICATE

TO: Her Majesty the Queen in right of the Province of British Columbia (the "Purchaser")

RE: The Province's purchase from Barry Norman Slawsky, (the "Vendor") of PID
009-077-138, Lot A, District Lot 47, Cowichan District, Plan 45887 (the "Lands")

In consideration of and notwithstanding the closing of the above-noted sale, the undersigned Vendor hereby certifies that with respect to goods and services tax ("GST") potentially payable pursuant to the Excise Tax Act Canada (the "Act") by reason of the sale of the Lands and all buildings, structures and improvements thereon to the Purchaser:

1. I am the owner of the Lands and party to the sale of the Lands to the Purchaser.
2. No part of the Lands is capital property (as defined in the Act) used primarily in a business of mine.
3. I did not acquire the Lands in the course of a business or an adventure or concern in the nature of trade, nor did I carry out any construction or renovation on the Lands in the course of a business or an adventure or concern in the nature of trade.
4. I have never claimed an input tax credit under the Act in respect of the acquisition of the Lands or an improvement to it.
5. The sale of the Lands is not being made in the course of a business of mine or in the course of an adventure or concern in the nature of trade of ours in respect of which we have filed an election under the Act.
6. The Lands has never been subdivided by me.
7. Part of the Lands is occupied by a dwelling under construction and all parts of the Property are reasonably necessary for the use and enjoyment of the dwelling as a place of residence for individuals. I intended to use the dwelling primarily as a place of residence for myself.
8. The sale to the Purchaser is exempt from GST under section 9 and, if applicable, section 2 of Part I of Schedule V of the Act, and I am providing this certificate to the Purchaser with the intent that it be relied upon by the Purchaser in claiming such exemption as a certificate delivered to the Purchaser pursuant to section 194 of the Act.

IN WITNESS WHEREOF this certificate was signed this _____ day of _____, 2015.

Witness: _____

Vendor: _____
Barry Norman Slawsky

Page 43 to/à Page 44

Withheld pursuant to/removed as

s.3

Page 001

Withheld pursuant to removed as

s.14,s.17

Page 002

Withheld pursuant to removed as

s.14,s.21

Goad, Jennifer FLNR:EX

From: Goad, Jennifer FLNR:EX
Sent: Thursday, February 12, 2015 12:35 PM
To: 'Linda Hannah'; Tom Swann; Townsend, Gary FLNR:EX
Cc: Thompson, Lin FLNR:EX
Subject: RE: Grace Islet

Hi all –

I know Lin kindly arranged a call this afternoon. Based on Linda's note and the current activities it might be good to touch base on the following items.

Closing details:

Site Security – NCC's liability insurance, indemnification clause

Communications

Response to John Alexander Feb 6 email

Update on approach

Clarification re: s.17, s.21

Decommissioning

Plans in absence of CRD's work

Remediation

Clarification of remediation plan development post decommissioning

Third parties update

CRD, Islands Trust etc.

FN Ceremony

Funding to cover ceremony

Additional request from Nations through Min Aboriginal Relations and Reconciliation

Thanks all,

Jenn

From: Linda Hannah [<mailto:Linda.Hannah@natureconservancy.ca>]

Sent: Friday, February 6, 2015 9:08 PM

To: Townsend, Gary FLNR:EX

Cc: Tom Swann; Goad, Jennifer FLNR:EX

Subject: Fw: Grace Islet:

Hi Gary

Would like to followup on points raised below:

NCC has general liability insurance. I think you were aware of that already from previous discussions and there is, of course, the indemnification provision.

I understand, as part of the house deconstruction phase, the Province has taken reasonable steps to secure the site. I suppose someone could do their damndest to make a mess if they wanted. Let's discuss the decommissioning phase - perhaps there will be a response from CRD soon.

I would like clarity re: s.17,s.21 I don't have access to the Agreement and would like to know what we are bound to. The numbers are going to be under interest and scrutiny very soon.

Let's talk early next week, even briefly.

The journey continues...

Thx.

From: Peter Johnson
Sent: Friday, February 6, 2015 7:02 PM
To: Katie Blake; Tom Swann; Linda Hannah
Subject: Fwd: Grace Islet:

FYI.

Begin forwarded message:

s.14,s.22

On 2015-01-07, 12:47 PM, "Townsend, Gary FLNR:EX"
<Gary.Townsend@gov.bc.ca> wrote:

Hi, just a little explanation behind this meeting request.

We are making progress on the documentation of the settlement agreement and the purchase and sale agreement. While I anticipate there will be conversations back and forth between Peter Johnson and John Alexander

and between Kevin Contzen and John Alexander we thought it important to set up a call with all three parties to make sure that we had all aspects of the agreement covered, e.g. linkages.

Hence the proposal for a call Thursday afternoon starting at 1:00 p.m. I have suggested we set aside 2 hours but it would be great if we could conclude it in a shorter time than that. Kevin has indicated that he s.22 so perhaps we could start with discussion of the settlement/release of claims document first?

We will also need to discuss signing procedures, e.g. authorized alternate, e-signature or in-person?

Please advise if you have any concerns with timing. Thanks.

Gary

-----Original Appointment-----

From: Thompson, Lin FLNR:EX On Behalf Of Townsend, Gary
FLNR:EX

Sent: Wednesday, January 7, 2015 11:53

To:

'Tom.Swann@natureconservancy.ca<<mailto:Tom.Swann@natureconservancy.ca>>';

'pjohnson@sms.bc.ca<<mailto:pjohnson@sms.bc.ca>>'; Contzen, Kevin
JAG:EX;

'ppasutto@innocent.ca<<mailto:ppasutto@innocent.ca>>';

'alexander@coxtaylor.ca<<mailto:alexander@coxtaylor.ca>>'

Subject: CONFERENCE CALL: Gary Townsend/Tom Swann/Peter
Johnson/Kevin

Contzen/Paul Pasutto/John Alexander re: Grace Islet

When: Thursday, January 8, 2015 13:00-15:00 (UTC-08:00) Pacific Time
(US

& Canada).

Where: dial-in number: s.17
moderator)

(Gary's the

Page 007

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s.13,s.14

Page 008

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s.14

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<Gary.Townsend@gov.bc.ca> wrote:

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s.22

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Gary

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Sent: Wednesday, January 7, 2015 11:53

To:

'Tom.Swann@natureconservancy.ca<<mailto:Tom.Swann@natureconservancy.ca>>';
'pjohnson@sms.bc.ca<<mailto:pjohnson@sms.bc.ca>>'; Contzen, Kevin JAG:EX;

'ppasutto@innocept.ca<<mailto:ppasutto@innocept.ca>>';

'alexander@coxtaylor.ca<<mailto:alexander@coxtaylor.ca>>'

Subject: CONFERENCE CALL: Gary Townsend/Tom Swann/Peter Johnson/Kevin
Contzen/Paul Pasutto/John Alexander re: Grace Islet

When: Thursday, January 8, 2015 13:00-15:00 (UTC-08:00) Pacific Time (US
& Canada).

Where: dial-in number: ^{s.17}

(Gary's the moderator)

Goad, Jennifer FLNR:EX

From: Tom Swann <Tom.Swann@natureconservancy.ca>
Sent: Thursday, February 5, 2015 2:14 PM
To: Townsend, Gary FLNR:EX
Cc: Goad, Jennifer FLNR:EX; 'Patrick D Kelly'; Lorne Brownsey; Linda Hannah; Katie Blake
Subject: Grace Islet
Attachments: Elt Katie Blake (Feb 5'15) Pending Regn PJ-dw.pdf

Hello Gary,

Attached is the letter received from Peter Johnson advising of the Freehold Transfer of Grace Islet under Pending Registration. I am pleased to be able to confirm that this aspect of the Grace Islet project has now been completed.

Best regards,

Tom

T.K. Swann, AACI, P.App., RI(BC)
Associate Regional Vice President
Director of Land Securement - BC Region

tom.swann@natureconservancy.ca

Nature Conservancy of Canada
1310 - 409 Granville Street
Vancouver, BC V6C 1T2
Direct Line - 604-331-0722
Cell: 778-838-4435

BC Regional Office
200 - 825 Broughton Street
Victoria, BC V8W 1E5
Phone - 250-479-3191

Website: <http://www.natureconservancy.ca>



STEWART McDANNOLD STUART

Barristers & Solicitors

PH: 250.380.7744 | 2nd Floor, 837 Burrard Ave.
FX: 250.380.3008 | Victoria, BC V8W 1B3
logolaw@sms.bc.ca | www.sms.bc.ca

Email Transmission

February 5, 2015

File No.: 788 098

Email: *Katie.Blake@natureconservancy.ca*

Ms. Katie Blake
The Nature Conservancy of Canada
#200 – 825 Broughton Street
Victoria, B.C. V8W 1B5

Dear Ms. Blake:

RE: The Nature Conservancy of Canada Purchase of Grace Islet – Lot A, District Lot 47, Cowichan District, Plan 45887 from Barry Norman Slawsky

We write to advise on pending registration at the Victoria Land Title Office as follows:

- Form A Freehold Transfer was submitted for registration under pending registration number CA4220292.

Enclosed please find:

- Copy of Form A Transfer endorsed with particulars of pending registration; and
- Copy of Land Title Office search confirming the pending registration

We have provided the executed Form C Release of Easements EC25539 & EC30846 to John Alexander at Cox Taylor and have diarized this matter for 60 days from today's date. We will advise you as to whether Mr. Alexander registers the Form C Release.

We will provide you with a State of Title Certificate confirming final registration of the Property in the name of The Nature Conservancy of Canada in due course.

We trust you will find the enclosed in order, and remain,

Yours truly,

STEWART McDANNOLD STUART

Per:

Peter Johnson *

PJ/dw

Encl.

*Law Corporation

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s.14,s.17

Goad, Jennifer FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Wednesday, January 14, 2015 4:54 PM
To: Lorne Brownsey; Patrick Kelly; Linda Hannah; Tom Swann
Cc: Goad, Jennifer FLNR:EX
Subject: Fwd: Grace Islet Settlement and Purchase
Attachments: ATT00001.htm

We have the deal! Still a few steps until closing but this is the bulk of the work done.

Thanks everyone.

Gary

Sent from my iPhone

Begin forwarded message:

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Goad, Jennifer FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Wednesday, December 24, 2014 9:10 AM
To: Sheldan, Tim FLNR:EX; Goad, Jennifer FLNR:EX; Thomas, Vivian P GCPE:EX
Subject: FW: Grace Islet Meeting Today

FYI

From: Townsend, Gary FLNR:EX
Sent: Wednesday, December 24, 2014 9:09 AM
To: 'Paul Pasutto'; 'Dan Dube'
Cc: 'Kaitie Budden'; 'Tom Swann'; 'L BROWNSEY'; 'Patrick D Kelly'
Subject: RE: Grace Islet Meeting Today

Hi Paul,

Tom and I appreciated the meeting in Calgary. We too believe that some progress was made. Based on our discussions on December 22, we are concluding that there is an active interest to seek an negotiated settlement in the very near term. I note your comment that you will be speaking to Mr. Slawsky over the Christmas holiday. In anticipation of that I would like to reaffirm the following points we made to you in Calgary.

s.13,s.17

Best wishes for the holiday season.

Gary M. Townsend
Assistant Deputy Minister
Ministry of Forests, Lands and Natural Resource Operations
Ph: 250-356-1874

From: Paul Pasutto [<mailto:ppasutto@innocent.ca>]
Sent: Monday, December 22, 2014 6:14 PM
To: Townsend, Gary FLNR:EX; Tom Swann
Cc: Dan Dube; Kaitie Budden
Subject: Grace Islet Meeting Today

Hi Gary and Tom

Thank you for coming to Calgary for our meeting today and despite the fact that we were not able to conclude a resolution we believe it was a good meeting. We remain optimistic that we will get a deal concluded and as mentioned, we will be discussing the final results of our meeting with our client over the Holidays. We look forward to connecting with you if not sooner no later than January 6th. Merry Christmas to you and your families and enjoy the holiday season.

Paul Pasutto
President
#200, 3505 - 14 Street SW
Calgary, AB T2T 3W2
Direct: 403-716-3150
ppasutto@innoccept.ca



Assistant: Kaitie Budden
kbudden@innoccept.ca

Direct: 403-716-3153

Goad, Jennifer FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Monday, December 15, 2014 3:00 PM
To: 'Ppasutto@innocent.ca'; 'alexander@cixtaylor.ca'
Cc: 'L BROWNSEY'; Phan, Phong JAG:EX; Tom Swann; Goad, Jennifer FLNR:EX
Subject: Letter to Mr. Slawsky in response to Mr. Pasutto letter of Dec 11, 2014
Attachments: letter to Mr. Slawsky.pdf

Good afternoon Mr. Pasutto and Mr. Alexander. Please see attached letter for Mr. Slawsky. This letter will be sent to his Edmonton address, but I would appreciate your assistance in ensuring that he is made aware of the letter and time-limited offer.

Thank you.

Gary M. Townsend
Assistant Deputy Minister
Integrated Resource Operations Division
Ministry of Forests, Lands and Natural Resource Operations
Ph: 250-356-1874



December 15, 2014

Without Prejudice

Ref: 210999

Mr. Barry Norman Slawsky
s.22

Dear Mr. Slawsky:

I am writing in response to the letter of December 11, 2014 from Mr. Pasutto to Mr. Swann.

The statement in the letter that no negotiations concerning Grace Islet can take place until March 15, 2015 is disappointing to the Government of British Columbia. It is view of the Province that this matter requires immediate attention.

With the intent of accelerating discussions, the Province offers a settlement of \$4.3 million dollars for the purchase of Grace Islet. We believe that this is a fair offer and is greater than fair market value and the value likely to be derived via other processes.

I would ask that you initiate the actions necessary to engage in discussions on this settlement offer. With respect to the conditions set out in Mr. Pasutto's letter, the Province's preference is for a mutual honouring of the confidentiality of negotiations and for a negotiated settlement to be reached.

Time is of the essence, and in order to move forward on this proposal this offer is open for acceptance until the end of business on December 22, 2014. If we do not hear from you by then, we will presume the offer rejected.

Sincerely,

Gary Townsend
Assistant Deputy Minister

pc: Paul Pasutto
John Alexander
Tom Swann
Lorne Brownsey
Phong Phan
Jennifer Goad

Ministry of Forests, Lands and
Natural Resource Operations

Assistant Deputy Minister
Integrated Resource Operations

Mailing Address:
PO Box 9352 Stn Prov Govt
Victoria BC V8W 9M1

Telephone: 250 356-1874
Facsimile: 250 356-2130
Website: www.nro.gov.bc.ca

Page 087

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s.14,s.22

Goad, Jennifer FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Thursday, November 27, 2014 5:04 PM
To: 'Paul Pasutto'
Subject: RE: Grace islet

Thanks Paul for the open lines of communication. I understand that the CBC interview went well.

Time is of the essence and I believe it would be very helpful if our two parties could get together a.s.a.p. Our negotiations team has been formed and is ready to meet with you and Mr. Slawsky at your earliest convenience to open discussions quickly after Mr. Slawsky's December 4 return. This initial negotiation meeting is intended to provide an understanding of the Provinces intent and hopefully establish the framework for an acceptable solution. Our team is available to meet with you and Mr. Slawsky in Alberta any day of the week of December 8 other than December 10. Please advise me if this will work for you.

Thanks.

Gary M. Townsend
Assistant Deputy Minister
Integrated Resource Operations Division
Ministry of Forests, Lands and Natural Resource Operations
Ph: 250-356-1874

From: Paul Pasutto [mailto:ppasutto@innocept.ca]
Sent: Tuesday, November 25, 2014 11:16 AM
To: Townsend, Gary FLNR:EX
Cc: Kaitie Budden
Subject: Re: Grace islet

Hi Gary - just noticed this email. I hope the interview by the CBC with John Alexander proceeded with no issues and no surprising information.

s.21,s.22

If the Ministry chooses to set unrealistic parameters then I expect that the property will not be sold.

As mentioned yesterday, we are expecting to connect with Barry on or about December 4th and will advise the direction provided to me after I speak with our client.

Feel free to call if you have any questions. Thanks

Paul Pasutto

President

#200, 3505 - 14 Street SW

Calgary, AB T2T 3W2

Direct: 403-716-3150

ppasutto@innocept.ca



Assistant: Kaitie Budden

kbudden@innocept.ca

Direct: 403-716-3153

This email may be privileged and/or confidential. Any distribution, use or copying of this email or the information it contains by other than an intended recipient is unauthorized. If you received this email in error, please advise the sender immediately

On Nov 24, 2014, at 6:46 PM, Townsend, Gary FLNR:EX <Gary.Townsend@gov.bc.ca> wrote:

Thanks again for the call, Paul. Looking forward to connecting again soon.

Gary

From: Minister, FLNR FLNR:EX
Sent: Monday, November 17, 2014 10:47 AM
To: 'ppasutto@innocent.ca'
Cc: Townsend, Gary FLNR:EX
Subject: Grace islet (210089)

November 17, 2014

Dear Mr. Pasutto:

Thank you for your email of October 31, 2014, conveying Mr. Slawsky's position. We appreciate that this is a challenging situation for him and his family.

In conjunction with a number of involved agencies, including the Nature Conservancy of Canada, First Nations and local governments the province is committed to acquiring the property on Grace Islet for conservation. While this is our goal, I am sure that you can appreciate that financial process and due diligence expected by the people of the province require that we engage in a negotiation supported by information. Our mandate

requires that we seek an independent appraisal of property values and an itemized accounting of cost factors to support Mr. Slawsky s.21,s.22

We appreciate that Mr. Slawsky would like closure of this matter as soon as possible; however, we do not believe this is possible before the November 21, 2014, deadline you have outlined. That said, please know that we are committed to negotiating in good faith towards a mutually-beneficial resolution.

s.17,s.21

In our view, this proposal is a reasonable one in the interest of pursuing resolution. Our negotiations team would be pleased to meet with you in Alberta to enter the next phase of discussion. The team will include a representative of the province and a representative from the Nature Conservancy of Canada. I have asked Gary Townsend, Assistant Deputy Minister of the Integrated Resource Operations Division to contact you on my behalf and he will be in touch shortly to discuss next steps.

Sincerely,

Steve Thomson
Minister

pc: Gary Townsend, Assistant Deputy Minister, Integrated Resource Operations Division

Goad, Jennifer FLNR:EX

From: Paul Pasutto <ppasutto@innoccept.ca>
Sent: Friday, October 31, 2014 1:35 PM
To: Minister, FLNR FLNR:EX; Thomson, Steve FLNR:EX
Cc: Townsend, Gary FLNR:EX; Kaitie Budden
Subject: Grace Islet

Good Afternoon Minister Thomson.

Trust all is well with you.

As I am sure you are aware, Gary Townsend and I spoke last week and subsequent to that conversation he sent me an e-mail as a follow-up. Mr. Slawsky was out of the Country at the time and I was not able to confirm his direction until the last couple of days.

Based on these communications we felt it is important to re-confirm Mr.Slawsky's position as it relates to the possible disposition of the property.

s.21,s.22

We are looking forward to finalizing this and feel free to call if you would like to connect on the phone. Thanks

Paul Pasutto
President
#200, 3505 - 14 Street SW
Calgary, AB T2T 3W2
Direct: 403-716-3150
ppasutto@innoccept.ca



Assistant: Kaitie Budden
kbudden@innoccept.ca

Direct: 403-716-3153

Goad, Jennifer FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Monday, November 24, 2014 5:46 PM
To: 'Paul Pasutto'
Subject: Grace islet

s.17,s.21,s.22

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Cc: Townsend, Gary FLNR:EX
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Sincerely,

Steve Thomson
Minister

pc: Gary Townsend, Assistant Deputy Minister, Integrated Resource Operations Division

Goad, Jennifer FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Thursday, October 23, 2014 4:49 PM
To: 'Paul Pasutto'
Subject: Today's phone calls

Hi Paul, I am sending this to you in follow up to our discussion today in regards to the potential for the Province and its partners to initiate negotiations through you with the property owner, Mr. Slawsky.

The Ministry is close to confirming a financial mandate to engage in purchase negotiations for Grace Islet. The Ministry would be prepared to engage in negotiations based on land and improvements to the property made up to today's date. We recognise that this may include amounts payable under existing contracts, which cannot be prevented by cancelling ongoing construction work. However, the Ministry will not provide any compensation for costs associated with any construction activity which takes place on Grace Islet after today and would be seeking an immediate cease to construction activity.

It would be helpful before we formally initiate negotiations if you were able to provide information about the current state of construction, an itemized list of costs to date and any other costs payable by the owner.

Thanks again for our discussions today.

Gary M. Townsend
Assistant Deputy Minister
Integrated Resource Operations Division
Ministry of Forests, Lands and Natural Resource Operations
Ph: 250-356-1874

Page 096 to/à Page 097

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s.16,s.22

Page 098 to/à Page 104

Withheld pursuant to/removed as

s.3



December 3, 2014

Mr. Barry Norman Slawsky
s.22

Dear Mr. Slawsky,

The Honourable Steve Thomson, Minister of Forest, Lands and Natural Resource Operation for the government of British Columbia has asked the Nature Conservancy of Canada to enter into negotiations with you regarding Grace Islet. He has also asked Lorne Brownsey, former Deputy Minister in the Premier's Office, to represent British Columbia in all matters related to Grace Islet. Through these negotiations we hope that an agreement can be reached that will satisfy your interests as well as those of the neighboring First Nations that have strong cultural connections with Grace Islet.

Lorne Brownsey and I are available for an initial meeting on December 9, 11, 16 or 17 in Calgary, Edmonton or Vancouver. Please let us know by December 7 which of these days would work for you and your preferred location for a meeting.

We look forward to hearing from you and to the beginning of a productive dialogue.

Sincerely,
Nature Conservancy of Canada

Tom Swann
BC Associate Regional Vice President &
Director Land Securement

cc,

The Honourable Steve Thomson
Lorne Brownsey
Paul Pausutto
John Alexander
Gary Townsend



Goad, Jennifer FLNR:EX

From: Minister, FLNR FLNR:EX
Sent: Monday, November 17, 2014 10:47 AM
To: 'ppasutto@innocept.ca'
Cc: Townsend, Gary FLNR:EX
Subject: Grace islet (210089)

November 17, 2014

Dear Mr. Pasutto:

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s.17,s.21

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Sincerely,

Steve Thomson
Minister

pc: Gary Townsend, Assistant Deputy Minister, Integrated Resource Operations Division

Goad, Jennifer FLNR:EX

From: Paul Pasutto <ppasutto@innocept.ca>
Sent: Friday, October 31, 2014 1:35 PM
To: Minister, FLNR FLNR:EX; Thomson, Steve FLNR:EX
Cc: Townsend, Gary FLNR:EX; Kaitie Budden
Subject: Grace Islet

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s.21,s.22

We are looking forward to finalizing this and feel free to call if you would like to connect on the phone. Thanks

Paul Pasutto
President
#200, 3505 - 14 Street SW
Calgary, AB T2T 3W2
Direct: 403-716-3150
ppasutto@innocept.ca



Assistant: Kaitie Budden
kbudden@innocept.ca

Direct: 403-716-3153

Goad, Jennifer FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Thursday, October 23, 2014 4:49 PM
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Thanks again for our discussions today.

Gary M. Townsend
Assistant Deputy Minister
Integrated Resource Operations Division
Ministry of Forests, Lands and Natural Resource Operations
Ph: 250-356-1874

Ministry of Lands and Natural Resources Operations
INVOICE

Feb 16 2016

Make all checks payable to **Wahl Marine LTD**
Thank you for your business



Ms. Jennifer Goad
Province of BC, Ministry of Forests, Lands and Natural Resource Operations
PO Box 9352 Stn Prov Govt
Victoria, BC V8W 9M1

December 11, 2015

Mr. Tom Swann
Nature Conservancy of Canada
200-825 Broughton Street
Victoria, BC V8W 1E5

RE: Stewardship of Grace Islet Project Performance Report

Construction of a private residence on Grace Islet, near Ganges Harbour, Salt Spring Island, triggered civil disobedience from First Nations and members of the public due to its location on a First Nations burial ground. The owner had owned the site since 1991 and initiated construction in accordance with local zoning and bylaws and in accordance with the Heritage Conservation Act, which requires an archaeological impact assessment and a site alteration permit.

The site is of special cultural and spiritual significance for local First Nations and contains at least 16 burial cairns. The site is also ecologically valuable for its Garry oak plant communities, intertidal habitat and as a small component of the rare Coastal Douglas-fir ecosystem. Totalling only 256,800 hectares, the majority of this ecosystem, is on private land.

Due to those values, the Province partnered with local First Nations and the Nature Conservancy of Canada (NCC) to achieve long-term conservation for Grace Islet. This process was guided by a Protocol Agreement signed by nine First Nation Chiefs, The Province of BC, the Nature Conservancy of Canada and the Capital Regional District. Negotiations for the purchase and transfer of the property to the Nature Conservancy of Canada occurred over the fall and winter of 2014, and building construction on the islet ceased on Dec. 18, 2014. The building was estimated to be about 30% complete when construction was stopped.

On February 6, 2015, the title to Grace Islet transferred from the landowner to the Nature Conservancy of Canada; and on February 12, 2015 all conditions of the settlement agreement between the province and the landowner were satisfied and the transaction with the landowner was completed.

The next stage was to complete the deconstruction of the building, then the remediation of the Garry oak habitat and protection of the burial cairns.

The CRD took on the project management responsibilities for deconstruction and issued a request for submissions and 14 companies responded. These were all reviewed and short-listed to four respondents that were asked to provide formal bids for the contract to deconstruct the building. Brod Demolition was awarded the contract on July 16, 2015, and site work commenced on August 10, 2015.

The demolition contract was carried out by Brod in a very professional and respectful manner. Cultural monitors from local First Nations were in attendance each working day. 'Brushing Ceremonies' coordinated by First Nation people were conducted periodically for workers and visitors to the work site. The Certificate of Completion was issued November 3, indicating the contract had been substantially completed by October 22, 2015.

The final invoice has been received from Brod for contract completion and payment less 10% holdback in accordance with Builders' Lien Act is to be paid to Brod on or before December 20, 2015.

On November 25, 2015, a meeting was held in Duncan at the invitation of the local First Nations. In attendance were representatives from Brod Demolition, local First Nations, BC Government, NCC, CRD and the community of Salt Spring Island. The purpose of this meeting was to acknowledge the completion of the deconstruction of the building on Grace Islet, acknowledge that this was a special and sensitive project and that the work was completed successfully to everyone's satisfaction.

s.13, s.16

This report brings to a conclusion the securement and deconstruction phase of the Grace Islet project.

A handwritten signature in black ink, appearing to read 'Tom Swann', with a stylized flourish at the end.

Tom Swann, Associate RVP & Director, Securement
Nature Conservancy of Canada
T: 604.331.0722 C: 778.838.4435

Goad, Jennifer FLNR:EX

From: Goad, Jennifer FLNR:EX
Sent: Tuesday, February 9, 2016 11:56 AM
To: s.22
Cc: 'Sue Hallatt'
Subject: RE: Information request from Grace Islet Architect

Hi s.22

I am happy to respond to Sue's email in regards to your question around the availability of any publically available information on the purchase and settlement between the Province and the property owner of Grace Islet, the islet within Ganges Harbour, Salt Spring Island.

As you know the Province did reach an agreement with the property owner and the Nature Conservancy of Canada for the long term protection of Grace Islet. What we recommend for seeking access to written documentation is that you seek the information through Freedom of Information, the main avenue for publically available information. The main portal to do this is online at: <http://www2.gov.bc.ca/gov/content/governments/about-the-bc-government/open-government/open-information/freedom-of-information> . I would be happy to walk you through the process if that would be helpful.

Thank you,

Jennifer Goad | Strategic Initiatives Manager | Tenures, Competitiveness and Innovation Division | Ministry of Forests, Lands and Natural Resource Operations | tel: 250.356.5411 | cell: 250.812.6826 | Jennifer.Goad@gov.bc.ca

From: Sue Hallatt [<mailto:shallatt@crd.bc.ca>]
Sent: Tuesday, February 9, 2016 11:11 AM
To: Goad, Jennifer FLNR:EX; s.22
Subject: Information request from Grace Islet Architect

Dear Jennifer,

s.21,s.22

With thanks,

Sue

Sue Hallatt, MCIP, RPP
Manager, Aboriginal Initiatives
Capital Regional District, Executive Services
PO Box 1000, 625 Fisgard Street, Victoria, BC V8W 2S6
T: 250.360.3156 | F:250.360.3079 | C: 250 217-9546
www.crd.bc.ca



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 environment, think, print

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Page 114 to/à Page 135

Withheld pursuant to/removed as

DUPLICATE

Page 136 to/à Page 137

Withheld pursuant to/removed as

s.3

Page 138 to/à Page 147

Withheld pursuant to/removed as

DUPLICATE

Page 148 to/à Page 149

Withheld pursuant to/removal as

s.3

Page 150 to/à Page 155

Withheld pursuant to/removed as

DUPLICATE

Goad, Jennifer FLNR:EX

From: Townsend, Gary FLNR:EX
Sent: Monday, April 27, 2015 10:03 AM
To: Chura, Val CSNR:EX
Cc: 'Katie Budden'; 'Paul Pasutto'
Subject: FW: resending original invoices as requested earlier today
Attachments: Invoice 13288 BC Gov't Invoice.pdf; 14-12-31 Sector Environmental Resource Consulting.PDF; 15-02-12 Bjorn - Grace Isl, Invoice.pdf; 15-02-12 WBM - Jas Butalia.pdf; 15.02.12 Cox Taylor - John Alexander invoice.pdf; Invoice 13287 February retainer - Grace Island.pdf; Invoice 13286 January retainer - Grace Island.pdf; Innocept IREO Email Signature Small.jpg

Hi Val, here is the invoice (13288) from Innocept to the province that identifies the Grace Islet Release agreement and that the funds will be given to Barry Slawsky. Please proceed with payment to Innocept as quickly as possible.

Thanks.

Gary

From: Katie Budden [<mailto:kbudden@innocept.ca>]
Sent: Friday, April 24, 2015 5:00 PM
To: Townsend, Gary FLNR:EX
Subject: resending original invoices as requested earlier today

----- Forwarded message -----

From: Kaitie Budden <kbudden@innocept.ca>
Date: Friday, March 13, 2015
Subject: Grace Islet Invoice
To: Gary Townsend <Gary.Townsend@gov.bc.ca>
Cc: Paul Pasutto <ppasutto@innocept.ca>

Good afternoon Gary,

I hope all is well.

Please see attached invoice as discussed with Paul, also attached are the back up invoices as requested.

As noted on invoice please remit payment to Barry Slawsky C/O Innocept Real Estate Outsourcing.

Thank you Gary



Innocept Real Estate Outsourcing Ltd.
200, 3505 14th St. SW
Calgary, AB
T2T 3W2

INVOICE

Invoice No.: 13288
Date: 03/12/2015

Business No.: 130446644RT0001

Invoice to:

BC Ministry of Forests, Lands & Natural Resources

Attn: Gary Townsend
780 Blanshard Street
Victoria, BC V8W 2H1

Description	Amount
Re: Grace Islet - Release of Claims Agreement dated January 14th, 2015 - Section 7 (a)	s.17,s.21
1. WBM Partners LLP	
2. Sector Environmental Resource Consulting	
3. Bastion Group	
4. Cox Taylor Barristers, Solicitors and Notaries	
5. Innocept - January Monthly Retainer	
6. Innocept - February Monthly Retainer	
Total Cost of Invoices above	
Invoice amount as per Release of Claims Agreement dated January 14th, 2015 - Section 7 (a)	
G - GST 5%	
Payable to: Barry Slawsky C/O Innocept Real Estate Outsourcing #200, 3505 - 14 Street S.W., Calgary, Alberta, T2T 3W2	Total Amount
Payment Due: Net 30 Days or 1.5% Interest Per Month Will Be Charged	

01/30/2015 20:35 250-477-7573

SERC, VICTORIA, B.C.

PAGE 03

SECTOR
ENVIRONMENTAL
RESOURCE
CONSULTINGP. O. Box 5054,
3825 Cadboro Bay Road,
VICTORIA, B.C., V8L 6L8
TEL: 250-477-8812 FAX: 250-477-7573
E-MAIL: jpssector@serc.comINVOICE
On Account With:
Barry Slawsky
s.22Project: Grace Islet - Strategic Advice and Related Services
Period: December-2014
Invoice: 06-08-01-Slawsky-058
Date: December 31, 2014

SERC GST #: 12480255

Payment is hereby requested for services rendered in connection with the above noted project
for the period December-2014Fees: J.P. Soter s.17, s.21
J.P. Soter
W.F. Hubbard
J.M. Soter

Disbursements: Phone & Fax & Cell fees

J.P. Soter,
Principal, SERC

* Preferred client discount from prevalent standard SERC rates.



SECTOR
ENVIRONMENTAL
RESOURCE
CONSULTING

P.O. Box 55054, 3825 CAMERON BAY ROAD
VICTORIA, B.C., V8T 6L8
TEL: 250-477-6912 FAX: 250-477-7573
E-MAIL: jpsed@sercbc.com
Web: www.sercbc.com

SERC TASK LOG Grace Islet Services - JP Sector December 2014			
Date 2014	Tasks & Actions		Hours
Dec 3	Call from Barry Drafted reply		
Dec 4	Memos from Acheson, et al		
Dec 5	Call from Barry Memo to Barry		
Dec 8	Call from Barry		
Dec 9	LJA memo Call from Barry		
Dec 15	Reply to Barry		
Dec 16	Conference call with Barry, Paul Searched and conveyed GI waterfront listings		
Dec 18	Memo from Barry Conveyed Jesse Island details		
Dec 19	Call from Barry (ship board)		
Dec 20	Memo from Barry with Jesse figures Prepared Table re Jesse-Grace increased values Conveyed table to BNS et al Reply from BNS		
Dec 21	Memos from Paul/John		
Dec 22	Conference Call with Barry, Paul, John		
Dec 23	Call from Barry Note to Paul Note to LJA Briefed Hubbard Barry reprise		
Dec 24	Drafted Initial Plant Community memo		
Dec 25	Reviewed WFH inputs -< 2 nd Draft		
Dec 26	Edited and refined Plant Community memo		
Dec 27	Advanced Draft Plant Community memo Call to PP (message left)		
Dec 28	Memos to Hubbard Memo to John A Memo from Dan Dube confirming plant community type Discussion with Hubbard Conversion and editing of Plant Community memo		
Dec 29	Call from Barry Conference call with BNS, LJA and PP Discussions with Hubbard		

01/30/2015 20:35 250-477-7573

SERC, VICTORIA, B.C.

PAGE 05

	Editing and refinements to plant memo Finalization of Garry Oak Memo Conveyance of GO memo to LJA and team Note to LJA re appraisers		
Dec 30	Call from Barry Reconveyance of Garry Oak Memo Update report from Paul Arrangements to reproduce GI Plant Community Map Reconveyance of SERC Ecological Reports		
Dec 31	Call from Barry/Aaron Notes from B-A call Conf call with PP, LJA, DD, BNS, AS		
JP Sector December 2014			JPS 132 hrs

STATEMENT AND INVOICE

Date: February 12, 2015

ClientRef.# _____

Bastion Group GST Reg.# s.21

Project: Grace Islet Arch. Assessment

Client: Barry Slawsky/Innocept Real Estate

I. Consultants' Fees: s.17,s.21
B. Simonsen – 7 hrs. @85.00

Plus 12% HST on Fees

II. Disbursement/Expenses

- a) Travel and Related
 - Air Fare/Charter
 - Accommodation
 - Meals
 - Vch. Mileage
 - Ferry Charges
- b) Film/Processing
- c) Copies and Illustrations
- d) Word Processing/Report Production
- e) Other –

Please Submit Payment in the Amount of
(as per above Statement)

Make Cheque Payable to:

The Bastion Group
105 - 1419 Stadacona Ave.
Victoria, B.C.
V8S 5J3

per: B. Simonsen, The Bastion Group

Tel: (250) 294-1150





Partners llp
| Professional Accountants
| Business & Tax Advisors

Main 403.930.7330

Fax 403.460.2989

303. 1220 Kensington Road NW
Calgary, Alberta. T2N 3P5

www.wbmlp.com

Mr. Slawsky, Barry
s.22

Invoice No. 5304
Date February-12-15
Client No. 40567

Professional services rendered by the Tax Group during the period January 3, 2015 to February 2, 2015 in respect of support provided to your representatives in regards to the tax matters related to the settlement with the Province of BC for the Gros Islet, BC property:

- Azim Rajan, GST Advisor - 8.5 hrs @ \$175 per hour
- Jas Butalia, Tax Partner - 27.1 hrs @ \$210 per hour

s.17,s.21

Total

Sales Tax

Current Amount Due

Make cheques payable to WBM Partners LLP
Interest on overdue amounts 1.133% per month (13.596 annual)
Invoice Due on Receipt
GST: 82114 1785 RT0001

Page 163 to/à Page 165

Withheld pursuant to/removed as

s.14,s.22



Innocept Real Estate Outsourcing Ltd.
200, 3505 14th St. SW
Calgary, AB
T2T 3W2

INVOICE

Invoice No.: 13287
Date: 02/15/2015

Business No.: 130446644RT0001

Invoice to:

Barry Slawsky

Description	Amount s.17,s.21
Grace Island Monthly Retainer for February 1-15, 2015	
G - GST 5%	
Payable to: Innocept Real Estate Outsourcing #200, 3505 - 14 Street S.W., Calgary, Alberta, T2T 3W2 Payment Due: Net 30 Days or 1.5% Interest Per Month Will Be Charged	Total Amount



Innocept Real Estate Outsourcing Ltd.
200, 3505 14th St. SW
Calgary, AB
T2T 3W2

INVOICE

Invoice No.: 13286
Date: 31/01/2014

Business No.: 130446644RT0001

Invoice to:

Barry Siawsky

Description	Amount
Grace Island Monthly Retainer for January	s.17,s.21
G - GST 5%	
Payable to: Innocept Real Estate Outsourcing #200, 3505 - 14 Street S.W., Calgary, Alberta, T2T 3W2	Total Amount
Payment Due: Net 30 Days or 1.5% Interest Per Month Will Be Charged	

Goad, Jennifer FLNR:EX

From: Tom Swann <Tom.Swann@natureconservancy.ca>
Sent: Tuesday, June 16, 2015 12:00 PM
To: Goad, Jennifer FLNR:EX
Subject: RE: Grace Islet Deconstruction RFP

Hi Jenn,

Yes I spoke to him prior to our consideration of the extension to Sept 15. I have agreed to extend the Easement agreement between NCC and Slawsky for the use of the dock and parking stall to Aug 31. Our lawyer Peter Johnson has provided that information to Slawsky's lawyer.

From: Goad, Jennifer FLNR:EX [mailto:Jennifer.Goad@gov.bc.ca]
Sent: June-16-15 11:01 AM
To: Tom Swann
Subject: RE: Grace Islet Deconstruction RFP

Hi Tom – sorry – just to confirm – you've actually already spoken to Pasutto on the dock use?

From: Tom Swann [mailto:Tom.Swann@natureconservancy.ca]
Sent: Tuesday, June 16, 2015 9:55 AM
To: Goad, Jennifer FLNR:EX; 'Joshua Frederick'; Sue Hallatt; Maloughney, Mary Sue FLNR:EX; Lorne Brownsey (lornebrownsey@shaw.ca); Patrick D Kelly
Cc: Ben Martin
Subject: RE: Grace Islet Deconstruction RFP

Good morning,

Just a heads up Jenn. I just agreed to an extension of the agreement between Slawsky and NCC (through Pasutto) with regard to continued use of the small float and parking stall that are part of the common property of Grace Point. This was just extended to August 31, 2015. Thanks too for looking after the changes to the agreement between the province and NCC in order to respond to the extension to September 15th.

Josh, please let us know how the four respondents react to the proposed extension date of Sept. 15th.

Thanks,

Tom

From: Goad, Jennifer FLNR:EX [<mailto:Jennifer.Goad@gov.bc.ca>]

Sent: June-16-15 9:07 AM

To: 'Joshua Frederick'; Tom Swann; Sue Hallatt; Maloughney, Mary Sue FLNR:EX; Lorne Brownsey s.22 ; Patrick D Kelly

Cc: Ben Martin

Subject: RE: Grace Islet Deconstruction RFP

Hi all – We are also supportive (if Tom is) and in order to facilitate the logistics to make it an option I am having a conversation with Paul Pasutto tomorrow to just confirm the dock (just be very clear on timelines and ownership) and have set in motion the changes to the agreement the province has with the NCC.

Jenn

From: Joshua Frederick [<mailto:jfrederick@crd.bc.ca>]

Sent: Monday, June 15, 2015 2:09 PM

To: Tom Swann; Goad, Jennifer FLNR:EX; Sue Hallatt; Maloughney, Mary Sue FLNR:EX; Lorne Brownsey s.22

Cc: Ben Martin

Subject: RE: Grace Islet Deconstruction RFP

Hi Tom

Thanks for your reply.

Josh

Joshua Frederick, MAsc, P.Eng.

Manager, Project Engineering

Parks & Environmental Services

Capital Regional District

T: 250-360-3097 | F: 250-360-3270



CRD

"If we are to better the future we must disturb the present."
-Catherine Booth

From: Tom Swann [<mailto:Tom.Swann@natureconservancy.ca>]

Sent: Monday, June 15, 2015 1:53 PM

To: Joshua Frederick; Jennifer FLNR:EX Goad; Sue Hallatt; Mary Sue FLNR:EX Maloughney; Lorne Brownsey s.22

Cc: Ben Martin

Subject: RE: Grace Islet Deconstruction RFP

Josh,

Even though the process to date has move along reasonably well, it is obvious that the timelines projected are tight. Aug 31 was somewhat arbitrarily picked as

the completion date long before we got into the level of detail required to complete the tendering process. I would not want to see one of the stronger proponents withdraw as a result of not being able to meet unreasonable expectations.

I don't think NCC would have objections to pushing this timeline out if it means receiving bids that are achievable.

Thanks,

Tom

From: Joshua Frederick [<mailto:jfrederick@crd.bc.ca>]
Sent: June-15-15 1:33 PM
To: Jennifer FLNR:EX Goad; Sue Hallatt; Tom Swann; Mary Sue FLNR:EX Maloughney; Lorne Brownsey (ls.22@bc.ca)
Cc: Ben Martin
Subject: Fwd: Grace Islet Deconstruction RFP

Hello Team

Please see request below..we all know it is a really aggressive schedule and we're gunning to get the job done ASAP.

Since the request is from one of the stronger proponents is there any way the Aug 31 date could move to Sept 15th?

Thoughts

Josh

Sent from my iPhone

Begin forwarded message:

From: Brad Wilkerson <bradwilkerson@ralmax.com>
Date: June 15, 2015 at 1:06:21 PM PDT
To: Joshua Frederick <jfrederick@crd.bc.ca>
Subject: Grace Islet Deconstruction RFP

Hi Joshua

I We don't feel that adequate time is being given to prepare a response to the RFP. The site visit is on Wednesday afternoon, the 17th and you are closing it on Monday the 22nd. Basically we have 2 working days after the site visit before it's due. Given the very specific concerns of the site this schedule seems overly aggressive. Can you consider a more reasonable closing day, say the 25th?

Brad Wilkerson, Senior Estimator/Project Manager
Demolition Site Services Division
Salish Sea Industrial Services Ltd
343A Bay Street

Victoria, BC V8T 1P5
250-590-7072 Ext 25
Fax 250-590-7075
Cell 250-883-1203
bradwilkerson@salishseaind.com

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Thank you.

APPRAISAL OF
GRACE ISLAND, BC AND
FORESHORE LEASE NO. 103667

VALUATION DATE
January 15, 2015

PREPARED FOR
Nature Conservancy of Canada



D.R. COELL & ASSOCIATES INC.
REAL ESTATE APPRAISERS & CONSULTANTS



D.R. COELL & ASSOCIATES INC.

est
1974

REAL ESTATE APPRAISERS & CONSULTANTS

SUITE 303-1001 CLOVERDALE AVENUE, VICTORIA, B.C. V8X 4C9 PHONE (250) 388-6242 FAX (250) 388-6296
EMAIL drc@drcoell.com WEB PAGE www.drcoell.com

Our File: 7300-IS-M425

January 20, 2015

Nature Conservancy of Canada
1310 – 409 Granville Street
Vancouver, BC V6C 1T2

Attention: Mr. Tom Swann

Dear Sir:

Re: Grace Island, BC & Foreshore Lease No. 103667
Lot A, District Lot 47, Cowichan District, Plan 45887

As requested, we have completed a market value appraisal of the captioned property. The effective date of the value estimate is the date of inspection, January 15, 2015. It is our considered opinion that, subject to the critical assumptions, contingent and limiting conditions detailed in this report, the market value of the subject property is:

Land As Though Vacant ^{s.21}

Note: See Extraordinary Assumptions on page 5 of this report for factors which affect this valuation.

A detailed description, summary and analysis leading to the conclusion of value are included herein. Should you require further information with regard to this report or wish to discuss same, please do not hesitate to contact us.

Yours very truly,

D.R. COELL & ASSOCIATES INC.

Per:

Glenn O. Balderston
GOB/wg

SCOTT HUMPHREYS, B.Comm, AACI, PAApp RICHARD W. GORON, AACI, PAApp, RI MICHAEL A. MARTYN, AACI, PAApp JACK MILLER, AACI, PAApp, RI
ALAN G. KOTILA, BA, AACI, PAApp GLENN O. BALDERSTON, AACI, PAApp STEFFEN A. HAGEN, AACI, PAApp
JOHN PEEBLES, AACI, PAApp, RPF MISHLE MARTIN, CRA, RI

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Executive Summary	1
Purpose and Intended Use of the Appraisal.....	2
Property Rights Appraised	2
Scope of the Report	3
Sales History of the Property.....	3
Contingent and Limiting Conditions.....	4
Extraordinary Assumptions	5
Regional Data	6
Salt Spring Island Overview	8
Property Location	10
Property Description.....	12
Assessments and Taxation	19
Land Use Controls.....	19
Highest and Best Use.....	20
Valuation Procedure.....	20
Direct Comparison Approach	20
Sales Summary.....	27
Exposure Time.....	28
Appraiser's Certification	29
Addenda: Title Search Print Title Encumbrances Zoning Extract	



D.R. COELL & ASSOCIATES INC.
REAL ESTATE APPRAISERS & CONSULTANTS

EXECUTIVE SUMMARY

Property Location: Grace Island, East of the Village of Ganges on Salt Spring Island, BC

Jurisdiction: Gulf Islands Rural

Legal: Parcel Identification No. 009-077-138
Lot A, District Lot 47, Cowichan District, Plan 45887

Land Size: 0.78 acres (island) and 0.27 acres (foreshore)

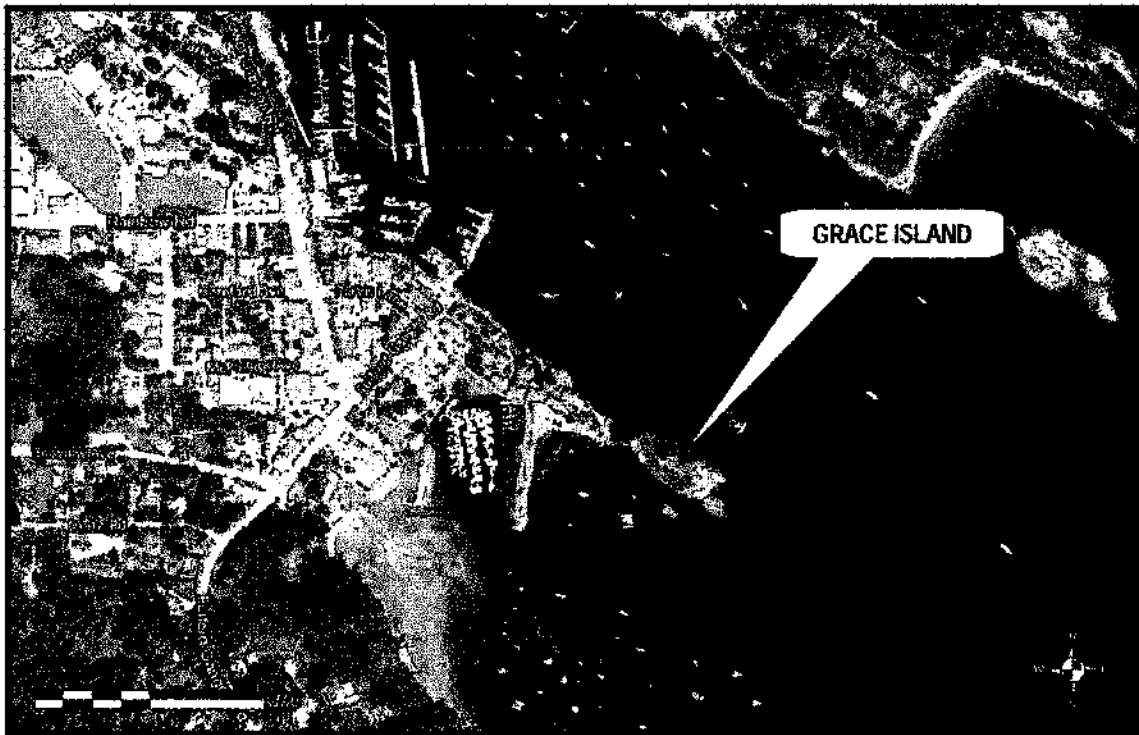
Improvements: Residence under construction and docks are excluded from this valuation.

Zoning: Ri, Rural Island

Highest & Best Use: Island Estate Residential

Final Value Estimate: s.21

Effective Date: January 15, 2015



D.R. COELL & ASSOCIATES INC.
REAL ESTATE APPRAISERS & CONSULTANTS

PURPOSE AND INTENDED USE OF THE APPRAISAL

The purpose of this appraisal is to estimate the market value of the land as though vacant as described in this report as of January 15, 2015. The intended use of the appraisal is to provide a valuation guidance pertaining to the acquisition of the subject property.

DEFINITION OF MARKET VALUE

Market value is defined by the Appraisal Institute of Canada as follows:

"The most probable price which a property should bring in a competitive and open market as of the specified date under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus."

Implicit in this definition are the consummation of a sale as of the specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised and acting in what they consider their best interests;
- 3) A reasonable time is allowed for exposure in the open market;
- 4) Payment is made in terms of cash in Canadian dollars or in terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PROPERTY RIGHTS APPRAISED

The property rights appraised are those of the fee simple interest in the deeded property and the leasehold interest in the foreshore.

RELEVANT DATES

Effective Date of Appraisal: January 15, 2015

Date of Inspection: January 15, 2015



D.R. COELL & ASSOCIATES INC.
REAL ESTATE APPRAISERS & CONSULTANTS

SCOPE OF THE REPORT

This appraisal report has been prepared in accordance with our understanding of the Canadian Uniform Standards of Professional Appraisal Practice. The appraisal constitutes a summary report whereby the principal steps taken by the appraiser are:

- ▶ Inspected the subject property on January 15, 2015;
- ▶ Searched the property title, at the Victoria Land Title Office;
- ▶ Reviewed the Islands Trust Zoning Bylaw and Official Community Plan;
- ▶ Observed area and neighbourhood activity;
- ▶ Valued the property by the Direct Comparison Approach to Value. The appraiser has relied upon sales and listing activity reported by the Victoria Real Estate Board, contracted reporting services and the appraiser's own files.

SALES HISTORY OF THE PROPERTY

To the best of our knowledge, as of the date of valuation the property appraised in this report was neither listed, nor pending a fixed price sale, nor had it been sold within three years of the valuation date.



CONTINGENT AND LIMITING CONDITIONS

It is assumed that:

- (1) The legal description as furnished is correct.
- (2) The title is good and marketable.
- (3) There are no encroachments or encumbrances that would in any way affect the valuation, other than those identified within this report.

The subject property fronts the shoreline of a body of water which may be subject to erosion and accretion. The appraiser has, on the basis of available plans and survey evidence, estimated the size of the subject property. The appraiser does not warrant this size estimate as being the results of a survey or as being a legal interpretation of legal plans. The appraiser reserves the right to revise this appraisal should legal survey evidence be produced that indicates a variance between the estimated size and the surveyed size of the site.

It is assumed that there are no latent defects in the subject site and that no objectionable materials such as P.C.B.'s or other toxic contaminants are present. No soil tests or geotechnical surveys have been provided and as such, unless noted separately within this report, the site is assumed to reflect no extraordinary conditions which would affect the value conclusion rendered.

This report involves the gathering, investigation and analysis of material inherent to the purpose of this report. As part of this investigation, it was found necessary to utilize both verbal and documented evidence. A concerted effort has been put forward to verify the accuracy of the information contained herein. The information is believed to be reliable, correct and has been gathered according to procedures which are recognized by the Appraisal Institute of Canada.

This report is prepared in confidence for the sole use of Nature Conservancy of Canada. Liability to any other party relying on the report, without written permission of D.R. Coeli & Associates Inc., is denied.



D.R. COELI & ASSOCIATES INC.
REAL ESTATE APPRAISERS & CONSULTANTS

EXTRAORDINARY ASSUMPTIONS

This report **excludes** all improvements to the Island (buildings, docks, etc.) except for the site services stubbed-off at the Island perimeter.

This report **assumes** that the Island is fully serviced and ready for issuance of a building permit for a single family home residence in accordance with typical development requirements.

This report **excludes** all archeological and First Nations issues which could restrict the construction of a residence or typical use of the Island as an estate property.



REGIONAL DATA

The subject property is part of an archipelago located between Vancouver Island, the mainland of British Columbia and Washington State. These islands within British Columbia are known as the Gulf Islands, while in Washington State they are known as the San Juan Islands.

The larger islands in the Gulf Islands are serviced by BC Ferries. Connections are available from Swartz Bay, (part of Greater Victoria) and Tsawwassen, (part of Greater Vancouver) and other locations on Vancouver Island. These larger islands include Salt Spring, North Pender, Satuma, Mayne, Galiano, Thetis and Penelakut.

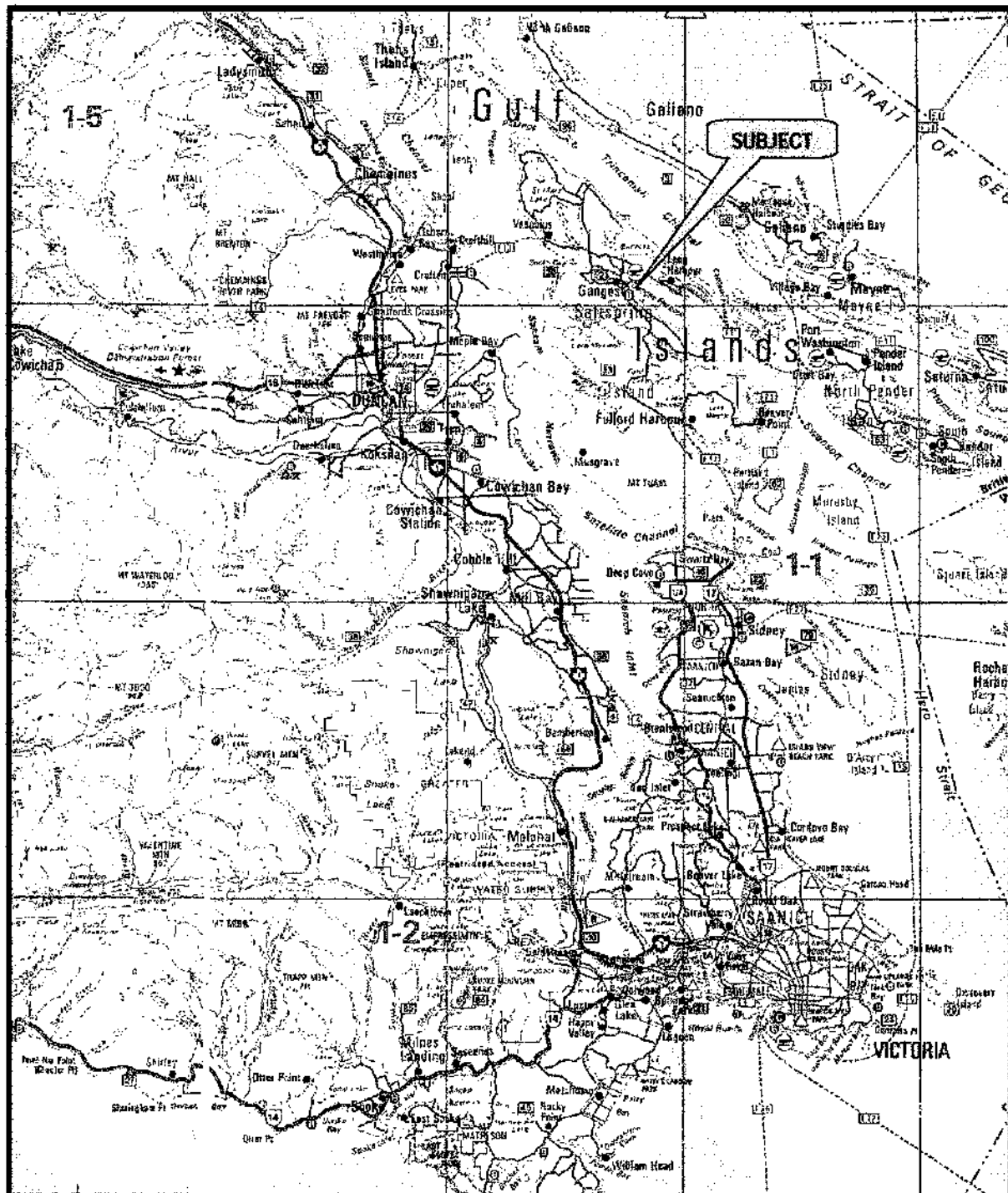
The population of the southern Gulf Islands according to the 2011 census was 15,014, an increase of 2.8% since the 2006 census, which is significantly less than the 8.5% increase recorded for the previous census period (2001 to 2007). In the summer months, the population also increases significantly due to people occupying seasonal residences and tourist commercial accommodation.

Discussions with local realtors indicate that the general residential real estate market in the past had been very active with increased sales volumes and price increases. However, in 2008, sales volumes fell dramatically, though there has been some limited recovery, albeit at lower price levels. Sales volumes increased in 2014 with prices generally holding steady.

The Gulf Islands, due to their pleasant climate, attractiveness and ambiance will continue to be a desirable place to live, retire and holiday. Limiting factors are limited services such as water, sewage disposal, increasing ferry costs and limited health services. The recently established Gulf Islands National Park Reserve by Parks Canada has consolidated numerous recent purchases of small islands and strategic portions of some of the larger islands into a single national park system.



REGIONAL LOCATION MAP



SALT SPRING ISLAND OVERVIEW

Salt Spring Island is the largest and most populous of the Gulf Islands. The island is approximately 180 km² in size and has approximately 800 km of developed roads.

The island was used by First Nations people and settled in the mid 1880's by mainly European and Asian immigrants. Logging and farming were the principal industries of the island. Population growth has been strong in the past twenty years but moderate in recent times. Census data follows:

1981	5,446
1986	6,164
1991	7,871
1996	9,247
2001	9,279
2006	9,640
2011	10,234

There are also a significant number of seasonal residents with summer homes on the island and a large percentage of Salt Spring residents are of retirement age. Farming and logging are still factors in the island's economy, but the largest growth has been in retirement, tourism and service industries.

Access to the island is via ferry service provided by B.C. Ferries. There are 8 - 10 daily sailings each way between the Island and Swartz Bay, 32 km north of Victoria. There are twice daily sailings from Tsawwassen on the mainland, and 15 daily sailings each way between the island and Crofton, which is between Duncan and Ladysmith on Vancouver Island. The island is traversed by reasonably well maintained, mostly paved roads. There are also sailings to and from the other Gulf Islands.

Commercial facilities are concentrated in the Village of Ganges and include a wide range of shopping and services. Recreational facilities include marinas, two nine-hole golf courses, swimming lakes, tennis courts and community halls. Resort facilities range from campgrounds to exclusive, world-class accommodations. There is limited industrial development on the island, mostly near Ganges.

The island is administered by several government agencies for various factors. The Islands Trust administers zoning and planning. The Capital Regional District governs some utility services, building inspection, etc. The Ministry of Highways is the approving office for subdivision applications. Discussions have been held for many years to transfer the subdivision approval authority to the Islands Trust.



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The real estate outlook for Salt Spring Island was very positive from 2002 to 2005. In 2006, there were reduced sales and price levels eased. Residential development is the main focus on the Island with particular interest in single-family residential subdivisions and affordable or seniors' attached housing projects. For 2007, volumes were up with a record number of non-waterfront properties sold (171) representing 57.6% of all property sales. Sales volumes fell dramatically in 2008 although average prices increased due to a higher percentage of improved properties over \$1.0 million.

Residential property data, both improved and vacant has been summarized by Tom Navratil, a realtor at Royal LePage Salt Spring Realty. His findings are as follows:

Year	No. of Sales	Average Sale Price	Median Sale Price
2006	211	\$525,949	\$412,500
2007	297	\$540,640	\$435,000
2008	172	\$622,546	\$509,250
2009	188	\$494,907	\$410,000
2010	195	\$536,916	\$449,000
2011	188	\$513,495	\$429,250
2012	181	\$515,754	\$490,000
2013	183	\$486,207	\$429,000

Sales in 2014 have increased in volume with 183 transactions to November 3, 2014 with expectations that total year sales will exceed 200; the highest volume since 2007. The 2014 average sale price has also climbed to \$522,182 as at November 3, 2014.

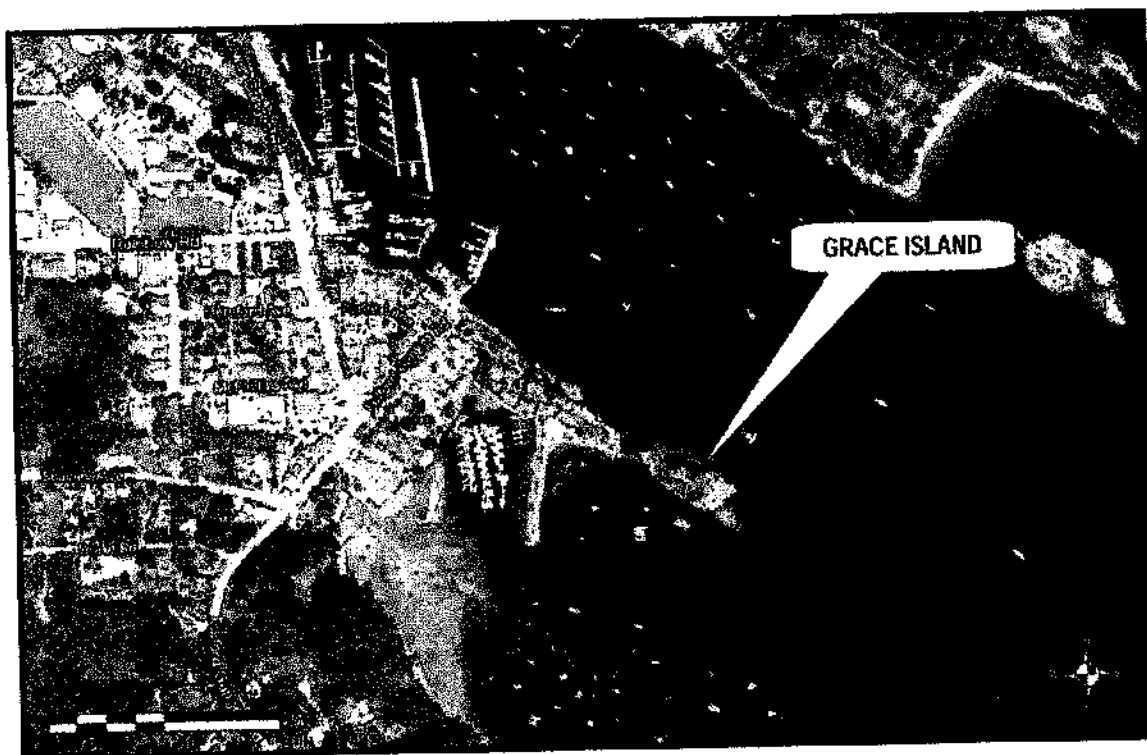


PROPERTY LOCATION

Grace Island is located ± 60 metres (200 feet) east of Grace Point to the immediate east of the Ganges Village core on Salt Spring Island. It is within Ganges Harbour which includes several marinas and a Government dock, private moorage and protected areas for anchorage.

The Grace Point complex was developed on the edge of the village core commencing in the late 1980's. It consists of Grace Point Square (commercial shopping centre), Grace Point Residences (21 unit high end townhouse project) and Grace Island as illustrated on the attached developer's brochure.

Access to Grace Island is provided by an easement through the Grace Point Residences (foot or vehicle traffic) to a dedicated parking stall at the "launch dock" thence via boat. Copies of the easement documents are reproduced in the addenda.



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GRACE ISLAND

is one of the most extraordinary properties of its kind in Canada. It offers the exclusivity and seclusion of a private island, yet is located minutes away from all the amenities of Saltspring Island's commercial centre of Ganges.

Set in protected Ganges Harbour just 100± feet off Grace Point, the site of a premium quality 21-townhome development now underway, GRACE ISLAND commands unobstructed sea views from the

northeast through the southwest, with the peninsula and village to the west and northwest.

Two rocky islets off its southeast end form an extended shell pocket beach that enlarges at lower tides. A sheltered cove at the island's northern end is suitable for year-round moorage, and provides an ideal landing for an island launch. The topography of the island is a combination of high rocky view sites and lower slopes leading to the shoreline. The entire island is abundantly treed, with an intriguing variety of flora including many wildflowers.

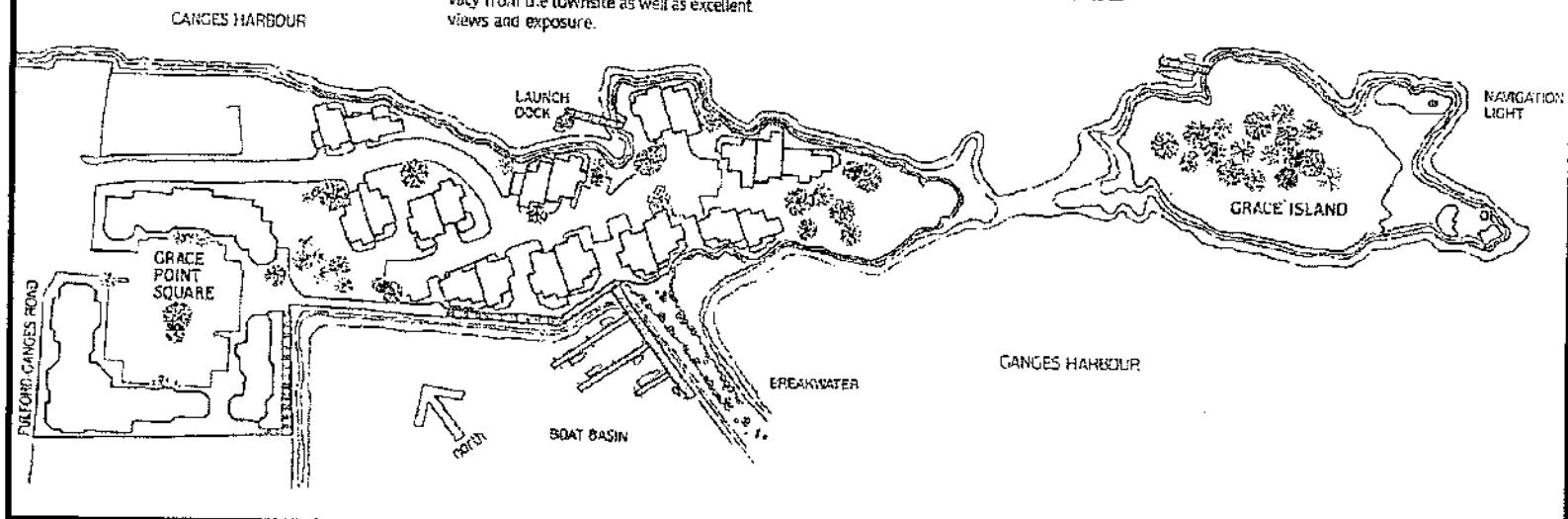
GRACE ISLAND is in a completely natural state. No permanent structures have ever been built upon it, with the exception of the navigational light located on its eastern-most islet. Several exceptional building sites are located on the southeast side of the island which offer complete privacy from the townsite as well as excellent views and exposure.

GRACE ISLAND is a fee simple lot, zoned to permit one residence and a guest cottage. Current water leases allow construction of a permanent dock on the northern cove, and permit underwater servicing including hydro, water and sewer. A legal easement across Grace Point allows GRACE ISLAND to be directly hooked to full services provided at the shoreline. A permanent parking space and small craft moorage has been provided in a sheltered cove on the peninsula for the use of GRACE ISLAND residents. The surveyed size of GRACE ISLAND at higher high water is .744 acres, but at other tides the actual land area is considerably increased as the rocks and beaches along the shoreline are further exposed.

Saltspring Island, the largest of the Canadian Gulf Islands, has a permanent resident population of 7,000 and serves as

the centre for commerce and services for all the southern Gulf Islands. Frequent daily sailings of the BC Ferries depart from three Saltspring terminals, connecting the island directly with Victoria, Vancouver and Duncan. Regularly scheduled float plane service from Vancouver to Ganges Harbour is available. Water taxi service is on call 24 hours a day. Ganges offers complete shopping facilities, hospital, schools, banking, a wide range of restaurants, and recreational facilities such as tennis and golf nearby.

GRACE ISLAND is now offered for sale for the first time since it was originally surveyed in 1911. For more information, please contact David Questo, Grace Point Holdings Ltd.



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PROPERTY DESCRIPTION



WEST EXPOSURE



EAST EXPOSURE

Grace Island comprises ± 0.78 acres as per registered Plan 45887 reproduced on the following page. It is somewhat elongated in shape with access to the southeast sector during low tide. This latter area has a sand/shell beach/tidal area while the remainder is a rocky shoreline. The passage to Grace Point can be crossed on foot during low-low tides.

The central portion of the island is ± 7 m (23 feet) above sea level and offers exceptional views of Ganges Harbour and Salt Spring Island. It has limited soil coverage but a band of trees around the perimeter (arbutus, fir, cedar, etc.) along with native brush.

Services are provided from Grace Point for hydro, water and sanitary sewer. A 0.111 hectare (0.27 acre) foreshore lease provides for water access and moorage in the northwest corner as per the attached plan.

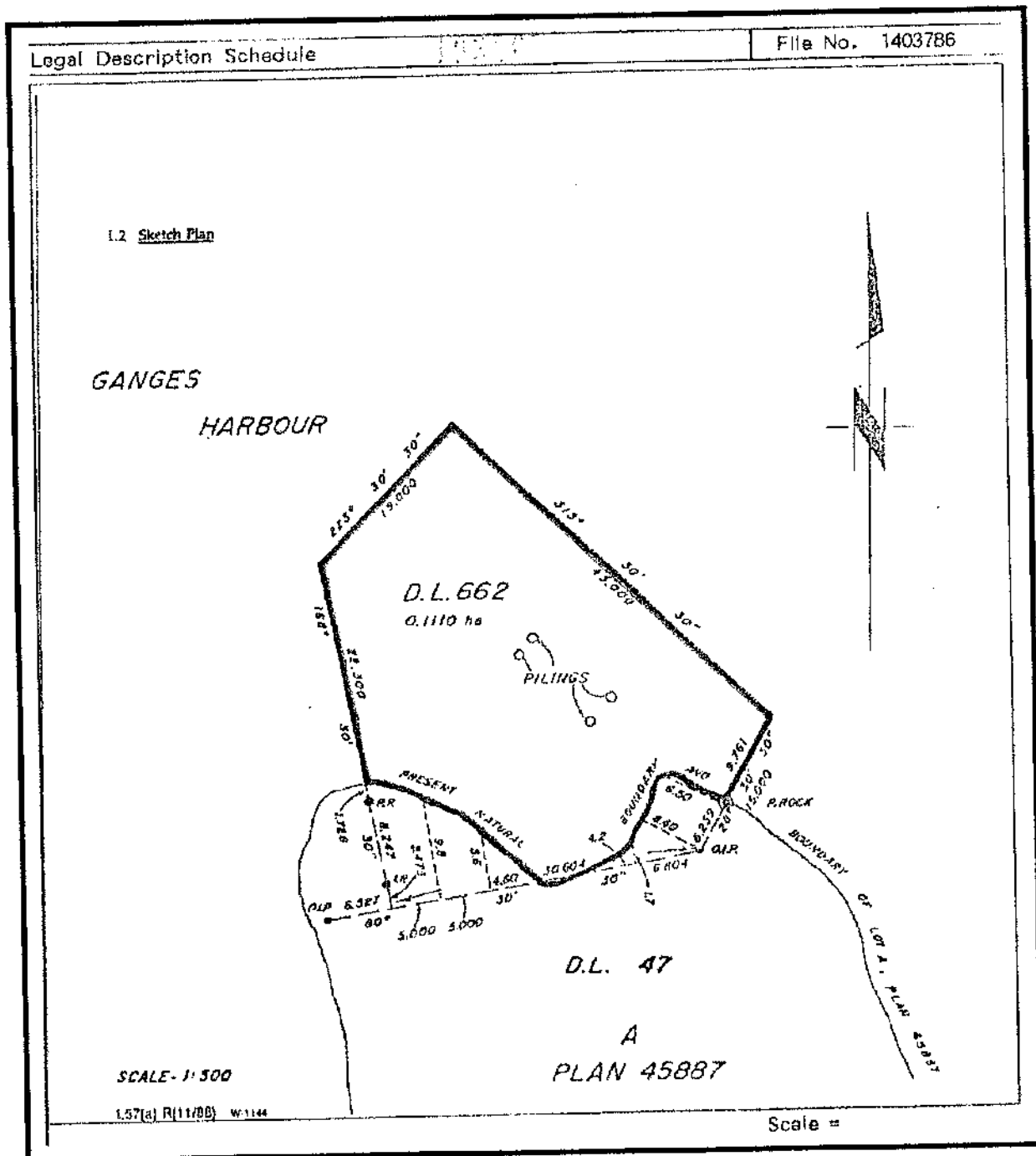
Despite its small size, the island offers a spectacular building site for estate residential use. It is exposed to considerable boat traffic (i.e. loss of privacy) but benefits from the access arrangements, services and close proximity of village amenities.



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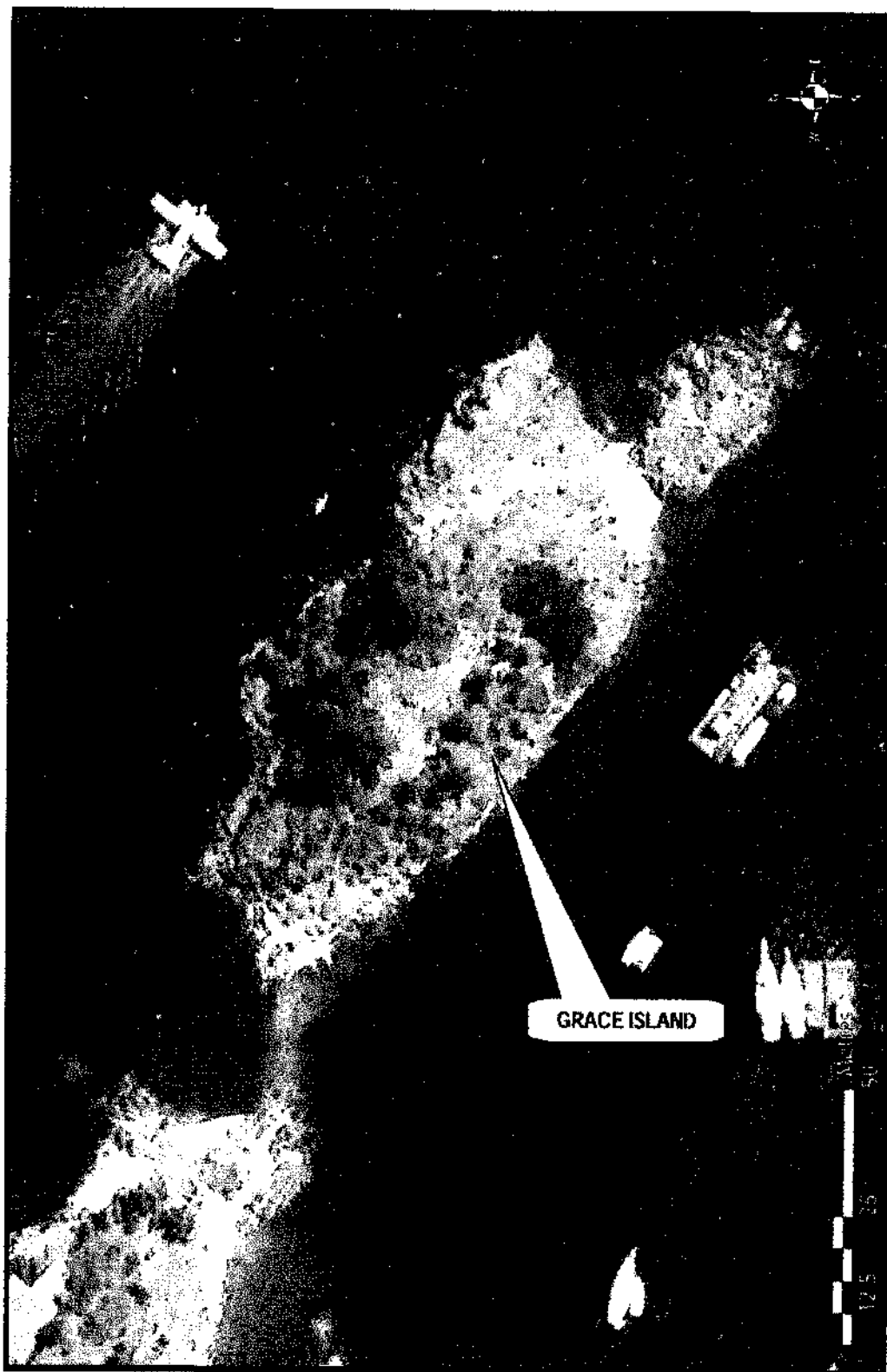
PLAN 45887

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FORESHORE LEASE PLAN

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AERIAL PHOTOGRAPH



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GRACE ISLAND, BC & FORESHORE LEASE NO. 103667



LAUNCH DOCK AT GRACE POINT



GRACE POINT FROM GRACE
ISLAND FORESHORE LEASE



GRACE ISLAND FROM GANGES HARBOUR



GRACE ISLAND - NE EXPOSURE



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GRACE ISLAND, BC & FORESHORE LEASE NO. 103667



GRACE ISLAND – SE EXPOSURE



GRACE ISLAND – SERVICE CONNECTIONS



GRACE ISLAND – VIEW TO EAST

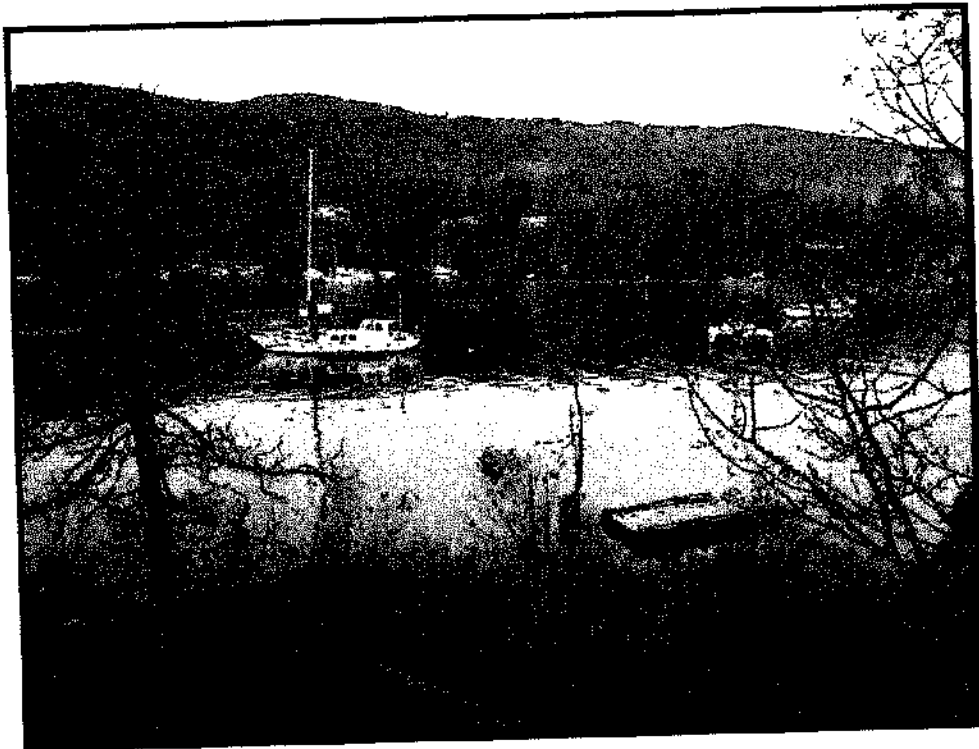


GRACE ISLAND – EAST SECTOR

GRACE ISLAND, BC & FORESHORE LEASE NO. 103667



GRACE ISLAND – SOUTH SECTOR



GRACE ISLAND – VIEW TO SE



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ASSESSMENTS AND TAXATION

Properties in British Columbia are assessed every year for taxation purposes. Assessments are to be at actual value, which is synonymous with market value, as of July 1 of the previous year. The property was assessed as of July 1, 2014 for 2015 taxes as follows:

Roll No.:	12048.010
Land:	\$ 590,000
Improvements:	<u>\$ 145,000</u>
Total:	\$ 735,000
2014 Taxes:	\$ 3,657

LAND USE CONTROLS

The Islands Trust administers planning for Grace Island. Zoning Bylaw No. 355 designates the subject as Ri, Rural Islands; details of which are reproduced in the addenda.

The Ri zone permits a single family dwelling and a seasonal cottage (accessory use). The maximum site coverage is 10% and the minimum average lot area is 2.0 ha for subdivision purposes.

Bylaw No. 434, Salt Spring Island Official Community Plan, designates Grace Island as WIR, Watershed & Islet Residential. Policies include protection against high impact uses, community water supply and to provide for the continuation of existing uses/zoning.



HIGHEST AND BEST USE

Highest and best use is defined in *The Appraisal of Real Estate*, Third Canadian Edition (2010) as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially feasible, and that results in the highest value.

The principle of highest and best use is fundamental to the concept of value in real estate. The decision made as to a property's highest and best use must be a legal one from the standpoint of zoning, health regulations and the like, and there must exist a demand for the use.

Based on the terms of reference for this report, the subject property is assumed to be vacant and ready for issuance of a residential permit. The land use controls do not indicate any potential for an alternate use or subdivision.

Considering the foregoing, the highest and best use of the subject property is a residential estate for development of a single family residence.

VALUATION PROCEDURE

There are three traditional approaches to value; the Cost, Income and Direct Comparison Approaches. As the subject property is being valued as vacant land, the latter approach is the only applicable method.

DIRECT COMPARISON APPROACH

The Direct Comparison Approach involves the gathering, analyzing and comparing of data on similar properties that have been sold, are listed for sale, or on which offers have been made. Inherent in this approach is the assumption that a prudent purchaser will not purchase a property at a higher price than similar properties with comparable location and characteristics. The approach is often good evidence of value as it represents the actions of the buyer in the marketplace.

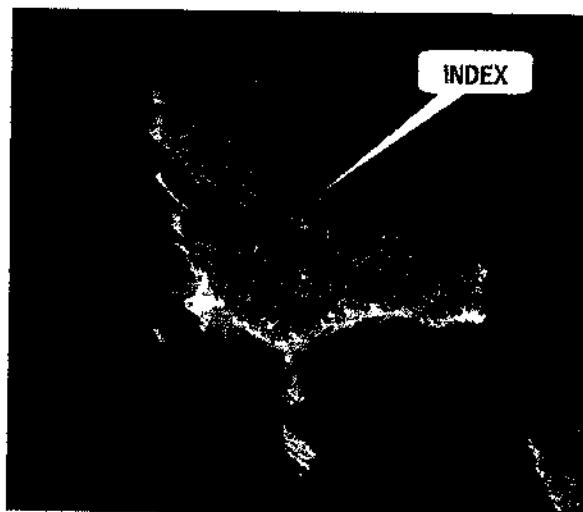
Following is a summary of the sales considered pertinent to this valuation.



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Index No. 1

Name: Mowgli Island
Location: Trincomali Channel, ± 3.2 km northwest of Salt Spring Island and ± 1.9 km east of Penelakut (Kuper) Island
Parcel Identifier: 003-628-841
Legal Description: Lot 28, Mowgli Island, Cowichan District
Sale Price: \$2,200,000 (residual \$1,850,000)
Sale Date/Title: October 2009 CA1311000
Vendor: Mowgli Island Investments Ltd.
Purchaser: s.22
Site: 8.93 acres, mostly treed
Improvements: Main residence of 2,345 sq. ft., 441 sq. ft. cottage and good dock. Estimated value \$350,000.
Zoning: Rural
Price Per Acre: \$246,361 (\$207,167 residual)
Comments: The Island has approximately 3,100' of shoreline with two pocket beaches. The island is mainly forested with two internal trails. The island has moderate elevation. Moorage is fairly protected and the docks were rebuilt in 2008; there is a water lot under licence. The main residence is 2,345 sq. ft. and was built in 1990-1991. There is an older 441 sq. ft. cottage. Estimated value of improvements is \$350,000.



Index No. 2

Name: Kolb Island

Location: Iroquois Passage east of Canoe Cove Marina, south east of Swartz Bay

Parcel Identifier: 009-421-645

Legal Description: Lot 2, North Saanich District, Including a strip 1 chain in width measured inland from High Water Mark

Sale Price: \$2,735,000, residual \$2,285,000

Sale Date/Title: June 2012 CA2646666

Vendor: s.22

Purchaser:

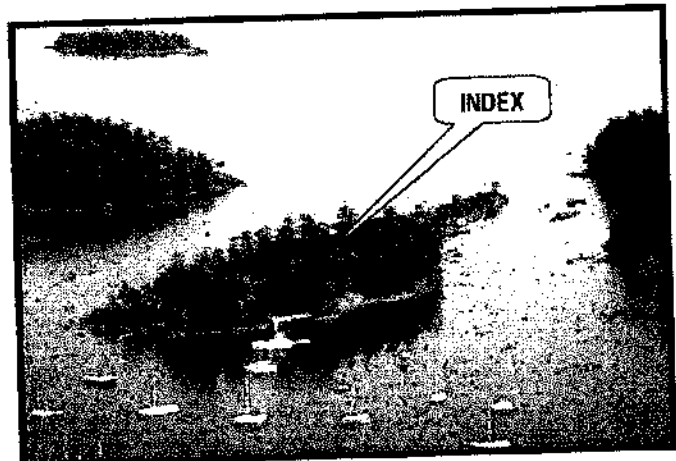
Site: 3.20 acres island, with 2 coves with shell beaches

Improvements: 1 ½ storey, older 1,700 sq. ft. residence, small good guest cottage, other out-buildings, good dock and boathouse. The island obtains a power and water via lines from nearby Vancouver Island. Estimated Value is \$450,000.

Zoning: R-2, Residential 2

Price Per Acre: \$854,688 (\$714,063 residual)

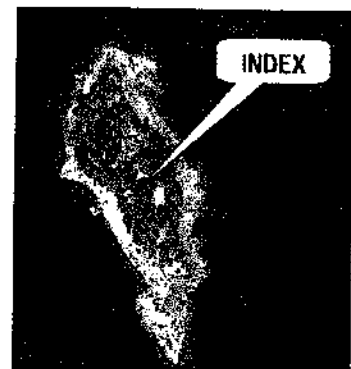
Comments: The property was originally listed for \$5,000,000 in August 2011. The location is well protected though suffers from boats going to and from the nearby marinas. Sale price includes right to lease a parking space and covered boat slip at Canoe Cove Marina. The previous sale in October 1998 was at \$2,280,000.



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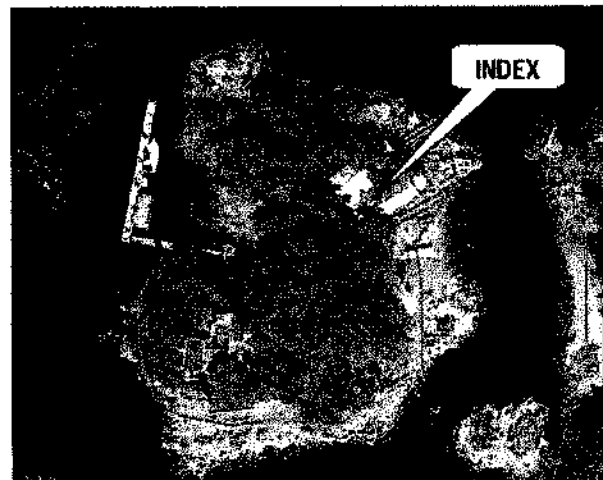
Index No. 3

Name: Pym Island
Location: In Shute Passage, ± 2 km northeast of the Saanich Peninsula, east of Knapp Island
Parcel Identifier: 006-297-561
Legal Description: Section 103, Victoria District
Sale Price: \$3,100,000, residual \$1,300,000
Sale Date/Title: February 2013 CA2999957
Vendor: s.22
Purchaser:
Site: ± 5.0 acre Island, nicely landscaped. Pond present.
Improvements: Two storey 8,874 sq. ft. house (includes indoor pool), 4 guest cottages and a caretaker's cottage, tennis court, dock, outbuildings. Estimated value \$1,800,000.
Zoning: RR, Rural Residential
Price Per Acre: \$620,000 (\$260,000 residual)
Comments: Pym is extensively improved with Pym Hall, a large residence. There is a marina power line from the Saanich Peninsula. The property was listed for sale for \$9,800,000 in early 2008, reduced to \$7,900,000, then \$5,600,000 and finally sold for \$3,100,000. The previous sale in February 2003 was at \$3,000,000 US which was \$4,485,000 Canadian. Decrease in value is 31%.



Index No. 4

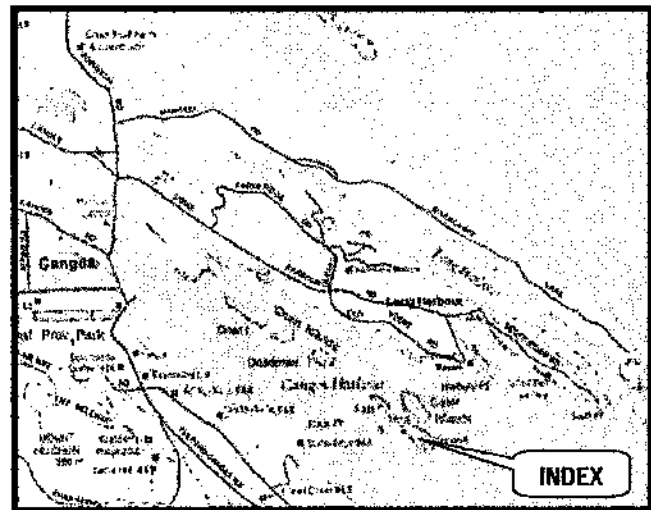
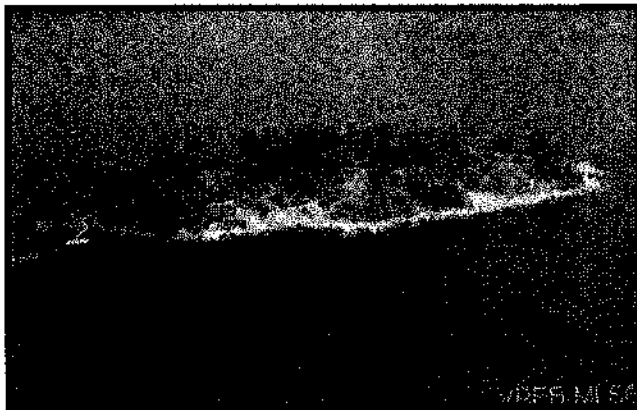
Name: Johnstone Island
Location: Iroquois Passage east of Canoe Cove Marina, south east of Swartz Bay
Parcel Identifier: 009-595-988
Legal Description: Lot 37, Johnstone Island, Cowichan District
Sale Price: \$1,250,000, residual \$900,000
Sale Date/Title: August 2013 CA3377837
Vendor: Toads Landing LLC
Purchaser: s.22
Site: 1.33 acre Island, nicely landscaped around the main house.
Improvements: 2 storey, 2,434 sq. ft. older home in good condition (4 bedrooms, 2 bathrooms), good 170' dock with boathouse marine/railway, heli-pad and good workshop. Estimated Value \$350,000.
Zoning: RR, Rural Residential
Price Per Acre: \$939,850 (\$676,692 residual)
Comments: The property was originally listed at \$1,975,000 in May 2011 and sold after 809 days on the market. The house was originally built by s.22 a marine architect and had been well maintained and upgraded. The island has marine cable from Vancouver Island with electrical and telephone lines. The location is well protected though suffers from was from boats going to and from the nearby marinas. The vendor had a boat slip and 2 parking spaces leased at nearby Canoe Cover Marina which could be transferred to the purchaser.



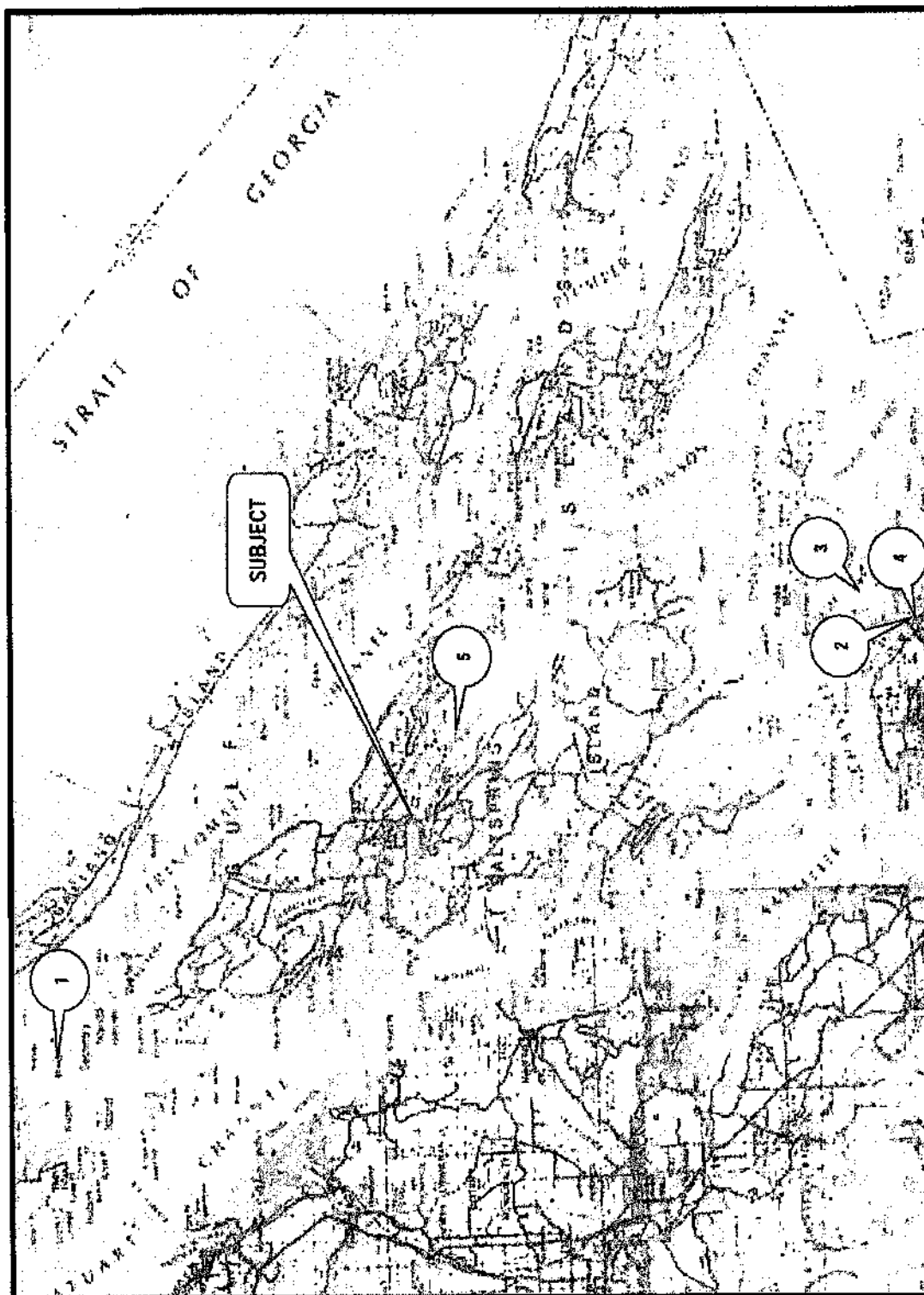
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Index No. 5

Name: Second Sister Island
Location: Swanson Channel at the entrance to Ganges Harbour, Salt Spring Island
Parcel Identifier: 009-595-180
Legal Description: That part of District Lot 45, Cowichan District in Plan 1971R
Listed Price: \$1,295,000
Listing Period: May 5, 2014 to current
Vendor: s.22
Purchaser: N/A
Site: 3.03 acres; predominately treed with a rocky shoreline; no services
Improvements: Dock and ramp only (foreshore lease)
Zoning: Ri, Rural Island
Price Per Acre: \$427,393
Comments: Readily accessible location with good privacy and numerous building site areas. The property has been on the market for over 250 days with several prior listings. A previous sale in July 2005 was reported at \$1,063,000.



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SALES LOCATION MAP

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SALES SUMMARY

Index No.	Name	Sale Date	Sale Price	Size Acres	Land Residual	Land Price/Acre
1	Mowgli Island	Oct-09	\$2,200,000	8.93	\$1,850,000	\$207,167
2	Koib Island	Jun-12	\$2,735,000	3.20	\$2,285,000	\$714,063
3	Pym Island	Feb-13	\$3,100,000	5.00	\$1,300,000	\$260,000
4	Johnstone Island	Aug-13	\$1,250,000	1.33	\$ 900,000	\$676,692
5	Second Sister Island	Listing	\$1,295,000	3.03	\$1,295,000	\$427,393
Subject	Grace Island			0.78		

The market for recreational properties, including islands, has been soft since the world-wide economic meltdown in late 2008. Marketing periods are often long even with apparently reasonable price points. The strong Canadian dollar also deterred many potential American buyers; formerly a major market for islands. The recent strength of the U.S. Dollar is expected to renew some interest in that regard.

The foregoing indices represent small islands in the subject's market area. The residual land values range from \$207,167 to \$714,063 per acre with a median of \$427,393 per acre. While several factors influence this wide price range, parcel size is the most significant factor as the building site constitutes the primary value component.

Index #1 is a much larger island located north of the subject in an isolated area. These two factors resulted in the lowest price per acre despite the islands attractive features.

Index #2 is also much larger than the subject however it has a superior location in close proximity to the Saanich Peninsula. It also has municipal power and water lines as well as access to a rented parking space and boat slip at Canoe Cove Marina on the Peninsula.

Index #3 is larger than Index #2 but also further away from the Peninsula. It has a hydro connection only. This property was listed for over 5 years before selling. The improvements dominate the sale price which lessens its comparability on a vacant land basis.

Index #4 is the best comparable by size and features. It has power and water from the Peninsula and is exposed to boat traffic to nearby marinas. It also has access to a leased slip and 2 parking spaces at Canoe Cove Marina. Overall, this is the best comparison to the subject property with a downward adjustment for its superior market location.



Index #5 is a current listing in Ganges Harbour of a larger island with minimal improvements (i.e. dock). It does not have services but it enjoys numerous potential building sites and privacy.

In the final analysis, primary emphasis will be placed on Index #4 with a residual land value of \$900,000. A deduction for its superior market location and larger size is partially offset by the subject's superior services and dock/parking space at the Grace Point condominiums.

Based on the foregoing analysis, the final estimate of market value for the subject island as though vacant as at January 15, 2015 is:

s.21

EXPOSURE TIME

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is always presumed to have preceded the effective date of the appraisal and is representative of a reasonable exposure time. The overall concept of a reasonable exposure time also assumes adequate, sufficient and reasonable marketing effort.

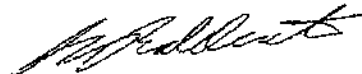
For the subject property, an exposure period of 6 to 12 months was utilized for this valuation analysis.



APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief that:

- ☐ The statements of fact contained in this report are true and correct;
- ☐ The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal impartial, and unbiased professional analyses, opinions and conclusions;
- ☐ I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- ☐ I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- ☐ My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, or a conclusion favoring the client;
- ☐ My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards;
- ☐ I have the knowledge and experience to complete the assignment competently;
- ☐ No one provided significant professional assistance to the person signing this report;
- ☐ As of the date of this report the undersigned has fulfilled the requirements of The Appraisal Institute of Canada Continuing Professional Development Program for members;
- ☐ The undersigned is a member in good standing of the Appraisal Institute of Canada;
- ☐ The undersigned personally inspected Grace Island, BC and Foreshore Lease No. 103667, as described more fully in the Executive Summary at page 1, on January 15, 2015;
- ☐ Based upon the data, analyses and conclusions contained herein, the market value of the interest in the property described, as at January 15, 2015 as though vacant, is estimated at \$21



Dated this 20th day of January 2015

Glenn O. Balderston, AACI, P.App



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ADDENDA

Title Search Print

Title Encumbrances

Zoning Extract



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Page 034 to/à Page 066

Withheld pursuant to/removed as

s.3

Summary of Internal Events leading to the Purchase of Grace Islet

Construction of the private residence on Grace Islet, a privately owned property near Ganges Harbour, Saltspring Island triggered civil disobedience from First Nations and members of the public due to its location on a First Nations burial ground. A site alteration permit under the *Heritage Conservation Act* was first issued in October 24, 2011. On September 17, 2013 an amendment to the site alteration permit allowing the property owner to continue development on Grace Islet was issued.

The property owner had attempted to accommodate First Nations concerns by redesigning the house to avoid damaging rock features, but the First Nations' position is that the islet, in Ganges Harbour, is a sacred burial area and no land altering activity should take place.

Civil disobedience escalated in August-September 2014. The property owner filed an injunction against the protesters, which was heard in court on September 23, 2014.

s.12,s.13,s.16

A report back to Treasury Board was made on February 24, 2015 which was required in order to access contingency funding to cover the costs associated with final agreement on settlement to the property owner. /s.17

s.17

Attachment 1: Provincial Purchases of Lands Containing Archaeological Sites

Site	Name	Location	Size	Cost	Year Purchased
Midden with burials	Pender Canal	Pender Island	1 ha.	s.17	1976
Pit House	Monte Creek	Near Kamloops	4 ha.		1978
Midden with burials	Beach Grove	Tsawwassen	0.16 ha.		1980
Pit houses with burials	Vallican	South Slokan	8 ha.		1983 & 1985
Ancient house with spiritual rock	Hatzic Rock	Mission	7.25 ha.		1993
Midden with burials	Little Beach	Ucluelet	0.78 ha		1994
Midden with burials	Craig Bay	Parksville	5.7 ha.		1995
Ancient village site	McCallum	Near Agassiz	5.4 ha.		2001
Midden with Burial Area	Departure Bay	Nanaimo	City lot		2008
Midden with Burials	Marpole	Vancouver	Six city lots		2012

Total: Ten cases with a combined cost of \$s.17

Influencing Factors:

- Often there has been considerable financial commitment and investment into a project before the archaeological site is encountered, and this investment may now be without value.
- Sites are of great significance to First Nations and conflict may result from any mitigative measures to be taken. This is particularly true with respect to burial sites.

- Given the large size of the site and the significance, there is no way to avoid it nor is excavation financially feasible. For example, with the Departure Bay site in excess of 100 sets of human remains had been found and, as it was likely more were through out the property, there was no option to develop the land in any way.
- The Province was also involved in brokering the purchase of a portion of the Marpole archaeological site in Vancouver. In this case the Musqueam Indian Band purchased the land and the Province compensated the developer for development costs.

Page 070 to/à Page 091

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DUPLICATE

Page 092 to/à Page 093

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s.3

Page 094 to/à Page 103

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DUPLICATE

Page 104 to/à Page 105

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s.3

Page 106 to/à Page 110

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DUPLICATE

**THE PROVINCE OF BRITISH COLUMBIA
AGREEMENT OF PURCHASE AND SALE**

THIS AGREEMENT is dated for reference the 14th day of January, 2015.

BETWEEN:

HER MAJESTY THE QUEEN in right of **THE PROVINCE OF BRITISH COLUMBIA**

(the "Purchaser")

AND:

BARRY NORMAN SLAWSKY

s.22

WHEREAS:

- A. The Vendor is the owner of freehold title to the Lands;
- B. The Vendor has agreed to sell the Lands to NCC by the NCC Sale Agreement;
- C. In the case that the NCC Sale Agreement fails to complete due to the default of NCC, or in the discretion of the Purchaser should the NCC Sale Agreement otherwise fail to complete, the Vendor has agreed to sell the Lands to the Purchaser and the Purchaser has agreed to purchase all of the Vendor's right, title, and interest in and to the Lands on the terms and conditions set out in this Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement, the parties agree as follows:

1. Definitions

In this Agreement:

- (a) "**Closing Date**" means February 6, 2015;
- (b) "**Contaminants**" means any explosives, radioactive material, asbestos materials, urea, formaldehyde, underground or aboveground tanks, pollutants, contaminants, deleterious substances, dangerous goods or substances, hazardous, corrosive or toxic substances, special waste or waste of any kind or other substance the storage, manufacture, disposal, handling, treatment, generation, use, transport, remediation or release into the environment of which is prohibited, controlled or regulated under Environmental Laws.
- (c) "**Deposit**" means the deposit paid by NCC to the Vendor under the NCC Sale Agreement;

- (d) **"Environmental Laws"** means any and all statutes, laws, regulations, orders, bylaws, permits and other lawful requirements of any federal, provincial, municipal or other governmental authority having jurisdiction over the Lands now or hereafter in force relating to the environment, health, occupation, health and safety, product liability or transportation of dangerous goods, including all applicable guidelines and standards with respect to the foregoing as adopted by any of those governmental authorities from time to time and the principles of common law and equity.
- (e) **"Lands"** means the property legally described as PID 009-077-138, Lot A, District Lot 47, Cowichan District, Plan 45887.
- (f) **"NCC"** means the Nature Conservancy of Canada;
- (d) **"NCC Closing Date"** means the "Closing Date" as defined in the NCC Sale Agreement;
- (h) **"NCC Sale Agreement"** means the agreement of purchase and sale of the Lands between NCC and the Vendor, dated January 14, 2015;
- (i) **"Permitted Encumbrances"** means those legal notations listed on the title attached as Schedule "B" hereto; and
- (j) **"Purchase Price"** means the sum of s.17
s.17

2. Purchase and Sale

The Purchaser agrees to purchase from the Vendor, and the Vendor agrees to sell to the Purchaser, a good and marketable freehold title to the Lands, free and clear of all registered and unregistered encumbrances except the Permitted Encumbrances, on the terms and conditions set out herein.

3. Conditions Precedent.

- (a) The obligation of the Vendor to complete the sale of the Land is subject to the satisfaction of the following conditions on or before the Closing Date, unless and to the extent waived, in writing, by the Vendor at any time on or before that date:
 - (i) the failure of the NCC Sale Agreement to close on the NCC Closing Date.
- (b) The obligation of the Purchaser to complete the purchase of the Land is subject to the satisfaction of the following conditions on or before the Closing Date, unless and to the extent waived, in writing, by the Purchaser at any time on or before that date:
 - (i) the failure of the NCC Sale Agreement to close on the NCC Closing Date due to its termination under section 17(a) of the NCC Sale Agreement, or due to the default of NCC.
- (c) In consideration of Ten (\$10.00) Dollars, non-refundable, paid by the Purchaser to the Vendor, and by the Vendor to the Purchaser, the receipt and sufficiency of which each party hereby acknowledges, the Vendor and Purchaser agree not to revoke this agreement while it remains subject to any of the foregoing conditions precedent. The parties agree

that this Agreement will become an unconditional contract for the sale and purchase of the Land forthwith upon the satisfaction or waiver of the foregoing conditions precedent.

- (d) The Parties further agree that the conditions precedent in subsection (a) are for the sole benefit of the Vendor, and the conditions precedent in subsection (b) are for the sole benefit of the Purchaser, and the Vendor and Purchaser are entitled to waive their respective conditions precedent in their sole and absolute discretion so that their obligation to complete the sale or purchase of the Lands only arises upon satisfaction or waiver of their respective conditions precedent. If the conditions precedent are not satisfied, or waived in writing on or before the Closing Date, this Agreement will be null and void, and each of the parties hereto will have no further obligations to or rights against the other in respect of this Agreement.

4. Application of Deposit

If the Vendor has retained all or any portion of the Deposit:

- (a) on the Closing Date, such amount will be credited to the Purchaser on account of the Purchase Price, if the Vendor and the Purchaser complete the sale and purchase of the Lands on the Closing Date; or
- (b) if the Purchaser is in default of its obligation under this Agreement to purchase the Lands on the Closing Date, unless such default is waived in writing by the Vendor, such amount will be retained by the Vendor and the amount so retained will be in complete satisfaction of any claim arising against the Purchaser.
- (c) if the Vendor is in default of its obligation to complete the sale of the Lands on the Closing Date, unless such default is waived in writing by the Purchaser or the Purchaser has elected to complete the purchase of the Lands, such amount will be paid by the Vendor to the Purchaser, without prejudice to any other right or remedy of the Purchaser.

5. Payment of the Purchase Price

The Purchase Price shall be paid as follows:

- (a) by application of the Deposit as outlined in section 4 herein; and
- (b) as to the balance of the Purchase Price, but subject to the adjustments described in section 7 herein, by cheque payable to the Vendor's solicitor on the Closing Date in accordance with section 16(b) of this Agreement.

6. Closing

The Closing of the transaction contemplated by this Agreement shall occur on the Closing Date, or such other date as the Vendor and Purchaser may agree to in writing.

7. Adjustments

All adjustments, both in-coming and out-going with respect to rent, taxes, utilities and other items normally adjusted between a vendor and a purchaser on the sale of similar property shall be made as of the Closing Date, and the Purchase Price shall be adjusted accordingly.

8. Vendor's Representations and Warranties

The Vendor represents and warrants to the Purchaser that:

- (a) the Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada);
- (b) there are no actions, proceedings, investigations or claims, pending or to the best of the Vendor's knowledge threatened, with respect to the Lands, or with respect to the Vendor, if decided adversely could materially affect the ability of the Vendor to comply with its obligations hereunder or that relate to the presence of Contaminants in, on, under or migrating to or from the Lands;
- (c) to the best of the Vendor's knowledge, and without investigation, at the Closing Date, the Lands will comply with all Environmental Laws and will not be subject to any outstanding or threatened notice or defect or non-compliance, work order, pollution, abatement order, pollution prevention order, remediation order or any other order from any federal, provincial, municipal or other governmental authority;
- (d) the Vendor is the registered and beneficial owner of the Lands;
- (e) the Lands are not capital property of the Vendor used primarily
 - (i) in a business of the Vendor carried on with reasonable expectation of profit, or
 - (ii) by a GST registrant in making taxable supplies of the Lands by way of lease, license or similar arrangement
- (f) the sale of the Lands is not being made in the course of the Vendor's business;
- (g) the Lands have not been subdivided by the Vendor (other than where the severance has been only in two parts provided there was no previous subdivision, or done by an expropriating authority);
- (h) on the Closing Date the Vendor will not have any indebtedness to any person, business, company, or governmental authority which by operation of law or otherwise then constitutes a lien, charge or encumbrance on the Lands or which could affect the right of the Purchaser to own, occupy, and obtain revenue from the Lands except for the Permitted Encumbrances;
- (i) there is no claim or litigation pending or, to the knowledge of the Vendor, threatened with respect to the Vendor, the Lands, or the occupancy or use of the Lands by the Vendor which could affect the right of the Purchaser to own, occupy, and obtain revenue from the Lands or the ability of the Vendor to perform its obligations under this Agreement;
- (j) on the Closing Date, the Vendor will have good and marketable title to the Lands free and clear of all liens, charges, and encumbrances except for the Permitted Encumbrances;
- (k) no lien under the *Builders Lien Act* exists or is claimed with respect to the Lands nor any part of the Lands; and

- (l) the Vendor has made available to the Purchaser all relevant documentation relating to the Lands including, without limitation, a list of all Environmental Reports or heritage assessments or reports of which it is aware and copies of those in its possession or control, and all records in its possession or control associated with the historical and current use of the Lands (collectively, the "**Property Documents**"). The Purchaser agrees to maintain the confidentiality of the Property Documents pending the completion of the transfer of the Lands. The Vendor warrants and represents that the Property Documents contain all material information relating to the Lands of which the Vendor is aware, or which is in the Vendor's possession or control and, to the best of the Vendor's knowledge, are true, accurate and complete.

The representations and warranties contained in this section shall survive the Closing Date and shall continue in full force and effect for the benefit of the Purchaser thereafter, notwithstanding any independent inquiry or investigation by the Purchaser.

9. **Intentionally Deleted**

10. **Vendor's Covenants**

The Vendor covenants and agrees that:

- (a) from the date this Agreement is executed by the Vendor until the Closing Date, the Vendor will not commit nor allow any acts that would degrade or destroy the Lands or flora or cultural features on the Lands, and will transfer the Lands to the Purchaser in substantially the same condition as when last viewed by the Purchaser on December 18, 2014, except that the Vendor and its contractor are permitted to undertake site construction project demobilization, including the removal of sea cans, and construction equipment, provided the Vendor and its contractor exercise reasonable care not to damage, degrade or destroy the Lands or flora or cultural features on the Lands when doing so,
- (b) the Vendor will complete, execute and deliver to the Purchaser the Vendor's Exemption Certificate attached hereto as Schedule "A" upon signing this Agreement;
- (c) on or before the Closing Date the Vendor will terminate all contracts that the Vendor has entered into or authorized respecting the construction of improvements on the Lands;
- (d) subject to this Agreement completing, and as of the Closing Date, the Vendor hereby surrenders and assigns to the Purchaser all of his interest in and to the aquatic lands lease #103667 granted by Her Majesty the Queen in the right of the province of British Columbia. For certainty this assignment does not include the transfer of ownership of the dock, ramp and supporting structures that as of the date of this Agreement are situated within the leasehold area.

The covenants contained in this section shall survive the Closing Date and shall continue in full force and effect for the benefit of the Purchaser thereafter, notwithstanding any independent inquiry or investigation by the Purchaser.

11. **Purchaser's Representations and Warranties**

- (a) The Purchaser represents and warrants to the Vendor as of the Closing Date, that the Purchaser has or will have on or before the Closing Date taken all necessary action to

authorize and approve the execution and delivery of this Agreement and the transactions contemplated herein.

12. Purchaser's Covenant

The Purchaser shall provide the Vendor's solicitor with an executed discharge of Easement EC25539 and EC30846 concurrently with the transfer the Lands under this Agreement, with the understanding that the Vendor may offer to register the said discharges (at his sole cost) in exchange for the grant to the Vendor by the Owners, Strata Plan 1671 of a license to access and cross over the common property of Strata Plan 1671, or such other consideration that the Vendor may negotiate. The Vendor may only utilize the discharges for this purpose on the express condition and understanding, that:

- (a) he will not hold himself out as an agent of the Purchaser;
- (b) the terms and conditions and all obligations of the Vendor under any agreement shall be for the Vendor's account; and
- (c) the Vendor shall only have the right to utilize the discharges for this purpose if the discharges are registered within sixty (60) days following the Closing Date, and if not registered within that time period they shall be returned to the Purchaser's solicitor.

13. Access

From and after the acceptance of this Agreement and upon receiving the prior consent of the Vendor, not to be unreasonably withheld, the Purchaser shall have the right at the Purchaser's sole cost and expense, with twenty-four hours notice to the Vendor, from time to time to enter and inspect the Lands and carry out such reasonable tests and inspections and scientific inventories as the Purchaser deems necessary. The Purchaser shall exercise due diligence to prevent any damage or disruption to the Lands in the course of tests, inspections and visits.

14. Possession

Immediately upon completion, the Purchaser shall have vacant possession of, and clear title to the Lands subject only to the Permitted Encumbrances.

15. Risk

Until the Closing Date the Lands shall be at the risk of the Vendor and the Vendor will hold all insurance policies on the Lands and the proceeds thereof in trust for the parties as their interests may appear.

16. Closing Procedure

The closing procedure for the purchase and sale of the Lands, free and clear of all registered and unregistered encumbrances except the Permitted Encumbrances, shall be as follows unless otherwise agreed in writing between the parties:

- (a) The Purchaser shall cause its solicitors to prepare and deliver to the Vendor's solicitor all those documents listed below requiring execution by the Vendor prior to the Closing Date. The Vendor shall return to the Purchaser's solicitor the following duly executed documents by the Vendor prior to the Closing Date:

- (i) a Form A transfer (the "Transfer") in fee simple;
 - (ii) Vendor's statement of adjustments;
 - (iii) a statutory declaration of the Vendor confirming that he has terminated all construction agreements in accordance with section 10(c), that all amounts due and owing to any contractor, subcontractor, worker, material supplier or other person who may assert a builders lien against the Lands or any improvement on the Lands have been paid in full, subject only to the holdback required under section 4 of the *Builders Lien Act*; and
 - (iv) such other documents and assurances as the Purchaser and its solicitors may reasonably require.
- (b) The Purchaser's solicitor shall hold the above documents in his possession and on the Closing Date shall apply to register the Transfer and other documents requiring registration in the appropriate Land Title Office. Upon receiving a post registration title search from the Land Title Office showing that the Purchaser will, in the normal course of Land Title Office practice, become the registered owner of the Lands, free of registered and unregistered encumbrances except the Permitted Encumbrances, the Purchaser's solicitor shall deliver to the Vendor's solicitor by way of a cheque the balance of the Purchase Price due to the Vendor as shown on the approved Vendor's statement of adjustments.
- (c) In the event that the transfer is submitted for registration at the Land Title Office and a satisfactory post-registration title search is not received, the Purchaser's solicitor shall withdraw the transfer from the Land Title Office and return the transfer to the Vendor's solicitor. In the event that the transfer is not submitted for registration in the Land Title Office, the Purchaser's solicitor shall return the transfer to the Vendor's solicitor unregistered.
- (d) The Vendor's solicitor shall hold Seventy Five Thousand (\$75,000.00) Dollars from the Purchase Price paid under section 16(c), in trust, until the time period for filing builders liens under the contracts referred to in section 10(c) has expired in accordance with section 20 of the *Builders Lien Act*. In the event that a claim of builders lien is filed against the title to the Lands within that time period, the Vendor's solicitor shall, upon written demand of the Purchaser, pay the amount held in trust to the Purchaser's solicitor for the purpose of making an application under section 23(1) of the *Builders Lien Act*, but only in the event the Vendor has not obtained a discharge of the said lien or liens within thirty (30) days of the lien or liens being filed.

17. Purchaser's Right To Terminate or Assign

The Purchaser may at the Purchaser's sole option assign this Agreement.

18. General

- (a) Time shall be of the essence of this Agreement.
- (b) This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.

- (c) Each party will pay its own legal fees. The Purchaser will bear all costs of the registration of the Transfer in the Land Title Office. The Vendor will bear all costs of clearing title to the Lands so that it is free of all registered and unregistered encumbrances except the Permitted Encumbrances prior to the Closing Date.
- (d) Any demand or notice which may be given pursuant to this Agreement will be in writing and delivered, faxed, or sent by postage prepaid mail and addressed:

- (i) to the Vendor:

C/O John Alexander
Cox Taylor
26 Bastion Square
Victoria, BC V8W 1H9
Telephone: 250-388-4457
Facsimile: 250-388-4236

- (ii) to the Purchaser:

The Ministry of Forests, Lands and Natural Resource Operations,
780 Blanshard Street, Victoria BC V8W 2H1
Attention: Gary Townsend,
Assistant Deputy Minister,
Integrated Resource Operations
Telephone: 250 356-1874
Facsimile: 250 356-2150

with a copy to:

Ministry of Justice, Legal Services Branch
Attention: Kevin Conizen
13th Floor, 865 Hornby Street
Vancouver, BC V6Z 2G3
Telephone: 250 213-6049
Facsimile: 604 660-9558

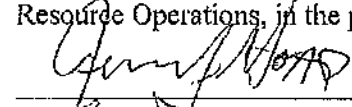
- (e) This Agreement may be executed in counterpart with the same effect as if both parties had signed the same document. Each counterpart shall be deemed to be an original. All counterparts shall be construed together and shall constitute one and the same Agreement.
- (f) Each of the parties shall, at the expense of the other party, execute and deliver all such further documents and do such further acts and things as the other party may reasonably request from time to time to give full effect to this Agreement.
- (g) None of the provisions of this Agreement shall merge in the transfer of the Lands or any other document delivered on the Closing Date, and the provisions of this Agreement shall survive the Closing Date.
- (h) Except as may be specifically agreed in writing, no action or failure to act by a party to this Agreement shall constitute a waiver of any right or duty afforded any of them under

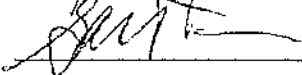
this Agreement nor shall any such action or failure to act constitute an approval of or acquiescence in any breach of this Agreement.


- (i) This Agreement constitutes the entire agreement between the parties with respect to the subject matter of the Agreement and contains all of the representations, warranties, covenants and agreements of the respective parties, and may not be amended or modified except by an instrument in writing executed by all parties. This Agreement supersedes all prior agreements, memoranda, and negotiations between the parties.

IN WITNESS WHEREOF the parties have executed this Agreement.

SIGNED on behalf of HER MAJESTY)
 THE QUEEN IN RIGHT OF THE)
 PROVINCE OF BRITISH COLUMBIA)
 by an authorized representative of the)
 Minister of Forests, Lands and Natural)
 Resource Operations, in the presence of:)







 Authorized Signatory

SIGNED, SEALED AND DELIVERED)
 in the presence of:)
)
)

 Witness)

 Address)
)
)
)
)

 Barry Norman Slawsky

Page 120

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Page 121 to/à Page 122

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Page 123 to/à Page 144

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Page 159 to/à Page 167

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Page 168 to/à Page 169

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s.14

Grace Islet Key Notes:

The ministry has been exploring options to purchase Grace Islet, a privately owned property near Ganges Harbour, Saltspring Island, with third parties in order to cease the conflict associated with construction on the site. Construction of the private residence had triggered civil disobedience from First Nations and members of the public due to its location on a First Nations burial ground.

The Province, in conjunction with the Nature Conservancy of Canada (NCC), has negotiated a settlement with the property owner of Grace Islet. Signed today were the legal agreements that will facilitate the transfer of land title and ownership of the land on Grace Islet to the NCC and enable payment to the property owner (Mr. Barry Slawsky) for the land and for the settlement (for sunk costs and the loss of use and enjoyment of the property).

There were three documents that have been executed to facilitate this work:

1. Contribution and Indemnity Agreement with NCC (Province and NCC)
2. Release of Claims with Mr. Slawsky (Province and NCC)
3. Purchase Agreement (NCC and Mr. Slawsky)

The Contribution and Indemnity Agreement with NCC (Province and NCC) sets out the conditions under which the NCC is partnering with the Province. The Release of Claims sets out the settlement agreement between the property owner and the Province. The Purchase Agreement is the agreement for purchase of the land for its appraised value between NCC and the property owner. In the event that the arrangement collapses the Province does have a subsidiary agreement to purchase the property from the land owner.

s.17

Discussions are still underway with other involved third parties to seek financial contributions (Islands trust, Capital Regional District). There is a cost reconciliation clause within the agreement between NCC and the Province which in the event that NCC receives funds from third parties that are donated for to the purchase or remediation of the islet there would be cost recovery back to the Province. The NCC will be going forward with a public fundraising campaign.

Consultation with involved First Nations has been ongoing through the negotiations and being managed by former Deputy Minister Lorne Brownsey and Patrick Kelly, elder in the Sto:lo Nation. They support NCC's involvement. Specific outreach to the First Nations will be made by the Deputy and then followed up by the task team on point for this file. This agreement will be positively viewed by the Nations.

A communications strategy is being implemented and a press release in concert with the NCC and key First Nations will be issued tomorrow.



TB Meeting Date: November 3, 2014
339449

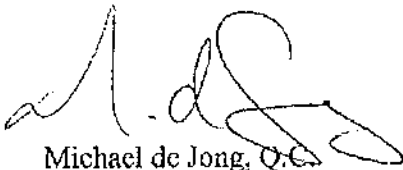
Confidential

Honourable Steve Thomson
Minister of Forests, Lands and Natural Resource Operations
Room 248 Parliament Buildings
Victoria BC V8V 1X4

Dear Colleague: 

s.12, s.13, s.17

Sincerely,



Michael de Jong, Q.C.
Chair

cc: Tim Sheldan
Deputy Minister
Ministry of Forests, Lands and Natural Resource Operations

Trish Dohan
Assistant Deputy Minister and Executive Financial Officer
Ministry of Forests, Lands and Natural Resource Operations

Ministry of
Finance

Treasury Board

Mailing Address
PO Box 9489 Stn Prov Govt
Victoria BC V8V 9V8

Location Address:
1st Floor – 617 Government St
Victoria BC

Page 172 to/à Page 181

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s.12,s.13,s.17

Page 182

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s.12,s.13,s.16

Page 183 to/à Page 185

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Page 186 to/à Page 187

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s.14

Page 188 to/à Page 322

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Page 323

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s.17,s.21

GENERAL INFORMATION Name: _____ Address: _____ City: _____ State: _____ Zip: _____ Telephone: _____	
PERSONAL INFORMATION Date of Birth: _____ Sex: _____ Marital Status: _____ Education: _____ Occupation: _____ Religion: _____ Race: _____ Ethnicity: _____ Nationality: _____ Citizenship: _____ Social Security Number: _____ Driver's License Number: _____ Passport Number: _____ Military Service: _____ Other: _____	

PURCHASER'S STATEMENT OF ADJUSTMENTS

PURCHASER: THE NATURE CONSERVANCY OF CANADA
VENDOR: BARRY NORMAN SLAWSKY

LEGAL DESCRIPTION: LOT A, DISTRICT LOT 47, COWICHAN DISTRICT, PLAN 45587

COMPLETION DATE: FEBRUARY 5, 2015
POSSESSION DATE: FEBRUARY 5, 2015
ADJUSTMENT DATE: FEBRUARY 5, 2015

FILE NO. 788 098 PJ-dw

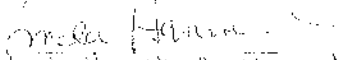
s.17,s.21

ATTACHED TO AND FORMING PART OF THE PURCHASER'S STATEMENT OF
ADJUSTMENTS

1. This Statement of Adjustments has been drawn from figures supplied by the parties, municipal authorities, mortgagees and others. The information so obtained is believed to be correct but its accuracy is not guaranteed and all parties to this transaction should carefully check the statement to verify the date upon which it is based. **ERRORS AND OMISSIONS ARE EXCEPTED.**
2. Where current year's taxes are known, the tax adjustment has been based on the actual taxes for the current year. Where the current year's taxes are not known, the tax adjustment has been based on the previous year's taxes, plus an estimated increase and upon the exact amount of the current year's taxes being determined, any necessary further adjustments of taxes shall be settled directly between the parties.
3. This Statement of Adjustments is hereby approved and accepted by the Purchaser hereto.

SIGNED THIS 5th DAY OF JANUARY, 2015 AT VICTORIA, BRITISH COLUMBIA.

THE NATURE CONSERVANCY OF CANADA
by its authorized signatory(ies)

Per. 

[Signature] President, Nature Conservancy of Canada

Per. _____



Ministry of
Finance

REQUEST FOR WIRE TRANSFER
Fax to Treasury Payment Services 250-953-0485

REQUESTING MINISTRY		
MINISTRY NAME / BRANCH Ministry of Forests, Lands and Natural Resources/Financial Services Branch		DATE (YYYY-MM-DD) 2015-01-27
ADDRESS 2nd Fl - 2075 Jutland Victoria BC		
MINISTRY CONTACT NAME Karen van Dieren	TELEPHONE 250 952-6844	TAX NUMBER
PLEASE WIRE THE FOLLOWING s.17,s.21		

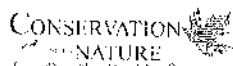
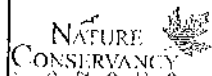
MINISTRY EXPENSE AUTHORITY (SIGNED IN ACCORDANCE WITH DOCUMENTED DELEGATED AUTHORITIES)		
NAME Gary Townsend		SIGNATURE
TITLE Assistant Deputy Minister		
FOR INTERNAL TREASURY USE ONLY		
TREASURY NUMBER	CONFIRMATION OF RECEIPT NUMBER	INITIALS / RELEASE AUTHORIZED SIGNATORY
<input type="checkbox"/> COPY OF INVOICE RECEIVED	<input type="checkbox"/> WIRE TRANSFER INITIATED	<input type="checkbox"/> CONFIRMATION RECEIVED
<input type="checkbox"/> TEMPLATE ON FILE		
COMMENTS		WRITE MY MESSAGE

IMPORTANT: Mandatory Information required for Wire Transfer Payments

- Beneficiary - Legal Name, Address (Number, Street, City, Province / State, Country and Postal Code / Zip Code) and Account Number
- Beneficiary Name and Account holder name must match

REFERENCE: Corporate Procedures http://www.fin.gov.bc.ca/ocg/fmb/manuals/FAP/FAP_D.htm
Treasury Intranet <http://gww.fin.gov.bc.ca/gws/pt/bcm/pay.stm>

FA-1100/IN Rev. 05/11/12/09



Nature Conservancy of Canada

36 Eglinton Avenue West, Suite 400
Toronto, Ontario
M4R 1A1

CONTACT PERSON:

KAMAL RAJANI

TELEPHONE:

(416) 932-0050, Ext: 272

FAX NUMBER:

(416) 932-3208

EMAIL:

kamal.rajani@natureconservancy.ca

BANK INFORMATION

s.21

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Page 329 to/à Page 362

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INFORMATION BULLETIN

For Immediate Release
2015FLNR0013-000194
February 16, 2015

Ministry of Forests, Lands and Natural Resource
Operations

Grace Islet transaction closes

VICTORIA - The Nature Conservancy of Canada now holds title to Grace Islet, Forests, Lands and Natural Resource Operations Minister Steve Thomson confirmed today.

The Province has contributed \$5.45 million, which is broken down as \$850,000 for the land, and \$4.6 million settlement agreement with the previous landowner. This amount represents costs incurred over the past two decades by the landowner and his lost opportunity for future enjoyment of the property. Incurred costs include items such as utility installation and archaeological, architectural and professional fees; as well as building contract and material costs for construction of a high-end house.

The Nature Conservancy of Canada, local First Nations and the Province now will be working on a remediation plan and long term conservation management plan for the islet. Discussions are also occurring with other agencies which have expressed an interest in contributing towards the restoration and long term conservation of the islet.

A reconciliation ceremony is being hosted by the First Nations next month.

Media Contact:

Vivian Thomas
Communications Director
Ministry of Forests, Lands
and Natural Resource Operations
250.356-2475

Connect with the Province of B.C. at: www.gov.bc.ca/connect

Page 364 to/à Page 396

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Page 397 to/à Page 429

Withheld pursuant to/removed as

s.3

Page 430 to/à Page 431

Withheld pursuant to/removed as

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Page 432 to/à Page 436

Withheld pursuant to/removed as

s.21,s.22

Page 437 to/à Page 439

Withheld pursuant to/removed as

s.14.s.22

Page 440 to/à Page 441

Withheld pursuant to/removed as

s.21,s.22

Goad, Jennifer FLNR:EX

From: Tom Swann <Tom.Swann@natureconservancy.ca>
Sent: Tuesday, June 16, 2015 12:00 PM
To: Goad, Jennifer FLNR:EX
Subject: RE: Grace Islet Deconstruction RFP

Hi Jenn,

Yes I spoke to him prior to our consideration of the extension to Sept 15. I have agreed to extend the Easement agreement between NCC and Slawsky for the use of the dock and parking stall to Aug 31. Our lawyer Peter Johnson has provided that information to Slawsky's lawyer.

From: Goad, Jennifer FLNR:EX [mailto:Jennifer.Goad@gov.bc.ca]
Sent: June-16-15 11:01 AM
To: Tom Swann
Subject: RE: Grace Islet Deconstruction RFP

Hi Tom – sorry – just to confirm – you've actually already spoken to Pasutto on the dock use?

From: Tom Swann [mailto:Tom.Swann@natureconservancy.ca]
Sent: Tuesday, June 16, 2015 9:55 AM
To: Goad, Jennifer FLNR:EX; 'Joshua Frederick'; Sue Hallatt; Maloughney, Mary Sue FLNR:EX; Lorne Brownsey (lornebrownsey@shaw.ca); Patrick D Kelly
Cc: Ben Martin
Subject: RE: Grace Islet Deconstruction RFP

Good morning,

Just a heads up Jenn. I just agreed to an extension of the agreement between Slawsky and NCC (through Pasutto) with regard to continued use of the small float and parking stall that are part of the common property of Grace Point. This was just extended to August 31, 2015. Thanks too for looking after the changes to the agreement between the province and NCC in order to respond to the extension to September 15th.

Josh, please let us know how the four respondents react to the proposed extension date of Sept. 15th.

Thanks,

Tom

From: Goad, Jennifer FLNR:EX [<mailto:Jennifer.Goad@gov.bc.ca>]

Sent: June-16-15 9:07 AM

To: 'Joshua Frederick'; Tom Swann; Sue Hallatt; Maloughney, Mary Sue FLNR:EX; Lorne Brownsey (s.22); Patrick D Kelly

Cc: Ben Martin

Subject: RE: Grace Islet Deconstruction RFP

Hi all – We are also supportive (if Tom is) and in order to facilitate the logistics to make it an option I am having a conversation with Paul Pasutto tomorrow to just confirm the dock (just be very clear on timelines and ownership) and have set in motion the changes to the agreement the province has with the NCC.

Jenn

From: Joshua Frederick [<mailto:jfrederick@crd.bc.ca>]

Sent: Monday, June 15, 2015 2:09 PM

To: Tom Swann; Goad, Jennifer FLNR:EX; Sue Hallatt; Maloughney, Mary Sue FLNR:EX; Lorne Brownsey (s.22)

Cc: Ben Martin

Subject: RE: Grace Islet Deconstruction RFP

Hi Tom

Thanks for your reply.

Josh

Joshua Frederick, MAsc, P.Eng.

Manager, Project Engineering

Parks & Environmental Services

Capital Regional District

T: 250-360-3097 | F: 250-360-3270



CRD

"If we are to better the future we must disturb the present."

-Catherine Booth

From: Tom Swann [<mailto:Tom.Swann@natureconservancy.ca>]

Sent: Monday, June 15, 2015 1:53 PM

To: Joshua Frederick; Jennifer FLNR:EX Goad; Sue Hallatt; Mary Sue FLNR:EX Maloughney; Lorne Brownsey (s.22)

Cc: Ben Martin

Subject: RE: Grace Islet Deconstruction RFP

Josh,

Even though the process to date has move along reasonably well, it is obvious that the timelines projected are tight. Aug 31 was somewhat arbitrarily picked as

the completion date long before we got into the level of detail required to complete the tendering process. I would not want to see one of the stronger proponents withdraw as a result of not being able to meet unreasonable expectations.

I don't think NCC would have objections to pushing this timeline out if it means receiving bids that are achievable.

Thanks,

Tom

From: Joshua Frederick [<mailto:jfrederick@crd.bc.ca>]

Sent: June-15-15 1:33 PM

To: Jennifer FLNR:EX Goad; Sue Hallatt; Tom Swann; Mary Sue FLNR:EX Maloughney; Lorne Brownsey ^{s.22}

Cc: Ben Martin

Subject: Fwd: Grace Islet Deconstruction RFP

Hello Team

Please see request below..we all know it is a really aggressive schedule and we're gunning to get the job done ASAP.

Since the request is from one of the stronger proponents is there any way the Aug 31 date could move to Sept 15th?

Thoughts

Josh

Sent from my iPhone

Begin forwarded message:

From: Brad Wilkerson <bradwilkerson@ralmax.com>

Date: June 15, 2015 at 1:06:21 PM PDT

To: Joshua Frederick <jfrederick@crd.bc.ca>

Subject: Grace Islet Deconstruction RFP

Hi Joshua

I We don't feel that adequate time is being given to prepare a response to the RFP. The site visit is on Wednesday afternoon, the 17th and you are closing it on Monday the 22nd. Basically we have 2 working days after the site visit before it's due. Given the very specific concerns of the site this schedule seems overly aggressive. Can you consider a more reasonable closing day, say the 25th?

Brad Wilkerson, Senior Estimator/Project Manager
Demolition Site Services Division
Salish Sea Industrial Services Ltd
343A Bay Street

Victoria, BC V8T 1P5
250-590-7072 Ext 25
Fax 250-590-7075
Cell 250-883-1203
bradwilkerson@salishseaind.com

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