



**LEASE**

Lease No.:

343446

File No.: 0093082

Disposition No.: 851413

THIS AGREEMENT is dated for reference September 17th, 2007 and is made under the *Land Act*.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the minister responsible for the *Land Act*, Parliament Buildings, Victoria, British Columbia

(the "Province")

AND:

**FREDERICK ARTHUR BOWERS**

s.22

(the "Lessee")

The parties agree as follows:

**ARTICLE 1 - INTERPRETATION**

1.1 In this Agreement,

**"Agreement"** means this lease;

**"Commencement Date"** means October 10th, 2006;

**"disposition"** has the meaning given to it in the *Land Act* and includes a licence of occupation;

**"Improvements"** includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;

**“Land”** means that part or those parts of the following described land shown outlined by bold line on the schedule attached to this Agreement entitled “Legal Description Schedule”:

**All that Unsurveyed Crown Land in the vicinity of Beaton Lake together with that part of Northwest 1/4, Section 4, Township 20, Range 19, West of the Sixth Meridian, Kamloops Division Yale District and containing 839.16 hectares, more or less.**

except for those parts of the land that, on the Commencement Date, consist of highways (as defined in the *Transportation Act*) and land covered by water;

**“Management Plan”** means the plan contained in the schedule attached to this Agreement entitled “Management Plan Schedule” and any amendments or replacements thereto;

**“Professional Agrologist”** means an agrologist who is a member in good standing of the British Columbia Institute of Agrologists;

**“Realty Taxes”** means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;

**“Rent”** means the rent set out in Article 4;

**“Security”** means the security referred to in section 7.1 or 7.2, as replaced or supplemented in accordance with section 7.5;

**“Term”** means the period of time set out in section 2.2;

**“we”, “us” or “our”** refers to the Province alone and never refers to the combination of the Province and the Lessee: that combination is referred to as **“the parties”**; and

**“you” or “your”** refers to the Lessee.

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

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

- 1.4 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 All provisions of this Agreement in our favour and all of our rights and remedies, either at law or in equity, will survive the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Where this Agreement contains the forms of words contained in Column I of Schedule 4 of the *Land Transfer Form Act*, those words will have the same effect and be construed as if the appropriate forms of words contained in Column II of that Schedule were contained in this Agreement, unless the context requires another construction of those words.

## **ARTICLE 2 - GRANT, TERM AND ASSOCIATED PRIVATE PROPERTIES**

- 2.1 On the terms and conditions set out in this Agreement, we grant you a lease of the land for grazing livestock or harvesting forage purposes, as set out in the Management Plan.
- 2.2 The term of this Agreement commences on the Commencement Date and terminates on the 20th anniversary of that date, or such earlier date provided for in this Agreement and despite any other provisions of this Agreement.
- 2.3 We shall not be obliged to extend the Term or issue a new lease at the end of the Term.
- 2.4 You shall exercise the rights granted under this Agreement only so long as
  - (a) you are using the Land set out in the Management Plan (under the heading "Associated Private Properties") for grazing purposes or such other agricultural purposes as may be approved in the Management Plan; and
  - (b) there is appropriate access to the Land as approved in the Management Plan.

## **ARTICLE 3 - MANAGEMENT PLANS**

- 3.1 You shall use and occupy the Land only in accordance with and for the purposes set out in the Management Plan and you shall otherwise comply with the Management Plan.
- 3.2 You shall make no changes to the Management Plan without our prior written approval.
- 3.3 You shall prepare an updated Management Plan for our approval if and when we so request.
- 3.4 All Management Plans shall be in the form and shall have the content we may require from time to time.
- 3.5 You shall have your Management Plan (or part of the Management Plan) prepared by or approved by a Professional Agrologist (at your expense) if and when we so request; provided, however, that we may make such a request only if:
  - (a) we are reasonably of the opinion that there is an issue on the merits of the plan; and
  - (b) the issue is one which is within the expertise of a Professional Agrologist.



#### ARTICLE 4 - RENT

- 4.1 You will pay to us:
- (a) for the first year of the Term, Rent of \$1030.00, payable in advance on the Commencement Date; and
  - (b) for each year during the remainder of the Term, the Rent either determined by us under section 4.2 or established under section 4.3, payable in advance on each anniversary of the Commencement Date.
- 4.2 We will, not later than 15 days before each anniversary of the Commencement Date during the Term, give written notice to you specifying in our sole discretion the Rent payable by you under subsection 4.1(b) for the subsequent year of the Term and we will establish such Rent in accordance with our policies applicable to your use of the Land under this Agreement.
- 4.3 If we do not give notice to you under section 4.2, the Rent payable by you under section 4.1(b) for the year for which notice was not given will be the same as the Rent payable by you for the preceding year of the Term.

#### ARTICLE 5 - COVENANTS

- 5.1 You must
- (a) pay, when due,
    - (i) the Rent to us at the address set out in Article 11,
    - (ii) the Realty Taxes, and
    - (iii) all charges for electricity, gas, water and other utilities supplied to the Land;
  - (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
  - (c) observe, abide by and comply with
    - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or Improvements, and

- (ii) the provisions of this Agreement:
- (d) in respect of the use of the Land by you or by anyone you permit to use the Land, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us, and at our written request, rectify any failure to comply with such a covenant by making the Land and the Improvements safe, clean and sanitary;
- (e) not commit any wilful or voluntary waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance or annoyance to an owner or occupier of land in the vicinity of the Land;
- (f) not construct, place or affix any Improvement on or to the Land except as permitted in the Management Plan;
- (g) not use or develop the Land for residential purposes;
- (h) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Land except for money that you are required to hold back under the *Builders Lien Act*;
- (i) if any claim of lien over the Land is made under the *Builders Lien Act*, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (j) not cut or remove timber on or from the Land without
  - (i) our prior written consent, and
  - (ii) being granted the right under the *Forest Act* to harvest Crown timber on the Land;
- (k) consent to any application made by us under the *Agricultural Land Commission Act* to designate the Land as or as part of an agricultural land reserve within the meaning of that Act, and to execute all documents, instruments and contracts that we may reasonably require in support of the application;
- (l) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey of the Land;

- (m) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, provided that in regard to our inspection of the Improvements we take reasonable steps to minimize any disruption to your operations;
- (n) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of
  - (i) your breach, violation or nonperformance of a provision of this Agreement, and
  - (ii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (o) on the termination of this Agreement,
  - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii) and (iii), the Improvements in a safe, clean and sanitary condition,
  - (ii) within 60 days, remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building or part of the Land,
  - (iii) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under another disposition, and
  - (iv) restore the surface of the Land as nearly as may reasonably be possible to the same condition as it was on the Commencement Date, to our satisfaction, but if you are not directed or permitted to remove an Improvement under paragraph (iii), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

- 5.2 You will not permit any person to do anything you are restricted from doing under this Article.
- 5.3 Subject to the provisions of this Agreement to the contrary, you shall have quiet enjoyment of the Land.

## ARTICLE 6 - LIMITATIONS

- 6.1 You agree with us that
- (a) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads;
  - (b) this Agreement is subject to
    - (i) all subsisting dispositions and subsisting grants to or rights of any person made or acquired under the *Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Wildlife Act or Water Act*, or any extension or renewal of the same, whether or not you have actual notice of them, and
    - (ii) the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act*;
  - (c) without limiting subsection 5.1(n), you must indemnify and save us and our servants, employees and agents harmless from and against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of any conflict between your rights under this Agreement and the rights of any person under a disposition or under a subsisting grant to or right of any person made or acquired under the *Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Wildlife Act or Water Act* (or any prior or subsequent enactment of the Province of British Columbia of like effect), or any extension or renewal of the same, whether or not you have actual notice of them, and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand;
  - (d) you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your rights under this Agreement and the rights of any person under a disposition or under a subsisting grant to or right made or acquired under the enactments referred to in subsection (c), and you acknowledge that this Agreement and your rights under this Agreement are subject to those grants and rights referred to in subsection (c) whether or not you have actual notice of them.

- (e) with your prior consent, which consent you will not unreasonably withhold, we may make other dispositions of or over the Land, or any part of it, to a person, including a Crown agency or ministry, and, upon such consent being given you will, if required by us in the case of a disposition by way of easement, right of way or statutory right of way, immediately execute and deliver to us such instrument as may be necessary to subordinate your rights under this Agreement to such easement, right of way or statutory right of way; provided, however, that your consent shall not be required for any disposition we may wish to make of land which we have resumed pursuant to the *Land Act* or pursuant to subsection 6.1(r)
- (f) for the purpose of subsection (e), you will be deemed to have reasonably withheld your consent if a disposition made under that subsection would materially affect the exercise of your rights under this Agreement;
- (g) you will make no claim for compensation, in damages or otherwise, in respect of a disposition made under subsection (e), where such disposition does not materially affect the exercise of your rights under this Agreement;
- (h) subject to subsection (g), all of your costs and expenses, direct or indirect, that arise out of any lawful interference with your rights under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles reserved to us in subsections (b) and (e) will be borne solely by you;
- (i) you will not commence or maintain proceedings under section 65 of the *Land Act* in respect of any lawful interference with your rights under this Agreement that arises as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (b) and (e);
- (j) any interference with your rights under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (b) and (e) will not constitute a breach of our covenant of quiet enjoyment and you release and discharge us from all claims for loss or damage arising directly or indirectly out of any such interference;
- (k) we own and may dispose of all timber on the Land, and this Agreement transfers no interest in or to timber on the Land;
- (l) the Secwepemc may access the land to use and gather traditional sustenance resources, medicines and other cultural heritage resources, including hunting and fishing and maintain their traditional practices and spiritual relationship to the land, in a manner that respects the grazing lease activities and does not interfere with grazing or forage use;

any access issues that may arise may be addressed in the Management Plan;

- (m) this lease and the estate herein granted is subject to an easement in favour of British Columbia Telephone Company, shown in the Land Title Office under Plan No. CG1160.
- (n) this lease and the estate herein granted is subject to an easement in favour of British Columbia Hydro and Power Authority, shown in the Land Title Office under Plan No. CG2174.
- (o) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (p) any interest you may have in the Improvements ceases to exist and becomes our property upon termination of this Agreement, except where an Improvement may be removed under paragraph 5.1(o)(ii) or (iii) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land within the time period set out in paragraph 5.1(o)(ii) or the time period provided for in the direction or permission given under paragraph 5.1(o)(iii);
- (q) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly tenant only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary;
- (r) at any time during the Term we may resume, without your consent, up to 5% of the area of the Land for either or both of the following purposes:
  - (i) if we are reasonably of the opinion that the Land (or part of the Land) is needed for intensive land use not compatible with the grazing lease; or
  - (ii) if the Land (or part of it) is needed to provide for permanent road access to land beyond the lease area where no other practical options exist;
- (s) we have the discretion to choose which portion or portions of the Land we may resume; however, we shall consult with you before making any such deletions for the purpose of attempting to minimize adverse impacts to your ranching operation;
- (t) you shall not be entitled to any compensation as a result of our resumption; and
- (u) our right to resume as set out herein is in addition to our rights under section 50(1)(a) of

the *Land Act*.

6.2 The following provisions apply with respect to the activities of others on the Land:

- (a) You acknowledge that, despite subsection 6.1(e), other persons may now have or may in the future be given the right to carry out timber harvesting, silviculture and fire protection (and road construction and road maintenance concerning any of them).
- (b) If any person wishes to carry out any of the activities listed in subsection (a) (and has the right to do so) the following shall apply:
  - (i) When you become aware of the proposed activity, you shall contact the person or persons who intend to carry out the activity and you shall attempt to reach an agreement as to how and when the activity shall be carried out and how your respective rights can be accommodated;
  - (ii) If you are unable to reach such an agreement, you shall contact the Director, Ministry of Forests and Range, Range Branch, advise him or her of the situation, and you shall comply with his or her directions in this respect.

#### **ARTICLE 7 - SECURITY AND INSURANCE**

7.1 On the Commencement Date, you will deliver to us security in the amount of \$0.00 which will

- (a) guarantee the performance of your obligations under this Agreement;
- (b) be in the form required by us; and
- (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.

7.2 Despite section 7.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other dispositions held by you.

7.3 We may use the Security for the payment of any costs and expenses incurred by us to perform any of your obligations under this Agreement that are not performed by you and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.

7.4 After we certify, in writing, that you have fully performed your obligations under this

Agreement, we will return to you the Security maintained under section 7.1, less all amounts drawn down by us under section 7.3.

7.5 You acknowledge that we may, from time to time, notify you to

- (a) change the form or amount of the Security; and
- (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

7.6 You must

- (a) without limiting your obligations or liabilities under this Agreement, at your expense, effect and keep in force during the Term Comprehensive/Commercial General Liability insurance protecting us as an additional insured in an amount of not less than \$0.00 inclusive per occurrence insuring against liability for personal injury, bodily injury (including death) or property damage, and claims for liability assumed under contract, arising from all accidents or occurrences on the Land or the Improvements;
- (b) on the Commencement Date and immediately upon demand, deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance required to be maintained by you under this Agreement;
- (c) ensure that all insurance required to be maintained by you under this Agreement is
  - (i) placed with insurers licensed in British Columbia,
  - (ii) primary and does not require the sharing of any loss by any insurer that insures us, and
  - (iii) endorsed to provide us with 30 days' advance written notice of cancellation or material change; and
- (d) deliver or cause to be delivered to us, immediately upon demand, certified copies of all policies of insurance required to be maintained by you under this Agreement.

7.7 You acknowledge that we may, from time to time, notify you to



- (a) change the amount of insurance set out in subsection 7.6(a); and
- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance then required to be maintained by you under this Agreement.

## ARTICLE 8 - ASSIGNMENT

- 8.1 You must not sublease, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold.
- 8.2 For the purpose of section 8.1, if you are a corporation, a change in control (as that term is defined in subsection 2(3) of the *Business Corporations Act*) will be deemed to be a transfer of this Agreement.
- 8.3 Section 8.2 does not apply to a corporation if the shares of the corporation which carry votes for the election of the directors of the corporation trade on a stock exchange located in Canada.
- 8.4 Prior to considering a request for our consent under section 8.1, we may require you to meet certain conditions, including without limitation, that you submit to us a "site profile", "preliminary site investigation" or "detailed site investigation" (as those terms are defined in the *Environmental Management Act*) for the Land or other similar type of investigation of the Land.

## ARTICLE 9 - TERMINATION

- 9.1 You agree with us that
  - (a) if you
    - (i) default in the payment of any money payable by you under this Agreement, or
    - (ii) fail to observe, abide by and comply with the provisions of this Agreement (other than the payment of any money payable by you under this Agreement),

and your default or failure continues for 60 days after we give written notice of the default or failure to you,

- (b) if, in our opinion, you fail to make diligent use of the Land for the purposes set out in this Agreement, and your failure continues for 60 days after we give written notice of the failure to you;
- (c) if you transfer or assign your interest in fee simple in all that parcel or tract of land more particularly described as Title No's X269098 (PID003-105-423); X93705 (PID 003-684-059); X93706 (PID 003-684-245); X93709 (PID 003-684-849); X93710 (PID 003-684-903); X93711 (PID 003-684-954); X93712 (PID 003-685-055); X93713 (PID 003-685-136); X93716 (PID 003-105-431);
- (d) if you
  - (i) become insolvent or make an assignment for the general benefit of your creditors,
  - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
  - (iii) voluntarily enter into an arrangement with your creditors;
- (e) if you are a corporation,
  - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
  - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (f) if you are a society, you convert into a company in accordance with the *Society Act* without our prior written consent; or
- (g) if this Agreement is taken in execution or attachment by any person;

this Agreement will, at our option and with or without entry, terminate, and all of your right, interest and estate in the Land will be absolutely forfeited to us.

- 9.2 If the condition complained of (other than the payment of any money payable by you under this Agreement) reasonably requires more time to cure than 60 days, you will be deemed to have

complied with the remedying of it if you commence remedying or curing the condition within 60 days and diligently complete the same.

9.3 You agree with us that

- (a) you will make no claim for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 9.1; and
- (b) our remedies under this Article are in addition to those available to us under the *Land Act*.

## ARTICLE 10 - DISPUTE RESOLUTION

- 10.1 If any dispute arises under this Agreement, the parties will make all reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 10.2 Subject to section 10.5, if a dispute under this Agreement cannot be resolved under section 10.1, we or you may refer the dispute to arbitration conducted by a sole arbitrator appointed pursuant to the *Commercial Arbitration Act*.
- 10.3 The cost of the arbitration referred to in section 10.2 will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.
- 10.4 The arbitration will be conducted at our offices (or the offices of our authorized representative) in Kamloops, British Columbia, and if we or our authorized representative have no office in Kamloops, British Columbia, then our offices (or the offices of our authorized representative) that are closest to Kamloops, British Columbia.
- 10.5 A dispute under this Agreement in respect of a matter within our sole discretion cannot, unless we agree, be referred to arbitration as set out in section 10.2.

## ARTICLE 11 - NOTICE

- 11.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:  
  
to us

MINISTRY OF FORESTS AND RANGE  
Range Branch  
515 Columbia St.  
Kamloops, BC V2C 2T7;

to you

FREDERICK ARTHUR BOWERS  
s.22

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- 11.2 In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 11.1.
- 11.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

## ARTICLE 12 - MISCELLANEOUS

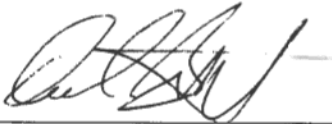
- 12.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 12.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 12.3 The grant of a sublease, assignment or transfer of this Agreement does not release you from

your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublease, assignment or transfer of this Agreement.

- 12.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 12.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by a period of time equal to the period of time of the delay so long as
- (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
  - (b) you diligently attempt to remove the delay.
- 12.6 You agree with us that
- (a) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
  - (b) nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.
- 12.7 This Agreement does not override or affect any powers, privileges or immunities to which you are entitled under any enactment of the Province of British Columbia.

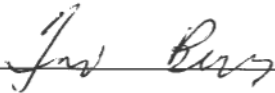
The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of **HER MAJESTY  
THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the minister responsible for the *Land Act*  
or the minister's authorized representative



Minister responsible for the *Land Act*  
or the minister's authorized representative

SIGNED *by*  
**FREDERICK ARTHUR BOWERS**



Lessee

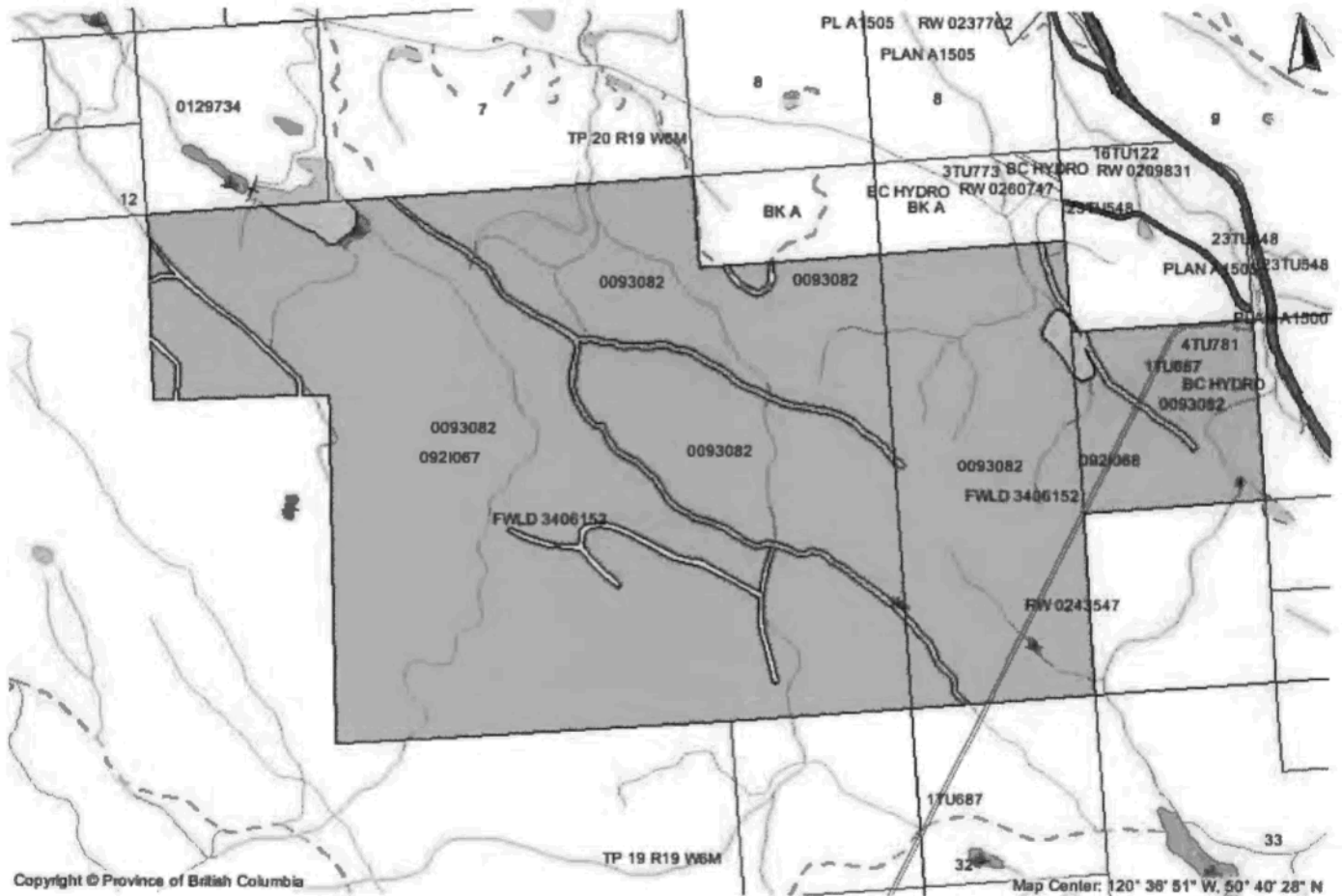
343446

File No.: 0093082

Disposition No.: 851413

## LEGAL DESCRIPTION SCHEDULE

All that Unsurveyed Crown Land in the vicinity of Beaton Lake together with that part of Northwest 1/4, Section 4, Township 20, Range 19, West of the Sixth Meridian, Kamloops Division Yale District and containing 839.16 hectares more or less.



Page 020 to/à Page 021

Withheld pursuant to/removed as

s.22;s.21



# SCHEDULE A

343446

## GRAZING LEASE MANAGEMENT PLAN

Lands File: 009 3082  
F.S. File: 840-4 Ferguson

Inspection Date: May 9, 1985

LESSEE: Mr. Roy John Ferguson and Mr. Donald Edward Ferguson  
s.22

Telephone: Roy: s.22  
Don:

LEGAL DESCRIPTION: N.W. 1/4 of Sec. 4, Sections 5 & 6, S. 1/2 of Sec. 7 and  
S. 1/2 of Sec. 8 except Block 'A', Twp. 20, R. 19, W6M,  
S.E. 1/4 of Sec. 12, Twp. 20, R. 20, W6M

### BACKGROUND INFORMATION:

#### Description of Lease Area:

The subject area lies within the PPBGd biogeoclimatic zone with the S.W. corner in the IDF al zone (Sec. 6). Some of the area has been selectively logged in the past and, along with the suppression of fire, has produced an uneven age stand with the resultant F regen decreasing the range capacity and stunting timber production well into the future. It is interesting to note that the Tussock Moth has infested a wide swath only in the PPBGd zone and approximates the boundary between the two zones. F is unproductive over most of the site (e.g. 140-250 years old and 36-65 ft. high) with moisture being the limiting factor and it is only on the steeper N.E. and N. facing slopes that the sites are productive. Most of this area has not been logged for some time because the quality timber is scarce. The lease lies between 700 m and 850 m and has mostly gentle N. aspect with steeper N.N.E. slopes and a few very dry S. and S.W. aspects.

Climate: Precip. Mean annual 320 mm  
Snowfall 100 mm

Frost Free Period 112 days  
Mean annual temp. 6 degrees C

The soils are primarily represented by Gray Luvisols and Entic Brunisols in the form of a shallow silty loam with many surface rocks and boulders. In rare terms the majority of the area is in the Ponderosa pine-Bluebunch wheatgrass complex and generally, as you move upslope from N.E. to S.W. you encounter more and more Pinegrass in the community. Even in its upper limit, shade is required to form a pure Pinegrass complex in this transition zone. Opens in excellent condition are composed of B.B.W.G. 60%, Rough fescue 30%, and amounts of Junegrass, bluegrasses, and stipa species. Mostly in the lower elevations, the same vegetation complex is found under P and F canopies but at a lower stocking level (7 ac./Aum++ compared to 3 ac./Aum). Some extremely dry and delicate S. and S.W. facing slopes are comprised of a pure stand of B.B.W.G. and conversely some N. and N.E. facing slopes contain a Pinegrass community. In spring inspections, it is difficult to distinguish the forb species that will sprout later and last years residue has turned to dust under a snowpack, but yarrow, wild carrot, purple avens, early yellow locoweed and Pursh's milkvetch were seen. No poisonous species were spotted. (P. milkvetch is suspect but in low density.)

In the past the lease has supported a low amount of cow-calf units for the entire area or a good majority of the grazing season with minimal herding. The past damage is always localized to water, associated opens along major trails and certainly doesn't extend upslope very far. In general, only the N.E. corner, Beaton Creek, and most of the open range between these points has received heavy, long season use.

Essentially the lease has been rested since 1978 (except for a local horse rental establishment grazing trails and cattle invading from adjacent leases) and, in the hardest hit areas with no decreaser species seed source, comeback has been slow. The accompanying map denotes the species and condition of most opens and associated semi-open range.

Knapweed infestations have also been demarked on the map and are presently at a stage whereby they can be easily controlled. We cannot stress enough the importance of treating these sites while still economically viable. To not do so before cattle enter would definitely bring the problem out of reach.

The topography faces the N.E. and generally has a series of benches in this direction. Beaton Creek, Pendleton Creek and W. Ravine Creek descending from Greenstone Mtn. create in some cases steep ravines and S., S.W., W., N.E. and N. facing slopes and associated moisture regimes and ecotypes.

The S. and W. sides are adequately fenced and at present there are no arrangements on maintenance with adjacent lease holders. This lease was never fenced on the N. side as it was historically used in conjunction with the private Cherry Creek Ranch land. Since then a private subdivision (5-30 ac. lots) and the various owners have fenced off all but 3/4 mi. of this boundary. On the E. end another 2/3 mi. of fencing is required. This population source is not completely compatible with cattle grazing as horse rentals and motocross trails were evident. Also, access to the lease is a contentious issue for both the general public and cattle. The only cattle access is through the Pineview Ranch lease, X-Country Stables and logging roads radiating from Duffy lake.

The aforementioned creeks and Beaton Lake are presently the only sources of water. Based on this, the majority of the lease can be covered by cow-calf and by yearling stock. The benches and slopes above Beaton Lake extending south, the highlands on the S. boundary and the central-west zones would receive light to nil use because of water distribution. Water could be developed in the W. (dugout) and a fence relocation would enable both leases access to water. Gravity water can also be developed in the N.E. at many points along a sub-irrigated riparian zone. A fenced spring has a water licence covering it and negotiations would have to take place before piping to a trough. The keen knowledgeable eye could spot a number of other draws where quantities of water could be developed on the more water remote areas.

#### History:

The Fergusons have had this lease since 1978 with the purchase of the base property and essentially has not been used since that time except for 2 short periods with 20 head of cattle in order to give the home pasture a rest. The description of grazing before that time judging from its present condition was given in the "Background Info".

#### Best Livestock Use:

This lease is an extremely valuable spring range acquisition for a medium size ranch operation. The area could be best used by a large amount of yearling stock (cow-calf would also be acceptable but distribution would not be as complete) for a short period of spring grazing by a large amount of cattle, (relatively speaking) on a rotational basis. The adjacent range area rising in elevation to the south would then supply the summer forage.

#### Wildlife Habitat:

The shrub layer is poorly developed with nil browse species seen except for the W. zone where moderate amounts of saskatoon, wax berry, willow in the depressions and some alder growth on those E. and N.E. slopes overlooking W. Ravine Creek. Very fresh deer sign was seen throughout this area. The 4 major riparian zones support the majority of wild ungulate food notably willow, alder, rose, ribies sp. etc. Moose could travel down these corridors but no browsing or pellets were seen. Because of thermal cover afforded by the semi-open F and Py canopies, the large amount of deer and fresh evidence seen at the time of inspection, and the absence of significant browse between the riparian zones it can be surmised that the lease is a winter and spring range for mule deer. Coyote, raptorial birds, waterfowl, upland game birds, perching birds, shore birds and birds of the forest- grassland savannah could also be seen here.

#### OBJECTIVES:

To maintain and enhance the range condition and wildlife habitat by promoting the proper stocking rate coupled with an effective plan of cattle movements. Fall use will be minimal and rotated from year to year. This entails a 2 part process in which an initial stocking rate and fence system will be assessed directly after the first season of use. After that time stocking rate changes could change and more fence added.

## METHODS:

## A. Sequence or Rotation:

A fence will separate the lease into East and West pastures.

	FAST PASTURE	WEST PASTURE
YEAR 1 (1986)	s.21	
	May 15-June 15 Area A	July 16-Aug. 15 Area C
	June 16-July 15 Area B	Aug. 16-Sept. 15 Area D

Between year 1 and 2 the range will be fall inspected to determine:

- (a) Proper stocking
- (b) More east-west X fencing required if herding is not effective

YEAR 2 (1987)	s.21	
	July 16-Aug. 15 Area A	May 15-June 15 Area C
	Aug. 16-Sept. 15 Area B	June 16-July 15 Area B

Years 3 and 4 are the same for each pasture except that the areas A, B, C, and D are reversed.

e.g. EAST PASTURE

YEAR 3	May 15-June 15 Area B
	June 16-July 15 Area A

The reason for this intensive grazing pattern is that we are season long grazing a pasture that should be used in the spring for a short period with a much higher stocking rate and using the surrounding range in the summer.

## B. Range Readiness:

This range area should be ready by May 5 on most years. Cattle can only enter the lease if the soil is dry and firm enough to counter trampling damage. To give the major forage species a chance to maintain vigor and to keep nutritional levels high for proper cattle cycling, Bluebunch wheatgrass in areas A and C must be 6" high and in pastures B and D Pinegrass must be 6" high before cattle enter. On many years areas B and D will not be ready by May 15 and this has been designed to limit cattle use somewhat.

## C. Acceptable Level of Utilization:

Cattle must be moved from any locale when 40% of the major forage species has been removed. This could mean from one zone to another (within an area or pasture) or when significant grazing has taken place in designated areas and pastures. Hence the times given in 'A' are only guides. Also, during fall use, cattle shall be removed after 25% of the current years growth on browse species has been harvested.

## D. Salting System:

The accompanying map suggests salting sites on hills thoughtfully placed away from any opens or water just far enough so that cattle can just reach it with the maximum amount of range between water and these points being utilized.

## E. Riding:

Because of the nature of cow-calf movement, the hilly topography and rotation system required, riding shall take place 3 days/week on the average. We are trying to minimize costly fencing between 'areas' that will be required if for some reason, herding is not effective.

## F. Constraints re Other Uses:

The lessee and the local horse riding establishment shall meet to discuss the rotation system. All rides into 'areas' and pastures in use shall be supervised.

## G. New Range Improvements:

A log, smooth wire or electric fence shall be built along Beaton Creek allowing water to be distributed to both East and West pastures. The map designates the approximate proposed location. This fence along with the perimeter fences described under 'Background Information' must be completed by May 15, 1986. Note that where stockproof natural barriers occur, fencing is not required. If the 1986 inspections indicate a control problem then two possibilities are possible:

- a) Reduced stocking or period of use
- b) Drift fencing from East to West using all available natural barriers.

These fences shall be built to Forest Service specifications. When and if water developments are completed in both pastures increased stocking will be contemplated.

## H. Authorized Use:

s.21

May 15 --&gt; Sept. 15 --&gt; 206 Aum's

" " 300 Aum's

GENERAL CONDITIONS:

Page 6

- A Note: If the area is not utilized in the 1986 grazing season and/or the proposed North-South fence is not completed by May 15, 1986, the lease will be cancelled immediately. So that no confusion exists:
- a) Beaton Ck. fence to be built as per attached map.
  - b) at least 30 head for the specified time
  - c) perimeter of lease shall be stock proof.

This plan is in effect through September 15, 1986. After this time the lease should be fully stocked to the amounts given in this document. The lessee will submit a proposed replacement plan in conjunction with the Forest Service when this plan expires. The plan may be amended earlier by mutual agreement, or if range condition so indicates.

- B. The lessee will maintain a record of:

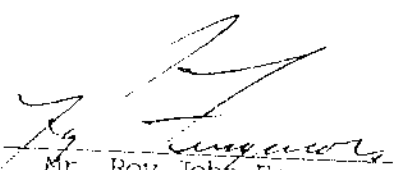
- Actual period of use,
- Actual cattle numbers grazed,
- Results: level of utilization on key plant species stock distribution,

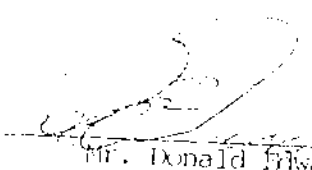
and make such information available for discussion with the Forest Service when requested.

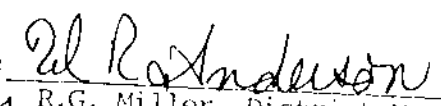
- C. The lessee agrees to maintain all improvements to a standard that facilitates good cattle distribution and management. Unused wire fences are to be removed.

- D. The lease area will be jointly inspected periodically. Transects to measure change in range condition will be established by the Forest Service as necessary.

I accept the above plan and agree to implement all the terms and conditions.

  
Mr. Roy John Ferguson

  
Mr. Donald Edward Ferguson

Approved:   
for R.G. Miller, District Manager  
Kamloops Forest District

Date: August 20, 1985

Prepared by G.S. Ellen in consultation with lessee.



REPLACEABLE GRAZING LICENCE

RECEIVED  
OCT 03 2011  
KAMLOOPS FOREST DISTRICT

For Ministry Use Only:

FILE: 15700-20/BOWERS  
STOCK RANGE: TUNKWA

AGREEMENT #: RAN077542  
RANGE UNIT AND #: DURAND #3171

**BETWEEN:** HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH COLUMBIA  
c/o: THE DISTRICT MANAGER

of: Kamloops Forest District  
1265 Dalhousie Drive  
Kamloops, British Columbia  
V2C 5Z5

("the Province")

**AND:** Frederick Bowers  
s.22

("the Agreement Holder")

This Agreement is dated for reference this 1st day of January 2013

The Province hereby grants rights to the Agreement Holder over Crown range in accordance with the *Range Act* on the following terms and conditions:

1. TERM

The Term of this Agreement will be as follows:

	Year	Month	Day
Start:	2013	01	01
Expiry:	2022	12	31

("the Term")

2. AGREEMENT AREA

The area over which the rights are granted is the Crown range within the area outlined in bold black on the attached Exhibit A map, less any of the following:

- a) exclusions noted on the Exhibit A
- b) exclusions arising from Exhibit B conditions
- c) exclusions arising from the Range Use Plan or Range Stewardship Plan associated with this agreement.

("the Agreement Area")

3. AMOUNT OF FORAGE

Authorized Yearly Use is 814 animal unit months ("AUMs") on the Agreement Area.



4. RIGHTS

The Agreement Holder will have the right to graze livestock on the Agreement Area under the terms and conditions of this Agreement and its associated Range Use Plan or Range Stewardship Plan.

5. ASSOCIATED PRIVATE LAND

The Agreement Holder's associated private lands are listed in Exhibit C of this Agreement.

6. RANGE USE PLAN or RANGE STEWARDSHIP PLAN

The Agreement Holder will prepare and maintain a Range Use Plan or Range Stewardship Plan as required in the *Range Act* and the *Forest and Range Practices Act*.

7. PERIODIC REPORTS

The District Manager, acting reasonably, may request the Agreement Holder from time to time to prepare and send a report on specified matters associated with the Agreement. The Agreement Holder will comply with the request.

8. FINANCIAL

- a) The Agreement Holder will pay ground rent, grazing fees, fines and any other financial assessments as required under the *Range Act*.
- b) The Agreement Holder will pay the interest on overdue accounts and any other financial assessments provided for by law and arising from the use of Crown range.
- c) Fees and all other financial assessments must be paid as specified on the Province's invoices or statements. The District Manager may require payment of fees in advance of livestock turnout.

9. COMPLIANCE WITH LAWS

The Agreement Holder will comply with all provisions of the following Acts and their regulations: the *Range Act*, the *Forest and Range Practices Act*, the *Livestock Act*, the *Livestock Identification Act* and the *Animal Disease Control Act*. Any breach of these Acts or their regulations will be considered to be a breach of this Agreement.

10. TEMPORARY REDUCTION IN GRAZING USE FOR ENVIRONMENTAL REASONS

- a) The District Manager or Forest Officer may, by issuing a written order, require a temporary reduction or adjustment in grazing use because of the adverse effects of weather, fire, flood or other environmental factors.
- b) If the District Manager or Forest Officer issues an order pursuant to (a) and the order results in a reduction of 10% or more of Net Authorized Yearly Use, the amount of fees will be reduced proportionately.

11. LIVESTOCK OWNERSHIP AND CONTROL

The Agreement Holder will graze on the Agreement Area only livestock, which the Agreement Holder owns or controls by lease. The District Manager must approve any livestock lease agreements. The District Manager may grant an exemption to the provisions of this paragraph.

12. INFECTIOUS OR CONTAGIOUS DISEASES

The Agreement Holder will not graze livestock, which has any infectious or contagious disease or other condition that is a material risk to other livestock, wildlife or humans, on the Agreement Area or on any Private Land that is not separated from Crown range by a fence or other barrier to livestock movement, or on any land subject to a Private Land Agreement.

13. COMPLIANCE WITH LIVESTOCK ASSOCIATION

Unless exempted by the District Manager, the Agreement Holder will comply with local Livestock Association's reasonable rules and fee assessments for the construction and maintenance of authorized range improvements on the Agreement Area, or for services on the Agreement Area.

14. CLAIMS

- a) The Agreement Holder will reimburse the Province for any loss caused to the Province as a result of the Agreement Holder's negligent or wilful default in the use of the Agreement Area.
- b) The Province will not be responsible for the death, injury, or theft of livestock, or theft or damage to property belonging to the Agreement Holder.
- c) The Province will not be responsible for any damage to range developments, except damage wilfully done by the Province or resulting from activities specifically authorized by the Province.
- d) The Agreement Holder will have no claim against the Province for reimbursement for loss arising from deficiencies in the quality or quantity of forage on the Agreement Area.

15. NOTICES

Any notices will be served in the manner provided in the *Range Act*.

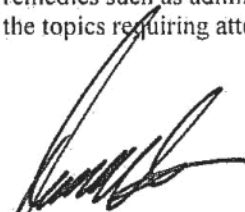
16. SPECIAL CONDITIONS

Conditions set out on any Exhibit B will form part of this Agreement. If there is any contradiction between any such conditions and any other terms of this Agreement, the Special Conditions will prevail.

Notice to Agreement Holder on Obligations, Compliance and Enforcement

The obligations of the Agreement Holder in the use of Crown range arise both from this Agreement and from relevant legislation such as the *Range Act* and the *Forest and Range Practices Act*. Lack of compliance could subject the Agreement Holder to a variety of remedies such as administrative penalties, tickets, suspension and cancellation of this Agreement or prosecution for offences. Among the topics requiring attention is the maintenance responsibility of the Agreement Holder for range developments.

s.22

  
Shane Berg, R.P.F. Rick Sommer, R.P.F.  
District Manager  
Kamloops Forest District

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Name of Witness

\_\_\_\_\_  
Agreement Holder's Signature\*

\_\_\_\_\_  
Signature of Witness

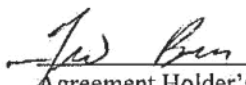
\_\_\_\_\_  
Name of Witness

\_\_\_\_\_  
Agreement Holder's Signature\*

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Name of Witness

s.22

  
\_\_\_\_\_  
Agreement Holder's Signature\*

\* or Authorized Signatory if the Agreement Holder is a corporation

Page 033

Withheld pursuant to/removed as

s.22;s.21

**Exhibit B**  
**RANGE AGREEMENT RAN077542**  
**Special Conditions**

- I. As per Section 7 of this grazing licence, the District Manager requires an annual report in the form of an “**Annual Grazing Summary and Grazing Plan**”. This will be submitted prior to March 15<sup>th</sup> each year.

The ‘Annual Grazing Summary’ shall contain the following :

- actual cattle numbers and period of use in each area or pasture;
- patterns of stock distribution;
- levels of utilization on key species;
- interactions with timber or silviculture operations;
- range management i.e. daily riding, weekly check etc.;
- improvements or maintenance work done (fences, trails, water);
- location and status of noxious weed infestations;
- other matters or problems which arose.

For the Annual Grazing Plan the Agreement Holder will describe:

- the planned pattern of cattle movement for the next grazing season, including movements within pastures;
- how appropriate cattle control will be achieved, i.e. salting, riding methods, new range developments, etc.;
- how issues arising from the Annual Grazing Summary will be dealt with.

II: **OVERWINTERING**

The Agreement Holder must overwinter at least 80% of the authorized livestock on the associated private lands, which constitute the ranch base, unless a written waiver of the overwintering requirement has been provided by the District Manager.

III: **STOCKING**

The Agreement Holder is reminded of the provisions of Section 46 of the *Range Act*. The Agreement Holder must ensure that at least 90% of the animal unit months specified in this agreement are used in each calendar year or have in writing a non-use agreement signed by both the District Manager and the Agreement Holder. Failure to comply with this requirement may result in a reduction for unused animal unit months pursuant to Section 47 of the *Range Act*.

Page 035

Withheld pursuant to/removed as

s.22;s.21



For Ministry Use Only:

FILE: 15700-20/KAMLANDS  
STOCK RANGE: TUNKWA LAKE

AGREEMENT #: RAN077546  
RANGE UNIT AND #: DURAND CREEK #3171

BETWEEN: HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH COLUMBIA  
c/o: THE DISTRICT MANAGER

of: Kamloops Forest District  
1265 Dalhousie Drive  
Kamloops, British Columbia  
V2C 5Z5

("the Province")

AND: Kamlands Holdings Ltd.  
145 Holloway Drive  
Kamloops, British Columbia  
V1S 0B3

("the Agreement Holder")

This Agreement is dated for reference this 1st day of January 2013

The Province hereby grants rights to the Agreement Holder over Crown range in accordance with the *Range Act* on the following terms and conditions:

1. TERM

The Term of this Agreement will be as follows:

	Year	Month	Day
Start:	2013	01	01
Expiry:	2022	12	31

("the Term")

2. AGREEMENT AREA

The area over which the rights are granted is the Crown range within the area outlined in bold black on the attached Exhibit A map, less any of the following:

- a) exclusions noted on the Exhibit A
- b) exclusions arising from Exhibit B conditions
- c) exclusions arising from the Range Use Plan or Range Stewardship Plan associated with this agreement.

("the Agreement Area")

3. AMOUNT OF FORAGE

Authorized Yearly Use is 990 animal unit months ("AUMs") on the Agreement Area.



4. RIGHTS

The Agreement Holder will have the right to graze livestock on the Agreement Area under the terms and conditions of this Agreement and its associated Range Use Plan or Range Stewardship Plan.

5. ASSOCIATED PRIVATE LAND

The Agreement Holder's associated private lands are listed in Exhibit C of this Agreement.

6. RANGE USE PLAN or RANGE STEWARDSHIP PLAN

The Agreement Holder will prepare and maintain a Range Use Plan or Range Stewardship Plan as required in the *Range Act* and the *Forest and Range Practices Act*.

7. PERIODIC REPORTS

The District Manager, acting reasonably, may request the Agreement Holder from time to time to prepare and send a report on specified matters associated with the Agreement. The Agreement Holder will comply with the request.

8. FINANCIAL

- a) The Agreement Holder will pay ground rent, grazing fees, fines and any other financial assessments as required under the *Range Act*.
- b) The Agreement Holder will pay the interest on overdue accounts and any other financial assessments provided for by law and arising from the use of Crown range.
- c) Fees and all other financial assessments must be paid as specified on the Province's invoices or statements. The District Manager may require payment of fees in advance of livestock turnout.

9. COMPLIANCE WITH LAWS

The Agreement Holder will comply with all provisions of the following Acts and their regulations: the *Range Act*, the *Forest and Range Practices Act*, the *Livestock Act*, the *Livestock Identification Act* and the *Animal Disease Control Act*. Any breach of these Acts or their regulations will be considered to be a breach of this Agreement.

10. TEMPORARY REDUCTION IN GRAZING USE FOR ENVIRONMENTAL REASONS

- a) The District Manager or Forest Officer may, by issuing a written order, require a temporary reduction or adjustment in grazing use because of the adverse effects of weather, fire, flood or other environmental factors.
- b) If the District Manager or Forest Officer issues an order pursuant to (a) and the order results in a reduction of 10% or more of Net Authorized Yearly Use, the amount of fees will be reduced proportionately.

11. LIVESTOCK OWNERSHIP AND CONTROL

The Agreement Holder will graze on the Agreement Area only livestock, which the Agreement Holder owns or controls by lease. The District Manager must approve any livestock lease agreements. The District Manager may grant an exemption to the provisions of this paragraph.

12. INFECTIOUS OR CONTAGIOUS DISEASES

The Agreement Holder will not graze livestock, which has any infectious or contagious disease or other condition that is a material risk to other livestock, wildlife or humans, on the Agreement Area or on any Private Land that is not separated from Crown range by a fence or other barrier to livestock movement, or on any land subject to a Private Land Agreement.

13. COMPLIANCE WITH LIVESTOCK ASSOCIATION

Unless exempted by the District Manager, the Agreement Holder will comply with local Livestock Association's reasonable rules and fee assessments for the construction and maintenance of authorized range improvements on the Agreement Area, or for services on the Agreement Area.

14. CLAIMS

- a) The Agreement Holder will reimburse the Province for any loss caused to the Province as a result of the Agreement Holder's negligent or wilful default in the use of the Agreement Area.
- b) The Province will not be responsible for the death, injury, or theft of livestock, or theft or damage to property belonging to the Agreement Holder.
- c) The Province will not be responsible for any damage to range developments, except damage wilfully done by the Province or resulting from activities specifically authorized by the Province.
- d) The Agreement Holder will have no claim against the Province for reimbursement for loss arising from deficiencies in the quality or quantity of forage on the Agreement Area.

15. NOTICES


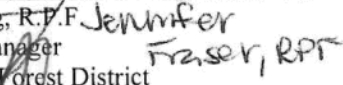
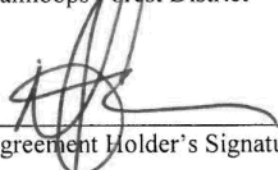

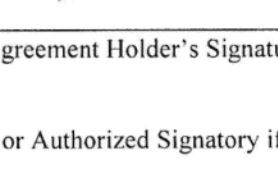
Any notices will be served in the manner provided in the *Range Act*.

16. SPECIAL CONDITIONS

Conditions set out on any Exhibit B will form part of this Agreement. If there is any contradiction between any such conditions and any other terms of this Agreement, the Special Conditions will prevail.

Notice to Agreement Holder on Obligations, Compliance and Enforcement

The obligations of the Agreement Holder in the use of Crown range arise both from this Agreement and from relevant legislation such as the *Range Act* and the *Forest and Range Practices Act*. Lack of compliance could subject the Agreement Holder to a variety of remedies such as administrative penalties, tickets, suspension and cancellation of this Agreement or prosecution for offences. Among the topics requiring attention is the maintenance responsibility of the Agreement Holder for range developments.

 _____ Shane Berg, R.P.F. District Manager Kamloops Forest District	s.22	
 _____ Jennifer Fraser, R.P.F.	Signature of Witness	Name of witness _____
 _____ Agreement Holder's Signature*	s.22	
 _____ Agreement Holder's Signature*	Signature of Witness _____	Name of Witness _____
 _____ Agreement Holder's Signature*	Signature of Witness _____	Name of Witness _____

\* or Authorized Signatory if the Agreement Holder is a corporation

**Exhibit B**  
**RANGE AGREEMENT RAN077546**  
**Special Conditions**

- I. As per Section 7 of this grazing licence, the District Manager requires an annual report in the form of an “**Annual Grazing Summary and Grazing Plan**”. This will be submitted prior to March 15<sup>th</sup> each year.

The ‘Annual Grazing Summary’ shall contain the following :

- actual cattle numbers and period of use in each area or pasture;
- patterns of stock distribution;
- levels of utilization on key species;
- interactions with timber or silviculture operations;
- range management i.e. daily riding, weekly check etc.;
- improvements or maintenance work done (fences, trails, water);
- location and status of noxious weed infestations;
- other matters or problems which arose.

For the Annual Grazing Plan the Agreement Holder will describe:

- the planned pattern of cattle movement for the next grazing season, including movements within pastures;
- how appropriate cattle control will be achieved, i.e. salting, riding methods, new range developments, etc.;
- how issues arising from the Annual Grazing Summary will be dealt with.

II: **OVERWINTERING**

The Agreement Holder must overwinter at least 80% of the authorized livestock on the associated private lands, which constitute the ranch base, unless a written waiver of the overwintering requirement has been provided by the District Manager.

III: **STOCKING**

The Agreement Holder is reminded of the provisions of Section 46 of the *Range Act*. The Agreement Holder must ensure that at least 90% of the animal unit months specified in this agreement are used in each calendar year or have in writing a non-use agreement signed by both the District Manager and the Agreement Holder. Failure to comply with this requirement may result in a reduction for unused animal unit months pursuant to Section 47 of the *Range Act*.

Page 042

Withheld pursuant to/removed as

s.21



**LEASE**

Lease No.:

**348411**

File No.: 0237185

Disposition No.: 858351

THIS AGREEMENT is dated for reference April 29, 2016 and is made under the *Land Act*.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the minister responsible for the *Land Act*, Parliament Buildings, Victoria, British Columbia

(the "Province")

AND:

**HARPER RANCH 99 LTD.** "Inc. No. BC0588018"  
**PATRICIA KERR**

s.22

(the "Lessee")

The parties agree as follows:

**ARTICLE 1 - INTERPRETATION**

1.1 In this Agreement,

**"Agreement"** means this lease;

**"Commencement Date"** means August 4, 2007;

**"disposition"** has the meaning given to it in the *Land Act* and includes a licence of occupation;

**"Improvements"** includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;

**“Land”** means that part or those parts of the following described land shown outlined by bold line on the schedule attached to this Agreement entitled “Legal Description Schedule”:

**119000**

Those parts of Sections 14, 15, 22, 23 and 27, Township 20, Range 20, West of the Sixth Meridian, all of Kamloops Division Yale District, containing 573.0 hectares, more or less

except for those parts of the land that, on the Commencement Date, consist of highways (as defined in the *Transportation Act*) and land covered by water;

**“Management Plan”** means the plan contained in the schedule attached to this Agreement entitled “Management Plan Schedule” and any amendments or replacements thereto;

**“Professional Agrologist”** means an agrologist who is a member in good standing of the British Columbia Institute of Agrologists;

**“Realty Taxes”** means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;

**“Rent”** means the rent set out in Article 4;

**“Security”** means the security referred to in section 7.1 or 7.2, as replaced or supplemented in accordance with section 7.5;

**“Term”** means the period of time set out in section 2.2;

**“we”, “us” or “our”** refers to the Province alone and never refers to the combination of the Province and the Lessee: that combination is referred to as **“the parties”**; and

**“you” or “your”** refers to the Lessee.

- 1.2 In this Agreement, “person” includes a corporation, firm or association and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 1.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 1.4 This Agreement will be interpreted according to the laws of the Province of British Columbia.

- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 All provisions of this Agreement in our favour and all of our rights and remedies, either at law or in equity, will survive the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Where this Agreement contains the forms of words contained in Column I of Schedule 4 of the *Land Transfer Form Act*, those words will have the same effect and be construed as if the appropriate forms of words contained in Column II of that Schedule were contained in this Agreement, unless the context requires another construction of those words.



---

**ARTICLE 2 - GRANT, TERM AND ASSOCIATED  
PRIVATE PROPERTIES**

- 2.1 On the terms and conditions set out in this Agreement, we grant you a lease of the land for grazing livestock or harvesting forage purposes, as set out in the Management Plan.
- 2.2 The term of this Agreement commences on the Commencement Date and terminates on the 20th anniversary of that date, or such earlier date provided for in this Agreement and despite any other provisions of this Agreement.
- 2.3 We shall not be obliged to extend the Term or issue a new lease at the end of the Term.
- 2.4 You shall exercise the rights granted under this Agreement only so long as
- (a) you are using the Land set out in the Management Plan (under the heading "Associated Private Properties") for grazing purposes or such other agricultural purposes as may be approved in the Management Plan; and
  - (b) there is appropriate access to the Land as approved in the Management Plan.

**ARTICLE 3 - MANAGEMENT PLANS**

- 3.1 You shall use and occupy the Land only in accordance with and for the purposes set out in the Management Plan and you shall otherwise comply with the Management Plan.
- 3.2 You shall make no changes to the Management Plan without our prior written approval.
- 3.3 You shall prepare an updated Management Plan for our approval if and when we so request.
- 3.4 All Management Plans shall be in the form and shall have the content we may require from time to time.
- 3.5 You shall have your Management Plan (or part of the Management Plan) prepared by or approved by a Professional Agrologist (at your expense) if and when we so request; provided, however, that we may make such a request only if:
- (a) we are reasonably of the opinion that there is an issue on the merits of the plan; and
  - (b) the issue is one which is within the expertise of a Professional Agrologist.

#### **ARTICLE 4 - RENT**

- 4.1 You will pay to us:
- (a) for the first year of the Term, Rent of \$500.00, payable in advance on the Commencement Date; and
  - (b) for each year during the remainder of the Term, the Rent either determined by us under section 4.2 or established under section 4.3, payable in advance on each anniversary of the Commencement Date.
- 4.2 We will, not later than 15 days before each anniversary of the Commencement Date during the Term, give written notice to you specifying in our sole discretion the Rent payable by you under subsection 4.1(b) for the subsequent year of the Term and we will establish such Rent in accordance with our policies applicable to your use of the Land under this Agreement.
- 4.3 If we do not give notice to you under section 4.2, the Rent payable by you under section 4.1(b) for the year for which notice was not given will be the same as the Rent payable by you for the preceding year of the Term.

#### **ARTICLE 5 - COVENANTS**

- 5.1 You must
- (a) pay, when due,
    - (i) the Rent to us at the address set out in Article 11,
    - (ii) the Realty Taxes, and
    - (iii) all charges for electricity, gas, water and other utilities supplied to the Land;
  - (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
  - (c) observe, abide by and comply with
    - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or Improvements, and
    - (ii) the provisions of this Agreement;

- (d) in respect of the use of the Land by you or by anyone you permit to use the Land, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us, and at our written request, rectify any failure to comply with such a covenant by making the Land and the Improvements safe, clean and sanitary;
- (e) not commit any wilful or voluntary waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance or annoyance to an owner or occupier of land in the vicinity of the Land;
- (f) not construct, place or affix any Improvement on or to the Land except as permitted in the Management Plan;
- (g) not use or develop the Land for residential purposes;
- (h) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Land except for money that you are required to hold back under the *Builders Lien Act*;
- (i) if any claim of lien over the Land is made under the *Builders Lien Act*, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (j) not cut or remove timber on or from the Land without
  - (i) our prior written consent, and
  - (ii) being granted the right under the *Forest Act* to harvest Crown timber on the Land;
- (k) consent to any application made by us under the *Agricultural Land Commission Act* to designate the Land as or as part of an agricultural land reserve within the meaning of that Act, and to execute all documents, instruments and contracts that we may reasonably require in support of the application;
- (l) at our written request and at your expense, construct fences in the locations on the Land and to the standards required by us within the time specified by us (within the time specified by us), and repair and maintain any such fences or existing fences;
- (m) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey of the Land;

- (n) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, provided that in regard to our inspection of the Improvements we take reasonable steps to minimize any disruption to your operations;
- (o) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of one or more of the following:
  - (i) any breach, violation or nonperformance of a provision of this Agreement, and
  - (ii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (p) on the termination of this Agreement,
  - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii) and (iii), the Improvements in a safe, clean and sanitary condition,
  - (ii) within 60 days, remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building or part of the Land,
  - (iii) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under another disposition, and
  - (iv) restore the surface of the Land as nearly as may reasonably be possible to the same condition as it was on the Commencement Date, to our satisfaction, but if you are not directed or permitted to remove an Improvement under paragraph (iii), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

- 5.2 You will not permit any person to do anything you are restricted from doing under this Article.
- 5.3 Subject to the provisions of this Agreement to the contrary, you shall have quiet enjoyment of the Land.

## ARTICLE 6 - LIMITATIONS

- 6.1 You agree with us that
- (a) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads;
  - (b) this Agreement is subject to
    - (i) all subsisting dispositions and subsisting grants to or rights of any person made or acquired under the *Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Wildlife Act or Water Sustainability Act*, or any extension or renewal of the same, whether or not you have actual notice of them, and
    - (ii) the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act*;
  - (c) without limiting subsection 5.1(o), you must indemnify and save us and our servants, employees and agents harmless from and against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of any conflict between your rights under this Agreement and the rights of any person under a disposition or under a subsisting grant to or right of any person made or acquired under the *Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Wildlife Act or Water Act* (or any prior or subsequent enactment of the Province of British Columbia of like effect), or any extension or renewal of the same, whether or not you have actual notice of them, and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand;
  - (d) you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your rights under this Agreement and the rights of any person under a disposition or under a subsisting grant to or right made or acquired under the enactments referred to in subsection (c), and you acknowledge that this Agreement and your rights under this Agreement are subject to those grants and rights referred to in subsection (c) whether or not you have actual notice of them.

- (i) with your prior consent, which consent you will not unreasonably withhold, we may make other dispositions of or over the Land, or any part of it, to a person, including a Crown agency or ministry, and, upon such consent being given you will, if required by us in the case of a disposition by way of easement, right of way or statutory right of way, immediately execute and deliver to us such instrument as may be necessary to subordinate your rights under this Agreement to such easement, right of way or statutory right of way; provided, however, that your consent shall not be required for any disposition we may wish to make of land which we have resumed pursuant to the *Land Act* or pursuant to subsection 6.2(d)
- (ii) for the purpose of subsection (e), you will be deemed to have reasonably withheld your consent if a disposition made under that subsection would materially affect the exercise of your rights under this Agreement;
- (iii) you will make no claim for compensation, in damages or otherwise, in respect of a disposition made under subsection (e), where such disposition does not materially affect the exercise of your rights under this Agreement;
- (iv) subject to subsection (g), all of your costs and expenses, direct or indirect, that arise out of any lawful interference with your rights under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles reserved to us in subsections (b) and (e) will be borne solely by you;
- (v) you will not commence or maintain proceedings under section 65 of the *Land Act* in respect of any lawful interference with your rights under this Agreement that arises as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (b) and (e);
- (vi) any interference with your rights under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (b) and (e) will not constitute a breach of our covenant of quiet enjoyment and you release and discharge us from all claims for loss or damage arising directly or indirectly out of any such interference;
- (vii) we own and may dispose of all timber on the Land, and this Agreement transfers no interest in or to timber on the Land;

6.2 the Secwepemc may access the land to use and gather traditional sustenance resources, medicines and other cultural heritage resources, including hunting and fishing and maintain their traditional practices and spiritual relationship to the land, in a manner that respects the grazing lease activities and does not interfere with grazing or forage use; any access issues that

may arise may be addressed in the Management Plan;

- (a) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (b) any interest you may have in the Improvements ceases to exist and becomes our property upon termination of this Agreement, except where an Improvement may be removed under paragraph 5.1(p)(ii) or (iii) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land within the time period set out in paragraph 5.1(p)(ii) or the time period provided for in the direction or permission given under paragraph 5.1(p)(iii);
- (c) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly tenant only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary;
- (d) at any time during the Term we may resume, without your consent, up to 5% of the area of the Land for either or both of the following purposes:
  - (i) if we are reasonably of the opinion that the Land (or part of the Land) is needed for intensive land use not compatible with the grazing lease; or
  - (ii) if the Land (or part of it) is needed to provide for permanent road access to land beyond the lease area where no other practical options exist;
- (e) we have the discretion to choose which portion or portions of the Land we may resume; however, we shall consult with you before making any such deletions for the purpose of attempting to minimize adverse impacts to your ranching operation;
- (f) you shall not be entitled to any compensation as a result of our resumption; and
- (g) our right to resume as set out herein is in addition to our rights under section 50(1)(a) of the *Land Act*.

6.3 The following provisions apply with respect to the activities of others on the Land:

- (a) You acknowledge that, despite subsection 6.1(e), other persons may now have or may in the future be given the right to carry out timber harvesting, silviculture and fire protection (and road construction and road maintenance concerning any of them).
- (b) If any person wishes to carry out any of the activities listed in subsection (a) (and has



the right to do so) the following shall apply:

- (i) When you become aware of the proposed activity, you shall contact the person or persons who intend to carry out the activity and you shall attempt to reach an agreement as to how and when the activity shall be carried out and how your respective rights can be accommodated;
- (ii) If you are unable to reach such an agreement, you shall contact the Director, Ministry of Forests, Lands and Natural Resource Operations, Range Branch, advise him or her of the situation, and you shall comply with his or her directions in this respect.

#### **ARTICLE 7 - SECURITY AND INSURANCE**

- 7.1 On the Commencement Date, you will deliver to us security in the amount of \$0.00 which will
- (a) guarantee the performance of your obligations under this Agreement;
  - (b) be in the form required by us; and
  - (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.
- 7.2 Despite section 7.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other dispositions held by you.
- 7.3 We may use the Security for the payment of any costs and expenses incurred by us to perform any of your obligations under this Agreement that are not performed by you and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.
- 7.4 After we certify, in writing, that you have fully performed your obligations under this Agreement, we will return to you the Security maintained under section 7.1, less all amounts drawn down by us under section 7.3.
- 7.5 You acknowledge that we may, from time to time, notify you to
- (a) change the form or amount of the Security; and
  - (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;



and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

7.6 You must

- (a) without limiting your obligations or liabilities under this Agreement, at your expense, effect and keep in force during the Term the following insurance with insurers licensed to do business in Canada:
  - (i) Commercial General Liability insurance in an amount of not less than \$00,000,000.00 inclusive per occurrence insuring against liability for personal injury, bodily injury (including death) and property damage, including coverage for all accidents or occurrences on the Land or the Improvements. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;
- (b) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;
- (c) within 10 working days of Commencement Date of this Agreement, provide to us evidence of all required insurance in the form of a completed "Province of British Columbia Certificate of Insurance";
- (d) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or expiration, evidence of new or renewal policy or policies of all required insurance in the form of a completed "Province of British Columbia Certificate of Insurance";
- (e) notwithstanding subsection (c) or (d) above, if requested by us, provide to us certified copies of the required insurance policies.

7.7 We may, acting reasonably, from time to time, require you to

- (a) change the amount of insurance set out in subsection 7.6(a); and
- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver to us a completed "Province of British Columbia Certificate of Insurance"

for all insurance then required to be maintained by you under this Agreement.

- 7.8 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement in your sole discretion.
- 7.9 You waive all rights of recourse against us with regard to damage to your own property.

#### ARTICLE 8 - ASSIGNMENT

- 8.1 You must not sublease, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold.
- 8.2 For the purpose of section 8.1, if you are a corporation, a change in control (as that term is defined in subsection 2(3) of the *Business Corporations Act*) will be deemed to be a transfer of this Agreement.
- 8.3 Section 8.2 does not apply to a corporation if the shares of the corporation which carry votes for the election of the directors of the corporation trade on a stock exchange located in Canada.
- 8.4 Prior to considering a request for our consent under section 8.1, we may require you to meet certain conditions, including without limitation, that you submit to us a "site profile", "preliminary site investigation" or "detailed site investigation" (as those terms are defined in the *Environmental Management Act*) for the Land or other similar type of investigation of the Land.

#### ARTICLE 9 - TERMINATION

- 9.1 You agree with us that
- (a) if you
- (i) default in the payment of any money payable by you under this Agreement, or
- (ii) fail to observe, abide by and comply with the provisions of this Agreement (other than the payment of any money payable by you under this Agreement),
- and your default or failure continues for 60 days after we give written notice of the default or failure to you,
- (b) if, in our opinion, you fail to make diligent use of the Land for the purposes set out in

this Agreement, and your failure continues for 60 days after we give written notice of the failure to you;

- (c) if you
  - (i) become insolvent or make an assignment for the general benefit of your creditors,
  - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
  - (iii) voluntarily enter into an arrangement with your creditors;
- (d) if you are a corporation,
  - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
  - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (e) if you are a society, you convert into a company in accordance with the *Society Act* without our prior written consent; or
- (f) if this Agreement is taken in execution or attachment by any person;

this Agreement will, at our option and with or without entry, terminate, and all of your right, interest and estate in the Land will be absolutely forfeited to us.

9.2 If the condition complained of (other than the payment of any money payable by you under this Agreement) reasonably requires more time to cure than 60 days, you will be deemed to have complied with the remedying of it if you commence remedying or curing the condition within 60 days and diligently complete the same.

9.3 You agree with us that

- (a) you will make no claim for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 9.1; and
- (b) our remedies under this Article are in addition to those available to us under the *Land*

*Act.*

#### **ARTICLE 10 - DISPUTE RESOLUTION**

- 10.1 If any dispute arises under this Agreement, the parties will make all reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 10.2 Subject to section 10.5, if a dispute under this Agreement cannot be resolved under section 10.1, we or you may refer the dispute to arbitration conducted by a sole arbitrator appointed pursuant to the *Commercial Arbitration Act*.
- 10.3 The cost of the arbitration referred to in section 10.2 will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.
- 10.4 The arbitration will be conducted at our offices (or the offices of our authorized representative) in Kamloops, British Columbia, and if we or our authorized representative have no office in Kamloops, British Columbia, then our offices (or the offices of our authorized representative) that are closest to Kamloops, British Columbia.
- 10.5 A dispute under this Agreement in respect of a matter within our sole discretion cannot, unless we agree, be referred to arbitration as set out in section 10.2.

#### **ARTICLE 11 - NOTICE**

- 11.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS  
441 Columbia Street  
Kamloops, BC V2C 2T3;

to you

HARPER RANCH 99 LTD.  
PATRICIA KERR  
s.22

s.22

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- 11.2 In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 11.1.
- 11.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

## ARTICLE 12 - MISCELLANEOUS

- 12.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 12.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 12.3 The grant of a sublease, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent to the sublease, assignment or transfer of this Agreement.
- 12.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 12.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be

extended by a period of time equal to the period of time of the delay so long as

- (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
- (b) you diligently attempt to remove the delay.

12.6 You agree with us that

- (a) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
- (b) nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.

12.7 This Agreement does not override or affect any powers, privileges or immunities to which you are entitled under any enactment of the Province of British Columbia.

The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of **HER MAJESTY  
THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the minister responsible for the *Land Act*  
or the minister's authorized representative

Edu Juarez

Minister responsible for the *Land Act*  
or the minister's authorized representative

SIGNED on behalf of  
**HARPER RANCH 99 LTD.**  
by a duly authorized signatory

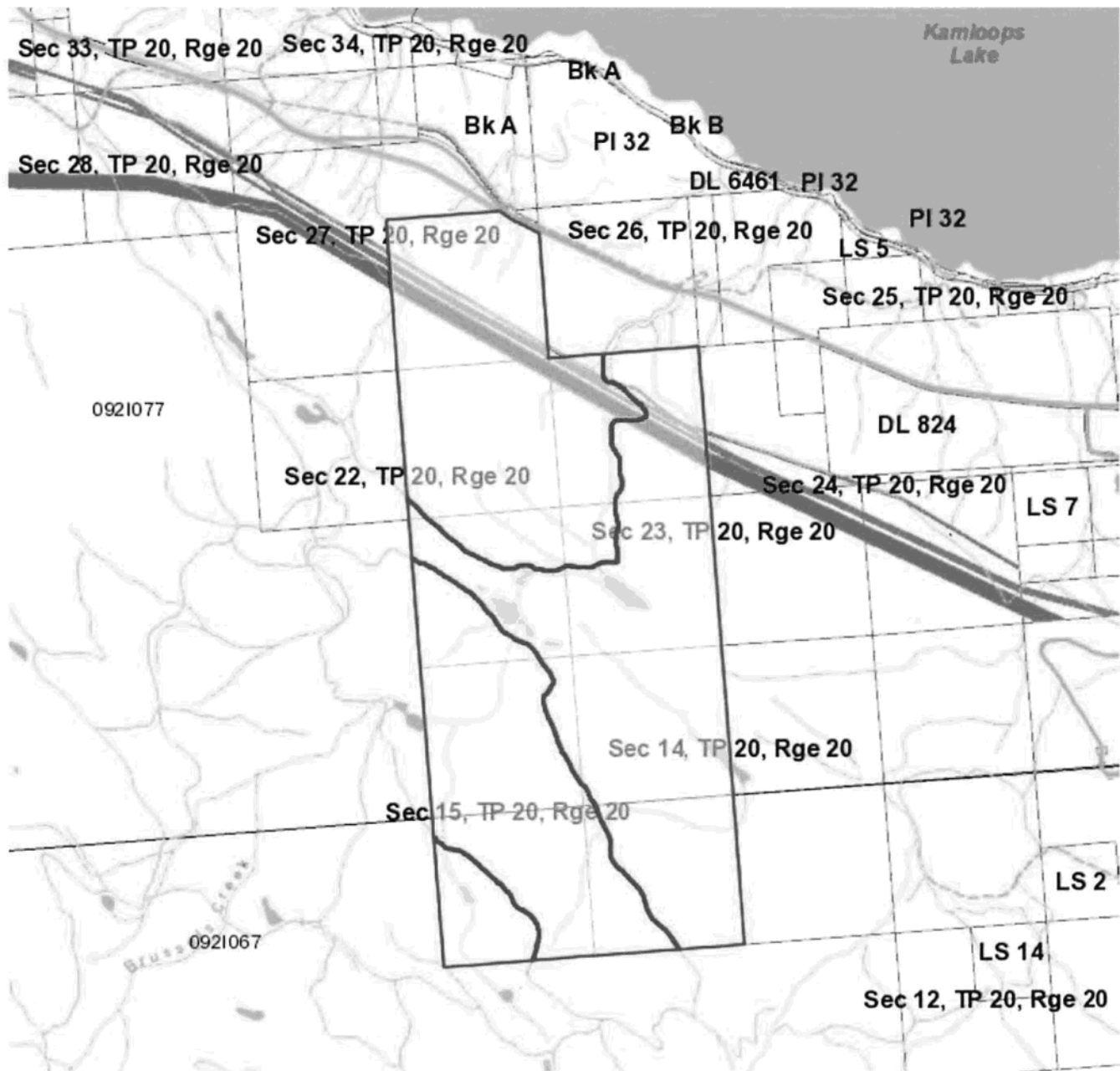
  
Authorized Signatory

SIGNED by  
**PATRICIA KERR**



**LEGAL DESCRIPTION SCHEDULE**

Those parts of Sections 14, 15, 22, 23 and 27, Township 20, Range 20, West of the Sixth Meridian, Kamloops Division Yale District, containing 573.0 hectares, more or less.





Lease

348411 114042

File No.: 0237185  
Disposition No.: 858351

## MANAGEMENT PLAN SCHEDULE

GRAZING LEASE/LICENCE  
MANAGEMENT PLAN

File: 840-4 Miller, J. &amp; O.

Lands File: 0237185

1 SEE: Mr. J.H. Miller  
s.22

LEGAL: 9 quarter sections at Brussels Creek, as per the attached sketch.

BACKGROUND INFORMATION:

The area is characterized by good condition stands of Pinegrass on north facing slopes, and fair to good condition Bluebunch Wheatgrass on remainder of area, with some Bluegrass swales. Water is reasonably adequate. Terrain is limiting on 20% + of the area. Fencing is fair to poor. It is an important deer winter range area. There is little knapweed on the area; much on adjacent lease to west. There are three roads through the area, and the leasee seems to have an atypically severe problem with fence cutters and gate openers.

OBJECTIVES:

The objectives are to:

1. improve range condition to good or better within the next 10 years;
2. improve shrub production for winter wildlife use.

METHODS:

To achieve the above objectives, a rotation grazing system that uses the Bluebunch Wheatgrass during the growing season only once in 3 or 4 years would be best. However, fall use is not an option (due to conflict with deer winter use), and the user does not need spring forage. Therefore it is agreed that a 4 year trial of the following grazing system is appropriate:

a) Pattern:

	<u>North Pasture</u>	<u>South Pasture</u>
1987	July	June
1988	June	July
1989	July	June
1990	June	July
		.../2

-2-

After a 4 year trial period, the results will be evaluated to determine whether rest or deferrment is required.

b) Utilization:

On Bluebunch Wheatgrass on key areas utilization is not to exceed 40% of the current years volume of growth (roughly a 6 - 7" stubble height).

c) Stocking rate:

s.21

When 40% utilization on the Bluebunch Wheatgrass occurs, the cattle are to be removed regardless of the AUM's used.

d) Period:

Generally June and July, but the season may be extended (with Forest Service approval) if the forage is sufficiently green that significant shrub use will not occur.

e) Salting:

Salt is to be located in less preferred areas, away from water.

f) Riding:

Riding will be done as necessary to obtain acceptable distribution of use, and to ensure that cattle stay within the pasture.

g) Fencing:

Before turning cattle out in 1987, the cross fence will be completed, and the perimeter fences repaired. Several cattle guards will be needed to deal with the "gate opener" problem. Home built pipe or well built pole guards are acceptable.

GENERAL CONDITIONS:

- A. This plan is in effect through 1990. The lessee/licencee will submit a proposed replacement plan at least 3 months before this plan expires. The plan may be amended earlier by mutual agreement, or if range conditions so indicates.

.../3

B. The lessee/licencee will maintain a record of:

- actual period of use
- actual cattle numbers grazed
- results: level of utilization on key plant species, and stock distribution

and make such information available for discussion with the Forest Service when requested.

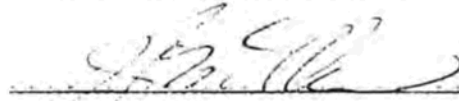
C. The lessee/licencee agrees to maintain all improvements to a standard that facilitates good cattle distribution and management.

D. The lessee will control knapweed on the lease area at his expense.

E. New improvements require Forest Service authorization.

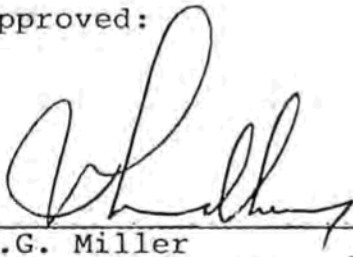
F. The lease area will be jointly inspected periodically.

I accept above plan and agree to implement the terms and conditions.



H.J. Miller

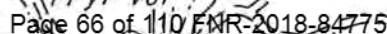
Approved:



R.G. Miller  
DISTRICT MANAGER  
Kamloops Forest District

Date August 6, 1986

JRW/tr  
0215R





**ASSIGNMENT/ASSUMPTION**

Lease. No.: 344089

File No.: 0129734

Disposition No.: 849557

THIS AGREEMENT is dated for reference September 27, 2017.

**BETWEEN:**

**WALLACE KARL HUTCHINGS**

s.22

OF THE FIRST PART

(herein the "Assignor")

**AND:**

**HUGH GRIFFITH CAMPBELL  
TAMIE-MAE CAMPBELL**

s.22

*"as Joint Tenants"*

OF THE SECOND PART

(herein the "Assignee")

**AND:**

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH  
COLUMBIA**, represented by the minister responsible for the *Land Act*, Parliament Buildings,  
Victoria, British Columbia

OF THE THIRD PART

(herein the "Province")

**WITNESS THAT WHEREAS:**

The Assignor and the Province entered into a lease agreement dated July 21, 2006 (herein called the  
"Document") over those lands more particularly known and described as:

Those parts of Sections 11, 12, 13, 14, 23 and 24, Township 20, Range 20, West of the Sixth Meridian, together with all that Unsurveyed Crown land in the vicinity of Duffy Creek, all Kamloops Division of Yale District and containing 553.16 hectares, more or less.

NOW THEREFORE THIS AGREEMENT WITNESSETH that for good and valuable consideration paid by the Assignee to the Assignor and by the Assignee and the Assignor to the Province, the receipt and sufficiency of which is hereby acknowledged by both the Assignor and the Province, the parties agree as follows:

#### **ARTICLE I - ASSIGNMENT**

- 1.1 The Assignor assigns all of his right, title, interest and estate in and to the Document to the Assignee.

#### **ARTICLE II - ASSUMPTION**

- 2.1 The Assignee covenants with the Province to assume and be bound by all the terms, conditions, covenants, obligations and agreements contained in the Document.

#### **ARTICLE III - CONSENT**

- 3.1 The Province consents to the execution and delivery of this agreement and the Assignment.
- 3.2 The Province releases and discharges the Assignor from all the terms, conditions, covenants, obligations and agreements contained in the Document.

#### **ARTICLE IV - WARRANTIES AND REPRESENTATIONS**

- 4.1 The Assignee warrants and represents to the Province, with the intent that the Province will rely thereon, that the Assignee:
- (a) is a Canadian citizen, permanent resident of Canada or the owner of the upland adjacent to the Land which is the subject of the Document; and
  - (b) is nineteen (19) years of age or older.
  - (c) is the registered owner of SW 1/4 Sec 13 Tp 20 R20 W6M KDYD (PID 002-401-339);



SE 1/4 Sec 14 Tp 20 R20 W6M KDYD (PID 002-401-274) and upon sale or transfer of same then this lease will be subject to cancellation or assignment

4.2 The Assignee acknowledges to the Province and to the Assignor that:

- (a) the Assignee has inspected the land, and the improvements (if any) situate thereon, which are the subject of the Document and is fully aware of the condition of that land, and the improvements (if any) situate thereon, and accepts same in its current state;
- (b) the Assignee has reviewed and inspected all municipal and regional by-laws, regulations and policies concerning the use and development of the land which is the subject of the Document; and
- (c) there are no representations, warranties, collateral agreements or conditions affecting this agreement or the land, and the improvements (if any) situate thereon, which are the subject of the Document except as expressed herein and that this agreement constitutes the entire agreement.

#### **ARTICLE V - NOTICE**

5.1 The address of the Assignee for the service of notices or documents under the Document shall be the address specified for the Assignee on the first page of this agreement.

#### **ARTICLE VI - MISCELLANEOUS**

- 6.1 This agreement shall enure to the benefit of the parties hereto and their respective successors and permitted assigns.
- 6.2 The parties to this agreement confirm that the terms of the Document remain and continue in full force and effect.
- 6.3 This agreement may not be assigned by the Assignee except in accordance with the provisions of the Document.
- 6.4 This agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.
- 6.5 In this agreement, unless the context otherwise requires, the singular includes the plural and the masculine includes the feminine gender and corporation as the case may be.
- 6.6 The captions and headings contained in this agreement are for convenience only and are not to be construed as defining or in anyway limiting the scope or intent of the provisions hereof.



- 6.7 Where there is a reference to an enactment of the Province of British Columbia in this agreement, that reference shall include a reference to any subsequent enactment of the Province of British Columbia of like effect, and, unless the context otherwise requires, all statutes referred to herein are enactments of the Province of British Columbia.
- 6.8 If any section of this agreement or any part of a section is found to be illegal or unenforceable, that part or section as the case may be, shall be considered separate and severable and the remaining parts shall be enforceable to the fullest extent permitted by law.
- 6.9 All schedules attached to this agreement form an integral part of this agreement.


IN WITNESS WHEREOF the Assignor and Assignee have executed this agreement, and the Province has consented thereto, the day and year first above written.

SIGNED on behalf of **HER MAJESTY  
THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the minister responsible for the *Land Act*  
or the minister's authorized representative



Minister responsible for the *Land Act*  
or the minister's authorized representative

SIGNED by  
**WALLACE KARL HUTCHINGS**

  
\_\_\_\_\_  
Assignor

SIGNED by  
**HUGH GRIFFITH CAMPBELL**

  
\_\_\_\_\_  
Assignee

SIGNED by  
**TAMIE-MAE CAMPBELL**

  
\_\_\_\_\_  
Assignee



**LEASE**

Lease No.:

344089

File No.: 0129734

Disposition No.: 849557

THIS AGREEMENT is dated for reference March 30th, 2007 and is made under the *Land Act*.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA**, represented by the minister responsible for the *Land Act*, Parliament Buildings, Victoria, British Columbia

(the "Province")

AND:

**WALLACE KARL HUTCHINGS**

s.22

(the "Lessee")

The parties agree as follows:

**ARTICLE 1 - INTERPRETATION**

1.1 In this Agreement,

"**Agreement**" means this lease;

"**Commencement Date**" means July 21, 2006;

"**disposition**" has the meaning given to it in the *Land Act* and includes a licence of occupation;

"**Improvements**" includes anything made, constructed, erected, built, altered, repaired or added to, in, on or under the Land, and attached to it or intended to become a part of it, and also includes any clearing, excavating, digging, drilling, tunnelling, filling, grading or ditching of, in, on or under the Land;

*HH*

**“Land”** means that part or those parts of the following described land shown outlined by bold line on the schedule attached to this Agreement entitled “Legal Description Schedule”:

**Those parts of Sections 11, 12, 13, 14, 23 and 24, Township 20, Range 20, West of the Sixth Meridian and all that Unsurveyed Crown land in the vicinity of Duffy Creek, all Kamloops Division Yale District, containing 553.16 hectares, more or less. ,**

except for those parts of the land that, on the Commencement Date, consist of highways (as defined in the *Transportation Act*) and land covered by water;

**“Management Plan”** means the plan contained in the schedule attached to this Agreement entitled “Management Plan Schedule” and any amendments or replacements thereto;

**“Professional Agrologist”** means an agrologist who is a member in good standing of the British Columbia Institute of Agrologists;

**“Realty Taxes”** means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any government authority having jurisdiction which relate to the Land, the Improvements or both of them and which you are liable to pay under applicable laws;

**“Rent”** means the rent set out in Article 4;

**“Security”** means the security referred to in section 7.1 or 7.2, as replaced or supplemented in accordance with section 7.5;

**“Term”** means the period of time set out in section 2.2;

**“we”, “us” or “our”** refers to the Province alone and never refers to the combination of the Province and the Lessee: that combination is referred to as **“the parties”**; and

**“you” or “your”** refers to the Lessee.

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

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

KH

- 1.4 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 1.5 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 1.6 If any section of this Agreement, or any part of a section, is found to be illegal or unenforceable, that section or part of a section, as the case may be, will be considered separate and severable and the remainder of this Agreement will not be affected and this Agreement will be enforceable to the fullest extent permitted by law.
- 1.7 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 1.8 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 1.9 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.
- 1.10 All provisions of this Agreement in our favour and all of our rights and remedies, either at law or in equity, will survive the termination of this Agreement.
- 1.11 Time is of the essence of this Agreement.
- 1.12 Wherever this Agreement provides that an action may be taken, a consent or approval must be obtained or a determination must be made, then you or we, as the case may be, will act reasonably in taking such action, deciding whether to provide such consent or approval or making such determination; but where this Agreement states that you or we have sole discretion to take an action, provide a consent or approval or make a determination, there will be no requirement to show reasonableness or to act reasonably in taking that action, providing that consent or approval or making that determination.
- 1.13 Where this Agreement contains the forms of words contained in Column I of Schedule 4 of the *Land Transfer Form Act*, those words will have the same effect and be construed as if the appropriate forms of words contained in Column II of that Schedule were contained in this Agreement, unless the context requires another construction of those words.

KH

## ARTICLE 2 - GRANT, TERM AND ASSOCIATED PRIVATE PROPERTIES

- 2.1 On the terms and conditions set out in this Agreement, we grant you a lease of the land for grazing livestock or harvesting purposes purposes, as set out in the Management Plan.
- 2.2 The term of this Agreement commences on the Commencement Date and terminates on the 20th anniversary of that date, or such earlier date provided for in this Agreement and despite any other provisions of this Agreement.
- 2.3 We shall not be obliged to extend the Term or issue a new lease at the end of the Term.
- 2.4 You shall exercise the rights granted under this Agreement only so long as
- (a) you are using the Land set out in the Management Plan (under the heading "Associated Private Properties") for grazing purposes or such other agricultural purposes as may be approved in the Management Plan; and
  - (b) there is appropriate access to the Land as approved in the Management Plan.

## ARTICLE 3 - MANAGEMENT PLANS

- 3.1 You shall use and occupy the Land only in accordance with and for the purposes set out in the Management Plan and you shall otherwise comply with the Management Plan.
- 3.2 You shall make no changes to the Management Plan without our prior written approval.
- 3.3 You shall prepare an updated Management Plan for our approval if and when we so request.
- 3.4 All Management Plans shall be in the form and shall have the content we may require from time to time.
- 3.5 You shall have your Management Plan (or part of the Management Plan) prepared by or approved by a Professional Agrologist (at your expense) if and when we so request; provided, however, that we may make such a request only if:
- (a) we are reasonably of the opinion that there is an issue on the merits of the plan; and
  - (b) the issue is one which is within the expertise of a Professional Agrologist.

#### ARTICLE 4 - RENT

- 4.1 You will pay to us:
- (a) for the first year of the Term, Rent of \$820.00, payable in advance on the Commencement Date; and
  - (b) for each year during the remainder of the Term, the Rent either determined by us under section 4.2 or established under section 4.3, payable in advance on each anniversary of the Commencement Date.
- 4.2 We will, not later than 15 days before each anniversary of the Commencement Date during the Term, give written notice to you specifying in our sole discretion the Rent payable by you under subsection 4.1(b) for the subsequent year of the Term and we will establish such Rent in accordance with our policies applicable to your use of the Land under this Agreement.
- 4.3 If we do not give notice to you under section 4.2, the Rent payable by you under section 4.1(b) for the year for which notice was not given will be the same as the Rent payable by you for the preceding year of the Term.

#### ARTICLE 5 - COVENANTS

- 5.1 You must
- (a) pay, when due,
    - (i) the Rent to us at the address set out in Article 11,
    - (ii) the Realty Taxes, and
    - (iii) all charges for electricity, gas, water and other utilities supplied to the Land;
  - (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;
  - (c) observe, abide by and comply with
    - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any government authority having jurisdiction in any way affecting your use or occupation of the Land or Improvements, and

- (ii) the provisions of this Agreement;
- (d) in respect of the use of the Land by you or by anyone you permit to use the Land, keep the Land and the Improvements in a safe, clean and sanitary condition satisfactory to us, and at our written request, rectify any failure to comply with such a covenant by making the Land and the Improvements safe, clean and sanitary;
- (e) not commit any wilful or voluntary waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance or annoyance to an owner or occupier of land in the vicinity of the Land;
- (f) not construct, place or affix any Improvement on or to the Land except as permitted in the Management Plan;
- (g) not use or develop the Land for residential purposes;
- (h) pay all accounts and expenses as they become due for labour or services performed on, or materials supplied to, the Land except for money that you are required to hold back under the *Builders Lien Act*;
- (i) if any claim of lien over the Land is made under the *Builders Lien Act*, immediately take all steps necessary to have the lien discharged, unless the claim of lien is being contested in good faith by you and you have taken the steps necessary to ensure that the claim of lien will not subject the Land or any interest of yours under this Agreement to sale or forfeiture;
- (j) not cut or remove timber on or from the Land without
  - (i) our prior written consent, and
  - (ii) being granted the right under the *Forest Act* to harvest Crown timber on the Land;
- (k) consent to any application made by us under the *Agricultural Land Commission Act* to designate the Land as or as part of an agricultural land reserve within the meaning of that Act, and to execute all documents, instruments and contracts that we may reasonably require in support of the application;
- (l) this lease and the estate herein granted is subject to an easement in favour of British Columbia Hydro and Power Authority, shown in the Land Title office under Plan No. CG2188.

KH



- (m) this lease and the estate herein granted is subject to an easement in favour of Inland Natural Gas Co. Ltd., shown in the Land Title Office under Plan No. C12580.
- (n) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey of the Land;
- (o) permit us, or our authorized representatives, to enter on the Land at any time to inspect the Land and the Improvements, provided that in regard to our inspection of the Improvements we take reasonable steps to minimize any disruption to your operations;
- (p) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of
  - (i) your breach, violation or nonperformance of a provision of this Agreement, and
  - (ii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

- (q) on the termination of this Agreement,
  - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii) and (iii), the Improvements in a safe, clean and sanitary condition,
  - (ii) within 180 days, remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you, is in the nature of a tenant's fixture normally removable by tenants and is not part of a building or part of the Land,
  - (iii) remove from the Land any Improvement that we, in writing, direct or permit you to remove, other than any Improvement permitted to be placed on or made to the Land under another disposition, and
  - (iv) restore the surface of the Land as nearly as may reasonably be possible to the same condition as it was on the Commencement Date, to our satisfaction, but if you are not directed or permitted to remove an Improvement under paragraph

KH

(iii), this paragraph will not apply to that part of the surface of the Land on which that Improvement is located,

and all of your right, interest and estate in the Land will be absolutely forfeited to us, and to the extent necessary, this covenant will survive the termination of this Agreement.

5.2 You will not permit any person to do anything you are restricted from doing under this Article.

5.3 Subject to the provisions of this Agreement to the contrary, you shall have quiet enjoyment of the Land.

## ARTICLE 6 - LIMITATIONS

6.1 You agree with us that

- (a) we are under no obligation to provide access or services to the Land or to maintain or improve existing access roads;
- (b) this Agreement is subject to
  - (i) all subsisting dispositions and subsisting grants to or rights of any person made or acquired under the *Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Wildlife Act or Water Act*, or any extension or renewal of the same, whether or not you have actual notice of them, and
  - (ii) the exceptions and reservations of interests, rights, privileges and titles referred to in section 50 of the *Land Act*;
- (c) without limiting subsection 5.1(p), you must indemnify and save us and our servants, employees and agents harmless from and against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of any conflict between your rights under this Agreement and the rights of any person under a disposition or under a subsisting grant to or right of any person made or acquired under the *Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Wildlife Act or Water Act* (or any prior or subsequent enactment of the Province of British Columbia of like effect), or any extension or renewal of the same, whether or not you have actual notice of them, and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand;

- (d) you release us from all claims, actions, causes of action, suits, debts and demands that you now have or may at any time in the future have against us arising out of any conflict between your rights under this Agreement and the rights of any person under a disposition or under a subsisting grant to or right made or acquired under the enactments referred to in subsection (c), and you acknowledge that this Agreement and your rights under this Agreement are subject to those grants and rights referred to in subsection (c) whether or not you have actual notice of them.
- (e) with your prior consent, which consent you will not unreasonably withhold, we may make other dispositions of or over the Land, or any part of it, to a person, including a Crown agency or ministry, and, upon such consent being given you will, if required by us in the case of a disposition by way of easement, right of way or statutory right of way, immediately execute and deliver to us such instrument as may be necessary to subordinate your rights under this Agreement to such easement, right of way or statutory right of way; provided, however, that your consent shall not be required for any disposition we may wish to make of land which we have resumed pursuant to the *Land Act* or pursuant to subsection 6.1(p)
- (f) for the purpose of subsection (e), you will be deemed to have reasonably withheld your consent if a disposition made under that subsection would materially affect the exercise of your rights under this Agreement;
- (g) you will make no claim for compensation, in damages or otherwise, in respect of a disposition made under subsection (e), where such disposition does not materially affect the exercise of your rights under this Agreement;
- (h) subject to subsection (g), all of your costs and expenses, direct or indirect, that arise out of any lawful interference with your rights under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles reserved to us in subsections (b) and (e) will be borne solely by you;
- (i) you will not commence or maintain proceedings under section 65 of the *Land Act* in respect of any lawful interference with your rights under this Agreement that arises as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (b) and (e);
- (j) any interference with your rights under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (b) and (e) will not constitute a breach of our covenant of quiet enjoyment and you release and discharge us from all claims for loss or damage arising directly or indirectly out of any such interference;

KH

- (k) we own and may dispose of all timber on the Land, and this Agreement transfers no interest in or to timber on the Land;
- (l) the Secwepemc may access the land to use and gather traditional sustenance resources, medicines and other cultural heritage resources, including hunting and fishing and maintain their traditional practices and spiritual relationship to the land, in a manner that respects the grazing lease activities and does not interfere with grazing or forage use; any access issues that may arise may be addressed in the Management Plan;
- (m) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (n) any interest you may have in the Improvements ceases to exist and becomes our property upon termination of this Agreement, except where an Improvement may be removed under paragraph 5.1(q)(ii) or (iii) in which case any interest you may have in that Improvement ceases to exist and becomes our property if the Improvement is not removed from the Land within the time period set out in paragraph 5.1(q)(ii) or the time period provided for in the direction or permission given under paragraph 5.1(q)(iii);
- (o) if, after the termination of this Agreement, we permit you to remain in possession of the Land and we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly tenant only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary;
- (p) at any time during the Term we may resume, without your consent, up to 5% of the area of the Land for either or both of the following purposes:
  - (i) if we are reasonably of the opinion that the Land (or part of the Land) is needed for intensive land use not compatible with the grazing lease; or
  - (ii) if the Land (or part of it) is needed to provide for permanent road access to land beyond the lease area where no other practical options exist;
- (q) we have the discretion to choose which portion or portions of the Land we may resume; however, we shall consult with you before making any such deletions for the purpose of attempting to minimize adverse impacts to your ranching operation;
- (r) you shall not be entitled to any compensation as a result of our resumption; and
- (s) our right to resume as set out herein is in addition to our rights under section 50(1)(a) of the *Land Act*.

KH

- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance then required to be maintained by you under this Agreement.

## ARTICLE 8 - ASSIGNMENT

- 8.1 You must not sublease, assign, mortgage or transfer this Agreement, or permit any person to use or occupy the Land, without our prior written consent, which consent we may withhold.
- 8.2 For the purpose of section 8.1, if you are a corporation, a change in control (as that term is defined in subsection 2(3) of the *Business Corporations Act*) will be deemed to be a transfer of this Agreement.
- 8.3 Section 8.2 does not apply to a corporation if the shares of the corporation which carry votes for the election of the directors of the corporation trade on a stock exchange located in Canada.
- 8.4 Prior to considering a request for our consent under section 8.1, we may require you to meet certain conditions, including without limitation, that you submit to us a "site profile", "preliminary site investigation" or "detailed site investigation" (as those terms are defined in the *Environmental Management Act*) for the Land or other similar type of investigation of the Land.

## ARTICLE 9 - TERMINATION

- 9.1 You agree with us that

- (a) if you
- (i) default in the payment of any money payable by you under this Agreement, or
  - (ii) fail to observe, abide by and comply with the provisions of this Agreement (other than the payment of any money payable by you under this Agreement),

and your default or failure continues for 60 days after we give written notice of the default or failure to you,

6.2 The following provisions apply with respect to the activities of others on the Land:

- (a) You acknowledge that, despite subsection 6.1(e), other persons may now have or may in the future be given the right to carry out timber harvesting, silviculture and fire protection (and road construction and road maintenance concerning any of them).
- (b) If any person wishes to carry out any of the activities listed in subsection (a) (and has the right to do so) the following shall apply:
  - (i) When you become aware of the proposed activity, you shall contact the person or persons who intend to carry out the activity and you shall attempt to reach an agreement as to how and when the activity shall be carried out and how your respective rights can be accommodated;
  - (ii) If you are unable to reach such an agreement, you shall contact the Director, Ministry of Forests and Range, Range Branch, advise him or her of the situation, and you shall comply with his or her directions in this respect.

#### ARTICLE 7 - SECURITY AND INSURANCE

7.1 On the Commencement Date, you will deliver to us security in the amount of \$0.00 which will

- (a) guarantee the performance of your obligations under this Agreement;
- (b) be in the form required by us; and
- (c) remain in effect until we certify, in writing, that you have fully performed your obligations under this Agreement.

7.2 Despite section 7.1, your obligations under that section are suspended for so long as you maintain in good standing other security acceptable to us to guarantee the performance of your obligations under this Agreement and all other dispositions held by you.

7.3 We may use the Security for the payment of any costs and expenses incurred by us to perform any of your obligations under this Agreement that are not performed by you and, if such event occurs, you will, within 30 days of that event, deliver further Security to us in an amount equal to the amount drawn down by us.

7.4 After we certify, in writing, that you have fully performed your obligations under this Agreement, we will return to you the Security maintained under section 7.1, less all amounts



drawn down by us under section 7.3.

7.5 You acknowledge that we may, from time to time, notify you to

- (a) change the form or amount of the Security; and
- (b) provide and maintain another form of Security in replacement of or in addition to the Security posted by you under this Agreement;

and you will, within 60 days of receiving such notice, deliver to us written confirmation that the change has been made or the replacement or additional form of Security has been provided by you.

7.6 You must

- (a) without limiting your obligations or liabilities under this Agreement, at your expense, effect and keep in force during the Term Comprehensive/Commercial General Liability insurance protecting us as an additional insured in an amount of not less than \$0.00 inclusive per occurrence insuring against liability for personal injury, bodily injury (including death) or property damage, and claims for liability assumed under contract, arising from all accidents or occurrences on the Land or the Improvements;
- (b) on the Commencement Date and immediately upon demand, deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance required to be maintained by you under this Agreement;
- (c) ensure that all insurance required to be maintained by you under this Agreement is
  - (i) placed with insurers licensed in British Columbia,
  - (ii) primary and does not require the sharing of any loss by any insurer that insures us, and
  - (iii) endorsed to provide us with 30 days' advance written notice of cancellation or material change; and
- (d) deliver or cause to be delivered to us, immediately upon demand, certified copies of all policies of insurance required to be maintained by you under this Agreement.

7.7 You acknowledge that we may, from time to time, notify you to

- (a) change the amount of insurance set out in subsection 7.6(a); and

KH

- (b) if, in our opinion, you fail to make diligent use of the Land for the purposes set out in this Agreement, and your failure continues for 60 days after we give written notice of the failure to you;
- (c) if you transfer or assign your interest in fee simple in all that parcel or tract of land more particularly described as the Southeast 1/4 of Section 14, Township 20, Range 20, West of the Sixth Meridian, Kamloops Division Yale District (PID 002-401-274); and the Southwest 1/4 of Section 13, Township 20, Range 20, West of the Sixth Meridian, Kamloops Division Yale District (PID 002-401-339);
- (d) if you
  - (i) become insolvent or make an assignment for the general benefit of your creditors,
  - (ii) commit an act which entitles a person to take action under the *Bankruptcy and Insolvency Act* (Canada) or a bankruptcy petition is filed or presented against you or you consent to the filing of the petition or a decree is entered by a court of competent jurisdiction adjudging you bankrupt under any law relating to bankruptcy or insolvency, or
  - (iii) voluntarily enter into an arrangement with your creditors;
- (e) if you are a corporation,
  - (i) a receiver or receiver-manager is appointed to administer or carry on your business, or
  - (ii) an order is made, a resolution passed or a petition filed for your liquidation or winding up;
- (f) if you are a society, you convert into a company in accordance with the *Society Act* without our prior written consent; or
- (g) if this Agreement is taken in execution or attachment by any person;

this Agreement will, at our option and with or without entry, terminate, and all of your right, interest and estate in the Land will be absolutely forfeited to us.

- 9.2 If the condition complained of (other than the payment of any money payable by you under this Agreement) reasonably requires more time to cure than 60 days, you will be deemed to have complied with the remedying of it if you commence remedying or curing the condition within

KH



60 days and diligently complete the same.

9.3 You agree with us that

- (a) you will make no claim for compensation, in damages or otherwise, upon the lawful termination of this Agreement under section 9.1; and
- (b) our remedies under this Article are in addition to those available to us under the *Land Act*.

### ARTICLE 10 - DISPUTE RESOLUTION

- 10.1 If any dispute arises under this Agreement, the parties will make all reasonable efforts to resolve the dispute within 60 days of the dispute arising (or within such other time period agreed to by the parties) and, subject to applicable laws, provide candid and timely disclosure to each other of all relevant facts, information and documents to facilitate those efforts.
- 10.2 Subject to section 10.5, if a dispute under this Agreement cannot be resolved under section 10.1, we or you may refer the dispute to arbitration conducted by a sole arbitrator appointed pursuant to the *Commercial Arbitration Act*.
- 10.3 The cost of the arbitration referred to in section 10.2 will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.
- 10.4 The arbitration will be conducted at our offices (or the offices of our authorized representative) in Kamloops, British Columbia, and if we or our authorized representative have no office in Kamloops, British Columbia, then our offices (or the offices of our authorized representative) that are closest to Kamloops, British Columbia.
- 10.5 A dispute under this Agreement in respect of a matter within our sole discretion cannot, unless we agree, be referred to arbitration as set out in section 10.2.

### ARTICLE 11 - NOTICE

- 11.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:  
  
to us

MINISTRY OF FORESTS AND RANGE

KK

Range Branch  
515 Columbia St.  
Kamloops, BC V2C 2T7;

to you

WALLACE KARL HUTCHINGS

s.22

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- 11.2 In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 11.1.
- 11.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.

## ARTICLE 12 - MISCELLANEOUS

- 12.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, and a consent or approval to any act requiring consent or approval will not waive or render unnecessary the requirement to obtain consent or approval to any subsequent same or similar act.
- 12.2 No remedy conferred upon or reserved to us under this Agreement is exclusive of any other remedy in this Agreement or provided by law, but that remedy will be in addition to all other remedies in this Agreement or then existing at law, in equity or by statute.
- 12.3 The grant of a sublease, assignment or transfer of this Agreement does not release you from your obligation to observe and perform all the provisions of this Agreement on your part to be observed and performed unless we specifically release you from such obligation in our consent

KH

to the sublease, assignment or transfer of this Agreement.

- 12.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.
- 12.5 If, due to a strike, lockout, labour dispute, act of God, inability to obtain labour or materials, law, ordinance, rule, regulation or order of a competent governmental authority, enemy or hostile action, civil commotion, fire or other casualty or any condition or cause beyond your reasonable control, other than normal weather conditions, you are delayed in performing any of your obligations under this Agreement, the time for the performance of that obligation will be extended by a period of time equal to the period of time of the delay so long as
- (a) you give notice to us within 30 days of the commencement of the delay setting forth the nature of the delay and an estimated time frame for the performance of your obligation; and
  - (b) you diligently attempt to remove the delay.
- 12.6 You agree with us that
- (a) we are under no obligation, express or implied, to provide financial assistance or to contribute toward the cost of servicing, creating or developing the Land or the Improvements and you are solely responsible for all costs and expenses associated with your use of the Land and the Improvements for the purposes set out in this Agreement; and
  - (b) nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.
- 12.7 This Agreement does not override or affect any powers, privileges or immunities to which you are entitled under any enactment of the Province of British Columbia.

The parties have executed this Agreement as of the date of reference of this Agreement.

KH

SIGNED on behalf of **HER MAJESTY  
THE QUEEN IN RIGHT OF THE  
PROVINCE OF BRITISH COLUMBIA**  
by the minister responsible for the *Land Act*  
or the minister's authorized representative



Minister responsible for the *Land Act*  
or the minister's authorized representative

SIGNED by  
**WALLACE KARL HUTCHINGS**



Lessee

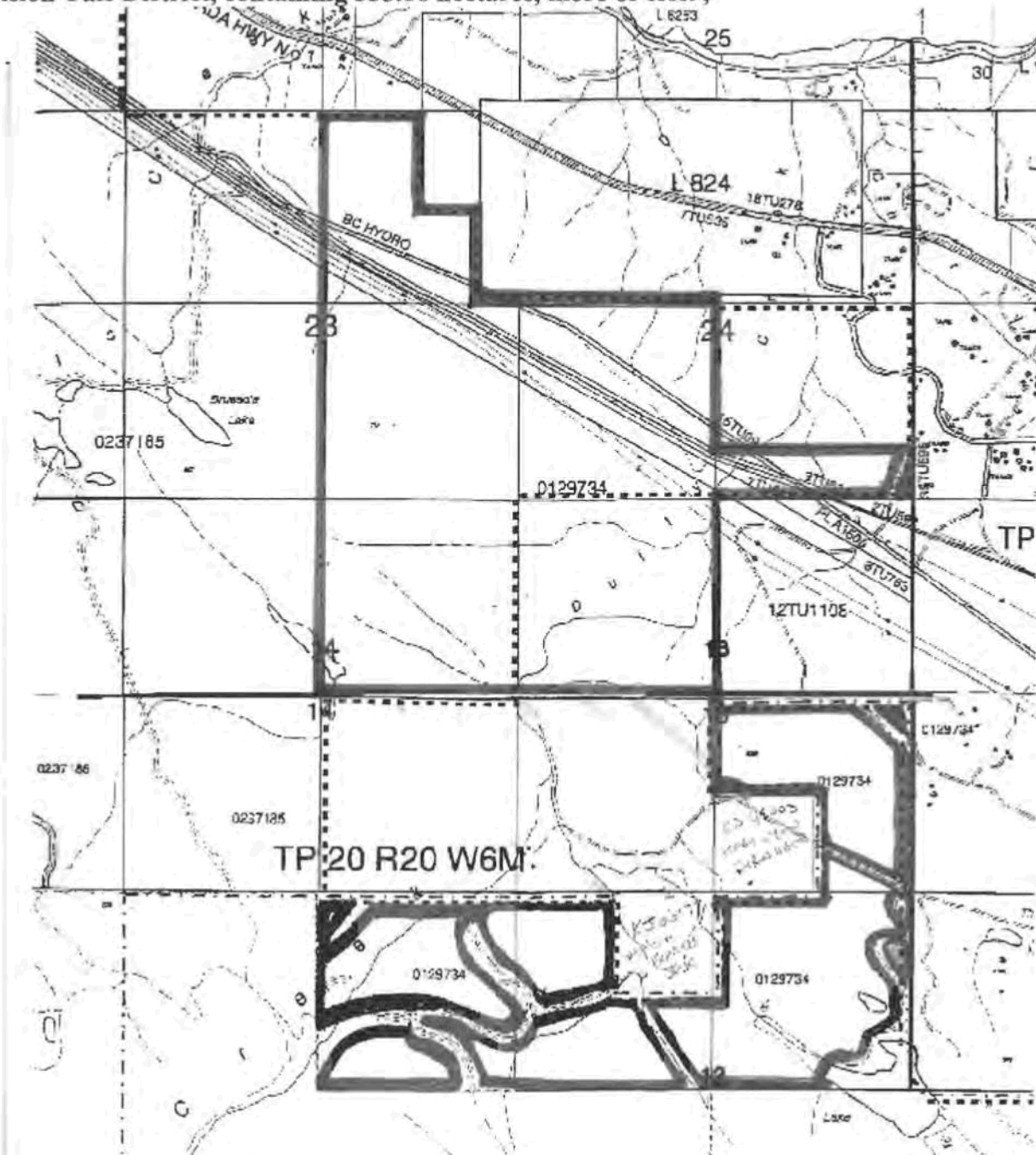
344089

File No.: 0129734

Disposition No.: 849557

## LEGAL DESCRIPTION SCHEDULE

Those parts of Sections 11, 12, 13, 14, 23 and 24, Township 20, Range 20, West of the Sixth Meridian and all that Unsurveyed Crown land in the vicinity of Duffy Creek, all Kamloops Division Yale District, containing 553.16 hectares, more or less.,



KAT

344089

File No.: 0129734

Disposition No.: 849557

**MANAGEMENT PLAN SCHEDULE**

**Associated Private Properties**

s.21,s.22

*KH*

LEASE MANAGEMENT PLAN

LESSOR - Pineview Ranches Limited  
P.O. Box 873,  
Kamloops, B.C.

**BACKGROUND INFORMATION:**

Pineview Ranches Limited is a registered company with A. Quigley as President. The company purchased this ranch in 1975 and the current lease boundaries were established at that time. Previous to this date, the lease was primarily spring and fall range with cattle spending the summer in the Dairy Lake - Duffy Lake region.

Land within the confines of Section 23 and 24 has in the past 50 years, had very heavy use, primarily because of suitable topography, excessive stocking rates and generally poor management.

Historically the land was grazed primarily by cows and calves, however, at present it is providing forage for stocker cattle from mid May until mid October.

The heaviest use areas have been along Duffy Creek (see enclosed map) leaving some very good forage available in less preferred areas.

The oil and gas pipeline is cleared and there is some evidence of past seeding with Crested Wheatgrass.

Recent inspection report is enclosed for details on this lease.

**OBJECTIVES:**

- Pasture (1) (a) To increase the forage volume on heavy use areas.
- (b) To better utilize available forage along west lease boundary.
- (c) Maintain the Bluebunch Wheatgrass range in good condition.
- (d) To control the existing Knapweed infestation.
- Pasture (2) (a) To increase utilization of Bluebunch Wheatgrass and other native forage species.
- (b) To maintain native range in good condition.
- Pasture (3) (a) To increase forage volume on suitable areas.
- (b) To better utilize present light use areas.
- (c) To maintain native range in good condition.

**METHODS:**

- Pasture (1) (a) Forage volume will be increased by seeding the suitable areas on the powerline and within the heavy use area (see map).



- (b) A fence will be constructed (see map) enabling a pasture-rotation system to be implemented. This will better utilize existing forage with both pasture (1) and (2).
- (c) The pasture-rotation, and allotted A.U.M.'s will ensure good range condition.
- (d) Knapweed will be sprayed with Tordon on a regular basis.

Pasture (2)

(a) and (b) Both objectives will be met by a pasture-rotation system being implemented and careful control of the allotted A.U.M.'s.

Pasture (3)

- (a) Forage volume will be enhanced by annual increments of nitrogen, especially in open areas (see map).
- (b) and (c) The pasture- rotation system and allotted A.U.M.'s will achieve this objective. Salting areas will continue to be away from water sources and in less preferred areas.

Grazing System

	May15-June15	June16-July30	Aug1-21	Aug22-Sept30	Oct1-15	Pasture Rested
YEAR 1	I R R I G A T E D P A S T U R E	Pasture 3	I R R I G A T E D P A S T U R E	Pasture 1	Reseed	2
YEAR 2		Pasture 2		Pasture 3	1	
YEAR 3		Pasture 1		Pasture 2	2	3
YEAR 4		Pasture 3		Pasture 1	1	2
YEAR 5		Pasture 2		Pasture 3	1	
YEAR 6		Pasture 1		Pasture 2	2	3
YEAR 7		Begin the system again	by repeating year 4.			

NOTE: The specific dates will vary depending on the year, but are approximately correct.

- A fence must be constructed to implement this pasture rotation.
- Spring use of the pastures will remove up to 60% of the forage, and fall use will remove from 75 - 80% of the forage.
- The irrigated pasture is a very necessary part of the grazing system since summer range is not available. It is also an excellent buffer in the event of a distress year. (e.g. drought).
- This system should support 110 yearlings with a possible increase to 125 or so as the pasture rotation, seeding and more intensive management develops.



RANGE IMPROVEMENTS:

- (a) Seeding of pipeline with Crested-Wheatgrass in the fall of year 1.
- (b) Construction of a cross-fence (see map) to enable the implementation of the grazing system.


Estimated carrying capacity of this lease is 250 A.U.M.'s.

This plan is in effect through 1988 and will be reviewed at that time.

The Lessee will maintain a record of:

- actual period of use each year.
  - actual number and class of cattle grazed each year.
  - level and distribution of utilization within pastures.
  - results of this management plan.
- and agrees to make such information available for discussion with the Forest Service.
- The lessee agrees to maintain all improvements to a good workmanlike standard.
  - The lease area will be jointly inspected periodically.
  - Transects to measure change in range condition will be established by the Forest Service as necessary.

  
Pineview Ranches Limited

  
W.R. Anderson  
Acting District Manager  
Kamloops Forest District

DATE: June 7, 1983



## RANGE USE PLAN

### Frederick Bowers

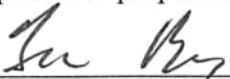
The Minister, pursuant to section 37 of the *Forest and Range Practices Act*, has determined that this plan is consistent with the agreement under the *Range Act* that pertains to the plan, and conforms to the *Forest and Range Practices Act*, the regulations and the standards. This plan is consistent with the Kamloops LRMP.

The attached map, dated January 1, 2018, is part of the range use plan.

This range use plan is associated with the following range agreement.

<b>NAME: FREDERICK BOWERS</b>	<b>RANGE TENURE #: RAN077542</b>
s.22	<b>TENURED AUM's: 814</b> (NET AUTHORIZED)
	<b>STOCK RANGE: TUNKWA LAKE</b>
	<b>RANGE UNIT: DURAND</b>
<b>E-MAIL:</b>	<b>BRAND:</b> <u>U LHC</u>

This plan was prepared by Frederick Bowers

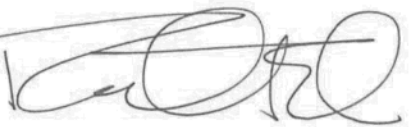
  
Signature of Agreement Holder

2018 MAR 12  
yy mm dd

**Effective Date: January 1, 2018**

**Expiry Date: December 31, 2022**

Approved



Rachael Pollard, P. Ag  
District Manager  
Thompson Rivers Forest District

2018 04 27

yy mm dd

## Section I

### Grazing schedule

#### Odd Years

Number s.21	Class	Date in	Date out	Pasture	Days	Proportion	AUM's
		Jun-01	Jun-21	Beaton Creek	21	1	108
		Jun-01	Jun-21	Beaton Creek	21	1.5	8
		Jun-22	Jul-20	Dairy Plateau	29	1	150
		Jun-22	Jul-20	Dairy Plateau	29	1.5	11
		Jul-21	Oct-10	South Durand	82	1	423
		Jul-21	Oct-10	South Durand	82	1.5	32
		Oct-11	Oct-20	Dairy Plateau	10	1	52
		Oct-11	Oct-20	Dairy Plateau	10	1.5	4
		Oct-21	Oct-25	Beaton Creek	5	1	7
		Oct-21	Oct-25	Duffy Creek	5	1	7

**Total AUMs - 815**

#### Even Years

Number s.21	Class	Date in	Date out	Pasture	Days	Proportion	AUM's
		Jun-01	Jun-21	Duffy Creek	21	1	108
		Jun-01	Jun-21	Duffy Creek	21	1.5	8
		Jun-22	Jul-20	Dairy Plateau	29	1	150
		Jun-22	Jul-20	Dairy Plateau	29	1.5	11
		Jul-21	Oct-10	South Durand	82	1	423
		Jul-21	Oct-10	South Durand	82	1.5	32
		Oct-11	Oct-20	Dairy Plateau	10	1	52
		Oct-11	Oct-20	Dairy Plateau	10	1.5	4
		Oct-21	Oct-25	Beaton Creek	5	1	7
		Oct-21	Oct-25	Duffy Creek	5	1	7

**Total AUMs – 815**

- *Dates are approximate. Changes of more than a week will require a Range Use Plan Amendment being submitted to the Forest Service. Cattle will be moved when the prescribed level of utilization is reached (see below), or by the date in the grazing schedule, whichever comes first.*
- *90% of herd to be moved by scheduled date. Any remaining livestock will be moved within 5 days. Any livestock drift between pastures will be moved to the appropriate pasture within a 72 hour period.*
- *100% of herd to be removed at the end of the grazing season by scheduled date. Stragglers are to be actively pursued on a daily basis and gathered and removed within a 24 hour period once located*

## Key areas, Range Readiness and Utilization

Key areas are portions of a range agreement area selected because of their value as a monitoring site for grazing use.

<b>Pasture name</b>	<b>Key Areas</b>	<b>Range Readiness Criteria</b>	<b>Utilization levels at end of use period</b>
			<b>Stubble ht (cm.)</b>
<b>Beaton Creek</b>	North half of pasture	Pinegrass nodding Bluegrass 8 cm Bluebunch wheatgrass 15 cm	Pinegrass 10 cm. Bluebunch wheatgrass 12 cm
<b>Duffy Creek</b>	Entire pasture	Pinegrass nodding Bluegrass 8 cm Bluebunch wheatgrass 15 cm	Pinegrass 10 cm. Bluegrass 5 cm Bluebunch wheatgrass 12 cm
<b>Durand Main</b>	North of Durand and West of Beaton Creeks.	Pinegrass nodding Bluebunch wheatgrass 15 cm	Pinegrass 10 cm. Bluebunch wheatgrass 12 cm
<b>All Pastures</b>	Riparian plant communities		Sedges 20 cm

*\*Rough Fescue is a targeted species preferred by cattle, and is difficult to manage for. By having shortened period of use in the Beaton Creek and Duffy Creek pasture plant vigor may improve.*

## Section II

### Achieving Desired Plant Communities

These are plant communities that have been, or may be, significantly affected by livestock use.

<i>Current Plant community and Desired Plant Community (DPC)</i>	<i>Pastures</i>	<i>Actions to achieve DPC</i>
<p>There are a number of <b>Aspen forest/upper grassland/ sedge meadow complexes</b> in the area south of Duffy Lake. Most of the wetland edges get heavy use and are dominated by <i>bluegrass</i> or <i>Foxtail</i>. The <i>Aspen</i> areas have <i>Pinegrass</i>, <i>Kentucky bluegrass</i>, <i>Spreading needlegrass</i> and <i>Blue wild rye</i>.</p> <p>The grasslands vary from the south facing slopes above Durand Creek to the flats south of Duffy Lake. The Durand slopes have patches of mid-late seral grasslands dominated by <i>Bluebunch wheatgrass</i>, <i>Stiff needlegrass</i>, <i>Kentucky bluegrass</i>, some <i>Rough fescue</i>, and forbs such as <i>Yarrow</i>. The flats are dominated by <i>Kentucky bluegrass</i>, <i>Junegrass</i> and forbs such as <i>Silverweed</i></p> <p>The Durand slopes should move towards a <i>Rough fescue</i> stand with less <i>Bluegrass</i> and forbs. The <i>Bluegrass</i> dominated flats should have more carryover and develop into more of a bunchgrass/shrub stand with <i>Snowberry</i> and <i>Aspen</i> on the forest edge. Even with more controlled use any changes on these opens will be long term.</p>	<p>Beaton Creek Duffy Creek And Durand Main</p>	<p>Lower Pastures/ Beaton and Duffy</p> <ul style="list-style-type: none"> <li>○ later turn out date than minimum range plant readiness guide lines</li> <li>○ alternate spring use</li> <li>○ no salting on heavy use areas</li> </ul> <p>All Areas Durand Main</p> <ul style="list-style-type: none"> <li>○ Range riding/ATV at least 3 times a week</li> <li>○ cattle are moved off prime sites to higher elevations</li> <li>○ numerous salt blocks are scattered in early summer on Dominic plateau</li> <li>○ keep cattle moving to desired areas.</li> </ul>



Current Plant community and Desired Plant Community (DPC)	Pastures	Actions to achieve DPC
<p>The understory of most of the <b>Douglas fir forest</b> is dominated by Pinegrass. On the driest, open sites <i>Bluebunch wheatgrass</i> becomes common, along with <i>Stiff needlegrass</i>, <i>Rough fescue</i>, <i>Junegrass</i>, <i>Pussytoes species</i>, <i>Kinnikinnick</i>, <i>Birch-leaved spirea</i> and <i>Saskatoon</i>. Most of the ridges are in early to mid-seral condition, with more bare ground than desired.</p> <p>On mesic sites <i>Rough fescue</i> and <i>Spreading needlegrass</i> are mixed with the <i>Pinegrass</i>. <i>Soopolallie</i> and <i>Oregon grape</i> are also found. Much of this area has overly dense <i>Douglas fir</i> with little shrub understory. Some spaced areas have heavy slash and limited usable forage. Around the steeper creek draws there is a dense stand of shrubs, including Red-Osier dogwood, Willows, Roses, and water birch. The desired plant community is an open <i>Douglas fir</i> forest with <i>Ponderosa pine</i> on drier sites. There should be a healthy stand of <i>Bluebunch wheatgrass</i> on the driest slopes, and <i>Rough fescue</i> in the open forest. Bare ground and increaser forbs should be decreased on the ridges where they now occur. The shrub layer should be diverse and productive, with the existing species.</p>	All pastures	<ul style="list-style-type: none"> <li>○ Range riding/ATV at least 3 times a week</li> <li>○ Follow the rotational grazing schedule outlined in Section I. Salt, water and riding will be used to distribute cattle away from heavy use areas.</li> </ul>
<p><b>Riparian Communities</b> are scattered through this Unit, and are generally in PFC, with a mix of <i>Carex</i> and <i>Juncus</i> species, bluegrass, silverweed and some with a perimeter of bog birch, and willow. Further monitoring is required to assess plant communities</p>	All pastures	Use will be monitored once a week and salt will not be placed within 400 metres of meadows

### **Section III**

#### **Minister supplied Issues and Rancher Provided Actions:**

None identified

### **Section IV**

#### **Measures to Prevent Introduction or Spread of Invasive Plants as a result of tenure holders practice:**

- Livestock will be free of any burrs prior to turnout
- Burdock and hounds tongue are sprayed or cut when mature on private and leased land
- All cattle turned out have been born and raised on my ranch, (eg.) not trucked or hauled in from various locations
- Areas disturbed by range developments/ maintenance are seeded when work is completed
- The Forest Service will be notified of new weed infestations if site is not in an obvious location, on annual grazing summary
- Small patches are controlled by rancher if possible



## ADDITIONAL INFORMATION

Road Blocks - No control over recreational activities, very heavy continual use that is expanding especially staging sites Duffy Lake, Crescent Lake, lower elevation Kentucky Blue Grass areas

## DURAND CREEK UNIT RANGE USE PLAN

### Kamlands Holdings Ltd.

The Minister, pursuant to section 37 of the *Forest and Range Practices Act*, has determined that this plan is consistent with the agreement under the *Range Act* that pertains to the plan, and conforms to the *Forest and Range Practices Act*, the regulations and the standards. This plan is consistent with the Kamloops LRMP.

The attached map, dated January 1, 2018, is part of the range use plan.

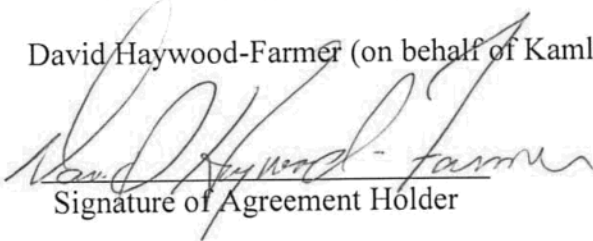
This range use plan is associated with the following range agreement.

<b>NAME: KAMPLANDS HOLDINGS LTD.</b>	<b>RANGE TENURE #: RAN077546</b>
<b>ADDRESS: 38 RUE CHEVAL NOIR, TOBIANO, BRITISH COLUMBIA V1S 0B3</b>	<b>TENURED AUM's: 990 (NET AUTHORIZED)</b>
<b>TELEPHONE: (250) 434-5857</b> David Haywood-Farmer - s.22	<b>STOCK RANGE: TUNKWA LAKE</b>
<b>FAX: (250) 314-0661</b> David Haywood-Farmer - s.22	<b>RANGE UNIT: DURAND</b>
<b>E-MAIL: David Haywood-Farmer - s.22</b>	
<b>BRAND: <del>LHH</del> LRC</b>	

TIC

This plan was prepared by \_\_\_\_\_

David Haywood-Farmer (on behalf of Kamland Holdings Ltd...)

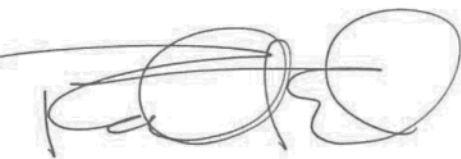
  
Signature of Agreement Holder

2018    04    12  
yy       mm       dd

**Effective Date: January 1, 2018**

**Expiry Date: December 31, 2022**

Approved



Rachael Pollard, PAg  
District Manager  
Thompson Rivers Forest District

2018    04    27

yy       mm       dd

## Section I

### Grazing schedule

number	Class	Dates in/out		Unit/ pasture	Days	Proportion	AUM's
s.21		Jun-01	Jun-15	Brussel Creek	15	1	94
		Jun-01	Jun-15	Brussel Creek	15	1.5	7
		Jun-16	Jul-25	Durand - Main	40	1	0
		Jun-16	Jul-25		40	1.5	0
		Jun-16	Jul-25	Duffy Area	40	1	250
		Jun-16	Jul-25	Duffy Area	40	1.5	20
		Jul-26	Oct-15	South Durand	82	1	513
		Jul-26	Oct-15	South Durand	82	1.5	40
		Oct-16	Oct-20	Duffy Area	5	1	31
		Oct-16	Oct-20	Duffy Area	5	1.5	2
		Jun-16	Oct-20		127	1.5	0
		Oct-21	Oct-30	Brussel Creek	10	1	33
							990

- *Dates are approximate. Changes of more than a week will require a Range Use Plan Amendment being submitted to the FLNRORD. Cattle will be moved when the prescribed level of utilization is reached (see below), or by the date in the grazing schedule, whichever comes first.*
- *90% of herd to be moved by scheduled date. Any remaining livestock will be moved within 5 days. Any livestock drift between pastures will be moved to the appropriate pasture within a 72 hour period.*
- *100% of herd to be removed at the end of the grazing season by scheduled date. Stragglers are to be actively pursued on a daily basis and gathered and removed within a 24 hour period once located.*

## Key areas, Range Readiness and Utilization

Key areas are portions of a range agreement area selected because of their value as a monitoring site for grazing use.

<i>Pasture name</i>	<i>Key Areas</i>	<i>Range Readiness Criteria</i>	<i>Utilization levels at end of use period</i>
			<i>Stubble ht (cm.)</i>
<b>Brussels Creek</b>	Entire pasture	Pinegrass nodding Bluegrass 8cm, Bluebunch wheatgrass 15 cm	Pinegrass 10 cm. Bluegrass 5cm Bluebunch wheatgrass 12 cm *Rough Fescue
<b>Durand Main</b>	North of Durand and West of Beaton Creeks.	Pinegrass nodding Bluebunch wheatgrass 15 cm	Pinegrass 10 cm. Bluebunch wheatgrass 12 cm
<b>All Pastures</b>	Riparian Plant Communities		Sedges 20 cm

*\*Rough Fescue is a targeted species preferred by cattle, and is difficult to manage for. By having shortened period of use plant vigour may improve.*

## Section II

### Achieving Desired Plant Communities

These are plant communities that have been, or may be, significantly affected by livestock use.

<i>Current Plant community and Desired Plant Community (DPC)</i>	<i>Pastures</i>	<i>Actions to achieve DPC</i>
<p>There are a number of <b>Aspen forest/upper grassland/ sedge meadow complexes</b> in the area south of Duffy Lake. Most of the wetland edges get heavy use and are dominated by <i>bluegrass</i> or <i>Foxtail</i>. The <i>Aspen</i> areas have <i>Pinegrass</i>, <i>Kentucky bluegrass</i>, <i>Spreading needlegrass</i> and <i>Blue wild rye</i>.</p> <p>The grasslands vary from the south facing slopes above Durand Creek to the flats south of Duffy Lake. The Durand slopes have patches of mid-late seral grasslands dominated by <i>Bluebunch wheatgrass</i>, <i>Stiff needlegrass</i>, <i>Kentucky bluegrass</i>, some <i>Rough fescue</i>, and forbs such as <i>Yarrow</i>. The flats are dominated by <i>Kentucky bluegrass</i>, <i>Junegrass</i> and forbs such as <i>Silverweed</i>.</p> <p>The Durand slopes should move towards a <i>Rough fescue</i> stand with less <i>Bluegrass</i> and forbs. The <i>Bluegrass</i> dominated flats should have more carryover and develop into more of a bunchgrass/shrub stand with <i>Snowberry</i> and <i>Aspen</i> on the forest edge. Even with more controlled use any changes on these opens will be long term.</p>	Durand Main	<p>Salt away from heavy used areas. Utilization will be monitored weekly by riding and keep cattle moving to desired areas.</p>

<i>Current Plant community and Desired Plant Community (DPC)</i>	<i>Pastures</i>	<i>Actions to achieve DPC</i>
<p>The understory of most of the <b>Douglas fir forest</b> is dominated by Pinegrass. On the driest, open sites <i>Bluebunch wheatgrass</i> becomes common, along with <i>Stiff needlegrass</i>, <i>Rough fescue</i>, <i>Junegrass</i>, <i>Pussytoes species</i>, <i>Kinnikinnick</i>, <i>Birch-leaved spirea</i> and <i>Saskatoon</i>. Most of the ridges are in early to mid-seral condition, with more bare ground than desired. On mesic sites <i>Rough fescue</i> and <i>Spreading needlegrass</i> are mixed with the <i>Pinegrass</i>. <i>Soopolallie</i> and <i>Oregon grape</i> are also found. Much of this area has overly dense <i>Douglas fir</i> with little shrub understory. Some spaced areas have heavy slash and limited usable forage. Around the steeper creek draws there is a dense stand of shrubs, including Red-Osier dogwood, Willows, Roses, and water birch.</p> <p>The desired plant community is an open <i>Douglas fir</i> forest with <i>Ponderosa pine</i> on drier sites. There should be a healthy stand of <i>Bluebunch wheatgrass</i> on the driest slopes, and <i>Rough fescue</i> in the open forest. Bare ground and increaser forbs should be decreased on the ridges where they now occur. The shrub layer should be diverse and productive, with the existing species.</p>	Brussels Creek, Durand Main	Salt away from the areas of common use to try to minimize soil compaction. Utilization will be monitored weekly.
<p><b>Riparian Communities</b> are generally in PFC, with a mix of <i>Carex</i> and <i>Juncus</i> species, bluegrass, silverweed and some with a perimeter of bog birch, and willow. Further monitoring is required to assess plant communities</p>	All pastures	Utilization will be monitored weekly.  Salt away from high traffic areas.

### **Section III**

#### **Minister supplied Issues and Rancher Provided Actions:**

None identified

### **Section IV**

#### **Measures to Prevent Introduction or Spread of Invasive Plants as a result of tenure holders practice:**

- If a range development is done, (ie. fence or waterhole), the area of disturbance will be grass seeded.
- The grazing licensee will control small new infestations of weeds before they set seed and will report new invasive plants to the FLNRO.
- Grazing licensee will report new noxious weed infestations in their Annual Summary.
- The grazing licensee will minimize weed seed on livestock, such as Houndstongue and Burdock burrs prior to moving onto crown range.
- The grazing licensee will report weed infestations spreading on logging roads to the Forest licensee.
- Areas disturbed will be grass seeded with an approved seed mix in that growing season.



# RAN077542 RANGE USE PLAN

*Durand Creek  
Range Unit*

RUP Effective Date: January 1, 2018

## LEGEND

### Range Boundaries

- RUP / Tenure Bdy
- Range Pastures
- Agricultural Lease
- Grazing Lease
- Non AG Lease
- Lease Applications

### Land Status

- Recreation Sites
- Survey Parcels
- Private Land
- Crown Federal
- Crown Municipal
- Indian Reserves
- Provincial Parks
- Ecological Reserves
- Protected Areas
- Conservation Lands

### Range Developments

- Cabin
- Cattleguard
- Corral
- Crossing
- Exclosure
- Gate
- Gully Plug
- other
- Rec Structure
- Salt
- Water Development
- FENCE
- STOCK TRAIL
- WATER DEVELOPMENT

### Water

- Domestic
- Stockwatering
- Community Watershed
- Wetlands
- Lake
- Lake or River
- Dams
- River or Creek

### Transportation

- Oil or Gas Pipeline
- Powerlines
- FSR's
- RP's
- Highway
- Public
- Non-status Roads
- Roads (TRIM)
- Railway

### Wildlife

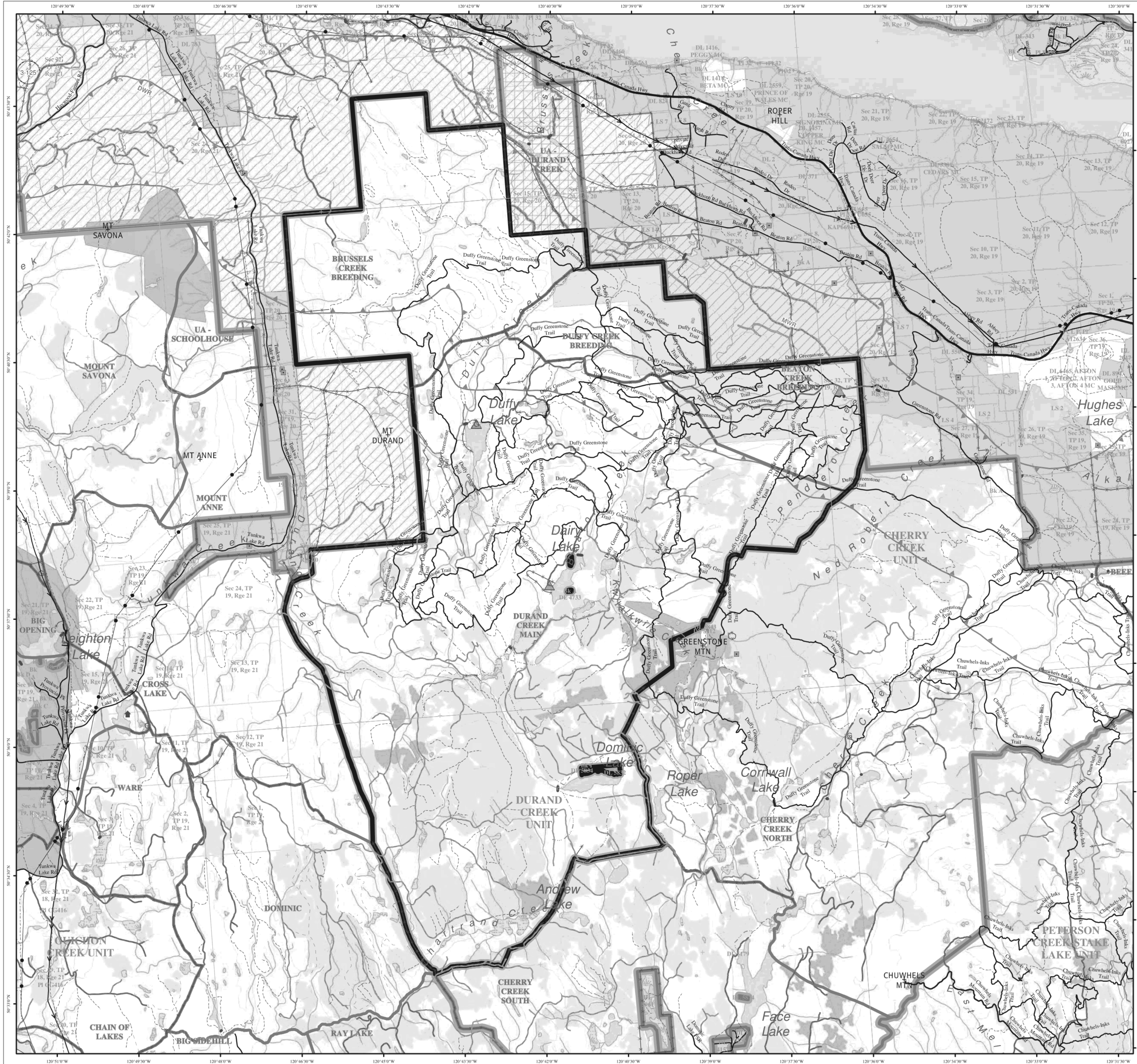
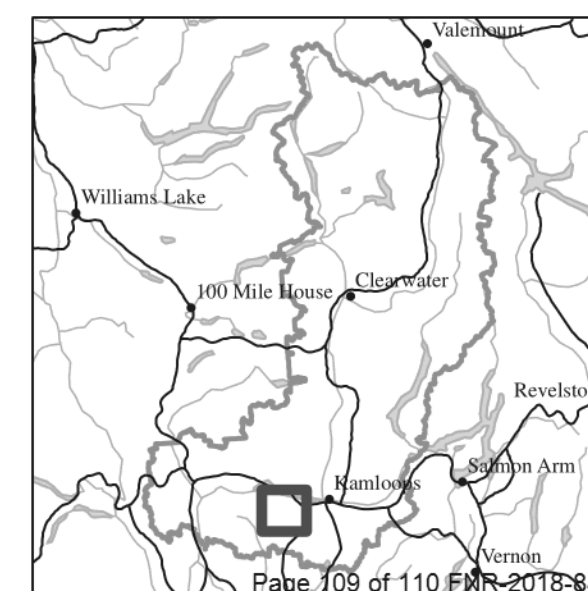
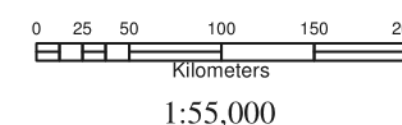
- Moose Winter Range
- Deer Winter Range
- Caribou Habitat
- Wildlife Habitat Areas

### Vegetative Land Cover

- NSR
- 0 to 5 years
- 6 to 30 years
- Meadow / Open Range
- Non Productive Brush

Prepared by: Ministry of Forests, Lands and  
Natural Resource Operations  
Thompson Rivers Natural  
Resource District

Projection: BCAlbers





# RAN077546 RANGE USE PLAN

## Durand Creek Range Unit

RUP Effective Date: January 1, 2018

### LEGEND

#### Range Boundaries

- RUP / Tenure Bdy
- Range Pastures
- Agricultural Lease
- Grazing Lease
- Non AG Lease
- Lease Applications

#### Land Status

- Recreation Sites
- Survey Parcels
- Private Land
- Crown Federal
- Crown Municipal
- Indian Reserves
- Provincial Parks
- Ecological Reserves
- Protected Areas
- Conservation Lands

#### Range Developments

- Cabin
- Cattleguard
- Corral
- Crossing
- Exclosure
- Gate
- Gully Plug
- other
- Rec Structure
- Salt
- Water Development
- FENCE
- STOCK TRAIL
- WATER DEVELOPMENT

#### Water

- Domestic
- Stockwatering
- Community Watershed
- Wetlands
- Lake
- Lake or River
- Dams
- River or Creek

#### Transportation

- Oil or Gas Pipeline
- Powerlines
- FSR's
- RP's
- Highway
- Public
- Non-status Roads
- Roads (TRIM)
- Railway

#### Wildlife

- Moose Winter Range
- Deer Winter Range
- Caribou Habitat
- Wildlife Habitat Areas

#### Vegetative Land Cover

- NSR
- 0 to 5 years
- 6 to 30 years
- Meadow / Open Range
- Non Productive Brush

Prepared by: Ministry of Forests, Lands and  
Natural Resource Operations  
Thompson Rivers Natural  
Resource District

Projection: BCAlbers

0 25 50 100 150 200  
Kilometers

1:55,000

Map Date: 05/02/2018

