



SPECIAL USE PERMIT NO. S24640



THIS PERMIT, dated for reference **June 9, 2006** is issued to:

**Great Pacific Pumice
790 Millbank
Vancouver, British Columbia
V5Z 3Z3**

Phone: 604-250-2750 Fax: 604-879-6411

(the "Permittee")

BACKGROUND:

- A. The Permittee wishes to use or manage a portion of Crown land for the purposes detailed in paragraph 1.01 of this Permit, and has not been authorized under any other enactment to use the land.
- B. The Permittee has made application on May 31, 2006 in accordance with Section 8 of the Provincial Forest Use Regulation, and has submitted a plan that sets out how the land will be used.
- C. This District Manager is of the opinion that the issuance of this Special Use Permit (the "Permit") would not impair the proper management and conservation of forest resources on Crown land in the provincial forest and that any activity under this Permit will not impair the ability of any affected holder of an agreement under the *Forest Act* or *Range Act* to exercise its rights or fulfil its obligations under the Agreement.

1.00 GRANT OF RIGHTS AND TERM

- 1.01 Subject to this Permit and the Acts, regulations, and standards referred to in paragraph 5.01, the Permittee may use the Crown land designated on the map attached as Exhibit A to this Permit (the "permit area") for the purpose of
 - (a) construction and maintenance of a road, including construction and maintenance of bridges and other drainage structures

- 1.02 The term of this permit begins on **June 9, 2006**, and will terminate on the date when the District Manager notifies the Permittee in writing that:
- (a) the road has been permanently deactivated to his satisfaction, or,
 - (b) future use of the road by others will preclude the need for permanent deactivation.

2.00 SPECIAL CONDITIONS AND REQUIREMENTS

- 2.01 The Permittee must comply with the specifications and requirements set out in the Schedules A and B attached to this permit.
- 2.02 The Permittee may only carry out activities in accordance with the plan attached as Schedule B of this permit.

3.00 ANNUAL RENT

- 3.01 In addition to money payable by the Permittee under the *Forest Act* and the *Forest Practices Code of British Columbia Act* and regulations made under them, the Permittee will pay to the Crown, immediately upon receipt of a statement issued on behalf of the Crown, annual rent in the amount of :
- (a) \$200.00 for the first year, and
 - (b) for ensuing years, an amount determined by the District Manager.

4.00 DEPOSIT

- 4.01 There is no deposit required for this permit.
- 4.02 The District Manager may use any or all of the deposit referred to in paragraph 4.01
- (a) to satisfy a claim made by the owner of personal property, other than the Permittee or the government, who has property situated on the permit area, or
 - (b) to cover the costs resulting from a failure of the Permittee to meet the conditions of this Permit.
- 4.03 The District Manager, after at least four weeks notice to the Permittee, may take from the deposit
- (a) an amount sufficient to cover costs incurred by the District Manager in remedying the Permittee's failure to meet the conditions of this Permit, or
 - (b) an amount equal to the District Manager's estimate of the costs which the District Manager could reasonably expect to incur in remedying the Permittee's failure to meet the conditions of this Permit, and for that purpose a security included in the deposit may be realized.
- 4.04 A notice referred to in paragraph 4.03 must specify
- (a) the condition of this Permit which the Permittee failed to meet, and
 - (b) the amount the District Manager intends to take from the deposit.

- 4.05 If the District Manager gives the Permittee a notice that an amount has been taken under this part from the deposit, the Permittee within four weeks of the date from which the notice is given, must add to the deposit, in a form acceptable to the District Manager, an amount sufficient to replenish the deposit to the amount specified in paragraph 4.01.
- 4.06 Subject to paragraphs 4.03, 4.04 and 4.05, if
- (a) the District Manager, under paragraph 4.03, takes from the deposit an amount equal to the District Manager's estimate of the costs which the District Manager could reasonably expect to incur in remedying the Permittee's failure to meet the conditions of this Permit, and
 - (b) the costs incurred by the District Manager in remedying the Permittee's failure to meet the conditions of this Permit are less than the amount taken from the deposit,
- the Crown will as soon as feasible return to the Permittee an amount equal to the difference between the amount taken from the deposit and the costs incurred by the District Manager.
- 4.07 If
- (a) the District Manager, under paragraph 4.03, takes from the deposit an amount equal to the District Manager's estimate of the costs which the District Manager could reasonably expect to incur in remedying the Permittee's failure to meet a condition of this Permit, and
 - (b) the costs incurred by the District Manager in remedying the Permittee's failure to meet a condition of this Permit are greater than the amount taken from the deposit,
- the District Manager may take from the deposit an additional amount equal to the difference between the costs incurred by the District Manager and the amount originally taken from the deposit, and for that purpose a security included in the deposit may be realized.
- 4.08 Subject to the *Forest Practices Code of British Columbia Act* and the regulations made under that Act, the Crown will return to the Permittee the deposit, less deductions made under paragraphs 4.03 and 4.06, when
- (a) this Permit expires, or is surrendered, and
 - (b) the District Manager is satisfied that the Permittee has fulfilled all obligations under or in respect of this Permit.
- 4.09 Amounts taken under Part 4.00 from the deposit are in addition to and not in substitution for any other remedies available to the Crown in respect of a default of the Permittee.

5.00 LEGISLATIVE FRAMEWORK

- 5.01 This Permit is subject to
- (a) the *Forest Act*,
 - (b) the *Forest Practices Code of British Columbia Act*,
 - (c) the *Forest and Range Practices Act*, and
 - (d) the regulations and standards made under those Acts.
- 5.02 The Permittee must
- (a) comply with the Forestry Legislation and
 - (b) ensure that its employees, agents and contractors comply with these Acts, regulations and standards when engaging in or carrying out activities or operations under or associated with this Licence.
- 5.03 Nothing in this Licence is to be construed as authorizing the Licensee to engage in any activities or carry out any operations otherwise than in accordance with the requirements of the Forestry Legislation.

6.00 NOTICE

- 6.01 A notice given under this Permit must be in writing.
- 6.02 A notice given under this Permit may be
- (a) delivered by hand,
 - (b) sent by mail, or
 - (c) subject to paragraph 6.05, sent by facsimile transmission,
- to the address or facsimile number, as applicable, specified on the first page of this Permit, or to such other address or facsimile number as is specified in a notice given in accordance with this Part.
- 6.03 If a notice is given under this Permit, it is deemed to have been given
- (a) if it is given in accordance with subparagraph 6.02(a), on the date it is delivered by hand,
 - (b) if it is given in accordance with subparagraph 6.02(b), subject to paragraph 6.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada, and,
 - (c) if it is given in accordance with subparagraph 6.02(c), subject to paragraph 6.05, on the date it is sent by facsimile transmission.
- 6.04 If, between the time a notice is mailed in accordance with subparagraph 6.02(b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice is not deemed to be given until the party actually receives it.
- 6.05 If a notice is sent by facsimile transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.

7.00 MISCELLANEOUS

- 7.01 Where the area under this Permit is used by more than one group of workers, the Permittee is designated as the prime contractor as described in section 118 of the Workers Compensation Act and shall carry out the duties of the prime contractor as described therein.
- 7.02 Other than for roads constructed and used under the authority of the *Mining Right of Way Act* or for issues of public safety, there must be no interference with free public access through or on the permit area, excepting on portions which are occupied by buildings or structures.
- 7.03 Upon termination or cancellation of this permit
- (a) title to all improvements that are fixed to the Crown land under this Special Use Permit, shall vest in the Crown without compensation to the Permittee, and
 - (b) the Permittee must not remove any improvements unless authorized to do so by the District Manager.
- 7.04 This Permit will enure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 7.05 Any power conferred or duty imposed on the District Manager under this Permit may be exercised or fulfilled by any person authorized to do so by the District Manager.


8.00 INTERPRETATION

- 8.01 In this Permit, unless the context otherwise requires
- (a) "*Forest Act*" means the *Forest Act*, R.S.B.C. 1996, c. 157, as amended from time to time, or the successor to this Act, if it is repealed,
 - (b) "*Forest and Range Practices Act*" means the *Forest and Range Practices Act*, S.B.C. 2002, c. 69 as amended from time to time, or the successor to this Act, if it is repealed,
 - (c) "*Forest Practices Code of British Columbia Act*" means the *Forest Practices Code of British Columbia Act*, R.S.B.C. 1996, c. 159, as amended from time to time, or the successor to this Act, if it is repealed,
 - (d) "person" includes a corporation and a partnership.
- 8.02 Unless otherwise provided in paragraph 8.01, if a word or phrase used in this Permit is defined in the *Forest Act*, *Forest Practices Code of British Columbia Act* or the *Forest and Range Practices Act*, the definition in the Act applies to this Permit, and where the word or phrase in the Act is replaced by a new word or phrase, this Permit is deemed to have been amended accordingly.
- 8.03 In this Permit, unless the context otherwise requires,
- (a) the singular includes the plural and the plural includes the singular, and
 - (b) the masculine, the feminine and the neuter are interchangeable.

8.04 This Permit is divided into parts, paragraphs, subparagraphs, clauses and subclauses, illustrated as follows:

- 1.00 part
 - 1.01 paragraph,
 - (a) subparagraph,
 - (i) clause,
 - (A) subclause;

and a reference to a subparagraph, clause or subclause is to be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.



David Hails, RPF
District Manager
Squamish Forest District

Schedule A

1.00 GENERAL

1.01 Other Occupiers of Land

- (a) The rights granted under this Permit are subject to other rights of use and occupation granted by the Crown, described in subparagraph (b), and the Permittee must not interfere with exercise of those rights.
- (b) The rights of use and occupation referred to in subparagraph (a) are as follows:
 - (i) Terminal Forest Products Ltd. A19215.

1.02 Amendments

The Crown reserves the right to revise the conditions of this Permit at the end of each five (5) year period during the life of the Permit in accordance with existing conditions and development.

2.00 ROADS

2.01 Obtaining other required permits

In building, modifying, maintaining and using the road under this Special Use Permit, the Permittee shall:

- (a) obtain the necessary permits or authorization for the crossing of alienated lands including but not limited to powerlines, pipelines, railroads, public roads, mineral claims, A.L.R.'s;
- (b) obtain the necessary permits or authorization from other resource agencies.

2.02 Obstructing/Damaging other Roads/Trails

The Permittee shall not obstruct or damage this or any other road or recreation trail as a result of operations carried on under this Permit.

2.03 Gates

The Permittee shall ensure that any gate shall not be, or become, a hazard to the users of the road. Subject to the approval of the District Manager, the gate shall be placed in a conspicuous location, adequately marked with permanent reflective material to be clearly visible to the operator of a motor vehicle from a safe stopping distance. Warning signs shall be located to give vehicle operators adequate warning of the obstruction.

2.04 Bridges

For the purposes of this Special Use Permit, all bridges located on the permit area shall vest in the Crown upon termination or cancellation of this permit, unless identified in a Schedule of this Permit to be removed.

2.05 Radio Frequency

Where the Permittee desires industrial users of the road to announce their position and direction of travel by means of radio, the Permittee shall post the radio frequency at the start of the road, together with kilometer markers along the road to enable all industrial users of the road to use the posted radio frequency in the appropriate manner.

2.06 Permit Area

For road building, the "Permit Area" means that area of land on which the permit holder is entitled to operate and which is highlighted on the attached Exhibit A map. The area within the Permit Area to be cleared of timber, if such is necessary to build the road, shall conform with the requirements of *Forest Road Regulation* Section 8(b).

Ministry of Forest & Range



Exhibit 'A'

Date: June 7, 2006

Forest Region: RCO

Land District: LILLOOET

Drawn by: RB

Forest District: Squamish

Shown As: _____

Revised by Date:

U.T.M. Zone NAD
10 83

Location: Salal Creek/Lillooet River

Inventory Region:
27

Compartment Number:
33

Compartment Letter:

Management Unit

Type: U
Number:

Timber Supply Area:
Soo 31

Pulpwood
Agreement:

Cascades

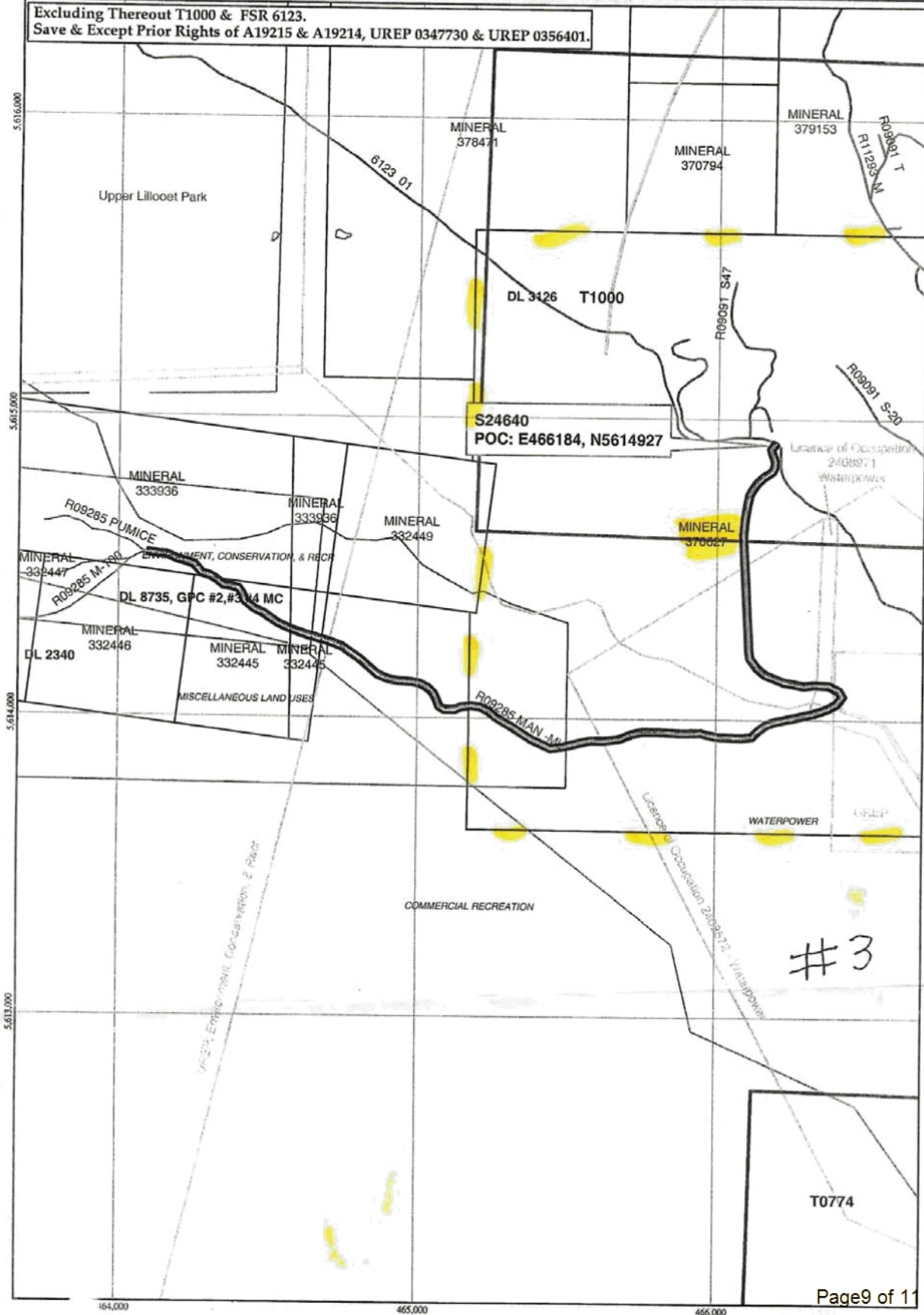
East:

West: X

BCGS Map-sheet: 092J063
Scale: 1:15,000
Area: 7.4 ha



Excluding Thereout T1000 & FSR 6123.
Save & Except Prior Rights of A19215 & A19214, UREP 0347730 & UREP 0356401.





File: 19570-25-S24640

March 25, 2013

VIA EMAIL

Sarjit Sandy Biln
Great Pacific Pumice Inc.
P.O. Box 508
Squamish, British Columbia
V8B 0A4

Dear Sandy Biln:

We acknowledge receipt of your application for extension of Special Use Permit No. S24640.

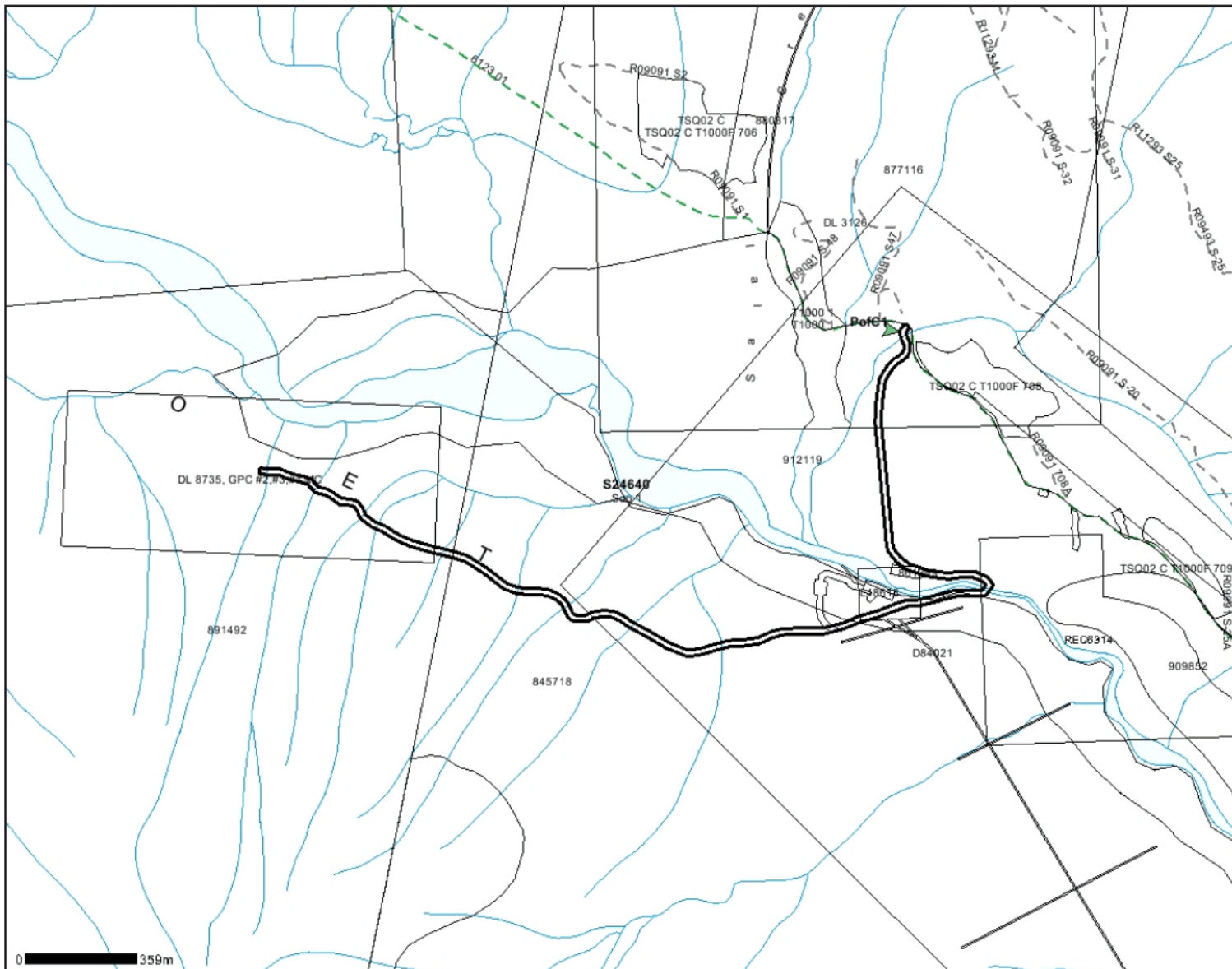
Special Use Permit No. S24640 in the vicinity of Upper Lillooet River covering the approximately 3.6 km length and prism of the existing pumice mine access road and the section to realign the switchback south of the Upper Lillooet River Crossing as shown on the attached Exhibit A is hereby extended for a period of ten (10) years subject to the terms and conditions as set out in the original permit. The new expiry date is June 8, 2020. This forms an integral part of the original permit and should be attached thereto.


























Yours truly,

As per Dave Southam, RPF
District Manager

MAP OF : S24640 (shown in bold black)			
FOREST REGION : RCO FOREST DISTRICT : DSQ	TSA : 31 LAND DISTRICT : LILLOOET DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 31
ESF SUBMISSION ID : 1201747 BCGS MAPSHEET NO : 92J.063	SCALE : 1:20000 at A Size Area (Ha): 7.359	UTM : 10 NAD : NAD 83	DRAWN BY : FTA DATE : Mar 15, 2013



Legend	
	Tenure Application
	Tenure Road Application
	Retired Tenure Road
	P of C
	P of T
	Tenure Feature
	Range
	TFL
	Provincial Forest
	Forest Service Road
	Highway
	Municipal Road
	Non Status Road
	Recreation Trails
	Road Permit
	SUP Road
	Right of Way
	Schedule B CP Road
	Mineral Tenure Points
	Cities
	Waterbodies
	River/Stream
	Coastline / Island
S24640 (7.359 Ha) PoFC1 UTM10 466166, 5614904	