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CONTACT: Robert L. Timber, Field Office Supervisor, 286-9378  
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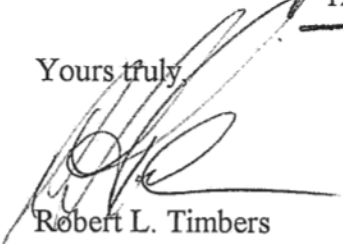
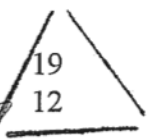
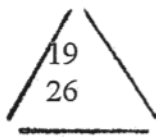
November 2, 1994

Pacific Forest Products Limited  
Suite 1000 - 1040 West Georgia Street  
Vancouver, British Columbia  
V6E 4K4

Dear Sir:

Enclosed is Road Permit R06868, issued to cover a logging road right-of-way, located in the vicinity of Zeballos, Nootka Land District.

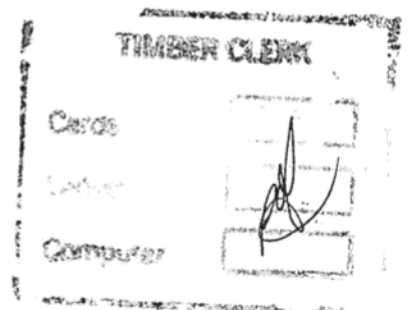
The timber must be marked to the nearest cutting permit of Tree Farm Licence 19 as shown:


Yours truly,   OR 

Robert L. Timbers  
Field Operations Supervisor

Enclosure

- cc: Pacific Forest Products Limited, Zeballos  
- Copy of document attached.
- bcc: Area Assessor, Assessment District #6, Courtenay  
- Copy of Declaration of Non-Deemed Ownership attached.
- Forest Land Use and Timber Marks Section  
Timber Harvesting Branch  
- Signed duplicate of document attached.



FTAS Initials  date 941102



**ROAD PERMIT (BUILD, MODIFY AND USE)**

No. R06868

September 15, 1994

PACIFIC FOREST PRODUCTS LIMITED  
SUITE 1000 - 1040 WEST GEORGIA STREET  
VANCOUVER, BRITISH COLUMBIA  
V6E 4K4

**1.00 GRANT OF RIGHTS, RIGHT-OF-WAY, TERM AND DEEMED OWNERSHIP**

- 1.01 Subject to the *Forest Act* and Regulations and this Permit, the Regional Manager or the District Manager grants to the Permittee:
- (a) the right, during the term of this Permit, to harvest and utilize the timber from the right-of-way and to clear the right-of-way and build, modify and use the road according to this Permit and plans and specifications approved under it; or
  - (b) the right, during the term of this Permit, to harvest and utilize the timber as set out in the attached Schedule from the Zeballos Forest Service Right-of-Way, Project No. 8460.
- 1.02 The Permit Area is the right-of-way shown outlined in bold blue line on the map(s) dated August 11, 1994 attached to this Permit and any other right-of-way authorized in writing by the District Manager, except right-of-way that is excluded in notations made on the map(s).
- 1.03 The term of this Permit shall begin on September 15, 1994, and unless it is extended in writing by the Regional Manager or the District Manager, shall terminate on September 14, 1999.
- 1.04 The Permittee shall, for the Term, be the deemed owner of the road, unless provided otherwise in the attached Schedule.
- 1.05 During the term of this Permit, the District Manager may authorize in writing the addition or deletion of right-of-way to or from the Permit Area described in paragraph 1.02.
- 1.06 Without limiting the generality of paragraph 1.05, the Permit Area shall be deemed to be amended to exclude the right-of-way included in a cut block approved under a cutting permit where
- (a) the Permittee completes road construction on that portion of the Permit Area; and
  - (b) the land adjacent to the constructed road
    - (i) is subject to; or
    - (ii) during the Term of this Permit becomes subject to

a pre-harvest silviculture prescription submitted by the Permittee and approved by the District Manager pursuant to the *Forest Act*.

2.00 **PLANS, SPECIFICATIONS, FIELD PRACTICES AND WATER RESOURCES**

- 2.01 This Road Permit is issued under the provisions of the *Forest Act* and does not constitute approval under any other Federal or Provincial legislation or regulation. It is the sole responsibility of the Permittee to ensure that the Permittee obtains all necessary permits and authorizations and that the activities of the Permittee under this Permit are at all times in compliance with Federal or Provincial legislation or regulations.
- 2.02 In building, modifying, maintaining and using the road under this Permit, the Permittee shall:
- (a) comply with the plans and specifications set out in this Permit and in the Schedule attached to this Permit, and where applicable, with the Management and Working Plans;
  - (b) obtain the necessary permits or authorization for the crossing of alienated lands such as powerlines, pipelines, railroads, public roads, mineral claims, A.L.R.'s, etc.;
  - (c) obtain the necessary permits or authorization from the Ministry of Environment, Water Management Branch and Fish & Wildlife Branch.
- 2.03 In clearing and grubbing the right-of-way, the Permittee shall:
- (a) cut down all trees and brush; within three (3) metres of the tops of cuts and within three (3) metres of the toes of fills, and ten (10) metres either side of the road centre line;
  - (b) confine all clearing and grubbing work to the right-of-way unless otherwise authorized in writing by a Forest Officer;
  - (c) fell all trees onto the right-of-way prior to road construction, fell all trees that are pushed or knocked over or otherwise caused to lean over during the clearing operations, and buck all felled trees into lengths suitable for manufacture into logs or special forest products, deck them within the edge of the right-of-way and remove and utilize them as soon as road conditions permit, or as directed by the Forest Officer;
  - (d) dispose of slash and debris concurrently or in phase with building or modifying the road, unless a Forest Officer determines otherwise,
    - (i) by either burying, as approved by the Forest Officer, or piling and burning on the right-of-way no closer than five (5) metres from the cleared margin,
    - (ii) according to the Schedule attached to this Permit;
  - (e) yard onto the right-of-way and buck according to subparagraph (c), all trees that are felled in a manner as to lie outside the right-of-way, or any trees that are inadvertently felled or pushed into standing timber adjacent to the right-of-way, including dead standing or leaning trees located outside the right-of-way but with the potential to fall on the right-of-way, and carry out yarding in a manner that prevents damage to standing trees outside the right-of-way.
- 2.04 In respect of operations carried on under this Permit, the Permittee shall not allow:
- (a) a lake, stream or spring that supplies water for any purpose to be rendered unfit for that purpose; or
  - (b) trees, logs, logging debris or any polluting substance to be deposited below the natural boundary of a lake, stream, spring or tidal water; or

- (c) logs to be skidded or equipment to be operated below the natural boundary of a lake, stream or tidal water; or
- (d) any obstruction, gravel or fill to be placed below the natural boundary of a lake, stream or tidal water; or
- (e) a landing to be located within 40 metres of a lakeshore or stream bank, or in an area that is not designated for harvesting in this Permit.

2.05 In respect of operations carried on under this Permit, the Permittee shall:

- (a) remove logging and road-building debris deposited in and on banks of lakes and streams;
- (b) fall and yard timber away from the natural boundary of lakes, streams, tidal water and their banks;
- (c) protect natural growth below the natural boundary of lakes, streams or tidal water from damage from logging and burning;
- (d) build a bridge or install a culvert at every stream crossing, designed to accommodate the maximum flow of the stream and to permit unobstructed fish passage;
- (e) schedule the building of stream crossings in accordance with the plans and specifications set out in the Schedule attached to this Permit, and to satisfy the timing constraints of other resource agencies;
- (f) comply with all applicable legislation relating to the environment and environmental protection, including but not limited to the *Fisheries Act* (Canada) and the *Waste Management Act*.

2.06 The Permittee shall not be in breach of his obligations under paragraphs 2.04 or 2.05 if he causes or permits anything listed in paragraph 2.04 to be done or undertakes the harvesting of Crown timber and related activities in contravention of subparagraphs 2.05(b) or (c), if such action is authorized by the Department of Fisheries and Oceans or the Ministry of Environment, as applicable, or by a Forest Officer.

2.07 Where an event occurs or is likely to occur which may cause an adverse environmental impact, the Permittee shall notify the Regional Manager, District Manager and appropriate resource agencies and undertake corrective or rehabilitative measures as required.

2.08 In building, modifying, maintaining and using the road, the Permittee shall comply with the construction specifications in the attached Schedule, and:

- (a) build the subgrade to a width to be at least five (5) metres, shoulder-to-shoulder;
- (b) build turn-outs at intervals permitting safe passage of vehicles;
- (c) install and maintain culverts of adequate size, type and length, according to accepted culvert and drainage practice, at intervals sufficient to prevent damage to the road and the adjacent lands, or take other measures that provide adequate drainage to prevent erosion;
- (d) build water bars or open culverts and other road deactivation practices described in the attached Schedule:
  - (i) on or before the expiry of the term of this Permit, and
  - (ii) on annual termination of logging operations to which the road provides access, and
  - (iii) at such other times as deemed necessary by a Forest Officer;
- (e) build the road in a manner to cause the least damage to the environment, to the satisfaction of the Regional Manager or District Manager;





5.00 **UTILIZATION STANDARDS AND FOREST PRACTICES**

- 5.01 The Permittee will harvest Crown timber under this Permit according to the utilization standards and cutting specifications set out in the Schedule attached to this Permit.
- 5.02 In conducting timber harvesting and related operations under this Permit, the Permittee will cause all branches of the harvesting operation and road construction to be kept in phase in accordance with the approved plans and specifications set out in this Permit and in the Schedule attached to this Permit.
- 5.03 The Permittee shall not obstruct or damage a road or trail as a result of timber harvesting or related operations carried on under this Permit.

6.00 **WASTE AND DAMAGE ASSESSMENTS**

- 6.01 All timber required to be utilized as set out in the Schedule, and all timber not required to be utilized by this Permit but included in the allowable annual cut of the Licence the Permit provides access for, shall be measured by the Permittee as required by the Regional Manager or District Manager in accordance with the Residue and Waste Management Procedures for British Columbia.
- 6.02 If trees to be cut under this Permit are not cut, or if timber that is required to be utilized as set out in the Schedule is wasted, or if timber that is required to be removed is not removed, the Licensee will pay to the Crown as liquidated damages a waste assessment equal to the total of the volume of waste estimated under paragraph 6.01 or 6.03, multiplied by the average stumpage rate for the preceding 12-month period for the timber mark, plus the reasonable costs incurred by the Crown in preparing the estimate.
- 6.03 Notwithstanding paragraph 6.01, the Regional or District Manager may deliver to the Permittee an estimate of each species of Crown timber referred to in paragraph 6.02, or require the Permittee to estimate the volume of each species of timber referred to in paragraph 6.02.
- 6.04 Damages to timber shall be assessed according to the *Forest Act*.

7.00 **CROWN RIGHTS AND INDUSTRIAL OR TIMBER USE OF THE ROAD**

- 7.01 There is reserved to the Crown:
- (a) the right to grant rights-of-way across, through or over the right-of-way to other parties, on such terms and conditions as the Regional Manager or the District Manager determines; and
  - (b) the right of employees and agents of the Crown to use and to cross the road and the right-of-way;
- but the exercise of the Crown's rights under this paragraph shall not impede or obstruct the Permittee's reasonable use of the road.
- 7.02 The deemed owner of the road may require payments for road maintenance and/or capital expenditures from other industrial users, according to Section 97 of the *Forest Act*.
- 7.03 The Regional Manager or the District Manager shall make a determination of fair and reasonable charges for the use of the road, should a dispute arise.

8.00 **LIABILITY AND INDEMNITY**

8.01 The Permittee will indemnify the Crown against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Crown as a result, directly or indirectly, of wrongful acts or omissions of the following persons on land subject to the Road Permit or land on which the Permittee is conducting activities required by this Permit:

- (a) the Permittee;
- (b) an employee of the Permittee;
- (c) a person who performs work directly or indirectly under contract with the Permittee; or
- (d) any other person who carries on timber harvesting, road construction or related operations with the consent of the Permittee, except:
  - (i) a servant or agent of the Crown, and
  - (ii) any person who uses or occupies the land under rights granted by the Crown.

9.00 **TERMINATION OF PERMIT AND TITLE TO PROPERTY**

9.01 If this Permit terminates, expires or is cancelled under the *Forest Act*, or is designated or determined as a Forest Service Road:

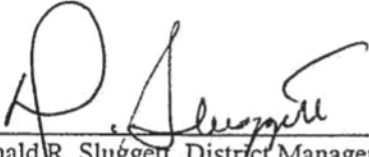
- (a) title to all improvements, including roads and bridges then fixed on Crown land under this Permit, shall vest in the Crown without compensation to the Permittee; and
- (b) property in timber and in special forest products as defined in the *Forest Act*, then on Crown land, shall pass to the Crown without compensation to the Permittee.

10.00 **MISCELLANEOUS**

- 10.01 This Permit shall enure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 10.02 The Permittee shall perform the covenants and will observe the conditions set out in the Schedule attached to this Permit, and where the Schedule conflicts with this Permit, the Schedule shall prevail.
- 10.03 By accepting delivery of this Permit, and by exercising its rights under this Permit, the Permittee agrees to be bound by its provisions and to perform all obligations that are to be performed by the Permittee under this Permit.
- 10.04 The Permittee shall ensure that any gate erected in accordance with Section 96 of the *Forest Act* shall not be 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 the Forest Officer's satisfaction to give operators adequate warning of the obstruction.

- 10.05 Where required by the Regional Manager or the District Manager, the Permittee will submit a logging completion report to the District Manager within 60 days of completion of road construction.

Permit issued by:

  
Donald R. Sluggett, District Manager

Campbell River Forest District

Date: 94-11-01

## Re 1.04 Deemed Ownership:

- (a) As this road permit either covers a Forest Service right-of-way or a declaration of non-ownership has been submitted, the permittee is not a deemed owner of the road.

## Re 2.02 Specifications:

- (a) Unless otherwise authorized in writing by the District Manager, the road(s) shall be constructed within the road corridor indicated on the attached map dated August 11, 1994.
- (b) During the term of operations under this permit, the permittee shall maintain all main all-weather roads constructed in connection with this permit in a condition satisfactory to the grantor for use by normal vehicular traffic during such time as the District Manager shall specify.
- (c) Road construction and maintenance shall be in accordance with the *Forest Road & Logging Trail Engineering Practices* (Interim) contained in the approved Management Plan for Tree Farm Licence No. 19.

In the event the permittee fails to carry out required measures the Regional Manager may assess the permittee the estimated costs to carry out such measures, and the permittee shall forthwith pay the account.

- (d) Upon final cessation of operations or on annual termination of logging operations or at any other time as instructed by the forest officer, the permittee shall clean out ditches and culverts, remove berms to ensure water is not accumulated on the road surface and construct the number of water-bars or open culverts to the specifications and locations to the satisfaction of the forest officer, or take other measures deemed necessary by the said forest officer.

In the event the permittee fails to carry out the above measures, the Regional Manager may assess the permittee the estimated costs to carry out such measures, and the permittee shall forthwith pay the account.

- (e) Deactivation of roads, skid trails and back spar roads shall be carried out in accordance with the *Forest Road & Logging Trail Engineering Practices* (Interim) contained in the approved Management Plan for Tree Farm Licence No. 19.
- (f) Upon final cessation of operations or at any other time as instructed by the forest officer in charge, the permittee shall seed all disturbed road rights-of-way and/or landings with a suitable mix of grasses and legumes species all to the satisfaction of the said forest officer.

In the event the permittee fails to carry out the measures as directed, the Regional Manager may assess the permittee the estimated costs to carry out such measures, and the permittee shall forthwith pay the account.

- (g) In the event the permittee wishes to use the Zeballos Forest Service Road, Project No. 942-8460 he shall first obtain a permit governing the conditions of use from the District Manager. Use of this road otherwise is prohibited, and any unauthorized use by the permittee, his servants, agents, or workmen may render this document subject to cancellation.
- (h) The permittee shall not place any gate or other obstruction(s) on or over any road constructed and/or maintained under this permit unless otherwise approved in writing by the grantor.
- (i) The Crown reserves the right to revise the conditions of this road permit during the life of the permit in accordance with existing conditions and development from time to time.

## Re 2.03(d)(ii) Field Practices:

- A. Any tree which is pushed or knocked over or otherwise caused to lean over during logging operations or road construction shall be felled by the permittee. The tree shall be bucked into usable lengths, and such lengths utilized. The remaining bole shall be bucked into lengths so that each section lies close to the ground. All branches shall be lopped and scattered in such a manner as to lie close to the ground and be clear of all reserved trees, immature trees and seedlings.
- B. In right-of-way clearing, all trees shall be felled onto the right-of-way prior to construction. Trees shall be bucked into usable lengths and such lengths utilized. Slash and debris resulting from right-of-way clearing shall be disposed of by the permittee. Disposal shall be concurrent with right-of-way clearing; any burning of piles shall be carried out pursuant to Part 10 of the *Forest Act*.
- C. Disposal of slash and snags shall be as provided in Part 10 of the *Forest Act*.
- D. All landing and/or roadside debris accumulations are to be prepared to the satisfaction of the forest officer concurrent with logging operations for disposal by burning at a later date or as directed by the forest officer.

## Re 5.01 Utilization Standards:

(a) Obligatory

- (i) Stumps will be cut low enough to minimize waste, and in no case higher than thirty (30) centimetres on the side adjacent to the highest ground except when necessary in the judgement of the forest officer.
- (ii) In order to minimize waste, all mature coniferous trees containing X grade logs or better will be utilized to a small top diameter fifteen (15) centimetres inside bark and all second growth trees will be utilized to a small top diameter ten (10) centimetres inside bark.
- (iii) All coniferous trees and parts of these trees three (3) metres and over in length which contain X grade logs or better shall be removed.
- (iv) Logs and/or parts of logs less than three (3) metres in length and broken at both ends are classed as breakage.
- (v) Logs shall not be bucked or trimmed in such a manner as to reduce grade.

Optional

- (vi) All coniferous trees and parts of these trees which contain only Y grade logs may be removed and utilized at the permittee's option. If the Y grade material is not utilized, the District Manager may require it to be yarded to the landing or roadside.

## Re 5.02 Cutting Specifications:

(a) Obligatory

All living and dead trees or down trees that meet the utilization requirements of this cutting authority must be cut.

## Re 5.02 Cutting Specifications, Continued:

(b) Obligatory

Trees or portions of trees that have been cut and not suited to the manufacture of poles shall be made into other manufactured products.

(c) Optional

Shake blocks, shake blanks, fence posts, and fence rails may be cut at the permittee's option but only from dead and down trees and residue from normal logging operations or other areas approved for cutting.

- (d) Pursuant to the exemption provided for under Section 73(3) of the *Forest Act*, cants may be cut at the permittee's option but only from dead and down trees and residue from normal logging operations or other areas approved for cutting. All material removed in the form of cants, with the exception of cedar and cypress, will be scaled as sawlogs and an account will be issued at the appropriate sawlog stumpage or royalty rate.

## Re 10.02 Other Clauses:

## (a) The permittee shall:

- (i) upon completion of harvesting operations or termination of the permit, whichever is sooner, remove from the permit area

- A. all logging equipment, fuel tanks or chattels, and
- B. any materials brought onto the permit area by or on behalf of the permittee,

- (ii) concurrently with harvesting operations, remove all refuse resulting from occupation of the permit area, and

- (iii) leave the permit area in an orderly and sanitary condition.

- (b) The permittee shall not burn slash closer to the streambanks, lakeshores or marine foreshores than the distance specified by the forest officer.
- (c) Heritage sites are located on the lands described in this permit and are subject to the provisions of the *Heritage Conservation Act*. The permittee, his servants, agents, or workmen causing damage to these sites shall be guilty of an offence under the *Heritage Conservation Act* and shall be liable to the penalties provided therein. In addition such violation may render this permit liable to suspension and cancellation.
- (d) The grantor will not be responsible for the establishment of the boundaries of any permits or licences issued under the *Water Act*. The permittee covenants to indemnify and save harmless the grantor from and against all claims for loss or damage arising out of any act or omission done or caused by the permittee, his servants or workmen in carrying out the terms of this permit. It is incumbent on the permittee to determine the existence of any permits or licences issued under the *Water Act* by contacting the office of the local Water Management Branch of the Ministry of Environment, Lands and Parks.
- (e) The permittee shall take such measures as directed by the District Manager, following preparation of the slopes of the edge of the pit or rock quarry, to prevent erosion and to rehabilitate the site.

In the event the permittee fails to carry out the above measures the Regional Manager may assess the permittee the estimated costs to carry out such measures, and the permittee shall forthwith pay the account.



## Re 10.02 Other Clauses, Continued:

- (f) Raptor nests may be located on the lands described in this permit and are subject to the provisions of the *Wildlife Act*. The permittee, his servants, agents or workmen who possesses or takes, injures, molests or destroys a bird or the nest or egg of the bird, except as provided by regulation, commits an offence under the *Wildlife Act* and shall be liable to the penalties provided therein. In addition such violation may render this permit subject to suspension and cancellation.
- (g) Culturally modified trees with the following features canoe test holes, planked stripped trees, bark stripped trees or canoe blanks lying on the ground may be located within the proposed harvest area. All locations of culturally modified trees shall be noted on the permittee's Logging Plan Map, showing all sites discovered during the course of road construction or logging operations.

Operations at these locations must be conducted as follows:

- (i) All trees containing test holes shall be felled above the test hole.
- (ii) The permittee shall fall and yard away from canoe blanks and stumps of trees felled for canoe making purposes.
- (h) The permittee shall indemnify the Crown against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Crown as a result, directly or indirectly, of acts on or adjacent to the harvest area by a third party interfering, disrupting or stopping harvest activities by road blocks or other means.
- (i) There shall be no interference with free public access through or on the permit area, excepting those portions which are occupied by buildings or structures.
- (j) On completion of the use of any gravel pit or at any time prior thereto whenever required by the forest officer, the sides of the gravel pit shall be cut down so that the slopes of the edge of the pit will not exceed the angle of forty-five (45) degrees and at any time whenever required by a forest officer drainage ditches shall be constructed or other suitable drainage measures taken to prevent the accumulation of water.
- (k) On completion of the use of any rock quarry or at any time prior thereto whenever required by the forest officer, the sides of the rock quarry shall be cut down so that the slopes of the edge of the quarry are not greater than one (1) to four (4) and at any time whenever required by a forest officer drainage ditches shall be constructed or other suitable drainage measures taken to prevent the accumulation of water.
- (l) This permit is subject to the provisions of the *Waste Management Act*, and the *Litter Act*, and any regulations issued thereunder.
- (m) The permittee shall construct a berm and/or trench around all fuel storage tanks to prevent run-off in the event of fuel spillage in accordance with the B.C. Fire Code.

In the event the permittee fails to carry out the above measures, the Regional Manager may assess the permittee the estimated costs to carry out such measures, and the permittee shall forthwith pay the account.

- (n) The permittee shall use and maintain the permit area in a manner to cause the least damage to the environment all to the satisfaction of the District Manager.



## Re 10.02 Other Clauses, Continued:

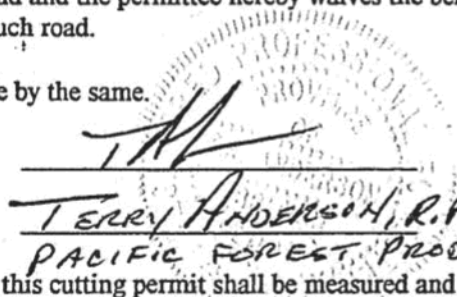
- (o) The grantor will not be responsible for the establishment of the boundaries of any permits or licences issued under the *Water Act*. The permittee covenants to indemnify and save harmless the grantor from and against all claims for loss or damage arising out of any act or omission done or caused by the permittee, his servants or workmen in carrying out the terms of this permit. It is incumbent on the permittee to determine the existence of any permits or licences issued under the *Water Act* by contacting the office of the local Water Management Branch of the Ministry of Environment, Lands and Parks.
- (p) In the event that the permittee causes or permits the discharge into the land or water of a substance that is, or may be, injurious to health, the permittee shall promptly notify the Medical Health Officer of the location, time, duration, nature and quantity of the discharge of the substance and shall take immediate action to prevent and cease the discharge.
- (q) Upon cancellation or expiry of this permit, ownership or title to
- (i) all improvements, including roads and bridges,
  - (ii) chattels, and
  - (iii) property in log or special forest product form
- left on the permit area, shall pass to the Crown without compensation to the permittee and the Regional Manager or District Manager may dispose of all such improvements, chattels and property without further notice.
- (r) The permittee shall have no claim nor make any demands for compensation on account of any loss or damage which may occur due to fluctuation or changes in lake or other water levels, or to other conditions involving the uses permitted hereby.
- (s) The permittee shall before constructing any bridges across any navigable waters, obtain permission from the Department of Transport Canada, pursuant to the provisions of the *Navigable Waters Protection Act*.
- (t) The permittee in constructing and using this logging road right-of-way, shall do so in a manner not to impede or damage improvements held by the Crown on the right-of-way area, or on the boundary thereof.
- If, in occupying the area, the permittee or his agents, servants, or workmen, damage said improvements and fails to make satisfactory repairs at his own expense when requested to do so, this permit shall be suspended until such damage has been repaired.
- (u) This road permit is subject to Tree Farm Licence 19 issued to Pacific Forest Products Limited and the permittee shall not impede or interfere in any way with the permittee's operations.
- Forest fire protection shall be the responsibility of the permittee as the occupant of the lands described in the said permit.
- (v) This permit does not authorize the permittee to join the right-of-way to the Zeballos Forest Service Road, Project No. 942-8460. A permit must be obtained from the District Manager before such junction is made.
- (w) The permittee will cause vehicles and equipment used under this permit to meet the equipment standards set out in the Forest Fire Prevention Regulations made under the *Forest Act*.
- (x) The Regional Manager or District Manager may close the road without notice and, during the period of closure, this permit will be suspended.

## Re 10.02 Other Clauses, Continued:

- (y) The right-of-way shall not exceed 20 metres unless greater width is required due to terrain conditions and is approved by a Forest Officer.
- (z) It is understood and agreed that the road constructed on the above-mentioned right-of-way shall be open to use by the general public and shall be deemed to be a public road and the permittee hereby waives the benefits of the provisions of Section 95 of the *Forest Act* with respect to such road.

We herewith accept the above conditions and agree to abide by the same.

Date OCT. 20, 1994

  
TERRY ANDERSON, R.P.F.  
PACIFIC FOREST PRODUCTS LTD.

- (aa) All residue and waste created as a result of activities under this cutting permit shall be measured and reported by the permittee in accordance with the Residue and Waste Measurement Procedures for British Columbia.
- (bb) The Permittee or his agent is considered to be the Prime Contractor for the purposes of the Workers' Compensation Board.



July 15, 2011

MFR File: L48864; ATS Project: 10100-40/62323

School District No. 84  
PO Box 100  
Gold River BC V0P 1G0

**ATTENTION:** Peter Skilton

Dear Peter Skilton:

Re: Application for Licence to Cut

I have enclosed your copy of fully executed Licence to Cut L48864 covering an area within the Campbell River Forest District.

Pursuant to Section 94(1) of the *Forest Act* all marks must be designated to a scale site. Please ensure a *Transportation of Unscaled Timber Report* is completed and returned to our scaling department.

If under the authority granted in this Licence you are planning to fall or harvest trees within 50 metres of a British Columbia Hydro and Power Authority (BC Hydro) overhead line you are to notify BC Hydro at 1-800-BCHydro and ask for the vegetation coordinator for your area.

If you have any questions regarding this licence please contact Diane Elliott at (250) 751-7227.

Yours truly,

Digitally signed by Dawn Sparks  
Date: 2011.07.15 16:08:24 -07'00'

Dawn Sparks  
Client Services Assistant  
FrontCounter BC

Enclosures

---

**FrontCounter BC**

Mailing Address:  
Suite 142 - 2080 Labieux Road  
Nanaimo BC V9T 6J9

Phone: (250) 751-7220  
Fax: (250) 751-7224  
Toll Free: 1-877-855-3222  
Website: [www.frontcounterbc.gov.bc](http://www.frontcounterbc.gov.bc)



Occupant licence to Cut  
Cut and Remove Timber  
L48864



THIS licence, dated *June 17, 2011*

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH COLUMBIA,  
as represented by the **DISTRICT** MANAGER,  
**Ministry of Forests, Lands and Natural Resource Operations**  
**2080 Labieux Road**  
**Nanaimo, British Columbia**  
**V9T 6J9**  
**Fax number: 250 751 7224**  
**Email address: myles.mana@gov.bc.ca**  
(the "Licensor")

AND:

**School District No. 84 (Vancouver Island West)**  
**PO Box 100**  
**Gold River BC V0P 1G0**  
**Fax number: 250 283 7352**  
**Email address: pskilton@viw.sd84.bc.ca**

(the "Licensee")

WHEREAS:

- A. The Licensee has the right of occupation as the lawful *occupier* of certain areas of land pursuant to *Land Act*; *File Number 1413479, under which School District No. 84 has occupancy.*
- B. The Licensee and Licensor are entering into this licence under Section 47.4 of the *Forest Act* to cut and remove the Crown timber from the Licence area.

"The Table of Contents and headings in this licence are included for convenience only and do not form a part of this licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this licence."

## TABLE OF CONTENT

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THE PARTIES agree as follows:

#### **1.00 GRANT OF RIGHTS AND TERM**

- 1.01 The term of this licence begins on *June 20, 2011*, and ends on the earlier of
- (a) the day upon which the Licensee's right of occupation expires or is surrendered, cancelled or otherwise terminated,
  - (b) June 20, 2012 or
  - (c) at the Licensee's request, the Licensor gives notice to the Licensee that all contractual and legislative obligations associated with the licence have been completed.
- 1.02 The Licensee is authorized to cut and remove 695 m3 +/- of Crown timber from the area shown on the attached Exhibit "A" maps ("Licence area") that is necessary to cut in order to facilitate the operations or the use of the Crown land within the Licence area as described in the right of occupation.
- 1.03 The Licensee's rights under this licence are of no force or effect when the right of occupation is suspended.
- 1.04 Subject to the licence, the Licensee may enter onto areas referred in Paragraph 1.01 for the purpose of exercising the rights under this licence.
- 1.05 This Licence does not grant the Licensee the exclusive right to harvest timber from the Licence area, and the Licensor reserves the right to grant rights to other persons to harvest timber from the Licence Area.

#### **2.00 TIMBER MARK**

- 2.01 The timber mark(s) for timber removed under this licence is/are:  
*L48864*
- 2.02 If directed to do so by the Licensor, the Licensee must erect signs at all exits from areas of land referred to in Paragraph 1.02, clearly showing the timber mark(s) referred to in Paragraph 2.01.

#### **3.00 TIMBER HARVEST LIMITATIONS**

- 3.01 The Licensee must comply with the forestry legislation and the conditions and requirements set out in Schedule "A" to this Licence.
- 3.02 In addition to timber specified in the forestry legislation as reserved, the Licensee must not cut, damage, or destroy timber if specified as reserved in schedule B.

#### **4.00 TIMBER VOLUME CHARGED TO THE LICENCE**

- 4.01 The timber of the following species and grades will be included in determining the volume that will be charged to the licence:
- (a) all species and grades.

## **5.00 WASTE ASSESSMENT**

- 5.01 The quantity and quality of merchantable Crown timber that could have been removed under this Licence but at the licensee's discretion was not removed, will be determined in accordance with the provisions of Provincial Logging Residue and Waste Measurements Procedures Manual, as amended or replaced from time to time ("current waste assessment manual").
- 5.02 The Regional Manager or District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of the volume of timber determined under Paragraph 5.01, a monetary assessment for all waste.
- 5.03 The amount of money that the licensee must pay under a waste assessment will be determined in accordance with the provisions of the current waste assessment manual.
- 5.04 For the purpose of conducting the assessment of the volume of timber that was not harvested as described in Paragraph 5.01:
  - (a) the Licensee must conduct an assessment in accordance with the current waste assessment manual after the Licensee has declared that primary logging has been completed for each cut block, or
  - (b) the Regional Manager or District Manager may conduct an assessment in accordance with the current waste assessment manual after the expiry of the term of the Licence.

## **6.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE**

- 6.01 Notwithstanding any other provision of this Licence, if a court of competent jurisdiction:
  - (a) determines that activities or operations under or associated with this Licence will unjustifiably infringe an aboriginal right and/or title, or treaty right;
  - (b) grants an injunction further to a determination referred to in Subparagraph 6.01 (a); or
  - (c) grants an injunction pending a determination of whether activities or operations under or associated with this Licence will unjustifiably infringe an aboriginal right and/or title, or treaty right,the Regional Manager or District Manager in a notice given to the Licensee, may vary or suspend, this Licence in whole or in part, so as to be consistent with the court determination.
- 6.02 Subject to this Licence and the forestry legislation, if:
  - (a) under Paragraph 6.01, the Regional Manager or District Manager has varied the Licence issued to the Licensee;

(b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that Paragraph; and

(c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under Paragraph 6.01.

6.03 Subject to this Licence and the forestry legislation, if:

(a) under Paragraph 6.01, the Regional Manager or District Manager has suspended the Licence;

(b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that Paragraph; and

(c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

## **7.00 FINANCIAL AND DEPOSITS**

7.01 In addition to any money payable in respect of this Licence under the forestry legislation, the Licensee must pay to the Government, immediately upon receipt of a notice, statement or invoice issued on behalf of the Government:

(a) stumpage under part 7 of the *Forest Act* at rates determined, re-determined and varied under section 105 of that Act in respect of timber removed under this Licence;

(b) any payment required as a result of a waste assessment under part 5.00 of this Licence.

7.02 The Licensee will provide the Crown with \$(specify amount \$ n/a) to be held on deposit (the "deposit") to be used in accordance with the Licence.

7.03 If the Licensee fails to perform an obligation under this Licence, the Regional Manager or District Manager, after at least two weeks notice, may take from the deposit an amount equal to the reasonable costs to perform the obligation and may perform the obligation on the Licensee's behalf.

7.04 If the Regional Manager or District Manager takes from the deposit under Paragraph 7.03, the Licensee must pay to the Government on demand an amount sufficient to replenish the deposit.

7.05 In accordance with the Advertising, Deposits, Disposition and Extensions Regulation, the deposit may be refunded to the Licensee.



## **8.00 LIABILITY & INDEMNITY**

- 8.01 Subject to Paragraph 8.02, the Licensee will indemnify the Government against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Government as a result, directly or indirectly, of any act or omission of:
- (a) the Licensee;
  - (b) an employee or agent of the Licensee;
  - (c) a contractor of the Licensee who engages in any activity or carries out any operation, including but not restricted to the Licensee's operations, under or associated with this Licence; or
  - (d) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation under or associated with this Licence.
- 8.02 For greater certainty, the Licensee has no obligation to indemnify the Government under Paragraph 8.01 in respect of any act or omission of:
- (a) an employee, agent or contractor of the Government, in the course of carrying out his or her duties as employee, agent or contractor of the Government; or
  - (b) a person, other than the Licensee, to whom the Government has granted the right to use or occupy Crown land, in the course of exercising those rights.
- 8.03 Amounts taken under Part 7.00 from the deposit and any payments required under Parts 5.00 or 7.00, and payments required further to the indemnity referred to in Paragraph 8.01 are in addition to and not in substitution for any other remedies available to the Government in respect of a default of the Licensee.
- 8.04 The Government is not liable to the Licensee for injuries, losses, expenses, or costs incurred or suffered by the Licensee as a result, directly or indirectly, of an act or omission of a person who is not a party to this Licence, including but not restricted to an act or omission of a person disrupting, stopping or otherwise interfering with the Licensee's operations under this Licence by road blocks or other means.

## **9.00 TERMINATION**

- 9.01 If this Licence expires or is cancelled or is otherwise terminated:
- (a) title to all improvements, including roads and bridges, fixed on Crown land in the licence area; and
  - (b) all timber, including logs and special forest products, located on the licence area, will vest in the Crown, without right of compensation to the Licensee.

- 9.02 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

## **10.00 WAIVER**

- 10.01 No waiver by the Crown of any default or non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

## **11.00 NOTICE**

- 11.01 A notice given under this Licence must be in writing.
- 11.02 A notice given under this Licence may be:
- (a) delivered by hand;
  - (b) sent by mail; or
  - (c) sent by facsimile transmission;
  - (d) electronic mail ("commonly referred as Email")
- to the address, facsimile or email number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.
- 11.03 If a notice is given under this Licence, it is deemed to have been given:
- (a) if it is given in accordance with Subparagraph 11.02 (a) on the date it is delivered by hand;
  - (b) if it is given in accordance with Subparagraph 11.02 (b), subject to Paragraph 11.04, 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 11.02 (c), subject to Paragraph 11.05, on the date it is sent by facsimile or email transmission.
- 11.04 If, between the time a notice is mailed in accordance with Subparagraph 11.02 (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.

- 11.05 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.
- 11.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes of this Licence, be considered to be the address of the party giving such notice.

## **12.00 MISCELLANEOUS**

- 12.01 This Licence will enure to the benefit of and be binding on the parties and their respective heirs, executors, successors and permitted assigns.
- 12.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.
- 12.03 Any non-statutory power conferred or duty imposed on the Regional Manager or District Manager under this Licence may be exercised or fulfilled by any person authorized to do so by the Regional Manager or District Manager.
- 12.04 Any Schedules, Exhibit "A" map(s) or attachments referenced in, or attached to this Licence are an integral part of this agreement as if set out in the body of this agreement, and the Licensee will comply with all the terms in the Schedules.
- 12.05 If there is a conflict between the *Workers Compensation Act* or a regulation under that Act, and a provision of this Licence, the *Workers Compensation Act*, or the regulations made under that Act, prevails, and the Licensee must immediately notify the District Manager of the conflict and follow any direction given by the District Manager with respect to the conflict, provided such direction is consistent with the *Workers Compensation Act* and the regulations under that Act.
- 12.06 Nothing in this Licence authorizes the Licensee to in any way restrict the Government's right of access to the Licence areas or a road permit or the right of any other authorized entrant, user or occupier of these areas.
- 12.07 This Licence is the entire agreement between the parties as to the matters set out in this Licence, and all previous promises, representations or agreements between the parties, whether oral or written, are deemed to have been replaced by this Licence.
- 12.08 Unless otherwise defined in this Licence, if a word or phrase used in this Licence is defined in the legislation described in Paragraph 13.02, the definition in the legislation applies to this Licence, and where the word or phrase in the legislation is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.

- 12.09 If any provision in this Licence is found to be invalid or unenforceable by a court of law, the remainder of this Licence is separately valid and enforceable to the fullest extent permitted by law.
- 12.10 The Licensee acknowledges that any information released to the Licensee by the Regional Manager, District Manager or the Government about the nature of the Licence area or the quality or quantity of timber, is not to be relied upon. Execution of this Licence by the Licensee is an absolute release by the Licensee of the Regional Manager or District Manager and the Crown from any claim that the Licensee may have in respect of the nature of the Licence area or the quality or quantity of timber.

### 13.00 INTERPRETATION & DEFINITIONS

- 13.01 This Licence 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 Subparagraph 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.

- 13.02 In this Licence, unless the context otherwise requires,

"forestry legislation" means the statutes and regulations, to which the Licence is subject including: the *Forest Act*, *Forest and Range Practices Act* and the *Wildfire Act*,

"Licence area" means the area allocated for the Licensee's operations pursuant to this licence and which for greater detail is outlined on the map found in Exhibit "A",

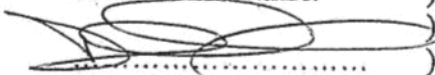
"right of occupation" means the rights described in Whereas Clause A that give the Licensee the right to occupy the land described in Schedule "A".


IN WITNESS WHEREOF the licence has been executed by the Licensor and the Licensee on the date set out below.

SIGNED by the Licensor  
on behalf of Her Majesty  
the Queen in Right of the  
Province of  
British Columbia in the  
presence of:

  
.....

Print Witness Name:

  
.....

  
.....

Myles Mana

Deputy District Manager

July 14/11  
Date

THE COMMON SEAL of  
the Licensee was affixed in  
the presence of:

c/s

.....  
Date

.....  
Print Witness Name:

Or

SIGNED by the Licensee  
in the presence of:

  
.....

Print Witness Name:

MAUREEN LARSEN

  
.....

Peter Skilton

School District 84

July 12th 2011  
Date

**SCHEDULE A  
OTHER CONDITIONS AND REQUIREMENTS**

- 1.01 Unless the Licensor specifies otherwise in writing, the Licensee must ensure that all reasonable steps are taken to:
- (a) advise the Licensor in writing and in a form acceptable to the Licensor, of the date that the Licensee's Activities will commence at least five days before commencement, and
  - (b) notify the Licensor in writing in a form acceptable to the Licensor, when all obligations under this licence are complete.
- 1.01 During each year of the term of this licence, the licensee, if requested by the licensor, must provide at the licensee's own expense, a joint field trip including transportation for up to two government staff to the licence area in order to review operations conducted under this licence.

**SCHEDULE B  
RESERVE TIMBER**

- 1.01 The Licensee must not fell standing timber, or must not buck or remove felled or dead and down timber, as the case may be, if:

n/a

# EXHIBIT "A"

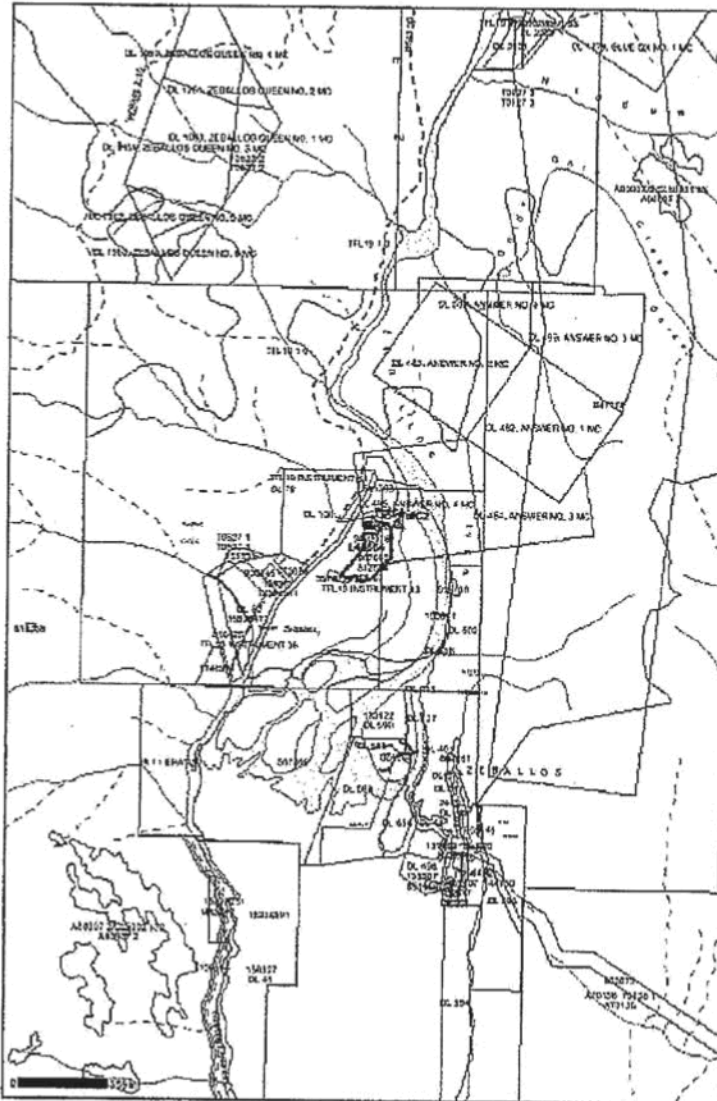


Ministry of Forests and Range

EXHIBIT A



MAP OF: L45864 (shown in bold black)			
FOREST REGION: FROO	TDA: 27	PULPWOOD AGREEMENT:	MST UNIT TYPE: TRADER
FOREST DISTRICT: DCR	LAND DISTRICT: NOOTKA DISTRICT		SUPPLY AREA
			MST UNIT NO: 27
RSP SUBMISSION ID: 817403	SCALE: 1:20000 at A Size	UTM: 8	DRAWN BY: FTA
8000 MAP SHEET NO: 1325096	Area (km <sup>2</sup> ): 2.534	KAD: NAD 83	DATE: Jun 8, 2013



Legend	
	Tenure Application
	Tenure Road Application
	Proposed Tenure Road
	P of C
	P of T
	Tenure Feature
	Range
	TFL
	Provincial Forest
	Forest Reserve Road
	Highway
	Municipal Road
	Non-Status Road
	Recreation Trails
	Road Permit
	SLP Road
	Right of Way
	Schedule B CP Road
	Mineral Tenure Points
	Cities
	Water Bodies
	Stream/Stream
	Coastline / Island



Regional Manager  
4595 Canada Way  
Burnaby, B.C.  
V5G 4L9

August 13th, 1984

File: T0627



Tahsis Company Ltd.  
1201 West Pender Street  
Vancouver, B.C.  
V6E 2V4

Dear Sir(s):

Re: Timber Licence T0627

Pursuant to the provisions of the Forest Act the area is reduced from 543 ha to 393 ha. This reduction in area is effective from January 1st, 1985, and is shown on the attached maps marked Blocks 1-5. The revised annual rent payable, at \$1.25/ha, is \$491.25.

This letter and the attached maps form an integral part of this document and should be attached to it.

Yours truly,

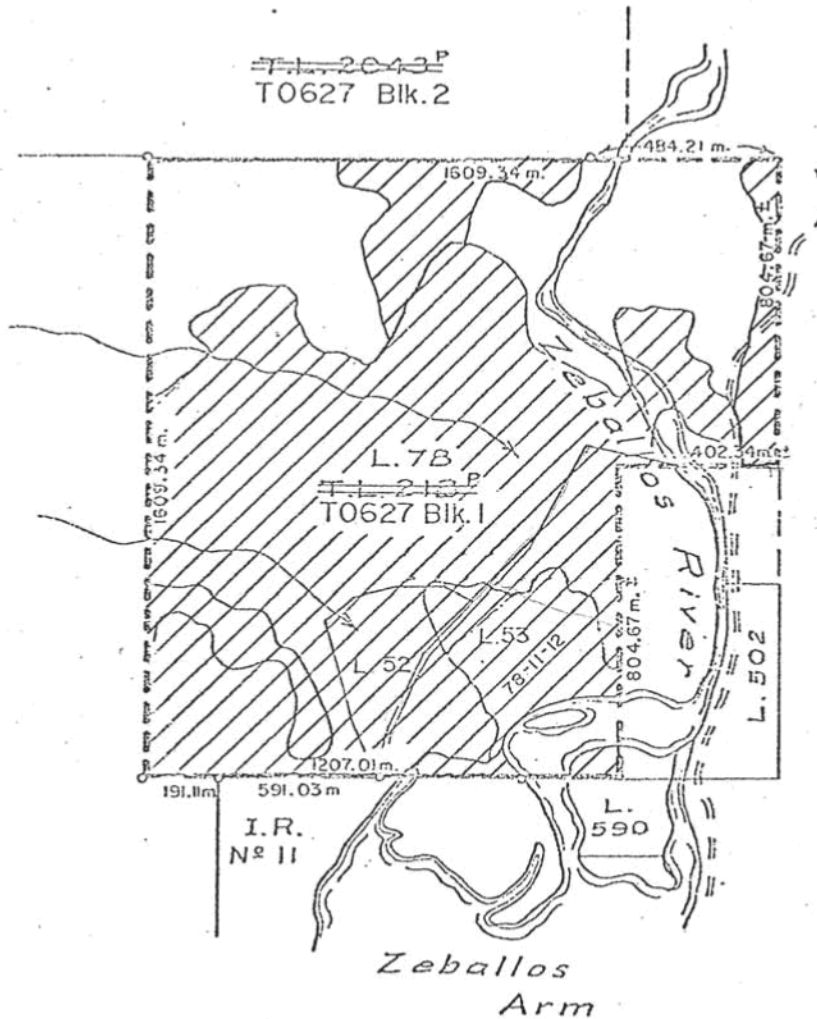
D.I. Grant, R.P.F.  
Regional Manager


Encl.

! /dkw

- !c.c. Victoria - Attn.: Timber Management
- !c.c. Campbell River District Office
- !c.c. B.C. Assessment Authority - Timberlands, 1537 Hillside Ave.,  
Victoria, B.C. V8T 4Y2 Attn: Mrs. M. Cotie
- !c.c. Taxation Branch, Real Property Taxation Branch, 1106 Cook St.,  
Victoria, B.C. V8V 3Z9
- !c.c. Ministry of Lands, Parks and Housing, Legal Surveys Division  
3400 Davidson Ave., Victoria, B.C. V8W 1X4
- !c.c. Ministry of Environment, c/o Map Sales, 553 Superior St.  
Victoria, B.C. V8V 1T7 Attn: R. Hughes
- !c.c. Ministry of Forests, Engineering Branch, 1061 Fort St.  
Victoria, B.C. V8V 3K5 Attn: P.H. Downs

L. 78 ~~71-2043P~~ T0627 Blk.1  
Nootka Dist. 1:15840



Gross area 225 Ha.  
Elimination±  163 Ha.  
Net Area± 62 Ha.

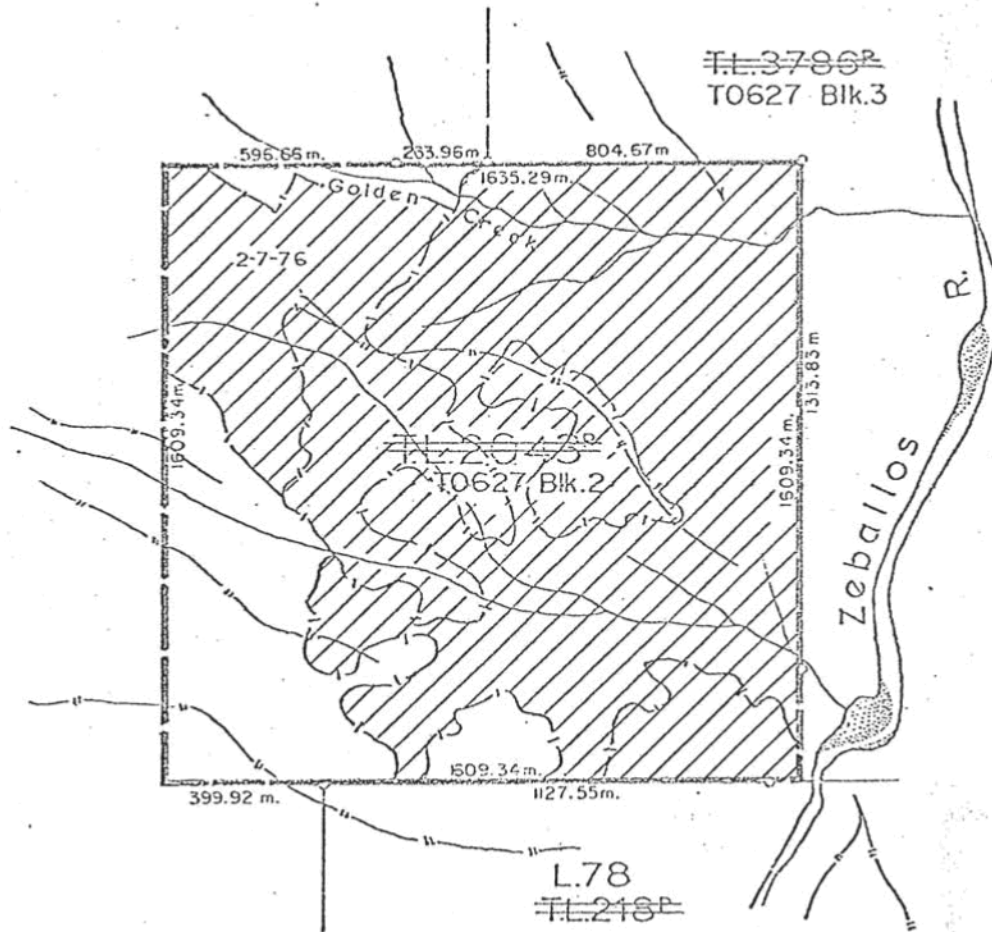
Amended 84-02-13 by CL.  
Renumbered May 6, 1981 F.S.  
Amended 79-01-30 KB  
Amended 26-10-71

of No.	Field photo	Person-hole	Date Surveyed	Reference Map 92E/NE(f-4) Plan 37 T1
				Sketch for Made by C.P.E.S.
				1:5 Drawing Room, Victoria, B.C. Nov. 25, 1966

BRITISH COLUMBIA  
FOREST SERVICE

File  
No.

~~TL 2043<sup>P</sup>~~ T0627 Blk. 2  
Rupert Land Dist. Scale: 1:15840



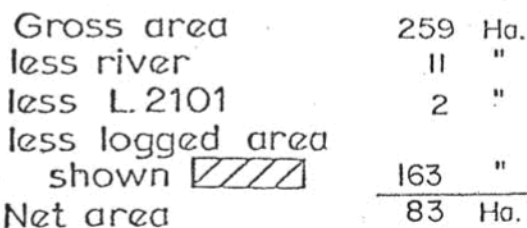
Gross area 259 Ha.  
Eliminations ± 210 Ha.  
Net Area ± 49 Ha.

Amended 84-02-13 by C.L.  
Renumbered May 7 1981 by F.S.  
Amended July 2 1976  
Amended Aug 10 1972 E.T.

Field Book	Piece Book	Date Surveyed	Reference Map
			92L (SE (a-2)) Plan 37 T.1 (Nootka)
			Sketch for
			Made by Tosh
			F.S. Drafting Room, Victoria, B.C.

RUPERT LAND DIST.

Scale: 1:15840



3 Ho. Amended 84-02-13 by C.L.  
Renumbered May 7 1980 by F.S.  
Amended Dec. 18 1987 by Tash

Lot No.	Field Book	Pace-hole	Date Surveyed

Reference Map. 92L/3E (A-2) Plan 24 T A  
Sketch for \_\_\_\_\_ Made by TASH

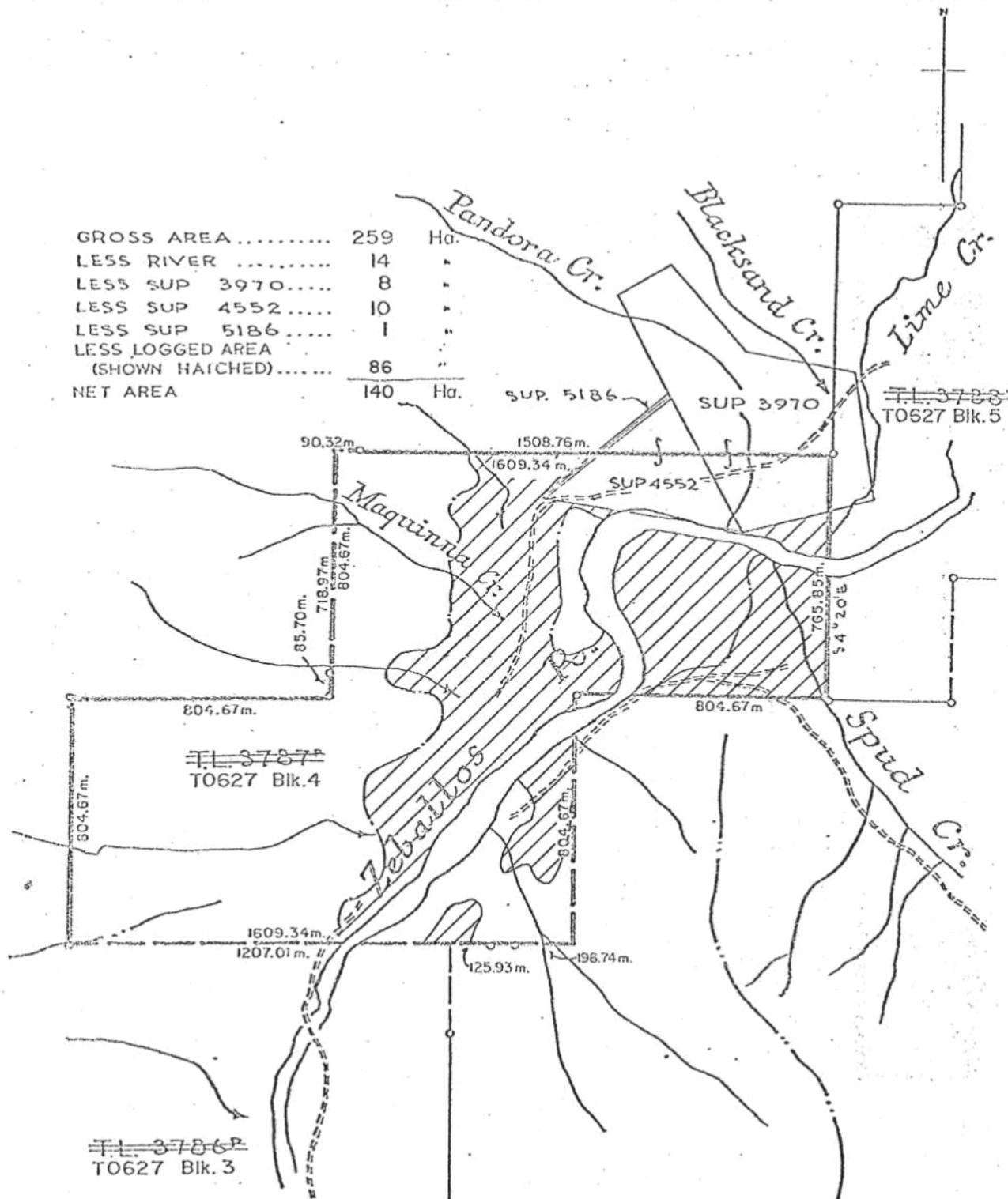
Page 32 of

## FOREST SERVICE

T.L. 3787-2 T0627 Blk.4

RUPERT LAND DIST. Scale: 1:5840

GROSS AREA ..... 259 Ha.  
 LESS RIVER ..... 14 "  
 LESS SUP 3970 ..... 8 "  
 LESS SUP 4552 ..... 10 "  
 LESS SUP 5186 ..... 1 "  
 LESS LOGGED AREA  
 (SHOWN HAICED) ..... 86 "  
 NET AREA ..... 140 Ha.

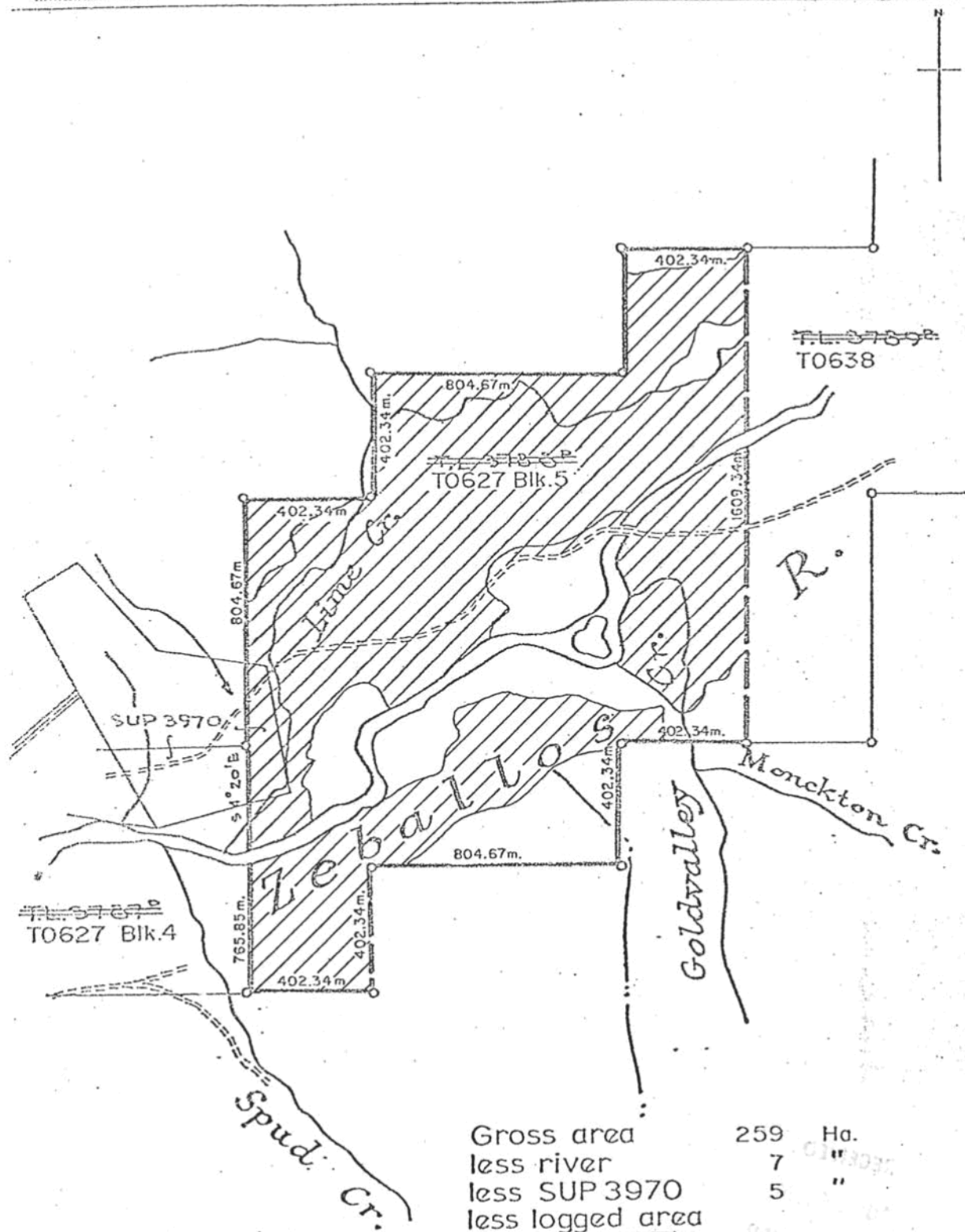



Amended 84-02-13 by CL.  
 Renumbered May 7 1981 by F.S.  
 Amended Dec. 15 1967 by Tash

Field No.	Field Book	Page No.	Date Surveyed	Reference Map	Plan
				92 L/SE (A-2)	24 T 4
				Sketch for	Made by TASH

RUPERT LAND DIST.

Scale: 1:15840



Gross area	259	Ha.
less river	7	"
less SUP 3970	5	"
less logged area shown 	188 ±	"
Net area	59	Ha.

Amended 84-02-13 by CL.  
Renumbered May 7, 1991 by F.S.

Lot No.	Field Book	Section	Estate Surveyed	Reference Map <u>92 L/S (A.2)</u> Plan <u>24 T 4</u>
				Sketch for _____ Made by <u>TASH</u>

Page 34 of 98



TIMBER LICENCE NO. T 0627

Tree-farm Licence No. 19

THIS LICENCE, made January 1, 19 82

BETWEEN:

THE REGIONAL MANAGER ON behalf  
of HER MAJESTY, THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA

(the "Licensor")

OF THE FIRST PART,

AND:

TAHSIS COMPANY LTD.  
1201 West Pender Street  
Vancouver, B.C.

(the "Licensee")

OF THE SECOND PART,

WITNESSES THAT, under section 20 of the *Forest Act*, the parties agree as follows:

*Grant of Rights*

1.01 The Licensor grants to the Licensee the exclusive right to harvest during the term of this Licence all the merchantable timber in the timber licence area,

- (a) according to the Tree-farm Licence and management and working plans approved under it, and
- (b) from areas within the timber licence area specified in cutting permits issued from time to time
  - (i) under the Tree-farm Licence while the Tree-farm Licence or replacements for it remain in force, or
  - (ii) by the Regional Manager after the Tree-farm Licence expires or is otherwise terminated, and is not replaced.

1.02 If the Tree-farm Licence expires or is otherwise terminated and not replaced, the Regional Manager will, on application from the Licensee, issue cutting permits authorizing timber to be harvested in the timber licence area.

QR

1.03 The timber licence area is the land outlined in bold black on the map<sup>3</sup> attached to this Licence, except land that is excluded in notations made on the map<sup>3</sup>

#### *Term*

- 1.04 Subject to section 57 of the *Forest Act*, the term of this Licence
- (a) shall begin when the Tree-farm Licence comes into effect, and
  - (b) shall end on the earlier of
    - (i) one year after the Tree-farm Licence expires or is otherwise terminated, and is not replaced under section 29 of the *Forest Act*, or
    - (ii) the date when it is replaced under section 21 of the *Forest Act*.

#### *Financial*

1.05 In addition to other money payable under the *Forest Act*, but without duplication, the Licensee will pay to the Crown, immediately on receipt of a statement issued on behalf of the Crown,

- (a) annual rent payable under the *Forest Act*,
- (b) in respect of timber harvested under this Licence, either
  - (i) stumpage at rates determined under the *Forest Act* and varied under cutting permits, or
  - (ii) royalty at rates specified in the *Forest Act*, according to the election made under section 23 of the *Forest Act* in respect of this Licence,
- (c) scaling fees determined under the regulations, and
- (d) waste and damage assessments under cutting permits.

#### *Reforestation*

1.06 The Licensee will apply to the timber licence area such reforestation or other treatment for re-establishment of forest on the timber licence area, consistent with the management and working plans, as the Regional Manager may determine.

#### *Miscellaneous*

1.07 This Licence is subject to the *Forest Act*, the Tree-farm Licence and the management and working plan in effect from time to time.



1.08 Subject to paragraph 1.09 if the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Minister may cancel this Licence by giving notice to the Licensee.

1.09 The Minister will not cancel this Licence under paragraph 1.08 unless and until

- (a) he gives notice to
  - (i) the holder of a debenture, mortgage or other debt security that charges this Licence, then registered against the Licensee under the *Companies Act*, and
  - (ii) the trustee for the holder of a bond or debenture issued under a deed of trust that charges this Licence, then registered against the Licensee under the *Companies Act*, and
- (b) a person referred to in clauses (a) (i) or (a) (ii) has had a reasonable opportunity to exercise his rights and to pursue his remedies under the deed of trust, debenture, mortgage or other debt security, including the taking of possession of the Licensee's properties and assets.

1.10 This Licence will enure to the benefit of, and be binding on, the parties to it and their respective permitted successors and assigns.

#### Interpretation

1.11 In this Licence, unless the context otherwise requires,

- (a) "timber licence area" means the land described in paragraph 1.03,
- (b) "merchantable timber" has the same meaning as in the *Forest Act*, and
- (c) "Regional Manager" means the regional manager appointed under the *Ministry of Forests Act*, S.B.C. 1978, c. 27, for the forest regions in which the licence area, or part, is situated, and
- (d) "Tree-farm Licence" means the Tree-farm Licence held by the Licensee and identified at the beginning of this Licence.

1.12 Unless the context otherwise requires, the definitions and rules of interpretation in the Tree-farm Licence apply to this Licence.

IN WITNESS to this Licence, the Regional Manager has executed it on behalf of the Crown, and the common seal of the Licensee has been affixed to it by its officers who are authorized to do so.

SIGNED, SEALED AND DELIVERED by the REGIONAL  
MANAGER OF the FOREST REGION, on behalf of the  
Crown in the presence of:

"J. Mackie"

"D.T. Grant"

Regional Manager  
Vancouver Forest Region

THE COMMON SEAL of the Licensee was affixed in the  
presence of:

"TAHSIS COMPANY LTD." (SEAL)

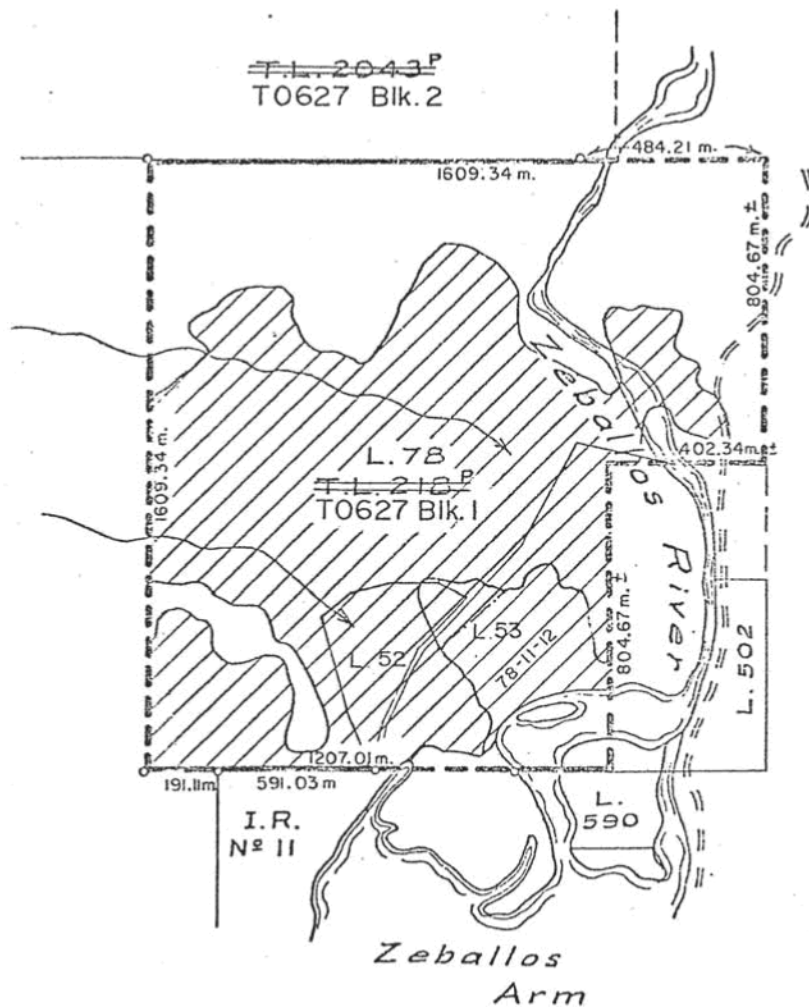
"H.J. Funk"

Vice President

"N. McLardy"

Assistant Secretary

L. 78 ~~T. 1. 2043 P~~ T0627 Blk. I  
Nootka Dist. I: 5840



Gross area	225 Ha.
Eliminationst	143 Ha.
Net Area ±	82 Ha.

Renumbered May 6, 1981 F.S.  
Amended 79-01-30 KB  
Amended 26-10-71 *605*

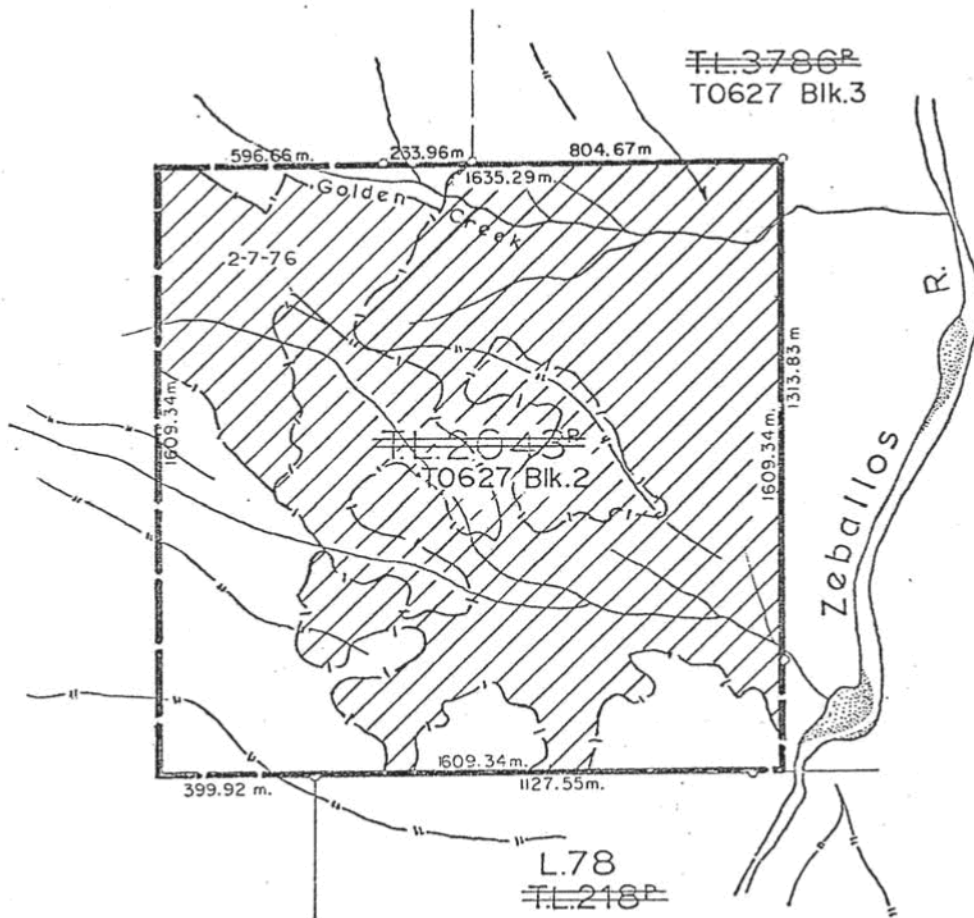
Lot No.	Field Book	Polygon-hole	Date Surveyed	Reference Map	Plan
				92E/NE(f-4)	37 T1
				Sketch for	Made by C.P.E.S.
				F.S. Drafting Room, Victoria, B.C.,	Nov. 25, 1966

BRITISH COLUMBIA  
FOREST SERVICE

File  
No.

~~TL 2043<sup>P</sup>~~ T0627 Blk. 2

Rupert Land Dist. Scale: 1:5840



Gross area 259 Ha.  
Eliminations ± 200 Ha.  
Net Area ± 59 Ha.

Renumbered May 7 1981 by FS.  
Amended July 2 1976  
Amended Aug 10 1972 E.T.

File No.	Field Book	Pigeon hole	Date Surveyed	Reference Map	Plan
				92L/5E (a-2)	37 T.1 (Nootka)
				Sketch for	Made by Tash
				F.S. Drafting Room, Victoria, B.C.	Jan 16 1968

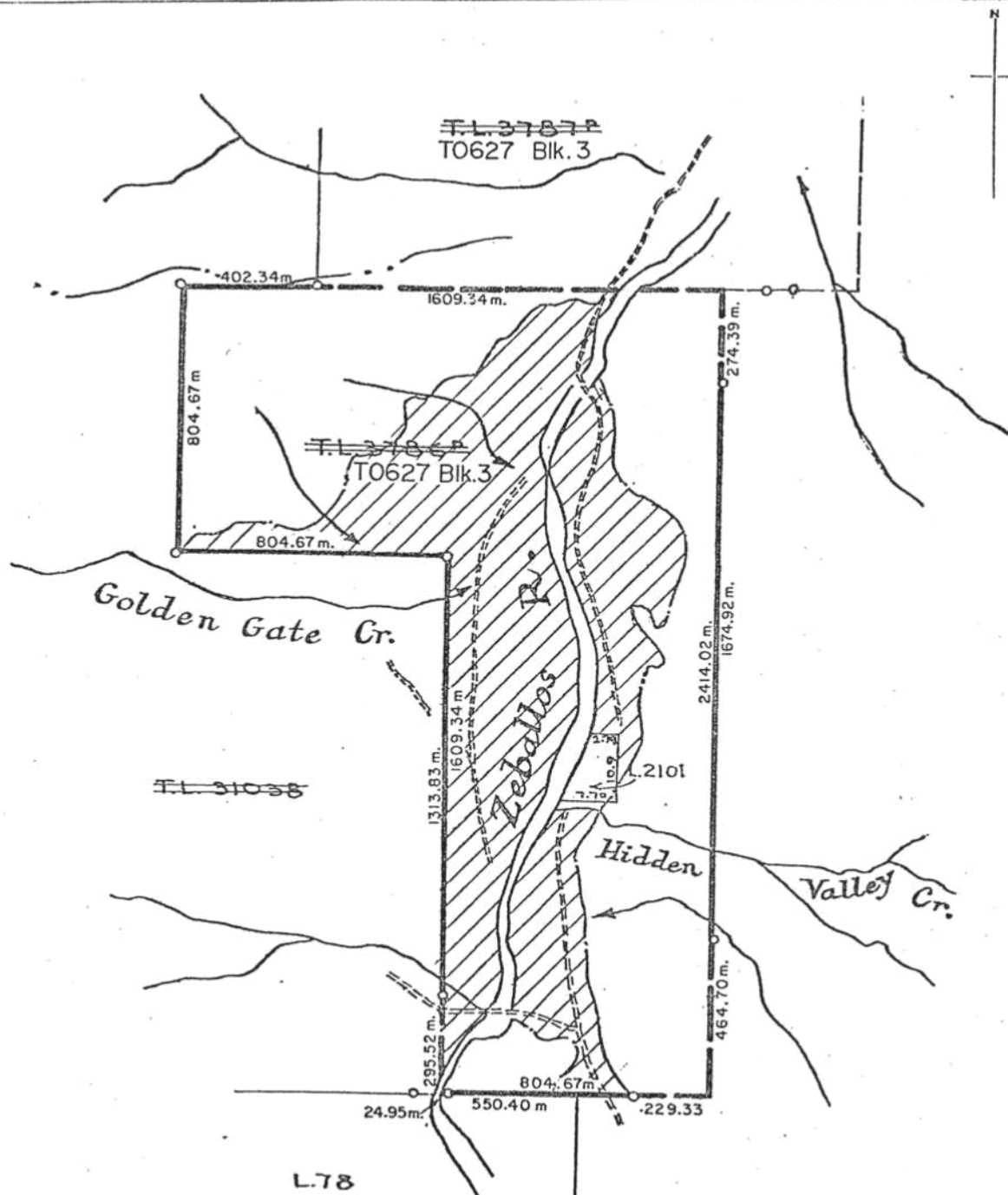
BRITISH COLUMBIA  
FOREST SERVICE

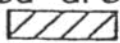
File  
No.

~~FL 3786P~~ T0627 Blk. 3

RUPERT LAND DIST.

Scale: 1:15840



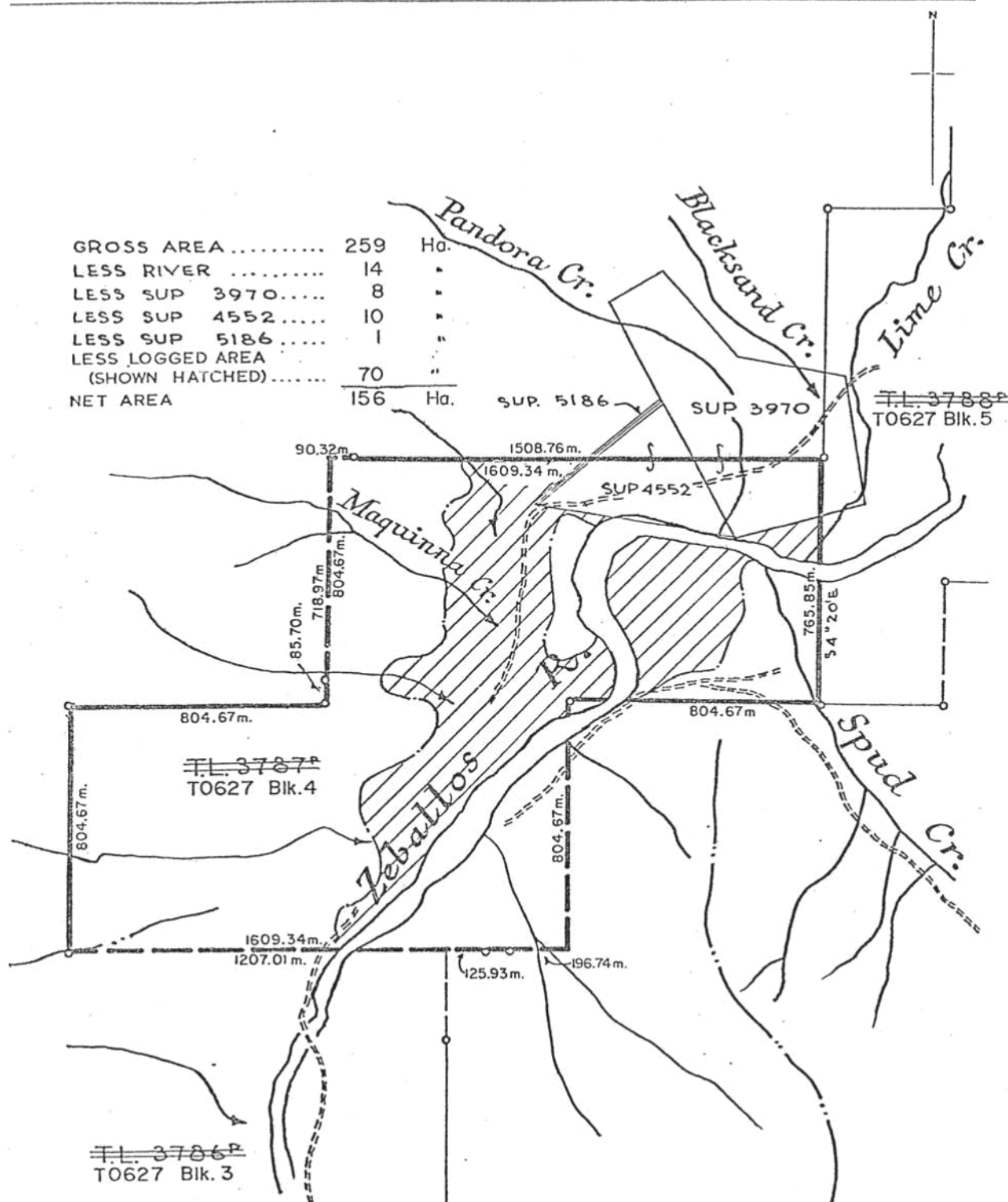
Gross area  
less river  
less L. 2101  
less logged area  
shown   
Net area

259 Ha.  
11 "  
2 "  
120 "  
126 Ha.

Renumbered May 7 1980 by F.S.  
Amended Dec. 18 1967 by Tash

Lot No.	Field Book	Pigeon-hole	Date Surveyed	Reference Map	Sketch for	Made by
				92L/3E (A-2)	Plan	24 T 4
						TASH

RUPERT LAND DIST. Scale: 1:15840



Renumbered	May 7 1981	by F.S.
Amended	Dec. 15 1967	by Tosh

Lot No.	Field Book	Pigeon hole	Date Surveyed	Reference Map	92 L/SE (A-2)	Plan	24 T A
				Sheet for		Made by	TASH
				15 New York Pigeon Hole, E.C. FEB 18			

Page 41 of 60

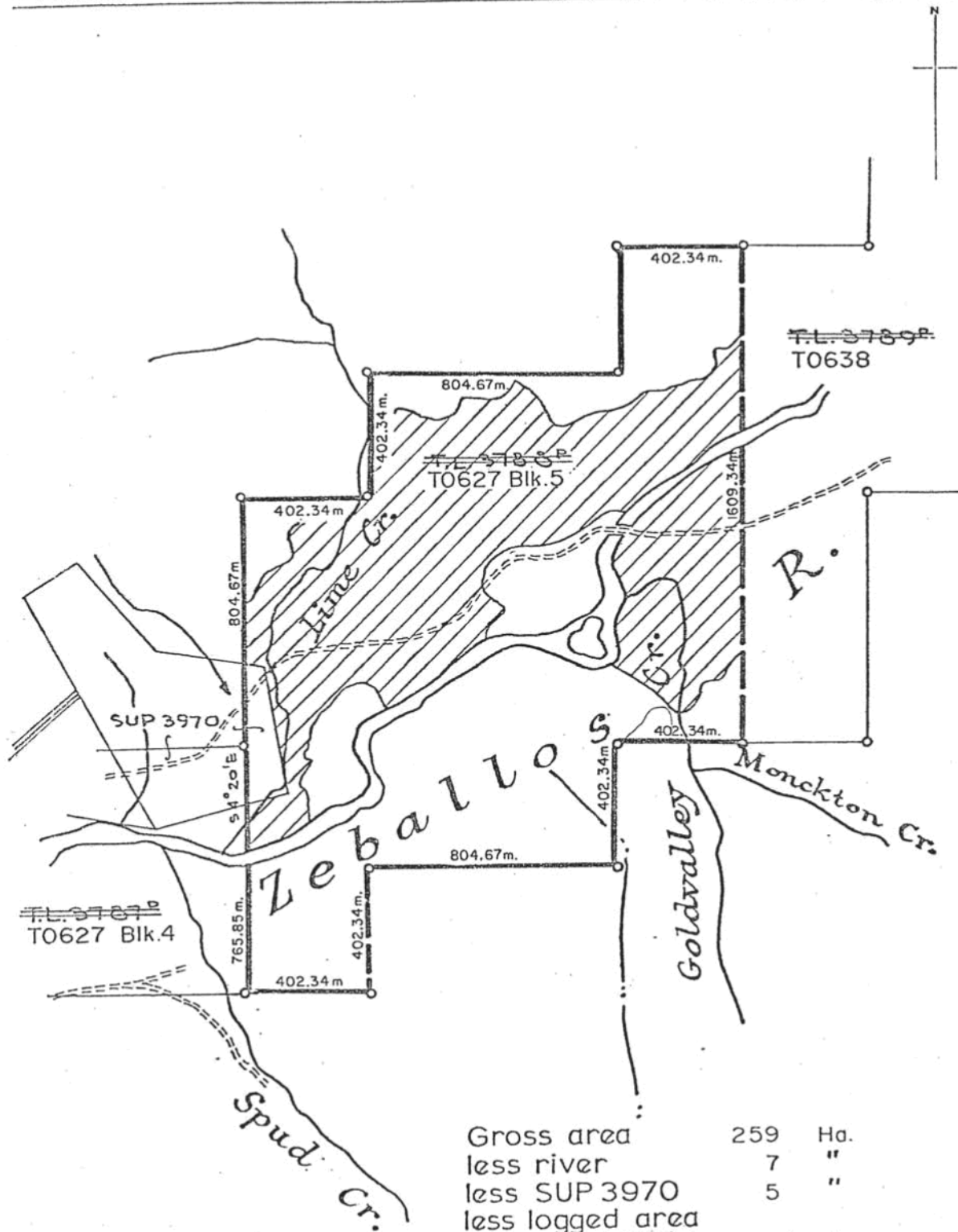
BRITISH COLUMBIA  
FOREST SERVICE

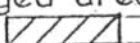
File  
No.

T.L. ~~3788~~ T0627 Blk. 5

RUPERT LAND DIST.

Scale: 1:15840



Gross area	259	Ha.
less river	7	"
less SUP 3970	5	"
less logged area shown 	127 ±	"
Net area	120	Ha.

Renumbered May 7, 1981 by F.S.

Lot No.	Field Book	Pigeon-hole	Date Surveyed	Reference Map	Plan
				92 L/SE (A.2)	24 T4
				Sketch for	Made by TASH



**TREE FARM LICENCE 19**  
**CUTTING PERMIT 435**



**PURSUANT TO** Tree Farm Licence 19 (the "Licence"), this Cutting Permit is issued to:

**WESTERN FOREST PRODUCTS INC.**  
**NOOTKA FOREST OPERATION**  
**PO BOX 220**  
**GOLD RIVER, BRITISH COLUMBIA**  
**V0P 1G0**  
**Phone: # 1(250) 283-2221    Fax: # 1 (250) 283-7222**  
**(the "Licensee")**

**1.00 PERMIT AREA AND TERM**

- 1.01 Subject to the Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) (the "harvest area").
- 1.02 **The term of this Cutting Permit is 4 (four) years, beginning on October 21, 2011.**
- 1.03 The Licensee must make application for extension of this Cutting Permit to the District Manager at least 45 days before the expiry of the Cutting Permit and in a form acceptable to the District Manager.

**2.00 OTHER CONDITIONS AND REQUIREMENTS**

- 2.01 The Licensee must comply with the conditions and requirements set out in Schedule "A" to this Cutting Permit.

### 3.00 TIMBER MARK

3.01 The timber mark(s) for timber removed under this Cutting Permit from land identified as:

- (a) Schedule "A" Land in the Agreement, that is not subject to a timber licence, is/are:

NOT APPLICABLE

- (b) Schedule "A" Land in the Agreement, that is subject to a timber licence is/are:

NOT APPLICABLE

- (c) Schedule "B" Land in the Agreement is/are:

19

435

3.02 All timber must be marked in the prescribed manner prior to being transported from the harvest area.

3.03 If directed to do so by the District Manager, the Licensee must erect signs at all exits from areas of land referred to in paragraph 1.01, clearly showing the timber mark(s) referred to in paragraph 3.01.

### 4.00 SCALE BASED STUMPAGE

4.01 For the purpose of determining the amount of stumpage payable in respect of timber removed from:

- (a) the areas of Schedule "B" Land; or
  - (b) the areas of Schedule "A" Land subject to a timber licence;
- that are authorized for removal under this Cutting Permit, the volume or quantity of timber removed will be determined using information provided in a scale of the timber.

4.02 The Licensee must ensure that:

- (a) all timber removed from the harvest area is scaled; and
- (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.



## 5.00 ROADS

5.01 Subject to the Licence and the forestry legislation, the Licensee may construct or modify roads under the authority of this Cutting Permit on areas of Schedule "B" Land, and Schedule "A" Land subject to a timber licence, that are authorized for primary logging and removal under this Cutting Permit if the roads are:

- (a) wholly contained within a Forest Development Unit identified on a Forest Stewardship Plan.

## 6.00 TIMBER HARVEST

6.01 The timber described in Schedule "B" is specified as reserved timber and the Licensee must not fell standing timber, and must not buck or remove felled or dead and down timber, as the case may be, of the species and description set out in Schedule "B".

## 7.00 MISCELLANEOUS

7.01 The Schedules and Exhibit "A" maps are deemed to be part of this Cutting Permit.

7.02 This Cutting Permit is deemed to be part of the Licence.

7.03 The Licence will govern the interpretation of this Cutting Permit.

7.04 The Licensee must notify the District Manager in writing in a form acceptable to the District Manager, when primary logging is complete and again when removal is complete.

DATED **October 21, 2011**



**Paul Nuttall, R.P.F.**  
**A/District Manager**  
**Campbell River Natural Resource District**

## SCHEDULE "A"

### SPECIAL CONDITIONS AND REQUIREMENTS

#### 1.00 ORDERLY CONDITION

The Licensee shall, concurrently with harvesting operations, leave all areas in an orderly and sanitary condition.

#### 2.00 NO MILL ALLOWED

The Licensee must not erect or operate a sawmill or wood processing plant on an area of land referred to in paragraph 1.01 of this *Permit*.

#### 3.00 OTHER OCCUPIERS OF LAND

- 3.01 The rights granted under **Cutting Permit 435 of Tree Farm Licence 19** are subject to other rights of use and occupation, and the *Licensee* must not interfere with exercise of those rights.
- 3.02 The rights of use and occupation referred to paragraph 3.01 are as follows:
  - a) **Other 'Unspecified Users'.**

#### 4.00 MANUFACTURE PROHIBITED ON SALE AREA

The *Licensee* must not allow the manufacture of **shakes and/or shingles** on the area of land described in paragraph 1.01 of this *Permit*.

#### 5.00 HAZARD TREES

- 5.01 Hazard trees surrounding the cutblock boundary(s) identified on the attached map as Exhibit "A", are subject to an exemption from the requirement for a *Forest Stewardship Plan* provided under Section 4(1) of the *Forest & Range Practices Act*, for the purposes of hazard tree felling.
- 5.02 The Licensee may fell trees outside of the cutblock boundary(s) if the person conducting tree felling or rigging tail hold/anchor trees determines that the tree represents a safety hazard according to Workers' Compensation Board standards.
- 5.03 Trees felled under paragraph 5.02 shall be bucked and utilized according to the specifications included in the Licence and/or Cutting Permit.

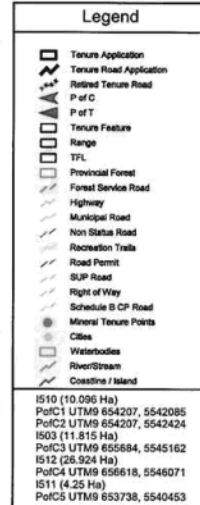
## SCHEDULE "B"

### 1.0 Reserved Timber

The timber referred to in Paragraph 6.01 of this Cutting Permit includes any timber specified as 'Reserved' under an operational plan and for any other reasons including silviculture, biodiversity or forest management.

**Retention Strategy for Cutblock(s): 1503, 1510, 1511 \* 1512**

All timber designated as Wildlife Tree Reserves, Long Term and Short Term Retention, located internally and/or externally to block boundaries as indicated on the Licensee's submitted Schedule B Map(s), will be considered as Reserved Timber for the purposes of this cutting permit.



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**TREE FARM LICENCE  
19  
CUTTING PERMIT 442**

Ministry of  
Forests, Lands and  
Natural Resource Operations

**PURSUANT TO** Tree Farm Licence 19 (the "Licence"), this Cutting Permit is issued to:

**WESTERN FOREST PRODUCTS INC.  
NOOTKA FOREST OPERATION  
PO BOX 220  
GOLD RIVER, BRITISH COLUMBIA  
V0P 1G0  
Phone: 250-283-2221 Fax: 250-283-7222  
(the "Licensee")**

**1.00 PERMIT AREA AND TERM**

- 1.01 Subject to the Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) (the "harvest area").
- 1.02 **The term of this Cutting Permit is 4 (four) years, beginning on May 5, 2015.**

**2.00 OTHER CONDITIONS AND REQUIREMENTS**

- 2.01 The Licensee must comply with the conditions and requirements set out in Schedule "A" to this Cutting Permit.

**3.00 TIMBER MARK**

- 3.01 The timber mark(s) for timber removed under this Cutting Permit from land identified as:
- (a) Schedule "A" Land in the Agreement, that is not subject to a timber licence, is/are:

**NOT APPLICABLE**

- (b) Schedule “A” Land in the Agreement, that is subject to a timber licence is/are:

**NOT APPLICABLE**

- (c) Schedule “B” Land in the Agreement is:

**19**

**442**

- 3.02 All timber must be marked in the prescribed manner prior to being transported from the harvest area.
- 3.03 If directed to do so by the District Manager, the Licensee must erect signs at all exits from areas of land referred to in paragraph 1.01, clearly showing the timber mark(s) referred to in paragraph 3.01.

#### **4.00 SCALE BASED STUMPAGE**

- 4.01 For the purpose of determining the amount of stumpage payable in respect of timber removed from:
  - (a) the areas of Schedule “B” Land; or
  - (b) the areas of Schedule “A” Land subject to a timber licence;
 that are authorized for removal under this Cutting Permit, the volume or quantity of timber removed will be determined using information provided in a scale of the timber.
- 4.02 The Licensee must ensure that:
  - (a) all timber removed from the harvest area is scaled; and
  - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

#### **5.00 ROADS**

- 5.01 Subject to the Licence and the forestry legislation, the Licensee may construct or modify roads under the authority of this Cutting Permit on areas of Schedule “B” Land, and Schedule “A” Land subject to a timber licence, that are authorized for primary logging and removal under this Cutting Permit if the roads are:
  - (a) wholly contained within a cut block, and
  - (b) wholly contained within a Forest Development Unit identified on a Forest Stewardship Plan.

**6.00 TIMBER HARVEST**

- 6.01 The timber described in Schedule “B” is specified as reserved timber and the Licensee must not fell standing timber, and must not buck or remove felled or dead and down timber, as the case may be, of the species and description set out in Schedule “B”.

**7.00 MISCELLANEOUS**

- 7.01 The Schedules and Exhibit “A” maps are deemed to be part of this Cutting Permit.
- 7.02 This Cutting Permit is deemed to be part of the Licence.
- 7.03 The Licence will govern the interpretation of this Cutting Permit.
- 7.04 The Licensee must notify the District Manager in writing in a form acceptable to the District Manager, when primary logging is complete and again when removal is complete.

**DATED May 5, 2015**

.....  
**Romona Blackwell**  
**District Manager**  
**Campbell River Forest District**

## SCHEDULE “A”

### SPECIAL CONDITIONS AND REQUIREMENTS

#### 1.00 ORDERLY CONDITION

The Licensee shall, concurrently with harvesting operations, leave all areas in an orderly and sanitary condition.

#### 2.00 NO MILL ALLOWED

The Licensee must not erect or operate a sawmill or wood processing plant on an area of land referred to in paragraph 1.01 of this *Permit*.

#### 3.00 OTHER OCCUPIERS OF LAND

- 3.01 The rights granted under **Cutting Permit 442 of Tree Farm Licence 19** are subject to other rights of use and occupation, and the *Licensee* must not interfere with exercise of those rights.
- 3.02 The rights of use and occupation referred to paragraph 3.01 are as follows:
  - a) **Other ‘Unspecified Users’.**

#### 4.00 MANUFACTURE PROHIBITED ON SALE AREA

The *Licensee* must not allow the manufacture of **shakes and/or shingles** on the area of land described in paragraph 1.01 of this *Permit*.

#### 5.00 HAZARD TREES

- 5.01 Hazard trees surrounding the cutblock boundary(s) identified on the attached map as Exhibit “A”, are subject to an exemption from the requirement for a *Forest Stewardship Plan* provided under Section 4(1) of the *Forest & Range Practices Act*, for the purposes of hazard tree felling.
- 5.02 The Licensee may fell trees outside of the cutblock boundary(s) if the person conducting tree felling or rigging tail hold/anchor trees determines that the tree represents a safety hazard according to Workers’ Compensation Board standards.
- 5.03 Trees felled under paragraph 5.02 shall be bucked and utilized according to the specifications included in the Licence and/or Cutting Permit.



## SCHEDULE “B”

### 1.0 Reserved Timber

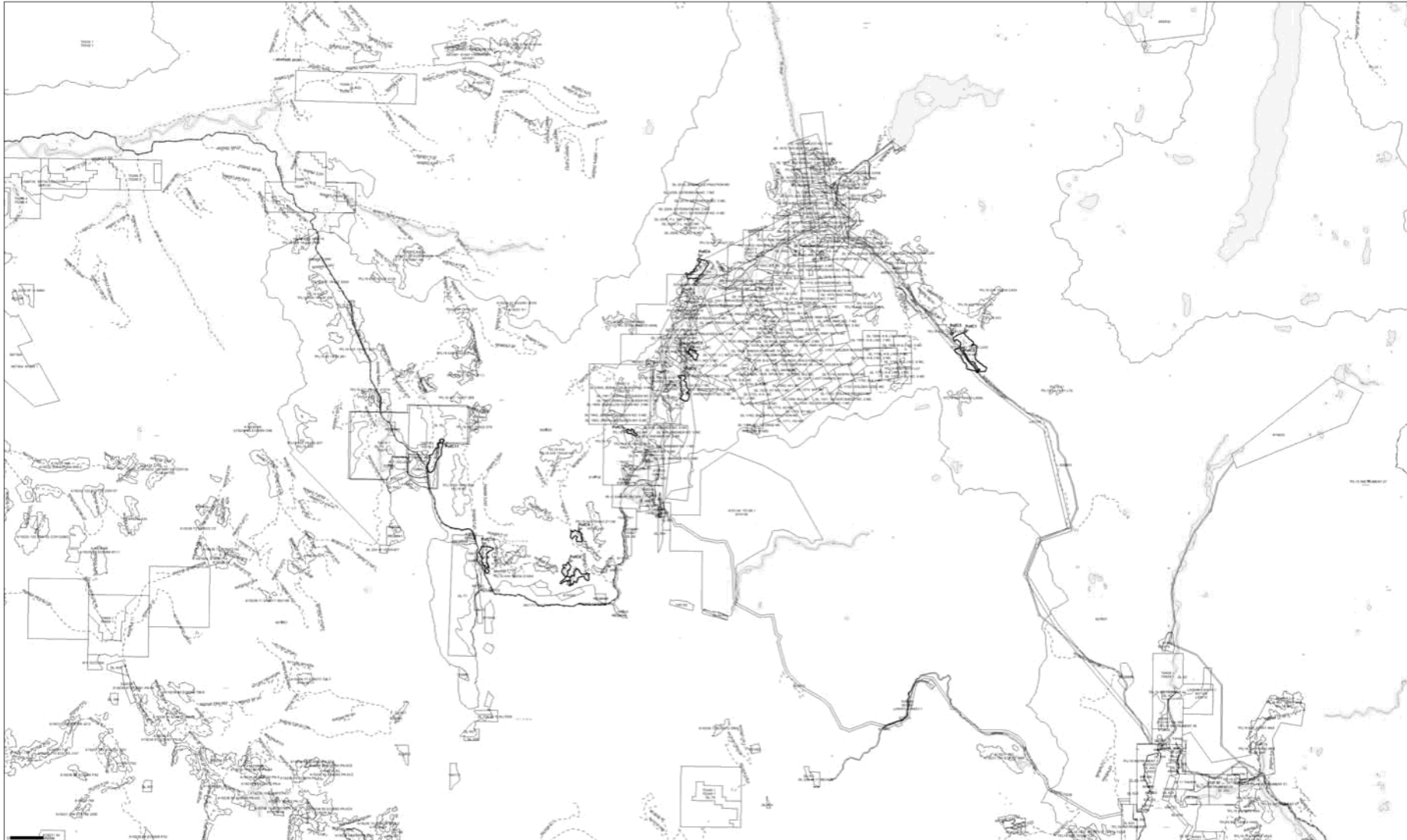
The timber referred to in Paragraph 6.01 of this Cutting Permit includes any timber specified as ‘Reserved’ under an operational plan and for any other reasons including silviculture, biodiversity or forest management.

**Retention Strategy (Cut blocks I4A, I18A, I18B, I503A, L520, Z108, Z503A, Z508D, Z513):**

All timber designated as Wildlife Tree Reserves, Long Term and Short Term Retention, located internally and/or externally to block boundaries as indicated on the Licensee’s submitted Schedule B Map(s), will be considered as Reserved Timber for the purposes of this cutting permit.



MAP OF : TFL19 CP 442 (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 37 LAND DISTRICT : RUPERT DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1420062 BCGS MAPSHEET NO : 92E.096	SCALE : 1:50000 at D Size Area (Ha): 117.382	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : May 1, 2015



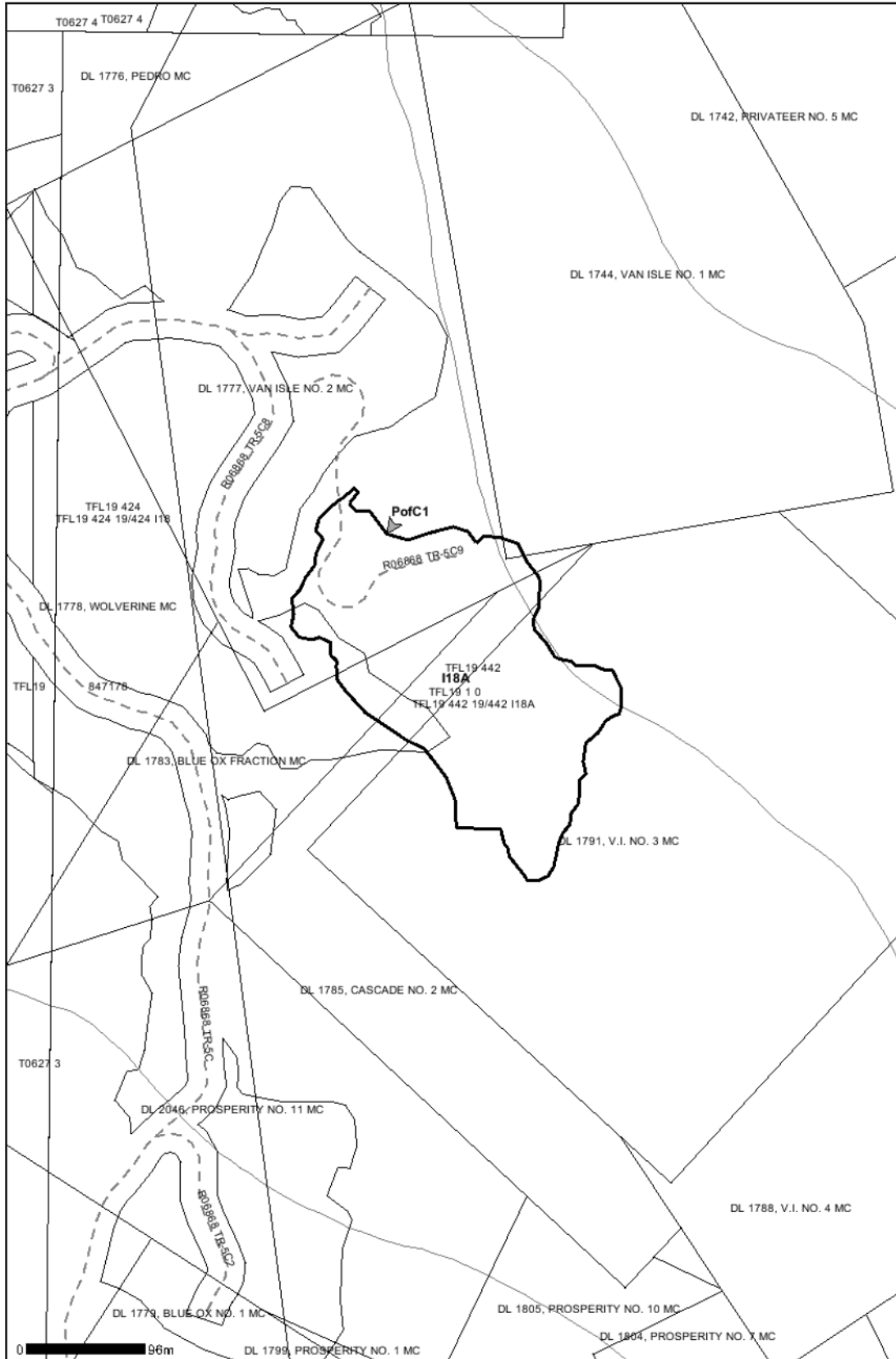
Legend	
	Tenure Application
	Tenure Road Application
	Retired Tenure Road
	P of C
	Tenure Feature
	Range
	TFL
	Provincial Forest
	Forest Service Road
	Highway
	Municipal Road
	Non Status Road
	Recreation Trail
	Road Front
	SUP Road
	Right of Way
	Schedule B CP Road
	Mineral Tenure Points
	City
	Watercourse
	River/Stream
	Coastline / Island

(117 382 Ha)






















PuAC1 UTM9 862427 5543625  
 PuAC2 UTM9 862324 5543205  
 PuAC3 UTM9 862392 5543077  
 PuAC4 UTM9 855293 5543118  
 PuAC5 UTM9 855177 5542958  
 PuAC6 UTM9 855027 5542192  
 PuAC7 UTM9 853596 5540666  
 PuAC8 UTM9 852132 5537071  
 PuAC9 UTM9 852372 5537913  
 PuAC10 UTM9 848958 5537410  
 PuAC11 UTM9 848955 5540124

MAP OF : TFL19 CP 442 CB I18A (shown in bold black)

FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 37 LAND DISTRICT : RUPERT DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1420062 BCGS MAPSHEET NO : 92L.006	SCALE : 1:5000 at A Size Area (Ha): 4.166	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : May 1, 2015

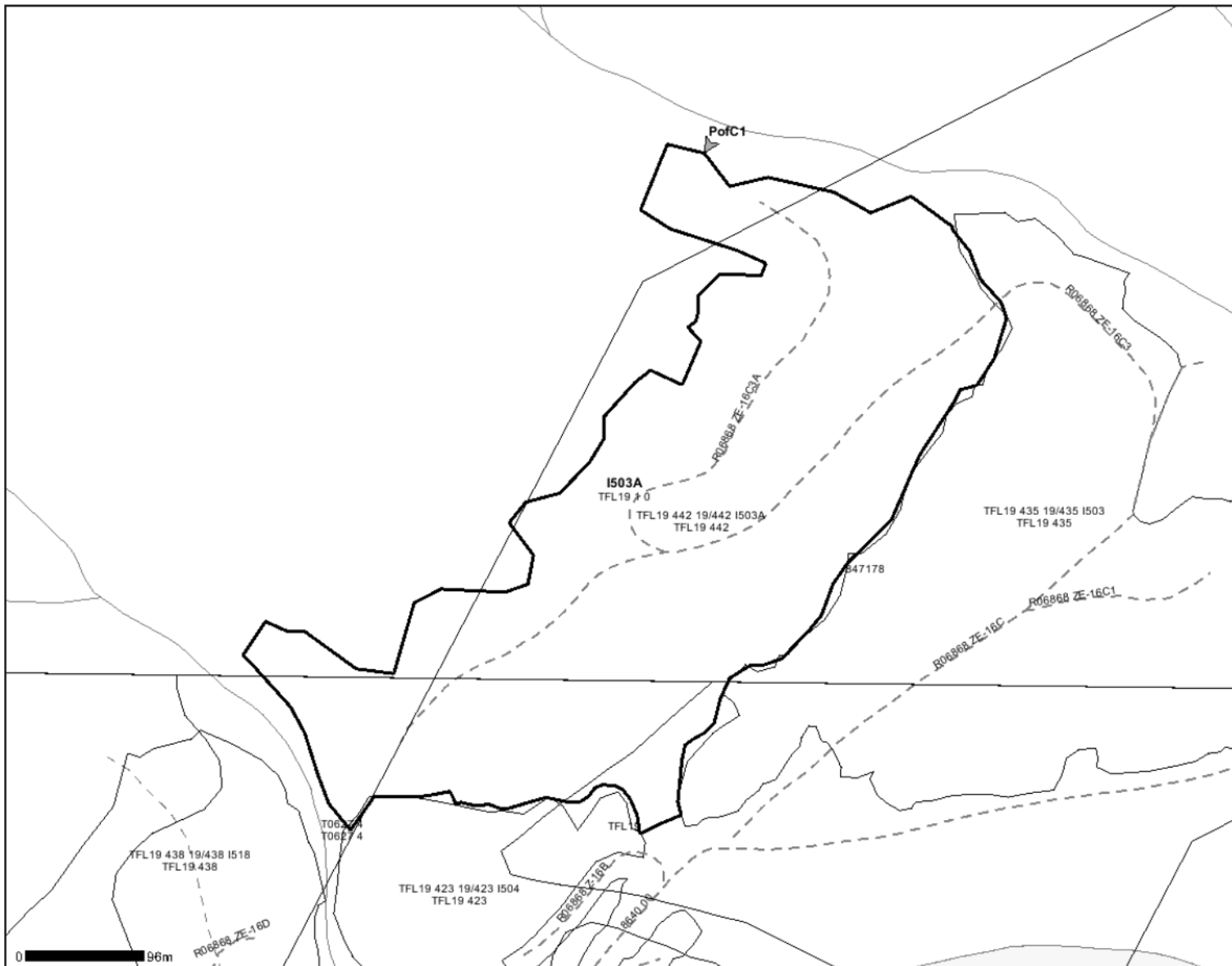


Legend


-  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

I18A (4.166 Ha)  
PofC1 UTM9 655177, 5542878

MAP OF : TFL19 CP 442 CB I503A (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 37 LAND DISTRICT : RUPERT DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1420062 BCGS MAPSHEET NO : 92L.006	SCALE : 1:5000 at A Size Area (Ha): 13.921	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : May 1, 2015

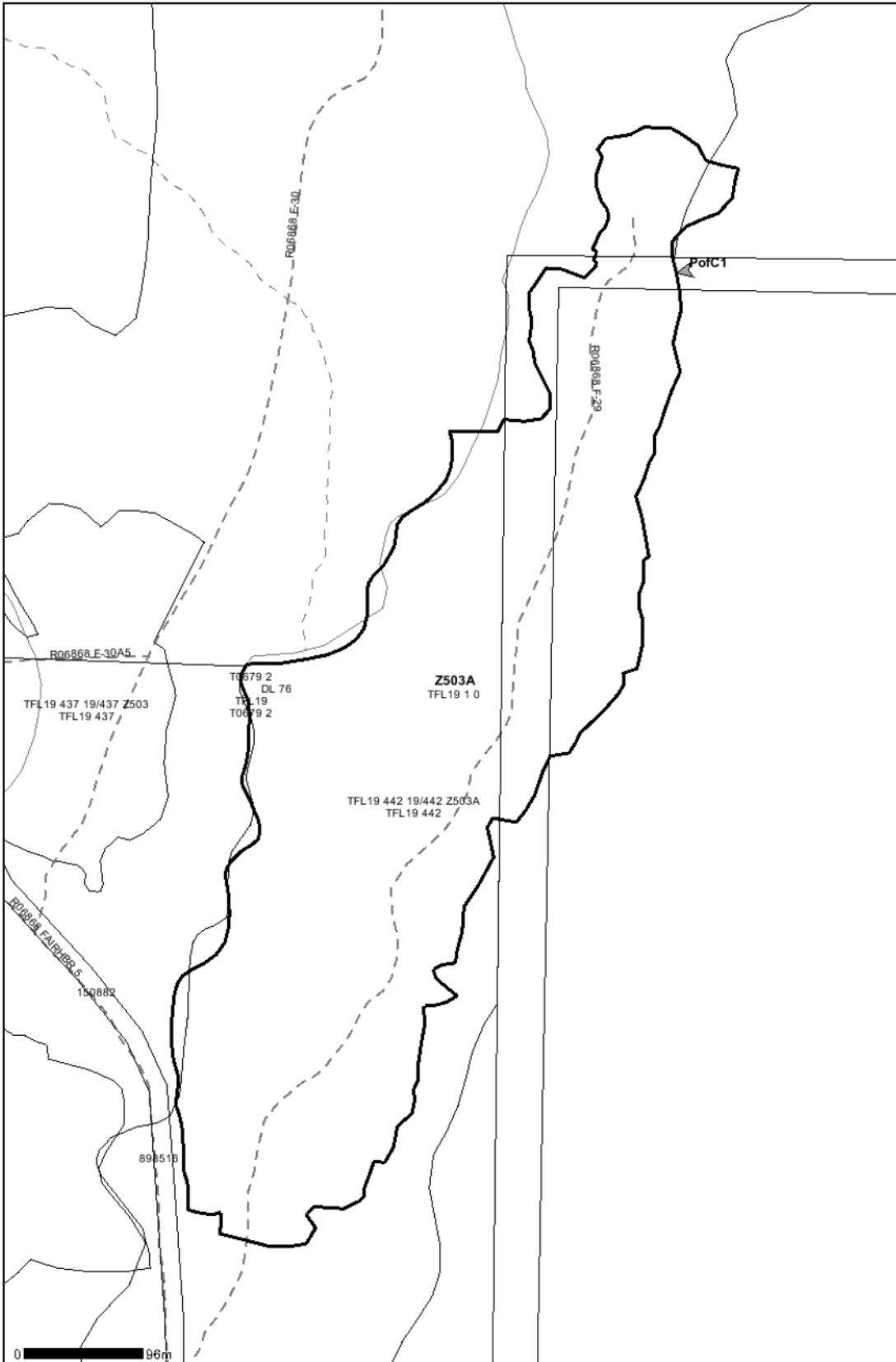

























### Legend

-  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

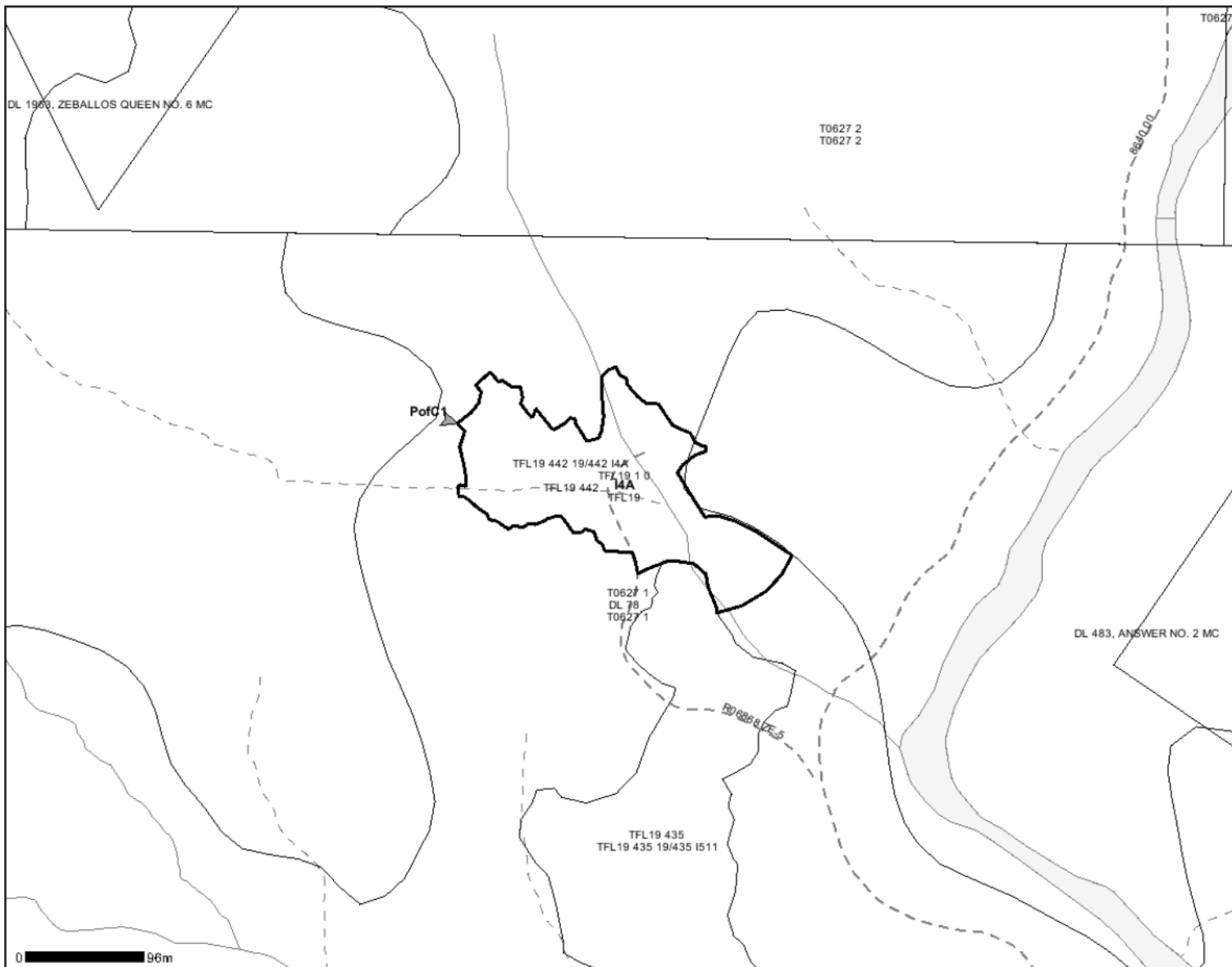
I503A (13.921 Ha)  
PofC1 UTM9 655293, 5545318
























MAP OF : TFL19 CP 442 CB Z503A (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 37 LAND DISTRICT : NOOTKA DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1420062 BCGS MAPSHEET NO : 92E.096	SCALE : 1:5000 at A Size Area (Ha): 15.397	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : May 1, 2015



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
Z503A (15.397 Ha) PoFC1 UTM9 648655, 5540124	

MAP OF : TFL19 CP 442 CB I4A (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 37 LAND DISTRICT : NOOTKA DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1420062 BCGS MAPSHEET NO : 92E.096	SCALE : 1:5000 at A Size Area (Ha): 2.347	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : May 1, 2015



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
I4A (2.347 Ha) PofC1 UTM9 653556, 5540666	

MAP OF : TFL19 CP 442 CB I18B (shown in bold black)

FOREST REGION : RWC  
FOREST DISTRICT : DCR

TSA : 37  
LAND DISTRICT : RUPERT  
DISTRICT

PULPWOOD AGREEMENT :

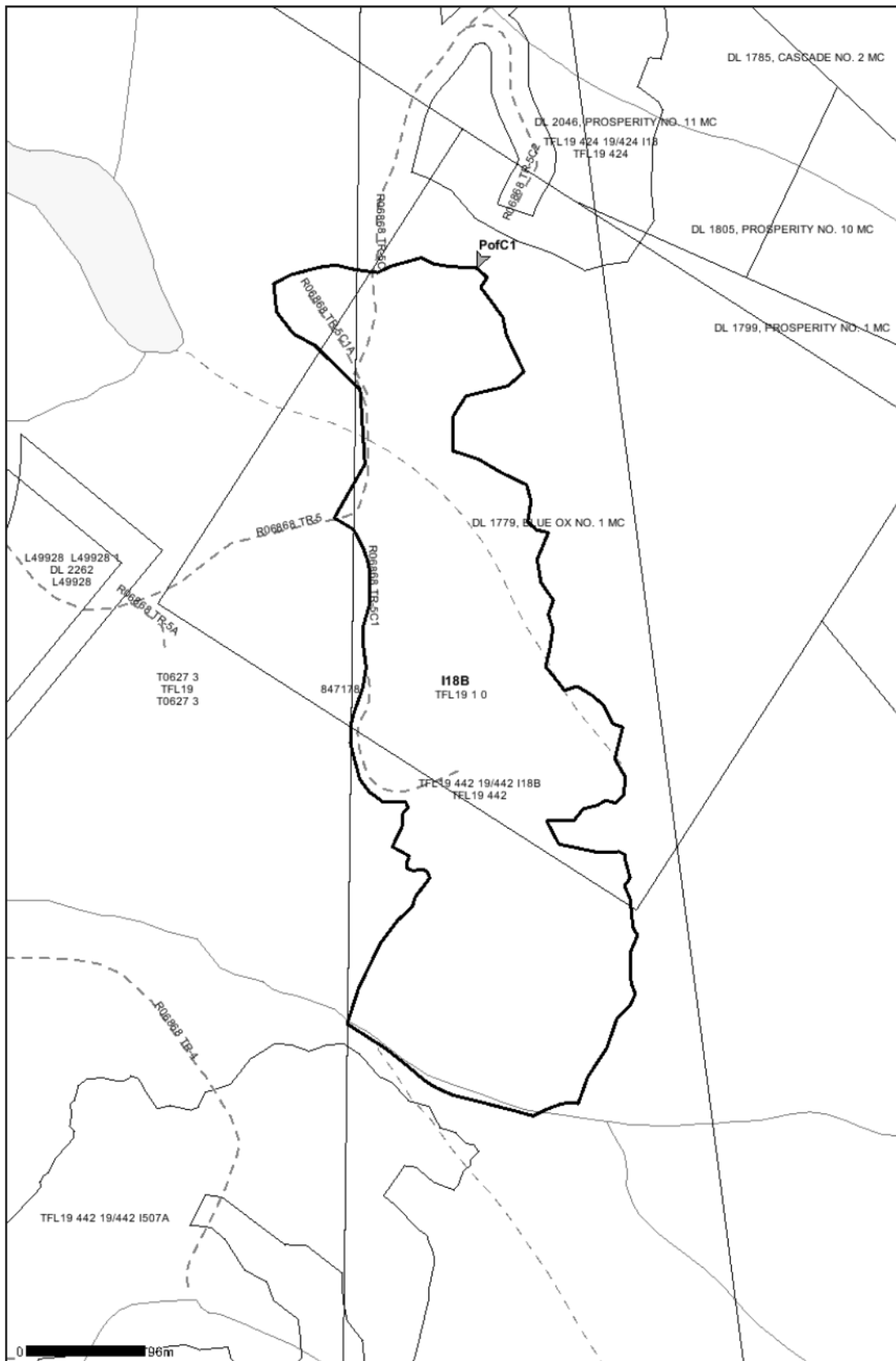
MGT UNIT TYPE : TREE FARM  
LICENCE  
MGT UNIT NO : 19

ESF SUBMISSION ID : 1420062  
BCGS MAPSHEET NO : 92L.006

SCALE : 1:5000 at A Size  
Area (Ha): 10.817

UTM : 9  
NAD : NAD 83

DRAWN BY : FTA  
DATE : May 1, 2015



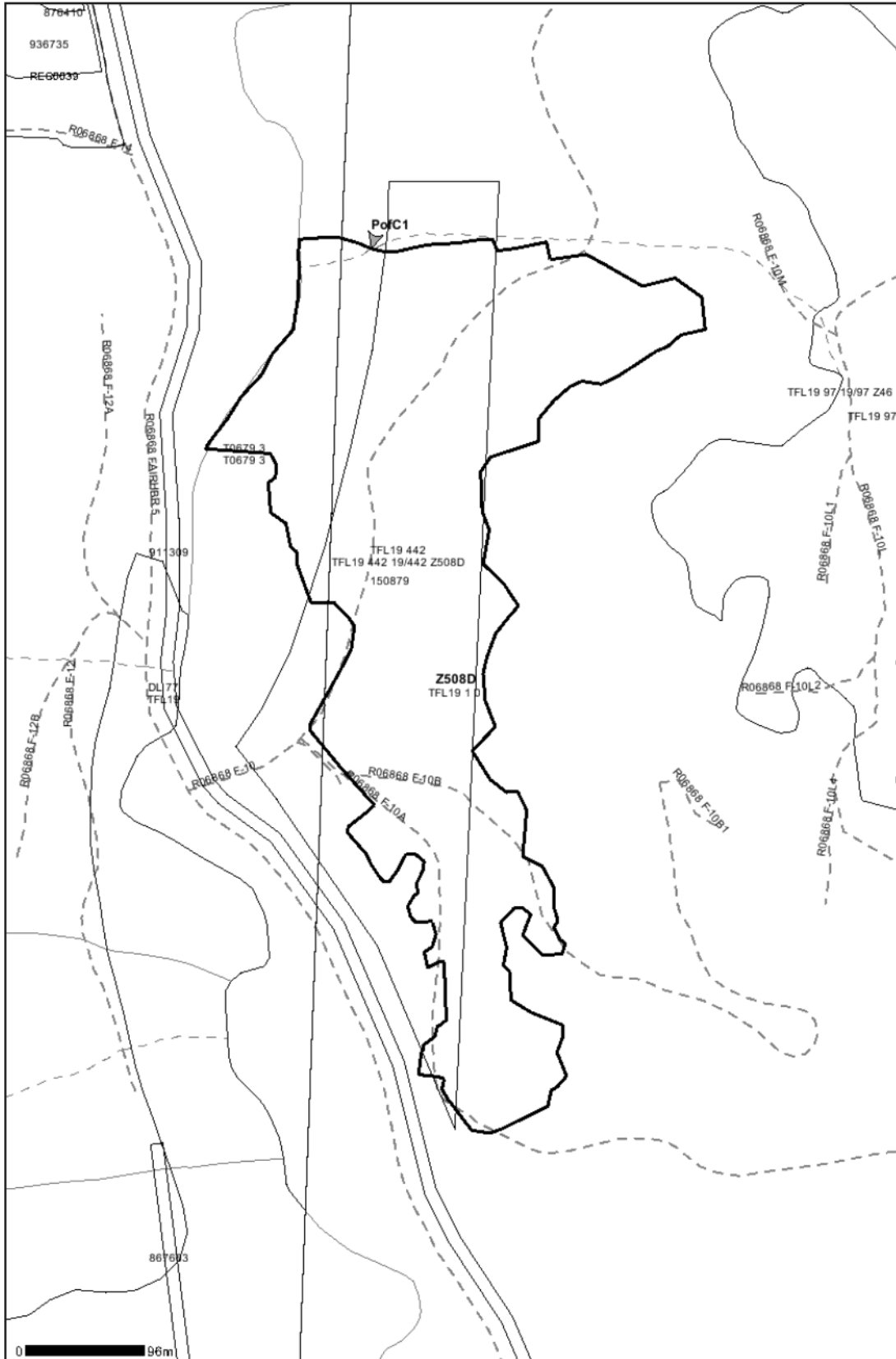
Legend

-  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





I18B (10.817 Ha)  
PofC1 UTM9 655027, 5542192

MAP OF : TFL19 CP 442 CB Z508D (shown in bold black)

FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 37 LAND DISTRICT : NOOTKA DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1420062 BCGS MAPSHEET NO : 92E.096	SCALE : 1:5000 at A Size Area (Ha): 11.093	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : May 1, 2015

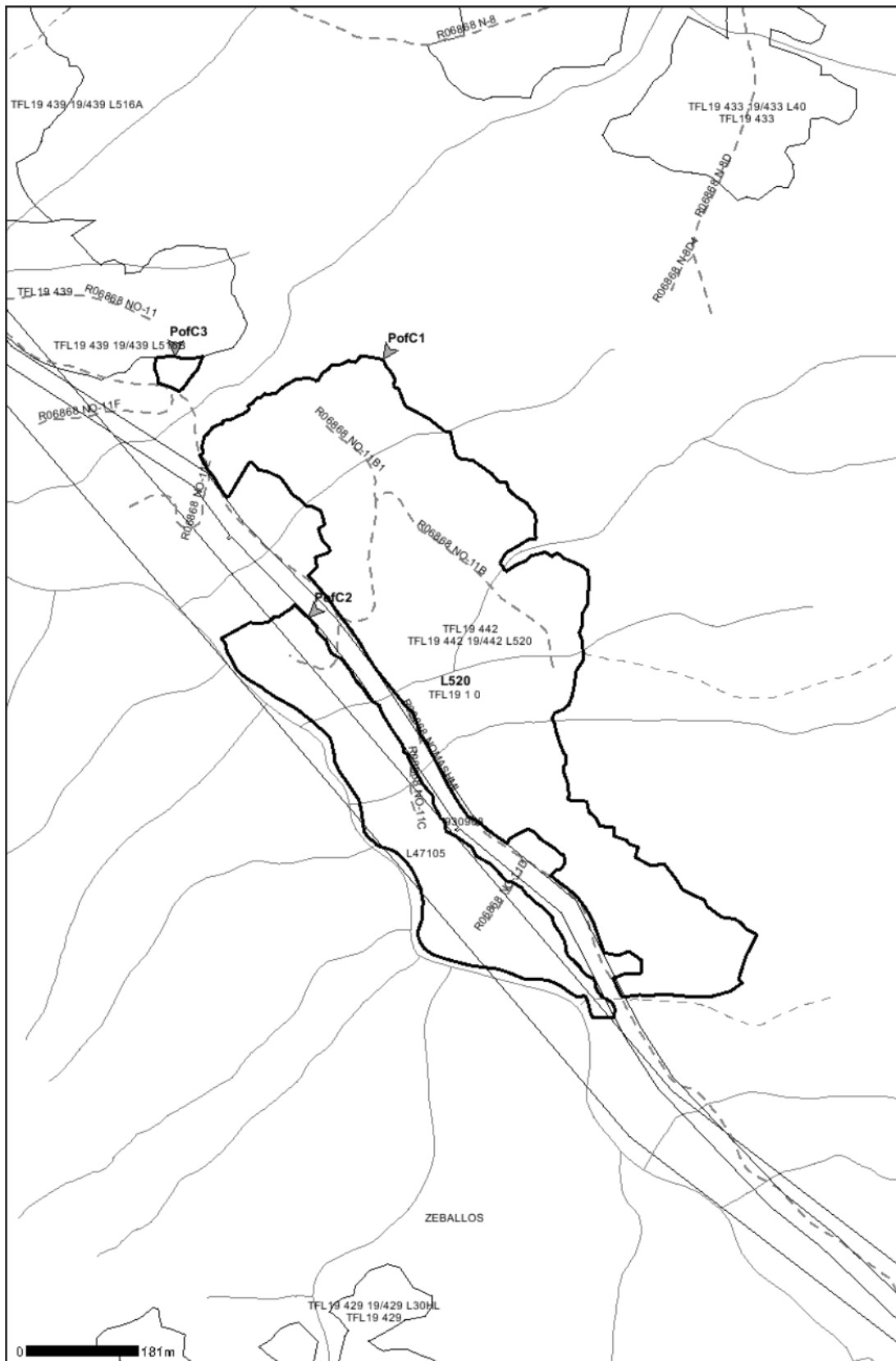


Legend

-  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

Z508D (11.093 Ha)  
PoC1 UTM9 649858, 5537410



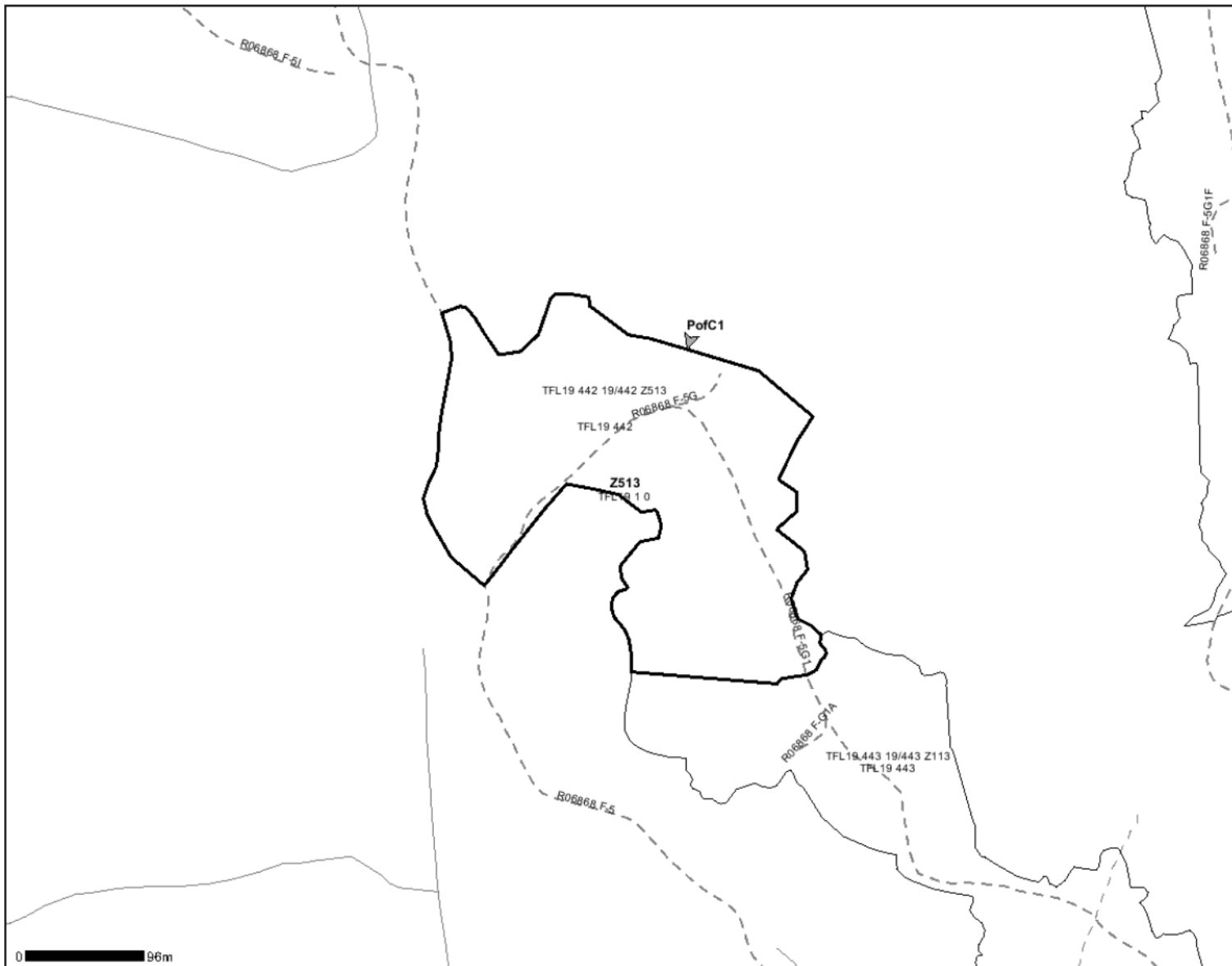


### Legend





	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

L520 (37,273 Ha)  
 PofC1 UTM9 662427, 5543625  
 PofC2 UTM9 662324, 5543205  
 PofC3 UTM9 662092, 5543617

MAP OF : TFL19 CP 442 CB Z513 (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 37 LAND DISTRICT : NOOTKA DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1420062 BCGS MAPSHEET NO : 92E.096	SCALE : 1:5000 at A Size Area (Ha): 6.026	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : May 1, 2015

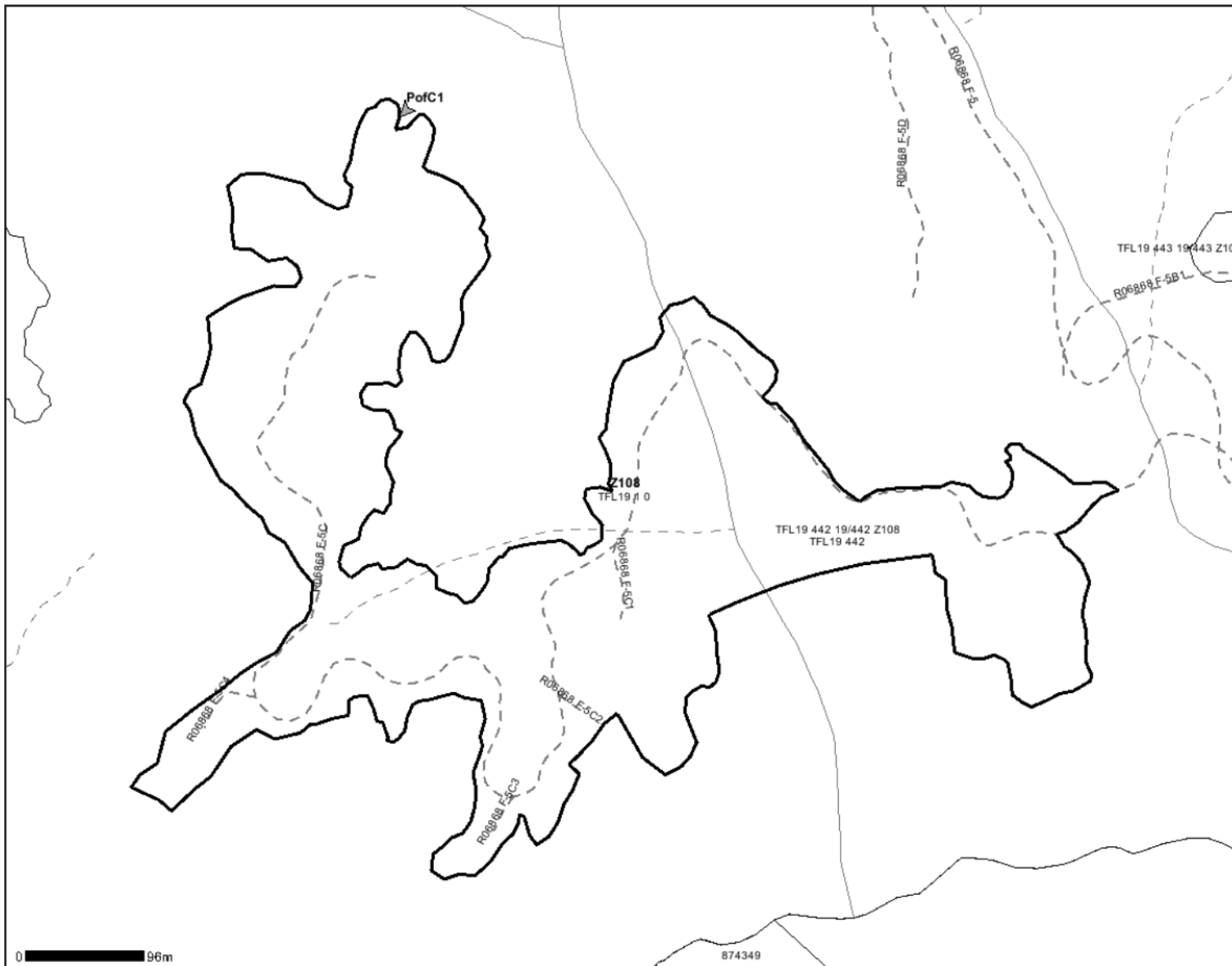

























### Legend

-  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

Z513 (6.026 Ha)  
PofC1 UTM9 652372, 5537913

MAP OF : TFL19 CP 442 CB Z108 (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 37 LAND DISTRICT : NOOTKA DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1420062 BCGS MAPSHEET NO : 92E.096	SCALE : 1:5000 at A Size Area (Ha): 16.341	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : May 1, 2015



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
Z108 (16.341 Ha) PofC1 UTM9 652132, 5537071	



## LICENCE OF OCCUPATION

Licence No.:

112892

File No.: 1408327

Disposition No.: 860090

THIS AGREEMENT is dated for reference December 31, 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:**

**MAQUINNA DEVELOPMENT CORPORATION Inc. No. BC0302734**  
PO Box 59  
Zeballos, BC V0P 2A0

(the "Licensee")

The parties agree as follows:

### ARTICLE 1 - INTERPRETATION

1.1 In this Agreement,

"**Agreement**" means this licence of occupation;

"**Commencement Date**" means December 31, 2007;

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

"**Fees**" means the fees set out in Article 3;

"**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”:

That part of District Lot 52, Nootka District, containing 0.629 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;

**“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;

**“Security”** means the security referred to in section 6.1 or 6.2, as replaced or supplemented in accordance with section 6.5;

**“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 Licensee: that combination is referred to as **“the parties”**; and

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

- 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.

## **ARTICLE 2 - GRANT AND TERM**

- 2.1 On the terms and conditions set out in this Agreement, we grant you a licence of occupation of the Land for portable sawmill, storage and office space purposes, and you acknowledge this licence of occupation does not grant you exclusive use and occupancy of the Land.
- 2.2 The term of this Agreement commences on the Commencement Date and terminates on the 10th anniversary of that date, or such earlier date provided for in this Agreement.

## **ARTICLE 3 - FEES**

- 3.1 You will pay to us
- (a) for the first year of the Term, Fees of \$2,632.50, payable in advance on the Commencement Date; and

- (b) for each year during the remainder of the Term, the Fees either determined by us under section 3.2 or established under section 3.3, payable in advance on each anniversary of the Commencement Date.
- 3.2 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 Fees payable by you under subsection 3.1(b) for the subsequent year of the Term and we will establish such Fees in accordance with our policies applicable to your use of the Land under this Agreement.
- 3.3 If we do not give notice to you under section 3.2, the Fees payable by you under subsection 3.1(b) for the year for which notice was not given will be the same as the Fees payable by you for the preceding year of the Term.

#### ARTICLE 4 - COVENANTS

- 4.1 You must
  - (a) pay, when due,
    - (i) the Fees to us at the address set out in Article 10,
    - (ii) the Realty Taxes, and
    - (iii) all charges for electricity, gas, water and other utilities supplied to the Land for use by you or on your behalf or with your permission;
  - (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 the 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) use and occupy the Land only in accordance with and for the purposes set out in section 2.1;
- (g) not construct, place or affix any Improvement on or to the Land except as necessary for the purposes set out in section 2.1;
- (h) pay all accounts and expenses as they become due for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, 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* for work performed on or materials supplied to the Land at your request, on your behalf or with your permission, 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) dispose of raw sewage and refuse only in accordance with the requirements and regulations of appropriate federal and provincial agencies;
- (l) store bulk hazardous petroleum products and other toxic substances in accordance with the provisions of the *Environmental Management Act*;
- (m) not use construction materials containing toxic substances, except in marine waters where the use of a preservative-treated wood may be necessary;
- (n) not alter, repair or add to any Improvement without our prior written consent;
- (o) at our request and at your expense, have a British Columbia Land Surveyor conduct a survey of the Land within 3 months;
- (p) agree to develop the land in a diligent and workmanlike manner in accordance with the management plan held on file in this office;



- (q) 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 of your operations;
- (r) 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

- (s) on the termination of this Agreement,
  - (i) peaceably quit and deliver to us possession of the Land and, subject to paragraphs (ii), (iii) and (iv), the Improvements in a safe, clean and sanitary condition,
  - (ii) within 90 days, remove from the Land any Improvement you want to remove, if the Improvement was placed on or made to the Land by you and you are not in default of this Agreement,
  - (iii) not remove any Improvement from the Land if you are in default of this Agreement, unless we direct or permit you to do so under paragraph (iv),
  - (iv) 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
  - (v) 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 (iv), 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.

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

## ARTICLE 5 - LIMITATIONS

- 5.1 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 4.1(r), 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) we may make other dispositions of or over the Land;
- (f) 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;

- (g) subject to subsection (f), 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;
- (h) 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);
- (i) you will not remove or permit the removal of any Improvement from the Land except as expressly permitted or required under this Agreement;
- (j) any interest you may have in the Improvements ceases to exist and becomes our property upon the termination of this Agreement, except where an Improvement may be removed under paragraph 4.1(s)(ii), (iii) or (iv) 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 4.1(s)(ii) or the time period provided for in the direction or permission given under paragraph 4.1(s)(iii); and
- (k) 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 occupier only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written agreement to the contrary.

## ARTICLE 6 - SECURITY AND INSURANCE

- 6.1 On the Commencement Date, you will deliver to us security in the amount of \$3,000.00 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.
- 6.2 Despite section 6.1, 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.

6.3 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 or to pay any overdue Fees 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.

6.4 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 6.1, less all amounts drawn down by us under section 6.3.

6.5 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.

6.6 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 \$1,000,000.00 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.

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

- (a) change the amount of insurance set out in subsection 6.6(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 7 - ASSIGNMENT

- 7.1 You must not sublicense, 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.
- 7.2 For the purpose of section 7.1, 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.
- 7.3 Section 7.2 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.
- 7.4 Prior to considering a request for our consent under section 7.1, 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 8 - TERMINATION

8.1 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;
  - (f) if this Agreement is taken in execution or attachment by any person; or
  - (g) if we require the Land for our own use or, in our opinion, it is in the public interest to cancel this Agreement and we have given you 60 days' written notice of such requirement or opinion;

this Agreement will, at our option and with or without entry, terminate and your right to use and occupy the Land will cease.

8.2 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.

8.3 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 8.1; and
- (b) our remedies under this Article are in addition to those available to us under the *Land Act*.

### ARTICLE 9 - DISPUTE RESOLUTION

- 9.1 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.
- 9.2 Subject to section 9.5, if a dispute under this Agreement cannot be resolved under section 9.1, we or you may refer the dispute to arbitration conducted by a sole arbitrator appointed pursuant to the *Commercial Arbitration Act*.
- 9.3 The cost of the arbitration referred to in section 9.2 will be shared equally by the parties and the arbitration will be governed by the laws of the Province of British Columbia.
- 9.4 The arbitration will be conducted at our offices (or the offices of our authorized representative) in Nanaimo, British Columbia, and if we or our authorized representative have no office in Nanaimo, British Columbia, then our offices (or the offices of our authorized representative) that are closest to Nanaimo, British Columbia.
- 9.5 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 9.2.

### ARTICLE 10 - NOTICE

- 10.1 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 AGRICULTURE AND LANDS  
Suite 142 - 2080 Labieux Road  
Nanaimo, BC V9T 6J9;

to you

MAQUINNA DEVELOPMENT CORPORATION  
Po Box 59  
Zeballos, BC V0P 2A0;

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.

- 10.2 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 10.1.
- 10.3 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 11 - MISCELLANEOUS

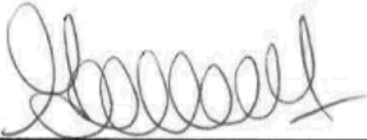
- 11.1 No provision of this Agreement will be considered to have been waived unless the waiver is in writing, and a waiver of a breach of a provision of this Agreement will not be construed as or constitute a waiver of any further or other breach of the same or any other provision of this Agreement, 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.
- 11.2 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.
- 11.3 The grant of a sublicence, 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 sublicence, assignment or transfer of this Agreement.
- 11.4 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators, successors and permitted assigns.



- 11.5 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.
- 11.6 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.
- 11.7 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

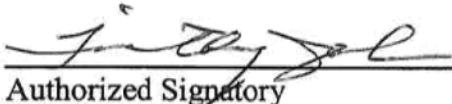


Minister responsible for the *Land Act*  
or the minister's authorized representative

SIGNED on behalf of  
**MAQUINNA DEVELOPMENT CORPORATION**  
by a duly authorized signatory



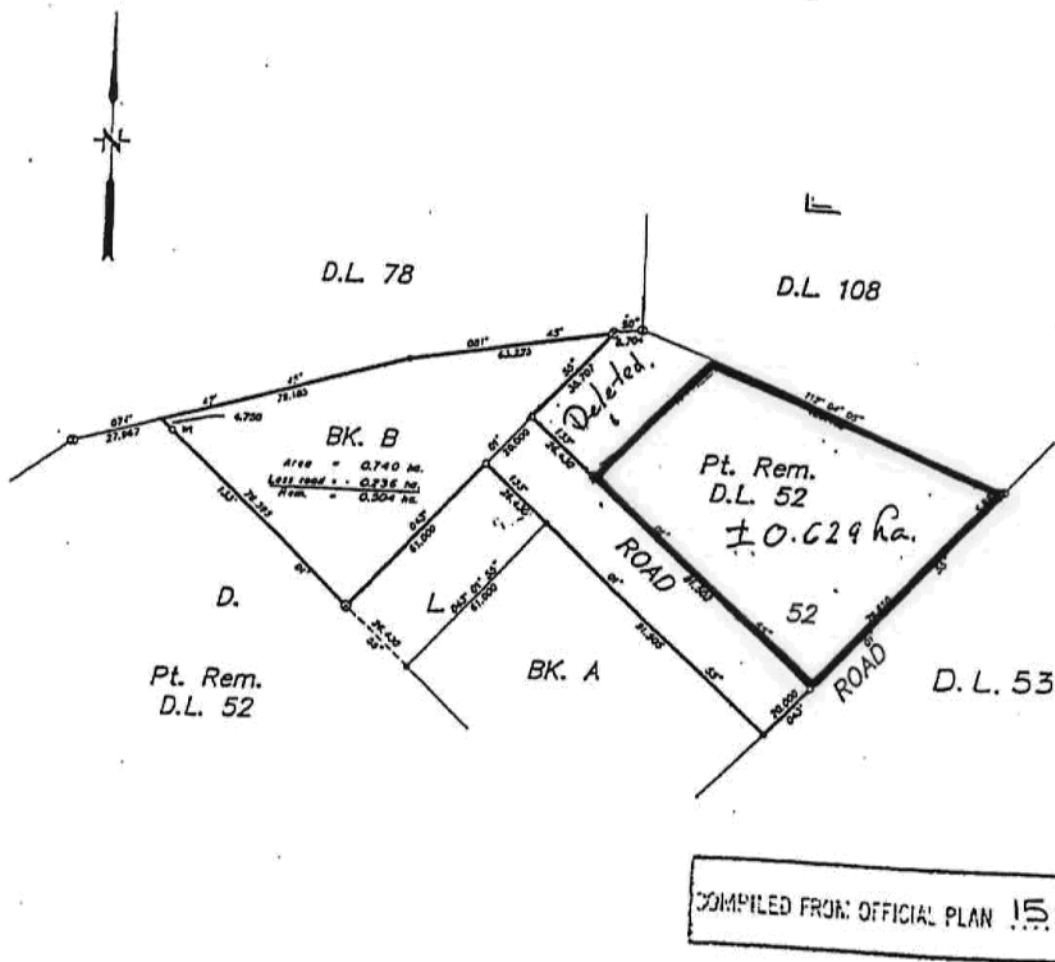
Authorized Signatory



Authorized Signatory

## LEGAL DESCRIPTION SCHEDULE

That part of District Lot 52, Nootka District, shown outlined on sketch below, containing 0.629 hectares, more or less. ,





**TREE FARM LICENCE NO. 19  
CUTTING PERMIT NO. 370**

**Ministry of Forests,  
Lands, and Natural  
Resource Operations**

**PURSUANT TO** Tree Farm Licence 19 (the "Licence"), this Cutting Permit is issued to:

**WESTERN FOREST PRODUCTS INC.  
CENTRAL ISLAND FOREST OPERATION  
PO BOX 220  
GOLD RIVER, BRITISH COLUMBIA  
V0P 1G0**

**Phone: (250) 283-2221      Fax: (250) 283-7222**

(the "Licensee")

**1.00 PERMIT AREA AND TERM**

1.01 Subject to the Licence and the forestry legislation, the Licensee is authorized to harvest the Crown timber from the areas of land shown on the attached Exhibit "A" map(s) (the "harvest area").

**1.02 The term of this Cutting Permit is 4 (four) years, beginning on March 10, 2017.**

**2.00 OTHER CONDITIONS AND REQUIREMENTS**

2.01 The Licensee must comply with the conditions and requirements set out in Schedule "A" to this Cutting Permit.

**3.00 TIMBER MARK**

3.01 The timber marks for timber removed under this Cutting Permit from land identified as:

- (a) Schedule "A" Land in the Agreement that is not subject to a timber licence is:

**NOT APPLICABLE**

- (b) Schedule “A” Land in the Agreement that is subject to a timber licence is:

**TAT**

**UAA**

- (c) Schedule “B” Land in the Agreement is:

**19**

**370**

- 3.02 All timber must be marked in the prescribed manner prior to being transported from the harvest area.
- 3.03 If directed to do so by the District Manager, the Licensee must erect signs at all exits from areas of land referred to in paragraph 1.01, clearly showing the timber marks referred to in paragraph 3.01.

#### **4.00 SCALE BASED STUMPAGE**

- 4.01 For the purpose of determining the amount of stumpage payable in respect of timber removed from:
- (a) the areas of Schedule “B” Land; or
  - (b) the areas of Schedule “A” Land subject to a timber licence;
- that are authorized for removal under this Cutting Permit, the volume or quantity of timber removed will be determined using information provided in a scale of the timber.
- 4.02 The Licensee must ensure that:
- (a) all timber removed from the harvest area is scaled; and
  - (b) the scale of the timber is conducted properly in accordance with the requirements of the *Forest Act* and the regulations made under that Act.

#### **5.00 ROADS**

- 5.01 Subject to the Licence and the forestry legislation, the Licensee may construct or modify roads under the authority of this Cutting Permit on areas of Schedule “B” Land, and Schedule “A” Land subject to a timber licence, that are authorized for primary logging and removal under this Cutting Permit if the roads are:
- (a) wholly contained within a cut block, and

- (b) wholly contained within a Forest Development Unit identified on a Forest Stewardship Plan.

## **6.00 TIMBER HARVEST**

- 6.01 The timber described in Schedule “B” is specified as reserved timber and the Licensee must not fell standing timber, and must not buck or remove felled or dead and down timber, as the case may be, of the species and description set out in Schedule “B”.

## **7.00 MISCELLANEOUS**

- 7.01 The Schedules and Exhibit “A” maps are deemed to be part of this Cutting Permit.
- 7.02 This Cutting Permit is deemed to be part of the Licence.
- 7.03 The Licence will govern the interpretation of this Cutting Permit.
- 7.04 The Licensee must notify the District Manager in writing in a form acceptable to the District Manager, when primary logging is complete and again when removal is complete.

**DATED March 10, 2017**

.....  
**Romona Blackwell**  
**District Manager**  
**Campbell River Forest District**

## SCHEDULE “A”

### SPECIAL CONDITIONS AND REQUIREMENTS

#### 1.00 ORDERLY CONDITION

The Licensee shall, concurrently with harvesting operations, leave all areas in an orderly and sanitary condition.

#### 2.00 NO MILL ALLOWED

The Licensee must not erect or operate a sawmill or wood processing plant on an area of land referred to in paragraph 1.01 of this *Permit*.

#### 3.00 OTHER OCCUPIERS OF LAND

- 3.01 The rights granted under **Cutting Permit 370 of Tree Farm Licence 19** are subject to other rights of use and occupation, and the *Licensee* must not interfere with exercise of those rights.
- 3.02 The rights of use and occupation referred to paragraph 3.01 are as follows:
  - a) **Other ‘Unspecified Users’.**

#### 4.00 MANUFACTURE PROHIBITED ON SALE AREA

The *Licensee* must not allow the manufacture of **shakes and/or shingles** on the area of land described in paragraph 1.01 of this *Permit*.

#### 5.00 HAZARD TREES

- 5.01 Hazard trees surrounding the cutblock boundary(s) identified on the attached map as Exhibit “A”, are subject to an exemption from the requirement for a *Forest Stewardship Plan* provided under Section 4(1) of the *Forest & Range Practices Act*, for the purposes of hazard tree felling.
- 5.02 The Licensee may fell trees outside of the cutblock boundary(s) if the person conducting tree felling or rigging tail hold/anchor trees determines that the tree represents a safety hazard according to Workers’ Compensation Board standards.
- 5.03 Trees felled under paragraph 5.02 shall NOT be bucked and utilized according to the specifications included in the Licence and/or Cutting Permit unless otherwise directed by the District Manager.

## **SCHEDULE “B”**

### **1.0 Reserved Timber**

The timber referred to in Paragraph 6.01 of this Cutting Permit includes any timber specified as ‘Reserved’ under an operational plan and for any other reasons including silviculture, biodiversity or forest management.

#### **Retention Strategy (Cut blocks I50HL, I53HL and Q230):**

All timber designated as Wildlife Tree Reserves, Long Term and Short Term Retention, located internally and/or externally to block boundaries as indicated on the Licensee’s submitted Schedule B Maps, will be considered as Reserved Timber for the purposes of this cutting permit.



MAP OF : TFL19 CP 370 (shown in bold black)

FOREST REGION : RWC  
FOREST DISTRICT : DCR

ESF SUBMISSION ID : 1605452  
BCGS MAPSHEET NO : 92E.089

TSA : 48  
LAND DISTRICT : NOOTKA DISTRICT

SCALE : 1:50000 at ANSI E Size  
Area (Ha): 72.19

PULPWOOD AGREEMENT :

UTM : 9  
NAD : NAD 83

MGT UNIT TYPE : TREE FARM LICENCE

MGT UNIT NO : 19  
DRAWN BY : FTA  
DATE : Feb 20, 2017

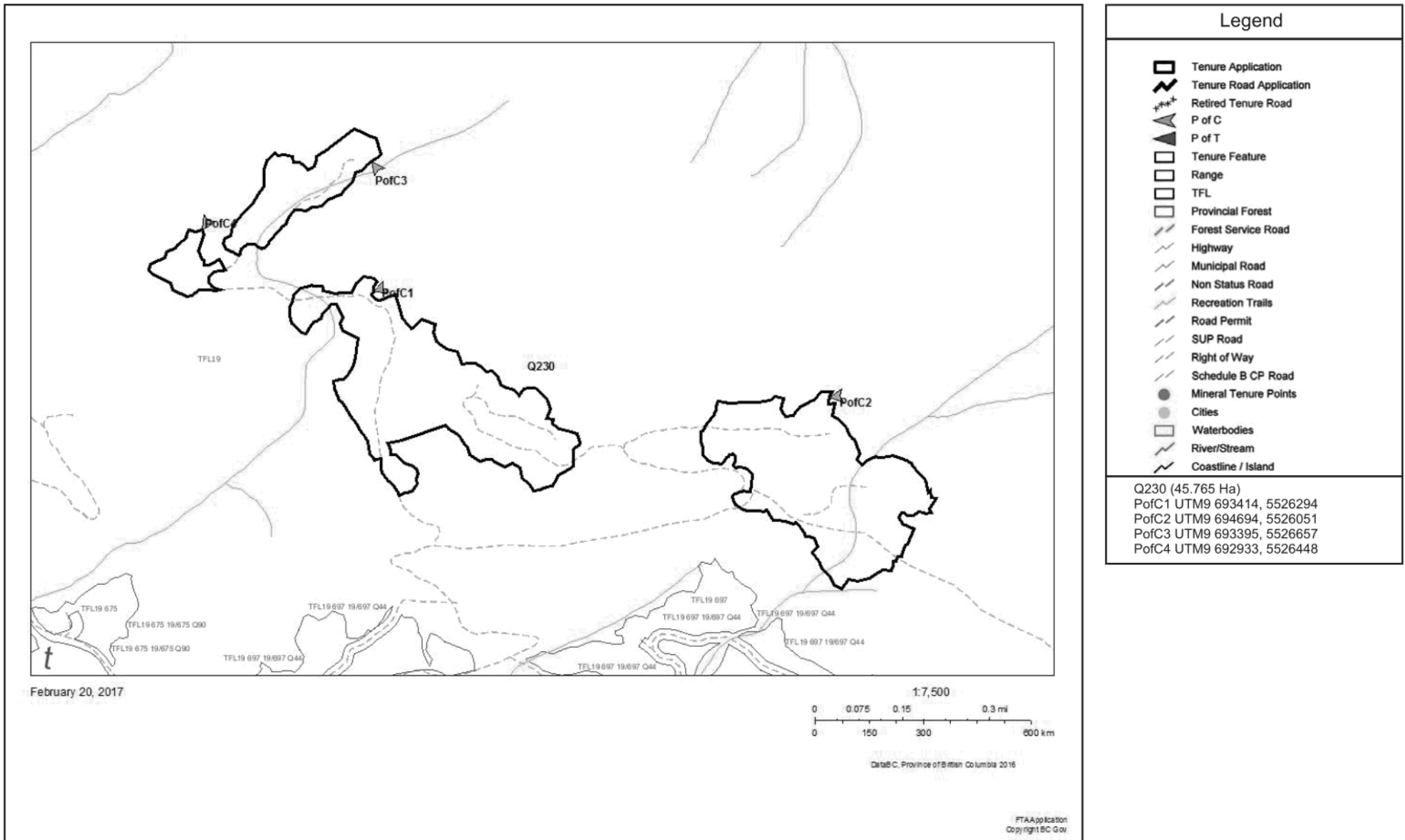


Legend

- Tenure Application
- Refined Tenure Road
- P of C
- P of T
- Tenure Feature
- Range
- Provincial Forest
- Forest Service Road
- Highway
- Municipal Road
- Non Status Road
- Reservation Trails
- Road Permit
- SLP Road
- Right of Way
- Schedule B/C/F Road
- Mineral Tenure Points
- Other
- Watercourse
- River/Stream
- Coastline / Island

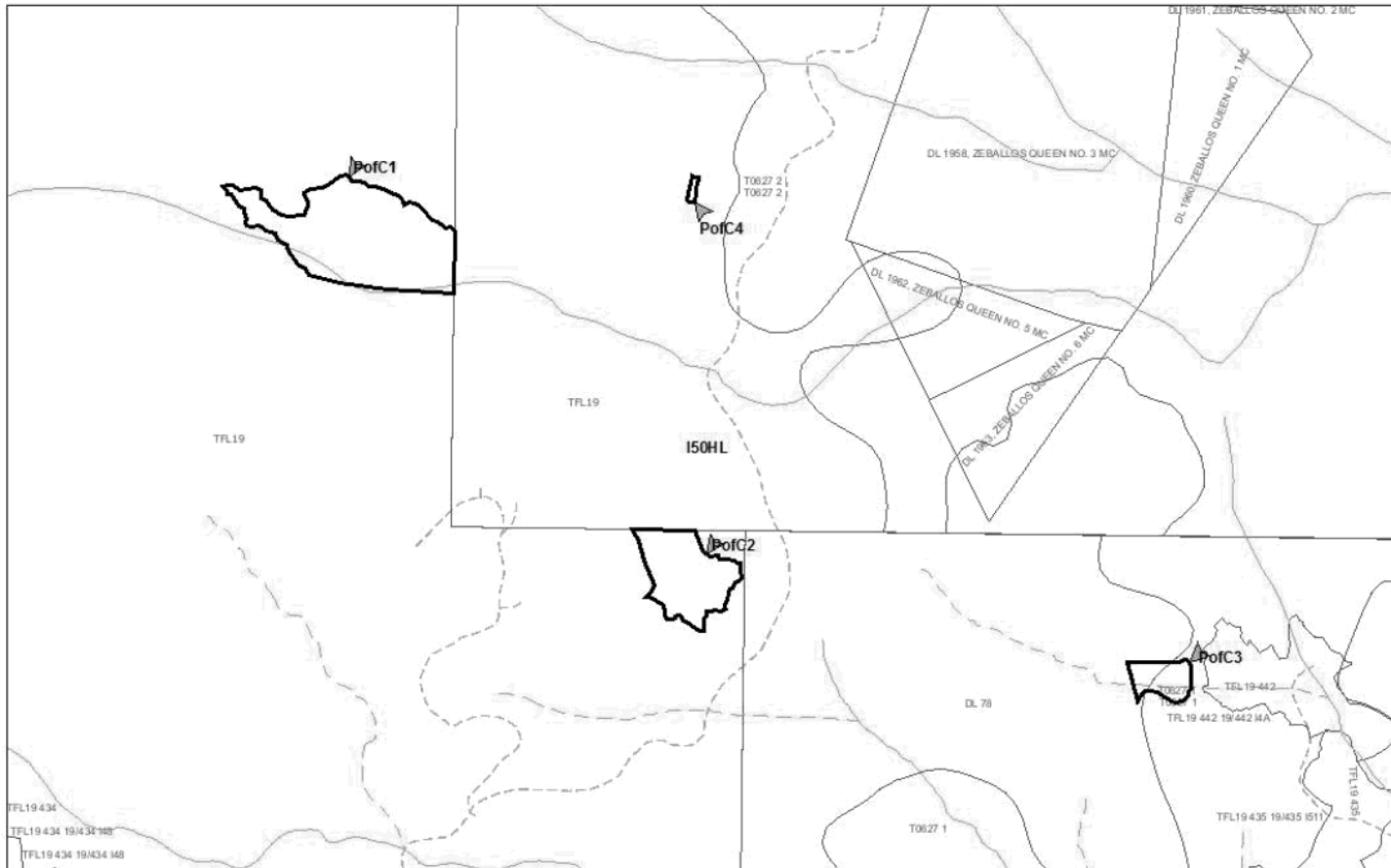
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MAP OF : TFL19 CP 370 CB Q230 (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 48 LAND DISTRICT : NOOTKA DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1605452 BCGS MAPSHEET NO : 92E.089	SCALE : 1:15000 at ANSI A Size Area (Ha): 45.765	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : Feb 20, 2017

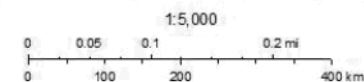


**MAP OF : TFL19 CP 370 CB 150HL (shown in bold black)**

FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 48 LAND DISTRICT : RUPERT DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1605452 BCGS MAPSHEET NO : 92L.006	SCALE : 1:10000 at ANSI A Size Area (Ha): 4.496	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : Feb 20, 2017



February 20, 2017



Data BC, Province of British Columbia 2016

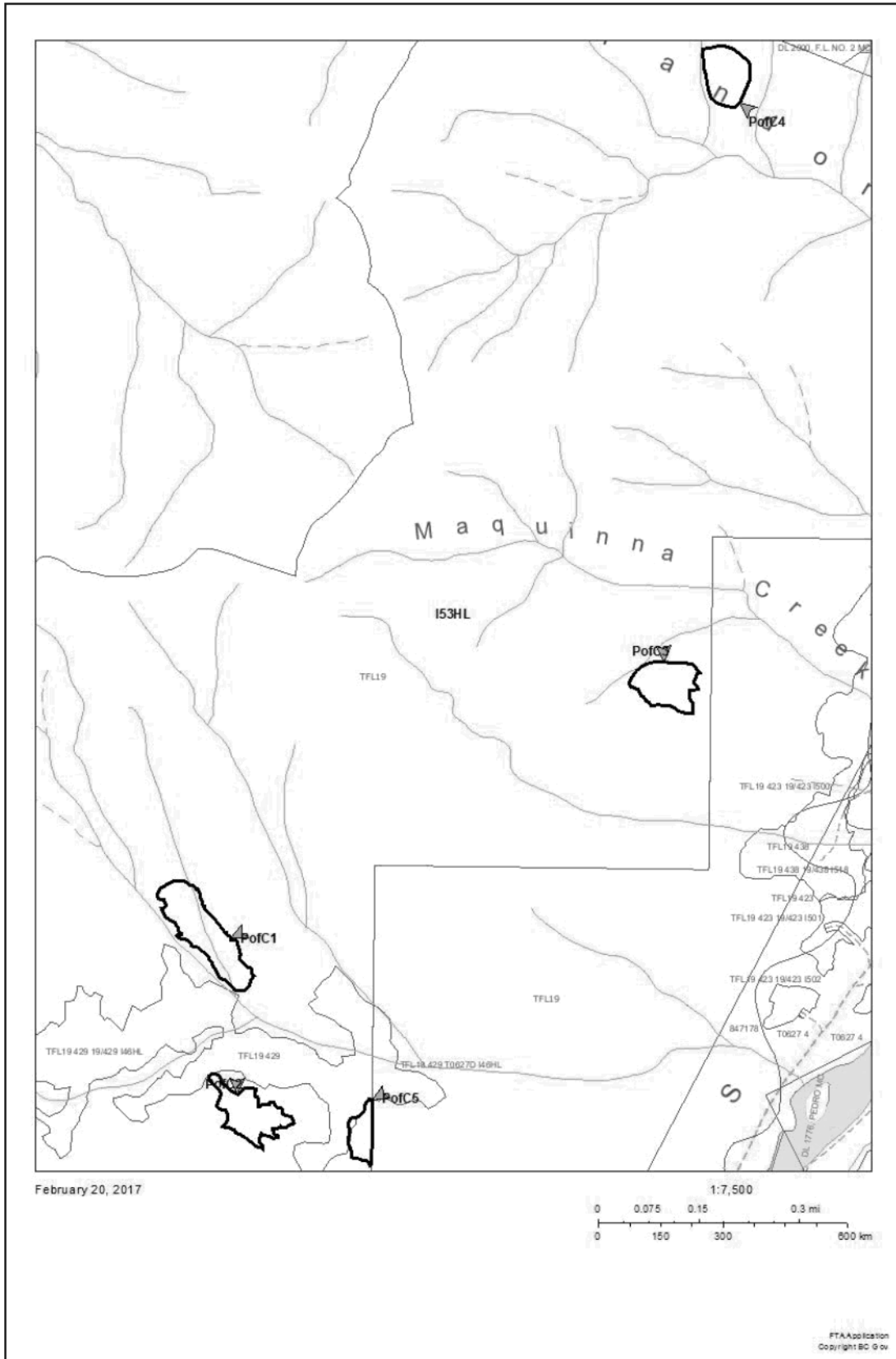
FTAA application  
Copyright BC Gov

## Legend

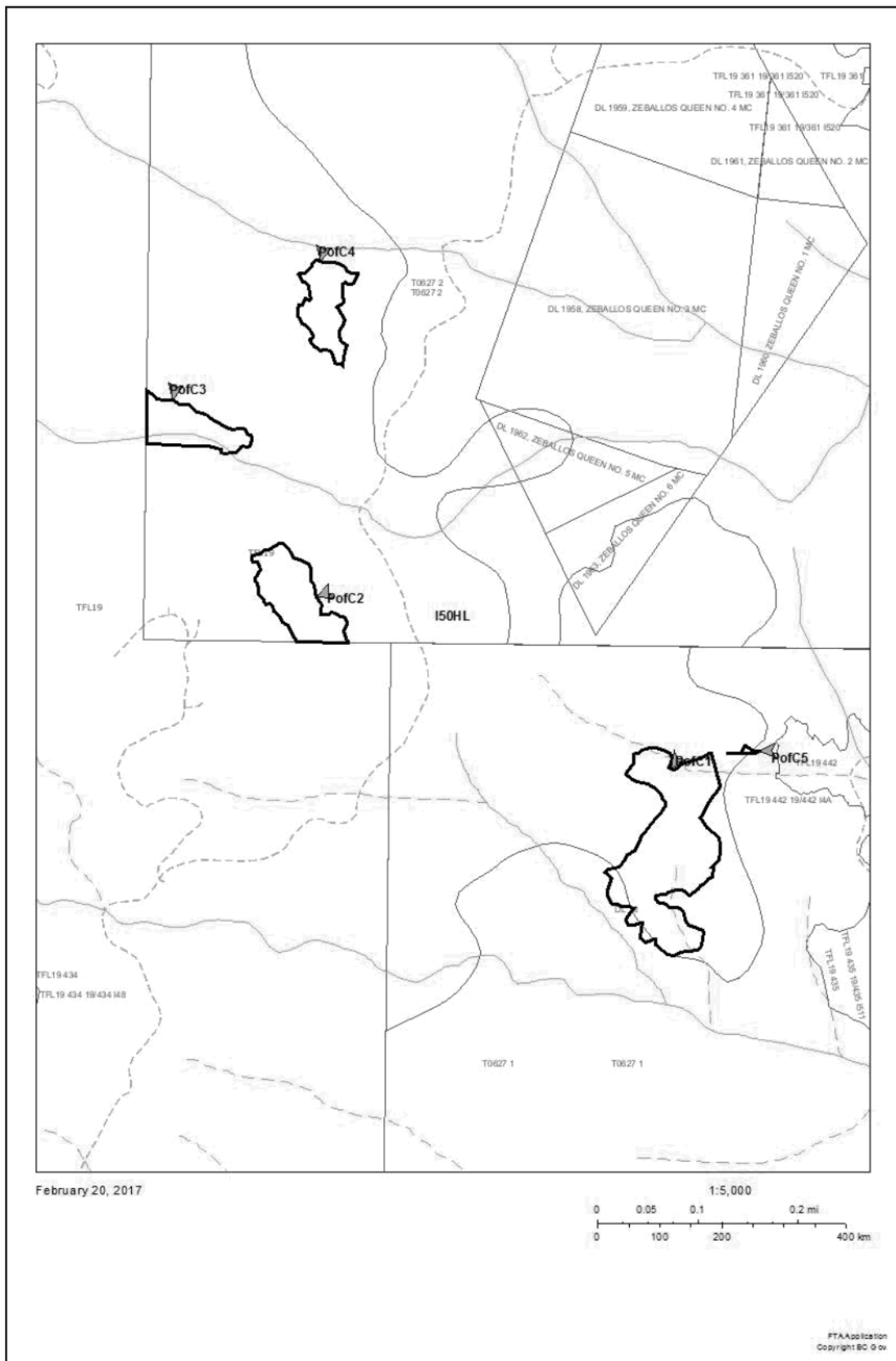
-  Tenure Application
-  Tenure Road Application
-  Retired Tenure Road
-  P of C
-  P of T
-  Tenure Feature
-  Range
-  TFL
-  Provincial Forest
-  Forest Service Road
-  Highway
-  Municipal Road
-  Non Status Road
-  Recreation Trails
-  Road Permit
-  SUP Road
-  Right of Way
-  Schedule B CP Road
-  Mineral Tenure Points
-  Cities
-  Waterbodies
-  River/Stream
-  Coastline / Island

150HL (4.496 Ha)  
PofC1 UTM9 652373, 5541258  
PofC2 UTM9 652879, 5540767  
PofC3 UTM9 653538, 5540648  
PofC4 UTM9 652842, 5541243

MAP OF : TFL19 CP 370 CB I53HL (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 48 LAND DISTRICT : RUPERT DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1605452 BCGS MAPSHEET NO : 92L.006	SCALE : 1:15000 at ANSI A Size Area (Ha): 7.251	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : Feb 20, 2017



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
I53HL (7.251 Ha) PoC1 UTM9 653328, 5543855 PoC2 UTM9 653360, 5543479 PoC3 UTM9 654345, 5544565 PoC4 UTM9 654474, 5545921 PoC5 UTM9 653686, 5543478	

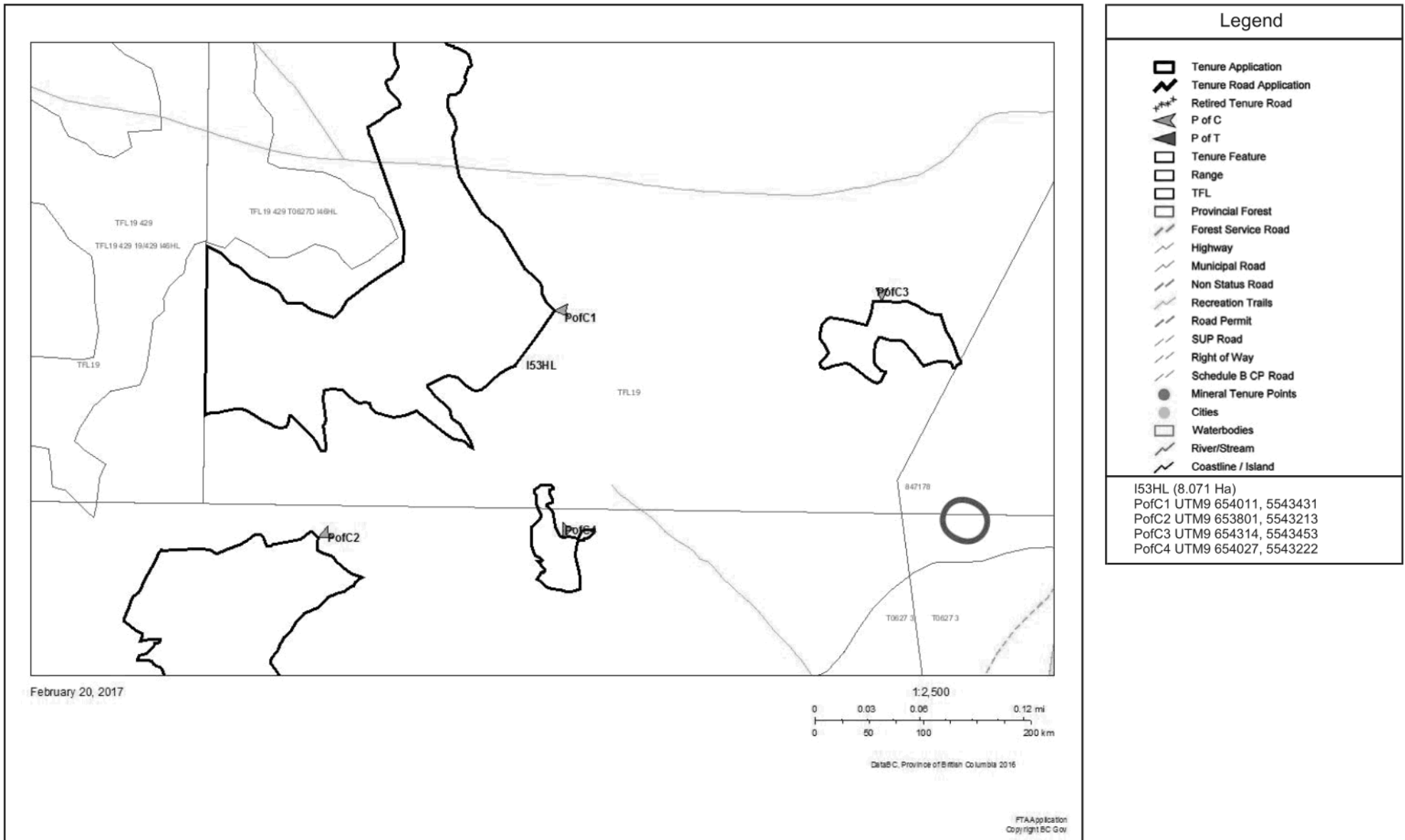


**Legend**

- 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

150HL (6,608 Ha)  
 PofC1 UTM9 653388, 5540618  
 PofC2 UTM9 652806, 5540871  
 PofC3 UTM9 652562, 5541179  
 PofC4 UTM9 652791, 5541411  
 PofC5 UTM9 653530, 5540651

MAP OF : TFL19 CP 370 CB I53HL (shown in bold black)			
FOREST REGION : RWC FOREST DISTRICT : DCR	TSA : 48 LAND DISTRICT : RUPERT DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TREE FARM LICENCE MGT UNIT NO : 19
ESF SUBMISSION ID : 1605452 BCGS MAPSHEET NO : 92L.006	SCALE : 1:5000 at ANSI A Size Area (Ha): 8.071	UTM : 9 NAD : NAD 83	DRAWN BY : FTA DATE : Feb 20, 2017





TIMBER LICENCE NO. T 0627

Tree-farm Licence No. 19

THIS LICENCE, made January 1, 1982

BETWEEN:

THE REGIONAL MANAGER ON behalf  
of HER MAJESTY, THE QUEEN IN RIGHT  
OF THE PROVINCE OF BRITISH  
COLUMBIA

(the "Licensor")

OF THE FIRST PART,

AND:

TAHSIS COMPANY LTD.  
1201 West Pender Street  
Vancouver, B.C.

(the "Licensee")

OF THE SECOND PART,

WITNESSES THAT, under section 20 of the *Forest Act*, the parties agree as follows:

*Grant of Rights*

1.01 The Licensor grants to the Licensee the exclusive right to harvest during the term of this Licence all the merchantable timber in the timber licence area,

- (a) according to the Tree-farm Licence and management and working plans approved under it, and
- (b) from areas within the timber licence area specified in cutting permits issued from time to time
  - (i) under the Tree-farm Licence while the Tree-farm Licence or replacements for it remain in force, or
  - (ii) by the Regional Manager after the Tree-farm Licence expires or is otherwise terminated, and is not replaced.

1.02 If the Tree-farm Licence expires or is otherwise terminated and not replaced, the Regional Manager will, on application from the Licensee, issue cutting permits authorizing timber to be harvested in the timber licence area.

1.03 The timber licence area is the land outlined in bold black on the map<sup>3</sup> attached to this Licence, except land that is excluded in notations made on the map<sup>3</sup>

#### *Term*

1.04 Subject to section 57 of the *Forest Act*, the term of this Licence

- (a) shall begin when the Tree-farm Licence comes into effect, and
- (b) shall end on the earlier of
  - (i) one year after the Tree-farm Licence expires or is otherwise terminated, and is not replaced under section 29 of the *Forest Act*, or
  - (ii) the date when it is replaced under section 21 of the *Forest Act*.

#### *Financial*

1.05 In addition to other money payable under the *Forest Act*, but without duplication, the Licensee will pay to the Crown, immediately on receipt of a statement issued on behalf of the Crown,

- (a) annual rent payable under the *Forest Act*,
- (b) in respect of timber harvested under this Licence, either
  - (i) stumpage at rates determined under the *Forest Act* and varied under cutting permits, or
  - (ii) royalty at rates specified in the *Forest Act*, according to the election made under section 23 of the *Forest Act* in respect of this Licence,
- (c) scaling fees determined under the regulations, and
- (d) waste and damage assessments under cutting permits.

#### *Reforestation*

1.06 The Licensee will apply to the timber licence area such reforestation or other treatment for re-establishment of forest on the timber licence area, consistent with the management and working plans, as the Regional Manager may determine.

#### *Miscellaneous*

1.07 This Licence is subject to the *Forest Act*, the Tree-farm Licence and the management and working plan in effect from time to time.



1.08 Subject to paragraph 1.09 if the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Minister may cancel this Licence by giving notice to the Licensee.

1.09 The Minister will not cancel this Licence under paragraph 1.08 unless and until

- (a) he gives notice to
  - (i) the holder of a debenture, mortgage or other debt security that charges this Licence, then registered against the Licensee under the *Companies Act*, and
  - (ii) the trustee for the holder of a bond or debenture issued under a deed of trust that charges this Licence, then registered against the Licensee under the *Companies Act*, and
- (b) a person referred to in clauses (a) (i) or (a) (ii) has had a reasonable opportunity to exercise his rights and to pursue his remedies under the deed of trust, debenture, mortgage or other debt security, including the taking of possession of the Licensee's properties and assets.

1.10 This Licence will enure to the benefit of, and be binding on, the parties to it and their respective permitted successors and assigns.

#### *Interpretation*

1.11 In this Licence, unless the context otherwise requires,

- (a) "timber licence area" means the land described in paragraph 1.03,
- (b) "merchantable timber" has the same meaning as in the *Forest Act*, and
- (c) "Regional Manager" means the regional manager appointed under the *Ministry of Forests Act*, S.B.C. 1978, c. 27, for the forest regions in which the licence area, or part, is situated, and
- (d) "Tree-farm Licence" means the Tree-farm Licence held by the Licensee and identified at the beginning of this Licence.

1.12 Unless the context otherwise requires, the definitions and rules of interpretation in the Tree-farm Licence apply to this Licence.

IN WITNESS to this Licence, the Regional Manager has executed it on behalf of the Crown, and the common seal of the Licensee has been affixed to it by its officers who are authorized to do so.

SIGNED, SEALED AND DELIVERED by the REGIONAL  
MANAGER OF the FOREST REGION, on behalf of the  
Crown in the presence of:

"J. Mackie"

"D.T. Grant"

~~Regional Manager~~  
~~Vancouver Forest Region~~

THE COMMON SEAL of the Licensee was affixed in the  
presence of:

"TAHSIS COMPANY LTD." (SEAL)

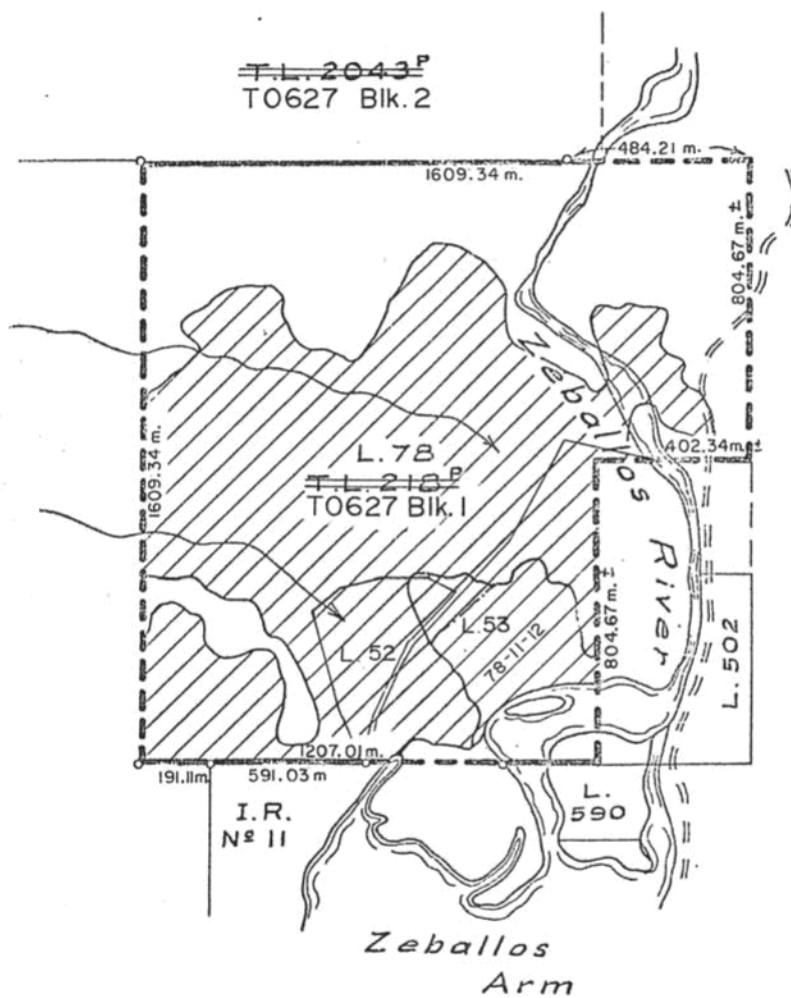
"H.J. Funk"

Vice President

"N. McLardy"

Assistant Secretary

L. 78 ~~T.L. 218~~ T0627 Blk. I  
Nootka Dist. 1:15840



Gross area	225 Ha.
Eliminations±	143 Ha.
Net Area ±	82 Ha.

Renumbered May 6, 1981 F.S.  
Amended 79-01-30 KB  
Amended 26-10-71

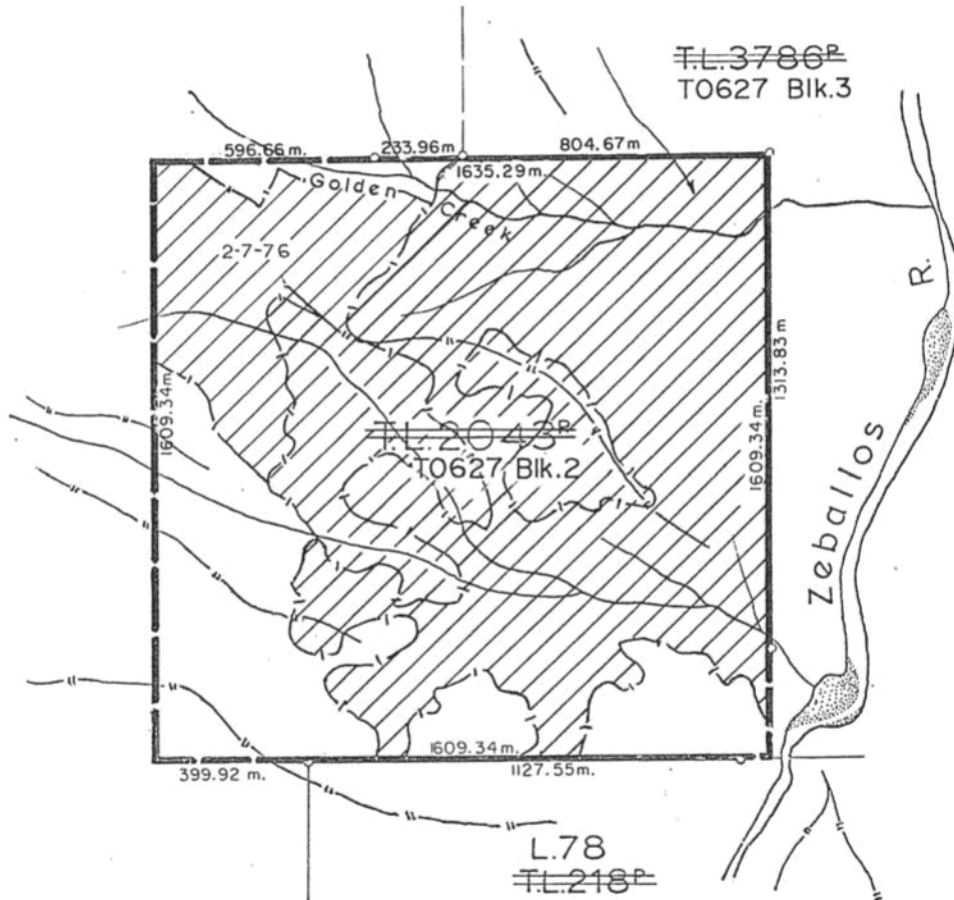
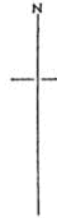
Lot No.	Field Book	Pigeon-hole	Date Surveyed	Reference Map	Plan	Made by	Date
				92E/NE(f-4)	37 T1	C.P.E.S.	Nov. 25, 1966


BRITISH COLUMBIA  
FOREST SERVICE

File  
No.

~~TL 2043<sup>P</sup>~~ T0627 Blk. 2  
Rupert Land Dist.

Scale: 1:15840



Gross area 259 Ha.  
Eliminations ±  200 Ha.  
Net Area ± 59 Ha.

Renumbered May 7 1981 by F.S.  
Amended July 2 1976  
Amended Aug 10 1972 B.T.

Lot No.	Field Book	Pigeon-hole	Date Surveyed	Reference Map	Plan
				92L/SE(a-2)	37 T 1 (Nootka)
				Sketch for	Made by Tash
				F.S. Draughting Room, Victoria, B.C.	Jan 18 1961

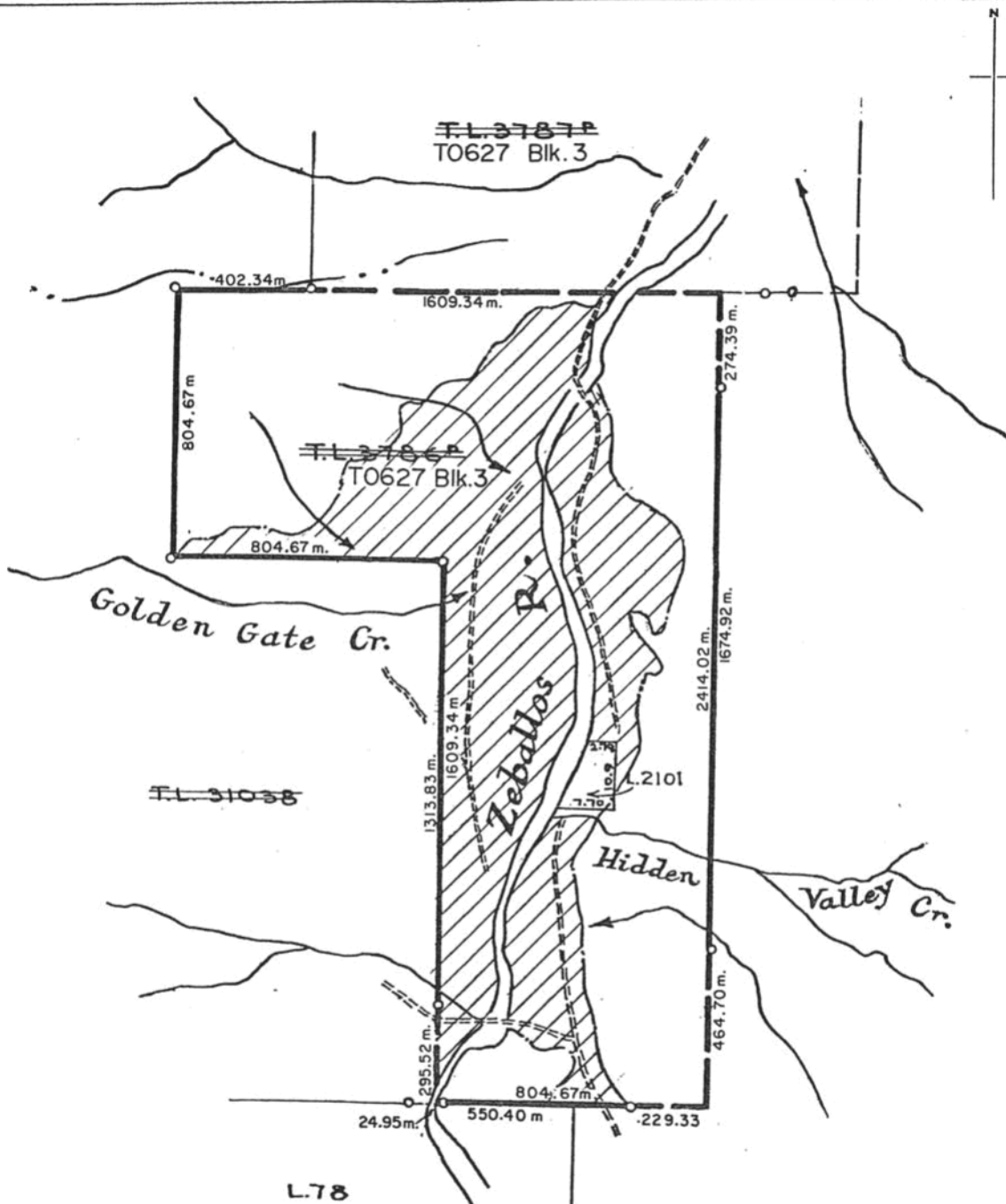
BRITISH COLUMBIA  
FOREST SERVICE

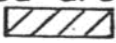
File  
No.

~~T.L. 3786P~~ T0627 Blk. 3

RUPERT LAND DIST.

Scale: 1:15840



Gross area 259 Ha.  
less river 11 "  
less L 2101 2 "  
less logged area 120 "  
shown   
Net area 126 Ha.

Renumbered May 7 1980 by F.S.  
Amended Dec. 18 1967 by Tash

Lot No.	Field Book	Pigeon-hole	Date Surveyed	Reference Map	Plan
				92L/SE (A-2)	24 T 4
				Sketch for	Made by TASH
				F.S. Draughting Room, Victoria, B.C.	FEB 9 1967

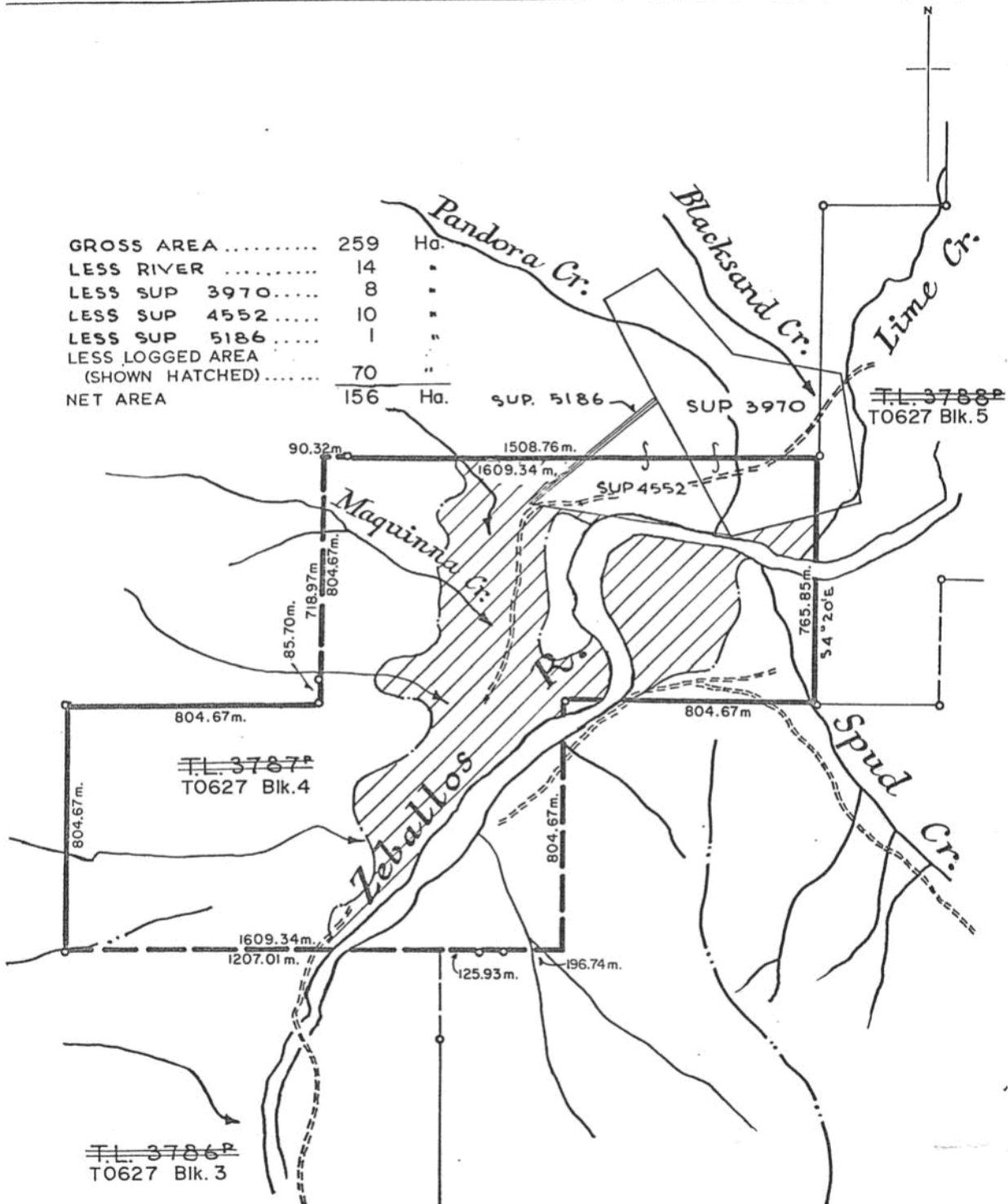
BRITISH COLUMBIA  
FOREST SERVICE

File  
No.

~~T.L. 3787P~~ T0627 Blk.4

RUPERT LAND DIST. Scale: 1:5840

GROSS AREA ..... 259 Ha.  
LESS RIVER ..... 14 "  
LESS SUP 3970 ..... 8 "  
LESS SUP 4552 ..... 10 "  
LESS SUP 5186 ..... 1 "  
LESS LOGGED AREA  
(SHOWN HATCHED) ..... 70 "  
NET AREA ..... 156 Ha.



Renumbered May 7 1981 by F.S.  
Amended Dec. 15 1967 by Tosh

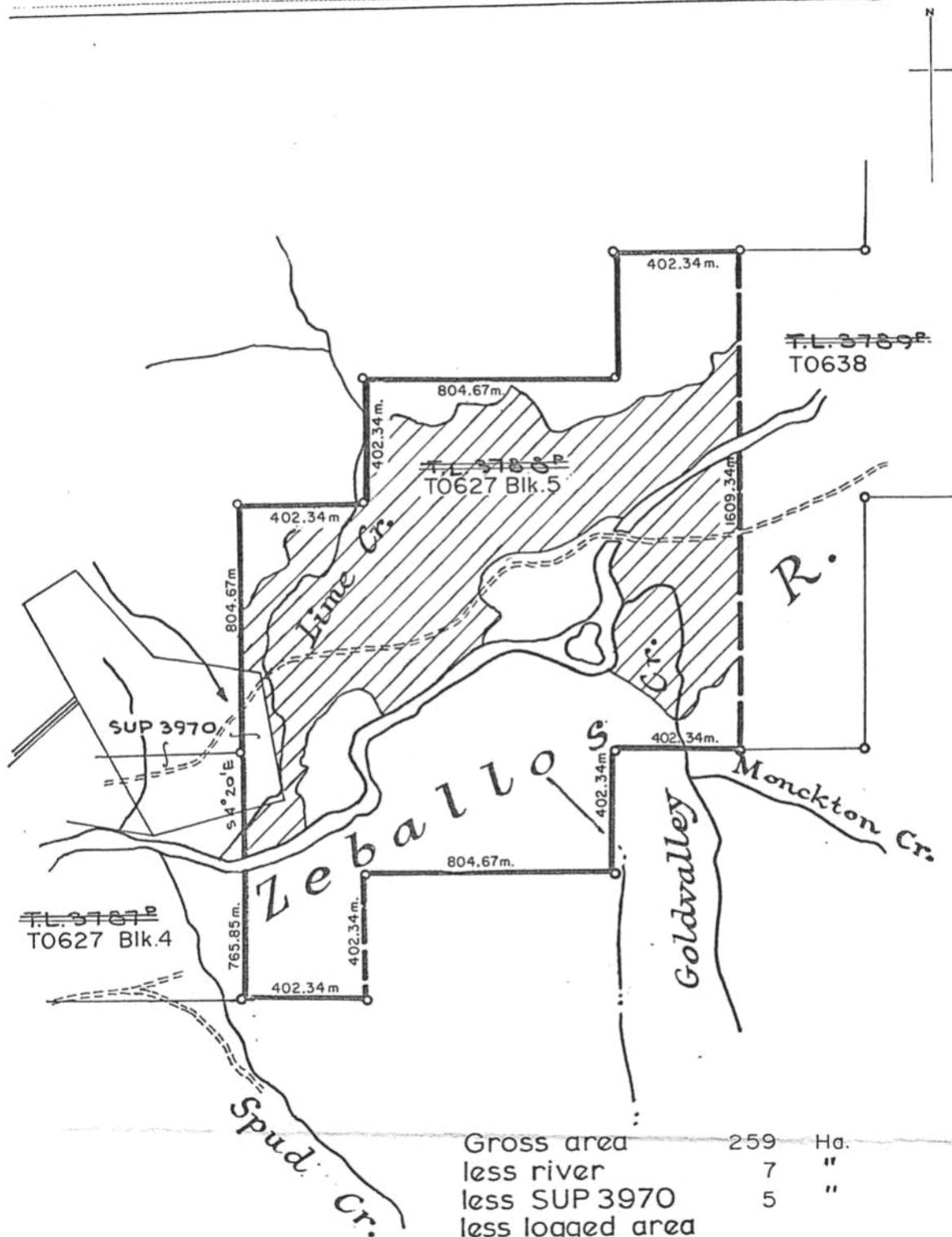
Lot No.	Field Book	Pigeon-hole	Date Surveyed	Reference Map	Plan
				92 L/SE (A-2)	24 T 4
				Sketch for	Made by TASH
				F.S. Drafting Room, Victoria, B.C. FEB. 8 67	


BRITISH COLUMBIA  
FOREST SERVICE

File  
No.

T.L. ~~3788~~ T0627 Blk. 5  
RUPERT LAND DIST.

Scale: 1:5840



Gross area	259	Hd.
less river	7	"
less SUP 3970	5	"
less logged area shown 	127 ±	"
Net area	120	Hd.

Renumbered May 7, 1981 by F.S.

Lot No.	Field Book	Pigeon-hole	Date Surveyed	Reference Map	Sketch for	Made by
				92 L/SE (A.2)	Plan	24 T4
						TASH
				F.S. Draughting Room, Victoria, B.C.		FEB 8 1967
				Amended Dec. 15 1967		by Tash