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s.17; s.21; s.16

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s.16; s.17; s.21



Ministry of Forests,
Lands, Natural Resource
Operations & Rural
Development

Purchase Agreement PA19THD509

GENERAL AGREEMENT OF PURCHASE AND ASSIGNMENT

THIS AGREEMENT made as of the 12th day of December, 2018.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA
MINISTER OF FORESTS, LANDS, NATURAL RESOURCE OPERATIONS
& RURAL DEVELOPMENT
BC Timber Sales, Seaward tlaSta Business Area
PO Box 7000, 2217 Mine Road
Port McNeill, British Columbia
V0N 2R0**

**("Purchaser")
OF THE FIRST PART**

AND:

**Gwa'nak Resources LP
P.O. Box 2009
Port Hardy, B.C.
V0N 2P0**

**("Vendor")
OF THE SECOND PART**

WHEREAS:

- A. The Vendor carries on business as an integrated forest company;
- B. The Purchaser is desirous of acquiring certain assets of the Vendor.

NOW THEREFORE IN CONSIDERATION of the agreements, representations and warranties, the parties hereto covenant and agree as follows:

- 1. The assets that are the subject of this Agreement are set out on Schedule A hereto and the process of payment is set out on Schedule B hereto.
- 2. The Vendor represents and warrants to the Purchaser that:
 - (a) It has full right and authority to sell, transfer and assign the assets as contemplated hereby;
 - (b) the assignor's interest in the assets is free and clear of all liens, charges, encumbrances and judgments of any nature or kind whatsoever;
 - (c) the creation, development and preparation of the assets have all been undertaken and completed in accordance with the relevant statutory

requirements, guidelines and applicable regulations to a standard of generally accepted and applicable industry practices;

3. Relying on the warranties and representations set forth in this Agreement and the description of assets and payments set out in Schedule A and Schedule B, the Purchaser will purchase from the Vendor and the Vendor will sell, assign and transfer to the Purchaser the full rights to use the assets free and clear of encumbrances for the said purchase price.
4. In determination of the purchase price, the Vendor has fully disclosed any and all adjustments, debits, costs or payments relevant to the establishment of the purchase price and any and all prepayments or adjustments which it may have been entitled to and did claim or internalized in its costing to the Ministry of Forests to arrive at the purchase price.
5. The Purchaser's obligation to pay money to the Vendor is subject to the *Financial Administration Act* that makes the obligation subject to an appropriation being available in a fiscal year of the Purchaser during which payment becomes due.
6. The Vendor will indemnify and save harmless the purchaser, the purchaser's agents and employees from any losses, claims, damages, actions, causes of action, costs, expenses, that the purchaser or the purchaser's agent or employees may sustain, incur, suffer or be put to at any time which is based upon or arise out of or occurs directly or indirectly by reason of a third party claim based on any element of the assets purchased being in breach of the warranties herein.
7. The Vendor has made a determination as to whether or not any copyright issues arise with respect to the transfer of any planning, assessments, engineering or data compilation or other steps or information the subject of the asset purchase and has or will take such steps as are necessary to procure the necessary approval to ensure the unrestricted acquisition by the Purchaser of the full rights to the assets.
8. The laws of the Province of British Columbia shall govern this Agreement.

SIGNED, SEALED AND DELIVERED

in the presence of:

Barb Drennan
Print Name

2217 Mine Road
Address
Port McNeill

Barb Drennan
Signature

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

Per:

DUNCAN TAGGART
Print Name

[Signature]
Authorized Signatory

SIGNED, SEALED AND DELIVERED

in the presence of:

Barb Drennan
Print Name

2217 Mine Road
Address
Port McNeill

Barb Drennan
Signature

**Gwa'nak Resources LP as a General
Partner for an on behalf of Gwa'Nak
Resources Limited Partnership**

Per:

DUNCAN BROWN
Print Name

[Signature]
Authorized Signatory



BRITISH
COLUMBIA

Ministry of Forests,
Lands, Natural Resource
Operations & Rural
Development

Schedule A General Conditions

Final Engineering Package

This schedule forms an integral part of the PURCHASE AGREEMENT PA19THD509 between Gwa'nak Resources LP and BC Timber Sales, Seaward-Ilasta Business Area and should be attached thereto.

ARTICLE 1 PURCHASE AGREEMENT OBJECTIVES

- 1.01 To purchase a complete engineering package relating to volume that will be auctioned by BC Timber Sales, Seaward Ilasta as part of the BCTS disposition agreement entered into by Gwa'nak Resources LP on December 12, 2018.
- 1.02 Term of Purchase Agreement is up to and including final purchase.

ARTICLE 2 REQUIRED DELIVERABLES

- 2.01 The final engineering package for purchase will be provided in a format specifically agreed upon by BC Timber Sales including but not limited to the following:
- (a) Block and road (if required) layout and design.
 - (b) All required professional assessments including, but not limited to, archaeological, riparian, terrain, log dump/water drop biological assessment, etc.
 - (c) Completed and approved Site Plans (under Lions Gate Forest Products Ltd. FSP).
 - (d) Cruise plans and final cruise (including CGNF).
 - (e) Professional / technical assessments required to comply with the requirements of the *Forest & Range Practices Act, Fisheries Act, Great Bear Rain Forest Order* and other relevant legislation and regulations.
 - (f) Digital shape files and electronic and paper copy of final engineering package.

ARTICLE 3 VENDOR RESPONSIBILITY

- 3.01 The Vendor representative must review deliverable submissions to ensure compliance with Article 2.
- 3.02 Work submissions not adequately reviewed by the Vendor representative will be returned to the Vendor for revision at the Vendor's expense.

ARTICLE 4 LEGISLATIVE REQUIREMENTS

- 4.01 It is incumbent on the Vendor, where knowledge exists, to ensure accurate depiction of all features within or immediately adjacent to the blocks; specifically streams, riparian reserve zones, steep slopes, unstable terrain, special topographic features, wildlife use areas, resource features and other in-block features which will have management constraints.



Ministry of Forests,
Lands, Natural Resource
Operations & Rural
Development

Schedule B - Payment

This schedule forms an integral part of the PURCHASE AGREEMENT PA19THD509 between Gwa'nak Resources LP and BC Timber Sales, Seaward-Itasca Business Area and should be attached thereto.

1. FEES

- 1.01 Fees will be paid upon BC Timber Sales' acceptance of all deliverables.
- 1.02 The estimated cost breakdown is as follows:

Data Type	Service Line	Volume m3	Total \$
Final engineering package	42469	61,131	\$1,215,895.59

2. TOTAL PAYABLE

- 2.01 In accordance with this Schedule fees payable to the Vendor will not exceed \$1,215,895.59.

3. SUBMISSION OF INVOICE

- 3.01 Gwa'nak Resources LP acknowledges that payment under PA19THD509 shall be made to Gwa'nak Resources LP upon satisfactory delivery of product.
- 3.02 No payments will be issued for activities unless the Ministry Representative has deemed the appropriate submissions complete and acceptable.
- 3.03 In order to obtain payment for fees under this Agreement, you must submit an invoice by December 12, 2018 showing:
- (a) Your legal name, address, the date and the period of time which the invoice applies ("Billing Period"),
 - (b) The calculation of all fees claimed under this Agreement for the Billing Period, including a declaration that the Services have been completed;
 - (c) The estimated cost breakdown by block as per BCTS Service Lines, as follows:

Service Line	Service Line Description
42467	Costs for road and major structure layout and design (if required)
42469	All block layout, assessments and cruising

- 3.04 Within thirty-one days of our receipt of your invoice, or the date we authorize payment, whichever is the latter, we must pay you fees for those Services we determined were satisfactorily received during the Billing Period.
- 3.05 Invoice is to be submitted electronically to: TST.Invoices@gov.bc.ca



Ministry of Forests,
Lands, Natural Resource
Operations & Rural
Development

Purchase Agreement PA19THD509

GENERAL AGREEMENT OF PURCHASE AND ASSIGNMENT

THIS AGREEMENT made as of the 12th day of December, 2018.

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA
MINISTER OF FORESTS, LANDS, NATURAL RESOURCE OPERATIONS
& RURAL DEVELOPMENT
BC Timber Sales, Seaward tlaSta Business Area
PO Box 7000, 2217 Mine Road
Port McNeill, British Columbia
V0N 2R0**

**("Purchaser")
OF THE FIRST PART**

AND:

**Gwa'nak Resources LP
P.O. Box 2009
Port Hardy, B.C.
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**("Vendor")
OF THE SECOND PART**

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- 1. The assets that are the subject of this Agreement are set out on Schedule A hereto and the process of payment is set out on Schedule B hereto.
- 2. The Vendor represents and warrants to the Purchaser that:
 - (a) It has full right and authority to sell, transfer and assign the assets as contemplated hereby;
 - (b) the assignor's interest in the assets is free and clear of all liens, charges, encumbrances and judgments of any nature or kind whatsoever;
 - (c) the creation, development and preparation of the assets have all been undertaken and completed in accordance with the relevant statutory

requirements, guidelines and applicable regulations to a standard of generally accepted and applicable industry practices;

3. Relying on the warranties and representations set forth in this Agreement and the description of assets and payments set out in Schedule A and Schedule B, the Purchaser will purchase from the Vendor and the Vendor will sell, assign and transfer to the Purchaser the full rights to use the assets free and clear of encumbrances for the said purchase price.
4. In determination of the purchase price, the Vendor has fully disclosed any and all adjustments, debits, costs or payments relevant to the establishment of the purchase price and any and all prepayments or adjustments which it may have been entitled to and did claim or internalized in its costing to the Ministry of Forests to arrive at the purchase price.
5. The Purchaser's obligation to pay money to the Vendor is subject to the *Financial Administration Act* that makes the obligation subject to an appropriation being available in a fiscal year of the Purchaser during which payment becomes due.
6. The Vendor will indemnify and save harmless the purchaser, the purchaser's agents and employees from any losses, claims, damages, actions, causes of action, costs, expenses, that the purchaser or the purchaser's agent or employees may sustain, incur, suffer or be put to at any time which is based upon or arise out of or occurs directly or indirectly by reason of a third party claim based on any element of the assets purchased being in breach of the warranties herein.
7. The Vendor has made a determination as to whether or not any copyright issues arise with respect to the transfer of any planning, assessments, engineering or data compilation or other steps or information the subject of the asset purchase and has or will take such steps as are necessary to procure the necessary approval to ensure the unrestricted acquisition by the Purchaser of the full rights to the assets.
8. The laws of the Province of British Columbia shall govern this Agreement.

SIGNED, SEALED AND DELIVERED

in the presence of:

Barb Drennan
Print Name

2217 Mine Road
Address
Port McNeill

Barb Drennan
Signature

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

Per:

DUNCAN TAGGART
Print Name

[Signature]
Authorized Signatory

SIGNED, SEALED AND DELIVERED

in the presence of:

Barb Drennan
Print Name

2217 Mine Road
Address
Port McNeill

Barb Drennan
Signature

**Gwa'nak Resources LP as a General
Partner for an on behalf of Gwa'Nak
Resources Limited Partnership**

Per:

DUNCAN BROWN
Print Name

[Signature]
Authorized Signatory



BRITISH
COLUMBIA

Ministry of Forests,
Lands, Natural Resource
Operations & Rural
Development

Schedule A General Conditions

Final Engineering Package

This schedule forms an integral part of the PURCHASE AGREEMENT PA19THD509 between Gwa'nak Resources LP and BC Timber Sales, Seaward-Ilasta Business Area and should be attached thereto.

ARTICLE 1 PURCHASE AGREEMENT OBJECTIVES

- 1.01 To purchase a complete engineering package relating to volume that will be auctioned by BC Timber Sales, Seaward Ilasta as part of the BCTS disposition agreement entered into by Gwa'nak Resources LP on December 12, 2018.
- 1.02 Term of Purchase Agreement is up to and including final purchase.

ARTICLE 2 REQUIRED DELIVERABLES

- 2.01 The final engineering package for purchase will be provided in a format specifically agreed upon by BC Timber Sales including but not limited to the following:
- (a) Block and road (if required) layout and design.
 - (b) All required professional assessments including, but not limited to, archaeological, riparian, terrain, log dump/water drop biological assessment, etc.
 - (c) Completed and approved Site Plans (under Lions Gate Forest Products Ltd. FSP).
 - (d) Cruise plans and final cruise (including CGNF).
 - (e) Professional / technical assessments required to comply with the requirements of the *Forest & Range Practices Act*, *Fisheries Act*, *Great Bear Rain Forest Order* and other relevant legislation and regulations.
 - (f) Digital shape files and electronic and paper copy of final engineering package.

ARTICLE 3 VENDOR RESPONSIBILITY

- 3.01 The Vendor representative must review deliverable submissions to ensure compliance with Article 2.
- 3.02 Work submissions not adequately reviewed by the Vendor representative will be returned to the Vendor for revision at the Vendor's expense.

ARTICLE 4 LEGISLATIVE REQUIREMENTS

- 4.01 It is incumbent on the Vendor, where knowledge exists, to ensure accurate depiction of all features within or immediately adjacent to the blocks; specifically streams, riparian reserve zones, steep slopes, unstable terrain, special topographic features, wildlife use areas, resource features and other in-block features which will have management constraints.



Ministry of Forests,
Lands, Natural Resource
Operations & Rural
Development

Schedule B - Payment

This schedule forms an integral part of the PURCHASE AGREEMENT PA19THD509 between Gwa'nak Resources LP and BC Timber Sales, Seaward-Itasca Business Area and should be attached thereto.

1. FEES

- 1.01 Fees will be paid upon BC Timber Sales' acceptance of all deliverables.
- 1.02 The estimated cost breakdown is as follows:

Data Type	Service Line	Volume m3	Total \$
Final engineering package	42469	61,131	\$1,215,895.59

2. TOTAL PAYABLE

- 2.01 In accordance with this Schedule fees payable to the Vendor will not exceed \$1,215,895.59.

3. SUBMISSION OF INVOICE

- 3.01 Gwa'nak Resources LP acknowledges that payment under PA19THD509 shall be made to Gwa'nak Resources LP upon satisfactory delivery of product.
- 3.02 No payments will be issued for activities unless the Ministry Representative has deemed the appropriate submissions complete and acceptable.
- 3.03 In order to obtain payment for fees under this Agreement, you must submit an invoice by December 12, 2018 showing:
- (a) Your legal name, address, the date and the period of time which the invoice applies ("Billing Period"),
 - (b) The calculation of all fees claimed under this Agreement for the Billing Period, including a declaration that the Services have been completed;
 - (c) The estimated cost breakdown by block as per BCTS Service Lines, as follows:

Service Line	Service Line Description
42467	Costs for road and major structure layout and design (if required)
42469	All block layout, assessments and cruising

- 3.04 Within thirty-one days of our receipt of your invoice, or the date we authorize payment, whichever is the latter, we must pay you fees for those Services we determined were satisfactorily received during the Billing Period.
- 3.05 Invoice is to be submitted electronically to: TST.Invoices@gov.bc.ca

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s.16; s.17; s.21

BCTS DIRECTOR APPROVAL

Requested by: **Qualified Receiver** (Contract Coordinator)

Approval recommended by **Expense Authority**
(Contract Manager)

Approval recommended by **Timber Sales Manager** (Manager of
the Responsibility Centre)

Approved by **BCTS Director, Business**

BCTS EXECUTIVE APPROVAL

Mike Pitre 1 May 2020 (Digitally signed)

Requested by **Qualified Receiver**
(Contract Coordinator)

Approval recommended by **Expense Authority**
(Contract Manager)

Approval recommended by **Timber Sales Manager** (Manager of
the Responsibility Centre)

Approval recommended by **BCTS Director, Business**

Approved by **Executive Director**



Ministry of
Forests, Lands,
Natural Resource Operations
& Rural Development

Consulting and General
Services Contract

CONTRACT./FILE NO: FN21THA703

THIS AGREEMENT DATED FOR REFERENCE THE
8th DAY OF MAY, 2020.

PROJECT DESCRIPTION: Strachan Bay Clean-up Project

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented
by the MINISTER OF FORESTS, LANDS, NATURAL RESOURCE OPERATIONS & RURAL
DEVELOPMENT – BC Timber Sales Seward (tiasta) Business Area.

2217 Mine Road
Post Office Box 1593
Port McNeill, B.C. V0N 2R0

Phone Number: (250) 956-5119.....
Ministry Representative: Mike Pitre
E-mail Address: Mike.Pitre@gov.bc.ca

(the "Province", "we", "us", or "our" as applicable)

AND:

Gwa'nak Resources Ltd.
Post Office Box 2009
Port Hardy, B.C. V0N 2P0

Phone Number: (250) 949-8393.....
E-mail Address: conrad@kedc.ca
Contractor Representative: Conrad Brown E
Business Number: BC0677137
WorkSafe BC Number: 716899

(the "Contractor", "you", or "your" as applicable)

The Province wishes to retain the Contractor to provide the Services specified in Schedule A and, in consideration for the remuneration set out in Schedule B, the Contractor has agreed to provide those Services, on the terms and conditions set out in this Agreement.

The Province and the Contractor agree as follows:

ARTICLE 1 DEFINITIONS

1.01 In this Agreement, unless the context otherwise requires:

- (a) **"Business Day"** means a day, other than a Saturday or Sunday, on which Provincial government offices are open for normal business in British Columbia;
- (b) **"Incorporated Material"** means any material in existence prior to the start of the Term or developed independently of this Agreement, and that is incorporated or embedded in the Produced Material by the Contractor or a Subcontractor;
- (c) **"Material"** means the Produced Material and the Received Material;

- (d) **"Produced Material"** means records, software and other material, whether complete or not, that, as a result of this Agreement, are produced or provided by the Contractor or a Subcontractor and includes the Incorporated Material;
 - (e) **"Received Material"** means records, software and other material, whether complete or not, that, as a result of this Agreement, are received by the Contractor or a Subcontractor from the Province or any other person;
 - (f) **"Record"** is the definition of "record" in the *Interpretation Act* and as incorporated into this Agreement and "records" will bear a corresponding meaning;
 - (g) **"Services"** means the services described in Schedule A;
 - (h) **"Subcontractor"** means a person described in Section 16.05;
 - (i) **"Term"** means the term of the Agreement described in Section 3.01 of this Agreement subject to that term ending earlier in accordance with this Agreement; and
 - (j) **"Unit of Measure"** has the meaning described in Schedule B.
- 1.02 The headings of the clauses of this Agreement have been inserted for reference only and do not define, limit, alter or enlarge the meaning of any provision of this Agreement.

ARTICLE 2 CONTRACT DOCUMENTS AND MODIFICATIONS

- 2.01 The attached schedules are applicable to and form part of this Agreement:

Schedule	Title
Schedule 'A'	Services
Schedule 'B'	Contract Payment
Schedule 'C'	Safety Conditions Schedule
Schedule 'D'	Insurance Requirements
Schedule 'E'	Prime Contractor Agreement

- 2.02 No modification of this Agreement is effective unless it is in writing and signed by, or on behalf of, the parties.

ARTICLE 3 TERM OF CONTRACT

- 3.01 The Term of this Agreement is from the day the contract is signed to and including March 31st 2021 inclusive. 2021 B
- 3.02 Regardless of the date of execution or delivery of this Agreement, the Contractor must provide the Services during the Term.
- 3.03 Time is of the essence in this Agreement and, without limitation, will remain of the essence after any modification or extension of this Agreement, whether or not expressly restated in the document effecting the modification or extension.

ARTICLE 4 CONTRACTOR'S OBLIGATIONS

- 4.01 You must provide the Services described in Schedule A (the "Services") in accordance with this Agreement.
- 4.02 Unless the parties otherwise agree in writing, you must supply and pay for all labour, materials, equipment, tools, facilities, and approvals and licences necessary or advisable to perform your obligations under this Agreement, including the license under Section 8.04.
- 4.03 Unless otherwise specified in this Agreement, you must perform the Services to a standard of care, skill, and diligence maintained by persons providing, on a commercial basis, services similar to the Services.
- 4.04 You must provide, instruct, and supervise a sufficient number of qualified personnel to enable timely and proper performance and completion of the Services. All such personnel shall be competent, English literate, efficient and qualified by education, training and experience to carry out the tasks to which each is assigned.
- 4.05 We may from time to time give you reasonable instructions (in writing or otherwise) as to the performance of the Services. You must comply with those instructions but, unless otherwise specified in this Agreement, you may determine the manner in which the instructions are carried out.
- 4.06 If we provide an instruction under Section 4.05 other than in writing, you may request that the instruction be confirmed by us in writing, which request we must comply with as soon as it is reasonably practicable to do so.

- 4.07 Requesting written confirmation of an instruction under Section 4.06 does not relieve you from complying with the instruction at the time the instruction was given.
- 4.08 In the performance of your obligations under this Agreement, you must comply with all applicable laws.

ARTICLE 5 PAYMENT

- 5.01 If you comply with this Agreement, we must pay you at the rates and times described in Schedule B:
- (a) the fees described in that Schedule;
 - (b) the expenses, if any, in accordance with that Schedule if they are supported, where applicable, by proper receipts and, in our opinion, are necessarily incurred by you in providing the Services; and
 - (c) any applicable taxes payable by us under law or agreement with the relevant taxation authorities on the fees and expenses described in paragraphs (a) and (b).
- We are not obliged to pay you more than the maximum amount or dollar limit specified in Schedule B on account of fees and expenses.
- 5.02 In order to obtain payment of any fees or expenses, if any, under this Agreement, you must submit written statements of account to us in a form satisfactory to us, but no sooner than the dates referred to in Schedule B.
- 5.03 Without limiting Section 11.01 we may withhold from any payment due to you an amount sufficient to indemnify, in whole or in part, the Province and its employees and agents against any liens or other third-party claims that have arisen or could arise in connection with the provision of the Services. An amount withheld under this section must be promptly paid by the Province to you upon the basis for withholding the amount having been fully resolved to the satisfaction of the Province.
- 5.04 Our obligation to pay money to you is subject to the *Financial Administration Act*, which makes that obligation subject to an appropriation being available in the fiscal year of the Province during which payment becomes due.
- 5.05 Unless otherwise specified in this Agreement, all references to money are to Canadian dollars.
- 5.06 If you are not a resident in Canada, you acknowledge that we may be required by law to withhold income tax from the fees described in Schedule B and then to remit that tax to the Receiver General of Canada on your behalf.
- 5.07 Without limiting Section 16.11(a), you must not, in relation to performing your obligations under this Agreement, commit or purport to commit us to pay any money except as may be expressly provided for in this Agreement.
- 5.08 You must:
- (a) apply for, and use reasonable efforts to obtain, any available refund, credit, rebate or remission of federal, provincial or other tax or duty imposed on you as a result of this Agreement that the Province has paid or reimbursed to you or agreed to pay or reimburse to you under this Agreement; and
 - (b) immediately on receiving, or being credited with, any amount applied for under paragraph (a) remit that amount to us.

ARTICLE 6 REPRESENTATIONS AND WARRANTIES

- 6.01 As at the date this Agreement is executed and delivered by, or on behalf of, the parties, you represent and warrant to us as follows:
- (a) except to the extent you have previously disclosed otherwise in writing to us:
 - (i) all information, statements, documents and reports furnished or submitted by you to us in connection with this Agreement (including as part of any competitive process resulting in this Agreement being entered into) are in all material respects true and correct,
 - (ii) you have sufficient trained staff, facilities, materials, appropriate equipment and approved subcontractual or other agreements in place and available to enable you to fully perform the Services and to grant any licenses under this Agreement; and
 - (iii) you hold all permits, licenses, approvals and statutory authorities issued by any government or government agency that are necessary for the performance of your obligations under this Agreement; and
 - (b) if the Contractor is not an individual:
 - (i) you have the power and capacity to enter into this Agreement and to observe, perform and comply with the terms of this Agreement and all necessary corporate or other proceedings have been taken and done to authorize the execution and delivery of this Agreement by, or on behalf of, you, and

- (ii) this Agreement has been legally and properly executed by, or on behalf of, you and is legally binding upon and enforceable against you in accordance with its terms except as enforcement may be limited by bankruptcy, insolvency or other laws affecting the rights of creditors generally and except that equitable remedies may be granted only in the discretion of a court of competent jurisdiction.

ARTICLE 7 PRIVACY, SECURITY AND CONFIDENTIALITY

- 7.01 You must comply with the Privacy Protection Schedule if attached to this Agreement.
- 7.02 You must make reasonable security arrangements to protect the Material from unauthorized access, collection, use, disclosure, alteration, or disposal and comply with the Security Schedule, if attached.
- 7.03 You must treat as confidential all information in the Material and all other information accessed or obtained by you or a Subcontractor (whether verbally, electronically or otherwise) as a result of this Agreement, and not permit its disclosure or use without our prior written consent except:
- (a) as required to perform your obligations under this Agreement or to comply with applicable laws;
 - (b) if it is information that is generally known to the public other than as a result of a breach of this Agreement; or
 - (c) if it is information in any Incorporated Material.
- 7.04 Any public announcement relating to this Agreement will be arranged by us and, if such consultation is reasonably practicable, after consultation with you.
- 7.05 You must not, without our prior written approval, refer for promotional purposes to the Province being your customer or the Province having entered into this Agreement.

ARTICLE 8 MATERIAL AND INTELLECTUAL PROPERTY

- 8.01 If you receive a request for access to any of the Material from a person other than us, and this Agreement does not require or authorize you to provide that access, you must promptly advise the person to make the request to us.
- 8.02 We exclusively own all property rights in the Material that are not intellectual property rights. Any equipment property we may provide to you or a subcontractor is our exclusive property. You must deliver any Material or equipment property to us immediately following expiration of this Agreement, or sooner upon our request, in the same condition it was supplied to you, excepting always loss or damage attributable to reasonable wear or tear.
- 8.03 We exclusively own all intellectual property rights, including copyright:
- (a) in Received Material that you receive from us, and
 - (b) in Produced Material, other than any Incorporated Material.
- Upon our request, you must deliver to us documents satisfactory to us that irrevocably waive in our favour any moral rights that you (or your employees) or a Subcontractor (or its employees) may have in the Produced Material and confirm the vesting in the Province of the copyright in the Produced Material, other than any Incorporated Material.
- 8.04 Upon any Incorporated Material being embedded or incorporated in the Produced Material and to the extent that it remains so embedded or incorporated, you grant the Province:
- (a) a non-exclusive, perpetual, irrevocable, royalty-free, worldwide license to exercise, in respect of that Incorporated Material, the rights set out in the *Copyright Act* (Canada), including the right to use, reproduce, modify, publish and distribute that Incorporated Material; and
 - (b) the right to sublicense or assign to third-parties any or all of the rights granted to the Province under Section 8.04 (a).

ARTICLE 9 RECORDS AND REPORTS

- 9.01 You must, upon our request, fully inform us of all work done by you or a Subcontractor in connection with providing the Services.
- 9.02 If Schedule B provides for you to be paid fees at a Unit of Measure rate or for you to be paid or reimbursed for expenses, you must maintain time records and books of account, invoices, receipts and vouchers of expenses in support of those payments, in form and content satisfactory to us. Unless otherwise specified in this Agreement, the Contractor must retain such documents for a period of not less than seven years after this Agreement ends.

ARTICLE 10 AUDIT

- 10.01 In addition to any other rights of inspection the Province may have under statute or otherwise, we may at any reasonable time and on reasonable notice to you, enter on your premises to inspect and, at our discretion, copy any of the Material and you must permit, and provide reasonable assistance to, the exercise by us of our rights under this section.

ARTICLE 11 INDEMNITY AND INSURANCE

- 11.01 You must indemnify and save harmless the Province and its employees and agents from any loss, claim (including any claim of infringement of third-party intellectual property rights), damage award, action, cause of action, cost or expense that the Province or any of its employees or agents may sustain, incur, suffer or be put to at any time, either before or after this Agreement ends, (each a "Loss") to the extent the Loss is directly or indirectly caused or contributed to by:
- (a) any act or omission by you or by any of your agents, employees, officers, directors or Subcontractors in connection with this Agreement; or
 - (b) any representation or warranty by you being or becoming untrue or incorrect.
- 11.02 You must comply with the insurance requirements in Schedule D, if attached, as those terms may be modified from time to time in accordance with our directions.
- 11.03 Without limiting the generality of Section 4.08, you must comply with, and must ensure that any Subcontractors comply with, all applicable occupational health and safety laws in relation to the performance of your obligations under this Agreement, including the *Workers Compensation Act* in British Columbia or similar laws in other jurisdictions.
- 11.04 At your own expense, and where required under *Workers Compensation Act* in British Columbia, you must obtain WorkSafe BC coverage for yourself, all workers and any shareholders, directors, partners or other individuals employed or engaged in the performance of the Services and you shall ensure all approved Subcontractors obtain WorkSafe BC Coverage.
- 11.05 If you are an individual or a partnership of individuals and do not have the benefit of mandatory workers compensation coverage under the *Workers Compensation Act* in British Columbia, you must apply for and maintain Personal Optional Protection under the *Workers Compensation Act*.
- 11.06 You are responsible for all fines, levies, penalties and assessments made or imposed under the *Workers Compensation Act* and regulations relating in any way to the Services.
- 11.07 You may be considered the "Prime Contractor" for the Services, as described in the attached Safety Conditions Schedule, and as such shall enter into a Prime Contractor Agreement and carry out the duties as described therein;
- 11.08 Upon our request you must provide us with evidence of your compliance with Sections 11.02, 11.04 and 11.05.

ARTICLE 12 FORCE MAJEURE

- 12.01 An "Event of Force Majeure" means a natural disaster, fire, flood, storm, epidemic or power failure, war (declared and undeclared), insurrection or act of terrorism or piracy, strike (including illegal work stoppage or slowdown) or lockout, or a freight embargo if such event prevents a party from performing its obligations in accordance with this Agreement and is beyond the reasonable control of that party.
- 12.02 An "Affected Party" means a party prevented from performing its obligations in accordance with this Agreement by an Event of Force Majeure.
- 12.03 An Affected Party is not liable to the other party for any failure or delay in the performance of the Affected Party's obligations under this Agreement resulting from an Event of Force Majeure and any time periods for the performance of such obligations are automatically extended for the duration of the Event of Force Majeure provided that the Affected Party complies with the requirements of Section 12.04.
- 12.04 An Affected Party must promptly notify the other party in writing upon the occurrence of the Event of Force Majeure and make all reasonable efforts to prevent, control or limit the effect of the Event of Force Majeure so as to resume compliance with the Affected Party's obligations under this Agreement as soon as possible.

ARTICLE 13 NON-COMPLIANCE WITH AGREEMENT CONDITIONS

13.01 An "Event of Default" means any of the following:

- (a) your failure to perform any of your obligations under this Agreement, or
- (b) any representation or warranty made by you in this Agreement is untrue or incorrect, or
- (c) an Insolvency Event, which means any of the following:
 - (i) an order is made, a resolution is passed or a petition is filed, for your liquidation or winding up,
 - (ii) you commit an act of bankruptcy, make an assignment for the benefit of your creditors or otherwise acknowledge your insolvency,
 - (iii) a bankruptcy petition is filed or presented against you or a proposal under the *Bankruptcy and Insolvency Act* (Canada) is made by you,
 - (iv) a compromise or arrangement is proposed in respect of you under the *Companies' Creditors Arrangement Act* (Canada),
 - (v) a receiver or receiver-manager is appointed for any of your property, or
 - (vi) you cease, in our reasonable opinion, to carry on business as a going concern.

13.02 On the happening of an Event of Default, or at any time thereafter, we may, at our option, elect to do any one or more of the following:

- (a) by written notice to you, require that the Event of Default be remedied within a time period specified in the notice;
- (b) pursue any remedy or take any other action available to us at law or in equity; or
- (c) by written notice to you, terminate this Agreement with immediate effect or on a future date specified in the notice, subject to the expiration of any time period specified under Section 13.02(a).

13.03 No failure or delay on our part to exercise our rights in relation to an Event of Default will constitute a waiver by us of such rights.

13.04 If you become aware that an Event of Default has occurred or anticipates that an Event of Default is likely to occur, you must promptly notify us of the particulars of the Event of Default or anticipated Event of Default. A notice under this section as to the occurrence of an Event of Default must also specify the steps you propose to take to address, or prevent recurrence of, the Event of Default. A notice under this section as to an anticipated Event of Default must specify the steps you propose to take to prevent the occurrence of the anticipated Event of Default.

ARTICLE 14 TERMINATION

14.01 In addition to our right to terminate this Agreement under Section 13.02(c) on the happening of an Event of Default, we may terminate this Agreement for any reason by giving at least 5 days' written notice of termination to you.

14.02 Unless Schedule B otherwise provides, if we terminate this Agreement under Section 14.01:

- (a) we must, within 30 days of such termination, pay you any unpaid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that was completed to our satisfaction before termination of this Agreement; and
- (b) you must, within 30 days of such termination, repay to us any paid portion of the fees and expenses described in Schedule B which corresponds with the portion of the Services that we have notified you in writing was not completed to our satisfaction before termination of this Agreement.

14.03 The payment by us of the amount described in Section 14.02(a) discharges us from all liability to make payments to the Contractor under this Agreement.

ARTICLE 15 DISPUTE RESOLUTION

15.01 In the event of any dispute between the parties arising out of or in connection with this Agreement, the following dispute resolution process will apply unless the parties otherwise agree in writing:

- (a) the parties must initially attempt to resolve the dispute through collaborative negotiation;

- (b) if the dispute is not resolved through collaborative negotiation within 15 Business Days of the dispute arising, the parties must then attempt to resolve the dispute through mediation under the rules of the British Columbia Mediator Roster Society; and
 - (c) if the dispute is not resolved through mediation within 30 Business Days of the commencement of mediation, the dispute must be referred to and finally resolved by arbitration under the *Arbitration Act*.
- 15.02 Unless the parties otherwise agree in writing, an arbitration or mediation under Section 15.01 will be held in Victoria, British Columbia.
- 15.03 Unless the parties otherwise agree in writing or, in the case of an arbitration, the arbitrator otherwise orders, the parties must share equally the costs of a mediation or arbitration under Section 15.01 other than those costs relating to the production of expert evidence or representation by counsel.

ARTICLE 16 GENERAL

- 16.01 Any notice or document contemplated by this Agreement, to be effective, must be in writing and delivered as follows:
- (a) hand delivered to the party or the specified party representative, in which case it will be deemed to be received on the day of its delivery; or
 - (b) by prepaid post to the party's address specified on the first page of this Agreement, in which case if mailed during any period when normal postal services prevail, it will be deemed to be received on the fifth Business Day after its mailing; or
 - (c) delivered by courier service to the party's address specified on the first page of this Agreement, in which case it will be deemed received on the fifth Business Day after collection by the courier service; or
 - (d) by facsimile or electronic transmission to the specified facsimile number or Email address on the first page of this Agreement, in which case it will be deemed to be received on the day of transmittal unless transmitted after the normal business hours of the addressee or on a day that is not a Business Day, in which cases it will be deemed to be received on the next following Business Day.
- 16.02 Either party may from time to time give notice to the other party of a substitute address, Email address, or fax number, which from the date such notice is given will supersede for purposes of Section 16.01 any previous address, Email address, or fax number specified for the party giving the notice.
- 16.03 You must not assign any of your rights or obligations under this Agreement without our prior written consent. Upon providing written notice to you, the Province may assign to any person any of the Province's rights under this Agreement and may assign to any "government corporation", as defined in the *Financial Administration Act*, any of the Province's obligations under this Agreement.
- 16.04 You must not subcontract any of your obligations under this Agreement without our prior written consent, excepting persons listed in Schedule A.
- 16.05 No subcontract, whether consented to or not, relieves you from any obligations under this Agreement. You must comply with the Subcontracting Schedule if attached to this Agreement. You must ensure that any person retained by you or any person retained by a person retained by you fully complies with this Agreement in performing the subcontracted obligations.
- 16.06 We may, for reasonable cause, object to the use of a proposed Subcontractor and require you to retain another qualified subcontractor.
- 16.07 A waiver of any term or breach of this Agreement is effective only if it is in writing and signed by, or on behalf of, the waiving party and is not a waiver of any other term or breach.
- 16.08 This Agreement and any modification of it constitute the entire Agreement between the parties as to performance of the Services.
- 16.09 Sections 4.08, 5.01 to 5.04, 5.07, 5.08, 7.01 to 7.05, 8.01 to 8.04, 9.01, 9.02, 10.01, 11.01, 11.02, 11.07, 12.01 to 12.04, 13.02, 13.03, 14.02, 14.03, 15.01 to 15.03, 16.01, 16.02, 16.09, and 16.11, any accrued but unpaid payment obligations, and any other sections of this Agreement (including schedules) which, by their terms or nature, are intended to survive the completion of the Services or termination of this Agreement, will continue in force indefinitely subject to any applicable limitation period prescribed by law, even after this Agreement ends.
- 16.10 The schedules to this Agreement (including any appendices or other documents attached to, or incorporated by reference into, those schedules) are part of this Agreement.

- 16.11 In relation to the performance of your obligations under this Agreement, you are an independent contractor and not our:
- (a) employee or partner; or
 - (b) agent except as may be expressly provided for in this Agreement.
- You must not act or purport to act contrary to this section.
- 16.12 You must not do anything that would result in personnel hired or used by you or a Subcontractor in relation to providing the Services being considered our employees.
- 16.13 If one or more individuals are identified in the schedules as "Key Personnel", you must cause those individuals to perform the Services on your behalf and not remove or replace them, without our prior written approval. Any approved replacement is at your expense.
- 16.14 We must make available to you all information in our possession which we consider pertinent to the performance of the Services.
- 16.15 You must not provide any services to any person in circumstances which, in our reasonable opinion, could give rise to a conflict of interest between your duties to that person and your duties to us under this Agreement.
- 16.16 If there is a conflict among provisions of this Agreement, a provision in the body of this Agreement will prevail over any conflicting provision in, attached to, or incorporated by reference into a schedule, unless that conflicting provision expressly states otherwise and a provision in a schedule will prevail over any conflicting provision in a document attached to or incorporated by reference into a schedule, unless the schedule expressly states otherwise.
- 16.17 This Agreement does not operate as a permit, license, approval or other statutory authority which you may be required to obtain from the Province or any of its agencies in order to provide the Services. Nothing in this Agreement is to be construed as interfering with, or fettering in any manner, the exercise by the Province or its agencies of any statutory, prerogative, executive or legislative power or duty.
- 16.18 If any provision of this Agreement or the application of it to any person or circumstance is invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provision to any other person or circumstance will not be affected or impaired and will be valid and enforceable to the extent permitted by law.
- 16.19 Each party must perform the acts, execute and deliver the writings, and give the assurances as may be reasonably necessary to give full effect to this Agreement.
- 16.20 This Agreement is governed by, and is to be interpreted and construed in accordance with, the laws applicable in British Columbia.

ARTICLE 17 INTERPRETATION

17.01 In this Agreement:

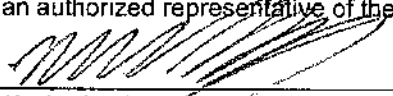
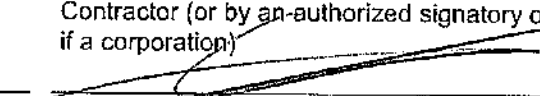
- (a) "we", "us", and "our" refer to the Province alone and never refer to the combination of the Contractor and the Province;
- (b) the Contractor and the Province are referred to as "the parties" and each of them as a "party";
- (c) "includes" and "including" are not intended to be limiting;
- (d) unless the context otherwise requires, references to sections by number are to sections of this Agreement;
- (e) "attached" means attached to this Agreement when used in relation to a schedule;
- (f) unless otherwise specified, a reference to a statute by name means the statute of British Columbia by that name, as amended or replaced from time to time;
- (g) the headings have been inserted for convenience of reference only and are not intended to describe, enlarge or restrict the scope or meaning of this Agreement or any provision of it;
- (h) "person" includes an individual, partnership, corporation or legal entity of any nature; and
- (i) unless the context otherwise requires; words expressed in the singular include the plural and *vice versa*.



ARTICLE 18 EXECUTION AND DELIVERY

18.01 This Agreement may be entered into by a separate copy of this Agreement being executed by, or on behalf of, each party and that executed copy being delivered to the other party by a method provided for in Section 16.01 or any other method agreed to by the parties.

The Parties have executed this Agreement as follows:

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province 	SIGNED AND DELIVERED by or on behalf of the Contractor (or by an authorized signatory of the Contractor if a corporation) 
(Authorized Ministry Expense Authority)	(Contractor or Authorized Signatory)
Matt Tjepkema	CONRAD BROWNE
(PRINTED NAME of Ministry Expense Authority)	(PRINTED NAME of Contractor)
Dated this <u>14</u> day of <u>May</u> , 20 <u>20</u>	Dated this <u>14</u> day of <u>May</u> , 20 <u>20</u>



Schedule A - Services

File: FN21THA703

Attachment to the Agreement with Gwa'Nak Resources Ltd. for Strachan Bay Clean-up Project.

1. THE SERVICES

1.01 The Contractor shall provide the following Services:

- (a) The contractor must remove all the debris on the seafloor of the North Strachan Log Dump as depicted in the October 15, 2020 North Strachan (Pack Lake) Debris Assessment completed by Pacificus Biological Services. Debris includes: an Atco trailer, a stove, microwave, chairs, various pieces of siding, and other miscellaneous refuse (cans, plastic, clothing, hose, electrical cables), and other related materials. Debris must be transported to an appropriate disposal facility and disposed of;
- (b) The contractor will spend up to 2 days, searching by boat within Strachan Bay with the goal of identifying any additional materials that may have floated out of the log dump site area identified in (a). Associated materials must be removed and disposed of at an appropriate disposal facility. Any other materials unrelated to the sunken Atco trailer will be removed and disposed of with pre-approval by BCTS;
- (c) The contractor must ensure that a qualified environmental monitor is on site at all times while salvage operations are underway; and,
- (d) In carrying out (a) and (b), the contractor will attain and hold all necessary permits, licences professional approvals, notifications, etc., with the exception Department of Fisheries and Oceans (DFO) or Fisheries Act project requirements or notifications, which BC Timber Sales will be responsible for.

1.02 Outcomes:

- (a) Through the delivery of the Services the Province wishes to realize the following outcomes and, without limiting the obligation of the Contractor to comply with other provisions of this Part, the Contractor must use commercially reasonable efforts to achieve them:
 - (i) The Services described in 1.01 are carried out; and,
 - (ii) The contractor will provide a report, signed by a Qualified Biological Professional which: identifies any debris removed from the North Strachan Log Dump Area or from Strachan Bay (including photos), describes the condition of the seafloor of the North Strachan Log Dump after debris has been removed, and will contain confirmation that Services described in 1.01 have been completed to a professional standard.

The parties acknowledge that the Contractor does not warrant that these outcomes will be achieved

SCHEDULE A

SERVICES (Continued)

1.03 COVID – 19:

"Notwithstanding the terms and conditions of the Agreement, the Contractor shall comply with all laws affecting the Work, including measures put in place by the Provincial Health Officer regarding COVID-19 (Notices and Orders) requirements.

<https://www2.gov.bc.ca/gov/content/health/about-bc-s-health-care-system/office-of-the-provincial-health-officer/current-health-topics/covid-19-novel-coronavirus>

<https://www2.gov.bc.ca/assets/gov/health/about-bc-s-health-care-system/office-of-the-provincial-health-officer/covid-19/covid-19-pho-guidance-work-camps-silviculture.pdf>

The Contractor will provide BCTS staff a copy of their COVID-19 Infection Prevention & Control Plan upon request.

In addition to any other rights of inspection the Province may have under statute or otherwise, the Province may at any reasonable time and on reasonable notice to the Contractor, enter on the Contractor's premises, including any work camp, to inspect the premises and any the Contractor's equipment to be used in providing Services, including vehicles, and the Contractor must permit, and provide reasonable assistance to, the exercise by the Province of the Province's rights under this section."





Schedule - B Contract Payment

File: FN21THA703

Attachment to the Agreement with Gwa'Nak Resources Ltd. for Strachan Bay Clean-up Project.

1. Fees

- 1.01 Your fees (**exclusive of any applicable taxes described in this Agreement that is a taxable transaction chargeable to the Province**) will be based on an all-inclusive lump sum price of **\$109,578.00** for total satisfactory completion of the Services in accordance with this Agreement.
- 1.02 In no event will fees payable to you, in accordance with this Schedule exceed in total \$109,578.00.

2. Expenses

- 2.01 We will pay you the following: Expenses incurred associated with additional health and safety measures related directly to COVID-19 up to and including a maximum amount of 10% of the contract value receipts required where applicable .

3. Total Payable

- 3.01 In no event will the Total Payable for fees and, where applicable, expenses (exclusive of any applicable taxes described in the Agreement) in accordance with this Schedule exceed in total **\$\$120,535.80**.

4. Holdback from Payment

- 4.01 As per the Agreement, the Province does not intend to retain a holdback from contract payments but the Province does retain the right to withhold from any payments due to you under this Agreement an amount sufficient to indemnify us against any third party claims.

5. Submission of Statement of Account

- 5.01 In order to obtain payment for any fees and, where applicable, expenses under the Agreement, you must submit to us a written Statement of Account in a form satisfactory to us in total satisfactory completion of the Services

SCHEDULE B

CONTRACT PAYMENT

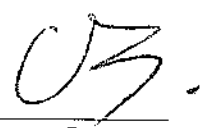
5.02 The Statement of Account(s) must show the following:

- (a) your legal name, address, the date and the period of time which the invoice applies ("Billing Period"), the contract number, and a statement number for identification;
- (b) the calculation of all fees claimed under this Agreement for the Billing Period, with hours, dates, rates, and name(s) of persons providing the Services, a description of specific services/works completed during the Billing Period, including a declaration that the Services have been completed;
- (c) and where expenses are to be paid under this Agreement, a chronological listing, in reasonable detail and with dates, of all expenses claimed by you under this Agreement for the Billing Period with receipts or copies of receipts, where applicable, attached;
- (d) if you are claiming reimbursement of any GST or other applicable taxes paid or payable by you in relation to those expenses, a description of any credits, rebates, refunds, or remissions you are entitled to from the relevant taxation authorities in relation to those taxes;
- (e) the calculation of any applicable taxes payable by us in relation to the Services provided under this Agreement and for the Billing Period as a separate line item (excluding taxes paid directly by you to a supplier and which were included in the bid price);
- (f) any other billing information reasonably requested by us.

5.03 Within thirty days of our receipt of your invoice, or the date we authorize payment, whichever is the latter, we must pay you fees and, where applicable, expenses for those Services we determined were satisfactorily received during the Billing Period.

5.04 Invoices are to be submitted to:

TST.Invoices@gov.bc.ca





Natural Resource Ministries

Schedule C Safety Conditions

File: FN21THA703

Attachment to the Agreement with Gwa'Nak Resources Ltd. for Strachan Bay Clean-up Project.

Terms such as "employer", "supervisor", "multiple employer workplace", "owner", "prime contractor", and "worker" have the meanings given those terms under the *Workers' Compensation Act (WC Act)* and its regulation.

ARTICLE 1 OTHER SAFETY CONSIDERATIONS

Notice of Project

- 1.01 Where a Notice of Project is required as set out in the *WC Act* and its regulations, the Contractor, unless otherwise notified in writing by the Province or the Prime Contractor, must submit the Notice of Project in a format acceptable to WorkSafe BC.
- 1.02 Where the Contractor submits the Notice of Project, a copy must be provided to the Province. Where the Province or Prime Contractor will submit the Notice of Project, the Contractor must provide, upon request, all information necessary to support the Notice of Project and the Contractor will be provided with a copy of the Notice of Project.
- 1.03 The Contractor will commence and conduct all operations consistently with the Notice of Project.

Reporting

- 1.04 The Contractor must immediately submit written notice to the Province on all matters reported to WorkSafe BC by the Contractor or the Contractor's Subcontractors. The written notice must include all information necessary to allow the Province to adequately collect and address safety or other related incidences, and will be anonymized so as not to include personal information about an identifiable individual including their name, address, telephone number, age, sex, race, religion, sexual orientation, disability, fingerprints, or blood type, health care, educational, financial or employment history and anyone else's opinion about the individual. This scope does not include business contact information (e.g., name, title, address, telephone or fax numbers or email address used for business contact purposes).
- 1.05 Where a Party brings safety concerns to the attention of the other Party, the Party will give full consideration to the issues raised. Where the Contractor receives safety concerns from the Province, the Contractor will provide the Province with a considered response, including any information necessary to demonstrate that the Contractor is in compliance with *WC Act* and its regulations.
- 1.06 Upon the Province's request, the Contractor or any of its Subcontractors must provide evidence to the satisfaction of the Province that the Contractor or its Subcontractor(s) has:
 - (a) an effective business process in place to:
 - i) remedy any workplace conditions that are hazardous to the health or safety of the employer's workers including safe work practices and procedures;
 - ii) ensure that the employer's workers:
 - A. are made aware of all known or reasonably foreseeable health or safety hazards to which they are likely to be exposed by their work;
 - B. are made aware of their rights and duties under the *WC Act* and its regulations.

- (b) established occupational health and safety policies and programs in accordance with the regulations, which includes:
 - i) first aid assessment and provision services and equipment;
 - ii) an employee monitoring system that will periodically ensure the well being of all workers working alone or in isolation;
 - iii) accident injury reporting and investigation;
 - iv) an emergency response plan and employee understanding of said plan that will ensure adequate and timely response to any emergency that can be reasonably expected to occur in relation to the Works or Services being performed;
 - v) evidence of training and any required certifications required under *WC Act* or its regulations;
 - vi) evidence of a maintenance program for all equipment and vehicles owned or operated by the Contractor or its Subcontractors commensurate with the risks associated with such equipment and vehicles;
 - vii) provision for the regular inspection of premises, work methods and work practices; and
 - viii) provision by the employer for the instruction and supervision of workers including orientation of workers in the safe performance of their work.
- (c) provided and maintained in good condition protective equipment, devices, and clothing as required by the *Occupational Health and Safety Regulation* and ensure that these are used by the employer's workers;
- (d) provided the employer's workers all information, instruction, training, and supervision necessary to ensure the health and safety of those workers in carrying out their work and to ensure the health and safety of other workers at the workplace;
- (e) a copy of the *WC Act* and its regulations readily available for review by the employer's workers and, at each workplace where workers of the employer are regularly employed, post and keep posted a notice advising where the copy is available for review.

ARTICLE 2 PRIME CONTRACTOR PROVISIONS

- (a) The Contractor acknowledges, agrees, and warrants that: The Contractor will be considered to be the Prime Contractor and shall enter into a Prime Contractor Agreement with the Province and shall carry out the duties described therein, where any of the following conditions exist:
 - (i) the Province gave notice that the Successful Bidder would be the Prime Contractor;
 - (ii) the Province designates the Contractor to be the Prime Contractor at any time during the performance of the Work or Services;
 - (iii) the Contractor creates a multiple employer workplace through subcontracting any of the Work or Service at any time.
- 2.01 Where the Contractor is being considered as the Prime Contractor as per clause 2.01, the following is applicable:
- (a) upon request, the Contractor must satisfy the Province that the Contractor has the experience and capacity to address Prime Contractor responsibilities in accordance with the Agreement and the *WC Act* and its regulations; and
 - (b) the Province provides written acknowledgement of the Contractor's experience and capacity to function as Prime Contractor; and
 - (c) where the Contractor creates a multiple employer workplace, the Contractor will provide or acquire at their own expense all resources necessary to discharge the Prime Contractor responsibilities; or

- (d) the Province may, in its sole discretion, give consideration for compensation related to any additional costs where, after commencement of the work, the Province creates a multiple employer workplace and designates the Contractor to be the Prime Contractor.
- 2.02 The Province may from time to time give prior written notice that a person other than the Contractor is designated as the Prime Contractor. The Contractor agrees that on receiving such written notice, the Contractor will cooperate with the Prime Contractor and shall coordinate health and safety activities and ensure compliance with the Prime Contractor's safety program.
- 2.03 The Contractor shall, upon becoming aware of any apparent deficiencies in the Prime Contractor's work which would affect the Work or Services, shall report such deficiencies in writing to the Ministry Representative.

ARTICLE 3 HAND FALLING

- 3.01 Where hand falling activity will be taking place under the Agreement and without limiting any other provision of the Agreement or the Contract Documents, the Contractor shall comply with the following safety requirements.
- 3.02 Hand falling means the falling of trees by any means with at least one person at or near the base of the tree during falling and not inside a protected cab, where the trees are greater than 6 inches diameter at 12 inch stump height, or as may be determined by WorkSafe BC.
- 3.03 The Contractor must ensure that:
- (a) all hand falling is undertaken by fallers certified by BC Forest Safety Council (BCFSC) or ENFORM and are qualified for the slope and timber conditions being addressed;
 - (b) a qualified Falling Supervisor satisfactory to the Province is designated for all forestry related hand falling activities and for all non-forestry related hand falling activities taking place.
- 3.04 A Falling Supervisor will be deemed qualified where it is BCFSC Falling Supervisor Certified.
- 3.05 No hand falling operations will commence without the Province's prior satisfaction of acceptable proof of qualification/certification.
- 3.06 The Contractor must, at least five Work Days prior to commencement of any hand falling operations, notify the Ministry Representative of the name of the designated Falling Supervisor or substitution thereof.
- 3.07 A Falling Plan must be developed with full engagement by the Falling Supervisor in collaboration with Hand Falling personnel and others responsible to discharge aspects of the falling plan.
- 3.08 The Contractor must ensure:
- (a) no work will commence prior to all considerations of the Falling Plan being implemented as established by the designated Falling Supervisor;
 - (b) all hand falling operations performed occur and are supported in accordance with the Falling Plan; and
 - (c) upon request of the Ministry representative, provide any documents and evidence to verify adherence to the Falling Plan.
- 3.09 If the Contractor engages a subcontractor as its Falling Supervisor, the Contractor shall not be relieved from the subcontracted obligations or any obligations under this Agreement.



Natural Resource Ministries

Schedule - D Insurance

File: FN21THA703

Attachment to the Agreement with Gwa'Nak Resources Ltd. for Strachan Bay Clean-up Project.

1. Without restricting the generality of the indemnification provisions contained in the Agreement, the Contractor shall, at its own expense, provide and maintain, during the term of this Agreement, the following insurance coverage as fully specified in Paragraph 12 and any additional insurance which it is required by law to carry or which it considers necessary to cover risks not otherwise covered by insurance specified in this Schedule in its sole discretion.
2. All such insurance described herein must be primary and not require the sharing of any loss by any insurer of the Province.
3. Where a warranty period is required by the Province under this Agreement, the Contractor shall ensure that Products and Completed Operations coverage, as applicable, shall be in force for the duration of the warranty period.
4. Insurance shall be placed with Insurers licensed to underwrite such insurance in Canada and in forms and amounts acceptable to the Province. All such insurance shall be at no expense to the Province. If the Province requires additional Insurance Coverage to be obtained by the Contractor, the additional expense of such additional insurance shall be borne by the Province.
5. Notwithstanding Paragraph 6, the Contractor shall, prior to the commencement of services and before any payments are made under this Agreement, file with the Ministry Representative evidence of insurance coverage in the form of a completed Province of British Columbia Certificate of Insurance (Form FIN 173). When requested by the Province, the Contractor shall provide certified copies of required insurance policies.
6. ICBC's Confirmation of Automobile Insurance Coverage (Form APV 47) or Confirmation of Unlicensed Vehicle Coverage (Form APV 45) may be used when applicable as evidence of Automobile Liability Insurance for vehicles or off-road vehicles used during the performance of the services.
7. The insurance policies, except for ICBC Automobile Liability Insurance, shall provide that the insurance shall not be cancelled or materially changed so as to affect the coverage provided under the Agreement, without the Insurer giving at least thirty (30) days prior written notice to the Province. Material change with respect to Professional Liability Insurance does not require the Insurer to give thirty (30) days prior written notice to the Province.
8. Failure to provide the required insurance documentation shall result in termination of this Agreement.
9. If the insurance policies expire prior to the end of the Agreement Term, the Contractor shall provide the ministry evidence of renewal or new policy meeting the requirements of the expired insurance in the form of a completed Province of British Columbia Certificate of Insurance and ICBC's Form APV 47 or APV45, if applicable, at least ten (10) days prior to the expiry date of the policies listed in this Schedule.
10. The Contractor shall ensure that all its subcontractors performing Services under this Agreement carry insurance in the form and limits specified in Paragraph 12.
11. Unless stated otherwise under any subsection of Paragraph 12, where the Province is to be added as an Additional Insured or otherwise to be identified on the policy, it shall be written as follows: "Her Majesty the Queen in right of the Province of British Columbia as represented by the Minister of Forests Lands, Natural Resource Operations and Rural Development and any of its employees, servants or agents".

12. The following forms of insurance and specified minimum limits are required:

a) Commercial General Liability

Commercial General Liability insurance in an amount not less than \$2 million inclusive per occurrence against bodily injury, personal injury, and property damage and including liability assumed under the Agreement.

Such policy(s) of insurance shall include, but not be limited to:

- i) Products and Completed Operations Liability;
- ii) Owner's and Contractor's Protective Liability;
- iii) Contingent Employer's Liability;
- iv) Blanket Written Contractual Liability;
- v) Personal Injury Liability;
- vi) Non-Owned Automobile Liability;
- vii) Cross Liability;
- viii) Employees as Additional Insureds;
- ix) Broad Form Property Damage;

and where such further risk exists:

- x) Forest Fire Fighting Expense Coverage in the amount of:

☒ Not Applicable

- xi) Sudden and Accidental Pollution endorsement on the Commercial General liability insurance policy with a limit of liability not less than the amount indicated below per occurrence insuring against bodily injury, property damage and clean-up expenses arising from new pollution conditions arising from the Contractor's performance of the Agreement, or if such endorsement is unavailable on the Commercial General Liability insurance policy, a Sudden and Accidental Pollution insurance policy insuring against same and with same limits of liability indicated below, such policy shall not contain an "insured vs insured" exclusion and this insurance shall include the Province as an additional insured as stated below:

☐ \$250,000

☒ \$500,000

☐ \$1 million

☐ Not applicable

As per Paragraph 11, the Province is to be added as an "Additional Insured" under this policy.

b) Automobile Liability

Where any licensed vehicle or off road vehicle is owned, leased, rented, or used in the performance of this Agreement, Third Party Automobile Liability insurance in an amount not less than \$2 million inclusive per occurrence must be provided for any such vehicle.

c) Watercraft Liability

Where any watercraft operated or used (including rented watercraft) in the performance of the Agreement, the Contractor will obtain and maintain, or will cause to be obtained and maintained and will provide evidence to the Province of a Subcontractor's compliance with this requirement, Watercraft liability insurance in an amount not less than the limits of liability imposed by the *Marine Liability Act* and in any event not less than the amount listed inclusive per occurrence:

- i) \$2 million for contractor's own operations and float homes; or
- ii) \$5 million for ferry services, water taxi, floating lodges and any towing operation.

Such insurance shall include:

- i) a cross liability clause
- ii) Sudden and Accidental Pollution endorsement on the Watercraft liability insurance policy with a limit of liability not less than the amount indicated below per occurrence insuring against bodily injury, property damage and cleanup expenses arising from new pollution conditions arising from the Contractor's performance of the Agreement, or if such endorsement is unavailable on the Watercraft Liability insurance policy, a Sudden and Accidental Pollution insurance policy insuring against same and with same limits of liability indicated below, such policy shall not contain an "insured vs insured" exclusion and this insurance shall include the Province as an additional insured as stated below:

- ☐ \$250,000
- ☐ \$500,000
- ☐ \$1 million
- ☒ Not Applicable

Where applicable, such policy will also include coverage for marine towing operations.

As per Paragraph 11, the Province is to be added as an "Additional Insured" under this policy.

The Province is to be a named insured as its interest may appear.



Natural Resource
Ministries

Schedule E - PRIME CONTRACTOR AGREEMENT

CONTRACT/FILE NO: FN21THA703	THIS AGREEMENT DATED FOR REFERENCE THE 8 th DAY OF MAY, 2020.
FOR: Strachan Bay Clean-up Project The "Activity / Treatment" and the "Work Location"	

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the MINISTER OF FORESTS, LANDS, NATURAL RESOURCE OPERATIONS & RURAL DEVELOPMENT – BC Timber Sales Seward (tlacla) Business Area.

2217 Mine Road
Post Office Box 1593
Port McNeill, B.C. V0N 2R0

Phone Number: (250) 956-5119.....
Ministry Representative: Mike Pitre
E-mail Address: Mike.Pitre@gov.bc.ca

AND:

(the "Province")

Gwa'Nak Resources Ltd,
Post Office Box 2009
Port Hardy, B.C. V0N 2P0
Phone Number: (250) 949-8393
Business E-mail Address: conrad@kedc.ca
Coordinator: Conrad Brown
Business Number: BC0677137
WorkSafe BC Number: 716899

(the "Prime Contractor")

referred herein to as "the Parties".

WHEREAS:

- A. The Province and the Prime Contractor have agreed that a Multiple Employer Workplace is anticipated and expected at the Work Location and have duly executed this Agreement.
- B. The Province and the Prime Contractor have agreed that the *Workers Compensation Act* (WC Act) and its regulations allow the Province to establish Prime Contractor responsibilities.
- C. The Prime Contractor agrees to be the prime contractor at the Multiple Employer Workplace for the Work or Services being performed.
- D. The Prime Contractor has the required knowledge and control of the Multiple Employer Workplace to execute the responsibilities of a prime contractor as described in the WC Act and its regulations.

- E. The Province and the Prime Contractor have agreed that the prime contractor functions shall be carried out in accordance with this Agreement and any Contract Documents or other agreements between the Parties.

Accordingly, the Parties agree as follows:

ARTICLE 1. DEFINITIONS

- 1.01 In this document, the following words have the following meanings:
- (a) "**Affected Parties**" means independent firms described in Article 2 that create a multiple employer workplace;
 - (b) "**Affected Persons**" includes the Prime Contractor and Affected Parties and their visitors to the workplace, employees, officers, directors, agents, or subcontractors entering the Multiple Employer Workplace;
 - (c) "**Agreement**" means this Prime Contractor Agreement between the Parties;
 - (d) "**Amending Document**" means an FS600 Contract Amendment form or another standard form of similar nature specified by the Province;
 - (e) "**Contract Documents**" means those documents described in section 3.01.
 - (f) "**Multiple Employer Workplace**" means a workplace where workers of two or more employers are working at the same time where the work being carried out "overlaps".
 - (g) "**Principal Contractor**" means a party who holds a contract for service or works with the Province and does not include any tenures or authorizations under the *Forest Act*.
 - (h) "**Term**" means the period of time this Agreement is in force pursuant to Article 3.
- 1.02 If any of the words in section 1.01 are used in any other Contract Document, they have the same meaning as in this document unless the context dictates otherwise.

ARTICLE 2. AFFECTED PARTIES

The following other parties are a party to the creation of a Multiple Employer Workplace and are affected by this Agreement and the responsibilities of the Prime Contractor as laid out herein:

Firm Name	Address	File#
Strategic Natural Resource Consultants (SNRC)	Port McNeill	

ARTICLE 3. CONTRACT DOCUMENTS AND AMENDMENTS

Contract Documents

- 3.01 The Parties entered into the agreement dated for reference the ^{14TH} day of May 2020, identified as Agreement Number FN21THA703 that is applicable to and forms part of this Agreement.

Amending Documents

- 3.02 No change to the Agreement is effective unless the change is in the form of an Amending Document signed by both Parties.

ARTICLE 4. TERM OF AGREEMENT

- 4.01 Subject to Clause 3.02, the Term of this Agreement is from the day the Prime Contract Agreement was signed to March 31st 2020 inclusive.
- 4.02 Time is of the essence in this Agreement.

ARTICLE 5. PRIME CONTRACTOR RESPONSIBILITIES

5.01 The Prime Contractor shall:

- (a) familiarize itself with the Multiple Employer Workplace;
- (b) immediately notify the Ministry Representative should there be any circumstance arising which another party claims or purports to be the prime contractor at the Multiple Employer Workplace. There can be only one prime contractor on any one Multiple Employer Workplace;
- (c) coordinate safety activities and ensure compliance with the *WC Act* and the *Occupational Health & Safety Regulations* by all Affected Parties and act to protect any other workers entering the Multiple Employer Workplace;
- (d) when requested, provide the following to the Ministry Representative:
 - i. up-to-date written information of the Prime Contractor's systems or processes related to the discharge of prime contractor duties;
 - ii. inspection results, safety meeting minutes, accident investigation findings for Prime Contractor's own workers and for the Affected Parties;

Coordination and Compliance

5.02 The Prime Contractor shall ensure that its systems or processes eliminates or minimizes risk of injuries and will adequately monitor and coordinate Affected Parties' activities to ensure compliance with the *WC Act* and the *Occupational Health & Safety Regulation*, which includes, but is not limited to:

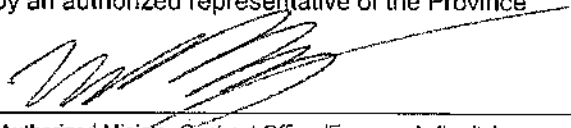
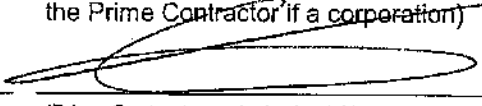
- (a) ensuring an Affected Party does not expose any Affected Person, or any person, entering the Multiple Employer Workplace to uncontrolled hazards;
- (b) ensuring Affected Parties adequately supervise their workers relating to occupational health and safety at the Multiple Employer Workplace;
- (c) conducting safety meetings with all Affected Parties and recording minutes of meetings;
- (d) ensure all parties conduct ongoing Workplace inspections;
- (e) ensuring all Affected Parties at the Multiple Employer Workplace are given any information necessary to identify and eliminate or control hazards and ensure the health or safety of all Affected Persons;
- (f) coordination and planning of work activities with participation by all Affected Parties that will ensure work is carried out safely and that work of one employer will not create uncontrolled hazard for another;
- (g) maintaining a list of individuals designated by an Affected Party as supervisor of its workers at the Multiple Employer Workplace;
- (h) establishing, maintaining and communicating emergency response and evacuation procedures;
- (i) providing, where needed, information to all Affected Persons about the safe use of resource roads and other access, including but not limited to the "rules of the road", other road use traffic, and road use radio frequencies;
- (j) carrying out a workplace first aid assessment and ensuring first aid coverage at the Multiple Employer Workplace is adequate and appropriate and coordinated with all Affected Parties, including but not limited to emergency transportation provisions for injured workers for the number of workers present;
- (k) orientation of all Affected Parties and Affected Persons, or any person, entering the Multiple Employer Workplace to the site, workplace hazards and appropriate responses;

- (l) ensuring Affected Persons at the Multi Employer Workplace know their rights and responsibilities to report unsafe acts/conditions, how to refuse to perform work that is unsafe, how to seek first aid, how to report injuries;
- (m) promoting a positive safety culture by encouraging workers to discuss safety concerns/issues;
- (n) ensuring a Notice of Project is delivered to WorkSafe BC for itself and all Affected Parties in accordance with the *WC Act* and its regulation.

5.03 The Prime Contractor shall not assign this Agreement or in any way create another Prime Contractor.

5.04 Where the Prime Contractor or Affected Parties identified in this Agreement are Principal Contractors for the Province, this Agreement forms the written notice of Prime Contractor.

The Work Location is a Multi Employer Workplace and as such the Parties hereto duly execute this Agreement.

SIGNED AND DELIVERED on behalf of the Province by an authorized representative of the Province 	SIGNED AND DELIVERED by or on behalf of the Prime Contractor (or by an authorized signatory of the Prime Contractor if a corporation) 
(Authorized Ministry Contract Officer/Expense Authority) Matt Tjepkema	(Prime Contractor or Authorized Signatory) Printed Name: <u>CONRAD BROWNE</u>
Dated this <u>14th</u> day of <u>MAY</u> , 20 <u>20</u>	Dated this <u>14</u> day of <u>MAY</u> , 20 <u>20</u>

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Withheld pursuant to/removed as

s.16; s.17; s.21