

PROVINCE OF BRITISH COLUMBIA

Ministry of Forests

TREE FARM LICENCE NO. 19

THIS LICENCE, dated January 1, 1996

BETWEEN:

THE MINISTER OF FORESTS, on behalf of
HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA
(the "Minister")

AND: PACIFIC FOREST PRODUCTS LIMITED
1000 - 1040 WEST GEORGIA STREET
VANCOUVER, BRITISH COLUMBIA
V6E 4K4
Fax # 604-640-3480
(the "Licensee")

WHEREAS:

- A. Under Section 29 of the *Forest Act*, this Licence replaces Tree Farm Licence No. 19, dated January 1, 1982.
- B. Under the *Forest Amendment Act, 1988*, the portion of the allowable annual cut attributable to Schedule B Land, which was available to the Licensee under Tree Farm Licence No. 19, was reduced by 45 868 m³.

THE PARTIES agree as follows:

10 GRANT OF RIGHTS AND TERM

- 1.01 Subject to this Licence and the Acts, regulations and standards referred to in paragraph 11.01, the Minister grants the Licensee
- (a) the exclusive right during the term of this Licence to harvest from
 - (i) Schedule B Land, and
 - (ii) Schedule A Land subject to a timber licence, timber of the types specified in paragraph 1.02 from the types of terrain specified in paragraph 1.03,
 - (b) the right to manage
 - (i) Schedule B Land, and
 - (ii) Schedule A Land subject to a timber licence, according to this Licence, the Acts, regulations and standards referred to in paragraph 11.01, higher level plans, the management plan in effect under this Licence, and operational plans approved in respect of this Licence, and
 - (c) the right to enter and use
 - (i) Schedule B Land, and
 - (ii) Schedule A Land subject to a timber licence, for the purpose of exercising a right or fulfilling an obligation under this Licence.
- 1.02 The following types of timber are specified for the purposes of paragraph 1.01:
- (a) on Schedule A Land subject to a timber licence, all merchantable timber; and
 - (b) on Schedule B Land, all types of timber other than deciduous types.
- 1.03 The following types of terrain are specified for the purposes of paragraph 1.01:
- (a) on Schedule A Land subject to a timber licence, all terrain containing merchantable timber; and
 - (b) on Schedule B Land, all types of terrain.
- 1.04 Subject to this Licence and the Acts, regulations and standards referred to in paragraph 11.01, the Licensee may also harvest timber from the Licence Area that is not
- (a) of a type specified in paragraph 1.02, or
 - (b) from a type of terrain specified in paragraph 1.03.

- 1.05 The Licensee will not harvest timber from the Licence Area except under a cutting permit or road permit, or a free use permit issued to the Licensee.
- 1.06 Subject to paragraph 1.07, the Licensee will not occupy Schedule B Land or Schedule A Land subject to a timber licence, except under and in accordance with a cutting permit, road permit, or special use permit authorizing such use or occupation.
- 1.07 Paragraph 1.06 does not apply to temporary occupation for the purpose of
- (a) carrying out silviculture,
 - (b) collecting inventory information,
 - (c) doing engineering layouts and surveys,
 - (d) carrying out protection activities, and
 - (e) fulfilling other obligations of the Licensee under or associated with this Licence.
- 1.08 Each year during the term of this Licence, the Regional Manager or District Manager may dispose of the following volumes of timber of a type specified in paragraph 1.02 from a type of terrain specified in paragraph 1.03, provided the timber is within areas of Schedule B Land agreed to under paragraph 1.11 or specified under paragraph 1.12:
- (a) subject to paragraph 1.16, 45 868 m³ of the allowable annual cut, under non-replaceable timber sale licences; and
 - (b) a volume of timber not exceeding one half of one percent (0.5%) of the portion of the allowable annual cut the Chief Forester determines is attributable to Schedule B Land, under free use permits.
- 1.09 In addition to any timber disposed of under paragraph 1.08, each year during the term of this Licence, the Regional Manager or District Manager may dispose of timber of a type specified in paragraph 1.02 from a type of terrain specified in paragraph 1.03, under timber sale licences issued pursuant to a pulpwood agreement, provided
- (a) the timber is
 - (i) of the type referred to in Section 34(1)(b) of the *Forest Act*,
 - (ii) within a pulpwood area designated by the Minister, and
 - (iii) within areas of Schedule B Land agreed to under paragraph 1.11 or specified under paragraph 1.12, and

- (b) the volume of timber disposed of does not exceed an amount equal to the portion of the allowable annual cut which the Chief Forester determines is attributable to timber of the type referred to in clause(a)(i), having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.
- 1.10 In addition to any timber disposed of under paragraphs 1.08 and 1.09, the Regional Manager or District Manager may dispose of any timber in the Licence Area that is not
 - (a) of a type specified in paragraph 1.02, or
 - (b) from a type of terrain specified in paragraph 1.03,provided the timber is within areas of Schedule B Land agreed to under paragraph 1.11 or specified under paragraph 1.12.
- 1.11 Subject to paragraph 1.12, the District Manager and the Licensee will agree upon areas of Schedule B Land for the purposes of paragraphs 1.08, 1.09, 1.10 and 1.17, having regard to
 - (a) the type and quality of timber on the area of Schedule B Land under consideration compared to the Schedule B Land as a whole,
 - (b) the type of terrain on the area of Schedule B Land under consideration compared to the Schedule B Land as a whole,
 - (c) in the case of paragraph 1.09, the type of timber referred to in Section 34(1)(b) of the *Forest Act*,
 - (d) in the case of paragraph 1.17, the nature of the Licensee's failure to comply with the management plan,
 - (e) the management plan in effect under this Licence and the forest development plan approved in respect of this Licence,
 - (f) any potential interference with the operations of the Licensee under this Licence, and
 - (g) use of the Licence Area for purposes other than timber production, including use of the Licence Area by
 - (i) trappers, guide outfitters, range tenure holders, and other licensed resource users, and
 - (ii) aboriginal people carrying out aboriginal activities.
- 1.12 If under paragraph 1.11 the District Manager and the Licensee are unable to agree upon areas of Schedule B Land for the purposes of paragraph 1.08, 1.09, 1.10 or 1.17, the District Manager or the Licensee may refer the matter to the Regional Manager, in which case the Regional Manager, subject to paragraph 1.15, and having regard to
 - (a) the factors referred to in paragraph 1.11, and

(b) the recommendations of the District Manager and the Licensee, will specify areas for these purposes.

1.13 Subject to paragraphs 1.14 and 1.15, the Minister in a notice given to the Licensee may delete an area from Schedule B Land to enable the Regional Manager or District Manager to issue a woodlot licence over the area, if the Chief Forester determines that the portion of the allowable annual cut attributable to the area does not exceed the volume of timber referred to in paragraph 1.08(a), having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.

1.14 Before deleting an area under paragraph 1.13, the Minister will consult the Licensee and consider any recommendations made by the Licensee.

1.15 The Regional Manager will only specify an area under paragraph 1.12, and the Minister will only delete an area under paragraph 1.13, where the Regional Manager or the Minister, as the case may be, is satisfied that specifying or deleting the area will not

- (a) compromise the management plan in effect under this Licence or a forest development plan approved in respect of this Licence, or
- (b) unreasonably interfere with the Licensee's operations under this Licence.

1.16 Where the Minister deletes an area under paragraph 1.13, the volume of timber referred to in paragraph 1.08(a) is deemed to be reduced by an amount equal to the portion of the allowable annual cut that the Chief Forester determines is attributable to the deleted area, having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.

1.17 If

- (a) a management plan referred to in paragraph 2.01 or approved under paragraph 2.27 provides that part of the allowable annual cut is to be harvested from a specified part of the Licence Area or from a specified type of timber or terrain, and the Licensee fails to comply with that provision, and
- (b) as a consequence, the Chief Forester, under Section 55.5 of the *Forest Act*, reduces the portion of the allowable annual cut available to the Licensee,

then, in addition to any timber disposed of under paragraphs 1.08, 1.09

and 1.10, the Regional Manager or District Manager may dispose of a volume of timber, from areas of Schedule B Land agreed to under paragraph 1.11 or specified under paragraph 1.12, up to an amount equal to the amount by which the Chief Forester reduces the allowable annual cut under Section 55.5 of the *Forest Act* multiplied by the number of years the reduction remains in effect.

1.18 If an area of Schedule A Land is

- (a) subject to a timber licence that expires, or
 - (b) deleted from a timber licence,
- then the area is deemed to be deleted from Schedule A Land and added to Schedule B Land.

1.19 The term of this Licence is 25 years, beginning January 1, 1996.

2.00 MANAGEMENT PLANS

2.01 A management plan

- (a) approved under the tree farm licence replaced by this Licence, and
 - (b) still in effect on the date immediately preceding the date referred to in paragraph 1.19,
- is deemed for the remainder of the term of the management plan to be the management plan in effect under this Licence.

2.02 If there is no approved management plan in effect under the tree farm licence replaced by this Licence on the date immediately preceding the date referred to in paragraph 1.19, then solely for the purposes of

- (a) inviting comments under paragraph 2.05(a) and providing an assessment under paragraph 2.08(a), and
- (b) determining the deadlines for
 - (i) inviting comments under paragraph 2.05(a),
 - (ii) submitting a review strategy under paragraph 2.05(b),
 - (iii) providing an assessment under paragraph 2.08(a)(i),
 - (iv) submitting a summary of comments under paragraph 2.08(b),
 - (v) submitting a Statement of Management Objectives, Options and Procedures under paragraph 2.09,
 - (vi) referring a draft management plan and inviting comments under paragraph 2.24, and
 - (vii) submitting a proposed management plan under paragraph 2.26,

the parties will proceed as if the management plan which was last in effect

under that tree farm licence is the management plan in effect under this Licence and, subject to paragraph 2.04, is due to expire 28 months after the date referred to in paragraph 1.19.

- 2.03 If the management plan deemed under paragraph 2.01 to be the management plan in effect under this Licence is due to expire less than 28 months after the date referred to in paragraph 1.19, then solely for the purpose of determining the deadlines for
- (a) inviting comments under paragraph 2.05(a),
 - (b) submitting a review strategy under paragraph 2.05(b), if applicable,
 - (c) providing an assessment under paragraph 2.08(a)(i),
 - (d) submitting a summary of comments under paragraph 2.08(b),
 - (e) submitting a Statement of Management Objectives, Options and Procedures under paragraph 2.09,
 - (f) referring a draft management plan and inviting comments under paragraph 2.24, and
 - (g) submitting a proposed management plan under paragraph 2.26,
- the parties will proceed as if, subject to paragraph 2.04, the management plan in effect under this Licence is due to expire 28 months after the date referred to in paragraph 1.19.
- 2.04 If
- (a) either
 - (i) there is no approved management plan in effect under the tree farm licence replaced by this Licence on the date immediately preceding the date referred to in paragraph 1.19, or
 - (ii) the management plan deemed under paragraph 2.01 to be the management plan in effect under this Licence is due to expire less than 28 months after the date referred to in paragraph 1.19, and
 - (b) the Chief Forester is satisfied that a requirement or obligation referred to in this Part has been met or fulfilled under the tree farm licence replaced by this Licence,
- the Chief Forester, in a notice given to the Licensee, may
- (c) specify the requirement or obligation that has been met or fulfilled and deem that requirement or obligation to have been met or fulfilled under this Licence, and
 - (d) if a period of less than 28 months is sufficient for the purpose of establishing a deadline referred to in paragraph 2.02(b) or 2.03, specify a period of less than 28 months which is sufficient for this purpose.

2.05 Not less than 28 months prior to the date on which the management plan in effect under this Licence is due to expire,

- (a) the Licensee will
 - (i) publish at least twice within a period of two consecutive weeks in a newspaper acceptable to the Regional Manager, an advertisement inviting comments regarding
 - (A) the management plan in effect under this Licence, and
 - (B) the Licensee's performance in respect of that management plan, and
 - (ii) make a copy of the management plan in effect under this Licence available for review by interested persons
 - (A) during normal business hours, and
 - (B) at the Licensee's place of business in the vicinity of the Licence Area or, if the Licensee so chooses, at another location which is convenient to the public and acceptable to the Regional Manager, for a period of one month, or longer if the Licensee so chooses, beginning at least one week after the last publication of the advertisement referred to in clause (i), and
- (b) if there is no management plan in effect under this Licence, or if the management plan in effect under this Licence does not include a review strategy for
 - (i) the Statement of Management Objectives, Options and Procedures referred to in paragraph 2.09,
 - (ii) the draft management plan referred to in paragraph 2.24,
 - (iii) the statement of objectives referred to in paragraph 3.01, or
 - (iv) the statement of proposals referred to in paragraph 3.02,the Licensee will submit to the Regional Manager a review strategy, complying with the requirements of Part 4.00, for the Statement of Management Objectives, Options and Procedures, the draft management plan, the statement of objectives referred to in paragraph 3.01, and the statement of proposals referred to in paragraph 3.02, as applicable.

2.06 The Regional Manager, within two months after the date on which the Regional Manager receives a review strategy submitted under paragraph 2.05(b) or 2.07(b), will in a notice given to the Licensee approve the review strategy, subject to such conditions as the Regional Manager considers necessary or appropriate, if the Regional Manager is satisfied that the review strategy meets the requirements of Part 4.00.

- 2.07 Where the Regional Manager does not approve a review strategy under paragraph 2.06,
- (a) the Regional Manager, within two months after the date on which the Regional Manager receives the review strategy, will specify in a notice given to the Licensee why the Regional Manager has not approved the review strategy, and
 - (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in subparagraph (a), will submit a new or revised review strategy to the Regional Manager.
- 2.08 Not less than 26 months prior to the date on which the management plan in effect under this Licence is due to expire,
- (a) the Regional Manager will provide the Licensee with
 - (i) an assessment of
 - (A) the management plan in effect under this Licence, and
 - (B) the Licensee's performance in respect of that management plan, and
 - (ii) a list of guidelines currently in effect, and
 - (b) the Licensee will submit to the Regional Manager a summary of the comments received by the Licensee in complying with paragraph 2.05(a).
- 2.09 The Licensee, not less than 22 months prior to the date on which the management plan in effect under this Licence is due to expire, will submit to the Regional Manager
- (a) a Statement of Management Objectives, Options and Procedures which has been referred to resource agencies and made available for comment in accordance with the review strategy approved
 - (i) in the management plan in effect under this Licence, or
 - (ii) under paragraph 2.06,as the case may be, and
 - (b) a summary of
 - (i) all comments received by the Licensee in complying with the review strategy referred to in subparagraph (a), and
 - (ii) the modifications, if any, made to the Statement of Management Objectives, Options and Procedures, prior to its submission to the Regional Manager, in response to the comments referred to in clause (i).
- 2.10 A Statement of Management Objectives, Options and Procedures submitted under paragraph 2.09 or 2.12(b) must

- (a) be prepared by a professional forester in accordance with the applicable manual in effect four months prior to the deadline for submitting the Statement of Management Objectives, Options and Procedures under paragraph 2.09 or 2.12(b), as the case may be,
- (b) summarize the commitments which
 - (i) were made by the Licensee
 - (A) in the application on which the award of the tree farm licence replaced by this Licence or any predecessor to that tree farm licence was based,
 - (B) in accepting the offer of the tree farm licence replaced by this Licence or any predecessor to that tree farm licence, or
 - (C) as a result of a request for the Minister's consent for the purposes of Section 50 of the *Forest Act*, and
 - (ii) remain in effect at the time the Statement of Management Objectives, Options and Procedures is submitted,
- (c) identify the inadequacies, if any, in the information to be included in the inventories referred to in paragraph 2.25(d),
- (d) propose management objectives for the Licence Area reflecting the management objectives which the Licensee intends to include in the draft management plan, and identify management options reflecting the proposals for meeting these objectives which the Licensee also intends to include in the draft management plan, regarding
 - (i) management and utilization of the timber resources in the Licence Area, including harvesting methods and felling, bucking and utilization specifications suitable to the types of timber and terrain specified in paragraphs 1.02 and 1.03,
 - (ii) protection and conservation of the non-timber values and resources in the Licence Area, including visual quality, biological diversity, soils, water, recreation resources, cultural heritage resources, range land, and wildlife and fish habitats,
 - (iii) integration of harvesting activities in the Licence Area with use of the Licence Area for purposes other than timber production, including use of the Licence Area by
 - (A) trappers, guide outfitters, range tenure holders, and other licensed resource users, and
 - (B) aboriginal people carrying out aboriginal activities,
 - (iv) forest fire prevention and suppression, prescribed fire, and fuel management,
 - (v) forest health, including disease and pest management,
 - (vi) silviculture,
 - (vii) road construction, maintenance and deactivation, and

- (viii) any issues identified
 - (A) by the Licensee,
 - (B) by the Regional Manager in the assessment referred to in paragraph 2.08(a)(i), or
 - (C) in the comments referred to in paragraph 2.08(b), which are consistent with this Licence, the Acts, regulations and standards referred to in paragraph 11.01, higher level plans, including any objectives for resource management zones, landscape units, sensitive areas, recreation sites and trails and interpretive forest sites under the *Forest Practices Code of British Columbia Act*, the guidelines referred to in paragraph 2.08(a)(ii), and the commitments referred to in subparagraph (b),
- (e) identify inadequacies referred to in subparagraph (c) and issues referred to in clause (d)(viii) which will require further study or analysis, and indicate what, if any, studies or analyses the Licensee will carry out,
- (f) identify issues referred to in clause (d)(viii) which will be addressed in the management objectives and proposals in the draft management plan referred to in paragraph 2.24 and proposed management plan referred to in paragraph 2.26, and
- (g) identify management options referred to in subparagraph (d) which the Licensee proposes to assess in the timber supply analysis referred to in paragraph 2.17(a).

2.11 The Regional Manager, within three months after the date on which the Regional Manager receives a Statement of Management Objectives, Options and Procedures submitted under paragraph 2.09, or two months after the date on which the Regional Manager receives a Statement of Management Objectives, Options and Procedures submitted under paragraph 2.12(b), will in a notice given to the Licensee accept the Statement of Management Objectives, Options and Procedures, subject to such conditions as the Regional Manager considers necessary or appropriate, if

- (a) the Statement of Management Objectives, Options and Procedures meets the requirements of paragraph 2.10, and
- (b) the Regional Manager is satisfied that the Licensee has
 - (i) adequately addressed the inadequacies referred to in paragraph 2.10 (c), the issues referred to in paragraph 2.10(d)(viii), and the comments referred to in paragraph 2.09(b)(i), and
 - (ii) selected appropriate management options for assessment in the timber supply analysis.

- 2.12 Where the Regional Manager does not accept a Statement of Management Objectives, Options and Procedures under paragraph 2.11,
- (a) the Regional Manager, within three months after the date on which the Regional Manager receives a Statement of Management Objectives, Options and Procedures submitted under paragraph 2.09, or two months after the date on which the Regional Manager receives a Statement of Management Objectives, Options and Procedures submitted under subparagraph (b), will specify in a notice given to the Licensee why the Regional Manager has not accepted the Statement of Management Objectives, Options and Procedures, and
 - (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in subparagraph (a), will submit a new or revised Statement of Management Objectives, Options and Procedures to the Regional Manager.
- 2.13 Where the Regional Manager accepts a Statement of Management Objectives, Options and Procedures under paragraph 2.11, the Licensee, within three months after the date on which the Statement of Management Objectives, Options and Procedures is accepted, will submit a Timber Supply Analysis Information Package to the Timber Supply Forester.
- 2.14 A Timber Supply Analysis Information Package submitted under paragraph 2.13 must
- (a) include the information required in the applicable manual in effect six months prior to the deadline for submitting the Timber Supply Analysis Information Package,
 - (b) identify assumptions the Licensee proposes to incorporate into the timber supply analysis referred to in paragraph 2.17(a) which are consistent with
 - (i) this Licence,
 - (ii) the Acts, regulations and standards referred to in paragraph 11.01,
 - (iii) higher level plans, including any objectives for resource management zones, landscape units, sensitive areas, recreation sites and trails and interpretive forest sites under the *Forest Practices Code of British Columbia Act*,
 - (iv) subject to paragraph 2.33, the guidelines referred to in paragraph 2.08(a)(ii),
 - (v) subject to paragraph 2.33, the management objectives in the Statement of Management Objectives, Options and Procedures accepted under paragraph 2.11, and

- (vi) subject to paragraph 2.33, the management options in the Statement of Management Objectives, Options and Procedures accepted under paragraph 2.11 which are referred to in paragraph 2.10(g),
- (c) without restricting the generality of subparagraph (b), identify assumptions the Licensee proposes to incorporate into the timber supply analysis referred to in paragraph 2.17(a) regarding
 - (i) the inventory of timber and non-timber resources in the Licence Area,
 - (ii) growth and yield,
 - (iii) regeneration delays,
 - (iv) silviculture treatments,
 - (v) integrated resource management constraints,
 - (vi) harvesting methods and felling, bucking and utilization specifications, and
 - (vii) the operable land base,
- (d) describe the methodology, including the computer model, if any, that the Licensee proposes to use in the timber supply analysis, including a description of the extent to which the assumptions referred to in subparagraphs (b) and (c) are reflected in the methodology,
- (e) include information which supports the assumptions referred to in subparagraphs (b), (c) and (d),
- (f) describe how the Licensee proposes to address in the timber supply analysis any inadequacies referred to in paragraph 2.10(c), and
- (g) include any other information readily available to the Licensee, which
 - (i) the Licensee, or
 - (ii) the Timber Supply Forester, in a notice given to the Licensee within one month after the date on which the Licensee is given the notice accepting the Statement of Management Objective, Options and Procedures under paragraph 2.11,
 considers relevant to an assessment of the impact on the timber supply of the management options referred to paragraph 2.10(g).

2.15 The Timber Supply Forester, within three months after the date on which the Timber Supply Forester receives the Timber Supply Analysis Information Package submitted under paragraph 2.13, or two months after the date on which the Timber Supply Forester receives the information or proposals submitted under paragraph 2.16(b), will in a notice given to the Licensee accept the assumptions and the methodology referred to in paragraph 2.14 and, if applicable, paragraph 2.16(b) for use in the timber supply analysis referred to in paragraph 2.17(a), subject to such conditions as the Timber Supply Forester considers necessary or appropriate, if

- (a) the requirements of paragraph 2.14 and, if applicable, paragraph 2.16(b) have been met, and
- (b) the Timber Supply Forester is satisfied with the information provided in support of the assumptions and methodology.

2.16 Where the Timber Supply Forester does not accept both the assumptions and the methodology under paragraph 2.15,

- (a) the Timber Supply Forester, within three months after the date on which the Timber Supply Forester receives the Timber Supply Analysis Information Package submitted under paragraph 2.13, or two months after the date on which the Timber Supply Forester receives the information or proposals submitted under subparagraph (b), will specify in a notice given to the Licensee why the Timber Supply Forester has not accepted the assumptions, the methodology or both, and
- (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in subparagraph (a), will
 - (i) propose new or revised assumptions,
 - (ii) propose a new or revised methodology, and
 - (iii) submit further information in support of the assumptions, the methodology or both,
 as required by the Timber Supply Forester.

2.17 Where the Timber Supply Forester accepts the assumptions and the methodology under paragraph 2.15, the Licensee, within three months after the date on which the assumptions and the methodology are accepted, will submit

- (a) a timber supply analysis to the Timber Supply Forester, and
- (b) a 20-year plan to the District Manager.

2.18 A timber supply analysis submitted under paragraph 2.17(a) or 2.22(b) must:

- (a) assess the impact on the timber supply of the management options in the Statement of Management Objectives, Options and Procedures accepted under paragraph 2.11 which are referred to in paragraph 2.10(g), and
- (b) subject to paragraph 2.33,
 - (i) be based on the assumptions, and
 - (ii) use the methodology,
 accepted by the Timber Supply Forester under paragraph 2.15.

2.19 A 20-year plan submitted under paragraph 2.17(b) or 2.23(b) must

- (a) identify
 - (i) the net operable land base,
 - (ii) harvested areas,
 - (iii) existing and proposed road access within the net operable land base, and
 - (iv) areas subject to special integrated resource management constraints, such as use of the Licence Area for purposes other than timber production,
- (b) categorize areas within the net operable land base referred to in clause (a)(i) by
 - (i) the type and quality of timber, and
 - (ii) the harvesting methods suitable to the terrain, and
- (c) in support of the timber supply analysis, set out a hypothetical sequence of cut blocks in 5 year increments over a period of 20 years, or longer if the Licensee so chooses, which is consistent with
 - (i) this Licence,
 - (ii) the Acts, regulations and standards referred to in paragraph 11.01,
 - (iii) higher level plans, including any objectives for resource management zones, landscape units, sensitive areas, recreation sites and trails and interpretive forest sites under the *Forest Practices Code of British Columbia Act*,
 - (iv) subject to paragraph 2.33, the guidelines referred to in paragraph 2.08(a)(ii),
 - (v) subject to paragraph 2.33, the management objectives in the Statement of Management Objectives, Options and Procedures accepted under paragraph 2.11, and
 - (vi) subject to paragraph 2.33, a management option selected by the Licensee from the management options in the Statement of Management Objectives, Options and Procedures accepted under paragraph 2.11 which are referred to in paragraph 2.10(g).

2.20 The Timber Supply Forester, within three months after the date on which the Timber Supply Forester receives a timber supply analysis submitted under paragraph 2.17(a), or two months after the date the Timber Supply Forester receives a timber supply analysis submitted under paragraph 2.22(b), will

- (a) in a notice given to the Licensee accept the timber supply analysis, subject to such conditions as the Timber Supply Forester considers necessary or appropriate, if the timber supply analysis meets the requirements of paragraph 2.18, and

- (b) where the Timber Supply Forester accepts the timber supply analysis under subparagraph (a), provide the Licensee with an assessment of the strengths and weakness of the timber supply analysis.
- 2.21 The District Manager, within three months after the date on which the District Manager receives a 20-year plan submitted under paragraph 2.17(b), or two months after the date on which the District Manager receives a 20-year plan submitted under paragraph 2.23(b), will
 - (a) in a notice given to the Licensee accept the 20-year plan, subject to such conditions as the District Manager considers necessary or appropriate, if the 20-year plan meets the requirements of paragraph 2.19, and
 - (b) where the District Manager accepts the 20-year plan under subparagraph (a), provide the Licensee with an assessment of the strengths and weakness of the 20-year plan.
- 2.22 Where the Timber Supply Forester does not accept a timber supply analysis under paragraph 2.20,
 - (a) the Timber Supply Forester, within three months after the date on which the Timber Supply Forester receives a timber supply analysis submitted under paragraph 2.17(a), or two months after the date on which the Timber Supply Forester receives a timber supply analysis submitted under subparagraph (b), will specify in a notice given to the Licensee why the Timber Supply Forester has not accepted the timber supply analysis, and
 - (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in subparagraph (a), will submit a new or revised timber supply analysis to the Timber Supply Forester.
- 2.23 Where the District Manager does not accept a 20-year plan under paragraph 2.21,
 - (a) the District Manager, within three months after the date on which the District Manager receives a 20-year plan submitted under paragraph 2.17(b), or two months after the date on which the District Manager receives a 20-year plan submitted under subparagraph (b), will specify in a notice given to the Licensee why the District Manager has not accepted the 20-year plan, and
 - (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in subparagraph (a), will submit a new or revised 20-year plan to the District Manager.

2.24 Not less than six months prior to the date on which the management plan in effect under this Licence is due to expire, the Licensee will

- (a) refer a draft management plan to the Regional Manager for comment, and
- (b) at the same time, refer the draft management plan referred to in subparagraph (a) to resource agencies and make it available for comment in accordance with the review strategy approved
 - (i) in the management plan in effect under this Licence, or
 - (ii) under paragraph 2.06,as the case may be.

2.25 A draft management plan referred to in paragraph 2.24 or 2.37(a) and a proposed management plan submitted by the Licensee under paragraph 2.26, 2.30(b) or 2.37(b) must

- (a) be prepared by a professional forester in accordance with the applicable manual in effect four months prior to the deadline for submitting the draft management plan under paragraph 2.24 or 2.37(a), as the case may be,
- (b) be signed and sealed by the professional forester who prepared it, and signed by the Licensee or an authorized signatory of the Licensee,
- (c) be consistent with
 - (i) this Licence,
 - (ii) the Act, regulations and standards referred to in paragraph 11.01,
 - (iii) higher level plans, including any objectives for resource management zones, landscape units, sensitive areas, recreation sites and trails and interpretive forest sites under the *Forest Practices Code of British Columbia Act*,
 - (iv) the commitments referred to in paragraph 2.10(b),
 - (v) subject to paragraph 2.33, the guidelines referred to in paragraph 2.08(a)(ii),
 - (vi) subject to paragraph 2.33, the Statement of Management Objectives, Options and Procedures accepted under paragraph 2.11,
- (d) include inventories, prepared in the manner, presented in the format and meeting the specifications set or approved in the applicable manual in effect six months prior to the deadline for submitting the Timber Supply Analysis Information Package, of the forest, recreation, fisheries, wildlife, range, and cultural heritage resources in the Licence Area, including information relating to visual quality objectives, sensitive soils, recreation sites, and the type of timber and terrain,

- (e) include proposals for updating the inventories referred to in subparagraph (d) and, if applicable, addressing inadequacies in the inventory information,
- (f) propose management objectives regarding
 - (i) management and utilization of the timber resources in the Licence Area, including harvesting methods and felling, bucking and utilization specifications suitable to the types of timber and terrain specified in paragraphs 1.02 and 1.03,
 - (ii) protection and conservation of the non-timber values and resources in the Licence Area, including visual quality, biological diversity, soils, water, recreation resources, cultural heritage resources, range land, and wildlife and fish habitats,
 - (iii) integration of harvesting activities in the Licence Area with use of the Licence Area for purposes other than timber production, including use of the Licence Area by
 - (A) trappers, guide outfitters, range tenure holders, and other licensed resource users, and
 - (B) aboriginal people carrying out aboriginal activities,
 - (iv) forest fire prevention and suppression, prescribed fire, and fuel management,
 - (v) forest health, including disease and pest management,
 - (vi) silviculture,
 - (vii) road construction, maintenance and deactivation, and
 - (viii) anything else relating to the management, development and use of the Licence Area that the Chief Forester requires,
- (g) include proposals for meeting the proposed management objectives referred to in subparagraph (f), including measures to be taken and specifications to be followed by the Licensee which meet or, if the Licensee so chooses, exceeds any requirements of the Act, regulations and standards referred to in paragraph 11.01, or of the higher level plans or guidelines referred to in paragraph (c).
- (h) specify measures to be taken by the Licensee to identify and consult with persons using the Licence Area for purposes other than timber productions, including
 - (i) trappers, guide outfitters, range tenure holders, and other licensed resource users, and
 - (ii) aboriginal people who are or who may be carrying out aboriginal activities,
- (i) include
 - (i) the Statement of Management Objectives, Options and Procedures accepted under paragraph 2.11, including revisions, if any, required under paragraph 2.33,
 - (ii) either

- (A) the timber supply analysis accepted under paragraph 2.20, together with the assessment referred to in paragraph 2.20(b), or
 - (B) where no timber supply analysis has been accepted, a draft timber supply analysis prefaced with a statement to the effect that the draft timber supply analysis has not been submitted under paragraph 2.17(a) or accepted under paragraph 2.20, as applicable, and
- (iii) either
 - (A) the 20-year plan accepted under paragraph 2.21, together with the assessment referred to in paragraph 2.21(b), or
 - (B) where no 20-year plan has been accepted, a draft 20-year plan prefaced with a statement to the effect that the draft 20-year plan has been not submitted under paragraph 2.17(b) or accepted under paragraph 2.21, as applicable,
- (j) assess the impact the draft management plan or proposed management plan, as the case may be, will have on factors such as harvest levels, economic opportunities, the number of persons employed by the Licensee and contractors of the Licensee, and the protection and conservation of non-timber values,
- (k) highlight the key similarities and differences between the draft management plan or the proposed management plan, as the case may be, and the management plan in effect or last in effect under this Licence, and in a summary form compare
 - (i) the impact, if any, that implementation of the management plan in effect or last in effect under this Licence had, and
 - (ii) the impact, if any, that the Licensee anticipates implementation of the draft management plan or the proposed management plan, as the case may be, will have on factors such as those referred to in subparagraph (j),
- (l) propose a review strategy, complying with the requirements of Part 4.00, for
 - (i) the next Statement of Management Objectives, Options and Procedures to be referred and made available for comment under paragraph 2.09(a),
 - (ii) the next draft management plan to be referred and made available for comment under paragraph 2.24,
 - (iii) the next statement of objectives to be referred and made available for comment under paragraph 3.01(a), and
 - (iv) the next statement of proposals to be referred and made available for comment under paragraph 3.02,

- (m) if applicable, provide that part of the allowable annual cut will be harvested from a specified part of the Licence Area, or from a specified type of timber or terrain,
- (n) include any other information on the development, management and use of the Licence Area that the Chief Forester requires, and
- (o) if required in the manual referred to in subparagraph (a), provide some or all of the information referred to in this paragraph in the form of maps meeting the requirements of the manual.

2.26 The Licensee, not less than three months prior to the date on which the management plan in effect under this Licence is due to expire, will submit to the Chief Forester

- (a) a proposed management plan which is based on the draft management plan referred to in paragraph 2.24, and
- (b) a summary of
 - (i) all comments
 - (A) provided by the Regional Manager within two months of the date on which the Regional Manager receives a draft management plan referred to the Regional Manager in accordance with the requirements of paragraph 2.24(a), and
 - (B) received by the Licensee in complying with the requirements of paragraph 2.24(b), and
 - (ii) the differences, if any, between the draft management plan and the proposed management plan, including differences resulting from modifications made in response to the comments referred to in clause (i).

2.27 Subject to paragraphs 2.28 and 2.29, the Chief Forester, within three months after the date on which the Chief Forester receives a proposed management plan submitted under paragraph 2.26, 2.30(b) or 2.37(b), will in a notice given to the Licensee approve the proposed management plan, subject to such conditions as the Chief Forester considers necessary or appropriate, if

- (a) the Chief Forester is satisfied that the proposed management plan
 - (i) meets the requirements of paragraph 2.25 and paragraph 2.26(a) or 2.37(b)(i), as the case may be, and
 - (ii) adequately addresses the comment referred to in paragraph 2.26(b)(i) or 2.37(b)(ii)(A), as the case may be, and
- (b) the proposed management plan includes
 - (i) inventories referred to in paragraph 2.25(d),
 - (ii) proposals referred to in paragraph 2.25(e) for updating

these inventories and, if applicable, addressing inadequacies in the inventory information,

- (iii) management objectives referred to in paragraph 2.25(f),
 - (iv) proposals referred to in paragraph 2.25(g) for meeting these objectives,
 - (v) measures referred to in paragraph 2.25(h) for identifying and consulting with persons using the Licence Area for purposes other than timber productions, and
 - (vi) a review strategy referred to in paragraph 2.25(l),
- which are satisfactory to the Chief Forester.

2.28 The Chief Forester, in a notice given to the Licensee, may refuse to approve a proposed management plan under paragraph 2.27 until such time as

- (a) a timber supply analysis is accepted under paragraph 2.20, or
- (b) a 20-year plan is accepted under paragraph 2.21.

2.29 Where a timber supply analysis accepted under paragraph 2.20 or a 20-year plan accepted under paragraph 2.21 was not included in the draft management plan referred to in paragraph 2.24, before approving a proposed management plan under paragraph 2.27, the Chief Forester, in a notice given to the Licensee, may require the Licensee to refer the timber supply analysis or the 20-year plan, as the case may be, and make it available for comment in accordance with the review strategy referred to in paragraph 2.24.

2.30 Where the Chief Forester does not approve a proposed management plan under paragraph 2.27,

- (a) subject to paragraphs 2.28 and 2.29, the Chief Forester, within three months after the date on which the Chief Forester receives the proposed management plan, will specify in a notice given to the Licensee why the Chief Forester has not approved the proposed management plan, and
- (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in subparagraph (a), will submit a new or revised proposed management plan to the Chief Forester.

2.31 Subject to paragraphs 2.28 and 2.29, if

- (a) the Chief Forester, within three months after the date on which the Chief Forester receives a proposed management plan submitted under paragraph 2.26, has neither

- (i) approved the proposed management plan under paragraph 2.27, nor
- (ii) given the Licensee a notice referred to in paragraph 2.30(a), and

(b) there is a management plan in effect under this Licence, then the term of the management plan referred to in subparagraph (b) is deemed to be extended until such time as the Chief Forester approves the proposed management plan under paragraph 2.27, or gives the Licensee a notice referred to in paragraph 2.30(a), as the case may be.

2.32 If the Chief Forester is satisfied that the Licensee or a Ministry officer is trying in good faith to fulfill a requirement or obligation under this Part, but for reasons beyond the control of the Licensee or the Ministry officer, as the case may be, cannot

- (a) meet a deadline referred to in this Part, or
- (b) where there is a management plan in effect under this Licence, fulfill the requirement or obligation before the management plan is due to expire,

then the Chief Forester, in a notice given to the Licensee, will, as applicable,

- (c) extend the deadline by a period the Chief Forester considers sufficient to allow the Ministry officer or the Licensee, as the case may be, to fulfill the requirement or obligation, or
- (d) extend the term of the management plan by a period the Chief Forester considers sufficient to allow the Ministry officer or the Licensee, as the case may be, to fulfill the requirement or obligation in accordance with applicable deadlines,

subject to such conditions as the Chief Forester considers necessary or appropriate.

2.33 If the Licensee

- (a) submits a Timber Supply Analysis Information Package under paragraph 2.13, or the information or proposals referred to in paragraph 2.16(b) more than eight months,
- (b) submits a timber supply analysis under paragraph 2.17(a) or 2.22(b), or a 20-year plan under paragraph 2.17(b) or 2.23(b) more than 13 months,
- (c) submits a draft management plan under paragraph 2.24 more than 19 months, or
- (d) submits a proposed management plan under paragraph 2.26 or 2.30(b) more than 22 months,

after the date on which the Statement of Management Objectives, Options and Procedures is accepted under paragraph 2.11, the Chief Forester, in a

notice given to the Licensee within one month of the date on which the applicable item is submitted, may require the Licensee to amend both the Statement of Management Objectives, Options and Procedures, and one or more of the items referred to in subparagraph (a) through (d) inclusive, to the extent required to address any new issues that may have arisen and ensure consistency with

- (e) any new guidelines or manuals in effect on the date the Licensee is given the notice,
- (f) higher level plans, and
- (g) the Acts, regulations and standards referred to in paragraph 11.01.

2.34 If the Chief Forester considers that

- (a) damage to timber in the Licence Area as a result of fire, flood, wind, insects, disease, or other causes,
- (b) a determination by the Chief Forester that operations conducted in accordance with the management plan are causing or could cause serious damage to the natural environment, including soils, fisheries, wildlife, water, range, and recreation resources,
- (c) establishment, variance, cancellation or replacement of a higher level plan,
- (d) interference with an aboriginal right,
- (e) a change in the allowable annual cut as a result of a determination by the Chief Forester under the *Forest Act*, or
- (f) other special circumstances,

have rendered the management plan in effect under the Licence inadequate, the Chief Forester, in a notice given to the Licensee, may require that the management plan be amended.

2.35 A notice referred to in paragraph 2.34 must specify

- (a) why the Chief Forester considers the management plan has been rendered inadequate,
- (b) the extent to which the management plan is inadequate, and
- (c) the changes required by the Chief Forester.

2.36 Where the Chief Forester gives the Licensee a notice referred to in paragraph 2.34, the Licensee, within three months after the date on which the notice is given, will submit for the Chief Forester's approval a proposed amendment to the management plan, which incorporates the changes referred to in paragraph 2.35(c), to have effect during the unexpired term of the management plan.

2.37 If the Licensee fails to comply with the requirements of paragraph 2.36, the management plan in effect under this Licence will expire three months

after the date on which the notice referred to in paragraph 2.34 is given to the Licensee, in which case,

- (a) within three months after the date on which the management plan expires under this paragraph, the Licensee will
 - (i) refer a draft management plan to the Regional Manager and
 - (ii) at the same time, refer the draft management plan referred to in clause (i) to resource agencies and make it available for comment in accordance with the review strategy referred to in paragraph 2.24(b), and
- (b) within six months after the date on which the management plan expires under this paragraph, the Licensee will submit to the Chief Forester
 - (i) a proposed management plan which is based on the draft management plan referred to in subparagraph (a), and
 - (ii) a summary of
 - (A) all comments received by the Licensee in complying with the requirements of subparagraph (a), and
 - (B) the differences, if any, between the draft management plan and the proposed management plan, including differences resulting from modifications made in response to the comments referred to in subclause (A).

2.38 The Licensee will implement the management plan in effect under this Licence.

2.39 The management plan in effect under this Licence is deemed to be part of this Licence.

2.40 Subject to paragraphs 2.31, 2.32, and 2.37, a management plan expires five years after the date on which it takes effect.

3.00 OBJECTIVES AND STRATEGIES FOR EMPLOYMENT AND ECONOMIC OPPORTUNITIES

3.01 When the Licensee submits a Statement of Management Objectives, Options and Procedures under paragraph 2.09, the Licensee will also submit to the Regional Manager

- (a) a statement of the Licensee's objectives regarding
 - (i) employment of people living in or near the Licence Area,

- including aboriginal people, and
 - (ii) economic opportunities available to people living in or near the Licence Area, including aboriginal people, in respect of timber harvested under this Licence or the Licensee's operations under or in respect of this Licence, which has been referred to resource agencies and made available for comment in accordance with the review strategy approved in the management plan in effect under this Licence, or under paragraph 2.06, as the case may be, and
 - (b) a summary of
 - (i) all comments received by the Licensee in complying with the review strategy referred to in subparagraph (a), and
 - (ii) the modifications, if any, made to the statement of objectives prior to its submission to the Regional Manager, in response to the comments referred to in clause (i).
- 3.02 When the Licensee refers a draft management plan and makes it available for comment under paragraph 2.24, the Licensee will also refer and make available for comment, in accordance with the review strategy approved
- (a) in the management plan in effect under this Licence, or
 - (b) under paragraph 2.06,
- as the case may be, a draft statement of the Licensee's proposals for meeting the objectives set out in the statement of objectives submitted under paragraph 3.01.
- 3.03 When the Licensee submits a proposed management plan to the Chief Forester under paragraph 2.26, the Licensee will also submit
- (a) a statement of proposals based on the draft statement of proposals referred to in paragraph 3.02, and
 - (b) a summary of
 - (i) all comments received by the Licensee in complying with the requirements of paragraph 3.02, and
 - (ii) the differences, if any, between the statement of proposals submitted under this paragraph and the draft statement of proposals referred to in paragraph 3.02, including differences resulting from modifications made in response to the comments referred to in clause (i).

4.00 REVIEW STRATEGY & MINISTRY CONSULTATION

- 4.01 A review strategy referred to in paragraph 2.05(b), 2.07(b) or 2.25(l) must
- (a) provide adequate opportunities for comment to persons interested in or affected by operations under this Licence, including but not

restricted to

- (i) resource agencies,
 - (ii) trappers, guide outfitters, range tenure holders, and other licensed resource users,
 - (iii) aboriginal people,
 - (iv) local governments, and
 - (v) members of the public, and
- (b) specify measures for inviting comment, including
- (i) referrals to resource agencies,
 - (ii) advertising methods, times and locations,
 - (iii) viewing methods, times and locations,
 - (iv) if applicable, times and locations of open houses, and
 - (v) methods for collecting written and oral comments from interested persons.

4.02 An opportunity for comment provided to a person referred to in paragraph 4.01(a) will only be adequate if, in the opinion of the Regional Manager or the Chief Forester, as the case may be, the opportunity for comment properly reflects the nature and extent of that person's interest in the Licence Area and any right that person may have to use the Licence Area.

4.03 When the Licensee refers a document or plan to resource agencies, or makes it available for comment, in accordance with an approved review strategy, the Licensee will at the same time send a copy of the document or plan to the Regional Manager for his or her information.

4.04 Before

- (a) approving a review strategy under paragraph 2.06,
 - (b) accepting a Statement of Management Objectives, Options and Procedures under paragraph 2.11, or
 - (c) approving a proposed management plan under paragraph 2.27, the Regional Manager or the Chief Forester, as the case may be, at his or her sole discretion and notwithstanding the Licensee's obligations under the review strategy, may consult persons who may be interested in or affected by operations under or associated with this Licence, including but not restricted to
- (d) resource agencies,
 - (e) trappers, guide outfitters, range tenure holders, and other licensed resource users,
 - (f) aboriginal people,
 - (g) local governments, and
 - (h) members of the public,

and, subject to paragraph 4.05, may consider any comments received as a result of consultation under this paragraph.

- 4.05 If, because of comments received as a result of consultation under paragraph 4.04, the Regional Manager or the Chief Forester is considering
- (a) not accepting or not approving, or
 - (b) imposing a condition upon acceptance or approval of, a document or plan referred to in paragraph 4.04, the Regional Manager or the Chief Forester, as the case may be, will provide the Licensee with an opportunity to respond to the comments before making a decision.

5.00 CONDITIONS IMPOSED UPON ACCEPTANCE OR APPROVAL

- 5.01 Where under this Licence a Ministry officer has a discretion to make his or her acceptance or approval of a document or plan subject to a condition, the Ministry officer will exercise that discretion in a reasonable manner, having regard to the purposes and functions of the Ministry of Forests set out in Section 4 of the *Ministry of Forests Act* as it read on June 1, 1993.
- 5.02 The Licensee, in a notice given to the appropriate Ministry officer within 15 days of the date on which the notice of acceptance or approval is given to the Licensee, may reject any condition to which the acceptance or approval is subject, in which case the notice of approval or acceptance is deemed to be a notice that the applicable document or plan is not accepted or approved for the reasons set out in the conditions.

6.00 FELLING, BUCKING AND UTILIZATION SPECIFICATIONS

- 6.01 Subject to paragraph 6.06, the Licensee will
- (a) fell standing timber of the species specified in a cutting permit, in accordance with the felling specifications set out in the cutting permit,
 - (b) buck felled and dead-and-down timber of the species referred to in paragraph (a) in accordance with the bucking specifications set out in the cutting permit, and
 - (c) utilize all timber of the species and grades specified in the cutting permit as obligatory utilization if the timber meets the utilization specifications set out in the cutting permit.
- 6.02 The following will be identified as waste in an assessment under Part 7.00:
- (a) timber referred to in paragraph 6.01(a) that is not felled in

- accordance with the requirements of that paragraph;
 - (b) timber referred to in paragraph 6.01(b) that is not bucked in accordance with the requirements of that paragraph; and
 - (c) timber referred to in paragraph 6.01(c) that is not utilized in accordance with the requirements of that paragraph.
- 6.03 A cutting permit may include a requirement that the Licensee fell timber not referred to in paragraph 6.01(a), in which case, subject to paragraph 6.06, the Licensee will fell but need not utilize such timber.
- 6.04 Subject to paragraph 6.06, the Licensee may utilize
 - (a) timber of the species and grades specified in a cutting permit as optional utilization, and
 - (b) timber referred to in paragraph 6.03.
- 6.05 Timber referred to in paragraph 6.04(a) that is not utilized by the Licensee will be identified as residue in an assessment under Part 7.00, unless otherwise provided in the ***Provincial Logging Residue and Waste Measurement Procedures Manual***, dated January 1, 1994, as amended from time to time.
- 6.06 The Licensee will not fell standing timber, and will not buck or utilize felled or dead-and-down timber, if
 - (a) the timber is specified in a cutting permit as reserved timber, or
 - (b) under an operational plan or the Acts, regulations or standards referred to in paragraph 11.01, the Licensee is required not to fell the timber, or not to buck or utilize the timber, for any reason, including silviculture, biodiversity or other forest management reasons.
- 6.07 If the Licensee fells, bucks or utilizes timber contrary to paragraph 6.06, the Licensee will
 - (a) immediately notify the District Manager, and
 - (b) comply with any directions of the District Manager in respect of the timber.
- 6.08 Subject to paragraph 6.09 and 6.11, felling, bucking and utilization specifications in a cutting permit will be based on the specifications set out in the management plan in effect under this Licence.
- 6.09 If the management plan in effect under this Licence, does not contain

fellings, bucking or utilization specifications, the specifications in a cutting permit will be based on the following:

Species	Minimum diameter at stump height for standing timber and butt logs	Maximum stump height	Minimum top diameter for butt logs and top logs	Minimum log length for butt logs and top logs	Minimum slab thickness	Minimum slab length
All species Mature*	N/A	30.0 cm	15.0 cm	3.0 m	15.0 cm	3.0 m
All species Immature*	N/A	30.0 cm	10.0 cm	3.0 m	10.0 cm	3.0 m

* "Mature" means timber with an average age of 121 years or more, and "Immature" means timber with an average age of less than 121 years.

6.10 In this paragraph and in paragraph 6.09,

- (a) "butt end" means the log end that was previously attached to the stump,
- (b) "butt log" means the log cut from the portion of the tree that was previously attached to the stump,
- (c) "diameter at stump height" means
 - (i) in the case of standing timber, the diameter of the tree (outside bark) measured at the point of the maximum stump height,
 - (ii) in the case of a butt log, the diameter (outside bark) at the butt end of the log,
- (d) "slab" means one of 2 or more parts of a log produced as a result of the log fracturing along its length,
- (e) "stump height" means the height of the stump measured on the side the stump adjacent to the highest ground,
- (f) "top diameter" means the diameter (inside bark) at the narrowest end of the log,
- (g) "top log" means any log that is not a butt log.

6.11 The District Manager may include specifications in a cutting permit which are in addition to, or which replace, those referred to in paragraph 6.08 or 6.09 if, in the opinion of the District Manager, the additional or

replacement specifications are necessary to ensure consistency with

- (a) the Acts, regulations or standards referred to in paragraph 11.01,
- (b) a higher level plan,
- (c) an operational plan, or
- (d) Ministry policy on timber utilization.

6.12 Before including specifications referred to in paragraph 6.11 in a cutting permit, the District Manager will consult the Licensee and consider any recommendations made by the Licensee.

7.00 RESIDUE AND WASTE ASSESSMENTS

7.01 Subject to paragraphs 7.02 and 7.03, the Licensee will

- (a) carry out an assessment of the volume of residue and waste left on an area of land authorized for harvest under a cutting permit
 - (i) within 60 days after primary logging on the area has been completed, or
 - (ii) if primary logging on the area is not completed before the expiry of the cutting permit, within 60 days after the expiry of the cutting permit,
- (b) as part of the assessment,
 - (i) measure the timber that was not felled, or was not bucked or utilized, in accordance with the specifications set out in the cutting permit,
 - (ii) classify the timber referred to in clause (i) as residue or waste, and
 - (iii) classify the residue and waste as avoidable or unavoidable, and
- (c) immediately upon completion of the assessment, provide the District Manager with the results of the assessment.

7.02 The District Manager may extend the periods referred to in paragraph 7.01(a)(i) and (ii).

7.03 If, for the purpose of determining the amount of stumpage payable in respect of timber harvested under a cutting permit, the cutting permit provides that the volume or quantity of timber harvested is to be determined using information provided by a cruise of the timber conducted before the timber is cut, the District Manager may waive the requirement for an assessment of the volume of residue and waste left on the area.

- 7.04 If, in the opinion of the District Manager, the Licensee has failed to comply with the requirements of paragraph 7.01, the District Manager may carry out the assessment.
- 7.05 An assessment referred to in paragraph 7.01 or 7.04 must be carried out in accordance with the *Provincial Logging Residue and Waste Measurement Procedures Manual*, dated January 1, 1994, as amended from time to time.
- 7.06 Before doing an assessment referred to in paragraph 7.01, the Licensee will ensure that the Licensee has a copy of the manual referred to in paragraph 7.05 that includes all amendments up to the date on which the assessment is carried out.
- 7.07 The District Manager, in a notice given to the Licensee, may require the Licensee to pay in respect of avoidable waste left on an area of land authorized for harvest under a cutting permit an amount determined in accordance with paragraph 7.08.
- 7.08 For the purpose of determining the amount payable under paragraph 7.07, the District Manager will
- (a) multiply
 - (i) the volume of avoidable waste assessed under paragraph 7.01 or 7.04 based on sawlog grades, by
 - (ii) the average stumpage rate charged for sawlogs harvested under the cutting permit in statements or invoices issued during the 12-month period ending 1 month after the month in which
 - (A) primary logging on the area was completed, or
 - (B) the cutting permit expires or is otherwise terminated,as the case may be, and
 - (b) multiply
 - (i) the volume of avoidable waste assessed under paragraph 7.01 or 7.04 based on grades other than sawlog grades, by
 - (ii) the stumpage rate charged for timber of the applicable grades.
- 7.09 If the District Manager carries out an assessment under paragraph 7.04, the District Manager, in a notice given to the Licensee, may require the Licensee to pay the costs reasonably incurred by the District Manager in

carrying out the assessment.

8.00 CUT CONTROL

- 8.01 For the purposes of the definition of "5 year cut control period" in Section 49 of the *Forest Act*, the first 5 year period for this Licence begins on January 1, 1992.
- 8.02 For the purposes of subparagraph (b) of the definition of the "volume of timber harvested during a calendar year" in Section 49 of the *Forest Act*, the volume of
- (a) avoidable residue,
 - (b) unavoidable residue,
 - (c) avoidable waste, and
 - (d) unavoidable waste
- left on areas of land authorized for harvest under a cutting permit, as determined by an assessment under paragraph 7.01 or 7.04, will be charged to the Licensee as volumes of timber estimated to be wasted or damaged.

9.00 CRUISE AND APPRAISAL INFORMATION

- 9.01 The Licensee will ensure that cruise data submitted under this Licence are
- (a) compiled in accordance with the *Cruising Compilation System, Change Specifications, Detailed Requirements and Design Manual*, updated April 1, 1995, as amended from time to time, and
 - (b) based on cruises carried out in accordance with the *Cruising Manual* prepared by the Ministry of Forests, updated April 1, 1995, as amended from time to time.
- 9.02 The Licensee will ensure that appraisal data submitted under this Licence are
- (a) compiled in accordance with, and
 - (b) include all data required under, the policies and procedures approved by the Minister from time to time under Section 84 of the *Forest Act* for the forest region in which the Licence Area is located.
- 9.03 Before submitting cruise data referred to in paragraph 9.01, or appraisal data referred to in paragraph 9.02, the Licensee will ensure that the Licensee has copies of the manuals, policies and procedures referred to in

those paragraphs that include all amendments up to the date on which the cruise data or appraisal data are submitted.

10.00 CUTTING PERMITS

- 10.01 Subject to paragraphs 10.02 through 10.05 inclusive, the Licensee may submit applications to the District Manager for cutting permits to authorize the Licensee to harvest the portion of the allowable annual cut available to the Licensee.
- 10.02 The Licensee may only submit an application for a cutting permit to authorize the Licensee to harvest one or more proximate areas of Crown land that are either
- (a) identified on a forest development plan approved in respect of this Licence as cutblocks for which the Licensee may, during the term of the forest development plan, apply for a cutting permit, or
 - (b) exempted under the *Forest Practices Code of British Columbia Act* from the requirement for a forest development plan.
- 10.03 Before submitting an application for a cutting permit, the Licensee will
- (a) compile
 - (i) cruise data, and
 - (ii) appraisal data,in accordance with the requirements of Part 9.00, for the areas to be included in the application, and
 - (b) if directed to do so by the District Manager, consult
 - (i) aboriginal people who may be carrying out aboriginal activities, and
 - (ii) trappers, guide outfitters, range tenure holders and other licensed resource users,to determine how, and to what extent, their interests may be affected by activities or operations engaged in or carried out on the areas of land to be included in the application.
- 10.04 An application for a cutting permit submitted under paragraph 10.01 must
- (a) be in a form acceptable to the District Manager,
 - (b) include
 - (i) a map to a scale acceptable to the District Manager showing the areas referred to in the application,
 - (ii) the cruise data and appraisal data referred to in paragraph 10.03(a), and

- (iii) if the District Manager has directed the Licensee to consult under paragraph 10.03(b), the comments received as a result of the Licensee's consultations, and
- (c) if required by the District Manager,
 - (i) identify the sequence in which the areas of land referred to in the application would be harvested if a cutting permit is issued, and
 - (ii) provide the names, addresses and phone numbers of contractors who may engage in or carry out activities or operations under or associated with the cutting permit.

10.05 The areas of land shown on the map referred to in paragraph 10.04(b)(i) must be identical to

- (a) cutblocks referred to in paragraph 10.02(a), or
 - (b) areas referred to in paragraph 10.02(b),
- allowing only for any difference in scale between maps used in the forest development plan or exemption and the map referred to in paragraph 10.04(b)(i).

10.06 Subject to paragraphs 10.07 through 10.12 inclusive and 12.01, upon receipt of an application for a cutting permit submitted under paragraph 10.01, the District Manager will issue a cutting permit to the Licensee if

- (a) there is management plan in effect under this Licence,
- (b) the District Manager is satisfied that
 - (i) the requirements of paragraphs 10.02 through 10.05 inclusive have been met, and
 - (ii) the cruise data and appraisal data referred in paragraph 10.04(b)(ii) meet the requirements of Part 9.00,
- (c) where paragraph 10.04(b)(iii) applies, the District Manager is satisfied with the results of the Licensee's consultation,
- (d) where paragraph 10.04(c)(i) applies, the District Manager is satisfied with the sequence of harvesting, and
- (e) the District Manager is satisfied that activities and operations under or associated with the cutting permit will be consistent with this Licence, the Acts, regulations and standards referred to in paragraph 11.01, higher level plans, the management plan referred to in subparagraph (a), and any operational plans approved in respect of the areas of land referred to in the cutting permit.

10.07 The District Manager may consult

- (a) aboriginal people who may be carrying out aboriginal activities, and

- (b) trappers, guide outfitters, range tenure holders and other licensed resource users,
who may be affected directly or indirectly by activities or operations under or associated with a cutting permit, engaged in or carried out on areas of land referred to in an application for a cutting permit.
- 10.08 The District Manager may consult other resource agencies for the purpose of determining whether activities and operations under or associated with a cutting permit, engaged in or carried out on areas of land referred to in an application for a cutting permit, will adequately manage and conserve the forest resources of these areas.
- 10.09 The District Manager may impose conditions in a cutting permit to
 - (a) protect the interests of
 - (i) aboriginal people who may be carrying out aboriginal activities, and
 - (ii) trappers, guide outfitters, range tenure holders and other licensed resource users, and
 - (b) ensure activities and operations under or associated with the cutting permit will adequately manage and conserve the forest resources of the areas referred to in the cutting permit.
- 10.10 The District Manager may refuse to issue a cutting permit if, in the opinion of the District Manager, issuance of the cutting permit would result in an infringement of an aboriginal right.
- 10.11 The District Manager may refuse to issue a cutting permit if a silviculture prescription or logging plan has not been approved for an area of land referred to in the application for the cutting permit.
- 10.12 The District Manager may refuse to issue a cutting permit if the District Manager is satisfied
 - (a) the Licensee will be able to harvest the portion of the allowable annual cut available to the Licensee under existing cutting permits and road permits, and
 - (b) refusing to issue the cutting permit will not compromise the management plan in effect under this Licence or a forest development plan approved in respect of this Licence.
- 10.13 If the District Manager

- (a) determines that a cutting permit may not be issued because the requirements of paragraph 10.06 have not been met,
- (b) is carrying out consultations under paragraph 10.07 or 10.08, or
- (c) refuses to issue a cutting permit under paragraph 10.10, 10.11, or 10.12,

the District Manager will notify the Licensee within 60 days of the date on which the application for the cutting permit was submitted.

10.14 A cutting permit must

- (a) identify the boundaries of the areas of Crown land which, subject to this Licence and the Acts, regulations and standards referred to in paragraph 11.01, the Licensee is authorized to harvest,
- (b) specify a term which, subject to paragraph 10.16, does not exceed three years,
- (c) specify a timber mark to be used in conjunction with the timber harvesting operations carried on under the cutting permit,
- (d) specify whether, for the purpose of determining the amount of stumpage payable in respect of timber harvested under the cutting permit, the volume or quantity of timber is to be determined using information provided by
 - (i) a scale of the timber, or
 - (ii) a cruise of the timber conducted before the timber is cut,
- (e) include felling, bucking and utilization specifications and specify the species and grades of timber which are obligatory utilization and the species and grades, if any, which are optional utilization, and
- (f) include such other provisions, consistent with this Licence, as the District Manager considers necessary or appropriate.

10.15 Subject to 10.16, the District Manager may amend a cutting permit only with the consent of the Licensee.

10.16 With or without the consent of the Licensee, the District Manager, in a notice given to the Licensee, may

- (a) extend the term of a cutting permit, and
- (b) if he or she does so, amend the cutting permit to the extent necessary to ensure the cutting permit is consistent with the forest development plan in effect under this Licence at the time the cutting permit is extended.

10.17 A cutting permit is deemed to be part of this Licence.

10.18 A cutting permit that

- (a) was issued under the tree farm licence replaced by this Licence, and
- (b) is still in effect on the date this Licence is executed, continues in effect under this Licence for the duration of its term and is deemed to be part of this Licence.

11.00 LEGISLATIVE FRAMEWORK

11.01 This Licence is subject to

- (a) the *Forest Act* and the regulations made under that Act, and
- (b) the *Forest Practices Code of British Columbia Act* and the regulations and standards made under that Act.

11.02 The Licensee will

- (a) comply with the Acts, regulations and standards referred to in paragraph 11.01, and
- (b) ensure that its employees, agents and contractors comply with these Acts, regulations and standards when engaging in or carrying out activities or operations under or associated with this Licence.

11.03 Nothing in this Licence or a cutting permit is to be construed as authorizing the Licensee to harvest timber or engage in or carry out any related forest practices until

- (a) all applicable operational plans have been approved by the District Manager, and
- (b) in the case of road construction or modification, a road layout and design has been approved by the District Manager.

11.04 Nothing in this Licence or a cutting permit issued under this Licence is to be construed as authorizing the Licensee to engage in any activities or carry out any operations otherwise than in compliance with the requirements of the Acts, regulations and standards referred to in paragraph 11.01.

12.00 INTERFERENCE WITH ABORIGINAL RIGHTS

12.01 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 are interfering or may interfere with an aboriginal

- right,
- (b) grants an injunction further to a determination referred to in subparagraph (a), or
 - (c) grants an injunction pending a determination of whether activities or operations under or associated with this Licence are interfering or may interfere with an aboriginal right,
- the Regional Manager or District Manager, in a notice given to the Licensee, may vary or suspend, in whole or in part, or refuse to issue a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee, to the extent necessary to ensure there is no interference or no further interference with the aboriginal right or the alleged aboriginal right, having regard to any determination of the court and the terms of any injunction granted by the court.

12.02 Subject to this Licence and the Acts, regulations and standards referred to in paragraph 11.01, if

- (a) under paragraph 12.01, the Regional Manager or District Manager has varied a cutting permit, road permit or special use permit, or a free use permit 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 permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit prior to the variation under paragraph 12.01.

12.03 Subject to this Licence and the Acts, regulations and standards referred to in paragraph 11.01, if

- (a) under paragraph 12.01, the Regional Manager or District Manager has suspended a cutting permit, road permit or special use permit, or a free use permit 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 reinstate the permit for the remainder of its term.

12.04 Subject to this Licence and the Acts, regulations and standards referred to in paragraph 11.01, if

- (a) under paragraph 12.01, the Regional Manager or District Manager has refused to issue a cutting permit, road permit or special use permit, or a free use permit 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 issue the permit.

13.00 ANNUAL REPORT

13.01 On or before April 1 of each year during the term of this Licence, the Licensee will submit to the Chief Forester, the Regional Manager and the District Manager an annual report

- (a) prepared in accordance with the applicable manual in effect on January 1 of the year in which the annual report is submitted, and
- (b) containing the information required in the manual referred to in subparagraph (a) regarding
 - (i) the Licensee's performance over the previous calendar year in relation to its management of the Licence Area and its obligations under this Licence,
 - (ii) the Licensee's success in meeting its management objectives, including but not restricted to its management objectives with respect to employment and economic opportunities,
 - (iii) the processing or other use or disposition of the timber harvested under this Licence, and.
 - (iv) the Licensee's goals and major initiatives for the next calendar year.

13.02 The Licensee will make a copy of an annual report submitted under paragraph 13.01 available for review by interested persons during normal business hours at the Licensee's place of business in the vicinity of the Licence Area or, if the Licensee chooses, at another location which is convenient to the public and acceptable to the Regional Manager.

14.00 FINANCIAL AND DEPOSITS

14.01 In addition to any money payable under the Acts and regulations referred to in paragraph 11.01 in respect of this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee, the Licensee will pay to the Crown, immediately upon receipt of a notice, statement or invoice issued on behalf of the Crown,

- (a) stumpage under Part 7 of the *Forest Act* in respect of timber harvested
 - (i) under a cutting permit from
 - (A) Schedule B Land, or
 - (B) Schedule A Land subject to a timber licence, or
 - (ii) under a road permit, at rates determined, redetermined and varied under Section 84 of that Act, and
- (b) any payments required under Part 7.00 or 16.00.

14.02 During the term of this Licence, the Licensee will maintain with the Crown a deposit in the amount prescribed under the *Forest Act* or the regulations made under that Act, in a form acceptable to the Minister, as security for the Licensee's performance of its obligations under or in respect of this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee.

14.03 If the Regional Manager or District Manager gives the Licensee a notice that an amount has been taken under this Part from the deposit, the Licensee, within four weeks of the date on which the notice is given, will pay to the Crown, in a form acceptable to the Minister, an amount sufficient to replenish the deposit.

14.04 If the Licensee fails

- (a) to pay money that the Licensee is required to pay to the Crown under
 - (i) this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee, or
 - (ii) the Acts or regulations referred to in paragraph 11.01 in respect of this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee, or
- (b) to otherwise perform its obligations under
 - (i) this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee, or
 - (ii) the Acts, regulations or standards referred to in paragraph 11.01 in respect of this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee,

the Regional Manager or District Manager, after at least four weeks notice to the Licensee, may take from the deposit
- (c) an amount equal to the money which the Licensee failed to pay,

- (d) an amount sufficient to cover all costs reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations, or
 - (e) an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations,
- and for that purpose a security included in the deposit may be realized.

14.05 A notice referred to in paragraph 14.04 must specify

- (a) the money which the Licensee has failed to pay or the obligation which the Licensee has failed to perform, and
- (b) the amount the Regional Manager or District Manager intends to take from the deposit.

14.06 Subject to paragraphs 14.08, 14.09 and 14.10, if

- (a) the Regional Manager or District Manager, under paragraph 14.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, and
 - (b) the costs reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations are less than the amount taken from the deposit,
- the Crown will as soon as feasible return to the Licensee an amount equal to the difference between the amount taken from the deposit and the costs reasonably incurred by the Regional Manager or District Manager.

14.07 If

- (a) the Regional Manager or District Manager, under paragraph 14.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, and
 - (b) the costs reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the deposit,
- the Regional Manager or District Manager may take from the deposit an additional amount equal to the difference between the costs incurred by the Regional Manager or District Manager and the amount originally taken

from the deposit, and for that purpose a security included in the deposit may be realized.

14.08 If the Regional Manager or District Manager, under paragraph 14.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, the Regional Manager or District Manager is under no obligation to remedy the Licensee's failure.

14.09 If

- (a) the Regional Manager or District Manager, under paragraph 14.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations,
 - (b) the Regional Manager or District Manager does not remedy the Licensee's failure to perform its obligations, and
 - (c) the Regional Manager or District Manager gives a notice to the Licensee indicating that the Crown will not be remedying the Licensee's failure to perform its obligations,
- subject to paragraph 14.10, the Crown may retain the amount taken from the deposit under paragraph 14.04.

14.10 If, after receiving a notice referred to in paragraph 14.09, the Licensee

- (a) remedies the failure to perform its obligations, and
 - (b) gives a notice to that effect to the Regional Manager or District Manager within three months of the date on which the notice referred to in paragraph 14.09 is given to the Licensee, or within such longer period as the Regional Manager may approve,
- the Crown will return to the Licensee an amount equal to the difference between the amount taken from the deposit and any costs reasonably incurred by the Regional Manager or District Manager in respect of the Licensee's failure to perform its obligations.

14.11 If the Regional Manager or District Manager considers that

- (a) any activity or operation that may be engaged in or carried out under this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee, is likely to cause damage to persons or property, and
- (b) the deposit is insufficient to indemnify the Crown for any liability

which the Crown might incur as a consequence of the activity or operation,
the Regional Manager or District Manager may require the Licensee to maintain with the Crown a special deposit, in a form acceptable to the Minister, in the amount determined by the Regional Manager or District Manager, as the case may be, and the Licensee will comply.

14.12 If the Licensee fails to

- (a) remedy any damage resulting from an activity or operation referred to in paragraph 14.11, or
 - (b) compensate any person who suffers a loss as a result of an activity or operation referred to in paragraph 14.11,
- the Regional Manager or District Manager, after at least four weeks notice to the Licensee, may take an amount from the special deposit sufficient to indemnify the Crown for any liability which is or may be incurred by the Crown as a consequence of a failure referred to in subparagraph (a) or (b).

14.13 A notice referred to in paragraph 14.12 must specify

- (a) the nature of the Licensee's failure, and
- (b) the amount the Regional Manager or District Manager intends to take from the special deposit.

14.14 Subject to the *Forest Act* and the regulations made under that Act, the Crown will return to the Licensee

- (a) the deposit, less deductions made under paragraphs 14.04 and 14.07, when
 - (i) this Licence expires and is not replaced under Section 29 of the *Forest Act*, or is surrendered, and
 - (ii) the Regional Manager is satisfied that the Licensee has fulfilled its obligations under this Licence, and
- (b) a special deposit, less deductions made under paragraph 14.12, when the Regional Manager is satisfied that the Crown is no longer at risk of being held liable as a consequence of an activity or operation referred to in paragraph 14.11.

15.00 ACCESS AND ACCOMMODATION

15.01 Nothing in this Licence authorizes the Licensee to in any way restrict the Crown's right of access to Schedule B Land or Schedule A land subject to a timber licence.

15.02 The Regional Manager or District Manager may carry out on Schedule B

Land and Schedule A land subject to a timber licence

- (a) silviculture the Crown is required to carry out under the Acts or regulations referred to in paragraph 11.01, and
- (b) any other silviculture, provided it does not
 - (i) compromise the management plan in effect under this Licence or a forest development plan approved in respect of this Licence, or
 - (ii) unreasonably interfere with the Licensee's operations under this Licence.

15.03 Where the Regional Manager or District Manager carries out silviculture referred to in paragraph 15.02, the Regional Manager or District Manager, as the case may be, will ensure the silviculture is consistent with the intent of the management plan in effect under this Licence, except where the Regional Manager or District Manager is required to depart from the intent of the management plan because of the requirements of a higher level plan or the Acts, regulations or standards referred to in paragraph 11.01.

15.04 Any Ministry officer may

- (a) enter onto Schedule A land that is not subject to a timber licence, and
- (b) use roads owned or deemed to be owned by the Licensee, for the purpose of fulfilling an obligation or exercising a right under this Licence.

15.05 The Licensee will allow any person who has been granted harvesting rights to timber referred to in paragraph 1.08, 1.09, 1.10 or 1.17 to use any road referred to in paragraph 15.04(b) for the purpose of gaining access to timber within the Licence Area.

15.06 The Licensee will not require any payment from a person referred to in paragraph 15.05 other than a reasonable payment in respect of the actual maintenance costs of the road.

15.07 Upon reasonable notice from the Regional Manager or District Manager, the Licensee will provide a Ministry officer with reasonable office and living accommodation on premises owned or operated by the Licensee in or near the Licence Area, to enable the Ministry officer to fulfill an obligation or exercise a right under this Licence.

- 15.08 The Licensee may charge the Regional Manager or District Manager, as the case may be, for costs reasonably incurred in providing the accommodation referred to in paragraph 15.07.

16.00 CONTRACTORS

- 16.01 Each year during the term of this Licence, the Licensee will ensure that not less than

- (a) 50% of the volume of timber harvested by or on behalf of the Licensee from the Licence Area during the year, multiplied by
 - (b) the result obtained by the division of
 - (i) the portion of the allowable annual cut that the Chief Forester determines is attributable to Schedule B Land, by
 - (ii) the allowable annual cut,
- is harvested by persons under contract with the Licensee.

- 16.02 Compliance with a notice referred to in paragraph 16.01 will be calculated in accordance with the method prescribed under the *Forest Act* or the regulations made under that Act.

- 16.03 If in a calendar year the volume of timber harvested by persons under contract with the Licensee is less than the volume required under paragraph 16.01, the Regional Manager, in a notice given to the Licensee, may require the Licensee to pay an amount determined in accordance with paragraph 16.04.

- 16.04 For the purpose of determining the amount payable under paragraph 16.03, the Regional Manager will multiply

- (a) the volume required under paragraph 16.01, minus the volume harvested during the calendar year by persons under contract, by
- (b) the average stumpage rate charged for sawlogs in statements or invoices issued to the Licensee during the calendar year in respect of timber harvested under this Licence.

- 16.05 The Minister may relieve the Licensee from the requirements of this Part to the extent provided for under the *Forest Act* or the regulations made under that Act.

- 16.06 The Licensee may contract to have more than the volume required under paragraph 16.01 harvested by persons under contract.

- 16.07 The Regional Manager or District Manager, in a notice given to the Licensee, may require the Licensee to provide the names, addresses and phone numbers of any contractors who may engage in or carry out activities or operations under or associated with this Licence, and the Licensee will provide the required information.

17.00 ROADS

- 17.01 The Licensee will ensure that all roads constructed or modified by or on behalf of the Licensee on Schedule B Land or Schedule A Land subject to a timber licence are
- (a) identified on a forest development plan approved in respect of this Licence and authorized under a road permit, or
 - (b) authorized under paragraph 17.02.
- 17.02 The Licensee may construct or modify roads under the authority of a cutting permit on the areas of land authorized for harvest under the cutting permit if the roads are
- (a) identified on a logging plan,
 - (b) wholly contained within a cutblock identified on a forest development plan, and
 - (c) not identified on a forest development plan as providing access to more than one cutblock.
- 17.03 Subject to paragraph 17.04, roads referred to in paragraph 17.02 may be used for non-industrial purposes by any person without charge.
- 17.04 The Licensee may close or restrict use of roads referred to in paragraph 17.02 if
- (a) in the opinion of the District Manager, activities or operations under or associated with the cutting permit represent a danger to life or property,
 - (b) the District Manager consents to the restriction or closure, and
 - (c) the Licensee complies with any directions of the District Manager with respect to the restriction or closure, including directions regarding the location and marking of gates and posting of warning notices.

18.00 TIMBER PROCESSING

- 18.01 The Licensee will process all timber harvested under a cutting permit or

road permit, or equivalent volumes, through a timber processing facility

- (a) owned or operated by the Licensee or an affiliate of the Licensee within the meaning of the Section 49 of the *Forest Act*, and
- (b) equipped to carry out debarking and chipping, unless the Minister exempts the Licensee in whole or in part from the requirements of this paragraph.

18.02 If the Licensee

- (a) intends to close a timber processing facility or reduce its production, or
 - (b) has reason to believe that an affiliate of the Licensee within the meaning of the Section 49 of the *Forest Act* intends to close a timber processing facility or reduce its production,
- for a period of longer than 90 days, the Licensee will give the Minister at least three months notice prior to the closure or reduction.

18.03 If

- (a) the Licensee, or
 - (b) an affiliate of the Licensee within the meaning of the Section 49 of the *Forest Act*,
- closes a timber processing facility or reduces its production for a period longer than 90 days, the Licensee will on request of the Minister provide information regarding the volume of Crown timber processed through the timber processing facility during the 24-month period immediately preceding the closure or reduction in production level.

18.04 The Licensee will continue to operate, and where applicable construct or expand, a timber processing facility in accordance with

- (a) the proposal made in the application on which the award of the tree farm licence replaced by this Licence or any predecessor to that tree farm licence was based, and
- (b) the revisions, if any, to that proposal which have been approved by the Minister or an appropriate Ministry officer.

19.00 LIABILITY AND INDEMNITY

19.01 Subject to paragraph 19.03, the Licensee 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 any act or omission of

- (a) the Licensee,

- (b) an employee of the Licensee,
- (c) an agent of the Licensee,
- (d) a contractor of the Licensee who engages in any activity or carries out any operation, including but not restricted to harvesting operations, under or associated with this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee, or
- (e) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation, including but not restricted to harvesting operations, under or associated with this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee.

19.02 For greater certainty, the Licensee has no obligation to indemnify the Crown under paragraph 19.01 in respect of any act or omission of

- (a) an employee, agent or contractor of the Crown, in the course of carrying out his or her duties as employee, agent or contractor of the Crown, or
- (b) a person, other than the Licensee, to whom the Crown has granted the right to use or occupy Crown land, including a person who has been granted the right to harvest timber referred to in paragraph 1.08, 1.09, 1.10 or 1.17, in the course of exercising those rights.

19.03 Paragraph 19.01 does not apply to an act or omission which is a direct response to, and complies with, an order made by a Ministry officer or another officer of the Crown.

19.04 Amounts taken under Part 14.00 from the deposit or a special deposit, any payments required under Part 7.00 or 16.00, any reductions made under the Acts and regulations referred to in paragraph 11.01 to the portion of the allowable annual cut available to the Licensee, and payments required further to the indemnity referred to in paragraph 19.01 are in addition to and not in substitution for any other remedies available to the Crown in respect of a default of the Licensee.

20.00 LIMITATION OF LIABILITY

20.01 The Crown 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.

21.00 TERMINATION

- 21.01 If this Licence expires and is not replaced under Section 29 of the *Forest Act*, or is surrendered, cancelled or otherwise terminated,
- (a) all cutting permits will immediately terminate, and
 - (b) title to all
 - (i) improvements, including roads and bridges, constructed by the Licensee under the authority of this Licence, and
 - (ii) timber, including logs and special forest products, harvested under the authority of this Licence and are still located on Crown land,will vest in the Crown, without right of compensation to the Licensee, and
 - (c) the Licensee may continue to enter and use Schedule B Land for a period of one month after the expiry or termination of this Licence for the purpose of removing the Licensee's property.
- 21.02 The Licensee will not remove any improvements or timber referred to in paragraph 21.01(b), unless authorized to do so by the Regional Manager.
- 21.03 If a road permit expires or is surrendered, cancelled or otherwise terminated, all improvements, including roads and bridges, constructed under the authority of the road permit will vest in the Crown, without right of compensation to the Licensee, unless otherwise specified in the road permit.
- 21.04 The Licensee will not remove any improvements vesting in the Crown under paragraph 21.03, unless authorized to do so by the Regional Manager.
- 21.05 Subject to paragraph 21.06, if the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Chief Forester, in a notice given to the Licensee, may cancel this Licence.
- 21.06 The Chief Forester will not cancel this Licence under paragraph 21.05 unless and until the Chief Forester gives a written notice to every holder of a registered security interest that charges this Licence, allowing a period of not less than 60 days prior to cancellation during which the holder of the registered security interest may exercise the rights and pursue the remedies available in respect of the registered security interest.

22.00 NOTICE

22.01 A notice given under this Licence must be in writing.

22.02 A notice given under this Licence may be

- (a) delivered by hand,
- (b) sent by mail, or
- (c) subject to paragraph 22.05, sent by facsimile transmission, to the address or facsimile 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.

22.03 If a notice is given under this Licence, it is deemed to have been given

- (a) if it is given in accordance with paragraph 22.02(a), on the date it is delivered by hand,
- (b) if it is given in accordance with paragraph 22.02(b), subject to paragraph 22.04, 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 paragraph 22.02(c), subject to paragraph 22.05, on the date it is sent by facsimile transmission.

22.04 If, between the time a notice is mailed in accordance with paragraph 22.02(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.

22.05 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.

23.00 MISCELLANEOUS

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

23.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the parties' obligations under this Licence.

- 23.03 The Licensee will comply with the requirements of all legislation applicable to activities or operations under or associated with this Licence, including but not restricted to the *Workers Compensation Act*, *Health Act*, and *Employment Standards Act*, and the regulations made under those Acts.
- 23.04 The Licensee will use the services of one or more professional foresters to manage the Licence Area.
- 23.05 At the request of the Regional Manager or District Manager, the Licensee will survey and define on the ground any or all boundaries of the Licence Area.
- 23.06 Where
- (a) the boundaries of the Licence Area are based on boundaries established under existing or expired timber licences,
 - (b) the legal description of the boundaries of the Licence Area has been derived from original timber licence survey plans or from reference maps prepared from original timber licence survey plans, and
 - (c) the legal description differs from the actual ground location of timber licence corner posts,
- the boundaries of the Licence Area are the boundaries as originally established by the actual ground location of the timber licence corner posts.
- 23.07 Any power conferred or duty imposed on a Ministry officer referred to in this Licence may be exercised or fulfilled by another Ministry officer designated or authorized to do so by the Minister, the Chief Forester, the Regional Manager, or the District Manager, as appropriate.
- 23.08 Where under this Licence the Minister or a Ministry officer has a discretion to require information, the Minister or Ministry officer, as the case may be, will exercise this discretion in a reasonable manner, having regard to the purposes and functions of the Ministry of Forests set out in Section 4 of the *Ministry of Forests Act* as it read on June 1, 1993.
- 23.09 Subject to this Licence and all applicable legislation, including but not restricted to the Acts, regulations and standards referred to in paragraph 11.01, the Minister will ensure that the obligations under this Licence of

the Ministry officers referred to in this Licence are fulfilled.

23.10 Nothing in this Licence entitles the Licensee to have an area of Schedule B Land, or Schedule A Land subject to a timber licence, replaced with another area, or to have harvesting rights awarded under another agreement under the *Forest Act*, in the event timber is damaged or destroyed by pests, fire, wind or other natural causes, or an area of land is deleted from the Licence Area under the Acts or regulations referred to in paragraph 11.01, or under any other Act or regulation.

23.11 The Schedules to this Licence are deemed to be part of this Licence.

24.00 INTERPRETATION

24.01 In this Licence, unless the context otherwise requires,

- (a) "aboriginal activities" means cultural, spiritual, religious, and sustenance activities associated with traditional aboriginal life, including aboriginal rights,
- (b) "aboriginal people" includes registered and non-registered Indians, Inuits and Metis,
- (c) "allowable annual cut" means the allowable annual cut determined by the Chief Forester for the Licence Area in accordance with the requirements of the *Forest Act*,
- (d) "average stumpage rate charged for sawlogs" means the total stumpage charged for sawlogs divided by the total volume of sawlogs,
- (e) "avoidable" in respect of residue or waste means timber that does not fall within the definition of unavoidable,
- (f) "close" or "closure" means cessation of production of the principal forest products normally produced by a timber processing facility,
- (g) "cultural heritage resource" means an object, a site or the location of a traditional societal practice that is of historic, cultural, or archaeological significance to the Province, a community or an aboriginal people,
- (h) "cutting permit" means a cutting permit issued under this Licence or a cutting permit referred to in paragraph 10.18,
- (i) "deposit" means the deposit referred to in paragraph 14.02,
- (j) "District Manager" means
 - (i) a District Manager appointed under the *Ministry of Forests Act*, for a forest district in which all or part of the Licence is situated, and
 - (ii) any person authorized by the District Manager to exercise a

- power has been executed by the Minister and the
above.
- (k) "Forest Act" amended from
repealed,
- (l) "forest development
referred to:
- (m) "Forest Practice
Forest Practice
as amended
repealed,
- (n) "free use provisions
Forest Act"
(i) the
(ii) to authorize
(o) "guideline"
manual regulation
Licence Agreement
(p) "higher level
part of the
(q) "logging plan
Forest Practice
(r) "Licence Agreement
(s) "management
conserving
and resource
related activities
than timber
(t) "manual" manual set
(i) a Section
Practice
(ii) a Timber
(iii) a Timber
(iv) a Timber
(v) a Timber
(vi) a Timber
(u) "Ministry"
(v) "Ministry"
(w) "operable
which, based
decade for
areas, are
technology
- for The Honourable Andrew Petter
Minister of Forests
- c/s
- OR
- (Licensee)

SCHEDULE "A"
TAHSIS TREE FARM LICENCE
TREE FARM LICENCE NUMBER 19

orest lands and merchantable timber in other tenures owned or controlled by the Licensee in the
ahsis Tree Farm Licence Number 19.

CROWN GRANTS

<u>Crown Grants</u>	<u>Land District</u>	<u>Hectares more or less</u>	<u>Certificate of Title No.</u>	<u>Parcel Identifier</u>
ection 2	Nootka	149.739	199078-I	009-802-851
ection 3	Nootka	144.073	368047-I	009-802-878
hat part of District Lot 54 hich lies to the south of e production easterly of e north boundary of idian Reserve No. 12	Nootka	101.175	EB2455	009-526-609
istrict Lot 54, except that art lying south of the north oundary of District Lot 74 nd the Indian reserve, roduced east to the easterly oundary of said District Lot 54, eing the westerly bank of old River, as shown coloured d on plan deposited under o. DD 18318I	Nootka	14.132	EC11918	009-526-757
istrict Lot 59	Nootka	161.071	196479-I	009-803-378
istrict Lot 59A	Nootka	32.376	196479-I	009-803-408
istrict Lot 62 (except a rip of land, 1 chain easured from high water ark)	Nootka	14.165	9493-W	009-803-483

SCHEDULE "A"
TAHSIS TREE FARM LICENCE
TREE FARM LICENCE NUMBER 19

Forest lands and merchantable timber in other tenures owned or controlled by the Licensee in the Tahsis Tree Farm Licence Number 19.

A. CROWN GRANTS

<u>Crown Grants</u>	<u>Land District</u>	<u>Hectares more or less</u>	<u>Certificate of Title No.</u>	<u>Parcel Identifier</u>
Section 2	Nootka	149.739	199078-I	009-802-851
Section 3	Nootka	144.073	368047-I	009-802-878
That part of District Lot 54 which lies to the south of the production easterly of the north boundary of Indian Reserve No. 12	Nootka	101.175	EB2455	009-526-609
District Lot 54, except that part lying south of the north boundary of District Lot 74 and the Indian reserve, produced east to the easterly boundary of said District Lot 54, being the westerly bank of Gold River, as shown coloured red on plan deposited under No. DD 18318I	Nootka	14.132	EC11918	009-526-757
District Lot 59	Nootka	161.071	196479-I	009-803-378
District Lot 59A	Nootka	32.376	196479-I	009-803-408
District Lot 62 (except a strip of land, 1 chain measured from high water mark)	Nootka	14.165	9493-W	009-803-483

<u>Crown Grants</u>	<u>Land District</u>	<u>Hectares more or less</u>	<u>Certificate of Title No.</u>	<u>Parcel Identifier</u>
District Lot 74	Nootka	73.967	EC111919	009-526-820
District Lot 174 (except that part in Plan 19933	Nootka	435.550	267413-I	009-806-822
District Lot 175 (except that part outlined in red on Plan 1653R and 81.40 hectares excluded from District Lot 175 by Instrument No. 61 dated June 6, 1989	Nootka	753.921	34921-I	001-949-535
District Lot 216	Nootka	94.825	234809-I	009-807-063
District Lot 217	Nootka	7.989	234810-I	009-807-101
District Lot 234	Nootka	52.011	196480-I	009-807-161
District Lot 235	Nootka	62.451	221606-I	009-807-195
District Lot 441 (except that part in Plan 34500)	Nootka	63.747	J86331A	009-807-691
District Lot 596 (except those parts in Plans 25219 and VIP52448)	Nootka	11.203	60255-N	007-704-071
District Lot 608	Nootka	<u>15.783</u>	237996-I	009-810-528
Total Crown Grants		<u>2 188.178</u>		

B. TIMBER LICENCES

<u>Timber Licence</u>	<u>Replaces Special Timber Licence</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0378	TL 1038P	Nootka	<u>259</u>
Sub Total			<u>259</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licence</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0397, Block 1	TL 1139P	Clayoquot	136
T0397, Block 2	TL 1143P	Clayoquot	65
T0397, Block 3	TL 1144P	Clayoquot	181
T0397, Block 4	TL 1141P	Clayoquot	165
T0397, Block 5	TL 6584P	Clayoquot	<u>198</u>
Sub Total			<u>745</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licence</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0409	TL 116P	Nootka & Clayoquot	<u>161</u>
Sub Total			<u>161</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licence</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0435	TL 117P	Nootka	<u>97</u>
Sub Total			<u>97</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licence</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0450	TL 1142P	Nootka	<u>112</u>
Sub Total			<u>112</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licence</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0472, Block 1	TL 113P	Nootka	86
T0472, Block 2	TL 126P	Nootka	137

<u>Timber Licence</u>	<u>Replaces Special Timber Licence</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0472, Block 3	TL 128P	Nootka	38
T0472, Block 4	TL 129P	Nootka	<u>100</u>
Sub Total			<u>361</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licence</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0484, Block 1	TL 1904P	Nootka	1
T0484, Block 2	TL 1907P	Nootka	77
T0484, Block 3	TL 1908P	Nootka	<u>76</u>
Sub Total			<u>154</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0495, Block 1	Timber Lease 148 (LL 6)	Nootka	473
T0495, Block 2	TL 7507P	Nootka	0
T0495, Block 3	TL 7508P	Nootka	86
T0495, Block 4	TL 7511P	Nootka	49
T0495, Block 5	TL 1902P	Nootka	<u>53</u>
Sub Total			<u>661</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0512, Block 1	TL 1492P	Nootka	122
T0512, Block 2	TL 1493P	Nootka	<u>138</u>
Sub Total			<u>260</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0536, Block 1	TL 1040P	Nootka	173
T0536, Block 2	TL 1041P	Nootka	<u>125</u>
Sub Total			<u>298</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0543	TL 1039P	Nootka	<u>65</u>
Sub Total			<u>65</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0559	TL 1042P	Nootka	<u>94</u>
Sub Total			<u>94</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0571, Block 1	TL 2477P	Nootka	212
T0571, Block 2	TL 1030P	Nootka	<u>125</u>
Sub Total			<u>337</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0582, Block 1	TL 1028P	Nootka	97
T0582, Block 2	TL 1029P	Nootka	<u>166</u>
Sub Total			<u>263</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0593, Block 1	TL 1053P	Nootka	105
T0593, Block 2	TL 1054P	Nootka	10
T0593, Block 3	TL 2677P	Nootka	<u>73</u>
Sub Total			<u>188</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0609	TL 217P	Nootka	<u>95</u>
Sub Total			<u>95</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0627, Block 1	TL 218P	Nootka	62
T0627, Block 2	TL 2043P	Rupert	49
T0627, Block 3	TL 3786P	Rupert	83
T0627, Block 4	TL 3787P	Rupert	140
T0627, Block 5	TL 3788P	Rupert	<u>59</u>
Sub Total			<u>393</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0638	TL 3789P	Rupert	<u>56</u>
Sub Total			<u>56</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0679, Block 1	TL 219P	Nootka	109
T0679, Block 2	TL 220P	Nootka	122
T0679, Block 3	TL 221P	Nootka	<u>159</u>
Sub Total			<u>390</u>

<u>Timber Licence</u>	<u>Replaces Special Timber Licences & Leases</u>	<u>Land District</u>	<u>Hectares more or less</u>
T0850	N/A	Rupert	<u>98</u>
Sub Total			<u>98</u>

<u>SUMMARY</u>	<u>AREA IN HECTARES +</u>
TOTAL CROWN GRANTS	2 188.178
TOTAL TIMBER LICENCES	<u>5 087.000</u>
GRAND TOTAL	<u>7 275.178</u>

**TAHSIS TREE FARM LICENCE
TREE FARM LICENCE NUMBER 19**

Interpretation of Schedule "B", TFL 19

1. Schedule "B" Land
- 1.1 For the purposes of the definition of "Schedule 'B' Land" in Paragraph 24.01 of this Licence, "Crown land described in Schedule 'B'" means all Crown land within the boundaries described in Paragraph 2, except for Alienated Crown Land.
2. Boundaries
- 2.1 The boundaries referred to in Paragraph 1 are as follows:
"Metes and bounds legal description"
3. Interpretation
- 3.1 "Alienated Crown Land" means Crown land which is not available for inclusion in Schedule "B" Land and, without restricting the generality of the foregoing, includes Crown land which:
 - (a) is, as of the effective date of this Licence, within the area of:
 - (i) a park or ecological reserve;
 - (ii) a lease, licence of exclusive occupation, or timber licence held by a person other than the Licensee, or
 - (iii) a highway (or road) right of way where the highway (or road) is or is deemed, declared or determined to be a public highway under the *Highway Act* (or a Forest Service road under the *Forest Act*); or
 - (b) becomes vested in the Crown by escheat, reversion, transfer or otherwise during the term of this Licence, except as provided in this Licence.
- 3.2 Paragraph 24.02 of this Licence applies to this Schedule.
- 3.3 The map(s) accompanying this Schedule are for convenience only, and if there is any discrepancy between the map(s) and the description of boundaries in Paragraph 2, the description in Paragraph 2 will be deemed to be correct.
- 3.4 In this Schedule and on the accompanying map(s), identification of land which is within the boundaries described in Paragraph 2, but is not Schedule "B" Land does not mean all other land which is within these boundaries, but is not so identified is Schedule "B" Land.

Note: Crown land does not include land owned by an agent of the Crown, nor land vested in the federal Crown.

Active amendments and instruments of (former) Tree Farm Licence Number 19, which are currently in effect and are not described in Schedule "B", and are not depicted on the document map(s).

TAHSIS TREE FARM LICENCE

TREE FARM LICENCE NUMBER 19

<u>Document</u>	<u>Date</u>	<u>Particulars</u>
Instrument No. 23	66/10/24	Removed
Instrument No. 29	67/05/31	Incorporated into Schedule A
Instrument No. 30	67/11/21	Deleted from Schedules A & B
Instrument No. 35	69/06/17	Deleted from Schedules A & B
Instrument No. 45	73/01/15	Deleted from Schedule B
Instrument No. 49	77/05/30	Deleted from Schedule B
Instrument No. 51	80/06/26	Deleted from Schedules A & B
Instrument No. 52	80/09/29	FSR - deleted from Schedule B
Instrument No. 53	81/01/23	Deleted from Schedule A
Instrument No. 55	82/07/27	Deleted from Schedule B
Instrument No. 56	82/07/27	Incorporated into Schedule B
Instrument No. 57	84/08/02	Deleted from Schedule B
Instrument No. 58	85/10/30	Deleted from Schedule B
Instrument No. 59	85/11/01	Administrative

SCHEDULE "B"

TAHSIS TREE FARM LICENCE

TREE FARM LICENCE NUMBER 19

Block 1

Commencing at the southwest corner of Lot 651, Nootka Land District, being a point on the natural boundary of Muchalat Inlet on the northerly shore thereof; thence in a general westerly direction along the natural boundaries of Muchalat Inlet and Williamson Passage on the northerly shores thereof to the southeast corner of Indian Reserve No. 14, "Hleepte"; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Indian Reserve No. 14, "Hleepte" to the southwest corner thereof, being a point on the natural boundary of said Williamson Passage on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Williamson Passage on the northerly shore thereof to the natural boundary of Hanna Channel on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Hanna Channel on the northeasterly shore thereof to the southwest corner of Indian Reserve No. 15, "Cheesish"; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Indian Reserve No. 15, "Cheesish" to the northwest corner thereof, being a point on the natural boundary of said Hanna Channel on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Hanna Channel on the northeasterly shore thereof to the natural boundary of Tlupana Inlet on the easterly shore thereof; thence in a general northeasterly direction along the natural boundary of said Tlupana Inlet on the easterly shore thereof to the natural boundary of Nesook Bay on the southerly shore thereof; thence in a general easterly and northerly direction along the natural boundary of said Nesook Bay on the southerly and easterly shores thereof to southwest corner of Indian Reserve No. 4, "Nesuk"; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Indian Reserve No. 4, "Nesuk" to the northwest corner thereof, being a point on the natural

boundary of said Nesook Bay on the easterly shore thereof; thence in a general northerly and westerly direction along the natural boundary of said Nesook Bay on the easterly and northerly shores thereof to the natural boundary of aforesaid Tlupana Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundaries of Tlupana Inlet and Moutcha Bay on the easterly shores thereof to the southwest corner of Indian Reserve No. 5, "Moutcha"; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Indian Reserve No. 5, "Moutcha" to the northwest corner thereof, being a point on the natural boundary of said Moutcha Bay on the easterly shore thereof; thence in a general northerly and westerly direction along the natural boundaries of Moutcha Bay and Head Bay on the easterly and northerly shores thereof to the southeast corner of Indian Reserve No. 6, "Sucwoa"; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Indian Reserve No. 6, "Sucwoa" to the southwest corner thereof, being a point on the natural boundary of Sucwoa River on the left bank thereof; thence due west to the natural boundary of said Sucwoa River on the right bank thereof; thence in a general southeasterly direction along the natural boundary of said Sucwoa River on the right bank thereof to the natural boundary of aforesaid Head Bay on the northerly shore thereof; thence in a general westerly and southerly direction along the natural boundary of said Head Bay on the northerly and westerly shores thereof to a point 749 metres south and 670 metres east of the southwest corner of Lot 62; thence west 9 metres (more or less, to the third most easterly northeast corner of T0259, Lot 36); thence north 89 degrees 15 minutes west 362 metres; thence north 00 degrees 45 minutes east 462 metres; thence north 89 degrees 15 minutes west 805 metres; thence north 00 degrees 45 minutes east 805 metres; thence north 89 degrees 15 minutes west 1.006 kilometres; thence south 00 degrees 45 minutes west 402 metres; thence south 89 degrees 15 minutes east 402 metres; thence south 00 degrees 45 minutes west 805 metres; thence south 89 degrees 15 minutes east 402 metres; thence south 00 degrees 45 minutes west 2.414 kilometres; thence north 89 degrees 15 minutes west 402 metres; thence south 00 degrees 45 minutes west 402 metres, more or less, to the northerly boundary of Lot 70; thence easterly, northerly, easterly, southerly, easterly and

southerly along the northerly, westerly, northerly, easterly, northerly and easterly boundaries of said Lot 70 to the natural boundary of Deserted Lake on the northerly shore thereof; thence in a general easterly, southerly and westerly direction along natural boundary of said Deserted Lake on the northerly, easterly and southerly shores thereof to the easterly boundary of aforesaid Lot 70; thence southerly, westerly, southerly, westerly, northerly and westerly along the easterly, southerly, easterly, southerly, westerly and southerly boundaries of said Lot 70 to the most westerly southwest corner thereof (being a point on the northerly boundary of aforesaid T0259, Lot 36); thence north 89 degrees 15 minutes west 1.112 kilometres; thence south 00 degrees 45 minutes west 1.207 kilometres; thence south 89 degrees 15 minutes east 805 metres; thence south 00 degrees 45 minutes west 805 metres; thence north 89 degrees 15 minutes west 402 metres; thence south 00 degrees 45 minutes west 402 metres; thence south 89 degrees 15 minutes east 805 metres; thence south 00 degrees 45 minutes west 805 metres; thence south 89 degrees 15 minutes east 402 metres; thence south 00 degrees 45 minutes west 402 metres; thence south 89 degrees 15 minutes east 1.059 kilometres, more or less, to the natural boundary of Hisnit Inlet on the westerly shore thereof; thence in a general southeasterly direction along the natural boundary of said Hisnit Inlet on the westerly shore thereof to the natural boundary of aforesaid Tlupana Inlet on the westerly shore thereof; thence in a general southwesterly direction along the natural boundary of said Tlupana Inlet on the westerly shore thereof to the southwest corner of Lot 29; thence northerly along the westerly boundary of said Lot 29 to the northwest corner thereof (being a point on the easterly boundary of T0182 Block 1, Lot 18); thence north 1.630 kilometres (more or less, to the most easterly northeast corner of said T0182 Block 1, Lot 18); thence west 390 metres; thence south 805 metres; thence west 1.180 kilometres; thence north 805 metres; thence west 393 metres; thence north 402 metres; thence west 393 metres; thence north 402 metres; thence west 787 metres; thence north 402 metres; thence west 393 metres; thence south 2.816 kilometres; thence east 404 metres; thence south 402 metres; thence east 2.330 kilometres; thence north 294 metres, more or less, to the natural boundary of an unnamed lagoon on the southerly shore thereof, said unnamed lagoon being on the westerly shore of aforesaid Tlupana

Inlet, located north of Lot 143; thence in a general southeasterly direction along the natural boundary of said unnamed lagoon on the southerly shore thereof to the natural boundary of said Tlupana Inlet on the northwesterly shore thereof; thence in a general southwesterly direction along the natural boundary of said Tlupana Inlet on the northwesterly shore thereof to the natural boundary of Eliza Passage on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Eliza Passage on the northerly shore thereof to the southeast corner of Indian Reserve No. 8, "Hoiss"; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Indian Reserve No. 8, "Hoiss" to the southwest corner thereof, being a point on the natural boundary of said Eliza Passage on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Eliza Passage on the northerly shore thereof to the natural boundary of Tahsis Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Tahsis Inlet on the easterly shore thereof to the southwest corner of Indian Reserve No. 9, "Coopte"; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Indian Reserve No. 9, "Coopte" to the northwest corner thereof, being a point on the natural boundary of said Tahsis Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Tahsis Inlet on the easterly shore thereof to a point 218 metres south and 331 metres west of the southeast corner of Indian Reserve No. 10, "Tsowwin" (said point being the most westerly southwest corner of T0182 Block 2, Lot 34); thence south 88 degrees east 374 metres; thence north 02 degrees east 402 metres; thence south 88 degrees east 2.007 kilometres; thence north 02 degrees east 402 metres; thence south 87 degrees 50 minutes east 405 metres; thence north 01 degree 56 minutes east 805 metres; thence north 88 degrees west 2.009 kilometres; thence north 02 degrees east 402 metres; thence north 88 degrees west 805 metres; thence north 01 degree 57 minutes east 404 metres; thence north 88 degrees 17 minutes west 402 metres, more or less, to the natural boundary of aforesaid Tahsis Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Tahsis Inlet on the easterly shore thereof to the southwest corner of Indian

Reserve No. 11, "Tahsis"; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Indian Reserve No. 11, "Tahsis" to the northwest corner thereof, being a point on the natural boundary of said Tahsis Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Tahsis Inlet on the easterly shore thereof to the southwest corner of Lot 1 of Lot 596, as shown on Plan 25219, deposited in the Victoria Land Title Office; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Lot 1 of Lot 596, Plan 25219 to the northwest corner thereof, being a point on the natural boundary of aforesaid Tahsis Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Tahsis Inlet on the easterly shore thereof to the most easterly southeast corner of Lot 600; thence northerly along the easterly boundaries of Lots 600 and 595 to the northeast corner of said Lot 595; thence westerly along the northerly boundary of said Lot 595 to the natural boundary of Tahsis River on the right bank thereof; thence in a general northerly direction along the natural boundary of said Tahsis River on the right bank thereof to the northerly boundary of Lot 42; thence westerly, southerly and easterly along the northerly, westerly and southerly boundaries of said Lot 42 to the most northerly northwest corner of aforesaid Lot 595; thence southerly along the westerly boundary of aforesaid Lot 595 to the northeast corner of Block A of Lot 82; thence in a general southwesterly and southeasterly direction along the northwesterly and southwesterly boundaries of Block A of said Lot 82 to the northerly boundary of aforesaid Lot 595; thence westerly and southerly along the northerly and westerly boundaries of said Lot 595 to the northerly boundary of Lot 443; thence westerly and southerly along the northerly and westerly boundaries of Lots 443, 623 and 625 to the southwest corner of said Lot 625; thence easterly along the southerly boundary of said Lot 625 to the natural boundary of aforesaid Tahsis Inlet on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Tahsis Inlet to the natural boundary of Tahsis Narrows on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Tahsis Narrows to the southeast corner of Lot 626; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said

Lot 626 to the natural boundary of said Tahsis Narrows on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Tahsis Narrows on the northerly shore thereof to a point 1.912 kilometres, east and 328 metres south of the southeast corner of Lot 37 (being a point due south of the southwest corner of expired TL 1055P); thence north 1.482 kilometres (more or less, to the southwest corner of said expired TL 1055P); thence north 02 degrees, 00 minutes east 787 metres, more or less, to a point on the southerly boundary of the watershed of an unnamed creek, said unnamed creek flowing easterly into aforesaid Tahsis Inlet on the westerly shore thereof at a point 350 metres south and 200 metres east of the southwest corner of aforesaid Lot 625; thence in a general westerly direction along the southerly boundary of the watershed of said unnamed creek to the easterly boundary of the watershed of Lutes Creek; thence in a general northerly direction along the easterly boundaries of the watersheds of Lutes Creek, Barr Creek and Little Zeballos River to the northerly boundary of the watershed of said Little Zeballos River; thence in a general westerly and southerly direction along the northerly and westerly boundaries of the watershed of said Little Zeballos River to a point 683 metres east and 35 metres south of the northeast corner of Lot 461, said point being a peak approximately 730 metres in elevation; thence south 78 degrees west 484 metres, more or less, to a peak approximately 365 metres in elevation; thence south 34 degrees west 374 metres, more or less, to the southeast corner of Lot 461; thence northerly along the easterly boundaries of Lots 461 and 502 to the northeast corner of said Lot 502; thence westerly along the northerly boundary of said Lot 502 to the northwest corner thereof, also being a point on the natural boundary of Zeballos River on the left bank thereof; thence due west to the natural boundary of said Zeballos River on the right bank thereof, also being a point on the easterly boundary of Lot 53; thence in a general northerly and westerly direction along the easterly and northerly boundaries of said Lot 53 to the most northerly corner thereof; thence northwesterly in a straight line to the most northerly northeast corner of Lot 108; thence westerly and southerly along the northerly and westerly boundaries of said Lot 108 to the northerly boundary of Lot 52; thence in a general westerly and southeasterly direction along the northerly and southwesterly boundaries

of said Lot 52 to the most southerly corner thereof; thence east to the westerly boundary of aforesaid Lot 53; thence southerly and easterly along the westerly and southerly boundaries of said Lot 53 to the natural boundary of Zeballos Inlet on the northwesterly shore thereof; thence in a general southerly direction along the natural boundary of said Zeballos Inlet on the northwesterly shore thereof to the northerly boundary of Indian Reserve No. 11, "Ehatis"; thence westerly, southerly and easterly along the northerly, westerly and southerly boundaries of said Indian Reserve No. 11, "Ehatis" to the natural boundary of said Zeballos Inlet on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Zeballos Inlet on the westerly shore thereof to a point due east of the most easterly point on the natural boundary of Little Espinosa Inlet, said point being 2.582 kilometres south and 103 metres east of the southwest corner of aforesaid Indian Reserve No. 11, "Ehatis"; thence west to the natural boundary of said Little Espinosa Inlet; thence in a general northerly, westerly and southerly direction along the natural boundary of said Little Espinosa Inlet on the easterly, northerly and westerly shores thereof to the natural boundary of Espinosa Inlet on the easterly shore thereof; thence in a general northerly and westerly direction along the natural boundary of said Espinosa Inlet on the easterly and northerly shores thereof to the southeast corner of Indian Reserve No. 7, "Oclucje"; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Indian Reserve No. 7, "Oclucje" to the southwest corner thereof, being a point on the natural boundary of Espinosa Creek on the left bank thereof; thence south to the natural boundary of said Espinosa Creek on the right bank thereof; thence in a general easterly direction along the natural boundary of said Espinosa Creek on the right bank thereof to the natural boundary of aforesaid Espinosa Inlet on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Espinosa Inlet on the westerly shore thereof to the northeast corner of Lot 224, Indian Reserve No. 15, "Savey"; thence westerly along the northerly boundary of said Lot 224, Indian Reserve No. 15, "Savey" to the northwest corner thereof; thence north 45 degrees west 3.480 kilometres, more or less, to the westerly boundary of the watershed of aforesaid Espinosa Creek; thence in a general northerly and easterly direction along

the westerly and northerly boundaries of the watershed of said Espinosa Creek to the westerly boundary of the watershed of aforesaid Zeballos River; thence in a general northerly, easterly and southerly direction along the westerly, northerly and easterly boundaries of the watershed of said Zeballos River to the northerly boundary of the watershed of aforesaid Tahsis River; thence in a general easterly and southerly direction along the northerly and easterly boundaries of the watersheds of Tahsis and Leiner Rivers to the northerly boundary of the watershed of Conuma River; thence in a general easterly direction along the northerly boundaries of the watersheds of Conuma and Muchalat Rivers to a point 3.077 kilometres south and 2.377 kilometres west of Triangulation Station "TWIN E", NAD83 coordinates: 49 degrees 55 minutes 08.70952 seconds latitude and 126 degrees 14 minutes 19.63993 seconds longitude; NAD27 coordinates: 49 degrees 55 minutes 09.4456 seconds latitude and 126 degrees 14 minutes 14.3362 seconds longitude; thence north 35 degrees 27 minutes 14 seconds east 4.052 kilometres (more or less, to the southwest corner of T0353 Block 1, formerly TL 1909P); thence north 89 degrees 59 minutes east 3.220 kilometres (more or less, to the northwest corner of T0702 Block 1, formerly TL 7239P); thence south 1.609 kilometres; thence east 402 metres; thence south 1.609 kilometres; thence east 402 metres; thence south 1.108 kilometres, more or less, to the natural boundary of Muchalat Lake on the northerly shore thereof; thence in a general southeasterly direction along the natural boundary of said Muchalat Lake on the northerly shore thereof to a point 4.604 kilometres south and 5.025 kilometres east of aforesaid Triangulation Station "TWIN E"; thence east 437 metres (more or less, to the southeast corner of T0702 Block 3, formerly TL 7241P); thence north 1.609 kilometres; thence west 404 metres; thence north 1.609 kilometres; thence west 402 metres; thence north 1.609 kilometres; thence west 1.609 kilometres (more or less, to the northwest corner of aforesaid T0702 Block 1, formerly TL 7239P); thence north 45 degrees east 2.092 kilometres, more or less, to the southerly boundary of the watershed of Holiday Creek; thence in a general easterly direction along the southerly boundary of the watershed of said Holiday Creek to the westerly boundary of the watershed of Gold River; thence in a general northerly and easterly direction along the westerly and northerly boundaries of the watershed of

said Gold River to the easterly boundary of the watershed of Twaddle Lake; thence in a general southerly direction along the easterly boundaries of the watersheds of said Twaddle Lake and the unnamed creek draining from said Twaddle Lake, to the intersection of the natural boundaries of said unnamed creek on the left bank thereof and aforesaid Gold River on the right bank thereof; thence south 45 degrees east 770 metres, more or less, to the northerly boundary of the watershed of an unnamed creek, said unnamed creek flowing westerly into said Gold River at a point 9.162 kilometres east and 4.118 kilometres north of aforesaid Triangulation Station "TWIN E"; thence in a general easterly direction along the northerly boundary of the watershed of said unnamed creek to the westerly boundary of the watershed of Trio Creek; thence in a general southerly direction along the westerly boundary of the watershed of said Trio Creek to the northerly boundary of the watershed of Saunders Creek; thence in a general easterly and southerly direction along the northerly and easterly boundaries of the watershed of said Saunders Creek to a point on a line bearing north 45 degrees east from the most northerly northeast corner of Lot 176; thence south 45 degrees west 1.887 kilometres, more or less, to the most northerly northeast corner of said Lot 176; thence westerly along the northerly boundary of said Lot 176 to the northwest corner thereof; thence northwesterly in a straight line to the most northerly northeast corner of Lot 175; thence southerly and easterly along the easterly and northerly boundaries of said Lot 175 to a point 1.424 kilometres north and 4.668 kilometres east of the northwest corner of Lot 174, said point being the second most easterly northeast corner of that part of said Lot 175 shown outlined in red on Plan 1653R, deposited in Victoria Land Title Office; thence south 352 metres; thence west 220 metres; thence south 402 metres; thence west 1.800 kilometres; thence south 402 metres, more or less, to the northerly boundary of Lot 637; thence westerly and southerly along the northerly and westerly boundaries of said Lot 637 to a point on the westerly boundary, said point being 410 metres south of the northwest corner thereof; thence west 90 metres, more or less, to the natural boundary of aforesaid Gold River on the left bank thereof; thence in a general southerly direction along the natural boundary of said Gold River on the left bank thereof to a point 816 metres south and 59 metres west of the northwest corner of aforesaid

Lot 637; thence east to the westerly boundary of said Lot 637; thence southerly and southeasterly along the westerly and southwesterly boundaries of said Lot 637 to the most northerly corner of Lot 129; thence southerly along the westerly boundaries of Lots 129 and 663 to the natural boundary of aforesaid Gold River on the right bank thereof; thence in a general easterly and northerly direction along the natural boundary of said Gold River on the right bank thereof to the southwesterly boundary of aforesaid Lot 637; thence southeasterly, easterly and northerly along the southwesterly, southerly and easterly boundaries of said Lot 637 to the northeast corner thereof; thence north 402 metres, more or less, to an internal corner of aforesaid Plan 1653R; thence east 805 metres; thence south 402 metres; thence east 302 metres; thence south 686 metres, more or less, to the most easterly southwest corner of aforesaid Lot 175; thence easterly along the southerly boundary of said Lot 175 to the second most southerly southeast corner thereof (being a point on the easterly boundary of cancelled Lot 89, formerly TL 125P); thence south 01 degree 18 minutes east 1.665 kilometres (more or less, to the northerly boundary of expired Lot 90, formerly TL 123P); thence south 88 degrees 41 minutes west 402 metres; thence south 01 degree 18 minutes east 3.313 kilometres (more or less, to the southwest corner of cancelled Lot 91, formerly TL 120P); thence south 88 degrees 41 minutes west 1.515 kilometres, more or less, to the natural boundary of Ucona River on the right bank thereof; thence in a general easterly direction along the natural boundary of said Ucona River on the right bank thereof to a point 3.550 kilometres south and 3.418 kilometres east of the southeast corner of aforesaid Lot 637; thence due south to the natural boundary of said Ucona River on the left bank thereof (being a point on the westerly boundary of expired TL 127P); thence south 555 metres; thence east 402 metres, more or less, to the westerly boundary of Strathcona Provincial Park, established by Order In Council 649, approved and order April 19, 1990; thence (following the boundaries of said Strathcona Provincial Park) south 404 metres (more or less, to the northerly boundary of T0472 Block 1, Lot 94, formerly TL 113); thence east 1.207 kilometres, more or less, to the northerly boundary of the watershed of Pamela Creek, also being a point on the southwesterly boundary of said Strathcona Provincial Park; thence southeasterly and southerly

along the southwesterly and westerly boundaries of said Strathcona Provincial Park to the southerly boundary of the watershed of Burman River; thence in a general westerly direction along the southerly boundaries of the watersheds of Burman River, Muchalat Inlet and King Passage to a point on a line bearing south 53 degrees east from the northeast corner of Lot 1250, Clayoquot Land District; thence north 53 degrees west 3.690 kilometres, more or less, to the northeast corner of said Lot 1250; thence northwesterly along the northeasterly boundary of said Lot 1250 to the southeasterly boundary of Lot 1249; thence northeasterly and northwesterly along the southeasterly and northeasterly boundaries of said Lot 1249 to the northwest corner thereof; thence north 68 degrees west 904 metres (more or less, to the southwest corner of expired TL 1038P); thence north 1.609 kilometres, more or less, to the natural boundary of aforesaid King Passage on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said King Passage on the southerly shore thereof to the northwest corner of Lot 1814; thence southeasterly along the westerly boundaries of Lots 1814 and 1576 to the southwest corner of said Lot 1576; thence northeasterly along the southerly boundary of said Lot 1576 to the northwest corner of Lot 1813; thence southeasterly and northeasterly along the southwesterly and southeasterly boundaries of said Lot 1813 to the westerly boundary of Lot 1573; thence southwesterly, southeasterly and northeasterly along the westerly, southerly and easterly boundaries of said Lot 1573 to the southeast corner of Lot 1572; thence northerly and westerly along the easterly and northerly boundaries of said Lot 1572 to the southeasterly boundary of Lot 1581; thence northeasterly along the southeasterly boundary of said Lot 1581 to the northeast corner thereof; thence northeasterly and northwesterly along the southeasterly and northeasterly boundaries of Lot 1567 to the northeast corner thereof; thence northeasterly along the southeasterly boundary of Lot 1570 to the southwest corner of Lot 1584; thence southeasterly, northeasterly and northwesterly along the southwesterly, southeasterly and northeasterly boundaries of said Lot 1584 to the natural boundary of aforesaid King Passage on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said King Passage on the easterly shore thereof to the easterly boundary of Lot 1575; thence

northerly and westerly along the easterly and northerly boundaries of Lots 1575 and 1574 to the natural boundary of said King Passage on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said King Passage on the easterly shore thereof to the natural boundary of aforesaid Muchalat Inlet on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Muchalat Inlet to the natural boundary of Matchlee Bay on the westerly shore thereof; thence in a general southerly, easterly and northerly direction along the natural boundary of said Matchlee Bay on the westerly, southerly and easterly shores thereof to the southeast corner of Indian Reserve No. 13, "Matchlee"; thence northerly and westerly along the easterly and northerly boundaries of said Indian Reserve No. 13, "Matchlee" to the northwest corner thereof, also being a point on the natural boundary of said Matchlee Bay on the easterly shore thereof; thence in a general northwesterly direction along the natural boundaries of said Matchlee Bay and aforesaid Muchalat Inlet on the easterly shores thereof to a point on a line bearing south 27 degrees 30 minutes east from northeast corner of Indian Reserve No. 12, "Ahaminaquus", also being a point on the natural boundary of aforesaid Gold River on the left bank thereof; thence northwesterly in a straight line 717 metres, more or less, to the northeast corner of said Indian Reserve No. 12, "Ahaminaquus"; thence westerly, southerly and easterly along the northerly, westerly and southerly boundaries of said Indian Reserve No. 12, to the natural boundary of aforesaid Muchalat Inlet on the northerly shore thereof; thence in a general southerly and southwesterly direction along the natural boundary of said Muchalat Inlet on the northerly shore thereof to the southeast corner of aforesaid Lot 651; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 651 to the southwest corner thereof, being the point of commencement.

Excluding thereout: Lot 657, Nootka Land District, Indian Reserve No. 630, "Mowachaht".

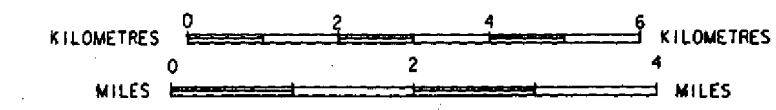
Block 2

Commencing at a point on the natural boundary of Tlupana Inlet on the westerly shore thereof; said point being 2.030 kilometres east and 27 metres south of the most northerly northeast corner of Lot 70, Nootka Land District (being a point on the northerly boundary of Lot 36, T0259); thence north 89 degrees 15 minutes west 1.628 kilometres; thence north 00 degrees 45 minutes east 1.609 kilometres; thence south 89 degrees 15 minutes east 402 metres; thence north 00 degrees 45 minutes east 272 metres, more or less, to the natural boundary of aforesaid Tlupana Inlet on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Tlupana Inlet on the westerly shore thereof to the point of commencement.

Block 3

Commencing at the northwest corner of Lot 8, Nootka Land District, being a point on the natural boundary of Hisnit Inlet on the easterly shore thereof (also being a point on the southerly boundary of Lot 36, T0259); thence south 89 degrees 15 minutes east 2.031 kilometres; thence north 00 degrees 45 minutes east 805 metres; thence south 89 degrees 15 minutes east 805 metres; thence north 00 degrees 45 minutes east 303 metres, more or less, to the natural boundary of Tlupana Inlet on the westerly shore thereof; thence in a general southeasterly and southwesterly direction along the natural boundary of said Tlupana Inlet on the northeasterly and southeasterly shores thereof to the natural boundary of aforesaid Hisnit Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Hisnit Inlet on the easterly shore thereof to the point of commencement.

Excluding thereout all that foreshore and land covered by water in the above described areas.



KEY MAP ONLY - TO BE USED IN CONJUNCTION WITH THE LEGAL DESCRIPTION

4/95

