

PROVINCE OF BRITISH COLUMBIA

Department of Lands, Forests, and Water Resources

FOREST SERVICE

AMENDMENT NO. 79

to TREE FARM LICENCE Number 23

THIS AGREEMENT made in duplicate this . 19th
day of . . March, 1968

BETWEEN:

THE MINISTER OF LANDS, FORESTS, AND WATER RESOURCES,
of the Province of British Columbia,

(hereinafter called "the Minister",

OF THE ONE PART;

AND

CELGAR LIMITED,
a corporation duly incorporated under the laws of the
Province of British Columbia and having its registered
office in the City of Vancouver in the said Province,

(hereinafter called "the Licensee",

OF THE OTHER PART.

WHEREAS the parties hereto, pursuant to clause 48 of the
Tree Farm Licence Agreement, have mutually agreed to amend that certain
agreement dated 20th July, 1955, known as the "Arrow Lakes Tree Farm
Licence Agreement" which is numbered 23 on the Forest Service register
of Tree Farm Licences and on the official atlas maps of the Department
of Lands, Forests, and Water Resources.

NOW THEREFORE THIS INDENTURE WITNESSETH THAT in consideration
of the premises and the sum of One Dollar now paid by the Licensee to
the Minister, receipt whereof is hereby acknowledged, the parties
hereto agree as follows:

1. That the Licence Agreement be amended by deleting therefrom clause 53A
as added by Amendment No. 1 thereto and substituting therefor the
following:

"53A. During the period from the 19th day of March, 1968, to and
including the 19th day of July, 1976, the Minister may from
time to time sell timber by licence to Downie Street Sawmills
Ltd. Such licence or licences will permit cutting and

removal of timber not exceeding during the whole of such period and any permitted extension thereof, an aggregate of 6,000,000 cubic feet on an intermediate utilization basis from that part of the licence area more particularly described in Appendix 1 attached hereto; provided that if in the opinion of the Minister such area will not provide the said 6,000,000 cubic feet of timber, the Minister may, upon reference to the Licensee, amend Appendix 1 by adding thereto such other lands in the licence area as are necessary to provide the said 6,000,000 cubic feet of timber, and the Minister may grant licences to cut timber on the amended area; provided further that on the granting of the right to cut and remove timber pursuant to this clause the Tree Farm Licence holder shall not be deemed to be in occupancy pursuant to Section 120 of the Forest Act and shall be exempt from the obligation to pay forest protection tax and annual rental in respect of those portions of the licence area referred to in Appendix 1, as the same may be amended; and further provided that any licence or licences issued pursuant to this clause shall only be valid for so long as the provisions of the following sub-clauses are fully complied with:

- (a) The licence shall terminate on or before July 19, 1976, subject to extensions of time at the discretion of the Minister for a period not exceeding six months for the sole purpose of completing existing operations;
- (b) The licences will be administered according to Forest Service administration of timber sales in the same Forest District and shall be subject to the provisions of the Forest Act and regulations made thereunder;
- (c) In the event the licences are cancelled or otherwise terminated by the Minister and no other licences under this clause shall then be in effect or in the process of being issued, the Minister shall thereupon notify the Tree Farm Licence holder and from the date of such notice, or upon the 20th day of January, 1977, if there is no earlier cancellation or termination, this amendment shall terminate and thereupon clause 53A shall be deemed to be deleted from the Tree Farm Licence and the land referred to in Appendix 1, as the same may be amended, shall revert to the Tree Farm Licence; ←

2. That the Minister will not give his consent to any assignment of the licence or licences mentioned in clause 1, granted to the said Downie Street Sawmills Ltd.

3. That the parties confirm the terms and conditions of said Tree Farm Licence 23 and subsequent amendments thereto, subject only to the amendment in this Agreement.

IN WITNESS WHEREOF the Minister has executed these presents and the Licensee has hereunto affixed its corporate seal by the hands of its proper officers in that behalf.

SIGNED, SEALED AND DELIVERED
in the presence of:

E. J. Challen

Kay Williston
Minister of Lands, Forests,
and Water Resources

The Corporate Seal of the
Licensee was hereunto affixed
in the presence of:

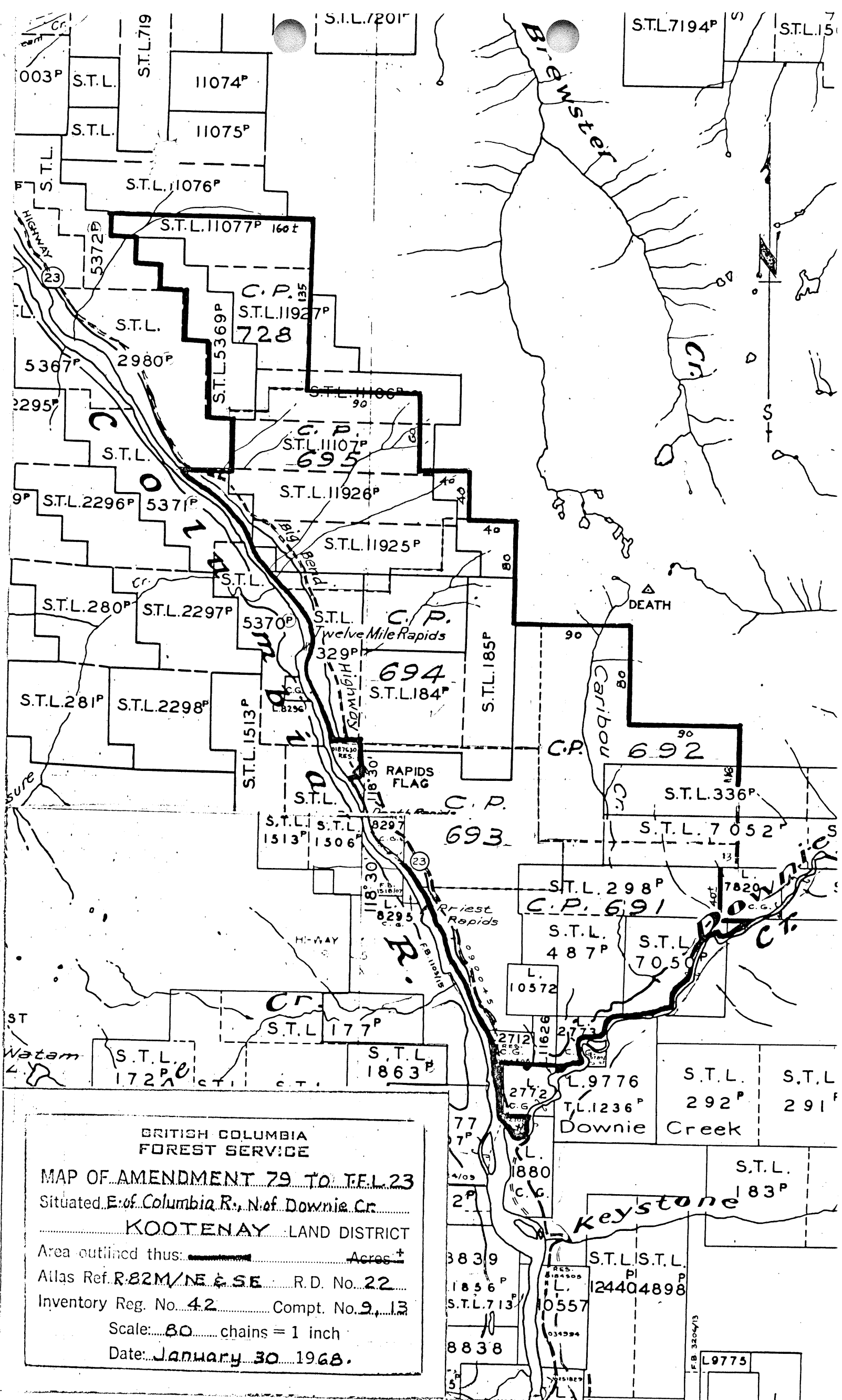
W. J. Lemm
President and Chief Executive
Officer.

G. J. Smith
Assistant Secretary.

APPENDIX 1

AMENDMENT NO. 79 - TREE-FARM LICENCE NO. 23

Commencing at the south-west corner of Lot 2772, Kootenay Land District, situate near the confluence of Downie Creek and Columbia River; thence northerly and easterly along the westerly and northerly boundaries of said lot to the north-east corner thereof; thence southerly along the easterly boundary of Lot 2772 to the right bank of Downie Creek; thence north-easterly along said creek-bank to the southerly boundary of Lot 7820, Kootenay Land District; thence westerly and northerly along the southerly and westerly boundaries of Lot 7820 to the north-west corner thereof; thence east 13 chains; thence north 116 chains; thence west 90 chains; thence north 80 chains; thence west 90 chains; thence north 80 chains; thence west 40 chains; thence north 40 chains; thence west 40 chains; thence north 60 chains; thence west 90 chains, more or less, to a point due south of the north-east corner of S.T.L. 11077P; thence north 135 chains, more or less, to the said north-east corner; thence westerly along the northerly boundary of S.T.L. 11077P, 160 chains, more or less, to the easterly boundary of S.T.L. 5372P; thence southerly following the jogs of the easterly boundaries of S.T.L.s 5372P and 2980P to the south-east corner of S.T.L. 2980P; thence westerly along the southerly boundary of S.T.L. 2980P to the left bank of Columbia River; thence southerly along said river bank to the right bank of Downie Creek; thence along said right bank upstream to the southerly boundary of Lot 2772; thence westerly along said southerly boundary to point of commencement; save and excepting thereout Big Bend Highway, alienated areas not held by the licensee of Tree-farm Licence No. 23, and any reserved areas.



Downie Street Sawmills Ltd.

P. O. Box 124

Revelstoke, British Columbia

March 11, 1968

Forest Service,
Victoria, B.C.

Attn: Mr. L.F. Swannell

Dear Sir:

Re: Celgar Limited and T.F.L.23, Sec. 9A X98731

We enclose the original and one copy of the Release which has been signed and sealed on behalf of Downie Street Sawmills Ltd. The Release states that the consideration is the sum of \$1.00 and other valuable consideration. In fact the consideration is the license which is to be granted to Downie Street Sawmills Ltd. to cut timber in T.F.L.23. The volume of timber to be cut and the terms on which the cutting is to be done are set out in your letter of December 20, 1967 as modified by your letter of March 8, 1968.

The enclosed Release is given to you on the understanding that it will not be delivered to Celgar Limited or used in any way until Celgar Limited has given the necessary permission and signed all documents required to ensure the granting of the above license and the Forest Service has completed and delivered to Downie Street Sawmills Ltd. the documents required to complete the granting of the license.

Yours truly,



DOWNIE STREET SAWMILLS LTD.

P.S. We note that you requested the return of two copies of the Release and accordingly are enclosing an additional copy.

R E L E A S E

KNOW ALL MEN BY THESE PRESENTS that DOWNIE STREET SAWMILLS LTD., a company duly incorporated under the laws of the Province of British Columbia and having its registered office at the corner of Vernon and Downie Streets, Revelstoke, in the said Province (hereinafter called "Downie") in consideration of the sum of One Dollar (\$1.00) and other valuable consideration (the receipt whereof is hereby acknowledged) DOES for itself and its successors and assigns HEREBY REMISE, RELEASE and FOREVER DISCHARGE CELGAR LIMITED, a company duly incorporated under the laws of the Province of British Columbia and having its head office at 1111 West Hastings Street, in the City of Vancouver, Province aforesaid, and its successors and assigns, of and from all manner of actions, causes of action, suits, debts, dues, accounts, bonds, covenants, contracts, claims and demands whatsoever at law or in equity which against Celgar Limited Downie ever had, now has or which it, its successors and assigns or any of them hereafter can, shall or may have for or in respect of any act, cause, matter or thing whatsoever existing up to the date hereof and in particular, but without affecting the generality of the foregoing, in respect of or arising under any agreement, covenant, undertaking or understanding made or given orally or in writing pertaining to the cutting and removal of timber from the lands from time to time included within the boundaries of that certain Tree Farm Licence known as the "Arrow Lakes Tree Farm Licence" and numbered 23 on the Forest Service register of tree farm licences, which is evidenced by an Indenture made the 20th day of July, 1955 between the Minister of Lands and Forests of the Province of British Columbia, as Licensor, of the one part, and Celgar Development Company, Limited, as Licensee, of the other part, as amended.

IN WITNESS WHEREOF Downie has hereunto caused its common seal to be hereunto affixed by and in the presence of its proper officers duly authorized in that behalf this 11th day of March, 1968.

The common seal of DOWNIE STREET)
SAWMILLS LTD. was hereunto affixed)
in the presence of:)

W. Camargo PRES.)
S. McKenzie Vice Pres)

ACKNOWLEDGMENT OF OFFICER OF CORPORATION

I HEREBY CERTIFY that, on the ¹¹ day of March, 1968, at Revelstoke, in the Province of British Columbia,

Victor Camozzi ~~(whose identity has been proved by the evidence on oath of -~~ BC

who is) personally known to me, appeared before me and acknowledged to me that he is the President of Downie Street Sawmills Ltd., and that he is the person who subscribed his name to the annexed instrument as

President

of the said

Downie Street Sawmills Ltd. and affixed the seal of the Downie Street Sawmills Ltd.

to the said instrument, that he was first duly authorized to subscribe his name as aforesaid, and affix the said seal to the said instrument, and that such corporation is legally entitled to hold and dispose of land in the Province of British Columbia.

IN TESTIMONY whereof I have hereunto set my hand ~~and Seal of Office at~~ Revelstoke, in the Province of British Columbia, this ¹¹ day of March, in the year of our Lord one thousand nine hundred and sixty-eight.

[Signature]
~~A Notary Public in and for the Province of British Columbia.~~

A Commissioner for taking Affidavits within British Columbia.