

ASSIGNMENT OF TIMBER TENURES

THIS Assignment made the 29th day of July 1993.

BETWEEN:

CANADIAN PACIFIC FOREST PRODUCTS LIMITED, a Canadian corporation with its principal office at 1155 Metcalfe Street, Montréal, Québec, H3B 2X1

(hereinafter called "CP Forest")

AND:

PACIFIC FOREST PRODUCTS LIMITED, a British Columbia company with registered and records offices at 3000 - 1055 West Georgia Street, Vancouver, British Columbia, V6E 3R3

(hereinafter called "Pacific")

WHEREAS:

A. CP Forest and Pacific are parties to an Asset Purchase Agreement made the 16th day of July 1993 (the "Asset Purchase Agreement");

B. CP Forest is a party to and has the benefit of a tree farm license and certain forest licenses, timber licenses, cutting permits, special use permits and road permits, and the timber marks related thereto entered into or issued pursuant to the Forest Act (British Columbia) as described in Schedule "A" attached hereto (the "Timber Tenures");

C. Pursuant to the terms of the Asset Purchase Agreement, CP Forest has agreed to assign to Pacific the Timber Tenures.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of mutual covenants contained herein and other good and valuable consideration the parties covenant and agree as follows:

1. CP Forest hereby assigns to Pacific all its right, title and interest in and to the Timber Tenures.

2. This Assignment is made pursuant to and subject to the provisions of the Asset Purchase Agreement.

3. This Assignment will take effect as of 12:01 a.m. on July 29, 1993 (the "Effective Time").

4. Pacific covenants and agrees to assume all obligations of CP Forest under the Timber Tenures and to observe and comply with, and indemnify CP Forest against, all covenants and agreements of the licensee or permittee under each of the Timber Tenures.

5. If the consent of any third party is required to assign any of the Timber Tenures, without it being subject to cancellation, this Assignment will not be effective to assign that Timber Tenure until the required consent has been granted.

6. This Assignment will enure to the benefit of and be binding on the parties and their respective successors and assigns.

7. This Assignment is to be interpreted in accordance with the laws of the Province of British Columbia.

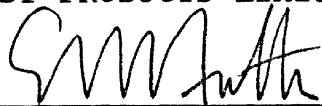
8. Each party will execute and deliver such further agreements and other documents and do such further acts and things as either party reasonably requests to evidence, carry over or give full force and effect to the intent of this Assignment.

IN WITNESS WHEREOF CP Forest and Pacific have executed this Assignment as of the date and year first above written.

CANADIAN PACIFIC FOREST PRODUCTS  
LIMITED

Per:  \_\_\_\_\_

PACIFIC FOREST PRODUCTS LIMITED

Per:  \_\_\_\_\_

## SCHEDULE A

### Timber Agreements

#### Part 1     Tree Farm Licence

1. Tree Farm Licence No. 19

#### Part 2     Forest Licences

1. Forest Licence No. A16847
2. Forest Licence No. A19216
3. Forest Licence No. A19228
4. Forest Licence No. A19231
5. Forest Licence No. A19205

#### Part 3     Timber Licences

##### Western Woodlands Division

1. Timber Licence No. T0178
2. Timber Licence No. T0286
3. Timber Licence No. T0349
4. Timber Licence No. T0353
5. Timber Licence No. T0362
6. Timber Licence No. T0376
7. Timber Licence No. T0801
8. Timber Licence No. T0844
9. Timber Licence No. T0835
10. Timber Licence No. T0892
11. Timber Licence No. T0893
12. Timber Licence No. T0381

##### Cowichan Woodlands Division

13. Timber Licence No. T0277

14. Timber Licence No. T0295

15. Timber Licence No. T0830

TFL 19 Timber Licences

16. Timber Licence No. T0378

17. Timber Licence No. T0409

18. Timber Licence No. T0435

19. Timber Licence No. T0450

20. Timber Licence No. T0472

21. Timber Licence No. T0484

22. Timber Licence No. T0495

23. Timber Licence No. T0512

24. Timber Licence No. T0536

25. Timber Licence No. T0543

26. Timber Licence No. T0559

27. Timber Licence No. T0571

28. Timber Licence No. T0582

29. Timber Licence No. T0593

30. Timber Licence No. T0609

31. Timber Licence No. T0627

32. Timber Licence No. T0638

33. Timber Licence No. T0679

34. Timber Licence No. T0850

35. Timber Licence No. T0397

Part 4      Cutting Permits and Timber-Marks

The cutting permits and timber marks shown on the attached list are to be assigned pursuant to this Assignment.

Western WoodlandsTREE FARM LICENCE 19  
Active Cutting Permits

<u>C.P.</u>	<u>Timber Mark(s)</u>	<u>Location</u>
1	19/1	Gold River
2	19/2	McCurdy Creek
5	19/5	Pierce
6	19/6	West Tahsis
8	19/8	Head Bay
9	19/9	Tsowwin
12	19/12	Zeballos
13	19/13	Houston
14	19/14	Nesook/Conuma
15	19/15	Kleeptee
16	19/16	McCurdy
17	19/17	Hoiss

Timber Licences  
Inside TFL 19

TO378	TO/378	Muchalat Arm
TO397	HZ/063	Muchalat Arm
TO409	TO/409	Burman River
TO435	HZ/031	Burman River
TO450	HZ/089	Muchalat Arm
TO472	TO/472	Ucona River
TO484	TO/484	Muchalat
TO495	HZ/009	Gold River
TO512	HZ/043	Tlupana Inlet
TO536	HZ/081	Tlupana Inlet
TO543	HZ/024	Tlupana Inlet
TO559	TO/559	Tlupana Inlet
TO571	HZ/048	Tahsis Canal

TREE FARM LICENCE 19

Timber Licences  
Inside TFL 19 (Cont'd)

<u>C.P.</u>	<u>Timber Mark(s)</u>	<u>Location</u>
T0582	TO/582	Tsowwin River
T0593	HZ/054	Tahsis Canal
T0609	TO/609	Tahsis
T0627	HZ/068	Zeballos River
T0638	TO/638	Nomash River
T0679	HZ/029	Espinosa Arm
T0850*	TO/850	Twaddle Lake

\* New TL established in 1984 resulting from TL trade

Timber Licences  
Outside TFL 19

T0178	TAO/178	Kashutl River
T0286	TAO/286	Kaouk River
T0349	TAO/349	Zeballos Inlet (Ciriaco)
T0353	TAO/353	Oktwanch
T0362	TAO/362	Kendrick
T0376	TAO/376	Blowhole
T0381	TAO/381	Bligh Island (Tlupana)
T0801	TAO/801	Port Eliza
T0835	TAO/835 TBO/835	Port Eliza
T0844	TAO/844	Gold Lake
T0892	TAO/892	Plumper
T0893	TAO/893	Kaouk River

Canadian Pacific Forest Products Limited

Western Woodlands

FOREST LICENCE A19231

Active Cutting Permits

<u>C.P.</u>	<u>Timber Mark(s)</u>	<u>Location</u>
23	EC4/023	Plumper
24	EC4/024	Kendrick
27	EC4/027	Zeballos
30	EC4/030	Blowhole
31	EC4/031	Port Eliza
33	EC4/033	Gold River
34	EC4/034	Port Eliza
35	EC4/035	Blowhole
36	EC4/036	Kendrick
37	EC4/037	Little Zeballos
38	EC4/038	Port Eliza
39	EC4/039	Silverado
40	EC4/040	Zeballos
41	EC4/041	Marvinas
42	EC4/042	Ehatisaht
43	EC4/043	Ehatisaht
44	EC4/044	Zeballos
45	EC4/045	Plumper
46	EC4/046	Zeballos
47	EC4/047	Plumper
48	EC4/048	Port Eliza
49	EC4/049	Kendrick
50	EC4/050	Blowhole



Canadian Pacific Forest Products Limited

Cowichan Woodlands

FOREST LICENCES  
Cutting Permits

<u>Forest Licence</u>	<u>C.P.</u>	<u>Timber Mark(s)</u>	<u>Location</u>
A16846	6	EN5/006	Mid Coast
	7	EN5/007	Mid Coast
	8	EN5/008	Mid Coast
A16847	28	EN6/028	Mid Coast
	29	EN6/029	Mid Coast
	30	EN6/030	Mid Coast
	31	EN6/031	Mid Coast
	32	EN6/032	Mid Coast
	189	EN6/189	Mid Coast
	191	EN6/191	Mid Coast
	192	EN6/192	Mid Coast
A19205	16	EA4/016	Fraser
	18	EA4/018	Fraser
	19	EA4/019	Fraser
A19216	25	EB2/025	Soo
	28	EB2/028	Soo
	30	EB2/030	Soo
A19228	30	EC1/030	Sunshine
	57	EC1/057	Sunshine
A19231	99	F81/099	Browns Bay

Canadian Pacific Forest Products Limited

Cowichan Woodlands

Timber Licences  
Outside TFL 19

<u>TL</u>	<u>Timber Mark(s)</u>	<u>Location</u>
TO277	No active mark	Stewardson
TO295	TO/295B	Stewardson
TO830	TO/830A	Alta Lake

Part 5      Special Use Permits

Western Woodlands Division

1. Special Use Permit No. 17156
2. Special Use Permit No. 9558
3. Special Use Permit No. 12959
4. Special Use Permit No. 11167
5. Special Use Permit No. 11674
6. Special Use Permit No. 12825
7. Special Use Permit No. 12838
8. Special Use Permit No. 12941
9. Special Use Permit No. 8103
10. Special Use Permit No. 8074
11. Special Use Permit No. 8616
12. Special Use Permit No. 8056
13. Special Use Permit No. 7190
14. Special Use Permit No. 7329
15. Special Use Permit No. 15500
16. Special Use Permit No. 7346
17. Special Use Permit No. 7189
18. Special Use Permit No. 7298
19. Special Use Permit No. 15529
20. Special Use Permit No. 17155
21. Special Use Permit No. 5728
22. Special Use Permit No. 3457
23. Special Use Permit No. 15476
24. Special Use Permit No. 10186

Cowichan Woodlands Division

25. Special Use Permit No. 11630
26. Special Use Permit No. 17716
27. Special Use Permits No. 11634
28. Special Use Permit No. 10788
29. Special Use Permit No. 14075
30. Special Use Permit No. 14078
31. Special Use Permit No. 12927
32. Special Use Permit No. 15518
33. Special Use Permit No. 10757
34. Special Use Permit No. 17114
35. Special Use Permit No. 14064
36. Special Use Permit No. 14020

Part 6      Road Permits

A.      Letters of Consent - Rights-of-Way

1.      Letter of Consent for Right-of-Way No. 0332875
2.      Letter of consent for Right-of-Way No. 0327342
3.      Letter of Consent for Right-of-Way No. 0327907

B.      Interim Road Permits - Rights-of-Way

4.      Interim Road Permit No. R00325
5.      Interim Road Permit No. R00456
6.      Interim Road Permit No. R00459
7.      Interim Road Permit No. R00496
8.      Interim Road Permit No. R00576

C.      Road Permits - Rights-of-Way

Western Woodlands Division

9.      Right-of-Way No. R00426

Cowichan Woodlands Division

10.     Road Permit No. R00876
11.     Road Permit No. R00878
12.     Road Permit No. R01654
13.     Road Permit No. R01658
14.     Road Permit No. R01668
15.     Road Permit No. R01688
16.     Road Permit No. R02034
17.     Road Permit No. R02073
18.     Road Permit No. R02485
19.     Road Permit No. R03622
20.     Road Permit No. R04471

- 21. Road Permit No. R04572
- 22. Road Permit No. R05415

D. Road Use Permits

Western Woodlands Division

- 23. Road Permit No. 01-7696-87
- 24. Road Permit No. 01-8640-87
- 25. Road Permit No. 01-9292-01/02-92
- 26. Road Permit No. 22328
- 27. Road Permit No. 123602

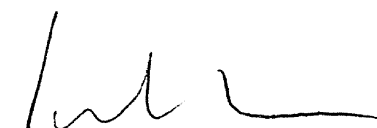
Cowichan Woodlands Division

- 28. Road Permit No. 1-3477-85
- 29. Road Permit No. 01-6489-91
- 30. Road Permit No. 01-7882-88
- 31. Road Permit No. 01-7975-90
- 32. Road Permit No. 02-7588-91
- 33. Road Permit No. 9-6123-92
- 34. Road Permit No. 10-6123-92
- 35. Road Permit No. 05-5748-91 (.01.05)
- 36. Road Permit No. 3174-90-01
- 37. Permit No. BU 1182/92

PROOF OF EXECUTION BY A CORPORATION

I CERTIFY that on the 28th day of July, 1993, at Vancouver, British Columbia, DAVID TOOLE who is personally known to me appeared before me and acknowledged to me that he is an authorized signatory of CANADIAN PACIFIC FOREST PRODUCTS LIMITED and that he is the person who subscribed his name to the instrument, that he was authorized to subscribe his name to it and that the corporation existed at the date the instrument was executed by the corporation.

IN TESTIMONY of which I set my hand and seal of office at Vancouver, British Columbia, this 28th day of July, 1993.



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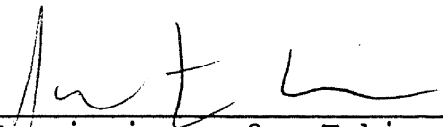
A Commissioner for Taking  
Affidavits in British Columbia  
A Notary Public in and for the  
Province of British Columbia

Janet P. Grove  
**BULL, HOUSSEY & TUPPER**  
BARRISTERS & SOLICITORS  
P.O. BOX 11130 ROYAL CENTRE  
1055 WEST GEORGIA STREET  
VANCOUVER, B.C. V6E 3R3

PROOF OF EXECUTION BY A CORPORATION

I CERTIFY that on the 28th day of July, 1993, at Vancouver, British Columbia, SANDY FULTON who is personally known to me appeared before me and acknowledged to me that he is an authorized signatory of PACIFIC FOREST PRODUCTS LIMITED and that he is the person who subscribed his name to the instrument, that he was authorized to subscribe his name to it and that the corporation existed at the date the instrument was executed by the corporation.

IN TESTIMONY of which I set my hand and seal of office at Vancouver, British Columbia, this 28th day of July, 1993.



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A Commissioner for Taking  
Affidavits in British Columbia  
A Notary Public in and for the  
Province of British Columbia

Janet P. Grove  
**BULL, HOUSSEY & TUPPER**  
BARRISTERS & SOLICITORS  
P.O. BOX 11130 ROYAL CENTRE  
1055 WEST GEORGIA STREET  
VANCOUVER, B.C. V6E 3R3





Province of  
British Columbia

Ministry of  
Forests



# NOTIFICATION CHANGE IN STATUS

FILE NO.

TFL 19

SUBJECT

Sec. 50(2) Assignment from CANADIAN PACIFIC FOREST PRODUCTS

LIMITED to

KS

PACIFIC FOREST PRODUCTS LIMITED

effective July 29, 1993

93.08.12

SIGNATURE

*S. Maude*

TO BE NOTED BY

REG.

93.08.12

SIGNATURE

*S. Maude*

*Steve  
McQuillan*

SIGNATURE

*McQuillan 93/08/16*

FILEAWAY  
WITH DOCUMENT  
IN BASEMENT.

SIGNATURE

SIGNATURE



# BULL, HOUSSER & TUPPER

# COPY

BARRISTERS & SOLICITORS  
*Patent & Trade-Mark Agents*

3000 ROYAL CENTRE • P.O. BOX 11130 • 1055 WEST GEORGIA STREET • VANCOUVER • BRITISH COLUMBIA • CANADA V6E 3R3  
FAX 641-4949 • TELEX 04-53395 • TELEPHONE (604) 687-6575

1890 100 1990  
YEARS

Reply Attention of Janet P. Grove  
Direct Line 641-4957  
Our File No. 9312711

July 29, 1993

## BY COURIER

Minister of Forests  
Ministers Office  
Room 128  
Parliament Buildings  
Victoria, B.C.  
V8V 1X4

Attention: Honourable Dan Miller, Minister of Forests

Dear Sir:

Re: Canadian Pacific Forest Products Limited - Assignment to its subsidiary, Pacific Forest Products Limited, of Tree Farm License No. 19, Forest Licenses A16847, A19216, A19228, A19231 and A19205, Timber Licenses and ancillary Cutting Permits, Special Use Permits and Road Permits

We are the solicitors for Canadian Pacific Forest Products Limited ("CP Forest") and its affiliate, Pacific Forest Products Limited ("Pacific").

Further to our telephone conversation of July 16, 1993 with Mr. Len Mannix of the Timber Harvesting Branch, we write on behalf of CP Forest and Pacific to formally notify you that CP Forest has transferred its assets in British Columbia forming its Wood Products Group to Pacific. Pacific is a newly formed subsidiary of CP Forest and is incorporated pursuant to the British Columbia Company Act. Pacific is an affiliate of CP Forest as its issued share capital is 51% owned and controlled by CP Forest.

Included among the assets transferred from CP Forest to Pacific are Tree Farm License No. 19, Forest Licenses A16847, A19216, A19228, A19231 and A19205, and the Timber Licenses,

A Member of  
McMILLAN BULL CASGRAIN

-2-

ancillary Cutting Permits, Special Use Permits and Road Permits listed in the Schedules to the Assignment of Timber Agreements between CP Forest and Pacific (collectively, the "Tenures") and all private lands within Tree Farm License No. 19. A copy of the Assignment of Tenures document is enclosed for your reference and includes a Schedule detailing the Tenures assigned to Pacific.

For your further information, while the assets transferred to Pacific include CP Forest's Cowichan and Western Woodlands logging divisions, the Tahsis and Ladysmith sawmills, the Saanich Forestry Centre and the Vancouver executive office, the Gold River pulp mill operation and lands have not been transferred to Pacific and will remain with CP Forest.

On behalf of CP Forest and Pacific, we hereby request that you amend your records to show Pacific as the licensee, or permittee as the case may be, of the Tenures effective as of July 29, 1993. The address of the head office of Pacific is the same as that previously for CP Forest in Vancouver, namely:

1000 - 1040 West Georgia Street  
Vancouver, British Columbia  
V6E 4K4

Please confirm receipt of this letter by executing the enclosed copy and returning it to the attention of the writer. Thank you very much for your assistance.

Yours truly,

BULL, HOUSSE & TUPPER

Per: 

Janet P. Grove

Receipt acknowledged the \_\_\_\_ day of \_\_\_\_\_, 1993 by the  
Minister of Forests  
Per:

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CC: Mr. Len Mannix, Timber Tenures Specialist  
Timber Harvesting Branch  
Ministry of Forests  
1450 Government Street  
Victoria, B.C.  
V8W 3E7

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Enclosure