

PROVINCE OF BRITISH COLUMBIA
Ministry of Forests, Lands, and Natural Resource Operations

IN THE MATTER OF TREE FARM LICENCE 41

INSTRUMENT NUMBER 18

THIS AGREEMENT is made effective the 14 day of SEPTEMBER 2011

BETWEEN:

**THE MINISTER OF FORESTS, LANDS AND NATURAL RESOURCE
OPERATIONS**, on behalf of
HER MAJESTY THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA
Parliament Buildings
Victoria, British Columbia
V8V 1X4

(the "Licensor")

AND:

**SKEENA SAWMILLS.
P.O. BOX 10
5330 HIGHWAY 16 WEST
TERRACE, BRITISH COLUMBIA
V8G 4A3
Fax: 250-635-4335**

(the "Licensee")

WHEREAS:

- A. Pursuant to the provisions of the *Forest Act*, the Licensor and Licensee entered into a replacement agreement for Tree Farm Licence 41, dated March 1, 2010,
- B. The Licensee has provided consent, dated June 7, 2010, to delete the areas identified on the attached maps from Tree Farm Licence 41,

- C. The Licensee and the Licensor agree that the allowable annual cut allowable annual cut associated with the area referred to in 'B' is 277 074 m³/year, of which:
- 21 500 m³/year represents the reservation in Paragraph 2.01(a) of Tree Farm Licence 41, established in accordance with Section 35(1)(h) of the *Forest Act*;
 - 255 574 m³/year represents the reservation in Paragraph 2.01(b) of the Tree Farm Licence 41 and accounts for an allowable annual cut reduction in accordance with Section 3(3) of the *Forestry Revitalization Act*, Order # 3(2) 26-1 and # 3(2) 26-3.

THEREFORE:

- A. In accordance with Section 39.1(1) of the *Forest Act*, the Licensor, with the consent of the Licensee, hereby changes the boundary and area of Tree Farm Licence 41 by removing the areas identified as "Reallocation Deletion from Tree Farm Licence 41 Bk 1 – Wathl - Wathlsto", "Reallocation Deletion from Tree Farm Licence 41 Bk 1 – South" and "Reallocation Deletion from Tree Farm Licence 41 Bk 1 – North" as outlined in bold black on the attached maps, from Tree Farm Licence 41.

For the purposes of the *Allowable Annual Cut Administration Regulation* this area deletion represents an allowable annual cut of 277 074 m³/year, which in accordance with the regulation, is deducted from the Tree Farm Licence 41 allowable annual cut.

- B. Paragraph 2.01 of Tree Farm Licence 41 is deleted and replaced with the following:

2.01 Each year during the term of this Licence:

- (a) 0 m³ of the allowable annual cut from types of timber specified under Subparagraph 1.02(a), may be disposed of by the Timber Sales Manager with areas agreed to under Paragraph 3.01 or specified under paragraph 3.02;
- (b) 0 m³ of the allowable annual cut may be disposed of pursuant to Section 47.8 of the *Forest Act*.

Ingalls

MINISTER OF FORESTS,
MINES AND LANDS

Map of Reallocation Deletion from TFL 41 Bk 1 – South (Map 1 of 3)
 Map of Reallocation Deletion from TFL 41 Bk 1 – North (Map 2 of 3)
 Map of Reallocation Deletion from TFL 41 Bk 1 – Wathl Wathlsto (Map 3 of 3)





