Short Term Mountain Pine Beetle Agreement (the "Agreement") Between: Ashcroft Indian Band

As represented by Chief and Council Ashcroft Indian Band

and
Her Majesty the Queen in Right of the Province of British Columbia
as represented by the Minister of Forests and Range
(the "Government of British Columbia")

(collectively the "Parties")

Whereas:

- The Ashcroft Indian Band signed a Forest and Range Agreement with the Government of British Columbia July 2006. This Short Term Mountain Pine Beetle Agreement is a short-term additional forestry economic opportunity as referenced in 3.1.7 of the July 2006 Ashcroft Indian Band Forest and Range Opportunity (FRO) and does not supersede the July 2006 FRO.
- The Ashcroft Indian Band of the N'lakapumax Nation has aboriginal rights and/or title within its asserted traditional territory (see attached map Appendix 1).
- The Ashcroft Indian Band asserts that it has a relationship to the land that is important
 to N'lakapumac culture and the maintenance of its community, governance and
 economy.
- This Agreement and any decisions and/or licenses issued during the term of this
 Agreement do not change or affect the positions either Party has, or may have,
 regarding jurisdiction and authorities.
- Mountain pine beetle uplifts in the Kamloops Timber Supply Area will lead to increased harvesting activity and potential infringements on Ashcroft Indian Band aboriginal rights and/or title.
- The Parties wish to enter into an interim measures agreement in relation to mountain pine beetle uplifts and harvesting.
- The Government of British Columbia wishes to support additional economic opportunities for the Ashcroft Indian Band.

Purpose

- 1. The purposes of this Agreement are to:
 - a) provide economic accommodation in respect of potential impacts that proposed forest resource development and forest management decisions may have on aboriginal rights and title of the Ashcroft Indian Band that:
 - Occur during the term of this Agreement;
 - ii. Are within the Kamloops Timber Supply Areas, and
 - iii. Area a result of temporary uplifts to the Allowable Annual Cuts in the Kamloops Timber Supply Areas, and consequent increased harvest levels;
 - b) increase the participation of the Ashcroft Indian Band in the forest sector; and
 - c) provide an economic opportunity by inviting the Ashcroft Indian Band to apply for a non-replaceable forest licence to assist the province in the management of mountain pine beetle in the Kamkoops Timber Supply Area.

Therefore the Parties agree as follows.

- 2. After execution of this Agreement by the Parties, the Minister of Forests and Range (the "Minister") will invite the Ashcroft Indian Band to apply for a non-replaceable forest licence (the "Ashcroft uplift licence opportunity") under section 47.3 of the Forest Act to harvest a total of up to 19 838 cubic metres over a three year term in the Kamloops Timber Supply Area and within the asserted traditional territory of the Ashcroft Indian Band. The invitation will be made to the entity as described in Appendix 2.
- 3. Any invitation will be subject to a condition that prior to making an application for the Licence, the Ashcroft Indian Band will contact the Ministry of Forests and Range and the Parties will work co-operatively to identify an operating area within the asserted traditional territory of the Ashcroft Indian Band.
- 4. Any licence(s) entered into as a result of the invitation to apply under this Agreement:
 - a. will be for a term of no longer than 3 years as determined by the Minister;
 - will contain other terms and conditions required by law, including the condition that the Ashcroft Indian Band must comply with this Agreement and with the Ashcroft Indian Band Forest and Range Opportunity (July 2006);
 - c. will include a term that Ashcroft Indian Band may not dispose of the Licence except in accordance with the Forest Act; and
 - d. will include other terms and conditions as may be required by the Regional Manager.

5. An invitation to apply for a licence(s) and any licence(s) entered into as a result of the invitation to apply under this Agreement may be combined with a tenure opportunity included in any other agreement in accordance with the Forest Act.

Consultation

- 6. The Government of British Columbia intends to consult and to seek interim accommodation of potential infringements of the economic component of Ashcroft aboriginal rights and/or title arising from or as a result of forestry operational plans and administrative decisions, prior to the full reconciliation of Ashcroft aboriginal rights and/or title.
- Ashcroft Indian Band agrees to participate in any consultation initiated by the Government of British Columbia regarding forestry operational plans and administrative decisions within the asserted traditional territory of the Ashcroft Indian Band, as set out in sections 4 and 5 of the Ashcroft Indian Band Forest and Range Opportunity (July 2006).
- 8. The Ashcroft Indian Band is entitled to full consultation with respect to all potential infringements of their aboriginal rights and/or title arising from operational plans or administrative decisions affecting Ashcroft' rights and/or title, regardless of the economic opportunity afforded to the Band under this Agreement.

Dispute resolution

- 9. If a dispute arises between the Government of British Columbia and the Ashcroft Indian Band regarding the interpretation of a provision of this Agreement, the Parties or their duly appointed representatives will meet as soon as is practicable to attempt to resolve the dispute.
- 10. If the Parties are unable to resolve differences at the appropriate level, the interpretation issue will be raised to more senior levels of the Government of British Columbia and Ashcroft Indian Band.
- 11. The Parties may choose other appropriate approaches to assist in reaching resolution of the interpretation issue.

Subsequent Agreement

- 12. Any subsequent agreement between the Government of British Columbia and the Ashcroft Indian Band may provide for an opportunity to acquire a Forest Tenure, and/or other economic benefits.
- 13. This Agreement is intended to be a short-term economic agreement, and thus does not preclude the Ashcroft Indian Band from accessing other forestry economic opportunities and benefits, which may be available from time to time.

Amendments

- 14. Any alteration or amendment to the terms and conditions of the Agreement must be in writing and duly executed by the Parties.
- 15. Either Party may request the participation of the other Party to review the effectiveness of this Agreement annually and consider amendments to this Agreement.

Term

- 16. This Agreement will take effect on the date on which the last Party has executed it.
- 17. This Agreement will terminate on the occurrence of the earliest of any of the following events:
 - a. Three years from the date this Agreement is executed; or,
 - b. the mutual agreement of the Parties.
- 18. If the Ashcroft Indian Band Forest and Range Opportunity (July 2006) is terminated, the consultation processes that were set out in that agreement are incorporated by reference into this Agreement and will continue to be followed by the Parties for the term and purposes of this Agreement.
- 19. The Government of British Columbia shall not terminate this Agreement on the grounds that the Ashcroft Indian Band has challenged an Administrative or Operational Decision by way of legal proceedings.
- 20. Notwithstanding section 19, the Government of British Columbia may terminate the Agreement when there is a challenge on the basis that the economic benefits are not adequate or sufficient interim accommodation as set out in this Agreement.
- 21. Prior to termination under section 20, the Parties agree to meet and endeavour to resolve the dispute.

Notice

- 22. Any notice or other communication that is required to be given or that a Party wishes to give to the other Party with respect to this Agreement will be in writing and will be effective if delivered, sent by registered mail, or transmitted by facsimile to the address of the other as in this section of the Agreement.
- 23. Any notice or other communications will be deemed to have been given on the date it is actually received, if received before 4:00 p.m. If received after 4:00 p.m., it will be deemed to have been received on the next business day.

24. The address of either Party may be changed by notice in the manner set out in this section of the Agreement.

Britisk Columbia

Deputy Minister
Ministry of Forests and Range
P.O. Box 9525 STN PROV GOVT
Victoria, BC
V8W 9C3
Telephone: (250) 387-3656
Facsimile: (250) 953-3687

Askcroft Indian Band

Chief and Council Ashcroft Indian Band P.O. Box 440 Ashcroft, BC V0K 1A0

Telephone: (250) 453-9154 Facsimile: (250) 453-9156

Miscellaneous

- 25. This Agreement shall be interpreted in a manner consistent with provincial, federal and constitutional law
- 26. This Agreement is not a treaty or a land claims agreement within the meaning of sections 25 and 35 of the Constitution Act, 1982, and does not define or amend aboriginal rights, or limit any priorities afforded to aboriginal rights, including aboriginal title.
- 27. This Agreement will not limit the positions that a Party may take in future negotiations or court actions.
- 28. Nothing in this Agreement, including the recitals, defines or confirms the specific nature, scope, location or geographic extent of aboriginal rights and/or title of the Ashcroft Indian Band.
- 29. This Agreement shall not be interpreted as addressing any potential infringements other than potential infringements associated with increased harvesting activity pursuant to temporary Mountain Pine Beetle uplifts in Allowable Annual Cut in the KamloopsTimber Supply Area that may result from decisions contemplated by this Agreement during the term of this Agreement. Nothing in this Agreement shall be interpreted to authorise any infringement that may occur following the termination of this Agreement, even if that infringement is caused by a decision that was made during the term of this Agreement.

Minister of Forests and Range

- 30. This Agreement does not address or affect any claims by the Ashcroft Indian Band regarding infringements of aboriginal rights and/or title, arising from Operational or Administrative Decisions made previous to the signing of this Agreement, nor any future settlement related to an aboriginal right or title claim.
- 31. Any reference to a statute in this Agreement includes all regulations made under that statute and any amendments or replacement of that statute and its regulations.
- 32. There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favour of either Party.
- 33. The applicable laws of British Columbia and Canada shall govern this Agreement.
- 34. This Agreement may be entered into by each Party signing a separate copy of this agreement, including a photocopy or faxed copy, and delivering it to the other Party via facsimile. Each facsimile will be deemed to be an original for all purposes and all counterparts taken together will be deemed to constitute one document.

Ashcroft Indian Band:

Chief Greg Blain

Councillor David Dick

Councillor Christine Willson

Witness

Signed on behalf of:
Government of British Columbia

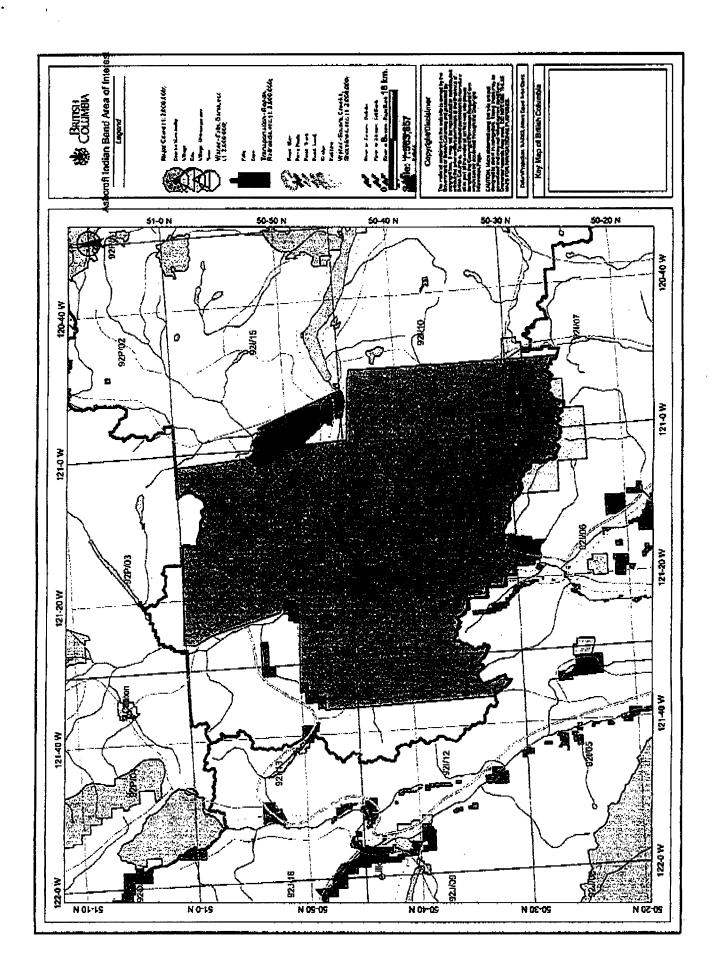
Honourable Rich Coleman

Witness

Witness

APPENDIX 1: MAP OF ASHCROFT TRADITIONAL AREA (within the Kamleops Forest District)

(Attached)



APPENDIX 2:

Description and Documentation pertaining to the Intended Holder of the licence

Ashcroft Band Development Corporation Ashcroft Band Office Cornwall Road PO Box 440 Ashcroft BC VOK 1A0

incorporation number BC0282607