

COPY

PROVINCE OF BRITISH COLUMBIA
Department of Lands, Forests, and Water Resources
FOREST SERVICE

IN THE MATTER OF TREE FARM LICENCE NUMBER 1
AMENDMENT NUMBER 34

THIS INDENTURE made in duplicate this Thirteenth
day of August in the year of Our Lord One Thousand Nine
Hundred and Sixty-five,

BETWEEN:

THE MINISTER OF LANDS, FORESTS, AND WATER RESOURCES,
of the Province of British Columbia, who, with his
successors in office is

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 by an Indenture made in duplicate on the 4th day of
May, 1948, between the Minister of Lands and Forests of the Province of
British Columbia, of the one part, and Columbia Cellulose Company, Limited,
of the other part, the said Minister did, pursuant to Section 32A of the
Forest Act, being Chapter 102, R.S.B.C. 1936 as enacted by Section 12 of
the Forest Act Amendment Act, 1947, and in consideration of the payments,
agreements and stipulations to be made and observed by and on the part
of Columbia Cellulose Company, Limited, grant unto Columbia Cellulose
Company, Limited that certain Forest Management Licence which was numbered
one on the Forest Service Register of Forest Management Licences and on
official atlas maps of the Department of Lands and Forests, and known as
the "Port Edward Forest Management Licence" or "Forest Management Licence No. 1";

AND WHEREAS it is provided by Section 12 of Chapter 17 of the Statutes of British Columbia for 1958 that the words "Tree Farm Licence" shall be substituted for "Forest Management Licence";

AND WHEREAS the said Columbia Cellulose Company, Limited assigned all its interest in, to, and out of the said Port Edward Tree Farm Licence, as theretofore amended, by an indenture dated the 2nd day of July, 1962 to the said Celgar Limited and consent of the said Minister was given thereto on the 26th day of July, 1962;

AND WHEREAS the parties hereto have mutually agreed to amend the said Port Edward Tree Farm Licence as heretofore amended as hereinafter set forth;

NOW THIS INDENTURE WITNESSETH that in consideration of the sum of one dollar (\$1.00) of lawful money of Canada now paid by the Licensee to the Minister the receipt whereof is hereby acknowledged, the parties hereto agree as follows:

(1) That the said Port Edward Tree Farm Licence dated the 4th day of May, 1948, as heretofore amended be and the same is hereby further amended by

(i) deleting therefrom paragraphs 1 to 46,

both inclusive, thereof and the paragraphs following said paragraph 46

(except the testimonium and attestation clauses) and Schedules A and B thereto and the plans attached thereto, all as amended to the date hereof, and

(ii) substituting therefor Exhibit "A" attached hereto including Appendix 1, Schedules A and B thereto and plans numbered 1, 2, 3 and 4 attached to said Exhibit A.

(2) That hereafter the said document marked as Exhibit "A" shall for all purposes, save as provided for in the

next succeeding clause, from the date hereof be read
and construed as Port Edward Tree Farm Licence;

- (3) That, notwithstanding the foregoing, any and all
lands which have been withdrawn from said Port Edward
Tree Farm Licence by amendment prior to the date hereof
shall remain withdrawn and be not included in said Port
Edward Tree Farm Licence;
- (4) That, subject to the terms of this Indenture, the parties
hereto confirm the Indenture of the 4th day of May, 1948
in all other respects.

This Indenture shall enure to the benefit of and shall be
binding upon, not only the parties hereto, but also the successors in
office of the Minister, and the successors and assigns of the Licensee
respectively.

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

SIGNED SEALED AND DELIVERED
in the presence of:

E. Lawrence Chalkin

Kay Williston
Minister of Lands, Forests, and Water Resources

THE COMMON SEAL OF CELGAR LIMITED
was hereunto affixed in the
presence of:

A. H. Hawley
Vice-President

[Signature]
Assistant Secretary

EXHIBIT "A"

This is Exhibit "A" referred to in sub-clause (ii) of clause (1) of the Indenture dated the 13th day of August in the year of Our Lord One Thousand Nine Hundred and Sixty-five.

PORT EDWARD TREE FARM LICENCE

TREE FARM LICENCE NO. 1

1. This Tree Farm Licence may be referred to as the "Port Edward Tree Farm Licence" or "Tree Farm Licence No. 1" and is numbered One (1) on the Forest Service Register of Tree Farm Licences and on the official atlas maps of the Departments of Lands, Forests, and Water Resources.
2. This Tree Farm Licence is given for the maintenance of the manufacturing plant or plants owned and operated by the Licensee. Said plant or plants shall be capable of using an amount equivalent to the allowable cut of forest products from the licence area, and such plant or plants shall be maintained in operation in sufficient continuity to use an amount equivalent to the allowable annual cut from the licence. Notwithstanding the provisions of this clause, the Minister may, for good and sufficient reasons, at his discretion, in writing, afford such relief from the provisions of this clause as he may see fit.
3. The Licensee shall manage the tree farm licence area in accordance with the provisions of the said Section 36 of the Forest Act and of regulations under the said Act for the regulation of tree farm licences, and in accordance with the Management Working Plan applicable thereto, for the purpose of growing continuously successive crops of forest products to be harvested in approximately equal annual or periodic cuts adjusted to the sustained yield capacity of the tree farm licence area.
4. Subject to compliance on the part of the Licensee with the provisions of the Forest Act and the regulations, and the terms and conditions of this licence and the Management Working Plan, the licence is perpetual.

5. The tree farm licence area includes all Crown lands not otherwise alienated at this date, as set forth in Schedule "B" hereto, together with all the lands owned or controlled by the Licensee, as set forth in Schedule "A" hereto and shall include, immediately following their reversion, all the lands not otherwise permanently alienated at this date all of which are within the area outlined in bold black line on the plans numbered 1, 2, 3 and 4 attached hereto, subject, however, to increase, decrease, re-allocation or exchange of lands as provided by this Agreement or by Subsection (14) of Section 36 of the Forest Act; and in addition it shall include any and all lands that may be subsequently acquired by the Licensee and incorporated into said Schedule "A" pursuant to Clause 7 hereof, provided also that any lands included in Schedule "A", the title or interest to which reverts to the Crown, or which the Licensee elects to revert to the Crown, shall be included in Schedule "B" immediately following their reversion.

6. The Licensee hereby declares that it owns or controls the cutting rights on each parcel of the lands listed and described in Schedule "A" hereto.

7. The acquisition by the Licensee of forest lands located within the area shown outlined in bold black line on the plans numbered 1, 2, 3 and 4 attached hereto subsequent to the issuance of this Tree Farm Licence, shall, pursuant to Subsection (9) of said Section 36 of the Forest Act, be reported to the Minister, and such forest lands, shall be incorporated in Schedule "A" hereof.

8. For the purposes of Subsection (8) of Section 36 of the Forest Act, the watershed and drainage basins relating to this Tree Farm Licence are defined as the area shown outlined in bold black line on the plans numbered 1, 2, 3 and 4 attached hereto.

9. The Minister may from time to time withdraw from the Crown lands included in the tree farm licence area such lands as are required for forest experimental purposes, parks, or for aesthetic purposes; but the lands so withdrawn if productive forest land shall not exceed one per cent of the

total productive area of forest lands in the tree farm licence area without the consent of the Licensee, and no land shall be withdrawn from areas being developed under the current cutting plan of the Tree Farm Licence without the consent of the Licensee. Any such withdrawals shall be deducted from Schedule "B" of the Tree Farm Licence.

10. If at any time, or from time to time, part of the Crown lands within the tree farm licence area is found to be required for a higher economic use than growing and harvesting forest crops, or for any use deemed to be essential to the public interest, said lands may be withdrawn from Schedule "B" of the tree farm licence area by the Minister, provided that if by such withdrawal the productive capacity of the licence area is diminished by more than one-half of one per cent of its total productive capacity, other lands, if available, will be added to the licence area in substitution therefor. Any such withdrawals shall be deducted from Schedule "B", and any such additions shall be added to Schedule "B". For the purposes of this clause, the development of mines and mineral claims may be deemed to be essential to the public interest.

11. It is expressly understood that the Minister may at his discretion and at any time, either permanently or for a specified time, withdraw from this Tree Farm Licence and from the tree farm licence area any Crown lands needed for rights-of-way under Part VI of the Forest Act, or for railway, highway, power transmission, or other right-of-way purposes, and such lands will be deducted from Schedule "B" of the Tree Farm Licence.

12. In the event of the withdrawal of any lands from the tree farm licence area pursuant to Clauses 9, 10, and 11 hereof, the Minister may require the Licensee to remove from such lands within one hundred and twenty days thereafter all timber then cut thereon and all buildings, machinery, equipment, and other property placed by it thereon and which is capable of removal. Compensation shall be paid to the Licensee in respect of improvements capable of removal from the lands so withdrawn to the extent only of the cost

of removal and damage incidental thereto; and compensation shall be paid to the Licensee in respect of improvements not capable of removal on the basis of cost less depreciation.

Without limiting the generality of the foregoing, the term "improvements" means all buildings, structures, fixtures, and things erected upon or affixed to such lands and shall include machinery, boilers, tanks, pipes, dams, flumes, roads, railways, transmission lines, and other works used in connection with the business of the Licensee. Improvements shall also mean areas artificially reforested by planting or seeding, compensation for which shall be the cost incurred in the act of reforesting.

If the amount of compensation payable to the Licensee is not agreed upon, then such amount shall be appraised and awarded by a single arbitrator in case the Minister and Licensee agree upon one; otherwise by three arbitrators, one to be appointed by the Minister, one to be appointed by the Licensee, and the third to be appointed by writing under the hands of the two appointed, such arbitration to be in accordance with the provisions of the "Arbitration Act" of the Province of British Columbia. In the event that both parties are unable to agree on a third arbitrator, the Chief Justice of the Supreme Court of British Columbia shall be requested to make an appointment.

13. If at any time, or from time to time, part of the lands included in Schedule "A" is found to be required for a higher economic use than raising forest crops, said lands may be withdrawn from the tree farm licence area at the request of the Licensee and on the consent of the Minister, and after such withdrawal such lands will be deducted from Schedule "A" and shall be disposed of by the Licensee for the purpose for which they were withdrawn.

14. Other tenures included in this Tree Farm Licence shall not be sold, transferred, or otherwise disposed of except as hereinbefore provided or except as provided in Section 36 of the Forest Act.

15. This Tree Farm Licence, insofar as Crown lands in Schedule "B" are concerned, shall not be considered to limit the use of the lands at the discretion of the Minister for other purposes such as mining, trapping, hunting, fishing, hydro-electric development, or any use that does not materially prejudice the rights granted to the Licensee to employ the use of the lands for the growing and harvesting of forest products under the terms of this Tree Farm Licence.

16. The Minister may direct the Licensee to have surveyed and defined on the ground, and at the Licensee's expense, any or all the boundaries of the tree farm licence area which he may deem necessary to have so surveyed and defined. In the event of failure of the Licensee to complete any such survey within time limits set by the Minister, the Minister may cause the survey to be made and the costs shall be charged to and be payable forthwith by the Licensee.

17. As a first essential to the primary object of sustained yield management of this Tree Farm Licence, it is agreed that all denuded forest land within the tree farm licence area shall be kept by the Licensee in growing stock as provided in Clause 18, hereof, and adequately stocked in accordance with standards to be defined from time to time by the Forest Service for lands of a comparable site quality in British Columbia.

18. Any lands in the tree farm licence area denuded before January 1, 1957, which are found to be stocked below the minimum standards defined by the Forest Service as provided in Clause 17 above, shall be classified as to site quality and those determined by the Forest Service to be of a site quality index equal to or better than 80, unless in the opinion of the Minister they are occupied by an advanced growth of brush, or otherwise in such condition or location as to make planting operations economically impractical, shall be reforested by the Licensee by artificial means with a merchantable species suitable to the locality at a rate per year of not less than one thousand acres, or ten per cent of the total acreage of such lands, whichever is the lesser, all to the satisfaction of the Minister.

The Licensee further agrees that lands of site quality index better than 110 logged after January 1, 1957, and not found to be restocked satisfactorily five years after logging, will be artificially regenerated by the Licensee before the end of the seventh year after logging; and that lands of site quality index between 80 and 110 not found to be restocked satisfactorily eight years after logging, will be artificially regenerated by the Licensee before the end of the tenth year after logging, all to the satisfaction of the Minister.

19. On failure of the Licensee to comply with the provisions of Clause 18, the Minister, his servants or agents, may enter on the tree farm licence lands in respect of which the Licensee is in default, and restock them, and the cost thereof shall be recoverable by the Crown from the Licensee and may be taken in whole or in part from the deposit referred to in Clause 33 hereof.

20. The operations covered by the Tree Farm Licence shall be managed in accordance with the currently approved Management Working Plan, each of which in turn as approved for each successive period is hereby incorporated into and made a part of this Agreement.

21. Management Working Plans for the Tree Farm Licence will be approved for such period as the Chief Forester may decide, and will be subject to revision as set forth in the said plans.

22. Revised Management Working Plans for the Tree Farm Licence shall be submitted for the approval of the Chief Forester not later than six months prior to the expiry of currently approved plans.

23. The object of each succeeding plan shall be to implement the primary object of the Tree Farm Licence, i.e., sustained yield in equal annual or periodic cuts, and the plan may embody any method of attaining that objective that over a reasonable period of years is likely to prove economically feasible, that is approved by the Chief Forester, and that is consistent with the spirit and intent of the Act and regulations. In preparing the Management Working Plan, advantage shall be taken of all available data and experience.

24. Should it appear at any time to either party hereto necessary or expedient in case of emergency to increase or decrease the rate of cutting contemplated by the tree farm licence cutting budget then in effect, or to alter the cutting plan then being observed, emergency revision of the Management Working Plan will be undertaken upon the request of either the Licensee or the Chief Forester.

Without limiting the generalities of the preceding paragraph, cause for revision on account of emergency conditions will cover such things as fire damage of major proportions, serious windthrow, insect or disease attacks, serious damage to the Licensee's manufacturing plant, or other catastrophe of great moment, or should there occur a national emergency brought about by war, or an economic depression severe enough in the opinion of the Minister to justify revision of the Management Working Plan.

25. In the process of harvesting the crop from the tree farm licence area, regardless of the tenure of the land from which it is harvested, the Licensee shall provide the opportunity for contractors, other than the Licensee's own employees or shareholders who own more than one per cent interest to harvest up to the equivalent of thirty per cent of the allowable cut from Crown lands in Schedule "B" hereof, not held under other tenure; but where the Minister is satisfied that such contract operation is not feasible, either by reason of lack of operators or for other good and sufficient reason, the Minister may relieve the Licensee in whole or in part from this responsibility.

26. In the event of the development on the tree farm licence area of injurious insects in numbers which in the opinion of the Minister will seriously reduce the current or future allowable annual harvest of wood, and which in the opinion of the Minister can be controlled, then the Licensee and the Minister shall take such control measures as may be mutually agreed upon, or the Licensee shall take such control measures as the Minister shall direct, provided that the cost of such control measures to the Licensee at its own expense in any one calendar year shall not exceed one-half the cost of such control measures incurred during that calendar year, or the total stumpage value of that year's allowable cut, whichever may prove to be the lesser. For the purposes of this clause, the stumpage value shall

be the value appraised by the Forest Service.

27. In the event that mutual agreement cannot be reached between the parties hereto as to the allowable annual cut of the Tree Farm Licence or as to the sequence or methods of cutting to be employed at the time an emergency, or any other revision of the cutting plan or cutting budget is undertaken, the Minister shall determine the allowable annual cut and the plan and methods of cutting.

28. The Licensee, in its logging operations on the tree farm licence area, shall at all times maintain at least as high a standard of utilization as, in the Chief Forester's reasonable opinion, is being maintained by well-conducted logging operations in the Prince Rupert Forest District.

29. Cutting on the tree farm licence area shall be done only in accordance with the Management Working Plan, and only after notice of intent has been given to the Chief Forester and a Cutting Permit has been issued. Such Cutting Permit shall be issued by the Chief Forester if the proposed cutting is in keeping with the provisions of this Tree Farm Licence and the Management Working Plan. If the proposed cutting is to be on other tenures, the Cutting Permit will constitute the Minister's concurrence that the cutting is according to plan and specify such other details as he may deem necessary, such details, however, always to be in keeping with the provisions of the Management Working Plan and this Agreement. If cutting is on Crown lands not held under other tenures, the Cutting Permit will, in addition, fix the stumpage rates in accordance with Subsection (20), Section 36 of the Forest Act. Any cutting not covered by a Cutting Permit will be deemed to be in trespass and the Licensee may be assessed a sum by the Minister in respect thereof in an amount not in excess of the value of the logs or other products so cut.

30. Timber marks shall be secured by the Licensee and marking carried out as required by Part IX of the Forest Act.

31. All timber harvested on the tree farm licence area shall be scaled in cubic feet and otherwise in all respects in accordance with the provisions of Part VIII of the Forest Act.

32. Timber and wood cut from lands included in this Tree Farm Licence, regardless of the tenure of the lands, shall be subject in all respects to the provisions of Part X of the Forest Act, insofar as they relate to lands granted after the 12th day of March 1906.

33. The Licensee has deposited, pursuant to Subsection (6) of Section 36 of the Forest Act, the sum of \$15,000.00, and will supplement this deposit by the payment of 15¢ per thousand board feet or 8¢ per hundred cubic feet, as the case may be, on each thousand board feet or one hundred cubic feet harvested; but the sum total of deposits held at any one time by the Minister under this section shall not exceed \$25,000.00. The said deposits shall be held subject to the terms and conditions of this licence.

34. The Licensee agrees to pay stumpage on all merchantable wood cut, destroyed, or removed on or from the licence area by the Licensee or its agents, as provided in this licence, the Forest Act and the Cutting Permit. It is intended that the stumpage rate payable from time to time by the Licensee under the system of scaling required hereunder shall be not less favourable than such stumpage rate would have been if appraised under any other method of scaling authorized by the Forest Act.

35. Starting on the first day of January 1965 the wood harvested from the tree farm licence area in any one year shall not be less than fifty per cent and not more than one hundred and fifty per cent of the approved annual cut, and the total cut over five consecutive years shall not vary more than ten per cent from the total approved cut for the five year period.

36. Damages, recoverable in full or in part from the deposit made by the Licensee under Clause 33 hereof, may be assessed by the Minister for failure to observe the provisions of Clause 35 of this Tree Farm Licence as follows:

(a) The full stumpage value as appraised by the Forest Service on the quantity of timber by which the year's cut falls below fifty per cent of the approved annual cut.

(b) Double the stumpage value as appraised by the Forest Service on the quantity of timber by which the year's cut is in excess of one hundred and fifty per cent of the approved annual cut, whether cut from Crown lands or from other tenures, and any stumpage paid on such excess under Clause 34 above will be credited against such assessment.

(c) Should the total cut over five consecutive years vary more than ten per cent over or under the total of the five year's cutting budget as approved, the full stumpage value appraised on the stumpage value of the fifth year's operations will be assessed on the amount cut over or under the ten per cent allowance, whether cut from Crown land or from other tenures.

(d) Should the total cut over ten consecutive years, including the five-year period referred to in (c) above, vary less than ten per cent from the total of the ten-year cutting budget as approved in the Working Plan, the damage assessed under (c) above, if any, will be refunded.

37. For the purpose of carrying out the provisions of Clauses 35 and 36 hereof, the Licensee may elect to start a new five-year period from any year in which the periodic cut for the preceding five-year period is within ten per cent of the accumulated approved annual cuts.

38. The aggregate acreage of the Crown lands not held under other tenure in the tree farm licence area for the purposes of rental under Subsection (19) of Section 36 of the Forest Act, as of this date, shall be the acreage as set forth in the Working Plan.

39. For the purposes of Section 126, of the Forest Act, Chapter 153 of the Revised Statutes of British Columbia for 1960 and subsequent amendments, the allowable annual cut of the Tree Farm Licence shall be such as may be determined in the current approved Working Plan, and forest protection tax shall be payable as provided by the said Section 126.

40. All camps or other living quarters established incident to the management of the tree farm licence area shall be of a standard at least as high as those that, in the Minister's reasonable opinion, are being maintained by comparable well-conducted forest operations in the Prince Rupert Forest District.

41. All roads, on lands within the boundaries of this Tree Farm Licence, including the lands listed in Schedule "A", shall be held available for public use in accordance with the terms of the Forest Act relating thereto.

42. The Licensee shall provide, to the satisfaction of the Chief Forester, reasonable office and living accommodation for a reasonable Forest Service inspection staff on the tree farm licence area or at any headquarters, plant, or operation maintained by the Licensee, if instructed by the Chief Forester in writing so to do.

43. The Licensee shall employ one Forester, registered under the terms of Chapter 37 R.S.B.C., 1960, and amendments thereto, and as many additional Registered Foresters as may be deemed necessary. The Working Plan and all revisions and amendments thereto shall be signed and sealed by the Registered Forester and by one other person who is authorized to sign contracts for the Licensee.

44. If the Company shall make any assignment for the benefit of creditors or becoming bankrupt or insolvent shall take the benefit of any Act that may be in force for bankrupt or insolvent debtors, the Minister may cancel this Agreement and any or all monies on deposit may be declared by the Minister to be payable to the Crown for damages. Provided, however, that this clause shall not become effective until the Minister has given written notice to any and all Trustees for the holders of bonds, debentures or other securities of the Licensee of which he has notice of his intention to cancel this Agreement and has given such Trustee or Trustees reasonable time to exercise for the holders of bonds, debentures or other securities of the Licensee, or such holders themselves reasonable time to exercise, any rights or remedies contained in any Deed of Trust and Mortgage or other Agreement under which such bonds, debentures or other securities are issued or secured, including without restricting the generality of the foregoing, the taking of possession by any such Trustee of the Licensee's properties and assets and the operation or disposition thereof for the benefit of the holders of the Licensee's bonds, debentures or other securities.

45. This Agreement may be amended by the parties hereto by a memorandum in writing signed by the parties hereto.

46. Any notice required to be given to the Licensee by the Minister or Chief Forester under this Agreement, may be given by written notice sent by registered mail or delivered to the registered office of the Licensee in British Columbia, and shall be deemed to be so given on the day it would be received by the Licensee in the ordinary course of post, or on the day it was so delivered.

47. This Tree Farm Licence may be terminated at any time by mutual consent of the parties hereto.

48. In the event that this Tree Farm Licence is cancelled or terminated, existing other tenures owned or controlled by the Licensee included within the tree farm licence area shall in no way be encumbered by any commitments, agreements, understanding or in any other manner arising out of the execution of this Tree Farm Licence.

49. During the period of twenty years from the date of this licence, namely from 4th May, 1948 up to 4th May, 1968, but not thereafter, the Minister may from time to time sell to any other person, firm or corporation, and license them to cut and remove timber from that part of the licence area known as the Kitsumgallum Block as more particularly described and set out in Appendix 1 hereto; but the timber so sold shall not exceed in the aggregate fifteen million feet board measure of cedar, five million feet board measure of spruce, and ten million lineal feet of cedar poles.

50. Where any other person, firm or corporation has been granted the right to cut and remove timber pursuant to Clause 49 hereof, the Licensee shall be exempt from the obligation to pay forest protection tax or annual rental in respect of those portions of the licence area covered by such licence or licences during the currency thereof.

51. This licence is subject to the provisions of the Forest Act and regulations made thereunder.

52. Without the written consent of the Minister first having been obtained, this Tree Farm Licence shall not be sold or transferred by the Licensee within ten years immediately subsequent to the issuance of this Tree Farm Licence and the control of the Tree Farm Licence shall not be transferred in any manner whatsoever to any person or persons, firm or firms, corporation or corporations. Provided that nothing hereinbefore contained in this Clause 52 shall apply to any sale, assignment or transfer made to

- (a) a trustee for the holders of bonds, debentures and other securities of the Licensee or a mortgagee of the Licensee; and
- (b) a person, firm or corporation upon the sale or other disposition by or on behalf of such trustee or mortgagee aforesaid or other person realizing upon or enforcing any security for the benefit of the holders of such bonds, debentures or other securities of the Licensee or any mortgagee of the Licensee; and

the Minister insofar as is necessary to give effect to (a) and (b) above hereby consents pursuant to Section 36 (22) of the Forest Act to any such sale, assignment or transfer.

53. In this Agreement:

"Forest Act" and "Act" mean the Forest Act, R.S.B.C. 1960, Chapter 153, and amendments thereto in force from time to time during the currency hereof, and the regulations made pursuant thereto.

"Approved", if not otherwise defined in the context, means approved by the Minister.

"Denuded" or "denuded lands" mean any forest lands in the tree farm licence area from or on which substantially all mature or immature timber has been cut, logged, or destroyed, and on which trees of young growth in sufficient numbers to produce a valuable crop according to the standards of the Forest Service have not yet been established.

"Forest Service" means the Forest Service of the Department of Lands, Forests, and Water Resources of British Columbia.

"Higher economic use" means that use which in the opinion of the Minister will contribute most to the good and welfare of the Province,

including non-monetary uses.

"Minister" means the Minister of Lands, Forests, and Water Resources and his successors in office.

"Other tenure" means any title, licence, lease, or berth whereby the Licensee has the right to cut timber on land included in Schedule "A" hereof, or on land that subsequently may be acquired by the Licensee and added to the licence pursuant to Clause 7 hereof.

"Management Working Plan" or "Working Plan" mean the Management and Working Plan submitted by the Licensee with the application for this Tree Farm Licence and approved prior to the execution of these presents and subsequent revised Management Working Plans to be submitted by the applicant in accordance with the terms of this licence as herein appearing.

This Agreement shall enure to the benefit of and shall be binding upon, not only the parties hereto, but also the successors in office of the Minister, and the successors and assigns of the Licensee respectively.

APPENDIX NO. 1

This is Appendix No. 1 referred to in Clause 49 of Exhibit "A" as attached to the Indenture dated the 13th day of August in the year of Our Lord One Thousand Nine Hundred and Sixty-five.

PORT EDWARD TREE FARM LICENCE

TREE FARM LICENCE NO. 1

KITSUMGALLUM BLOCK

Description.

All Crown lands not otherwise alienated in the following area, Range 5, Coast Land District, and the Cassiar Land District:

"Commencing at the south-east corner of Lot 1405^A, Range 5, Coast District, being a point on the edge of the bed of Kitsumkalum River on the right bank thereof; thence westerly along the southerly boundaries of Lots 1405^A and 1405 to the north-east corner of Lot 475 (T.L. 8713^P); thence southerly and westerly along the easterly and southerly boundaries of said Lot 475 to the north-west corner of Lot 474 (T.L. 6229^P); thence southerly along the westerly boundary of said Lot 474 to a point due east of the south-east corner of S.T.L. 8718^P; thence west to said south-east corner; thence westerly along the southerly boundary of said S.T.L. 8718^P to the south-west corner thereof; thence due west a distance of 120 chains; thence due north a distance of 200 chains; thence due west a distance of 200 chains; thence due north a distance of 200 chains; thence due west a distance of 80 chains; thence due north a distance of 160 chains; thence due west a distance of 240 chains; thence due north a distance of 226 chains; thence due west a distance of 137 chains; thence due north a distance of 200 chains; thence due west a distance of 375 chains; thence due north a distance of 360 chains; thence due west a distance of 500 chains; thence due north a distance of 420 chains; thence due east a distance of 820 chains more or less, to a point due south of the south-west corner of Lot 4569 (T.L. 6651^P); thence north to the said south-west corner; thence northerly along the westerly boundary of said Lot 4569 to the north-west corner thereof; thence due west a distance of 360 chains; thence due north a distance of 280 chains more or less, to a point due west of the north-west corner of Lot 1631 (T.L. 4904^P); thence east to the said north-west corner; thence easterly along the northerly boundaries

of Lot 1631 (T.L. 4904^F) and Lot 4573 (T.L. 6663^F) to the north-east corner of said Lot 4573; thence due east to the westerly boundary of Lot 4404 (T.L. 6689^F); thence northerly along the westerly boundaries of Lot 4404 (T.L. 6689^F) and Lot 1627 (T.L. 6691^F), Cassiar District to the north-west corner of said Lot 1627; thence due north a distance of 140 chains; thence due east a distance of 320 chains more or less, to a point due north of the north-east corner of Lot 4384 (T.L. 6678^F), Range 5, Coast District; thence south a distance of 600 chains more or less, to the said north-east corner of Lot 4384; thence due east a distance of 120 chains; thence due south a distance of 200 chains more or less, to a point due east of the south-east corner of Lot 4387 (T.L. 6685^F); thence west a distance of 160 chains more or less, to the said south-east corner; thence westerly along the southerly boundary of said Lot 4387 to the south-west corner thereof; thence westerly in a straight line to the north-east corner of Lot 1040; thence westerly along the northerly boundary of said Lot 1040 to the north-west corner thereof, being a point on the edge of the bed of Cedar River on the left bank thereof; thence due west to the edge of the bed of Cedar River on the right bank thereof; thence in a general southerly direction along the said edge of the bed of Cedar River on the right bank thereof to the edge of the bed of Kitsumkalum River on the left bank thereof; thence due south to the edge of the bed of said Kitsumkalum River on the right bank thereof; thence in a general south-easterly direction along the said edge of the bed of Kitsumkalum River on the right bank thereof to the edge of the bed of Kitsumkalum Lake on the westerly shore thereof; thence in a general southerly direction along the said edge of the bed of Kitsumkalum Lake on the westerly shore thereof and the edge of the bed of Kitsumkalum River on the right bank thereof to the aforesaid south-east corner of Lot 1405^A, being the point of commencement."

SCHEDULE "A"

This is Schedule "A" attached to Exhibit "A" as referred to in Sub-clause (ii) of Clause 1 of the Indenture dated the 13th day of August in the year of Our Lord One Thousand Nine Hundred and Sixty-five.

PORT EDWARD TREE FARM LICENCE

TREE FARM LICENCE NO. 1

Forest Lands in other tenures owned or controlled by the Licensee in the Port Edward Tree Farm Licence.

CROWN GRANTS, COAST DISTRICT RANGE 5

<u>Parcel</u>	<u>Certificate of Title Number</u>	<u>Area in Acres</u>
Indian Reserve No.'s 1 and 1A	66364-I	201.00
Indian Reserve No.'s 9 and 66	66342-I	26.60
Lot 532 (Part)	66348-I	43.20
Lot 1400, Blks. 1-9, of NW $\frac{1}{4}$ (Plan 1285)	66370-I	10.82
Lot 1400, Unsubdivided portion NW $\frac{1}{4}$	66345-I	108.00
Lot 1400, Fr. S $\frac{1}{2}$ of Fr. SW $\frac{1}{4}$	"	62.00
Lot 1400, North 62 ac. of Fr. SW $\frac{1}{4}$	"	62.00
Lot 1411, SE $\frac{1}{4}$	73426-I	160.00
Lot 1423, Blk. B of NW 120 ac. portion	66353-I	60.30
Lot 1427, E $\frac{1}{2}$ of SE $\frac{1}{4}$	66345-I	80.00
Lot 1427, NE $\frac{1}{4}$ and NE $\frac{1}{4}$ of NW $\frac{1}{4}$	"	200.00
Lot 1428, NE $\frac{1}{4}$, NW $\frac{1}{4}$ and SE $\frac{1}{4}$	"	480.00
Lot 1701	66355-I	45.30
Lot 1704, Blk. 6 Subdivided Pt.	66375-I	49.60
Lot 1749	66359-I	404.00
Lot 1800, SW $\frac{1}{4}$ except Blk. A (Plan 1585)	66344-I	115.60
Lot 1800, FR. N $\frac{1}{2}$	66345-I	192.00
Lot 1800, SE portion	"	121.00
Lot 1800, Blk. A SW $\frac{1}{4}$	"	44.40
Lot 1926	66361-I	160.00
Lot 1936	66362-I	160.00
Lot 2275 except 19.16 ac. (Plan 3510)	66358-I	478.59
Lot 3059 except 4.29 ac. (Plan 3510)	"	396.11
Lot 4360	66363-I	159.00
Lot 5118	66369-I	160.00
Lot 5144	66357-I	147.94
Lot 5611	66343-I	68.00
Lot 5612	"	80.00
Lot 5831	66341-I	120.00
Lot 5838	"	40.00
Lot 5957	"	58.90
Lot 5976	66365-I	56.00
Lot 6512	66341-I	40.00
Lot 6810	66354-I	51.80
Lot 7550	66342-I	39.30
Lot 7619	66356-I	13.00
Lot 7647	66367-I	72.30

TOTAL 4,766.76

CROWN GRANTS, CASSIAR LAND DISTRICT

Lot 1934, NW $\frac{1}{4}$	66368-I	159.00
Lot 4006, Fr. SW $\frac{1}{4}$	69362-I	147.00
Lot 4015	66360-I	162.00
		<hr/>
	TOTAL	468.00

TOTAL ACREAGE CROWN GRANTS	<hr/> 5,234.76
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TIMBER LICENCES - COAST DISTRICT RANGE 5

<u>Licence No.</u>	<u>Legal Acreage</u>
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(DANE ESTATES)

7461	634
7462	639
9502	471
9503	624
9504	638.4
9505	629
9506	634
9507	615
13146	550

<hr/> TOTAL	<hr/> 5,434.4
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(MARSH LICENCES)

4243	640
4244	640

<hr/> TOTAL	<hr/> 1,280
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TIMBER LICENCES - CASSIAR LAND DISTRICT

(NASS LICENCES)

11352	585
11353	601
11354	532
11355	592
11357	600
11358	596
11359	640

<hr/> TOTAL	<hr/> 4,146
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GRAND TOTAL	10,860.4
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SCHEDULE "B"

This is Schedule "B" attached to Exhibit "A" as referred to in Sub-clause (ii) of Clause 1 of the Indenture dated the 13th day of August in the year of Our Lord One Thousand Nine Hundred and Sixty-five.

PORT EDWARD TREE FARM LICENCE

TREE FARM LICENCE NO. 1

AREA 1

Crown lands not otherwise alienated within the following described area: Commencing at the southeast corner of Lot 185, Range 5, Coast District being a point on the highwater mark of the right bank of Skeena River; thence northerly along the easterly boundaries of Lots 185 and 184 to the southerly boundary of S.T.L. 39885; thence westerly and northerly along the southerly and westerly boundaries of said S.T.L. 39885 to a point due east of the northeast corner of Lot 1001; thence west to the said northeast corner; thence westerly along the northerly boundary of said Lot 1001 to the northwest corner thereof; thence due west to the southerly boundary of the watershed of an unnamed creek which flows easterly toward aforesaid S.T.L. 39885 into the Khyex River; thence westerly along the said southerly boundary of the watershed of the unnamed creek to the westerly boundary of the watershed of Khyex River; thence in a general northerly, easterly, southerly, and westerly direction along the westerly, northerly, easterly, and southerly boundaries of the said watershed of Khyex River to the westerly boundary of the watershed of Kwinitza Creek; thence in a general southerly and easterly direction along the westerly and southerly boundaries of the said watershed of Kwinitza Creek to the westerly boundary of the watershed of an unnamed creek flowing easterly into Skeena River 100 chains more or less northeasterly from McLean Point; thence southerly along the westerly boundary of the said watershed to the northerly boundary of the watershed of an unnamed creek which flows southerly into Skeena River in the vicinity of McLean Point; thence easterly and southerly along the northerly and easterly boundaries of the said unnamed

creek to a point due north of McLean Point; thence south to said McLean Point; thence southerly in a straight line to the northeast corner of Lot 3931, Indian Reserve No. 66, being a point on the highwater mark of the left bank of Skeena River; thence southerly and westerly along the easterly and southerly boundaries of said Lot 3931, Indian Reserve No. 66 to the easterly boundary of Indian Reserve No. 9; thence southerly along the said easterly boundary of Indian Reserve No. 9 to the southeast corner thereof; thence due east to the easterly boundary of the watershed of Scotia River; thence in a general southerly and westerly direction along the easterly and southerly boundaries of the said watershed of Scotia River to the southerly boundary of the watershed of Ayton Creek; thence in a general westerly and northerly direction along the southerly and westerly boundaries of the said watershed of Ayton Creek to a point due south 60 chains more or less from a point 20 chains due west of the intersection of the highwater mark on the left bank of Ayton Creek and the highwater mark on the left bank of Skeena River; thence north to the highwater mark on the left bank of said Skeena River; thence northwesterly in a straight line 190 chains more or less to the aforesaid southeast corner of Lot 185, being the point of commencement.

AREA 2

Crown lands not otherwise alienated within the following described area: Commencing at the northeast corner of S.T.L. 4244p, Range 5, Coast District, being a point on the highwater mark on the left bank of Skeena River; thence in a general northeasterly direction along the said highwater mark on the left bank of Skeena River to the northwest corner of Indian Reserve No. 1A, "Killutsal"; thence southerly along the westerly boundary of said Indian Reserve No. 1A to the northwest corner of Lot 2653 (T.L. 11120p); thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 2653 (T.L. 11120p) to the southwest corner of Lot 2654 (T.L. 11123p); thence easterly and northerly along the southerly and easterly boundaries of said Lot 2654 (T.L. 11123p) and Lot 2655 (T.L. 11134p) to the southwest corner of Lot 5973; thence easterly along the southerly boundary of said Lot 5973 to the highwater mark on the left bank of Lakelse River; thence in a

general easterly direction along the said highwater mark on the left bank of Lakelse River to the westerly boundary of Lot ²⁶⁵⁹2695 (T.L. 8285p); — thence southerly and easterly along the westerly and southerly boundaries — of said Lot ²⁶⁵⁹2695 to the northwest corner of Lot 2658 (T.L. 8284p); thence southerly along the westerly boundary of said Lot 2658 to the southwest corner thereof; thence southwesterly in a straight line to the most easterly northeast corner of Lot 4132 (T.L. 12464p); thence southerly and westerly along the easterly and southerly boundaries of said Lot 4132 to the most southerly southwest corner thereof; thence due west to the southerly boundary of the watershed of White Creek; thence in a general westerly direction along the southerly boundaries of the watersheds of White Creek, Whitebottom Creek, and Dasque Creek to the westerly boundary of the said watershed of Dasque Creek; thence in a general northerly direction along the said westerly boundary of the watershed of Dasque Creek to a point due south of the southeast corner of Lot 5885; thence north 40 chains more or less to the said southeast corner; thence northerly along the easterly boundary of said Lot 5885 to the northeast corner thereof, being a point on the highwater mark on the left bank of Skeena River; thence in a general easterly direction along the said highwater mark on the left bank of Skeena River to the northwest corner of Lot 7178, Indian Reserve No. 85; thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of the said Lot 7178 to the northeast corner thereof, being a point on the aforesaid highwater mark on the left bank of Skeena River; thence in a general northeasterly direction along the said highwater mark on the left bank of Skeena River to the aforesaid northeast corner of S.T.L. 4244p, being the point of commencement.

AREA 3

Crown lands not otherwise alienated within the following described area: Commencing at the northwest corner of S.T.L. 9129p, Range 5, Coast District being a point on the highwater mark on the left bank of Zymoetz River; thence due north 220 chains more or less to the northerly boundary of the watershed of said Zymoetz River; thence in a general easterly and northerly direction along the northerly and

westerly boundaries of the said watershed of Zymoetz River to a point due west of the intersection of the highwater mark of the right bank of Red Canyon Creek with the highwater mark on the right bank of Zymoetz River; thence east to the said intersection; thence south 33 degrees east to the easterly boundary of the watershed of said Zymoetz River, being the westerly boundary of the watershed of Serb Creek; thence in a general southerly direction along the said easterly boundary of the watershed of Zymoetz River and the westerly boundary of the watershed of Burnie River to the summit of Pillar Peak; thence southeasterly in a straight line to the intersection of the highwater mark on the right bank of Burnie River with the highwater mark on the right bank of Clore River; thence westerly in a straight line to the summit of Hope Peak; thence southwesterly in a straight line to the summit of Cumulus Mountain, being a point on the westerly boundary of the watershed of Clore River; thence in a general northerly direction along the said westerly boundary of the watershed of Clore River to the southerly boundary of the watershed of the main stream of Zymoetz River; thence in a general westerly direction along the said southerly boundary of the watershed of the main stream of Zymoetz River to a point due south of the most westerly southwest corner of aforesaid S.T.L. 9129p; thence north to the said most westerly southwest corner; thence northerly along the westerly boundary of said S.T.L. 9129p to the aforesaid northwest corner thereof, being the point of commencement.

AREA 4

Crown lands not otherwise alienated within the following described area: Commencing at the southeast corner of Lot 1405A, Range 5, Coast District being a point on the highwater mark of the right bank of Kitsumkalum River; thence westerly along the southerly boundaries of Lots 1405A and 1405 to the northeast corner of Lot 475 (T.L. 8713p); thence southerly and westerly along the easterly and southerly boundaries of said Lot 475 to the northwest corner of Lot 474 (T.L. 6229p); thence southerly along the westerly boundary of said Lot 474 to a point due east of the southeast corner of S.T.L. 8718p; thence west to said southeast corner; thence westerly along the southerly boundary of said S.T.L. 8718p

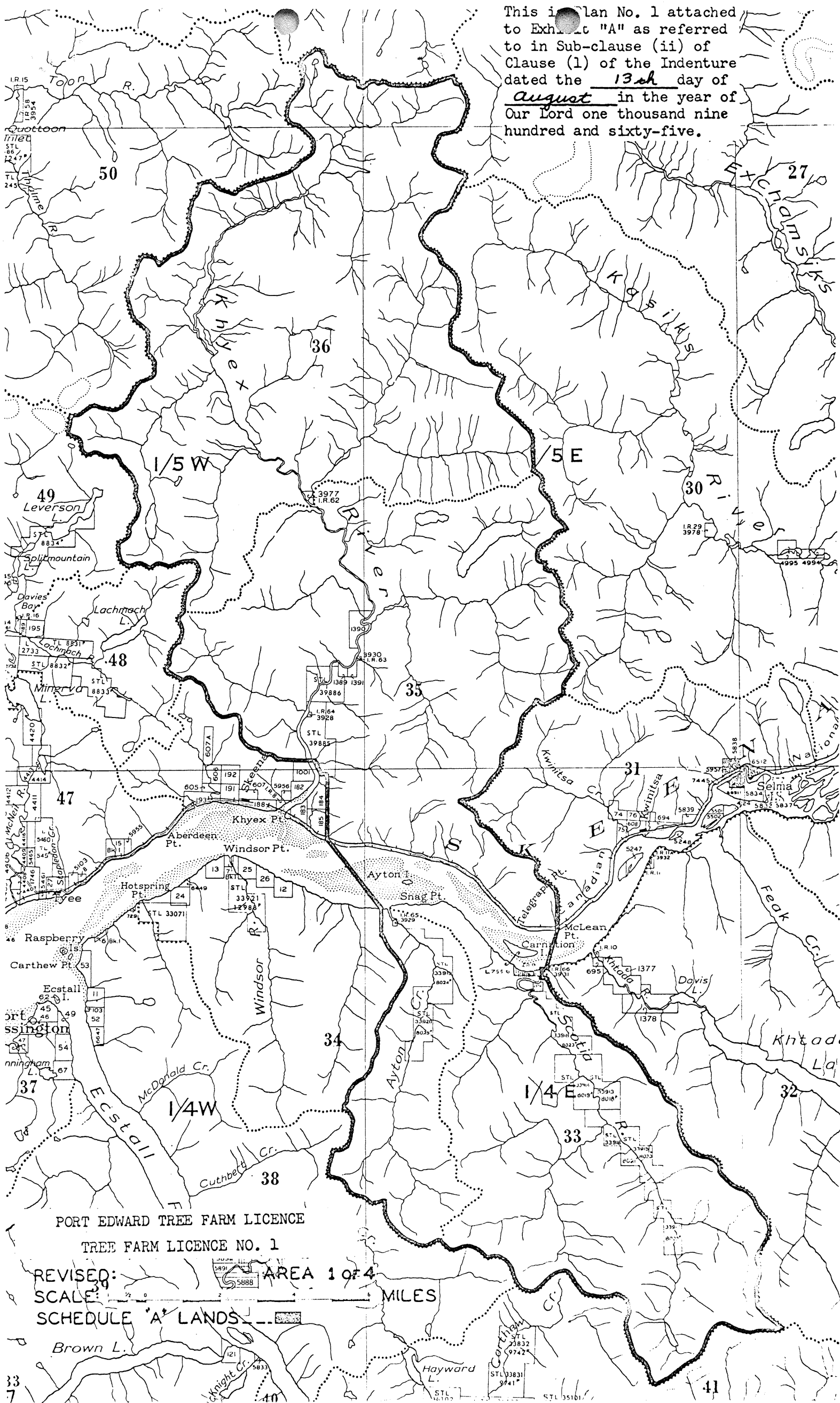
to the southwest corner thereof; thence due west 120 chains; thence due north a distance of 15 chains more or less to the northerly boundary of the watershed of Zymagotitz River; thence in a general westerly direction along the said northerly boundary of the watershed of Zymagotitz River to the northerly boundary of the watershed of Exstew River; thence in a general westerly direction along the said northerly boundary of the watershed of Exstew River to the southerly boundary of the watershed of Ishkheenickh River; thence in a general westerly and northerly direction along the southerly and westerly boundaries of the said watershed of Ishkheenickh River to the westerly boundary of the watershed of an unnamed creek which flows northerly through Lot 3964, Indian Reserve No. 41 into the Nass River; thence northerly along the said westerly boundary of the watershed of an unnamed creek to a point due south of the southeast corner of Lot 3963, Indian Reserve No. 12A; thence north 45 chains more or less to said corner; thence northerly along the easterly boundary of said Lot 3963, Indian Reserve No. 12A to the southwest corner of aforesaid Lot 3964, Indian Reserve No. 41; thence easterly, northerly, and westerly along the southerly, easterly and northerly boundaries of said Lot 3964, Range 5, Coast District to the most northerly northwest corner thereof, being a point on the highwater mark of the left bank of Nass River; thence in a general northeasterly direction along the said highwater mark of the left bank of Nass River to the most southerly southwest corner of Indian Reserve No. 9, "Lachkaltzap", Cassiar District; thence easterly and northerly along the southerly and easterly boundaries of said Indian Reserve No. 9 to the aforesaid highwater mark on the left bank of Nass River; thence northeasterly along the said highwater mark of Nass River on the left bank to a point due south of the most southerly point of T.L. 11354p; thence north to the southerly boundary of said T.L. 11354p; thence westerly, northerly and northeasterly along the southerly, westerly and northerly boundaries of the said T.L. 11354p to a point due south of the southeast corner of Indian Reserve No. 30, "Dachlabah"; thence north to the said southeast corner; thence northerly and westerly along the easterly and northerly boundaries of said Indian Reserve No. 30 to the most westerly southwest corner of Lot 2951; thence

northerly along the westerly boundary of said Lot 2951 to the northwest corner thereof; thence due north 160 chains more or less to a point due west of the most northerly northwest corner of Lot 2946; thence east 120 chains more or less to the said most northerly northwest corner; thence easterly along the northerly boundary of said Lot 2946 to the northeast corner thereof, being a point on the highwater mark on the right bank of Nass River; thence in a general northerly direction along the said highwater mark on the right bank of Nass River to the southwest corner of Lot 1095, Indian Reserve No. 31; thence due south to the aforesaid highwater mark on the left bank of Nass River; thence in a general easterly direction along the said highwater mark on the left bank of Nass River to the northeast corner of S.T.L. 11357p; thence northerly in a straight line to the most westerly extremity of S.T.L. 11355p; thence in a general northerly, easterly and southerly direction along the westerly, northerly and easterly boundaries of said S.T.L. 11355p to a point due west of the intersection of the highwater mark on the left bank of Nass River with the highwater mark on the right bank of Kwinyarh Creek; thence east to the said intersection; thence in a general northerly and easterly direction along the said highwater mark on the left bank of Nass River to the southwest corner of Indian Reserve No. 29, "Zaul Zap"; thence easterly and northerly along the southerly and easterly boundaries of Indian Reserve No. 29 and Lot 1093, Indian Reserve No. 44, to the most easterly northeast corner of said Lot 1093, Indian Reserve No. 44; thence due east 240 chains; thence due north 120 chains; thence due east 140 chains; thence due south 70 chains more or less to a point due west of the southwest corner of Lot 2626; thence east to the said southwest corner; thence easterly and northerly along the southerly and easterly boundaries of said Lot 2626 to the southeast corner of Lot 2625; thence northerly along the easterly boundary of said Lot 2625 to the southeast corner of Lot 1714; thence northerly and westerly along the easterly and northerly boundaries of said Lot 1714 to the southeast corner of Lot 1711; thence northerly along the easterly boundary of said Lot 1711 to the most southerly southwest corner of Lot 1717; thence easterly, northerly and westerly along the southerly, easterly and

northerly boundaries of said Lot 1717 to the southeast corner of Lot 1721; thence northerly along the easterly boundary of said Lot 1721 to the southerly boundary of Lot 1724; thence easterly and northerly along the southerly and easterly boundaries of said Lot 1724 to the southerly boundary of Lot 3052; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Lot 3052 to the southeast corner of Lot 3055; thence northerly along the easterly boundary of said Lot 3055 to the southerly boundary of Lot 3058; thence easterly and northerly along the southerly and easterly boundaries of Lots 3058, 3061, 3063, and 3065 to the northeast corner of said Lot 3065; thence westerly along the northerly boundary of said Lot 3065 to the southeast corner of Lot 3068; thence northerly and westerly along the easterly and northerly boundaries of Lot 3068 to the northwest corner thereof, being a point on the highwater mark on the left bank of Nass River; thence due west to the highwater mark on the right bank of Nass River; thence in a general southerly direction along said highwater mark on the right bank of Nass River to the northeast corner of Lot 3087; thence westerly and southerly along the northerly and westerly boundaries of Lots 3087, 3086, 3083, and 3080 to the northwest corner of Lot 1701; thence southerly along the westerly boundaries of Lot 1701 and Indian Reserve No. 1A, "Gitlakdamix" to the southeast corner of Lot 1703; thence westerly along the southerly boundary of said Lot 1703 to the northeast corner of Lot 1704; thence westerly along the northerly boundary of said Lot 1704 to the northwest corner thereof; thence due west 1060 chains more or less to the line of the Cascade Mountains as defined in the Interpretation Act R.S. 1960, C 199 S (24) c 2 for administrative purposes; thence in a general northerly direction along the said line of the Cascade Mountains to the summit of Yvonne Peak, being a point on the westerly boundary of the watershed of Meziadin Lake; thence in a general northerly and easterly direction along the westerly and northerly boundaries of the watershed of said Meziadin Lake to the summit of Mount Bell-Irving, being a point on the westerly boundary of the watershed of Bell-Irving River; thence in a general southeasterly direction along the said westerly boundary of the watershed of Bell-Irving River to a point

north 35 degrees west of the intersection of the highwater mark on the right bank of Bell-Irving River with the highwater mark on the right bank of Nass River; thence southerly in a straight line to the said intersection; thence southeasterly in a straight line 920 chains more or less to a point 60 chains due west and 40 chains due north of the northeast corner of S.T.L. 4107p; thence due east 120 chains more or less to the northeasterly boundary of the watershed of Wolverine Creek; thence in a general southeasterly direction along the northeasterly boundaries of the watersheds of Wolverine and Axnegrelga Creeks to the easterly boundary of the watershed of Nass River; thence in a general southeasterly direction along the said easterly boundary of the watershed of Nass River to a point due east of the northeast corner of Lot 1891, being a point on the easterly boundary of the watershed of Cranberry River; thence west to the said northeast corner; thence westerly along the northerly boundaries of Lots 1891 and 1890 to the northwest corner of said Lot 1890; thence due west to the easterly boundary of Lot 1793; thence southerly along the said easterly boundary of Lot 1793 being along a westerly boundary of T.F.L. No. 40, to the southeast corner thereof; thence due south 200 chains; thence due east 200 chains; thence due south 280 chains; thence due west 360 chains; thence due south 160 chains; thence due west 80 chains; thence due south 200 chains; thence due west 120 chains; thence due south 320 chains; thence due west 120 chains; thence due south 320 chains more or less to a point due east of the northeast corner of Lot 2625 Cassiar District; thence west 260 chains more or less to a point 200 chains due east of the said northeast corner of Lot 2625; thence due south 200 chains; thence due east 80 chains; thence due south 40 chains; thence due east 120 chains; thence due south 200 chains; thence due east 260 chains; thence due south 120 chains; thence due west 40 chains; thence due south 120 chains; thence due west 80 chains; thence due south 160 chains; thence due west 80 chains; thence due south 120 chains; thence due west 60 chains; thence due south 120 chains; thence due west 80 chains; thence due south 146 chains more or less to a point due east of the northeast corner of Lot 4573, Range 5, Coast District; thence due east 230 chains more or less to the westerly

boundary of Lot 4404 (T.L. 6689p), Cassiar District; thence northerly along the westerly boundaries of Lots 4404 (T.L. 6689p) and 1627 (T.L. 6691p), Cassiar District to the northwest corner of said Lot 1627; thence due north 140 chains; thence due east 320 chains more or less, to a point due north of the northeast corner of Lot 4384 (T.L. 6678p), Range 5, Coast District; thence south 600 chains more or less to the said northeast corner of Lot 4384; thence due east 120 chains; thence due south 200 chains more or less to a point due east of the southeast corner of Lot 4387 (T.L. 6685p); thence west 160 chains more or less to the said southeast corner; thence westerly along the southerly boundary of said Lot 4387 to the southwest corner thereof; thence westerly in a straight line to the northeast corner of Lot 1040; thence westerly along the northerly boundary of said Lot 1040 to the northwest corner thereof, being a point on the highwater mark on the left bank of Cedar River; thence due west to the highwater mark on the right bank of Cedar River; thence in a general southerly direction along the said highwater mark on the right bank of Cedar River to the highwater mark on the left bank of Kitsumkalum River; thence due south to the highwater mark on the right bank of said Kitsumkalum River; thence in a general southeasterly direction along the said highwater mark on the right bank of Kitsumkalum River to the highwater mark on the westerly shore of Kitsumkalum Lake; thence in a general southerly direction along the said highwater mark on the westerly shore of Kitsumkalum Lake and the highwater mark on the right bank of Kitsumkalum River to the aforesaid southeast corner of Lot 1405A, being the point of commencement.



This is Plan No. 2 attached to Exhibit "A" as referred to in Sub-clause (ii) of Clause (1) of the Indenture dated the 13th day of August in the year of Our Lord one thousand nine hundred and sixty-five

August in the year of

Our Lord one thousand nine
hundred and sixty-five.

PORT EDWARD TREE FARM LICENCE

TREE FARM LICENCE NO. 1

REVISED

AREA 2 OF 4

WILEY

SCHEDULE "A" LANDS



PORT EDWARD TREE FARM LICENCE

TREE FARM LICENCE NO. 1

REVISED

AREA 3 OF 4

SCALE

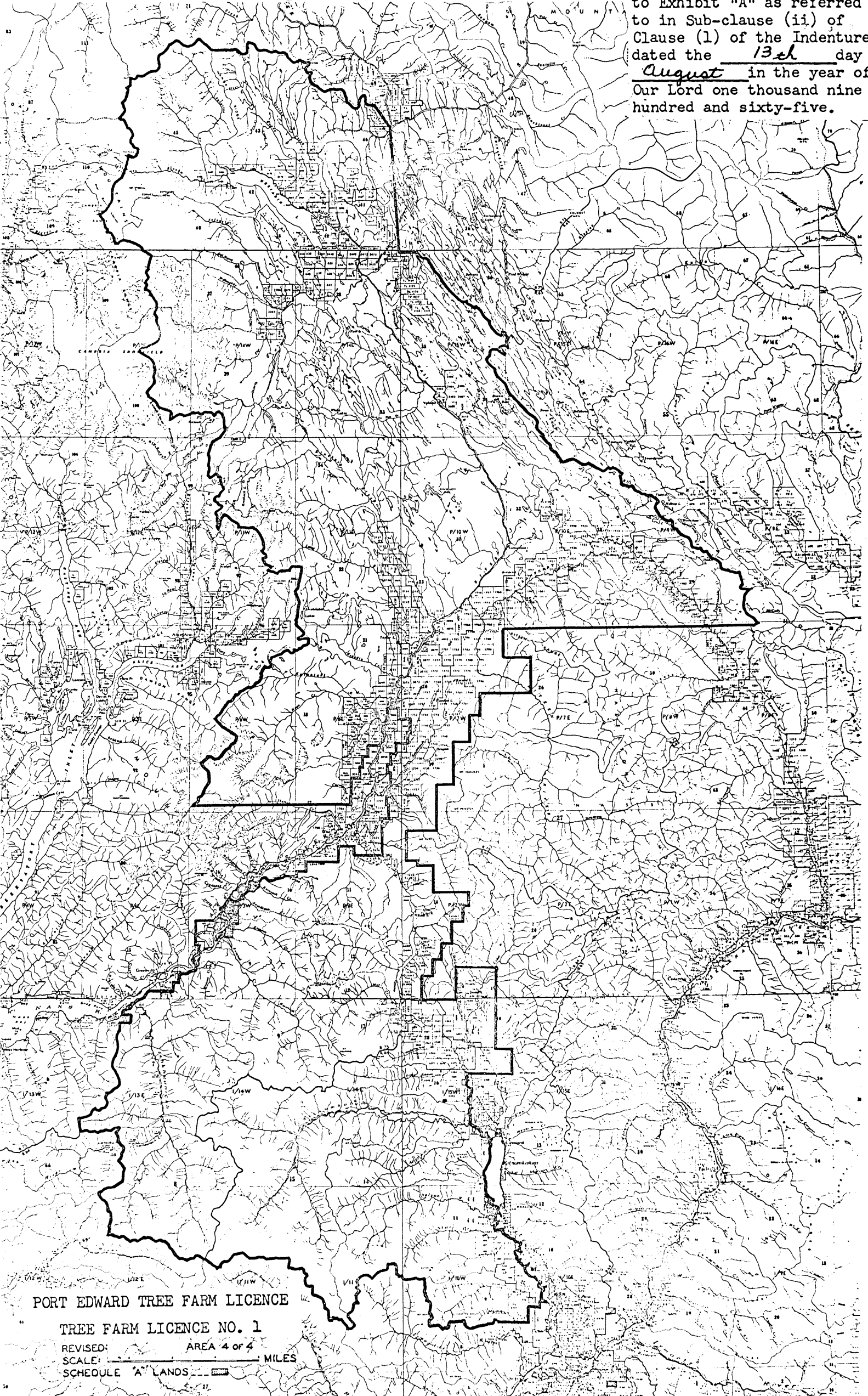
MILES

SCHEDULE "A" LANDS

Plan No. 3

This is Plan No. 3 attached to Exhibit "A" as referred to in Sub-clause (ii) of Clause (1) of the Indenture dated the 13th day of August in the year of Our Lord one thousand ni

This is Plan No. 4 attached to Exhibit "A" as referred to in Sub-clause (ii) of Clause (1) of the Indenture dated the 13th day of August in the year of Our Lord one thousand nine hundred and sixty-five.



PORT EDWARD TREE FARM LICENCE

TREE FARM LICENCE NO. 1

REVISED: AREA 4 of 4
SCALE: 1" = 1 MILE
SCHEDULE "A" LANDS