

# TREE FARM LICENCE 47 DUNCAN BAY TREE FARM LICENCE



THIS LICENCE, dated for reference March 1, 2010.

# **BETWEEN:**

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the MINISTER OF FORESTS AND RANGE
PO BOX 9049 STN PROV GOVT
VICTORIA, BRITISH COLUMBIA
V8W 9E2
Fax (250) 387-1040
(the "Minister")

#### AND:

TIMBERWEST FOREST CORP SUITE 2300, 1055 WEST GEORGIA P.O. BOX 11101, VANCOUVER, BRITISH COLUMBIA V6E 3P3 Fax: (604) 654-4662 (the "Licensee")

#### **WHEREAS:**

- A. Under Section 36 of the *Forest Act*, the Minister offers a replacement licence to the Licensee.
- B. The Licensee accepts the offer.
- C. The Licensee agrees to manage the licence area according to this Licence and the management plan in effect under this Licence.

#### THEREFORE:

Under Section 36 of the *Forest Act*, this Licence replaces Tree Farm Licence 47, dated March 1, 2000.

"The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence."

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# THE PARTIES agree as follows:

# 1.00 GRANT OF RIGHTS AND TERM

- 1.01 The term of this Licence is 25 years, beginning on **March 1, 2010**.
- 1.02 Subject to this Licence, the Minister grants the Licensee:
  - (a) the exclusive right to harvest all types of Crown timber, other than deciduous types, from Schedule "B" Land;
  - (b) the exclusive right to harvest all timber authorized under a timber licence, from Schedule "A" Land subject to a timber licence;
  - (c) the right to manage Schedule "A" Land subject to a timber licence and Schedule "B" Land according to;
    - (i) this Licence;
    - (ii) the management plan in effect under this Licence; and
    - (iii) operational plans approved in respect of this Licence.
- 1.03 Subject to this Licence, the Licensee may also harvest timber from the licence area that is not of a type specified in Paragraph 1.02.

#### 2.00 TIMBER DISPOSITION

- 2.01 Each year during the term of this Licence:
  - (a) 0 m<sup>3</sup> of the allowable annual cut, from the types of timber specified under Subparagraph 1.02(a), may be disposed of by the Timber Sales Manager within areas agreed to under Paragraph 3.01 or specified under Paragraph 3.02;
  - (b) 0 m<sup>3</sup> of the allowable annual cut may be disposed of pursuant to Section 47.8 of the *Forest Act*.
- 2.02 Each year during the term of this Licence, the District Manager may dispose of a volume of the timber specified under Subparagraph 1.02(a), not exceeding one half of one percent (0.5%) of the portion of the allowable annual cut the Chief Forester determines is attributable to Schedule "B" Land, under free use permits from areas agreed under Paragraph 3.01 or specified under Paragraph 3.02.
- 2.03 In addition to any timber disposed of under Paragraphs 2.01 and 2.02, each year during the term of this Licence, the Regional Manager or District Manager may dispose of timber other than that specified in Subparagraph 1.02(a) under forestry licences to cut issued pursuant to a pulpwood agreement, provided:
  - (a) the timber is:
    - (i) within a pulpwood area designated by the Minister; and
    - (ii) within areas of Schedule "B" Land agreed to under

# Paragraph 3.01 or specified under Paragraph 3.02; and

- (b) the volume of timber disposed of does not exceed an amount equal to the portion of the allowable annual cut which the Chief Forester determines is attributable to timber of the type referred to in the applicable pulpwood agreement, having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.
- 2.04 In addition to any timber disposed of under this part, the Regional Manager, District Manager or Timber Sales Manager may dispose of any timber that is not specified in Subparagraph 1.02(a) if the timber is within areas agreed to under Paragraph 3.01 or specified under Paragraph 3.02.
- 2.05 Subject to Part 3, the Minister in a notice given to the Licensee may delete an area from Schedule "B" Land to enable the Regional Manager or District Manager to issue a woodlot licence over the area, if the Chief Forester determines that the portion of the allowable annual cut attributable to the area does not exceed the volume of timber referred to in Paragraph 2.01, having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.
- 2.06 Before deleting an area under Paragraph 2.05, the Minister will consult the Licensee and consider any recommendations made by the Licensee.
- 2.07 Where the Minister deletes an area under Paragraph 2.05, the volume of timber referred to in Paragraph 2.01 is deemed to be reduced by an amount equal to the portion of the allowable annual cut that the Chief Forester determines is attributable to the deleted area, having regard to the factors and information considered by the Chief Forester in his or her most recent determination of the allowable annual cut.

# 3.00 AREA SELECTION PROCESS

- 3.01 Subject to Paragraph 3.02 the District Manager or Timber Sales Manager and the Licensee will agree upon areas for the purposes of Part 2.00, or for an allowable annual cut reduction under Section 69 of the *Forest Act*, having regard to:
  - (a) the type and quality of timber and the type of terrain on the area of Schedule "B" Land under consideration compared to the Schedule "B" Land as a whole:
  - (b) the timber referred to in Paragraph 2.03;
  - (c) the management plan in effect under this Licence and the forest development plan or forest stewardship plan approved in respect of this Licence:

- (d) any potential interference with the operations of the Licensee under this Licence:
- (e) rights being exercised on the licence area by persons other than that licence holder including trappers, guide outfitters, range tenure holders, and other licenced resource users; and
- (f) an aboriginal group claiming an aboriginal interest in, or having a proven aboriginal right, including aboriginal title, or a treaty right in the area.
- 3.02 If under Paragraph 3.01 the District Manager or the Timber Sales Manager and the Licensee are unable to agree upon areas for the purposes of Part 2.00 or for an allowable annual cut reduction under Section 69 of the *Forest Act*, the District Manager or the Timber Sales Manager or the Licensee may refer the matter to the Regional Manager, in which case the Regional Manager, subject to Paragraph 3.03, and having regard to:
  - (a) the factors referred to in Paragraph 3.01; and
  - (b) the recommendations of the District Manager or the Timber Sales Manager and the Licensee;
  - will specify areas for these purposes.
- 3.03 The Regional Manager will only specify an area under Paragraph 3.02, when satisfied it will not:
  - (a) compromise the management plan in effect under this Licence or a forest development plan or forest stewardship plan approved in respect of this Licence; or
  - (b) unreasonably interfere with the Licensee's operations under this Licence.

# 4.00 OTHER CONDITIONS AND REQUIREMENTS

- 4.01 Subject to Paragraph 4.02, the Licensee will not enter, use or occupy Schedule "A" Land subject to a timber licence or Schedule "B" Land except under and in accordance with a cutting permit, road permit associated with this Licence, special use permit or another legal authority authorizing such use or occupation.
- 4.02 Paragraph 4.01 does not apply to temporary occupation for the purpose of:
  - (a) carrying out silviculture;
  - (b) collecting inventory information;
  - (c) carrying out engineering layouts and surveys;
  - (d) carrying out protection and forest health activities; or
  - (e) fulfilling other obligations or conducting other activities incidental to the operations of the Licensee under or associated with this Licence.

- 4.03 The Licensee will not harvest timber from Schedule "A" or "B" Lands, except under a road permit associated with this Licence or a cutting permit issued to the Licensee or as otherwise authorized under the forestry legislation.
- 4.04 The Licensee must not harvest timber if the timber is specified as reserved timber in a cutting permit, or under an applicable operational plan.
- 4.05 If an area of Schedule "A" Land is:
  - (a) subject to a timber licence that expires; or
  - (b) deleted from a timber licence;

then the area is deemed to be deleted from Schedule "A" Land and added to Schedule "B" Land.

# 5.00 TIMBER VOLUME CHARGED TO THE LICENCE

- 5.01 The definition of the volume of timber harvested in Part 4, Division 3.1 of the *Forest Act* applies to this Licence.
- 5.02 The determination of the volume of timber harvested will incorporate the volume of waste determined under Part 6.00.
- 5.03 The Coast Timber Merchantability Specifications in the Provincial Logging Residue and Waste Measurement Procedures Manual that was in effect on the date of issuance of the cutting permit or road permit shall govern.

#### 6.00 WASTE ASSESSMENTS FOR MERCHANTABLE CROWN TIMBER

- 6.01 The Licensee must conduct a waste assessment of the volume of merchantable Crown timber, whether standing or felled, that was authorized to be cut and removed under the Licence but, at the Licensee's discretion, was not cut and removed.
- 6.02 A waste assessment conducted under Paragraph 6.01 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.03 A waste assessment made under Paragraph 6.01 must be:
  - (a) done within 60 days after primary logging on the area has been completed for each cut block, allowing for ground to be sufficiently free of snow to permit an adequate assessment to be carried out; or
  - (b) if primary logging on the area is not completed before the expiry of the cutting permit, within 60 days after the expiry of the cutting permit, allowing the ground to be sufficiently free of snow to permit for an adequate assessment to be carried out.

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- 6.04 If the Licensee fails to comply with Paragraph 6.01 the District Manager may, after the expiry of the term of a cutting permit or licence, conduct a waste assessment of the volume of merchantable Crown timber that could have been cut and removed under the Licence but, at the Licensee's discretion, was not cut and removed.
- 6.05 A waste assessment conducted under Paragraph 6.04 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 6.06 If the District Manager carries out a waste assessment under Paragraph 6.04, the District Manager, in a notice given to the Licensee, may require the Licensee to pay the costs incurred by the District Manager in carrying out the assessment.

#### 7.00 MANAGEMENT PLAN

- 7.01 A management plan:
  - (a) approved under the tree farm licence replaced by this Licence; and
  - (b) still in effect on the date immediately preceding the date referred to in Paragraph 1.01;

is deemed for the remainder of the term of the management plan to be the management plan in effect under this Licence.

# MANAGEMENT PLAN REVIEW

- 7.02 Not less than 20 months prior to the date on which the management plan in effect under this Licence is due to expire:
  - (a) the Regional Manager will provide the Licensee with;
    - (i) a review of the management plan in effect under this Licence;
    - (ii) a review of the Licensee's performance in respect of that management plan; and
    - (iii) a list of guidelines currently in effect; and
  - (b) the Regional Manager may specify the location(s) and time designated for the draft management plan public review.

# TIMBER SUPPLY ANALYSIS INFORMATION PACKAGE

- 7.03 Not less than 16 months prior to the date on which the management plan in effect under this Licence is due to expire, the Licensee will submit a timber supply analysis information package to the timber supply forester.
- 7.04 A timber supply analysis information package submitted under Paragraph 7.03 or Subparagraph 7.06(b) must:

- (a) include the information required in the applicable manual in effect six months prior to the deadline for submitting the timber supply analysis information package;
- (b) identify assumptions the Licensee proposes to incorporate into the timber supply analysis referred to in Paragraph 7.21 which are consistent with;
  - (i) this Licence:
  - (ii) the forestry legislation;
  - (iii) higher level plans; and
  - (iv) subject to Paragraph 7.38, the guidelines referred to in Subparagraph 7.02(a);
- (c) without restricting the generality of Subparagraph 7.04(b), identify assumptions the Licensee proposes to incorporate into the timber supply analysis referred to in Paragraph 7.21 regarding;
  - (i) the inventory of timber and non-timber resources in the licence area;
  - (ii) growth and yield;
  - (iii) regeneration delays;
  - (iv) silviculture treatments;
  - (v) integrated resource management constraints;
  - (vi) methods to be used to conduct primary logging and removal of timber, timber merchantability specifications; and
  - (vii) the Timber Harvesting Land Base;
- (d) describe the methodology, including the computer model, if any, that the Licensee proposes to use in the timber supply analysis, including a description of the extent to which the assumptions referred to in Subparagraphs 7.04(b) and (c) are reflected in the methodology;
- (e) include information which supports the assumptions referred to in Subparagraphs 7.04(b), (c) and (d);
- (f) describe how the Licensee proposes to address in the timber supply analysis, any inadequacies referred to in Subparagraph 7.08(d); and
- (g) include any other information readily available to the Licensee; which
  - (i) the Licensee; or
  - (ii) the timber supply forester, in a notice given to the Licensee 18 months prior to the date on which the management plan in effect under this Licence is due to expire;

- considers relevant to an assessment of the timber supply of the licence area.
- 7.05 Where the timber supply forester accepts both the assumptions and the methodology referred to in Paragraph 7.04 or Subparagraph 7.06(b):
  - (a) the timber supply forester, within three months after the date on which the timber supply analysis information package is submitted under Paragraph 7.03, or one month after the information or proposals submitted under Subparagraph 7.06(b), will in a notice given to the Licensee accept the assumptions and the methodology referred to in Paragraph 7.04 and, if applicable, Subparagraph 7.06(b) for use in the timber supply analysis referred to in Paragraph 7.21 subject to such conditions as the timber supply forester considers necessary or appropriate; if
    - (i) the requirements of Paragraph 7.04 and, if applicable, Subparagraph 7.06(b) have been met; and
    - (ii) the timber supply forester is satisfied with the information provided in support of the assumptions and methodology.
- 7.06 Where the timber supply forester does not accept both the assumptions and the methodology under Paragraph 7.05:
  - (a) the timber supply forester, within three months after the date on which the timber supply forester receives the timber supply analysis information package submitted under Paragraph 7.03, or one month after the date on which the timber supply forester receives the information or proposals submitted under Subparagraph 7.06(b), will specify in a notice given to the Licensee why the timber supply forester has not accepted the assumptions, the methodology or both; and
  - (b) the Licensee, within two months after the date on which the Licensee is given the notice referred to in Subparagraph 7.06(a), will;
    - (i) propose new or revised assumptions;
    - (ii) propose a new or revised methodology; and submit further information in support of the assumptions, the methodology or both;

as required by the timber supply forester.

#### DRAFT MANAGEMENT PLAN

- 7.07 Not less than 16 months prior to the date on which the management plan in effect under this Licence is due to expire, the Licensee will submit a draft management plan to the Regional Manager for comment.
- 7.08 A draft management plan referred to in Paragraph 7.07 or Subparagraph 7.39(a) must:

- (a) be prepared by a professional forester in accordance with the manual in effect four months prior to the deadline for submitting the draft management plan under Paragraph 7.07 or Subparagraph 7.39(a);
- (b) be consistent with;
  - (i) this Licence;
  - (ii) the forestry legislation;
  - (iii) higher level plans;
  - (iv) subject to Paragraph 7.35, the guidelines referred to in Subparagraph 7.02(a);

and take into consideration the Regional Manager's review under Paragraph 7.02;

- (c) include inventories, prepared in the manner, presented in the format and meeting the specifications set or approved in the applicable manual in effect six months prior to the deadline for submitting the timber supply analysis information package; of
  - (i) the forest and recreation resources in the licence area, based on information collected for this purpose by the Licensee, including information relating to visual quality, sensitive soils, recreation sites, and the type of timber and terrain; and
  - (ii) the fisheries, wildlife, range, and cultural heritage resources of the licence area, based on the best information readily available to the Licensee;
- (d) include proposals for updating the inventories referred to in Subparagraph 7.08(c) and, if applicable, addressing inadequacies in the inventory information;
- (e) propose management objectives regarding;
  - (i) management and utilization of the timber resources in the licence area, including methods for primary logging and removing timber and the timber harvest specifications suitable to the types of timber specified in Paragraph 1.02;
  - (ii) protection and conservation of the non-timber values and resources in the licence area, including visual quality, biological diversity, soils, water, recreation resources, cultural heritage resources, range land, and wildlife and fish habitats;
  - (iii) integration of the Licensee's activities in the licence area with use of the licence area for purposes other than timber production, including use of the licence area by;
    - (A) trappers, guide outfitters, range tenure holders, and other licenced resource users: and

- (B) an aboriginal group claiming an aboriginal interest in, or having a proven aboriginal right, including aboriginal title, or a treaty right in the area;
- (iv) forest fire prevention and suppression, prescribed fire, and fuel management;
- (v) forest health, including disease and pest management;
- (vi) silviculture; and
- (vii) road construction, maintenance and deactivation;
- (f) include proposals for meeting the proposed management objectives referred to in Subparagraph 7.08(e), including measures to be taken and specifications to be followed by the Licensee which meet or, if the Licensee so chooses, exceeds any requirements of the forestry legislation, or of the higher level plans, or guidelines referred to in Subparagraph 7.08(b);
- (g) specify measures to be taken by the Licensee to identify and consult with persons using the licence area for purposes other than timber production, including;
  - (i) trappers, guide outfitters, range tenure holders, and other licenced resource users; and
  - (ii) an aboriginal group claiming an aboriginal interest in, or having a proven aboriginal right, including aboriginal title, or a treaty right in the area, in a manner that provides those persons with full information about the draft management plan and gives reasonable opportunity for the aboriginal group to respond with information about the effects of the draft management plan on their aboriginal interests or their proven aboriginal right, including aboriginal title;
- (h) assess the impact the draft management plan may have on factors such as levels of cutting and removal of timber and the protection and conservation of non-timber values;
- (i) highlight the key similarities and differences between the draft management plan and the management plan in effect or last in effect under this Licence, and in a summary form compare;
  - (i) the impact, if any, that implementation of the management plan in effect or last in effect under this Licence had; and
  - (ii) the impact, if any, that the Licensee anticipates implementation of the draft management plan will have;

on factors such as those referred to in Subparagraph 7.08(h);

- (j) if applicable, provide that part of the allowable annual cut will be cut and removed from a specified part of the licence area, or from a specified type of timber or terrain;
- (k) include any other information on the development, management and use of the licence area that the Chief Forester requires; and
- (l) if required in the manual referred to in Subparagraph 7.08(a), provide some or all of the information referred to in this paragraph in the form of maps meeting the requirements of the manual.
- 7.09 At substantially the same time or at a time otherwise agreed to between the Regional Manager and the Licensee, the Licensee must publish, at least twice within a period of two consecutive weeks, a notice in one or more newspaper(s) circulating near the area of the Licence stating that the draft management plan is available for public review and comment.
- 7.10 The Licensee must provide an opportunity to review the draft management plan to interested parties or parties potentially affected by operations under the Licence:
  - (a) at a location and time, if specified by the Regional Manager in the management plan review referred to in Subparagraph 7.02(b);
  - (b) at another location proposed by the Licensee and approved by the Regional Manager; or
  - at the Licensee's place of business nearest to the licence area.
- 7.11 The public review referred to in Paragraph 7.10 must provide an opportunity for comment to be received from but not restricted to:
  - (a) resource agencies;
  - (b) trappers, guide outfitters, range tenure holders, and other licenced resource users;
  - (c) aboriginal group(s);
  - (d) local governments; and
  - (e) members of the public.
- 7.12 Subject to Paragraph 7.13, the opportunity for a review provided under Paragraph 7.10 must be for a period of 60 days from the date of the publication of the first notice under Paragraph 7.09.
- 7.13 The period of review specified under Paragraph 7.12 may be:
  - (a) any lesser period as mutually agreed upon between the Licensee and the Regional Manager;
  - (b) extended by the Licensee on providing written notice to the Regional Manager; and

- (c) extended by the Regional Manager on giving at least ten days notice to the Licensee prior to the expiry of the review period.
- 7.14 An opportunity for comment provided to a person referred to in Paragraph 7.11 will be adequate only if, in the opinion of the Regional Manager, the opportunity is commensurate with the nature and extent of that person's interest in the licence area and any right that person may have to use the licence area.
- 7.15 The Regional Manager, within three months after the date on which the Regional Manager receives the draft management plan submitted under Paragraph 7.07, will provide the Licensee with written comments on the draft management plan which the Licensee must consider in the development of the timber supply analysis, 20-year plan, and proposed management plan.
- 7.16 The Licensee not less than 12 months prior to the date on which the management plan in effect under this Licence is due to expire must consider all comments received during the period for review under Paragraph 7.12, and will submit to the Regional Manager:
  - (a) a copy of the notice that was published under Paragraph 7.09 in respect of the draft management plan; and
  - (b) a copy of each comment received by the Licensee in respect of the draft management plan; and
  - (c) proposals, if any, to address the comments referred to in Paragraphs 7.11 and 7.15, in the proposed management plan, timber supply analysis and 20-year plan.

# 20-YEAR PLAN

- 7.17 Where the timber supply forester accepts the assumptions and the methodology under Paragraph 7.05, the Licensee, not less than 10 months prior to the date on which the management plan in effect under this Licence is due to expire, will submit a 20-year plan to the District Manager.
- 7.18 A 20-year plan submitted under Paragraph 7.17 or Subparagraph 7.20(b) must:
  - (a) identify;
    - (i) the Timber Harvesting Land Base;
    - (ii) areas where timber has been harvested;
    - (iii) existing and proposed road access within the net Timber Harvesting Land Base; and

- (iv) areas subject to special integrated resource management constraints, such as use of the licence area for purposes other than timber production;
- (b) categorize areas within the Timber Harvesting Land Base referred to in Clause 7.18(a)(i) by;
  - (i) the type and quality of timber; and
  - (ii) the methods suitable to the terrain to be used to conduct primary logging and removal of the timber; and
- (c) in support of the timber supply analysis, set out a hypothetical sequence of cut blocks in 5 year increments over a period of 20 years, or longer if the Licensee so chooses, which is consistent with;
  - (i) this Licence;
  - (ii) the forestry legislation;
  - (iii) higher level plans; and
  - (iv) subject to Paragraph 7.35, the guidelines referred to in Subparagraph 7.02(a).
- 7.19 Where the District Manager accepts a 20-year plan referred to under Paragraph 7.17 or Subparagraph 7.20(b):
  - (a) the District Manager, within three months after the date on which the 20-year plan is submitted under Paragraph 7.17, or one month after the date the 20-year plan is submitted under Subparagraph 7.20(b), will in a notice to the Licensee accept the 20-year plan, subject to such conditions as considered necessary or appropriate; and
  - (b) where the District Manager accepts the 20-year plan under Subparagraph 7.19(a), provide the Licensee with an assessment of the strengths and weaknesses of the 20-year plan.
- 7.20 Where the District Manager does not accept a 20-year plan under Paragraph 7.19:
  - (a) the District Manager, within three months after the date on which the District Manager receives a 20-year plan submitted under Paragraph 7.17, or one month after the date on which the District Manager receives a 20-year plan submitted under Subparagraph 7.20(b), will specify in a notice given to the Licensee why the District Manager has not accepted the 20-year plan; and
  - (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in Subparagraph 7.20(a), will submit a new or revised 20-year plan to the District Manager.

#### TIMBER SUPPLY ANALYSIS

- 7.21 Where the timber supply forester accepts the assumptions and the methodology under Paragraph 7.05, the Licensee, not less than 10 months prior to the date on which the management plan in effect under this Licence is due to expire, will submit a timber supply analysis to the timber supply forester.
- 7.22 A timber supply analysis submitted under Paragraph 7.21 or Subparagraph 7.24(b) must be based on the assumptions, and use the methodology, accepted by the timber supply forester under Paragraph 7.05.
- 7.23 Where the timber supply forester accepts a timber supply analysis under Paragraph 7.21 or Subparagraph 7.24(b):
  - (a) the timber supply forester, within three months after the date on which the timber supply analysis is submitted under Paragraph 7.21, or one month after the date the timber supply analysis is submitted under Subparagraph 7.24(b), will in a notice given to the Licensee accept the timber supply analysis; and
  - (b) where the timber supply forester accepts the timber supply analysis under Subparagraph 7.23(a), provide the Licensee with an assessment of the strengths and weaknesses of the timber supply analysis.
- 7.24 Where the timber supply forester does not accept a timber supply analysis under Paragraph 7.23:
  - (a) the timber supply forester, within three months after the date on which the timber supply forester receives a timber supply analysis submitted under Paragraph 7.21, or one month after the date on which the timber supply forester receives a timber supply analysis submitted under Subparagraph 7.24(b), will specify in a notice given to the Licensee why the timber supply forester has not accepted the timber supply analysis; and
  - (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in Subparagraph 7.24(a), will submit a new or revised timber supply analysis to the timber supply forester.

# PROPOSED MANAGEMENT PLAN

- 7.25 The Licensee, not less than four months prior to the date on which the management plan in effect under this Licence is due to expire, will submit to the Chief Forester and Regional Manager a proposed management plan:
  - (a) which is based on the draft management plan referred to in Paragraph 7.07 including the requirements of Section 7.08; and
  - (b) which incorporates the Licensee's proposals, if any, to address the comments received from the review of the draft management plan as specified in Paragraph 7.16;

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- (c) and which includes;
  - (i) the timber supply analysis accepted under Subparagraph 7.23(a), together with the assessment referred to in Subparagraph 7.23(b);
  - (ii) the 20-year plan accepted under Subparagraph 7.19(a), together with the assessment referred to in Subparagraph 7.19(b).
- 7.26 Subject to Paragraphs 7.27 and 7.28, the Chief Forester, within two months after the date on which the Chief Forester receives a proposed management plan submitted under Paragraph 7.25, Subparagraph 7.29(b) or Subparagraph 7.39(b), will in a notice given to the Licensee approve the proposed management plan, subject to such conditions as the Chief Forester considers necessary or appropriate, if:
  - (a) the Chief Forester is satisfied that the proposed management plan;
    - (i) meets the requirements of Paragraph 7.25 or Clause 7.39(b)(i), as the case may be; and
    - (ii) incorporates the proposals referred to in Subparagraph 7.25(b).
- 7.27 The Chief Forester, in a notice given to the Licensee, may refuse to approve a proposed management plan under Paragraph 7.26 until such time as:
  - (a) a timber supply analysis is accepted under Paragraph 7.23; or
  - (b) a 20-year plan is accepted under Paragraph 7.19.
- 7.28 Where a timber supply analysis accepted under Paragraph 7.23 or a 20-year plan accepted under Paragraph 7.19 was not included in the proposed management plan referred to in Paragraph 7.25, before approving a proposed management plan under Paragraph 7.26, the Chief Forester, in a notice given to the Licensee, may require the Licensee to refer the timber supply analysis or the 20-year plan, as the case may be, to persons interested in or affected by operations under this Licence.
- 7.29 Where the Chief Forester does not approve a proposed management plan under Paragraph 7.26:
  - (a) subject to Paragraphs 7.27 and 7.28, the Chief Forester, within two months after the date on which the Chief Forester receives the proposed management plan, will specify in a notice given to the Licensee why the Chief Forester has not approved the proposed management plan; and
  - (b) the Licensee, within one month after the date on which the Licensee is given the notice referred to in Subparagraph 7.29(a), will submit a new or revised proposed management plan to the Chief Forester.
- 7.30 Subject to Paragraphs 7.27 and 7.28, if:

- (a) the Chief Forester, within three months after the date on which the Chief Forester receives a proposed management plan submitted under Paragraph 7.25; has neither
  - (i) approved the proposed management plan under Paragraph 7.26; nor
  - (ii) given the Licensee a notice referred to in Subparagraph 7.29(a); and
- (b) there is a management plan in effect under this Licence;

then the term of the management plan referred to in Subparagraph 7.30(b) is deemed to be extended until such time as the Chief Forester approves the proposed management plan under Paragraph 7.26, or gives the Licensee a notice referred to in Subparagraph 7. 29(a), as the case may be.

- 7.31 Before approving a proposed management plan under Paragraph 7.26, the Chief Forester, at his or her sole discretion and notwithstanding the Licensee's obligations under this part, may consult, or further consult, persons who may be interested in or affected by operations under or associated with this Licence, including but not restricted to:
  - (a) resource agencies;
  - (b) trappers, guide outfitters, range tenure holders, and other licenced resource users;
  - (c) aboriginal groups;
  - (d) local governments; and
  - (e) members of the public;

and, subject to Paragraph 7.32, may consider any comments received as a result of consultation under this paragraph.

- 7.32 If, because of comments received as a result of consultation under Paragraph 7.31, the Chief Forester is considering:
  - (a) not accepting or not approving; or
  - (b) imposing a condition upon acceptance or approval of;

the proposed management plan referred to in Paragraph 7.31, the Regional Manager or the Chief Forester, as the case may be, will provide the Licensee with an opportunity to respond to the comments before making a decision.

# **MISCELLANEOUS**

7.33 If the Chief Forester is satisfied that the Licensee or a Ministry employee is trying in good faith to fulfill a requirement or obligation under this part, but for reasons beyond the control of the Licensee or the Ministry employee, as the case may be, cannot:

- (a) meet a deadline referred to in this part; or
- (b) where there is a management plan in effect under this Licence, fulfill the requirement or obligation before the management plan is due to expire;

then the Chief Forester, in a notice given to the Licensee, will, as applicable;

- (c) extend the deadline by a period the Chief Forester considers sufficient to allow the Ministry employee or the Licensee, as the case may be, to fulfill the requirement or obligation; or
- (d) extend the term of the management plan by a period the Chief Forester considers sufficient to allow the Ministry employee or the Licensee, as the case may be, to fulfill the requirement or obligation in accordance with applicable deadlines;
  - subject to such conditions as the Chief Forester considers necessary or appropriate.
- 7.34 Subject to this Licence, unless otherwise agreed to between the parties:
  - (a) each document accepted or approved under this part must be consistent
    with the documents previously accepted or approved under this part;
    and
  - (b) subject to Paragraphs 7.35 and 7.36, no acceptance or approval given under this part may be revoked or revised.

#### 7.35 If the Licensee:

- (a) submits a timber supply analysis information package under Paragraph 7.03, or the information or proposals referred to in Subparagraph 7.06(b) less than 10 months;
- (b) submits a timber supply analysis under Paragraph 7.21 or Subparagraph 7.24(b), or a 20-year plan under Paragraph 7.17 or Subparagraph 7.20(b) less than 4 months; or
- (c) submits a draft management plan under Paragraph 7.07 less than 12 months;

prior to the date on which the management plan in effect under this Licence is due to expire, the Chief Forester, in a notice given to the Licensee within one month of the date on which the applicable item is submitted, may require the Licensee to amend one or more of the items referred to in Subparagraphs 7.35(a) through (c) inclusive, to the extent required to address any new issues that may have arisen and ensure consistency with any new guidelines or manuals in effect on the date the Licensee is given the notice, higher level plans, and the forestry legislation.

- 7.36 If the Chief Forester considers that:
  - (a) damage to timber in the licence area as a result of fire, flood, wind, insects, disease, or other causes;
  - (b) operations conducted in accordance with the management plan are causing or could cause serious damage to the natural environment, including soils, fisheries, wildlife, water, range, and recreation resources;
  - (c) establishment, variance, cancellation or replacement of a higher level plan;
  - (d) a potential unjustifiable infringement of an aboriginal interest or proven aboriginal right including aboriginal title or a treaty right; or
  - (e) a change in the allowable annual cut as a result of a determination by the Chief Forester under the *Forest Act*.

have rendered the management plan in effect under the Licence inadequate, the Chief Forester, in a notice given to the Licensee, may require that the management plan be amended.

- 7.37 A notice referred to in Paragraph 7.36 must specify:
  - (a) why the Chief Forester considers the management plan has been rendered inadequate;
  - (b) the extent to which the management plan is inadequate; and
  - (c) the changes required by the Chief Forester.
- 7.38 Where the Chief Forester gives the Licensee a notice referred to in Paragraph 7.36, the Licensee, within three months after the date on which the notice is given, will submit for the Chief Forester's approval a proposed amendment to the management plan, which incorporates the changes referred to in Subparagraph 7.37(c), to have effect during the unexpired term of the management plan.
- 7.39 If the Licensee fails to comply with the requirements of Paragraph 7.38, the management plan in effect under this Licence will expire three months after the date on which the notice referred to in Paragraph 7.36 is given to the Licensee, in which case:
  - (a) within three months after the date on which the management plan expires under this subparagraph, the Licensee will;
    - (i) refer a draft management plan to the Regional Manager; and
    - (ii) at the same time, refer the draft management plan referred to in Clause 7.39(a)(i) to Resource Agencies and make it available for comment in accordance with Paragraphs 7.09 and 7.10; and

- (b) within six months after the date on which the management plan expires under this paragraph, the Licensee will submit to the Chief Forester a proposed management plan which is based on the draft management plan referred to in Subparagraph 7.39(a), and a summary of;
  - (i) all comments received by the Licensee in complying with the requirements of Subparagraph 7.39(a); and
  - (ii) the differences, if any, between the draft management plan and the proposed management plan, including differences resulting from modifications made in response to the comments referred to in Clause 7.39(b)(i).
- 7.40 The Licensee will implement the management plan in effect under this Licence.
- 7.41 The management plan in effect under this Licence is deemed to be part of this Licence.
- 7.42 Subject to Paragraphs 7.30, 7.33, and 7.39, a management plan expires five years after the date on which it takes effect.

# 8.00 CUTTING PERMITS

- 8.01 Subject to Part 1 and Paragraph 8.02, the Licensee may submit an application to the District Manager for a cutting permit to authorize the Licensee to harvest one or more proximate areas of Schedule "A" or "B" Lands for the portion of the allowable annual cut available to the Licensee that are:
  - (a) identified on an approved forest development plan; or
  - (b) exempted under the *Forest Practices Code of British Columbia Act* from the requirement of a forest development plan, or exempted under the *Forest and Range Practices Act* from the requirement for a forest stewardship plan; or
  - (c) located within a forest development unit of an approved forest stewardship plan.
- 8.02 For those areas of Schedule "B" Land or in timber licences under Schedule "A" Land to be included in the application under Paragraph 8.01, the Licensee must ensure that cruise and appraisal data submitted is gathered and compiled according to the appraisal manual.
- 8.03 An application for a cutting permit submitted under Paragraph 8.01 must:
  - (a) be in a form established by the District Manager;
  - (b) state the proposed term that does not exceed four years;
  - (c) include;

- (i) a map to a scale acceptable to the District Manager showing the areas referred to in the application; and
- (ii) the cruise data and appraisal data referred to in Paragraph 8.02; and

a description acceptable to the District Manager of any timber that is reserved from cutting, removal or cutting and removal.

- 8.04 The areas of land shown on the map referred to in clause 8.03(c)(i) must be:
  - (a) the areas referred to in Subparagraph 8.01(a); or
  - (b) areas referred to in Subparagraph 8.01(b); or
  - (c) located within a forest development unit referred to in Subparagraph 8.01(c);

allowing for difference in scale between maps used in the forest development plan, forest stewardship plan, or exemption and the map referred to in clause 8.03(c)(i).

- 8.05 Subject to Paragraphs 8.06 through 8.09 inclusive and 8.04, upon receipt of an application under Paragraph 8.01, the District Manager will issue a cutting permit to the Licensee if:
  - (a) there is a management plan in effect under this Licence;
  - (b) the District Manager is satisfied that;
    - (i) the requirements of Paragraphs 8.01, 8.02, 8.03 and 8.04 have been met;
    - (ii) activities and operations under the cutting permit will be consistent with this Licence and the management plan referred to in Subparagraph 8.05(a).
- 8.06 The District Manager may consult aboriginal group(s) who exercise, or claim to hold an aboriginal interest(s) or proven aboriginal right(s), including aboriginal title, or treaty right(s), if in the opinion of the District Manager, issuance of the cutting permit as submitted and/or operations under the cutting permit may result in:
  - (a) an impact to an aboriginal interest(s) that requires consideration of accommodation; or
  - (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that may require justification.
- 8.07 The District Manager may impose conditions in a cutting permit to address an aboriginal interest(s), or proven aboriginal right, including aboriginal title, or a treaty right(s) if in the opinion of the District Manager, issuance of the cutting permit as submitted would result in:

- (a) an impact to an aboriginal interest(s) that would require consideration of accommodation; or
- (b) an infringement of a proven aboriginal right(s), including aboriginal title, or treaty right(s) that would require justification.
- 8.08 The District Manager may refuse to issue a cutting permit if in the opinion of the District Manager issuance of the cutting permit or an amendment to a cutting permit would result in:
  - (a) an impact to an aboriginal interest(s) or treaty right(s) that could not be reasonably accommodated; or
  - (b) an impact to a proven aboriginal right(s), including aboriginal title, or a treaty right(s) that could not be justified.

# 8.09 If the District Manager:

- (a) determines that a cutting permit may not be issued because the requirements of Paragraph 8.05 have not been met;
- (b) is carrying out consultations under Paragraph 8.06; or
- (c) refuses to issue a cutting permit under Paragraph 8.08;

the District Manager will notify the Licensee within 45 days of the date on which the application for the cutting permit was received.

# 8.10 A cutting permit must:

- (a) identify the boundaries of the areas of Schedule "A" or "B" Land which, subject to this Licence, the Licensee is authorized to conduct operations;
- (b) specify the term stated in the application;
- (c) specify a timber mark to identify all timber removed under the cutting permit;
- (d) specify, for timber on Schedule "A" Land subject to a timber licence and Schedule "B" Land, whether, for the purpose of determining the amount of stumpage payable in respect of timber removed under the cutting permit, the volume or quantity of timber is to be determined using information provided by;
  - (i) a scale of the timber; or
  - (ii) a cruise of the timber conducted before the timber is cut;
- (e) specify any timber that is reserved from cutting, removal, or cutting and removal; and
- (f) include such other provisions, consistent with this Licence, as determined by the District Manager.

- 8.11 The District Manager may amend a cutting permit only with the consent of the Licensee.
- 8.12 The Licensee may only make application to the District Manager for a cutting permit extension at least 45 days before the expiry of the cutting permit and in a form acceptable to the District Manager.
- 8.13 A cutting permit is deemed to be part of this Licence.
- 8.14 All cutting permits in effect that were issued under the tree farm licence that is replaced by this Licence continue under this Licence for the duration of their respective terms.

#### 9.00 ACCESS AND ACCOMMODATION

- 9.01 Nothing in this Licence authorizes the Licensee to in any way restrict the Crown's right of access to Crown lands.
- 9.02 Any Ministry employee may:
  - (a) enter onto Schedule "A" Land; and
  - (b) use roads owned or deemed to be owned by the Licensee; for any purpose arising out of the administration of this Licence.
- 9.03 The Licensee will allow any person who has been granted rights to timber referred to in Part 2.00 or under Section 69 of the *Forest Act*, to use any road referred to in Subparagraph 9.02(b) for the purpose of exercising rights or fulfilling obligations within the licence area.
- 9.04 The Licensee will not require any payment from a person referred to in Paragraph 9.03 other than a reasonable payment in respect of the actual maintenance costs of the road.
- 9.05 The Ministry may carry out on Crown lands:
  - (a) silviculture operations the Crown is required to carry out under the forestry legislation; and
  - (b) any other silviculture operations, provided it does not:
    - (i) compromise the management plan in effect under this Licence or a forest development plan or forest stewardship plan approved in respect of this Licence; or
    - (ii) unreasonably interfere with the Licensee's operations under this Licence.
- 9.06 Where the Regional Manager, District Manager or Timber Sales Manager carries out silviculture referred to in Paragraph 9.05, the Regional Manager, District Manager or Timber Sales Manager, as the case may be, will ensure the silviculture is consistent with the intent of the management plan in effect under this Licence, except where the Regional Manager or

- District Manager is required to depart from the intent of the management plan because of the requirements of a higher level plan or the forestry legislation.
- 9.07 Upon reasonable notice from the Regional Manager, District Manager or Timber Sales Manager, the Licensee will provide a Ministry employee with reasonable office and living accommodation on premises owned or operated by the Licensee in or near the licence area, to enable the Ministry employee to fulfill an obligation or exercise a right under this Licence.
- 9.08 The Licensee may charge the Regional Manager, District Manager or Timber Sales Manager, as the case may be, for costs reasonably incurred in providing the accommodation referred to in Paragraph 9.07.

#### 10.00 CONTRACTORS

- 10.01 Each year during the term of this Licence, the Licensee will ensure that not less than:
  - (a) **50** % of the volume of timber harvested by or on behalf of the Licensee from the licence area during the year, multiplied by;
  - (b) the result obtained by the division of;
    - (i) the portion of the allowable annual cut that the Chief Forester determines is attributable to Schedule "B" Land; by
    - (ii) the allowable annual cut;
  - is harvested by persons under contract with the Licensee.
- 10.02 Compliance with Paragraph 10.01 will be calculated in accordance with the method prescribed under the *Forest Act* or the regulations made under that Act.
- 10.03 If in a calendar year the volume of timber harvested by persons under contract with the Licensee is less than the volume required under Paragraph 10.01, the Regional Manager, in a notice given to the Licensee, may require the Licensee to pay an amount determined in accordance with Paragraph 10.04.
- 10.04 For the purpose of determining the amount payable under Paragraph 10.03, the Regional Manager will multiply:
  - (a) the volume required under Paragraph 10.01, minus the volume harvested during the calendar year by persons under contract; by
  - (b) the average stumpage rate charged for sawlogs in statements or invoices issued to the Licensee during the calendar year in respect of timber harvested under this Licence.

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- 10.05 The Minister may relieve the Licensee from the requirements of this part to the extent provided for under the *Forest Act* or the regulations made under that Act.
- 10.06 The Licensee may contract to have more than the volume required under Paragraph 10.01 harvested by persons under contract.

#### 11.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 11.01 Notwithstanding any other provision of this Licence, if a court of competent jurisdiction:
  - (a) determines that activities or operations under or pursuant to this Licence will unjustifiably infringe an aboriginal right and/or title or treaty right;
  - (b) grants an injunction further to a determination referred to in Subparagraph 11.01(a); or
  - (c) grants an injunction pending a determination of whether activities or operations under or pursuant to this Licence will unjustifiably infringe an aboriginal right and/or title or treaty right;

the Regional Manager or District Manager, in a notice given to the Licensee, may vary or suspend, in whole or in part, or refuse to issue a cutting permit, road permit, special use permit or free use permit issued to the Licensee so as to be consistent with the court determination.

- 11.02 Subject to this Licence and forestry legislation, if:
  - (a) under Paragraph 11.01, the Regional Manager or District Manager has varied a cutting permit, road permit, special use permit or free use permit issued to the Licensee;
  - (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
  - (c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Licensee, will vary the permit to reflect as closely as possible, for the remainder of its term, the terms and conditions of the permit prior to the variation under Paragraph 11.01.

- 11.03 Subject to this Licence and the forestry legislation, if:
  - (a) under Paragraph 11.01, the Regional Manager or District Manager has suspended a cutting permit, road permit, special use permit or free use permit issued to the Licensee;

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- (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
- (c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Licensee, will reinstate the permit for the remainder of its term.

- 11.04 Subject to this Licence, if:
  - (a) under Paragraph 11.01, the Regional Manager or District Manager has refused to issue a cutting permit, road permit, special use permit or free use permit issued to the Licensee;
  - (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
  - (c) it is practical to do so;

the Regional Manager or District Manager, at the request of the Licensee, will issue the permit.

# 12.00 REPORTING

- 12.01 The Regional Manager, in a notice given to the Licensee by April 1, may require the Licensee to carry out audits and submit reports containing such information as the government requires concerning:
  - (a) the Licensee's performance of its obligations under or in respect of this Licence; and
  - (b) the approved management plan and allowable annual cut rationale and conditions from the Chief Forester's approval letter;
  - in the previous calendar year if the information is not included in any other reports which the Licensee must submit under the forestry legislation.
- 12.02 Upon receipt of a notice referred to in Paragraph 12.01, the Licensee, on or before the date specified in the notice, must submit a report to the Regional Manager containing the required information.
- 12.03 Subject to Paragraph 12.04, the Regional Manager may include the information contained in a report submitted under Paragraph 12.02 in any reports prepared by the Ministry for public review.
- 12.04 Subject to the *Freedom of Information and Protection of Privacy Act*, the Regional Manager will not disclose information provided in confidence by the Licensee in a report submitted under Paragraph 12.02.

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#### 13.00 FINANCIAL AND DEPOSITS

- 13.01 In addition to any money payable under the forestry legislation in respect of this Licence, a cutting permit, road permit associated with this Licence, special use permit or a free use permit issued to the Licensee, the Licensee will pay to the Crown, immediately upon receipt of a notice, statement or invoice issued on behalf of the Crown:
  - (a) stumpage under Part 7 of the *Forest Act* in respect of timber removed;
    - (i) under a cutting permit from;
      - (A) Schedule "B" Land; or
      - (B) Schedule "A" Land subject to a timber licence; or
    - (ii) under a road permit;

at rates determined, redetermined and varied under Section 105 of that Act; and

- (b) any payments required under Part 6.00 or Part 10.00 of this Licence.
- 13.02 During the term of this Licence, the Licensee will maintain with the Crown a deposit in the amount prescribed under the *Forest Act* or the regulations made under that Act, in a form acceptable to the Minister, as security for the Licensee's performance of its obligations under or in respect of this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee.
- 13.03 If the Regional Manager or District Manager gives the Licensee a notice that an amount has been taken under this part from the deposit, the Licensee, within four weeks of the date on which the notice is given, will pay to the Crown, in a form acceptable to the Minister, an amount sufficient to replenish the deposit.
- 13.04 If the Licensee fails:
  - (a) to pay money that the Licensee is required to pay to the Crown under;
    - (i) this Licence, a cutting permit, road permit, special use permit, free use permit issued to the Licensee; or
    - (ii) in respect of this Licence, a cutting permit, road permit, special use permit, free use permit issued to the Licensee; or
  - (b) to otherwise perform its obligations under;
    - (i) this Licence, a cutting permit, road permit, special use permit, free use permit issued to the Licensee; or
    - (ii) in respect of this Licence, a cutting permit, road permit, special use permit, free use permit issued to the Licensee;

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- the Regional Manager or District Manager, after at least four weeks notice to the Licensee, may instruct the Crown agency holding the deposit to take from the deposit;
- (c) an amount equal to the money which the Licensee failed to pay;
- (d) an amount sufficient to cover all costs reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations; or
- (e) an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations;
  - and for that purpose a security included in the deposit may be realized.
- 13.05 A notice referred to in Paragraph 13.04 must specify:
  - (a) the money which the Licensee has failed to pay or the obligation which the Licensee has failed to perform; and
  - (b) the amount the Regional Manager or District Manager intends to take from the deposit.
- 13.06 Subject to Paragraphs 13.08, 13.09 and 13.10, if:
  - (a) the Crown agency holding the deposit, under Paragraph 13.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations; and
  - (b) the costs reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations are less than the amount taken from the deposit;

the Crown will as soon as feasible return to the Licensee an amount equal to the difference between the amount taken from the deposit and the costs reasonably incurred by the Regional Manager or District Manager.

# 13.07 If:

- (a) the Crown agency holding the deposit, under Paragraph 13.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations; and
- (b) the costs reasonably incurred by the Regional Manager or District Manager in remedying the Licensee's failure to perform its obligations are greater than the amount taken from the deposit;

the Crown agency holding the deposit may take from the deposit an additional amount equal to the difference between the costs incurred by the Regional Manager or District Manager and the amount originally taken from the deposit, and for that purpose a security included in the deposit may be realized.

13.08 If the Crown agency holding the deposit, under Paragraph 13.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations, the Regional Manager or District Manager is under no obligation to remedy the Licensee's failure.

# 13.09 If:

- (a) the Crown agency holding the deposit, under Paragraph 13.04, takes from the deposit an amount equal to the Regional Manager's or District Manager's estimate of the costs which the Regional Manager or District Manager could reasonably expect to incur in remedying the Licensee's failure to perform its obligations;
- (b) the Regional Manager or District Manager does not remedy the Licensee's failure to perform its obligations; and
- (c) the Regional Manager or District Manager gives a notice to the Licensee indicating that the Crown will not be remedying the Licensee's failure to perform its obligations;

subject to Paragraph 13.10, the Crown may retain the amount taken from the deposit under Paragraph 13.04.

- 13.10 If, after receiving a notice referred to in Paragraph 13.09, the Licensee:
  - (a) remedies the failure to perform its obligations; and
  - (b) gives a notice to that effect to the Regional Manager or District Manager within three months of the date on which the notice referred to in Paragraph 13.09 is given to the Licensee, or within such longer period as the Regional Manager may approve;

the Crown will return to the Licensee an amount equal to the difference between the amount taken from the deposit and any costs reasonably incurred by the Regional Manager or District Manager in respect of the Licensee's failure to perform its obligations.

- 13.11 Subject to the *Forest Act* and the regulations made under that Act, the Crown will return to the Licensee the deposit, less deductions made under Paragraphs 13.04 and 13.07, when:
  - (a) this Licence expires, or is surrendered; and
  - (b) the Minister is satisfied that the Licensee has fulfilled its obligations under this Licence.

#### 14.00 CONDITIONS IMPOSED UPON ACCEPTANCE OR APPROVAL

- 14.01 Where, under this Licence, a Ministry employee has discretion to make his or her acceptance or approval of a document or plan subject to a condition, the Ministry employee will exercise that discretion in a reasonable manner, having regard to the purposes and functions of the Ministry set out in Section 4 of the *Ministry of Forests Act*.
- 14.02 The Licensee, in a notice given to the appropriate Ministry employee within 15 days of the date on which the notice of acceptance or approval is given to the Licensee, may reject any condition to which the acceptance or approval is subject, in which case the notice of approval or acceptance is deemed to be a notice that the applicable document or plan is not accepted or approved for the reasons set out in the conditions.

#### 15.00 LIABILITY AND INDEMNITY

- 15.01 Subject to Paragraph 15.04, the Licensee will indemnify the Crown against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Crown as a result, directly or indirectly, of any act or omission of:
  - (a) the Licensee;
  - (b) an employee of the Licensee;
  - (c) an agent of the Licensee;
  - (d) a contractor of the Licensee who engages in any activity or carries out any operation, including but not restricted to the Licensee's operations, under or associated with this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee; or
  - (e) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation, including but not restricted to the Licensee's operations, under or associated with this Licence, a cutting permit, road permit or special use permit, or a free use permit issued to the Licensee.
- 15.02 For greater certainty, the Licensee has no obligation to indemnify the Crown under Paragraph 15.01 in respect of any act or omission of:
  - (a) an employee, agent or contractor of the Crown, in the course of carrying out his or her duties as employee, agent or contractor of the Crown; or
  - (b) a person, other than the Licensee, to whom the Crown has granted the right to use or occupy Crown land, including a person who has been granted the right to harvest timber referred to in Part 2, in the course of exercising those rights.

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- 15.03 The Crown is not liable to the Licensee for injuries, losses, expenses, or costs incurred or suffered by the Licensee as a result, directly or indirectly, of an act or omission of a person who is not a party to this Licence, including but not restricted to an act or omission of a person disrupting, stopping or otherwise interfering with the Licensee's operations under this Licence by road blocks or other means.
- 15.04 Paragraph 15.01 does not apply to an act or omission which is a direct response to, and complies with, an order made by a Ministry employee or another officer of the Crown.
- 15.05 Amounts taken under Part 13.00 from the deposit, any payments required under Part 6.00 or Part 10.00, any reductions made under the *Forest Act* and regulations to the portion of the allowable annual cut available to the Licensee, and payments required further to the indemnity referred to in Paragraph 15.01, are in addition to and not in substitution for any other remedies available to the Crown in respect of a default of the Licensee.

# 16.00 TERMINATION

- 16.01 If this Licence expires and is not replaced under Section 36 of the Forest Act, or is surrendered, cancelled or otherwise terminated:
  - (a) all cutting permits will immediately terminate; and
  - (b) timber, including logs and special forest products, cut under the authority of this Licence and which are still located on Crown land, vest in the Crown, without right of compensation to the Licensee; and
  - (c) unless otherwise agreed to between the District Manager and the Licensee prior to the surrender, cancellation or termination of this Licence, title to all improvements, including roads and bridges, constructed by the Licensee on Crown land under the authority of this Licence vest in the Crown, without right of compensation to the Licensee; and
  - (d) the Licensee may continue to enter and use Crown land for a period of one month after the expiry or termination of this Licence for the purpose of removing the Licensee's property.
- 16.02 The Licensee will not take away any improvements or remove any timber referred to in Subparagraph 16.01(b), unless authorized to do so by the Regional Manager.
- 16.03 If the Licensee commits an act of bankruptcy, makes a general assignment of its creditors or otherwise acknowledges its insolvency the Licensee is deemed to have failed to perform an obligation under this Licence.

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#### **17.00 WAIVER**

17.01 No waiver by the Crown of any default non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Crown in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

# **18.00 NOTICE**

- 18.01 A notice given under this Licence must be in writing.
- 18.02 A notice given under this Licence may be:
  - (a) delivered by hand;
  - (b) sent by mail; or
  - (c) subject to Paragraph 18.05, sent by facsimile transmission; to the address or facsimile number, as applicable, specified on the first

to the address or facsimile number, as applicable, specified on the first page of this Licence, or to such other address or facsimile number as is specified in a notice given in accordance with this part.

- 18.03 If a notice is given under this Licence, it is deemed to have been given:
  - (a) if it is given in accordance with Subparagraph 18.02(a), on the date it is delivered by hand;
  - (b) if it is given in accordance with Subparagraph 18.02(b), subject to Paragraph 18.04, on the eighth day after it is properly deposited in a Canada Post Office at any place in Canada; and
  - (c) if it is given in accordance with Subparagraph 18.02(c), subject to Paragraph 18.05, on the date it is sent by facsimile transmission.
- 18.04 If, between the time a notice is mailed in accordance with Subparagraph 18.02(b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice is not deemed to be given until the party actually receives it.
- 18.05 If a notice is sent by facsimile transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.
- 18.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address of the party giving such notice and, from and after the giving of such notice, the address specified will, for purposes

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of this Licence, be considered to be the address of the party giving such notice.

#### 19.00 MISCELLANEOUS

- 19.01 This Licence will inure to the benefit of, and be binding on, the parties and their respective heirs, executors, successors and permitted assigns.
- 19.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Parties' obligations under this Licence.
- 19.03 Any power conferred or duty imposed on a Ministry employee referred to in this Licence may be exercised or fulfilled by another Ministry employee designated or authorized to do so by the Minister, the Chief Forester, the Regional Manager, or the District Manager, as appropriate.
- 19.04 The Schedules to this Licence are deemed to be part of this Licence.
- 19.05 Nothing in this Licence or a cutting permit issued under this Licence is to be construed as authorizing the Licensee to engage in any activities or carry out any operations otherwise than in compliance with the requirements of the forestry legislation.
- 19.06 Subject to this Licence and all applicable legislation, including but not restricted to the forestry legislation, the Minister will ensure that the obligations under this Licence of the Ministry employees referred to in this Licence are fulfilled.
- 19.07 The Licensee must:
  - (a) comply with the forestry legislation; and
  - (b) ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the Licence.
- 19.08 Nothing in this Licence entitles the Licensee to have an area of Schedule "A" Land subject to a timber licence or Schedule "B" Land, to be replaced with another area, or to have rights awarded under another agreement under the *Forest Act*, in the event:
  - (a) timber is damaged or destroyed by pests, fire, wind or other natural causes;
  - (b) an area of land is deleted from the licence area under the forestry legislation, or under any other Act or regulation; or
  - (c) this Licence expires, is surrendered, is cancelled or otherwise terminated.
- 19.09 At the request of the Regional Manager or District Manager, the Licensee will survey and define on the ground any or all boundaries of the licence area.
- 19.10 Where:

- (a) the boundaries of the licence area are based on boundaries established under existing or expired timber licences;
- (b) the legal description of the boundaries of the licence area has been derived from original timber licence survey plans or from reference maps prepared from original timber licence survey plans; and
- (c) the legal description differs from the actual ground location of timber licence corner posts;

the boundaries of the licence area are the boundaries as originally established by the actual ground location of the timber licence corner posts.

19.11 The Licensee will use the services of one or more professional foresters to manage the licence area.

#### 20.00 INTERPRETATION & DEFINITIONS

- 20.01 This Licence is divided into Parts, Paragraphs, Subparagraphs, Clauses and Subclauses, illustrated as follows:
  - 1.00 Part;
    - 1.01 Paragraph;
      - (a) Subparagraph;
        - (i) Clause;
          - (A) Subclause:

and a reference to a Subparagraph, Clause or Subclause is to be construed as a reference to a Subparagraph, Clause or Subclause of the Paragraph, Subparagraph or clause, as the case may be, in which the reference occurs.

20.02 In this Licence, unless the context otherwise requires:

"aboriginal interest" means a potential aboriginal right or aboriginal title that has not been proven through a court process;

"alienated Crown land" means Crown land which is not available for inclusion in Schedule "A" Land subject to a timber licence or Schedule "B" Land, and, without restricting the generality of the foregoing, includes Crown land which;

- (a) is, as of the effective date of this Agreement, within the area of:
  - (i) a park, ecological reserve or conservancy;
  - (ii) a lease, licence of exclusive occupation, or timber licence held by a person other than the Licensee; or
  - (iii) a highway or road right of way where the highway or road is, or is deemed, declared or determined to be a public highway under the *Highway Act* or a forest service road under the *Forest Act*; or

(b) becomes vested in the Crown by escheat, reversion, transfer or otherwise during the term of this Agreement, except as provided in the Agreement;

"cutting permit" means a cutting permit, as amended, issued under this Licence, or an amendment to a cutting permit, as the context requires;

"deposit" means the deposit referred to in Paragraph 13.02;

"District Manager" means;

- (a) a District Manager appointed under the *Ministry of Forests Act*, for a forest district in which all or part of the Licence is situated; and
- (b) any person authorized to act as the District Manager to exercise a power or fulfill a duty under this Licence;

"Forest Act" means the Forest Act, R.S.B.C. 1996, c. 157, as amended from time to time, or the successor to this Act if it is repealed;

"Forest and Range Practices Act" means the Forest and Range Practices Act, S.B.C. 2002, c. 69 as amended from time to time, or the successor to this Act, if it is repealed;

"forest development plan" means a forest development plan referred to in the *Forest Practices Code of British Columbia Act*;

"forest stewardship plan" means a forest stewardship plan referred to in the *Forest and Range Practices Act*;

"the forestry legislation" includes;

- (a) the *Forest Act*;
- (b) the Forest Practices Code of British Columbia Act;
- (c) the Forest and Range Practices Act;

and the regulations under those Acts;

"free use permit" means a free use permit issued under the *Forest Act* to;

- (a) the Licensee; or
- (b) to a person other than the Licensee;

to authorize the harvest of timber within the licence area;

"harvest" means to:

- (a) cut;
- (b) remove; or
- (c) cut and remove;

"higher level plan" means a higher level plan that is applicable to all or part of the licence area;

- "licence area" means Schedule "A" and "B" Lands;
- "management plan" means a plan approved under the Tree Farm Licence for managing, protecting and conserving both the timber resources and the non-timber values and resources of the licence area, and integrating the primary logging and removal of timber and related activities with use of the licence area for purposes other than timber production;
- "manual" means a guideline, guidebook, policy, procedure, or manual set or approved by the Ministry for preparation of;
- (a) a timber supply analysis information package;
- (b) a timber supply analysis;
- (c) a management plan;
- (d) inventories referred to in Part 7.00;
- "merchantable Crown timber" has the same meaning as described in the Provincial Logging Residue and Waste Measurements Procedure Manual, as amended or replaced from time to time;
- "Ministry" means the Ministry of Forests and Range;
- "Ministry of Forests Act" means the Ministry of Forests and Range Act R.S.B.C. 1996, c. 300;
- "ministry officer" means an employee of the Ministry;
- "person" includes a corporation and a partnership;
- "pest" means any animal, insect, fungus, bacteria, virus, nematode, or other organism which is detrimental to effective forest management;
- "primary logging" includes felling timber and yarding or forwarding the timber to central landings or road-sides, but not including the removal of the timber from these landings or road-sides;
- "Regional Manager" means;
- (a) a Regional Manager appointed under the *Ministry of Forests and Range Act*, for a forest region in which all or part of the licence area is situated; and
- (b) any person authorized to act as the Regional Manager to exercise a power or fulfill a duty under this Licence;
- "remove" means the removal of timber from the licence area and "removed" and "removing" have the corresponding meanings;
- "resource agency" means any governmental agency, ministry or department having jurisdiction over a resource which may be affected by any activity or operation, including but not restricted to activities or operations, engaged in or carried out under or associated with this Licence or a road permit;

- "road permit" means a road permit entered into under the *Forest Act* which provides access to timber removed, or to be removed, under this Licence;
- "Schedule "A" Land" means the private land and timber licences described in Schedule "A" to this Licence;
- "Schedule "B" Land" means the Crown land described in Schedule "B" to this Licence;
- "Timber Harvesting Land Base" means the portion of the total licence area considered to contribute to, and be available for, long-term timber supply;
- "Timber Sales Manager" means;
- (a) a Timber Sales Manager appointed under the *Ministry of Forests and Range Act* for a BC timber sales business area in which all or part of the Licence is situated; and
- (b) any person authorized by the Timber Sales Manager to exercise a power or fulfil a duty under this Licence;
- "timber supply analysis" means an analysis of the short-term and longterm availability of timber in the licence area, including an analysis of the short and long-term effect of management practices on the availability of timber;
- "timber supply analysis information package" means information relating to the preparation of a timber supply analysis, including information regarding the assumptions to be incorporated into a timber supply analysis, and the methodology to be used in the timber supply analysis;
- "timber supply forester" means the Ministry officer designated by the Chief Forester to review the timber supply analysis information package and the timber supply analysis;
- "20-year plan" means an operational timber supply projection for the licence area, prepared in support of a timber supply analysis, that indicates the availability of timber over a period of not less than 20 years;
- "waste" has the same meaning as described in the Provincial Logging Residue and Waste Measurement Procedures Manual;
- "Wildfire Act" means the Wildfire Act, S.B.C. 2004, c. 31, as amended from time to time, or the successor to this Act if it is repealed;
- 20.03 Unless otherwise provided in Paragraph 20.02, if a word or phrase used in this Licence is defined in the *Forest Act*, the *Forest and Range Practices Act*, the *Forest Practices Code of British Columbia Act* or the *Wildfire Act*, the definition in the Act applies to this Licence, and where the word or phrase in the Act is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.

- 20.04 If a provision of the *Forest Act*, the *Forest and Range Practices Act*, the *Forest Practices Code of British Columbia Act* or the *Wildfire Act* referred to in this Licence is renumbered, the reference in this Licence is to be construed as a reference to the provision as renumbered.
- 20.05 In this Licence, unless the context otherwise requires:
  - (a) the singular includes the plural and the plural includes the singular; and
  - (b) the masculine, the feminine and the neuter are interchangeable.

SIGNED by the )	
Minister )	
the Queen in Right of	
the Province of ) British Columbia )	
in the presence of:	
in the presence of the presenc	$\Omega = 0$
19 (mg)	1 & Bes
/Signature )	The Honourable Pat Bell
Mark) Demokla	Minister of Forests and Range
(levin loneger)	NoV 12, 2009
Printed Name	Dated
THE COMMON SEAL of )	
THE COMMON SEAL of ) the Licensee was affixed )	
in the presence of:	
)	
Signature )	c/s
MORE OF CERTIFICATE PARCEL	
Printed Name	
Printed Name	
(or)	
SIGNED by the Licensee	
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DAVE WHITELEY)	TOWN MITCHELL & DIESTER TO FAVORONIN
Printed Name	Printed Name and Title 4 SUSTAINABI
Timed Italie	Printed Name and Title
)	FEB. 15, 2010
	Dated

#### **SCHEDULE A**

**1.00** Fee simple private forest lands subject to **Tree Farm Licence 47** and Crown land subject to timber licences contained within the boundaries of the Tree Farm Licence and subject to the Licence.

BLOCK 1 - Hanson Island	CROWN	GRANTS: N	Nil	
	TIMBER	LICENCES	: Nil	
<b>BLOCK 2 - West Cracroft</b>	CROWN	GRANTS: N	Nil	
	TIMBER	LICENCES:	Nil	
BLOCK 3 - Port Harvey	CROWN	GRANTS:		
·	LAND DISTRICT	HECTARES MORE OR LESS	CERTIFICATE OF TITLE	PARCEL IDENTIFIER
District Lot 1788	Range 1, Coast	65.154	ЕН65911	000-834-751
	TIMBER	LICENCES	: Nil	
BLOCK 4 - Boughey Bay	CROWN	GRANTS: N	Nil	
	TIMBER LICENCES: Nil			
BLOCK 5 – Port Neville	CROWN GRANTS: Nil			
	TIMBER	LICENCES	: Nil	

BI	LOCK 6 – Wellbore Channel	llbore Channel CROWN GRANTS:			
		LAND DISTRICT	HECTARES MORE OR LESS	CERTIFICATE OF TITLE	PARCEL IDENTIFIER
1	District Lot 954	Range 1, Coast	74.898 ha	EH65912	000-834-793
2	District Lot 1357	Range 1, Coast	70.011 ha	EH65914	000-834-777
			144.909 ha		
		TIMBER LIC	ENCES:		
		LAND DISTRICT	HECTARES		
1	T0080 Block 1	Range 1, Coast	66.810 ha		
2	T0080 Block 2	Range 1, Coast	157.210 ha		
3	T0080 Block 3	Range 1, Coast	128.820 ha		
			352.840 ha		
BI	OCK 7 - Deer Lake	CROWN GRA	ANTS:		
		LAND DISTRICT	HECTARES MORE OR LESS	CERTIFICATE OF TITLE	PARCEL IDENTIFIER
1	District Lot 1055	Range 1, Coast	74.098 ha	EH65910	000-834-718
			74.098 ha		
		TIMBER LIC	ENCES: Nil		
BI	LOCK 8 - West Thurlow	CROWN GRA	NTS: Nil		
		TIMBER LIC	ENCES: Nil		

**BLOCK 9 - Simmons Lake** 

**CROWN GRANTS: Nil** 

TIMBER LICENCES: Nil

**BLOCK 10 - Hemming Bay** 

**CROWN GRANTS: Nil** 

TIMBER LICENCES: Nil

**BLOCK 11 - Sonora Island** 

**CROWN GRANTS:** 

			<b>HECTARES</b>		
			MORE OR	CERTIFICATE	PARCEL
		LAND DISTRICT	LESS	OF TITLE	IDENTIFIER
1	District Lot 778	Sayward	67.987 ha	EH66116	000-846-414
2	District Lot 1130	Sayward	31.727 ha	EH66120	000-849-014
3	District Lot 1134	Sayward	2.023 ha	EH66117	000-846-384
4	District Lot 1142	Sayward	29.987 ha	EH66115	000-849-022

131.724 ha

TIMBER LICENCES: Nil

BLOCK 12 - Quadra Island		CROWN GRANTS:			
		LAND DISTRICT	HECTARES MORE OR LESS	CERTIFICATE OF TITLE	PARCEL IDENTIFIER
1	Lot 5 of District Lot 114, shown coloured red on plan deposited under DD 55492I	Sayward	60.136 ha	EH66124	000-846-350
2	District Lot 389	Sayward	64.750 ha	EH66122	000-849-057
3	Lot A, District Lots 763 and 764, Plan 24904 (except part in Plan VIP66729)	Sayward	63.166 ha	EM13190	000-848-891
4	District Lot 765 (except that part in Plan VIP55023)	Sayward	54.750 ha	EH66123	000-846-317
5	District Lot 1152	Sayward	65.519 ha	ЕН66118	000-848-999
6	That part of District Lot 1152A, lying to the west of a boundary bearing due south from the southeast corner of District Lot 1152	Sayward	12.586 ha	ЕН66119	000-848-981
			320.907 ha		

TIMBER LICENCES: N	MBER LICENCE	<b>'S:</b>	Nil	
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BLOCK 13 – Tsolum	Area removed by Instrument 14 on January 1, 1999.
BLOCK 14 – Comox Lake	Area removed by Instrument 14 on January 1, 1999.
BLOCK 15 – Nanaimo Lakes	Area removed by Instrument 14 on January 1, 1999.
<b>BLOCK 16 - Ladysmith</b>	Area removed by Instrument 14 on January 1, 1999.
BLOCK 17 - Bonanza Lake	CROWN GRANTS: Nil

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BLOCK 17 – Bonanza Lake		TIMBER LICE	NCES:	
		LAND DISTRICT	HECTARES	
1	T0008 Block 1	Rupert	4.320	
2	T0008 Block 2	Rupert	40.960	
3	T0008 Block 3	Rupert	5.220	
4	T0008 Block 4	Rupert	56.180	
5	T0008 Block 5	Rupert	13.790	
6	T0008 Block 6	Rupert	95.140	
7	T0008 Block 7	Rupert	164.920	
8	T0008 Block 8	Rupert	233.370	
9	T0008 Block 9	Rupert	229.520	_
10	T0008 Block 10	Rupert	209.630	
11	T0008 Block 11	Rupert	4.740	_
12	T0008 Block 12	Rupert	17.760	
13	T0008 Block 13	Rupert	155.510	
14	T0008 Block 14	Rupert	264.440	
15	T0008 Block 15	Rupert	0.000	
16	T0008 Block 16	Rupert	27.670	
17	T0017 Block 1	Rupert	100.780	
18	T0017 Block 2	Rupert	23.860	
19	T0017 Block 3	Rupert	0.000	
20	T0017 Block 4	Rupert	35.990	
21	T0017 Block 5	Rupert	12.900	
22	T0017 Block 6	Rupert	27.650	
23	T0017 Block 7	Rupert	209.430	
24	T0017 Block 8	Rupert	54.430	
25	T0029 Block 1	Rupert	241.820	
26	T0029 Block 2	Rupert	217.460	
27	T0029 Block 3	Rupert	179.400	
28	T0029 Block 4	Rupert	234.340	
29	T0029 Block 5	Rupert	156.430	
30	T0029 Block 6	Rupert	118.170	

BLOCK 17 - Bonanza Lake (cont.)		TIMBER LICE	NCES:	
`		LAND DISTRICT	HECTARES	
31	T0029 Block 7	Rupert	110.400	
32	T0029 Block 8	Rupert	151.680	_
33	T0029 Block 9	Rupert	215.390	_
34	T0029 Block 10	Rupert	229.390	_
35	T0029 Block 11	Rupert	185.180	
36	T0029 Block 12	Rupert	259.050	
37	T0029 Block 13	Rupert	226.350	
38	T0038 Block 1	Rupert	100.820	
39	T0038 Block 2	Rupert	39.330	
40	T0038 Block 3	Rupert	15.860	
41	T0038 Block 4	Rupert	72.220	
42	T0038 Block 5	Rupert	91.430	
43	T0038 Block 6	Rupert	151.860	
44	T0038 Block 7	Rupert	87.160	
45	T0038 Block 8	Rupert	101.690	
46	T0038 Block 9	Rupert	44.640	
47	T0038 Block 10	Rupert	155.120	
48	T0038 Block 11	Rupert	107.450	
49	T0038 Block 12	Rupert	147.230	
50	T0049 Block 1	Rupert	178.690	
51	T0049 Block 2	Rupert	130.570	
52	T0049 Block 3	Rupert	12.830	
53	T0049 Block 4	Rupert	216.180	
54	T0049 Block 5	Rupert	13.910	
55	T0049 Block 6	Rupert	72.850	
56	T0049 Block 7	Rupert	81.570	
57	T0049 Block 8	Rupert	115.910	
58	T0085 Block 1	Rupert	47.810	
59	T0085 Block 2	Rupert	240.910	
60	T0085 Block 3	Rupert	145.590	
61	T0085 Block 4	Rupert	161.000	
62	T0085 Block 5	Rupert	86.000	
63	T0085 Block 6	Rupert	26.240	

7,158.140 ha

BLOCK 18 - Moresby

Area A

Removed by Instrument 19 on December 1, 2006.

Now forms Tree Farm Licence 58.

BLOCK 18 – Moresby

Area B

440 hectares of T0024 removed by Instrument 16 on June

25, 2003.

Remainder removed by Instrument 19 on December 1, 2006.

Now forms Tree Farm Licence 58.

#### **SUMMARY OF AREAS**

#### CROWN GRANTS

BLOCK 1	0.000 ha
BLOCK 2	0.000 ha
BLOCK 3	65.154 ha
BLOCK 4	0.000 ha
BLOCK 5	0.000 ha
BLOCK 6	144.909 ha
BLOCK 7	74.098 ha
BLOCK 8	0.000 ha
BLOCK 9	0.000 ha
BLOCK 10	0.000 ha
BLOCK 11	131.724 ha
BLOCK 12	320.907 ha
BLOCK 13	0.000 ha
BLOCK 14	0.000 ha
BLOCK 15	0.000 ha
BLOCK 16	0.000 ha
BLOCK 17	0.000 ha
TOTAL	736.792 ha

#### TIMBER LICENCES

BLOCK 1	0.000 ha
BLOCK 2	0.000 ha
BLOCK 3	0.000 ha
BLOCK 4	0.000 ha
BLOCK 5	0.000 ha
BLOCK 6	352.840 ha
BLOCK 7	0.000 ha
BLOCK 8	0.000 ha
BLOCK 9	0.000 ha
BLOCK 10	0.000 ha
BLOCK 11	0.000 ha
BLOCK 12	0.000 ha
BLOCK 13	0.000 ha
BLOCK 14	0.000 ha
BLOCK 15	0.000 ha
BLOCK 16	0.000 ha
BLOCK 17	7,158.140 ha
TOTAL	7,510.980 ha
GRAND TOTAL	8,247.772 ha

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

#### **SCHEDULE B**

#### **Interpretation of Schedule B, TFL 47**

- 1. Schedule "B" Land
- 1.1 For the purposes of the definition of "Schedule 'B' Land" in Paragraph 20.02 of this Licence, "Crown land described in Schedule 'B'" means all Crown land within the boundaries described in Paragraph 2 (metes and bounds) and any land added since the boundaries were established, and excluding the following:

  Alienated Crown Land, and any land deleted since the boundaries were established. This includes the following deletions that occurred during the term of the last agreement which began on March 1, 2000:
  - (1) Instrument No. 16, dated June 25, 2003, withdrawing several parcels, for a total of 5504 hectares of Schedule 'B' land, including:
    - 3935.7 hectares from Boughey Bay Block No. 4;
    - 325.7 hectares of Fulmore Lake Block from Port Neville Block No. 5;
    - 1242.6 hectares from Quadra Block No. 12;
  - (2) Instrument No. 19, dated December 1, 2006, deleting all of Block 18, Moresby Areas A and B.

Note: This schedule does not reflect areas deleted as per Minister's Orders under Section 60.2 and 60.3 of the *Forest Act*, for conservancies, including:

- Area deleted from West Cracroft Block No. 2 for Boat Bay Conservancy,
- Area deleted from Wellbore Channel Block No. 6 for Forward Harbour Conservancy;
- Area deleted from Sonora Island Block No. 11 for Thurston Conservancy.
- 2. Boundaries
- 2.1 The boundaries referred to in Paragraph 1 are as follows:
  - "Metes and bounds legal description"
- 3. <u>Interpretation</u>
- 3.1 "Alienated Crown Land" means alienated Crown land as described in Paragraph 20.02.
- 3.2 The map(s) accompanying this Schedule are for convenience only, and do not reflect any changes to the TFL 47 boundary identified in 1.1 above. If there is any discrepancy between the map(s) and the description of boundaries in Paragraph 2, the description in Paragraph 2 will be deemed to be correct.

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

3.3 All alienated Crown Land may not be identified as such on the attached Schedules and maps.

Note: Crown land does not include land owned by an agent of the Crown, nor land vested in the federal Crown.

### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

All Crown lands not otherwise alienated within the areas outlined in bold black on the accompanying maps except Crown land reverted subsequent to 1971, which was subject to an old temporary tenure (within the meaning of the *Forest Act* assented to March 30, 1972) and held by a person other than the Licensee.

#### **Hanson Island Block No. 1**

Commencing at a point on the natural boundary of Hanson Island on the northerly shore thereof, said point being the northeast corner of Lot 1620, Rupert Land District; thence in a general easterly, southerly, westerly, northerly and easterly direction along the natural boundaries of said Hanson Island on the northerly, easterly, southerly, westerly and northerly shores thereof, to the northwest corner of said Lot 1620; thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 1620 to the northeast corner thereof, being the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

#### West Cracroft Block No. 2

#### Area A

Commencing at a point on the natural boundary of Forward Bay on the northerly shore thereof, said point being 80 metres south and 503 metres west of the southwest corner of Lot 1071, Range 1, Coast Land District; thence in a general westerly and southerly direction along the natural boundary of said Forward Bay on the northerly and westerly shores thereof, to the natural boundary of Johnstone Strait on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Johnstone Strait

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#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

on the northerly shore thereof to the easterly boundary of Lot 1751; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 1751 to the natural boundary of said Johnstone Strait on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Johnstone Strait on the northerly shore thereof to the natural boundary of Blackney Passage on the southerly shore thereof; thence in a general easterly direction along the natural boundary of Blackney and Baronet Passages on the southerly shores thereof to the westerly boundary of Lot 1833; thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 1833 to the natural boundary of said Baronet Passage on the southerly shore thereof; thence in a general easterly direction along the natural boundaries of Baronet Passage and Clio Channel on the southerly shore thereof to the natural boundary of Potts Lagoon on the southwesterly shore thereof; thence in a general southeasterly direction along the natural boundary of said Potts Lagoon on the southwesterly shore thereof to the westerly boundary of Lot 700; thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 700 to the natural boundary of said Potts Lagoon on a southerly shore thereof; thence north 102 metres, more or less, to the natural boundary of said Potts Lagoon on a northerly shore thereof; thence northerly following the easterly boundary of aforesaid Lot 700 290 metres; thence east 309 metres, more or less, to the natural boundary of aforesaid Potts Lagoon on the easterly shore thereof; thence in a general southerly direction along the natural boundary of said Potts Lagoon on the easterly shore thereof to a point being 476 metres north and 313 metres east of the southeast corner of aforesaid Lot 700 (being a point on the westerly boundary of cancelled Lot 598, formerly TL 4989P); thence south 1.458 kilometres (more or less, to the southwest corner of cancelled Lot 597, formerly TL 4988P); thence east 1.609 kilometres, more or less, to a point due

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

north of the northwest corner of aforesaid Lot 1071; thence south to the northwest corner of said Lot 1071; thence southerly along the westerly boundary of said Lot 1071 to the southwest corner thereof, being a point on the natural boundary of aforesaid Forward Bay on the northerly shore thereof; thence west 503 metres; thence south 80 metres to the point of commencement.

#### <u>Area B</u>

Commencing at a point on the natural boundary of Clio Channel on the southerly shore thereof, said point being 1.221 kilometres north and 518 metres east of the northeast corner of Lot 1831, Range 1, Coast Land District (said point being on the easterly boundary of expired TL 12934P); thence south 1.663 kilometres (more or less, to the northerly boundary of cancelled Lot 598, expired TL 4989P); thence west 150 metres (more or less, to the northwest corner of said cancelled Lot 598, expired TL 4989P); thence south 672 metres, more or less, to the natural boundary of Potts Lagoon on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Potts Lagoon on the southeasterly shore thereof; thence in a general northeasterly direction along the natural boundary of said Clio Channel on the southeasterly shore thereof; thence in a general northeasterly direction along the natural boundary of said Clio Channel of the southeasterly shore thereof to the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described areas.

#### Port Harvey Block (East Cracroft Island) No. 3

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

Commencing at the southwest corner of Lot 1304 Range 1, Coast Land District, being a point on the natural boundary of Lagoon Cove on the easterly shore thereof; thence easterly along the southerly boundary of said Lot 1304 to the southeast corner thereof; thence northerly along the easterly boundaries of Lots 1304 and 1305 to the natural boundary of The Blow Hole Pass on the southeasterly shore thereof; thence in a general northeasterly direction along the natural boundary of The Blow Hole Pass on the southeasterly shore thereof to the natural boundary of Chatham Channel on the southwesterly shore thereof; thence in a general southeasterly and easterly direction along the natural boundary of said Chatham Channel on the southwesterly and southerly shores thereof to the natural boundary of Havannah Channel on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Havannah Channel on the westerly shore thereof to the natural boundary of Burial Cove on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Burial Cove on the northerly shore thereof to the easterly boundary of Lot 72; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 72 to the natural boundary of aforesaid Havannah Channel on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Havannah Channel on the northerly shore thereof to the natural boundary of Port Harvey on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Port Harvey on the easterly shore thereof to the southerly boundary of Indian Reserve No. 2 "Keecekiltum"; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Indian Reserve No. 2 to the natural boundary of said Port Harvey on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Port Harvey on the easterly shore thereof to the southerly boundary of Lot 194; thence easterly and northerly along the

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

southerly and easterly boundaries of said Lot 194 to the natural boundary of said Port Harvey on the southeasterly shore thereof; thence in a general northeasterly and westerly direction along the natural boundary of said Port Harvey on the southeasterly and northerly shores thereof to the easterly boundary of Lot 474; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 474 to the natural boundary of Cracroft Inlet on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of Cracroft Inlet and Lagoon Cove on the easterly shores thereof to the southwest corner of aforesaid Lot 1304, being the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

#### **Boughey Bay Block No. 4**

Refer to Instrument 16 and Section 1.1 of Schedule "B".

#### Port Neville Block No. 5

Commencing at a point on the natural boundary of Port Neville on the easterly shore thereof, said point being due west of the northeast corner of Lot 206, Range 1, Coast Land District; thence east to the northeast corner of said Lot 206; thence southerly along the easterly boundaries of Lots 206 and 207 to the southeast corner of said Lot 207; thence westerly along the southerly boundary of said Lot 207 to the natural boundary of Johnstone Strait on the northerly shore thereof; thence in a general easterly direction along the natural boundaries of Johnstone Strait and Sunderland Channel on the northerly shores thereof to the easterly boundary of Lot 547; thence northerly along the easterly

### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

boundary of said Lot 547 to the natural boundary of aforesaid Sunderland Channel on the northwesterly shore thereof; thence in a general westerly and northeasterly direction along the natural boundary of said Sunderland Channel on the northwesterly shore thereof to the easterly boundary of aforesaid Lot 547; thence northerly and westerly along the easterly and northerly boundaries of said Lot 547 to the northwest corner thereof (being a point on the easterly boundary of cancelled Lot 649, formerly TL 4656P); thence north 1.046 kilometres (more or less, to the most southerly southwest corner of former TL 12808P); thence east 805 metres; thence north 402 metres; thence south 86 degrees 35 minutes east 447 metres; thence north 402 metres; thence east 796 metres; thence north 425 metres (more or less, to the southerly boundary of cancelled Lot 650, formerly TL 7498P); thence east 1.207 kilometres (more or less, to the southeast corner of said cancelled Lot 650, formerly TL 7498P); thence east 1.00585 kilometres; thence north 2.3604 kilometres (more or less, to the southerly boundary of former TL 13047P); thence east 1.0667 kilometres; thence north 250 metres, more or less, to a point due west of the southwest corner of Lot 1487A; thence east to the southwest corner of said Lot 1487A; thence northerly along the westerly boundaries of Lots 1487A and 955 to the southerly boundary of Lot 223; thence easterly along the southerly boundary of said Lot 223 to the natural boundary of Jackson Bay on the westerly shore thereof; thence in a general northerly and easterly direction along the natural boundary of said Jackson Bay on the westerly and northerly shores thereof to the most easterly southeast corner of Lot 221; thence northerly along the easterly boundaries of Lots 221 and 220 to the northeast corner of said Lot 220; thence north 69 degrees east 918 metres (more or less, to the northeast corner of cancelled Lot 659A); thence south 402 metres; thence east 1.857 kilometres; thence south 1.207 kilometres; thence east 805 metres, more or less, to the westerly boundary of Lot 974; thence southerly and easterly along the westerly and southerly

### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

boundaries of said Lot 974 to the natural boundary of Read Bay on the northerly shore thereof; thence in a general northeasterly and southerly direction along the natural boundary of said Read Bay on the northwesterly and easterly shores thereof to the natural boundary of Topaze Harbour on the northerly shore thereof; thence in a general easterly direction along the natural boundary of said Topaze Harbour on the northerly shore thereof to a point due south of the southeast corner of Lot 1839; thence north to the southeast corner of said Lot 1839; thence northerly along the easterly boundary of said Lot 1839 to the northeast corner thereof; thence westerly along the northerly boundary of said Lot 1839 394 metres (more or less, to a point due south of the southeast corner of cancelled Lot 656); thence north 160 metres (more or less, to the southeast corner of said cancelled Lot 656); thence west 905 metres; thence north 1.3665 kilometres (more or less, to a point due east of the northeast corner of said cancelled Lot 655, formerly TL 3045P); thence west 704 kilometres (more or less, to the northeast corner of said cancelled Lot 655, formerly TL 3045P); thence west 805 metres; thence north 1.988 kilometres (more or less, to the northerly boundary of cancelled Lot 660); thence west 269 metres (more or less, to the easterly boundary of cancelled Lot 658); thence north 181 metres; thence west 514 metres; thence north 398 metres (more or less, to the second most southerly southwest corner of Lot 1323, T0769 Block 16, formerly TL 10109, as plotted on Surveyor General Branch NAD27 Reference Map 92K.052); thence north 02 degrees east 805 metres; thence north 88 degrees west 409 metres; thence north 02 degrees east 402 metres; thence north 88 degrees west 198 metres (more or less, to the most westerly southwest corner of said Lot 1323, T0769 Block 16, formerly TL 10109, being a point on the northerly boundary of aforesaid cancelled Lot 658); thence west 1.009 kilometres (more or less, to the northwest corner of said cancelled Lot 658, also being angle corner "0" of cancelled Lot 76 thereof); thence south 402 metres; thence west

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

805 metres; thence north 805 metres; thence east 402 metres; thence north 306 metres; thence east 171 metres (more or less, to angle corner "8" of aforesaid cancelled Lot 76, also being the most easterly southeast corner of cancelled Lot 75); thence north 402 metres; thence north 45 degrees 08 minutes 26 seconds east 672 metres (more or less, to the most westerly southwest corner of Lot 1208, T0769 Block 17, formerly TL 11563, as plotted on Surveyor General Branch NAD27 Reference Map 92K.052); thence north 02 degrees 14 minutes 16 seconds east 402 metres (more or less, to the most westerly northwest corner of aforesaid Lot 1208, T0769 Block 17, formerly TL 11563); thence due north to the natural boundary of Tom Browne Lake on the southwesterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Tom Browne Lake on the southwesterly shore thereof to a point 4.624 kilometres north and 505 metres west of the northwest corner of Lot 669 (said point being on the southerly boundary of cancelled Lot 62); thence west 623 metres (more or less, to second most northerly northeast corner of cancelled Lot 75, known as angle corner "13"); thence west 1.609 kilometres; thence north 402 metres; thence west 805 metres; thence south 402 metres; thence west 402 metres; thence south 1.006 kilometres; thence west 805 metres; thence north 201 metres; thence west 402 metres; thence north 604 metres (more or less, to the third most northerly northeast corner of aforesaid cancelled Lot 75, known as angle corner "23"); thence north 45 degrees west 1.609 metres; thence west 3.0175 kilometres; thence south 1.1399 kilometres (more or less, to a point due east of the northeast corner of former TL 7845P); thence west 920 metres (more or less, to the northeast corner of said former TL 7845P); thence due south to the natural boundary of Fulmore Lake on the northerly shore thereof; thence in a general easterly, southerly and westerly direction along the natural boundaries of said Fulmore Lake on the northerly, easterly and southerly shores thereof to a point being 3.7326 kilometres north and 2.410 kilometres west of the

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

northwest corner of Lot 1786 (said point being the northwest corner of cancelled Lot 87); thence south 1.529 kilometres (more or less, to the southwest corner of said cancelled Lot 87); thence due east to a point due north of the northwest corner of aforesaid Lot 1786; thence south to the northwest corner of said Lot 1786; thence southerly and easterly along the westerly and southerly boundaries of said Lot 1786 to the southwest corner of Lot 1787; thence easterly along the southerly boundary of said Lot 1787 to the westerly boundary of Lot 4; thence southerly along the westerly boundary of said Lot 4 to the natural boundary of Port Neville on the northerly shore thereof; thence in a general northeasterly direction along the natural boundary of Port Neville on the northwesterly shore thereof to the southwest corner of Indian Reserve No. 4 "Harkhorn"; thence northerly, easterly, southerly, and westerly along the westerly, northerly, easterly and southerly boundaries of said Indian Reserve No. 4 to the natural boundary of aforesaid Port Neville on the easterly shore thereof; thence in a general southerly and easterly direction along the natural boundary of said Port Neville on the northerly shore thereof to the westerly boundary of Lot 214; thence northerly and easterly along the westerly and northerly boundaries of said Lot 214 to the northwest corner of Lot 215; thence easterly and southerly along the northerly and easterly boundaries of said Lot 215 to the southwest corner of Lot 216; thence easterly along the southerly boundary of said Lot 216 546 metres; thence south 765 metres (more or less, to the second most northerly northwest corner of cancelled Lot 57, formerly TL 14040P); thence south 402 metres; thence west 805 metres; thence south 402 metres; thence west 805 metres; thence south 402 metres; thence west 402 metres; thence south 251 metres, more or less, to a point due east of the southeast corner of Lot 1525, Indian Reserve No. 6 "Hanatsa"; thence west to the southeast corner of said Lot 1525, Indian Reserve No. 6; thence westerly along the southerly boundary of said Lot 1525, Indian Reserve No. 6 to the natural boundary of

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aforesaid Port Neville on the easterly shore thereof; thence in a general southerly and westerly direction along the natural boundary of said Port Neville on the easterly and southerly shores thereof to a point due west of the northeast corner of aforesaid Lot 206, being the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

Refer to Instrument 16 and Section 1.1 of Schedule B.

#### Wellbore Channel Block No. 6

#### Area A

Commencing at the northeast corner of Lot 954, Range 1, Coast Land District, being a point on the natural boundary of Topaze Harbour on the southerly shore thereof; thence in a general easterly and northerly direction along the natural boundary of said Topaze Harbour on the southerly and easterly shores thereof to a point 151 metres south and 332 metres west of the southeast corner of Lot 1840; thence east 332 metres; thence north 151 metres, more or less, to the southeast corner of said Lot 1840; thence east 339 metres, more or less, to the natural boundary of Heydon Lake on the westerly shore thereof; thence in a general southerly, easterly, northerly and westerly direction along the natural boundary of said Heydon Lake on the westerly, southerly, easterly and northerly shores thereof to the natural boundary of said Heydon Bay Lake on the southeasterly shore thereof; thence in a general northeasterly direction along the natural boundary of said Heydon Bay Lake on the southeasterly shore thereof to the natural boundary of Heydon Creek on the right bank thereof; thence in a general northeasterly direction along the natural boundary of said Heydon Creek on the right bank thereof to a point due west of the southwest corner of Indian Reserve No. 2 "Homayno"; thence east to the southwest

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

corner of said Indian Reserve No. 2; thence easterly and northerly along the southerly and easterly boundaries of said Indian Reserve No. 2 to the natural boundary of Heydon Bay on the southerly shore thereof; thence in a general easterly and northeasterly direction along the natural boundary of said Heydon Bay on the southerly and southeasterly shores thereof to the natural boundary of Loughborough Inlet on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Loughborough Inlet on the westerly shore thereof to the natural boundary of Sidney Bay on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Sidney Bay on the northerly shore thereof to the easterly boundary of Lot 115; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 115 to the natural boundary of said Sidney Bay on the northerly shore thereof; thence in a general westerly, southerly and easterly direction along the natural boundary of said Sidney Bay on the northerly, westerly and southerly shores thereof to the westerly boundary of Lot 1462; thence southerly along the westerly boundaries of Lots 1462 and 1467 to the natural boundary of Beaver Inlet on the northerly shore thereof; thence in a general southwesterly, southeasterly and northeasterly direction along the natural boundary of said Beaver Inlet on the northwesterly, southwesterly and southeasterly shores thereof to the natural boundary of aforesaid Loughborough Inlet on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Loughborough Inlet on the westerly shore thereof to the natural boundary of Chancellor Channel on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Chancellor Channel on the northerly shore thereof to the natural boundary of Wellbore Channel on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Wellbore Channel on the northeasterly shore thereof to the natural boundary of Forward Harbour on the southerly

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

shore thereof; thence in a general easterly, northerly and westerly direction along the natural boundary of said Forward Harbour on the southerly, easterly and northerly shores thereof to the natural boundary of said Wellbore Channel on the easterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Wellbore Channel on the easterly shore thereof to the natural boundary of Bessborough Bay on the southerly shore thereof; thence in a general easterly and northerly direction along the natural boundary of said Bessborough Bay on the southerly and easterly shores thereof to the southerly boundary of Lot 704; thence easterly, northerly, westerly, southerly and easterly along the southerly, easterly, northerly, westerly and southerly boundaries of said Lot 704 to the natural boundary of said Bessborough Bay on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Bessborough Bay on the northerly shore thereof to the natural boundary of Sunderland Channel on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Sunderland Channel on the easterly shore thereof to the natural boundary of aforesaid Topaze Harbour on the southeasterly shore thereof; thence in a general northeasterly direction along the natural boundary of said Topaze Harbour on the southeasterly shore thereof to the northeast corner of aforesaid Lot 954, being the point of commencement.

#### <u>Area B</u>

Commencing at the southeast corner of Lot 1759, Range 1, Coast Land District, being a point on the natural boundary of Hardwicke Island on the southerly shore thereof; thence northerly and westerly along the easterly and northerly boundaries of said Lot 1759 to the northeast corner of Lot 1760; thence westerly along the northerly boundary of said Lot 1760 to the northeast corner of Lot 1761; thence westerly and southerly along the

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northerly and westerly boundaries of said Lot 1761 to the northeast corner of Lot 1762; thence westerly along the northerly boundaries of Lots 1762, 1763 and 1764 to the northwest corner of said Lot 1764; thence southerly along the westerly boundary of said Lot 1764 to the natural boundary of aforesaid Hardwicke Island on the southerly shore thereof; thence in a general westerly, northerly, easterly, southerly and westerly direction along the natural boundaries of said Hardwicke Island on the southerly, westerly, northerly, easterly and southerly shores thereof to the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described areas.

#### Deer Lake Block No. 7

Commencing at a point on the natural boundary of Loughborough Inlet on the easterly shore thereof, said point being 868 metres west and 17 metres north of the northeast corner of Lot 114, Range 1, Coast Land District; thence in a general northeasterly direction along the natural boundary of said Loughborough Inlet on the easterly shore thereof to the southwest corner of Lot 157; thence easterly along the southerly boundary of said Lot 157 to the southeast corner thereof; thence south 402 metres; thence south 45 degrees east 1.941 kilometres (more or less, to a point due west of the southwest corner of cancelled Lot 452, formerly TL 1088P); thence east 3.058 kilometres (more or less, to the southwest corner of said cancelled Lot 452, formerly TL 1088P); thence south 89 degrees 19 minutes 23 seconds east 1.609 kilometres (more or less, to the southeast corner of said cancelled Lot 452, formerly TL 1088P); thence south 2.494 kilometres (more or less, to the northerly boundary of former TL 9610P); thence east 1.851 kilometres; thence south 1.220 kilometres (more or less, to the northerly boundary of

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former TL 12133P); thence east 402 metres; thence south 402 metres; thence east 402 metres; thence south 402 metres; thence east 364 metres, more or less, to the natural boundary of Phillips Arm on the westerly shore thereof; thence southerly along the natural boundary of said Phillips Arm on the westerly shore thereof to the natural boundary of Cordero Channel on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Cordero Channel on the northerly shore thereof to the southeast corner of Lot 575; thence northerly and westerly along the easterly and northerly boundaries of Lots 575 and 1551 to the easterly boundary of Indian Reserve No. 4 "Matlaten"; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Indian Reserve No. 4 to the natural boundary of aforesaid Cordero Channel on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Cordero Channel on the northerly shore thereof to the natural boundary of aforesaid Loughborough Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Loughborough Inlet on the easterly shore thereof to the southwest corner of Lot 111A; thence easterly and northerly along the southerly and easterly boundaries of said Lot 111A to the southeast corner of Lot 112A; thence northerly along the easterly boundary of said Lot 112A to the southerly boundary of aforesaid Lot 114; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Lot 114 to the northwest corner thereof, being a point due south of the point of commencement; thence north to said point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

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#### West Thurlow Block No. 8

Commencing at a point on the natural boundary of Cordero Channel on the southerly shore thereof, said point being 1.4982 kilometres north and 1.7689 kilometres east of the northeast corner of Lot 20, Range 1, Coast Land District (also being the northeast corner of former TL 12798); thence south 1.9319 kilometres; thence east 101 metres (more or less, to the most easterly northeast corner of cancelled Lot 80); thence south 1.252 kilometres; thence east 249 metres; thence south 604 metres; thence west 1.826 kilometres (more or less, to the most northerly northeast corner of cancelled Lot 595, formerly TL 12840P); thence south 805 metres; thence west 129 metres; thence south 1.181 kilometres; thence west 805 metres, more or less, to the northeast corner of Lot 1871; thence southerly along the easterly boundary of said Lot 1871 to the natural boundary of Johnstone Strait on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Johnstone Strait on the northerly shore thereof to the southerly boundary of Lot 14; thence easterly, northerly, westerly, southerly, and easterly along the southerly, easterly, northerly, westerly, and southerly boundaries of said Lot 14 to the natural boundary of Knox Bay on the westerly shore thereof, also being a point on the natural boundary of aforesaid Johnstone Strait on the northerly shore thereof; thence in a general westerly and northerly direction along the natural boundary of said Johnstone Strait on the northerly shore thereof to the natural boundary of Chancellor Channel on the southerly shore thereof; thence in a general easterly direction along the natural boundary of Chancellor and Cordero Channels on the southerly shores thereof to the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

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#### Simmons Lake Block - (East Thurlow Island) No. 9

Commencing at a point on the natural boundary of Cordero Channel on the southerly shore thereof, said point being 96 metres south and 445 metres west of the northeast corner of Lot 1872, Range 1, Coast Land District (being the most westerly southwest corner of former TL 10603P); thence east 1.250 kilometres; thence south 402 metres; thence east 402 metres; thence south 805 metres; thence east 1.471 kilometres, more or less, to the westerly boundary of Lot 1692; thence southerly along the westerly boundaries of Lots 1692 and 1685 to the southwest corner of said Lot 1685; thence due south to the natural boundary of Hemming Lake on the northerly shore thereof; thence in a general easterly, southerly and westerly direction along the natural boundary of said Hemming Lake on the northerly, westerly and southerly shores thereof to the northeast corner of Lot 1669; thence southerly along the easterly boundary of said Lot 1669 to the southeast corner thereof; thence westerly along the southerly boundary of said Lot 1669 to the southwest corner thereof; thence west 201 metres; thence south 201 metres; thence east 402 metres, more or less, to the westerly boundary of Lot 1670; thence southerly along the westerly boundary of said Lot 1670 to the northwest corner of Lot 1671; thence southerly along the westerly boundary of said Lot 1671 201 metres; thence east 402 metres; thence south 402 metres; thence east 915 metres, more or less, to the natural boundary of Nodales Channel on the northwesterly shore thereof; thence in a general southwesterly direction along the natural boundary of said Nodales Channel on the northwesterly shore thereof to the southeast corner of Lot 16; thence northerly, westerly, southerly and easterly along the easterly, northerly, westerly and southerly boundaries of said Lot 16 to the natural boundary of Johnstone Strait on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Johnstone Strait on the northerly shore thereof to the natural boundary of Mayne Passage on the easterly

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shore thereof; thence in a general northerly direction along the natural boundary of said Mayne Passage on the easterly shore thereof to the southwest corner of Lot 21; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Lot 21 to the natural boundary of aforesaid Mayne Passage on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Mayne Passage on the easterly shore thereof to the natural boundary of aforesaid Cordero Channel on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Cordero Channel on the southerly shore thereof to the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

#### Hemming Bay Block (East Thurlow Island) No. 10

Commencing at the northwest corner of Lot 1901, Range 1, Coast Land District, being a point on the natural boundary of Cordero Channel on the southerly shore thereof; thence in a general southeasterly direction along the natural boundary of said Cordero Channel on the southerly shore thereof to the natural boundary of Nodales Channel on the westerly shore thereof; thence in a general southwesterly direction along the natural boundary of said Nodales Channel on the westerly shore thereof to the natural boundary of Hemming Bay on the northerly shore thereof; thence in a general northwesterly direction along the natural boundary of said Hemming Bay on the northerly shore thereof to the easterly boundary of Lot 440; thence northerly along the easterly boundary of said Lot 440 to the northeast corner thereof; thence northerly, easterly and northerly along the easterly, southerly and easterly boundaries of Lot 1678 to the northeast corner thereof; thence

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westerly along the northerly boundary of said Lot 1678 428 metres; thence north 737 metres; thence north 45 degrees east 1.609 kilometres (more or less, to the northerly boundary of cancelled Lot 22); thence east 805 metres (more or less, to the southwest corner of cancelled Lot 187); thence north 1.609 kilometres; thence east 1.609 kilometres, more or less, to the westerly boundary of aforesaid Lot 1901; thence northerly along the westerly boundary of said Lot 1901 to the northwest corner thereof, also being the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

#### Sonora Island Block No. 11

Commencing at a point on the natural boundary of Discovery Passage on the easterly shore thereof, said point being due west of the southwest corner of Lot 968, Sayward Land District; thence east to the southwest corner of said Lot 968; thence northerly along the westerly boundaries of Lots 968, 970 and 971 to the northwest corner of said Lot 971; thence easterly along the northerly boundaries of Lots 971 and 976 to the northeast corner of said Lot 976; thence east 3.100 kilometres (more or less, to the southeast corner of cancelled Lot 516, formerly TL 44337); thence north 1.609 kilometres; thence west 402 metres; thence north 402 metres; thence west 805 metres; thence due north to a point on the natural boundary of Young Passage on the southerly shore thereof (said point being the northeast corner of cancelled Lot 514, formerly TL 4321P); thence in a general easterly direction along the natural boundary of said Young Passage on the southerly shore thereof to the northwest corner of Lot 1139; thence southerly along the westerly boundary of said Lot 1139 to the southwest corner thereof; thence easterly along the

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

southerly boundaries of Lots 1139, 1138 and 1137 to the westerly boundary of Lot 1136; thence southerly and easterly along the westerly and southerly boundaries of said Lot 1136 to the westerly boundary of Lot 1135; thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 1135 to the natural boundary of Cameleon Harbour on the easterly shore thereof; thence in a general northerly and northwesterly direction along the natural boundary of said Cameleon Harbour on the easterly and northeasterly shores thereof to the southerly boundary of Lot 1128; thence easterly and northerly along the southerly and easterly boundaries of said Lot 1128 to the most easterly northeast corner thereof; thence north 402 metres (more or less, to the most southerly southwest corner of cancelled Lot 674, formerly TL 12835P); thence east 2.012 kilometres (more or less, to the southeast corner of former TL 9495P); thence north 2.167 kilometres; thence west 1.609 kilometres; thence due south to a point due east of the northeast corner of Lot 1142; thence west to the northeast corner of said Lot 1142; thence southerly and westerly along the easterly and southerly boundaries of said Lot 1142 to the natural boundary of Thurston Bay on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Thurston Bay on the easterly shore thereof to the southwest corner of Lot 1189; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Lot 1189 to the natural boundary of Nodales Channel on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Nodales Channel on the easterly shore thereof to the natural boundary of Cordero Channel on the southerly shore thereof; thence in a general southeasterly and easterly direction along the natural boundary of said Cordero Channel on the southwesterly and southerly shores thereof to a point 4.427 kilometres north and 1.721 kilometres east of the northeast corner of Lot 1143, said point being due south of Triangulation Station "DAV.11 Cordero," as shown on Surveyor General Branch NAD27

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

Reference Map 092K035, (said point also being a point on the easterly boundary of cancelled Lot 430, formerly TL 3938); thence south 787 metres; thence east 201 metres; thence south 805 metres; thence due east to the natural boundary of Yuculta Rapids on the westerly shore thereof; thence in a general southerly direction along the natural boundary of Yuculta Rapids and Calm Channel on the westerly shores thereof to the northeast corner of Indian Reserve No. 5 "Mushkin"; thence westerly along the northerly boundary of said Indian Reserve No. 5 to the northeast corner of Lot 1204 Indian Reserve No. 5A "Mushkin"; thence westerly, southerly and easterly along the northerly, westerly and southerly boundaries of said Lot 1204 to the southwest corner of aforesaid Indian Reserve No. 5; thence easterly along the southerly boundary of said Indian Reserve No. 5 to the natural boundary of aforesaid Calm Channel on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Calm Channel on the westerly shore thereof to the natural boundary of Hole in the Wall Channel on the northerly shore thereof; thence in a general westerly and southwesterly direction along the natural boundary of said Hole in the Wall Channel on the northerly and northwesterly shores thereof to a point due south of the southeast corner of Lot 1094; thence due north to the southeast corner of said Lot 1094; thence northerly, westerly and northerly along the easterly, northerly and easterly boundaries of said Lot 1094 to the southerly boundary of Lot 1173; thence easterly and northerly along the southerly and easterly boundaries of Lots 1173 and 1174 to the natural boundary of Hyacinth Lake on the southerly shore thereof; thence in a general easterly and northerly direction along the natural boundary of said Hyacinth Lake on the southerly and easterly shores thereof to the westerly boundary of Lot 1134; thence northerly along the westerly boundary of said Lot 1134 to the southerly boundary of Lot 1176; thence easterly and northerly along the southerly and easterly boundaries of said Lot 1176 to the southeast corner of Lot 1145; thence northerly

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along the easterly boundaries of Lots 1145 and 1146 to the southwest corner of Lot 1148; thence easterly along the southerly boundaries of Lots 1148 and 1149 to the southeast corner of said Lot 1149; thence northerly along the easterly boundaries of Lots 1149 and 1143 to the northeast corner of said Lot 1143; thence westerly and southerly along the northerly and westerly boundaries of said Lot 1143 to the northeast corner of aforesaid Lot 1148; thence westerly along the northerly boundary of said Lot 1148 to the northeast corner of Lot 1147; thence westerly and southerly along the northerly and westerly boundaries of said Lot 1147 to the northerly boundary of aforesaid Lot 1146; thence westerly along the northerly boundary of said Lot 1146 to the northeast corner of Lot 1144; thence westerly and southerly along the northerly and westerly boundaries of Lots 1144 and 1184 to the natural boundary of Owen Bay on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Owen Bay on the westerly shore thereof to a point due east of the northeast corner of Lot 1095; thence west to the northeast corner of said Lot 1095; thence southerly along the easterly boundary of said Lot 1095 604 metres; thence due west to the natural boundary of St. Aubyn Creek on the left bank thereof; thence in a general southerly direction along the natural boundary of said St. Aubyn Creek on the left bank thereof to the natural boundary of Okisollo Channel on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Okisollo Channel on the northerly shore thereof to the natural boundary of Discovery Passage on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Discovery Passage on the easterly shore thereof to a point due west of the southwest corner of aforesaid Lot 968, being the point of commencement.

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

Excluding thereout all that foreshore and land covered by water within the above described area.

#### Quadra Island Block No. 12

#### Area A

Commencing at the northeast corner of Lot 1152, Sayward Land District, being a point on the natural boundary of Plumper Bay, Discovery Passage, on the southerly shore thereof; thence in a general southeasterly, northerly and northwesterly direction along the natural boundary of said Plumper Bay on the southwesterly, easterly and northerly shores thereof to the natural boundary of said Discovery Passage on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Discovery Passage on the easterly shore thereof to a point 1.192 kilometres north and 3.033 kilometres west of the southwest corner of Lot 496; thence south 139 metres; thence east 453 metres; thence south 84 degrees east 213 metres, more or less, to the natural boundary of Kanish Bay on the southerly shore thereof; thence in a general easterly direction along the natural boundary of Kanish and Granite Bays on the southerly shores thereof to the westerly boundary of aforesaid Lot 496; thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 496 to the natural boundary of said Granite Bay on the southerly shore thereof; thence in a general easterly and northerly direction along the natural boundary of said Granite Bay on the southerly and easterly shores thereof to the westerly boundary of Lot 367; thence southerly, easterly, northerly, westerly and southerly along the westerly, southerly, easterly, northerly and westerly boundaries of said Lot 367 to the natural boundary of said Granite Bay on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Granite Bay on the northeasterly shore thereof to the natural boundary

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

of aforesaid Kanish Bay on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Kanish Bay on the easterly shore thereof to the natural boundary of Small Inlet on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Small Inlet on the southerly shore thereof to the westerly boundary of Lot 27; thence southerly along the westerly boundary of said Lot 27 to the southwest corner thereof; thence easterly and northerly along the southerly and easterly boundaries of Lots 27, 22 and 25 to the natural boundary of Waiatt Bay on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Waiatt Bay on the southerly shore thereof to the natural boundary of Okisollo Channel on the westerly shore thereof; thence in a general southeasterly direction along the natural boundary of said Okisollo Channel on the westerly shore thereof to the westerly boundary of Lot 423; thence southerly and easterly along the westerly and southerly boundaries of said Lot 423 to the natural boundary of said Okisollo Channel on the westerly shore thereof; thence in a general southeasterly direction along the natural boundary of said Okisollo Channel on the westerly shore thereof to the natural boundary of Hoskyn Channel on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Hoskyn Channel on the westerly shore thereof to a point due east of the northerly limit of Surge Narrows Road, said point being 1.305 kilometres east 376 metres south of the southwest corner of Lot 259; thence west to the northerly limit of said Surge Narrows Road; thence in a general westerly and southwesterly direction along the northerly and westerly limits of said Surge Narrows Road to a point 148 metres east and 268 metres south of the northwest corner of Lot 247; thence due west to the natural boundary of Main Lake on the easterly shore; thence in a general northwesterly direction along the natural boundary of said Main Lake on the northeasterly shore thereof to the easterly boundary of Lot 254; thence northerly

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

along the easterly boundary of said Lot 254 to the northeast corner thereof; thence westerly along the northerly boundary of said Lot 254 639 metres; thence north 121 metres; thence due west to the natural boundary of aforesaid Main Lake on the easterly shore thereof; thence in a general northerly and westerly direction along the natural boundary of said Main Lake on the easterly and northerly shores thereof to the easterly boundary of Lot 990; thence northerly along the easterly boundary of said Lot 990 to the southeast corner of Lot 983; thence northerly and westerly along the easterly and northerly boundaries of said Lot 983 to the natural boundary of Clear Lake on the easterly shore thereof; thence in a general northerly, westerly, southerly, easterly and northerly direction along the natural boundary of said Clear Lake on the easterly, northerly, westerly, southerly and easterly shores thereof to the southerly boundary of aforesaid Lot 983; thence easterly along the southerly boundary of said Lot 983 to the westerly boundary of aforesaid Lot 990; thence southerly along the westerly boundary of said Lot 990 to the natural boundary of aforesaid Main Lake on the northerly shore thereof; thence in a general southwesterly direction along the natural boundary of said Main Lake on the northwesterly shore thereof to the natural boundary of Shadow Brook on the left bank thereof; thence in a general westerly direction along the natural boundary of said Shadow Brook on the left bank thereof to the easterly boundary of Lot 1258; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 1258 to the natural boundary of aforesaid Shadow Brook on the left bank thereof; thence in a general westerly direction along the natural boundary of said Shadow Brook on the left bank thereof to the natural boundary of Little Main Lake on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Little Main Lake on the northerly shore thereof to the easterly boundary of Lot 1260; thence northerly westerly, southerly and easterly along the easterly, northerly, westerly and

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

southerly boundaries of said Lot 1260 to the natural boundary of aforesaid Little Main Lake on the westerly shore thereof; thence in a general southerly and easterly direction along the natural boundary of said Little Main Lake on the westerly and southerly shores thereof to the westerly boundary of Lot 1257; thence southerly and easterly along the westerly and southerly boundaries of said Lot 1257 to the natural boundary of Stramberg Creek on the left bank thereof; thence in a general southerly direction along the natural boundary of said Stramberg Creek on the left bank thereof to the natural boundary of Stramberg Lake on the northerly shore thereof; thence in a general southerly direction along the natural boundary of said Stramberg Lake on the westerly shore thereof to the northerly boundary of Lot 1282; thence westerly and southerly along the northerly and westerly boundaries of said Lot 1282 to the northerly boundary of Lot 1287; thence westerly along the northerly boundary of said Lot 1287 to the northeast corner of Lot 1285; thence in a general southerly direction along the easterly boundaries of said Lots 1285, 1286, 1290, 1291, 1295, 1296, 1300, 1301, 1305, 1306, 1309 and 1310 to the northerly limit of Bold Point Road; thence in a general northeasterly direction along the northerly limit of said Bold Point Road to the natural boundary of an unnamed creek on the right bank thereof, said unnamed creek draining southerly into Open Bay at a point on the southerly boundary of Indian Reserve No. 8 "Open Bay"; thence in a general southeasterly direction along the natural boundary of said unnamed creek on the right bank thereof to the southerly boundary of Lot 6; thence westerly along the southerly boundary of said Lot 6 to the easterly boundary of Lot 641; thence southerly along the easterly boundary of said Lot 641 to the southeast corner thereof; thence westerly along the northerly boundaries of Lots 137 and 136 to the northwest corner of said Lot 136; thence southerly along the westerly boundary of said Lot 136 to the southwest corner thereof; thence easterly along the southerly boundary of said Lot 136 to the easterly

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

boundary of the west half of Lot 224; thence southerly along the easterly boundaries of the west halves of Lots 224 and 218 to the southeast corner of the northwest quarter of said Lot 218; thence westerly along the southerly boundaries of the north halves of Lots 218, 219 and 220 to the southwest corner of the northeast quarter of said Lot 220; thence northerly along the westerly boundary of the northeast quarter of said Lot 220 402 metres; thence due west to the natural boundary of Discovery Passage on the easterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Discovery Passage on the easterly shore thereof to the southerly boundary of Lot 165; thence easterly along the southerly boundary of said Lot 165 to the southeast corner thereof; thence northerly along the easterly boundary of said Lot 165 805 metres; thence due east to the easterly boundary of Lot 166; thence northerly along the easterly boundary of said Lot 166 to the natural boundary of Morte Lake on the southwesterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Morte Lake on the westerly shore thereof to the northerly boundary of said Lot 166; thence westerly along the northerly boundary of said Lot 166 to the northwest corner thereof; thence southerly and westerly along the easterly and southerly boundaries of Lot 178 to the southwest corner thereof; thence due west to the natural boundary of Saltwater Lagoon on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Saltwater Lagoon on the easterly shore thereof to a point due west of the most southerly southwest corner of Block D of Lot 811; thence east to the most southerly southwest corner of said Block D; thence easterly, northerly, westerly and southerly along the southerly, easterly, northerly and westerly boundaries of said Block D to the most westerly southwest corner thereof; thence due west to the natural boundary of aforesaid Saltwater Lagoon on the northerly shore thereof; thence in a general southwesterly direction along the natural boundary of said Saltwater Lagoon on the northwesterly shore

### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

thereof to a point due west of the southwest corner of aforesaid Lot 178; thence due west to a point due south of the southwest corner of Lot 13; thence due north to the southerly boundary of Lot 1152<sup>A</sup>; thence westerly along the southerly boundary of said Lot 1152<sup>A</sup> to the natural boundary of Seymour Narrows on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Seymour Narrows on the easterly shore thereof to the natural boundary of aforesaid Plumper Bay on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Plumper Bay on the southerly shore thereof to the northeast corner of aforesaid Lot 1152, being the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

#### Area B

Commencing at the northeast corner of Sub Lot 1 of Lot 114, Sayward Land District, being a point on the natural boundary of Okisollo Channel on the westerly shore thereof; thence westerly and southerly along the northerly and westerly boundaries of said Sub Lot 1 of Lot 114 to the southwest corner thereof; thence southerly along the westerly boundary of Lot 419 to the northerly boundary of Lot 25; thence westerly and southerly along the northerly and westerly boundaries of Lots 25 and 22 to the natural boundary of Small Inlet on the northwesterly shore thereof; thence in a general southwesterly direction along the natural boundary of said Small Inlet on the northwesterly shore thereof to the natural boundary of Kanish Bay on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of Kanish Bay and Discovery Passage on the northeasterly shores thereof to the natural boundary of aforesaid Okisollo Channel

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Okisollo Channel on the southerly shore thereof to the westerly boundary of Lot 32; thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 32 to the natural boundary of Chonat Lake on the southerly shore thereof; thence in a general westerly, northerly and easterly direction along the natural boundary of said Chonat Lake on the southerly, westerly and northerly shores thereof to the easterly boundary of said Lot 32; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 32 to the natural boundary of Chonat Bay on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Chonat Bay on the northerly shore thereof to the natural boundary of aforesaid Okisollo Channel on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Okisollo Channel on the southerly shore thereof to the westerly boundary of Lot 1104; thence southerly, easterly, northerly, westerly and northerly along the westerly, southerly, easterly, northerly and easterly boundaries of said Lot 1104 to the natural boundary of said Okisollo Channel on the southerly shore thereof; thence in a general easterly and southerly direction along the natural boundary of said Okisollo Channel on the southerly and westerly shores thereof to the northeast corner of Sub Lot 1 of aforesaid Lot 114, being the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

#### **Tsolum Block No. 13**

Fractional northwest quarter of the southwest quarter and fractional northwest quarter of Section 8, Township 4, **Comox District**.

#### Comox Lake Block No. 14

Nil.

#### Nanaimo Lakes Block No. 15

Nil.

#### **Ladysmith Block No. 16**

Nil.

#### Bonanza Lake Block No. 17

Commencing at the southeast corner of Lot 2, Rupert Land District; thence northerly along the easterly boundary of said Lot 2 to the southerly boundary of Lot 350; thence easterly and northerly along the southerly and easterly boundaries of said Lot 350 to the southerly boundary of Lot 79; thence easterly along the southerly boundary of said Lot 79 to the southeast corner thereof; thence south 4.228 kilometres, more or less, to a point on a line bearing north 45 degrees west from a tie point, said tie point being 1.727 kilometres east and 5.955 kilometres south of the southeast corner of aforesaid Lot 79 (said tie point being the northwest corner of Lot 583, T0017 Block 7, formerly TL 10116P); thence south 45 degrees east to said tie point; thence north 89 degrees 30 minutes east 805 metres; thence south 00 degrees 32 minutes east 971 metres (more or less, to the northwest corner of Lot 706, T0029 Block 12, formerly TL 8651P); thence north 89

#### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

degrees 26 minutes east 4.863 kilometres (more or less, to the northeast corner of T0029 Block 4, formerly TL 2914P); thence south 00 degrees 35 minutes east 578 metres, more or less, to a point on the northerly boundary of the watershed of Kokish River; thence in a general easterly and southerly direction along the northerly and easterly boundaries of the watershed of said Kokish River to the westerly boundary of Tsitika Mountain Ecological Reserve, OIC 1179, ordered and approved August 10, 1989; thence in a general southerly direction along the westerly boundary of said Tsitika Mountain Ecological Reserve and the easterly boundary of the watershed of said Kokish River to the easterly boundary of the watershed of Bonanza River; thence in a general southerly and westerly direction along the easterly and southerly boundaries of the watershed of said Bonanza River to a point 2.109 kilometres south and 10.978 kilometres east of the southeast corner of Lot 1165; thence north 00 degrees 02 minutes east 250 metres (more or less, to the northeast corner of TL 6518P); thence north 89 degrees 59 minutes west 325 metres, more or less, to the easterly boundary of the watershed of Steele Creek; thence in a general northwesterly direction along the easterly boundary of the watershed of said Steele Creek to a point 1.627 kilometres south and 9.768 kilometres east of the southeast corner of aforesaid Lot 1165; thence north 00 degrees 05 minutes east 232 metres (more or less, to the northeast corner of former TL 6517P); thence north 89 degrees 55 minutes west 3.239 kilometres; thence north 00 degrees 12 minutes west 317 metres; thence south 89 degrees 56 minutes west 199 metres, more or less, to the westerly boundary of the watershed of aforesaid Steele Creek; thence in a general northerly direction along the westerly boundaries of the watersheds of Steele Creek, Bonanza Lake and Bonanza River to a point 274 metres north and 5.449 kilometres east of the southeast corner of Lot 1174; thence west 397 metres; thence north 88 degrees 59 minutes west 1.609 kilometres (more or less, to the southwest corner of T0008 Block 8, formerly TL 1885P); thence south 01

### DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

degree west 1.588 kilometres; thence north 89 degrees west 3.217 kilometres; thence north 00 degrees 59 minutes east 9.634 kilometres; thence south 88 degrees 59 minutes east 402 metres; thence north 00 degree 50 minutes east 843 metres; thence south 87 degrees 50 minutes east 815 metres (more or less, to the southeast corner of Lot 891, T0128, formerly TL 681P); thence north 01 degree 34 minutes east 131 metres; thence north 52 degrees east in a straight line to a point due west of the southwest corner of Lot 349; thence east to the southwest corner of said Lot 349; thence easterly along the southerly boundaries of Lots 349 and 133 to the southeast corner of said Lot 133; thence northerly along the easterly boundary of said Lot 133 to the southerly boundary of Lot 1; thence easterly along the southerly boundaries of Lots 1 and 134 to the southeast corner of said Lot 134; thence northerly along the easterly boundary of said Lot 134 255 metres; thence east 20 metres; thence north 30 degrees east 221 metres; thence due west to the easterly boundary of aforesaid Lot 134; thence northerly along the easterly boundary of said Lot 134 to the southerly boundary of Lot 348; thence easterly along the southerly boundary of said Lot 348 to the southwest corner of aforesaid Lot 2; thence easterly along the southerly boundary of said Lot 2 to the southeast corner thereof, being the point of commencement.

Excluding thereout all that foreshore and land covered by water within the above described area.

# SCHEDULE "B" TREE FARM LICENCE 47 DESCRIPTION OF CROWN LAND SUBJECT TO THE LICENCE

#### Moresby Block No. 18

#### Area A

Deleted through Instrument 19 on December 1, 2006. Now forms Tree Farm Licence 58.

#### Area B

Deleted through Instrument 19 on December 1, 2006. Now forms Tree Farm Licence 58.