

MAA-NULTH FIRST NATIONS FINAL AGREEMENT

LAND TRANSFER

MEMORANDUM OF UNDERSTANDING

TOQUAHT NATION and BRITISH COLUMBIA



THIS UNDERSTANDING (the “Understanding”) made the 9th day of April, 2009.

BETWEEN:

TOQUAHT NATION

AND:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA**
 (“British Columbia”)

The Maa-nulth First Nations, British Columbia and Canada have successfully concluded the negotiation of the Maa-nulth First Nations Final Agreement (the “Final Agreement”) under the British Columbia Treaty Commission process. Toquaht Nation is a Maa-nulth First Nation and a party to the Final Agreement.

Toquaht Nation and British Columbia have ratified the Final Agreement in accordance with Chapter 28 Ratification of the Final Agreement. All of the parties have now signed the Final Agreement. Canada is proceeding to table its federal settlement legislation in order to fulfill its ratification requirements and be in a position to give effect to the treaty.

The parties are actively engaged in developing detailed Final Agreement implementation and closing plans that will ensure the parties are ready for the effective date – the date when the Final Agreement takes effect, has force of law and the Maa-nulth First Nations begin to exercise their rights under the Final Agreement. However, the parties recognize that it may take 18 to 24 months to prepare all the legal documents and Maa-nulth First Nation laws required to be in place to give effect to the Final Agreement.

At the provincial level, British Columbia and the First Nations Leadership Council, representing the Assembly of First Nations – BC Region, First Nations Summit and the Union of BC Indian Chiefs, have entered into a New Relationship. In the spirit of the New Relationship, British Columbia and two First Nations have recently signed the first incremental treaty agreements in the province. These agreements provide treaty-related benefits to these First Nations, including the transfer of ownership of a key land parcel, in advance of the treaty’s effective date.

In the same vein as an incremental treaty agreement, subject to British Columbia obtaining an appropriation for any required land survey costs, British Columbia is prepared to negotiate a land transfer agreement (the “Transfer Agreement”) with Toquaht Nation for an important land parcel. This parcel, which is approximately 19 hectares of provincial Crown land and is identified for illustrative purposes as “Candidate Parcel for Pre-Treaty Transfer” on Schedule 1 to this Memorandum of Understanding (the “Stuart Bay Parcel”), will become the Maa-nulth First Nations Lands of the Toquaht Nation on the effective date of the Final Agreement. The Stuart Bay Parcel is ocean waterfront land near the entrance to Ucluelet Harbour with excellent development potential. If concluded, the Transfer Agreement would allow Toquaht Nation to

advance any development plans with partners and financial institutions ahead of the effective date of the Final Agreement.

British Columbia and Toquaht Nation agree that if a Transfer Agreement is entered into it will include the following provisions:

- a. the Province's commitment to transfer a determinable fee simple estate, excluding subsurface resources, in the Stuart Bay Parcel to a duly incorporated company under the *Business Corporations Act* (British Columbia) (the 'Designated Company') as soon as practicable after the Transfer Agreement is signed by the parties and any required land surveys are completed;
- b. the Designated Company will be owned and controlled by Toquaht Nation;
- c. the transfer of the Stuart Bay Parcel will be subject to identified encumbrances and exceptions and the condition that the parcel not be sold or transferred prior to the effective date of the Final Agreement;
- d. existing provincial laws, including applicable zoning, land use, land development and property tax laws will apply to the Stuart Bay Parcel;
- e. the Stuart Bay Parcel will be transferred "as is" with respect to its environmental condition;
- f. the Stuart Bay Parcel will become Maa-nulth First Nation Lands of Toquaht Nation on the effective date of the Final Agreement; immediately before the effective date of the Final Agreement the fee simple estate of the Designated Company in the Stuart Bay Parcel will terminate; and
- g. the Province will take responsibility for identified closing costs, including:
 - the cost of any survey required;
 - any other costs or fees associated with the preparation of Crown grants or any other land title office documents; and
 - property transfer tax.

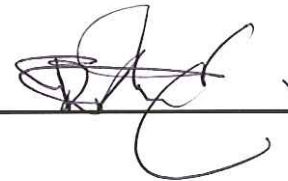
The Parties acknowledge that this Memorandum of Understanding is not intended to create any legally binding obligation on either party, or to recognize, affirm, deny, limit or amend any aboriginal rights or titles of Toquaht Nation.

THIS UNDERSTANDING HAS BEEN EXECUTED AND DELIVERED as of the day and year first above written.

**Signed on behalf of Toquaht Nation by
Chief Councillor**

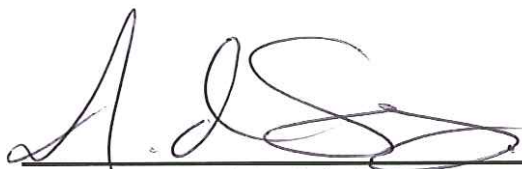


Chief Bert Mack



Witness

**Signed on behalf of Her Majesty the Queen
in Right of the Province of British Columbia
by the Minister of Aboriginal Relations and
Reconciliation**



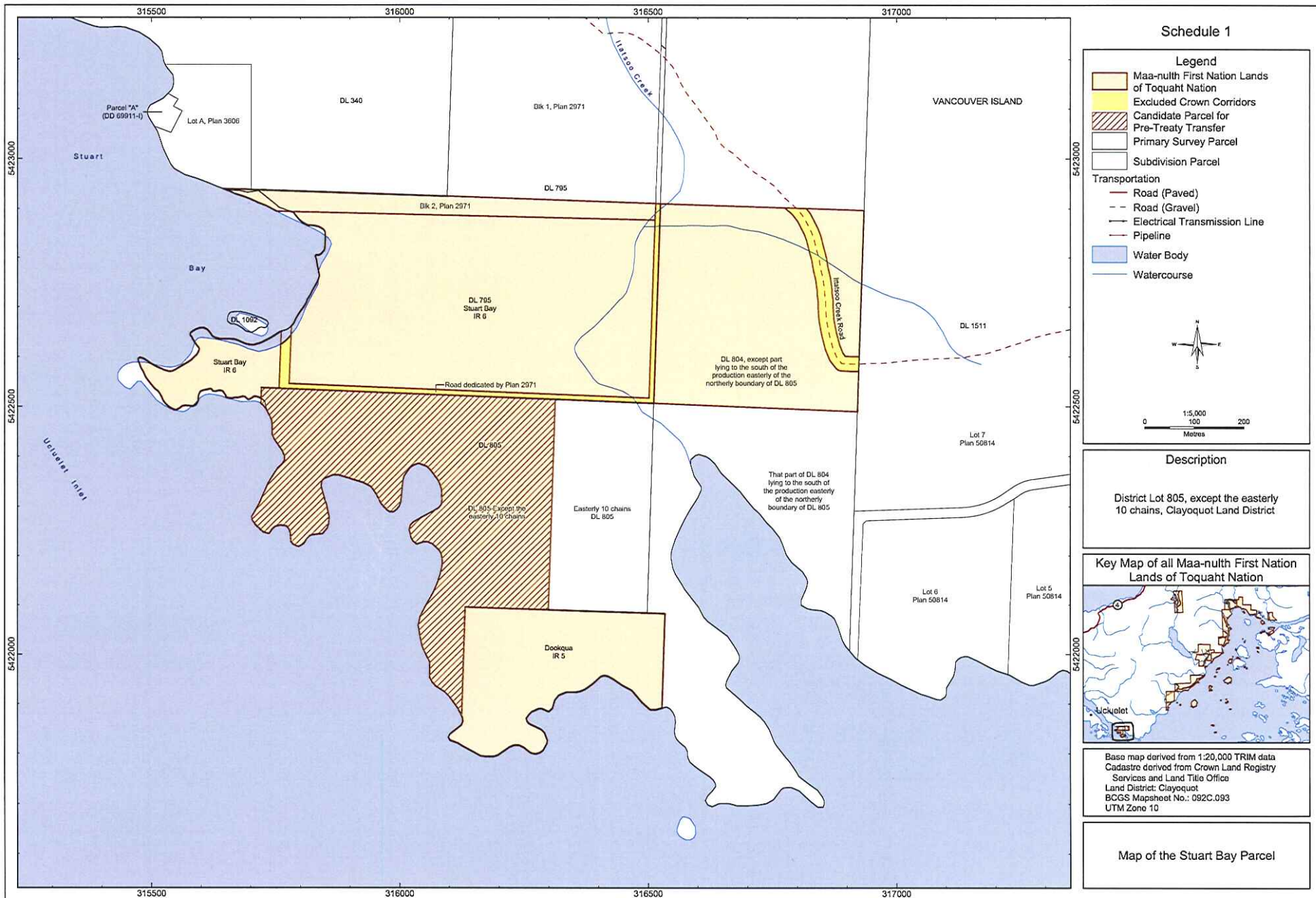
Honourable Michael de Jong



Witness

Schedule 1

Map for Illustrative Purposes of the Stuart Bay Parcel



315500 316000 316500 317000

5423000
5422500
5422000

Legend

- Maa-nulth First Nation Lands of Toquaht Nation
- Excluded Crown Corridors
- Candidate Parcel for Pre-Treaty Transfer
- Primary Survey Parcel
- Subdivision Parcel

Transportation

- Road (Paved)
- Road (Gravel)
- Electrical Transmission Line
- Pipeline

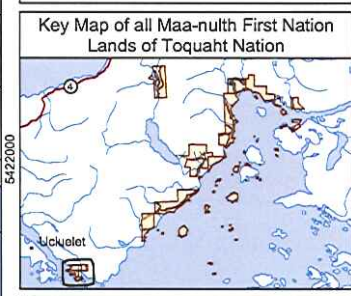
Water Body

- Watercourse

Scale: 1:5,000
 0 100 200 Metres

Description

District Lot 805, except the easterly 10 chains, Clayoquot Land District



Base map derived from 1:20,000 TRIM data
 Cadastre derived from Crown Land Registry
 Services and Land Title Office
 Land District: Clayoquot
 BCGS Mapsheet No.: 092C.093
 UTM Zone 10

Map of the Stuart Bay Parcel

315500 316000 316500 317000

Parcel "A" (DD 59911-4)
 Lot A, Plan 3606
 DL 340
 Blk 1, Plan 2971
 VANCOUVER ISLAND
 DL 795
 Blk 2, Plan 2971
 DL 705 Stuart Bay IR 6
 DL 804, except part lying to the south of the production easterly of the northerly boundary of DL 805
 DL 805
 DL 805-Except the easterly 10 chains
 Easterly 10 chains DL 805
 That part of DL 804 lying to the south of the production easterly of the northerly boundary of DL 805
 Lot 7 Plan 50814
 Lot 6 Plan 50814
 Lot 5 Plan 50814
 Dookwa IR 5
 DL 1002
 Stuart Bay IR 6
 Road dedicated by Plan 2971
 Haislo Creek Road
 DL 1511
 Stuart
 Bay
 Unalutet Inlet