

Forest Tenure Opportunity Agreement
(the "Agreement")

Among:

"Kwadacha First Nation,"

and

"Tsay Keh Dene First Nation"

and

"McLeod Lake Indian Band"

As represented by their
Chiefs and Councils

and

Her Majesty the Queen in Right of the Province of British Columbia
as represented by the Minister of Forests, Lands, and Natural Resource Operations
(*"British Columbia"*)

(collectively the *"Parties"*)

WHEREAS:

- A. In 2005, 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 entered into a New Relationship and signed the Transformative Change Accord, the purposes of which is to implement a government-to-government relationship based on an effective working partnership, enhanced collaboration, mutual respect and recognition and accommodation of Aboriginal title and rights and achieve the mutual goals of closing the social and economic gap between First Nations and other British Columbians.
- B. In the spirit of the New Relationship and the Transformative Change Accord, British Columbia and the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band have undertaken a shared commitment to strengthening relationships on a government-to-government basis, and on focusing efforts to close the socio-economic gaps between Aboriginal and non-Aboriginal people.
- C. This Agreement, and the benefits flowing from it, will assist the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band in

achieving progress towards the goals referred to in the previous recitals, and in particular help to address the conditions that contribute to poverty among Aboriginal people and to ensure that they can more fully benefit from and contribute to British Columbia's prosperity.

- D. British Columbia recognizes that the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band each have a unique history and their own culture and traditions that help to define them, and that these characteristics, along with their relationship with British Columbia, form an important context for the cooperative efforts needed to improve the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band communities' well-being.
- E. The Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band have Aboriginal Interests within their Traditional Territories.
- F. This Agreement is intended to assist in achieving stability and greater certainty for forest resource development on Crown lands within the Traditional Territories of the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band, which will enhance the ability of the forest industry to exercise timber harvesting in a timely, economic, and environmentally sustainable manner while longer term interests of the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band are addressed through other agreements or processes.
- G. There are extensive areas of damaged forest stands in the Mackenzie Forest District and the Government of British Columbia wishes to have these stands harvested and reforested.
- H. The McLeod Lake Indian Band, a party to Treaty 8, holds treaty rights within the licence area subject to this agreement.
- I. The Kwadacha First Nations and Tsay Keh First Nation hold asserted rights and title within the licence areas subject to this agreement.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

1. Definitions

- 1.1. "Aboriginal Interests" means asserted aboriginal rights (including aboriginal title) or determined aboriginal rights (including aboriginal title) and treaty rights which are recognized and affirmed by section 35(1) of the *Constitution Act, 1982*.
- 1.2. "Effective Date" means the date on which this Agreement has been ratified and signed by each of the Parties.
- 1.3. "Forest Tenure" means an agreement granting rights to harvest Crown timber as defined in section 12(1) of the *Forest Act*.

- 1.4. "Licence" means a forest licence or a forestry licence to cut as defined in the *Forest Act*.
- 1.5. "Licensee" means a holder of a forest tenure.
- 1.6. "Licence Area" means an area defined by agreement between the licensee and British Columbia, over which the licensee will have the right to apply for cutting authorities to a specified level of harvest of Crown timber as defined in the *Forest Act*.
- 1.7. "Operating Area" means an area, informally agreed to between licensees who each hold rights to harvest Crown timber within the same Timber Supply Area, in which each licensee will operate in a manner so as to avoid conflict with the other and to assist in meeting each other's needs.
- 1.8. "Stand" means a community of trees possessing sufficient uniformity in composition, age, arrangement, or condition to be distinguishable from the forest or other growth on adjoining areas, thus forming a silvicultural or management entity.
- 1.9. "Representative" carries the same meaning as it is given in the *Forest Act*.
- 1.10. "Traditional Territory" means the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band claimed or asserted Traditional Territories as shown on bold black on the map attached in Appendix A.

2. Purpose and Objectives

The purposes and objectives of this Agreement are to:

- 2.1. Provide an opportunity for the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band to identify and pursue their socio-economic objectives within their communities and, in connection with those objectives, to assist Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band in achieving progress towards closing socio-economic gaps between the members of the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band and non-Aboriginal people in British Columbia.
- 2.2. Promote and increase the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band participation in the forest sector by offering a forest tenure opportunity.
- 2.3. Provide an accommodation in respect of potential impacts of forestry decisions and operations within the Traditional Territories on the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band Aboriginal Interests.

3. Forest Tenure Opportunity

- 3.1. After execution of this Agreement, the District Manager or Regional Executive Director will invite the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band, or their Representative to apply for a non-replaceable forest licence (the "Licence") on a non-competitive basis for up to 88,000 cubic meters annually in the Mackenzie Timber Supply Area. The Licence will be comprised of:

| Management Unit | Licence(s) | Allowable Annual Cut (AAC) (m³/yr) | Total Volume in m³ | Term in years (yrs.) |
|------------------------|-------------------|------------------------------------------------------|--------------------------------------|-----------------------------|
| Mackenzie TSA | FL A86661 | 88,000 m³/yr | 880,000 m³ | 10 yrs. |

- 3.2. The appointment of a Representative for the purpose of holding the Licence must be made in accordance with the *Forest Act*.
- 3.3. The Licence Area for the Licence referenced in section 3.1 will be located in the Mackenzie Timber Supply Area and is outlined on the map attached to this Agreement as Appendix B.
- 3.4. The Licence under section 3.1 of this Agreement will:
- 3.4.1. be a non-replaceable forest licence as defined under the *Forest Act*;
 - 3.4.2. include other terms and conditions required by law including the condition that the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band must comply with this Agreement; and,
 - 3.4.3. include other terms and conditions as may be required by the Regional Executive Director.
- 3.5. Notwithstanding any other provision of this Agreement, British Columbia neither makes nor offers any guarantee of the financial viability of any operations under the Licence(s) referred to in section 3.1.
- 3.6. During the term of this Agreement and notwithstanding section 3.5, Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band agrees that British Columbia has provided to the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band an accommodation in respect of potential impacts of forestry decisions and operations within the Traditional Territories on the Kwadacha First Nation, Tsay Keh Dene First Nation and

McLeod Lake Indian Band Aboriginal Interests, in the form of the Licence provided for under this Agreement.

- 3.7. If the Licence entered into under this Agreement remains in effect beyond the term of this Agreement, the Licence will continue to be considered by the Parties to be an accommodation as contemplated in sections 2.3 and 3.6 until the Licence expires or is terminated.
- 3.8. Any Licence entered into under this Agreement can only be transferred in accordance with the *Forest Act*.

4. Reporting of Tenure Information

- 4.1. From time to time, British Columbia, in its commitment to the goals of the Transformative Change Accord, may require certain information from the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band on what measurable benefits the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band communities have been able to achieve as a result of this Agreement.
- 4.2. The Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band agree to cooperate with British Columbia in providing the information in a format acceptable to both Parties and in a manner that maintains the confidentiality of that information in accordance with applicable statutory requirements.

5. The Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band Traditional Territory

5.1. British Columbia will use the maps of the:

5.1.1. Kwadacha First Nation's Traditional Territory used in the Kwadacha Band Forest and Range Consultation and Revenue Sharing Agreement dated March 31, 2011;

5.1.2. Tsay Keh Dene First Nation's Traditional Territory used in the Tsay Keh Dene Band Interim Agreement on Forest and Range Opportunities dated April 9, 2009; and

5.1.3. McLeod Lake Indian Band's Traditional Territory used in the Economic Development Agreement dated April 12, 2010,

which maps will be set out in this Agreement as Appendix A.

6 Economic and Operational Stability within the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band Traditional Territories

6.1. The Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band will respond immediately to any discussions sought by British Columbia in relation to any acts of intentional interference by members of the the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band with provincially authorized forest activities and will work co-operatively with British Columbia to assist in resolving any such matters.

7 Term and Termination

7.1. The term of this Agreement is 10 years.

7.2. This Agreement will take effect on the date on which the last Party has executed it.

7.3. This Agreement will terminate on the occurrence of the earliest of any of the following events:

7.3.1. Expiry of the licence provided for under this agreement;

7.3.2. 90 days notice by either Party to the other Party; or

7.3.3. Mutual agreement of the Parties.

7.4. This Agreement may be terminated by British Columbia if the Licence issued pursuant to section 3.1 is cancelled, surrendered or otherwise terminated under the *Forest Act*.

- 7.5. Prior to the expiry of the 90 days when 90 day notice of termination has been given under section 7.3.2, the Parties agree to meet and endeavour to resolve the issue that has given rise to the 90 day notice of termination.

8 Dispute Resolution

- 8.1. If a dispute arises between British Columbia and the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band regarding the interpretation of a provision of this Agreement, the Parties or Representatives will meet as soon as is practicable to attempt to resolve the interpretation dispute.
- 8.2. If the Parties are unable to resolve differences at the appropriate level, the interpretation issue will be raised to more senior levels of British Columbia and the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band.
- 8.3. If the interpretation dispute cannot be resolved by the Parties directly, the Parties may choose other appropriate approaches to assist in reaching resolution of the interpretation dispute.

9 Renewal of Agreement

- 9.1 Prior to the expiry of the term of this Agreement, if the terms and conditions of this Agreement are being met and if each party has received such authorizations as it may require to either renew this Agreement or negotiate a new Agreement, British Columbia and the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band will, negotiate a renewal of this Agreement or, where applicable, negotiate a new agreement.

10 Amendment of Agreement

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

11 Suspension or Cancellation by the Minister

- 11.1. Without limiting the actions that may be taken by the Minister or by British Columbia, the Minister or a person authorized by the Minister may suspend or cancel the Licence issued under this Agreement, if the Minister or a person authorized by the Minister determines that the Kwadacha First Nation, Tsay Keh Dene First

Nation and McLeod Lake Indian Band are not in compliance with this Agreement.

- 11.2. If this Agreement is terminated in accordance with section 7.3.2 or 7.3.3, the Minister may cancel the Licence issued pursuant to this Agreement.
- 11.3. Prior to contemplating any action referred to in sections 10.1 or 10.2, British Columbia will provide notice to the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band of any alleged contravention of this Agreement that may lead to the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band not being in compliance with this Agreement.

12 Entire Agreement

- 12.1. This Agreement, and any amendment to it, constitutes the entire Agreement between the Parties with respect to the subject matter of this Agreement.

13 Notice

- 13.1. Any notice or other communication that is required to be given or that a Party wishes to give to the other Party with respect to this Agreement, will be in writing and will be effective if delivered, sent by registered mail, or transmitted by facsimile to the address of the other Parties as set out in this section of the Agreement.

| British Columbia | Kwadacha First Nation | Tsay Keh Dene First Nation | McLeod Lake Indian Band |
|-------------------------------------------------------------|----------------------------------------------------|-------------------------------------------|----------------------------------|
| Deputy Minister | Contact Name: Mr. Danny Case | Contact Name: Mr. Daniel Pierre | Contact Name: Mr. Ryan Bichon |
| Ministry of Forests, Lands, and Natural Resource Operations | Kwadacha First Nation | Tsay Keh Dene First Nation | McLeod Lake Indian Band |
| P.O. Box 9525 STN PROV GOVT | c/o Kwadacha Natural Resources Agency, P.O. Box 75 | c/o Land and Resource Dept 1877 Queensway | General Delivery |
| Victoria B.C. V8W 9C3 | Fort Ware, B.C V0J 3B0 | Prince George, B.C. V2L 1L9 | McLeod Lake, B.C. V0J 2G0 |
| Telephone: (250) 356-5012 | Telephone:(250) 471-2044 | Telephone:(250) 562-8882 | Telephone:(250) 750-4415 |
| Facsimile: (250) 953-3687 | Facsimile: (250) 471-2045 | Facsimile: (250) 562-8899 | Facsimile: (250) 750-4420 |

- 13.2. Any notice or other communications will be deemed to have been given on the date it is actually received, if received before 4:00 p.m. on that day.
- 13.3. The address of any of the Parties may be changed by notice in the manner set out in this section of the Agreement.
- 13.4. This Agreement may be entered into by each Party signing a separate copy of this Agreement, including a photocopy or faxed copy, and delivering it to the other Parties by facsimile. Each facsimile will be deemed to be an original for all purposes and all

counterparts taken together will be deemed to constitute one document.

- 13.5. British Columbia is not in breach of any duty merely as a result of any contraventions by the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band Representative in respect of any licences issued under this Agreement.

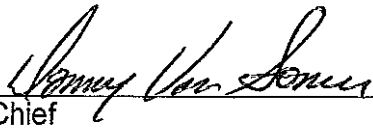
14 Miscellaneous

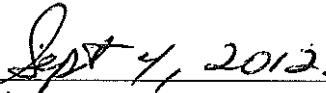
- 14.1. This Agreement is to be interpreted in a manner consistent with provincial, federal and constitutional law.
- 14.2. Except as set out in this Agreement, this Agreement will not limit the positions that a Party may take in future negotiations or court actions.
- 14.3. British Columbia acknowledges and enters into this Agreement on the basis that the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band each have Aboriginal Interests within their respective Traditional Territories but that the specific nature, scope and geographic extent of the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band Aboriginal Interests have not yet been determined, and further that broader processes engaged in to bring about reconciliation may eventually result in a common understanding of the nature, scope and geographic extent of Aboriginal Interests or treaty interests of the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band.
- 14.4. This Agreement does not exclude the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band from accessing forestry economic opportunities and benefits, which may be available to them, other than those expressly set out in this Agreement.
- 14.5. This Agreement is not a treaty or a lands claims agreement within the meaning of sections 25 and 35 of the *Constitution Act, 1982* and does not define or amend aboriginal rights, or limit any priorities afforded to aboriginal rights, including aboriginal title.
- 14.6. This Agreement and any decisions made during the term of this Agreement do not change or affect the positions either Party has, or may have, regarding jurisdiction and authorities.

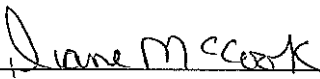
- 14.7. Any reference to a statute in this Agreement includes all regulations made under that statute and any amendments or replacement of that statute and its regulations.
- 14.8. This Agreement does not address or prejudice conflicting interests or competing claims between First Nations.
- 14.9. There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favour of any of the Parties.
- 14.10. The laws of British Columbia will govern this Agreement.
- 14.11. This Agreement is not intended to limit any obligation of forest Licensees or other third parties to the Kwadacha First Nation, Tsay Keh Dene First Nation and McLeod Lake Indian Band.
- 14.12. The Appendices to this Agreement form part of the Agreement.

Signed on behalf of:

Kwadacha First Nation


Chief

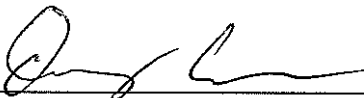

Date:

Councillor 

Councillor

Councillor

Councillor

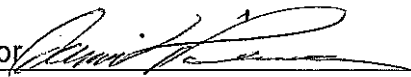

Witness of Kwadacha First Nation
signature

Signed on behalf of:

Tsay Keh Dene First Nation



Chief

Date: Sept 7, 2012

Councillor 

Councillor

Councillor _____ Councillor _____


Witness of Tsay Keh Dene First Nation
signature

Signed on behalf of:

McLeod Lake Indian Band

DEREK ORR Chief Date: August 24 / 2012

[Signature]

Councillor [Signature] Councillor GERALDINE SOLONAS

Councillor _____ Councillor _____

[Signature]
Witness of McLeod Lake Indian Band
signature

Signed on behalf of:

British Columbia

Date: Oct 17, 2012

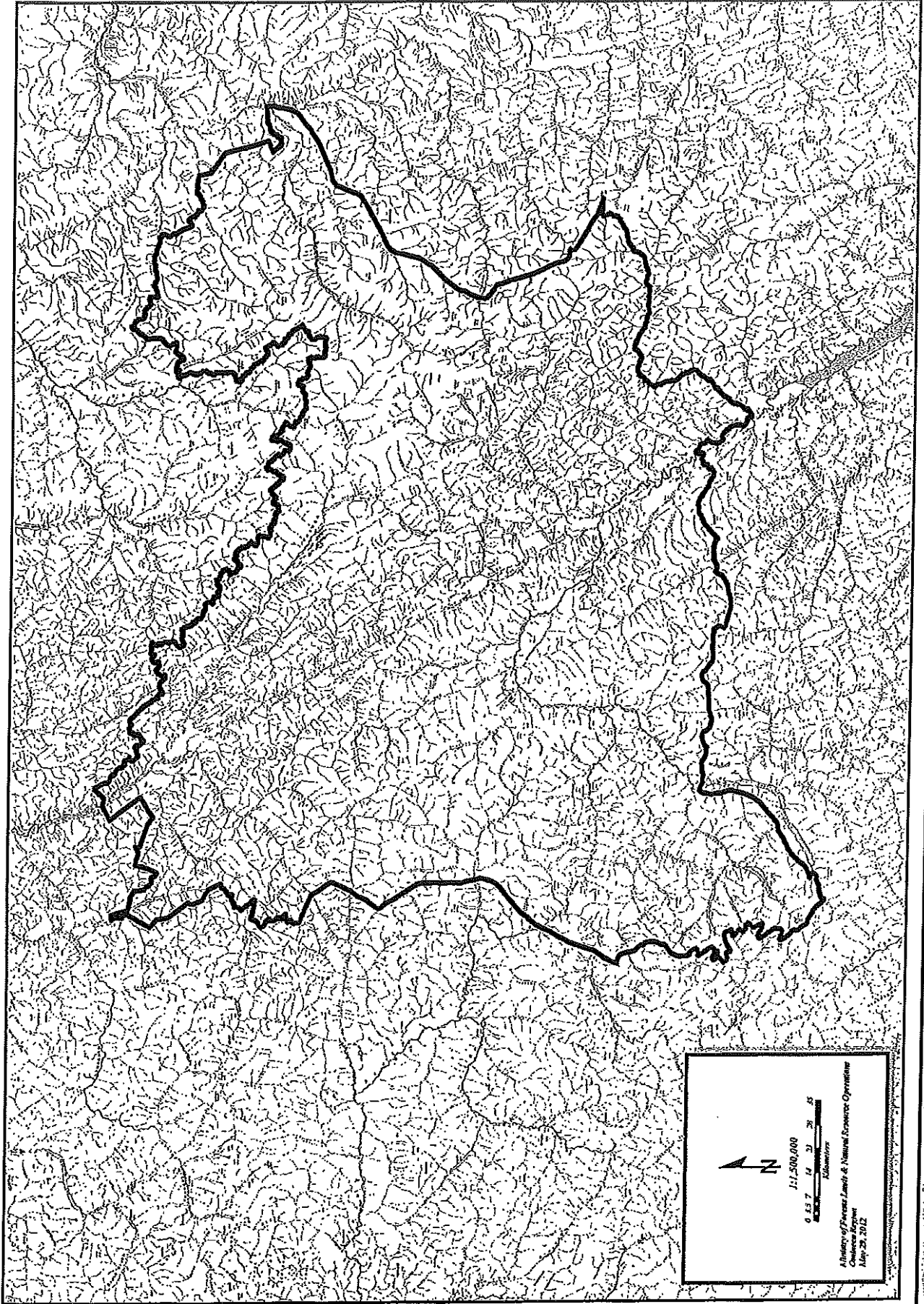
Steve Thomson

Steve Thomson
Minister of Forests, Lands, and Natural
Resource Operations

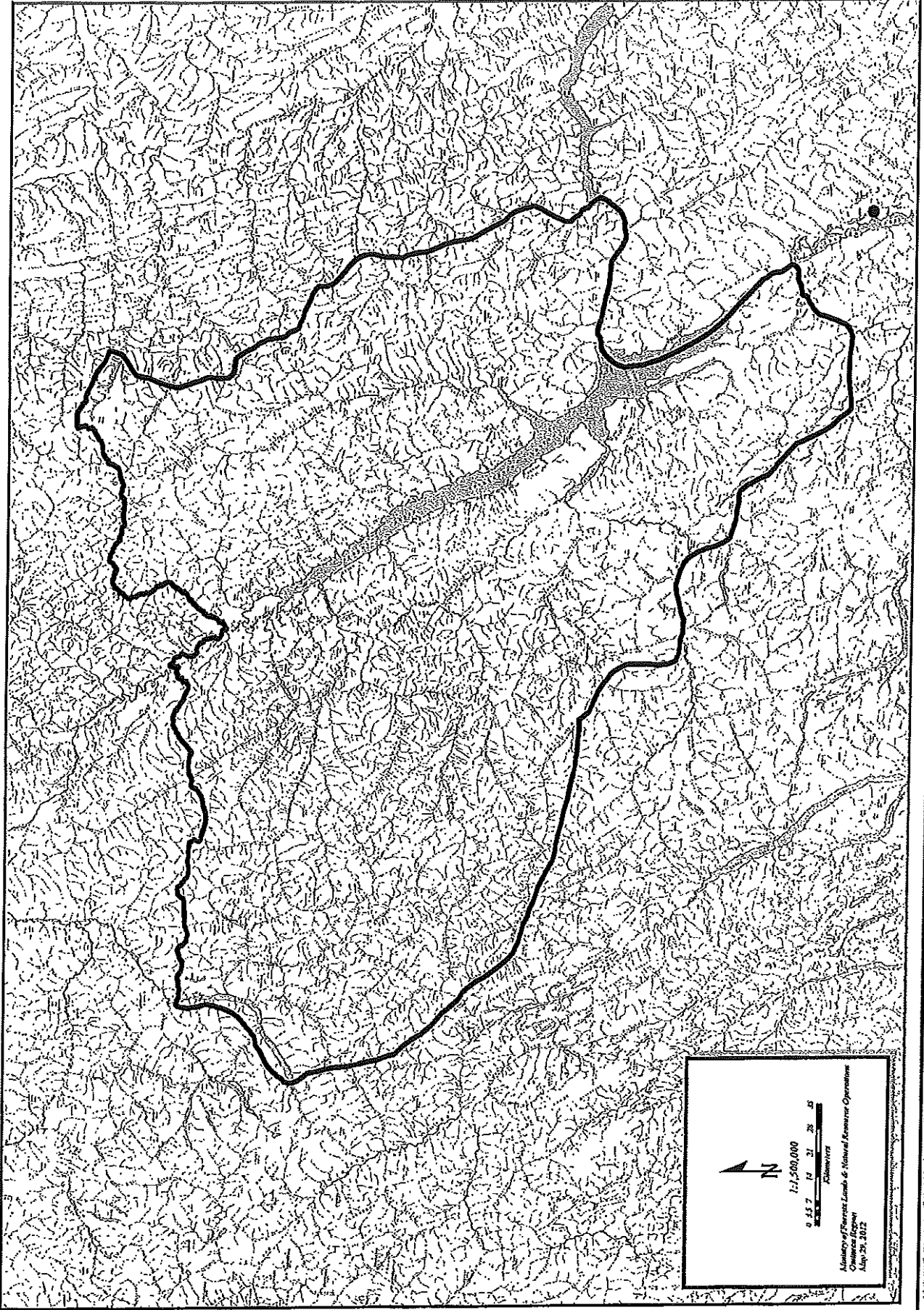
P. R. (Nan) Pellatt

Witness of Minister signature

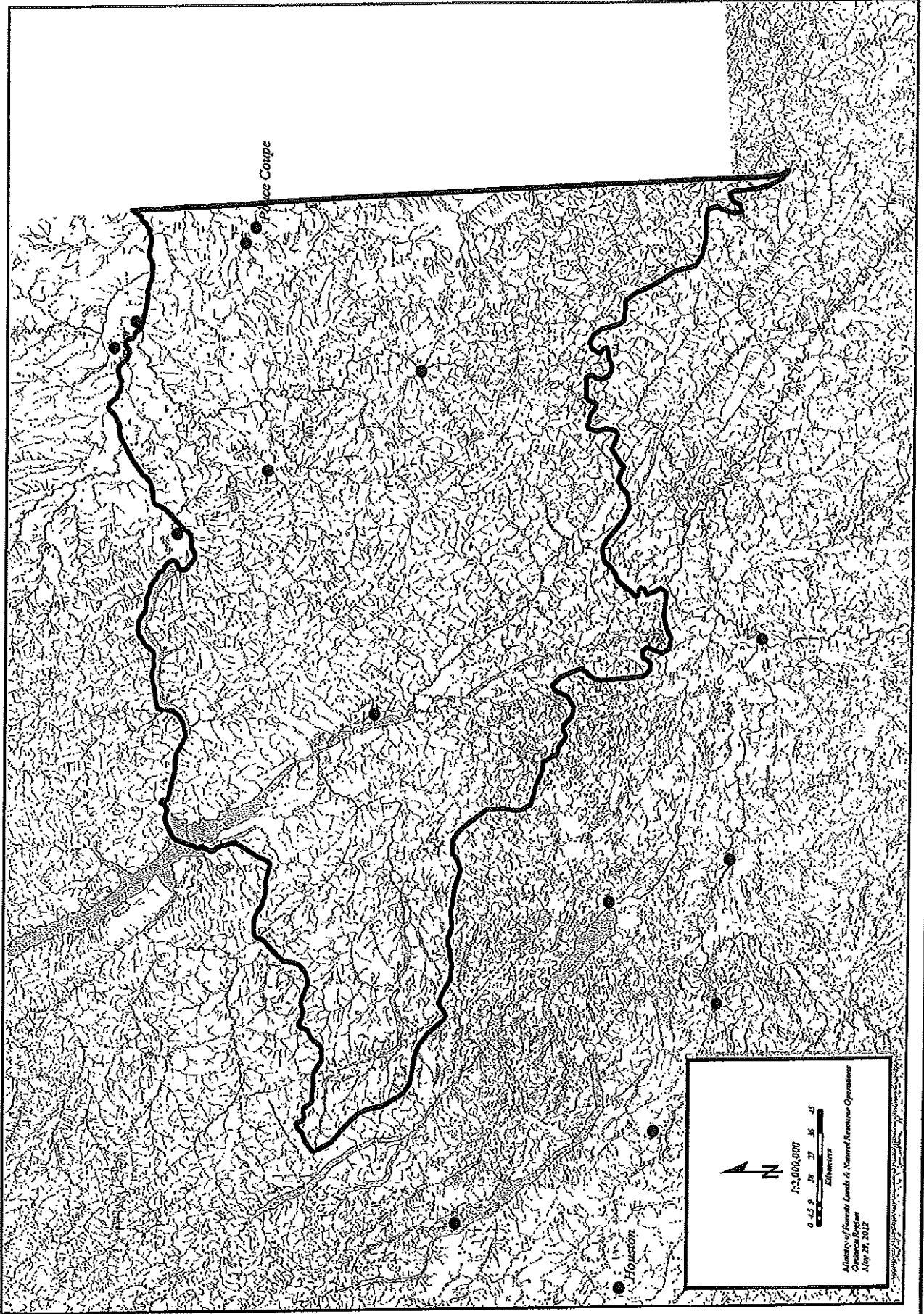
Appendix A
KWADACHA TRADITIONAL TERRITORY



Appendix A
TSAY KEH DENE BAND TRADITIONAL TERRITORY



Appendix A
MCLEOD LAKE INDIAN BAND TRADITIONAL TERRITORY



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Ministry of Forests, Lands & Natural Resource Operations
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April 2017