

Interim Measures Agreement

THIS AGREEMENT dated for reference this 15th day of July, 2003 .

BETWEEN:

STELLAT'EN FIRST NATION
As represented by Chief Patrick Michell

("Stellat'en First Nation")

AND


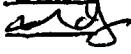
**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA**
As represented by the Minister of Forests

(The "Government of British Columbia")

each of whom is a "party" to this Agreement and both of whom are
sometimes referred to as the "parties".

Purpose:

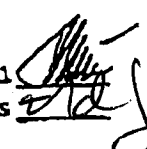
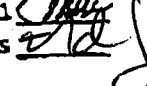
1. The purpose of this Agreement is to:
 - (a) to offer some economic accommodation, within the parameters of this Agreement, regarding potential aboriginal rights and title ("aboriginal interests") raised by Stellat'en First Nation in relation to forest and range decisions that occur during the term of this Agreement;
 - (b) increase Stellat'en First Nation's participation in the forest sector;
 - (c) provide for an economic development opportunity for Stellat'en First Nation by providing for an invitation to Stellat'en First Nation for a non-replaceable forest licence;
 - (d) assist in providing stability to provincially authorized forest and range resource development on Crown lands within the asserted traditional territory (the "Traditional Territory"); of Stellat'en First Nation as outlined in bold black on the attached Appendix "A";

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- (e) provide for the development of a specific consultation process for the Ministry of Forests and Stellat'en First Nation regarding forest and range development within the Traditional Territory; and
- (f) further the Government of British Columbia's objective to offer other future economic benefits to Stellat'en First Nation, including revenue sharing and additional forest tenure opportunities, in order to provide interim workable accommodation for aboriginal interests under this Agreement, with a view to concluding an agreement dealing with those matters within one year.

Invitation to Apply for a Non-Replaceable Forest Licence

2. After the execution of this Agreement by the parties, the Minister of Forests (the "Minister") will invite Stellat'en First Nation to apply for a coniferous non-replaceable forest licence (the "Licence") for 150 000 cubic meters annually, or a lesser volume as specified by Stellat'en First Nation, in the Prince George Timber Supply Area under section 47.3 of the Forest Act and within the Traditional Territory.
3. Any invitation to apply and any Licence entered into as a result of an invitation under this Agreement are subject to the policies, regulations and statutes of British Columbia as amended from time to time.
4. Any invitation to apply under section 2 of this Agreement will:
 - (a) contain terms and conditions required by the Minister, including the requirement that Stellat'en First Nation submit a business plan that is acceptable to the Minister with its application for the licence, and
 - (b) terminate on December 31, 2003 if the Ministry has not received an application from Stellat'en First Nation for a Licence.
5. Any Licence entered into as a result of an invitation under this Agreement:
 - (a) will be for a term of no longer than three years as determined by the Minister;
 - (b) will not be transferable without the consent of the Minister;
 - (c) will contain other terms and conditions required by law, including the condition that Stellat'en First Nation must comply with this Agreement; and

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(d) will include such other terms and conditions as may be required by the Regional Manager, including the condition that the harvesting of timber under the Licence will be conducted in accordance with the Provincial Forest Health Strategy for dealing with the Mountain Pine Beetle Infestation.

6. Provided this Agreement remains in place, the Minister may invite Stellat'en to apply for a subsequent non-replaceable forest licence opportunity on substantively similar or improved terms to those in any licence entered into as a result of the invitation to apply under this Agreement, subject to conditions as referred to in paragraph 5 (b), (c) and (d) and for a term that does not exceed the term of this Agreement.

Consultation

7. In consideration of the Minister's invitation to apply under this Agreement and the attempt to reach a further agreement as contemplated by section 1(f):

(a) Upon executing this Agreement, the Parties will immediately initiate discussions towards creating a specific consultation process that sets out the basic responsibilities and timeframes for efficient and effective consultation with respect to Stellat'en First Nation aboriginal interests regarding forest and range resource development within the Traditional Territory.

(b) Whether in accordance with a process agreed to be the parties pursuant to section 7(a) of this Agreement or otherwise, the Ministry of Forests commits to consult with Stellat'en First Nation in a timely manner on all proposed forest and range development within the Traditional Territory and Stellat'en First Nation will upon reasonable notice and in a timely manner, share necessary aboriginal interests information and consult on forest and range decisions and related activities with:

- (i) the Ministry of Forests;
- (ii) a holder of an agreement entered into under the Forest Act granting the holder a right to harvest Crown timber; and
- (iii) a holder of an agreement entered into under the Range Act granting the holder a right to use or improve Crown range for grazing or cutting hay,

within the Traditional Territory;

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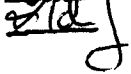
- (c) Stellat'en First Nation acknowledges that the Ministry of Forests will follow the Provincial Policy for Consultation with First Nations dated October, 2002 and the Ministry of Forests Aboriginal Rights and Title Policy dated May 14, 2003 as each of them may be amended from time to time, in the absence of a different consultation process being agreed upon under section 7(a) of this Agreement.

Stability on Crown Land

- 8. In consideration of the Minister's invitation to apply under section 2 of this Agreement and the attempt to reach a further agreement as contemplated by section 1(f):
 - (a) Stellat'en First Nation will not unlawfully interfere with timber harvesting related, grazing, or hay cutting, activities of:
 - (i) the Ministry of Forests;
 - (ii) a holder of an agreement entered into under the *Forest Act* granting the holder a right to harvest Crown timber; and
 - (iii) a holder of an agreement entered into under the *Range Act* granting the holder a right to use or improve Crown range for grazing or cutting hay, within the Traditional Territory; and
 - (b) In consideration of the Minister's invitation to apply under section 7 and issuance to Stellat'en First Nation of a licence as referred to in that section, Stellat'en First Nation will not assert in legal proceedings or otherwise that the licence does not provide some measure of economic accommodation in respect of their aboriginal interests with regard to forestry and range decisions that may be made by the Ministry of Forests within the Traditional Territory during the term of this Agreement or for the term of any further agreement between the parties as contemplated in section 1(f).

Dispute Resolution

- 9. If a dispute arises between the Ministry of Forests and Stellat'en First Nation regarding the interpretation of a provision of this Agreement, or the obligation of a party under this Agreement, the parties or their duly

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appointed representatives will meet forthwith to consider the dispute and may attempt to resolve the dispute.

Amendments

- 10. Any amendment to the terms and conditions of this Agreement must be in writing and duly executed by the parties.

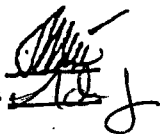
Entire Agreement

- 11. Without restricting the legal obligations of either party except as set out in this Agreement, this Agreement and any amendments to it constitute the entire agreement between the parties with respect to the subject matter of the agreement.

Term

- 12. This Agreement will take effect on the date that it is executed by the parties.
- 13. This Agreement will terminate on the occurrence of any of the following events, whichever occurs earliest:
 - (a) If the Licence contemplated by paragraph 2 is not issued by January 23, 2004;
 - (b) July 15, 2006, unless extended for a further term by agreement of the parties;
 - (c) the cancellation, expiry or termination of a Licence entered into as a result of the invitation in section 2 ;
 - (b) the date of a treaty among Stellat'en First Nation, the Government of Canada and the Government of British Columbia under the British Columbia treaty process; or
 - (c) agreement of the parties to terminate this Agreement

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Suspension or Cancellation

- 14. The parties acknowledge that any tenure issued to implement or further this Agreement will contain a condition that makes compliance with this Agreement a condition of that Licence.

Notice

- 15. 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 delivered, sent by registered mail, or transmitted by facsimile to the address of the other party as set below:


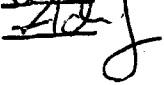
Ministry of Forests

Deputy Minister
 Ministry of Forests
 PO Box 9525 STN PROV GOVT
 Victoria BC V8W 0C3
 Facsimile (250) 387-7065

Stellat'en First Nation

Chief Patrick Michell
 Box 760
 Fraser Lake BC V0J 1S0
 Facsimile (250) 699-6430

- 16. Subject to section 21, any notice or other communication will be deemed to have been given on the date it is actually received.
- 17. If any notice or other communication is received after 4:00 p.m., it will be deemed to have been received on the next business day.
- 18. An address change by either party will be the subject of notice in accordance with this Agreement.

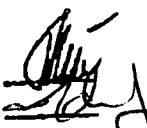

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Counterpart

- 19. This Agreement may be entered into by each party signing a separate copy of this Agreement, and delivering it to the other party 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.

Miscellaneous

- 20. This Agreement is not intended to affect any position Stellat'en First Nation may take in litigation or other negotiations with regard to the extent of Provincial jurisdiction over forest and range resources within the Traditional Territory.
- 21. Nothing in this Agreement will be interpreted in a manner that requires the Ministry of Forests to act in a manner inconsistent with provincial or federal law, or that fetters the statutory discretion of any provincial decision-maker.
- 22. 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, recognise, affirm, amend or deny the existence of any aboriginal right, including aboriginal title, or any treaty right.
- 23. This Agreement will not limit the position that a party may take in future negotiations or court proceedings, including claims that may be made by Stellat'en First Nation in respect to asserted infringements of Stellat'en First Nation aboriginal interests regarding forest and range decisions that occurred prior to the effective date of this Agreement.

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- 24. Any reference to a statute in this Agreement includes all regulations made under that statute and any amendments or replacement of that statute.
- 25. There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favour of either party.

Signed on behalf of Her Majesty the Queen in right of the Province of British Columbia

Date: Aug 13/03
Witness: [Signature]

[Signature]
Minister of Forests

Signed on behalf of Stellat'en First Nation Band

Date: July 17, 2003
Witness: [Signature]

[Signature]
Chief Patrick Michell

Date: July 17, 2003
Witness: [Signature]

[Signature]
Councillor Andrew Casimel

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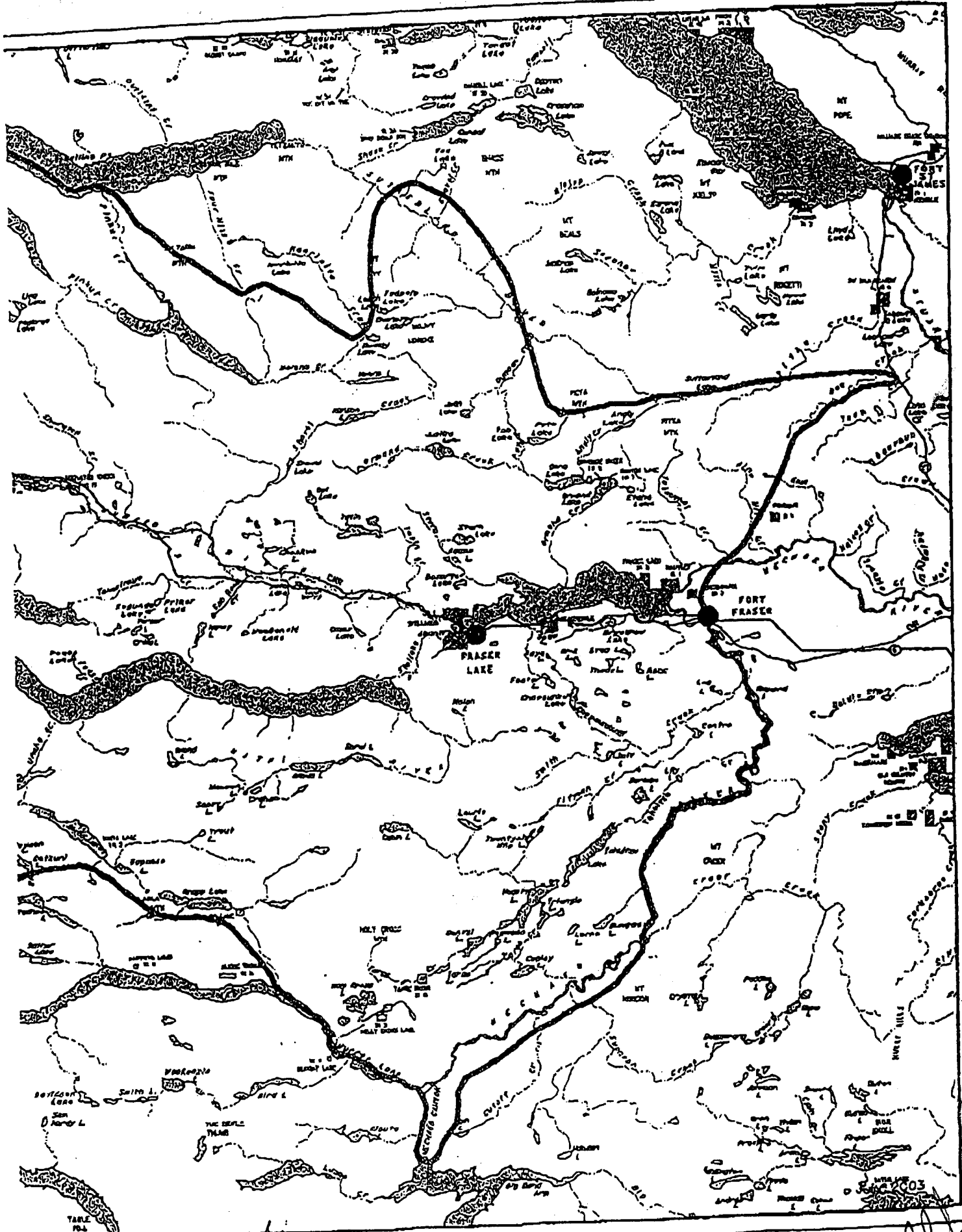
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