

Mountain Pine Beetle Agreement
(the "Agreement")

Between:
Stellat'en First Nation

As represented by
Chief and Council

and
Her Majesty the Queen in Right of the Province of British Columbia
as represented by the Minister of Forests and Range
(the "Government of British Columbia")

(collectively the "Parties")

Whereas:

- The Stellat'en First Nation signed a Forest and Range Agreement (FRA) with the Government of British Columbia that was executed October 3rd, 2005. This Agreement is a short-term additional forestry economic opportunity and does not supersede or alter the FRA.
- Mountain pine beetle allowable annual cut increases in the Prince George Timber Supply Area (TSA) and Lakes Timber Supply Area have led to increased harvesting activity and potential impacts on Stellat'en First Nation aboriginal rights and/or title.
- The Government of British Columbia wishes to support economic opportunities for the Stellat'en First Nation.

Purpose

1. The purposes of this Agreement are to:
 - a. increase the participation of the Stellat'en First Nation in the forest sector; and,
 - b. provide an economic opportunity by inviting the Stellat'en First Nation to apply for a non-replaceable forest licence to assist the province in the management of mountain pine beetle in the Prince George TSA, in a manner linked to the FRA and as set out in this Agreement.

Therefore the Parties agree as follows.

2. Forest Tenure

- 2.1. After execution of this Agreement by the Parties, the Minister of Forests and Range (the "Minister") will invite Stellat'en First Nation to apply for a non-

replaceable forest licence (the Licence) under section 47.3 of the *Forest Act* to harvest a total of up to 185,000 cubic meters of beetle infested timber over a five year term within the traditional territory of Stellat'en First Nation as identified in black bold in Appendix A and that portion within the Prince George TSA.

- 2.2. In addition, a further 190,000 cubic meters will be amended to license A72920 and the term of this license extended to December 31, 2010.
- 2.3. For greater certainty the volumes under the licences referred to in section 2.1 and section 2.2 form part of an approved mandate to provide an additional total new volume of 375,000 cubic meters of beetle infested timber within the Prince George TSA portion of the traditional territory of Stellat'en First Nation.
3. The invitation will be subject to a condition that prior to making an application for the Licence, the Stellat'en First Nation will contact the Ministry of Forests and Range and the Parties will work co-operatively to identify an operating area within the Prince George TSA portion of the traditional territory of the Stellat'en First Nation. Stellat'en First Nation recognizes that this operating area is not exclusive and will require co-operative work with other license holders with overlapping operating area.
4. The Licence(s) entered into as a result of the invitation to apply under this Agreement will:
 - a. be for a term of no longer than five years as determined by the Minister;
 - b. contain other terms and conditions required by law, including the condition that the Stellat'en First Nation must comply with this Agreement and with the FRA;
 - c. include a term that Stellat'en First Nation may not dispose of the Licence except in accordance with the *Forest Act*; and
 - d. include other terms and conditions as may be required by the Regional Manager.
5. An invitation to apply for a non-replaceable forest licence entered into as a result of the invitation to apply under this Agreement may be consolidated with other non-replaceable forest licenses in accordance with section 19(3)(a) of the *Forest Act*.

Consultation

6. The Parties agree to participate in consultation regarding forestry operational plans and administrative decisions pertaining to increases and/or potential increases in harvest levels to address the mountain pine beetle epidemic in the Stellat'en traditional territory as set out in section 4 and section 5 of the FRA.
7. During the term of this Agreement, and subject to the terms and intent of this Agreement being met and adhered to by the Government of British Columbia, the Stellat'en First Nation agrees that the Government of British Columbia will have provided an accommodation, with respect to the economic component of potential infringements of the Stellat'en First Nation aboriginal title and/or rights resulting

from operational plans and administrative decisions pertaining to increases in harvest levels to address the mountain pine beetle epidemic in the Stelat'en traditional territory, as an interim measure.

Dispute Resolution

8. If a dispute arises between the Government of British Columbia and the Stelat'en First Nation regarding the interpretation of a provision of this Agreement, the Parties will follow the dispute resolution process set out in the FRA, regardless of whether or not the FRA has been terminated.

Amendments

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

Term

11. This Agreement will take effect on the date on which the last Party has executed it.
12. This Agreement will terminate on the occurrence of the earliest of any of the following events:
 - a. five years from the date this Agreement is executed; or
 - b. the mutual agreement of the Parties, or
 - c. upon 90 days written notice by either of the Parties.
13. If the FRA is terminated, the consultation processes that were set out in section 4 and section 5 of that agreement are incorporated by reference into this Agreement and will continue to be followed by the Parties for the term and for the purposes of this Agreement.
14. The Government of British Columbia will not terminate this Agreement on the grounds that the Stelat'en First Nation has challenged an Administrative or Operational Decision by way of legal proceedings.
15. Provided that the FRA is not terminated before its expiry date, then upon expiry of the FRA, the Parties may agree to enter into a new forestry agreement and, if so, then the linkages of this Agreement to that new forestry agreement will be on substantively the same terms as are set out in sections 1(b), 4(b), 6, 8, 13, 17 and 18 of this Agreement.

Notice

16. All of the provisions set out in the Notice section of the FRA apply to this Agreement.

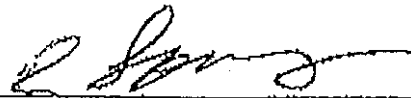
Miscellaneous

17. All of the provisions set out in the Miscellaneous section of the FRA apply to this Agreement.

Signed on behalf of:

Stellat'en First Nation:

Date: May 11, 2010




Chief Reg Loius




Witness

Signed on behalf of:
Government of British Columbia

Date: July 29/10



The Honourable Pat Bell
Minister of Forests and Range



Witness

Appendix A
STELLAT'EN TRADITIONAL TERRITORY

