

Interfor Corporation Proposed Tenure Disposition in the Great Bear Rainforest South Timber Supply Area

Purpose of this Document

This document provides detail on several tenure dispositions proposed by Interfor Corporation (Interfor) in the Great Bear Rainforest (GBR) South Timber Supply Area (TSA). The dispositions include the subdivision of Replaceable Forest Licences (RFL) and the transfer some of these RFLs to new tenure holders. These tenure dispositions require the approval of decision makers in the Ministry of Forests (the "Ministry"). For details on the legal requirements for these approvals and the process the ministry will employ to determine if the dispositions should be approved, refer to the document titled "Disposition of an Agreement Administrative Guide". The document is available on the Forest Tenures Branch website at: https://www2.gov.bc.ca/gov/content/industry/forestry/forest-tenures/forest-tenures/forest-tenure-transfer-disposition.

For further information on the proposed transactions please contact Emma Neill, Senior Timber Tenures Forester at 778-974-2439 or Matthew Feagan, Timber Tenures Specialist at 250-739-8324 or by email at InterforDisposition2023@gov.bc.ca.

Details of the Disposition Requests

The Ministry of Forests has received applications from Interfor to complete the following tenure changes in the GBR South TSA:

- The subdivision of RFL A19238 with an allowable annual cut (AAC) of 167,395 m³ into an amended A19238 with an AAC of 68,404 m³, the creation of a new RFL A98746 with an AAC of 50,000 m³, and the creation of another new RFL A98747 with an AAC of 48,991 m³.
- 2. The subsequent transfer of A19238 to Kwa-Wa-Aineuk Timber General Partner Ltd. on behalf of the Gwawaenuk First Nation.
- 3. The subsequent transfer of A98746 with an AAC of 50,000 m³ to T'Se'Kame Forestry Limited Partnership on behalf of the Kwikwasut'inuxw and Haxwa'mis First Nations.
- 4. The subdivision of RFL A77806 with an allowable annual cut (AAC) of 111,596 m³ into an amended A77806 with an AAC of 31,596 m³, the creation of a new RFL A99298 with an AAC of 40,000 m³, and the creation of another new RFL A99299 with an AAC of 40,000 m³.
- 5. The subsequent transfer of A77806 to Kwa-Wa-Aineuk General Partner Ltd. on behalf of the Gwawaenuk First Nation.
- 6. The subsequent transfer of A99298 with an AAC of 40,000 m³ to 0898322 BC Ltd. on behalf of the Komox First Nation.

What is a Replaceable Forest Licence and what rights are being provided?

RFL's are a form of forest tenure that provides harvesting rights in a TSA. RFLs are replaced every 10 years with a new term of 15 years. Details of the RFLs being subdivided and/or transferred follow:



RFL	Current Term	Replacement Date
A19238	2018-10-29 to 2033-10-28	2028-10-30
A77806	2018-10-29 to 2033-10-28	2028-10-30
A77807	2018-10-29 to 2033-10-28	2028-10-30

New licences will have terms where the replacement and expiry are on the same dates as the original licences.

Are there other Tenures or Permits that will be transferred?

Interfor has indicated that some road permits (RP), cutting permits (CP), and licences of occupation will likely be transferred in whole or in part to the new tenure holders. In addition, some Special Use Permits (SUP) will be assigned to the new tenure holders or surrendered, and the new tenure holder will apply for new SUPs or a Licence of Occupation under the *Land Act*. Details, subject to change, on the permits and licences that will be transferred or assigned in whole or part to the tenure holders follows:

Road Permits

Current Associated	Permit #	New Associated	Operating Area and Location
Tenure		Tenure	
A19232, A19238,	R00969	A19232	Call Inlet
A77806, A77807	R01706	A98747 (proposed)	Actaeon, Creasy, Mereworth, T0403 Actaeon,
		A99298 (proposed)	T0478 Actaeon, T0485 Warner Bay, Warner Bay
	R03645	A99299 (proposed)	Fanny Bay, Frederick Arm, Heydon Bay, Phillips
			Arm, Poison, Port Neville, Tom Brown Lake
	R06177		Frederick Sound
	R07790		Frederick Sound
	R10368		Chief Nollis
	R10903		Tribune/London
	R11948		Frederick Sound, Huaskin Lake
	R12158		Prominent Point
	R14419		Holden Creek
	R18939		Mereworth, T0754 Mereworth
	R19885		Simoom Sound
	R20305		Wakeman
	R01697	A98746 (proposed)	Baron, Elaine Creek, Scott Cove
	R01701	A98746 (proposed)	Clapp Pass, Duck Cove, Scott Cove, Shoal
			Harbour
	R01702	A98746 (proposed)	Carter Creek, Rellim, Thompson, Tribune,
			London
	R01705	A98746 (proposed)	Wakeman
	R01714	A19238 / A77806	Caviar, T0432 Caviar
	R06166	A19238 / A77806	Broughton
	R06571	A19238 / A77806	Charlotte, T0452 Charlotte, T0466 Charlotte
	R09168	A19238 / A77806	Creasy, T0231 Creasey, T0252 Wanalen /
			Skeene, T0432 Caviar, Wanalen / Skeene
	R10651	A19238 / A77806	Mount Connolly



Current Associated	Permit #	New Associated	Operating Area and Location
Tenure		Tenure	
	R11629	A19238 / A77806	Broughton
	R20120	A19238 / A77806	Mount Connolly
	R11407	A19238 / A77806	T0443 Charlotte

Special Use Permits

Permit #	Issued	Expiry	Use	New Holder	Location
S19890		08/16/2026	LOG DUMP	Interfor retain or transfer to Kwa wa-aineuk	CHARLOTTE POINT
S22419		05/10/2025	LOG DUMP, DLS	Interfor retain or terminate	CHIEF NOLLIS BAY
S21247		08/13/2026	LOG DUMP	Interfor retain or terminate	FREDERICK SOUND
S19524		02/14/2022	DUMP/DLS	Transfer to Kwa-Wa-Aineuk	FIFE SOUND (Lane Bay)
S23109		10/05/2026	LOG DUMP & FUEL STORAGE	Proposed Termination	LONDON POINT
S15797		05/10/2025	CAMPSITE/SHOP	Proposed Termination	MEREWORTH SOUND
S22811		11/01/2022	LOG DUMP	Proposed Termination	WYCLEES LAGOON
S24411		12/07/2025	OTHER	Transfer to Kwa-Wa-Aineuk	MACKENZIE SOUND
S24544	03/01/2007	08/21/2028	PARKING AREA FOR EQUIP/VEHICLES	Transfer to Kwa-Wa-Aineuk	MACKENZIE SOUND
S06276		06/10/2021	CAMPSITE/SHOP	Proposed Termination	SHOAL HARBOUR
S06676		08/18/2018	LOG DUMP, DLS	Transfer to T'Se'Kame Forestry o terminate	SHOAL HARBOUR
S09370		10/25/2019	LOG DUMP	Proposed Termination	GILFORD BAY
S19432		05/10/2025	DRYLAND SORT	Proposed Termination	SNOWDRIFT
S03594	07/07/2008	07/06/2013	CAMPSITE/SHOP	Transfer to T'Se'Kame Forestry d terminate	WAKEMAN SOUND
S05943		11/01/2028	DUMP/DLS	TBD	WARNER BAY
S09311		08/20/2028	CAMPSITE/SHOP	Transfer to Kwa-Wa-Aineuk	TSIBASS LAGOON

Licences/Leases

File #	Expiry	Use	New Holder	Location
1414209	05/13/2027	HELICOPTER DROP ZONES	Proposed Termination	BELLEISLE SOUND
1409625	11/01/2021	LOG DUMP, STORAGE & BOOMING	TBD	BELIZE INLET
1413639	10/31/2021	HELICOPTER DROP ZONES	Proposed Termination	BOND SOUND



File #	Expiry	Use	New Holder	Location	
1407167	06/30/2022	LOG DUMP	Transfer to Kwa-Wa-Aineuk	SIR EDMUND BAY	
1408887	08/15/2021	LOG STORAGE	Proposed Termination	LITTLE BAY	
1412912	06/01/2024	DUMP, BOOM, STORAGE & FLOAT CAMP	Proposed Termination	CYPRESS HARBOUR	
1413513	06/12/2024	LOG DUMP, STORAGE & BOOMING	Termination submitted	SIMOOM SOUND	
1414849	04/05/2023	LOG DUMP, STORAGE, FLOAT CAMP	Proposed Termination	RAVEN	
1414484	07/16/2024	LOG HANDLING, STORAGE	Termination submitted	CAVIAR	
0291458	04/10/2027	LOG STORAGE, BOOMING, FLOAT CAMP	Transfer to Kwa-Wa-Aineuk	CAVIAR COVE	
1407800	12/01/2024	LOG DUMP, STORAGE & BOOMING	Proposed Termination or Transfer to Kwa-Wa-Aineuk	CHARLOTTE POINT	
1414297	03/08/2026	HELICOPTER DROP ZONES	Termination submitted	VIOLA LAKE	
1414020	02/21/2023	LOG STORAGE, BOOMING, FLOAT CAMP	Transfer to Kwa-Wa-Aineuk	MACGOWAN BAY	
1409127	01/02/2025	LOG HANDLING	Transfer to Kwa-Wa-Aineuk	CREASY BAY	
1414471	03/03/2031	LOG DUMP, BOOMING & STORAGE	Termination submitted	CLAPP PASS	
1408814	05/01/2023	LOG HANDLING, DUMP, FLOAT CAMP	Proposed Termination	CHIEF NOLLIS BAY	
1414669	07/24/2021	DLS, LOG DUMP, FUEL STORA	Transfer to T'Se'Kame Foresti terminate	GILFORD ISLAND (Duck Cove)	
1409451	06/30/2021	DUMP, BOOM, STORAGE & FLOAT CAMP	Proposed Termination	SEYMOUR INLET	
1408126	04/19/2020	LOG DUMP	Proposed Termination	FREDERICK SOUND	
1409157	04/13/2031	LOG HANDLING	Proposed Termination	FREDERICK SOUND	
1409077	07/31/2026	LOG DUMP, STORAGE,	Proposed Termination or Transfer to Kwa-Wa-Aineuk	BROUGHTON ISLAND	
1414496	01/30/2027	FLOAT CAMP LOG HANDLING, DUMP, FLOAT CAMP	Proposed Termination	(Greenway Sound) LOUGHBOROUGH INLET	
0311636	10/17/2027	LOG DUMP, STORAGE & BOOMING	Proposed Termination	KINGCOME INLET	
1405060	10/21/2024	LOG HANDLING	TBD	KINGCOME INLET	
1407626	02/17/2032	LOG DUMP, STORAGE & BOOMING	Transfer to Kwa-Wa-Aineuk	FIFE SOUND	
1412815	09/01/2022	LOG STORAGE, BOOMING, FLOAT CAMP	Termination submitted	LITTLE BAY	
1414659	05/22/2023	LOG STORAGE, BOOMING, FLOAT CAMP	Proposed Termination	LULL BAY (Shelterless Point)	
5405833	12/21/2021	FORESHORE/STORAGE	Proposed Termination	WYCLEES LAGOON	



File #	Expiry	Use	New Holder	Location
1413511	11/09/2021	LOG HANDLING/STORAGE	Proposed Termination	MEREWORTH SOUND EAST
1409147	12/05/2031	LOG STORAGE, LANDING, CA	Transfer to Kwa-Wa-Aineuk	SUTLEJ CHANNEL
1408743	04/21/2022	LOG STORAGE, FLOAT CAMP	Transfer to Kwa-Wa-Aineuk	MACKENZIE SOUND
1409213	06/30/2020	LOG HANDLING	Transfer to Kwa-Wa-Aineuk	SUTLEJ CHANNEL
1412560	02/14/2023	LOG DUMP, STORAGE & BOOMING	Transfer to Kwa-Wa-Aineuk	MACKENZIE SOUND
1407948	03/22/2022	HELICOPTER DROP ZONES	Proposed Termination	KENNETH PASSAGE -YUKI BAY
1414212	03/02/2025	LOG HANDLING, STORAGE, FLOAT CAMP	Proposed Termination or Transfer to Kwa-Wa-Aineuk	SUTLEJ CHANNEL
1414665	12/18/2023	LOG DUMP, STORAGE, FLOAT CAMP	Proposed termination	PROMINENT POINT
1415068	01/06/2028	HELICOPTER DROP ZONES	Proposed termination	KNIGHT INLET (Prominent Point)
1408147	04/29/2021	LOG DUMP, STORAGE	Proposed Termination	SALMON ARM BAY
0292958	01/01/2022	LOG DUMP, STORAGE & BOOMING	Transfer to T'se'Kame Forestr terminate	SCOTT COVE
0132897	05/29/2041	LOG STORAGE	Transfer to T'se'Kame Forestr terminate	SCOTT COVE
1408148	05/31/2021	LOG DUMP, STORAGE & BOOMING	Proposed Termination	TRIBUNE CHANNEL
1414684	06/28/2030	HELI DROP ZONES, CAMP TIEUP	Interfor retain	SEYMOUR INLET
1415058	APPLICATION	HELI DROP ZONES - SEYMOUR WEST	Interfor retain	SEYMOUR INLET
0257966	10/10/2021	FORESHORE/STORAGE	Transfer to T'Se'Kame Foresti terminate	SHOAL HARBOUR
0303339	03/01/2028	LOG HANDLING/STORAGE	Transfer to T'Se'Kame Foresti terminate	SHOAL HARBOUR
0349514	08/14/2020	LOG DUMP, STORAGE & BOOMING	Proposed Termination	GILFORD BAY
1409626	10/31/2021	LOG DUMP, STORAGE & BOOMING	Proposed Termination or Transfer to Kwa-Wa-Aineuk	DRURY INLET-SKEENE
1408127	02/01/2020	LOG HANDLING, FLOAT CAMP	Proposed Termination	SEYMOUR INLET
0315830	02/13/2044	INDUSTRIAL DOCK	Proposed Termination	THOMPSON SOUND
1406926	09/30/2022	DUMPING, BOOMING & STORAGE	Interfor retain or terminate	THOMPSON SOUND
1408994	06/30/2020	LOG HANDLING, FLOAT CAMP	Termination submitted	LONDON POINT
1413001	10/28/2021	LOG HANDLING	Termination submitted	CARTER CREEK
1414196	12/05/2024	LOG DUMP	Proposed Termination	RELLIM CREEK
1413811	04/10/2022	LOG DUMP	Proposed Termination	BARON POINT



File #	Expiry	Use	New Holder	Location
1414205	08/19/2021	HELI DROP ZONES, FLOAT CA	Interfor retain (future	TRIBUNE CHANNEL
			termination)	
0218957	10/22/2024	LOG HANDLING	Transfer to T'Se'Kame Forest	WAKEMAN SOUND
			terminate	
1414274	06/01/2025	LOG DUMP, STORAGE &	Termination submitted	WAKEMAN SOUND
		BOOMING		(Corsan Creek)
1414287	03/21/2026	HELI DROP ZONES, FLOAT CA	Proposed Termination	WAKEMAN SOUND
0354604	05/30/2024	LOG DUMP, STORAGE &	Transfer to Kwa-Wa-Aineuk	TSIBASS LAGOON
		BOOMING		
0274463	11/20/2031	LOG DUMP, STORAGE &	Interfor retain	WARNER BAY
		BOOMING		
1412531	12/19/2026	HELICOPTER DROP ZONES	Proposed Termination	BUCKINGHAM LAKE

Further details on these permits and licences are available on request and maps (shapefiles) are available on the FTP site located at https://www.for.gov/bc.co/ftp//HTH/ovtorpal/lpublich/laterfor%20Transfor/

https://www.for.gov.bc.ca/ftp/HTH/external/!publish/Interfor%20Transfer/.

Where will the RFLs be allowed to operate?

The RFLs will provide the holder with the right to apply for CPs and RPs within the GBR South TSA. The approval of the CPs and RPs will require consultation with First Nations and the approval of the District Manager to ensure they meet all legal requirements.

The GBR South TSA was created from the mainland portions of the former Kingcome and Strathcona TSAs. A map of the GBR South TSA is attached.

It is a common practice for tenure holders in a TSA to enter into an operating area agreement to restrict their operations to a certain area of the TSA. This arrangement avoids tenure holders from overlapping operations and helps to ensure orderly planning and operations in the TSA. These operating area arrangements are business to business arrangements by tenure holders and are not mandated by the ministry.

It is expected that amended A19238, A77806 and new A98746, A98747, A99298 and A99299 will initially restrict their operations to the areas historically allocated to Interfor for these RFLs, and any future operating area changes will be done through discussion with other tenure holders in the GBR South TSA.

What harvest rights have been provided in the GBR South TSA?

The GBR South TSA's current allowable annual cut (AAC) is 830,500 m³ as of January 1, 2017. The GBR South TSA AAC was allocated (or apportioned) into various forms of tenure on January 1, 2017:

Tenure Type	Coniferous Volume m ³	Deciduous Volume m ³	Apportionment by Licence
Replaceable Forest Licence	586,198		Interfor, A19232 – 20,837 m³/yr Interfor, A19238 – 167,395 m³/yr



		Interfor, A77806 – 111,596 m ³ /yr Interfor, A77807 – 95,034 m ³ /yr Interfor, A86955 – 17,320 m ³ /yr Mill & Timber, A19242 – 40,029 m ³ /yr TimberWest, A20913 – 24,006 m ³ /yr TimberWest, A29159 – 21,412 m ³ /yr Western Forest Products, A19244 – 14,065 m ³ /yr Mamalilikulla Forestry Corporation, A92058 – 3,844 m ³ /yr Da'naxda'xw Forestry Services Ltd., A92581 – 8,696 m ³ /yr Gwa'nak Resources Ltd., A93095 – 9,405 m ³ /yr Gwa'nak Resources Ltd., A93096 – 9,406 m ³ /yr Gwa'nak Resources Ltd., A95809 – 11,902 m ³ /yr
Forest Licences Replaceable First Nations		T'Se'Kame Forestry Ltd., A96395 - 6,766 m³/yr
Non-Replaceable Forest Licence	10,932	Kwiakah First Nation, A97555 – 6,000 m³/yr
Non-Replaceable Forest Licences – First Nations	1,026	Kwa-wa-aineuk Timber Limited Partnership, A96389 – 6,000 m³/yr Mamalilikulla Forestry Corporation, A96804 – 961 m³/yr
BC Timber Sales	222,055	

Are manufacturing facilities involved in the transaction?

There are no timber processing requirements with the license.

Is there contracting requirement associated with the RFLs?

There are two contractors with contractor rights on these RFLs. Information on contractor rights as a result of a tenure sub-division and transfer can be found here: <u>https://www2.gov.bc.ca/gov/content/industry/forestry/forest-tenures/forest-tenure-administration/timber-harvesting-contract-subcontract-mediation-arbitration</u>.

What happens to existing license obligations, such as silviculture?

If there are outstanding silviculture obligations accrued under the RFL from previous harvesting, the new holder of the RFL becomes responsible for all of these obligations once the transfer is completed.

Going forward, the new holder will also be responsible for all future silviculture requirements associated with their own harvesting under the RFL, as well as obligations to pay stumpage and annual rent.



Existing obligations associated with road permits are still being determined between Interfor and the intended recipients, as some road permits may be fully deactivated and some road sections may be removed from a permit.

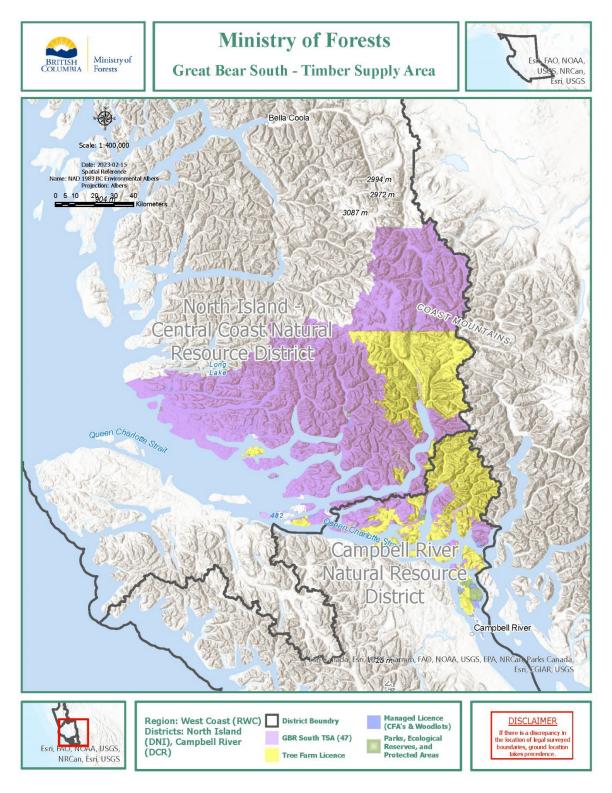
Requests may also be made under the provisions of the *Forest and Range Practices Act* for a new holder to transfer outstanding silviculture obligations back to Interfor, where both parties agree to do so and have received the Minister's approval. This is a separate process from the transfer of the RFL.

Interfor continues to work with individual First Nations to ensure that each transaction clearly identifies the obligations that come with the transferred tenure agreements and road permits. Where possible, Interfor seeks to align the holding of existing obligations where they are clearly located within a particular Nation's traditional territory. Where a First Nation partner is unwilling to assume obligations associated with a road permit or outstanding silviculture obligations from previous harvesting, these obligations remain with, or will be transferred back to, Interfor.

How will harvest operations be conducted?

Interfor has advised the Ministry that the new tenure holders will be added to Interfor's existing forest stewardship plan #704. This will require a major amendment under the *Forest and Range Practices Act.*



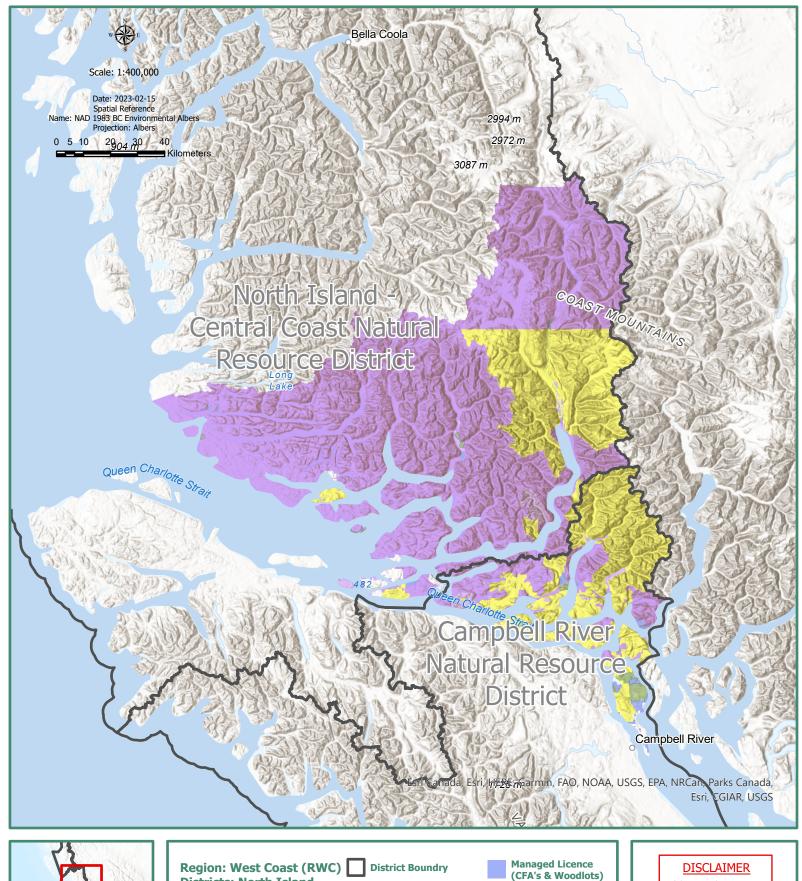




Ministry of Forests

Great Bear South - Timber Supply Area





Esri, FAO, NOAA, USGS, (DCR) NRCan, Esri, USGS

Districts: North Island (DNI), Campbell River

GBR South TSA (47) Tree Farm Licence

Parks, Ecological Reserves, and **Protected Areas**

If there is a discrepancy in

the location of legal surveyed boundaries, ground location takes precedence.