

PROVINCE OF BRITISH COLUMBIA

Ministry of Forests

IN THE MATTER OF TREE FARM LICENCE NUMBER 46

INSTRUMENT NUMBER 15

Amendment

THIS AGREEMENT is dated the 9th day of December, 1992.

BETWEEN:

THE MINISTER OF FORESTS, on behalf of HER MAJESTY
THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, Parliament Buildings, Victoria,
British Columbia, V8V 1X4

(the "Licensor")

AND:

Fletcher Challenge Canada Limited
9th Floor
700 West Georgia Street
Vancouver, British Columbia
V7Y 1J7

(the "Licensee")

WHEREAS:

- A. The Licensor and British Columbia Forest Products Limited entered into Tree Farm Licence Number 46, dated July 1, 1983, pursuant to Section 33 of the Forest Act.
- B. On January 1, 1988, the Licensor consented to the transfer of Tree Farm Licence Number 46 to the Licensee, and under Section 50(4) of the Forest Act, Tree Farm Licence Number 46 was thereby reduced by five percent.

- C. The timber within the boundaries set out in this agreement is representative of the kind and quality of timber found on the land subject to the Licence.
- D. Under Section 33.1 of the Forest Act, the Licensor may, with the consent of the Licensee, delete part of the Licence area from Tree Farm Licence Number 46.
- E. The deletion of the land within the boundaries set out in this agreement would result in a reduction in the allowable annual cut available under the Licence from Schedule "B" Land equal to the five percent reduction implemented, pursuant to Section 50(4) of the Forest Act.

THE PARTIES AGREE AS FOLLOWS:

- 1. Pursuant to Section 33.1 of the Forest Act, Tree Farm Licence Number 46, dated July 1, 1983 (the "Licence") is amended by deleting from the Schedule "B" land (the "Deleted Land"), as shown outlined in bold black on the attached maps.
- 2. All other terms and conditions of the Licence remain in full force, except as specifically provided in this agreement.
- 3. Any cutting permits issued to the Licensee with respect to the Deleted Land are hereby cancelled.
- 4. Any outstanding silviculture obligations of the Licensee with respect to the Deleted Land, whether these obligations arose under the Licence or under the Forest Act, remain in full force and are in no way affected by the deletion of the Deleted Land from the Schedule "B" Land.
- 5. The Licensee will permit every person entitled to access to the Deleted Land to use any road owned by the Licensee which provides access to the Deleted Land, and where such use relates to forest harvesting on or other industrial use of the Deleted Land, the Licensee will not require any payment in respect of such use other than a reasonable payment in respect of the actual maintenance costs of the road.
- 6. Subject to Paragraphs 7 and 10, the Licensor will make no further reduction in the allowable annual cut available under the Licence from Schedule "B" land by reason only of the deletion of the Deleted Land.

7. Nothing in this agreement in any way affects any right or duty the Licensor may have under the Licence or the Forest Act to reduce the allowable annual cut available under the Licence from Schedule "B" Land for any reason other than the deletion of the Deleted Land.
8. If the Licensor determines at any time that the deletion of the Deleted Land would, but for Paragraph 6, result in a reduction in the allowable annual cut (the "Actual Reduction") which is less than the five percent reduction referred to in Paragraph 1 (the "Intended Reduction"), the Licensor may at its sole discretion, but only after consultation with the Licensee, delete additional land from the Schedule "B" Land to the extent required to make up the difference between the Actual Reduction and the Intended Reduction.
9. Except where the Licensor deletes additional land from the Schedule "B" Land under Paragraph 8, if the Actual Reduction is less than the Intended Deduction, the timber comprised in the reduction in allowable annual cut remaining after the Actual Reduction is deducted from the Intended Reduction is available for disposition by the Licensor to persons other than the Licensee.
10. If the Licensor determines at any time that the Actual Reduction is greater than the Intended Reduction, the Licensor may at its sole discretion, but only after consultation with the Licensee.
 - (a) add land from the Deleted Land back into the Schedule "B" Land to the extent required to make up the difference between the Actual Reduction and the Intended Reduction; or
 - (b) if the Licensor does not add land from the Deleted Land back into the Schedule "B" Land, reduce the allowable annual cut available under the Licence from Schedule "B" Land by the amount by which the Actual Reduction exceeds the Intended Reduction.
11. Where, under Paragraph 10(b), the Licensor reduces the allowable annual cut available under the Licence from Schedule "B" Land, the Licensor will compensate the Licensee in respect of the reduction.

12. In the event that legislation is enacted which deems a reduction in allowable annual cut, effected by means of a deletion of the Deleted Land to be equal to the Intended Reduction, Paragraphs 8 to 11, inclusive will cease to have any force or effect as of the day on which the legislation comes into force, and this agreement will be deemed to have been amended accordingly by agreement of the parties.

IN WITNESS WHEREOF the parties have executed this Agreement the day and year first above written.

SIGNED on behalf of Her)
Majesty the Queen in Right)
of the Province of)
British Columbia, by the)
Minister of Forests in)
the presence of:)
N. Murphy)
_____)
_____))

W. A. Brown
Minister of Forests

The Corporate Seal of _____)
Fletcher Challenge Canada Limited)
was affixed hereto in the)
presence of:)
J. A. Bell)
_____))
Vice-President)
[Signature])
_____))
Secretary)

C/S

EXHIBIT 'A'

AREA 1 R5

Date 91-10-11

DISTRICT: 16 DUNCAN
OUTLINE : _____

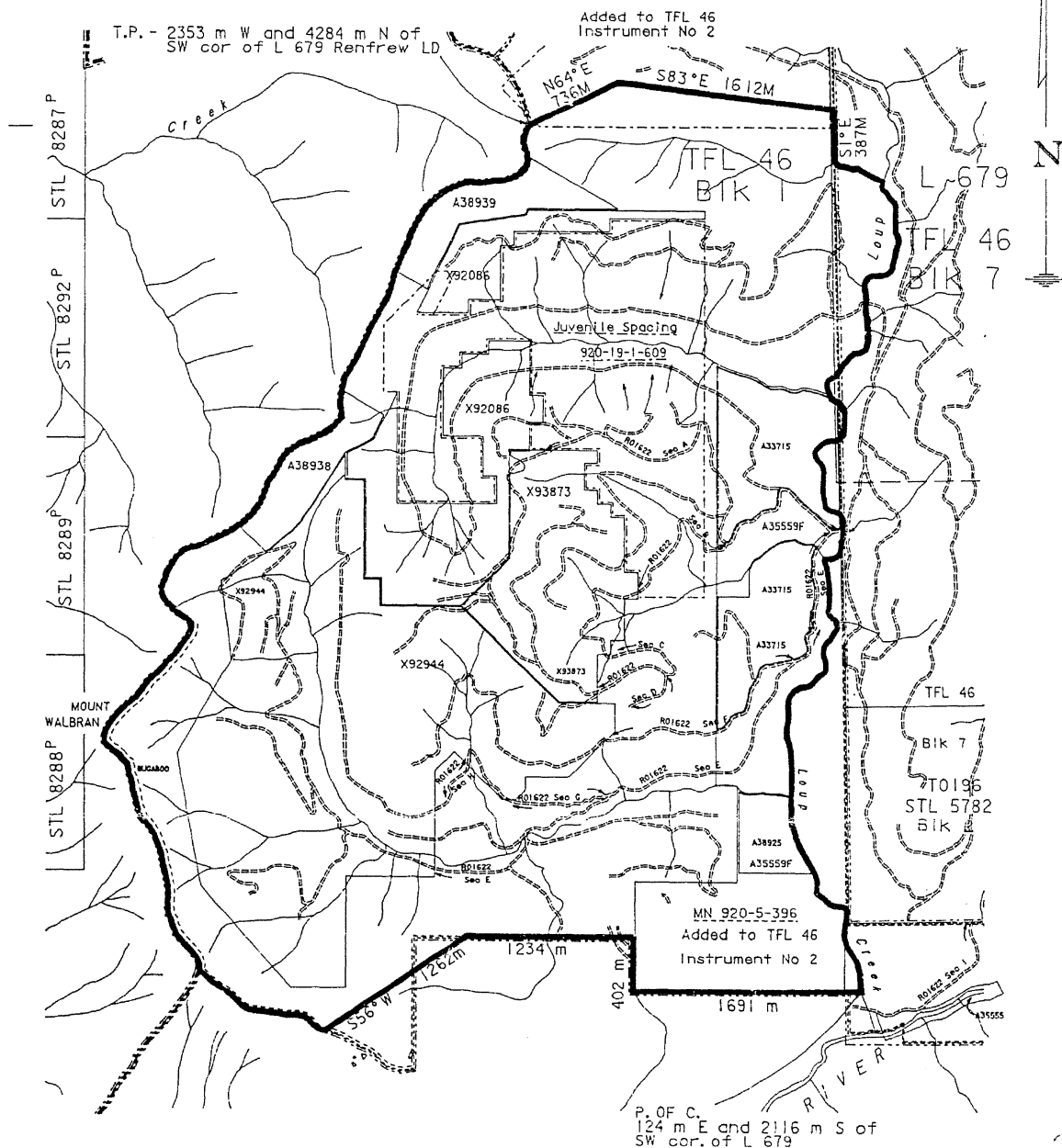
Drawn by grb
Revised by Date
DJK 92-03-03
SMO 92-05-04

U.T.M.	Zone	East	North	Reg	Compt.	L
Grid	10	392000	5396000	06	004	F

MANAGEMENT UNIT	TIMBER SUPPLY AREA	PULPWOOD	CASCADES
Type T	Number 38	AGREEMENT	East
Number 46	Block 41		West C
Block	Sub-B		

Ref. Map 92C068,078
Scale 1: 40000
Area 2729 hectares +

ARROWSMITH TSA



MAP OF:

AREA 2

Date 91-11-13

Drawn by grb

Revised by Date

DJK 92-03-03

SMO 92-05-05

FOREST REGION: 01 VANCOUVER
LAND DISTRICT: 46 RENFREW

DISTRICT: 16 DUNCAN

OUTLINE : _____

U.T.M. Zone	East
Grid 10	403000

North
5377000

Reg	Compt.	L
06	002	C

MANAGEMENT UNIT

Type T
Number 46
Block

TIMBER SUPPLY AREA

Number 38
Block 41
Sub-B

PULPWOOD CASCADES

AGREEMENT East
 West C

Ref. Map 92C059

Scale 1: 40000

Area 1454 hectares ±

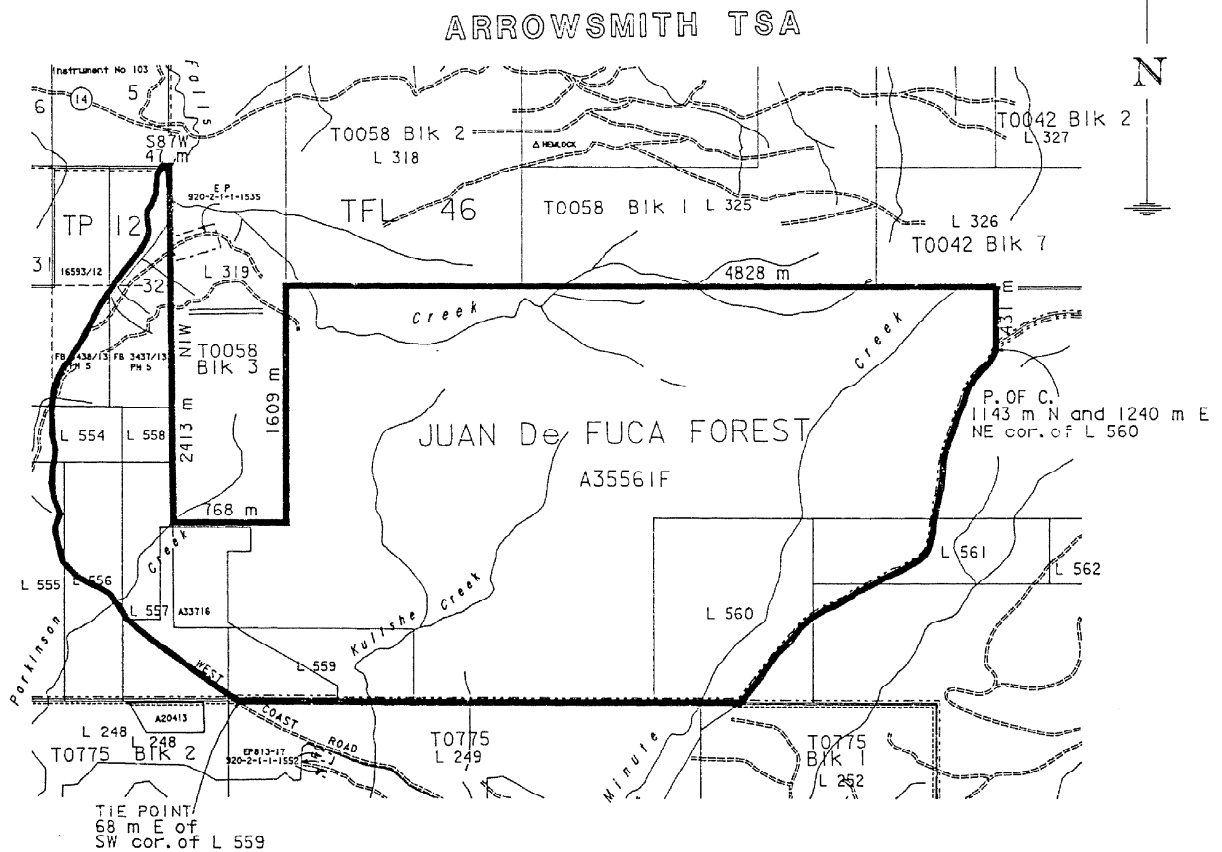


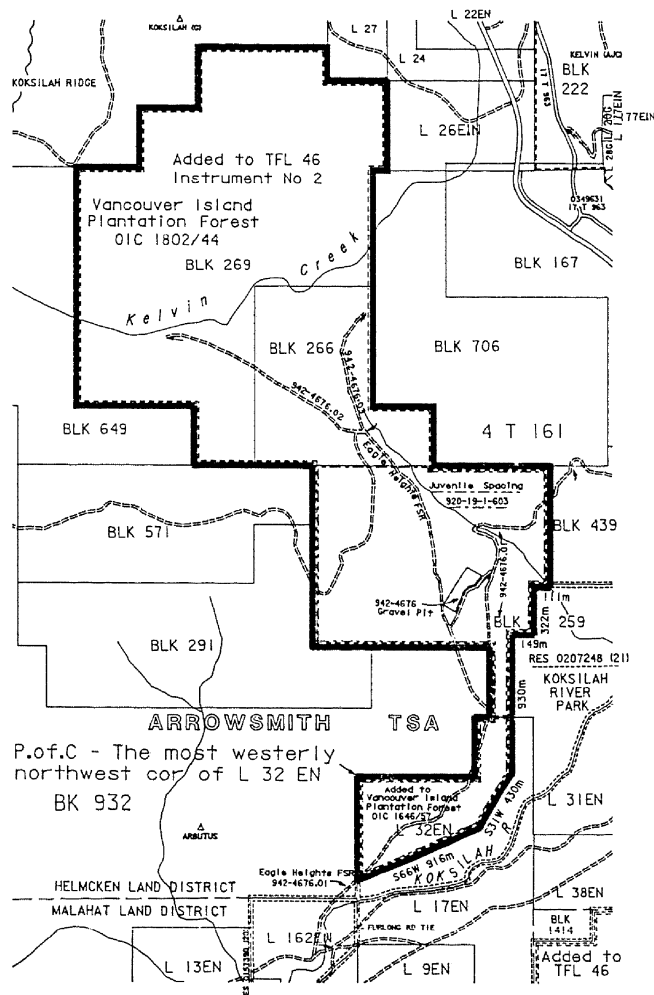
EXHIBIT 'A'

AREA R4

Revised by Date
DJK 92-03-03
SMO 92-05-04

DISTRICT: 16 DUNCAN
OUTLINE : _____

Ref. Map 92B062
Scale 1: 40000
Area 762 hectares ±



Province of
British Columbia

Ministry of
Forests

EXHIBIT 'A'

MAP OF:

AREA R3

Date 91-10-11

FOREST REGION : 01 VANCOUVER
LAND DISTRICT : 18 COWICHAN LK

DISTRICT : 16 DUNCAN
OUTLINE : _____

Drawn by grb

Revised by Date
DJK 92-03-03

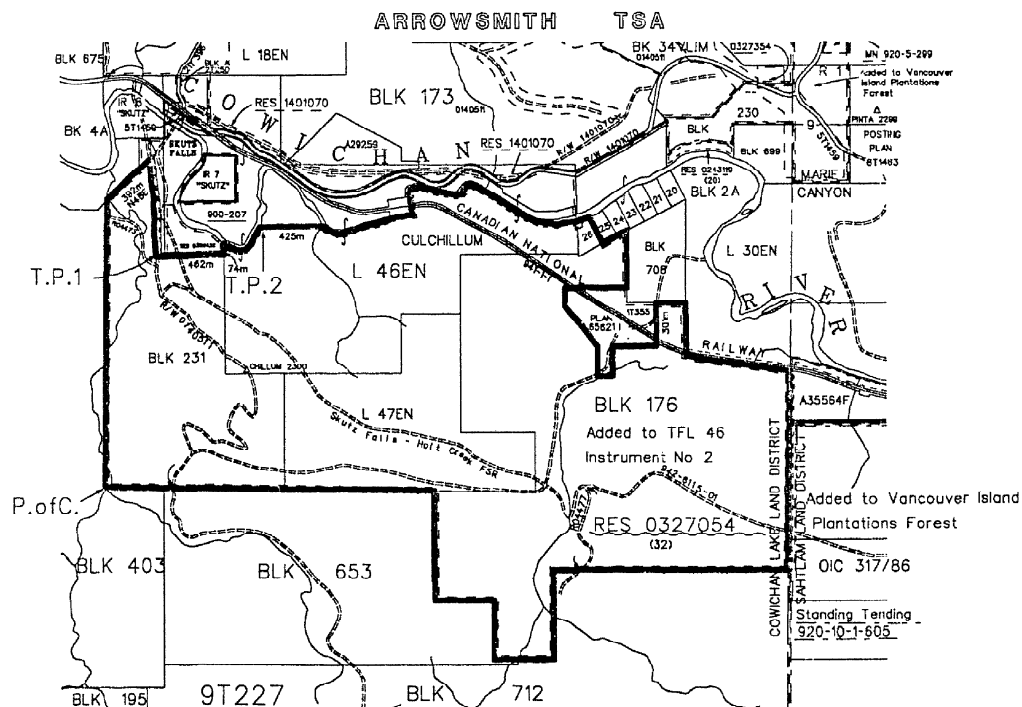
U.T.M. Zone	East	North	Reg	Compt.	L
Grid 10	432000	5402000	07	032	G

MANAGEMENT UNIT	TIMBER SUPPLY AREA	PULPWOOD AGREEMENT	CASCADES
Type E	Number 38	East	
Number	Block 43	West C	
Block	Sub-B		

Ref. Map 92B071

Scale 1: 40000

Area 900 hectares



P.ofC. - SW cor of Blk 231
T.P.1 - 872m W and 793m N
of the most easterly NE cor of Blk 231
T.P.2 - 159m W and 991m N
of the most easterly NE cor of Blk 231

Province of
British Columbia

Ministry of
Forests

EXHIBIT 'A'

MAP OF:

AREA R6

Date 91-11-26

Drawn by grb

Revised by Date
DJK 92-03-03

SMO 92-05-04

FOREST REGION: 01 VANCOUVER
LAND DISTRICT: 46 RENFREW

DISTRICT: 16 DUNCAN
OUTLINE: _____

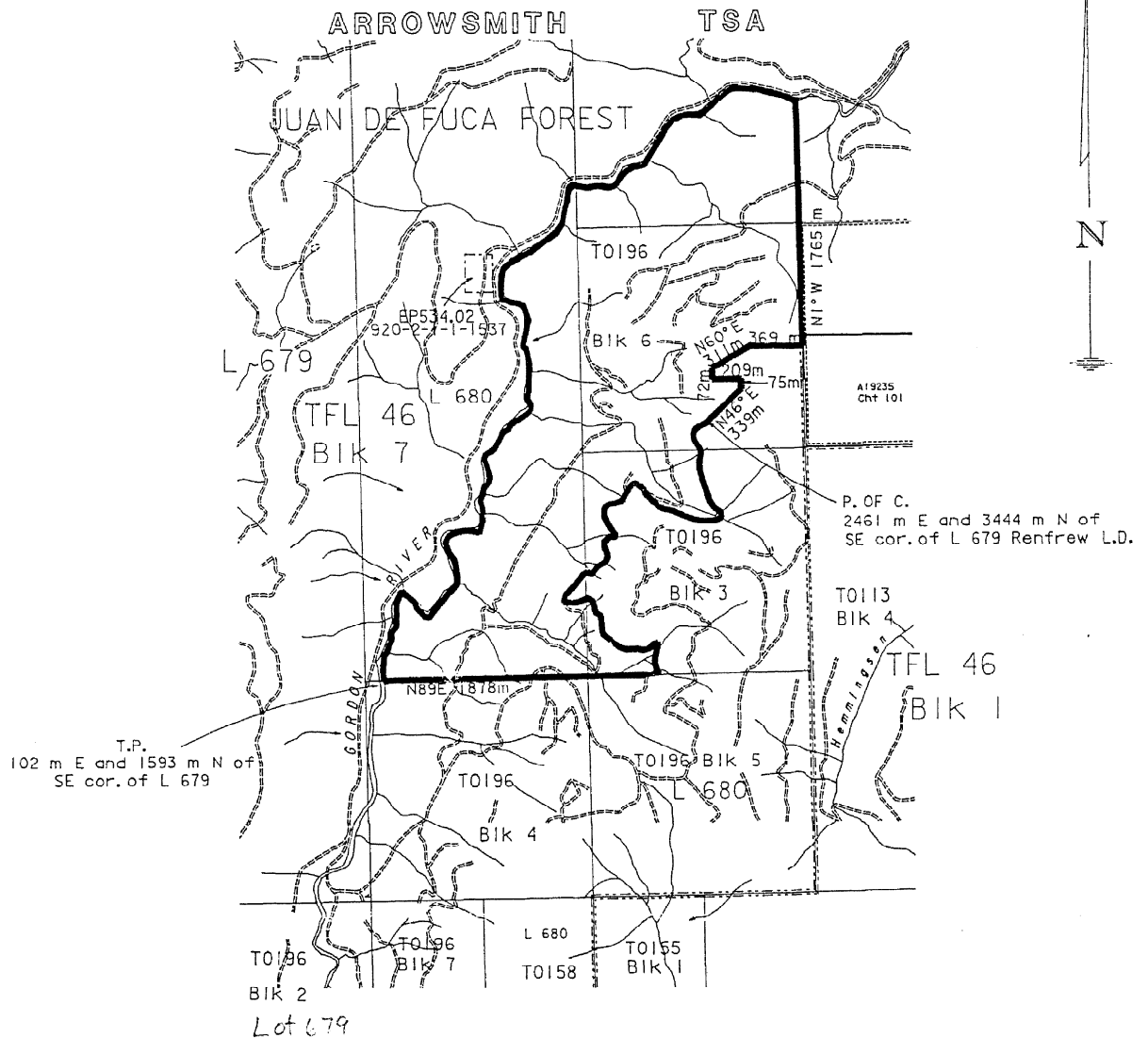
U.T.M. Zone	East	North	Reg	Compt.	L
Grid 10	398000	5398000	06	004	G

MANAGEMENT UNIT	TIMBER SUPPLY AREA	PULPWOOD AGREEMENT	CASCADES
Type T	Number 38		East
Number 46	Block 41		West C
Block	Sub-B		

Ref. Map 92C078,79

Scale 1: 40000

Area 618 hectares ±



MAP OF:

Date 91-10-11

AREA C2

Drawn by grb

FOREST REGION: 01 VANCOUVER
LAND DISTRICT: 18 COWICHAN LK

DISTRICT: 16 DUNCAN
OUTLINE : _____

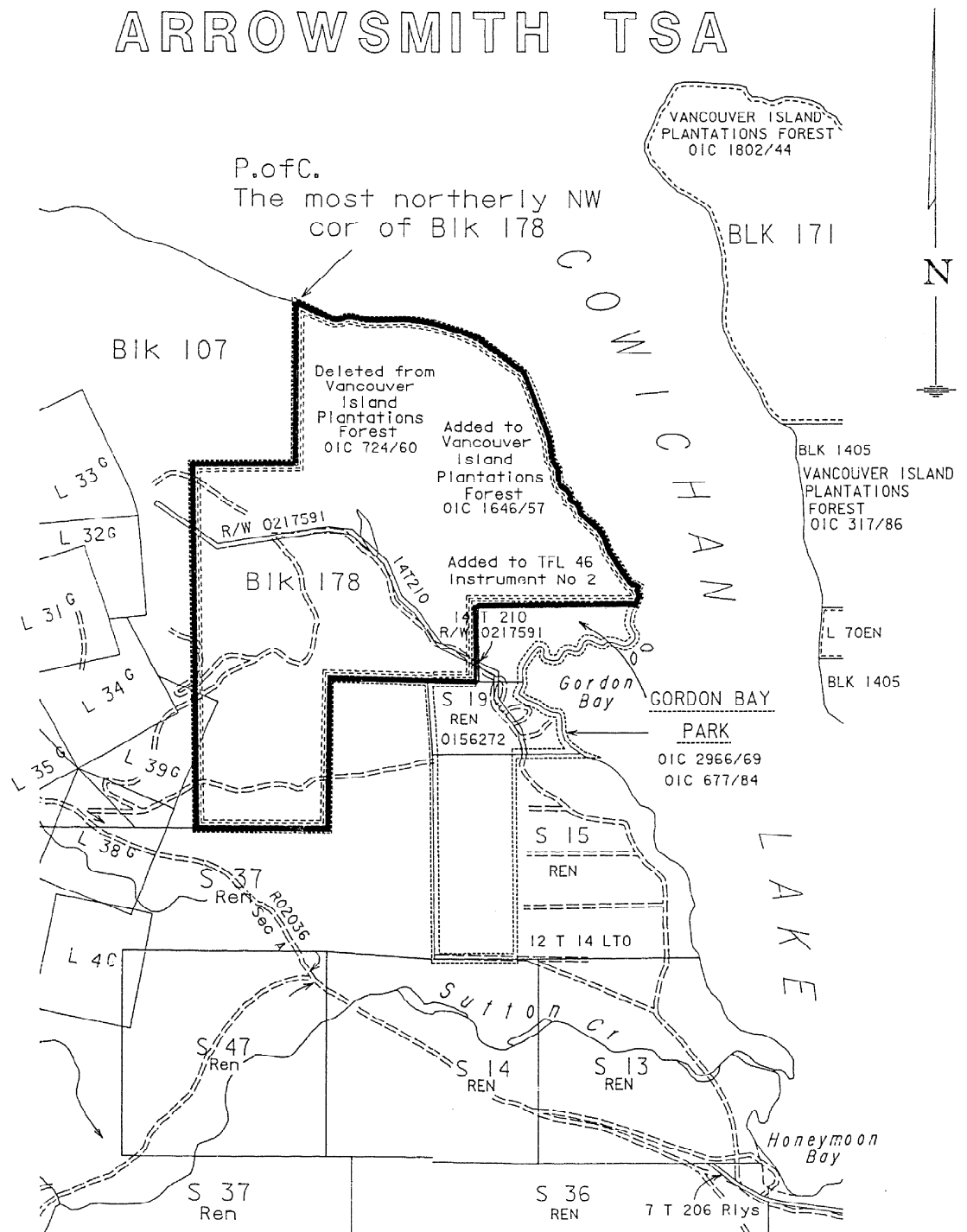
Revised by Date
DJK 92-03-03
SMO 92-05-04

U.T.M.	Zone	East	North	Reg	Compt.	L
Grid	10	411700	5410500	07	028	C

MANAGEMENT UNIT		TIMBER SUPPLY AREA	PULPWOOD AGREEMENT	CASCADES
Type	E	Number	38	East
Number		Block	41	West C
Block		Sub-B		

Ref. Map 92C089,090
Scale 1: 20000
Area 202 hectares ±

ARROWSMITH TSA



MAP OF:

Date 91-10-16

AREA 5R2

Drawn by grb

FOREST REGION: 01 VANCOUVER

DISTRICT: 16 DUNCAN

Revised by Date

LAND DISTRICT: 46 RENFREW

OUTLINE : _____

SMO 92-05-05

SMO 92-06-15

U.T.M.	Zone	East	North
Grid	10	403000	5397000

Reg	Compt.	L
06	031	-

MANAGEMENT UNIT

TIMBER SUPPLY AREA

PULPWOOD CASCADERS

Type T

Number 38

AGREEMENT East

Ref. Map 92C079

Number 46

Block 41

West C

Scale 1: 40000

Area 1740 hectares ±

ARROWSMITH TSA

P. OF C.
344 m W and 241 m S of
NW cor. of BIK 831
-RENFREW L.D.

