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THIS AGREEMENT made in duplicate this²⁸..... day of
.....*December*..... in the year of Our Lord One Thousand Nine Hundred
and Sixty.

BETWEEN:

THE MINISTER OF LANDS AND FORESTS of the
Province of British Columbia, who, with his
successors in office, is

hereinafter called "the Minister" of the one part,

AND

CANADIAN FOREST PRODUCTS LTD., a Corporation
duly incorporated under the laws of the
Province of British Columbia, and having
its registered office in the City of
Vancouver, in the said Province,

hereinafter called "the Licensee", of the other part.

WHEREAS by Subsection (2) of Section 33 of the "Forest Act", being
Chapter 128 of the Revised Statutes of British Columbia, 1948 and subsequent
amendments, it is provided that the Minister may by agreement grant a tree
farm licence to any person for the management of Crown lands specified in the
agreement, reserved to the sole use of the Licensee for the purpose of growing
continuously successive crops of forest products to be harvested in approxi-
mately equal annual or periodic cuts equalling the sustained yield capacity
of the lands in the area covered by the licence, or may enter into an agree-
ment to be known as a tree farm licence with the owner of other tenures to
combine such other tenures and Crown forest lands into a single unit reserved
by mutual consent and agreement to the sole use of the Licensee for the like
purpose:

AND WHEREAS the conditions precedent to the issuance of this licence,
as set forth in said Section 33, have been complied with to the satisfaction
of the Licensor:

NOW THIS AGREEMENT WITNESSETH THAT pursuant to Section 33 of the
"Forest Act" and in consideration of the payments, agreements and stipulations
to be made and observed by and on the part of the Licensee as hereinafter

mentioned; the Minister doth hereby grant unto the Licensee the management of the Crown lands specified in Schedule "B" to this agreement, which lands are reserved to the sole use of the Licensee for the purpose of growing continuously successive crops of forest products to be harvested in approximately equal annual or periodic cuts equalling the sustained yield capacity of the lands described in this agreement.

And in consideration of the premises, IT IS HEREBY AGREED AS FOLLOWS:

1. This tree farm licence may be referred to as the "Nimpkish Tree Farm Licence" and is numbered thirty-seven (37) on the Forest Service register of tree farm licences and on the official atlas maps of the Department of Lands and Forests.
2. This licence is given for the maintenance of the manufacturing plant or plants owned and operated by the Licensee. Said plant or plants shall be capable of using an amount equivalent to the allowable cut from the licence area, and such plant or plants shall be maintained in operation in sufficient continuity to use an amount equivalent to the allowable cut from the licence annually. Notwithstanding the provisions of this clause, the Minister may, for good and sufficient reasons, at his discretion, in writing, afford such relief from the provisions of this clause as he may see fit.
3. The Licensee shall manage the licence area in accordance with the provisions of the said Section 33 of the "Forest Act" and of regulations under the said Act for the regulation of tree farm licences, and in accordance with the management working plan applicable thereto, for the purpose of growing continuously successive crops of forest products to be harvested in approximately equal annual or periodic cuts equalling the sustained yield capacity of the licence area.
4. The term of this licence shall be 21 years from the date of this agreement, subject to the provisions of the "Forest Act", the regulations made thereunder and the provisions of this agreement, and compliance with the management working plan. This licence shall be renewable but subject to

renegotiation of the terms and conditions of the contract according to the provisions of the "Forest Act" and the regulations in force at the time of the application for renewal.

5. The licence area includes all Crown lands not otherwise alienated at this date, as set forth in Schedule "B" hereto, together with all the lands owned or controlled by the Licensee, as set forth in Schedule "A" hereto, both of which are shown outlined in bold black line on the plan attached hereto, subject, however, to any increase, decrease, re-allocation or exchange of lands as provided by this agreement or by subsection (14) of Section 33 of the "Forest Act"; and in addition it includes any and all lands that may be subsequently acquired by the Licensee and incorporated into said Schedule "A" pursuant to Clause 7 hereof, provided also that any lands included in Schedule "A", the title or interest to which reverts to the Crown, or which the Licensee elects to revert to the Crown, shall be considered as being included in Schedule "B" from the time of such reversion.

6. The Licensee hereby declares that it owns or controls the cutting rights on each parcel of the lands listed and described in Schedule "A" hereto.

7. The acquisition by the Licensee of forest lands within the licence area or the watershed of the Nimpkish River, excepting only cutting rights offered by the Forest Service for competitive sale, subsequent to the issuance of this licence shall, pursuant to subsection (9) of said Section 33, be reported to the Minister, and such forest lands shall be included forthwith in the licence area and be incorporated in Schedule "A" hereof to the extent required by said subsection (9). Acquisition, as used herein, shall be deemed to include other tenures as defined hereinafter.

8. For the purposes of subsection (8) of Section 33 of the "Forest Act", the watershed and drainage basins relating to this licence are defined as the watershed of the Nimpkish River.

9. The Minister may from time to time withdraw from the Crown lands included in the licence area such lands as are required for forest experimental purposes, parks, or for aesthetic purposes; but the lands so withdrawn shall not exceed one per cent of the total area of lands in the licence area without the consent of the Licensee, and no land shall be withdrawn from areas being developed under the current cutting plan without the consent of the Licensee. Any such withdrawals shall be deducted from Schedule "B".

10. If at any time, or from time to time, part of the Crown lands within the tree farm licence area is found to be required for a higher economic use than raising forest crops, or for any use deemed to be essential to the public interest, said lands may be withdrawn from the licence area by the Minister, provided that if by such withdrawal the productive capacity of the licence area is diminished by more than one-half of one per cent of its total productive capacity, other lands, if available, will be added to the licence area in substitution therefor. Any such withdrawals shall be deducted from Schedule "B", and any such additions shall be added to Schedule "B". For the purposes of this Clause, the development of mines and mineral prospects may be deemed to be essential to the public interest.

11. It is expressly understood that the Minister may at his discretion and at any time, either permanently or for a specified time, withdraw from this licence and from the licence area any Crown lands needed for rights-of-way under Part VI of the "Forest Act", or for railway, highway, power transmission, or other right-of-way purposes, and such lands will be deducted from Schedule "B".

12. In the event of the withdrawal of any lands from the licence area pursuant to Clauses 9, 10, 11, and 14 hereof, the Minister may require the Licensee to remove from such lands within one hundred and twenty days thereafter all timber then cut thereon and all buildings, machinery, equipment, and other property placed by it thereon and which is capable of removal.

Compensation shall be paid to the Licensee in respect of improvements capable of removal from the lands so withdrawn to the extent only of the cost of removal and damage incidental thereto; and compensation shall be paid to the Licensee in respect of improvements not capable of removal on the basis of cost less depreciation.

Without limiting the generality of the foregoing, the term "improvements" means all buildings, structures, fixtures, and things erected upon or affixed to such lands and shall include machinery, boilers, tanks, pipes, dams, flumes, roads, railways, transmission lines, and other works used in connection with the business of the Licensee. Improvements shall also mean areas artificially reforested by planting or seeding, compensation for which shall be the cost incurred in the act of reforesting.

If the amount of compensation payable to the Licensee is not agreed upon, then such amount shall be appraised and awarded by a single arbitrator in case the Licensor and Licensee agree upon one; otherwise by three arbitrators, one to be appointed by the Minister, one to be appointed by the Licensee, and the third to be appointed by writing under the hands of the two appointed, such arbitration to be in accordance with the provisions of the "Arbitration Act" of the Province of British Columbia. In the event that both parties are unable to agree on a third arbitrator, the Chief Justice of the Supreme Court of British Columbia shall be requested to make an appointment.

13. If at any time, or from time to time, part of the lands included in Schedule "A" is found to be required for a higher economic use than raising forest crops, said lands may be withdrawn from the licence area at the request of the Licensee and on the consent of the Minister, and after such withdrawal such lands will be deducted from Schedule "A" and shall be disposed of by the Licensee for the purpose for which they were withdrawn.

14. Where the licence includes within the described boundaries a belt or area of non-productive land surrounding or adjacent to the productive

forest land of the licence, any or all of such non-productive land, if not reasonably required for the operations of the Licensee, may be withdrawn from the licence at the pleasure of the Minister.

15. Other tenures included in this tree farm licence shall not be sold, transferred, or otherwise disposed of except as hereinbefore provided or except as provided in Section 33 of the "Forest Act".

16. This licence, insofar as Crown lands in Schedule "B" are concerned, shall not be considered to limit the use of the lands at the discretion of the Minister for other purposes such as mining, trapping, hunting, fishing, hydro-electric development, or any use that does not materially prejudice the rights granted to the Licensee to employ the use of the lands for the growing and harvesting of forest products under the terms of this licence.

17. It is understood and agreed between the parties hereto that any rights under this agreement in respect of Crown lands do not include any riparian or foreshore rights, and all such riparian and foreshore rights vested in the Crown in respect of the said Crown lands mentioned in this agreement shall remain in the same status as if this agreement had not been entered into, and the Licensee shall have no rights or claims whatsoever in respect thereto by virtue of this agreement.

18. The Minister may direct the Licensee to have surveyed and defined, as approved by the Surveyor-General, and at the Licensee's expense, any or all the boundaries of the licence area which he may deem necessary to have so surveyed and defined. In the event of failure of the Licensee to complete any such survey within time limits set by the Minister, the Minister may cause the survey to be made and the costs shall be charged to and be payable forthwith by the Licensee.

19. As a first essential to the primary object of sustained yield management of this licence, it is agreed that all potentially productive forest land within the licence area shall be kept by the Licensee in growing stock as provided in Clause 20 hereof, and adequately stocked in accordance

with standards to be defined from time to time by the Forest Service for lands of a comparable site quality in British Columbia.

20. Any lands in the licence area denuded before the date of this agreement which are found to be stocked below the minimum standards defined by the Forest Service as provided in Clause 19, above, shall be classified as to site quality and those determined by the Forest Service to be of a site quality index equal to or better than 80, unless in the opinion of the Minister they are occupied by an advanced growth of brush, or otherwise in such condition as to make planting operations economically impractical, shall be reforested by the Licensee by artificial means with a merchantable species suitable to the locality at a rate per year of not less than one thousand acres, or ten per cent of the total acreage of such lands, whichever is the lesser, all to the satisfaction of the Licensor.

The licensee further agrees that lands of site quality index better than 110 denuded after the date of this agreement, and not found to be restocked satisfactorily five years after logging, will be artificially regenerated by the Licensee before the end of the seventh year after logging; and that lands of site quality index between 80 and 110 not found to be restocked satisfactorily eight years after logging, will be artificially regenerated by the Licensee before the end of the tenth year after logging, all to the satisfaction of the Licensor. The Licensee may be directed by the Licensor to take earlier action to regenerate lands in the areas specified above when in the opinion of the Chief Forester there is danger of brush encroachment on such areas.

21. On failure of the Licensee to comply with the provisions of Clause 20, the Minister, his servants or agents, may enter on the lands in respect of which the Licensee is in default, and restock them, and the cost thereof shall be recoverable by the Crown from the Licensee and may be taken in whole or in part from the deposit referred to in Clause 35 hereof.

22. The operations covered by the licence shall be managed in accordance with the currently approved management working plan, each of which in turn as approved for each successive period is hereby incorporated into and made a part of this agreement.

23. Management working plans will be approved for such period as the Chief Forester may decide, and will be subject to revision as set forth in the said plans.

24. Revised management working plans shall be submitted for the approval of the Chief Forester not later than six months prior to the expiry of currently approved plans.

25. The object of each succeeding plan shall be to implement the primary object of the licence; i.e., sustained yield in equal annual or periodic cuts, and may embody any method of attaining that objective that in the opinion of the Chief Forester will prove economically feasible over a reasonable period of years, and that is not inconsistent with the spirit and intent of the Act and regulations. In preparing the management working plan, advantage shall be taken of all available data and experience.

26. Should it appear at any time to either party hereto necessary or expedient in case of emergency to increase or decrease the rate of cutting contemplated by the cutting budget then in effect, or to alter the cutting plan then being observed, then, subject to the approval of the Chief Forester, emergency revision of the management working plan will be undertaken upon the request of either the Licensee or the Chief Forester.

Without limiting the generalities of the preceding paragraph, cause for revision on account of emergency conditions will cover such things as fire damage of major proportions, serious windthrow, insect or disease attacks, serious damage to one or more of the Licensee's manufacturing plants, or other catastrophe of great moment, or should there occur a national emergency brought about by war, or an economic depression severe enough in the opinion of the Minister to justify revision of the management working plan.

27. In the process of harvesting the crop from the licence area, regardless of the tenure of the land from which it is harvested, the Licensee shall provide the opportunity for contractors, other than the Licensee's own employees or shareholders who own more than one percent interest to harvest a volume equivalent to a minimum of fifty per cent of the allowable cut from Crown lands not held under other tenure but where the Minister is satisfied that such contract operation is not feasible, either by reason of lack of operators or for other good and sufficient reason, the Minister may relieve the Licensee in whole or in part from this responsibility.

28. In the event of the development on the licence area of injurious insects in numbers which in the opinion of the Minister will seriously reduce the current or future allowable annual harvest of wood, and which in the opinion of the Minister can be controlled, then the Licensee and Licensor shall take such control measures as may be mutually agreed upon, or the Licensee shall take such control measures as the Minister shall direct, provided that the cost of such control measures to the licensee at its own expense in any one calendar year shall not exceed one-half the cost of such control measures incurred during that calendar year, or the total stumpage value of that year's allowable cut, whichever may prove to be the lesser. For the purposes of this clause, the stumpage value shall be the value appraised by the Forest Service.

29. In the event that mutual agreement cannot be reached between the parties hereto as to the sustained-yield cutting capacity or as to the sequence or methods of cutting to be employed at the time an emergency revision or any other revision of the cutting plan or cutting budget is undertaken, the Licensor shall determine the permissible cut and the plan and methods of cutting.

30. The Licensee, in its logging operations on the licence area, shall at all times maintain at least as high a standard of utilization as, in the Chief Forester's reasonable opinion, is being maintained by comparable

well-conducted logging operations in the Vancouver Forest District.

31. Cutting on the licence area shall be done only in accordance with the management working plan, and only after notice of intent has been given to the Chief Forester and a cutting permit has been issued. Such cutting permit shall be issued by the Chief Forester if the proposed cutting is in keeping with the provisions of this licence and the management working plan. If the proposed cutting is to be on other tenures, the cutting permit will constitute the Minister's concurrence that the cutting is according to plan and specify such other details as he may deem necessary, such details, however, always to be in keeping with the provisions of the management working plan and this agreement. If cutting is on Crown lands not held under other tenures, the cutting permit will, in addition, fix the stumpage in accordance with subsection (20), Section 33 of the "Forest Act". Any cutting not covered by a cutting permit will be deemed to be in trespass and the Licensee shall be assessed a sum by the Minister in respect thereof in an amount not in excess of the value of the logs or other product so cut or wasted or destroyed.

32. Timber marks shall be secured by the Licensee and marking carried out as required by Part IX of the "Forest Act".

33. All timber harvested on the licence area shall be scaled in cubic feet and otherwise in all respects in accordance with the provisions of Part VIII of the "Forest Act".

34. Timber and wood cut from lands included in this licence, regardless of the tenure of the lands, shall be subject in all respects to the provisions of Part X of the "Forest Act" insofar as they relate to lands granted after the 12th day of March 1906.

35. The Licensee herewith deposits, pursuant to subsection (6) of Section 33 of the "Forest Act", the sum of fifteen thousand, two hundred and fifty Dollars (\$15,250.00), receipt of which is acknowledged and will supplement this deposit by the payment of ten cents on each one hundred cubic feet

of wood harvested, but the sum total of deposits held at any one time by the Licensor under this clause shall not exceed thirty thousand, five hundred Dollars (\$30,500.00). In the event that the amount of the deposit becomes less than fifteen thousand, two hundred and fifty Dollars (\$15,250.00), the Licensee will forthwith deposit sufficient money with the Minister to bring the total amount up to fifteen thousand, two hundred and fifty Dollars (\$15,250.00), and thereafter will supplement the deposit by the payment of ten cents on each one hundred cubic feet of wood harvested to bring the total amount up to thirty thousand, five hundred Dollars (\$30,500.00). The said deposits shall be held for the purpose of ensuring compliance on the part of the Licensee with the terms of the "Forest Act", the regulations made thereunder, this agreement, the management working plan, and any permit issued pursuant to this agreement.

36. The Licensee agrees to pay stumpage on all merchantable wood cut, wasted, or removed by the Licensee or its agents on or from that part of the licence area described in Schedule "B" hereto, as provided in this agreement, the "Forest Act" and the cutting permit.

37. Starting on the first day of January next following the date of this agreement, the wood harvested from the licence area in any one year shall not be less than fifty per cent and not more than one hundred and fifty per cent of the approved annual cut, and shall not vary more than ten per cent from the total approved cut over a period of five years.

38. Damages, recoverable in full or in part from the deposit made by the Licensee under Clause 35 hereof, will be assessed by the Minister for failure to observe the provisions of Clause 37 of this agreement, as follows:

(a) The full stumpage value as appraised by the Forest Service on the quantity of timber by which the year's cut falls below fifty per cent of the approved annual cut.

(b) Double the stumpage value as appraised by the Forest Service on the quantity of timber by which the year's cut is in excess of one hundred

and fifty per cent of the approved annual cut, whether cut from Crown lands or from other tenures.

(c) Should the total cut over five consecutive years vary more than ten per cent over the total of the five years' approved cut, a sum per one hundred cubic feet double the stumpage as established for the fifth year of the period, will be assessed by the Minister on the amount cut over the ten per cent allowance, whether cut from Crown land or from other tenures. Should the total cut over five consecutive years vary more than ten per cent under the total of the five years' approved cut, a sum per one hundred cubic feet equal to the stumpage as established for the fifth year of the period, will be assessed by the Minister on the amount cut under the ten per cent allowance whether cut from Crown land or from other tenures.

(d) Should the total cut over ten consecutive years, including the five-year period referred to in (c) above, vary less than ten per cent from the total of the ten-year cutting budget as approved in the working plan, the damage assessed in paragraph (c) above, if any, will be refunded.

(e) For the purposes of this paragraph, stumpage shall be appraised on the same basis and in the same manner as provided in Clause 31 hereof.

(f) Any damages provided for in any cutting permit mentioned in Clause 31 may be deducted from the deposit mentioned in Clause 35, and thereupon the Licensee shall forthwith deposit with the Minister sufficient moneys to make the said deposit equal to the amount of deposit thus required.

(g) In the event that the licence is cancelled by reason of any default or breach of the licence by the Licensee, then all moneys on deposit with the Licensor under the terms of this agreement shall be payable to the Crown for damages.

39. For the purpose of carrying out the provisions of Clause 38 hereof, the Licensee may elect to start a new five-year period from any year in which the periodic cut for the preceding five-year period is within ten per cent of the accumulated approved annual cuts.

40. The aggregate acreage of the Crown lands not held under other tenure in the licence area for the purposes of rental under subsection (19) of Section 33 of the "Forest Act", as of this date, shall be the total acreage as set forth in the current approved working plan.

41. For the purposes of Section 124, subsection (1) of the "Forest Act", Chapter 128 of the Statutes of British Columbia for 1948 and subsequent amendments, the approved annual productive capacity of the licence shall be such as may be determined in the current approved working plan, and forest protection tax shall be payable as provided by the said Section 124.

42. All camps or other living quarters established incident to the management of the licence area shall be of a standard at least as high as those that, in the Minister's reasonable opinion, are being maintained by comparable well conducted forest operations in the Vancouver Forest District.

43. All roads, on lands within the boundaries of this licence, including the lands listed in Schedule "A", shall be held available for public use in accordance with the terms of the "Industrial Transportation Act", and of the "Forest Act" relating thereto.

44. The Licensee shall provide, to the satisfaction of the Chief Forester reasonable office and living accommodation for a reasonable Forest Service inspection staff on the licence area or at any headquarters, plant, or operation maintained by the Licensee, if instructed by the Chief Forester in writing so to do.

45. The Licensee shall employ one Forester, registered under the terms of Chapter 127, R.S.B.C., 1948, and amendments thereto, and as many additional Registered Foresters as may be deemed necessary by the Chief Forester. The working plan and all revisions and amendments thereto shall be signed and sealed by the Registered Forester.

46. In the event of the bankruptcy or insolvency of the Licensee, the Minister may cancel the licence and any or all moneys on deposit may be declared by the Minister to be payable to the Crown for damages.

47. This agreement may be amended by the parties hereto by a memorandum in writing signed by the parties hereto.

48. This tree farm licence shall not be sold or transferred by the Licensee within ten years immediately subsequent to the issuance of this licence without the written consent of the Minister first having been obtained.

49. Any notice required to be given to the Licensee by the Minister or Chief Forester under this agreement, may be given by written notice sent by registered mail or delivered to the registered office of the Licensee in British Columbia, and shall be deemed to be so given on the day it would be received by the Licensee in the ordinary course of post, or on the day it was so delivered.

50. (a) This licence may be terminated at any time by mutual consent of the parties hereto.

(b) The Licensee may terminate this licence on two years' notice in writing given to the Minister subject as hereinafter provided.

(c) In the event that the Licensee serves notice of termination of this licence as provided in the next preceding sub-clause, or if the Minister terminates this licence, such termination shall be subject to the following conditions:

- (i) All moneys held as security deposit of whatsoever nature or kind or any part thereof may be declared by the Minister payable to the Crown for damages or otherwise and the Minister shall not be obliged to account in respect thereof.
- (ii) All tenures which have reverted to the Crown pursuant to this contract shall not revert in the Licensee.
- (iii) All improvements made on Crown lands included in Schedule "B" shall become and be the property of the Crown and the Licensee shall have no claim or in any way be entitled to compensation therefor:

Provided the Licensee may remove its own improvements which are capable of removal in such a manner as not to damage other improvements or render them useless:

Provided also such removal shall not in any way affect the lien of the Crown on such improvements as provided in the "Forest Act".

- (iv) All cutting permits issued pursuant to this agreement shall terminate on the termination of the agreement.
- (v) The Licensee shall forthwith pay all moneys owing on outstanding accounts for stumpage, royalty, taxes, and annual rental.
- (vi) All rights and appurtenances granted pursuant to any statute or regulations or under this agreement as ancillary thereto and which would not have been granted but for this agreement shall be cancelled effective on the termination of this licence.

51. In the event that this licence is cancelled or terminated or expires:

(a) Existing other tenures owned or controlled by the Licensee included within the licence area shall in no way be encumbered by any commitments, agreements, understanding or in any other manner arising out of the execution of this licence.

(b) Notwithstanding anything to the contrary contained in Clause 50, upon termination of this licence the Minister will give consent unto the Licensee pursuant to Part VI of the "Forest Act", to the taking of a right-of-way over the lands covered by the plans then on file with the Department of Commercial Transport of British Columbia, relating to the railway of the Licensee, provided that such consent shall be for a period consistent with the requirements of the Licensee to log those areas belonging to the Licensee and served by the railway.

52. In this licence:

"Forest Act" and "Act" means the "Forest Act", R.S.B.C. 1948, Chapter 128, and amendments thereto in force from time to time during the currency of this agreement.

"Approved", if not otherwise defined in the context, means approved by the Minister.

"Denuded" or "denuded lands" means any forest lands in the licence area from or on which substantially all mature timber has been cut, logged, or destroyed, and on which trees of young growth in sufficient numbers to produce a valuable crop according to the standards of the Forest Service have not yet been established.

"Forest Service" means the Forest Service of the Department of Lands and Forests of British Columbia.

"Higher economic use" means that use which in the opinion of the Licensor will contribute most to the good and welfare of the Province, including non-monetary uses.

"Minister" means the Minister of Lands and Forests and his successors in office.

"Other tenure" means any title, licence, lease, or berth whereby the Licensee has the right to cut timber on land included in Schedule "A" hereto, or on land that subsequently may be acquired by the Licensee and added to the licence pursuant to Clause 7 hereof.

"Management working plan" means the management and working plan submitted by the Licensee with the application for this tree farm licence and approved prior to the execution of these presents and subsequent revised management working plans to be submitted by the applicant in accordance with the terms of this licence as herein appearing.

53. This licence shall enure to the benefit of and shall be binding upon, not only the parties hereto, but also the successors in office


of the Minister and the successors and assigns of the Licensee, respectively.

54. This agreement is subject to the provisions of the "Forest Act" and such amendments thereto as may be made from time to time.

IN WITNESS WHEREOF the Licensor has executed these presents and the Licensee has hereunto affixed its corporate seal by the hands of its proper officers in that behalf.

SIGNED SEALED AND DELIVERED
in the presence of:

Charles Chalkin
Witness

Roy Wilkinson 
Minister of Lands and Forests

THE COMMON SEAL OF THE LICENSEE
was hereunto affixed in the
presence of:

J. J. Sorenson
President

H. W. J. Smith
Vice-President

SCHEDULE "A"

Nimkish Tree Farm Licence

Tree Farm Licence No. 37

Forest land and merchantable timber in other tenures owned or controlled by the Licensee, included in the Nimkish Tree Farm Licence No. 37, within the Rupert and Nootka Land Districts.

<u>A. Crown Grant</u>	<u>District</u>	<u>Total Area in Acres</u>	<u>Merchantable Volume (M cu.ft.)</u>
Frac. NE $\frac{1}{4}$ Sec. 1 Tp. 1	Rupert	11.00	} 257
SE $\frac{1}{4}$ Sec. 1 Tp. 1	"	152.00	
Frac. NE $\frac{1}{4}$ Sec. 2 Tp. 1 except reserve - 11.51 acres, Parcel "A" of NE $\frac{1}{4}$, Parcel "D" of NE $\frac{1}{4}$, Frac. NE $\frac{1}{4}$ of SE $\frac{1}{4}$ 100 ft. wide, All Section 2.	"	37.33	} 39
Lot 1 of Sec. 2, Plan 2388 Tp. 1	"	32.90	
Lot 3 of Sec. 2, Plan 2388 Tp. 1	"	17.00	
Lot 4 of Sec. 2, Plan 2388	"	9.20	
Frac. W $\frac{1}{2}$ of Sec. 3, as shown in red on Plan 45 R/W Tp. 1	"	3.60	
Frac. W $\frac{1}{2}$ of Sec. 3 lying east of Nimkish River, except Indian Reserve on 3.6 ac M/L shown in red on Plan 45 R/W Tp. 1	"	75.40	} 39
Section 1	"	160.00	117
Parcel "A" of Sec. 2 except Plan 442 R/W	"	7.90	} 527
Sec. 2 except Parcel "A" and Plans 442 and 141OR	"	535.80	
Section 8	"	160.00	356
Part Sec. 20 Nimkish River	"	199.98	} 191
Parcels "A" and "B" of Sec. 20	"	24.02	
Lot 133	"	160.00	237
Lot 134	"	160.00	406
Lot 135	"	115.00	122
Lot 141	"	28.00	62
Lot 229 R/W	"	10.38	-

790
h. h. B.

Schedule "A" Cont'd -- 2

<u>Crown Grant</u>	<u>District</u>	<u>Total Area in Acres</u>	<u>Merchantable Volume (M cu. ft.)</u>
Lot 230 R/W	Rupert	0.37	-
Lot 348	"	172.00	253
Lot 1092	"	80.30	-
Lot 1093	"	98.97	-
Lot 1577 R/W	"	27.40	-
Lot 1578 R/W	"	13.30	-
Lot 2043 Englewood Plan 415 R/W	"	11.60	-
Frac. $W\frac{1}{2}$ of Sec. 10 Tp. 1	"	163.00	-
Section 38	"	361.00	-
Section 39	"	320.00	-
Section 40	"	320.00	73
Section 41	"	298.00	-
Section 42	"	160.00	-
Section 43	"	271.00	-
Section 44	"	460.00	7
Section 45	"	290.00	-
Section 46	"	320.00	-
Section 47	"	372.00	-
Section 54	"	333.00	-
Section 55	"	546.00	-
Section 56	"	478.00	-
Lot 1134	"	83.20	-
Lot 1135	"	368.00	188
Lot 1136	"	64.00	581
Section 57	"	386.00	1,495
Section 58	"	512.00	2,391
Section 59	"	381.00	2,628
Section 60	"	232.00	2,018

Schedule "A" Cont'd -- 3

<u>Crown Grant</u>	<u>District</u>	<u>Total Area in Acres</u>	<u>Merchantable Volume (M cu.ft.)</u>
Section 61	Rupert	240.00	1,502
Section 62	"	320.00	1,613
Section 63	"	400.00	824
Section 64	"	424.00	1,631
Section 65	"	316.00	1,962
Section 66	"	385.00	1,951
Section 67	"	346.00	1,638
Portion of Lot 1370 as shown on Plan 1426R	"	4.46	14

B. Timber Licences and Leases

Timber Licence	570P	Rupert	640.00	1,541
"	"	"	640.00	2,423
"	"	"	470.10	235
"	"	"	614.62	124
"	"	"	567.00	1,129
"	"	"	604.00	2,384
"	"	"	640.00	1,278
"	"	"	640.00	259
"	"	"	640.00	1,172
"	"	"	50.00	329
"	"	"	306.00	1,563
"	"	"	640.00	3,213
"	"	"	150.00	874
"	"	"	620.00	417
"	"	"	623.00	554
"	"	"	600.00	692
"	"	"	611.00	3,770
"	"	"	640.00	3,658
"	"	"	640.00	3,213
"	"	"	635.00	3,092
"	"	"	640.00	3,925

Schedule "A" Cont'd -- 4

<u>Timber Licences and Leases</u>	<u>District</u>	<u>Total Area in Acres</u>	<u>Merchantable Volume (M cu.ft.)</u>
Timber Licence 12446P	Rupert	640.00	4,843
" " 6376P	"	608.00	58
" " 6505P	"	640.00	-
" " 6506P	"	640.00	-
" " 6507P	"	610.00	-
" " 6511P	"	546.00	-
" " 6513P	"	640.00	-
" " 6514P	"	640.00	69
" " 6515P	"	640.00	-
" " 6516P	"	640.00	1,373
" " 6517P	"	640.00	4,434
" " 6518P	"	640.00	5,032
" " 2364P	"	631.00	5,734
" " 4410P	"	632.00	1,568
" " 4422P	"	640.00	920
" " 4425P	"	640.00	430
" " 4426P	"	640.00	903
" " 4427P	"	637.00	-
" " 4428P	"	640.00	2,698
" " 4429P	"	577.00	-
" " 4430P	"	502.00	-
" " 4431P	"	640.00	-
" " 4432P	"	640.00	224
" " 4433P	"	640.00	2,750
" " 4434P	"	640.00	1,171
" " 4435P	"	640.00	1,773
" " 4440P	"	640.00	-
" " 4441P	"	640.00	-
" " 4442P	"	640.00	879
" " 5215P	"	602.00	107
" " 5216P	"	640.00	330
" " 14065L	"	413.00	2,115

Schedule "A" Cont'd -- 5

<u>Timber Licences and Leases</u>	<u>District</u>	<u>Total Area in Acres</u>	<u>Merchantable Volume (M cu.ft.)</u>
Timber Lease 55 (Sec. 21)	Rupert	2,391.00	1,909
" " 56 (Sec. 23)	"	2,880.00	355
Timber Licence 2363P	"	640.00	6,353
" " 2915P	"	640.00	5,537
" " 6368P	"	640.00	3,215
" " 6369P	"	640.00	1,002
" " 6370P	"	640.00	306
" " 6371P	"	640.00	1,229
" " 6372P	"	640.00	1,839
" " 6373P	"	640.00	5,679
" " 6374P	"	640.00	5,149
" " 6375P	"	640.00	5,110
" " 6475P	"	640.00	4,910
" " 6458P	"	640.00	2,933
" " 6459P	"	640.00	2,821
" " 6460P	"	620.00	2,338
" " 6461P	"	630.00	4,395
" " 6462P	"	640.00	3,624
" " 7210P	"	640.00	5,630
" " 7211P	"	640.00	7,185
" " 7212P	"	640.00	5,467
" " 7213P	"	640.00	4,879
" " 7214P	"	640.00	7,308
" " 7215P	"	640.00	5,062
" " 7216P	"	640.00	3,899
" " 7217P	"	640.00	6,947
" " 7218P	"	625.00	1,389
" " 7219P	"	640.00	6,200
" " 7220P	"	618.00	3,828
" " 7221P	"	640.00	3,372
" " 14068L	"	9,536.00	47,667

Schedule "A" Cont'd -- 6

<u>Timber Licences and Leases</u>	<u>District</u>	<u>Total Area in Acres</u>	<u>Merchantable Volume (M cu.ft.)</u>
Timber Licence 14069L	Rupert	760.00	7,249
" " 2840P	"	640.00	3,591
" " 2841P	"	640.00	4,445
" " 2842P	"	625.00	-
" " 2843P	"	537.00	2,104
" " 3658P	"	640.00	5,691
" " 6377P	"	621.00	1,418
" " 14062L	"	4,930.00	41,765
" " 14063L	"	6,760.00	65,520
" " 3653P	Nootka	560.00	3,778
" " 3654P	"	640.00	3,279
" " 3655P	"	640.00	4,890
" " 3656P	"	640.00	4,927
" " 3794P	Rupert	640.00	2,019
" " 3795P	Nootka	640.00	7,486
" " 3796P	"	640.00	6,752
" " 3797P	"	640.00	4,759
" " 3798P	"	640.00	7,929
" " 7222P	Rupert	640.00	315
" " 7223P	"	640.00	-
" " 7224P	"	640.00	5,243
" " 7225P	"	640.00	453
" " 7226P	"	640.00	2,842
" " 7227P	"	640.00	1,553
" " 7228P	"	640.00	3,369
" " 7229P	"	640.00	2,186
" " 7230P	Nootka	640.00	6,693
" " 7231P	"	640.00	7,294
" " 7232P	"	640.00	4,178

Schedule "A" Cont'd -- 7

<u>Timber Licences and Leases</u>	<u>District</u>	<u>Total Area in Acres</u>	<u>Merchantable Volume (M cu.ft.)</u>
Timber Licence 7233P	Nootka	640.00	7,464
" " 7234P	"	640.00	5,190
" " 7235P	"	640.00	576
" " 7236P	"	640.00	6,843
" " 7237P	"	640.00	5,450
" " 7238P-	"	640.00	6,884
" " 7242P	"	640.00	4,966
" " 7243P	"	640.00	5,761
" " 14064L	Rupert	1,360.00	11,592
" " 14066L	"	2,827.00	32,008

C. Timber Sales

X 78347	Rupert	157.00	402
X 75199	"	1,300.00	9,450
X 80893	"	100.00	1,018
X 74993	"	175.00	433
X 57641	"	290.00	697
X 83378	"	62.00	522
X 73903	"	66.00	-
X 69291	"	623.40	-

<u>SUMMARY</u>	<u>Area in Acres</u>	<u>Merchantable Volume (M cu.ft.)</u>
A. Crown Grants	11,457.11	23,122
B. Timber Licences and Leases	102,288.72	539,255
C. Timber Sales	2,774.40	12,522
GRAND TOTAL	116,520.23	574,899

SCHEDULE "B"

Nimkish Tree Farm Licence

Tree Farm Licence No. 37

Crown lands not otherwise alienated enclosed within the following described boundaries in the Rupert and Nootka Land Districts.

Commencing at the northeast corner of Lot 2, Rupert Land District, being a point on the highwater mark of Beaver Cove; thence southerly along the easterly boundary of Lot 2 to the southeast corner thereof; thence westerly along the southerly boundaries of Lot 2 and Lot 348 to the southwest corner of said Lot 348; thence southerly and westerly along the easterly and southerly boundaries of Lot 134 to the southwest corner of said Lot 134; thence westerly along the southerly boundary of Lot 1 to the northeast corner of Lot 133; thence southerly along the easterly boundary of said Lot 133 to the southeast corner thereof; thence westerly along the southerly boundaries of Lot 133, and Lot 349 to the southwest corner of said Lot 349; thence due west to the easterly boundary of Lot 891, (T.L. 681^P); thence southerly and westerly along the easterly and southerly boundaries of said Lot 891 (T.L. 681^P) to the most northerly northwest corner of Lot 900 (T.L. 45^P) thence southerly, westerly and southerly along the westerly boundary of said Lot 900 (T.L. 45^P) to the southwest corner thereof; thence southerly along the westerly boundaries of Lots 903 (T.L. 75^P), 905 (T.L. 77^P), 907 (T.L. 79^P), S.T.L. 5292^P and S.T.L. 5293^P to the southwest corner of said S.T.L. 5293^P; thence easterly along the southerly boundaries of S.T.L. 5293^P and S.T.L. 5294^P to the southeast corner of said S.T.L. 5294^P; thence northerly along the easterly boundary of said S.T.L. 5294^P to the southwest corner of S.T.L. 1885^P; thence easterly along the southerly boundary of said S.T.L. 1885^P and the easterly prolongation thereof to the westerly boundary of the watershed of Bonanza River; thence in a general southerly direction along the said westerly boundary

northwest corner of S.T.L. 6460^P; thence easterly along the northerly boundary of said S.T.L. 6460^P to the most northerly northeast corner thereof; thence due east to the easterly boundary of the watershed of said Claude Elliott Lake; thence in a general southerly direction along the said easterly boundary of the watershed of Claude Elliott Lake and the easterly boundary of the watershed of Lukwa Creek to a point due west of the northwest corner of S.T.L. 7212^P; thence east to the said northwest corner; thence in a general easterly and southerly direction along the northerly and easterly boundaries of S.T.L.'s 7212^P, 7213^P, 7214^P and 2915^P to the northeast corner of said S.T.L. 2915^P; thence due east to the westerly boundary of the watershed of Eve River; thence in a general southerly and easterly direction along the westerly and southerly boundaries of the said watershed of Eve River to the northerly boundary of the watershed of Schoen Lake; thence in a general westerly and southerly direction along the northerly and westerly boundaries of said watershed of Schoen Lake to a point due north of the most westerly point on the edge of the bed of Schoen Lake; thence due south to the said point; thence southerly and easterly along the edge of the bed of said Schoen Lake on the westerly and southerly shores thereof to the edge of the bed of Schoen Creek on the right bank thereof; thence easterly in a straight line to the summit of Mount Schoen, being a point on the easterly boundary of the watershed of Schoen Creek; thence in a general southerly direction following the said easterly boundary of the watershed of Schoen Creek, Nimpkish River and Oktwanch River to a point north 45° east of the southeast corner of S.T.L. 7238^P; thence south 45° west to the said corner; thence westerly along the southerly boundaries of S.T.L. 7238^P and S.T.L. 1909^P to the southwest corner of said S.T.L. 1909^P; thence southwesterly in a straight line to the northwest corner of S.T.L. 1920^P; thence southerly along the westerly boundary of said S.T.L. 1920^P to the northerly boundary of the watershed of Muchalat River; thence in a general northwesterly direction along the northerly boundaries of the watersheds of Muchalat River,

Conuma River, and the northeasterly boundaries of the watershed of Leiner River, McKelvie Creek and Tahsis River to the southerly boundary of the watershed of Woss Lake; thence in a general westerly and northerly direction along the southerly and westerly boundaries of the watersheds of Woss Lake, Kaipit Creek, Pinder Creek, Atluck Lake, Huston Lake, and Nimpkish Lake to the southerly boundary of S.T.L. 1992^P; thence easterly along the southerly boundary of said S.T.L. 1992^P to the southeast corner thereof; thence northerly along the easterly boundary of said S.T.L. 1992^P to the northeast corner thereof; thence easterly along the southerly boundaries of Section 19 and Section 20, Township 15, Rupert District to the southwest corner of the southeast quarter of said Section 20; thence northerly along the easterly boundary of the west halves of Sections 20 and 29 to the northeast corner of the west half of said Section 29; thence easterly along the southerly boundaries of Section 32 and Section 33 to the southeast corner of said Section 33, being a point on the edge of the bed of Nimpkish River on the left bank thereof; thence in a general northerly direction along the said edge of the bed of Nimpkish River to the westerly boundary of Fractional Section 34, Township 15; thence northerly and easterly along the westerly and northerly boundaries of said Fractional Section 34 to the northeast corner thereof, said corner being a point on the aforesaid edge of the bed of Nimpkish River on the left bank thereof; thence northerly along the said edge of the bed to the southerly boundary of Lot 27; thence westerly and northerly along the southerly and westerly boundaries of said Lot 27 to the northwest corner thereof; thence northerly along the easterly boundary of Section 9, Township 1 to the southwest corner of Section 15, Township 1; thence easterly along the southerly boundary of said Section 15 to the southeast corner of the Fractional southwest quarter thereof; thence southerly in a straight line to the northwest corner of Lot 26; thence easterly,

southerly and westerly along the northerly, easterly and southerly boundaries of said Lot 26 to the southwest corner thereof, being a point on the easterly boundary of aforesaid Lot 27; thence southerly along the easterly boundary of said Lot 27 to the edge of the bed of Nimpkish River on the left bank thereof; thence due south to the edge of the bed of said Nimpkish River on the right bank thereof; thence in a general southerly direction along the said right bank of Nimpkish River to the southerly boundary of Indian Reserve Number 3; thence easterly along the said southerly boundary of Indian Reserve Number 3 to the southeast corner thereof, being a point on the southerly highwater mark of Broughton Strait; thence in a general easterly direction along the said southerly highwater mark of Broughton Strait to the northeast corner of Lot 911 (T.L. 479^P); thence southerly along the easterly boundary of said Lot 911 to the southeast corner thereof; thence southerly, easterly and southerly along the boundaries of Lot 912 (T.L. 570^P) to the southerly boundary of Lot 225; thence easterly along the said southerly boundary of Lot 225 to the most southerly southeast corner thereof; thence northerly, westerly, northerly and easterly along the boundaries of said Lot 225 to the westerly highwater mark of Beaver Cove; thence in a general southerly, northerly and easterly direction along the said highwater mark of Beaver Cove to the aforesaid northeast corner of Lot 2, being the point of commencement.

PLAN TO ACCOMPANY
NIMPKISH TREE FARM LICENCE
No 37
BOUNDARIES OUTLINED IN BOLD BLACK LINE
PURSUANT TO CLAUSE 5 THEREOF
SCALE: 8 MILES - 1 INCH

*460.
h.h.f.B.*