



Province of  
British Columbia

Ministry of  
Forests  
TREE FARM LICENCE

NO. 48

CHETWYND TREE FARM LICENCE

THIS LICENCE, made as of December 1, 1988.

BETWEEN:

THE MINISTER OF FORESTS  
OF BRITISH COLUMBIA, on behalf of  
HER MAJESTY THE QUEEN IN RIGHT OF  
THE PROVINCE OF BRITISH COLUMBIA,

(the "Licensor")

AND:

CANADIAN FOREST PRODUCTS LTD.  
2800 - 1055 DUNSMUIR STREET  
P.O. BOX 49420, BENTALL POSTAL STATION  
VANCOUVER, BRITISH COLUMBIA  
V7X 1B5

(the "Licensee")

whereas:

- A. The Licensee applied to surrender Forest Licence No. A18151 to the Licensor;
- B. The Licensor and the Licensee intend to replace a portion of the allowable annual cut under Forest Licence No. A18151 with a tree farm licence entered into pursuant to the provisions of section 27.1 of the FOREST ACT;

The parties agree as follows:

1.00 GRANT OF RIGHTS, LICENCE AREA AND TERM

1.01 Subject to this Licence and in consideration of the Licensee's covenants in it, the Licensor grants to the Licensee,

- (a) the right during the term of this Licence to enter and occupy Crown land in the Licence area for the purpose of managing the timber resources and timber growth capability of the land according to this Licence and the FOREST ACT,
- (b) the right during the term of this Licence to manage Crown land in the Licence area according to this Licence and the FOREST ACT, and
- (c) subject to paragraphs 1.05, 1.07, 14.01, 14.02 and the FOREST ACT, the right during the term of this Licence to harvest timber from Crown land in the Licence area, according to management and working plans and pre-harvest silviculture prescriptions, and from areas specified in cutting permits issued from time to time under this Licence.

1.02 This Licence may be amended by agreement of the parties, by deleting from the Licence area private land described in Schedule "A" to this Licence, where

- (a) the private land is required for a use that is more valuable than timber production, and
- (b) the deletion would not, in the Chief Forester's opinion, unreasonably disturb the management of the Licence area for timber production.

1.03 The term of this Licence is 25 years, beginning December 1, 1988.

1.04 On its tenth anniversary this Licence may be replaced according to section 29 of the FOREST ACT.

1.05 For purposes of the Small Business Forest Enterprise Program, the Licensor retains the right to annually harvest from Schedule "B" land

- (a) 55 350 m<sup>3</sup> of the initial allowable annual cut approved for the Licence area, and
- (b) 23.5% of that portion of any allowable annual cut subsequently approved for the Licence area exceeding 539 000 m<sup>3</sup>,

and for the purpose of this paragraph the allowable annual cut will exclude any increases attributable to incremental silviculture.

1.06 In the aggregate, the average net value of the timber within the timber sale licences entered into by the Regional Manager or District Manager pursuant to paragraph 1.05 shall not during the term of a management and working plan as specified in part 2.00 be less than the average for the timber harvested by the Licensee within the Licence area.

1.07 For purposes of the Woodlot Licence Program, the Licensor retains the right to, at any time during the term of this Licence, delete from the Licence area Schedule "B" land that the Chief Forester determines is capable of producing on an annual basis

- (a) not more than 6 150 m<sup>3</sup> of the initial allowable annual cut approved for the Licence area, and
- (b) 1.5% of that portion of any allowable annual cut subsequently approved for the Licence area exceeding 539 000 m<sup>3</sup>,

and for the purpose of this paragraph, the deletion does not give rise to any right to or eligibility for compensation under the FOREST ACT or otherwise.

## 2.00 MANAGEMENT AND WORKING PLANS

2.01 The management and working plan approved by the Chief Forester under section 27.1 (6) of the FOREST ACT shall be deemed to be a management and working plan approved under paragraph 2.06.

2.02 Not later than June 30, 1992, and June 30 of every fifth year afterward, the Licensee will submit for the Chief Forester's approval a proposed management and working plan for the 5 year period beginning January 1 of the following year.

2.03 The Chief Forester, at the Licensee's request or on his own initiative, in a notice to the Licensee, may require that a management and working plan be amended or replaced where

- (a) timber in the Licence area is damaged by fire, wind, insects, disease, or other natural forces, or
- (b) damage is caused to a timber processing facility of the Licensee, or there is labour conflict, war, civil insurrection, adverse weather conditions, depressed markets or other circumstances beyond the Licensee's control, or
- (c) serious and unforeseen damage is caused to soils, fisheries, wildlife resources, water, range, recreation or other forest resources or uses of the Licence area,

and the Chief Forester considers that the occurrence has rendered the management and working plan inadequate.

- 2.04 Where a notice is given under paragraph 2.03
- (a) the notice shall specify the occurrence, the extent to which the management and working plan is inadequate and the nature of the change required by the Chief Forester, and
  - (b) the Licensee will, unless otherwise approved by the Licensor, within 3 months after the notice, submit for the Chief Forester's approval a proposed management and working plan or a proposed amendment to the management and working plan.

2.05 A proposed management and working plan shall be prepared, signed and sealed by a professional forester in accordance with the FOREST ACT and shall

- (a) as directed by the Chief Forester, incorporate the commitments made by the Licensee in the application on which the award of the Licence was based and the commitments of the Licensor which formed the basis of the approval of the application,
- (b) include information respecting the inventory of the forest and recreation resources and, where available to the Licensee, and where required by the Chief Forester, of the soils, fisheries and wildlife resources of the Licence area,
- (c) specify measures to be taken by the Licensee for the integrated management of the Licence area including developing, protecting, restoring and improving forest and recreation resources of the Licence area,
- (d) provide for the annual submission of an updated 5-year development plan to the District Manager which
  - (i) is consistent with the commitments made in an approved management and working plan,
  - (ii) has been referred by the Licensee to all appropriate resource agencies for their input,
  - (iii) has been advertised at least twice within a period of two consecutive weeks by the Licensee in at least one newspaper circulating in the vicinity of the proposed operations of the Licensee for the succeeding 5-year period,
  - (iv) has been made available for public viewing for at least 5 days at places and times convenient to the public,
  - (v) includes a summary of the input from all appropriate resource agencies and the public and the actions to be taken by the Licensee with respect to that input, and

- (vi) provides other information required by the Chief Forester
- (e) provide for the submission, before harvesting timber under this Licence, of pre-harvest silviculture prescriptions for the land from which timber is to be harvested under this Licence,
- (f) provide with respect to the incremental silviculture to be carried out by the Licensee on all good and medium site backlog areas identified in Schedule "C" on a continuous basis during the first 20 years of the term of this Licence
  - (i) an annually updated detailed schedule of operations for the ensuing 5-year period, and
  - (ii) a general schedule of operations for the period representing the balance of the first 20 years of the term of this Licence, and
- (g) such other information respecting the development, management and use of the planning area as the Chief Forester requires.

2.06 The Chief Forester will approve, from time to time, management and working plans for the Licence area, acceptable to him, that

- (a) specify an allowable annual cut that he determines may be sustained from the Licence area, having regard to
  - (i) the composition of the forest on the Licence area and its expected rate of growth, determined from an inventory of the forest,
  - (ii) the expected time that it will take the forest to become re-established on the Licence area following denudation,
  - (iii) silvicultural and pest treatments to be applied to the Licence area,
  - (iv) the standard of timber utilization and the allowances for decay, waste and breakage it is expected will be applied with respect to timber harvesting operations conducted on the Licence area,
  - (v) the constraints on the amount of timber produced from the Licence area that reasonably can be expected by use of the Licence area for purposes other than timber production, and

- (vi) any other information that relates to the capability of the Licence area to produce timber, including estimates of the impacts, both catastrophic and incremental, attributable to pests found in the Licence area,
- (b) specify measures taken and to be taken by the Licensee, consistent with this Licence and the FOREST ACT,
  - (i) for developing, protecting, restoring and improving the forest and recreation resources in the Licence area, and
  - (ii) for carrying out basic silviculture by or under part 10.1 of the FOREST ACT and the regulations, incremental silviculture proposed by the Licensee and approved by the Regional Manager or District Manager, and incremental silviculture required in paragraph 8.05 of this Licence,
  - (iii) for the integrated management of the Licence area, and
  - (iv) for fulfilling its obligations under part 10.00 of the Licence,
- (c) specify the portion of the allowable annual cut that the Chief Forester determines is attributable to Schedule "B" land, and
- (d) subject to paragraphs 1.05, 1.07, 8.06, 8.08, and 14.02 specify the portion of the allowable annual cut which the Licensee has the right to harvest in accordance with this Licence and the management and working plan.

2.07 The District Manager will approve, from time to time, 5 year development plans and pre-harvest silviculture prescriptions acceptable to him.

2.08 A management and working plan and pre-harvest silviculture prescriptions shall be deemed to be part of, and shall be consistent with, this Licence.

2.09 The Licensor, or person authorized by him, will conduct a technical audit of the Licensee's performance under this Licence from time to time.

### 3.00 CUTTING PERMITS

3.01 Except with the written consent of the Regional Manager or District Manager, the Licensee will cut timber on the Licence area only under a road permit or a cutting permit issued under this Licence.

3.02 Upon receipt of an acceptable application by the Licensee, the Regional Manager or the District Manager will issue cutting permits to the Licensee, to enable the Licensee to harvest timber from the Licence area, within the limits specified in the FOREST ACT and according to the management and working plan, 5 year development plan, and pre-harvest silviculture prescriptions.

3.03 A cutting permit shall, subject to the management and working plan, 5 year development plan and pre-harvest silviculture prescriptions,

- (a) authorize timber to be harvested under this Licence from a specific area of land in the Licence area,
- (b) be for a term, not exceeding 3 years as determined by the Regional Manager or the District Manager,
- (c) require payment to the Crown of stumpage applicable to Crown timber harvested under it,
- (d) contain procedures for adjusting the stumpage rates,
- (e) prescribe utilization standards, other cutting specifications and forestry practices consistent with the pre-harvest silviculture prescription to be followed in timber harvesting operations carried on under it,
- (f) prescribe the specifications and standards of branch and spur roads to be built on the land subject to the cutting permit,
- (g) set out procedures for assessing timber wasted and damaged by the Licensee and damages payable to the Crown for timber wasted and damaged,
- (h) specify a timber mark to be used in conjunction with the timber harvesting operations carried on under it,
- (i) be deemed to be a part of this Licence, and
- (j) include other provisions, consistent with this Licence and the FOREST ACT, required by the Regional Manager or District Manager.

3.04 The Licensee will define on the ground the boundaries of the areas authorized for harvesting under a cutting permit unless otherwise agreed to by the District Manager.

3.05 Timber cut under this Licence shall be marked and scaled according to cutting permits, the FOREST ACT and regulations.

#### 4.00 CUT CONTROL

4.01 Cut control under this Licence shall be administered in accordance with the FOREST ACT.

#### 5.00 FINANCIAL AND DEPOSITS

5.01 In addition to other money payable by the Licensee under the FOREST ACT and under this Licence, but without duplication, the Licensee will pay to the Crown, immediately on receipt of a statement issued on behalf of the Crown,

- (a) annual rent under the FOREST ACT based on the Chief Forester's determination under subparagraphs 2.06(c) and 2.06(d),
- (b) in respect of timber cut under this Licence from Schedule "B" land, stumpage at rates determined, redetermined and varied under the FOREST ACT and regulations,
- (c) waste and damage assessments made under the FOREST ACT and regulations, and
- (d) prescribed scaling fees and the charges, costs and expenses incurred by the Crown in
  - (i) making and recording the scale measurements,
  - (ii) preparing and submitting the scale return, and
  - (iii) preparing and summarizing the scale computation, and issuing a bill to the Licensee in the manner specified by the Chief Forester, and
- (e) assessments made under Part 10.1 of the FOREST ACT and regulations.

5.02 During the term of this Licence the Licensee will maintain with the Crown a deposit in an amount prescribed in the regulations, in cash or in negotiable securities acceptable to the Licensor, as security for the Licensee's performance of its obligations under this Licence and under the FOREST ACT.

5.03 If the Licensee fails to pay money that it is required to pay to the Crown or otherwise fails to perform its obligations under the FOREST ACT, this Licence, a road permit or a cutting permit, in respect of operations carried on under, or in conjunction with, this Licence

- (a) the Licensor or Regional Manager may, after at least 30 days' notice to the Licensee, take from the deposit such amounts as may reasonably be required to remedy the failure and for that purpose the security included in the deposit may be sold,



- (b) the Licensor or the District Manager may, if the Licensee has had a reasonable opportunity to remedy a default and the Licensor or the District Manager considers that it is not practical to remedy the default, make an assessment in respect of the default equal to the costs that would have been incurred by the Licensor or the District Manager had he remedied the default and that assessment may be paid from the deposit and for that purpose a security included in the deposit may be sold, and
- (c) the Licensor, Regional Manager or District Manager may require the Licensee to forthwith pay the Licensor, in cash or in securities acceptable to the Licensor, an amount of money sufficient to maintain the deposit in the amount specified under paragraph 5.02.

5.04 Where the Regional Manager or the District Manager considers that timber harvesting or related operations that are proposed to be carried out under a cutting permit or road permit are likely to cause damage to the improvements or chattels of a lawful occupier or lawful user of Crown land, the Licensee may be required in the cutting permit or road permit

- (a) to prevent the damage from occurring,
- (b) to pay reasonable compensation to the occupier or user in respect of damage that occurs, and
- (c) to pay to the Crown a special deposit, in cash or in negotiable securities acceptable to the Licensor, in the amount determined by the Regional Manager to be adequate security for the Licensee's performance of requirements under subparagraphs 5.04(a) and (b).

5.05 Where under a cutting permit or road permit referred to in paragraph 5.04 the Licensee

- (a) fails to prevent the damage from occurring, and
- (b) fails to pay reasonable compensation, as determined by the Regional Manager or District Manager, to the occupier or user,

the Regional Manager or District Manager may, after at least 30 days' notice to the Licensee, pay reasonable compensation to the occupier or user from the deposits maintained under paragraphs 5.02 and 5.04 and for this purpose a security included in either or both deposits may be sold.

- 5.06 The Licensor will refund to the Licensee
- (a) the deposit maintained under paragraph 5.02 (minus deductions made under paragraphs 5.03 and 5.05), when this Licence terminates, expires and is not replaced under section 29 of the FOREST ACT, or is assigned, and
  - (b) a special deposit paid under paragraph 5.04 (minus deductions made under paragraph 5.05), when the cutting permit or road permit referred to in paragraph 5.04 expires.

5.07 If this Licence is cancelled, the deposit maintained under paragraph 5.02 (minus deductions made under paragraphs 5.03 and 5.05) and a special deposit paid under paragraph 5.04 (minus deductions made under paragraph 5.05) may be forfeited in whole or in part to the Crown at the direction of the Licensor and the portions of the deposits not forfeited will be refunded to the Licensee.

#### 6.00 ROADS

6.01 The locations, specifications and standards of all roads to be built on Crown land by the Licensee to provide access to or in the Licence area,

- (a) shall, except branch or spur roads on land that is subject to a cutting permit, be included in road permits entered into under the FOREST ACT between the Regional Manager or District Manager and the Licensee, and
- (b) shall be consistent with the management and working plan and 5 year development plan.

6.02 Where a logging access road is to be constructed to provide access to timber to be harvested under this Licence and the construction requires acquisition of a right-of-way over private land, the Licensor or the District Manager shall determine whether the Licensor or the Licensee shall acquire the road right-of-way.

6.03 A logging access road constructed by the Licensee on a right of way acquired by the Licensor under paragraph 6.02 shall be deemed to be owned by the Licensor and the Licensee shall have no claim to compensation in respect of the construction of road or establishment of improvements thereon by or for the Licensee.

6.04 Before April 1 of each year during the term of this Licence, the District Manager and the Licensee will review the road system under this Licence and, after the review,

- (a) the District Manager may, in a notice to the Licensee, identify roads that are to be maintained by the Licensee until April 1 of the following year, and
- (b) the Licensee will maintain the roads according to the notice.

6.05 The maintenance performed by the Licensee under paragraph 6.04 shall be sufficient to prevent deterioration of the road subgrade and drainage structures, and to ensure that the condition of the road meets the needs and safety requirements of other users.

#### 7.00 FOREST PROTECTION

7.01 Before April 1 of each year during the term of this Licence, the Licensee will submit to the District Manager a fire protection pre-organization plan, including a duty roster, acceptable to the District Manager.

7.02 The District Manager will from time to time approve fire protection pre-organization plans acceptable to him.

7.03 A fire protection pre-organization plan approved by the District Manager shall be deemed to be part of the management and working plan and shall be consistent with this Licence.

7.04 The Licensee's obligations under a fire protection pre-organization plan are in addition to and do not replace its obligations under section 121 of the FOREST ACT.

7.05 Pest management strategies shall be reviewed annually by the Licensee and the District Manager and if required by the District Manager, the Licensee shall submit for the District Manager's approval a pest treatment plan.

#### 8.00 FORESTRY

8.01 The Licensee shall, at his own expense and in accordance with the FOREST ACT, regulations and pre-harvest silviculture prescriptions approved by the District Manager, carry out during harvesting and continue without interruption after harvesting, basic silviculture on the land from which the timber is harvested.

8.02 Where, under this Licence or the FOREST ACT, the Licensee is to perform silviculture or to develop or maintain a recreation site or trail on Schedule "B" land, the Licensee may enter the Schedule "B" land and perform the silviculture, or develop or maintain the recreation site or trail as the case may be.

8.03 The Licensee will not post a sign concerning forestry practised or the development and maintenance of recreation sites or trails under this Licence, unless the sign acknowledges the Crown's contributions to such practise or development and maintenance.

8.04 The Licensee will employ or contract for the services of, or both, one or more registered professional foresters are reasonably required to manage the Licence area according to this Licence.

8.05 The Licensee, with respect to the reforestation of all good and medium site backlog areas identified in Schedule "C", will

- (a) at its expense reforest all such areas during the first 20 years of this Licence, and
- (b) comply with the schedules approved under subparagraph 2.05(f).

8.06 Notwithstanding paragraph 8.05, the Licensor retains the right to enter or authorize other persons to enter the Licence area to carry out incremental silviculture on

- (a) all backlog areas in the Licence area not identified in Schedule "C", and
- (b) if the Licensee fails to comply with the schedules approved under sub-paragraph 2.05(f), all good and medium site backlog areas identified in Schedule "C",

and if the Licensor undertakes or accepts financial responsibility for such incremental silviculture, any increase in the allowable annual cut for the Licence area attributable to such incremental silviculture will accrue to the Licensor.

8.07 The Licensor will, at its expense, supply the seedlings to be used by the Licensee in the incremental silviculture to be carried out on all good and medium site backlog areas identified in Schedule "C".

8.08 Increases in the allowable annual cut that are attributable to incremental silviculture undertaken by the Licensee at its expense will accrue to the Licensee.

#### 9.00 FOREST SERVICE ACCOMMODATION AND ACCESS

9.01 After receiving reasonable notice from the Regional Manager or District Manager, the Licensee will provide the Regional Manager, District Manager and Forest Officers with reasonable office and living accommodation on the Licence area, or at a headquarters or timber processing facility of the Licensee near the Licence area, to enable the Regional Manager, District Manager and Forest Officers to carry out their responsibilities in the Licence area and the Licensee may charge the Licensor the reasonable cost of the provision of such office and living accommodation.

9.02 The Regional Manager, District Manager and Forest Officers may at reasonable times use roads on the Licence area and enter private land in the Licence area, to carry out their responsibilities in the Licence area.

#### 10.00 CONTRACTORS

10.01 Each calendar year during the term of this Licence a volume of timber equal to at least

- (a) 90% of the volume of timber harvested by or for the Licensee from the Licence area during the year, multiplied by
  - (b) the result obtained by the division of
    - (i) the portion of the allowable annual cut specified in subparagraph 2.06(c) attributable to Schedule "B" land, by
    - (ii) the portion of the allowable annual cut specified in subparagraph 2.06(d) as being allowable annual cut that the Licensee has the right to harvest,
- shall be harvested by persons under contract with the Licensee unless the Licensor, pursuant to the regulations, relieves the Licensee from this requirement in whole or in part.

10.02 Compliance with paragraph 10.01 shall be calculated according to the method prescribed in the regulations.

10.03 If in a calendar year the volume of timber harvested by persons under contract with the Licensee is less than the volume required under paragraph 10.01, the Licensee will on demand pay to the Crown, an amount of money equal to

(a) the volume below the volume required under paragraph 10.01, multiplied by

(b) the average stumpage rate applicable to timber harvested from the Licence area, that is billed to the Licensee in statements issued on behalf of the Crown during the calendar year,

unless, and to the extent that, relief is given under paragraph 10.01.

#### 11.00 TIMBER PROCESSING AND WOOD RESIDUES

11.01 All timber harvested under this Licence or equivalent timber shall be processed through a timber processing facility owned or operated by the Licensee, or any affiliates within the meaning of the COMPANY ACT, and such facility shall be equipped to carry out debarking and chipping unless, and to the extent that, the Minister or his designate, exempts the Licensee from the requirements of this paragraph.

11.02 The Licensee will not cause a timber processing facility owned or operated by the Licensee that processes timber or wood residue or both harvested under this Licence to be reduced in capacity, or to be closed for a sustained period of time, unless, and to the extent that, the Minister or his designate, exempts the Licensee from the requirements of this paragraph.

11.03 Requests for exemption by the Licensee under paragraph 11.02 must be submitted to the Licensor at least three (3) months prior to the proposed reduction in capacity or closure of the timber processing facility.

11.04 The Licensor, in a notice to the Licensee, may require that the Licensee shall not, during a period of time stipulated by the licensor, sell, agree to sell, or deliver any pulp timber or wood residues produced by the Licensee from timber harvested under this Licence to any person unless the Licensee first offers to sell the pulp timber or wood residues

(a) to a person named by the Licensor or his designate, or

(b) to persons who own or operate timber processing facilities using wood residues within an area designated by the Licensor or his designate, on terms substantially the same as those offered or agreed to be paid to the Licensee by any other user within an area designated by the Licensor or his designate.

11.05 At the request of the Licensor or his designate, the Licensee will promptly report to the Licensor

- (a) the volumes of wood residues produced by the Licensee during any period, and
- (b) the volume of wood residues offered, sold or delivered, or agreed to be sold or delivered, by the Licensee during any period, and the names of the offerees, purchasers and persons taking delivery.

## 12.00 LIABILITY AND INDEMNITY

12.01 The Licensee will indemnify the Crown against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Crown as a result, directly or indirectly, of wrongful acts and omissions on the Licence area, of:

- (a) the Licensee
- (b) an employee of the Licensee,
- (c) a person who performs work directly or indirectly under contract with the Licensee, and
- (d) any other person who carries on timber harvesting or related operations on the Licence area with the consent of the Licensee, except
  - (i) the holder of a free use permit referred to in paragraph 14.01, or
  - (ii) the holder of a timber sale licence entered into under the FOREST ACT or paragraph 1.05, 14.02, or
  - (iii) a servant or agent of the Crown, or
  - (iv) any other person who uses or occupies the Licence area under rights granted by the Crown.

12.02 Money paid by the Licensee to the Crown under paragraphs 5.03, 5.05, 5.07, 10.03 and 12.01 and reductions in the allowable annual cut deemed to be made under this Licence or the FOREST ACT

- (a) shall be in addition to, and not in substitution for, and or
- (b) shall not, if accepted on behalf of the Crown, be deemed to be a waiver of any remedy available under the FOREST ACT to the Crown, the Licensor, the Regional Manager or the District Manager, in respect of the default of the Licensee that led to the payment of the money or the reduction in the allowable annual cut.

### 13.00 TERMINATION

13.01 If this Licence expires, or is terminated and is not replaced under section 29 of the FOREST ACT, or if this Licence is cancelled,

- (a) cutting permits and road permits will, subject to section 62 of the FOREST ACT, terminate when the expiry, termination or cancellation occurs,
- (b) within 30 days of the expiration, termination or cancellation, the Licensee may remove from the Licence area those improvements that the District Manager determines are
  - (i) not required for long term use by the Crown, and
  - (ii) capable of being removed without damage to other remaining improvements, and
- (c) property in logs, and special forest products then on Schedule "B" land shall pass to the Crown without compensation to the Licensee.

13.02 Subject to paragraph 13.03, where the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensor may cancel this Licence in a notice served on the Licensee.

13.03 The Licensor will not cancel this Licence under paragraph 13.02 unless and until

- (a) he gives notice to
  - (i) the holder of a debenture, mortgage or other debt security that charges this Licence, then registered against the Licensee under the COMPANY ACT, and
  - (ii) the trustee for the holder of a bond or debenture issued under a deed of trust that charges this Licence, then registered against the Licensee under the COMPANY ACT, and



- (b) a person referred to in clauses (a)(i) or (a)(ii) has had a reasonable opportunity to exercise his rights and to pursue his remedies under the deed of trust, debenture, mortgage or other debt security, including the taking of possession of the Licensee's properties and assets.

#### 14.00 MISCELLANEOUS

14.01 Each year during the term of the Licence, the District Manager may grant free use permits to persons other than the Licensee authorizing the harvest of timber from Schedule "B" land not exceeding 1% of the allowable annual cut approved for that year.

14.02 The Regional Manager or District Manager may on behalf of the Crown, issue timber sale licences on part of the Licence area under section 30 of the FOREST ACT, to persons other than the Licensee:

- (a) at any time, where and to the extent that the Licensor considers it necessary or expedient to enter into timber sale licences under section 18(1)(b) of the FOREST ACT to satisfy the contractual obligations of Pulpwood Agreement Nos. 7, 12 and 13 or their replacement and for that purpose the allowable annual cut may be reduced by the required amount, and
- (b) for timber stands which were not included in the Chief Forester's determination of the allowable annual cut.

14.03 Any timber sale licence entered into by the Regional Manager or District Manager pursuant to paragraphs 1.05 and 14.02 shall be subject to the following:

- (a) the term of any such timber sale licence, including any extensions, shall not exceed 5 years and shall expire not later than 3 years beyond the term of the management and working plan in effect at the time the timber sale licence is entered into,
- (b) the operations to be authorized under such timber sale licence will not interfere unreasonably with operations of the Licensee under this Licence,
- (c) if the holder of a timber sale licence is to use roads or other improvements on the Licence area, the holder of the timber sale licence shall first enter into an agreement providing for reasonable payment to the Licensee for the maintenance of roads and other improvements on the Licence area,

- (d) the volumes of timber harvested under such timber sale licences shall not be included for the purposes of determining compliance by the Licensee with the cut control provisions of the FOREST ACT,
- (e) the volume of timber harvested under such timber sale licences shall not be included for the purposes of part 10 in the "volume of timber harvested" and,
- (f) the Licensee shall have no liability to the Licensor with respect to the operations carried out on the Licence area under the timber sale licences including, but not limited to fires, post logging slash disposal, other site treatment, reforestation, road construction and maintenance, stumpage, annual rents, waste assessments, or other financial obligations.

14.04 The Licence area or part of it will not be replaced with another area or with another harvesting licence in the event the Licence area is damaged or destroyed by pests, disease, fire, insects, wind or other natural causes.

14.05 By April 1 of every year during the term of this Licence, the Licensee will deliver to the Regional Manager or District Manager an annual report in respect of this Licence for the preceding calendar year reporting on inventory depletion, forestry and silviculture, engineering, inventory, protection, research, recreation, performance of the requirements under parts 4.00, 8.00 and 10.00, and containing such other information as required by the Regional Manager or District Manager.

14.06 If the Licensor so directs the Licensee will, at its own expense, survey and define on the ground any or all boundaries of the Licence area.

14.07 Where in this Licence an obligation is to be performed by the Chief Forester, the Regional Manager, District Manager or a Forest Officer, the Licensor will cause the obligation to be performed by that person.

14.08 This Licence is subject to the FOREST ACT.

14.09 Where a notice is required under this Licence, the notice shall be in writing and shall be deemed to have been given if delivered to, or if sent by prepaid registered mail addressed to:

The Licensor:

HONOURABLE MINISTER OF FORESTS  
PARLIAMENT BUILDINGS  
VICTORIA, BRITISH COLUMBIA  
V8V 1X4,

and

The Licensee:

CANADIAN FOREST PRODUCTS LTD.  
2800 - 1055 DUNSMUIR STREET  
P.O. BOX 49420, BENTALL POSTAL STATION  
VANCOUVER, BRITISH COLUMBIA  
V7X 1B5

or to such other address specified by one party to the other in a notice given according to this paragraph and, subject to paragraph 14.11, where service is by registered mail the notice shall be conclusively deemed to be given on the eighth day after its deposit in a Canada Post Office at any place in Canada.

14.11 Where, between the time a notice is mailed under paragraph 14.10 and the time it is actually received by a party, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice shall not be deemed to be given until the party actually receives it.

14.12 This Licence will enure to the benefit of, and be binding on, the parties and their respective successors and permitted assigns.

15.00 INTERPRETATION

15.01 If a term used in this Licence is defined in the FOREST ACT or regulations, the definition in the FOREST ACT or regulations applies to this Licence.

- 15.02 In this Licence, unless the context otherwise requires,
- (a) "allowable annual cut" means the rate of timber harvesting specified as the allowable annual cut in a management and working plan,
  - (b) "average stumpage rate" means the rate calculated by dividing the total stumpage billed to the Licensee under this Licence during a calendar year for all species and all products excluding waste billings by the volume of timber harvested under this Licence during that calendar year,
  - (c) "catastrophic impacts" means alteration of a forest stand as a result of pest infestations which occur over a short time frame, usually causing significant mortality,
  - (d) "cutting permit" means a cutting permit issued under paragraph 3.02,
  - (e) "deposit" means the deposit required to be maintained by the Licensee under paragraph 5.02,
  - (f) "5 year development plan" means the plan required to be submitted by the Licensee under sub-paragraph 2.05(d),
  - (g) "harvest" includes entry on land for the purpose of cutting and removing timber, cutting the timber and removing the timber from the land,
  - (h) "incremental impacts" means alteration of a forest stand as a result of pest infestations which occur over a long time frame, usually causing changes in the stand's productivity,
  - (i) "Licence area" means
    - (i) the private land described in Schedule "A" to this Licence, and
    - (ii) the Crown land described in Schedule "B" to this Licence,and as shown outlined in bold black on the map attached to this Licence, but excludes Crown land deleted, from time to time, under the FOREST ACT and under paragraph 1.07,

- (j) "management and working plan" means a management and working plan approved under paragraph 2.06, or deemed to be approved under paragraph 2.01,
- (k) "Minister" means Minister within the meaning of the FOREST ACT,
- (l) "pest" means any organism or damaging agent designated by the Forest Service to be detrimental to effective resource management including insects, fungi, bacteria, viruses, nematodes, plants and vertebrates,
- (m) "person" includes a corporation and a partnership,
- (n) "pre-harvest silviculture prescriptions" means the prescription required to be submitted by the Licensee under sub-paragraph 2.05(e),
- (o) "regulations" means regulations made under the FOREST ACT,
- (p) "resource agency" means any governmental agency, ministry or department having jurisdiction over a resource which may, in the Licensor's sole discretion, be affected by the harvesting of timber under this Licence,
- (q) "road permit" means a road permit entered into between the Regional Manager or District Manager and the Licensee under the FOREST ACT to provide access to or in the Licence area,
- (r) "Schedule 'A' land" means the private land described in Schedule "A" to this Licence,
- (s) "Schedule 'B' land" means the land described in Schedule "B" to this Licence but excludes land deleted, from time to time, from Schedule "B" under the FOREST ACT,
- (t) "special deposit" means the deposit required to be maintained by the Licensee under sub-paragraph 5.04(c).

- 15.03 In this Licence, unless the context otherwise requires,
- (a) the singular includes the plural and the plural includes the singular,
  - (b) the masculine, the feminine and the neuter are interchangeable, and
  - (c) a reference to a series of numbers or letters, by the first and last numbers or letters of the series, includes the number or letter referred to first and the number or letter referred to last.

15.04 This Licence is divided into parts, paragraphs, subparagraphs, clauses and subclauses, illustrated as follows:

1.00 part,

1.01 paragraph,

(a) subparagraph,

(i) clause,

A. subclause,

and a reference to a subparagraph, clause or subclause shall be construed as a reference to a subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

15.05 Where a section of the FOREST ACT referred to in this Licence is renumbered, the reference in this Licence shall be construed to be the section as renumbered.

This Licence, has been executed by the Licensor and the Licensee on the date first above written.

SIGNED, SEALED AND )  
DELIVERED by the )  
HONOURABLE MINISTER OF )  
FORESTS, on behalf )  
of Her Majesty the Queen in )  
Right of the Province of )  
British Columbia )  
..... )  
..... )

  
..... )  
Minister of Forests

THE COMMON SEAL of the )  
Licensee was affixed in )  
the presence of: )  
..... )  
..... Vice-President )  
..... )  
..... Vice-President )  
(or) And Secretary )

SIGNED, SEALED AND )  
DELIVERED by the )  
Licensee, in the )  
presence of: )  
..... )  
..... )  
..... )

..... )  
(Licensee)

SCHEDULE "A"

CHETWYND TREE FARM LICENCE

TREE FARM LICENCE NO. 48

Forest lands and merchantable timber in other tenures owned or controlled by the Licensee in the Chetwynd Tree Farm Licence No. 48.

NIL.



SCHEDULE "B"

CHETWYND TREE FARM LICENCE

TREE FARM LICENCE NO. 48

All Crown lands not otherwise alienated within the areas outlined in bold black on the accompanying maps except Crown land reverted subsequent to 1971 which was subject to an old temporary tenure (within the meaning of the Forest Act assented to March 30, 1972) and held by a person other than the Licensee.

Block 1

Commencing at the northwest corner of Lot 1276, Peace River Land District; thence southerly along the westerly boundary of said Lot 1276 to the southwest corner thereof; thence southerly along the westerly boundary of Lot 1275 to the natural boundary of Chinaman Lake on the northerly shore thereof; thence in a general southwesterly and southeasterly direction along the natural boundary of said Chinaman Lake on the northwesterly and southwesterly shores thereof to the westerly boundary of said Lot 1275; thence southerly along the

westerly boundaries of Lots 1275 and 1274 to the southwest corner of said Lot 1274; thence easterly along the southerly boundaries of Lots 1274 and 1271 to the southeast corner of said Lot 1271; thence southerly and westerly along the easterly and southerly boundaries of Lot 1272 to the southwest corner thereof; thence north 79 degrees west 4.040 kilometres; thence west 3.219 kilometres; thence south 1.609 kilometres to the northeast corner of Lot 754; thence westerly along the northerly boundary of said Lot 754 5.431 kilometres; thence north 20 degrees 37 minutes 11 seconds west 2.012 kilometres; thence west 940 metres, more or less, to the natural boundary of Peace Reach of Williston Lake on the northerly shore thereof; thence in a general southerly direction along the natural boundary of said Peace Reach on the northerly shore thereof to the northeast corner of Lot 841; thence westerly along the northerly boundary of said Lot 841 to the northwest corner thereof; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of Lot 3181 to the natural boundary of aforesaid Peace Reach on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Peace Reach on the northerly shore thereof to the easterly boundary of Lot 1521; thence northerly

along the easterly boundary of said Lot 1521 to the northeast corner thereof; thence westerly along the northerly boundaries of Lots 1521 and 1522 to the natural boundary of aforesaid Peace Reach on the northerly shore thereof; thence in a general northwesterly direction along the natural boundary of said Peace Reach on the northerly shore thereof to the easterly boundary of Lot 2042; thence northerly, westerly, northerly, westerly and southerly along the easterly, northerly, easterly, northerly and westerly boundaries of said Lot 2042 to the natural boundary of said Peace Reach on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Peace Reach on the northerly shore thereof to the easterly boundary of Lot 329; thence northerly along the easterly boundaries of Lots 329 and 330 to the northeast corner of said Lot 330; thence westerly, northerly, westerly and southerly along the northerly, easterly, northerly and westerly boundaries of said Lot 330 to the northeast corner of Lot 2813; thence westerly and southerly along the northerly and westerly boundaries of said Lot 2813 to the natural boundary of aforesaid Peace Reach on the northerly shore thereof; thence in a general southwesterly direction along the natural boundary of said Peace Reach on the northerly shore thereof to the westerly boundary of the watershed of an unnamed

creek, said unnamed creek flowing southerly into said Peace Reach at a point 1.630 kilometres south and 1.530 kilometres west of the northwest corner of said Lot 2813; thence in a general northwesterly direction along the westerly boundary of the watershed of said unnamed creek to the westerly boundary of the watershed of Adams Creek; thence in a general northerly direction along the westerly boundary of the watershed of said Adams Creek to the southerly boundary of the watershed of Graham River; thence in a general easterly direction along the southerly boundary of the watershed of said Graham River to the northerly boundary of the watershed of Dunlevy Creek; thence in a general easterly and southerly direction along the northerly and easterly boundaries of the watershed of said Dunlevy Creek to the northwesterly boundary of the watershed of Farrell Creek; thence in a general northeasterly direction along the northwesterly boundary of the watershed of said Farrell Creek to a point due north of the northwest corner of aforesaid Lot 1276; thence due south to the point of commencement.

Save and excepting thereout all that foreshore and land covered by water within the above described area; and all surveyed right of ways.

Block 2

Commencing at a point 2.330 kilometres north and 400 metres west of the northwest corner of Lot 1021, Peace River Land District, also being a point on the natural boundary of Peace Reach of Williston Lake on the southerly shore thereof; thence south 1.607 kilometres; thence east 1.604 kilometres to the northwest corner of Lot 1078; thence southerly along the westerly boundary of said Lot 1078 to the southwest corner thereof; thence westerly along the northerly boundary of Lot 1021 to the northwest corner thereof; thence southerly along the westerly boundaries of Lots 1021 and 1022 to the southwest corner of said Lot 1022; thence south 1.605 kilometres to the northwest corner of Lot 1075; thence easterly along the northerly boundaries of Lots 1075 and 1032 to the northeast corner of said Lot 1032; thence southerly along the westerly boundaries of Lots 1033, 1044 and 1073 to the southwest corner of said Lot 1073; thence due south to a point due west of the southwest corner of Lot 1067; thence due east to the southwest corner of said Lot 1067; thence easterly along the southerly boundaries of Lots 1067, 1068, 1069, 1070 and 1071 to the southeast corner of said Lot 1071; thence northerly along the easterly boundary of said Lot 1071 to the northeast corner thereof; thence easterly in a straight line to the southwest

corner of Section 6, Township 80, Range 24, W6M; thence northerly along the westerly boundaries of Sections 6, 7, 18, 19, 30 and 31 to the northwest corner of said Section 31; thence easterly along the northerly boundary of said Section 31 804 metres; thence north 1.609 kilometres; thence west 784 metres to the easterly limit of a 20 metre road right of way on the easterly boundary of Section 12, Township 81, Range 25, W6M; thence northerly along the easterly limit of said 20 metre road right of way of the easterly boundaries of Sections 12, 13, 24, 25 and 36, Township 81, Range 25, W6M and Sections 1, 12 and 13, Township 82, Range 25, W6M to the natural boundary of Peace River on the right bank thereof; thence in a general northeasterly direction along the natural boundary of said Peace River on the right bank thereof to the easterly boundary of Section 36, Township 82, Range 24, W6M; thence southerly along the easterly boundaries of Sections 36, 25, 24, 13, 12 and 1 to the southeast corner of said Section 1; thence southerly in a straight line to the northeast corner of Lot 2914; thence westerly and southerly along the northerly and westerly boundaries of said Lot 2914 to the southwest corner thereof; thence west 2.300 kilometres; thence south 1.800 kilometres, more or less, to the natural boundary of Boucher Lake on the northerly shore thereof; thence in a general

southwesterly and southerly direction along the natural boundary of said Boucher Lake on the northwesterly and westerly shores thereof to the natural boundary of an unnamed creek on the left bank thereof, said unnamed creek flowing into said Boucher Lake at a point 780 metres north and 8.655 kilometres west of the southwest corner of Lot 915; thence in a general southerly direction along the natural boundary of said unnamed creek on the left bank thereof to a point due west of the southwest corner of said Lot 915; thence east 600 metres; thence south 7.150 kilometres; thence east 1.500 kilometres to the westerly boundary of Section 12, Township 80, Range 24, W6M; thence southerly along the westerly boundaries of Sections 12 and 1 to the southwest corner of the northwest quarter of said Section 1; thence westerly and southerly along the northerly and westerly boundaries of the southeast quarter of Section 2 to the southwest corner thereof; thence southerly and westerly along the easterly and southerly boundaries of the west half of Section 35, Township 79, Range 24, W6M to the southwest corner thereof; thence southerly, westerly and southerly along the westerly, northerly and westerly boundaries of Indian Reserve No. 169 "East Moberly Lake" to the northerly boundary of Lot 1892; thence westerly along the northerly boundaries of Lots 1892, 1891 and 1890 to the northwest corner

of said Lot 1890; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of Lot 485 to the northerly boundary of Lot 1889; thence westerly along the northerly boundary of said Lot 1889 to the northwest corner thereof; thence northerly and westerly along the easterly and northerly boundaries of Lot 486 to the northwest corner thereof; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of Lot 2177 to the southwest corner thereof; thence westerly along the northerly boundary of Lot 463 to the northwest corner thereof; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of Lot 487 to the northerly boundary of Lot 1449; thence westerly along the northerly boundaries of Lots 1449, 488 and 490 to the most easterly northeast corner of Lot 491; thence westerly, northerly and westerly along the northerly, easterly and northerly boundaries of said Lot 490 to the easterly boundary of Lot 781; thence northerly, westerly, southerly, westerly and southerly along the easterly, northerly, westerly, northerly and westerly boundaries of said Lot 781 to the northerly boundary of Lot 492; thence westerly along the northerly boundaries of Lots 492 and 844 to the northwest corner of said Lot 844; thence southwesterly in a straight line to the northeast corner of



Indian Reserve No. 168A "West Moberly Lake"; thence westerly along the northerly boundary of said Indian Reserve No. 168A to the easterly boundary of Lot 1974; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 1974 to the southwest corner thereof; thence westerly along the northerly boundary of aforesaid Indian Reserve No. 168A to the most northerly northwest corner thereof; thence west 13.200 kilometres, more or less, to the northerly boundary of the watershed of Moberly River; thence in a general westerly direction along the northerly boundary of the watershed of said Moberly River to the easterly boundary of the watershed of Carbon Creek; thence in a general southwesterly and northwesterly direction along the southerly and westerly boundaries of the watershed of said Carbon Creek to the easterly boundary of the watershed of an unnamed creek, said unnamed creek flowing northerly into aforesaid Peace Reach of Williston Lake at a point 7.750 kilometres north and 3.450 kilometres west of Lot 328; thence in a general northerly direction along the easterly boundary of the watershed of said unnamed creek to the natural boundary of said Peace Reach on the southerly shore thereof; thence in a general southeasterly, northerly, northeasterly and southeasterly direction along the natural boundary of said Peace Reach on the southerly shore thereof to the point of commencement.

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Save and excepting thereout all that foreshore and land covered by water within the above described area; and,

- Woodlot Licence No. 265
- Lot 319, Peace River Land District
- Lot 320
- Lot 321
- Lot 322
- Lot 323
- Lot 324
- Lot 325
- Lot 326
- Lot 327
- Lot 328
- Lot 493
- Lot 775

and all surveyed rights of way.

Block 3

Commencing at the northwest corner of Lot 2958, Peace River Land District; thence southerly along the westerly boundary of said Lot 2958 to the natural boundary of Pine River on the leftbank thereof; thence in a general southerly

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direction along the natural boundary of said Pine River on the left bank thereof to the westerly boundary of Lot 1240; thence southerly, easterly, southerly, easterly and southerly along the westerly southerly, westerly, southerly and westerly boundaries of said Lot 1240 to the natural boundary of aforesaid Pine River on the left bank thereof; thence in a general southerly direction along the natural boundary of said Pine River on the left bank thereof to a point due east of the northeast corner of Lot 2501; thence due west to the northeast corner of said Lot 2501; thence westerly along the northerly boundaries of Lots 2501, 3141 and 275 to the northwest corner of said Lot 275; thence southerly along the westerly boundary of said Lot 275 to the northeast corner of Lot 1767; thence westerly along the northerly boundaries of Lots 1767, 1766 and 1765 to the northwest corner of said Lot 1765; thence west 4.100 kilometres to a point due south of the southeast corner of Lot 2442; thence due north to the southeast corner of said Lot 2442; thence northerly along the easterly boundaries of Lots 2442 and 3094 to the northeast corner of said Lot 3094; thence easterly and northerly along the southerly and easterly boundaries of Lots 1811 and 2471 to the northeast corner of said Lot 2471; thence northerly along the easterly boundary of Lot 1484 402 metres; thence east 480 metres; thence north 1.100

kilometres to the southerly boundary of Lot 995; thence easterly, northeasterly and northerly along the southerly, southeasterly and easterly boundaries of said Lot 995 to the southwest corner of Lot 2236; thence easterly and northerly along the southerly and easterly boundaries of said Lot 2236 to the northeast corner thereof; thence easterly and northerly along the southerly and easterly boundaries of Lot 1812 to the northeast corner thereof; thence north 100 metres, more or less, to the natural boundary of Graveyard Creek on the right bank thereof; thence in a general northerly and southeasterly direction along the natural boundary of said Graveyard Creek on the right bank thereof to the northerly boundary of Lot 2958; thence westerly along the northerly boundary of said Lot 2958 to the point of commencement.

Save and excepting thereout all that foreshore and land covered by water within the above described area; and,

Woodlot Licence No. 266

Woodlot Licence No. 297

Lot 824, Peace River Land District  
and all surveyed rights of way.

Block 4

Commencing at the northwest corner of Lot 384, Peace River Land District, being a point on the natural boundary of Falling Creek on the right bank thereof; thence southerly along the westerly boundaries of Lots 384 and 383 to the southwest corner of said Lot 383; thence easterly along the southerly boundary of said Lot 383 to the southeast corner thereof; thence northerly along the easterly boundaries of Lots 383 and 381 to the natural boundary of Pine River on the right bank thereof; thence in a general northeasterly and southeasterly direction along the natural boundary of said Pine River on the right bank thereof to the westerly boundary of Lot 1131; thence southerly along the westerly boundary of said Lot 1131 to the northwest corner of the south half thereof; thence easterly along the northerly boundaries of the south halves of Lots 1131 and 357 to the natural boundary of Hasler Creek on the left bank thereof; thence in a general southerly direction along the natural boundary of said Hasler Creek on the left bank thereof to the southerly boundary of aforesaid Lot 357; thence easterly along the southerly boundaries of Lots 357 and 1127 to the southeast corner of said Lot 1127; thence northerly along the easterly boundary of said Lot 1127 to the natural boundary of aforesaid Pine River on the right bank thereof; thence in a

general southeasterly direction along the natural boundary of said Pine River on the right bank thereof to the westerly boundary of Lot 1123; thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 1123 to the southwest corner of the northwest quarter of Lot 1120; thence easterly and northerly along the southerly and easterly boundaries of the northwest quarter of said Lot 1120 to the natural boundary of aforesaid Pine River on the right bank thereof; thence in a general easterly direction along the natural boundary of said Pine River on the right bank thereof to the westerly boundary of Lot 356; thence southerly along the westerly boundary of said Lot 356 to the southwest corner thereof; thence easterly and northerly along the southerly and easterly boundaries of Lots 356, 358, 360, 869 and 2060 to the natural boundary of said Pine River on the right bank thereof; thence in a general northeasterly direction along the natural boundary of said Pine River on the right bank thereof to the southerly boundary of Lot 2197; thence easterly and northerly along the southerly and easterly boundaries of said Lot 2197 to the natural boundary of aforesaid Pine River on the right bank thereof; thence in a general northeasterly direction along the natural boundary of said Pine River on the right bank thereof to the southerly boundary of Lot 2602; thence easterly,

northerly and easterly along the southerly, easterly and southerly boundaries of said Lot 2602 to the most easterly southeast corner thereof; thence south 58 degrees east 2.460 kilometres, more or less, to the natural boundary of aforesaid Pine River on the right bank thereof; thence in a general southeasterly direction along the natural boundary of said Pine River on the right bank thereof to the natural boundary of Sukunka River on the left bank thereof; thence due south to the northerly boundary of Lot 1489, being a point on the natural boundary of said Sukunka River on the right bank thereof; thence in a a general southwesterly and southeasterly direction along the natural boundary of said Sukunka River on the right bank thereof to the southwest corner of said Lot 1489; thence easterly along the southerly boundary of said Lot 1489 to the southeast corner thereof; thence southerly and easterly along the westerly and southerly boundaries of Lot 1112 to the southeast corner thereof; thence northerly along the easterly boundary of said Lot 1112 457 metres; thence south 85 degrees east 2.700 kilometres, more or less, to the easterly boundary of the watershed of said Sukunka River; thence in a general southerly direction along the easterly boundary of the watershed of said Sukunka River to the westerly boundary of the watershed of Elephant Creek; thence in a general southerly

direction along the westerly boundary of the watershed of said Elephant Creek to a point 8.880 kilometres north and 2.500 kilometres east of Triangulation Station "Meikle", co-ordinates 55 degrees, 18 minutes, 43.9806 seconds north and 121 degrees, 19 minutes, 02.5495 seconds west, also being a point on the northerly boundary of Gwillim Lake Provincial Park; thence west 5.733 kilometres; thence south 34 degrees west 3.520 kilometres; thence south 16 degrees west 3.621 kilometres, more or less, to the northerly boundary of the watershed of an unnamed creek, said unnamed creek flowing northerly into Gwillim Lake at a point 560 metres south and 200 metres east of the southwest corner of Lot 935; thence in a general westerly direction along the northerly boundary of the watershed of said unnamed creek to the northerly boundary of the watershed of a second unnamed creek, said unnamed creek flowing westerly into aforesaid Sukunka River on the right bank thereof at a point 3.210 kilometres north and 240 metres west of the northwest corner of Lot 2077; thence in a general southwesterly direction along the northerly boundary of the watershed of said unnamed creek to the easterly limit of Sukunka Forest Service Road; thence in a general northwesterly direction along the easterly limit of said Sukunka Forest Service Road to a point 1.320 kilometres north and 390 metres east of the confluence of the



natural boundary of Burnt River on the right bank thereof and the natural boundary of aforesaid Sukunka River on the left bank thereof; thence west 580 metres; thence in a general southeasterly direction along a line running parallel to and 400 metres perpendicularly distant from the natural boundary of said Sukunka River on the left bank thereof to a point 3.840 kilometres south and 1.230 kilometres east of the confluence of the natural boundary of Burnt River on the right bank thereof and the natural boundary of said Sukunka River on the left bank thereof; thence due east to the natural boundary of said Sukunka River on the left bank thereof; thence in a general southwesterly direction along the natural boundary of said Sukunka River on the left bank thereof to a point 3.680 kilometres south and 5.640 kilometres west of the southwest corner of Lot 2439; thence due west 17.520 kilometres, more or less, to the southwesterly boundary of the watershed of Burnt River; thence in a general northwesterly and northeasterly direction along the southwesterly and northerly boundaries of the watershed of said Burnt River to the northeasterly boundary of the watershed of Mountain Creek; thence in a general northwesterly direction along the northeasterly boundary of the watershed of said Mountain Creek to the natural boundary of aforesaid Pine River on the right bank thereof; thence in a

general northeasterly direction along the natural boundary of said Pine River on the right bank thereof to the natural boundary of aforesaid Falling Creek on the right bank thereof; thence in a general southeasterly direction along the natural boundary of said Falling Creek on the right bank thereof to a point due west of the northwest corner of aforesaid Lot 384; thence due east to the northwest corner of said Lot 384, being the point of commencement.

Save and excepting thereout all that foreshore and land covered by water within the above described area; and,

Woodlot Licence No. 280

Lot 264, Peace River Land District

Lot 277

Lot 501

Lot 788

Lot 963

Lot 970

Lot 1156

Lot 1698

Lot 2070

Lot 2071

Lot 2078

Lot 2249

Lot 2250

Lot 2411

Lot 2443

Lot 2444

Lot 2478

Block A of Lot 2479

Lot 2570

Lot 2571

Lot 2704

Lot 2705

Lot 2713

Lot 2714

Lot 2739

Lot 2782

Lot 2795

and all surveyed rights of way.

Block 5

Commencing at a point on the natural boundary of Murray River on the left bank thereof, said point being 9.750 kilometres south and 200 metres east of the southwest corner of Lot 3164, Peace River Land District; thence west 280

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metres; thence south to the natural boundary of said Murray River on the left bank thereof; thence in a general southwesterly and southerly direction along the natural boundary of said Murray River on the left bank thereof to the northerly boundary of Monkman Provincial Park, established by Order in Council No. 1726, approved and ordered July 30, 1981; thence south 37 degrees west 1.397 kilometres along the northwesterly boundary of said Monkman Provincial Park; thence west 1.200 kilometres, more or less, to the easterly boundary of the watershed of an unnamed creek, said unnamed creek flowing southerly into Imperial Creek at a point 1.050 kilometres south and 10.800 kilometres west of the southeast corner of Lot 1476; thence in a general northerly and westerly direction along the easterly and northerly boundaries of the watershed of said unnamed creek to the northerly boundary of the watershed of Hook Creek; thence in a general northwesterly direction along the northerly boundary of the watershed of said Hook Creek to the southwesterly boundary of the watershed of Wolverine River; thence in a general northwesterly and northeasterly direction along the southwesterly and northwesterly boundaries of the watershed of said Wolverine River to the southeasterly boundary of the watershed of Bullmoose Creek; thence in a general northeasterly direction

along the southeasterly boundary of the watershed of said Bullmoose Creek to a point 2.615 kilometres north and 9.918 kilometres west of the northwest corner of Lot 303; thence north 2.900 kilometres, more or less, to the natural boundary of said Bullmoose Creek on the right bank thereof; thence in a general southeasterly direction along the natural boundary of said Bullmoose Creek on the right bank thereof to a point 100 metres north and 1.640 kilometres west of the northwest corner of Lot 303; thence south 60 degrees west 1.160 kilometres; thence south 25 degrees east 2.050 kilometres, more or less, to the confluence of the natural boundary of aforesaid Bullmoose Creek on the right bank thereof and the natural boundary of aforesaid Wolverine River on the left bank thereof; thence due south to the natural boundary of said Wolverine River on the right bank thereof; thence in a general southeasterly direction along the natural boundary of said Wolverine River on the right bank thereof to a point 960 metres south and 20 metres west of the northwest corner of Lot 300; thence south 45 degrees east 785 metres, more or less, to the natural boundary of aforesaid Murray River on the left bank thereof; thence in a general southerly direction along the natural boundary of said Murray River on the left bank thereof to the point of commencement.

Save and excepting thereout all that foreshore and land covered by water within the above described area; and,

Lot 305, Peace River Land District

Lot 306

Lot 3293

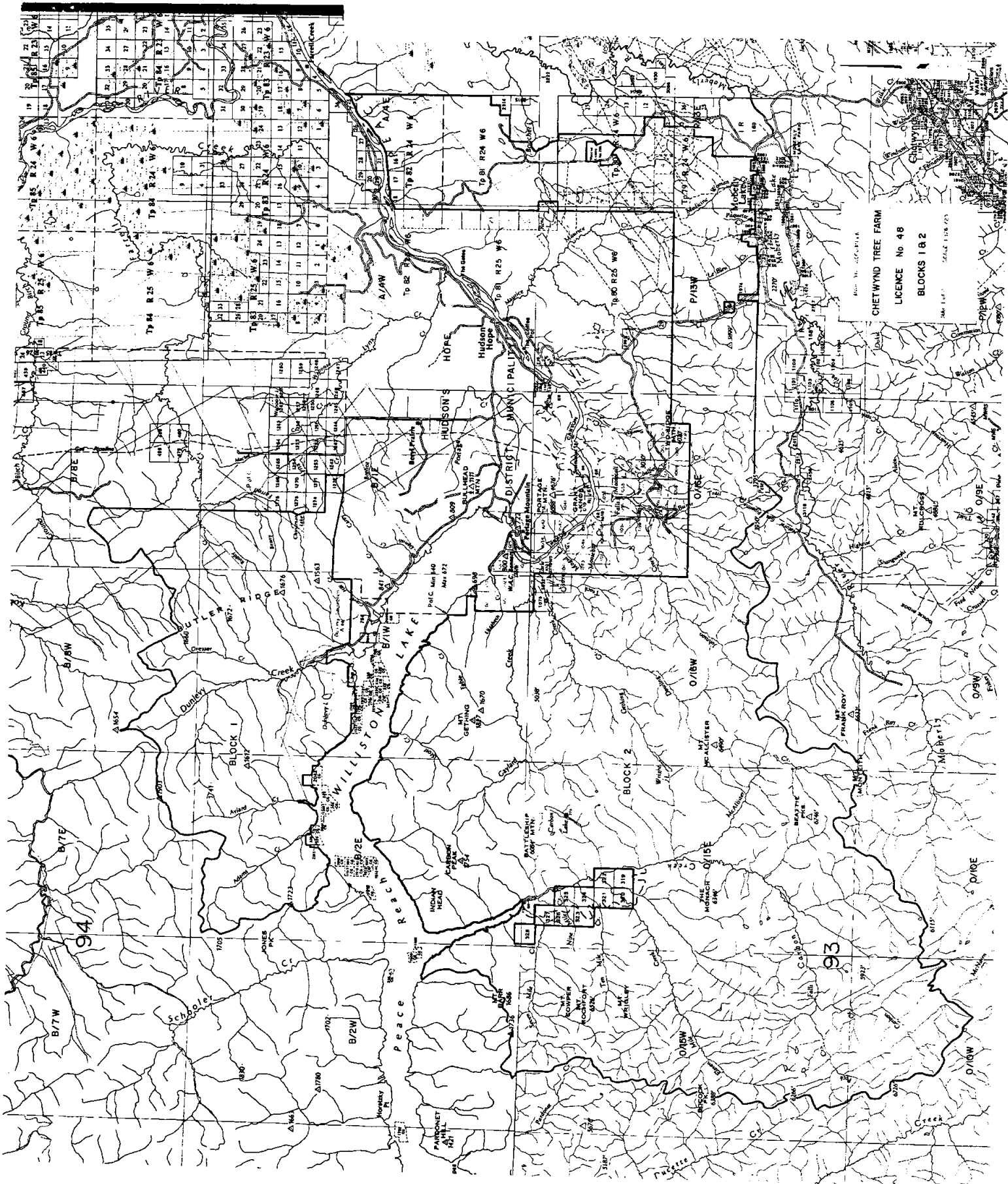
and all surveyed rights of way.

SCHEDULE "C"

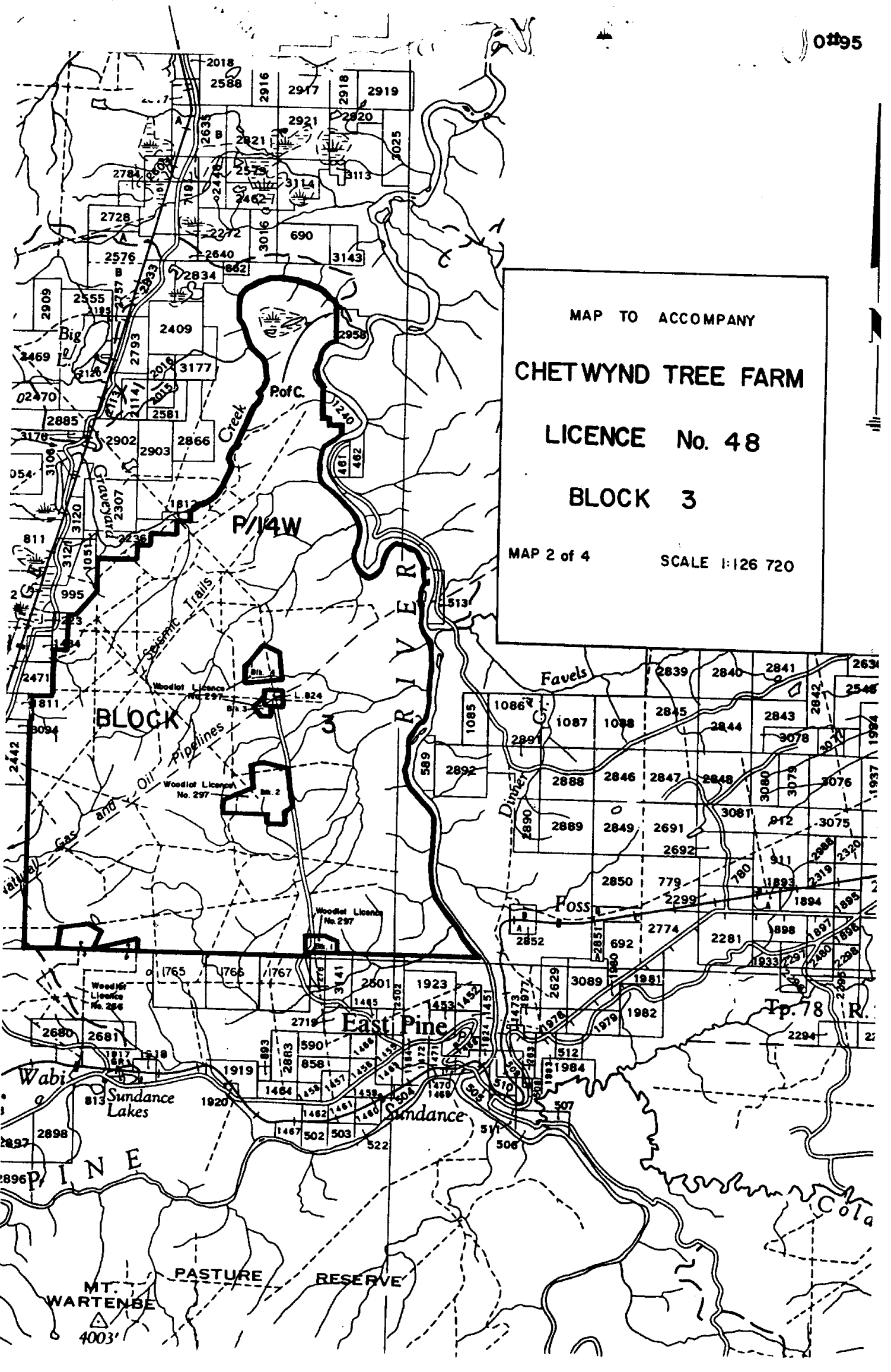
CHETWYND TREE FARM LICENCE

TREE FARM LICENCE NO. 48

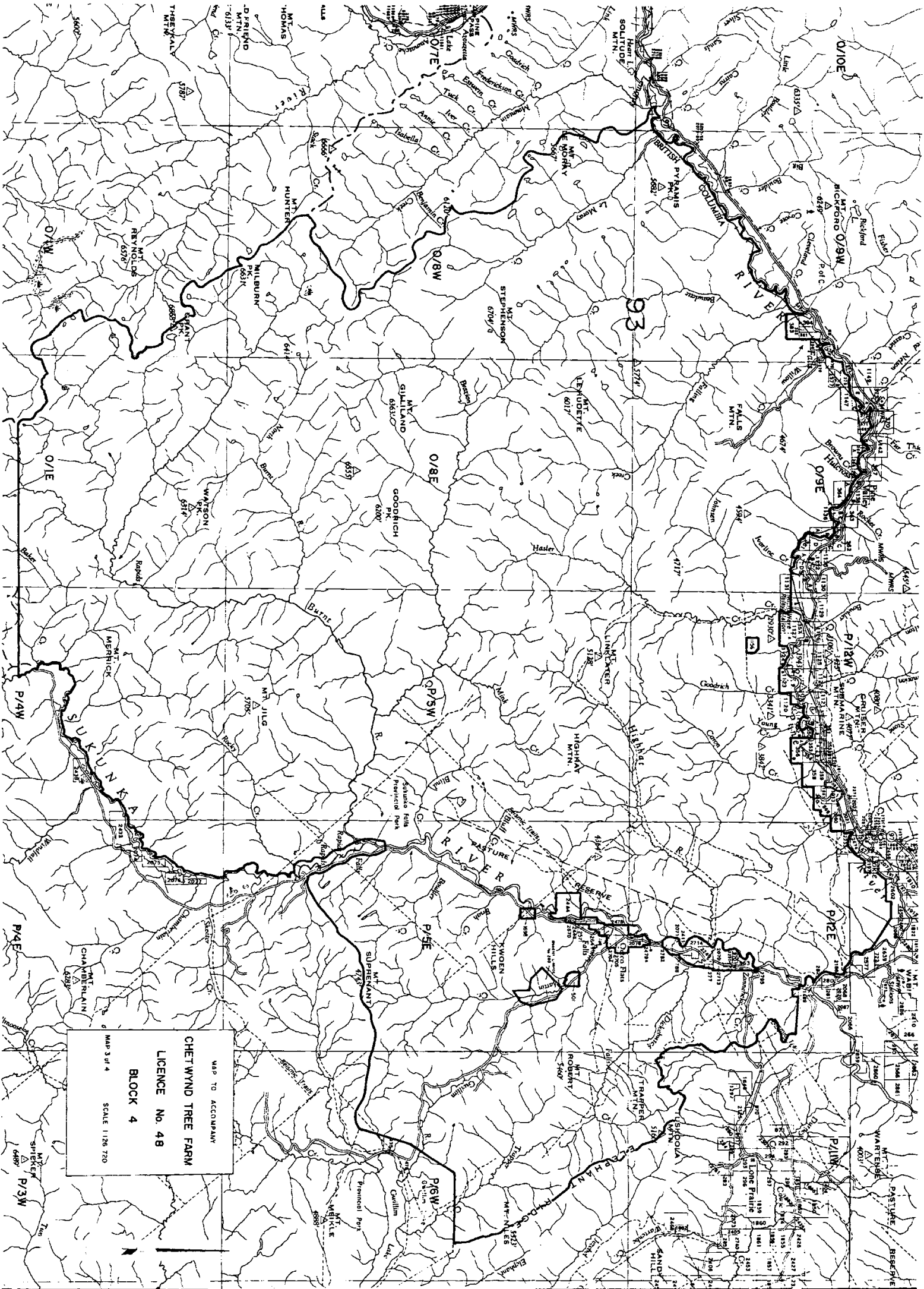
<u>REGION</u>	<u>COMPARTMENT</u>	<u>Good (ha)</u>	<u>Medium (ha)</u>	<u>Total (ha)</u>
70	020	8	452	460
70	021	-	2	2
70	023	-	471	471
70	024	-	845	845
70	025	72	134	206
70	028	-	325	325
70	029	13	70	83
70	030	31	361	392
70	035	8	-	8
70	036	12	32	44
70	037	6	-	6
70	041	-	123	123
70	042	-	56	56
70	051	-	2	2
70	052	-	54	54
70	053	164	671	835
70	054	-	461	461
70	055	-	431	431
70	056	-	172	172
70	057	-	256	256
70	058	-	5	5
70	064	-	467	467
70	066	-	327	327
70	067	25	709	734
73	006	-	140	140
73	010	-	59	59
73	020	-	5586	5586
73	092	-	139	139
73	099	-	1293	1293
73	100	-	5	5
73	104	-	152	152
73	105	-	3688	3688
73	107	-	185	185
73	108	-	158	158
73	109	-	575	575
73	112	-	164	164
73	113	430	676	1106
73	114	26	509	535
	TOTAL	795	19755	20550



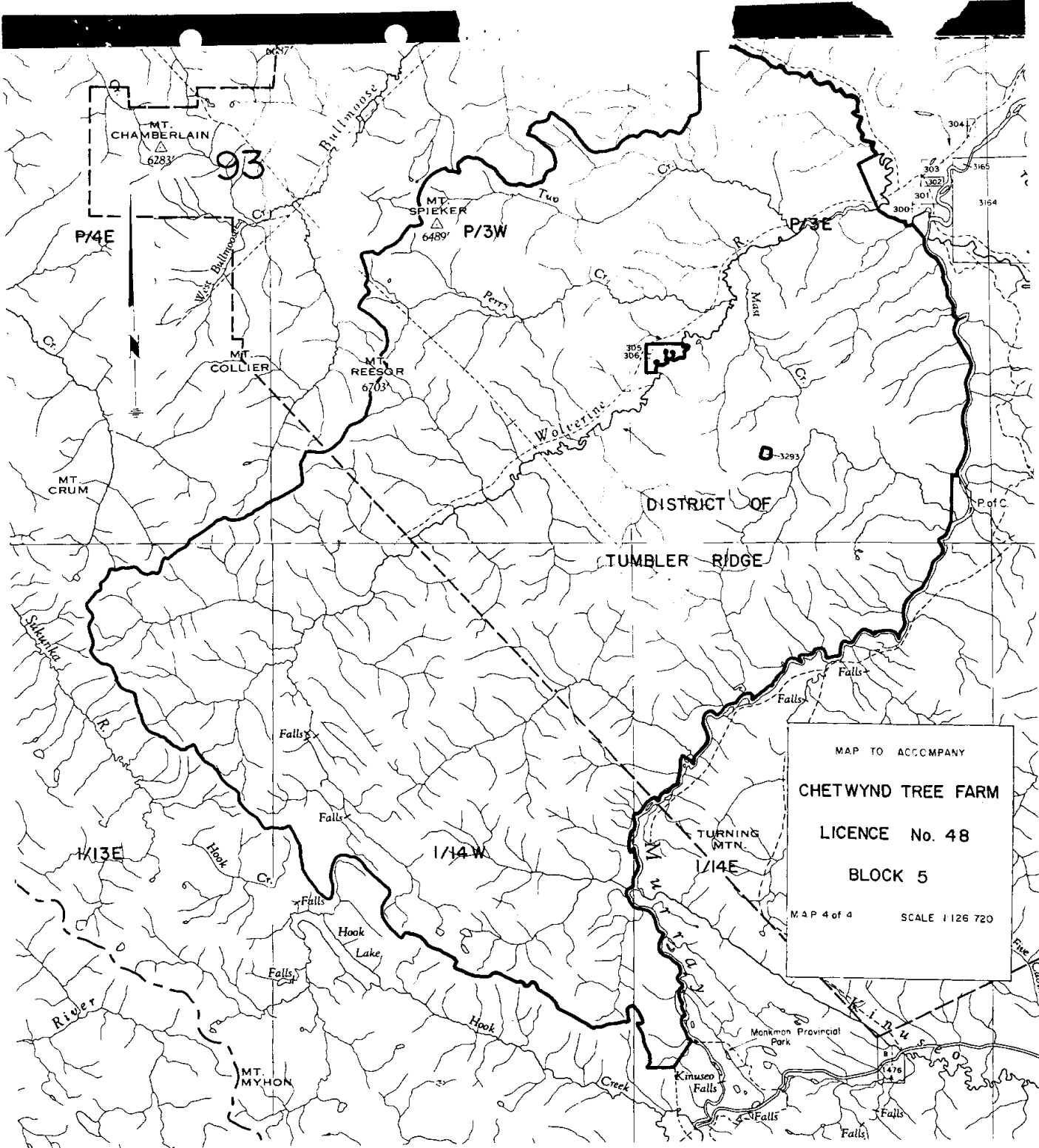




MAP TO ACCOMPANY  
**CHET WYND TREE FARM**  
 LICENCE No. 48  
**BLOCK 3**  
 MAP 2 of 4      SCALE 1:126 720



MAP TO ACCOMPANY  
CHETWYND TREE FARM  
LICENCE No. 48  
BLOCK 4  
SCALE 1:26,720



MAP TO ACCOMPANY  
**CHETWYND TREE FARM**  
 LICENCE No. 48  
 BLOCK 5  
 M.A.P. 4 of 4 SCALE 1:126 720