

TREE FARM LICENCE NO. 54
MAQUINNA TREE FARM LICENCE

THIS LICENCE is made effective as of December 19 ,1991,

BETWEEN:

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

(the "Licensor")

AND:

FLETCHER CHALLENGE CANADA LIMITED
9TH FLOOR
700 WEST GEORGIA STREET
VANCOUVER, BRITISH COLUMBIA
V7Y 1J7

(the "Licensee")

Whereas:

- A. The Licensee has applied to the Licensor to exercise his power under Section 33.1(1)(b) of the FOREST ACT of British Columbia to sub-divide Tree Farm Licence 46 into Tree Farm Licence 46, less blocks 4 and 5, and a new Tree Farm Licence 54.
- B. The Licensee has consented to the subdivision of Tree Farm Licence 46 into Tree Farm Licence 46, less blocks 4 and 5, and a new Tree Farm Licence 54.

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 (as hereinafter defined) for the purpose of managing its timber resources and forest growth capability according to Management and Working Plans,
 - (b) the right during the term of this Licence to manage the Crown timber in and forest growth capacity of the Licence Area according to Management and Working Plans, and
 - (c) subject to paragraph 15.01 and the FOREST ACT, the exclusive right during the term of this Licence to harvest timber, according to the Management and Working Plans, Pre-harvest Silviculture Prescriptions and Cutting Permits, from the Licence Area.
- 1.02 The Licence Area is
- (a) the Schedule "A" Land, and
 - (b) the Schedule "B" Land.
- 1.03 The term of this Licence begins on the effective date of this Licence and expires on January 1, 2004.
- 1.04 This Licence is replaceable under the FOREST ACT.
- 1.05 Having regard to the fact that no reservations affecting the Licence Area have been made or are contemplated for
- (a) pulpwood agreements,
 - (b) woodlot licences, or
 - (c) small business forest enterprises, except to the extent timber is made available under section 50(6) of the FOREST ACT,

the Licensor directs that for the purposes of section 28(1)(g.2) of the FOREST ACT, zero cubic metres is the amount of timber which shall be available for disposition to persons other than the Licensee.

2.00 MANAGEMENT AND WORKING PLANS

- 2.01 On or before December 31, 1993, and on or before June 30 of every fifth year thereafter, 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.
- 2.02 A Management and Working Plan, in addition to being prepared in accordance with section 28(1)(d) of the FOREST ACT, shall,
- (a) if required by the Chief Forester, contain forest inventory information and information on the soil resources of the Licence Area,
 - (b) include a proposal for developing timber harvesting operations on the Licence Area over the term of this Licence,
 - (c) include a proposal for any intended development by the Licensee of range and recreation resources on the Licence Area over the term of this Licence,
 - (d) specify measures to be taken by the Licensee to ensure that the management of the timber resource is coordinated and integrated with the management of range, fisheries, wildlife, water, outdoor recreation and other natural resource values of the Licence Area,
 - (e) 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 the Management and Working Plan,
 - (ii) is prepared by a registered professional forester,

- (e) specify measures taken and to be taken by the Licensee consistent with this Licence, the FOREST ACT and the Regulations with respect to:
 - (i) the matters set out in section 28(g)(ii) of the FOREST ACT,
 - (ii) the integrated management of the natural resource values of the Licence Area, and
 - (iii) fulfilling its obligations under paragraph 10.00.

- 2.04 If the Chief Forester considers that special circumstances require the Management and Working Plan to be amended or replaced, the Chief Forester may by notice to the Licensee require the Licensee to amend or replace the Management and Working Plan.

- 2.05 A notice given under paragraph 2.04 shall specify,
 - (a) the occurrence which has rendered the Management and Working Plan inadequate,
 - (b) the extent to which the Management and Working Plan is inadequate,
 - (c) the nature of the change to the Management and Working Plan required by the Chief Forester, and
 - (d) that, unless otherwise determined by the Chief Forester, the Licensee shall within 6 months after the date of the notice submit for the Chief Forester's approval a proposed Management and Working Plan or amendment to the Management and Working Plan.

- 2.06 The District Manager will approve 5 Year Development Plans that are consistent with the Management and Working Plan and acceptable to him.

- 2.07 Not less than one year preceding the date on which the Management and Working Plan must be submitted under paragraph 2.01, the Licensee shall contact the Regional Manager and all Resource Agencies affected by timber harvesting on the Licence Area to identify resource management issues.

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 entered into to access timber to be harvested under this Licence, or under a Cutting Permit.
- 3.02 Upon receipt of an application from the Licensee that meets the requirements of the Regional Manager or District Manager, the Regional Manager or District Manager will issue Cutting Permits to the Licensee.
- 3.03 Subject to the Management and Working Plan, 5 Year Development Plan and Pre-harvest Silviculture Prescriptions, a Cutting Permit shall,
- (a) authorize timber to be harvested from a specific area of land in the Licence Area,
 - (b) be for a term not exceeding 3 years as determined by the District Manager,
 - (c) require payment to the Crown of stumpage or royalty for Crown timber harvested under it,
 - (d) prescribe standards of timber utilization, other harvesting specifications and forestry practices consistent with the Pre-harvest Silviculture Prescriptions to be followed in timber harvesting operations carried on under it,
 - (e) prescribe the specifications, standards and locations of roads to be built on the land subject to it,
 - (f) set out procedures for assessing timber wasted or damaged by the Licensee and damages payable to the Crown for timber wasted,
 - (g) specify one or more timber marks to be used in timber harvesting operations carried on under it,

- (h) require the establishment of cutting boundaries on the land specified in it unless otherwise agreed to by the District Manager,
- (i) require timber harvested under it to be scaled in accordance with the FOREST ACT and Regulations, and
- (j) include other provisions, consistent with this Licence and the FOREST ACT, required by the Regional Manager or District Manager.

4.00 CUT CONTROL

- 4.01 For the purpose of determining compliance by the Licensee with the provisions of sections 55 to 55.3, inclusive, of the FOREST ACT, the volume of timber harvested under the following agreements shall not be included,
 - (a) free use permits entered into pursuant to paragraph 15.01,
 - (b) any timber sale licence entered into by the Licensor, Regional Manager or District Manager pursuant to the FOREST ACT.
- 4.02 The first five year cut control period under this Licence will commence January 1, 1992, or as otherwise designated by the Regional Manager.

5.00 FINANCIAL AND DEPOSITS

- 5.01 In addition to other money payable by the Licensee under the FOREST ACT and under this Licence, the Licensee will pay to the Crown, immediately on receipt of a statement issued on behalf of the Crown,
 - (a) in respect of timber harvested under this licence from the Schedule "B" Land, stumpage at rates determined, redetermined and varied under the FOREST ACT and Regulations,

- Am.*
- (b) in respect of the portion of the Allowable Annual Cut that the Licensee has the right to harvest from the Schedule "B" lands, annual rent at rates specified in the Regulations, and
 - (c) waste assessments levied under a Cutting Permit.

5.02 During the term of this Licence the Licensee will maintain with the Crown a Deposit in the form and amount prescribed by the Regulations.

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 entered into to access timber to be harvested under this Licence or a Cutting Permit, in respect of operations carried on under this Licence, the Licensor may, after at least 30 days notice to the Licensee,

- (a) take from the Deposit such amounts as may reasonably be required to remedy the failure and for that purpose a security included in the Deposit may be sold, or

- (b) if the Licensor considers that it is not practical to remedy the failure, make an assessment in respect of that failure and that assessment may be paid from the Deposit and for that purpose a security included in the Deposit may be sold.

5.04 If the Deposit is reduced pursuant to paragraph 5.03, the Licensee shall forthwith pay the Crown, 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.

5.05 If the Licensor considers that timber harvesting or related operations that are proposed to be carried out under a Cutting Permit or road permit entered into to access timber harvested under this Licence 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 to,

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

5.06 If the Licensee, under a Cutting Permit or road permit referred to in paragraph 5.05, fails to,

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

the Licensor may, after at least 30 days notice to the Licensee, pay reasonable compensation to the occupier or user from the Deposit, Special Deposit or both and for this purpose a security included in the Deposit, Special Deposit or both may be sold.

5.07 The Licensor will refund to the Licensee,

- (a) the Deposit (minus deductions made under paragraphs 5.03 and 5.06) when this Licence terminates, expires and is not replaced under section 29 of the FOREST ACT, or is assigned, and
- (b) a Special Deposit (minus deductions made under paragraph 5.06) when the Cutting Permit or road permit referred to in paragraph 5.05 expires.

5.08 If this Licence is cancelled, terminates or expires and is not replaced under section 29 of the FOREST ACT, the Licensor may retain a reasonable portion of the Deposit and the Special Deposit until such time as all obligations of the Licensee under this Licence and the FOREST ACT are fulfilled.

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 shall be
- (a) except branch and spur roads on land that is subject to a Cutting Permit, included in road permits entered into between the Regional Manager or District Manager and the Licensee to access timber to be harvested under this Licence, and
 - (b) consistent with the Management and Working Plan and 5 Year Development Plan.
- 6.02 If a 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 right-of-way.
- 6.03 A road constructed by the Licensee on a right of way acquired by the Crown under paragraph 6.02 shall be deemed to be owned by the Crown 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 On or before April 1 of the first year of this Licence and April 1 of every year thereafter, the Licensee will submit to the District Manager for approval a Road Maintenance Plan.

7.00 FOREST PROTECTION

- 7.01 On or before April 1 of the first year of this Licence and April 1 of every year thereafter, the Licensee will submit to the District Manager for approval a Fire Management Plan.
- 7.02 The Licensee's obligations under a Fire Management Plan are in addition to and do not diminish its obligations under section 121 of the FOREST ACT.

8.00 FORESTRY AND SILVICULTURE

- 8.01 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.
- 8.02 Increases in the Allowable Annual Cut that are attributable to incremental silviculture activities undertaken by the Licensee at its own expense will accrue to the Licensee.
- 8.03 If under this Licence or the FOREST ACT the Licensee is required to develop or maintain a recreation site or trail on the Schedule "B" Land, the Licensee may enter the Schedule "B" Land and develop or maintain the recreation site or trail.
- 8.04 All outstanding silviculture obligations with respect to the Licence Area, imposed under
- (a) Tree Farm Licence 46 or a tree farm licence replaced by Tree Farm Licence 46,
 - (b) a Silviculture Prescription or Pre-Harvest Silviculture Prescription relating to the Licence Area,
 - (c) a Cutting Permit issued under Tree Farm Licence 46, or a tree farm licence replaced by Tree Farm Licence 46, or
 - (d) the FOREST ACT or Regulations,

while the Licence Area formed part of the area covered by Tree Farm Licence 46 or a tree farm licence replaced by Tree Farm Licence 46, shall be deemed to be obligations under this licence.

9.00 FOREST SERVICE ACCOMMODATION AND ACCESS

- 9.01 Upon receipt of 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 under this Licence and the Licensee may charge the Crown the reasonable cost of providing 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 the Schedule "A" Land to carry out their responsibilities under this Licence.

10.00 CONTRACTORS

- 10.01 Each calendar year during the term of this Licence a volume of timber equal to at least,
- (a) 50% 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 2.03(c) as being attributable to the Schedule "B" Land, by
 - (ii) the portion of the allowable annual cut specified in subparagraph 2.03(d) as being the portion of 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 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,

unless, and to the extent that, relief is given to the Licensee under the Regulations.

11.00 TIMBER PROCESSING

11.01 The Licensee will not close or reduce the capacity of a timber processing facility that

(a) processes timber from this licence, and

(b) is owned or operated by the Licensee or any of its affiliates within the meaning of the COMPANY ACT,

for a sustained period of time, unless, and to the extent, that the Licensor exempts the Licensee from the requirements of this paragraph.

11.02 All timber harvested under this Licence or an equivalent volume shall be processed through a timber processing facility owned or operated by the Licensee or any of its affiliates within the meaning of the COMPANY ACT, and such facility shall be equipped to carry out barking and chipping unless, and to the extent that the Licensor exempts the Licensee from the requirements of this paragraph.

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 15.01,
 - (ii) the holder of a timber sale licence entered into under the FOREST ACT,
 - (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 or deducted from a deposit maintained by the Licensee, pursuant to a paragraph in this Licence and reductions in the Allowable Annual Cut made or deemed to be made under this Licence,

- (a) shall be in addition to, and not in substitution for, and
- (b) shall not, if accepted on behalf of the Crown, be deemed to be a waiver of,

any other remedies available to the Crown, the Licensor, the Regional Manager or the District Manager in respect of the default or failure of the Licensee that led to the payment of the money or the reduction in the Allowable Annual Cut.

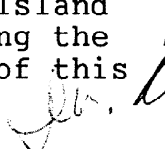
12.03 The Crown will indemnify the Licensee against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Licensee as a result, directly or indirectly, of wrongful acts and omissions of the Crown, an employee of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

13.00 TERMINATION

- 13.01 If this Licence is cancelled, terminates, expires, and is not replaced under section 29 of the FOREST ACT,
- (a) Cutting Permits and road permits entered into to access timber to be harvested under this Licence will, subject to section 62 of the FOREST ACT, terminate when the cancellation, termination or expiry occurs,
 - (b) within 30 days of the cancellation, termination or expiration, 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 timber and special forest products then on the 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 by 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 or the PERSONAL PROPERTY SECURITY 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 or the PERSONAL PROPERTY SECURITY 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 Clayoquot Sound

- 14.01 The Licensee waives any rights to compensation from the Licensor, and releases the Licensor from any claims, arising from any deletion from the Licence Area, whether pursuant to Section 53 of the FOREST ACT, or any other section in the FOREST ACT or in any other act, of the land known as Meares Island which is that land on Meares Island excluding the lands described on the attached Schedule "C" of this Licence. 
- 14.02 The Licensee shall become an active participant, if it is not already one, and shall remain an active participant in the Clayoquot Sound Sustainable Development Steering Committee, and shall abide by those recommendations of the Committee which are approved by the Licensor.

15.00 MISCELLANEOUS

- 15.01 Each year during the term of this Licence, the District Manager may grant free use permits to persons other than the Licensee authorizing the harvest of a volume of timber from the Schedule "B" Land not exceeding 1% of the portion of the Allowable Annual Cut attributable to the Schedule "B" Land.
- 15.02 The Licensee will use the services of one or more registered professional foresters as reasonably required to manage the Licence Area according to this Licence.

- 15.03 In addition to other plans or reports required by the Licensor under this Licence or the FOREST ACT, each year during the term of this Licence, the Licensee will deliver to the District Manager, Regional Manager and Director, Timber Harvesting Branch an annual report in respect of this Licence, in a form and on a schedule specified by the Licensor that includes, but is not limited to, a report on all audits or reviews conducted by the Licensor and all reviews specified by other Resource Agencies.
- 15.04 The Licensee will on request provide to the Chief Forester or his designate, forest inventory information gathered by the Licensee in order to meet its obligations under paragraph 2.02 in such detail and format specified by the Chief Forester or his designate.
- 15.05 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.
- 15.06 This Licence is subject to the FOREST ACT.
- 15.07 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:

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

and

The Licensee:

FLETCHER CHALLENGE CANADA LIMITED
9TH FLOOR
700 WEST GEORGIA STREET
VANCOUVER, BRITISH COLUMBIA
V7Y 1J7

Attention: Corporate Secretary's Department

or to such other address specified by one party to the other in a notice given according to this paragraph and, subject to paragraph 14.08, 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.

- 15.08 Where, between the time a notice is mailed under paragraph 15.07 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.
- 15.09 This Licence will enure to the benefit of, and be binding on, the parties and their respective successors and permitted assigns.
- 15.10 If any of the following documents create covenants, obligations or agreements on behalf of the Licensee, those covenants, obligations and agreements shall form part of this Licence as if set out at length in it,
- (a) a Management and Working Plan,
 - (b) a 5 Year Development Plan,
 - (c) a Pre-harvest Silviculture Prescription,
 - (d) a Cutting Permit,
 - (e) a road permit entered into to access timber to be harvested under this Licence,
 - (f) a Fire Management Plan,
 - (g) a Forest Health Plan, and
 - (h) a Road Maintenance Plan.
- 15.11 If any of the documents listed in paragraph 15.10 conflict with or are inconsistent with this Licence, this Licence shall govern to the extent of the conflict or inconsistency.

(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.

16.04 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 the subparagraph, clause or subclause of the paragraph, subparagraph or clause, as the case may be, in which the reference occurs.

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

- 15.12 The Licensee shall observe, abide by and comply with all laws, bylaws, orders, directions, ordinances and regulations of any and all competent governmental authorities in any way affecting the Licence Area or the use and occupation of it by the Licensee.
- 15.13 The Licensee shall hold public meetings to review the results of the annual report submitted under paragraph 15.03 at such times and locations specified by the Regional Manager.
- 15.14 Where,
- (a) the boundaries of the Licence Area are based on boundaries established under existing or expired timber licences,
 - (b) the legal description of the boundaries of the Licence Area has been derived from original timber licence survey plans or from reference maps prepared by the Ministry of Environment, Lands and Parks from original timber licence survey plans, and
 - (c) the legal description differs from the actual ground location of timber licence corner posts,
- the boundaries of the Licence Area are the boundaries as established by the actual ground location of the timber licence corner posts.
- 15.15 Nothing in this Licence entitles the Licensee to have the Licence Area or any part of it replaced with another area or with another harvesting licence in the event the Licence Area or a part of it is damaged or destroyed by disease, fire, insects, wind or other natural causes.

16.00 INTERPRETATION

- 16.01 If a word or phrase used in this Licence is defined in the FOREST ACT or Regulations, the definition in the FOREST ACT or Regulations applies to this Licence.

16.02 In this Licence, unless the context otherwise requires,

- (a) "Allowable Annual Cut" means the rate of timber harvesting specified in the Management and Working Plan as being the allowable annual cut for the Licence Area,
- (b) "Average Net Value" means the value index for timber in a specified area as determined in accordance with section 84 of the FOREST ACT,
- (c) "Average Stumpage Rate" means the rate determined by dividing the total stumpage billed for timber harvested from the Schedule "B" Land by the Licensee during the calendar year, by the total volume of timber harvested from the Schedule "B" Land by the Licensee during the calendar year,
- (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) "District Manager" means a district manager appointed under the MINISTRY OF FORESTS ACT, for a forest district in which the Licence Area, or part of it, is situated,
- (g) "5 Year Development Plan" means the plan required to be approved under paragraph 2.06,
- (h) "Fire Management Plan" means a plan which specifies the Licensee's strategies and tactics to address the following:
 - (i) forest fuel management,
 - (ii) forest fire prevention,
 - (iii) fire preparedness, including fire protection pre-organization and a duty roster, and

- (iv) fire suppression activities in order to prevent, control and minimize the risk and losses due to wildfire on the Licence Area,
- (i) "Forest Health Plan" means a plan consistent with the Management and Working Plan which specifies the Licensee's activities to maintain or increase forest productivity of the Licence Area,
- (j) "harvest" includes entry on the Licence Area for the purpose of cutting and removing timber,
- (k) "Licence Area" means the area described in paragraph 1.02,
- (l) "Licensor" includes a person authorized by the Licensor where the context of this Licence, the FOREST ACT and the Regulations so permit,
- (m) "Management and Working Plan" means
 - (a) a management and working plan approved under paragraph 2.03, or
 - (b) the interim management and working plan approved by the Chief Forester for the period beginning on the effective date of this licence and ending on the effective date of the first management and working plan submitted under paragraph 2.02 and approved under paragraph 2.03,
- (n) "Pest" means any organism or damaging agent designated by the Licensor to be detrimental to effective resource management of the Licence Area, including insects, fungi, bacteria, viruses, nematodes, plants and vertebrates,
- (o) "person" includes a corporation and a partnership,
- (p) "Pre-harvest Silviculture Prescriptions" means pre-harvest silviculture prescriptions prepared and approved in accordance with Part 10.1 of the FOREST ACT,

- (q) "Regional Manager" means the regional manager appointed under the MINISTRY OF FORESTS ACT, for the forest region in which the Licence Area, or part of it, is situated,
- (r) "Regulations" means regulations made under the FOREST ACT,
- (s) "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,
- (t) "Road Maintenance Plan" means a plan which,
 - (i) identifies roads, including portions of forest service roads, that are to be maintained by the Licensee until April 1 of the following year for silviculture, timber harvesting, fire protection and Pest control purposes, and
 - (ii) includes standards to which the roads will be maintained.
- (u) "Schedule "A" Land" means the private tenures described in Schedule "A",
- (v) "Schedule "B" Land" means the Crown land described in Schedule "B",
- (w) "Small Business Forest Enterprise Program" means the program established under B.C. Regulation 265/88,
- (x) "Special Deposit" means the deposit required to be maintained by the Licensee under sub-paragraph 5.05(c),

16.03 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

This Licence has been executed by the Licensor and the Licensee
on

SIGNED, SEALED AND DELIVERED)
by the Minister of Forests)
on behalf of Her Majesty)
The Queen in Right of the)
Province of British Columbia)
in the presence of:)

[Handwritten signature])
.....)
.....)
.....)

[Handwritten signature])
.....)
Minister of Forests)

THE COMMON SEAL of the)
Licensee was affixed in the)
presence of:)

[Handwritten signature])
.....)
Vice President)
[Handwritten signature])
.....)
Secretary)

c/s

SCHEDULE "A"

TREE FARM LICENCE NUMBER 54

Forest lands and merchantable timber in other tenures owned or controlled by the licensee in the Tofino Tree Farm Licence Number 54.

BLOCK 1

A. CROWN GRANTS

<u>Crown Grants</u>	<u>Land District</u>	<u>Hectares More or Less</u>	<u>Certificate of Title</u>
Lot 1390 (Ex. the S. 30 chs. of the W. 20 chs.)	Clayoquot	40.470	348790-I
Lot 1398	Clayoquot	64.752	348788-I
NE 1/4 of Lot 1401	Clayoquot	<u>16.512</u>	46846-W
	TOTAL CROWN GRANTS	121.734 =====	

B. TIMBER LICENCES

Nil

<u>Summary Block 4</u>	<u>Area in Hectares More or Less</u>
Crown Grants	121.734
Timber Licences	<u>Nil</u>
SUB TOTAL	121.734 =====

BLOCK 5

A. CROWN GRANTS

Nil

B. TIMBER LICENCES

Nil

SCHEDULE B

TOFINO TREE FARM LICENCE

TREE FARM LICENCE NUMBER 54

All Crown lands not otherwise alienated within the area outlined in bold black on the accompanying map 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 southeast corner of Lot 80 (Alberni), Clayoquot Land District; thence east 615 metres; thence south 00 degrees 24 minutes west 620 metres; thence south 185 metres; thence north 89 degrees 28 minutes west 860 metres; thence south 00 degrees 15 minutes west 762 metres; thence west 233 metres; thence south 447 metres; thence west 805 metres; thence south 402 metres; thence west 1.207 kilometres; thence south 1.207 kilometres; thence east 402 metres; thence south 2.414 kilometres; thence west 1.609 kilometres; thence south 1.423 kilometres; thence west 1.170 kilometres; thence north 1.569 kilometres; thence west 404 metres; thence north 795 metres; thence west 800 metres, more or less, to the northeast corner of Lot 57; thence southerly, westerly and northerly along the easterly, southerly and westerly boundaries of said Lot 57 to the most northerly northeast corner of Lot 88 (Alberni); thence

westerly, southerly and easterly along the northerly, westerly and southerly boundaries of said Lot 88 (Alberni) to the southeast corner thereof; thence southerly and westerly along the easterly and southerly boundaries of Lot 65 to the most easterly northeast corner of Lot 481; thence southerly, westerly and northerly along the easterly, southerly and westerly boundaries of said Lot 481 to the most easterly northeast corner of Lot 480; thence westerly, northerly and westerly along the northerly, easterly and northerly boundaries of said Lot 480 to the northwest corner thereof; thence northerly and westerly along the easterly and northerly boundaries of Lot 484 to the northwest corner thereof; thence westerly along the southerly boundary of Lot 445 201 metres; thence north 402 metres; thence west 805 metres; thence south 604 metres; thence east 201 metres, more or less, to the easterly boundary of Lot 462; thence southerly along the easterly boundary of said Lot 462 to a point due east of the northeast corner of Block A of said Lot 462; thence west to the northeast corner of said Block A; thence westerly, southerly and easterly along the northerly, westerly and southerly boundaries of said Block A to the southeast corner thereof; thence due east to the easterly boundary of aforesaid Lot 462; thence southerly along the easterly boundary of said Lot 462 to the southeast corner thereof; thence westerly along the southerly boundary of said Lot 462 to the southwest corner thereof; thence northerly along the westerly boundaries of Lots 462, 446 and 443 to the southeast corner of Lot 442; thence northerly and westerly along the easterly and northerly boundaries of Lots 442 and 428 to the

southeast corner of Lot 1314; thence westerly and northerly along the southerly and westerly boundaries of the east half of said Lot 1314 to the southerly boundary of Lot 1320; thence westerly along the southerly boundaries of Lots 1320 and 1321 to the southeast corner of the west half of said Lot 1321; thence northerly and westerly along the easterly and northerly boundaries of the west half of said Lot 1321 to the southwest corner of Lot 1386; thence northerly along the westerly boundary of said Lot 1386 to the northwest corner thereof; thence westerly and northerly along the southerly and westerly boundaries of Lot 1387 and the east half of Lot 1390 to the northeast corner of the west half of said Lot 1390; thence westerly and southerly along the northerly and westerly boundaries of the west half said Lot 1390 to the southeast corner of Lot 1398; thence westerly along the southerly boundary of said Lot 1398 to the southeast corner of Lot 1399; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Lot 1399 to the southeast corner of Lot 1401; thence westerly and northerly along the southerly and westerly boundaries of said Lot 1401 to the southerly boundary of Lot 1403; thence westerly along the southerly boundary of said Lot 1403 to a point 240 metres east of the southwest corner of said Lot 1403; thence northerly in a straight line to a point on the northerly boundary of said 1403, said point being 240 metres east of the northwest corner of said Lot 1403; thence easterly along the northerly boundary of said Lot 1403 to the westerly boundary of Lot 1419; thence northerly along westerly boundaries of Lots 1419 and 1418 to the northwest

corner of said Lot 1418; thence easterly along the northerly boundary of said Lot 1418 to the westerly boundary of Lot 1418A; thence northerly and easterly along the westerly and northerly boundaries of said Lot 1418A to the northeast corner thereof; thence southerly along the easterly boundaries of Lots 1418A and 1404 to the internal angle on the northerly boundary of said Lot 1404; thence easterly along the northerly boundaries of Lots 1404 and 1405 to the internal angle on the northerly boundary of said Lot 1405; thence northerly along the westerly boundaries of Lots 1405 and 1417 to the northwest corner of said Lot 1417; thence easterly along the northerly boundaries of Lots 1417 and 1416 to the internal angle on the northerly boundary of said Lot 1416; thence northerly along the westerly boundaries of Lots 1416, 1420, 1426 and 1427 to the southeast corner of Lot 1505; thence westerly and northerly along the southerly and westerly boundaries of said Lot 1505 to the southeast corner of Lot 1500; thence westerly along the southerly boundary of said Lot 1500 to the southwest corner thereof; thence southerly along the easterly boundaries of Lots 1502 and 1504 to the most southerly southeast corner of said Lot 1504; thence westerly and northerly along the southerly and westerly boundaries of Lots 1504 and 1503 to the northwest corner of said Lot 1503; thence easterly along the northerly boundary of said Lot 1503 to the northeast corner thereof; thence northerly, westerly and northerly along the westerly, southerly and westerly boundaries of Lot 1501 to the northwest corner thereof; thence easterly along the northerly boundaries of Lots 1501 and 1500 to the northeast corner of said Lot

1500; thence southerly along the easterly boundary of said Lot 1500 to the northwest corner of Lot 1505; thence easterly along the northerly boundaries of Lots 1505, 1499 and 1498 to the northeast corner of said Lot 1498; thence southerly along the easterly boundary of said Lot 1498 to the southeast corner thereof; thence easterly and southerly along the northerly and easterly boundaries of Lots 1497 and 1423 to the southeast corner of said Lot 1423; thence westerly along the southerly boundary of said Lot 1423 to the southwest corner thereof; thence southerly along the easterly boundary of Lot 1422 to the northwest corner of Lot 1413; thence easterly along the northerly boundary of said Lot 1413 to the northeast corner thereof; thence northerly and easterly along the westerly and northerly boundaries of Lot 1412 to the northeast corner thereof; thence southerly along the easterly boundaries of Lots 1412, 1411 and 1410 to the southeast corner of said Lot 1410; thence southerly and easterly along the westerly and southerly boundaries of Lot 614 to the westerly boundary of Lot 66 (Alberni); thence southerly along the westerly boundaries of Lots 66 (Alberni) and 67 (Alberni) to the southwest corner of said Lot 67 (Alberni); thence easterly along the southerly boundary of said Lot 67 (Alberni) to the northwest corner of Lot 68 (Alberni); thence southerly, easterly and northerly along the westerly, southerly and easterly boundaries of said Lot 68 (Alberni) to the southerly boundary of aforesaid Lot 67 (Alberni); thence easterly along the southerly boundaries of Lots 67 (Alberni) and 69 (Alberni) to the southeast corner of said Lot 69 (Alberni); thence southerly and

easterly along the westerly and southerly boundaries of Lots 70 (Alberni) and 72 (Alberni) to the southeast corner of said Lot 72 (Alberni); thence northerly along the easterly boundaries of Lots 72 (Alberni) and 71 (Alberni) 3.148 kilometres, more or less, to the southerly limit of Alberni-Tofino Highway No. 4; thence in a general northeasterly direction along the southerly limit of said Alberni-Tofino Highway No. 4, the MacMillan Bloedel Logging Road and said Alberni-Tofino Highway No. 4 to a point 145 metres south of the northwest corner of Block B of Lot 2079; thence south 326 metres; thence east 1.609 kilometres; thence north 1.283 kilometres, more or less, to the southerly boundary of Lot 80 (Alberni); thence easterly along the southerly boundary of said Lot 80 (Alberni) to the southeast corner thereof, being the point of commencement."

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

Northeast quarter of Lot 1425, Clayoquot Land District

Southeast quarter of Lot 1426, Clayoquot Land District.

and the following described area:

Area 1 (T0539 Block 4)

"Commencing at the northwest corner of Lot 1392, Clayoquot Land District; thence northerly along the easterly boundaries of Lots 1391, 1408 and 1409 to an internal angle on the southerly

boundary said Lot 1409; thence easterly and northerly along the southerly and easterly boundaries of said Lot 1409 to the most southerly southeast corner of Lot 1414; thence northerly and easterly along the easterly and southerly boundaries of said Lot 1414 to the southwest corner of Lot 1413; thence easterly along the southerly boundary of said Lot 1413 to the northwest corner of Lot 1411; thence southerly along the westerly boundaries of Lots 1411 and 1410 to the southwest corner of said Lot 1410; thence due south to a point due west of the northwest corner of Lot 1397; thence east to the northwest corner of said Lot 1397; thence southerly along the westerly boundaries of Lots 1397 and 1395 to the most easterly northeast corner of Lot 1394; thence westerly, northerly and westerly along the northerly, easterly and northerly boundaries of said Lot 1394 to the most easterly northeast corner of Lot 1393; thence westerly and northerly along the northerly and easterly boundaries of said Lot 1393 to the southeast corner of Lot 1392; thence northerly and westerly along the easterly and northerly boundaries of said Lot 1392 to the northwest corner thereof, being the point of commencement."

BLOCK 2

"Commencing at the southeast corner of Lot 56, Clayoquot Land District, being a point on the natural boundary of Kennedy River on the right bank thereof; thence in a general northwesterly direction

along the natural boundary of said Kennedy River on the right bank thereof to the northwest corner of said Lot 56; thence easterly along the northerly boundary of said Lot 56 to a point due south of the southwest corner of Lot 75 (Alberni); thence north to the southwest corner of said Lot 75 (Alberni); thence easterly along the southerly boundary of said Lot 75 (Alberni) to the northwest corner of Lot 73 (Alberni); thence southerly along the westerly boundary of said Lot 73 (Alberni) to the southeast corner of aforesaid Lot 56, being the point of commencement."

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

BLOCK 3

"Commencing at the southwest corner of Lot 1441, Clayoquot Land District, being a point on the natural boundary of Calmus Passage on the northerly shore thereof; thence in a general easterly direction along the natural boundary of said Calmus Passage on the northerly shore thereof to the natural boundary of Epper Passage on the northwesterly shore thereof; thence in a general northeasterly direction along the natural boundaries of Epper Passage, Hecate Bay and Cypress Bay on the northwesterly shores thereof to the southwest corner of Lot 1203; thence northerly, easterly and southerly along the westerly, northerly and easterly boundaries of said Lot 1203 to the southeast corner thereof, being a point on the natural boundary

of said Cypress Bay on the northerly shore thereof; thence in a general easterly direction along the natural boundary of said Cypress Bay on the northerly shore thereof to the southwest corner of Lot 1632; thence northerly and easterly along the westerly and northerly boundaries of said Lot 1632 to the northeast corner thereof, being a point on the natural boundary of said Cypress Bay on the northerly shore thereof; thence in a general easterly direction along the natural boundary of said Cypress Bay on the northerly shore thereof to a point 10 metres north and 804 metres east of the northeast corner of said Lot 1632; thence north 665 metres; thence east 2.120 kilometres, more or less, to the natural boundary of an unnamed lake on the westerly shore thereof; thence in a general northerly, easterly and southerly direction along the natural boundary of said unnamed lake on the westerly, northerly and easterly shores thereof to a point 250 metres south and 945 metres east of the northeast corner of Lot 1378; thence east 3.148 kilometres, more or less, to the natural boundary of Bedwell Sound on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Bedwell sound on the easterly shore thereof to a point 139 metres south and 723 metres west of the southeast corner of Indian Reserve No. 14, "Oinimitis"; thence south 850 metres; thence east 805 metres; thence south 802 metres; thence east 805 metres; thence south 805 metres; thence east 220 metres, more or less, to the easterly boundary of the watershed of aforesaid Bedwell Sound; thence in a general southerly direction along the easterly boundary of the watershed of said Bedwell Sound

to a point 920 metres north and 3.627 kilometres west of the northwest corner of Indian Reserve No. 13, "Quortsowe"; thence south 335 metres; thence east 564 metres; thence south 2.432 kilometres; thence west 1.229 kilometres; thence north 805 metres; thence west 805 metres; thence south 1.620 kilometres, more or less, to the natural boundary of Matlset Narrows on the northerly shore thereof; thence in a general easterly direction along the natural boundary of said Matlset Narrows on the northerly shore thereof to the natural boundary of Warn Bay on the northwesterly shore thereof; thence in a general northeasterly, southeasterly and southwesterly direction along the natural boundary of said Warn Bay on the northwesterly, northeasterly and southeasterly shores thereof to the natural boundary of Fortune Channel on the easterly shore thereof; thence in a general southerly direction along the natural boundary of said Fortune Channel on the easterly shore thereof to a point 1.549 kilometres south and 1.720 kilometres west of the southeast corner of Lot 1164; thence south 87 degrees east 1.340 kilometres; thence north 402 metres; thence east 365 metres; thence south 788 metres; thence east 365 metres, more or less, to the natural boundary of Gunner Inlet on the westerly shore thereof; thence in a general northerly, easterly and southerly direction along the natural boundary of said Gunner Inlet on the westerly, northerly and easterly shores thereof of to a point 1.549 kilometres south and 1.280 kilometres east of the southeast corner of aforesaid Lot 1164; thence east 1.121 kilometres, more or less, to the natural boundary of Tofino Inlet on the easterly shore thereof; thence in a general

northeasterly direction along the natural boundary of said Tofino Inlet on the westerly shore thereof to the natural boundary of Tranquil Inlet on the westerly shore thereof; thence in a general northerly, easterly and southerly direction along the natural boundary of said Tranquil Inlet on the westerly, northerly and easterly shores thereof to the natural boundary of said Tofino Inlet on the northerly shore thereof; thence in a general easterly and northeasterly direction along the natural boundary of said Tofino Inlet on the northerly and northwesterly shores thereof to a point 1.171 kilometres north and 2.873 kilometres east of the southeast corner of Lot 315; thence south 44 degrees east 1.811 kilometres, more or less, to the natural boundary of said Tofino Inlet on the southeasterly shore thereof; thence in a general southwesterly and southerly direction along the natural boundary of said Tofino Inlet on the southeasterly and easterly shores thereof to a point 194 metres north and 4.165 kilometres west of the northwest corner of Lot 1013; thence east 2.361 kilometres; thence south 23 degrees west 3.530 kilometres; thence south 386 metres; thence west 402 metres; thence south 785 metres; thence west 402 metres; thence south 402 metres; thence west 768 metres; thence north 2.382 kilometres; thence east 806 metres; thence north 403 metres; thence east 405 metres; thence north 807 metres; thence west 402 metres; thence north 804 metres; thence west 148 metres, more or less, to the natural boundary of aforesaid Tofino Inlet on the easterly shore thereof; thence in a general southwesterly direction along the natural boundary of said Tofino Inlet on the easterly shore thereof

to the northwest corner of Lot 289; thence southerly and easterly along the westerly and southerly boundaries of said Lot 289 to the southeast corner thereof; thence easterly and southerly along the southerly and easterly boundaries of Lot 89 (Alberni) to the most southerly southwest corner thereof; thence west 1.636 kilometres; thence south 1.007 kilometres; thence west 805 metres; thence south 402 metres; thence west 402 metres; thence south 1.232 kilometres, more or less, to the northwest corner of Lot 1473; thence easterly along the northerly boundary of said Lot 1473 to the northeast corner thereof; thence southerly along the easterly boundaries of Lot 1473 and 1472 to the southeast corner of said Lot 1472; thence westerly along the southerly boundary of said Lot 1472 to the southwest corner thereof; thence northerly along the westerly boundaries of Lots 1472 and 1473 to the northerly boundary of the watershed of Grice Bay; thence in a general northwesterly direction along the northerly boundary of the watershed of said Grice Bay to a point 1.727 kilometres north and 2.577 kilometres west of the northeast corner of Indian Reserve No. 4, "Kootowis"; thence north 45 degrees west 60 metres, more or less, to the natural boundary of said Grice Bay on the northeasterly shore thereof; thence northeasterly in a straight line to the most easterly point of Indian Island, said point being on the natural boundary of Tofino Inlet on the southerly shore thereof; thence in a general northwesterly and southwesterly direction along the natural boundary of said Tofino Inlet on the southerly shore thereof to the most westerly point of said Indian Island; thence west in a straight line

to the natural boundary northerly along the northerly and westerly thereof; thence in a general Reserve No. 11 and Lot 1016 to the natural boundary of said Lot 1016; thence easterly along the thereof to a point 704 metres Lot 1016 to the natural boundary of westerly southwest corner Channel on the westerly shore thereof; 545 metres; thence west westerly direction along the natural boundary west 220 metres, more or less on the westerly shore thereof to the Passage on the southerly shore 1440, Indian Reserve No. 31, "Vargas direction along the natural and southerly along the northerly and southerly shore thereof to said Lot 1440, Indian Reserve No. 31, to the said Browning Passage on being a point on the natural boundary of general southerly, southwesterly in a general northwesterly direction along the natural boundary of said Pacific Ocean to the southeast corner easterly, southeasterly northerly and westerly along the easterly and northwest corner of Lot 26 and Lot 1433 to a point 101 metres east of to the southeast corner of Lot 1433, said northwest corner being a boundary of said Browning Passage of Ahous Bay on the easterly shore thence in a general northerly and westerly direction along natural boundaries of Ahous Bay perpendicular distant 101 metres from the southerly shores thereof to Ahous Bay on the easterly and northerly shores straight line to Rassier Bay on the easterly shore thereof to the boundaries of Maurus Channel 1459; thence easterly and northerly along Father Charles Channel on the boundaries of said Lot 1459 to a point general westerly and southwesterly northeast corner of said Lot 1459, said of said Father Charles Channel on the natural boundary of aforesaid thereof to the northeast corner southeasterly shore thereof; thence in a

general northeasterly and southeasterly direction along a line parallel to and perpendicularly distant 101 metres from the natural boundaries of Brabant Channel on the southeasterly shore thereof and Calmus Passage on the southwesterly shore thereof to the westerly boundary of Lot 1449; thence northerly along the westerly boundary of said Lot 1449 to the natural boundary of said Calmus Passage on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Calmus Passage on the southerly shore thereof to the northwest corner of Lot 1444; thence northeasterly in a straight line to the southwest corner of aforesaid Lot 1441, being the point of commencement."

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

Indian Reserve No. 12, "Cloodthpich", Clayoquot Land District

Lot 643, "Wood Islets", Clayoquot Land District

Lot 800, Clayoquot Land District

Lot 1378, Clayoquot Land District

and, the following described areas.

Area 1 (T0130, Block 3)

"Commencing at the northeast corner of Lot 800, Clayoquot Land District, being a point on the natural boundary of Dawley Passage on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Dawley Passage on the easterly

general northeasterly and southeasterly direction along a line parallel to and perpendicularly distant 101 metres from the natural boundaries of Brabant Channel on the southeasterly shore thereof and Calmus Passage on the southwesterly shore thereof to the westerly boundary of Lot 1449; thence northerly along the westerly boundary of said Lot 1449 to the natural boundary of said Calmus Passage on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Calmus Passage on the southerly shore thereof to the northwest corner of Lot 1444; thence northeasterly in a straight line to the southwest corner of aforesaid Lot 1441, being the point of commencement."

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

Indian Reserve No. 12, "Cloodthpich", Clayoquot Land District

Lot 643, "Wood Islets", Clayoquot Land District

Lot 800, Clayoquot Land District

Lot 1378, Clayoquot Land District

and, the following described areas.

Area 1 (T0130, Block 3)

"Commencing at the northeast corner of Lot 800, Clayoquot Land District, being a point on the natural boundary of Dawley Passage on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Dawley Passage on the easterly

shore thereof to the natural boundary of Fortune Channel on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Fortune Channel on the southerly shore thereof to a point 421 metres north and 1.013 kilometres east of the northeast corner of aforesaid Lot 800; thence east 145 metres, more or less, to the natural boundary of Island Cove on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Island Cove on the westerly shore thereof to a point 809 metres south and 1.622 kilometres east of the northeast corner of aforesaid Lot 800; thence west 622 metres; thence north 402 metres; thence west 825 metres; thence north 408 metres; thence west 174 metres, more or less to the point of commencement."

Area 2

"Commencing at a point 1.304 kilometres north and 429 metres west of the northeast corner of Indian Reserve No. 12, "Cloodpich", Clayoquot Land District, being a point on the natural boundary of Maurus Channel on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Maurus Channel on the easterly shore thereof to the natural boundary of Bedwell Sound on the southerly shore thereof; thence in a general easterly direction along the natural boundaries of Bedwell Sound and Ritchie Bay on the southerly shores thereof to a point 2.091 kilometres north and 1.800 kilometres east of the northeast corner

of aforesaid Indian Reserve No. 12; thence east 596 metres; thence south 1.228 kilometres, more or less, to the natural boundary of Lemmens Inlet on the easterly shore thereof; thence in a general southerly direction along the natural boundary of said Lemmens Inlet on the easterly shore thereof to the natural boundary of Heynen Channel on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Heynen Channel on the northerly shore thereof to the natural boundary of aforesaid Maurus Channel on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Maurus Channel on the easterly shore thereof to a point 104 metres south and 115 metres east of the southeast corner of aforesaid Indian Reserve No. 12; thence east 909 metres; thence north 402 metres; thence east 402 metres; thence north 402 metres; thence east 402 metres; thence north 1.207 kilometres; thence west 2.025 kilometers, more or less, to the natural boundary of aforesaid Maurus Channel on the easterly shore thereof, being the point of commencement."

Area 3

"Commencing at a point 3.537 kilometres north and 6.551 kilometres east of the northeast corner of Indian Reserve No. 12, "Cloodtpich", Clayoquot Land District being a point on the natural boundary of Bedwell Sound on the southerly shore thereof; thence in a general easterly direction along the natural boundaries of Bedwell Sound and Matlset Narrows on the southerly shores thereof to the

natural boundary of Fortune Channel on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Fortune Channel on the westerly shore thereof to the natural boundary of Mosquito Harbour on the easterly shore thereof; thence in a general northerly, westerly and southerly direction along the natural boundary of said Mosquito Harbour on the easterly, northerly and westerly shores thereof to the natural boundary of said Fortune Channel on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Fortune Channel on the westerly shore thereof to a point 2.280 kilometres south and 7.854 kilometres east of the northeast corner of Indian Reserve No. 1, "Opitsat"; thence south 486 metres, more or less, to the natural boundary of Dawley Passage on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Dawley Passage on the northerly shore thereof to a point 3.302 kilometres south and 7.615 kilometres east of the northeast corner of aforesaid Indian Reserve No. 1; thence west 530 metres; thence north 2.808 kilometres; thence east 418 metres; thence north 390 metres; thence west 815 metres; thence south 399 metres; thence west 405 metres; thence south 799 metres; thence west 1.198 kilometres; thence north 842 metres; thence south 70 degrees west 345 metres; thence north 65 degrees west 574 metres; thence west 724 metres; thence south 402 metres; thence west 817 metres, more or less, to the natural boundary of Lemmens Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Lemmens Inlet on the easterly shore thereof to the natural

boundary of Adventure Cove on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Adventure Cove on the southerly shore thereof to a point 555 metres north and 42 metres west of the most northerly corner of Lot 1302; thence south 1.183 kilometres; thence north 61 degrees east 903 metres; thence north 795 metres; thence east 369 metres; thence north 402 metres; thence east 402 metres; thence north 402 metres; thence east 1.207 kilometres; thence south 402 metres; thence east 805 metres; thence north 2.012 kilometres; thence west 805 metres; thence south 402 metres; thence west 402 metres; thence north 805 metres; thence north 30 degrees west 1.611 kilometres, more or less, to a point on the natural boundary of aforesaid Bedwell Sound on the southerly shore thereof, being the point of commencement."

Area 4 (T0140, Block 10)

"Commencing at a point 2.235 kilometres south and 3.033 kilometres east of the northeast corner of Indian Reserve No. 1, "Opitsat", being a point on the natural boundary of Lemmens Inlet on the southerly shore thereof; thence east 738 metres; thence south 402 metres; thence east 805 metres; thence south 805 metres; thence east 402 metres; thence south 402 metres; thence east 805 metres; thence south 1.609 kilometres; thence east 716 metres, more or less, to the natural boundary of Tsapee Narrows on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Tsapee Narrows on the northerly shore thereof to

the natural boundary of Browning Passage on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Browning Passage on the northeasterly shore thereof to the natural boundary of aforesaid Lemmens Inlet on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Lemmens Inlet on the southerly shore thereof to the point of commencement."

BLOCK 4

"Commencing at a point 865 metres south and 764 metres east of the northwest corner of Indian Reserve No. 13, "Quortsowe", Clayoquot Land District; thence east 2.014 kilometres, more or less, to the westerly boundary of the watershed of Tranquil Creek; thence in a general southerly direction along the westerly boundary of the watershed of said Tranquil Creek to a point 75 metres north and 1.258 kilometres west of the southwest corner of Indian Reserve No. 10, "Eelseuklis"; thence east 661 metres; thence south 378 metres; thence west 402 metres; thence south 341 metres; thence west 356 metres; thence south 402 metres; thence west 402 metres; thence south 402 metres; thence west 402 metres; thence south 1.621 kilometres; thence west 1.611 kilometres; thence north 2.814 kilometres; thence west 402 metres; thence north 402 metres; thence east 402 metres; thence north 402 metres; thence east 402 metres; thence north 1.207 kilometres; thence west 805 metres; thence north 1.207 kilometres; thence east 402 metres; thence north 1.207

kilometres; thence east 402 metres; thence north 805 metres to the point of commencement."

Save and excepting thereout all that foreshore and land covered by water in the above described area.

BLOCK 5

"Commencing at the southeast corner of Lot 1442, Clayoquot Land District, being a point on the natural boundary of Calmus Passage on the northerly shore thereof; thence in a general northwesterly direction along the natural boundary of said Calmus Passage to a point 13 metres north and 110 metres west of the northwest corner of said Lot 1442; thence north 2.214 kilometres; thence west 402 metres; thence north 2.816 kilometres; thence east 2.816 kilometres; thence south 402 metres; thence east 402 metres; thence south 402 metres; thence east 402 metres; thence south 1.609 kilometres; thence west 402 metres; thence south 1.207 kilometres; thence west 402 metres; thence south 402 metres; thence west 805 metres; thence south 1.020 kilometres, more or less, to the northeast corner of aforesaid Lot 1442; thence southerly, westerly and southerly along the easterly, southerly and easterly boundaries of said Lot 1442 to the point of commencement."

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

BLOCK 6

"Commencing at a point on the easterly boundary of Lot 1432, Clayoquot Land District, said point being 101 metres south of the northeast corner thereof; thence southerly along the easterly boundary of said Lot 1432 to the natural boundary of the Pacific Ocean; thence in a general northwesterly direction along the natural boundary of said Pacific Ocean to the southwest corner of Indian Reserve No. 16, "Ahous"; thence easterly and northerly along the southerly and easterly boundaries of said Indian Reserve No. 16 to a point 101 metres south of the northeast corner thereof; thence in a general easterly direction along a line parallel to and perpendicularly distant 101 metres south from the natural boundary of Ahous Bay on the southerly shore thereof to the point of commencement."

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

BLOCK 7

"Commencing at a point on the westerly boundary of Indian Reserve No. 17, "Chetarpe", Clayoquot Land District, said point being 82 metres north and 394 metres west of the southwest corner of said Indian Reserve No. 17, "Chetarpe"; thence southerly along the

westerly boundary of said Indian Reserve No. 17, "Chetarpe" to the southwest corner thereof; thence easterly along the southerly boundary of said Indian Reserve No. 17, 116 metres; thence south 186 metres, more or less, to the natural boundary of Calmus Passage on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Calmus Passage on the northerly shore thereof to the natural boundary of Millar Channel on the easterly shore thereof; thence in a general northeasterly direction along the natural boundary of said Millar Channel on the easterly shore thereof to the point of commencement."

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

BLOCK 8

"Commencing at the southwest corner of Indian Reserve No. 21, "Tequa", Clayoquot Land District, being a point on the natural boundary of Bawden Bay on the southerly shore thereof; thence easterly and northerly along the southerly and easterly boundaries of said Indian Reserve No. 21, "Tequa" to the natural boundary of said Bawden Bay on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Bawden Bay on the southerly shore thereof to a point 181 metres north and 69 metres east of the southeast corner of said Indian Reserve No. 21, "Tequa"; thence south 2.324 kilometres; thence east 402 metres;

thence south 1.499 kilometres, more or less, to the northerly boundary of Indian Reserve No. 17, "Chetarpe"; thence westerly along the northerly boundary of said Indian Reserve No. 17, "Chetarpe" to the natural boundary of Millar Channel on the easterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Millar Channel on the easterly shore thereof to the natural boundary of aforesaid Bawden Bay on the southerly shore thereof; thence in a general easterly and southeasterly direction along the natural boundary of said Bawden Bay on the southerly shore thereof to the point of commencement."

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

BLOCK 9

"Commencing at a point on the natural boundary of Herbert Inlet on the southerly shore thereof, said point being 327 metres north and 702 metres east of the northeast corner of Lot 1601, Clayoquot Land District; thence south 1.143 kilometres; thence west 1.120 kilometres, more or less, to the natural boundary of Bawden Bay on the easterly shore thereof; thence in a general northerly, westerly and northerly direction along the natural boundary of said Bawden Bay on the easterly, northerly and easterly shores thereof to the natural boundary of aforesaid Herbert Inlet on the easterly shore thereof; thence in a general northerly and easterly direction along the natural boundary of said Herbert Inlet on the easterly and

southerly shores thereof to the point of commencement."

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

BLOCK 10

"Commencing at the southeast corner of Indian Reserve No. 1 "Hesquiat", Clayoquot Land District, said point being on the natural boundary of Hesquiat Harbour on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Hesquiat Harbour on the westerly shore thereof to the natural boundary of Pacific Ocean; thence in a general westerly direction along the natural boundary of said Pacific Ocean to a point 419 metres south and 805 metres west of the southeast corner of Section 5, Township 1; thence north 816 metres; thence west 461 metres, more or less, to the natural boundary of aforesaid Pacific Ocean; thence in a general northwesterly direction along the natural boundary of said Pacific Ocean to the southeast corner of Indian Reserve No. 2 "Homais"; thence northerly and westerly along the easterly and northerly boundaries of said Indian Reserve No. 2 "Homais" to the easterly boundary of Section 18A, Township 1; thence northerly along the easterly boundary of said Section 18A, Township 1 to the natural boundary of aforesaid Pacific Ocean; thence in a general northerly direction along the natural boundary of said Pacific Ocean to the northwest corner of fractional Section 30, Township 2; thence

easterly along the northerly boundaries of Sections 30 and 29, Township 2 to the northeast corner of said Section 29; thence southerly along the easterly boundary of said Section 29, Township 2 to the southeast corner thereof; thence east 1.609 kilometres; thence south 1.609 kilometres; thence north 88 degrees east 1.584 kilometres; thence south 1 degree east 200 metres, more or less, to the easterly limit of an unsurveyed road (R01008); thence in a general southerly and easterly direction along the easterly and northerly limits of said unsurveyed road to a point 410 metres west and 158 metres south of the northwest corner of Lot 1598; thence south 1.269 kilometres; thence east 402 metres to the southwest corner of Indian Reserve No. 4 "Maahpe"; thence easterly along the southerly boundary of said Indian Reserve No. 4 to the natural boundary of aforesaid Hesquiat Harbour on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Hesquiat Harbour on the westerly shore thereof to the southeast corner of Indian Reserve No. 3 "Teahmit"; thence northerly, westerly and southerly along the easterly, northerly and westerly boundaries of said Indian Reserve No. 3 to the natural boundary of aforesaid Hesquiat Harbour on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Hesquiat Harbour on the westerly shore thereof to the northerly boundary of the south half of Section 11, Township 1; thence westerly along the northerly boundary of the south half of said Section 11, Township 1 to the northwest corner thereof; thence southerly along the westerly boundaries of Section 11, Township 1

and Indian Reserve No. 1 "Hesquiat" to the southwest corner of said Indian Reserve No. 1; thence easterly along the southerly boundary of said Indian Reserve No. 1 to the point of commencement."

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

BLOCK 11

"Commencing at the southeast corner of Lot 1476, Clayoquot Land District, being a point on the natural boundary of Pacific Ocean; thence in a general northwesterly direction along the natural boundary of said Pacific Ocean to the southeast corner of Lot 1528, Indian Reserve No. 34 "Hisnit Fishery"; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Lot 1528 to the northwest corner thereof, also being a point on the natural boundary of said Pacific Ocean; thence in a general northwesterly direction along the natural boundary of said Pacific Ocean and the natural boundary of Hesquiat Harbour on the easterly shores thereof to the southwest corner of Lot 1146; thence easterly, northerly and westerly along the southerly, easterly and northerly boundaries of said Lot 1146 to the southeast corner of Indian Reserve No. 5 "Iusuk"; thence northerly and westerly along the easterly and northerly boundaries of said Indian Reserve No. 5 to the natural boundary of aforesaid Hesquiat Harbour on the easterly shore thereof; thence in a general northeasterly direction along the

natural boundary of said Hesquiat Harbour on the easterly shore thereof to the natural boundary of Rae Basin on the southerly shore thereof; thence in a general easterly and northerly direction along the natural boundary of said Rae Basin on the southerly and easterly shores thereof to the natural boundary of an unnamed creek, said unnamed creek flowing in a southerly direction from Hesquiat Lake into Hesquiat Harbour; thence in a general northerly direction along the natural boundary of said unnamed creek on the left bank thereof to the natural boundary of said Hesquiat Lake on the southerly shore thereof; thence in a general westerly, northerly and easterly direction along the natural boundary of said Hesquiat Lake and the southerly, westerly and northerly shores thereof to a point 6.470 kilometres north and 1.715 kilometres east of the southeast corner of Lot 1478; thence north 15 degrees east 341 metres; thence east 402 metres; thence south 402 metres; thence east 402 metres; thence north 402 metres; thence east 402 metres; thence north 402 metres; thence east 402 metres; thence north 805 metres; thence east 402 metres; thence north 993 metres, more or less, to an internal watershed boundary of an unnamed creek, said unnamed creek flowing southwesterly into aforesaid Hesquiat Lake at a point 175 metres south and 5.254 kilometres west of the northwest corner of Indian Reserve No. 29, "Kishnacous"; thence in a general southeasterly direction along the westerly internal boundary of the watershed of said unnamed creek to the westerly boundary of the watershed of Sydney River; thence in a general southerly and easterly direction along the westerly boundary of the watershed of said Sydney River to

a point 391 metres north and 1.649 kilometres west of the northwest corner of aforesaid Indian Reserve No. 29; thence north 60 degrees east 833 metres; thence east 402 metres; thence north 1.609 kilometres; thence east 402 metres; thence south 805 metres; thence east 402 metres; thence south 402 metres; thence west 402 metres; thence south 805 metres; thence east 402 metres; thence south 402 metres, more or less, to the northerly boundary of aforesaid Indian Reserve No. 29; thence westerly, southerly, easterly and northerly along the northerly, westerly, southerly and easterly boundaries of said Indian Reserve No. 29 to the northeast corner thereof; thence east 677 metres; thence south 805 metres; thence east 805 metres; thence north 805 metres; thence west 402 metres; thence north 805 metres; thence west 402 metres; thence north 805 metres; thence east 1.207 kilometres; thence north 1.609 kilometres; thence west 402 metres; thence south 402 metres; thence west 402 metres; thence south 805 metres; thence west 805 metres; thence north 805 metres; thence west 402 metres; thence north 805 metres; thence east 402 metres; thence north 805 metres; thence west 402 metres; thence south 402 metres; thence west 805 metres; thence north 402 metres; thence east 402 metres; thence north 402 metres; thence east 402 metres; thence north 726 metres, more or less, to the natural boundary of an unnamed creek on the left bank thereof, said unnamed creek flowing southwesterly into aforesaid Sydney River at a point 3.678 kilometres north and 1.039 kilometres west of the northwest corner of aforesaid Indian Reserve No. 29 on the left bank thereof; thence in a general northerly and easterly direction along the

natural boundary of said unnamed creek on the left bank thereof to the easterly boundary of the watershed Sydney Inlet; thence in a general southeasterly direction along the easterly boundary of the watershed of said Sydney Inlet to a point 4.256 kilometres north and 3.271 kilometres east of the northeast corner of aforesaid Indian Reserve No. 29; thence south 2.583 kilometres; thence east 1.687 kilometres, more or less, to the westerly boundary of the watershed of Talbot Creek; thence in a general southerly direction along the westerly boundaries of the watersheds of Talbot Creek and Megin River to a point 1.909 kilometres north and 4.031 kilometres west of the northeast corner of Indian Reserve No. 26 "Wappook"; thence south 493 metres, more or less, to the natural boundary of an unnamed lake on the northerly shore thereof; thence south 38 degrees east 1.891 kilometres; thence south 925 metres, more or less, to the natural boundary of Shelter Inlet on the northerly shore thereof; thence in a general easterly, northerly and southerly direction along the natural boundary of said Shelter Inlet on the northerly, westerly and easterly shores thereof to a point 3.551 kilometres south and 1.478 kilometres west of the southeast corner of Indian Reserve No. 25 "Watta"; thence south 211 metres; thence east 1.609 kilometres; thence south 402 metres; thence east 805 metres; thence north 805 metres; thence west 402 metres; thence north 402 metres ; thence east 2.454 kilometres, more or less, to a point due north of the summit of Shelbert Mountain; thence south 1.316 kilometres, more or less, to the summit of said Shelbert Mountain, also being a point on the northerly boundary of the watershed of an unnamed creek which

crosses Indian Reserve No. 24 "Seektukis"; thence northeasterly along the northerly boundary of the watershed of said unnamed creek to the westerly boundary of the watershed of Herbert Inlet; thence in a general southwesterly direction along the westerly boundary of the watershed of said Herbert Inlet to a point 1.550 kilometres north and 5.774 kilometres east of the northeast corner of aforesaid Indian Reserve No. 24; thence west 287 metres; thence south 1.609 kilometres; thence west 1.307 kilometres; thence north 805 metres; thence west 2.330 kilometres; thence north 805 metres; thence west 402 metres; thence north 805 metres; thence west 2.883 kilometres, more or less, to the natural boundary of Millar Channel on the easterly shore thereof; thence south 45 degrees west 1.125 kilometres, more or less, to the centre line of said Millar Channel; thence in a general westerly direction along the centre lines of Millar Channel, Hayden Passage, Shelter Inlet and Sydney Inlet to a point 4.764 kilometres north and 2.872 kilometres east of the northwest corner of Lot 1474; thence west 1.888 kilometres; thence south 402 metres; thence west 402 metres; thence south 700 metres; thence west 169 metres; thence south 678 metres; thence west 2.523 kilometres; thence north 782 metres; thence east 805 metres; thence north 402 metres; thence east 402 metres; thence north 805 metres; thence west 381 metres, more or less, to the natural boundary of Stewardson Inlet on the easterly shore thereof; thence in a general southwesterly, northerly and northeasterly direction along the natural boundary of said Stewardson Inlet on the southeasterly, westerly and northwesterly shores thereof to a point 4.535

kilometres north and 2.521 kilometres west of the northwest corner of aforesaid Lot 1474; thence north 42 metres; thence west 805 metres; thence north 724 metres; thence west 402 metres; thence north 805 metres; thence west 2.273 kilometres; thence south 1.609 kilometres; thence east 1.207 kilometres; thence south 1.127 kilometres; thence east 1.877 kilometres; thence south 2.012 kilometres; thence east 3.328 kilometres; thence south 1.359 kilometres, more or less, to the northerly boundary of aforesaid Lot 1474; thence easterly and southerly along the northerly and easterly boundaries of said Lot 1474 to the natural boundary of Hotsprings Cove on the northerly shore thereof; thence in a general westerly and southerly direction along the natural boundary of said Hotsprings Cove on the northerly and westerly shores thereof to the northeast corner of Lot 1894; thence westerly, southerly, southeasterly and northeasterly along the northerly, westerly, southwesterly and southeasterly boundaries of said Lot 1894 to the southeast corner thereof, being a point on the natural boundary of aforesaid Hotsprings Cove on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Hotsprings Cove on the westerly shore thereof to the northeast corner of Block A of aforesaid Lot 1474; thence southwesterly and southeasterly along the northwesterly and southwesterly boundaries of said Block A to the northwesterly boundary of Block C of said Lot 1474; thence southwesterly along the northwesterly boundary of said Block C to the northwest corner thereof; thence southerly and easterly along the westerly and southerly boundaries of said Block C

to the natural boundary of aforesaid Hotsprings Cove on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Hotsprings Cove on the westerly shore thereof, to the northeast corner of Lot 1895; thence westerly and southerly along the northerly and westerly boundaries of said Lot 1895 to the natural boundary of aforesaid Pacific Ocean; thence in a general southwesterly direction along the natural boundary of said Pacific Ocean to the southeast corner of aforesaid Lot 1476, being the point of commencement."

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

- Lot 316, Clayoquot Land District
- Lot 571, Clayoquot Land District
- Lot 572, Clayoquot Land District
- Lot 573, Clayoquot Land District
- Lot 574, Clayoquot Land District
- Lot 575, Clayoquot Land District
- Lot 576, Clayoquot Land District
- Lot 577, Clayoquot Land District
- Lot 578, Clayoquot Land District
- Lot 579, Clayoquot Land District
- Lot 580, Clayoquot Land District
- Lot 581, Clayoquot Land District
- Lot 582, Clayoquot Land District

Lot 583, Clayoquot Land District
Lot 584, Clayoquot Land District
Lot 698, Clayoquot Land District
Lot 711, Clayoquot Land District
Lot 712, Clayoquot Land District

and the following described areas:

Area 1 (T0197, BKS 1 & 2)

"Commencing at a point 1.609 kilometres due north of the southeast corner of Lot 1478 Clayoquot Land District; thence south 4.754 kilometres; thence east 805 metres; thence north 3.145 kilometres; thence east 805 metres; thence north 1.609 kilometres; thence west 1.609 kilometres, more or less, to the point of commencement."

Area 2 (T0840, BK 1)

"Commencing at a point on the natural boundary of Hesquiat Lake on the easterly shore thereof, said point being 1.446 kilometres east and 5.456 kilometres north of the southeast corner of Lot 1478, Clayoquot Land District; thence east 408 metres; thence south 402 metres; thence east 402 metres; thence south 402 metres; thence east 402 metres; thence south 402 metres; thence east 402 metres; thence south 805 metres; thence west 402 metres; thence

south 402 metres; thence east 402 metres; thence south 402 metres; thence west 805 metres; thence north 402 metres; thence west 402 metres; thence north 1.609 kilometres; thence west 402 metres; thence south 402 metres; thence west 402 metres; thence north 805 metres, more or less, to the natural boundary of aforesaid Hesquiat Lake on the easterly shore thereof; thence in a general northeasterly direction along the natural boundary of said Hesquiat Lake on the easterly shore thereof to the point of commencement."

Area 3 (T0840, BK 2)

"Commencing at a point 3.860 kilometres east and 3.036 kilometres north of the southeast corner of Lot 1478, Clayoquot Land District; thence north 402 metres; thence east 370 metres; thence north 402 metres; thence east 805 metres; thence south 402 metres; thence east 402 metres; thence south 402 metres; thence west 402 metres; thence south 402 metres; thence east 402 metres; thence south 805 metres; thence west 362 metres; thence north 402 metres; thence west 813 metres; thence north 805 metres; thence west 402 metres, more or less, to the point of commencement."

Area 4 (T0837 & T0491, BK 2)

"Commencing at a point on the natural boundary of Pretty Girl Cove on the westerly shore thereof, said point being 869 metres west and 339 metres south of the southeast corner Lot 672, Clayoquot

Land District; thence west 850 metres; thence north 402 metres; thence east 402 metres; thence north 402 metres; thence west 402 metres; thence north 1.207 kilometres; thence east 805 metres; thence south 402 metres; thence east 402 metres; thence north 795 metres; thence east 1.609 kilometres; thence south 1.609 kilometres; thence west 1.104 kilometres, more or less, to the natural boundary of aforesaid Pretty Girl Cove on the northerly shore thereof; thence in a general westerly and southerly direction along the natural boundary of said Pretty Girl Cove on the northerly and westerly shores thereof to the point of commencement."

Area 5 (T0831)

"Commencing at a point on the natural boundary of Easter Lake on the southerly shore thereof, said point being 2.298 kilometres east and 238 metres south of Lot 1108, Clayoquot Land District; thence east 85 metres; thence south 805 metres; thence east 402 metres; thence south 402 metres; thence east 402 metres; thence south 1.207 kilometres; thence west 1.207 kilometres; thence north 402 metres; thence east 402 metres; thence north 805 metres; thence west 402 metres; thence north 1.016 kilometres, more or less, to the natural boundary of aforesaid Easter Lake on the southerly shore thereof; thence in a general northeasterly direction along the natural boundary of said Easter Lake on the southerly shore to the point of commencement."

Area 6 (T0834, BKS 1, 2 & 3)

"Commencing at a point on the natural boundary of Cecilia Creek on the right bank thereof, said point being 190 metres east and 212 metres south of the northeast corner of Lot 1108, Clayoquot Land District; thence east 1.605 kilometres; thence south 402 metres; thence west 1.995 kilometres; thence south 1 degree west 660 metres; thence east 1.593 kilometres; thence south 1.207 kilometres; thence west 1.207 kilometres; thence south 402 metres; thence west 395 metres; thence north 905 metres; thence west 789 metres, more or less, to the natural boundary of Sydney Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Sydney Inlet on the easterly shore thereof to the natural boundary of Young Bay on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Young Bay on the southerly shore thereof to the natural boundary of aforesaid Cecilia Creek on the left bank thereof; thence in a general easterly direction along the natural boundary of said Cecilia Creek on the left bank thereof to a point due south of the southeast corner of aforesaid Lot 1108; thence north 27 metres, more or less, to the natural boundary of said Cecilia Creek on the right bank thereof; thence in a general easterly direction along the natural boundary of said Cecilia Creek on the right bank thereof to the point of commencement."

BLOCK 12

"Commencing at a point on the natural boundary of Ross Passage on the northerly shore thereof, said point being 4.768 kilometres south and 1.348 kilometres east of the southeast corner of Indian Reserve No. 24 "Seektukis", Clayoquot Land District; thence north 1.809 kilometres; thence east 805 metres; thence south 402 metres; thence east 1.207 kilometres; thence south 805 metres; thence east 805 metres; thence south 1.142 kilometres, more or less, to the natural boundary of Herbert Inlet on the westerly shore thereof; thence in a general southwesterly direction along the natural boundary of said Herbert Inlet on the westerly shore thereof to the natural boundary of aforesaid Ross Passage on the northerly shore thereof; thence in a general northwesterly direction along the natural boundary of said Ross Passage on the northerly shore thereof to the point of commencement."

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

BLOCK 13

"Commencing at a point on the natural boundary of Bedingfield Bay on the easterly shore thereof, said point being 1.348 kilometres south and 4.969 kilometres east of the southeast corner of Indian Reserve No. 24 "Seektukis", Clayoquot Land

District; thence east 402 metres; thence north 963 metres; thence east 1.678 kilometres, more or less, to the natural boundary of Herbert Inlet on the westerly shore thereof; thence in a general southwesterly direction along the natural boundary of said Herbert Inlet on the westerly shore thereof to the natural boundary of aforesaid Bedingfield Bay on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Bedingfield Bay on the easterly shore thereof to the point of commencement."

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

TREE FARM LICENCE 54

SCHEDULE "C"

Indian Reserve Number 12, "Cloodtpich", Clayoquot Land District,
and the following described areas.

Area 2 of Block 3 of TFL 54

"Commencing at a point 1.304 kilometres north and 429 metres west of the northeast corner of Indian Reserve No. 12, "Cloodtpich", Clayoquot Land District, being a point on the natural boundary of Maurus Channel on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Maurus Channel on the easterly shore thereof to the natural boundary of Bedwell Sound on the southerly shore thereof; thence in a general easterly direction along the natural boundaries of Bedwell Sound and Ritchie Bay on the southerly shores thereof to a point 2.091 kilometres north and 1.800 kilometres east of the northeast corner of aforesaid Indian Reserve No. 12; thence east 596 metres; thence south 1.228 kilometres, more or less, to the natural boundary of Lemmens Inlet on the easterly shore thereof; thence in a general southerly direction along the natural boundary of said Lemmens Inlet on the easterly shore thereof to the natural boundary of Heynen Channel on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Heynen Channel on the

northerly shore thereof to the natural boundary of aforesaid Maurus Channel on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Maurus Channel on the easterly shore thereof to a point 104 metres south and 115 metres east of the southeast corner of aforesaid Indian Reserve No. 12, "Cloodpich"; thence east 909 metres; thence north 402 metres; thence east 402 metres; thence north 402 metres; thence east 402 metres; thence north 1.207 kilometres; thence west 2.025 kilometers, more or less, to the natural boundary of aforesaid Maurus Channel on the easterly shore thereof, being the point of commencement."

Area 3 of Block 3 of TFL 54

"Commencing at a point 3.537 kilometres north and 6.551 kilometres east of the northeast corner of Indian Reserve No. 12, "Cloodpich", Clayoquot Land District being a point on the natural boundary of Bedwell Sound on the southerly shore thereof; thence in a general easterly direction along the natural boundaries of Bedwell Sound and Matset Narrows on the southerly shores thereof to the natural boundary of Fortune Channel on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Fortune Channel on the westerly shore thereof to the natural boundary of Mosquito Harbour on the easterly shore thereof; thence in a general northerly, westerly and southerly direction along the natural boundary of said Mosquito Harbour on the easterly, northerly and westerly shores thereof to the natural boundary of said Fortune

Channel on the westerly shore thereof; thence in a general southerly direction along the natural boundary of said Fortune Channel on the westerly shore thereof to a point 2.280 kilometres south and 7.854 kilometres east of the northeast corner of Indian Reserve No. 1, "Opitsat"; thence south 486 metres, more or less, to the natural boundary of Dawley Passage on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Dawley Passage on the northerly shore thereof to a point 3.302 kilometres south and 7.615 kilometres east of the northeast corner of aforesaid Indian Reserve No. 1; thence west 530 metres; thence north 2.808 kilometres; thence east 418 metres; thence north 390 metres; thence west 815 metres; thence south 399 metres; thence west 405 metres; thence south 799 metres; thence west 1.198 kilometres; thence north 842 metres; thence south 70 degrees west 345 metres; thence north 65 degrees west 574 metres; thence west 724 metres; thence south 402 metres; thence west 817 metres, more or less, to the natural boundary of Lemmens Inlet on the easterly shore thereof; thence in a general northerly direction along the natural boundary of said Lemmens Inlet on the easterly shore thereof to the natural boundary of Adventure Cove on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Adventure Cove on the southerly shore thereof to a point 555 metres north and 42 metres west of the most northerly corner of Lot 1302; thence south 1.183 kilometres; thence north 61 degrees east 903 metres; thence north 795 metres; thence east 369 metres; thence north 402 metres; thence east 402 metres; thence north 402 metres;

thence east 1.207 kilometres; thence south 402 metres; thence east 805 metres; thence north 2.012 kilometres; thence west 805 metres; thence south 402 metres; thence west 402 metres; thence north 805 metres; thence north 30 degrees west 1.611 kilometres, more or less, to a point on the natural boundary of aforesaid Bedwell Sound on the southerly shore thereof, being the point of commencement."

Area 4 of Block 3 of TFL 54

"Commencing at a point 2.235 kilometres south and 3.033 kilometres east of the northeast corner of Indian Reserve No. 1, "Opitsat", being a point on the natural boundary of Lemmens Inlet on the southerly shore thereof; thence east 738 metres; thence south 402 metres; thence east 805 metres; thence south 805 metres; thence east 402 metres; thence south 402 metres; thence east 805 metres; thence south 1.609 kilometres; thence east 716 metres, more or less, to the natural boundary of Tsapee Narrows on the northerly shore thereof; thence in a general westerly direction along the natural boundary of said Tsapee Narrows on the northerly shore thereof to the natural boundary of Browning Passage on the northeasterly shore thereof; thence in a general northwesterly direction along the natural boundary of said Browning Passage on the northeasterly shore thereof to the natural boundary of aforesaid Lemmens Inlet on the southerly shore thereof; thence in a general easterly direction along the natural boundary of said Lemmens Inlet on the southerly shore thereof to the point of commencement."