



Ministry of
Forests

**OCCUPANT LICENCE TO CUT
CUT & REMOVE
L52169**

THIS LICENCE, dated for reference **August 11, 2022**

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT
OF THE PROVINCE OF BRITISH COLUMBIA,
as represented by the **Director of Authorizations**
MINISTRY OF FORESTS
SUITE 370 10003 110TH AVE FORT ST JOHN,
BRITISH COLUMBIA
V1J 6M7

Phone: #250-787-3415 Fax: #250-261-2084
Email address: authorizingagency.fortstjohn@gov.bc.ca
(the “Minister”)

AND:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
12TH FLOOR 333 DUNSMUIR STREET
VANCOUVER, BRITISH COLUMBIA
V6B 5R3

Phone: #604-623-3502
(the “Licensee”)

WHEREAS:

- A. The Licensee has the right of occupation as the lawful **occupier** of certain areas of land pursuant to *Land Act* Licence of Occupation # 8015784
- B. The Minister has offered an Occupant Licence to Cut to the Licensee in accordance with Section 47.4 of the *Forest Act* (the “Licence”).
- C. The Licensee has accepted the offer.

“The Table of Contents and headings in this Licence are included for convenience only and do not form a part of this Licence and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Licence.”

TABLE OF CONTENTS

0.00 LICENCE3

1.00 GRANT OF RIGHTS AND TERM.....3

2.00 OTHER CONDITIONS AND REQUIREMENTS.....3

3.00 TIMBER VOLUME CHARGED TO THE LICENCE.....4

4.00 WASTE ASSESMENT.....4

5.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE.....4

6.00 REPORTING5

7.00 FINANCIAL AND DEPOSITS.....6

8.00 RELEASE.....6

9.00 REPRESENTATIONS.....6

10.00 LIABILITY AND INDEMNITY.....7

11.00 TERMINATION8

12.00 WAIVER.....9

13.00 NOTICE9

14.00 MISCELLANEOUS 10

15.00 INTERPRETATION AND DEFINITIONS..... 11

SCHEDULE A..... 15

1.00 OTHER CONDITIONS AND REQUIREMENTS..... 15

2.00. EXEMPTIONS 15

SCHEDULE B..... 16

1.00 RESERVE TIMBER..... 16

THE PARTIES agree as follows:

0.00 LICENCE

0.01 This Licence is an occupant licence to cut under the Forest Act.

1.00 GRANT OF RIGHTS AND TERM

1.01 The term of this Licence begins on **August 12, 2022**, and expires on the earlier of **August 11, 2025**; or the day upon which the Licensee's right of occupation to the area under this Licence expires or is surrendered, cancelled or otherwise terminated, or the Minister gives notice to the Licensee that all contractual and legislative obligations associated with this Licence have been completed.

1.02 This Licence is not replaceable under the *Forest Act*

1.03 Subject to this Licence and the forestry legislation, the Licensee is authorized to cut and remove 11500 m³ of Crown timber during the term of this Licence from the area specified in the Exhibit A map(s) attached to this Licence (the "Licence area").

1.05 The Licensee's rights under this Licence are of no force or effect when the right of occupation is suspended.

1.06 This Licence does not grant the Licensee the exclusive right to harvest timber from the Licence area, and the Minister reserves the right to grant rights to other persons to harvest timber from the Licence Area.

2.00 OTHER CONDITIONS AND REQUIREMENTS

2.01 The Licensee must comply with the forestry legislation and the conditions and requirements set out in Schedule A to this Licence.

2.02 In addition to timber specified in the forestry legislation as being reserved from harvest, the Licensee must not cut, damage, or destroy timber if specified as reserved from harvest in Schedule B.

2.03 The timber mark(s) for timber removed under this Licence is:

L 5 2

1 6 9

2.04 For the purpose of determining the amount of stumpage payable in respect of timber cut and removed from the Licence Area, the volume or quantity of timber cut and removed will be determined using information provided in a scale of the timber removed from the Licence Area.

3.00 TIMBER VOLUME CHARGED TO THE LICENCE

- 3.01 The definition of “volume of timber harvested” in section 75.1 of the *Forest Act* applies to the Licence for Crown Timber that has been authorized to be cut and removed.
- 3.02 The determination of the volume of timber harvested will incorporate the volume of waste determined under Part 4.00.

4.00 WASTE ASSESMENT

- 4.01 The Licensee must conduct a waste assessment of the volume of merchantable Crown timber that has been authorized to be cut and removed.
- 4.02 If the Licensee fails to comply with Paragraph 4.01 the District Manager may, after the expiry of the Licence, conduct a waste assessment of the volume of merchantable timber.
- 4.03 A waste assessment conducted under Paragraph 4.01 or 4.02 must be in accordance with the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended or replaced from time to time.
- 4.04 If the District Manager carries out a waste assessment under Paragraph 4.02, the District Manager, in a notice given to the Licensee, may require the Licensee to pay the costs incurred by the District Manager in carrying out the assessment.

5.00 COURT DETERMINED ABORIGINAL RIGHTS AND/OR TITLE

- 5.01 Notwithstanding any other provision of this Licence, if a court of competent jurisdiction:
 - (a) determines that activities or operations under or pursuant to this Licence will unjustifiably infringe an aboriginal right, including aboriginal title or treaty right;
 - (b) grants an injunction further to a determination referred to in Subparagraph 7.01 (a); or
 - (c) grants an injunction pending a determination of whether activities or operations under or associated with this Licence will unjustifiably infringe an aboriginal right, including aboriginal title or treaty right;the Minister or delegate in a notice given to the Licensee, may vary or suspend, in whole or in part, the Licence as to be consistent with the court determination.
- 5.02 Subject to this Licence and the forestry legislation, if:

- (a) under Paragraph 5.01, the Minister or delegate has varied the Licence issued to the Licensee;
 - (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
 - (c) it is practical to do so;
- the Minister or delegate, at the request of the Licensee, will vary the Licence to reflect as closely as possible, for the remainder of its term, the terms and conditions of the Licence prior to the variation under Paragraph 5.01.

5.03 Subject to this Licence and the forestry legislation, if:

- (a) under paragraph 5.01, the Minister or delegate has suspended the Licence issued to the Licensee;
 - (b) a court of competent jurisdiction subsequently overturns, sets aside or dissolves the determination or injunction referred to in that paragraph; and
 - (c) it is practical to do so;
- the Minister or delegate, at the request of the Licensee, will reinstate the Licence for the remainder of its term.

6.00 REPORTING

6.01 The Minister or delegate in a notice given to the Licensee by April 1 of any year, may require the Licensee to submit a report containing such information as the Minister or delegate requires regarding:

- (a) the Licensee's performance of its obligations under or in respect of this Licence in the previous calendar year; and
- (b) the processing or other use or disposition of the timber removed under the Licence;

if the information is not included in any other reports which the Licensee must submit under the forestry legislation.

6.02 Upon receipt of a notice referred to in Paragraph 6.01, the Licensee, on or before the date specified in the notice, must submit a report to the Minister or delegate containing the required information

6.03 Subject to Paragraph 6.04, the Minister or delegate may include the information contained in a report submitted under Paragraph 6.02 in any reports prepared by the Ministry for public review.

- 6.04 Disclosure of the information submitted under Paragraph 6.02 is subject to the *Freedom of Information and Protection of Privacy Act* and to Section 136.1 of the *Forest Act*.

7.00 FINANCIAL AND DEPOSITS

- 7.01 In addition to any money payable under the forestry legislation in respect of this Licence, the Licensee must pay to the Province, immediately upon receipt of a notice, statement or invoice issued on behalf of the Province:
- (a) stumpage under Part 7 of the *Forest Act* in respect of timber removed under this Licence at rates determined, redetermined and varied under section 105 of that Act;
 - (b) waste assessment under Part 4.00 of this Licence; and
 - (c) costs incurred by the Minister or delegate in carrying out a waste assessment under Part 4.00 of this Licence

8.00 RELEASE

- 8.01 The Licensee acknowledges that any information provided to the Licensee by the Province about the nature of the Licence Area, or the quality or quantity of timber, is an estimation only and not binding upon the Province and that the Licensee informed itself about such matters prior to executing the Licence. Execution of the Licence by the Licensee is an absolute release by the Licensee of the Province from any claim that the Licensee may have in respect of the nature of the Licence Area or the quality or quantity of timber available to the Licensee under this Licence

9.00 REPRESENTATIONS

- 9.01 The Licensee represents and warrants to the Minister that:
- (a) it has the ability to undertake and complete its obligations under this Licence;
 - (b) the Licensee, excluding those holding the licence in their individual capacity or a First Nation recorded in CIRNAC, must be registered to do business under the *Business Corporations Act*, the *Societies Act* or the *Partnership Act*, as applicable, and the Licensee will maintain such registration in good standing throughout the term of the Licence;
 - (c) it has the ability to undertake and complete its obligations under this Licence within the term;

- (d) it has the ability to undertake and complete its obligations under the Agreement and while doing so comply with all applicable safety and environmental laws and regulations.
- (e) there is no legal or other reason why it cannot enter into this Licence.

9.02 All representation and warranties made in Paragraph 9.01 are material and will conclusively be deemed to have been relied upon by the Province notwithstanding any prior or subsequent investigations by the Province.

10.00 LIABILITY AND INDEMNITY

10.01 The Licensee must indemnify the Province against and save it harmless from all claims, demands, suits, actions, causes of action, costs, expenses and losses faced, incurred or suffered by the Province as a result, directly or indirectly, of any act or omission of:

- (a) the Licensee;
- (b) an employee or agent of the Licensee;
- (c) a contractor of the Licensee who engages in any activity or carries out any operation, including but not restricted to the the cutting or removal of timber, under or associated with this Licence; or
- (d) any other person who on behalf of or with the consent of the Licensee engages in any activity or carries out any operation, including but not restricted to the the cutting or removal of timber, under or associated with this Licence.

10.02 For greater certainty, the Licensee has no obligation to indemnify the Province under paragraph 10.01 in respect of any act or omission of:

- (a) an employee, agent or contractor of the Province, in the course of carrying out his or her duties as employee, agent or contractor of the Province; or
- (b) a person, other than the Licensee, to whom the Province has granted the right to use or occupy Crown land, in the course of exercising those rights.

10.03 Amounts taken under Part 7.00, from the deposit (if applicable) and any payments required under Parts 4.00 and 7.00 are in addition to and not in substitution for any other remedies available to the Province in respect of a default of the Licensee

10.04 The Province is not liable to the Licensee for injuries, losses, expenses, or costs incurred or suffered by the Licensee as a result, directly or indirectly, of an act or omission of a person who is not a party to this Licence, including but not restricted to an act or omission of a person disrupting, stopping or otherwise interfering with the Licensee's operations under this Licence by road blocks or other means.

11.00 TERMINATION

11.01 If the Licence expires, is surrendered, cancelled or otherwise terminated:

- (a) title to all timber, including logs and special forest products, cut under the authority of this Licence and which are still located on Crown land, will vest in the Crown, without right of compensation to the Licensee; and
- (b) title to all improvements, including roads and bridges, constructed by the Licensee on Crown land under the authority of this Licence will vest in the Crown, without right of compensation to the Licensee, unless otherwise agreed to between the Minister or delegate and the Licensee prior to the surrender, cancellation or termination of this Licence.

11.02 Subject to Paragraph 11.01 (b) and (c), the Licensee may continue to enter and use Crown Land for a period of one month after the expiry or termination of this Licence for the purpose of removing the Licensee's property.

11.03 The Licensee will not take away any improvements or remove any timber referred to in Subparagraphs 11.01 (b) or (c), unless authorized to do so by the Minister or delegate.

11.04 If the Licensee commits an act of bankruptcy, makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency, the Licensee is deemed to have failed to perform an obligation under this Licence.

12.00 WAIVER

12.01 No waiver by the Province of any default or non-compliance by the Licensee in the strict and literal performance of or compliance with any provision of the Licence will be deemed to be a waiver of the strict and literal performance of or compliance with any other provision, condition or requirement of the Licence or to be a waiver of, or in any manner release the Licensee from compliance with any provision, condition or requirement in the future, nor will any delay or omission by the Province in the exercising of any right hereunder in any manner with respect to non-compliance impair the exercise of any such rights in the future.

13.00 NOTICE

13.01 A notice given under this Licence must be in writing.

13.02 A notice given under this Licence may be:

- (a) delivered by hand;
- (b) sent by mail;
- (c) subject to Paragraph 13.05, sent by email, or
- (d) subject to Paragraph 13.05, sent by facsimile transmission;

to the mailing address, email number, or facsimile number as applicable, specified on the first page of this Licence, or to such other address, email address or facsimile number as is specified in a notice given in accordance with this part.

13.03 If a notice is given under this Licence, it is deemed to have been given:

- (a) if it is given in accordance with Subparagraph 13.02 (a) on the date it is delivered by hand;
- (b) if it is given in accordance with Subparagraph 13.02 (b), subject to paragraph 13.04, on the eighth day after its deposit in a Canada Post Office at any place in Canada;
- (c) if it is given in accordance with Subparagraph 13.02 (c), subject to paragraph 13.05, on the date it is sent by email; or
- (d) if it is given in accordance with Subparagraph 13.02 (d), subject to paragraph 13.05, on the date it is sent by facsimile transmission.

13.04 If, between the time a notice is mailed in accordance with Subparagraph 13.02 (b) and the time it is actually received, there occurs a postal strike, lockout or slowdown that might reasonably affect delivery of the notice, the notice is not deemed to be given until the party actually receives it.

- 13.05 If a notice is sent by email or facsimile transmission, the party sending the notice must take reasonable steps to ensure that the transmission has been successfully completed.
- 13.06 Either party may, from time to time, advise the other party by notice in writing, of any change of address, email address or facsimile number of the party giving such notice and, from and after the giving of such notice, the address, email address or facsimile number specified will, for purposes of this Licence, be considered to be the address, email address or facsimile number of the party giving such notice.

14.00 MISCELLANEOUS

- 14.01 This Licence will enure to the benefit of and be binding on the parties and their respective heirs, executors, successors and permitted assigns.
- 14.02 The laws of British Columbia will govern the interpretation of this Licence and the performance of the Licensee's obligations under this Licence.
- 14.03 Any power conferred or duty imposed on the Minister or delegate under this Licence may be exercised or fulfilled by any person authorized to do so by the Minister.
- 14.04 The Schedules, Exhibits or attachments, if any are deemed to be a part of this Licence.
- 14.05 Nothing in this Licence authorizes the Licensee to in any way restrict the Province's right of access to the Licence Area or the right of any other authorized entrant, user or occupier of these areas.
- 14.06 Nothing in this Licence is to be construed as authorizing the Licensee to engage in any activities or carry out any operations otherwise than in compliance with the requirements of the forestry legislation.
- 14.07 The Licensee must:
- (a) comply with the forestry legislation; and
 - (b) ensure that its employees, agents and contractors comply with the forestry legislation when engaging in or carrying out activities or operations under or associated with the Licence.
- 14.08 Time is of the essence in this Licence.
- 14.09 This document contains the entire agreement and no additional terms are to be implied.

15.00 INTERPRETATION AND DEFINITIONS

15.01 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) sub clause;

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

15.02 In this Licence, unless the context otherwise requires,

“Crown”, “Government” or “Province” means Her Majesty the Queen in Right of the Province of British Columbia;

“deposit” means the deposit referred to in Paragraph 7.02;

“decked timber” means timber that has been cut, yarded and processed into logs at a central landing, road site or drop area that can be transported to a processing facility;

“District Manager” means:

- (a) a District Manager appointed under the Ministry of Forests and Range Act, for a forest district in which all or part of the timber supply area is situated; and
- (b) any person authorized by the District Manager to exercise a power or fulfil a duty under this Licence;
- (c) when the Licence is located in a controlled recreation area designated under the *Resort Timber Administration Act* then the District Manager means an employee of the Ministry, to whom the Minister has delegated the Minister’s powers and duties under section 2 of the *Resort Timber Administration Act*.

“*Forest Act*” means the *Forest Act*, R.S.B.C. 1996, c. 157, as amended from time to time, or the successor to that Act if it is repealed;

“*Forest and Range Practices Act*” means the *Forest and Ranges Practices Act*, S.B.C. 2002, c. 69 as amended from time to time, or the successor to that Act, if it is repealed;

“forestry legislation” means the statutes and regulations, to which the Licence is subject to, including:

- (a) the *Forest Act*;
- (b) the *Forest Practices Code of British Columbia Act*;
- (c) the *Forest and Range Practices Act*;
- (d) the *Wildfire Act*;

and the regulations under those Acts as amended from time to time;

“Forest Practices Code of British Columbia Act” means the Forest Practices Code of British Columbia Act, R.S.B.C. 1996, c. 159, as amended from time to time, or the successor to that Act, if it is repealed;

“Licence area” means the area outlined on the map found in Exhibit A;

“harvest” means:

- (a) cut;
- (b) remove;
- (c) cut and remove;

“Minister” means the Minister responsible for administering the *Forest Act* or the Minister responsible for administering the *Resort Timber Administration Act* as identified in this Licence;

“Ministry” means the Ministry of Forests or the Ministry of Tourism, Art, Culture and Sport as identified in this Licence;

“parties” means the Licensee and the Minister and “party” means any one of them;

“person” includes a corporation and a partnership;

“remove” means the removal of timber from the Licence area and “removed” and “removing” have the corresponding meanings;

“right of occupation” means the right to use Crown land described in the Whereas clause A under which the Licensee has the right to occupy and use the land described in Schedule A;

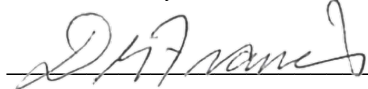
“waste” means waste as defined in the Provincial Logging Residue and Waste Measurement Procedures Manual, as amended from time to time.

“*Wildfire Act*” means the *Wildfire Act*, S.B.C. 2004, c. 31 as amended from time to time, or the successor to that Act, if it is repealed;

- 15.03 Unless otherwise provided in Paragraph 15.02, if a word or phrase used in this Licence is defined in the *Forest Act*, the *Forest and Range Practices Act* or the *Forest Practices Code of British Columbia Act*, the definition in the Act applies to this Licence, and where the word or phrase in the Act is replaced by a new word or phrase, this Licence is deemed to have been amended accordingly.
- 15.04 If a provision of the *Forest Act* or the *Forest Practices Code of British Columbia Act* or the *Forest and Range Practices Act* referred to in this Licence is renumbered, the reference in this Licence is to be construed as a reference to the provision as renumbered.
- 15.05 In the Licence, unless the context otherwise requires:
- (a) the singular includes the plural and the plural includes the singular;
and
 - (b) the masculine, the feminine and the neuter are interchangeable.

THIS LICENCE has been executed by the Minister and the Licensee on the dates written below.

SIGNED on behalf of **Her Majesty the Queen in Right of the Province of British Columbia** by the Minister of Forests or the Minister's Authorized Representative



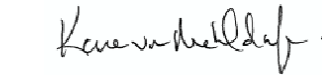
Signature

Dave Francis, Director of Authorizations

11 Aug 2022

Date

SIGNED on behalf of **British Columbia Hydro And Power Authority** by a duly authorized signatory



Authorized Signatory

Karen von Muehldorfer, Regulatory Manager

Print Name and Title

August 11, 2022

Date

SCHEDULE A

1.00 OTHER CONDITIONS AND REQUIREMENTS

- 1.01 The Licensee must comply with the following special conditions and terms set by the Minister:
- (a) The Licensee must contact the District Manager or designate 5 days before starting up and at completion of operations; and
 - (b) The Licensee must notify the District Manager, in writing and in a form acceptable to the District Manager, when all obligations under this Licence are complete.
 - (c) The licensee is required to the extent practicable, limit harvesting of timber to the amount required to safely conduct operations
 - (d) The licensee is required to adhere to the Management Plan titled: BC Hydro-Site C Clean Energy Project Occupant Licence to Cut #12 management plan and all commitments made outside of this plan.
 - (e) Provide shape files of actual harvest area when harvesting is completed.
 - (f) Maintenance of Environmental Assessment Certificate # E14-02 must be in good standing.

2.00. EXEMPTIONS

- 2.01 Pursuant to the Minister's authorities under the forestry legislation, the Minister approves the following exemptions in relation to the Licence:
- (a) None.

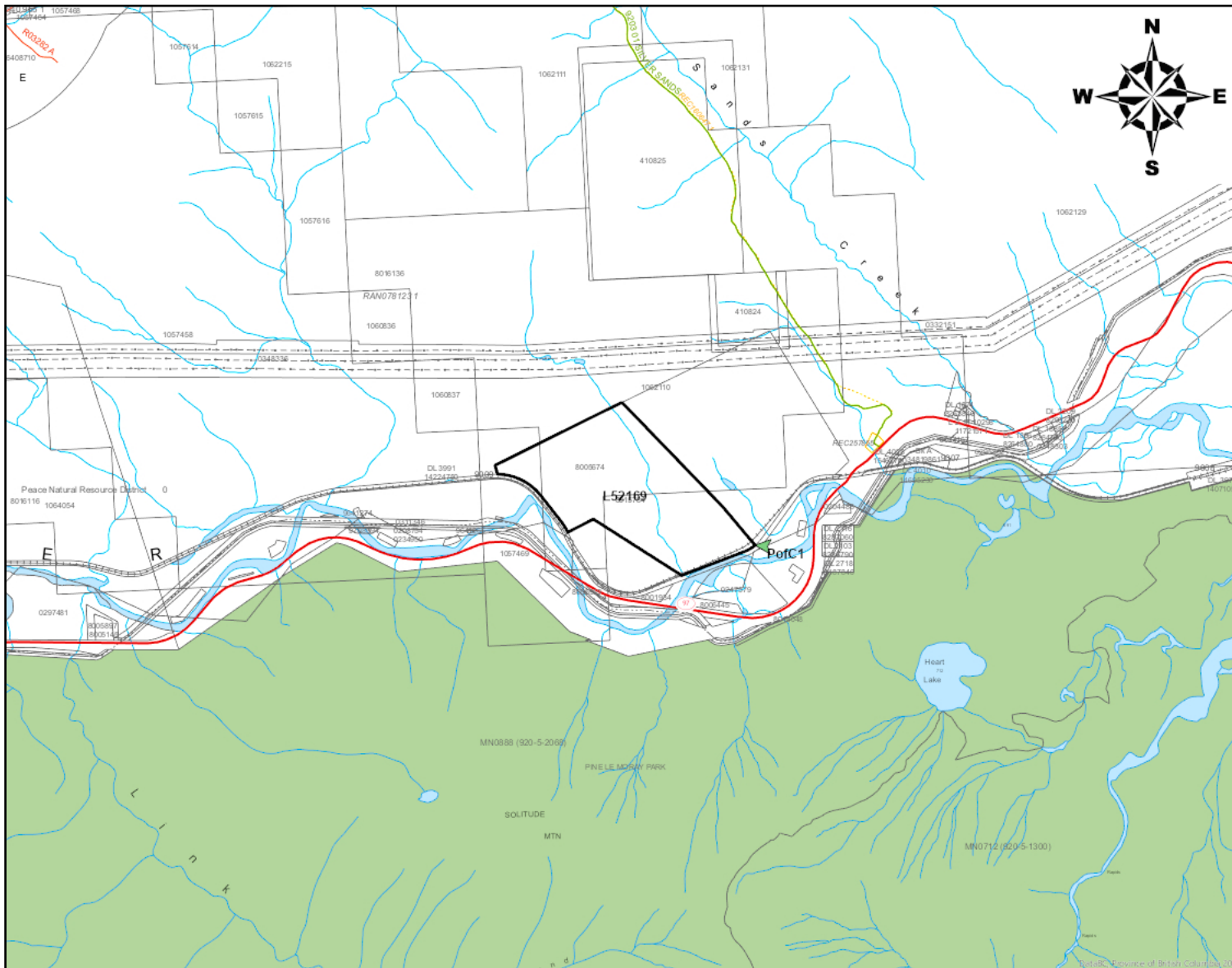
SCHEDULE B

1.00 RESERVE TIMBER

- 1.01 Subject to timber specified as being reserved from harvest under the forestry legislation, there is no additional timber reserved from harvest under this Licence

MAP OF : L52169 (shown in bold black)			
FOREST REGION : RNO FOREST DISTRICT : DPC	TSA : 41 LAND DISTRICT : PEACE RIVER DISTRICT	PULPWOOD AGREEMENT :	MGT UNIT TYPE : TIMBER SUPPLY AREA MGT UNIT NO : 41
ESF SUBMISSION ID : 2171272 BCGS MAPSHEET NO : 930.058	SCALE : 1:20000 at ANSI A Size Area (Ha): 86.953	UTM : 10 NAD : NAD 83	DRAWN BY : FTA DATE : Aug 4, 2022

Legend	
	Tenure Application
	Tenure Road Application
	Retired Tenure Road
	P of C
	P of T
	Crown Tenures
	Survey Parcels
	Freeway
	Arterial/Collector Road
	Local Road
	Forest Service Road
	Road Permit Road
	SUP Road
	Right of Way
	Non Status Road
	Recreation Trails
	Transmission Lines
	Pipelines
	Railway Tracks
	MSMA Treated Trees
	Lakes/Rivers/Streams
	Ocean
	Prov. Parks & Eco. Reserves



L52169 (86.953 Ha)
PofC1 UTM10 526133, 6151068