

Licence No.:
815642

File No.: 8015741
Disposition No.: 915796

THIS AGREEMENT is dated for reference July 7, 2015 and is made under the *Land Act*.

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, represented by the minister responsible for the *Land Act*, Parliament Buildings, Victoria, British Columbia

(the "Province")

AND:

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
12th Floor, 333 Dunsmuir Street
Vancouver BC V6B 5R3

(the "Licencee")

The parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.1 In this Agreement,

"Agreement" means this licence of occupation;

"Commencement Date" means July 7, 2015;

"disposition" has the meaning given to it in the *Land Act* and includes a licence of occupation;

"Fees" means the fees set out in Article 3;

"Land" means that part or those parts of the following described land shown outlined by bold line on the schedule attached to this Agreement entitled "Legal Description Schedule":

THAT PARCEL OR TRACT OF UNSURVEYED CROWN LAND IN THE VICINITY OF THE PEACE RIVER (WITHIN THEORETICAL SECTIONS 20, 29 & 30, TOWNSHIP 83, RANGE 19, WEST OF THE 6TH MERIDIAN), PEACE RIVER DISTRICT, CONTAINING 7.33 HECTARES, MORE OR LESS,

except for those parts of the land that, on the Commencement Date, consist of highways (as defined in the *Transportation Act*) and land covered by water;

“**Management Plan**” means the plan contained in the schedule attached to this Agreement entitled “**Management Plan Schedule**”;

“**Realty Taxes**” means all taxes, rates, levies, duties, charges and assessments levied or charged, at any time, by any competent governmental authority which relate to the Land;

“**Term**” means the period of time set out in section 2.2;

“**we**”, “**us**” or “**our**” refers to the Province alone and never refers to the combination of the Province and the Licencee: that combination is referred to as “**the parties**”; and

“**you**” or “**your**” refers to the Licencee.

ARTICLE 2 - GRANT AND TERM

- 2.1 On the terms and conditions set out in this Agreement, we allow you, your employees, agents, contractors and permittees allowed under section 4.1(d) to enter on the Land for roadway purposes, as set out in the Management Plan. You acknowledge that this Agreement does not grant you exclusive use and occupation of the Land.
- 2.2 The term of this Agreement commences on the Commencement Date and terminates on July 7, 2017, or such earlier date provided for in this Agreement.

ARTICLE 3 - FEES

- 3.1 The Fee for the Term is \$500.00, the receipt of which we acknowledge.

ARTICLE 4 - COVENANTS

4.1 You must

- (a) pay, when due,**
 - (i) the Fees to us at the address set out in Article 7,**
 - (ii) the Realty Taxes, and**
- (b) deliver to us, immediately upon demand, receipts or other evidence of the payment of Realty Taxes and all other money required to be paid by you under this Agreement;**
- (c) observe, abide by and comply with**
 - (i) all applicable laws, bylaws, orders, directions, ordinances and regulations of any competent governmental authority in any way affecting the Land, or its use and occupation, and**
 - (ii) the provisions of this Agreement;**
- (d) not assign, sublicense or transfer this Agreement or allow any person to use or occupy the Land, without our prior written consent, (if you are a corporation, a change in control, (as that term is defined in subsection 2(3) of the *Business Corporations Act*) will be deemed to be a transfer of this Agreement);**
- (e) use and occupy the Land only in accordance with and for the purposes set out in section 2.1;**
- (f) in respect of the use of the Land by you or by anyone you allow to use the Land, keep the Land in a safe, clean and sanitary condition satisfactory to us, and at our written request, make the Land safe, clean and sanitary;**
- (g) not commit any wilful or voluntary waste, spoil or destruction on the Land or do anything on the Land that may be or become a nuisance or annoyance to an owner or occupier of land in the vicinity of the Land;**
- (h) not construct, place, anchor, secure or affix anything on or to the Land or otherwise change the condition of the Land from the condition it was in on the Commencement Date except for the purposes set out in section 2.1;**
- (i) not cut or remove timber on or from the Land without**

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- (i) our prior written consent, and
 - (ii) being granted the right under the *Forest Act* to harvest Crown timber on the Land;
- (j) allow us, or our authorized representatives, at any time, to enter on the Land to inspect the Land;
- (k) maintain your Environmental Assessment Certificate in good standing;
- (l) maintain and adhere to the Management Plan for 2.9km Wilder Road Works Permit, as written and dated June 6, 2014 with the exception of linkages to The Project Construction Environmental Management Plan (CEMP) referenced there in;
- (m) not initiate any works requiring ground disturbance or timber removal prior to November 1st, 2015;
- (n) make the following information available to the Ministry of Forests, Lands and Natural Resource Operations (MFLNRO) and to those First Nations identified in Section 4.0 of the *Aboriginal Group Communication Plan* of the Construction Environmental Management Plan dated June 5, 2015 in a format and manner acceptable to MFLNRO
- (i) all relevant Environmental Protection Plans, and associated Environmental Completion reports as they are developed and
 - (ii) monthly reports as they are submitted to the Independent Environmental Monitor, BC Environmental Assessment Office (EAO) and Canadian Environmental Assessment Agency (CEAA) as outlined in section 2.1 of the CEMP, dated June 5, 2015;
- (o) not interfere with any person found on the Land who has a public right of access over the Land;
- (p) deliver to us, as soon as reasonably possible, all reports we may request from you concerning your activities under this Agreement or any other matter related to this Agreement;
- (q) indemnify and save us and our servants, employees and agents harmless against all claims, actions, causes of action, losses, damages, costs and liabilities, including fees of solicitors and other professional advisors, arising out of
- (i) your breach, violation or nonperformance of a provision of this Agreement, and
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(ii) any personal injury, bodily injury (including death) or property damage occurring or happening on or off the Land by virtue of your entry upon, use or occupation of the Land,

and the amount of all such losses, damages, costs and liabilities will be payable to us immediately upon demand; and

(r) on the expiration of the Term,

(i) peaceably quit and deliver possession of the Land to us, in a safe, clean and sanitary condition,

(ii) restore the surface of the Land to the condition described in the Management Plan,

and your right to use and occupy the Land will cease and to the extent necessary, this covenant will survive the expiration of the Term.

4.2 You will not allow any person to do anything you are restricted from doing under this Article.

4.3 You must

(a) without limiting your obligations or liabilities under this Agreement, at your expense, purchase and maintain during the Term the following insurance with insurers licensed to do business in Canada:

(i) Commercial General Liability insurance in an amount of not less than \$2,000,000.00 inclusive per occurrence insuring against liability for personal injury, bodily injury (including death) and property damage, including coverage for all accidents or occurrences on the Land. Such policy will include cross liability, liability assumed under contract, provision to provide 30 days advance notice to us of material change or cancellation, and include us as additional insured;

(b) ensure that all insurance required to be maintained by you under this Agreement is primary and does not require the sharing of any loss by any of our insurers;

(c) within 10 working days of Commencement Date of this Agreement, provide to us evidence of all required insurance in the form of a completed "Province of British Columbia Certificate of Insurance";

(d) if the required insurance policy or policies expire or are cancelled before the end of the Term of this Agreement, provide within 10 working days of the cancellation or

expiration, evidence of new or renewal policy or policies of all required insurance in the form of a completed "Province of British Columbia Certificate of Insurance";

- (e) notwithstanding subsection (c) or (d) above, if requested by us, provide to us certified copies of the required insurance policies.

4.4 We may, acting reasonably, from time to time, require you to

- (a) change the amount of insurance set out in subsection 4.3(a); and
- (b) provide and maintain another type or types of insurance in replacement of or in addition to the insurance previously required to be maintained by you under this Agreement;

and you will, within 60 days of receiving such notice, cause the amounts and types to be changed and deliver to us a completed "Province of British Columbia Certificate of Insurance" for all insurance then required to be maintained by you under this Agreement.

4.5 You shall provide, maintain, and pay for any additional insurance which you are required by law to carry, or which you consider necessary to insure risks not otherwise covered by the insurance specified in this Agreement in your sole discretion.

4.6 You waive all rights of recourse against us with regard to damage to your own property.

4.7 Despite sections 4.3 and 4.4, your obligations under those sections are suspended for so long as we in our sole discretion acknowledge our acceptance to you in writing your alternative risk financing program in respect of the matters covered by those sections.

If, in our sole discretion, your alternative risk financing program in respect of the matters covered by sections 4.3 and 4.4 is no longer acceptable to us, we will provide written notice to you and you must, within 60 days of such notice, obtain and provide to us evidence of compliance with section 4.3 of this Agreement.

ARTICLE 5 - LIMITATIONS

5.1 You agree with us that

- (a) this Agreement is subject to
- (i) all subsisting dispositions and subsisting grants to or rights of any person made or acquired under the *Coal Act, Forest Act, Mineral Tenure Act, Petroleum and Natural Gas Act, Range Act, Wildlife Act* or *Water Act*, or any extension or renewal of the same, whether or not you have actual notice of them, and

- (ii) prior dispositions under the *Land Act*; and
 - (iii) the exceptions and reservations of interests, rights privileges and titles referred to in section 50 of the *Land Act*;
- (b) we may make other dispositions of the Land, or any part of it;
- (c) you will make no claim for compensation, in damages or otherwise, in respect of a disposition made under subsection (b), where such disposition does not materially affect the exercise of your rights under this Agreement;
- (d) subject to subsection (c), all of your costs and expenses, direct or indirect, that arise out of any lawful interference with your rights under this Agreement as a result of the exercise or operation of the interests, rights, privileges and titles reserved to us in subsections (a) and (b) will be borne solely by you;
- (e) you will not commence or maintain proceedings under section 65 of the *Land Act* in respect of any lawful interference with your rights under this Agreement that arises as a result of the exercise or operation of the interests, rights, privileges and titles described in subsections (a) and (b);
- (f) we are under no obligation to
 - (i) provide access or services to the Land or to maintain or improve existing access roads, or
 - (ii) make another disposition of the Land, or any part of it, to you; and
- (g) if, after the expiration of the Term, we allow you to remain in possession of the Land and, we accept money from you in respect of such possession, a tenancy from year to year will not be created by implication of law and you will be deemed to be a monthly occupier only subject to all of the provisions of this Agreement, except as to duration, in the absence of a written Agreement to the contrary;
- (h) The "Management Plan" referred to in this document will be the management plan for 2.9 km Wilder Road Works Permit, dated June 6, 2014.

ARTICLE 6 - TERMINATION

6.1 You agree with us that

(a) if you

- (i) default in the payment of any money payable by you under this Agreement, or
- (ii) fail to observe, abide by and comply with the provisions of this Agreement (other than the payment of any money payable by you under this Agreement),

and your default or failure continues for 60 days after we give written notice of the default or failure to you;

- (b) if, in our opinion, based on reasonable grounds, you fail to make reasonable and diligent use of the Land for the purposes set out in this Agreement, and your failure continues for 60 days after we give written notice of the failure to you;
- (c) if we require the Land for our own use or, in our opinion, it is in the public interest to cancel this Agreement, or
- (d) if we cancel another disposition made to you because of your default or failure under that disposition;

this Agreement will, at our option and with or without entry, terminate, and your right to use and occupy the Land will cease.

6.2 You agree with us that

- (a) you will make no claim for compensation, in damages or otherwise, upon the termination of this Agreement under section 6.1; and
- (b) our remedies under this Article are in addition to those available to us under the *Land Act*.

ARTICLE 7 - NOTICE

7.1 Any notice required to be given by either party to the other will be deemed to be given if mailed by prepaid registered mail in Canada or delivered to the address of the other as follows:

to us

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS
100-10003 110th Ave
Fort St. John, BC V1J 6M7;

to you

Manager, Properties
BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
12th Floor, 333 Dunsmuir Street
Vancouver BC V6B 5R3;

or at such other address as a party may, from time to time, direct in writing, and any such notice will be deemed to have been received if delivered, on the day of delivery, and if mailed, 7 days after the time of mailing, except in the case of mail interruption in which case actual receipt is required.

- 7.2 In order to expedite the delivery of any notice required to be given by either party to the other, a concurrent facsimile copy of any notice will, where possible, be provided to the other party but nothing in this section, and specifically the lack of delivery of a facsimile copy of any notice, will affect the deemed delivery provided in section 7.1.
- 7.3 The delivery of all money payable to us under this Agreement will be effected by hand, courier or prepaid regular mail to the address specified above, or by any other payment procedure agreed to by the parties, such deliveries to be effective on actual receipt.


ARTICLE 8 - MISCELLANEOUS

- 8.1 In this Agreement, "person", includes a corporation, firm or association and wherever the singular or masculine form is used in this Agreement it will be construed as the plural or feminine or neuter form, as the case may be, and vice versa where the context or parties require.
- 8.2 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 8.3 Where there is a reference to an enactment of the Province of British Columbia or of Canada in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.

- 8.4 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 8.5 This Agreement constitutes the entire Agreement between the parties and no understanding or Agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent Agreement in writing between the parties.
- 8.6 This Agreement extends to, is binding upon and enures to the benefit of the parties, their heirs, executors, administrators and successors.
- 8.7 All provisions of this Agreement in our favour and all of our rights and remedies, either at law or in equity, will survive the expiration of the Term.
- 8.8 Time is of the essence of this Agreement.
- 8.9 You agree with us that nothing in this Agreement constitutes you as our agent, joint venturer or partner or gives you any authority or power to bind us in any way.
- 8.10 This Agreement does not override or affect any powers, privileges or immunities to which you are entitled under any enactment of the Province of British Columbia.

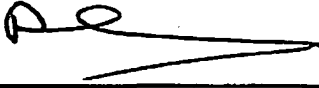
The parties have executed this Agreement as of the date of reference of this Agreement.

SIGNED on behalf of **HER MAJESTY
THE QUEEN IN RIGHT OF THE
PROVINCE OF BRITISH COLUMBIA**
by the minister responsible for the *Land Act*
or the minister's authorized representative



Minister responsible for the *Land Act*
or the minister's authorized representative

SIGNED by a duly authorized
signatory of **BRITISH COLUMBIA**
HYDRO AND POWER AUTHORITY

A handwritten signature in black ink, consisting of a stylized 'A' followed by a horizontal line that tapers to the right.

Authorized Signatory

LEGAL DESCRIPTION SCHEDULE

THAT PARCEL OR TRACT OF UNSURVEYED CROWN LAND IN THE VICINITY OF THE PEACE RIVER (WITHIN THEORETICAL SECTIONS 20, 29 & 30, TOWNSHIP 83, RANGE 19, WEST OF THE 6TH MERIDIAN), PEACE RIVER DISTRICT, CONTAINING 7.33 HECTARES, MORE OR LESS.

