

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Suite 600, Four Bentall Centre
1055 Dunsmuir St, PO Box 49260
Vancouver, BC V7X 1V5

Attention: Karen von Muehldorfer

Re: Amendment to licence of occupation No. 8015784 issued for quarry purposes.

Please find attached a Modification Agreement for your signature. The Modification Agreement amends the legal description as noted in Article 1 – Interpretation 1.1 “Land” means and the Legal Description Schedule.

Please sign the Modification Agreement and return to our office for completion. We will forward to you a fully executed copy for your file.

Please note:

The western part of the LOO Application area overlaps with two mineral tenures (1041444 and 1041439). The claims, Pine and Pine2 respectively, are held 100% by Glen J. Prior and are in good standing to 2017-01-21. It is therefore recommended that BC Hydro contact either the mineral claims holder or Mineral Titles to resolve the conflict between this LOO application for the expanded West Pine Quarry and the existing mineral claims.

If the West Pine Quarry expansion proposal proceeds it will require a Mines Act Permit from the regional MEM office. Ongoing monitoring by MEM will be required to ensure compliance with the Mines Act Permit as well as the Health & Safety and Reclamation Code for Mines in British Columbia.

Yours truly,



Dave Francis, Director of Authorizations
Ministry of Forests, Lands and Natural Resource Operations

/hh
Encl.



**MODIFICATION
AGREEMENT**

Licence No.: 815643

File No.: 8015784

Disposition No.: 918702

THIS AGREEMENT is dated for reference December 5, 2016.

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
Site C Properties Department
8th Floor 333 Dunsmuir Street
Vancouver, BC V6B 5R3

(the "Client")

WITNESS THAT WHEREAS:

The Province and the Client entered into a Licence of Occupation dated July 7, 2015 (herein called the "Tenure") over those lands more particularly known and described as:

That parcel or tract of Unsurveyed Crown Land in the vicinity of the Pine River (within Units 8 & 9, Block A, 93-O-10), Peace River District, containing 17.04 hectares, more or less.

The parties desire to include an additional area in the Tenure.

The parties have agreed to amend the Tenure.

NOW THEREFORE in consideration of the premises, and of the covenants and agreements herein contained, the parties hereto mutually covenant and agree as follows:

1 The Province hereby grants to the Client a licence over:

That parcel or tract of Unsurveyed Crown Land in the vicinity of the Pine River (within Units 7, 8, 9, 17 & 18, Block A, 93-O-10), Peace River District, containing 104.04 hectares, more or less.

(herein called the "Land") on the same terms and conditions set out in the Tenure.

2 To remove the existing Legal Description Schedule from the Tenure and replace it with the Legal Description Schedule attached hereto as Schedule "A".

3 British Columbia and Power Authority must maintain and adhere to the Tenure Management Plan named "Description of Activities and Works Licence of Occupation, West Pine Quarry BC Hydro Reserves, dated and signed February 15, 2016."

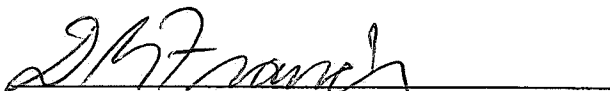
4 In all other respects the Tenure shall remain in full force and effect and is hereby ratified and confirmed.

5 Time shall continue to be of the essence in this agreement and the Tenure.

6 This agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

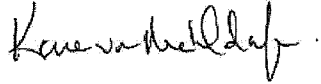
IN WITNESS WHEREOF the parties hereto have executed and delivered this agreement as of the day and year first above written.

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



Authorized Signatory

Schedule A

Legal Description: That parcel or tract of Unsurveyed Crown Land in the vicinity of the Pine River (within Units 7, 8, 9, 17 & 18, Block A, 93-O-10), Peace River District, containing 104.04 hectares, more or less.

