June 04, 2019

British Columbia Hydro And Power Authority
c/o Paula Pietramala
D14-333 Dunsmuir Street
Vancouver, BC
V6B 5R3

Dear Sir or Madam:

Re: Water Licence Amendment 110996

The water licence attached to this letter is issued in substitution of C501132. Please read the documents carefully. Any error(s) in these documents should be brought to the attention of this office as soon as possible.

Please read the documents carefully. Any error(s) in these documents should be brought to the attention of this office as soon as possible.

You are advised that the Drinking Water Protection Act and the Drinking Water Protection Regulation under that Act govern the construction, installation, alteration, extension and operation of joint works that form part of a domestic water system supplying more than one single-family residence or any facility or establishment where the public consumes water. It is the responsibility of the licensee to comply with the Act and Regulations noted above. Your local Regional Health Authority will be able to assist you.

We wish to inform you that the water body serves as a spawning and rearing area for fish. The protective requirement of the federal Fisheries Act must be met. Accordingly, it will be necessary for you to screen your water intake to protect against entry of small fish. Refer to the Fisheries and Oceans Canada Website: www.dfo-mpo.gc.ca.

Please note that your water licence may require you to install a flow metering device to record the rate and volume of water diverted under this licence. You should ensure that your works can accommodate this request should it be made at a future date.

Please note the following:

1) Water licences do not authorize entry on privately owned land for the construction of works, or flooding. Permission of the affected landowner must be obtained or an easement expropriated. For your protection, permission should be in writing and registered with the appropriate Land Title Office.
2) Permission for installing works on lands or roadways which are under the jurisdiction of any
government agency, must be obtained from the agency concerned.

Please contact FrontCounter BC to assist you with notifications and any applications required if:
   a) there is any change in your mailing address;
   b) you sell the land to which the licence is appurtenant;
   c) you propose to subdivide the land to which the licence is appurtenant; or
   d) you propose to alter the works authorized under the licence.

In order for you to keep your water licence in good standing, the following must be observed:
   a) continued beneficial use of water, as authorized under your licence;
   b) payment of annual rentals;
   c) compliance with the terms of your licence; and
   d) compliance with the terms of the *Water Sustainability Act*.

One of the obligations of a water licence is the payment of annual rentals and fees to the Crown for the
authorization to exercise the rights granted under the licence. Failure to pay water rental invoices by a
specified date may result in late-payment penalties, collection action or cancellation of the licence. Any
questions in regards to invoices, statements or billing procedures should be directed to the Water
Revenue Unit at 1 (800) 361-8866. Callers from the Victoria area should dial (250) 387-9445.

The *Water Sustainability Act* gives the recipient of this notice the right to appeal my decision.
Information on filing an appeal can be found on the Environmental Appeal Board Website at:

Notice of any appeal must (1) be in writing; (2) include grounds for the appeal; (3) be directed by
registered mail to the Chair, Environmental Appeal Board, PO Box 9425 Stn Prov Govt., V8W 9V1 or
personally delivered to the office of the Board at 4th Floor, 747 Fort Street in Victoria, BC V8W 3E9,
eabinfo@gov.bc.ca; (4) be delivered within 30 days of receiving this letter, and (5) be accompanied by a
fee of $25.00, payable to the Minister of Finance.

If you have any questions or concerns, please contact this office.

Yours truly,

[Signature]

Dave Francis
Water Manager
The British Columbia Hydro and Power Authority and their agents are hereby authorized to divert and use water as follows:

(a) The streams on which the rights are granted are listed in the table below. The latitude and longitude co-ordinates identify the point of diversion for the individual water sources.

Table 1. Authorized water sources and their allocated daily volumes.

<table>
<thead>
<tr>
<th>Name of Water Source</th>
<th>Latitude</th>
<th>Longitude</th>
<th>Authorized Sub-Purpose(s)</th>
<th>Volume of Water (m³) Authorized Per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peace River</td>
<td>56.190303, 56.190500, 56.193659</td>
<td>-120.898456, -120.895000, -120.890113</td>
<td>Well Drilling/Transportation/Utility Corridor Management, Miscellaneous Industrial, Processing Manufacturing, Vehicle and Equipment, Camps and Public Facilities</td>
<td>1,847, 2,764, 11,369, 599, 837</td>
</tr>
<tr>
<td>Area 25 (PD195623)</td>
<td>56.197694, -120.880009</td>
<td>Well Drilling/Transportation/Utility Corridor Management, Miscellaneous Industrial, Processing Manufacturing</td>
<td>150(1), 17(2), 2,742(3)</td>
<td></td>
</tr>
<tr>
<td>Left Bank Cofferdam (PD195625)</td>
<td>56.196607, -120.911618</td>
<td>Well Drilling/Transportation/Utility Corridor Management, Miscellaneous Industrial, Processing Manufacturing</td>
<td>150(1), 17(2), 2,742(3)</td>
<td></td>
</tr>
<tr>
<td>Phase 2 Crusher (PD195627)</td>
<td>56.179021, -120.884739</td>
<td>Well Drilling/Transportation/Utility Corridor Management, Miscellaneous Industrial, Processing Manufacturing</td>
<td>150(1), 17(2), 2,742(3)</td>
<td></td>
</tr>
<tr>
<td>RSEM-11 (PD195619)</td>
<td>56.202752, -120.905022</td>
<td>Well Drilling/Transportation/Utility Corridor Management, Miscellaneous Industrial, Processing Manufacturing</td>
<td>150(1), 17(2), 2,742(3)</td>
<td></td>
</tr>
<tr>
<td>GSS R6-1 (PD196455)</td>
<td>56.188153, -120.900043</td>
<td>Well Drilling/Transportation/Utility Corridor Management, Miscellaneous Industrial, Processing Manufacturing</td>
<td>150(1), 17(2), 2,742(3)</td>
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<tr>
<td>GSS R6-2 (PD196457)</td>
<td>56.188829, -120.901763</td>
<td>Well Drilling/Transportation/Utility Corridor Management, Miscellaneous Industrial, Processing Manufacturing</td>
<td>150(1), 17(2), 2,742(3)</td>
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<tr>
<td>RSEM Pond R5a (A) (PD196460)</td>
<td>56.204136, -120.933596</td>
<td>Processing Manufacturing</td>
<td>167(4)</td>
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<td>RSEM Pond R5a (B) (PD196463)</td>
<td>56.205299, -120.934899</td>
<td>Processing Manufacturing</td>
<td>167(4)</td>
<td></td>
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<tr>
<td>RSEM Pond R5a (C) (PD196465)</td>
<td>56.211937, -120.942813</td>
<td>Processing Manufacturing</td>
<td>167(4)</td>
<td></td>
</tr>
<tr>
<td>Location</td>
<td>Latitude</td>
<td>Longitude</td>
<td>Purpose</td>
<td>Authorization</td>
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<tr>
<td>RSEM Pond R5a (D)</td>
<td>56.213325</td>
<td>-120.94484</td>
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<td>RSEM Pond R5b</td>
<td>56.198083</td>
<td>-120.050299</td>
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<tr>
<td>RSEM R6 (East)</td>
<td>56.189066</td>
<td>-150.899976</td>
<td>Processing Manufacturing</td>
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<td>RSEM R6 (West)</td>
<td>56.18966</td>
<td>-120.902598</td>
<td>Processing Manufacturing</td>
<td>167⁴</td>
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<tr>
<td>RSEM L5 West</td>
<td>56.206167</td>
<td>-120.926092</td>
<td>Processing Manufacturing</td>
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<td>RSEM L5 East</td>
<td>56.204271</td>
<td>-120.924501</td>
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<td>Area A</td>
<td>56.181307</td>
<td>-120.884932</td>
<td>Processing Manufacturing</td>
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<td>LBEX-SP-1</td>
<td>56.198743</td>
<td>-120.910531</td>
<td>Processing Manufacturing</td>
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<td>LBEX-SP-2</td>
<td>56.198188</td>
<td>-120.909178</td>
<td>Processing Manufacturing</td>
<td>167⁴</td>
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<td>TPSP</td>
<td>56.202125</td>
<td>-120.918924</td>
<td>Processing Manufacturing</td>
<td>167⁴</td>
</tr>
</tbody>
</table>

(1) Total cumulative volume per day that may be diverted from PD195623/PD195625/PD195619/PD196455/PD196457 for the purposes of Well Drilling/Transportation/Utility Corridor Management.
(2) Total cumulative volume per day that may be diverted from PD195623/PD195625/PD195627/PD195619/PD196455/PD196457 for the purposes of Miscellaneous Industrial.
(3) Total cumulative volume per day that may be diverted from PD195623/PD195625/PD195627/PD195619/PD196455/PD196457 for the purpose of Processing Manufacturing.
(4) Total cumulative volume per day that may be diverted from PD195629/PD195615/PD195617/PD195621/PD196460/PD196463/PD196465/PD196467/PD196469/PD196472/PD196475/PD196477/PD196479 for the purpose of Processing Manufacturing.

b) The points of diversion identified in Table 1 are located as shown on the attached plan.

c) The date from which this licence shall have precedence is November 30, 2018.

d) The water diverted under this licence may be used generally for constructing the works authorized under Conditional Water Licences C132990 and C132991, and for the following specific purposes:

- Industrial - Well Drilling/Transportation/Utility Corridor Management (Dust Control, Mechanical System Testing & Soil Compaction)
- Industrial - Miscellaneous Industrial (Overburden Disposal and Fire Protection)
- Industrial - Processing and Manufacturing (Concrete Production)
- Industrial - Vehicle and Equipment (Washing)
- Industrial - Camps and Public Facilities (Worker Camp and Office)

e) The maximum quantity of water that may be diverted for all the above purposes is 19,555 m³ per day (4,892,647 m³ per year). With a pump rate not to exceed:

- 0.05 m³ per second from the PAG, non-PAG, and settling ponds
- 0.50 m³ per second from the Peace River

f) The period of the year during which the water may be used is January 1 to December 31.

g) This licence will terminate on March 31, 2024. Prior to the termination date, the licensee may apply to the Comptroller of Water Rights or the Water Manager in accordance with the provisions of the Water Sustainability Act to amend this licence to extend its term.
h) The land upon which the water is to be used and to which this licence is appurtenant are as follows:

- Licences of Occupation associated with Lands file 8015775
- Licences of Occupation associated with Lands file 8015777
- Legal Descriptions within Township 83 Range 19 West of the 6th Meridian Peace River District:
  
  - LEGAL SUBDIVISION 16 SECTION 15,
  - NORTH EAST 1/4 OF SECTION 14,
  - PARCEL A (P9706) OF THE FRACTIONAL SOUTH 1/2 OF SECTION 13,
  - THAT PART OF THE FRACTIONAL NORTH EAST 1/4 SECTION 13 INCLUDED WITHIN PLAN EPP54043,
  - PARCEL A (PLAN B7888) OF THE NORTH EAST 1/4 OF SECTION 22 EXCEPT PLAN 17049,
  - THE FRACTIONAL LEGAL SUBDIVISION 8 OF SECTION 14,
  - LOT 1 SECTION 23 PLAN 26881,
  - LOT 2 SECTION 23 PLAN 26881 EXCEPT PART IN PLAN EPP59043,
  - THE SOUTH WEST 1/4 OF SECTION 23 EXCEPT PLAN 26965,
  - PARCEL 1 (R38306) OF SECTION 23 PLAN 26965,
  - SOUTH EAST 1/4 OF SECTION 22,
  - LOT 1 SECTION 22 PLAN 22906,
  - THE FRACTIONAL LEGAL SUBDIVISION 7 OF SECTION 14,
  - LOT 1 SECTION 15 PLAN EPP71341,
  - BLOCK A SECTIONS 14, 15 AND 22 AS SHOWN ON PLAN EPP85446,
  - NORTH WEST 1/4 OF SECTION 14, and
  - THE NORTH WEST 1/4 OF SECTION 13.

i) The points of diversion associated with the Licences of Occupation under Lands file 8015775 and 8015777 are only valid as long as the Licences of Occupation are in good standing.

j) The authorized works are dugout(s), sprinkler(s), electrical control panel, tank(s), screened intake(s), pond(s), water truck(s), pump(s), and pumphouse(s).

k) The intakes shall be screened in accordance to the Department of Fisheries and Oceans Freshwater Intake End-of-Pipe Fish Screen Guidelines.

l) The licensee shall install flow measuring devices to the satisfaction of an Engineer or Water Manager under the Water Sustainability Act.

m) The construction of the said works has been completed and the water is being beneficially used. The licensee shall continue to make regular beneficial use of the water in a manner authorized herein.

n) The licensee shall collect and maintain records of daily and cumulative withdrawals and submit this data on an annual basis or as requested by a Water Manager under the Water Sustainability Act.

o) The licence will initiate those sections under the Environmental Impact Statement (EIS), as it relates to this project to protect fish and fish habitat, vegetation and ecological communities, wildlife and heritage resources associated with these works.

p) This conditional licence may be amended in any respect at any time by the Comptroller of Water Rights or an Assistant Water Manager if deemed necessary.

q) This licence is issued under the Water Sustainability Act (the Act). The exercise of rights under the licence is subject to the Act and its regulations, the terms and conditions of the licence, orders under the Act and the rights of licensees whose rights have precedence on the stream or on an aquifer. The licensee must comply with all such requirements, as well as the provisions of all other applicable enactments. In exercising rights under the licence, the licensee must exercise reasonable care to avoid damaging land, works, trees or other property, and must make full compensation to the owners for damage or loss resulting from construction, maintenance, use, operation or failure of the works.
r) During all phases of construction and maintenance of the licenced works and related activities, the holder of this licence is subject to the habitat protection requirements, described in the document entitled “Terms and Conditions for Construction and Maintenance of Licensed Works” (dated March 1, 2017). Those habitat protection requirements are hereby incorporated into this licence as if written herein as licence conditions, which requirements must be implemented by the licensee in conjunction with any guidance provided by a Water Manager or Habitat Officer.

Dave Francis
Water Manager