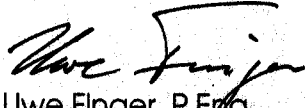


THE PROVINCE OF BRITISH COLUMBIA - WATER ACT

WATER LICENCE

Fletcher Challenge Canada Pulp Operations Ltd., 9th Floor, 700 West Georgia Street, Vancouver BC V7Y 1J7, are hereby authorized to divert and use water as follows:

- a) The stream on which the rights are granted is the Parsnip River (Williston Reservoir).
- b) The point of diversion is located as shown on the attached plat # 1428 A.
- c) The date from which this licence shall have precedence is April 28th, 1968.
- d) The purpose for which this licence is issued is industrial (pulp mill).
- e) The maximum quantity of water which may be diverted is 1.13 m³/s.
- f) Water may be used throughout the whole year.
- g) The land upon which the water is to be used and to which this licence is appurtenant is Lot B of District Lot 12478 Cariboo District Plan PGP 42628.
- h) The works authorized are diversion structure, screened intake, pump, pipe, settling basin, pumphouse and filter plant which shall be located approximately as shown on the attached plat # 1428 A.
- i) The works authorized under clause (h) hereof shall be maintained to the satisfaction of an Engineer under the Water Act and any changes to said works must be submitted to and written leave to commence granted by an Engineer under the Water Act prior to reconstruction.
- j) This licence is issued for the diversion of water from the Parsnip River (Williston Reservoir) using the pumphouse located at P.O.D. letter "A". During those times when Williston Reservoir is drawn down below the level of the pumphouse intake; water may be diverted from the Parsnip River using a diversion structure, screened intake, pump and pipe to convey the water to a settling basin located at the pumphouse.
- k) This licence is issued in substitution of Water Licence 106936.

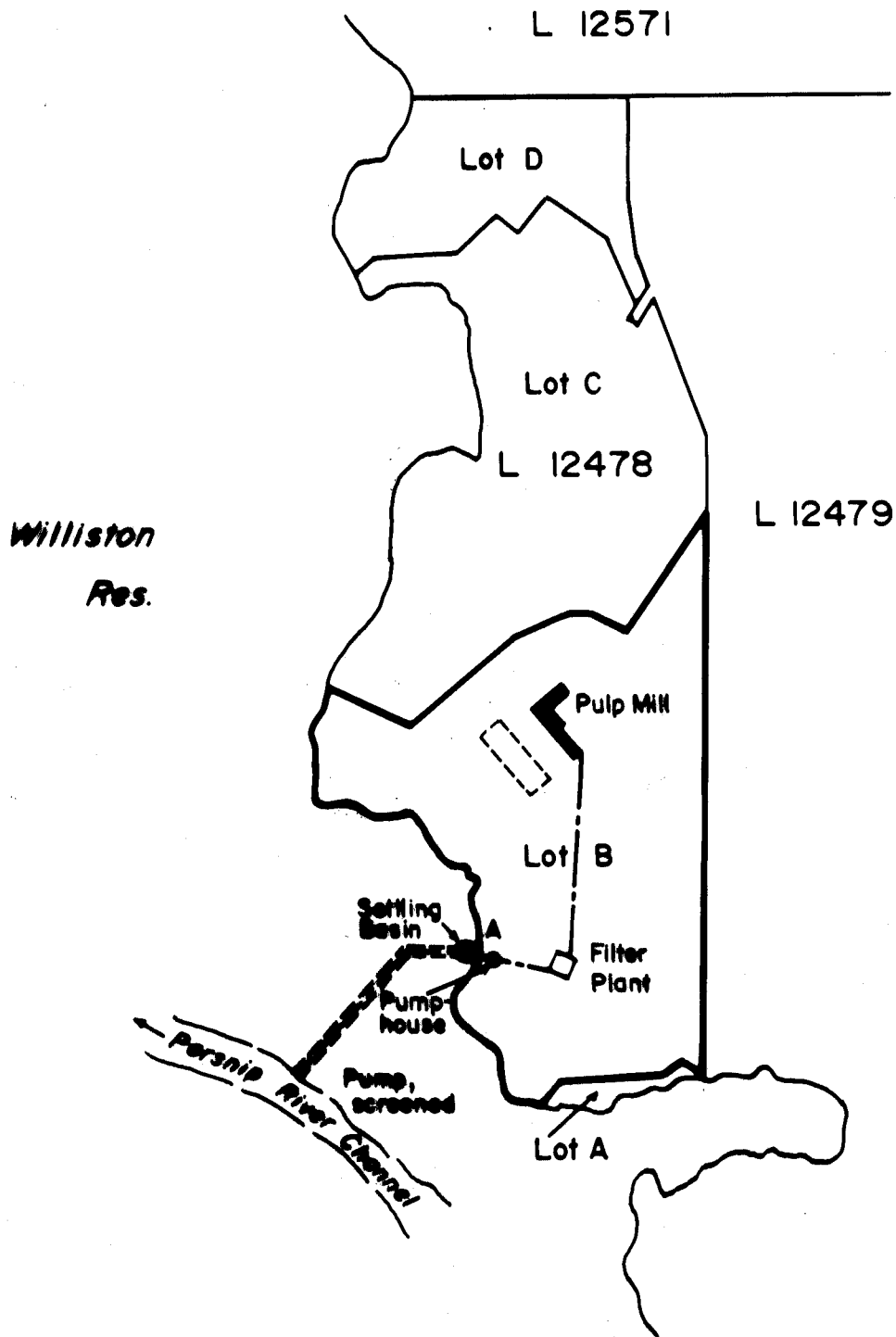


Uwe Finger, P.Eng.,
Assistant Regional Water Manager
Omineca-Peace Region



Province of British Columbia

- WATER LICENCE PLAT -
N^o 1428 A



WATER DISTRICT : PRINCE GEORGE
 PRECINCT : PARSNIP
 LAND DISTRICT : CARIBOO

LEGEND

Scale : Not to Scale
 Point of Diversion : ●
 Map Number : W R 95-0-025
 Pipe : ————
 Permit over Crown Land : [Symbol]

Signature *[Handwritten Signature]*
 Date 15 July '89

WL 14578 for CML 106936
 File 7001428
 P.C.L. 23179