



PERMIT UNDER THE WATER ACT AUTHORIZING THE OCCUPATION OF CROWN LAND

Lornex Mining Corporation Ltd., of 202 - 580 Granville Street,
Vancouver 2, B. C.,

the holder(s) of Conditional/~~Final~~ Water Licence(s) 35552 authorizing
the diversion of water from Pukaist Creek is/are hereby

authorized to occupy Crown land by constructing, maintaining, and operating thereon the works authorized under the said water licence and any licences which may be issued in substitution thereof.

(a) The Crown land which is authorized to be occupied under this permit is a portion of Lot 3124 consisting of Mineral Claims D.F. 9,10,11 and 12 and F.L.W. 7 Fraction, Lot 3123, D.F. 7, Lot 3122 D.F.5, Lot 1246A Star, Lot 3127 D.F.4, Lot 3120 D.V.2 Fraction, Lot 3133 D.V. 1 Fraction, Lot 3130 M.D.3, Lot 3132 M.D. 5, Lot 3131 M.D.4, Lot 5720 Apex #90 Fraction, Lot 5719 Apex #74, Lot 5721 Doug #7, Fraction, Lot 5708 Calco 24 Fraction, Lot 5718 Apex #25, and unsurveyed land, Kamloops Division of Yale District,

amended
the location of which is shown approximately on the plan attached to the said water licence.

(b) The approximate dimensions of the Crown land authorized to be occupied under this permit are
36,500 feet in length and 40 feet in width, having an area of 33.52 acres.

(c) Subject to the payment of royalty, stumpage, and other compensation, and the obtaining of a licence to cut timber as provided under Condition 5, the permittee may cut and remove from the said land any timber, the removal of which is necessary to permit construction and maintenance of the said works.

(d) The annual rental for this permit is \$ 34.00 , which is subject to review and revision at any time at the discretion of the Crown.

(e) This permit is appurtenant to the land, mine, or undertaking to which the aforesaid water licence is appurtenant.

(f) The conditions relative to the rights granted under this permit are printed on the back of this form.

THIS PERMIT REPLACES PERMIT # 7533. -

Deputy Minister of Lands

File No. 0281536

Ref. Map 92 I/NW (A-5,6)
92 I/SW (F-6)

W.R. Map 301

Date issued: 26th April, 1972

Permit No. 8657

**CONDITIONS RELATIVE TO THE RIGHTS GRANTED
UNDER THIS PERMIT**

1. This permit is issued under the *Water Act*, and the rights hereby granted are subject at all times to the provisions of that Act and all Acts passed in amendment or substitution thereof and to all regulations from time to time made under any such Act.

2. There is reserved to the Crown the right to grant to other persons permits to occupy the land affected by this permit without compensation to the permittee or his successors in title.

3. In the event of any dispute arising at any time between the permittee and any owner of land adjacent to the land affected by this permit with respect to the area or boundaries of the land so affected, the licensee shall at his own expense, when so directed by the Deputy Minister of Lands, have the said land surveyed by a duly qualified surveyor, and shall likewise file with the Department of Lands, Forests, and Water Resources at Victoria, British Columbia, a plan showing the result of the survey.

4. This permit and the rights granted hereunder are subject always to compliance by the permittee with the terms of his water licence, and if the rights granted under the said licence should at any time be suspended or terminated, the rights granted under this permit are thereupon likewise suspended or terminated.

5. The amount of stumpage, royalty, and (or) compensation payable to the Crown by the permittee in respect of trees, including merchantable or young growth, cut, removed, damaged, or destroyed by the permittee, shall be the sum or sums fixed by the Forest Service of the Province of British Columbia. Prior to the cutting, destruction, or flooding of any timber, the permittee must apply for and obtain a licence to cut timber from the District Forester under the provisions of section 24 of the *Forest Act*.