



PERMIT UNDER THE WATER ACT AUTHORIZING THE OCCUPATION OF CROWN LAND

Lornex Mining Corporation Ltd. of 202 - 580 Granville Street, Vancouver, B.C.
V6C 1W8

WKR
the holder(s) of Conditional ~~Water~~ [✓]Water Licence(s) 46528 authorizing
~~the diversion of water from~~ the storage of water of Pukaist Creek is/are hereby
flooding and by
authorized to occupy Crown land by ~~constructing~~ 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 East $\frac{1}{2}$ Section 26,
North West $\frac{1}{4}$ and East $\frac{1}{2}$ Section 25, South $\frac{1}{2}$ Section 36, Township 18, Range 24;
Section 30, South $\frac{1}{2}$ Section 31, Section 29, North East $\frac{1}{4}$ Section 20, Township 18,
Range 23, West 6th Meridian, and unsurveyed land, Kamloops Division of Yale District,

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

(1) damsite	42.16 acres
(2) flooded	<u>700.</u> acres
Total area	742.16 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, and
clearing of the said land which may be flooded.

(d) The annual rental for this permit is \$ 605.00 , 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.

File No. 0328988

Ref. Map 92 I/6-E(h)

W.R. Map 301

W.R.B. 12-o

W. R. Redel
Assistant Deputy Minister of Environment
Lands Service

Date issued: 3rd August, 1976.

Permit No. 10544.

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 Environment, have the said land surveyed by a duly qualified surveyor, and shall likewise file with the Department of Environment 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*.