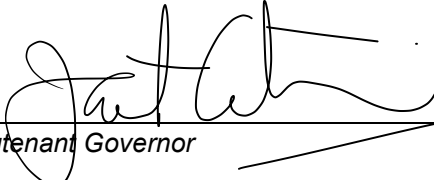


PROVINCE OF BRITISH COLUMBIA

ORDER OF THE LIEUTENANT GOVERNOR IN COUNCIL

Order in Council No. 689

, Approved and Ordered December 16, 2019



Lieutenant Governor

Executive Council Chambers, Victoria

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and consent of the Executive Council, orders that, in accordance with section 3 of the *Geothermal Resources Act*, the terms substantially in the form set out in the agreement attached to this order are approved.



Minister of Energy, Mines and Petroleum Resources



Presiding Member of the Executive Council

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Geothermal Resources Act, R.S.B.C. 1996, c. 171, s. 3

Other: _____

Geothermal Resources Act

Section 3 Agreement

Permit Agreement No. _____

THIS AGREEMENT is dated for reference _____, 2019

BETWEEN:

**HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF
BRITISH COLUMBIA, as represented by the Minister of Energy, Mines and
Petroleum Resources**

Mailing Address:
PO Box 9314 Stn Prov Govt
Victoria BC, BC V8W 9N1

Location:
4th Floor, 1810 Blanshard Street
Victoria, BC V8T 4J1

(the “Minister”)

AND:

DEH TAI GP LTD. a company registered in British Columbia (No. 1142047)

2028 Kennay-Yah Road
RR 1 Mile 295 Alaska Highway
Fort Nelson, BC.
V0C 1R0

(“Deh Tai”)

WHEREAS:

- A. The Fort Nelson First Nation is a community located 7 kilometers south of the Town of Fort Nelson and is a signatory to Treaty No. 8 signed in 1899;
- B. Deh Tai GP LTD. is a company registered in British Columbia and wholly owned by the Fort Nelson First Nation;
- C. Fort Nelson First Nation has applied to the Minister for the right to geothermal resources in an area adjacent to their community within their traditional territory at Clarke Lake;

- D. Pursuant to section 3 of the Act the Minister may dispose of geothermal resources on terms approved by the Lieutenant Governor;
- E. Pursuant to Order in Council _____, the Lieutenant Governor in Council has approved the Minister to dispose of the geothermal resources in the area requested to Deh Tai in the form of a permit under the Act on payment of an amount per hectare equal to \$1/hectare plus the fee for the issuance of the permit and the rent for the first year of the permit as required under section 2 of the Geothermal Resources General Regulation.

THEREFORE the Parties agree as follows:

1.0 INTERPRETATION

1.1 In this Agreement,

- (a) “Act” means the *Geothermal Resources Act*;
- (b) “right to the geothermal resources” means the exclusive right held by a permit holder under the Act to apply for an authorization to drill a well within the boundaries of the location of the permit.

2.0 Permit

2.1 The Minister disposes to Deh Tai the right to the geothermal resources in the form of a permit under the Act to the zones and locations identified in Schedule 1 subject to receipt by the Minister of the sum of \$ 7,722.00 , made payable to the Minister of Finance, within 30 days of the execution of this Agreement, which sum equals the total of the following:

- a) \$ 1.00/ hectare X 6,722 hectares = \$6,722.00,
- b) fee for the issuance of the permit of \$500, and
- c) rent for the first year of the permit of \$500.

2.2 This Agreement will terminate on failure by Deh Tai to make the payment in the manner and time specified in section 2.1 and on such termination the permit referred to in section 2.1 and any rights purportedly acquired under that permit will be deemed to be void *ab initio*.

3.0 General

- 3.1 Words and phrases used but not defined in this Agreement have the same meaning as in the Act and regulations, unless the context requires otherwise.
- 3.2 Except to the extent to which the means of issuance under this Agreement is inconsistent with section 5 (5) of the Act, a permit under this Agreement is a permit under the Act, and the Act, regulations and all other applicable legislation pertaining to such permits apply as if the permit was a permit issued in accordance with section 5 (5) of the Act.
- 3.3 The captions and headings contained in this Agreement are for convenience only and do not define or in any way limit the scope or intent of this Agreement.
- 3.4 This Agreement will be interpreted according to the laws of the Province of British Columbia.
- 3.5 Where there is a reference to an enactment of the Province of British Columbia in this Agreement, that reference will include a reference to every amendment to it, every regulation made under it and any subsequent enactment of like effect and, unless otherwise indicated, all enactments referred to in this Agreement are enactments of the Province of British Columbia.
- 3.6 Each schedule to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 3.7 This Agreement constitutes the entire agreement between the parties and no understanding or agreement, oral or otherwise, exists between the parties with respect to the subject matter of this Agreement except as expressly set out in this Agreement and this Agreement may not be modified except by subsequent agreement in writing between the parties.
- 3.8 Each party will, upon the request of the other, do or cause to be done all lawful acts necessary for the performance of the provisions of this Agreement.

3.9 Time is of the essence of this Agreement.

IN WITNESS WHEREOF this Agreement has been executed by the Minister and Deh Tai on the dates written below:

SIGNED on behalf of **Her Majesty the Queen in Right of the Province of British Columbia** by the Minister of Energy, Mines and Petroleum Resources

Minister (or Minister's Delegate)

Printed Name (and Title if Minister's Delegate)

Date

SIGNED on behalf of Deh Tai by a duly authorized signatory

Authorized Signatory

Printed Name and Title

Date

Schedule 1

LOCATIONS AND ZONES OF GEOTHERMAL RESOURCES UNDER THE PERMIT:

Geothermal resources in all zones in the following geographic locations:

N.T.S. Map Number 094-J-09:

Block L, Units 65-69, 75-78, 84-90, 92-100.

N.T.S. Map Number 094-J-10:

Block G, Units 61-67, 71-76, 81-83;

Block H, Units 70, 78-80, 88-90, 98-99;

Block I, Units 19-20, 29-30, 39-40, 50, 58-60, 67-70, 77-79, 81-83, 87-88, 91-93;

Block J, Units 21-26, 31-36, 41-46, 51-55.

N.T.S. Map Number 094-J-16:

Block D, Units 5-6.