Schedule A

Standard Operating Conditions

- 1. This disposition is subject to and the disposition holder shall comply with, all the provisions and requirements of the document entitled "Spray Lake Sawmills Ltd. (1980) and FMU C05 Timber Harvest Planning and Operating Ground Rules" (OGR's) as amended or replaced from time to time and which is an integral part of this disposition.
- 2. Felling, skidding, removal of timber and any necessary site restoration must be completed by the expiry date.
- 3. This disposition does not convey ownership of the timber until such time as the timber has been cut for use by the timber disposition holder. Where any inconvenience resulting from the activity of a holder of a land disposition occurs, the timber disposition holder has the right to claim for compensation limited to areas containing the kind, size and species of timber authorized for removal by this disposition.
- 4. The disposition holder shall comply with all the provisions and the requirements of;
 - a) the Forests Act, and as amended from time to time,
 - b) any Act of the Legislature of the Province of Alberta in force, or enacted hereafter from time to time, and as amended for time to time, and
 - c) any Regulation inclusive of any amendments or substitutions in force from time to time under any of the Acts referred to in clauses (a) and (b) that apply to the disposition holder or to this disposition either specifically or generally by express wording or by implication.

The Minister may, by notice in writing to the disposition holder, require the disposition holder to provide the Minister, within the time specified in the notice, an audited statement disclosing the information related to the disposition holder's forestry operation that the notice specifies, including, without limitation, information respecting production and sales of primary timber products and reporting of timber dues and levies.

Additional Operating Conditions:

- 1. A signed Grazing Timber Agreement is required prior to AOP approval. GRL060006: S7 Ranch Ltd. Box 172 Cochrane, Alberta (403)932-4390
- 2. Understory Protection required as described in the OGR's Section 7.5.
- 3. A minimum of 1% structural retention is to be maintained in the block.
- 4. Written approvals must be obtained for road use and pipeline crossings from the company holding the disposition for the road or pipeline, prior to any operations

LOC992637 - Canlin Energy Corporation, PO Box 4335 STN C, Calgary Alberta

VCE000018 (Vegetation Control Easement) – Altalink Management Ltd, 2611 3 Ave SE, Calgary, Alberta, T2A 7W7

 Trapper Notification: Jonathan Shane Hansel, P.O.Box 42 STN Main, Cochrane, Alberta, T4C 1A4