

This is the 3rd affidavit of
R. Lindstrom in this case and was
made on March 28, 2012

No. S-120712
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND

IN THE MATTER OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985,
c. C-44

AND

IN THE MATTER OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57

AND

IN THE MATTER OF CATALYST PAPER CORPORATION
AND THE PETITIONERS LISTED IN SCHEDULE "A"

PETITIONERS

AFFIDAVIT

I, Robert H. Lindstrom, businessperson, of 2nd Floor, 3600 Lysander Lane, Richmond,
British Columbia, SWEAR THAT:

1. I am the Vice President, Supply Chain, Energy and Information Technology of
Catalyst Paper Corporation ("CPC"), a Petitioner in this proceeding (along with the other
Petitioners and Catalyst Paper General Partnership, the "Company" or "Catalyst"), and

as such I have personal knowledge of the matters deposed to in this Affidavit except where I depose to a matter based on information from an informant I identify, in which case I believe that both the information from the informant and the resulting statement are true.

2. This Affidavit is made in support of an application by the Company for an Order approving the sale of two parcels of land owned by the Company in Snohomish County, Washington State, United States of America.

3. It is my understanding that the Company will seek approval for the sale of land, described in more detail below, in the United States Bankruptcy Court in Delaware.

4. Attached hereto and marked as Exhibit "A" is a copy of the draft form of order that the Company will seek court approval of in the United States Bankruptcy Court in Delaware.

5. All capitalized terms used and not defined below shall have the same meaning as that ascribed to them in the Affidavit #1 of Brian Baarda, made January 31, 2012.

The Amended and Restated Initial Order

6. On January 31, 2012, the Company was granted relief under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") pursuant to the Initial Order of this Court (the "Initial Order"). At that time, PricewaterhouseCoopers Inc. was appointed as Monitor. On February 3, 2012, the Initial Order was amended and restated (the "Amended and Restated Initial Order"). Under the Amended and Restated Initial Order, the Company could dispose of redundant or non-material assets not exceeding \$500,000 in any one transaction or \$2,000,000 in the aggregate.

Poplar Land

Background on the Property

7. Pacifica Poplars Inc. (“**Pacifica**”), a wholly owned subsidiary of Catalyst Paper Corporation, owns approximately 1800 acres of poplar farm plantation lands in Snohomish County, Washington State, United States of America. The land, which consists of a number of individual parcels, was used by Pacifica as a Poplar Tree for use in its paper mills in Canada (the “**Poplar Land**”).

8. As a result of economic conditions in or around 2008, Pacifica decided to sell the Poplar Land and retained the services of Snohomish Properties, as broker. Significant portions of the Poplar Land are suitable for farming purposes. The Poplar Land was first listed in or about the summer of 2008 on a multiple listing service and has been actively marketed since that time. The total list price for the Poplar Land in 2008 was approximately US \$11 million.

9. In the ensuing years, certain small parcels of land were sold. However, there was only sporadic interest in the major parcels of the Poplar Land during this time. Pacifica had negotiations with several potential purchasers for certain of the major parcels of Poplar Land, but no binding agreements were ever completed.

10. In 2011, Pacifica received an offer from U.S. Golden Eagle Farms LP (“**Golden Eagle**”) for US \$6 million for the Poplar Land, as well as for approximately 200 acres of additional land Pacifica had listed at that time. Negotiations failed after Golden Eagle rejected Pacifica’s counter-offer for US \$9 million.

The Sale Agreement

11. In or around February and March 2008, the Company received interest from Golden Eagle to purchase two parcels of land on the Poplar Land. One parcel consists of approximately 412 acres and was most recently listed for US \$1.8 million (“**Parcel #1**”). The other parcel consists of approximately 486 acres and was most recently listed for US \$2.44 million (“**Parcel #2**”).

12. Parcels #1 and #2 (collectively, the “**Parcels**”) contain areas that are suitable for farming certain crops. However, portions of the Parcels contain wood debris, tree stumps, standing trees and hog fuel piles, which must be removed before these areas are suitable for farming.

13. In or around early March 2012, the Company received an offer from Golden Eagle to purchase both parcels for a combined price of US \$3.6 million (the “**Offer**”).

14. Prior to the Offer, the Company had received three offers specifically for Parcel #1, none of which were completed either due to a low bid price or financing issues with the potential purchasers.

15. Prior to the Offer, the Company had received only one offer specifically for Parcel #2, however the parties could not agree on certain terms and an agreement was never reached.

16. Following a review of the Offer, the Company agreed to accept the Offer, subject to approval of the Monitor and the courts in British Columbia and Delaware. On March 12, 2012, the Company subsequently entered into a sales agreement with Golden Eagle (the “**Purchaser**”) for the purchase of the Parcels for US \$3.6 million (the “**Sale Agreement**”).

17. Attached hereto and marked as Exhibit “**B**” to my Affidavit is a copy of the Sale Agreement.

18. Attached hereto and marked as Exhibit “**C**” to my Affidavit is a copy of an addendum to the Sale Agreement.

The Purchase Price is Fair and Reasonable

19. Based on the minimal level of interest exhibited since the Poplar Land was first market for sale, and in particular with the Parcels, the Company believes that the Sale Agreement contains the best possible terms that the Company is likely to achieve under the circumstances.

20. The conditions of the Parcels, as described in paragraph 12, impose certain difficulties in marketing and selling the Parcels (either collectively or individually). In particular, the time and financial costs required to prepare the land for farming likely reduces the number of potential purchasers interested in the Parcels. Furthermore, it is my understanding that the Parcels are subject to certain United States federal and state use restrictions and requirements that could limit their marketability.

21. Finally, as the history of this listing has demonstrated, it is difficult to locate a potential purchaser that is interested in purchasing approximately 900 acres of land or that has the financial capabilities to do so.

22. In light of the adverse market conditions and the difficulty that the Company has had in selling the some or all of the Poplar Land to date, the Company believes that the Sale Agreement provides the Company with the best available price for the Parcels.

23. The Sale Agreement has the following additional benefits:

- (a) it divests the Company of assets that are non-core to its business at a time when the Company seeks to reduce the amount of money it directs to maintaining non-essential assets;
- (b) the transaction contemplated by the Sale Agreement is scheduled to be completed quickly;
- (c) the consummation of the transaction will enable the Company to avoid any additional costs in the continued marketing of the Parcels, including the potential for a lower purchase price offer;
- (d) the proceeds of the transaction will be used to provide the Company with some much needed funds; and
- (e) the transaction will enable the Company to avoid additional costs associated with the Parcels, such as property taxes.

SCHEDULE "A"

LIST OF ADDITIONAL PETITIONERS

Catalyst Pulp Operations Limited

Catalyst Pulp Sales Inc.

Pacifica Poplars Ltd.

Catalyst Pulp and Paper Sales Inc.

Elk Falls Pulp and Paper Limited

Catalyst Paper Energy Holdings Inc.

0606890 B.C. Ltd.

Catalyst Paper Recycling Inc.

Catalyst Paper (Snowflake) Inc.

Catalyst Paper Holdings Inc.

Pacifica Papers U.S. Inc.

Pacifica Poplars Inc.

Pacifica Papers Sales Inc.

Catalyst Paper (USA) Inc.

The Apache Railway Company

This is Exhibit "A" referred to in the Affidavit #3 of Robert Lindstrom made before me at Vancouver, British Columbia this 28th day of March 2012.

A handwritten signature in black ink, consisting of several overlapping loops and a long tail that extends downwards.

A Commissioner for the taking Affidavits for
British Columbia

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re:	:	Chapter 15
CATALYST PAPER CORP., <u>et al.</u>	:	Case No. 12-10221 (PJW)
Debtors. ¹	:	Jointly Administered
	:	Related Docket Nos. :

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ORDER (I) AUTHORIZING AND APPROVING THE PRIVATE SALE OF CERTAIN PROPERTIES FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES, AND OTHER INTERESTS; (II) APPROVING THE PURCHASE AGREEMENT; (III) AUTHORIZING PAYMENT OF BROKERAGE FEE IN CONNECTION WITH SALE; AND (IV) GRANTING OTHER RELATED RELIEF

Upon the motion (the "Motion")² of Catalyst Paper Corporation ("CPC"), as the authorized foreign representative for itself and its above-captioned affiliates (collectively, the "Debtors" and, together with their non-debtor affiliates, the "Company") in a proceeding (the "CCAA Proceeding") under Canada's Companies' Creditors Arrangement Act, R.S.C. 1985, c. C-36, as amended (the "CCAA"), pending before the Supreme Court of British Columbia (the "Canadian Court") under sections 105(a), 363, 1520, and 1521 of title 11 of the United States Code (the "Bankruptcy Code") and Rules 2002, 6004, and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), and Rule 6004-1 of the Local Rules of

¹ These jointly administered cases are those of the following Debtors: 0606890 B.C. Ltd., Catalyst Paper Corporation, Catalyst Paper Energy Holdings Inc., Catalyst Paper General Partnership, Catalyst Pulp and Paper Sales Inc., Catalyst Pulp Operations Ltd., Catalyst Pulp Sales Inc., Elk Falls Pulp and Paper Ltd., and Pacifica Poplars Ltd. (collectively, the "Canadian Debtors") in addition to Catalyst Paper Holdings Inc., Pacifica Papers U.S. Inc., Pacifica Poplars Inc., Pacifica Papers Sales Inc., Catalyst Paper (USA) Inc., Catalyst Paper (Recycling) Inc., Catalyst Paper (Snowflake) Inc. and The Apache Railway Company (collectively, the "U.S. Debtors").

² Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the "Local Rules") for an order (I) authorizing the Debtors to the Properties free and clear of all liens, claims, and encumbrances to U.S. Golden Eagle Farms LP (a Washington Limited Partnership) or an affiliate thereof (the "Buyer"), (II) authorizing and approving the terms of that certain Vacant Land Purchase and Sale Agreement, dated as of March 9, 2012 (the "Purchase Agreement"), by and between Pacifica Poplars Inc. ("Pacifica Poplars" or the "Seller") and the Buyer, a true and correct copy of which is attached as Exhibit B to the Motion, (III) authorizing the Company to pay the brokerage fee incurred in connection with the Sale, and (IV) granting related relief; and the Court having reviewed the Motion and the *Fifth Declaration of Brian Baarda* [Docket No. ___] submitted in support thereof; and the Court having determined that the relief requested in this Motion is in the best interests of the Debtors, their estates, their creditors and other parties-in-interest; and it appearing that notice of the Motion was good and sufficient under the particular circumstances and that no other or further notice need be given; and upon consideration of the record and the hearing on the Motion held before this Court; and after due deliberation thereon; and good and sufficient cause appearing therefore;

It is hereby **FOUND AND DETERMINED THAT**.³

A. **Jurisdiction and Venue.** This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and this Motion in this district is proper under 28 U.S.C. §§ 1408, 1409, and 1410.

³ Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Bankruptcy Rule 7052.

B. **Statutory Predicates.** The statutory predicates for the relief requested herein are Bankruptcy Code sections 105(a), 363, 1520, and 1521, Bankruptcy Rules 2002, 6004, and 9014, and Local Rule 6004-1.

C. **Notice.** Good and sufficient notice of the Motion and the relief granted by this Order has been given and no other or further notice is required.

D. **Best Interest of Debtors and Appropriate Exercise of Power.** Consummation of the Sale of the Properties, and the related relief granted in this Order, is in the best interests of the Debtors, their estates, their creditors, and other parties-in-interest and is an appropriate exercise of the Court's power under or in connection with the Bankruptcy Code, including, but not limited to section 105(a), 363, 1520, and 1521 thereof.

E. **Commission.** The proposed Commission is the product of arms-length negotiations between the Debtors and Snohomish Properties. Accordingly, payment of the Commission is reasonable and appropriate, in light of the size and nature of the proposed Sale and comparable transactions, the commitments that have been made, and the efforts that have been expended by Snohomish Properties as broker.

F. **Corporate Authority.** The Seller (i) has full corporate power and authority to execute the Purchase Agreement and all other documents contemplated thereby, and the Sale of the Properties by the Seller has been duly and validly authorized by all necessary corporate action, (ii) has all of the corporate power and authority necessary to consummate the transactions contemplated by the Purchase Agreement, (iii) has taken all corporate action necessary to authorize and approve the Purchase Agreement and the consummation of the transactions contemplated thereby, and (iv) no consents or approvals, other than those expressly

provided for in the Purchase Agreements, are required for the Seller to consummate such transactions.

G. **Opportunity to Object.** A reasonable opportunity to object and to be heard with respect to the Motion and the relief requested therein has been given, in light of the circumstances, to all interested persons and entities, including the following: (a) the Office of the United States Trustee for the District of Delaware; (b) the Securities and Exchange Commission; (c) the Internal Revenue Service; (d) the United States Attorney Office for District of Delaware; (e) counsel for certain 2016 Noteholders; (f) counsel for certain 2014 Noteholders; (g) counsel to the Administrative Agent of the debtor-in-possession financing facility; (h) all other known parties with liens of record on the Properties; (i) counsel to the Buyers; and (j) those persons filing notices of appearance or requests for notice under Bankruptcy Rule 2002 in these cases (collectively, the "Notice Parties") in accordance with the Notice Order and the Order Limiting Notice.

H. **Business Justification.** The Debtors have demonstrated both (i) good, sufficient, and sound business purpose and justification and (ii) compelling circumstances for the Sale pursuant to Bankruptcy Code section 363(b) prior to, and outside of, a plan of reorganization in that, among other things, absent the Sale transaction, the value of the Properties will be harmed. The Debtors are not required to seek or solicit any additional competitive bids.

I. **Arm's-Length Sale.** The Purchase Agreement and related documents were negotiated, proposed, and entered into by the Debtors and the Buyer without collusion, in good faith, and from arm's-length bargaining positions. The Buyer is not an "insider" of any of the Debtors, as that term is defined in Bankruptcy Code section 101. None of the Debtors, nor the Buyer, have engaged in any conduct that would cause or permit the Purchase Agreement and

related documents to be avoided under Bankruptcy Code section 363(n). Specifically, the Debtors and the Buyer have not acted in a collusive manner with any person and the purchase price was not controlled by any agreement among bidders.

J. **Good Faith Purchaser.** The Buyer is a good faith purchaser under Bankruptcy Code section 363(m) and, as such, is entitled to all of the protections afforded thereby. The Buyer will be acting in good faith within the meaning of Bankruptcy Code section 363(m) in closing the transaction contemplated by the Purchase Agreement and related documents.

K. **Consideration.** The consideration provided by the Buyer for the Properties pursuant to the private Sale contemplated by the Purchase Agreement (i) is fair and reasonable, (ii) is the highest and best offer for the Properties, (iii) will provide a greater recovery for the Debtors' creditors than would be provided by any other practical available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

L. **Free and Clear.** The Debtors are the sole and lawful owners of the Properties. The transfer of the Properties to the Buyer under the Purchase Agreement and related documents will be a legal, valid, and effective transfer of the Properties, and will vest the Buyer with all right, title, and interest of the Debtors to the Properties free and clear of all liens, claims (as defined in Section 101(5) of the Bankruptcy Code), encumbrances or interests of any kind or nature whatsoever, including, but not limited to, those (i) that purport to give to any party a right or option to effect any forfeiture, modification or termination of the Debtors' interests in the Properties, or any similar rights and (ii) relating to taxes arising under or out of, in connection

with, or in any way relating to the operation of the Debtors' business prior to the date of the closing (the "Closing Date") of the Sale (collectively, the "Interests"). With respect to each person or entity asserting an Interest in the Properties, one or more of the standards set forth in section 363(f) have been satisfied. All holders of Interests in the Properties who did not object to the Motion and the relief requested therein, or who withdrew any objections to the Motion and the relief requested therein, are deemed to have consented to the Transaction pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Interests who did object fall within one or more of the other subsections of section 363(f), and all holders of liens are adequately protected by having their liens, if any, attach to the proceeds of the Sale with the same priority, validity, force and effect as they attached to such property immediately before the closing of the Sale relating to such Property.

M. **No Intentional Fraudulent Transfer.** The Purchase Agreement was not entered into for the purpose of hindering, delaying or defrauding creditors under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

N. **Buyers Not Insiders.** Immediately prior to the Closing Date, the Buyer was not an "insider" or "affiliate" of the Debtors, as those terms are defined in the Bankruptcy Code, and no common identity of incorporators, directors or stockholders existed between the Buyer and the Debtors. The Buyer is not purchasing all of the Debtors' assets, and Buyer is not holding itself out to the public as a continuation of the Debtors. The Sale does not amount to a consolidation, merger or de facto merger of Buyer and the Debtors and/or the Debtors' estate, there is not substantial continuity between Buyer and the Debtors, there is no continuity of enterprise between the Debtors and the Buyer, Buyer is not a mere continuation of the Debtors or

the Debtors' estates, and Buyer does not constitute a successor to the Debtor or the Debtors' estates to the extent allowed under state law.

O. **Legal, Valid Transfer.** The transfer of the Properties to Buyer will be a legal, valid, and effective transfer of the Properties, and will vest Buyers with all right, title, and interest of the Debtors to the Properties free and clear of all liens, claims and encumbrances, except as set forth in the Purchase Agreement.

NOW, THEREFORE, IT IS ORDERED THAT:

1. **Motion is Granted.** The Motion is GRANTED as provided herein as of the date hereof with respect to all parties.
2. **Objections Overruled.** Any objections to the entry of this Order or the relief granted herein and requested in the Motion that have not been withdrawn, waived, or settled, or not otherwise resolved pursuant to the terms hereof, if any, hereby are denied and overruled on the merits with prejudice.
3. **Approval.** The Purchase Agreement and related documents, and all of the terms and conditions thereof are hereby approved as of the date hereof with respect to all parties.
4. **Commission.** Payment of the Commission is approved on the terms set forth in the Purchase Agreement and any other applicable agreements between Snohomish Properties and the Debtors.
5. **Immediately Effective.** Notwithstanding any provision in the Bankruptcy Rules to the contrary, including without limitation, Bankruptcy Rule 6004(h): (i) this Order shall be effective immediately and enforceable upon its entry; (ii) the Debtors are not subject to any stay in the implementation, enforcement or realization of the relief granted in this Order, and (iii) the Debtors are authorized and empowered, and may in their discretion and without further delay,

take any action and perform any act necessary to implement and effectuate the terms of this Order.

6. **Free and Clear.** Except as expressly permitted or otherwise specifically provided for in the Purchase Agreement and related documents, or this Order, pursuant to Bankruptcy Code section 363(f), the Debtors' interests in the Properties shall be transferred to the Buyer pursuant to the Purchase Agreement and, as of the Closing Date, shall be free and clear of all Interests of any kind or nature whatsoever with all such Interests to attach to the net proceeds ultimately attributable to the property against or in which such Interests are asserted, subject to the terms of such Interests, with the same validity, force and effect, and in the same order of priority, which such Interests now have against the Properties or its proceeds, subject to any rights, claims and defenses of Debtors or their estates, as applicable, may possess with respect thereto.

7. **Good Faith.** The transactions contemplated by the Purchase Agreement and related documents are undertaken by the Buyer in good faith, as that term is used in Bankruptcy Code section 363(m) and, accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale with respect to the Buyer, unless such authorization is duly stayed pending such appeal.

8. **Additional Authorization.** The Debtors are authorized and empowered to take such actions as may be necessary to implement and effect the terms and requirements established under this Order.

9. **Binding Order.** This Order shall be binding on and inure to the benefit of the Buyer, their affiliates, successors and assigns, and the Debtors, including any fiduciary appointed for the estates of the Debtors.

10. **Findings of Fact and Conclusions of Law.** This Order shall constitute the findings of fact and conclusions of law and shall take immediate effect upon execution hereof.

11. **Retention of Jurisdiction.** This Court shall retain jurisdiction to enforce and implement the terms of the Purchase Agreement and related documents, all amendments thereto, and any waivers and consents thereunder, and each of the agreements executed in connection therewith in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Properties to the Buyer; (b) compel delivery of the purchase price or performance of other obligations owed to the Debtors; (c) resolve any disputes arising under or related to the Purchase Agreement and related documents, except as otherwise provided therein; (d) interpret, implement, and enforce the provisions of this Order and the Purchase Agreement and related documents; and (e) protect the Buyer against any Interests in the Debtors or the Properties of any kind or nature whatsoever, attaching to the proceeds of the Sale.

12. **Reasonably Equivalent Value.** The consideration provided by the Buyer for the Properties under the Purchase Agreement shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.


13. **No Avoidance.** The consideration provided by the Buyer for the Properties under the Purchase Agreement is fair and reasonable and may not be avoided under section 363(n) of the Bankruptcy Code.

14. Government Action. Each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreements.

Dated: Wilmington, Delaware
April _____, 2012

HONORABLE PETER J. WALSH

This is **Exhibit "B"** referred to in the Affidavit #3 of Robert Lindstrom made before me at Vancouver, British Columbia this 28th day of March 2012.



A Commissioner for the taking Affidavits for
British Columbia

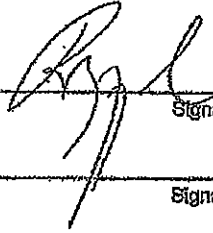
AGENCY DISCLOSURE

Washington State law requires real estate brokers to disclose to all parties to whom the broker renders real estate brokerage services whether the broker represents the seller (or lessor), the buyer (or lessee), both the seller/lessor and buyer/lessee, or neither. 1
2
3

This form is for use when the transaction forms do not otherwise contain an agency disclosure provision. 4

THE UNDERSIGNED BROKER REPRESENTS: Seller 5

THE UNDERSIGNED BUYER / LESSEE OR SELLER / LESSOR ACKNOWLEDGES RECEIPT OF A COPY OF THE PAMPHLET ENTITLED "THE LAW OF REAL ESTATE AGENCY" 6
7


Select 1  DATE 03/09/2012 8
Signature

Select 1 _____ DATE _____ 9
Signature

Select 1 _____ DATE _____ 10
Signature

Select 1 _____ DATE _____ 11
Signature

BROKER Arnold Hansen 12
Print/Type

BROKER'S SIGNATURE  13

FIRM NAME AS LICENSED Snohomish Properties 14
Print/Type

FIRM'S ASSUMED NAME (if applicable) _____ 15
Print/Type

Form 91
Earnest Money Promissory Note
Rev. 7/10
Pages 1 of 1

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Northwest Multiple Listing Service
ALL RIGHTS RESERVED

EARNEST MONEY PROMISSORY NOTE

\$ 50,000.00 Snohomish, Washington 1

FOR VALUE RECEIVED, US Golden Eagle Farms LP (A WA Lim. Partnership) ("Buyer") 2
agree(s) to pay to the order of Snohomish Properties (Selling Firm or Closing Agent) 3
the sum of Fifty Thousand and 00/100 Dollars Dollars 4
(\$ 50,000.00), as follows: 5
 within 3 days following mutual acceptance of the Purchase and Sale Agreement. 6
 *April 15, 2012 7

This Note is evidence of the obligation to pay Earnest Money under a real estate Purchase and 8
Sale Agreement between the Buyer and Pacific Poplars Inc. (A Delaware Corp.) ("Seller") 9
dated March 09, 2012. Buyer's failure to pay the Earnest Money 10
strictly as above shall constitute default on said Purchase and Sale Agreement as well as on this Note. 11

If this Note shall be placed in the hands of an attorney for collection, or if suit shall be brought to collect 12
any of the balance due on this Note, the Buyer promises to pay reasonable attorneys' fees, and all 13
court and collection costs. 14

Date: 03/09/2012 15

BUYER  16

BUYER  17

*"On closing" or similar language is not recommended. Use a definite date. 18

Form 25
Vacant Land Purchase & Sale
Rev. 8/11
Page 1 of 5

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VACANT LAND PURCHASE AND SALE AGREEMENT
SPECIFIC TERMS

1. Date: March 09, 2012 MLS No.: #28150076 & 28196923

2. Buyer: U.S. Golden Eagle Farms LP. (A Washington Limited Partnership) and/or Assigns

3. Seller: Pacifica Poplars Inc. (A Delaware Corporation)

4. Property: Tax Parcel No(s): See Addendum Page #8 Item #5. (Snohomish County)
Street Address: See Page #8 Item #6. Washington
Legal Description: Attached as Exhibit A.

5. Purchase Price: \$ 3,600,000.00 Three Million Six Hundred Thousand and 00/100 Dollars

6. Earnest Money: (To be held by Selling Firm; Closing Agent)
Personal Check: \$ _____; Note: \$ 50,000.00; Other (_____): \$ _____

7. Default: (check only one) Forfeiture of Earnest Money; Seller's Election of Remedies

8. Title Insurance Company: Chicago Title Insurance Co. Order #5304440 & 5304351

9. Closing Agent: a qualified closing agent of Buyer's choice; Chicago Title Insurance (Byret)

10. Closing Date: 04/15/12 April 15, 2012

11. Possession Date: on Closing; Other _____

12. Offer Expiration Date: 03/12/12

13. Services of Closing Agent for Payment of Utilities: Requested (attach NWMLS Form 22K); Waived

14. Charges and Assessments Due After Closing: assumed by Buyer; prepaid in full by Seller at Closing

15. Subdivision: The Property: must be subdivided before _____; is not required to be subdivided.

16. Feasibility Contingency Expiration Date: 20 days after mutual acceptance; Other _____

17. Agency Disclosure: Selling Broker represents: Buyer; Seller; both parties; neither party
Listing Broker represents: Seller; both parties

18. Addenda: Agency Form #42 227 (Title Cont.) 320 (Cont. Clauses) 225 (Sno Poplar Deal)
#1 (Earnest Money) 330 (Residential) Form #24 Phase 26, 7, & 8. Addendum A
Pacifica Poplars Inc.

Buyer's Signature: <u>[Signature]</u>	Date: <u>03/09/2012</u>	Seller's Signature: <u>[Signature]</u>	Date: <u>03/12/2012</u>
Buyer's Address: <u>Standard Bldg., Suite #200, 510 W. Hastings</u>		Seller's Address: <u>2nd Floor, 3600 Lysander Lane</u>	
City, State, Zip: <u>Vancouver B.C. V6B1L8</u>		City, State, Zip: <u>Richmond, B.C. V7B1C3</u>	
Phone No.: <u>604-687-8813 #117 or #0</u>	Fax No.: <u>604-682-6183</u>	Phone No.: <u>604-247-4017</u>	Fax No.: <u>250-724-2537</u>
Buyer's E-mail Address: <u>huig@aquifint.com</u>		Seller's E-mail Address: <u>don@underley@catalystpaper.com</u>	
Selling Firm: <u>Snohomish Properties</u>	MLS Office No.: <u>7570</u>	Selling Firm: <u>Snohomish Properties</u>	MLS Office No.: <u>7570</u>
Selling Firm's Assumed Name (if applicable): <u>Arnold Hansen</u>	MLS LAG No.: <u>5077</u>	Selling Firm's Assumed Name (if applicable): <u>Arnold Hansen</u>	MLS LAG No.: <u>5077</u>
Phone No.: <u>360-568-0808</u>	Firm Fax No.: <u>360-568-2866</u>	Phone No.: <u>360-568-0808</u>	Firm Fax No.: <u>360-568-2866</u>
Selling Broker's E-mail Address: <u>snohomishproperties@frontier.com</u>		Selling Broker's E-mail Address: <u>snohomishproperties@frontier.com</u>	

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

a. Purchase Price. Buyer shall pay to Seller the Purchase Price, including the Earnest Money, in cash at Closing, unless otherwise specified in this Agreement. Buyer represents that Buyer has sufficient funds to close this sale in accordance with this Agreement and is not relying on any contingent source of funds, including funds from loans, the sale of other property, gifts, retirement, or future earnings, except to the extent otherwise specified in this Agreement.

b. Earnest Money. Buyer shall deliver the Earnest Money within 2 days after mutual acceptance of this Agreement to Selling Broker who will deposit any checks to be held by Selling Firm, or deliver any Earnest Money to be held by Closing Agent, within 3 days of receipt of mutual acceptance, whichever occurs later. If the Earnest Money is held by Selling Firm and is over \$10,000.00 it shall be deposited into an interest-bearing trust account in Selling Firm's name provided that Buyer completes an IRS Form 754 Interest, if any, after deduction of bank charges and fees, will be paid to Buyer. Buyer shall reimburse Selling Firm for bank charges and fees in excess of the interest earned, if any. If the Earnest Money held by Selling Firm is over \$10,000.00 Buyer has the option to require Selling Firm to deposit the Earnest Money into the Housing Trust Fund Account with the interest paid to the State Treasurer, if both Seller and Buyer so agree in writing. If the Buyer does not complete an IRS Form 754 before Selling Firm must deposit the Earnest Money or the Earnest Money is \$10,000.00 or less, the Earnest Money shall be deposited into this Housing Trust Fund Account. Selling Firm may transfer the Earnest Money to Closing Agent at Closing. If all or part of the Earnest Money is to be returned to Buyer and any such costs remain unpaid, the Selling Firm or Closing Agent may deduct and pay them therefrom. The parties instruct Closing Agent to provide written verification of receipt of the Earnest Money and notice of dishonor of any check to the parties and Brokers at the addresses and/or fax numbers provided herein.

Upon termination of this Agreement, a party or the Closing Agent may deliver a form authorizing the release of Earnest Money to the other party or the parties. The party (s) shall execute such form and deliver the same to the Closing Agent. If either party fails to execute the release form, the other party may make a written demand to the Closing Agent for the Earnest Money. If only one party makes such a demand, Closing Agent shall promptly deliver notice of the demand to the other party. If the other party does not object to the demand within 10 days of Closing Agent's notice, Closing Agent shall disburse the Earnest Money to the party making the demand. If Closing Agent complies with the preceding process, each party shall be deemed to have released Closing Agent from any and all claims or liability related to the disbursement of the Earnest Money. The parties are advised that, notwithstanding the foregoing, Closing Agent may require the parties to execute a separate agreement before disbursing the Earnest Money. If either party fails to authorize the release of the Earnest Money to the other party when required to do so under this Agreement, that party shall be in breach of this Agreement. Upon either party's request, the party holding the Earnest Money shall commence an Interpleader action in the county in which the Property is located. For the purposes of this paragraph, the term Closing Agent includes a Selling Firm holding the Earnest Money. The parties authorize the party commanding an Interpleader action to deduct up to \$500.00 for its costs thereof.

c. Condition of Title. Unless otherwise specified in this Agreement, title to the Property shall be marketable at Closing. The following shall not cause the title to be unmarketable: rights, reservations, covenants, conditions and restrictions, presently of record and general to the area; easements and encroachments, not materially affecting the value of or unduly interfering with Buyer's reasonable use of the Property; and reserved oil, gas, or mining rights. Monetary encumbrances or liens not assumed by Buyer shall be paid or discharged by Seller on or before Closing. Title shall be conveyed by a Statutory Warranty Deed. If this Agreement is for conveyance of a buyer's interest in a Real Estate Contract, the Statutory Warranty Deed shall include a buyer's acknowledgment of the contract sufficient to convey after acquired title, if the Property has been short-platted, the Short Plat number is in the legal description.

d. Title Insurance. Seller authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of standard form owner's policy of title insurance from the title insurance company. If Seller previously received a preliminary commitment from a title insurance company that Buyer declines to use, Buyer shall pay any cancellation fees owing to the original title insurance company. Otherwise, the party applying for title insurance shall pay any title insurance fees, in the event such fees are assessed. The title insurance company shall send a copy of the preliminary commitment to Seller, Listing Broker, Buyer and Selling Broker. The preliminary commitment, and the title policy to be issued, shall contain no exceptions other than the General Exclusions and Exceptions in said standard form, and Special Exceptions consistent with the condition of title hereinafter provided. If title cannot be made so insurable prior to the Closing Date, then as Buyer's sole and exclusive remedy, the Earnest Money shall, unless Buyer elects to waive such defect or encumbrances, be returned to the Buyer, less any unpaid costs assessed in this Agreement, and this Agreement shall thereupon be terminated. Buyer shall have no right to specific performance or damages as a consequence of Seller's inability to provide insurable title.

e. Closing and Possession. This sale shall be closed by the Closing Agent on the Closing Date. "Closing" means the date on which all documents are recorded and the sale proceeds are available to Seller. If the Closing Date falls on a Saturday, Sunday, legal holiday or deemed a legal holiday, or day when the county recording office is closed, the Closing Agent shall close the transaction on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. Buyer shall be entitled to possession at 9:00 p.m. on the Possession Date. Seller shall maintain the Property in its present condition, normal wear and tear excepted, until the Buyer is entitled to possession.

Initials: BUYER: BS Date: 03/09/2012 SELLER: DR Date: 03/12/2012
BUYER: _____ Date: _____ SELLER: _____ Date: _____

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

Continued

- f. Section 1031 Like-Kind Exchange. If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party shall cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys' fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to Closing. Notwithstanding the Assignment paragraph of this Agreement, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange. 59-65
- g. Closing Costs and Prorations and Charges and Assessments. Seller and Buyer shall each pay one-half of the escrow fee unless otherwise required by applicable FHA or VA regulations. Taxes for the current year, rent, interest, and lienable homeowner's association dues shall be prorated as of Closing. Buyer shall pay Buyer's loan costs, including credit report, appraisal charge and lender's title insurance, unless provided otherwise in this Agreement. If any payments are delinquent on encumbrances which will remain after Closing, Closing Agent is instructed to pay such delinquencies at Closing from money due, or to be paid by, Seller; Buyer shall pay for remaining fuel in the fuel tank if, prior to Closing, Seller obtains a written statement as to the quantity and current price from the supplier. Seller shall pay all utility charges, including unbilled charges, unless waived in Specific Term No. 13. Seller and Buyer request the services of Closing Agent in disbursing funds necessary to satisfy unpaid utility charges in accordance with RCW 68.80 and Seller shall provide the names and addresses of all utilities providing service to the Property and having lien rights (attach NWMLS Form 22K Identification of Utilities or equivalent). 66-76
Buyer is advised to verify the existence and amount of any local improvement district, capacity or impact charges or other assessments that may be charged against the Property before or after Closing. Seller will pay such charges that are encumbrances at the time of Closing, or that are or become due on or before Closing. Charges levied before Closing, but becoming due after Closing shall be paid as agreed in Specific Term No. 14. 77-80
- h. Sale Information. Listing Broker and Selling Broker are authorized to report this Agreement (including price and all terms) to the Multiple Listing Service that published it and to its members, financing institutions, appraisers, and anyone else related to this sale. Buyer and Seller expressly authorize all Closing Agents, appraisers, title insurance companies, and others related to this Sale, to furnish the Listing Broker and/or Selling Broker, on request, any and all information and copies of documents concerning this sale. 81-86
- i. FIRPTA - Tax Withholding at Closing. The Closing Agent is instructed to prepare a certification (NWMLS Form 22E or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign Investment in Real Property Tax Act. Seller shall sign this certification. If Seller is a foreign person, and this transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required amount to the Internal Revenue Service. 87-89
- j. Notices. In consideration of the license to use this and NWMLS's companion forms and for the benefit of the Listing Broker and the Selling Broker as well as the orderly administration of the offer, counteroffer or this agreement, the parties irrevocably agree that unless otherwise specified in this Agreement, any notice required or permitted in, or related to, this Agreement (including revocations of offers or counteroffers) must be in writing. Notices to Seller must be signed by at least one Buyer and shall be deemed given only when the notice is received by Seller, by Listing Broker or at the licensed office of Listing Broker. Notices to Buyer must be signed by at least one Seller and shall be deemed given only when the notice is received by Buyer, by Selling Broker or at the licensed office of Selling Broker. Receipt by Selling Broker of a Form 17 or 17C (whichever is applicable), Public Offering Statement or Resale Certificate, homeowners' association documents provided pursuant to NWMLS Form 22B, or a preliminary commitment for title insurance provided pursuant to NWMLS Form 22T shall be deemed receipt by Buyer. Selling Broker and Listing Broker have no responsibility to advise of receipt of a notice beyond either phoning the party or causing a copy of the notice to be delivered to the party's address shown on this Agreement. Buyer and Seller must keep Selling Broker and Listing Broker advised of their whereabouts in order to receive prompt notification of receipt of a notice. 90-102
- k. Computation of Time. Unless otherwise specified in this Agreement, any period of time measured in days and stated in this Agreement shall start on the day following the event commencing the period and shall expire at 9:00 p.m. of the last calendar day of the specified period of time. Except for the Possession Date, if the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of 6 days or less shall not include Saturdays, Sundays or legal holidays. If the parties agree that an event will occur on a specific calendar date, the event shall occur on that date, except for the Closing Date, which, if it falls on a Saturday, Sunday, legal holiday as defined in RCW 1.16.050, or day when the county recording office is closed, shall occur on the next day that is not a Saturday, Sunday, legal holiday, or day when the county recording office is closed. If the parties agree upon and attach a legal description after this Agreement is signed by the offeree and delivered to the offeror, then for the purposes of computing time, mutual acceptance shall be deemed to be on the date of delivery of an accepted offer or counteroffer to the offeror, rather than on the date the legal description is attached. Time is of the essence of this Agreement. 103-114

Initials: BUYER: Date: 03/09/2012 SELLER: Date: 03/12/2012
 BUYER: Date: SELLER: Date:

Form 26
Vacant Land Purchase & Sale
Rev. 8/11
Page 4 of 5

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

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Continued

- i. **Facsimile or E-mail Transmission.** Facsimile transmission of any signed original document, and retransmission of any signed facsimile transmission, shall be the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will confirm facsimile transmitted signatures by signing an original document. E-mail transmission of any document or notice shall not be effective unless the parties to this Agreement otherwise agree in writing. 115-118
- m. **Integration and Electronic Signatures.** This Agreement constitutes the entire understanding between the parties and supersedes all prior or contemporaneous understandings and representations. No modification of this Agreement shall be effective unless agreed in writing and signed by Buyer and Seller. The parties acknowledge that a signature in electronic form has the same legal effect and validity as a handwritten signature. 119-122
- n. **Assignment.** Buyer may not assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless the parties indicate that assignment is permitted by the addition of "and/or assigns" on the line identifying the Buyer on the first page of this Agreement. 123-126
- o. **Default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then the following provision, as identified in Specific Term No. 7, shall apply: 128
 - i. **Forfeiture of Earnest Money.** That portion of the Earnest Money that does not exceed five percent (5%) of the Purchase Price shall be forfeited to the Seller as the sole and exclusive remedy available to Seller for such failure. 128-129
 - ii. **Seller's Election of Remedies.** Seller may, at Seller's option, (a) keep the Earnest Money as liquidated damages as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity. 130-133
- p. **Professional Advice and Attorneys' Fees.** Buyer and Seller are advised to seek the counsel of an attorney and a certified public accountant to review the terms of this Agreement. Buyer and Seller agree to pay their own fees incurred for such review. However, if Buyer or Seller institutes suit against the other concerning this Agreement the prevailing party is entitled to reasonable attorneys' fees and expenses. 134-137
- q. **Offer.** Buyer shall purchase the Property under the terms and conditions of this Agreement. Seller shall have until 9:00 p.m. on the Offer Expiration Date to accept this offer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by Buyer, by Selling Broker or at the licensed office of Selling Broker. If this offer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 138-141
- r. **Counteroffer.** Any change in the terms presented in an offer or counteroffer, other than the insertion of the Seller's name, shall be considered a counteroffer. If a party makes a counteroffer, then the other party shall have until 9:00 p.m. on the counteroffer expiration date to accept that counteroffer, unless sooner withdrawn. Acceptance shall not be effective until a signed copy is received by Seller, by Listing Broker or at the licensed office of Listing Broker. If the counteroffer is not so accepted, it shall lapse and any Earnest Money shall be refunded to Buyer. 142-146
- s. **Offer and Counteroffer Expiration Date.** If no expiration date is specified for a offer/counteroffer, the offer/counteroffer shall expire 2 days after the offer/counteroffer is delivered by the party making the offer/counteroffer, unless sooner withdrawn. 147-149
- t. **Agency Disclosure.** Selling Firm, Selling Firm's Designated Broker, Selling Broker's Branch Manager (if any) and Selling Broker's Managing Broker (if any) representing same party that Selling Broker represents, Listing Firm, Listing Firm's Designated Broker, Listing Broker's Branch Manager (if any), and Listing Broker's Managing Broker (if any) represent the same party that the Listing Broker represents. If Selling Broker and Listing Broker are different persons affiliated with the same firm, then both Buyer and Seller confirm their consent to Designated Broker, Branch Manager (if any) and Managing Broker (if any) representing both parties as dual agents. If Selling Broker and Listing Broker are the same person, then both Buyer and Seller confirm their consent to that person and his/her Designated Broker, Branch Manager (if any) and Managing Broker (if any) representing both parties as dual agents. All parties acknowledge receipt of the pamphlet entitled "The Law of Real Estate Agency." 150-158
- u. **Commission.** Seller and Buyer agree to pay a commission in accordance with any listing or commission agreement to which they are a party. The Listing Firm's commission shall be apportioned between Listing Firm and Selling Firm as specified in the listing. Seller and Buyer hereby consent to Listing Firm or Selling Firm receiving compensation from more than one party. Seller and Buyer hereby consent to Listing Firm and Selling Firm, as applicable, a portion of their funds in escrow equal to such commission(s) and agreeably instruct the Closing Agent to disburse the commission(s) directly to the firm(s). In any action by Listing or Selling Firm to enforce this paragraph, the prevailing party is entitled to court costs and reasonable attorneys' fees. Seller and Buyer agree that the Firms are intended third party beneficiaries under this Agreement. 160-166
- v. **Feasibility Contingency.** It is the Buyer's responsibility to verify before the Feasibility Contingency Expiration Date identified in Specific Term No. 16 whether or not the Property can be blatted, developed and/or built on (now or in the future) and what it will cost to do this. BUYER SHOULD NOT RELY ON ANY ORAL STATEMENTS concerning this made by the Seller, Listing Broker or Selling Broker. Buyer should inquire at the city or county, and water, sewer or other special districts in which the Property is 167-170

Initials: BUYER: Date: 03/09/2012 SELLER: Date: 03/12/2012
 BUYER: Date: SELLER: Date:

Form 25
Vacant Land Purchase & Sale
Rev. 8/11
Page 5 of 5

VACANT LAND PURCHASE AND SALE AGREEMENT
GENERAL TERMS

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Continued

- located. Buyer's inquiry should include, but not be limited to: building or development moratoriums applicable to or being 171
 considered for the Property; any special building requirements, including setbacks, height limits or restrictions on where buildings 172
 may be constructed on the Property; whether the Property is affected by a flood zone, wetlands, shorelands or other 173
 environmentally sensitive area; road, school, fire and any other growth mitigation or impact fees that must be paid; the procedure 174
 and length of time necessary to obtain plat approval and/or a building permit; sufficient water, sewer and utility and any service 175
 connection charges; and all other charges that must be paid. Buyer and Buyer's agents, representatives, consultants, 176
 architects and engineers shall have the right, from time to time during the feasibility contingency, to enter onto the 177
 Property and to conduct any tests or studies that Buyer may need to ascertain the condition and suitability of the 178
 Property for Buyer's intended purpose. Buyer shall restore the Property and all improvements on the Property to the 179
 same condition they were in prior to the inspection. Buyer shall be responsible for all damages resulting from any 180
 inspection of the Property performed on Buyer's behalf. If the Buyer does not give notice to the contrary on or before the 181
 Feasibility Contingency Expiration Date as defined in Specific Term No. 16, it shall be conclusively deemed that Buyer is 182
 satisfied as to development and/or construction feasibility and cost. If Buyer gives notice this Agreement shall terminate 183
 and the Earnest Money shall be returned to Buyer, less any unpaid costs. 184
- w. **Subdivision.** If the Property must be subdivided, Seller represents that there has been preliminary plat approval for the 185
 Property and this Agreement is conditioned on the recording of the final plat containing the Property on or before the 186
 date specified in Specific Term 16. If the final plat is not recorded by such date, this Agreement shall terminate and the 187
 Earnest Money shall be refunded to Buyer. 188
- x. **Information Verification Period and Property Condition Disclaimer.** Buyer shall have 10 days after mutual 189
 acceptance to verify all information provided from Seller or Listing Firm related to the Property. This contingency shall 190
 be deemed satisfied unless Buyer gives notice identifying the materially inaccurate information within 10 days of mutual 191
 acceptance. If Buyer gives timely notice under this section, then this Agreement shall terminate and the Earnest Money 192
 shall be refunded to Buyer. Buyer and Seller agree that except as provided in this Agreement, all representations and 193
 information regarding the Property and the transaction are solely from the Seller or Buyer, and not from any Broker. The 194
 parties acknowledge that the Brokers are not responsible for assuring that the parties perform their obligations under 195
 this Agreement and that none of the Brokers has agreed to independently investigate or confirm any matter related to 196
 this transaction except as stated in this Agreement, or in a separate writing signed by such Broker. In addition, Brokers 197
 do not guarantee the value, quality or condition of the Property and some properties may contain building materials, 198
 including siding, roofing, ceiling, insulation, electrical, and plumbing, that have been the subject of lawsuits and/or 199
 governmental inquiry because of possible defects or health hazards. Some properties may have other defects arising 200
 after construction, such as drainage, leakage, pest, rot and mold problems. Brokers do not have the expertise to identify 201
 or assess defective products, materials, or conditions. Buyer is urged to use due diligence to inspect the Property to 202
 Buyer's satisfaction and to retain inspectors qualified to identify the presence of defective materials and evaluate the 203
 condition of the Property as there may be defects that may only be revealed by careful inspection. Brokers may assist 204
 the parties with locating and selecting third party service providers, such as inspectors or contractors, but Brokers 205
 cannot guarantee or be responsible for the services provided by those third parties. The parties agree to exercise their 206
 own judgment and due diligence regarding third-party service providers. 207

Initials: BUYER:

Date: 03/09/2012

SELLER:

Date:

BUYER:

Date:

SELLER:

Date:

Form 22T
Title Contingency Addendum
Rev. 8/08
Page 1 of 1

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**TITLE CONTINGENCY ADDENDUM TO
PURCHASE & SALE AGREEMENT**

The following is part of the Purchase and Sale Agreement dated March 09, 2012 1
between US Golden Eagle Farms LP (A Washington Limited Partnership) and/or Assigns ("Buyer") 2
and Pacifica Poplars Inc. (A Delaware Corporation) ("Seller") 3
concerning Northwest Multiple Listings #28158076 & #28196923 (the "Property"). 4

1. **Title Contingency.** This Agreement is subject to Buyer's review of a preliminary commitment for title insurance, 5
together with easements, covenants, conditions and restrictions of record, which are to be obtained by Buyer, to 6
determine that they are consistent with Buyer's intended use of the Property. Buyer shall have 10 days 7
(5 days if not filled in) from the date of receipt of this Agreement or 10 from the date of Buyer's receipt of the 8
preliminary commitment for title insurance (whichever is later) to give written 9
notice of Buyer's disapproval and the reasons therefor. Buyer may only disapprove exceptions that are 10
contained in the preliminary commitment and may not object to matters not contained therein. 11
Seller shall have _____ days (5 days if not filled in) after receipt of Buyer's notice of disapproval to give 12
Buyer written notice that Seller will clear all disapproved exceptions. Seller shall have until the Closing Date to 13
cure all disapproved exceptions. If Seller does not give timely notice that Seller will clear all disapproved 14
exceptions, Buyer may terminate this Agreement within 3 days after the deadline for Seller's notice. In the event 15
Buyer elects to terminate the Agreement, the earnest money shall be returned to Buyer, less any unpaid costs 16
described in the Agreement. Buyer shall have no right to specific performance or damages as a consequence of 17
Seller's inability to provide insurable title. If Buyer does not terminate the Agreement, Buyer shall be deemed to 18
have waived all objections to title, which Seller did not agree to clear. 19
2. **Supplemental Title Reports.** If Buyer receives supplemental title reports that disclose new exception(s) to the 20
title commitment, then the time periods and procedures for notice, correction, and termination above shall apply 21
to the date of Buyer's receipt of the supplemental title report. 22
3. **Marketable Title.** This Addendum does not relieve Seller of the obligation to provide marketable title at closing 23
as provided in the Agreement. 24

Initials: BUYER: AB Date: 03/09/2012 SELLER: [Signature] Date: 03/12/2012
 BUYER: _____ Date: _____ SELLER: _____ Date: _____

Form 22D
Optional Clauses Addendum
Rev. 7/10
Page 1 of 2

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OPTIONAL CLAUSES ADDENDUM TO
PURCHASE & SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated March 09, 2012 1
between US Golden Eagle Farms LP (A Washington Limited Partnership) and/or Assigns ("Buyer") 2
and Pacific Ponders Inc. (A Delaware Corporation) ("Seller") 3
concerning Northwest Multiple Listing #5304151 & #28196923 (the "Property"). 4

CHECK IF INCLUDED: 5

1. **Square Footage/Lot Size/Encroachments.** The Listing Broker and Selling Broker make no representations 6
concerning: (a) the lot size or the accuracy of any information provided by the Seller; (b) the square footage of 7
any improvements on the Property; (c) whether there are any encroachments (fences, rockeries, buildings) on 8
the Property, or by the Property on adjacent properties. Buyer is advised to verify lot size, square footage and 9
encroachments to Buyer's own satisfaction within the inspection contingency period. 10
2. **Standard Form Owner's Policy of Title Insurance.** Notwithstanding the "Title Insurance" clause in the 11
Agreement that provides for the then-current ALTA form of Homeowner's Policy of Title Insurance, Seller 12
authorizes Buyer's lender or Closing Agent, at Seller's expense, to apply for the then-current ALTA form of 13
Owner's Policy of Title Insurance, together with homeowner's additional protection and inflation protection 14
endorsements if available at no additional cost, from the Title Insurance Company rather than the 15
Homeowner's Policy of Title Insurance. 16
3. **Extended Coverage Title Insurance.** Notwithstanding the "Title Insurance" clause in this Agreement that 17
provides for the then-current ALTA form of Homeowner's Policy of Title Insurance, Buyer's lender or Closing 18
Agent is directed to apply for an ALTA or comparable extended coverage policy of title insurance, rather than 19
the policy provided for in the purchase and sale agreement. Buyer shall pay the increased costs associated 20
with the extended coverage policy including excess premium over that charged for the policy provided for in 21
the purchase and sale agreement and the cost of any survey required by the title insurer. 22
4. **Property And Grounds Maintained.** Until possession is transferred to Buyer, Seller agrees to maintain the 23
Property in the same condition as when initially viewed by Buyer. The term "Property" includes the building(s); 24
grounds; plumbing, heat, electrical and other systems; and all Included Items. Should an appliance or system 25
become inoperative or malfunction prior to transfer of possession, Seller agrees to either repair, or replace the 26
same with an appliance or system of at least equal quality. Buyer reserves the right to reinspect the Property 27
within 5 days prior to transfer of possession to verify the foregoing. Buyer and Seller understand and agree 28
that the Listing Broker and Selling Broker shall not, under any circumstances, be liable for the foregoing or 29
Seller's breach of this clause. 30
5. **Items Left by Seller.** Any personal property, fixtures or other items remaining on the Property when 31
possession is transferred to Buyer shall thereafter become the property of the Buyer, and may be retained or 32
disposed of as Buyer determines. However, Seller agrees to clean the interiors of any structures and remove 33
all trash, debris and rubbish on the Property prior to Buyer taking possession. 34
6. **Utilities.** To the best of Seller's knowledge, Seller represents that the Property is connected to a: 35
 - public water main; public sewer main; septic tank; well (specify type) _____; 36
 - irrigation water (specify provider) _____; natural gas; telephone; 37
 - cable; electricity; other _____ 38

Initials: BUYER: hs Date: 03/09/2012 SELLER: 03/14/2012 Date: [Signature]
BUYER: _____ Date: _____ SELLER: _____ Date: _____

OPTIONAL CLAUSES ADDENDUM TO
PURCHASE & SALE AGREEMENT
Continued

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7. **Insulation - New Construction.** If this is new construction, Federal Trade Commission Regulations require the following to be filled in. If insulation has not yet been selected, FTC regulations require Seller to furnish Buyer the information below in writing as soon as available:
- WALL INSULATION: TYPE: _____ THICKNESS: _____ R-VALUE: _____ 41
 CEILING INSULATION: TYPE: _____ THICKNESS: _____ R-VALUE: _____ 42
 OTHER INSULATION DATA: _____ 43
 _____ 44
8. **Leased Property.** Buyer hereby acknowledges that Seller leases the following items of personal property, possession of which shall pass to Buyer on Closing:
- propane tank; security system; satellite dish; other _____ 45
 _____ 46
 Buyer shall assume the lease for the items selected, perform all of the obligations of the lease, and hold Seller harmless from and against any further obligation, liability, or claim arising from the lease. 48
 _____ 49
9. **Homeowners' Association Review Period.** If the Property is subject to a homeowners' association or any other association, then Seller shall provide Buyer a copy of the following documents (if available from the Association) within _____ days (10 days if not filled in) of mutual acceptance:
1. Association rules and regulations, including, but not limited to architectural guidelines; 52
 2. Association meeting minutes from the prior two (2) years; 53
 3. Association Board of Directors meeting minutes from the prior six (6) months; and 54
 4. Association financial statements from the prior two (2) years. 55
- If Buyer, in Buyer's sole discretion, does not give notice of disapproval within _____ days (5 days if not filled in) of receipt of the above documents or the date that the above documents are due, then this homeowners' association review period shall conclusively be deemed satisfied (waived). If Buyer gives timely notice of disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. 57
 _____ 58
 _____ 59
 _____ 60
10. **Excluded Item(s).** The following item(s), that would otherwise be included in the sale of the Property, is excluded from the sale ("Excluded Item(s)"). Seller shall repair any damage to the Property caused by the removal of the Excluded Item(s). Excluded Item(s):
- _____ 61
 _____ 62
 _____ 63
 _____ 64
 _____ 65
11. **E-mail Transmission.** E-mail transmission of any signed original document, and retransmission of any signed e-mail transmission, shall be the same as delivery of an original, provided that the document is sent to both Selling Broker and Selling Firm or both Listing Broker and Listing Firm at the e-mail addresses below. At the request of either party, or the Closing Agent, the parties will confirm e-mail transmitted signatures by signing an original document.
- snohomishproperties@frontier.com _____
 Selling Broker E-mail Address snohomishproperties@frontier.com _____ 71
 Listing Broker E-mail Address
- snohomishproperties@frontier.com _____
 Selling Firm Authorized E-mail Address snohomishproperties@frontier.com _____ 72
 Listing Firm Authorized E-mail Address
12. **Other.** _____ 73
 This Purchase and Sale Agreement is subject to the Financial Monitor (PWC) and the _____ 74
 British Columbia Supreme Court approval. If the Seller is unable to obtain the above _____ 75
 stated approvals then this Purchase and Sale shall be deemed null and void and any and all _____ 76
 earnest money shall be refunded to the Purchaser. _____ 77
- Initials: BUYER: [Signature] Date: 03/09/2012 SELLER: [Signature] Date: 03/12/2012
 BUYER: _____ Date: _____ SELLER: _____ Date: _____

Initial As To Form Only
3 Pages
Initial First Page Only

Name _____
Address _____
City, State, Zip _____

Initial _____ Date _____
OB *[Signature]*

Document Title(s): SNOHOMISH COUNTY "RIGHT TO FARM" DISCLOSURE STATEMENT

Reference Number(s) of Related Documents: _____

Additional reference numbers on page _____ of document(s).

- Grantor(s): 1. _____
- (Transferor) 2. _____
- 3. _____

Additional names on page _____ of document(s)

- Grantee(s): 1. _____
- (Transferee) 2. _____
- 3. _____

Additional names on page _____ of document(s)

Legal Description (Abbreviated):

- 1. Abbreviated: _____
- _____
- _____

2. Additional legal on page _____ of document(s)

Assessor's Property Tax Parcel/Account Number: _____

[Signature] *OB*

Form 22G
Right to Farm
Rev. 06/04
Page 2 of 3

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Northwest Multiple Listing Service
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SNOWHOMISH COUNTY "RIGHT TO FARM" DISCLOSURE STATEMENT

Name of Transferor: _____ 1

Name of Transferee: _____ 2

Legal Description of Property (Attach an addendum if additional space is needed): 3

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A. INSTRUCTIONS:

1. This Disclosure Statement must be provided to the Transferee whenever there is a transfer of 9
(1) real property designated as farmland or (2) real property adjacent to or within 1300 feet of 10
designated farmland. This Disclosure Statement applies to transfers by sale, exchange, gift, 11
real estate contract, lease with option to purchase, any other option to purchase, or any other 12
means of transfer (except transfers made by testamentary provisions or the laws of descent). 13
2. The Transferor must provide the Transferee a copy of this Disclosure Statement prior to 14
closing. 15
3. The Transferor must record a copy of this Disclosure Statement, showing an 16
acknowledgment of receipt executed by the Transferee, with the Snohomish County Auditor 17
prior to closing. 18
4. Fill in the names of the Transferor (Seller) and Transferee (Buyer) prior to recording this form. 19

B. DISCLOSURE: Your real property is within, adjacent to, or within 1300 feet of designated 20
farmland; therefore, you may be subject to inconveniences or discomforts arising from agricultural 21
activities, INCLUDING BUT NOT LIMITED TO NOISE, ODORS, FUMES, DUST, SMOKE, THE 22
OPERATION OF MACHINERY OF ANY KIND (INCLUDING AIRCRAFT), THE STORAGE AND 23
DISPOSAL OF MANURE, THE APPLICATION BY SPRAYING OR OTHERWISE OF CHEMICAL 24
OR ORGANIC FERTILIZERS, SOIL AMENDMENT, HERBICIDES AND PESTICIDES, HOURS 25
OF OPERATION, AND OTHER AGRICULTURAL ACTIVITIES. Snohomish County has adopted 26
an Agricultural Lands Regulation (chapter 30.32B SCC) which may affect you and your land. You 27
may obtain a copy of chapter 30.32B from Snohomish County. 28

A provision of Chapter 30.32B SCC provides, "Agricultural activities conducted on designated 29
farmlands in compliance with acceptable agriculture practices and established prior to 30
surrounding non-agricultural activities are presumed to be reasonable and shall not be found to 31
constitute a nuisance unless the activities have a substantial adverse effect on the public health 32
and safety." 33

This disclosure applies to the real property upon any development or building permit approval; or, 34
in the case of real property transfers, the disclosure applies to the subject property as of the date 35
of the transfer. This disclosure may not be applicable thereafter if areas designated farmland are 36
changed from the farmland designation. 37

Nothing in Chapter 30.32B SCC shall affect or impair any right to sue for damages. 38

Initials: TRANSFEROR: _____ TRANSFEROR: _____ TRANSFEE: _____ TRANSFEE: _____

Form 22G
Right to Farm
Rev. 08/04
Page 3 of 3

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SNOHOMISH COUNTY "RIGHT TO FARM" DISCLOSURE STATEMENT

C. NOTE TO CLOSING AGENT: Transferee and Transferor authorize and direct Closing Agent to record this Disclosure Statement with the Snohomish County Auditor before closing. The copy to be recorded must bear (1) an acknowledgement of receipt executed by the Transferee and (2) the signature of a witness.

_____/_____
(Transferor) (Transferee)

RECEIPT, ACKNOWLEDGMENT AND WITNESS SIGNATURE

("Transferee") acknowledges receipt of this Snohomish County
Right to Farm Disclosure Statement from _____ ("Transferor").
Dated this _____ day of _____

Signature of Transferee

Print Name of Transferee

By

Its

Witnessed by: _____
Signature of Witness

Print Name of Witness

Address

Date

NOTE: The above "Witness" section must be completed for this Disclosure to be legally valid. A real estate agent or licensee who is involved in the transaction may act as a witness and is permitted to complete the above "Witness" section.

Form 35F
Feasibility Contingency Addendum
Rev. 7/10
Page 1 of 1

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FEASIBILITY CONTINGENCY ADDENDUM

The following is part of the Purchase and Sale Agreement dated 03/09/2012 1
between U.S. Golden Eagle Farms LP. (A Washington Limited Partnership) and/or Assigns ("Buyer") 2
and Pacific Poplars Inc. (A Delaware Corporation) ("Seller") 3
concerning Northwest Multiple Listing #28150076 & #28196923 (the "Property"). 4

Feasibility Contingency. Buyer shall verify within 20 days (10 days if not filled in) after mutual acceptance 5
(the "Feasibility Contingency Expiration Date") the suitability of the Property for Buyer's intended purpose including, 6
but not limited to, whether the Property can be platted, developed and/or built on (now or in the future) and what it will 7
cost to do this. This Feasibility Contingency SHALL CONCLUSIVELY BE DEEMED WAIVED unless Buyer gives 8
notice of disapproval on or before the Feasibility Contingency Expiration Date. If Buyer gives a timely notice of 9
disapproval, then this Agreement shall terminate and the Earnest Money shall be refunded to Buyer. Buyer should not 10
rely on any oral statements concerning feasibility made by the Seller, Listing Broker or Selling Broker. Buyer should 11
inquire at the city or county, and water, sewer or other special districts in which the Property is located. Buyer's inquiry 12
shall include, but not be limited to: building or development moratoria applicable to or being considered for the 13
Property; any special building requirements, including setbacks, height limits or restrictions on where buildings may be 14
constructed on the Property; whether the Property is affected by a flood zone, wetlands, shorelands or other 15
environmentally sensitive area; road, school, fire and any other growth mitigation or impact fees that must be paid; the 16
procedure and length of time necessary to obtain plat approval and/or a building permit; sufficient water, sewer and 17
utility and any services connection charges; and all other charges that must be paid. 18

Buyer and Buyer's agents, representatives, consultants, architects and engineers shall have the right, from time to 19
time during the feasibility contingency, to enter onto the Property and to conduct any tests or studies that Buyer may 20
need to ascertain the condition and suitability of the Property for Buyer's intended purpose. Buyer shall restore the 21
Property and all improvements on the Property to the same condition they were in prior to the inspection. Buyer shall 22
be responsible for all damages resulting from any inspection of the Property performed on Buyer's behalf. 23

AGREEMENT TERMINATED IF NOTICE OF SATISFACTION NOT TIMELY PROVIDED. If checked, this 24
Agreement shall terminate and Buyer shall receive a refund of the Earnest Money unless Buyer gives notice to Seller 25
on or before the Feasibility Contingency Expiration Date that the Property is suitable for Buyer's intended purpose. 26

Initials: BUYER: LB Date: 03/09/2012 SELLER: [Signature] Date: 03/14/2012
BUYER: _____ Date: _____ SELLER: _____ Date: _____

Page 6

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated March 09, 2012 1
between US Golden Eagle Farms LP (A Washington Limited Partnership) ("Buyer") 2
and Pacifica Poplars Inc. (A Delaware Corporation) ("Seller") 3
concerning Northwest Multiple Listing #28150076 & #28196923 (the "Property"). 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS: 5

1. The Seller hereby discloses and the Purchaser hereby acknowledges that the subject properties 6
are classified as "Commercial Agricultural Open Space" for real estate tax purposes and are 7
subject to the provisions of R.C.W. 84.34 which requires the continuation of the restricted use in 8
order to continue the present assessment rate. A change in the use can cause an increased 9
assessment rate for present and past years. A notice of intent is required to be filed by the 10
Purchaser with each county assessor of the respective county that each property is located. The 11
Purchaser shall be responsible for investigating the "Commercial Agricultural Open Space 12
Classification" and for all past taxes, all penalties, and all interest associated with the removal of 13
the subject property from the "Commercial Agricultural Open Space Classification" if the 14
Purchaser elects removal. The Purchaser hereby agrees to sign a "Continuance Application" for 15
the "Commercial Agricultural Open Space Classification" with the Snohomish County Assessor 16
within 10 days of agreement. 17
2. The Seller hereby discloses and the Purchaser hereby acknowledges that the subject property 18
lies within the Agricultural Zones of Snohomish County. All of the property is also located in the 19
Fema "100 year flood plain" and the Fema "Density Fringe Flood Plain Designation". These 20
designations have unique use requirements and the Purchaser is hereby advised to investigate these 21
unique use requirements with Snohomish County and all other pertinent governmental agencies. 22
Furthermore all of the subject properties are subject to complete inundation during flood events. 23
The Purchaser hereby acknowledges these facts. The Purchaser is hereby advised to investigate the 24
severity, scope, and frequency of flooding on each property that is the subject of this Purchase and 25
Sale with any and all governmental agencies. The Purchaser should only rely upon their own 26
investigations. 27

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged. 31

AGENT (COMPANY) Snohomish Properties 32

BY: Arnold E. Johnson 33

Initials: BUYER: BJ Date: 03/09/2012 SELLER: [Signature] Date: 03/12/2012
 BUYER: _____ Date: _____ SELLER: _____ Date: _____

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated March 09, 2012
between U.S. Golden Eagle Farms LP. (A Washington Limited Partnership) and/or Assigns ("Buyer")
and Pacifica Poplars Inc. (A Delaware Corporation) ("Seller")
concerning Northwest Multiple Listing #28150076 & #28096923 (the "Property").

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

3. The Seller is selling and the Purchaser is purchasing the subject properties "as is" with no warranties as to the condition of any of the improvements located within the subject properties. Also the Seller is selling and the Purchaser is purchasing the the subject properties "as is" with regard to the existence of any wood debris, existing trees (Hybrid Poplar Trees), the condition of the soil and drainage, and any other conditions that may exist on the subject properties. During the feasibility period the Purchaser should inspect the subject property to determine whether the conditions that exist on the subject property are acceptable to the Purchaser. The Seller and Selling/Listing Agent hereby make no warranties and/or representations to the Purchaser regarding the Purchaser's intended or proposed use of the subject property or whether the Purchaser's intended or proposed use would comply with any and all governmental code requirements, use limitations, or zoning restrictions. The Purchaser should only rely upon their own investigations. The Seller and Selling/Listing Agent makes no representations to the Purchaser regarding any possible water rights that may or may not be available. The Purchaser shall make his own determinations regarding the availability of water for any of the subject properties.

4. The subject property has not been surveyed. The Seller hereby recommends to the Purchaser to obtain a certified survey at Purchaser's expense from a licensed surveyor for the subject property to determine the exact amount of property in this Purchase and Sale as well as the location of the corners and boundaries of the subject property. The Seller and the Selling/Listing Agent hereby make no representations or warranties to the Purchaser as to the exact amount of property included in this Purchase and Sale Agreement or the precise location of any corners or boundaries of the subject property.

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

AGENT (COMPANY) Spartanish Properties

BY: Arnold Abanador

Initials: BUYER: AB
BUYER: _____

Date: 03/09/2012
Date: _____

SELLER: [Signature]
SELLER: _____

Date: 03/12/2012
Date: _____

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated March 09, 2012 1
between US Golden Eagle Farms LP (A Washington Limited Partnership) and/or Assigns ("Buyer") 2
and Pacific Poplars Inc. (A Delaware Corporation) ("Seller") 3
concerning Northwest Multiple Listing #28150076 & 28196923 (the "Property"). 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

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5. The address in Northwest Multiple Listing #28150076 is 65XX Lowell River Road Snohomish Wa 98290
and the address in Northwest Multiple Listing #28196923 is 95XX Lowell-Larimer Road, Everett Wa,
98206.
6. The Snohomish County Tax Parcel Numbers for NWMLS #28150076 are as follows,
#280515-001-002-00, #280515-003-001-00, #280515-003-002-00, #280515-003-010-00, #280515-003-009-00,
and #280514-901-026-00.

The Snohomish County Tax parcel Numbers for NWMLS #28196923 are as follows,
#280516-001-001-00, #280515-003-003-00, #005854-000-005-00, #280516-002-020-00, #280515-003-005-00,
#280515-003-006-00, #280516-004-011-00, #280521-001-002-00, and #280522-002-003-00.

ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

Initials: BUYER: AB Date: 03/09/2012 SELLER: [Signature] Date: 03/12/2012
BUYER: _____ Date: _____ SELLER: _____ Date: _____

Addendum A
ADDENDUM TO
PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated March 9, 2012 between U.S. Golden Eagle Farms L.P. (A Washington Limited Partnership) ("Buyer") and Pacifica Poplars Inc. (A Delaware Corporation) ("Seller") concerning Northwest Multiple Listing Nos. 28150714 and 28196923 ("the Property")

It is agreed between the Seller and Buyer as follows:

Seller and Selling Agent make no representations or warranties regarding the boundaries, location of the property lines, the locations of the corners, or the quantity of the Property which is the subject of this purchase and sale. Seller does not warrant the accuracy of any survey map relative to the subject Property, if any.

Purchaser acknowledges that Purchaser has been advised to investigate the Property and to obtain a survey of the Property to determine the boundaries, corners, encroachment and the amount of Property.

Purchaser shall assume all risk and liability regarding the location and quantity of land, the boundaries, location of the property lines, and the locations of the corners of the property. Purchaser shall assume all risk of loss of title due to claims of adverse possession and/or prescriptive easements and/or encroachments. Purchaser accepts all risks and liability with respect to those matters, including the possibility that portions of the Property could be lost by claim of adverse possession and/or prescriptive easements and/or encroachments.

Seller's deed will not warrant against claims by adverse possession and/or prescriptive easements and/or encroachments, boundaries, location of the property lines, the locations of the corners, or the quantity of land of the Property. Seller shall convey title to Purchaser by Statutory Warranty Deed at closing, subject to the exceptions noted in paragraph 2., General Terms; standard exceptions in the title policy; special exceptions not rejected, waived and/or approved pursuant to the Title Contingency Addendum; any liens or encumbrances created by Purchaser; and subject to the following provision, which shall be included in the deed from Seller to Purchaser:

Seller's warranty under this deed expressly excludes any warranty as to location of any boundary line or ownership in the vicinity of any boundary line, claims by adverse possession and/or prescriptive easements and/or encroachments, the locations of the corners, or the quantity of land conveyed. Any warranty, express or implied, in the purchase and sale agreement concerning any boundary line is merged into this deed and does not survive the giving of this deed, which constitutes the full agreement between the parties.

The terms of this Addendum shall not merge into the deed, and shall survive the giving of the deed and closing.

In Witness Whereof Date

6/01/07



Exhibit A

Listing Number # 28196923

Page 1 of 4

CHICAGO TITLE COMPANY
A.L.T.A. COMMITMENT
SCHEDULE A
(Continued)

Order No: 5304440
Your No: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
(Paragraph 4 of Schedule A continuation)

PARCEL A:

THOSE PORTIONS OF SECTION 16, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M.,
DESCRIBED AS FOLLOWS:

THE NORTH HALF OF THE FOLLOWING DESCRIBED TRACT;

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION 16, WHICH POINT IS
4522.2 FEET SOUTH OF THE NORTHEAST CORNER OF SAID SECTION;
THENCE SOUTH 89°4'49" WEST TO A POINT ON THE LINE RUNNING NORTH AND SOUTH
THROUGH THE CENTER OF SAID SECTION;
THENCE SOUTHERLY ALONG THE CENTERLINE OF SAID SECTION TO THE QUARTER CORNER
ON THE SOUTH SIDE THEREOF;
THENCE EASTERLY ALONG THE SECTION LINE TO THE SOUTHEAST CORNER OF SAID
SECTION;
THENCE NORTHERLY ALONG THE EAST LINE OF SAID SECTION TO THE POINT OF
BEGINNING;

EXCEPT ALL THAT PORTION THEREOF LYING WESTERLY OF THE EAST LINE OF THE
OLYMPIC PIPE LINE COMPANY EASEMENT.

TOGETHER WITH THAT PORTION OF THE EAST HALF OF SAID SECTION 16, DESCRIBED AS
FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION;
THENCE RUNNING SOUTH 0°11'10" EAST ALONG THE EAST BOUNDARY LINE OF SAID
SECTION 4525.8 FEET;
THENCE RUNNING SOUTH 89°7'40" WEST 2521.71 FEET TO THE NORTHEASTERLY LINE OF
THE COUNTY ROAD;
THENCE RUNNING NORTH 42°42'40" WEST ALONG THE NORTHEASTERLY BOUNDARY LINE OF
SAID COUNTY ROAD 241.88 FEET TO THE LINE RUNNING NORTH AND SOUTH THROUGH THE
CENTER OF SAID SECTION 16;
THENCE NORTH 0°8'20" EAST ALONG THE CENTERLINE OF SAID SECTION 4430.5 FEET TO
THE QUARTER CORNER ON THE NORTH LINE OF SAID SECTION;
THENCE SOUTH 89°3'00" EAST ALONG THE NORTH LINE OF SAID SECTION 2660.5 FEET,
MORE OR LESS, TO THE POINT OF BEGINNING.

EXCEPT ALL THAT PORTION THEREOF LYING SOUTHERLY OF THE NORTH LINE OF THE
SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION AND LYING WESTERLY
OF THE EAST LINE OF THE OLYMPIC PIPE LINE COMPANY EASEMENT.

Initial 1st Page of 4 only

Initial

Date

CLT/CMAA/BJA/1992

BB
JA

Mar 9/12
Mar 12/12

Page 2 of 4

CHICAGO TITLE COMPANY
A.L.T.A. COMMITMENT
SCHEDULE A
(Continued)

Order No.: 5304440
Your No.: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
(Paragraph 4 of Schedule A continuation)

PARCEL B:

THAT PORTION OF THE NORTH 30 ACRES OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF SNOHOMISH COUNTY, WASHINGTON, LYING SOUTHWESTERLY OF THE CENTERLINE OF THE MARSHLAND FLOOD CONTROL DISTRICT FLOODWAY CHANNEL.

PARCEL C:

THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF SNOHOMISH COUNTY, WASHINGTON, LYING SOUTHWESTERLY OF THE CENTERLINE OF THE MARSHLAND FLOOD CONTROL DISTRICT FLOODWAY CHANNEL, EXCEPT THAT PORTION THEREIN LYING WITHIN THE NORTH 30 ACRES OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF.

PARCEL D:

LOT 5, STECHER ACRE TRACTS, AS PER PLAT RECORDED IN VOLUME 11 OF PLATS, PAGE 27, RECORDS OF SNOHOMISH COUNTY, WASHINGTON.

SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

PARCEL E-1:

THE EAST 943 FEET OF THE SOUTH 208 FEET OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M.

PARCEL E-2:

THE EAST 843.00 FEET OF THE NORTH 759.00 FEET OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 16, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF SNOHOMISH COUNTY, WASHINGTON, LYING EASTERLY OF COUNTY ROAD;

ALSO LOT 1, STECHER ACRE TRACTS, ACCORDING TO THE PLAT THEREOF, RECORDED IN VOLUME IN VOLUME 11 OF PLATS, PAGE 27, RECORDS OF SNOHOMISH COUNTY, WASHINGTON,
EXCEPT THE NORTH 1.00 FOOT OF SAID LOT 1 LYING WEST OF THE WEST LINE OF THE

Page 3 of 4

CHICAGO TITLE COMPANY
A.L.T.A. COMMITMENT
SCHEDULE A
(Continued)

Order No.: 5304440
Your No.: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
(Paragraph 4 of Schedule A continuation)

EAST 843.00 FEET THEREOF.

(ALSO KNOWN AS LOT 2 OF BOUNDARY LINE ADJUSTMENT 95233, RECORDED UNDER AUDITOR'S FILE NUMBER 9503040720).

SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

PARCEL F:

THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER, SECTION 15, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., SNOHOMISH COUNTY WASHINGTON.

PARCEL G:

THAT PORTION OF THE WEST 3/4 OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER IN SECTION 15, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., SNOHOMISH COUNTY WASHINGTON, LYING SOUTHWESTERLY OF THE CENTERLINE OF THE MARSHLAND FLOOD CONTROL DISTRICT FLOODWAY CHANNEL

PARCEL H:

THE SOUTH HALF OF THE FOLLOWING DESCRIBED TRACT:

THAT PORTION OF THE SOUTHEAST QUARTER OF SECTION 16, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID SECTION 16 WHICH IS 4525.8 FEET SOUTH OF THE NORTHEAST CORNER THEREOF;
THENCE SOUTH 89°07'40" WEST TO THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 16;
THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER TO THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 16;
THENCE EAST ALONG THE SOUTH LINE OF SAID SOUTHEAST QUARTER TO THE SOUTHEAST CORNER THEREOF;
THENCE NORTH ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER TO THE POINT OF BEGINNING.

EXCEPT THAT PORTION THEREOF LYING SOUTHERLY OF THE NORTH 60 FEET AND WESTERLY

Page 4 of 4

CHICAGO TITLE COMPANY
 A.L.T.A. COMMITMENT
 SCHEDULE A
 (Continued)

Order No: 5304440
 Your No: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
 (Paragraph 4 of Schedule A continuation)

OF THE EASTERLY LINE OF EASEMENT RECORDED UNDER AUDITOR'S FILE NUMBER
 9512220271; AND
 EXCEPT THAT PORTION LYING WESTERLY OF THE EASTERLY LINE OF LOWELL LARIMER
 ROAD.

PARCEL I:

THE NORTH HALF OF THE NORTH HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST
 QUARTER OF SECTION 31, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., SNOHOMISH
 COUNTY WASHINGTON.

TOGETHER WITH THAT PORTION OF THE NORTHWEST QUARTER OF SAID NORTHEAST QUARTER
 LYING EASTERLY OF THE EASTERLY LINE OF EASEMENT RECORDED UNDER AUDITOR'S FILE
 NUMBER 9512220271.

PARCEL J:

THE NORTH HALF OF THE NORTH HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST
 QUARTER OF SECTION 22, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., SNOHOMISH
 COUNTY WASHINGTON.

ALL SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

Exhibit A
Listing Number # 28150070
Page 1 of 8

CHICAGO TITLE COMPANY
A.L.T.A. COMMITMENT
SCHEDULE A
(Continued)

Order No.: 5304151
Your No.: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
(Paragraph 4 of Schedule A continuation)

PARCEL A:

THOSE PORTIONS OF GOVERNMENT LOTS 6 AND 7 OF SECTION 13; THE NORTHWEST QUARTER, GOVERNMENT LOTS 3 AND 4 AND THE NORTH HALF OF THE SOUTH HALF OF SECTION 14; THE EAST HALF OF SECTION 15; AND GOVERNMENT LOT 7 OF SECTION 10; ALL IN TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., SNOHOMISH COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS TO WIT:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 15;
THENCE NORTHERLY ALONG THE NORTH-SOUTH CENTERLINE OF SAID SECTION 15 TO THE NORTH QUARTER CORNER OF SAID SECTION 15;
THENCE EASTERLY ALONG THE NORTH LINE OF SAID SECTION 15 TO THE INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND DISTANT 12.0 FEET EASTERLY OF, AS MEASURED AT RIGHT ANGLES TO, THE NORTH-SOUTH CENTERLINE OF SAID SECTION 10;
THENCE NORTHERLY ALONG SAID PARALLEL LINE TO THE POINT OF INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND DISTANT 50.0 FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO, BURLINGTON NORTHERN RAILROAD COMPANY'S HEREBINAFTER DESCRIBED MAIN TRACK CENTERLINE;
THENCE SOUTHEASTERLY ALONG SAID PARALLEL LINE TO THE POINT OF INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND DISTANCE 660.0 FEET EASTERLY OF, AS MEASURED AT RIGHT ANGLES TO, THE WEST LINE OF SAID GOVERNMENT LOT 7 OF SECTION 13;
THENCE SOUTHERLY PARALLEL WITH SAID WEST LINE TO THE POINT OF INTERSECTION WITH THE SOUTH LINE OF SAID GOVERNMENT LOT 7;
THENCE WESTERLY ALONG SAID SOUTH LINE, THE SOUTH LINE OF SAID GOVERNMENT LOT 6 OF SECTION 13 AND THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 14 TO THE POINT OF INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND DISTANT 1,550.0 FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO, SAID MAIN TRACK CENTERLINE;
THENCE NORTHWESTERLY ALONG SAID PARALLEL LINE TO THE POINT OF INTERSECTION WITH THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 14;
THENCE SOUTHERLY ALONG SAID EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER TO THE SOUTHEAST CORNER THEREOF;
THENCE WESTERLY ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE SOUTHEAST QUARTER AND THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 14 TO THE SOUTHWEST CORNER OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER;
THENCE NORTHERLY ALONG THE WEST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER TO THE POINT OF INTERSECTION WITH A LINE DRAWN PARALLEL WITH AND DISTANT 1,550.0 FEET SOUTHWESTERLY OF AS MEASURED AT RIGHT ANGLES

Initial 1st Page of 8 only

Initial
[Handwritten Signature]

Date
Mar 2/12
Mar 7/12

CA/CIAA/RDA/022

Page 2 of 8

CHICAGO TITLE COMPANY
 A.L.T.A. COMMITMENT
 SCHEDULE A
 (Continued)

Order No: 5304151
 Your No: PACIFICA POBLARS

LEGAL DESCRIPTION EXHIBIT
 (Paragraph 4 of Schedule A continuation)

TO, SAID MAIN TRACK CENTERLINE;
 THENCE NORTHWESTERLY ALONG SAID PARALLEL LINE TO THE POINT OF INTERSECTION
 WITH THE EAST LINE OF SAID SECTION 15;
 THENCE SOUTHERLY ALONG SAID EAST LINE OF SECTION 15 TO THE SOUTHEAST CORNER
 THEREOF;
 THENCE WESTERLY ALONG THE SOUTH LINE OF SAID SECTION 15 TO THE SOUTHWEST
 CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 15;
 THENCE NORTHERLY ALONG THE WEST LINE OF SAID SOUTHEAST QUARTER OF THE
 SOUTHEAST QUARTER TO THE NORTHWEST CORNER THEREOF (ALSO BEING THE SOUTHWEST
 CORNER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION 15);
 THENCE WESTERLY ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE
 SOUTHEAST QUARTER TO THE POINT OF BEGINNING;

EXCEPTING ANY PORTION THEREOF LYING NORTHEASTERLY OF THE SOUTHWESTERLY MARGIN
 OF THE LAND CONVEYED TO PUGET SOUND TRACTION AND POWER COMPANY BY DEEDS
 RECORDED UNDER RECORDING NOS 105934, 105979, AND 107679;

ALSO EXCEPT THE FOLLOWING DESCRIBED PROPERTY:
 THOSE PORTIONS OF GOVERNMENT LOTS 5 AND 7 OF SECTION 13; THE NORTHWEST
 QUARTER, GOVERNMENT LOTS 3 AND 4, AND THE NORTH HALF OF THE SOUTH HALF OF
 SECTION 14; TOWNSHIP 28 NORTH, RANGE 5 EAST W.M., SNOHOMISH COUNTY,
 WASHINGTON, DESCRIBED AS FOLLOWS, TO WIT:

BEGINNING AT THE SOUTHWEST CORNER OF THE NORTHEAST QUARTER OF THE SOUTHWEST
 QUARTER OF SAID SECTION 14;
 THENCE NORTHERLY ALONG THE WEST LINE OF SAID NORTHEAST QUARTER OF THE
 SOUTHWEST QUARTER TO THE POINT OF INTERSECTION WITH A LINE DRAWN PARALLEL
 WITH AND DISTANT 50 FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO
 SAID MAIN TRACK CENTERLINE;
 THENCE SOUTHEASTERLY ALONG SAID PARALLEL LINE TO THE POINT OF INTERSECTION
 WITH A LINE DRAWN PARALLEL WITH AND DISTANT 660.0 FEET EASTERLY OF, AS
 MEASURED AT RIGHT ANGLES TO, THE WEST LINE OF SAID GOVERNMENT LOT 7 OF
 SECTION 13;
 THENCE SOUTHERLY PARALLEL WITH SAID WEST LINE TO THE POINT OF INTERSECTION
 WITH THE SOUTH LINE OF SAID GOVERNMENT LOT 7;
 THENCE WESTERLY ALONG SAID SOUTH LINE THE SOUTH LINE OF SAID GOVERNMENT LOT 6
 OF SECTION 13 AND THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHEAST
 QUARTER OF SAID SECTION 14 TO THE POINT OF INTERSECTION WITH A LINE DRAWN
 PARALLEL WITH AND DISTANT 1,550.0 FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT
 ANGLES TO, SAID MAIN TRACK CENTERLINE;
 THENCE NORTHWESTERLY ALONG SAID PARALLEL LINE TO THE POINT OF INTERSECTION
 WITH THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID

CHICAGO TITLE COMPANY

Page 3 of 8

CHICAGO TITLE COMPANY
A.L.T.A. COMMITMENT
SCHEDULE A
(Continued)

Order No. 5304151
Your No. PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
(Paragraph 4 of Schedule A continuation)

SECTION 14,
THENCE SOUTHERLY ALONG SAID EAST LINE OF THE NORTHWEST QUARTER OF THE
SOUTHEAST QUARTER TO THE SOUTHWEST CORNER THEREOF;
THENCE WESTERLY ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE
SOUTHEAST QUARTER AND THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE
SOUTHWEST QUARTER OF SAID SECTION 14 TO THE POINT OF BEGINNING;

AND EXCEPT THAT PORTION OF SECTION 14, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M.,
SNOHOMISH COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF A LINE DRAWN PARALLEL WITH AND
DISTANT 50.0 FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO,
BURLINGTON NORTHERN RAILROAD COMPANY'S HERINAFTER DESCRIBED MAIN TRACK
CENTERLINE, AND THE CENTER OF A NORTH-SOUTH DITCHLINE, SAID DITCHLINE BEING
PARALLEL WITH AND 750 FEET EASTERLY, MORE OR LESS, FROM THE WEST LINE OF SAID
SECTION 14;

THENCE SOUTHERLY, ALONG THE CENTER OF SAID DITCHLINE TO AN ANGLE POINT, SAID
ANGLE POINT BEING ON A LINE PARALLEL WITH AND 1250 FEET, MORE OR LESS,
SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO, SAID MAIN TRACK
CENTERLINE;

THENCE SOUTHEASTERLY, ALONG SAID PARALLEL LINE WHICH COINCIDES WITH THE
CENTER OF SAID DITCH TO THE EAST LINE OF THE WEST HALF OF THE NORTHWEST
QUARTER OF SAID SECTION 14;

THENCE NORTHERLY LEAVING SAID DITCH ALONG SAID EAST LINE OF THE WEST HALF OF
THE NORTHWEST QUARTER TO INTERSECT A LINE DRAWN PARALLEL WITH AND DISTANT
50.0 FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO, SAID MAIN TRACK
CENTERLINE;

THENCE NORTHWESTERLY ALONG SAID PARALLEL LINE TO THE POINT OF BEGINNING.

PARCEL A1:

NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS AS GRANTED UNDER AUDITOR'S
FILE NUMBER 9410270190 AND 9410270192;

PARCEL A2:

A NON-EXCLUSIVE EASEMENT FOR INGRESS AND EGRESS OVER, UNDER, UPON AND ACROSS
THE FOLLOWING DESCRIBED PORTION OF SECTION 14, TOWNSHIP 28 NORTH, RANGE 5
EAST W.M.:

BEGINNING AT THE INTERSECTION OF A LINE DRAWN PARALLEL WITH AND DISTANT 100.0
FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO BURLINGTON NORTHERN

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Page 4 of 8

CHICAGO TITLE COMPANY
A.L.T.A. COMMITMENT
SCHEDULE A
(Continued)

Order No.: 5304151
Your No.: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
(Paragraph 4 of Schedule A continuation)

RAILROAD COMPANY'S HEREINAFTER DESCRIBED MAIN TRACK CENTERLINE, AND THE CENTERLINE OF THAT DITCH AS DESCRIBED IN THE WARRANTY DEED RECORDED UNDER ADDITOR'S FILE NUMBER 174061;
THENCE SOUTHEASTERLY PARALLEL WITH SAID MAIN TRACT CENTERLINE FOR A DISTANCE OF 500 FEET;
THENCE SOUTHWESTERLY, AS MEASURED AT RIGHT ANGLES TO SAID MAIN TRACT CENTERLINE FOR A DISTANCE OF 20 FEET;
THENCE NORTHWESTERLY, PARALLEL WITH AND 120.0 FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO SAID MAIN TRACT CENTERLINE FOR A DISTANCE OF 500 FEET, MORE OR LESS TO INTERSECT CENTERLINE OF SAID DITCH;
THENCE NORTHERLY ALONG SAID DITCH CENTERLINE TO THE POINT OF BEGINNING, EXCEPT THAT PORTION THEREOF CONVEYED TO DRAINAGE DISTRICT NO. 1, OF SNOHOMISH COUNTY BY DEED RECORDED UNDER ADDITOR'S FILE NUMBER 174061.

MAIN TRACK CENTERLINE DESCRIPTION

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 5, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., SNOHOMISH COUNTY, WASHINGTON;
THENCE EASTERLY ALONG THE NORTH LINE OF SAID SECTION 5 A DISTANCE OF 432.5 FEET TO THE TRUE POINT OF BEGINNING OF THE MAIN TRACK CENTERLINE TO BE DESCRIBED;
THENCE SOUTHEASTERLY, DEFLECTING $64^{\circ}22'$ TO THE RIGHT, A DISTANCE OF 607.4 FEET TO A POINT OF SPIRAL;
THENCE SOUTHEASTERLY ALONG A 180.0 FOOT SPIRAL (DELTA EQUALS $02^{\circ}19'30''$) CONCAVE TO THE NORTHEAST TO A POINT OF CURVATURE;
THENCE SOUTHEASTERLY ALONG A $02^{\circ}35'$ CURVE (DELTA EQUALS $07^{\circ}19'$) CONCAVE TO THE NORTHEAST A DISTANCE OF 283.2 FEET;
THENCE SOUTHEASTERLY ALONG A 180.0 FOOT SPIRAL (DELTA EQUALS $02^{\circ}19'30''$) CONCAVE TO THE NORTHEAST TO A POINT OF TANGENCY;
THENCE SOUTHEASTERLY ALONG A TANGENT LINE A DISTANCE OF 8,737.5 FEET TO A POINT OF CURVATURE;
THENCE SOUTHEASTERLY ALONG A $02^{\circ}30'$ CURVE (DELTA EQUALS $30^{\circ}58'$) CONCAVE TO THE NORTHEAST A DISTANCE OF 1,238.6 FEET;
THENCE SOUTHEASTERLY ALONG A TANGENT LINE A DISTANCE OF 12,858.8 FEET TO A POINT OF CURVATURE;
THENCE SOUTHEASTERLY ALONG A $01^{\circ}00'$ CURVE (DELTA EQUALS $03^{\circ}44'$) CONCAVE TO THE NORTHEAST A DISTANCE OF 373.3 FEET;
THENCE SOUTHEASTERLY ALONG A TANGENT LINE A DISTANCE OF 1,641.0 FEET, MORE OR LESS, TO THE POINT OF INTERSECTION WITH THE NORTH-SOUTH CENTERLINE OF SECTION 13, SAID TOWNSHIP AND RANGE, AND THERE TERMINATING.

CHICAGO TITLE COMPANY

Page 5 of 8

CHICAGO TITLE COMPANY
 A.L.T.A. COMMITMENT
 SCHEDULE A
 (Continued)

Order No: 5304151
 Your No: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
 (Paragraph 4 of Schedule A continuation)

PARCEL B1:

THE EAST THREE-FOURTHS OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER,
 AND THE EAST HALF OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE SOUTHWEST
 QUARTER, ALL IN SECTION 15, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF
 SNOHOMISH COUNTY, WASHINGTON;

EXCEPT THAT PORTION OF THE EAST HALF OF THE SOUTHEAST QUARTER OF THE
 SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, LYING SOUTH OF MARSHLAND FLOOD
 CONTROL DISTRICT FLOODWAY CHANNEL.

PARCEL B2:

THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 15, TOWNSHIP 28
 NORTH, RANGE 5 EAST, W.M., RECORDS OF SNOHOMISH COUNTY, WASHINGTON.

PARCEL C:

THE WEST HALF OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE SOUTHWEST
 QUARTER;
 ALL IN SECTION 15, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF
 SNOHOMISH COUNTY, WASHINGTON.

PARCEL D1:

THAT PORTION OF THE NORTH 30 ACRES OF THE NORTHWEST QUARTER OF THE SOUTHWEST
 QUARTER OF SECTION 15, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF
 SNOHOMISH COUNTY, WASHINGTON, LYING NORTHEASTERLY OF THE CENTERLINE OF THE
 MARSHLAND FLOOD CONTROL DISTRICT FLOODWAY CHANNEL.

PARCEL D2:

THAT PORTION OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 15,
 TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF SNOHOMISH COUNTY,
 WASHINGTON, LYING NORTHEASTERLY OF THE CENTERLINE OF THE MARSHLAND FLOOD
 CONTROL DISTRICT FLOODWAY CHANNEL, EXCEPT THAT PORTION LYING WITHIN THE NORTH

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Page 6 of 8
 CHICAGO TITLE COMPANY
 A.L.T.A. COMMITMENT
 SCHEDULE A
 (Continued)

Order No.: S304151
 Your No.: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
 (Paragraph 4 of Schedule A continuation)

36 ACRES OF SAID OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER.

PARCEL E:

THAT PORTION OF THE WEST 3/4 OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 15, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF SNOHOMISH COUNTY, WASHINGTON, LYING NORTHEASTERLY OF THE CENTERLINE OF THE MARSHLAND FLOOD CONTROL DISTRICT FLOODWAY CHANNEL.

PARCEL F:

THAT PORTION OF SECTION 14, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., RECORDS OF SNOHOMISH COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE LINE DRAWN PARALLEL WITH AND DISTANT 100.0 FEET SOUTHWESTERLY OF, AS MEASURED AT RIGHT ANGLES TO BURLINGTON NORTHERN RAILROAD COMPANY'S HEREINAFTER DESCRIBED MAIN TRACK CENTERLINE, AND THE CENTERLINE OF A NORTH-SOUTH DITCH LINE, SAID DITCH LINE BEING PARALLEL WITH AND DISTANT 750.0 FEET EASTERLY MORE OR LESS, FROM THE WEST LINE OF SAID SECTION 14;

THENCE SOUTHEASTERLY, PARALLEL WITH SAID MAIN TRACK CENTERLINE, FOR A DISTANCE OF 2700 FEET, MORE OR LESS, TO THE CENTERLINE OF THAT DITCH AS DESCRIBED IN WARRANTY DEED RECORDED UNDER AUDITOR'S FILE NUMBER 174061; THENCE SOUTHWESTERLY ALONG SAID DITCH LINE TO INTERSECT A LINE DRAWN PARALLEL WITH AND 120 FEET SOUTHWESTERLY FROM, AS MEASURED AT RIGHT ANGLES TO, SAID MAIN TRACK CENTERLINE;

THENCE NORTHWESTERLY, ALONG SAID PARALLEL LINE, 2700 FEET, MORE OR LESS, TO INTERSECT SAID NORTH-SOUTH DITCH LINE, SAID DITCH LINE, BEING PARALLEL WITH AND 750.0 FEET EASTERLY, MORE OR LESS, FROM THE WEST LINE OF SAID SECTION 14;

THENCE NORTHERLY ALONG SAID DITCH LINE TO THE POINT OF BEGINNING; EXCEPT THAT PORTION THEREOF CONVEYED TO DRAINAGE DISTRICT NO. 1 OF SNOHOMISH COUNTY, BY DEED RECORDED UNDER AUDITOR'S FILE NUMBER 174061.

MAIN TRACK CENTERLINE DESCRIPTION

COMMENCING AT THE NORTHWEST CORNER OF THE NORTHEAST QUARTER OF SECTION 5, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., SNOHOMISH COUNTY, WASHINGTON; THENCE EASTERLY ALONG THE NORTH LINE OF SAID SECTION 5 A DISTANCE OF 432.5 FEET TO THE TRUE POINT OF BEGINNING OF THE MAIN TRACK CENTERLINE TO BE

Page 7 of 8

CHICAGO TITLE COMPANY
 A.L.T.A. COMMITMENT
 SCHEDULE A
 (Continued)

Order No: 5304151
 Your No: PACIFICA POPLARS

LEGAL DESCRIPTION EXHIBIT
 (Paragraph 4 of Schedule A continuation)

DESCRIBED:

THENCE SOUTHEASTERLY, DEFLECTING $64^{\circ}22'$ TO THE RIGHT, A DISTANCE OF 607.4 FEET TO A POINT OF SPIRAL;
 THENCE SOUTHEASTERLY ALONG A 189.4 FOOT SPIRAL (DELTA EQUALS $02^{\circ}19'30''$) CONCAVE TO THE NORTHEAST TO A POINT OF CURVATURE;
 THENCE SOUTHEASTERLY ALONG A $02^{\circ}25'$ CURVE (DELTA EQUALS $07^{\circ}19'$) CONCAVE TO THE NORTHEAST A DISTANCE OF 282.2 FEET;
 THENCE SOUTHEASTERLY ALONG A 180.0 FOOT SPIRAL (DELTA EQUALS $02^{\circ}19'30''$) CONCAVE TO THE NORTHEAST TO A POINT OF TANGENCY;
 THENCE SOUTHEASTERLY ALONG A TANGENT LINE A DISTANCE OF 2,737.5 FEET TO A POINT OF CURVATURE;
 THENCE SOUTHEASTERLY ALONG A $02^{\circ}30'$ CURVE (DELTA EQUALS $30^{\circ}58'$) CONCAVE TO THE NORTHEAST A DISTANCE OF 1,226.6 FEET;
 THENCE SOUTHEASTERLY ALONG A TANGENT LINE A DISTANCE OF 12,858.8 FEET TO A POINT OF CURVATURE;
 THENCE SOUTHEASTERLY ALONG A $01^{\circ}00'$ CURVE (DELTA EQUALS $03^{\circ}24'$) CONCAVE TO THE NORTHEAST A DISTANCE OF 379.2 FEET;
 THENCE SOUTHEASTERLY ALONG A TANGENT LINE A DISTANCE OF 1,641.0 FEET, MORE OR LESS, TO THE POINT OF INTERSECTION WITH THE NORTH-SOUTH CENTERLINE OF SECTION 13, SAID TOWNSHIP AND RANGE, AND THERE TERMINATING.

PARCEL F1:

NON-EXCLUSIVE EASEMENTS FOR INGRESS AND EGRESS AS GRANTED BY EASEMENTS RECORDED UNDER AUDITOR'S FILE NUMBERS 9410270190 AND 9410270192.

PARCEL G:

THAT PORTION OF THE NORTHEAST QUARTER OF SECTION 22, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., LYING NORTHEASTERLY OF A CENTERLINE DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SECTION 25, TOWNSHIP 28 NORTH, RANGE 5 EAST, W.M., WHICH IS SOUTH $01^{\circ}21'25''$ WEST 961.13 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 25;
 THENCE NORTH $71^{\circ}06'35''$ WEST FOR 2,813.09 FEET;
 THENCE NORTH $72^{\circ}18'32''$ WEST FOR 2,415 FEET;
 THENCE ON A CURVE TO THE RIGHT WITH A RADIUS OF 1,432.50 FEET FOR 610.31 FEET;
 THENCE NORTH $47^{\circ}53'48''$ WEST FOR 6,640 FEET;
 THENCE ANGLE RIGHT ON A 2° CURVE FOR 184.9 FEET;
 THENCE NORTH $44^{\circ}11'55''$ WEST FOR 11,410 FEET.

Page 8 of 8

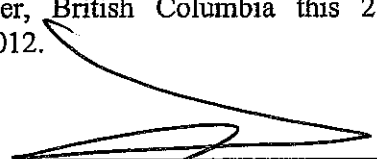
CHICAGO TITLE COMPANY
A.L.T.A. COMMITMENT
SCHEDULE A
(Continued)

Order No: 5304151
Your No: PACIFICA POPLARS


LEGAL DESCRIPTION EXHIBIT
(Paragraph 4 of Schedule A continuation)

ALL SITUATE IN THE COUNTY OF SNOHOMISH, STATE OF WASHINGTON.

This is **Exhibit "C"** referred to in the Affidavit #3 of Robert Lindstrom made before me at Vancouver, British Columbia this 28th day of March 2012.



A Commissioner for the taking Affidavits for
British Columbia



Form 34
Addendum/Amendment to P&S
Rev. 7/10
Page 1 of 1

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Northwest Multiple Listing Service
ALL RIGHTS RESERVED

ADDENDUM / AMENDMENT TO PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated March 09, 2012 1
between US Golden Eagle Farms LP (A Washington Limited Partnership) and/or Assigns ("Buyer") 2
and Pacifica Poplars Inc. (A Delaware Corporation) ("Seller") 3
concerning Northwest Multiple Listing #28150076 & 28196923 (the "Property"). 4

IT IS AGREED BETWEEN THE SELLER AND BUYER AS FOLLOWS:

Both the Purchaser and the Seller hereby agree to extend the closing of this Purchase and Sale to on or 5
before April 20, 2012. Also the due date for the Earnest Money Promissory Note shall be extended to April 6
20, 2012. All other terms of this Purchase and Sale shall remain the same as agreed. 7
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ALL OTHER TERMS AND CONDITIONS of said Agreement remain unchanged.

Initials: BUYER: [Signature] Date: 03/19/2012 SELLER: [Signature] Date: 03/19/2012
BUYER: _____ Date: _____ SELLER: _____ Date: _____