

mtc 1396-11067

AFTER RECORDING RETURN TO:
Davis Wright Tremaine LLP
1201 Third Avenue
Suite 2200
Seattle, WA 98101-3045
Attn: Peter J. Mucklestone

2013-002204

Klamath County, Oregon

02/28/2013 12:11:59 PM

Fee: \$102.00

DOCUMENT TITLE and TRANSACTIONS:

LINE OF CREDIT INSTRUMENT - THIRD DEED OF TRUST MODIFICATION AGREEMENT

- GRANTOR:**
1. KLAMATH NORTHERN RAILWAY COMPANY, an Oregon corporation
 2. ROYAL BANK OF CANADA as Arranger, ROYAL BANK OF CANADA as Agent, and ROYAL BANK OF CANADA, THE TORONTO-DOMINION BANK, THE BANK OF NOVA SCOTIA, BANK OF MONTREAL, HSBC BANK CANADA, CANADIAN WESTERN BANK, and EXPORT DEVELOPMENT CORPORATION, a corporation established pursuant to the Export Development Act, Canada, R.S., c.E-18, S.1, acting by and through ROYAL BANK OF CANADA, a Canadian Chartered Bank, as their agent
- GRANTEE:**
1. KLAMATH NORTHERN RAILWAY COMPANY, an Oregon corporation
 2. ROYAL BANK OF CANADA as Arranger, ROYAL BANK OF CANADA as Agent, and ROYAL BANK OF CANADA, THE TORONTO-DOMINION BANK, THE BANK OF NOVA SCOTIA, BANK OF MONTREAL, HSBC BANK CANADA, CANADIAN WESTERN BANK, and EXPORT DEVELOPMENT CORPORATION, a corporation established pursuant to the Export Development Act, Canada, R.S., c.E-18, S.1, acting by and through ROYAL BANK OF CANADA, a Canadian Chartered Bank, as their agent

LINE OF CREDIT INSTRUMENT - THE MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED PURSUANT TO THE LINE OF CREDIT AGREEMENT IS CDN\$315,000,000; HOWEVER, SUCH MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED MAY BE EXCEEDED BY PRINCIPAL ADVANCES MADE TO PROTECT THE SECURITY OF THIS DEED OF TRUST. THE MATURITY DATE OF THE CREDIT AGREEMENT IS FEBRUARY 27, 2017, EXCLUSIVE OF OPTION(S) TO EXTEND.

NOTICE TO RECORDER: this document serves as a fixture filing under the Oregon Uniform Commercial Code. Debtor's organizational identification number: 264156-87

Until a change is requested, tax statements shall be sent to: Klamath Northern Railway Company, 1 Sawmill Road, Gilchrist, Oregon, 97737

DWT 21216982v3 0003687-000116

87 Amt

LINE OF CREDIT INSTRUMENT

THIRD DEED OF TRUST MODIFICATION AGREEMENT

This Third Deed of Trust Modification Agreement (this "Agreement") is made as of February 27, 2013 by and between KLAMATH NORTHERN RAILWAY COMPANY, an Oregon corporation (in such capacity, and together with its successors, "Grantor"), whose address is 1 Sawmill Road, Gilchrist, Oregon, 97737, and ROYAL BANK OF CANADA as Arranger, ROYAL BANK OF CANADA as Agent, and ROYAL BANK OF CANADA, THE TORONTO-DOMINION BANK, THE BANK OF NOVA SCOTIA, BANK OF MONTREAL, HSBC BANK CANADA, CANADIAN WESTERN BANK, and EXPORT DEVELOPMENT CORPORATION, a corporation established pursuant to the Export Development Act, Canada, R.S., c.E-18, S.1, acting by and through ROYAL BANK OF CANADA, a Canadian Chartered Bank, as their agent ("Agent"), whose address is 4th Floor, 20 King Street West, Toronto, Ontario, M5H 1C4, with reference to the following facts:

Line of Credit Instrument

THE MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED PURSUANT TO THE LINE OF CREDIT AGREEMENT IS CDN\$315,000,000; HOWEVER, SUCH MAXIMUM PRINCIPAL AMOUNT TO BE ADVANCED MAY BE EXCEEDED BY PRINCIPAL ADVANCES MADE TO PROTECT THE SECURITY OF THIS DEED OF TRUST. THE MATURITY DATE OF THE CREDIT AGREEMENT IS FEBRUARY 27, 2017, EXCLUSIVE OF OPTION(S) TO EXTEND.

A. Grantor and Agent are parties to that certain Deed of Trust, Security Agreement and Fixture Filing dated as of September 1, 2004 by the Grantor in favor of Chicago Title Insurance Company, a Missouri corporation, as Trustee, for the benefit of Agent, as agent for the Lenders (as defined therein), recorded September 7, 2004 under Klamath County, Oregon Recording No. M04-59634 (the "Original Deed of Trust") as amended by a Line of Credit Deed of Trust Modification Agreement dated as of September 30, 2008, among the Grantor and Agent, as agent for the Lenders (as defined therein), recorded September 30, 2008 under Klamath County, Oregon Recording No. 2008-013506 (the "First Deed of Trust Modification") and as further amended by the Deed of Trust Modification Agreement dated as of January 14, 2010 among the Grantor and Agent as agent for the Lenders (as defined therein) recorded January 14, 2010 under Klamath County, Oregon Recording No. 2010-000492 (the "Second Deed of Trust Modification") and together with the Original Deed of Trust and the First Deed of Trust Modification, as the same may be further amended, supplemented or otherwise modified from time to time, the "Deed of Trust").

B. Grantor and Agent desire to amend the term "Beneficiary" to include all of the Lenders, together with any other Person providing the Grantor with financial accommodations under any Credit Document or any successor or replacement lender, in each case, to the extent such Person has delivered an instrument agreeing to be bound by the Credit Agreement and appointing the Beneficiary, or any of them, as its agent thereunder to act as beneficiary of the Deed of Trust with respect to obligations owing to such Person and secured by the Deed of Trust, and their respective successors and permitted assigns.

C. The address of the Beneficiary has been changed.

D. The Deed of Trust secures, among other things, obligations of Grantor under a guaranty of indebtedness dated for reference January 14, 2010 (the "Guarantee") arising under the Interfor 2010 Amended and Restated Credit Agreement dated for reference January 14, 2010 (the "2010 Credit Agreement") as amended pursuant the "First Amendment to the Interfor January 2010 Amended and Restated Credit Agreement" entitled as such, dated for reference July 22, 2010 (the "July 2010 Amendment Agreement") and the Second Amendment to Interfor January 2010 Amended and Restated Credit Agreement" entitled as such, dated for reference June 30, 2011 (the "June 2011 Amendment Agreement") and together with the 2010 Credit Agreement and the July 2010 Amendment Agreement, collectively the "Prior Credit Agreement").

E. The guarantor Interfor U.S. Inc., one of the guarantors pursuant to the Guarantee, has changed its name to Interfor U.S. Holdings Inc. and the guarantor Interfor Pacific Inc., one of the guarantors pursuant to the Guarantee, has changed its name to Interfor U.S. Inc.

F. Bank of Montreal replaced National Bank of Canada as a Lender pursuant to the July 2010 Amendment Agreement.

G. The Prior Credit Agreement has been amended and restated in its entirety and the amount of credit available thereunder has been increased pursuant to the "Interfor 2013 Amended and Restated Credit Agreement", entitled as such (the "Credit Agreement").

H. The Guarantee will be amended and acknowledged and confirmed, by inter alia, the Grantor, pursuant to the "US Security Second Amending Agreement", entitled as such, dated for reference February 27, 2013 (the "US Security Second Amending Agreement") among, inter alia, the Guarantors (as defined in the Guarantee) and the Agent as agent for the benefit of the Lenders.

I. The parties desire to modify the Deed of Trust to, inter alia, amend the term "Beneficiary," secure the increased liability under the Credit Agreement, secure the liability of the Grantor under the Guarantee as amended by the US Security Second Amending Agreement, reflect the deletion of National Bank of Canada as a lender and the addition of Bank of Montreal as a lender and change the address of the Beneficiary.

NOW, THEREFORE, in consideration of the foregoing, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

1. Deed of Trust. All references to "Deed of Trust" shall mean the Deed of Trust, Security Agreement and Fixture Filing dated as of September 1, 2004 by the Grantor in favor of Chicago Title Insurance Company, a Missouri corporation, as Trustee, for the benefit of Agent, as agent for the Lenders (as defined therein), recorded September 7, 2004 under Klamath County, Oregon Recording No. M04-59634 (the "Original Deed of Trust") as amended by a Line of Credit Deed of Trust Modification Agreement dated as of September 30, 2008, among the Grantor and Agent as agent for the Lenders (as defined therein) recorded September 30, 2008 under Klamath County, Oregon Recording No. 2008-013506 (the "First Deed of Trust Modification") and as further amended by the Deed of Trust Modification Agreement dated as of January 14, 2010 among the Grantor and Agent, as agent for the Lenders (as defined therein) recorded January 14, 2010 under Klamath County, Oregon Recording No. 2010-000492 (the "Second Deed of Trust Modification") and together with the Original Deed of Trust and the First Deed of Trust Modification, as the same may be further amended, supplemented or otherwise modified from time to time, the "Deed of Trust").

2. Amendment of Name of Beneficiary. All references to Beneficiary throughout the Deed of Trust and as amended hereby shall mean Royal Bank of Canada as Arranger, Royal Bank of Canada as Agent, and Royal Bank of Canada, The Toronto-Dominion Bank, The Bank of Nova Scotia, Bank of Montreal, HSBC Bank Canada, Canadian Western Bank, and Export Development Corporation, a corporation established pursuant to the *Export Development Act*, Canada, R.S., c.E-18, S.1, together with any other Person providing the Grantor with financial accommodations under any Credit Document or any successor or replacement lender, in each case, to the extent such Person has delivered an instrument agreeing to be bound by the Credit Agreement and appointing the Beneficiary, or any of them, as its agent thereunder to act as beneficiary of the Deed of Trust with respect to obligations

owing to such Person and secured by the Deed of Trust, and their respective successors and permitted assigns.

3. Beneficiary Address. The address of the Beneficiary set out in the first paragraph of the Original Deed of Trust, immediately prior to the Recitals is deleted and the following substituted therefor:

"Agent's Branch of Account, 4th Floor, 20 King Street, West, Toronto, Ontario, M5H 1C4".

4. Recital A. The Deed of Trust is hereby amended by deleting the existing Recital A and substituting the following Recital A:

"A. International Forest Products Limited, a British Columbia company (the "Borrower"), Royal Bank of Canada as Arranger, Royal Bank of Canada as Agent, and Royal Bank of Canada, The Toronto-Dominion Bank, The Bank of Nova Scotia, Bank of Montreal, HSBC Bank Canada, Canadian Western Bank, and Export Development Corporation, a corporation established pursuant to the *Export Development Act*, Canada, R.S., c.E-18, S.1, together with any successor or replacement lender which has delivered an instrument agreeing to be bound by the Credit Agreement (as hereinafter defined), and their respective successors and permitted assigns have entered into the credit agreement entitled the "Interfor 2013 Amended and Restated Credit Agreement" dated for reference February 27, 2013 (as the same may be further amended, extended, renewed, replaced, restated, or otherwise modified and in effect from time to time the "Credit Agreement"). Subject to the terms and conditions of the Credit Agreement, Royal Bank of Canada, The Toronto-Dominion Bank, The Bank of Nova Scotia, Bank of Montreal, HSBC Bank Canada, Canadian Western Bank, and Export Development Corporation, a corporation established pursuant to the *Export Development Act*, Canada, R.S., c.E-18, S.1, together with any successor or replacement lender which has delivered an instrument agreeing to be bound by the Credit Agreement, and their respective successors and permitted assigns (collectively the "Lenders" and individually, a "Lender") have agreed to make loans and otherwise extend credit to or for the account of the Borrower in an aggregate amount not to exceed \$315,000,000 Canadian Dollars. The loans and other extensions of credit will accrue interest and fees at the rates set forth in the Credit Agreement."

5. Recital B. The Deed of Trust is hereby amended by deleting the existing Recital B and substituting the following Recital B:

"B. The Grantor, Interfor U.S. Holdings Inc. (formerly known as Interfor U.S. Inc.) a Washington corporation ("Interfor Inc."), CEDARPRIME Inc., a Washington corporation ("Cedarprime"), Interfor U.S. Inc. (formerly known as Interfor Pacific Inc.) a Washington Corporation, ("Interfor U.S.") and Interfor Sales & Marketing Ltd, a British Columbia company ("Interfor Trading" and together with the Grantor, Interfor Inc., Cedarprime, Interfor U.S., collectively, the "Guarantors" and individually, a "Guarantor"), executed and delivered a Guarantee dated for reference January 14, 2010, as amended by the "U.S. Security Second Amending Agreement", entitled as such dated for reference February 27, 2013 (the "US Security Second Amending Agreement") among the Guarantors and the Agent as agent for the benefit of the Lenders (as the same may be further amended, supplemented or otherwise modified from time to time, collectively the "Interfor Guarantee"), in which, among other things, the Grantor has unconditionally guaranteed all present and future indebtedness, obligations and/or liabilities of every kind, nature and description of the Borrower from time to time owing to the Agent and the Lenders or any of them, whether now existing or hereafter incurred or created, arising under or in connection with the Credit

Agreement, the Interfor Guarantee and all of the security and other agreements to be entered into or granted under or pursuant to the Credit Agreement.”.

6. Definition of “Credit Agreement”. The definition of “Credit Documents” in Section 1.1 of the Deed of Trust is hereby amended by deleting the words:

“APPLICABLE TO THE ADVANCES, LETTERS OF CREDIT, GUARANTEE LETTERS AND TREASURY CONTRACTS”

7. Definition of “Credit Documents”. The definition of “Credit Documents” in Section 1.1 of the Deed of Trust is deleted in its entirety and the following substituted therefor:

“Credit Documents” shall mean the Credit Agreement and all of the security and agreements to be entered into or granted under or pursuant to the Credit Agreement, including, without limitation, the Lenders’ Security (as such term is defined in the Credit Agreement) and any and all agreements relating to Letters of Credit, Guarantee Letters, Treasury Contracts, Bankers Acceptances and Discount Notes, as each may be amended, extended, renewed, replaced, restated and in effect from time to time;”;

8. Environmental Agreement. The definition of “Environmental Agreement appearing in Section 1.1 of the Deed of Trust is deleted in its entirety and the following substituted therefor:

““Environmental Agreement” shall mean the Environmental Indemnity Agreements: (i) dated as of August 25, 2004, by, inter alia, Klamath Northern Railway Company (an Oregon corporation) and the Grantor in favor of the Lenders (as defined therein) and the Agent (as defined therein) as amended by the US Security Amending Agreement, entitled as such, dated for reference January 14, 2010 (the “US Security Amending Agreement”), among, inter alia, the Grantor and the Agent (as defined therein) for the benefit of the Lenders, and as further amended by the US Security Second Amending Agreement (as defined in Recital “B”) as the same may be further amended, extended, modified, renewed, replaced, restated and in effect from time to time;”;

9. Obligations. For greater certainty:

“Obligations” as defined in the Deed of Trust includes the increased liability of the Grantor under or pursuant to the Interfor Guarantee or any other Credit Document to which it is a party, as a result of the “Interfor 2013 Amended and Restated Credit Agreement” dated for reference February 27, 2013 (defined in Recital A as the Credit Agreement), providing for, *inter alia*, an increase in the amount of credit facilities available to the Borrower thereunder. The expressions “payment in full”, “paid in full” and any other similar terms or phrases when used in the Deed of Trust or in any other document with respect to the Obligations shall have the correlative meanings.

10. Reaffirmation of Granting Clause. The Grantor hereby ratifies and reaffirms the granting clause set forth in Section 1.2 of the Deed of Trust as follows: For good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Grantor, to secure the payment or performance, as the case may be, in full of the Obligations, the Grantor hereby BARGAINS, SELLS, GRANTS, TRANSFERS, CONVEYS and ASSIGNS to the Trustee, in trust for the benefit of the

Beneficiary for the ratable benefit of the Lenders, with power of sale and right of entry and possession, all estate, right, title and interest which the Grantor now has or may hereafter acquire in and to the Property.

11. Bankers Acceptances and Discount Notes. The words "and Treasury Contracts" are hereby deleted and the words "Treasury Contracts, Bankers Acceptances and Discount Notes" are substituted therefor in the following places: Section 2.1(i)(i) of the Deed of Trust; and Section 2.1(i)(ii) of the Deed of Trust.

12. No Other Changes. Except as modified herein, the Deed of Trust is unmodified and in full force and effect, and the Grantor hereby acknowledges, confirms and agrees that:

- a. the Deed of Trust, as amended by the First Deed of Trust Modification, the Second Deed of Modification and as amended hereby, is held and will continue to be held by the Beneficiary as security for Obligations, including without limitation, accrued and unpaid interest and all other costs and expenses thereunder or with respect thereto;
- b. the Deed of Trust as amended by the First Deed of Trust Modification, the Second Deed of Modification and as amended hereby, constitutes a legal, valid and binding obligation of the Grantor, enforceable against the Grantor in accordance with terms thereof;
- c. the Grantor will continue to be bound by all of the terms, conditions, covenants and obligations applicable to it under or pursuant to the Deed of Trust as amended by the First Deed of Trust Modification, the Second Deed of Modification and as amended hereby, and hereby ratifies, acknowledges and confirms all obligations, covenants, clauses, agreements, provisos, stipulations, conditions, powers, matters and things whatsoever contained therein;
- d. that the representations and warranties made by the Grantor in the Deed of Trust as amended by the First Deed of Trust Modification, the Second Deed of Modification and as amended hereby shall survive the execution and delivery of this Agreement and the repayment and satisfaction in full of the Obligations and under any additional security granted by the Grantor notwithstanding any investigation made at any time by or on behalf of the Beneficiary; and
- e. that all of the covenants, clauses, agreements, provisos, stipulations, conditions, powers, matters and things whatsoever contained in the Deed of Trust as amended by the First Deed of Trust Modification, the Second Deed of Modification and as amended hereby shall continue in full force and effect Deed of Trust as amended by the First Deed of Trust Modification and as amended hereby are hereby ratified and confirmed by the Grantor.

13. Incorporation of Recitals. All recitals of this Agreement are hereby incorporated by reference into the body of this Agreement.

WARNING (ORS 93.040): BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE

PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

WARNING:

UNLESS GRANTOR PROVIDES BENEFICIARY WITH EVIDENCE OF THE INSURANCE COVERAGE AS REQUIRED BY OUR CONTRACT OR LOAN AGREEMENT, BENEFICIARY MAY PURCHASE INSURANCE AT GRANTOR'S EXPENSE TO PROTECT BENEFICIARY'S INTEREST. THIS INSURANCE MAY, BUT NEED NOT, ALSO PROTECT GRANTOR'S INTEREST. IF THE COLLATERAL BECOMES DAMAGED, THE COVERAGE BENEFICIARY PURCHASES MAY NOT PAY ANY CLAIM GRANTOR MAKES OR ANY CLAIM MADE AGAINST GRANTOR. GRANTOR MAY LATER CANCEL THIS COVERAGE BY PROVIDING EVIDENCE THAT GRANTOR HAS OBTAINED PROPERTY COVERAGE ELSEWHERE.

GRANTOR IS RESPONSIBLE FOR THE COST OF ANY INSURANCE PURCHASED BY BENEFICIARY. THE COST OF THIS INSURANCE MAY BE ADDED TO YOUR CONTRACT OR LOAN BALANCE. IF THE COST IS ADDED TO YOUR CONTRACT OR LOAN BALANCE, THE INTEREST RATE ON THE UNDERLYING CONTRACT OR LOAN WILL APPLY TO THIS ADDED AMOUNT. THE EFFECTIVE DATE OF COVERAGE MAY BE THE DATE GRANTOR'S PRIOR COVERAGE LAPSED OR THE DATE GRANTOR FAILED TO PROVIDE PROOF OF COVERAGE.

THE COVERAGE BENEFICIARY PURCHASES MAY BE CONSIDERABLY MORE EXPENSIVE THAN INSURANCE GRANTOR CAN OBTAIN ON ITS/HIS/HER/THEIR OWN AND MAY NOT SATISFY ANY NEED FOR PROPERTY DAMAGE COVERAGE OR ANY MANDATORY LIABILITY INSURANCE REQUIREMENTS IMPOSED BY APPLICABLE LAW.

UNDER OREGON LAW, MOST AGREEMENTS, PROMISES AND COMMITMENTS

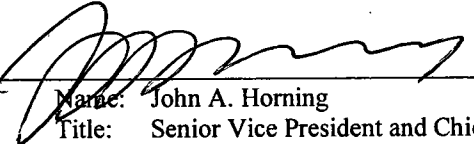
BY BENEFICIARY CONCERNING LOANS AND OTHER CREDIT EXTENSIONS WHICH ARE NOT FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES, OR SECURED SOLELY BY THE GRANTOR'S RESIDENCE MUST BE IN WRITING, EXPRESS CONSIDERATION AND BE SIGNED BY AN AUTHORIZED REPRESENTATIVE OF BENEFICIARY TO BE ENFORCEABLE.

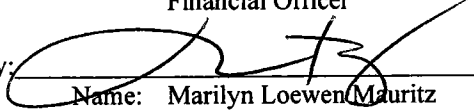
[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed and delivered as of the day and year first above written.

GRANTOR:

**KLAMATH NORTHERN RAILWAY
COMPANY**, a Oregon corporation

By: 
Name: John A. Horning
Title: Senior Vice President and Chief
Financial Officer

By: 
Name: Marilyn Loewen
Title: ~~General Counsel & Corporate~~
Secretary

BENEFICIARY:

**Royal Bank of Canada as Arranger, Royal
Bank of Canada as Agent, and Royal Bank of
Canada, The Toronto-Dominion Bank, The
Bank of Nova Scotia, Bank of Montreal, HSBC
Bank Canada, Canadian Western Bank, and
Export Development Corporation, a
corporation established pursuant to the Export
Development Act, Canada, R.S., c.E-18, S.1**

By: Royal Bank of Canada, as Agent for
each of them

By: Its Authorized Signatory.


Name: Glen Barisoff

PROVINCE OF BRITISH COLUMBIA)

CITY OF VANCOUVER)

) ss.

On this 27th day of February, 2013, before me, a Notary Public in and for the Province of British Columbia, personally appeared JOHN A. HORNING, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that he was authorized to execute the instrument, and acknowledged it as the Senior Vice President and Chief Financial Officer of KLAMATH NORTHERN RAILWAY COMPANY to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

RON L. BOZZER
LAWYER
HUNGERFORD TOMYN LAWRENSEN AND NICHOLS
1100 - 925 WEST GEORGIA STREET
VANCOUVER, B.C. V6C 3L2
(604) 408-5616

NOTARY PUBLIC in and for the Province of
British Columbia, residing at Vancouver, BC
Print Name Ron L. Bozzer
Being a Solicitor

PROVINCE OF BRITISH COLUMBIA)

CITY OF VANCOUVER)

) ss.

On this 27th day of February, 2013, before me, a Notary Public in and for the Province of British Columbia, personally appeared MARILYN LOEWEN MAURITZ, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that she was authorized to execute the instrument, and acknowledged it as the ~~General Counsel & Corporate Secretary~~ of KLAMATH NORTHERN RAILWAY COMPANY to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

RON L. BOZZER
LAWYER
HUNGERFORD TOMYN LAWRENSEN AND NICHOLS
1100 - 925 WEST GEORGIA STREET
VANCOUVER, B.C. V6C 3L2
(604) 408-5616

NOTARY PUBLIC in and for the Province of
British Columbia, residing at Vancouver, BC
Print Name Ron L. Bozzer
Being a Solicitor

PROVINCE OF BRITISH COLUMBIA

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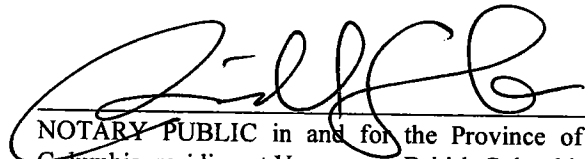
) ss.

CITY OF VANCOUVER

)

On this 27th day of February, 2013, before me, a Notary Public in and for the Province of British Columbia, personally appeared **GLEN BARISOFF**, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that he/she was authorized to execute the instrument, and acknowledged it as the Authorized Signatory of ROYAL BANK OF CANADA, as Agent, to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.


NOTARY PUBLIC in and for the Province of British
Columbia, residing at Vancouver, British Columbia _____
Print Name: Richard Sarabando _____
Being a Solicitor

RICHARD SARABANDO

BARRISTER & SOLICITOR
BULL, HOUSSEY & TUPPER LLP
#3000, 1055 WEST GEORGIA
VANCOUVER, B.C. V6E 3R3
(604) 641-4924

