

**FIRST NATIONS JOINT VENTURE PARTNERSHIP  
TOOL KIT**



**April 1, 2012**

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# First Nations Joint Venture Tool Kit – Executive Summary

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## INTRODUCTION:

Over the next several years, much of the economic activity in Terrace and the northwest region of BC will be fueled by major industrial development projects - many of these projects have a value that exceeds \$1 billion, and each will bring significant economic benefit to the region.

Examples of upcoming projects include (note: each project is in varying stages of receiving regulatory approval and commercial support):

- Apache Kitimat LNG Terminal: \$3 billion
- Pacific Trails Pipeline: \$1.2 billion
- Rio Tinto Alcan Modernization - \$2.5 billion
- Northwest Transmission Line - \$0.400 billion
- Alta Gas Forrest Kerr Project - \$0.700 billion
- Red Chris Mine - \$0.443 billion
- Galore Creek - \$2.5 billion
- Prince Rupert Port Expansion - \$0.600 billion

In total, the potential investment from these projects exceeds \$11.2 billion.

## Aboriginal Partnerships:

Each of the major industrial development projects will likely require some participation and support from Aboriginal communities in order to be successful. Typically, one of the ways that industry works with Aboriginal communities to get that participation and support is by sole-sourcing business opportunities to the community as part of a broader compensation and accommodation package.

However, Aboriginal communities often lack the capacity and resources to fully take advantage of the business opportunities and look to establish relationships with experienced business partners so that they can execute on the opportunities that are presented.

In this sense, there is a potential for established businesses that are willing to partner with Aboriginal communities to also benefit from major project sole-sourcing.

## **Tool Kit:**

The tool kit has been developed to assist businesses that are interested in developing businesses relationships with Aboriginal communities and is organized into three main sections. Section 1 provides information about why businesses might be interested in developing partnerships with Aboriginal communities. Section 2 provides information about who to approach in the northwest about potential business partnerships and some tips on how to approach communities (a detailed list of the First Nation and Métis communities in the area is presented and tips regarding protocol and points of contact are also provided).

Finally, Section 3 provides information about the types of tools that can be used when developing partnerships with Aboriginal communities. Sample agreements are attached as templates for potential use in business arrangements. The templates that are included are (note: it should be emphasized that each business relationship is unique and each circumstance may require a different set or combination of agreements):

- Letter of Understanding
- Joint Venture Agreement
- Term Sheet
- Confidentiality Agreement
- Management Committee

### **Letter of Understanding (LOU):**

This draft document is typically one of the first agreements entered into by First Nations and a proponent and sets out items such as: the basic principles of by which the communities will engage; the objectives of the partnership; meeting schedule; confidentiality clauses; and description of partners. In some cases a LOU will eventually lead to a Memorandum of Agreement which builds and expands on the original LOU.

### **Joint Venture Agreement:**

The Joint Venture Agreement template is a more formal document that outlines a variety of arrangements between the parties including details on: who brings what to the table; who owns what share of the business; and how business is to be conducted between the parties.

### **Term Sheet:**

In Joint Ventures where equity in a new or existing business will be part of the Joint Venture, a Term Sheet is often developed by the Parties. This template lays out some of the terms that Parties will need to consider when negotiating this aspect of the agreement.

**Confidentiality Agreement:**

Most LOU's and Joint Venture Agreements contain confidentiality clauses and are an important element in advancing dialogue between business and First Nations. Typically, First Nations are protective of their traditional knowledge and will require that any information relating to their use of the land and historical occupation of it be kept confidential by both parties. For business, it is important that there be agreements in place to protect any competitive information that will need to be shared in the partnership.

**Management Structure:**

In some Joint Ventures, a Management Committee structure for the operation of the Limited Partnership is utilized. This structure puts in place an oversight group from the Business and First Nation community to ensure that the overall goals of the partnership are being achieved for all parties.

**ABC LTD.**

**AND**

**XXXX FIRST NATION**

**NON-BINDING TERM SHEET  
(for discussion purposes only)**

**ABC AND XXXX FIRST NATION JOINT VENTURE**

<b>Parties:</b>	This section should contain the full legal name and address of both the company and Frist Nation
<b>Type of Agreement:</b>	ie; ABC and XXXX wish to enter into a business partnership which may take the form of a joint venture or Limited Partnership agreement in order to conduct business in the province of British Columbia. (a short description of the business activity could should also be placed here
<b>Execution Date:</b>	On or about (month)[●], 2011.
<b>Contributions by Joint Venture Partners</b>	<p>This section should set out the contributions of each partner.</p> <p>ABC will contribute to the Joint Venture _____ and will hold an ___% participation interest in the Project. The XXXX will contribute _____ and receive a ___% participation interest in the Project.</p> <p>(In some cases FN may contribute other advantages to the business in exchange for a cash contribution below is an example of wording that might apply)</p> <p>XXX will contribute its advice and assistance in seeking and obtaining all necessary permits, licenses and consents required for the JV to conduct all necessary business activity, upon approval of all plans by the Management Committee.</p> <p>In the event that funding for any business activity is obtained from a third party who earns a participation interest in the Project by directly funding work, the participation interests of ABC and XXXX First Nation will be diluted on a straight-line dilution formula. Any third part participation in this manner will require the approval of the Management Committee with a 66 and 2/3 approval.</p>
<b>Managers:</b>	The Joint Venture will have a management committee consisting of _____ managers of which _____ representatives of the management committee will be nominated by ABC and _____ representatives will be nominated by XXXX First Nation. The role of the Management Committee is defined in Exhibit 2.

<b>Purpose of Joint Venture</b>	The purpose of the business partnership will be to: (describe the business activity), and provide the XXXX First Nation with a participatory role in the business, and to support ABC in growing and expanding their business.
<b>Operatorship (is this a word?)</b>	_____ will become the initial operator of the Project and shall have the right, but not the obligation, to propose all work programs and conduct all work on the Project. The cost of each work program will be funded by the Joint Venture. _____ will be entitled to charge an 8% operator fee based on all direct costs in connection with the exploration and development of the Project.
<b>Execution of Equity Option</b>  <b>Approval of Extraordinary Matters:</b>  <b>Area of Interest:</b>  <b>Transferability of Interests:</b>  <b>Confidentiality:</b>	<p>(This section outlines at what point in the business cycle each partner contributes their respective share.).</p> <p>The XXXX First Nation will have the option to execute their Equity ownership on _____, 2011 or the first day the Project begins commercial activity.</p> <p>Agreed-upon extraordinary matters will require 66 and 2/3% approval of the Management Committee.</p> <p>The “Area of Interest” is the area the Joint Venture partnership is in effect for both parties.</p> <p>Each business partner shall have a right of first refusal concerning any proposed transfer of ownership by a partner (excluding transfers to affiliates).</p> <p>The terms and conditions of this Term Sheet shall be confidential, except for disclosure mandated by applicable law.</p>
<b>General:</b>	This Term Sheet is to be considered a statement of intention to effect the proposed transaction in accordance with the terms and conditions outlined herein, and no legally binding obligation will be created until definitive business partnership agreement is executed and delivered by ABC and XXXX Frist Nation as contemplated herein. The terms of this Term Sheet shall be governed by the laws of British Columbia.

## LETTER OF UNDERSTANDING

November 3, 2011

### BETWEEN:

**XXXXX FIRST NATION**, a first nations community located in British Columbia  
(the "**Xxxxxx Nation**")

### AND

**ABC LTD.**, ("**ABC**"), a British Columbia corporation/company

### WHEREAS:

- A. The Xxxxx Nation is a First Nations community with aboriginal rights and title to the area set out as Xxxxx Nation territory described in Appendix "A" to this Agreement ("**Xxxxxx First Nation Territory**");
- B. ABC, is a company that is involved in xxxxxxxx development/construction/supply activities;
- C. ABC wishes to conduct ongoing (describe business activity and location)region of British Columbia, as described in Appendix A, with plan of conducting business for the mutual benefit of ABC and the Xxxx First Nation.
- D. (if there is a project requiring a physical presence)The ABC Project, if constructed, will be situated on lands that the Xxxx First Nation has asserted its aboriginal title and rights;
- E. The Chief and Council of the Xxxx First Nation are the rightful representatives of the Xxxx Nation and will inform and consult with members of the Xxxx First Nation and ABC respecting the ABC (describe business activity) and all of the potential positive and negative consequences of the (describe business activity);
- F. The Parties acknowledge that the British Columbia provincial government and the Canadian federal government have a legal responsibility to consult with and accommodate aboriginal nations where a proposed project or development has the potential to infringe on aboriginal rights or title;
- G. The Parties agree that in order to proceed with the Joint Venture partnership there is a need for a respectful and cooperative relationship between the Xxxx First Nation and ABC and for open dialogue and understanding on all issues relating to the stewardship of the Xxxx Nation's lands and people that may be affected by any Joint Venture;
- H. The Parties also agree that his relationship should be based on mutual trust and respect;
- I. The Parties acknowledge and agree that the Xxxx First Nation requires the adequate support and the necessary capacity and resources to enable them to participate meaningful to properly review information about the ABC, and to negotiate a Joint Venture agreement to ensure that Cheslatta Nation aboriginal rights, and aboriginal title are respected;
- J. The Parties acknowledge a responsibility to negotiate openly and fairly and to formalize a mutually beneficial agreement to address the issues and concerns of both Parties and to allow the mutual sharing of information;

K. The Cheslatta Nation confirms that Chief \_\_\_\_\_ and will act as the principal representative of the Xxxx First Nation and has been duly authorized by the Xxxx Band Council to represent and conduct discussions and negotiations on behalf of the Xxxx First Nation with respect to this Letter of Understanding and any formal arrangement between the Xxxx First Nation and ABC;

L. \_\_\_\_\_ will be the principle representative of ABC as its the delegated authority to represent and conduct discussions and negotiations on behalf of ABC with respect to this Letter of Understanding and any formal arrangement between the Xxxx First Nation and ABC; and

M. The Parties now wish to enter into this Letter of Understanding to describe the basic terms of reference between the Parties for establishment of a business relationship that may lead to a joint venture business relationship.

NOW THEREFORE, the Parties agree as follows:

1. The Parties will act in good faith to work toward negotiating the basic terms of a formal joint venture arrangement within \_\_\_\_\_ days of the date of this Letter of Understanding for the future development of a Joint Venture agreement;

2. The terms of the joint venture will allow for equity participation by the Xxxx First Nation in the ABC.

3. The terms of the joint venture will include a consultation process to promote mutual discussion about ABC and will provide for understanding of the needs of the Xxxx First Nation.

4. ABC will contribute \$\_\_\_\_\_ to the Xxxx First Nation for an initial resourcing to conclude this Letter of Understanding and negotiate the terms of a formal joint venture arrangement. The funds will be used by the Xxxx First Nation to pay the cost of the negotiation of a Joint Venture agreement and for the education of members of the Xxxx First Nation about the proposed agreement.

5. The Xxxx First Nation and ABC agree that it is essential to exchange information and build an understanding of each party's needs and interests with respect to the potential benefits and impacts of any agreement. The Parties agree to exchange and discuss such information during the process of negotiation of the terms of and following the establishment of a joint venture.

6. The Parties each acknowledge that during the course of their consultation and meetings, ABC may provide the Xxxx First Nation with information about ABC and its business interests, affairs and activities and the Xxxx First Nation may provide ABC with knowledge and information about their history, traditions and customs relating to their traditional territory, and business interests and activities .

7. ABC acknowledges and agrees that certain confidential information regarding the history, traditions, customs and business interests and activities of the Xxxx First Nation that may not be publically known and is the property of the Xxxx Nation and shall respect the confidentiality of such information and not distribute such confidential information without the consent of the Xxxx First Nation. The Xxxx First Nation acknowledges that information about ABC and its business interests and affairs that is not publically known is the property of ABC

and agrees that it will remain confidential and will only be used by the Xxxx First Nation for the purpose of furthering the understanding of the business relationship of the Parties among members of the Xxxx Nation.

8. The Parties Agree that this Letter of Understanding shall not be interpreted in a manner that extinguishes, abrogates or diminishes the rights of either Party, including Aboriginal rights or title which are protected under section 35 of the Constitution Act, 1982.

9. This Letter of Understanding shall be effective from the date of execution and shall cease to be in effect if the ABC and Xxxx First Nation are not successful in reaching a formal agreement within a period of six months from the date of signature of this Letter of Understanding by the Parties.

IN WITNESS WHEREOF the Parties have agreed to this Letter of Understanding on the dates noted below:

On behalf of the **XXXX FIRST NATION**:

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Date: \_\_\_\_\_, 2011

On behalf of ABC:

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xxxxxxxxx, President

Date: \_\_\_\_\_, 2011

## CONFIDENTIALITY AGREEMENT

This CONFIDENTIALITY AGREEMENT (the "Agreement") is by and between \_XXXXXXXXXXXX (hereinafter "Disclosing Party"), and the undersigned (hereinafter "Recipient").

WHEREAS, Recipient has requested information from Disclosing Party in connection with consideration of a possible transaction or relationship between Recipient and Disclosing Party.

WHEREAS, in the course of consideration of the possible transaction or relationship, Disclosing Party may disclose to Recipient confidential, important, and/or proprietary trade secret information concerning Disclosing Party and his/its activities.

THEREFORE, the parties agree to enter into a confidential relationship with respect to the disclosure by Disclosing Party to Recipient of certain information.

1. Definitions. For purposes of this Agreement, "Confidential Information" shall include all information or material that has or could have commercial value or other utility in the business or prospective business of Disclosing Party. Confidential Information also includes all information of which unauthorized disclosure could be detrimental to the interests of Disclosing Party whether or not such information is identified as Confidential Information by Disclosing Party. By example and without limitation, Confidential Information includes, but is not limited to, the Company's Business Plan and plan of operations.

For purposes of this Agreement, the term "Recipient" shall include Recipient, the company he or she represents, and all affiliates, subsidiaries, and related companies of Recipient. For purposes of this Agreement, the term "Representative" shall include Recipient's directors, officers, employees, agents, and financial, legal, and other advisors.

2. Exclusions. Confidential Information does not include information that Recipient can demonstrate: (a) was in Recipient's possession prior to its being furnished to Recipient under the terms of this Agreement, provided the source of that information was not known by Recipient to be bound by a confidentiality agreement with or other continual, legal or fiduciary obligation of confidentiality to Disclosing Party; (b) is now, or hereafter becomes, through no act or failure to act on the part of Recipient, generally known to the public; (c) is rightfully obtained by Recipient from a third party, without breach of any obligation to Disclosing Party; or (d) is independently developed by Recipient without use of or reference to the Confidential Information.

3. Confidentiality. Recipient and its Representatives shall not disclose any of the Confidential Information in any manner whatsoever, except as provided in paragraphs 4 and 5 of this Agreement, and shall hold and maintain the Confidential Information in strictest confidence. Recipient hereby agrees to indemnify Disclosing Party against any and all losses, damages, claims, expenses, and attorneys' fees incurred or suffered by Disclosing Party as a result of a breach of this Agreement by Recipient or its Representatives.

4. Permitted Disclosures. Recipient may disclose Disclosing Party's Confidential Information to Recipient's responsible Representatives with a bona fide need to know such Confidential Information, but only to the extent necessary to evaluate or carry out a proposed transaction or relationship with Disclosing Party and only if such employees are advised of the confidential nature of such Confidential Information and the terms of this Agreement and are

bound by a written agreement or by a legally enforceable code of professional responsibility to protect the confidentiality of such Confidential Information.

5. Required Disclosures. Recipient may disclose Disclosing Party's Confidential Information if and to the extent that such disclosure is required by court order, provided that Recipient provides Disclosing Party a reasonable opportunity to review the disclosure before it is made and to interpose its own objection to the disclosure.

6. Use. Recipient and its Representatives shall use the Confidential Information solely for the purpose of evaluating a possible transaction or relationship with Disclosing Party and shall not in any way use the Confidential Information to the detriment of Disclosing Party. Nothing in this Agreement shall be construed as granting any rights to Recipient, by license or otherwise, to any of Disclosing Party's Confidential Information.

7. Return of Documents. If Recipient does not proceed with the possible transaction with Disclosing Party, Recipient shall notify Disclosing Party of that decision and shall, at that time or at any time upon the request of Disclosing Party for any reason, return to Disclosing Party any and all records, notes, and other written, printed or other tangible materials in its possession pertaining to the Confidential Information immediately on the written request of Disclosing Party. The returning of materials shall not relieve Recipient from compliance with other terms and conditions of this Agreement.

8. No Additional Agreements. Neither the holding of discussions nor the exchange of material or information shall be construed as an obligation of Disclosing Party to enter into any other agreement with Recipient or prohibit Disclosing Party from providing the same or similar information to other parties and entering into agreements with other parties. Disclosing Party reserves the right, in its sole discretion, to reject any and all proposals made by Recipient or its Representatives with regard to a transaction between Recipient and Disclosing Party and to terminate discussions and negotiations with Recipient at any time. Additional agreements of the parties, if any, shall be in writing signed by Disclosing Party and Recipient.

9. Irreparable Harm. Recipient understands and acknowledges that any disclosure or misappropriation of any of the Confidential Information in violation of this Agreement may cause Disclosing Party irreparable harm, the amount of which may be difficult to ascertain, and therefore agrees that Disclosing Party shall have the right to apply to a court of competent jurisdiction for specific performance and/or an order restraining and enjoining any such further disclosure or breach and for such other relief as Disclosing Party shall deem appropriate. Such right of Disclosing Party is to be in addition to the remedies otherwise available to Disclosing Party at law or in equity. Such right of Disclosing Party is to be in addition to the remedies otherwise available to Disclosing Party at law or in equity. Recipient expressly waives the defense that a remedy in damages will be adequate and any requirement in an action for specific performance or injunction for the posting of a bond by Disclosing Party.

10. Survival. This Agreement shall continue in full force and effect at all times.

11. Successors and Assigns. This Agreement and each party's obligations hereunder shall be binding on the representatives, assigns, and successors of such party and shall inure to the benefit of the assigns and successors of such party; provided, however, that the rights and obligations of Recipient hereunder are not assignable.

12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of (jurisdiction), without regard to conflict of law principles.

13. Attorney's Fees. If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, the prevailing party in such action shall be awarded its reasonable attorneys' fees and costs incurred.

14. Counterparts and Right. This Agreement may be signed in counterparts, which together shall constitute one agreement. The person signing on behalf of Recipient represents that he or she has the right and power to execute this Agreement.

15. Entire Agreement. This Agreement expresses the full and complete understanding of the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous proposals, agreements, representations and understandings, whether written or oral, with respect to the subject matter. This Agreement is not, however, to limit any rights that Disclosing Party may have under trade secret, copyright, patent or other laws that may be available to Disclosing Party. This Agreement may not be amended or modified except in writing signed by each of the parties to the Agreement. This Agreement shall be construed as to its fair meaning and not strictly for or against either party. The headings hereof are descriptive only and not to be construed in interpreting the provisions hereof.

Date: \_\_\_\_March 28, 2011\_\_\_\_\_

XXXXXXXXXXXXXXXXXXXXX.\_\_\_\_\_. ("Disclosing Party")

By: \_\_\_\_\_

Title: \_\_\_\_\_

XXXXXXXXXXXXXXXXXXXXX\_\_\_\_\_ ("Recipient")

By: \_\_\_\_\_

Title: \_\_\_\_\_

## **JOINT VENTURE AGREEMENT AGREEMENT**

This Joint Venture Agreement (the "Agreement") is effective [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "Joint Venturers"), corporations organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with their head office located at:

[YOUR COMPLETE ADDRESS]

**BETWEEN: [JOINT VENTURERS NAMES]** (the "Joint Venturers"), corporations organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with their head office located at:

[JOINT VENTURERS ADDRESS]

**AND: [AGENT NAME]** (the "Agent"), a corporation organized and existing under the laws of the [State/Province] of [STATE/PROVINCE], with its head office located at:

[AGENT ADDRESS]

### **RECITALS**

The Joint Venturers have agreed to make contributions to a common fund for the purpose of acquiring and holding: [NAME AND DESCRIBE], called the business interest. The Joint Venturers consider it advisable to acquire and hold their business interest through a nominee so as to avoid the necessity of numerous separate agreements, to maintain the legal title to the business interest in a simple and practicable form and to facilitate the collection and distribution of the profits accruing under the business interest, and has agreed to act as nominee of the Joint Venturers with the understanding that he is also acquiring a participating interest in this joint Venture on his own account, It is therefore agreed:

### **1. PURPOSE**

The Joint Venturers form this joint Venture to acquire and hold the business interest in common and to provide the finances required for its acquisition. To the extent set forth in this Agreement, each of the Joint Venturers shall own an undivided fractional part in the business. The Joint Venturers appoint as their Agent [NAME], whose duty shall be to hold each of the undivided fractional parts in the business interest for the benefit of and as Agent for the respective Joint Venturers.

## **2. CONTRIBUTIONS**

The Agent acknowledges that he has received from each of the Joint Venturers, for the purpose of this joint Venture, the sum set after the name of each Joint Venturer as follows:

[CONTRIBUTION AND NAME OF JOINT VENTURERS]

## **3. ACQUISITION OF BUSINESS INTEREST**

The Agent is authorized to acquire and hold in his own name, but on behalf of the Joint Venturers (of which the Agent is one), the business interest, and to pay [AMOUNT] for it as follows: [AMOUNT] in cash, and the balance of [AMOUNT] by a note in that amount. The note shall bear interest at the rate of [%], shall be due and payable on [DATE], with prepayment privileges, and shall be secured by [NAME AND DESCRIBE] which the Agent is authorized to execute and deliver.

## **4. PROFITS**

The Agent shall hold and distribute the business interest and shall receive the net profits as they accrue for the term of this Agreement or so long as the Joint Venturers are the owners in common of the business interest, for the benefit of the Joint Venturers as follows:

[PROPORTION AND NAME OF JOINT VENTURERS]

## **5. EXPENSES OF VENTURE**

All losses and disbursements incurred by the Agent in acquiring, holding and protecting the business interest and the net profits shall, during the period of the Venture, be paid by the Joint Venturers, on demand of the Agent, in the ratio which the contribution of each Joint Venturer bears to the total contributions set forth in Article Two.

## **6. LIABILITY OF AGENT**

The Agent shall be liable only for his own willful misfeasance and bad faith and no one not a party to this Agreement shall have any rights whatsoever under this Agreement against the Agent for any action taken or not taken by him.

**7. TERM**

This Agreement shall terminate and the obligations of the Agent shall be deemed completed on the happening of either of the following events: (a) The receipt and distribution by the Agent of the final net profits accruing under the business interest (b) Termination by mutual assent of all Joint Ventures.

**8. COMPENSATION OF AGENT**

Unless otherwise agreed to in the future by a majority in interest of the Joint Venturers, the Agent shall not receive any compensation for services rendered by him under this Agreement.

IN WITNESS WHEREOF the Agent and the Joint Venturers have signed and sealed this Agreement at [PLACE OF EXECUTION] on the date indicated below.

FIRST JOINT VENTURER

SECOND JOINT VENTURER

\_\_\_\_\_

\_\_\_\_\_

Authorized Signature

Authorized Signature

\_\_\_\_\_

\_\_\_\_\_

Print Name and Title

Print Name and Title

THIRD JOINT VENTURER

AGENT

\_\_\_\_\_

\_\_\_\_\_

Authorized Signature

Authorized Signature

\_\_\_\_\_

\_\_\_\_\_

Print Name and Title

Print Name and Title

## APPENDIX ONE: ABORIGINAL COMMUNITY PROFILES

### GITANYOW FIRST NATION

#### Chief and Council:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	STARLUND	MARK	06/03/2011	06/02/2013
Councillor	DERRICK	JASON	06/03/2011	06/02/2013
Councillor	DERRICK SR	EDWARD	06/03/2011	06/02/2013
Councillor	JOHNSON JR	ANDREW	06/03/2011	06/02/2013
Councillor	MORGAN	TRISTA	06/03/2011	06/02/2013
Councillor	SMITH	VERNON	06/03/2011	06/02/2013
Councillor	STARLUND	JOEL	06/03/2011	06/02/2013
Councillor	WILLIAMS	FRANCIS	06/03/2011	06/02/2013

**Population:** 783 registered members, 372 on Reserve.

**Location:** Gitanyow's traditional territory spans the middle reaches of the Nass River. The community of Gitanyow, also known as Kitwancool, is located approximately 140 km northeast of Terrace. 3 Reserves total 850.40 hectares.

#### Existing Industry Agreements/Activity in Area

- Northwest Transmission Line: approximately 344km, 287kV transmission line will provide power to potential industrial developments in area.
- Forestry: traditionally a major employer in community.

#### Contact Info:

Address: PO Box 340, Kitwanga, BC, V0J 2A0  
Phone: 250.849.5222  
Fax: 250.849.5787  
Website: [www.gitanyow.com](http://www.gitanyow.com)

### GITXSAN HEREDITARY CHIEFS

**Chief and Council:** (hereditary structure, over 50 hereditary Chiefs)  
Executive Director Gordon Sebastian – non-elected position

**Hereditary Structure:** There are more than 50 Gitxsan House groups, each with their own territory in the Gitxsan nation. The House groups belong to one of four Gitxsan clans: Lax Gibuu (Wolf); Lax Seel or Lax Ganeda (Frog); Gisgaast (Fireweed); and Lax Skiik (Eagle).

**Population:** there are 5 Gitxsan Bands (Gitanmaax has a population of 2,179; Gitsegukla has a population of 924; Gitwangak has a population of 1,148; Glen Vowell has a population of 392; Kispiox has a population of 1,530) for a total of approximately 6,173.

**Location:** located in and around the Hazelton's, between Smithers and Terrace. Claim 33,000 square kilometers in northern BC.

**Existing Industry Agreements/Activity in Area:**

- Northwest Transmission Line: approximately 344km, 287kV transmission line will provide power to potential industrial developments in area. Gitxsan have been a major player in lobbying for the project and have a joint venture agreement with one of the proponents that are bidding on the construction of the line.
- Forestry: major economic activity in the area.
- Enbridge Northern Gateway Pipelines proposed project.
- Mining: coal mines in territory that Gitxsan have typically opposed.

**Contact Info:**

Address: PO Box 229, 1650 Omineca Street, Hazelton BC, V0J 1Y0  
Phone: 1.866.842.6780  
Fax: 250.842.6709  
Website: [www.gitxsan.com](http://www.gitxsan.com)

**HAGWILGET VILLAGE** (member of the Office of Wet'suwet'en)

**Chief and Council:**

<b>Title</b>	<b>Surname</b>	<b>Given Name</b>	<b>Appointment Date</b>	<b>Expiry Date</b>
Chief	WILSON	DORA	08/31/2011	08/30/2013
Councillor	GEORGE	KEN	08/31/2011	08/30/2013
Councillor	MICHELL	JAMES	08/31/2011	08/30/2013
Councillor	UNDERHILL	PEGGY	08/31/2011	08/30/2013

**Population:** 704 members, 188 on Reserve.

**Location:** located in New Hazelton, BC.

**Existing Industry Agreements/Activity in Area:**

- Northwest Transmission Line: approximately 344km, 287kV transmission line will provide power to potential industrial developments in area.
- Forestry: major economic activity in the area.
- Enbridge Northern Gateway Pipelines proposed project.
- Mining: coal mines in territory that Gitksan have typically opposed.

**Contact Info:**

Address: Hasila PO Box 460, New Hazelton BC, V0J 2J0  
Phone: 250.842.6258  
Fax: 250.842.6924  
Website: [www.hagwilget.com](http://www.hagwilget.com)

## HAISLA (KITAAMAT VILLAGE COUNCIL)

### Chief and Council:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	ROSS	ELLIS	07/09/2011	07/08/2013
Councillor	AMOS	HENRY (HANK)	07/09/2011	07/08/2013
Councillor	DUNCAN	BRENDA	07/09/2011	07/08/2013
Councillor	GRANT	GODFREY	07/09/2011	07/08/2013
Councillor	GRANT	MARGARET	07/09/2011	07/08/2013
Councillor	GRANT SR.	ALEX	07/09/2011	07/08/2013
Councillor	HARMS	LUCILLE	07/09/2011	07/08/2013
Councillor	NYCE	KEITH	07/09/2011	07/08/2013
Councillor	ROSS	JOANNE	07/09/2011	07/08/2013
Councillor	ROSS JR.	RUSSELL	07/09/2011	07/08/2013
Councillor	STEWART	KEVIN	07/09/2011	07/08/2013

**Population:** 1,664 members, 643 on Reserve.

**Location:** located in Kitimat, BC.

### Existing Industry Agreements/Activity in Area:

- Alcan modernization: \$2.5 billion project to expand and modernize Kitimat manufacturing plant.
- Enbridge Northern Gateway Pipelines proposed project. Marine terminal located in Haisla territory.
- Pacific Trails Pipeline and Kitimat LNG: Haisla one of the 15 First Nation communities that are proponents for the PTP Project, and also have an agreement with Apache regarding the LNG terminal that will be located on Reserve.
- Washington Marine: Haisla have a joint venture agreement with Washington Marine around tugging.
- Kitimaat Renewable Energy Corporation: Proposed Independent Power Project (IPP) at Europa Creek, with significant Haisla ownership.
- Pembina: proposed condensate pipeline from Kitimat to Fort St. John.
- EnCana-Methanex: Methanex has entered into an agreement to provide terminalling services to Encana; who will import dilutant for use in Alberta.
- Eco Systems Restoration: Haisla have entered into an agreement with Ecosystem Restoration to explore the possibility of entering the carbon trade market.

**Contact Info:**

Address: Haisla PO Box 1101, Kitamaat Village BC, V0T 2B0  
Phone: 250.639.9361  
Fax: 250.632.2840  
Website: [www.haisla.ca](http://www.haisla.ca)

## KITSELAS FIRST NATION

### Chief and Council:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	GEROW	JUDITH ETHER	06/13/2011	06/12/2013
Councillor	BENNETT SR.	WILFRED PETERS	06/13/2011	06/12/2013
Councillor	BEVAN	JOSEPH THOMAS	06/13/2011	06/12/2013
Councillor	KENNEDY	CORA	06/13/2011	06/12/2013
Councillor	SEYMOUR	GERALD HOWARD	06/13/2011	06/12/2013
Councillor	BENNETT	WILFRED EDWARD	01/27/2012	06/12/2013

**Population:** 541 Registered members, 246 on Reserve.

**Location:** Located in Terrace, BC. Traditional lands focus on the Skeena River in the regions surrounding Terrace. Ten Reserves totaling 1609.1 hectares:

### Existing Industry Agreements/Activity in Area:

- Enbridge Northern Gateway Pipelines proposed project
- Pacific Trails Pipeline: Kitselas is one of the 15 First Nation communities that are proponents for the PTP Project and Kitimat Liquefied Natural Gas (KLNG) project.
- Forestry: Kitselas has experience in logging and has a forest and range agreement.
- Kitselas Canyon: national historic site and tourist attraction owned and managed by Kitselas.
- Northwest Transmission Line: approximately 344km, 287kV transmission line will provide power to potential industrial developments in area.

### Contact Info:

Address: 2225 Gitau Road, Terrace BC, V8G 0A9  
Phone: 250.635.5084  
Fax: 250.635.5335  
Website: [www.kitselas.bc.ca](http://www.kitselas.bc.ca)

## KITSUMKALUM FIRST NATION

### Chief and Council:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	ROBERTS	DONALD T.	03/08/2011	03/07/2013
Councillor	BOHN	CYNTHIA R.	03/08/2011	03/07/2013
Councillor	BOLTON	WAYNE H.	03/08/2011	03/07/2013
Councillor	GEROW	PETER ERNEST	03/08/2011	03/07/2013
Councillor	SAM	TROY	03/08/2011	03/07/2013
Councillor	SPALDING	SUSAN	03/08/2011	03/07/2013
Councillor	WESLEY	LISA	03/08/2011	03/07/2013

**Population:** 668 members, 208 on Reserve.

**Location:** Located near Terrace along the Skeena River. 4 Reserves total 562.4 hectares.

### Existing Industry Agreements/Activity in Area:

- Enbridge Northern gateway Pipelines proposed project.
- Northwest Transmission Line: approximately 344km, 287kV transmission line will provide power to potential industrial developments in area. Kitsumkalum are a major player in project.
- Prince Rupert Port Authority – Farview container port expansion.
- Agreement with CN Rail regarding provision of rock.
- Independent Power Producer (IPP) potential in territory – Kitsumkalum has invested money into feasibility studies.
- Terrace sawmill – Kitsumkalum are in discussions to purchase sawmill and associated licenses.
- Forestry: Kitsumkalum have a forestry license.

### Contact Info:

Address: PO Box 544, Terrace, BC, V8G 4B5  
Phone: 250.635.6177  
Fax: 250.635.4622  
Website: [www.kitsumkalum.bc.ca](http://www.kitsumkalum.bc.ca)

## LAX KW'ALAAMS FIRST NATION

### Chief and Council:

Title	Surname	Given Name	Appointment Date	Expiry Date
Councillor	ALEXCEE	GERALDINE DONNA	11/24/2011	11/23/2015
Councillor	DENNIS JR.	STAN	11/24/2011	11/23/2015
Councillor	HENRY	BARBARA COLLEEN	11/24/2011	11/23/2015
Councillor	HUGHES	ROBERT SAMUEL	11/24/2011	11/23/2015
Councillor	JOHNSON	HELEN	11/24/2011	11/23/2015
Councillor	KELLY SR.	VICTOR GEORGE	11/24/2011	11/23/2015
Councillor	MATHER JR.	RUSSELL R.	11/24/2011	11/23/2015
Councillor	SAMPSON JR.	CARL THOMAS	11/24/2011	11/23/2015
Councillor	SANKEY	CHRISTOPHER J.	11/24/2011	11/23/2015
Councillor	SANKEY	LAWRENCE V.	11/24/2011	11/23/2015
Councillor	TAIT	ANDREW JACKIE	11/24/2011	11/23/2015
Councillor	WHITE	THEODORE H.H.	11/24/2011	11/23/2015
Mayor	REECE	GARRY MILTON	11/24/2011	11/23/2015

**Population:** 3,313 members, 759 on Reserve.

**Location:** Located near Prince Rupert. 78 Reserves total 11,898.70 hectares.

### Existing Industry Agreements/Activity in Area:

- Enbridge Northern gateway Pipelines proposed project.
- Pacific Trails Pipeline: Lax Kw'alaams is one of the 15 First Nation communities that are proponents for the PTP Project and Kitimat Liquefied Natural Gas (KLNG) project.
- Prince Rupert Port Authority – Farview container port expansion.
- Forestry: Coast Tsimshian Resources LP holds 3 forest tenures in northwestern BC, with a combined allowable annual cut of over 550,000 cubic meters. Office and Log Yard is located in Terrace.

### Contact Info:

Address: 206 Shashaak Street, Port Simpson, BC, V0V 1H0  
Phone: 250.624.3293  
Fax: 250.624.3246  
Website: [www.laxkwalaams.ca](http://www.laxkwalaams.ca)

## **METIS NATION OF BC**

### **Contacts:**

Kim Hodgson  
Regional Director for the Northwest  
[khodgson@mNBC.ca](mailto:khodgson@mNBC.ca)  
Cell: 250.643.3284

Rene Lucier  
Regional Captain Northwest for Ministry of Natural Resources  
([region6captain@bcmanr.ca](mailto:region6captain@bcmanr.ca))  
Phone: 250.631.9514

**Population:** registry is held by provincial office of the Métis Nation.

### **Existing Industry Agreements/Activity in Area:**

- Enbridge Northern gateway Pipelines proposed project.
- Pacific Trails Pipeline.

### **Contact Info:**

Address: 30691 Simpson Road, Abbotsford, BC V2T 6C7  
Toll free: 1.800.940.1150  
Phone: 604.557.5851  
Fax: 604.557.2024

## METLAKATLA FIRST NATION

### Chief and Council:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	LEIGHTON	HAROLD	08/30/2010	08/29/2013
Councillor	BOLTON	ALVIN	08/30/2010	08/29/2013
Councillor	LEASK	ALRITA	08/30/2010	08/29/2013
Councillor	LEASK	ALVIN JR.	08/30/2010	08/29/2013
Councillor	NELSON	JAMES, SR.	08/30/2010	08/29/2013
Councillor	NELSON	ROBERT	08/30/2010	08/29/2013
Councillor	SMITH	CINDY	08/30/2010	08/29/2013

**Population:** 815 members, 96 on Reserve.

**Location:** Located near Prince Rupert. 16 Reserves total 3,464.4 hectares.

### Existing Industry Agreements/Activity in Area:

- Enbridge Northern gateway Pipelines proposed project.
- Prince Rupert Port Authority – Farview container port expansion.
- Metlakatla Development Corporation: independent business arm of Band. Operates ferry service, gas station, charter business, and a training center. Awarded the 2009 Community-owned business of the year award from the BC Ministry of Aboriginal Relations and Reconciliation.
- Forestry: Metlakatla harvests forestry and holds tenure on the north coast.

### Contact Info:

Address: PO Box 459, Prince Rupert BC, V8J 3R2  
Phone: 250.628.3234  
Fax: 250.628.9205  
Website: [www.metlakatla.ca](http://www.metlakatla.ca)

## MORICETOWN BAND (member of Office of Wet'suwet'en)

### Chief and Council:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	MITCHELL	DUANE	07/29/2011	07/28/2013
Councillor	GEORGE	SANDRA	07/29/2011	07/28/2013
Councillor	GUNANOOT	MILDRED	07/29/2011	07/28/2013
Councillor	JIM	VICTOR	07/29/2011	07/28/2013
Councillor	JOSEPH	DELVIN	07/29/2011	07/28/2013
Councillor	LAROSE	MARGARET	07/29/2011	07/28/2013
Councillor	LEWIS	AVRIL	07/29/2011	07/28/2013
Councillor	MCKINNON	DESMOND	07/29/2011	07/28/2013
Councillor	MITCHELL	DUANE	07/29/2011	07/28/2013
Councillor	NAZIEL	GARY	07/29/2011	07/28/2013
Councillor	PIERRE	DEBBIE	07/29/2011	07/28/2013
Councillor	TOM	ANDREW	07/29/2011	07/28/2013
Councillor	WILLIAM	LAWRENCE	07/29/2011	07/28/2013

**Population:** 1,905 members, 631 on Reserve.

**Location:** Located in Smithers, BC.

### Existing Industry Agreements/Activity in Area:

- Northwest Transmission Line: approximately 344km, 287kV transmission line will provide power to potential industrial developments in area.
- Forestry: major economic activity in the area.
- Enbridge Northern Gateway Pipelines proposed project.
- Mining: coal mines in territory that Gitksan have typically opposed.

### Contact Info:

Address: 205 Beaver Road, Smithers BC, V0J 2N1  
Phone: 250-847-2133  
Fax: 250-847-9291  
Website: [www.moricetown.ca](http://www.moricetown.ca)

## NISGA'A NATION

### Background:

- Nisga'a Final Agreement enacted in 2000.
- Nisga'a government is comprised of the Nisga'a Lisims Government (NLG) and the four Nisga'a Village Governments.
- The President, Chairperson, Secretary-Treasurer, and Chairperson of the Council of Elders are elected at-large by Nisga'a citizens.
- Village government members are directly elected.

### Nisga'a Village Governments:

- 1) Gitlaxt'aamiks (New Aiyansh) Location: 97 kilometres northwest of Terrace.

**Population:** approximately 1,800.

### Governance:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	WILLIAMS SR.	GEORGE	11/08/2008	11/08/2012
Councillor	ADAMS	BRENT	11/08/2008	11/08/2012
Councillor	ADAMS (TAIT)	LINDA	11/08/2008	11/08/2012
Councillor	CLAYTON	KEITH	11/08/2008	11/08/2012
Councillor	PARNELL	SADIE	11/08/2008	11/08/2012
Councillor	ROBINSON	GERALD	11/08/2008	11/08/2012
Councillor	TAIT	BRIAN	11/08/2008	11/08/2012
Councillor	TAIT	KEITH	11/08/2008	11/08/2012

- 2) Gitwinksihlkw Location: north bank of the Nass River 100 kilometres northwest of Terrace.

**Population:** approximately 391.

### Governance:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	LAMBRIGHT	PETER	11/08/2008	11/08/2012

Councillor	AZAK	NICK	11/08/2008	11/08/2012
Councillor	COSTELLO	JEANETTE	11/08/2008	11/08/2012
Councillor	MOORE	ELAINE	11/08/2008	11/08/2012
Councillor	MORVEN	CHARLES	11/08/2008	11/08/2012

**Contact Info:**

Address: PO BOX 1, GITWINKSIHLKW, BC, V0J 3T0  
Phone (250) 633-2294  
Fax: (250) 633-2539

- 3) Laxgalts'ap Location: Nass River estuary, approximately 150 kilometers north of Terrace.

**Population:** approximately 1,691.

Governance:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	MARTIN	WILLARD	11/08/2008	11/08/2012
Councillor	CLARK	WALLACE	11/08/2008	11/08/2012
Councillor	LEESON	PETER	11/08/2008	11/08/2012
Councillor	MCKAY	CRAIG	11/08/2008	11/08/2012
Councillor	MCKAY	JACOB	11/08/2008	11/08/2012
Councillor	MOORE	WILLIAM	11/08/2008	11/08/2012
Councillor	STEVENS	HORACE MITCHELL	11/08/2008	11/08/2012

**Contact Info:**

Address: PO BOX 200, GREENVILLE, BC, V0J 1X0  
Phone: (250) 621-3212  
Fax: (250) 621-3320

4) Gingolx Location: northwest coast on Portland Inlet, approximately 170 kilometers northwest of Terrace.

**Population:** approximately 671.

**Governance:**

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	CLAYTON	NELSON	11/08/2008	11/08/2012
Councillor	BARTON	CLAUDE	11/08/2008	11/08/2012
Councillor	NELSON	GWEN	11/08/2008	11/08/2012
Councillor	STEPHENS	HENRY	11/08/2008	11/08/2012
Councillor	STEPHENS	VERN	11/08/2008	11/08/2012
Councillor	STEVENS JR.	PETER	11/08/2008	11/08/2012

**Contact Info:**

Address: 607 FRONT ST, KINCOLITH, BC, V0V 1B0  
Phone: (250) 326-4212  
Fax: (250) 326-4208

**Nisga'a Lisims Government Contact Info:**

Address: Nisga'a Lisims Government, PO Box 231, 2000 Lisims Drive, New Aiyansh, BC, V0J 1A0  
Phone: 250.633.3000  
Fax: 250.633.2367  
Website: <http://nisgaalisims.ca>

## TAHLTAN FIRST NATION

### Chief and Council:

Title	Surname	Given Name	Appointment Date	Expiry Date
Chief	MCLEAN	RICK	06/25/2010	06/24/2012
Councillor	BALL	CHRISTINE	06/25/2010	06/24/2012
Councillor	BOB	LORGAN	06/25/2010	06/24/2012
Councillor	DAY	DWAYNE	06/25/2010	06/24/2012
Councillor	DAY	RUDY	06/25/2010	06/24/2012
Councillor	JACKSON	RICHARD	06/25/2010	06/24/2012

**Population:** 1,704 members, 290 on Reserve.

**Location:** Telegraph Creek. 12 Reserves total 1,338.5 hectares.

### Existing Industry Agreements/Activity in Area:

- Northwest Transmission Line.

### Contact Info:

Address: PO Box 46, Telegraph Creek BC, V0J 2W0  
Phone: 250.235.3151  
Fax: 250.235.3244

## **Exhibit 2**

### **1.1**

## **MANAGEMENT COMMITTEE**

**1.2 Formation of Management Committee.** A management committee (the “Management Committee”) shall be established on or immediately after the Participation Date. Except as otherwise provided, the Management Committee shall make all decisions in respect of Project Operations.

**1.3 Appointment of representatives.** ABC shall be entitled to immediately appoint three representatives and one alternate representative to the Management Committee, and give the other Participants notice of the appointments. Xxxx First Nation shall be entitled to immediately appoint two representatives and one alternate representative to the Management Committee, and give the other Participants notice of the appointments. The alternate representative may attend all meetings and may act for a Participant's missing representative in his absence. A Participant may from time to time revoke in writing the appointment of any of its representatives or alternate representative, and appoint in writing substitutes therefore.

**1.4 Meetings.** The Operator shall call a Management Committee meeting at least once every three months and, in any event, within fourteen days of being requested to do so by any representative of a Participant.

**1.5 Notice of Meetings.** The Chairperson shall give notice, specifying the time and place and if by telephone, details of the teleconference, and the agenda for, the meeting, to all Participants, principal representatives and alternate representatives at least seven days before the time appointed for the meeting.

**1.6 Waiver of Notice.** Notice of a meeting of the Management Committee shall not be required if one representative of each party is present at a meeting and all of them unanimously waive notice of the meeting.

**1.7 Quorum.** A quorum for any Management Committee meeting shall be present if one representative from each Participant of the Property is present. If a quorum is present at the meeting, the Management Committee shall be competent to exercise all of the authorities, powers and discretions bestowed on it under this Agreement. No business other than the election of a chairperson, if any, and the adjournment or termination of the meeting shall be transacted at any meeting unless a quorum is present at the commencement of the meeting but the quorum need not be present throughout the meeting. If within half an hour from the time appointed for a meeting, a quorum is not present, the meeting shall, at the election of those representatives who are present:

(a) be dissolved; or

(b) be adjourned to the same place but on a date and at a time to be fixed by the chairperson of the meeting before the adjournment, which date and time shall be not less than 14 days following the date for which the initial meeting was called.

Notice of the adjourned meeting shall be given to the representatives of all Participants immediately after the adjournment of the meeting. If at the adjourned meeting, a quorum is not present within half an hour from the time appointed, the representative or representatives present and entitled to attend and vote at the meeting shall be a quorum provided at least one person is present from each participant of the Property is present.

**1.8 Votes.** The Management Committee shall work for all decisions to be by consensus. If a vote is required a one member one vote model will apply.

**1.9 Consents in Writing.** The Management Committee may make decisions by obtaining the consent to a resolution in writing of the representatives of all Participants. Any decision so made shall be as valid as a decision made at a duly called and held meeting of the Management Committee.

**1.10 Decisions Binding.** Management Committee decisions made in accordance with this Agreement shall be binding on all of the parties.

**1.11 Expense.** Each Participant shall bear the expenses incurred by its representatives and alternate representatives in attending meetings of the Management Committee.

**1.12 Rules.** The Management Committee may, by Agreement of the representatives of all the Participants, establish other rules of procedure, not inconsistent with this Agreement, as the Management Committee deems fit.