

**ECONOMIC AND COMMUNITY DEVELOPMENT AGREEMENT**

This Agreement is dated for reference March 11, 2014

**BETWEEN:**

**Her Majesty the Queen in right of the Province of British Columbia,**  
as represented by the Minister of Aboriginal Relations and Reconciliation  
("British Columbia")

**AND:**

**Skin Tyee First Nation, on behalf of itself and its Members, as**  
represented by the Chief and Council

(collectively the "Parties" )

**WHEREAS:**

A. The Parties are interested in developing an effective long-term working relationship that includes sharing mineral tax revenues from mine expansion projects.

B. The Parties will utilize the processes set out in this Agreement and may explore other opportunities to minimize impacts to Aboriginal Interests as a result of the Project (the expansion of Huckleberry Mine) and to provide accommodations where impacts do occur.

**NOW THEREFORE** the Parties agree as follows:

**1 Definitions**

In this Agreement:

**"Aboriginal Interests"** means the Skin Tyee First Nation asserted aboriginal rights, including aboriginal title, or determined aboriginal rights (including aboriginal title), which are recognized and affirmed under section 35(1) of the *Constitution Act, 1982*;

**"Agreement"** means this Economic and Community Development Agreement;

**"BC Fiscal Year"** means a period beginning on April 1 of a calendar year and ending on March 31 of the next calendar year;

**"Consultation Process"** means the consultation process referred to in section 5.

**"Dispute"** means any disagreement:

- a) which relates to the implementation or interpretation of this Agreement but does not include a disagreement that relates to:
  - i. a Government Action;
  - ii. consultation under section 5;
  - iii. termination of this Agreement under section 10;
  - iv. the amount of a Project Payment under section 3; and
- b) about which written notice of a dispute is given in accordance with section 13;

**"Effective Date"** means the last date on which this Agreement is fully executed by the Parties;

**"Government Actions"** means all processes, decisions, authorizations, permits, licences, approvals, Crown land dispositions, agreements and other actions whatsoever entered into or otherwise taken by a Provincial Agency in relation to the Project at any time after the Permit Amendment;

**"Incremental Ore Production"** means the mining and production of all ore within the Project Area which would not have been mined and produced in the absence of the Permit Amendment and subsequent Government Actions;

**"Member"** means an individual who is presently, has been or will be a member of the Skin Tyee First Nation as shown in its band list within the meaning of the *Indian Act*; and "members" means all of the Members of the Skin Tyee First Nation;

**"Mine Fiscal Year"** means a "fiscal year of the mine as defined in the *Mineral Tax Act*;

**"Mineral Tax Act"** means the *Mineral Tax Act*, R.S.B.C. 1996, c. 291, as amended from time to time, and legislation in addition to or in substitution therefore which assesses a tax in favour of British Columbia similar to the tax presently assessed under the *Mineral Tax Act*;

**"Operator"** has the same meaning as in the *Mineral Tax Act*;

**"Payment Statement"** means the financial statement that British Columbia will provide to the Skin Tyee First Nation under section 3.4;

**"Permit Amendment"** means the amendment to the *Mines Act* Permit #M-203 approved by British Columbia on December 30, 2011, and related Government Actions;

**"Project"** means, unless otherwise agreed in writing by the Parties, any and all activities after December 30, 2011, and subsequent Government Actions in or related to the Project Area and includes:

- a) the Huckleberry Mine, including its associated infrastructure, access roads, power facilities and other physical facilities located within the Project Area,
- b) any changes, modifications or expansions to the Project,
- c) all matters relating to the exploration, planning, permitting, construction, maintenance, repair, operation, closure and reclamation of the Project, and
- d) any changes, modifications or expansions to existing access roads and power lines located outside the Project Area, to the extent required in connection with the Project;

**"Project Area"** means, for purposes of this Agreement, the area shown on the map attached as Appendix A;

**"Project Payments"** means the payments to be made by British Columbia to the Skin Tyee First Nation each year pursuant to section 3; and "Project Payment" means any one such payment;

**"Proponent"** means an Operator who from time to time is responsible for the Project and for paying *Mineral Tax Act* tax payments to British Columbia in relation to the Project;

**"Provincial Agency"** means British Columbia including:

- a) any minister, public official, employee or person acting on behalf of, or as an agent of British Columbia, and
- b) any government corporation;

**"Statement of Community Priorities"** means community priorities that outline goals and specific outcomes that the Skin Tyee First Nation intends to fund to help achieve the objective set out in section 3.7(a) over the term of the Agreement.

**"Term"** has the meaning given to that term in section 9.1.

## **2 Purposes and Scope**

### **2.1 The purposes of this Agreement are to:**

- a) provide Project Payments associated with the Incremental Ore Production so that the Skin Tyee First Nation may pursue activities that will enhance the social, economic and cultural well-being of their Members, and as a component of any obligation of British Columbia to accommodate the Skin Tyee First Nation; and
- b) confirm the Consultation Process and provide an accommodation to the Skin Tyee First Nation in relation to potential adverse impacts of Government Actions related to the Project on the Skin Tyee First Nation Aboriginal Interests.

## **3. Project Payments**

### **3.1 In this section 3:**

**"Incremental Mineral Tax Revenue"** means the Net Mineral Tax Revenue attributable to Incremental Ore Production;

**"Net Mineral Tax Revenue"** means the total amount of tax, penalty and interest paid by the Proponent under the *Mineral Tax Act* in respect of the Project, less the total amount of tax, penalty and interest refunded and interest paid to the Proponent under the *Mineral Tax Act* in respect of the Project.

### **3.2 How Amount Payable for a Mine Fiscal Year is Determined**

- a) The total amount the Skin Tyee First Nation is entitled to receive for each Mine Fiscal Year under this Agreement will be 4.3 per cent of Incremental Mineral Tax Revenue for the Mine Fiscal Year.
- b) British Columbia will determine Incremental Mineral Tax Revenue based on Incremental Ore Production for the Mine Fiscal Year to which the Net Mineral Tax Revenue relates.
- c) If the Proponent has not reported its Incremental Ore Production for the Mine Fiscal Year at the time a Project Payment is calculated, British Columbia will estimate the Incremental Ore Production for the purpose of determining Incremental Mineral Tax Revenue.

- d) British Columbia may make an adjustment in a subsequent BC Fiscal Year if it determines that a calculation of Incremental Mineral Tax Revenue was based on an inaccurate Incremental Ore Production figure, and the adjustment may result in an underpayment or overpayment.

### **3.3 Calculation and Timing of Project Payments**

- a) Project Payments will be calculated for each BC Fiscal Year.
- b) Subject to compliance by Skin Tyee First Nation with the provisions of section 4 (Community Priorities, Annual Reports and Records) and provided Skin Tyee First Nation does not provide notice under section 6.4(b), if the Project Payment for a BC Fiscal Year ending after the Effective Date is a positive amount, British Columbia will, 150 days after the end of the BC Fiscal Year for which the Project Payment is calculated, pay the Project Payment amount calculated to Skin Tyee First Nation.

### **3.4 Payment Statements**

Within 90 days after the end of each BC Fiscal Year ending after the Effective Date, British Columbia will, subject to section 3.8(d), provide the Skin Tyee First Nation with a Payment Statement containing the Net Mineral Tax Revenue and the amount of the Project Payment.

### **3.5 Other Payment Provisions**

- a) The Parties acknowledge that *Mineral Tax Act* revenues fluctuate and that Project Payments will vary over time.
- b) British Columbia will notify the Skin Tyee First Nation of any significant changes made to the *Mineral Tax Act* tax regime.
- c) If during the Term, British Columbia makes significant changes to the *Mineral Tax Act* tax regime, the Parties may negotiate alternative mine revenue sharing opportunities.
- d) The Parties acknowledge that the determination of Incremental Ore Production and the net revenues under the *Mineral Tax Act* are based on approximations and therefore subject to imprecision.
- e) British Columbia is entitled to rely upon information provided by the Proponent, including the Proponent's report of Incremental Ore Production for a Mine Fiscal Year, in determining Incremental Ore Production and in calculating Project Payments under section 3.3(a);

- f) If the Proponent does not provide information for the purposes of determining Incremental Ore Production, British Columbia will notify the Skin Tyee First Nation that the Proponent has not provided information in respect of the determination of Incremental Ore Production for that Mine Fiscal Year; and will determine Incremental Ore Production based on the best available information.
- g) British Columbia will make reasonable efforts to ensure the accuracy of information that is used to determine Incremental Ore Production and to calculate Project Payments but British Columbia makes no warranty or representation as to the accuracy of such information and no action or proceeding lies against it in relation to any claim that information or the determination of Incremental Ore Production was inaccurate; and
- h) In the event that the Proponent is no longer responsible for making payments under the *Mineral Tax Act* in relation to the Project, such that there will be no subsequent payment to the Skin Tyee First Nation under this Agreement, British Columbia will send to the Skin Tyee First Nation a notice of any overpayment amount that remains outstanding, and British Columbia may deduct the overpayment amount from any other future amounts that may be payable to the Skin Tyee First Nation.

### **3.6 Delivery of Payments**

- a) The Skin Tyee First Nation or other entity designated by the Skin Tyee First Nation under section 3.6(g), will establish and maintain in its own name a Payment Account at a Canadian financial institution requiring two signatures, one of which must be the Chief of Skin Tyee First Nation, for the purpose of receiving Project Payments and into which direct deposits can be made by British Columbia and will provide British Columbia the address and account information to enable British Columbia to make Project Payments.
- b) British Columbia will make Project Payments to the Skin Tyee First Nation by depositing the payments into the Payment Account established under section 3.6(a).
- c) Prior to British Columbia making any Project Payments, the Skin Tyee First Nation must:
  - i. be in compliance with its obligations under section 3.6(a), or
  - ii. provide the confirmation required under section 3.6(h) if other entities are designated under section 3.6(g).

- d) The Payment Account will be used for the sole purpose of receiving Project Payments under this Agreement to pursue the objective set out in section 3.7(a).
- e) The Skin Tyee First Nation, or other entities as designated under section 3.6(g), will maintain the Payment Accounts for as long as there is money in it to be disbursed.
- f) The Skin Tyee First Nation warrants and represents that it:
  - i. will maintain financial records with respect to the Project Payments provided under this Agreement in accordance with Generally Accepted Accounting Principles and Public Sector Accounting Standards; and
  - ii. has and will continue to have the Payment Accounts audited annually in accordance with Public Sector Accounting Standards.
- g) The Skin Tyee First Nation may designate another entity to receive the Skin Tyee First Nation's payments under section 3.6(b) and, if such a designation is made, they will notify British Columbia, and British Columbia is entitled to rely on such notice.
- h) The Skin Tyee First Nation will ensure and provide confirmation to British Columbia that any entities designated under section 3.6(g):
  - i. possess the legal capacity to accept Project Payments,
  - ii. will fulfill the payment objectives set out in section 3.7(a),
  - iii. will adhere to Generally Accepted Accounting Principles, and
  - iv. will be audited annually in accordance with Public Sector Accounting Standards.
- i) British Columbia will be entitled to rely on any notice of change of address, entity or Payment Account set out in a Band Council Resolution received by British Columbia from the Skin Tyee First Nation.
- j) Where Project Payments to the Skin Tyee First Nation are suspended under section 11.1 and notice by the Skin Tyee First Nation under section 6.4(b) is withdrawn, British Columbia will make the suspended payment within 60 days.

### **3.7 Use of Project Payments**

- a) The Skin Tyee First Nation will use the Project Payments for initiatives consistent with the objective of enhancing the socio-economic well-being of its Members. For example, including but not limited to initiatives related to education, culture, housing, infrastructure, health, economic development and governance capacity. For clarity, the Skin Tyee First Nation may use all, or a portion of, Project Payments received in any given year to pursue

initiatives in that year, or may hold such payments for initiatives in future years.

- b) Whether or not the Term has ended, the Skin Tyee First Nation will continue to use the monies received under this Agreement for the objective set out in section 3.7(a).

### **3.8 Confidential Information**

- a) The Skin Tyee First Nation will keep confidential information that British Columbia marks as "confidential", including Payment Statements and any information that relates to tax payments under the *Mineral Tax Act*, and will not disclose such information to any other person, unless compelled to do otherwise by law.
- b) Notwithstanding section 3.8(a), the Skin Tyee First Nation may disclose confidential information to their advisors, including legal, financial, tax and other professional advisors, provided that those advisors agree in writing to keep the information confidential.
- c) British Columbia will keep confidential information that the Skin Tyee First Nation marks as "confidential", and will not disclose such information to any other person, except as necessary to support a consultation or decision making process regarding any Government Action or in accordance with the *Freedom of Information and Protection of Privacy Act*, or as otherwise required by law.
- d) Notwithstanding any other provision of this Agreement, British Columbia's obligation to provide a Payment Statement and other information that is confidential under the *Mineral Tax Act* is subject to British Columbia obtaining written consent from the Proponent for sharing such information, and is also subject to any additional confidentiality provisions that the Proponent may require.
- e) Notwithstanding any other provision of this Agreement, the Skin Tyee First Nation will have the right to disclose the amount of a Project Payment to its Members each year.
- f) The Skin Tyee First Nation acknowledges that British Columbia has informed it of the confidentiality requirements under the *Mineral Tax Act*.

### **3.9 Appropriation**

Notwithstanding any other provision of this Agreement, the Project Payments to be provided by British Columbia to the Skin Tyee First Nation are subject to:



- a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable British Columbia in any Fiscal Year or part thereof when such payment is required, to make such payment; and
- b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited expenditure under any appropriation necessary in order to make such payment.

### **3.10 Payment Disputes**

If the Skin Tyee First Nation disagrees with the amount of a Project Payment the Skin Tyee First Nation may give notice to British Columbia and upon such notice:

- i. the Parties will meet as soon as practicable to discuss the matter of concern,
- ii. after which British Columbia will review the matter and take any remedial actions required.

## **4 Community Priorities, Annual Reports and Records**

The Skin Tyee First Nation will:

- a) within one year of the Effective Date of this Agreement, prepare a Statement of Community Priorities that identifies community priorities and outlines goals and specific outcomes that the Skin Tyee First Nation intends to fund to help achieve the objective set out in section 3.7(a) over the next three years.
- b) within 30 days of the end of each BC Fiscal Year, update its Statement of Community Priorities identified in section 4(a) taking into account the Project Payment for that fiscal year, and a description of community priorities achieved.
- c) within 90 days of the end of each BC Fiscal Year, prepare and, if applicable, its designate will also prepare an annual report containing the following information:
  - i. the Skin Tyee First Nation's community priorities for the present fiscal year that are intended to be funded from the Project Payments in the Payment Account,
  - ii. expenditures made in the previous BC Fiscal Year that were funded from the Project Payments, and

- iii. how those expenditures contribute to the achievement of the Statement of Community Priorities set out in section 4(a).
- d) publish the documents referred to in sections 4(a), 4(b) and 4(d) on the internet or in another manner that can reasonably be expected to bring the information to the attention of its Members and the public.
- e) if requested by British Columbia, provide audited financial statements with respect to the expenditure of Project Payments from the Payment Account.
- f) notwithstanding the termination or expiry of this Agreement, continue to comply with section 4 until 12 months after the Skin Tyee First Nation receives its last Project Payment from British Columbia.

## **5 Consultation and Accommodation Process**

### **5.1 General Consultation Provisions**

- a) Provincial Agencies will consult with the Skin Tyee First Nation in regard to Government Actions proposed after the Effective Date, which may adversely impact Skin Tyee First Nation's Aboriginal Interests, in accordance with existing Provincial consultation policies and procedures.
- b) The Parties acknowledge that they each have obligations with respect to consultation in regard to Government Actions.

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## **6 Certainty**

### **6.1 Releases and Acknowledgements by the Skin Tyee First Nation**

The Skin Tyee First Nation, on its own behalf, and on behalf of its Members:

- a) with respect to the Permit Amendment and Government Actions prior to the Effective Date:
  - i. acknowledges that British Columbia, including each Provincial Agency, has and will be deemed to have fulfilled any legal obligations to consult the Skin Tyee First Nation, and
  - ii. releases and forever discharges British Columbia, including each Provincial Agency, from all actions, causes of action, claims, proceedings, debts, duties, demands, interest, fines, costs, expenses and compensation of whatsoever amount and kind; and

- b) acknowledges that the Project Payments made under section 3.3(b) of this Agreement constitutes a component of any accommodation that may be required for any potential adverse impacts on the Skin Tyee First Nation's Aboriginal Interests.

#### **6.2 Further Assurances**

The Skin Tyee First Nation, on its own behalf, and on behalf of its Members, will not:

- a) without restricting the generality of sections 6.1 and 6.4, bring or continue any action or other proceeding, at law or in equity, in its own name or by representative action, against British Columbia which is inconsistent with sections 6.1 and 6.4;
- b) challenge or impede the right of British Columbia or the Proponent, or any of their respective employees, contractors, agents, representatives or invitees, to gain access to the Project, including any facilities associated with the Project whether located on the Skin Tyee First Nation's Traditional Territory or elsewhere, and to carry out any activities associated with the development and operations of the Project.

#### **6.3 Acknowledgements by British Columbia**

British Columbia acknowledges that this Agreement does not prohibit the Skin Tyee First Nation from:

- a) participating in government programs for which they may be eligible; and
- b) entering into agreements with other parties, including agreements with the Proponent.

#### **6.4 Annual Release**

- a) Upon the acceptance of a Project Payment under section 3.3(b), Skin Tyee First Nation, on its own behalf, and on behalf of its Members, will be deemed to have released and forever discharged British Columbia and each Provincial Agency from all actions, causes of action, claims, proceedings, debts, duties, demands, interest, fines, costs, expenses and compensation of whatsoever amount and kind that arose during the BC Fiscal Year to which that Project Payment applies, in relation to:
  - i. any legal obligations to consult and accommodate the Skin Tyee First Nation with respect to the Project; and
  - ii. any demands or claims for capacity funding, revenue generation, revenue sharing and economic benefits, third party studies or payments of any kind with respect to the Project.

- b) Within 45 days after the end of a BC Fiscal Year, the Skin Tyee First Nation may provide written notice to British Columbia that it is not prepared to accept a Project Payment in accordance with the provisions of section 6.4(a), and will provide a written rationale for not accepting a Project Payment.
- c) Where Skin Tyee First Nation provides notice under section 6.4(b), and the rationale provided in section 6.4(b) relates to the outcomes of a Consultation Process or any Government Action, then
  - i. British Columbia may suspend the Project Payments to the Skin Tyee First Nation; and
  - ii. the Parties will meet within 30 days and will attempt to resolve the matter giving rise to the written notice provided under section 6.4 (b).

#### **6.5 Assistance**

The Skin Tyee First Nation will promptly, upon request by British Columbia, cooperate with British Columbia and provide its support to British Columbia in seeking to resolve any action that might be taken by any Skin Tyee First Nation Member that is inconsistent with sections 3.8 (Confidential Information), 6.1 (Releases and Acknowledgments by the Skin Tyee First Nation), 6.2 (Further Assurances), 6.4 (Annual Release) or 6.6 (Continuing Obligations).

#### **6.6 Continuing Obligations**

Sections 3.8 (Confidential Information), 4 (Community Priorities, Annual Reports and Records), 6.1 (Releases and Acknowledgments by the Skin Tyee First Nation), 6.4 (Annual Release) and 6.5 (Assistance) survive the termination of this Agreement.

### **7 Rule for End of Term**

- 7.1 If the Term ends otherwise than on the last day of a Mine Fiscal Year:
  - (a) no payment will be payable to the Skin Tyee First Nation under this Agreement in relation to that portion of the Mine Fiscal Year after the date on which the Term ends or in relation to any subsequent Mine Fiscal Year; and
  - (b) subject to section 7.1(a), the obligations of British Columbia set out in sections 3.1 through 3.3 will continue, but only to the extent that tax, penalty or interest is received from, or refunded or paid to, the Proponent by British Columbia in relation to Mine Fiscal Years ending between the Effective Date of the Agreement and the date the Term

ends.

**7.2** If the Term ends otherwise than on the last day of a BC Fiscal Year, the Project Payment for that BC Fiscal Year will be prorated to the end of the Term based on the number of days in the BC Fiscal Year occurring before the end of the Term as a portion of the total days in the BC Fiscal Year, and for greater certainty, will not include payment for any portion of the BC Fiscal Year after the date of the end of the Term or in relation to any subsequent BC Fiscal Year.

**7.3** Notwithstanding sections 7.1 and 7.2, unless the Skin Tyee First Nation provide the covenants, agreements and releases described in section 7.4, upon termination of this Agreement:

(a) the obligations of British Columbia set out in sections 3.1 through 3.3 will continue, but only to the extent that tax, penalty or interest is received from, or refunded or paid to, the Proponent by British Columbia in BC Fiscal Years ending between the Effective Date of the Agreement and the termination date;

(b) British Columbia is fully released and discharged from all of its obligations in respect of any Project Payments suspended under section 11.1; and (c) subject to section 6.6, the Parties are fully released and discharged from the further performance of their respective obligations under this Agreement.

**7.4** If within 90 days after notice of termination under section 10.1 or within 30 days after notice of termination under section 10.4, the Skin Tyee First Nation, on its own behalf and on behalf of its members:

(a) covenants and agrees that British Columbia has complied with section 5 and has fulfilled any and all legal obligations to consult and accommodate the Skin Tyee First Nation in relation to the Government Actions taken up to and including the termination date; and

(b) releases and forever discharges British Columbia from all actions, causes of action, claims, proceedings, debts, duties, demands, interest, fines, costs, expenses and compensation of whatsoever amount and kind which it ever may have had, has or may ever have against British Columbia with respect to any and all legal obligation to consult and accommodate or to provide capacity funding, revenue generation, revenue-sharing and economic benefits, third party studies or payments or disbursements of any kind related to the Government Actions taken up to and including the termination date;

then section 7.1 will apply and British Columbia will:



- (c) within 60 days after the last date on which the Skin Tyee First Nation provides British Columbia with the covenant, agreement and release described above, make any suspended Project Payment; and
- (d) within the 150 days after the end of the BC Fiscal Year in which the termination occurs, provide a Project Payment for that BC Fiscal Year prorated to the termination date in accordance with section 7.2.

## **8 Assignment**

The Skin Tyee First Nation will not assign, either directly or indirectly, this Agreement or any right of the Skin Tyee First Nation under this Agreement without the prior written consent of British Columbia.

## **9 Term**

- 9.1** The term of this Agreement will commence on the Effective Date and will continue for as long as tax, interest and penalties payable by a Proponent are subject to reassessment under applicable legislation, unless this Agreement:
- a) is extended by agreement of the Parties; or
  - b) terminates at the end of the 90 day period referred to in section 10.1.

## **10 Termination**

- 10.1** Either Party may terminate this Agreement prior to the end of the Term on the grounds set out in sections 10.2 or 10.3 by giving the other Party 90 days advance written notice of the intent to terminate the Agreement and the reasons for terminating the Agreement. During the 90 day period, representatives of the Parties will meet in order to discuss the circumstances which gave rise to the written notice and in order to determine whether there is a basis for rescinding the notice.
- 10.2** The Skin Tyee First Nation will have the right to terminate this Agreement in accordance with section 10.1 if:
- a) British Columbia fails to make a payment to the Skin Tyee First Nation as contemplated by section 3 (Project Payments), other than a failure to pay as a result of a Dispute concerning the proper amount of payment;
  - b) British Columbia does not make a Project Payment as a result of the provisions of section 3.9 (Appropriation);
  - c) the representation or warranty made by British Columbia in this Agreement

is untrue or incorrect;

- d) British Columbia is not in compliance with its obligations under this Agreement.

**10.3** British Columbia will have the right to terminate this Agreement in accordance with section 10.1 if:

- a) The Skin Tyee First Nation is not in compliance with its obligations under this Agreement;
- b) any representation or warranty made by the Skin Tyee First Nation in this Agreement is untrue or incorrect; or
- c) The Skin Tyee First Nation commences any legal proceeding against British Columbia, or activates a proceeding in abeyance, in relation to the Project or this Agreement, other than a legal proceeding based on a claim that British Columbia has failed to make a Project Payment due under this Agreement.

**10.4** Where notice under section 6.4(b) is not withdrawn within 60 days, British Columbia may terminate this Agreement by giving the Skin Tyee First Nation 30 days written notice and upon such termination, the Skin Tyee First Nation will be deemed to have fully released and discharged British Columbia from its obligations in respect of the suspended Project Payments.

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## **11 Suspension of Payments**

**11.1** If the Skin Tyee First Nation is in material breach of its obligations under sections 3.6 (Delivery of Payments), 3.7 (Use of Project Payments), 4 (Community Priorities, Annual Reports and Records), and 7 (Assignment) of this Agreement, or any representation or warranty made by Skin Tyee First Nation in this Agreement is untrue or incorrect in any material respect, British Columbia may suspend making further Project Payments until the material breach has been remedied or the representation or warranty required by this Agreement has been made true and correct in all material respects.

**11.2** Where Project Payments are suspended under section 11.1:

- a) British Columbia will provide notice to the Skin Tyee First Nation of the specific material breach or untrue or incorrect representation or warranty relied on;
- b) Either Party may provide Notice of a Dispute under section 13.3; and

c) Where the material breach is not remedied or where the matter is not resolved within 30 days of the conclusion of the dispute resolution process either Party may provide notice to terminate in accordance with section 10.1.

**11.3** Where Project Payments for the Project are suspended under section 11.1 and the material breach is remedied or the representation or warranty required by this Agreement is made true and correct in all material respects prior to the giving of a notice to terminate under section 10.1, British Columbia will make any Project Payments it would otherwise have been required to make with respect to the Project within 60 days of the day the material breach is remedied or the representation or warranty is made true and correct in all material respects.

**11.4** Where Project Payments are suspended under section 11.1 and British Columbia terminates this Agreement in accordance with subsection 10.1 prior to the Skin Tyee First Nation remedying the material breach or making true and correct the representation or warranty resulting in the suspension of payment, the Skin Tyee First Nation will be deemed to have fully released and discharged British Columbia from all of its obligations in respect of the suspended Project Payments.

## **12 Representations and Warranties**

### **12.1 The Skin Tyee First Nation Representations**

Skin Tyee First Nation represents and warrants to British Columbia, on which British Columbia will rely in entering into this Agreement, the following:

- a) its band council is a duly constituted band council under the *Indian Act*;
- b) it has the legal power, capacity and authority to enter into this Agreement on its own behalf and on behalf of its Members;
- c) it has taken all necessary actions and obtained all necessary approvals to enter into this Agreement for and on behalf of its Members;
- d) it has obtained or had the opportunity to obtain the advice of their own financial, legal, tax and other professional advisors with respect to this Agreement; and
- e) it enters into this Agreement for, and on behalf of, all of its Members, and that the Agreement is a valid and binding obligation of the Skin Tyee First Nation and its Members.

### **12.2 Provincial Representations**



British Columbia represents and warrants to the Skin Tyee First Nation, on which the Skin Tyee First Nation will rely in entering into this Agreement, the following:

- a) it has the authority to enter into this Agreement; and
- b) this Agreement is a valid and binding obligation of British Columbia.

### **13 Dispute Resolution**

- 13.1 The Parties will endeavor to resolve any Disputes in a co-operative, effective and timely manner.
- 13.2 Section 13 does not apply to Government Actions, decisions or matters relating to the Consultation Process, payment disputes under section 3.10 or to termination of this Agreement pursuant to section 10.
- 13.3 Any Party may give written notice ("Notice of Dispute") to the other Party, which must include a summary of the particulars of the Dispute.
- 13.4 Where the Parties issue a Notice of Dispute, the Parties will meet within 10 working days of the receipt of the Notice of Dispute by the receiving Party and will attempt to resolve the Dispute through unassisted collaborative negotiation.
- 13.5 The Parties may agree to vary a procedural requirement contained in this section 13 as it applies to a particular Dispute.
- 13.6 The Parties may also choose other appropriate approaches to assist in reaching resolution of the dispute.

### **14 Notice and Delivery**

- 14.1 Where in this Agreement any notice or other communication is required to be given by any of the Parties, it will be made in writing. It will be effectively given:
  - a) by personal delivery to the address of the Party set out below, on the date of delivery;
  - b) by pre-paid registered mail to the address of the Party mentioned in this Agreement, on the date the registered mail is delivered; or
  - c) by facsimile, to the facsimile number of the Party set out in this Agreement, on the date the facsimile is received.

**14.2** The address and facsimile numbers of the Parties are:

a) Skin Tyee First Nation:

Attention: Chief & Council

b) British Columbia:

Ministry of Aboriginal Relations and Reconciliation  
2957 Jutland Road  
Victoria, BC V8T 5J9  
Fax: (250) 387-6073  
Attention: Assistant Deputy Minister, Strategic Initiatives Division

**14.3** Any Party may at any time give notice to the other Party of any change of address or facsimile number in accordance with section 14.1.

## **15 General Provisions**

**15.1** This Agreement is not a treaty or land claims agreement within the meaning of sections 25 and 35 of the *Constitution Act, 1982*.

**15.2** This Agreement does not create, expand, amend, define, affirm, recognize, limit, deny, abrogate, extinguish, replace or derogate from any Aboriginal Interests.

**15.3** British Columbia acknowledges and enters into this Agreement on the basis that the Skin Tyee First Nation has Aboriginal Interests within its Traditional Territory but that the specific nature, scope or geographic extent of those Aboriginal Interests has yet to be determined, and where appropriate, reconciled with Crown Sovereignty. The Parties intend that broader processes that may be engaged in to bring about reconciliation may lead to a common understanding of the nature, scope and geographic extent of the Skin Tyee First Nation Aboriginal Interests or treaty interests and their relationship with Crown Sovereignty.

**15.4** This Agreement does not change or affect the position either Party has, or may have, regarding its jurisdiction, responsibilities and decision-making authority.

**15.5** Nothing in this Agreement shall limit or diminish any contractual, equitable or other obligation of the Proponent to the Skin Tyee First Nation, nor shall an agreement between the Skin Tyee First Nation and the Proponent limit or diminish the British Columbia's obligations

under this Agreement. For further clarity, nothing in this Agreement precludes the Skin Tyee First Nation from:

- a) continuing to negotiate and implement revenue- and benefits-sharing agreements with proponents and other governments,
- b) accessing economic opportunities and benefits, which may be available to the Skin Tyee First Nation other than those expressly set out in this Agreement, or
- c) participating in government programs for which any of the Skin Tyee First Nation may be eligible.

**15.6** This agreement is not intended to be interpreted in a manner that would affect or unlawfully interfere with any legislative authority of British Columbia or fetter the discretion of any decision-making authority.

**15.7** No partnership, joint venture, agency, fiduciary or employment relationship will be deemed to be created by this Agreement or by any actions of the Parties under this Agreement.

**15.8** Except as expressly contemplated herein, this Agreement does not limit the position either Party may take in any legal or administrative proceedings or in any discussions or negotiations between the Parties.

**15.9** Nothing in this Agreement is to be construed as an acceptance of or admission by a Party of the position of the other Party or as an admission of liability and without limiting the foregoing, this Agreement is not to be construed as an admission of:

- a) the validity of, or any fact or liability in relation to any claims for compensation for alleged past or future infringements of Aboriginal Interests of any kind whatsoever or whomsoever arising in relation to such assertions.
- b) an obligation to provide financial or economic benefits or compensation, including those provided in this Agreement, as part of British Columbia's obligation to consult and, as appropriate, accommodate in relation to the Project.

**15.10** This Agreement does not constitute an admission that Government Actions have resulted or will result in any unjustified infringement of any Aboriginal Interests.

**15.11** This Agreement is to be governed by the applicable laws of Canada and British Columbia.

- 15.12** There will be no presumption that any ambiguity in any of the terms of this Agreement should be interpreted in favour of either Party.
- 15.13** This Agreement and any amendment to it constitute the entire Agreement between the Parties with respect to the subject matter of this Agreement, unless otherwise agreed in writing by the Parties.
- 15.14** If any part of this Agreement is void or unenforceable at law, it shall be severed from this Agreement and the rest of the Agreement shall remain in effect and fully enforceable.
- 15.15** If any part of this Agreement is void or unenforceable at law, the Parties agree to negotiate and attempt to reach agreement, to the extent reasonably possible and as their respective interests may require, on a replacement for the severed part with a view to achieving the intent of the Parties as expressed in this Agreement. The Parties may agree to refer the matter to the dispute resolution process set out in section 13.
- 15.16** All headings in this Agreement are for convenience only and do not form a part of this Agreement and are not intended to interpret, define, limit, enlarge, modify or explain the scope, extent or intent of this Agreement or any of its provisions.
- 15.17** In this Agreement, words in the singular include the plural, and words in the plural include the singular unless the context or any specific definition otherwise requires.
- 15.18** The use of the word "including" is to be read as not limiting the generality of the preceding term or phrase.
- 15.19** In this Agreement, any reference made to a statute includes all regulations made under that statute and any amendments or replacements.
- 15.20** No term, condition, acknowledgement or other provision of this Agreement will be considered to have been waived by the Parties unless such waiver is expressed in writing by the Parties.
- 15.21** All references in this Agreement to a designated section or other subdivision or to an appendix are to the designated section or other subdivision of, or appendix to, this Agreement.
- 15.22** Any reference to a corporate entity includes and is also a reference to any corporate entity that was a predecessor to, or that is a successor to, such entity.

**15.23** The following appendices are attached to and forms part of this Agreement:


Appendix A: *Map showing Area of the Project*

**15.24** This Agreement may be executed by the Parties in counterparts and by facsimile or scanned copy.

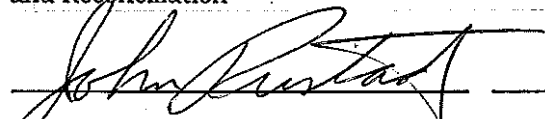
**15.25** Any amendment of this Agreement agreed to by the Parties must be in writing and signed by the Parties.

IN WITNESS WHEREOF the Parties have executed this Agreement as set out below:

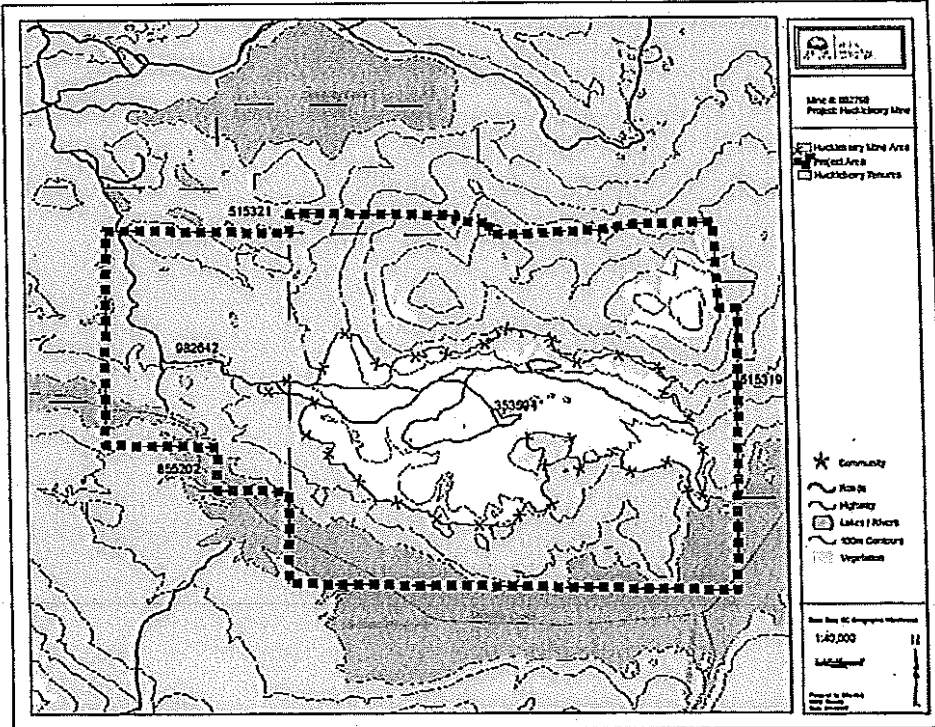
Signed on behalf of  
The Skin Tyee First Nation by

  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Signed on behalf of Her Majesty the  
Queen In Right of the Province of  
British Columbia as represented by  
the Minister of Aboriginal Relations  
and Reconciliation

  
\_\_\_\_\_  
Honourable                      Minister                      John                      Rustad

# Appendix A: Project Area



**BAND COUNCIL RESOLUTION  
RESOLUTION DE CONSEIL DE BANDE**

Chronological no. – N° consecutive

File reference no. – N° de référence du dossier

NOTE: The words "from our band funds" "capital" or "revenue" whichever is the case, must appear in all resolutions requesting expenditures from band funds.  
 NOTA: Les mots "des fonds de notre bande" "capital" ou "revenue" selon les cas doivent paraître dans tous les résolutions portant sur des dépenses à même les fonds des bandes.


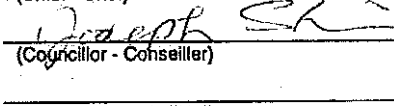
The council of the Le conseil de	<b>Skin Tyee First Nation (729)</b>	Province	Cash free balance
Date of duly convened meeting Date de l'assemblée dument convoquée	<b>10 03 2014</b> DD / MM / YYYY D / MM / AAAA	<b>British Columbia</b>	Capital account Compte capital \$ _____
			Revenue account Compte revenu \$ _____

**DO HEREBY RESOLVE:  
DÉCIDE PAR LES PRESENTES:**

"WHEREAS : Skin Tyee First Nation Chief and Council realize the economic benefits that the community is entitled to by Huckleberry Mines operating in the territory.

Therefore be it resolved that; the Skin Tyee Chief and Council accept the attached Huckleberry Mine Economic and Community Development Agreement ("ECDA"), and direct Chief Rene Skin to sign it on behalf of Skin Tyee Nation, and Skin Tyee Council.

Quorum: 2

_____	 _____ (Chief - Chef)	_____
_____	 _____ (Councillor - Conseiller)	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____