

METLAKATLA FIRST NATION LNG BENEFITS SECOND AMENDING AGREEMENT

This Second Amending Agreement is dated FEBRUARY 15, 2017.

BETWEEN:

Her Majesty the Queen in right of the Province of British Columbia, as represented by the Minister of Natural Gas Development and the Minister of Aboriginal Relations and Reconciliation

(the "Province")

AND:

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

("Metlakatla")

(collectively the "Parties" and individually a "Party").

WHEREAS:

- A. The Parties entered into the Metlakatla First Nation Pacific Northwest (PNW) LNG Benefit Agreement dated for reference February 2, 2016 (the "Agreement");
- B. The Parties entered into the Metlakatla First Nation LNG Benefits Amending Agreement dated for reference October 6, 2016 (the "Amending Agreement");
- C. Section 11.14 of the Agreement provides that if the Province concludes an LNG benefits agreement with Lax Kw'alaams First Nation in respect of the Other LNG Projects that provides that the equivalent of the releases provided by Metlakatla under section 5.7 of the Agreement occur at a time other than Commencement of Construction of an Other LNG Project, the Parties will negotiate and attempt to reach agreement on similar timing of those releases for Metlakatla;
- D. The Province has advised that the timing of the equivalent releases under section 5.7 of the Agreement for Lax Kw'alaams First Nation has been modified; and
- E. The Parties wish to amend the Agreement to reflect that modification of the timing of the releases in section 5.7 of the Agreement.

NOW THEREFORE the Parties agree as follows:

ARTICLE 1 – DEFINITIONS AND INTERPRETATION

1.1 Definitions. In this Second Amending Agreement:

“Agreement” means the Metlakatla First Nation Pacific Northwest (PNW) LNG Benefits Agreement dated for reference February 2, 2016;

“Amending Agreement” means the Metlakatla First Nation LNG Benefits Amending Agreement dated for reference October 6, 2016;

“Amendment Date” means the date that this Second Amending Agreement comes into force and effect in accordance with section 2.1; and

“Second Amending Agreement” means this Second Amending Agreement.

1.2 Incorporation of Definitions from the Agreement and the Amending Agreement. Unless the context requires otherwise, all capitalized terms in this Second Amending Agreement have the meaning ascribed to them in the Agreement and the Amending Agreement.

ARTICLE 2 - COMING INTO EFFECT AND EFFECTIVE DATE OF AMENDMENTS

2.1 Coming into Effect. This Second Amending Agreement comes into force and effect when it has been executed and delivered by the Parties and Metlakatla has satisfied the condition precedent set out in section 4.1.

2.2 Effective Date of Amendments. The amendments to the Agreement set out in Article 5 of this Second Amending Agreement take effect as of the Amendment Date.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

- 3.1 Metlakatla Representations.** Metlakatla represents and warrants to the Province, with the intent and understanding that the Province will rely on those representations and warranties in entering into this Second Amending Agreement, that:
- a) it enters into this Second Amending Agreement for, and on behalf of, its Members; and
 - b) it, as represented by its Chief and Council, has the legal power, capacity and authority to enter into and to carry out its obligations under this Second Amending Agreement on behalf of Metlakatla and its Members.
- 3.2 Provincial Representations.** The Province represents and warrants to Metlakatla, with the intent and understanding that Metlakatla will rely on those representations and warranties in entering into this Second Amending Agreement, that it has the legal power, capacity and authority to enter into this Second Amending Agreement.

ARTICLE 4 – CONDITIONS PRECEDENT

- 4.1 Band Council Resolution.** The obligations of the Province under this Second Amending Agreement and the amendments to the Agreement contemplated hereby are conditional on Metlakatla delivering a resolution made by its elected Council approving this Second Amending Agreement and authorizing Metlakatla's representatives named in the resolution to execute and deliver this Second Amending Agreement on behalf of Metlakatla.

ARTICLE 5 – AMENDMENTS TO THE AGREEMENT

5.1 ARTICLE 1 – INTERPRETATION

5.1.1 Section 1.1 of the Agreement is amended as follows:

The definition of "PNW LNG Project" is amended by adding the words "or replaced" after "amended" in the last line".

5.1.2 Section 1.1 of the Agreement is amended by inserting the following defined terms in the appropriate alphabetic order:

“Incremental Project Funding Notice” has the same meaning as the Metlakatla Coastal Fund Agreement; and

“Metlakatla Coastal Fund Agreement” means the Metlakatla Liquefied Natural Gas (LNG) Coastal Fund Agreement entered into by the Parties and is dated for reference May 11, 2016.

5.2 ARTICLE 5 – ASSURANCES

5.2.1 Section 5.7 of the Agreement is amended by adding 5.7 d) as follows:

d) notwithstanding subsections a), b) and c), if Metlakatla has not delivered an Incremental Project Funding Notice prior to the Province issuing an LNG facility permit under the *Oil and Gas Activities Act* in respect of that Other LNG Project, the covenants and releases under subsections a), b) and c) will be suspended and the Province will not seek to enforce or rely on subsections a), b) and c) until such time as Metlakatla provides an Incremental Project Funding Notice in respect of that Other LNG Project.

ARTICLE 6 – GENERAL

- 6.1 Execution in Counterpart.** This Second Amending Agreement may be entered into by each Party signing a separate copy of this Second Amending Agreement (including a scan, photocopy or facsimile copy) and delivering it to the other Party by facsimile or electronic transmission.
- 6.2 Headings.** Headings in this Second Amending Agreement are for convenience only, do not form a part of this Second Amending Agreement and in no way define, limit, alter or enlarge the scope of meaning of any provision of this Second Amending Agreement.

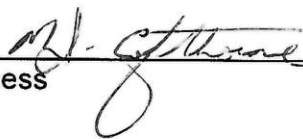
6.3 Ratification of Agreement. The Parties ratify and confirm the Agreement and the Amending Agreement and acknowledge that, subject to the amendments set out in this Second Amending Agreement, the Agreement and the Amending Agreement are in full force and effect and binding on the Parties.

IN WITNESS WHEREOF the Parties have executed this Second Amending Agreement with effect as of the date first noted above:

Signed on behalf of Metlakatla by its authorized signatories




Harold Leighton, Chief Councillor



Witness


Signed on behalf of Her Majesty the Queen In Right of the Province of British Columbia by



Honourable Rich Coleman
Minister of Natural Gas Development



Witness



Honourable John Rustad
Minister of Aboriginal Relations and Reconciliation



Witness

