

THIS FORESTRY AND MINING RESOURCE REVENUE SHARING AGREEMENT,
effective as of the 30th day of April, 2018 (the “Effective Date”)

B E T W E E N:

**Her Majesty the Queen in right of Ontario
as represented by the Minister of Natural Resources and
Forestry and the Minister of Northern Development and
Mines**

(the “Province”)

- and -

**ANIMAKEE WA ZHING 37 FIRST NATION,
ASUBPEESCHOSEEWAGONG FIRST NATION,
COUCHICHING FIRST NATION, EAGLE LAKE FIRST NATION,
ISKATEWIZAAGEGAN 39 FIRST NATION, LAC DES MILLE
LACS FIRST NATION, LAC LA CROIX FIRST NATION, LAC
SEUL FIRST NATION, MISHKOSIMINIZIIBIING FIRST NATION,
MITAANJIGAMIING FIRST NATION, NAICATCHEWENIN
FIRST NATION, ANISHINAABEG OF NAONGASHIING,
NAOTKAMEGWANNING FIRST NATION,
NIGIGOONSIMINIKAANING FIRST NATION, NORTHWEST
ANGLE 33 FIRST NATION, OBASHKAANDAGAANG FIRST
NATION, OCHIICHAGWE’BABIGO’INING FIRST NATION,
OJIBWAYS OF ONIGAMING, RAINY RIVER FIRST NATION,
SAUGEEN FIRST NATION, SEINE RIVER FIRST NATION,
SHOAL LAKE 40 FIRST NATION, WABASEEMOONG FIRST
NATION, WABAUSKANG FIRST NATION, WABIGOON LAKE
OJIBWAY NATION, WAUZHUSHK ONIGUM FIRST NATION**

**(referred to, individually, as a “Participating First Nation” and
collectively as the “Participating First Nations”)**

- and -

GCT #3 REPRESENTATIVE SERVICES (“GCT3”)

**(hereinafter the Participating First Nations, GCT3 and Province
are referred to individually as a “Party” and collectively as the
“Parties”)**

WHEREAS the Parties have agreed to participate in sharing revenues from the forest
and mining sectors in accordance with the terms set out in this Agreement;

AND WHEREAS the Parties recognize that the implementation of this Agreement is an important step towards achieving improved relations on a government to government basis, reconciliation between the Parties, improved socio-economic conditions for the communities and an improved economic and planning climate in areas where mineral production and forest activities are proximate to the Participating First Nations;

AND WHEREAS it is the Participating First Nations' and GCT3's perspective that they are engaging in resource revenue sharing in the forest and mining sectors further to Manito Aki Inakonigaawin, meaning the Creator's law, that lies at the root of Treaty #3 First Nations' and the Government of the Anishinaabe Nation in Treaty #3's governance system;

AND WHEREAS the Province is participating in resource revenue sharing in the forest and mining sectors as part of its policy commitment under "The Journey Together: Ontario's Commitment to Reconciliation with Indigenous Peoples" following the release of the final report of the Truth and Reconciliation Commission;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the Parties agree as follows:

1. PURPOSE

1.1 The purpose of the Agreement is to set out the Parties' understanding regarding, and the terms and conditions upon which, they will share specified Crown forestry charges, mining tax and royalty revenues received by the Province (the "**Revenues**") for the fiscal years 2018/2019 to 2022/2023 (each a "**Fiscal Year**"); for greater certainty the Fiscal Year commences on April 1 of a year, and concludes on March 31 of the following year.

2. FUNDS

2.1 The Revenues to be shared by the Province (the "**Funds**") will be identified and calculated in accordance with Schedule "A" – Calculation of Forestry Portion of Funds, and Schedule "B" – Calculation of Mining Portion of Funds.

3. OBJECTIVES

3.1 The Parties' objectives are to improve relations on a government to government basis, advance reconciliation between the Parties and achieve improved socio-economic conditions for the Participating First Nations and an improved economic and planning climate. In furtherance of these objectives, the Participating First Nations will receive and spend Funds on one or more of the following matters:

- **Economic Development**, which could include providing the Participating First Nations with direct economic benefits from forestry and mining and creating a more positive climate for investment and business partnerships, and enhancing the Participating First Nations' involvement and readiness in regard to resource planning and development;
- **Community Development**, which could include building stronger and more collaborative relationships among the Participating First Nations and building governance structures including strengthening land and environmental management;
- **Cultural Development**, which could include the preservation, promotion and development of First Nations culture and language;
- **Education**, which could include creating greater capacity and more meaningful and longer term participation by Participating First Nations in the forest and mining economies, including readying Participating First Nations' youth for participation in these economies; and
- **Health**, which could include assisting with restoring healthy and prosperous communities and supporting activities that enhance a community's health indicators over time.

4. ACKNOWLEDGEMENTS

4.1 The Parties acknowledge that,

- a) the Parties have differing views and positions on, and this Agreement does not reflect, jurisdictional changes, or changes in the positions, legal or otherwise, of the Parties respecting the nature of their governments, sovereignty, ownership, or rights;
- b) notwithstanding and without prejudice to the differing views and positions set out in Section 4.1 (a), the Parties wish to work constructively with each other to achieve the objectives set out at Section 3.1 above;
- c) agreements directly between forestry and mining proponents and Participating First Nations are an important contribution to sustainable economic development and relationship-building, and this Agreement is not intended to discourage, inhibit, replace or qualify the negotiation of such agreements;
- d) this Agreement is only one part of broader discussions between the Participating First Nations, the Province and third party proponents in relation to the Participating First Nations' forestry and mining objectives, and is not intended to:

- i. discourage, replace or limit future discussions or obligations related to forest management planning, forestry licenses or authorizations;
 - ii. determine or dictate the terms of other resource benefit sharing discussions beyond the scope of this Agreement;
- e) this Agreement is not intended to replace existing funding from the Province to which GCT3 and the Participating First Nations may have access; and
- f) mining taxes, royalty revenues, and Crown forestry charges fluctuate from year to year, and accordingly the Funds payable under this Agreement will also fluctuate as more particularly set out in Schedules “A” and “B”.

5. PAYMENT AND USE OF FUNDS

- 5.1 The Province shall provide Funds to GCT3, on behalf of the Participating First Nations, in accordance with the payment plan set out in Schedule “C”.
- 5.2 The GCT3 will receive the Funds in accordance with the payment plan in Schedule “C” and distribute the Funds to the Participating First Nations on terms to be determined by GCT3 and the Participating First Nations, consistent with the terms of this Agreement.
- 5.3 The administrative costs, set out in Schedule “F”, will be paid out of the Funds provided under this Agreement.
- 5.4 The Province is not obligated to provide any instalment of Funds to GCT3 pursuant to Section 5.1 above until reporting requirements set out in Schedule “D” have been satisfied.
- 5.5 The Participating First Nations and GCT3 shall use the Funds only for capital or operating expenditures for the benefit of the Participating First Nations for the matters set out in Section 3.1, or for administrative costs related thereto, as set out in Schedule “F”.
- 5.6 For greater certainty, the Participating First Nations and GCT3 shall not use any portion of the Funds for:
 - per capita distributions or other forms of direct per capita distributions to members of Participating First Nations or any other person;
 - distribution to any Indigenous community located outside of Ontario;
 - the costs of litigation; and,
 - investing the Funds with a view to preserving or seeking a return on them without advancing any of the matters set out in Section 3.1.

6. REPORTING AND EVALUATION

- 6.1 The Parties acknowledge and agree that each of the Parties has its own financial accountability and reporting processes.
- 6.2 Each Participating First Nation and GCT3 shall submit reports in the manner, at the times specified and containing the content set out in Schedule “D”.
- 6.3 The Province shall submit reports to GCT3 in the manner, at the times specified and containing the content set out in Schedule “E”.
- 6.4 The Parties agree that an independent evaluator, jointly selected by the Parties, will be appointed by September 2021 to conduct an independent evaluation of the Agreement, on terms and within a budget to be agreed to by the Parties, and which evaluation will be completed by March 31, 2022.
- 6.5 The independent evaluation may,
 - i. use qualitative and quantitative performance measures determined jointly by the Parties,
 - ii. examine the effectiveness and transparency of the information provided by the Parties as required by Schedules “D” and “E”,
 - iii. include a narrative of examples of how the Funds have been used,
 - iv. provide an overview of the current use of Funds and reporting requirements, as well as lessons learned, and
 - v. provide recommendations to address any issues arising from implementation of this Agreement.
- 6.6 The Parties will have the opportunity to provide input to the independent evaluator, and the results of the independent evaluation will be available to all of the Parties.

7. COMMUNICATIONS

- 7.1 The Parties will jointly develop a communications approach to making any initial public announcements regarding this Agreement. This includes details about timing, content, profile, and reach. The Parties further agree to jointly discussing future communications opportunities.
- 7.2 The Province will inform the forest and mining industry stakeholders that agreements directly between forestry and mining proponents and Participating First Nations are an important contribution to sustainable economic development and relationship-building, and this Agreement is not intended to discourage, inhibit or qualify the negotiation of such agreements.

8. TERM AND TERMINATION

- 8.1 This Agreement shall expire on the same day that the final payment is made pursuant to Schedule “C” unless extended by written agreement of the Parties.
- 8.2 Commencing on or about April 15, 2022, the Parties shall meet to discuss whether they wish to extend the Agreement, and in the course of such discussion shall consider the independent evaluation conducted in accordance with Section 6.
- 8.3 The Province may terminate this Agreement upon giving at least ninety (90) days’ Notice, as defined at Section 12.7, to the other Parties and, in the case of such a termination, the Province’s obligations under Schedule “C” shall be prorated to the final day of the month in which the termination occurs.
- 8.4 All the Participating First Nations together may terminate this Agreement upon giving at least ninety (90) days’ Notice, as defined at Section 12.7, to the Province and GCT3, such Notice to include a supporting Band Council Resolution from each Participating First Nation.
- 8.5 Where a Notice, as defined at Section 12.7, is given under either Sections 8.3 or 8.4, the representatives of the Parties will meet no later than thirty (30) days following receipt of the Notice, in order to discuss the circumstances which gave rise to the Notice and determine whether there is a basis for rescinding it.

9. OPTING IN AND OPTING OUT

- 9.1 Any Participating First Nation may opt out of this Agreement for the Fiscal Year commencing April 1, 2022, by providing written Notice, as defined at Section 12.7, no later than January 1, 2022, in combination with a Band Council Resolution. Similarly, any Participating First Nation may opt out of this Agreement for the Fiscal Year commencing April 1, 2023, by providing written Notice no later than January 1, 2023, in combination with a Band Council Resolution.
- 9.2 If a Participating First Nation opts out of this Agreement, then that Participating First Nation’s notional allocated portion of revenues, as set out in Schedules “A” and “B”, will no longer be included in payments of Funds made under this Agreement commencing in the Fiscal Year in which the opting out takes effect.
- 9.3 If a First Nation included in Schedules “A” and/or “B” provides written notice and a Band Council Resolution to the Parties expressing a desire to opt in to this Agreement and agrees to be bound by all its terms and conditions, with necessary changes having been made that do not affect the intent of this Agreement, and the Parties agree to the opting in, which in the case of the

Participating First Nations must be evidenced by Band Council Resolutions, then the First Nation shall be deemed to be a party to this Agreement as a Participating First Nation effective in the same Fiscal Year as the opting in where the opting in occurs on or before June 30 of that Fiscal Year, or in the following Fiscal Year where the opting in occurs after June 30. The opting in First Nation's allocated portion of Funds, as set out in Schedules "A" and "B", will be included in the annual payment of Funds for the Fiscal Year in which the opting in takes effect.

10. DISPUTE RESOLUTION

10.1 If a dispute arises under this Agreement between the Province and another Party, the duly appointed representatives of the Parties to the dispute will meet as soon as is practicable to attempt to resolve the dispute. If the dispute cannot be resolved by the Parties to the dispute directly, the Parties shall discuss whether other appropriate approaches, including mediation and ones based in First Nations principles, protocols and practices, may assist in reaching resolution of the dispute.

11. ISSUES WITH FORESTRY OR MINING ACTIVITIES

11.1 Where an "on the ground conflict" or direct action by a Participating First Nation individual or community occurs which is interfering with ongoing mining or forestry activities, Ontario shall approach the Participating First Nation community or communities that are most directly associated with the conflict and invite them to discuss approaches to attempt to resolve the conflict. If such an invitation is extended, the community or communities shall give it due consideration and communicate to Ontario whether or not they agree to hold such discussions, and if so under what constraints, if any.

12. GENERAL

12.1 **Amendment:** Amendments to this Agreement may be made only by written agreement of all of the Parties.

12.2 **Non-Derogation:** Nothing in this Agreement shall be construed so as to define, add to or create new Aboriginal or treaty rights or to affect the interpretation of or to abrogate or derogate from the protection provided for the existing Aboriginal or treaty rights of the Aboriginal people of Canada as recognized and affirmed in section 35 of the *Constitution Act, 1982*.

12.3 **Without Prejudice:** This Agreement shall be without prejudice to any rights or interests of the Parties not expressly provided for in the Agreement and any position that any of the Parties may take in legal or administrative proceedings.

12.4 Freedom of Information and Protection of Privacy: The Parties acknowledge that the Province is bound by the *Freedom of Information and Protection of Privacy Act*, R.S.O. 1990, Chapter F. 31, and that any information provided to the Province in connection with the Agreement may be subject to disclosure in accordance with that Act and as otherwise required by law.

12.5 Release, Indemnity and Insurance

- a) GCT3 and each Participating First Nation hereby agree to release, indemnify and hold harmless Her Majesty the Queen in right of Ontario, Her ministers, agents, appointees and employees (the “Indemnified Parties”) from and against any and all liability, loss, costs, damages and expenses (including legal, expert and consultant fees), causes of action, actions, claims, demands, lawsuits or other proceedings, by whomever made, sustained, incurred, brought or prosecuted, in any way arising out of the performance of GCT3 or the Participating First Nations of their respective obligations under this Agreement, including any distribution of Funds by GCT3 (or any failure of GCT3 to distribute Funds), in whole or in part, to Participating First Nations, or any use of Funds by the GCT3 or any Participating First Nation, unless solely caused by the negligence or wilful misconduct of the Indemnified Parties.
- b) GCT3 and the Participating First Nations represent, warrant and covenant that each has, and will maintain, at its own cost and expense, with insurers having a secure A.M. Best rating of B+ or greater, or the equivalent, all the necessary and appropriate insurance that a prudent person carrying out activities similar to those described in this Agreement would maintain, including commercial general liability insurance on an occurrence basis for third party bodily injury, personal injury and property damage, to an inclusive limit of not less than two million dollars (\$2,000,000) per occurrence. The policy will include the following:
 - i. the Indemnified Parties as additional insureds with respect to liability arising in the course of performance of the GCT3’s or the Participating First Nations’ obligations under the Agreement;
 - ii. a cross-liability clause;
 - iii. contractual liability coverage; and
 - iv. a 30 day written notice of cancellation.
- c) If requested, GCT3 and the Participating First Nations will provide the Province with certificates of insurance, or other proof as may be requested by the Province, that confirms the insurance coverage as provided for in Section 12.5(b).

12.6 Over and Under Payments:

- a) If it has been determined that the Province has made an overpayment, it will be deducted from the next scheduled payment.
- b) If it has been determined that the Province has made an underpayment, it will be added to the next scheduled payment.
- c) For greater certainty, in the final Fiscal Year for which Funds are payable under the Agreement, any overpayment or underpayment will be addressed through the final payment, or second instalment, as provided for in Schedule "C".

12.7 **Notice:** Any notice required or permitted to be given under this Agreement ("**Notice**") shall be in writing and shall be given by facsimile or other means of electronic communication or by hand-delivery as hereinafter provided. Any such Notice, if sent by facsimile or other means of electronic communication, shall be deemed to have been received on the Business Day following the sending, or if delivered by hand shall be deemed to have been received at the time it is delivered to the applicable address noted below either to the individual designated below or to an individual at such address having apparent authority to accept deliveries on behalf of the addressee.

Notices and other communications shall be addressed as follows:

- (a) if to the Province: Ministry of Northern Development and Mines
Corporate Policy Secretariat
Whitney Block 5th Flr Rm 5630
99 Wellesley St. W.
Toronto, ON M7A 1W3
Telecopier: (647) 723-2126
Attention: Director

Ministry of Natural Resources and Forestry
Strategic and Indigenous Policy Branch
Whitney Block 5th Flr Rm 5520
99 Wellesley St. W.
Toronto, ON M7A 1W3
Attention: Director

- (b) if to GCT3: 237 Airport Rd
Kenora, ON P9N 0A1
Telecopier: (807) 548-5041
Attention: Territorial Planning Unit

- (c) if to a Participating First Nation: in accordance with the details set out in Schedule "G".

12.8 Entire Agreement

This Agreement, including:

Schedule "A" – Calculation of Forestry Portion of Funds
Schedule "B" – Calculation of Mining Portion of Funds
Schedule "C" – Payment Plan
Schedule "D" – GCT3 and Participating First Nation Reporting
Schedule "E" – Provincial Reporting
Schedule "F" – Administrative Costs
Schedule "G" – Notice Details for Participating First Nations

and any amending agreement entered into pursuant to Section 12.1 constitutes the entire Agreement between the Parties with respect to the subject matter contained in the Agreement and supersedes all prior oral or written representations and agreements.

12.9 Execution

- a) Concurrent with the execution of this Agreement, GCT3 will deliver to the Province a certified copy of the Chiefs in Assembly Resolution approving and authorizing the execution of this Agreement;
- b) Concurrent with the execution of this Agreement, or not later than seven (7) days following execution (except where the resolution(s) are pursuant to the opt in provisions in Section 9.3 above), each Participating First Nation will deliver to the Province a certified copy of the resolution(s) approving and authorizing the execution of this Agreement that have been duly passed by the Band Council of each Participating First Nation, failing which any First Nation that has not delivered such resolution shall be deemed not to be a Participating First Nation under this Agreement (unless and until that First Nation opts in pursuant to Section 9.3);
- c) This Agreement may be executed by fax or scanned email copy, and
- d) This Agreement may also be executed in any number of counterparts and all such counterparts shall for all purposes constitute one Agreement.

EXECUTED by the Parties effective as of the date set out at the beginning of this Agreement.

**HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO
as represented by the Minister of Natural
Resources and Forestry**

Name :

Title :

**HER MAJESTY THE QUEEN IN RIGHT OF
ONTARIO
as represented by the Minister of Northern
Development and Mines**

Name :

Title :

GCT #3 REPRESENTATIVE SERVICES

Name :

Title :
I have authority to bind the
Corporation

ANIMAKEE WA ZHING 37 FIRST NATION

Name :

Title :

ASUBPEESCHOSEEWAGONG FIRST NATION

Name :

Title :

COUCHICHING FIRST NATION

Name :

Title :

EAGLE LAKE FIRST NATION

Name :

Title :

ISKATEWIZAAGEGAN 39 FIRST NATION

Name :

Title :

LAC DES MILLE LACS FIRST NATION

Name :

Title :

LAC LA CROIX FIRST NATION

Name :

Title :

LAC SEUL FIRST NATION

Name :

Title :

MISHKOSIMINIZIIBIING FIRST NATION

Name :

Title :

MITAANJIGAMIING FIRST NATION

Name :

Title :

NAICATCHEWENIN FIRST NATION

Name :

Title :

ANISHINAABEG OF NAONGASHIING

Name :

Title :

NAOTKAMEGWANNING FIRST NATION

Name :

Title :

NIGIGOONSIMINIKAANING FIRST NATION

Name :

Title :

NORTHWEST ANGLE 33 FIRST NATION

Name :

Title :

OBASHKAANDAGAANG FIRST NATION

Name :

Title :

OCHIICHAGWE'BABIGO'INING FIRST NATION

Name :

Title :

OJIBWAYS OF ONIGAMING

Name :

Title :

RAINY RIVER FIRST NATION

Name :

Title :

SAUGEEN FIRST NATION

Name :

Title :

SEINE RIVER FIRST NATION

Name :

Title :

SHOAL LAKE 40 FIRST NATION

Name :

Title :

WABASEEMOONG FIRST NATION

Name :

Title :

WABAUSKANG FIRST NATION

Name :

Title :

WABIGOON LAKE OJIBWAY NATION

Name :

Title :

WAUZHUSHK ONIGUM FIRST NATION

Name :

Title :

SCHEDULE A - CALCULATION OF FORESTRY PORTION OF FUNDS

1.0 Definitions.

1.1 In this Schedule "A", the following terms have the following meanings:

"Agreement FMUs" means the FMUs specified for the purposes of this Agreement in Appendix 1 to this Schedule;

"FMU" means a forest management unit designated from time to time under section 7 of the *Crown Forest Sustainability Act, 1994* ("CFSA");

"FMU Annual Funds" means the portion of the Forestry Funds derived from the FMU Annual Revenues of an Agreement FMU;

"FMU Annual Revenues" means the revenues received by the Province for Crown forest resources harvested from an Agreement FMU, pursuant to section 31 of the CFSA in a Fiscal Year, which may fluctuate from year to year, and for greater certainty, do not include revenue from annual area charges under subsection 32(1), forest renewal charges under section 49, or forest future charges under subsection 51(5) of the CFSA;

"FMU First Nation" means a First Nation identified in association with an Agreement FMU as specified in Appendix 1 to this Schedule;

"Forestry Portion of the Funds" means the total annual revenue shared with GCT3 determined using the Sharing Formula;

"First Nation Allocation" means the percentage of FMU Annual Revenue notionally allocated to a First Nation as specified in Appendix 1 to this Schedule;

"Sharing Formula" means the product of FMU Annual Revenues, Sharing Percentage, First Nation Allocation, and Number of FMU First Nations to generate the FMU Annual Funds for each forest management unit specified in Appendix 1, the sum of which equates to the Forestry Portion of the Funds, as explained in Section 2 below;

"Sharing Percentage" means 45%, being the percentage of the FMU Annual Revenue from each Agreement FMU used to calculate the Forestry Portion of the Funds for a Fiscal Year.

2.0 Sharing Formula

2.1 Subject to Section 2.2 below, the Province will calculate the Forestry Portion of the Funds to be provided to GCT3 in accordance with Section 5 of the Agreement, at the times specified in Schedule “C” – Payment Plan, in accordance with the formula set out below:

<p>a. For each Agreement FMU, the Province will multiply the FMU Annual Revenue by the Sharing Percentage.</p> <p>b. The Province will multiply the product of the resulting number by the First Nation Allocation.</p> <p>c. The Province will multiply the product of the resulting number by the number of FMU First Nations to arrive at the FMU Annual Funds.</p> <p>d. The Province will repeat the operations in a. through c. above for each Agreement FMU, and then add all the resulting FMU Annual Funds together to arrive at the Forestry Portion of the Funds for a Fiscal Year.</p>	<p>FMU Annual Revenues X</p> <p>Sharing Percentage X</p> <p>First Nation Allocation X</p> <p>Number of FMU First Nations =</p> <p>FMU Annual Funds</p> <p>Add all FMU Annual Funds for a Fiscal Year to arrive at the Forestry Portion of the Funds for the Fiscal Year.</p>
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2.2 The Province shall include in the calculation of the Forestry Portion of the Funds in accordance with Section 2.1 above, only the First Nation Allocations corresponding to those First Nations specified in Appendix 1 that have delivered a Band Council Resolution to the Province in accordance with Sections 9.3 or 12.9 of the Agreement.

3.0 Reduction in Forestry Funds Where a Participating First Nation Opt's Out

3.1 Where a Participating First Nation has exercised its right to opt out of the Agreement pursuant to Section 9.2 of the Agreement, the corresponding First Nation Allocation(s) will not be included in the calculation of the Forestry Portion of the Funds pursuant to Section 2.1 above, beginning in the Fiscal Year in which the opting out occurred.

4.0 Increase in Forestry Funds Where a First Nation Opts In

- 4.1 Where a First Nation has opted in to the Agreement pursuant to Section 9.3 of the Agreement, the corresponding First Nation Allocation(s) as set out in Appendix 1 shall be included in the calculation of the Forestry Portion of the Funds pursuant to Section 2.1 above, commencing in the Fiscal Year following the Fiscal Year in which the opting in takes effect.

5.0 Changes to Agreement FMU

- 5.1 Where an Agreement FMU is no longer designated as a FMU, or where an Ontario Local Forest Management Corporation is incorporated under section 3 of the *Ontario Forest Tenure Modernization Act, 2011* to operate within an Agreement FMU, the Agreement FMU shall be removed from Appendix 1 commencing in the Fiscal Year following the first Fiscal Year in which the Agreement FMU is no longer designated as a FMU or in which the Ontario Local Forest Management Corporation is incorporated.

Appendix 1 to Schedule A

NOTE: This table includes the First Nation Allocations made notionally among the First Nations that are agreed as being associated with the listed Agreement FMUs (and that may or may not be participating in the Agreement at any given time). These notional First Nation Allocations do not necessarily represent how the Funds are internally distributed once provided.

Agreement FMU	FMU First Nations	First Nation Allocation
Black Spruce Forest	Lac Des Mille Lacs	14.29%
Caribou Forest	Lac Seul Ojibway Nation of Saugeen	20.00% 20.00%
Crossroute Forest	Anishinaabeg of Naongashiing Couchiching Lac La Croix Mishkosiminiziibing Mitaanjigamiing Naicatchewenin Naotkamegwanning Nigigoonsiminikaaning North West Angle No. 3 Animakee Wa Zhing #37 Ojibways of Onigaming Rainy River Seine River	7.69% 7.69% 7.69% 7.69% 7.69% 7.69% 7.69% 7.69% 7.69% 7.69% 7.69% 7.69% 7.69%
Dog River – Matawin Forest	Lac Des Mille Lacs	33.33%
Dryden Forest	Asubpeeschoseewagong Netum Anishinabek Eagle Lake Lac Seul Mitaanjigamiing Naotkamegwanning Waabigoniw Saaga'iganiw Anishinaabeg Wabauskang	14.29% 14.29% 14.29% 14.29% 14.29% 14.29% 14.29% 14.29%
English River Forest	Eagle Lake Lac Des Mille Lacs Lac Seul Mitaanjigamiing Ojibway Nation of Saugeen Waabigoniw Saaga'iganiw Anishinaabeg Wabauskang	14.29% 14.29% 14.29% 14.29% 14.29% 14.29% 14.29%
Kenora Forest	Anishinaabeg of Naongashiing Anishinabe of Wauzhushk Onigum Asubpeeschoseewagong Netum Anishinabek Iskatewizaagegan	7.14% 7.14% 7.14% 7.14% 7.14%

	Mishkosiminiziibiing Mitaanjigamiing Naotkamegwanning North West Angle No. 3 Animakee Wa Zhing # 37 Obashkaandagaang Ochiichagwe'babigo'ining Ojibways of Onigaming Shoal Lake No. 40 Wabaseemoong Independent Nations	7.14% 7.14% 7.14% 7.14% 7.14% 7.14% 7.14% 7.14% 7.14% 7.14%
Lac Seul Forest	Lac Seul Ojibway Nation of Saugeen Waabigoniw Saaga'iganiw Anishinaabeg Wabauskang	14.29% 14.29% 14.29% 14.29% 14.29%
Lakehead Forest	Lac La Croix Seine River	14.29% 14.29%
Red Lake Forest	Lac Seul Wabauskang	33.33% 33.33%
Sapawe Forest	Lac Des Mille Lacs Lac La Croix Seine River Waabigoniw Saaga'iganiw Anishinaabeg	25.00% 25.00% 25.00% 25.00% 25.00%
Trout Lake Forest	Lac Seul Wabauskang	20.00% 20.00%
Wabigoon Forest	Eagle Lake Lac Seul Mitaanjigamiing Naotkamegwanning Waabigoniw Saaga'iganiw Anishinaabeg Wabauskang	16.67% 16.67% 16.67% 16.67% 16.67% 16.67% 16.67%
Whiskey Jack Forest	Anishinabe of Wauzhushk Onigum Asubpeeschoseewagong Netum Anishinabek Eagle Lake Lac Seul Naotkamegwanning North West Angle No. 33 Animakee Wa Zhing # 37 Obashkaandagaang Ochiichagwe'babigo'ining Ojibways of Onigaming Wabaseemoong Independent Nations Wabauskang	8.33% 8.33% 8.33% 8.33% 8.33% 8.33% 8.33% 8.33% 8.33% 8.33% 8.33% 8.33% 8.33%

SCHEDULE B – CALCULATION OF MINING PORTION OF FUNDS

1. Contributing Mine

- 1.1 A “**Contributing Mine**” means a mine in Ontario in Commercial Production (“**Commercial Production**” means as determined by the Province), and as agreed to by the Parties as being in proximity to the Participating First Nations and included in Appendix 1.
- 1.2 If, after April 1, 2018 and during the course of the Agreement, a mine in Ontario that is not included in Appendix 1 commences Commercial Production, and the Parties agree the mine is in proximity to the Participating First Nations, the Parties agree to amend Appendix 1 to add that mine as a Contributing Mine and to set out the notional allocation percentages for that mine for each Participating First Nation.
- 1.3 If, at any time during the course of this Agreement, a mine that is included in Appendix 1 is determined to have ceased Commercial Production, the Parties agree to amend Appendix 1 to remove that mine as a Contributing Mine.
- 1.4 Where the Province has determined that a mine has commenced or ceased Commercial Production as provided by Sections 1.2 and 1.3 above, the Province will share information with the Parties regarding the basis on which that determination was made.

2. Calculation of Mining Funds per Contributing Mine

- 2.1 The Mining Funds (“MF”) per Contributing Mine will be calculated as follows:

$$MF = SP \times TARM \times AP$$

Where:

- a) “**SP**” or “Sharing Percentage” means 40% per Contributing Mine for those that are in Commercial Production prior to April 1, 2018, and 45% per Contributing Mine for Contributing Mines that are added to Appendix 1 in accordance with Section 1.2 above; and,
- b) “**TARM**” or “Total Attributed Revenue per Mine” equals the **BR + VR**

where:

“**BR**” or “Baseline Revenue” means one half of the OMTRT divided equally by the number of mines in Commercial Production in Ontario (subject to adjustment pursuant to Section 2.2 below); and

“**VR**” or “Value Revenue” means one half of the $OMTRT \times (GMR \div TGMR)$;

where:

“**OMTRT**” or “Ontario Mining Tax and Royalty Total” means the total mining taxes and royalties received by Ontario on an annual basis in relation to mines in Commercial Production in Ontario, as published annually in the *Public Accounts of Ontario*;

“**GMR**” or “Gross Mine Revenue” means the gross revenue of a mine in Commercial Production in Ontario, as determined by the Province using various sources, including annual financial statements related to that mine, where publicly available; and

“**TGMR**” or “Total Gross Mine Revenues” means the sum total of the GMRs; and

- c) “**AP**” or “Allocation Percentage” is determined by
- i) notionally allocating a percentage share to each Participating First Nation and any other First Nation in proximity to the Contributing Mine, and
 - ii) totalling the percentage shares allocated to the Participating First Nations;

and which notional allocations and total Allocation Percentage per Contributing Mine to the Participating First Nations are set out in Appendix 1.

- 2.2 In the case of a Contributing Mine that has been added to or removed from Appendix 1 during the course of a Fiscal Year in accordance with Section 1.2 or 1.3 above, the TARM for the purposes of calculating the Mining Funds pursuant to section 2.1 above will be prorated as follows:

$$\mathbf{TARM = ABR + VR}$$

where “**ABR**” or “**Adjusted Baseline Revenue**” means the $BR \times [\text{number of full months in Commercial Production during the Fiscal Year} \div 12]$.

- 2.3 Where a Participating First Nation has exercised its right to opt out of the Agreement pursuant to Section 9.1 of the Agreement, then that Participating First Nation’s notional allocation percentage will not be included in determining the AP for the purposes of calculating the Mining Funds per Contributing Mine pursuant to Section 2.1 above, beginning with the Fiscal Year in which the opting out occurred.

2.4 Where a First Nation has opted in to the Agreement pursuant to Section 9.3 of the Agreement, then that First Nation's notional allocation as set out in Appendix 1 will be included in determining the AP for the purposes of calculating the Mining Funds per Contributing Mine pursuant to Section 2.1 above.

2.5 The Parties agree to discuss amendments to Appendix 1 at the request of the Province when the Province determines that a Contributing Mine is in proximity to a First Nation that is not identified in Appendix 1 and that that First Nation should be considered in determining the notional allocations described in paragraph 2.1c)i) above.

3.0 Total Funds Payable

3.1 The mining portion of the Funds payable under the Agreement will be the sum total of the Mining Funds calculated for each Contributing Mine pursuant to Section 2.1 above.

4.0 Additional Provisions

4.1 The Province makes no representations or warranties as to the accuracy of any information obtained and relied upon in calculating the Gross Mine Revenue pursuant to Section 2.1 above.

4.2 The Province agrees to inform the Parties of any significant changes to the mining tax and royalty regimes in place in Ontario during the term of the Agreement and the Parties agree to discuss amendments to this Schedule or the Agreement, as may be appropriate as a result of those changes.

Appendix 1 to Schedule B - Notional Allocations and AP per Contributing Mine

NOTE: This table represents the allocations made notionally among the First Nations that are represented by GCT3 and are agreed as being in proximity to the listed Contributing Mines (and that may or may not be a Participating First Nation at any given time). These notional allocations are used to arrive at an AP for the purposes of calculations under s. 2.1; these allocations do not necessarily represent how the Funds are internally distributed once provided

Proximate FN\Contributing Mine	Red Lake Gold	Rainy River Gold
Lac Seul	50%	
Wabauskang	50%	
Naicatchewenin		9.09%
Rainy River		9.09%
Mishkosiminiziibiing		9.09%
Naotkamegwanning		9.09%
Anishinaabeg of Naongashiing		9.09%
Ojibways of Onigaming		9.09%
Couchiching		9.09%
Nigigoonsiminikaaning		9.09%
Seine River		9.09%
Lac La Croix		9.09%
Mitaanjigamiing		9.09%
AP	100%	100%

SCHEDULE C – PAYMENT PLAN

1. Payment Schedule

- 1.1 Subject to Sections 2.1, 2.2, and 2.3 below, the Province shall pay to GCT3 the Funds for a Fiscal Year at the times and in the percentages specified in Table 1 to this Schedule.
- 1.2 The GCT3 shall distribute the Funds to Participating First Nations on terms consistent with this Agreement and in the amounts as determined between GCT3 and the Participating First Nations.
- 1.3 For the purpose of making a payment described in Section 1.1 above, the Province shall deposit the Funds, in Canadian Dollars, into an account designated by GCT3 that resides at a Canadian financial institution and is in the name of GCT3.

2. Payments Subject to Reporting

- 2.1 Where any Participating First Nation has not met the reporting requirements as set out in the Agreement and Schedule “D”, that Participating First Nation’s allocated portion of revenues, as set out in Schedules “A” and “B”, will not be included in the Funds payable under this Agreement in the next scheduled payment of Funds.
- 2.2 Where GCT3 has not met the reporting requirements with regard to GCT3’s Annual and Final Reports as set out in this Agreement and Schedule “D”, no Funds will be payable under this Agreement at the next scheduled payment of Funds.
- 2.3 The Province shall not make a payment of Funds until GCT3 and each Participating First Nation have provided the insurance certificate to the Province or other proof as the Province may request pursuant to Section 12.5 c) of the Agreement.

TABLE 1 – Payment Plan

Fiscal Year:	Payment Date:
2018-2019	Prior to December 31, 2019 (100% of Funds)
2019-2020	Prior to December 31, 2020 (100% of Funds)
2020-2021	Prior to December 31, 2021 (100% of Funds)
2021-2022	Prior to December 31, 2022 (100% of Funds)
2022-2023	First Instalment (80% of Funds) - Prior to December 31, 2023 Second Instalment (20% of Funds) – Prior to December 31, 2024

SCHEDULE D – GCT3 AND PARTICIPATING FIRST NATION REPORTING

1. Annual Reports

- 1.1 Each Participating First Nation and GCT3 shall complete an Annual Report in the form and with the content set out in Appendix 1.

2. Final Report

- 2.1 In addition to the Annual Reports to be completed for the final Fiscal Year of this Agreement and at the same time that those Reports are submitted, each Participating First Nation and GCT3 shall prepare a Final Report satisfactory to the Province that includes:

- a) a narrative description of how Funds were used over the term of the Agreement to meet the objectives set out in Section 3.1 of the Agreement including specific examples of projects or initiatives of benefit to the Participating First Nations; and
- b) challenges experienced in the implementation of the Agreement and approaches that were adopted to effectively address those challenges.

3. Reporting Timetable

- 3.1 Each Participating First Nation shall submit completed Reports to GCT3 and GCT3 shall, in turn, submit all completed Reports to the Province, in accordance with the following timetable:

Annual Reporting Timetable

Fiscal Year	Submission of Reports to GCT3 by Each Participating First Nation	Submission of Reports to Province by GCT3
2018-19	April 30, 2020	June 1, 2020
2019-20	April 30, 2021	June 1, 2021
2020-21	April 30, 2022	June 1, 2022
2021-22	April 30, 2023	June 1, 2023
2022-23	April 30, 2024*	June 1, 2024*

*to include Final Reports in addition to Annual Reports

- 3.2 The Province shall review the Annual Reports submitted for each Fiscal Year and shall respond in writing to GCT3 within thirty (30) days of receipt with any concerns it may have with respect to any of the Annual Reports, including that an Annual Report was not received, which concerns shall be addressed to the satisfaction of the Province prior to September 1 of the calendar year in which the Report was submitted or due; where the Province does not respond with any concerns about any specific Annual Report within thirty (30) days of receipt, the Province shall be deemed to have accepted those Annual Reports for which no concerns were raised.
- 3.3 Where the concerns of the Province with regard to a Participating First Nation's Annual Report have not been addressed to the satisfaction of the Province by September 1 of the calendar year in which the Annual Report was submitted or, where the Province has not received a Participating First Nation's Annual Report by September 1 of the calendar year in which it was due, then that Participating First Nation's notionally allocated portion of revenues, as set out in Schedules "A" and "B", will not be included in the Funds payable under this Agreement in the next scheduled payment of Funds.
- 3.4 Where the concerns of the Province to an Annual Report of GCT3 have not been addressed to the satisfaction of the Province by September 1 of the calendar year in which the Annual Report was submitted or, where the Province has not received an Annual Report from GCT3 by September 1 of the calendar year in which it was due, then no Funds will be payable under this Agreement at the next scheduled payment of Funds.
- 3.5 In the year in which a Final Report is also required, the process and consequences described in sections 3.2, 3.3 and 3.4 above apply with regard to both the Annual Report and Final Report required to be submitted.
- 3.6 For greater certainty, the consequences with regard to Funds payable under this Agreement for failure to provide Annual Reports or Final Reports satisfactory to the Province as set out in sections 3.3, 3.4 and 3.5 above cannot be rectified or reversed by submission of Annual Reports or Final Reports after September 1 of the calendar year in which they were first submitted or due.

Appendix 1 to Schedule D – FORM OF ANNUAL REPORT

TO: PROVINCE

FROM: [INSERT NAME OF COUNCIL OR PARTICIPATING FIRST NATION]

PART I – ANNUAL SUMMARY

The undersigned [*Council or Participating First Nation*] confirms it received Funds totalling \$ _____ for the Fiscal Year ended March 31, _____.

The [*Council or Participating First Nation*] reports that the Funds so received, were spent by the [*Council or Participating First Nation*] between April 1, _____ and March 31, _____ related to the following:

Economic development:	\$ _____
Community Development:	\$ _____
Cultural Development:	\$ _____
Education:	\$ _____
Health:	\$ _____
Administrative Costs:	\$ _____

[PARTICIPATING FIRST NATION/COUNCIL CHIEF]

And/or Quorum of Councillors

[Signature(s) of Councillor(s)]

[City, Canada]

Date: _____

PART II - ANNUAL AUDITOR'S REPORT

TO THE DESIGNATED REPRESENTATIVE OF THE PROVINCE UNDER THE FORESTRY AND MINING RESOURCE REVENUE SHARING AGREEMENT

We have audited the receipts and disbursements of [*COUNCIL OR PARTICIPATING FIRST NATION*] for the year starting April 1 of _____, and ending March 31 of _____, related to the expenditure of Funds under the Forestry and Mining Resource Revenue Sharing Agreement by [*Council or Participating First Nation*] as specified in Part I – Annual Summary for the period specified above. Completion of Part I – Annual Summary is the responsibility of [*Council or Participating First Nation*]. Our responsibility is to express an opinion on that Annual Summary based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by [*Council or Participating First Nation*], as well as evaluating the overall financial statement presentation.

In our opinion, Part I – Annual Summary presents fairly, in all material respects, the report on distributions and expenditures of Funds received under the Forestry and Mining Resource Revenue Sharing Agreement by the [*Council or Participating First Nation*] during the year starting April 1 of _____, and ending March 31 of _____,

[*Name of Chartered Accountants/or other Audit Certified Licensed Public Accountants*]

SCHEDULE E: PROVINCIAL REPORTING

1. Provincial Funding Report

- 1.1 Concurrent with making a payment of Funds in accordance with Schedule “C”, the Province shall provide the GCT3 with a report (the “Funding Report”) that describes:
- a) with respect to the calculation of the forestry portion of the Funds, the numbers used to calculate the portion, including the FMU Annual Funds for each Agreement FMU calculated for the applicable Fiscal Year, and a breakdown of the calculation of the forestry portion of the Funds made in accordance with Schedule “A”;
 - b) with respect to the calculation of the mining portion of the Funds, the numbers used to calculate the portion, including a breakdown of the calculation of the Total Attributed Revenue per Mine as described in Schedule “B”.
- 1.2 For greater certainty, with regard to the final Fiscal Year for which Funds are payable under the Agreement, the Funding Report will be provided concurrent with the payment of the First Instalment of the Funds.

2. Review of Reports

- 2.1 GCT3 shall have thirty (30) days upon receipt of the Funding Report to review the Funding Report and raise any concerns with it; where GCT3 has not raised any concerns within thirty (30) days of receipt of the Funding Report, the Funding Report and corresponding payment shall be deemed to have been accepted.
- 2.2 Where concerns are raised that result in a recalculation by the Province of the Funds payable, any overpayment or underpayment will be addressed pursuant to Section 12.6 of the Agreement.

SCHEDULE F – ADMINISTRATIVE COSTS

1. Administrative Costs

1.1 The following costs of the Participating First Nations and GCT3 shall be borne by them out of the Funds provided under the Agreement:

- a) costs related to the completion and delivery of Reports to the Province as set out in Schedule “D”;
- b) costs related to participation in the third party evaluation required by Section 6.4 of the Agreement, which shall include 50% of all costs related to the procurement and acquisition of an independent evaluator;
- c) costs associated with the receipt, management, distribution and disbursement of Funds;
- d) costs related to participation in any dispute resolution or mediation process under this Agreement; and
- e) costs associated with the negotiation of an extension or amendment of the Agreement or the negotiation of a new or alternative agreement or arrangement related to the sharing of Provincial forestry and mining revenues.

SCHEDULE G – NOTICE DETAILS FOR PARTICIPATING FIRST NATIONS

Animakee Wa Zhing 37
Chief Vanessa Powassin
PO Box 267
Sioux Narrows, ON.
P0X 1N0

Asubpeeschoseewagong (Grassy Narrows)
Chief Simon Fobister
General Delivery,
Grassy Narrows, ON.
P0X 1B0

Couchiching
Chief Brian Perrault
RR#2 RMB 2027
Fort Frances, ON.
P9A 3M3

Eagle Lake (Migisi Sahgaigan)
Chief Arnold Gardner
Box 1001
Migisi Sahgaigan ON.
P0V 3H0

Iskatewizaagegan 39
Chief Gerald Lewis
P.O BOX 1 General Delivery,
Kejick ON.
P0X 1E0

Lac des Mille Lacs
Chief Judy Whitecloud
1100 Memorial Ave.
Thunder Bay, ON.
P7B 4A3

Lac La Croix
Chief Clayton Ottertail
PO Box 640
Fort Frances, ON
P9A 3M9

Lac Seul
Chief Clifford Bull
PO Box 100
Hudson, ON
P0V 1X0

Mishkosiminiziibiing (Big Grassy)
Chief Carol Copenace
Box 414
Morson, ON.
P0W 1J0

Mitaanjigamiing
Chief Janice Henderson
PO Box 609
Fort Frances, ON.
P9A 3M9

Naicatchewenin
Chief Wayne Smith
RR#1 Box 15
Devlin, ON.
P0W 1C0

Anishinaabeg of Naongashiing (Big Island)
Chief Wesley Big George
Box 335
Morson, ON.
P0W 1J0

Naotkamegwanning (Whitefish bay)
Chief Howard Kabestra
1800 Pawitik Street
Pawitik, ON.
P0X 1L0

Nigigoonsiminikaaning
Chief Will Windigo
PO Box 68
Fort Frances, ON.
P9A 3M5

Northwest Angle 33
Chief Kim Sandy-Kasprick
PO Box 1490
Kenora, ON.
P9N 3X7

Obashkaandagaang
Chief Marilyn Sinclair
PO Box 625
Keewatin ON.
P0X 1C0

Ochiichagwe'Babigo'Ining
Chief Lorraine Cobiness
22 Band Office Rd.
Dalles ON.
P9N 0J2

Ojibways of Onigaming
Chief Kathy Kishiqueb
PO Box 160
Nestor Falls, ON.
P0X 1K0

Rainy River
Chief Robin McGinnis
PO Box 450
Emo ON.
P0W 1E0

Saugeen
Chief Edward Machimity
General Delivery
Savant Lake, ON.
P0V 2S0

Seine River
Chief Thomas Johnson
PO Box 124
Mine Centre ON.
P0W 1H0

Shoal Lake 40

Chief Erwin Redsky
PO Box 6
Kejick ON.
P0X 1E0

Wabaseemoong (Whitedog)
Chief John Paishk
General Delivery
Wabaseemoong ON.
P0X 1P0

Wabauskang
Chief Martine Petiquan
PO Box 339
Ear Falls, ON.
P0V 1T0

Wabigoon Lake Ojibway Nation
Chief Esther Pitchenese
RR#1 Site 115 PO Box 300
Dryden ON.
P8N 2Y4

Wauzhushk Onigum Nation
Chief Chris Skead
PO Box 1850
Kenora, ON.
P9N 3X8