

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT dated for reference the ____ day of ____, 2005

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF CANADA
as represented by the Minister of Indian Affairs and Northern Development

AND:

GRAND CHIEF HERB NORWEGIAN
on his own behalf and on behalf of the
DEH CHO FIRST NATIONS

Recitals

WHEREAS:

- A. On September 2, 2004, the Deh Cho First Nations commenced NWT Supreme Court Action No. S-0001-CV-2004000291 against Canada, Todd Buringame, chair of the Mackenzie Valley Environmental Impact Review Board and the Mackenzie Valley Environmental Impact Review Board.
- B. On November 10, 2004, the Deh Cho First Nations discontinued the Action against the Chair of the Mackenzie Valley Environmental Impact Review Board.
- C. On September 16, 2004, the Deh Cho First Nations filed Federal Court Application T-1686-04, an application for judicial review, naming Canada as a respondent.
- D. The Deh Cho First Nations and Canada disagree with respect to the applicability of federal legislation in and to the Deh Cho territory (as defined in the Deh Cho First Nations Interim Measures Agreement);
- E. Canada and the Deh Cho First Nations have completed negotiations on all matters arising from and in relation to the Action and the Application and wish to resolve issues related to the participation of the DCFN in the environmental and regulatory review of the Mackenzie Gas Project.

- F. The Deh Cho First Nations and the Deh Cho First Nation(s) will not dispute Canada's position that the joint review panel for the Mackenzie Gas Project is properly constituted and has the authority to exercise its jurisdiction to conduct an environmental assessment review of the Mackenzie Gas Project and the Deh Cho First Nations and the Deh Cho First Nation(s) will actively participate in the environmental and regulatory review process for the Mackenzie Gas Project.
- G. Canada and the Deh Cho First Nations wish to facilitate and expedite negotiations towards an Agreement-in-Principle.
- H. Canada is funding the Deh Cho Land Use Planning Committee in the amount of eight hundred and seventeen thousand, three hundred and fifty two dollars (\$817,352.00) for fiscal year 2005/2006 to complete a land use plan in accordance with the Deh Cho First Nations Interim Measures Agreement.
- I. The Supreme Court of Canada has confirmed that the honour of the Crown requires Canada to consult where it has knowledge, real or constructive, of the potential existence of Aboriginal rights and is contemplating conduct that may adversely affect them.
- J. The parties have differing views as to the existence and scope of the rights of the Deh Cho First Nation(s) recognized by s. 35 of the *Constitution Act*, 1982, and the nature and extent of Canada's requirements to consult with the Deh Cho First Nation(s), the parties acknowledge the importance of seeking practical ways in which to reconcile their respective interests in the Mackenzie Gas Project.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

ARTICLE 1

DEFINITIONS

- 1.1 In this Agreement:
 - (a) "Action" means NWT Supreme Court Action No. S-0001-CV-2004000291;
 - (b) "Agreement" means this settlement agreement, including all of its Schedules;
 - (c) "Agreement-In-Principle" means the "Deh Cho agreement-in-principle" as defined in the Deh Cho First Nations Framework Agreement;
 - (d) "Application" means Federal Court Application T-1686-04;
 - (e) "Canada" means Her Majesty the Queen in Right of Canada, as represented by the Minister of Indian Affairs and Northern Development;

- (f) “Deh Cho First Nation” means, for the purposes of this Agreement only, Liidli Kue First Nation (Fort Simpson), Deh Gah Got’ie First Nation (Fort Providence), Acho Dene Koe First Nation (Fort Liard), Katlodeeche First Nation (Hay River Reserve), Pehdzeh Ki First Nation (Wrigley), West Point First Nation (Hay River), TtheK’edeli First Nation (Jean Marie River), Sambaa K’e Dene Band (Trout Lake), Na_ahdee First Nation (Nahanni Butte), K’agee Tu First Nation (Kakisa), Fort Simpson Métis Local 52, Fort Providence Metis Council, or Fort Liard Métis Local 67;
- (g) “Deh Cho First Nations” consists of, for the purposes of this Agreement only, Liidli Kue First Nation (Fort Simpson), Deh Gah Got’ie First Nation (Fort Providence), Acho Dene Koe First Nation (Fort Liard), Katlodeeche First Nation (Hay River Reserve), Pehdzeh Ki First Nation (Wrigley), West Point First Nation (Hay River), TtheK’edeli First Nation (Jean Marie River), Sambaa K’e Dene Band (Trout Lake), Na_ahdee First Nation (Nahanni Butte), K’agee Tu First Nation (Kakisa), Fort Simpson Métis Local 52, Fort Providence Metis Council and Fort Liard Métis Local 67;
- (h) “Deh Cho First Nations Resolution” means a duly executed written resolution of the Deh Cho First Nations leadership adopted at a duly convened meeting;
- (i) “Deh Cho Process Funding” means the funding contemplated in Article 15 of the Agreement;
- (j) “Deh Cho Process” means the negotiations contemplated in the Deh Cho First Nations Framework Agreement;
- (k) “Economic Development Funding” means the funding contemplated in Article 14 of the Agreement;
- (l) “Effective Date” means the later of the dates on which this Agreement is executed respectively by the Deh Cho First Nations, each Deh Cho First Nation and Canada, and where signed on the same day, the Effective Date is that day;
- (m) “Environmental Assessment and Regulatory Review Funding” means the funding contemplated in Article 5 of the Agreement;
- (n) “Final Agreement” means the “Deh Cho final agreement” as defined in the Deh Cho First Nations Framework Agreement;
- (o) “Financial Institution” means a financial institution authorized by law to accept deposits and regulated by the Superintendent;
- (p) “Fiscal Year” means the Government of Canada’s financial period beginning on April 1st and ending on March 31st of the following year;

- (q) "Information Meeting" means a meeting at which the Deh Cho First Nations' negotiators, legal counsel and financial advisor(s) explain to the leaders of the Deh Cho First Nation(s) the terms of the Agreement and Trust Agreement;
 - (r) "Party" means a party to this Agreement;
 - (s) "Settlement Funds" means the sum to be paid by Canada to Grand Chief Herb Norwegian on his own behalf and on behalf of the Deh Cho First Nations, who are plaintiffs in the Action and applicants in the Application and each Deh Cho First Nation who is an applicant in the Application, which sum represents the amount negotiated by the parties as settlement of the Action and the Application and is comprised of Category A Funds as contemplated in Article 14 of this Agreement;
 - (t) "Superintendent" means the Superintendent of Financial Institutions as defined in the *Office of Superintendent of Financial Institutions Act*, R.S.C. 1985, c. 18 (3rd Supp.) as amended from time to time;
 - (u) "Trust Account" means the account established by the Trustee at the Financial Institution in trust for the Deh Cho First Nations pursuant to the Trust Agreement;
 - (v) "Trust Agreement" means a trust agreement between the Deh Cho First Nations and the Trustee established for the purposes of the management and administration of the Settlement Funds and the Economic Development Funding; and
 - (w) "Trustee" means a trust company identified as a trustee in the Trust Agreement.
- 1.2 Any words identified as defined terms in the Schedules to this Agreement have the same meaning as in this Agreement, except as otherwise indicated.
- 1.3 The headings, recitals, and table of contents are inserted solely for convenience and shall not control or affect the meaning or construction of any part of this Agreement.
- 1.4 Any reference in this Agreement to an article or a Schedule will mean the respective clause or Schedule of this Agreement unless otherwise stated.
- 1.5 Any reference in this Agreement to a Minister shall include that Minister's duly authorized representative.

ARTICLE 2

SCHEDULES

The following Schedules are attached to, incorporated by reference into, and form part of this Agreement:

- Schedule "A" Solicitor's Certificate
- Schedule "B" Financial Advisor's Certificate
- Schedule "C" Form of Irrevocable Written Direction and Authorization
- Schedule "D" Form of Trustee Receipt

ARTICLE 3

SETTLEMENT FUNDS

- 3.1 Canada shall pay to Grand Chief Herb Norwegian on his own behalf and on behalf of the Deh Cho First Nations, who are plaintiffs in the Action and applicants in the Application and each Deh Cho First Nation who is an applicant in the Application and Grand Herb Norwegian on his own behalf and on behalf of the Deh Cho First Nations who are plaintiffs in the Action and applicants in the Application and each Deh Cho First Nation who is an applicant in the Application shall accept, subject to the terms and conditions set out in this Agreement, as Settlement Funds, five million dollars (\$5,000,000.00).
- 3.2 The Parties agree that, subject to the fulfillment of the condition precedent:
- (a) Canada has received the filed Notices of Discontinuance referred to in Article 16;
 - (b) Canada has received the Deh Cho First Nations Resolution contemplated in Article 21.1 (b);
 - (c) The Trust Agreement has been signed by the authorized signatories and the Trust Account has been opened and a direction to pay as required by Canada to make the payment has been provided to Canada;
 - (d) Canada has received the Solicitor's Certificate from the Deh Cho First Nations' legal counsel, dated as of the date of signing of this Agreement by the Deh Cho First Nations and Deh Cho First Nation(s), substantially in the form attached as Schedule "A"; and
 - (e) Canada has received the Financial Adviser's Certificate from the Deh Cho First Nations' financial adviser, dated as of the date of signing of this Agreement by the Deh Cho First Nations and Deh Cho First Nation(s), substantially in the form attached as Schedule "B";

the Settlement Funds shall be paid by Canada to the Deh Cho First Nations within ninety (90) days of the Effective Date.

- 3.3 Grand Chief Herb Norwegian on his own behalf and on behalf of the Deh Cho First Nations, who are plaintiffs in the Action and applicants in the Application and each Deh Cho First Nation who is an applicant in the Application will provide Canada with an Irrevocable Written Direction and Authorization, substantially in the form attached as Schedule "C", for Canada to deposit the Settlement Funds into the Trust Account established pursuant to the Trust Agreement.
- 3.4 Upon the deposit of the Settlement Funds into the Trust Account, the Settlement Funds shall be administered by the Trustee on the terms and conditions set out in the Trust Agreement. After such deposit, Canada shall not have any responsibility or liability for the distribution, management, investment, or any losses or depreciation, of the Settlement Funds and Canada assumes no fiduciary obligations towards Grand Chief Herb Norwegian on his own behalf and on behalf of the Deh Cho First Nations and each Deh Cho First Nation who is an applicant in Federal Court judicial review application T – 1686-04 regarding the use of the Settlement Funds.

ARTICLE 4

CONSULTATION

- 4.1 The parties agree that by entering into this Agreement the consultation activities undertaken between them in the context of the Mackenzie Gas Project will be conducted in a manner consistent with legal principles. This means that in respect of the Mackenzie Gas Project where the Crown proposes to act in a manner which may adversely affect the claimed s. 35 rights of a Deh Cho First Nation,

Canada will, to the extent appropriate:

- (a) Ensure the potentially affected Deh Cho First Nation is provided with relevant information in a timely manner;
- (b) Inform itself of the concerns of the potentially affected Deh Cho First Nation with respect to the proposed conduct;
- (c) Engage the potentially affected Deh Cho First Nation regarding the Mackenzie Gas Project so the affected Deh Cho First Nation has an opportunity to articulate its concerns regarding the effects of the proposed conduct;
- (d) Seriously consider the concerns of the affected Deh Cho First Nation; and

if appropriate,

seriously consider ways in which to mitigate any potentially serious adverse effects that the proposed conduct might have on the potentially affected Deh Cho First Nation, and

if appropriate,

accommodate the concerns of the affected Deh Cho First Nation with a view to balancing other societal interests.

AND the affected Deh Cho First Nation will:

Outline their claims with clarity, focusing on the nature and scope of their claimed s.35 rights and on the alleged infringements on those rights.

- 4.2 In the conduct of consultation and accommodation Canada and the affected Deh Cho First Nation will be guided by the following principles:
- (a) Strengthening the relationship between Canada and the Deh Cho First Nation;
 - (b) Acting in a respectful, reasonable and responsive manner;
 - (c) Acting in good faith;
 - (d) Utilizing existing processes to the extent practicable;
 - (e) Considering mechanisms to allow consultation processes to be utilized in future projects; and
 - (f) Considering the integrating of alternative dispute resolution mechanisms in consultation processes.

ARTICLE 5

ENVIRONMENTAL ASSESSMENT AND REGULATORY REVIEW FUNDING

- 5.1 In accordance with this Article, Canada will provide adequate and timely funding to the Deh Cho First Nations for the purposes of:
- (a) ensuring that the Deh Cho First Nations may strongly advocate and defend the interests of the Deh Cho people throughout the environmental and regulatory review process for the Mackenzie Gas Project. This could include funding for the establishment of an Elders and Harvesters Committee to prepare submissions to decision makers; and
 - (b) assisting the Deh Cho First Nations and Deh Cho First Nation(s) to establish a community-based socio-economic impact mitigation planning, implementation and community development strategy in relation to the Mackenzie Gas Project.
- 5.2 Within forty-five (45) days of the Effective Date and by May 1 of Fiscal Years 2006-07 and 2007-08 Canada shall provide to the Deh Cho First Nations and Deh Cho First Nation(s) notice of all of the existing federal environmental assessment and regulatory review funding programs in respect of the Mackenzie Gas Project, including but not limited to funding programs in respect of socio-economic impact mitigation, planning and implementation.

- 5.3 (a) The Parties agree that subject to the fulfillment of the condition precedent that:
- (i) The Mackenzie Gas Project proponent's application is under active consideration in the environmental assessment or the regulatory process;
 - (ii) Canada has received applications prepared by the Deh Cho First Nations and Deh Cho First Nation(s) in respect the funding programs for Fiscal Year 2005-06 that Canada provided notice of pursuant to Article 5.2;
 - (iii) Canada has received a budget in a timely manner respecting the use of the Environmental Assessment and Regulatory Review Funding for Fiscal Year 2005-06 prepared by the Deh Cho First Nations for Canada's consideration; and
 - (iv) Canada has received the Solicitor's Certificate from the Deh Cho First Nations' legal counsel, substantially in the form attached as Schedule "A"

Canada will provide a minimum of two million dollars (\$2,000,000.00) in contribution funding for Fiscal Year 2005-06. The Parties acknowledge that, subject to existing funding authorities and the direction of an applicant(s) to a funding program(s), Canada will use best efforts to provide the funding directly to the Deh Cho First Nations. The Parties further acknowledge that such funding may be provided pursuant to existing funding programs throughout Fiscal Year 2005-06 or in a separate payment(s) made during Fiscal Year 2005-06 directly to the Deh Cho First Nations, should such payments be necessary for Canada to meet its commitment under this Article;

- (b) The Parties agree that subject to the fulfillment of the condition precedent that:
- (i) The Mackenzie Gas Project proponent's application is under active consideration in the environmental assessment or the regulatory process;
 - (ii) Canada has received applications prepared by the Deh Cho First Nations and Deh Cho First Nation(s) in respect the funding programs for Fiscal Year 2006-07 that Canada provided notice of pursuant to Article 5.2;
 - (iii) Canada has received a budget in a timely manner respecting the use of the Environmental Assessment and Regulatory Review Funding for Fiscal Year 2006-07 prepared by the Deh Cho First Nations for Canada's consideration; and
 - (iv) Canada has received the Solicitor's Certificate from the Deh Cho First Nations' legal counsel, substantially in the form attached as Schedule "A"

Canada will provide a minimum of two million dollars (\$2,000,000.00) in contribution funding for Fiscal Year 2006-07. The Parties acknowledge that, subject to existing funding authorities and the direction of an applicant(s) to a funding program(s), Canada will use best efforts to provide the funding directly to the Deh Cho First Nations. The Parties further acknowledge that such funding may be provided pursuant to existing funding programs throughout Fiscal Year 2006-07 or in a separate payment(s) made during Fiscal Year 2006-07 directly to the Deh Cho First Nations, should such payments be necessary for Canada to meet its commitment under this Article; and

- (c) The Parties agree that subject to the fulfillment of the condition precedent that:
- (i) The Mackenzie Gas Project proponent's application is under active consideration in the environmental assessment or the regulatory process;
 - (ii) Canada has received applications prepared by the Deh Cho First Nations and Deh Cho First Nation(s) in respect the funding programs for Fiscal Year 2007-08 that Canada provided notice of pursuant to Article 5.2;
 - (iii) Canada has received a budget in a timely manner respecting the use of the Environmental Assessment and Regulatory Review Funding for Fiscal Year 2007-08 prepared by the Deh Cho First Nations for Canada's consideration; and
 - (iv) Canada has received the Solicitor's Certificate from the Deh Cho First Nations' legal counsel, substantially in the form attached as Schedule "A"

Canada will provide a minimum of two million dollars (\$2,000,000.00) in contribution funding for Fiscal Year 2007-08. The Parties acknowledge that, subject to existing funding authorities and the direction of an applicant(s) to a funding program(s), Canada will use best efforts to provide the funding directly to the Deh Cho First Nations. The Parties further acknowledge that such funding may be provided pursuant to existing funding programs throughout Fiscal Year 2007-08 or in a separate payment(s) made during Fiscal Year 2007-08 directly to the Deh Cho First Nations, should such payments be necessary for Canada to meet its commitment under this Article.

ARTICLE 6

DEH CHO PROCESS

- 6.1 The parties agree to take all reasonable steps to negotiate the terms of a Deh Cho final agreement, which will include agreement to establish a Deh Cho Resource Management Authority (DCRMA) which will be a body of public government.

- 6.2 The Final Agreement will describe the:
- (a) legal capacity, structure, accountability, rights, powers, privileges and responsibilities of the DCRMA;
 - (b) source(s) of the DCRMA's powers, privileges and responsibilities;
 - (c) relationship of the DCRMA to the *Mackenzie Valley Resource Management Act*; and
 - (d) rules regarding conflict of laws and the priority of laws.
- 6.3 For greater certainty, the Final Agreement may provide for a stand-alone DCRMA harmonized with the *Mackenzie Valley Resource Management Act*.
- 6.4 The Final Agreement will provide for the circumstances in which laws within the jurisdiction of the Deh Cho First Nations, any successor organization, or any government established pursuant to a Final Agreement will take priority over the laws of Canada, in the event of a conflict.
- 6.5 The parties agree to negotiate a Final Agreement in accordance with the Deh Cho First Nations Framework Agreement.
- 6.6 The parties agree to discuss and agree on GNWT's involvement in the discussion leading to an Agreement-In-Principle and on the timing and process for any such involvement.
- 6.7 Following the execution of this Agreement, the Minister will appoint a Chief Federal Negotiator for the Deh Cho Process who will report directly to the Minister;
- 6.8 Upon the execution of the Agreement, the parties agree to use best efforts to develop an alternative dispute resolution mechanism, such as mediation but not arbitration, for the purposes of resolving disputes arising from the negotiations of the Final Agreement.

ARTICLE 7

MONITORING OF THE MACKENZIE GAS PROJECT

- 7.1 The Parties agree in principle, that a process should be established to monitor and recommend mitigation measures regarding environmental and socio-economic impacts of an approved Mackenzie Gas Project.

ARTICLE 8

LAND WITHDRAWALS

- 8.1 Canada and the Deh Cho First Nations agree to enter into interim withdrawal negotiations for the area bounded by the Deh Cho-Sahtu boundary in the north, the Mackenzie River in the west, the Willowlake River in the south, and the Deh Cho-Tlicho boundary in the east. In instances where the proposed Mackenzie Valley Pipeline route and or its corresponding ancillary needs are concerned, the Mackenzie Gas Project proponent will be consulted. These negotiations will be undertaken pursuant to sections 12 – 24 of the Deh Cho First Nations Interim Measures Agreement. It is agreed that a pipeline study corridor will be identified in all Orders-in-Council withdrawing lands pursuant to the Deh Cho First Nations Interim Measures Agreement.
- 8.2 Subject to the environmental review and regulatory approvals process for the Mackenzie Gas Project and without prejudice to the Deh Cho's right to adopt any particular position in respect of those processes, Canada and Deh Cho First Nations agree that the pipeline study corridor defined by the interim land withdrawals will be considered to be an acceptable proposed pipeline route through the Deh Cho territory (as defined in the Deh Cho First Nations Interim Measures Agreement), as between the Parties.
- 8.3 The DCFN will support amendments to the interim land withdrawals, which the Parties consider to be reasonable, should such amendments be necessary to allow an approved Mackenzie Gas Project to be carried out.
- 8.4 Subject to authorization by the Governor in Council, the Minister of Indian Affairs and Northern Development will replace the existing wording in the existing Order in Council in respect of withdrawing lands pursuant to the Deh Cho First Nations Interim Measures Agreement, with language consistent with the wording set out in this Article. The Deh Cho First Nations will be given an opportunity to review and comment upon proposed language prior to departmental officials recommending it to the Minister of Indian Affairs and Northern Development.

ARTICLE 9

INDUSTRY DIALOGUE

- 9.1 Canada will take a positive, facilitating role in developing a more constructive dialogue between the Deh Cho First Nations and industry.
- 9.2 Canada agrees to work with the Deh Cho First Nations and the proponent of the Mackenzie Gas Project to develop an alternative dispute resolution process which would include an arbitration mechanism to resolve issues as between the proponent and the Deh Cho First Nations.

ARTICLE 10

INTERIM AGREEMENTS

- 10.1 The Parties hereby affirm the Interim Resource Development Agreement dated April 17th, 2003.
- 10.2 The Parties agree to take immediate steps to establish a working group comprised of parties to the Deh Cho First Nations Interim Measures Agreement for the purposes of ensuring that issues arising from the implementation of the agreement are addressed in a timely manner.
- 10.3 In respect of oil and gas exploration as contemplated under the Interim Resource Development Agreement, the Parties agree to consult in accordance with the principles set out in Article 4 of the Agreement, the matters of overriding benefits (cash bonus bidding), restriction on seismic lines, parcel sizes and air and water emission standards. The Parties will consult, where appropriate, the Mackenzie Valley Land and Water Board and the National Energy Board.

ARTICLE 11

RESOURCE ROYALTY SHARING FORMULA

- 11.1 The Parties agree that once an Agreement-in-Principle is ratified, the resource royalty sharing formula set out in the Interim Resource Development Agreement will be replaced with any resource revenue sharing formula agreed to in the Agreement-in-Principle.

ARTICLE 12

MACKENZIE VALLEY ENVIRONMENTAL IMPACT REVIEW BOARD

- 12.1 Canada agrees to refer any applications for development that, in the opinion of an affected Deh Cho First Nation, could have an adverse impact on the environment of the Deh Cho territory (as defined in the Deh Cho First Nations Interim Measures Agreement) to the Mackenzie Valley Environmental Impact Review Board for environmental assessment upon request by any affected Deh Cho First Nation, or the Deh Cho First Nations on its behalf.

ARTICLE 13

LAND USE PLANNING

- 13.1 The parties agree to implement a land use plan that is approved by the Deh Cho First Nations, approved by the GNWT Minister of Environment and Natural Resources and favourably considered by the Minister of Indian and Northern Affairs Canada, as soon as possible after the Plan's completion.

ARTICLE 14

ECONOMIC DEVELOPMENT FUNDING

- 14.1 Canada agrees to financially assist the Deh Cho First Nations and Deh Cho First Nation(s) for fiscal years 2005/06 to 2007/08 in the amount of fifteen million dollars (\$15,000,000.00) to enable them to identify and implement economic development opportunities in relation to the Mackenzie Gas Project.
- 14.2 The funds contemplated in Article 14.1 are comprised of two categories of funds. Category A funds total the sum of five million dollars (\$5,000,000.00) which Canada will provide in accordance with Article 3 of this Agreement. Category B funds total the sum of ten million dollars (\$10,000,000.00) which Canada will provide in accordance with Article 14.3.
- 14.3 Category B funds as contemplated in Article 14.2 shall be paid as follow:
- (a) The Parties agree that, subject to the fulfillment of the condition precedent that
 - (i) Canada has received the filed Notices of Discontinuance referred to in Article 16;
 - (ii) Canada has received the Deh Cho First Nations Resolution contemplated in Article 21.1 (b);
 - (iii) The Mackenzie Gas Project proponent's application is under active consideration in the environmental assessment or the regulatory process or the Mackenzie Gas Project is approved;
 - (iv) The Trust Agreement has been signed by the authorized signatories and the Trust Account has been opened and a direction to pay as required by Canada to make the payment has been provided to Canada;
 - (v) Canada has received the Solicitor's Certificate from the Deh Cho First Nations' legal counsel, substantially in the form attached as Schedule "A"; and

- 14.5 Upon the deposit of the funding contemplated in Article 14.1 into the Trust Account, the Settlement Funds shall be administered by the Trustee on the terms and conditions set out in the Trust Agreement. After such deposit, Canada shall not have any responsibility or liability for the distribution, management, investment, or any losses or depreciation, of the Economic Development Funding and Canada assumes no fiduciary obligations towards the Deh Cho First Nations or any Deh Cho First Nation regarding the use of the Economic Development Funding.
- 14.6 In the event that funds are advanced to the Deh Cho First Nations under this Article and the Mackenzie Gas Project ceases to be under active consideration in the environmental assessment or the regulatory process, or construction of the Mackenzie Gas Project is completed, the Deh Cho First Nations are entitled to use the said funds to identify and implement economic development activities which are of general benefit to the Deh Cho First Nations and the Deh Cho First Nation(s).

ARTICLE 15

DEH CHO PROCESS FUNDING

- 15.1 In accordance with this Article, Canada will provide adequate and timely funding to the Deh Cho First Nations for the purposes of enhancing the Deh Cho Process negotiations and the participation of the Deh Cho First Nations' leadership in the Deh Cho Process.
- 15.2 Within forty-five (45) days of the Effective Date and by May 1 of Fiscal Years 2006-07 and 2007-08 Canada shall provide to the Deh Cho First Nations notice of all of the existing federal funding programs in respect of negotiating the Final Agreement.
- 15.3 (a) The Parties agree that subject to the fulfillment of the condition precedent that:
- (i) Canada has received a work plan from the Deh Cho First Nations based upon a work plan that is jointly developed by the parties to the Deh Cho Process;
 - (ii) Canada has received applications prepared by the Deh Cho First Nations in respect the funding programs for Fiscal Year 2005-06 that Canada provided notice of pursuant to Article 15.2;
 - (iii) Canada has received a budget in a timely manner respecting the use of Deh Cho Process Funding for Fiscal Year 2005-06 prepared by the Deh Cho First Nations for Canada's consideration; and
 - (iv) Canada has received the Solicitor's Certificate from the Deh Cho First Nations' legal counsel, substantially in the form attached as Schedule "A"

Canada will provide a minimum of three million, five hundred thousand dollars (\$3,500,000.00) in contribution funding for Fiscal Year 2005-06. The Parties acknowledge that Canada will provide such funding directly to the Deh Cho First Nations. The Parties further acknowledge that such funding may be provided pursuant to existing funding programs throughout Fiscal Year 2005-06 or in a separate payment(s) made during Fiscal Year 2005-06, should such payments be necessary for Canada to meet its commitment under this Article;

- (b) The Parties agree that subject to the fulfillment of the condition precedent that:
- (i) Canada has received a work plan from the Deh Cho First Nations based upon a work plan that is jointly developed by the parties to the Deh Cho Process;
 - (ii) Canada has received applications prepared by the Deh Cho First Nations in respect the funding programs for Fiscal Year 2006-07 that Canada provided notice of pursuant to Article 15.2;
 - (iii) Canada has received a budget in a timely manner respecting the use of the Deh Cho Process Funding for Fiscal Year 2006-07 prepared by the Deh Cho First Nations for Canada's consideration; and
 - (iv) Canada has received the Solicitor's Certificate from the Deh Cho First Nations' legal counsel, substantially in the form attached as Schedule "A"

Canada will provide a minimum of three million, five hundred thousand dollars (\$3,500,000.00) in contribution funding for Fiscal Year 2006-07. The Parties acknowledge that Canada will provide such funding directly to the Deh Cho First Nations. The Parties further acknowledge that such funding may be provided pursuant to existing funding programs throughout Fiscal Year 2006-07 or in a separate payment(s) made during Fiscal Year 2006-07, should such payments be necessary for Canada to meet its commitment under this Article; and

- (c) The Parties agree that subject to the fulfillment of the condition precedent that:
- (i) Canada has received a work plan from the Deh Cho First Nations based upon a work plan that is jointly developed by the parties to the Deh Cho Process;
 - (ii) Canada has received applications prepared by the Deh Cho First Nations in respect the funding programs for Fiscal Year 2007-08 that Canada provided notice of pursuant to Article 15.2;
 - (iii) Canada has received a budget in a timely manner respecting the use of the Deh Cho Process Funding for Fiscal Year 2007-08 prepared by Deh Cho First Nations for Canada's consideration; and



- (iv) Canada has received the Solicitor's Certificate from the Deh Cho First Nations' legal counsel, substantially in the form attached as Schedule "A"

Canada will provide a minimum of three million, five hundred thousand dollars (\$3,500,000.00) in contribution funding for Fiscal Year 2007-08. The Parties acknowledge that Canada will provide such funding directly to the Deh Cho First Nations. The Parties further acknowledge that such funding may be provided pursuant to existing funding programs throughout Fiscal Year 2007-08 or in a separate payment(s) made during Fiscal Year 2007-08, should such payments be necessary for Canada to meet its commitment under this Article.

- 15.4 The Deh Cho First Nations and each Deh Cho First Nation acknowledge that Canada will not accept applications from individual Deh Cho First Nation(s) for federal funding programs in respect of negotiating the Final Agreement.

ARTICLE 16

DISCONTINUANCE

- 16.1 Forthwith following the Effective Date, Grand Chief Herb Norwegian on his own behalf and on behalf of the Deh Cho First Nations, who are plaintiffs in the Action and applicants in the Application and each Deh Cho First Nation who is an applicant in the Application agree to abandon and discontinue the Action and the Application regarding the Mackenzie Gas Project against all parties and undertakes to instruct its solicitors to:
- (a) file and serve Canada with a Notice of Discontinuance of NWT Supreme Court action No. S-0001-CV-2004000291 against all parties; and
 - (b) file and serve Canada with a Notice of Discontinuance of Federal Court judicial review application T - 1686-04 against all parties

provided that Canada agrees to waive costs in respect of the same and undertakes to instruct its solicitors to execute any waivers or costs or consents to the Discontinuances and Withdrawal which may be required in the circumstances.

- 16.2 For greater certainty, nothing in Article 16 shall prevent or restrict the Deh Cho First Nations and any Deh Cho First Nation(s) from pursuing any legal or equitable remedies against Canada that challenges a pipeline project which is not the subject matter of the Application or the Action.

ARTICLE 17

RELEASES

17.1 In consideration of this Agreement and the Settlement Funds paid by Canada to Grand Chief Herb Norwegian on his own behalf and on behalf of the Deh Cho First Nations, who are plaintiffs in the Action and applicants in the Application and each Deh Cho First Nation who is an applicant in the Application, the receipt and sufficiency of which is hereby acknowledged, the Deh Cho First Nations and each Deh Cho First Nation agree to:

(a) subject to Articles 17.4, 17.5 & 17.6, release and discharge Canada and any of its Ministers, officials, servants, employees, agents, successors and assigns from any and all actions, causes of action, manner, suits, claims or demands whatsoever, whether known or unknown, and whether in law, in equity or otherwise, which the Deh Cho First Nations and each Deh Cho First Nation and any of their respective heirs, descendants, legal representatives, successors and assigns may ever have had, may now have or may in the future have against Canada and any of its Ministers, officials, servants, employees, agents, successors and assigns with respect to:

(i) the drafting, passing, implementation, operation of the *Mackenzie Valley Resource Management Act* and / or its regulatory regime, including any consultation or consultation obligations or any accommodation obligations relating to the same;

(ii) the negotiation, agreement, approving, implementation, operation of the Cooperation Plan and any subsequent agreements including the Regulators' Agreement, plans and, policies for the implementation of the Cooperation Plan and subsequent agreements including the Regulators' Agreement including any consultation or consultation obligations or any accommodation obligations relating to the same;

(iii) the negotiation, agreement, approval, development, implementation of and the process leading up to the Joint Review Panel Agreement and the decisions, actions, conduct and operation of the Joint Review Panel and its Members, including and without limiting the foregoing,

- A. the entering into the Joint Review Panel Agreement;
- B. the establishing of the Joint Review Panel; and
- C. the appointment of the Members of the Joint Review Panel;

including any consultation or consultation obligations or any accommodation obligations relating to the same; and

- (iv) the bias alleged in the Application and the accompanying Affidavit of Herb Norwegian;

including all costs incurred by the Deh Cho First Nations and each Deh Cho First Nation for research, preparation, negotiation and settlement of the Action and Application, including legal fees; and

- (b) forever release and discharge Canada and any of its Ministers, officials, servants, employees, agents, successors and assigns from any past, present or future obligation or liability, whether in law, in equity or otherwise, to the Deh Cho First Nations and each Deh Cho First Nation and the past, present and future members of the Deh Cho First Nations and each Deh Cho First Nation and any of their respective heirs, descendants, legal representatives, successors and assigns may ever have had, may now have or may in the future have against Canada and any of its Ministers, officials, servants, employees, agents, successors and assigns, relating to or arising from the fact that Canada has paid the Settlement Funds and the Economic Development Funding or related to or arising from any deposit, withdrawal, use, management or any other dealings with respect to the Settlement Funds and Economic Development Funding by the Trustee.

17.2 Nothing in Article 17.1 shall prevent or restrict the Deh Cho First Nations and each Deh Cho First Nation from pursuing any legal or equitable remedies against Canada:

- (a) for any breach of the legally binding terms and conditions of this Settlement Agreement; or
- (b) challenging decisions and the recommendation of the Joint Review Panel on grounds other than those raised in NWT Supreme Court action No. S-0001-CV-2004000291 and Federal Court judicial review application T - 1686-04.

17.3 Nothing contained within this Agreement, nor the settlement of the litigation to which this Release relates, nor any payments or other consideration provided as part of such settlement, shall be construed as an admission of any liability by either party.

17.4 The Parties agree that, except in respect of any decision made under the *Mackenzie Valley Resource Management Act* regarding the Mackenzie Gas Project, the release contemplated in Article 17.1 (a) (i) is time limited and as such, expires and becomes unenforceable by Canada upon:

- (a) the abandonment of the Mackenzie Gas Project application pursuant to the *National Energy Board Act*, thereby causing it to be no longer under consideration in the environmental assessment or the regulatory process;
- (b) the abandonment of the Mackenzie Gas Project approved pursuant to s. 52 of the *National Energy Board Act*, prior to the completion of construction of the pipelines contemplated under the Project and prior to leave to open



the gas pipeline being granted by the National Energy Board, under section 47 under the *National Energy Board Act*;

- (c) the Mackenzie Gas Project being constructed and the National Energy Board granting leave to open the gas pipeline contemplated under the Mackenzie Gas Project, in accordance with section 47 under the *National Energy Board Act*, or
- (d) seven (7) years from the Effective Date of the Agreement

whichever comes first.

17.5 The Parties agree that with respect to any challenge in a court or tribunal regarding the *Mackenzie Valley Resource Management Act* occurring after the expiry of the release contemplated in Article 17.1 (a) (i), the Deh Cho First Nations and each Deh Cho First Nation will not seek a remedy which would:

- (a) stop the Mackenzie Gas Project from being established;
- (b) stop the Mackenzie Gas Project from operating or continuing to operate; or
- (c) result in a damage or cost award against Canada.

17.6 The Parties agree that the Deh Cho First Nations and the Deh Cho First Nation(s) may challenge decisions or the issuance of authorizations pursuant to the *Mackenzie Valley Resource Management Act* and/or its regulatory regime between the Effective Date of the Agreement and the expiry of the release contemplated in Article 17.1 (a) (i) on condition that such challenges do not involve the Deh Cho First Nations and the Deh Cho First Nation(s):

- (a) taking any action whatsoever, including but not limited to the seeking of a remedy which would:
 - (i) unreasonably delay or stop the Mackenzie Gas Project from being established; or
 - (ii) result in a damage or cost award against Canada; and
- (b) making any submission to a court or tribunal in respect of:
 - (i) the drafting or passing of the *Mackenzie Valley Resource Management Act*; and
 - (ii) consultation obligations relating to (i)

as set out in the pleadings to the Action.

- 17.7 For greater certainty, nothing in Article 17 shall prevent or restrict the Deh Cho First Nations and any Deh Cho First Nation(s) from pursuing any legal or equitable remedies against Canada that challenges a pipeline project which is not the subject matter of the Application or the Action.
- 17.8 The provisions in this release are severable from the rest of this Agreement and specifically survive the suspension, termination, breach or frustration of this Agreement and, for greater certainty, separate consideration in the amount of \$10.00, receipt of which is hereby acknowledged, is provided to support this Article.

ARTICLE 18

INDEMNITY

- 18.1 For the purposes of Article 18, "Claimant" means a past, present and future member of the Deh Cho First Nations or a past, present and future member of any Deh Cho First Nation.
- 18.2 Subject to the provisions of Article 18.6, the Deh Cho First Nations and each Deh Cho First Nation jointly and severally agree to indemnify and forever save harmless Canada and any of its Ministers, officials, servants, employees, agents, successors and assigns from and against any and all obligation, liability, duty, loss or damage resulting directly or indirectly from any action, cause of action, suit, claim or demands whatsoever, whether known or unknown, and whether in law, in equity or otherwise, brought by any Claimant, their heirs, descendants, executors, successors and assigns and all other persons against Canada with respect to:
- (a) any of the matters set out in Article 17.1; and;
 - (b) the representations and warranties of the Deh Cho First Nations and each Deh Cho First Nation set out in Article 21;

provided that such obligation, liability, duty, loss or damage has been awarded or determined by a decision or order of a court or other tribunal of competent jurisdiction, or by a settlement (whether or not court proceedings have been instituted) consented to by the Deh Cho First Nations and each Deh Cho First Nation, and notice has been given in accordance with Article 18.3.

- 18.3 Canada shall provide notice to the Deh Cho First Nations and each Deh Cho First Nation by registered mail of any claim which may reasonably give rise to indemnification under this Article. Such notice shall be sufficient to enable the Deh Cho First Nations and each Deh Cho First Nation to identify the claim and the Claimant and to protect its interests in a court proceeding or settlement.



- 18.4 Canada shall assume and control the defence and any negotiations relating to any action, cause of action, suit, claim or demand referred to in Article 18.2. Canada agrees that it will not refuse to defend itself based solely on the existence of this Article.
- 18.5 Any demand by Canada for indemnification shall be made in writing, and if the amount so claimed is not paid by the First Nation within one hundred twenty (120) days of receipt of such notice, Canada shall be entitled to invoke all rights and remedies provided by law to recover any amounts owed by the Deh Cho First Nations and each Deh Cho First Nation.
- 18.6 Notwithstanding Articles 18.1 to 18.5, inclusive, Canada agrees that it shall not be entitled to, and it shall not, rely on the indemnity provided by this Article if Canada fails to pay the funds to the Deh Cho First Nations and the Deh Cho First Nation(s) in accordance with Articles 5, 14 and 15 of the Agreement.
- 18.7 For greater certainty, nothing in Article 18 shall prevent or restrict the Deh Cho First Nations and any Deh Cho First Nation(s) from pursuing any legal or equitable remedies against Canada that challenges a pipeline project which is not the subject matter of the Application or the Action.

ARTICLE 19

CONDITIONS PRECEDENT RESPECTING EXECUTION OF THIS AGREEMENT BY CANADA

- 19.1 Canada and the Deh Cho First Nations agree that the following are conditions precedent to any obligation by Canada to execute this Agreement:
- (a) receipt by Canada of a Deh Cho First Nations Resolution approving the signing of the Agreement;
 - (b) execution of the Agreement by the Deh Cho First Nations and each Deh Cho First Nation in accordance with Article 27.1; and
 - (c) execution of this Agreement by the Minister on behalf of Canada has been authorized by the Governor in Council.

ARTICLE 20

CONDITIONS SUBSEQUENT

- 20.1 Upon receiving the payment of the Settlement Funds pursuant to Article 3 and each payment of the Economic Development Funding pursuant to Article 14 the Deh Cho First Nations shall deliver to Canada a receipt from the Trustee substantially in the form attached as Schedule "D".
- 20.2 Upon the issuance of the receipts pursuant to Article 20, the Deh Cho First Nations shall acknowledge to Canada, in writing, that Canada's obligations for each payment of the Settlement Funds pursuant to Article 3 of the Agreement and the Economic Development Funding pursuant to Article 14 of the Agreement, as the case maybe, have been met.

ARTICLE 21

REPRESENTATIONS AND WARRANTIES

- 21.1 The Deh Cho First Nations and each Deh Cho First Nation represents and warrants that:
- (a) The Deh Cho First Nations and each Deh Cho First Nation intend to use the Settlement Funds pursuant to Article 3, the Environmental and Regulatory Review Funding pursuant to Article 5, the Economic Development Funding pursuant to Article 14 and the Deh Cho Process Funding pursuant to Article 15 for the purposes set out in the Agreement and will take such actions as it deems necessary or advisable, based upon the advice of its independent legal counsel as evidenced by Schedule "A", to give effect to that intent.
 - (b) Prior to the payment of the Settlement Funds in accordance with Article 3 and the Economic Development Funding in accordance with Article 14, the Deh Cho First Nations has passed a Deh Cho First Nations Resolution approving the use, deposit and management of the Settlement Funds and Economic Development Funding, based upon the advice of its independent legal and financial advisors, as evidenced by Schedules "A" and "B".
 - (c) The Deh Cho First Nations has retained independent legal counsel qualified to practice law to advise the Deh Cho First Nations with regards to the legal nature, effect, content, signing and delivery of the Settlement Agreement and the Trust Agreement.



- (d) The Deh Cho First Nations legal counsel has provided to the Deh Cho First Nations, independent legal advice with respect to the negotiation, preparation, financial nature and effect, signing and delivery of the Settlement Agreement, and the preparation and signing of the Trust Agreement, including, without limitation, the deposit by Canada of the Settlement Funds and the Economic Development Funding into the Trust Account.
 - (e) The Deh Cho First Nations has retained an independent financial advisor qualified to practice as a Chartered Accountant to provide financial advice to the Deh Cho First Nations with regards to the Trust Agreement; The Deh Cho First Nations' financial advisor has provided the Deh Cho First Nations, independent financial advice of the kind included in the practice of public accounting with respect to the Trust Agreement, the management and administration of the Settlement Funds and the Economic Development Funding and the deposit of the Settlement Funds and the Economic Development Funding into the Trust Account established pursuant to the Trust Agreement including, without limitation, financial advice which contrasts the potential rates of return, potential investment risks, and tax implications associated with placing the Settlement Funds and the Economic Development Funding into the Trust Account.
- 21.2 For greater certainty, nothing in this Article prevents or restricts the Deh Cho First Nations from retaining a financial advisor to provide independent financial advice in regards to the Trust Agreement, in addition to the financial advisor contemplated in Article 21.1.
- 21.3 These representations and warranties shall survive the execution of this Agreement and shall continue in full force and effect for the benefit of Canada.
- 21.4 For greater certainty, nothing in Article 21 of the Agreement shall prevent or restrict the Deh Cho First Nations and any Deh Cho First Nation(s) from pursuing any legal or equitable remedies against Canada that challenges a pipeline project which is not the subject matter of the Application or the Action.

ARTICLE 22

NOTICE

- 22.1 Any notice or other written communication required or permitted to be given under this Agreement will be given as follows:



(a) to Canada:

Assistant Deputy Minister
Claims and Indian Government
Department of Indian Affairs and Northern Development
Les Terrasses de la Chaudière
10 Wellington Street
Gatineau, QC K1A 0H4
Fax: (819) 953-4225

(b) to the Deh Cho First Nations:

Grand Chief
c/o Deh Cho First Nations
Box 89
Fort Simpson, NT X0E – 0N0
Fax : (867) 695 – 2038

(c) to the Deh Cho First Nation(s)

Chief
Pehdzeh Ki First Nation
General Delivery
WRIGLEY NT X0E 1E0
Fax: 867-581-3229

Chief
Acho Dene Koe
General Delivery
FORT LIARD NT X0E 0A0
Fax: 867-770-4144

Chief
Sambaa K'e Dene Band
PO Box 10
TROUT LAKE NT X0E 1Z0
Fax: 867-206-2828

Chief
Na_ahdee First Nation
General Delivery
NAHANNI BUTTE NT X0E 0N0
Fax: 867-602-2910

Chief
Liidli Kue First Nation
P.O. Box 469
FORT SIMPSON NT X0E 0N0
Fax: 867-695-2665

Chief
Deh Gah Got'ie Council
General Delivery
FORT PROVIDENCE NT X0E 0L0
Fax: 867-699-3210

Chief
Jean Marie River First Nation
General Delivery
JEAN MARIE RIVER NT X0E 0N0
Fax: 867-809-2002

Chief
K'agee Tu First Nation
P.O. Box 4428
HAY RIVER NT X0E 1G3
Fax: 867-825-2002

Chief
Katlochee First Nation
P.O. Box 3060
HAY RIVER NT X0E 1G4
Fax: 867-874-3229

Chief
West Point First Nation
#1-47031 Mackenzie Highway
HAY RIVER NT X0E 0R9
Fax: 867-874-2486

President
Fort Simpson Metis Local No. 52
P.O. Box 408
FORT SIMPSON NT X0E 0N0
Fax: 867-695-2040

President
Fort Providence Metis Council
General Delivery
FORT PROVIDENCE NT X0E 0L0
Fax: 867-699-4319

President
Fort Liard Metis Local No. 67
General Delivery
FORT LIARD NT X0E 0A0

- 22.2 Or at such other address or facsimile number as may from time to time be communicated in writing by a Party as its address for service.
- 22.3 Any notice may be delivered personally or sent by facsimile or registered mail to any Party at the address or facsimile number set out in clause 22.1. The notice will be presumed to have been received by the Party:
- (a) if delivered personally, on the day that it was delivered;
 - (b) if sent by facsimile, on the next business day after it was transmitted; and
 - (c) if sent by registered mail, on the earlier of the day it was received and the fifth day after it was mailed.
- 22.4 During an actual or anticipated postal disruption or stoppage, the mail shall not be used for the purposes of delivering notice by any Party.

ARTICLE 23

SEVERABILITY

- 23.1 Any covenant or provision of this Agreement which is prohibited or unenforceable in whole or in part shall be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement are declared to be separate and distinct.

ARTICLE 24

GENERAL PROVISIONS

- 24.1 Funding under the Agreement shall be subject to the appropriation of funds by the Parliament of Canada.
- 24.2 This Agreement may be executed in several counterparts or copies, all signed counterparts or copies taken together constituting one Agreement.
- 24.3 This Agreement does not constitute a treaty or land claim agreement for the purpose of s. 35 of the *Constitution Act, 1982*.
- 24.4 This Agreement will not result in a change in the constitutional status or property rights to the lands and resources of the Deh Cho territory (as defined in the Deh Cho First Nations Interim Measures Agreement).
- 24.5 The Parties agree that the monies referred to in this Settlement Agreement are not "Indian Monies" as that term is defined in the *Indian Act*, R.S.C. 1985, c. 1-5.
- 24.6 The Parties agree that nothing in this agreement shall affect the ability of the Deh Cho First Nations or any Deh Cho First Nation to participate in and benefit from government programs to which they are eligible including but not limited to funding programs for the purposes of facilitating negotiations of the Final Agreement beyond Fiscal Year 2007-08. Benefits received under such programs shall be determined by general criteria established from time to time.

ARTICLE 25

STATUS AND INTERPRETATION OF THE AGREEMENT

- 25.1 Except for Articles 3, 4, 5, 10.1, 14, 16, 17, 18, 19, 20, 21, 23, 24.1, 24.2, 24.3, 24.4, 24.6, 25.2, 26 and 27 this Agreement is not legally binding and is intended as an expression of goodwill and as a political commitment.
- 25.2 This Agreement does not and shall not be deemed to extinguish or surrender any aboriginal or treaty rights of the Deh Cho First Nations and any Deh Cho First Nation.

ARTICLE 26

EFFECTIVE DATE OF AGREEMENT

- 26.1 This agreement shall come into effect and bind the Parties only upon the date on which this Agreement is executed by Canada in accordance with Article 27.2.

ARTICLE 27

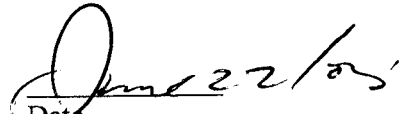
EXECUTION

- 27.1 This agreement shall be executed by the leadership of the Deh Cho First Nations following the passing of a Deh Cho First Nations Resolution.
- 27.2 This Agreement shall be executed by the Minister on behalf of Canada after the conditions precedent set out in Article 19 have been met.


Signed on behalf of Canada and the Deh Cho First Nations by their duly authorized representative(s) on the dates specified.



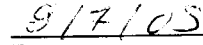
Grand Chief for the Deh Cho First Nations




Date



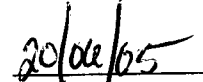
For Her Majesty the Queen in Right of Canada




Date



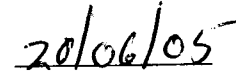
For the Acho Dene Koe Band



Date



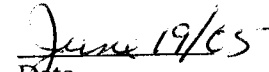
For the Fort Liard Metis Local 67



Date



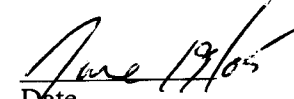
For the Jean Marie River First Nation



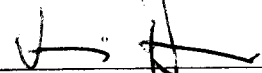
Date



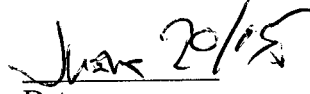
For the Nahadee First Nation



Date



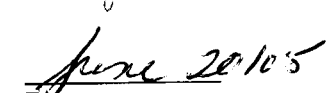
For the Sambaa K'e Dene Band



Date

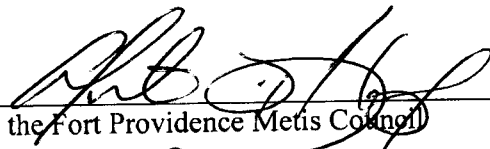


For the Deh Gah Got'ie Council




Date




For the Fort Providence Metis Council

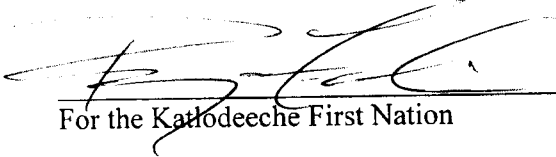
June 20, 2005
Date


For the K'agee Tu First Nation

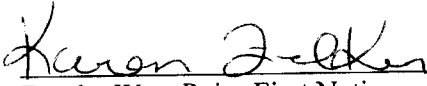
June 20/05
Date


For the Pehdzeh Ki First Nation


June 17/05
Date


For the Katlodeeche First Nation

June 22/05
Date


For the West Point First Nation

June 20, 05
Date


For the Liich Kue First Nation

June 19/05
Date


For the Fort Simpson Metis Local 52

June 17/05
Date



SCHEDULE "A"

to

DEH CHO FIRST NATIONS SETTLEMENT AGREEMENT

dated for reference _____.

SOLICITOR'S CERTIFICATE

I, Chris Reid, Barrister and Solicitor, of Toronto, of the Prov. of Ont., state as follows:

1. THAT I am a member in good standing of Law Society of Upper Canada (Ont.)
2. THAT I have been retained to act as independent legal counsel by the Deh Cho First Nations, on behalf of each Deh Cho First Nation, to advise the Deh Cho First Nations and each Deh Cho First Nation, via the Deh Cho First Nations and the Information Meetings listed in Article 4 of this Solicitor's Certificate, with regard to:
 - (a) the negotiation, execution, implementation, legal nature, effect, and content of the Deh Cho First Nations Settlement Agreement (the "Settlement Agreement");
 - (b) the preparation, execution, and legal nature, effect, and content of the Deh Cho First Nations Settlement Trust Agreement (the "Trust Agreement"), including the deposit of the Settlement Funds and the Economic Development Funds payable pursuant to the Settlement Agreement into the Trust Account established pursuant to the Trust.
3. THAT I have provided the Deh Cho First Nations and each Deh Cho First Nation, via the Deh Cho First Nations independent legal advice with respect to all of the matters set out in Article 2 of this Solicitor's Certificate.
4. THAT I was present at the following information meeting(s) which were called by the Deh Cho First Nations for the purpose of explaining to the members of the Settlement Agreement and Trust Agreement:

Location of Meeting(s):

May 24 St. Louis
Yellowknife
Kakisa

Date(s) and Time(s):

May 24-25, 2005
May 13-14, 2005
June 28, 2005

SE TK

5. **THAT I** made a presentation at the information meeting(s) as listed in Article 4 of this Solicitor's Certificate, in conjunction with the Deh Cho First Nations' financial advisor, to the members present, consisting of an overview and explanation of the matters set out in Article 2 of this Solicitor's Certificate, and answered any relevant legal questions raised at the information meeting(s) to the best of my professional ability.
6. **THAT I** am not aware of any duress, threat, coercion or compulsion by any person which has been made to force the members of the Deh Cho First Nations to pass the Deh Cho First Nations Resolutions contemplated in Articles 19.1 and 21.1 (b) of the Settlement Agreement.
7. **THAT** it is understood and agreed by Canada that I do not owe any type of legal or other duty or obligation to Canada and that providing this Certificate in no way alters this situation. Furthermore, that the representations set out in this Certificate are intended for the sole purpose of documenting the fact that the Deh Cho First Nations and each Deh Cho First Nation has received, in the ways described above, independent legal advice in this process, and are not intended to create any additional duties, obligations or liabilities on our part to any of the parties to the Trust Agreement or to any third party with respect to the same.

DATED at Katisa, this 28th day of June, 2005.



Barrister & Solicitor



SCHEDULE "C"

**IRREVOCABLE DIRECTION AND AUTHORIZATION TO DEPOSIT
SETTLEMENT FUNDS AND ECONOMIC DEVELOPMENT FUNDING
INTO THE TRUST ACCOUNT**

The undersigned hereby irrevocably directs and authorizes Her Majesty the Queen in Right of Canada to pay the Settlement Funds and the Economic Development Funding owing to the Deh Cho First Nations pursuant to the Settlement Agreement dated for reference _____, to the Trust Account established pursuant to the Trust Agreement.

The cheque should be made payable to _____.

IN WITNESS WHEREOF the Deh Cho First Nations and the Deh Cho First Nation(s) have hereunto set their respective hands on the 22nd day of June, 2005.

SIGNED ON behalf of the Deh Cho First Nations in the presence of:

[Signature]
Witness

Gordon Timbre
Witness

J. M. Lead
Witness

Mary Anne Sangay
Witness

[Signature]
Witness

Edward Gumb
Witness

[Signature]
Grand Chief for the Deh Cho First Nations

[Signature]
For the Acho Dene Koe Band

[Signature]
For the Fort Liard Metis Local 67

[Signature]
For the Jean Marie River First Nation

[Signature]
For the Nahadee First Nation

[Signature]
For the Sambaa K'e Dene Band

[Signature]

[Signature]
Witness

Barb Ellis
Witness

Gilbert Bawvior
Witness

Leo McBurne
Witness

Leo Moser
Witness

Shaw Chi
Witness

Jim Thomas
Witness

Leo Munnings
Witness

Beena Sanders
For the Deh Gah Got'ie Council

Marie Rafferty
For the Fort Simpson Metis Local 52

[Signature]
For the Fort Providence Metis Council

[Signature]
For the K'agee Tu First Nation

[Signature]
For the Pehdzeh Ki First Nation

[Signature]
For the Katlodeeche First Nation

Kuron Zookem
For the West Point First Nation

[Signature]
For the Lidli Kue First Nation

[Signature]