

Good Relations Agreement

BETWEEN:

COMPANY NAME

AND:

KAPAWE'NO FIRST NATION, as represented by Chief and Council,
having an administrative office at P.O. Box 10, Grouard, Alberta, T0G
1C0

("Kapawe'no First Nation")

Jointly referred to herein as "the Parties"

WHEREAS:

- A. Company is proposing to develop in Kapawe'no Traditional Territory
- B. Company recognizes and respects that Kapawe'no First Nation holds certain constitutionally protected treaty and Aboriginal rights in the area of the Projects (the Projects Area) attached hereto as Schedule A.
- C. The Parties wish to establish and maintain a respectful, positive and mutually-beneficial, on-going relationship based on trust, respect and communication;
- D. The Parties wish to continue dialogue on relevant issues related to the potential impacts of the Projects on Kapawe'no First Nation's interests, traditional use and rights.
- E. The Parties wish to formalize a mutually beneficial Agreement whereby issues and concerns may be raised and addressed and by which relevant information shall be shared.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

PURPOSE:

1. The purpose of this Agreement is to establish a protocol for dialogue between Company and Kapawe'no First Nation regarding issues and concerns relevant to the Projects that:
 - (a) is sensitive to the interests and rights of Kapawe'no First Nation;
 - (b) communications and consultation processes that will be meaningful, timely and results-oriented;
 - (c) assist Kapawe'no First Nation in participating in the process of addressing traditional use, rights and processes potentially impacted by the proposed Projects; and

- (d) recognizes Company's need for a high degree of certainty related to the viability of its proposed Projects, the security and stability of its operations, and its need to continue to provide services to its customers.

FORMALIZED RELATIONS:

2. The Parties agree to:

- (a) regularly meet at agreed-upon dates and locations to discuss the Projects and issues of mutual interest and concern with such meetings to be held in a timely manner and with respect to the assessment of traditional use, rights and regulatory processes associated with the Projects.
- (b) provide timely responses to requests for information made by each other or applicable governmental authorities involved in the review and decision making processes related to the Projects.
- (c) Company agrees to provide reports, summaries, information and other materials to enable Kapawe'no First Nation to understand the Projects and to prepare and present its views as may be applicable.
- (d) The Parties agree to meet and move forward in a positive manner to address Agreements which may include provisions such as training and education, business development, and potential contracts.

INFORMATION EXCHANGE

- 3. Kapawe'no First Nation acknowledges that Company has been in dialogue with Kapawe'no First Nation for the purpose of building a relationship, sharing of information with respect to the Projects and to explore matters of potential impacts to the interests, traditional use and rights of Kapawe'no First Nation.
- 4. The Parties acknowledge that certain confidential information, including but not limited to the Assessment contemplated by clause 9 herein, may be exchanged under this agreement and any such information shall be treated in a manner respecting the confidential nature of the materials.
- 5. Kapawe'no First Nation acknowledges that Company may be required to submit a record(s) of its Projects-specific consultation activities with the Kapawe'no First Nation to regulatory or government agencies for the purpose of satisfying the regulatory review of project applications.
- 6. Company will return all original materials (notes, annotated maps, GPS reading and/or photographs taken of traditional sites, be it in tape, transcribed or electronic form) upon completion of the regulatory application process.
- 7. The Parties hereby designate the following persons or their respective designates as representatives for the meetings described under this Agreement;

Kapawe'no First Nation P.O. Box 10	Company
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<p>Grouard, Alberta T0G 1C0</p> <p>Attn:</p> <p>Phone: (780) 751-3800</p> <p>Fax: (780) 751-3864</p>	<p>Attn:</p> <p>Phone:</p> <p>Fax:</p>
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TRADITIONAL USE ASSESSMENT

8. The Parties agree that in order to consider and, where appropriate, address the concerns of the Kapawe'no First Nation with respect to the Projects, Kapawe'no First Nation will conduct a Traditional Knowledge Assessment within the Projects Area (the "Assessment"). For the purposes of the Assessment, the term "Traditional Use Site" means sites or areas used by Kapawe'no First Nation members for hunting, fishing, trapping and gathering as well as locations of historical or ceremonial importance to Kapawe'no First Nation. The Assessment will include the following:
 - a list of Kapawe'no First Nation's Traditional Use Sites within the Projects Area with global positioning system coordinates;
 - a brief description of each Traditional Use Site within the Projects Area including its general significance to Kapawe'no First Nation; and
 - a report summarizing location and description of Kapawe'no First Nation's concerns and recommendations for mitigating impacts to Kapawe'no First Nation.
9. Company agrees to pay the reasonable costs for the work required to produce the Assessment as well as Elder involvement (this can be done through the Capacity Funding – clause 14). For greater certainty, reasonable costs means the costs of completing such an Assessment as may be determined by Kapawe'no First Nation in conjunction with Company and/or its consultants.
10. Company will offer additional services to complete the Assessment as determined by Kapawe'no First Nation.

ASSESSMENT MEETINGS

11. The Parties agree to establish regular meetings between Kapawe'no First Nation and Company to provide a necessary framework for the Assessment contemplated by this Agreement.
12. Meetings will be required to establish the following:
 - (a) the logistics and schedule of the Assessment;
 - (b) joint review of the Assessment by the Parties for mitigation purposes; and

- (c) negotiate a possible agreement outlining mitigation measures for potential impacts to Kapawe'no First Nation's Traditional Use Sites or traditional use of the Projects Area as described in clause 17 of this Agreement.
13. The Parties agree that the schedule for the above-noted meetings shall be established within a reasonable time frame that is suitable for the Parties.

CAPACITY FUNDING

14. Company will provide funding contributions in accordance with the terms outlined in Schedule B attached to this Agreement, which will contribute towards the costs incurred by Kapawe'no First Nation to engage in meaningful consultations with Company for the duration of this Agreement.

MITIGATION MEASURES

15. In the event that the Assessment identifies Kapawe'no First Nation Traditional Use Sites or traditional uses that may be adversely impacted by the Project, the Parties agree to enter into good faith discussions with the objective of reaching an agreement on mitigation measures to address any impact or potential impact on Kapawe'no First Nation's Traditional Use Sites and traditional uses as identified in the Assessment.

BUSINESS AND EMPLOYMENT OPPORTUNITIES

16. Company will provide business and employment opportunities in accordance with the terms outlined in Schedule C to the Agreement.

SUPPORT FOR THE PROJECTS

17. In recognition of Company's commitment to fulfill its obligations under this Agreement, and conditional on the timely and complete fulfillment by Company of these obligations Kapawe'no First Nation agrees that Company has respectfully consulted, and will continue to do so, on matters of traditional use, rights and interests and, has addressed those interests to the satisfaction of Kapawe'no First Nation. Company respectfully acknowledges, and is pleased to accept, the letter of support dated the DAYth of MONTH 2010 attached hereto as Schedule E.

ENVIRONMENTAL MATTERS

18. The Parties will jointly discuss environmental matters brought forward by Kapawe'no First Nation. The Parties agree to implement the commitments brought forward in the Environmental Management document attached hereto as Schedule F.

CONFIDENTIALITY

19. Both parties agree that this Agreement and the amount of any funding provided by Company to Kapawe'no First Nation pursuant to this Agreement shall remain confidential to the Parties. Further, any information exchanged between the parties shall also remain confidential.

AUTHORITY

20. Kapawe'no First Nation's Chief and Council represent that they are the authorized representatives having authority to represent the interest of, and to enter into this Agreement on behalf of Kapawe'no First Nation. The Band Council Resolution authorizing the execution of this Agreement is attached hereto as Schedule D.

DISPUTE RESOLUTION:

21. In the event that a dispute should arise between Company and Kapawe'no First Nation with respect to the interpretation or application of this Agreement, which cannot be resolved through reasonable good faith discussions at the working level, such disputes will be put before Company's Senior Executives and Kapawe'no First Nation's Chief and Council at a meeting within thirty (30) days of written notice.
22. In the event that the dispute still cannot be resolved, the Parties agree to submit the dispute to a formal alternate dispute resolution process within thirty (30) days of the leadership meeting.

TERM OF THE AGREEMENT

23. This Agreement shall be effective from the date of execution until DATE unless terminated earlier. This agreement shall terminate:
 - (a) if the Project does not receive all necessary regulatory and environmental approvals;
 - (b) if Kapawe'no First Nation ceases discussions with Company for a period of 6 months;
 - (c) if Company ceases discussions with Kapawe'no First Nation for a period of 6 months; or
 - (d) if Company provides written notice to Kapawe'no First Nation that Company has ceased to pursue the Projects.

NONDEROGATION

24. This Agreement shall not be interpreted in a manner that extinguishes, abrogates, diminishes, expands or increases the rights of either Party, including any rights the Kapawe'no First Nation may have under the *Constitution Act, 1982*, and any present or future permits, licenses or other authorizations that Company or its affiliates have or may obtain in relation to the Projects.

GENERAL PROVISIONS

25. This Agreement shall not be transferred, or assigned by either Party without the prior written consent of the Party, such consent not to be unreasonably withheld.
26. The provisions of this Agreement may only be amended except by written instrument signed by the parties hereto.

- 27. The Parties agree to do all such things as may be necessary and desirable to completely and effectively carry out the terms and intent of this Agreement.
- 28. Neither Party will in any way use this Agreement in a manner that impairs, impedes or otherwise hinders the exercise of the other Party's legal rights or the right of the other Party to manage its own affairs.
- 29. The Provisions of this Agreement may only be amended by mutual consent and written agreement by the Parties.

IN WITNESS WHEREOF the Parties have executed this Agreement dated the _____ day of MONTH, 2010.

Kapawe'no First Nation

Company

Per:

Per:

Chief Frank T. Halcrow

Per:

Per:

Sydney Halcrow, Councillor

Per:

Peter Chalifoux, Councillor

SCHEDULE "A"
MAP OF PROJECT AREA

SCHEDULE "B"
FINANCIAL SCHEDULE
STRICTLY CONFIDENTIAL

Further to section XXX of the MOU, COMPANY will pay to the Kapawe'no First Nation the following amounts at the following times:

- (i) XXXX – Upon execution and effect of this MOU towards the initial funding of the Survey
- (ii) XXXX - Upon the completion of the initial field work and in any event no later than XXXX xx, 200X.
- (iii) XXXX - Upon the completion and delivery of the Survey to COMPANY

Subject to Subsections XXX of the MOU, COMPANY will pay to the Kapawe'no First Nation First Nation the following amounts at the following times:

- (iv) XXXX upon the execution of the Agreement;
- (v) Thereafter \$XXXX semi annually commencing January 1, 200X until 200X.

SCHEDULE "C"
BUSINESS AND EMPLOYMENT OPPORTUNITIES

SCHEDULE "D"
BAND COUNCIL RESOLUTION
(BCR)

SCHEDULE "F"
ENVIRONMENTAL MANAGEMENT

SCHEDULE "G"
COMMUNITY INVESTMENT OPTIONS