



February 12, 2016

## LOWER NICOLA INDIAN BAND & HIGHLAND VALLEY COPPER MINE

### RELATIONSHIP AGREEMENT

*As an LNIB member, you have likely experienced the impacts of living with the Highland Valley Copper mine in our territory. Its operations span into territory where our ancestors hunted, fished and gathered food and medicine and where **our people continue to do so to this day**. This Relationship Agreement is designed to protect our Aboriginal rights while allowing us to have a greater say in the mine moving forward.*

**WHY AN AGREEMENT?** It gives us the ability to protect the environment and to help preserve our land. It ensures preferential jobs and contracting opportunities for our people. It offers financial compensation, money that can be reinvested into a strong LNIB future. And much more!

**WHY NOW?** Following Tsilqot'in, we refused to enter into an agreement that would surrender our legal claims or consent to the mine's existence. This resulted in this Agreement that **PROTECTS** our rights! And if we decide this relationship with HVC is not working for us, we can terminate the Agreement.

### THE AGREEMENT AT-A-GLANCE



**IMPLEMENTATION:** HVC and LNIB will work together to fully and properly implement the Agreement through an Implementation Committee, Managers, and Working Groups



#### ENVIRONMENTAL AND CULTURAL HERITAGE:

HVC and LNIB will collaborate to protect and carefully manage our environment



**FINANCIAL:** HVC will provide up front payments to LNIB in the first three years, community development payments, implementation funding, special funds, training funds, and annual profit sharing



**EMPLOYMENT:** HVC will ensure real, informed and productive involvement of LNIB Members in the mine, including employment, education, training and barrier-reduction



**CONTRACTING:** HVC will work towards greater participation of LNIB businesses at the mine in terms of size, volume, and diversity of contracts



**LEGAL:** HVC and LNIB agree to a respectful and open legal relationship. If the relationship is not going as planned, LNIB can terminate the Agreement and pursue legal action

PROUD TO BE

**LNIB**



**Kenatwáxw**  
we work together



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## IMPLEMENTATION RELATIONSHIP

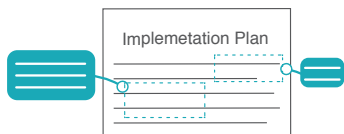
*Writing and agreeing on an agreement is the first step; making sure it actually happens is the next challenge.*

To ensure the commitments in our Agreement with HVC are acted upon:



### IMPLEMENTATION COMMITTEE:

- Comprised of at least 4 members — half appointed by LNIB and half appointed by HVC
- Meets quarterly to review the implementation plans and provide recommendations to ensure the goals and targets set out in the Agreement are being met
- Prepares an annual community update to summarize actions taken by LNIB and HVC
- Provides a forum for LNIB to have a say in the mine's operations and for LNIB's concerns to be heard and addressed



### IMPLEMENTATION PLANS:

- Updated annually by the Implementation Committee
- Will include mutually agreed to targets and initiatives for things like employment, contracting and environmental management
- Will tracks the steps being taken by the parties to achieve the goals of the agreement



### IMPLEMENTATION MANAGERS:

- LNIB Environmental Coordinator
  - » Will work together to assist LNIB to understand, monitor and provide input on matters relating to the environment
- HVC Employment Liaison & LNIB Employment Coordinator
  - » Will work together to coordinate greater employment of LNIB members at the mine (or in mine-related roles)
- HVC Contract Liaison & LNIB Contract Manager
  - » Will work together to coordinate greater access to contracting opportunities for LNIB at the mine (or to mine-related opportunities)





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## ENVIRONMENTAL AND CULTURAL HERITAGE RELATIONSHIP

This part of the Agreement states how LNIB and HVC will work together with respect to environmental protection and management including:

- Real and informed involvement of LNIB in environmental planning, including when HVC makes applications to the government
- Sharing of environmental information
- Providing opportunities for LNIB knowledge and traditions to inform environmental protection and emergency response planning

These goals will be achieved through:

### ENVIRONMENTAL WORKING GROUP:

- Made of an equal number of members from LNIB and HVC who will meet quarterly
- Will provide a forum for LNIB to have a say in the environmental management of the mine and for LNIB's concerns to be heard and addressed
- Will annually update Environmental Work Plans focused on environmental management and protection

### LNIB ENVIRONMENTAL COORDINATOR:

- Responsible for helping LNIB understand, monitor and provide input on environmental matters at HVC
- Will communicate environmental and regulatory matters to LNIB leadership and convey environmental related concerns identified by LNIB to HVC

### INFORMATION SHARING:

- Between HVC and LNIB so that the Environmental Working Group and Coordinator can do their jobs properly

### LNIB INVOLVEMENT IN REGULATORY APPLICATIONS

- Advance notice to LNIB regarding proposed regulatory applications to the government
- LNIB then has the right to review the application and provide feedback
- Both parties will work collaboratively to agree on the contents of regulatory applications
- If LNIB still has concerns, it maintains the right to share these concerns with the regulators

### ENVIRONMENTAL INITIATIVES:

- Designed and implemented by the Implementation Committee

### TAILINGS REVIEW BOARD:

- Ensures the tailings pond at the mine is safe
- LNIB may provide feedback on the selection of the board's members
- LNIB will have access to information from, and provide feedback to, the board





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## FINANCIAL RELATIONSHIP

HVC will financially compensate LNIB through financial benefits sharing as well as implementation funding to make sure that the Agreement is implemented properly. The funding schedule is generally laid out below — for access to the exact financial compensation in this Agreement please contact the LNIB Band Office.

### FINANCIAL BENEFITS SHARING

#### 1. UPFRONT PAYMENTS:

- » HVC will make four one time payments to LNIB over the first three years after signing

#### 2. COMMUNITY DEVELOPMENT PAYMENT:

- » HVC will make yearly payments for 25 years

#### 3. MINE PROFITS PAYMENT:

- » HVC will make an annual payment of a % of the mine's profits

### IMPLEMENTATION FUNDING

- HVC will make separate yearly payment to fund LNIB's costs of meaningfully implementing this Agreement

### SPECIAL FUNDS

- HVC will make payments to be used at the complete discretion of the environmental coordinator to address acute environmental, safety or other concerns relating to the mine

### TRAINING FUNDS

- HVC will make annual payments into a separate account administered by LNIB to support employment and training initiatives for LNIB members





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## EMPLOYMENT RELATIONSHIP

HVC will facilitate real, informed and productive involvement of LNIB members in the mine. This includes employment, education, training, barrier-reduction, and promotion of a discrimination-free workplace.

### CREATING EMPLOYMENT WORK PLANS

- Annual and Long Term workplans will be prepared by the Implementation committee to develop targets and initiatives aimed at continually advancing the employment related interests of LNIB members in relation to the mine

### HVC EMPLOYMENT LIAISON & LNIB EMPLOYMENT COORDINATOR

- Will work together to facilitate greater access to employment and training opportunities for members
- LNIB employment coordinator will also make HVC aware of and help address any concerns regarding employment and participate in the cross-cultural training of HVC employees

### TRAINING FUND

- HVC will make payments into a separate account administered by LNIB to support employment and training initiatives for LNIB members

### PREFERENTIAL HIRING PROCESS

- HVC will provide preferential hiring opportunities for LNIB members, which includes a guaranteed interview for qualified LNIB members and favourable treatment in hiring decisions.

### WORKPLACE POLICY CHANGES

1. Cultural Awareness Training
  - » Cross-cultural training for those HVC employees engaged in or responsible for recruiting, screening, interviewing or hiring employees





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## 2. Whistleblower Policy

- » HVC will maintain an anonymous reporting hotline (and other means of communication) that allow HVC employees to report violations of environmental laws and workplace policies regarding cultural awareness
- » Protection of employees who report such violations from reprisals, intimidations or retaliatory consequences

## 3. Employment Entry Requirements

- » Amending the grade 12 completion entry requirement to allow exceptions for members who have obtained some form of band high school equivalency or obtained five years of relevant work experience or obtained some other post-secondary training comparable to high school equivalency
- » Amending the drivers license entry requirements to allow exceptions for members who hold a class 7N license or members that can demonstrate the ability to obtain a drivers license within a reasonable period of time





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## CONTRACTING RELATIONSHIP

While HVC tries to do most work on its own, using its own employees, it often needs to hire contractors. This means potential work opportunities for LNIB businesses. HVC has committed to continually work towards greater participation of LNIB businesses at the mine in terms of size, volume, and diversity of contracts — including:

- Meaningful engagement and participation by LNIB businesses
- Reducing barriers to promote greater LNIB participation at the mine
- Increasing the diversity of contracts in which LNIB businesses can participate
- Promoting LNIB members and businesses for contracts with other businesses

**CREATING AN ANNUAL CONTRACTING WORK PLAN** that will outline how contracting opportunities will be increased for LNIB businesses.

**HVC WILL GIVE CONTRACTING INFORMATION TO LNIB** including contracting guidelines, numbers and types of contracts available now and in the future, and other relevant information.

**EMPLOY AN HVC CONTRACT LIAISON AND LNIB CONTRACT MANAGER.** These will be HVC and LNIB employees that help increase LNIB access to business opportunities at the mine.

**PREFERRED CONTRACTING PROCESSES** will be followed when LNIB companies apply for opportunities.

**AN NLAKA'PAMUX INCLUSION STRATEGY** in all contractor bids (LNIB businesses and otherwise) will be asked for by HVC to maximize opportunities for LNIB members and businesses.

**A PREQUALIFICATION PROCESS FOR LNIB BUSINESSES** will be developed so LNIB businesses can more easily bid on HVC opportunities with a higher likelihood of success.



- Contracting Repository
  - » A database of LNIB businesses available to provide goods and services to HVC and are interested in contracting opportunities





## LEGAL RELATIONSHIP

Efforts are being made by both LNIB and HVC in areas ranging from employment to the environment, this section lays out how LNIB will agree to not taking legal action against HVC before trying to resolve issues with HVC directly.

- » Example: LNIB would not take legal action for an environmental issue before trying to resolve it with the Environmental Working Group

This section also sets out how disputes will be resolved between HVC and LNIB if any should arise, and protects both LNIB and HVC from legal action from the other party in circumstances not previously agreed upon. If these provisions are not working for LNIB, the Agreement can be terminated.

## AGREEMENT PRINCIPLES

1. **FORWARD THINKING AND DOES NOT ADDRESS PAST INFRINGEMENTS** — this means that LNIB's rights to sue for past wrongdoings are protected.
2. **CAN BE TERMINATED AT ANY TIME** — this means that if the relationship between LNIB and the Province of BC or HVC aren't working out, we can walk away from either Agreement.
3. **LNIB DOES NOT PROVIDE ANY RELEASE OR CONSENT TO THE MINE** — the payments received are likely only a component of what LNIB is owed and LNIB reserves the right to claim for further compensation in the future.
4. **DOES NOT PROVIDE FULL ACCOMMADATION** — for the mine's impacts, and should be seen as part of a package of agreements.

**NO IMPACT ON TITLE AND RIGHTS!** *Nothing in this Agreement in any way defines, amends, recognizes, affirms, or denies the existence of, or in any way prejudices, limits or derogates from LNIB Aboriginal title and rights.*

THE RELATIONSHIP AGREEMENT IS IN FINAL DRAFT FORM BUT IS SUBJECT TO CHANGE UNTIL IT IS SIGNED



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