



**2015 ANNUAL REPORT
CITXW NLAKA'PAMUX ASSEMBLY**



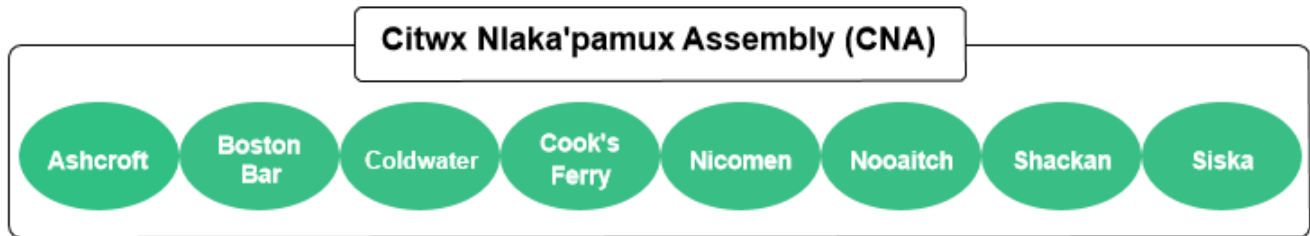
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Citwx Nlaka'pamux Assembly

The Citwx Nlaka'pamux Assembly (CNA) was formed for the purpose of managing and administering the Participating Bands' commitments in the Participation Agreement with Highland Valley Copper and Economic Community Development Agreement with the province of British Columbia.

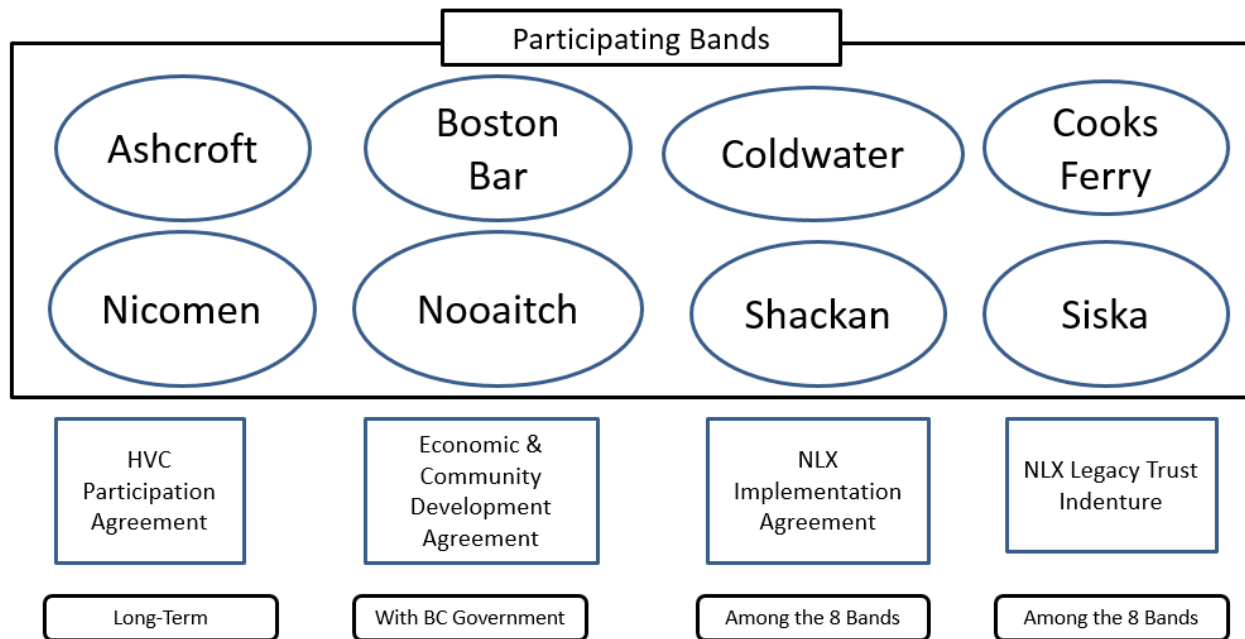


Key points about the CNA:

Not-for-profit federal corporation	Initiates NLX Legacy Trust & hires staff	Requests, reviews and recommends applications for Available Nation Funds
Governed by eight directors from participating bands	Makes Trustee appointments to NLX Legacy Trust	Long-term stability for 8 bands on management of settlement
Represents bands & responsible for meeting all commitments under HVC & prov. agreements	Settles disputes among members	Clear process to enforce and amend settlement agreements



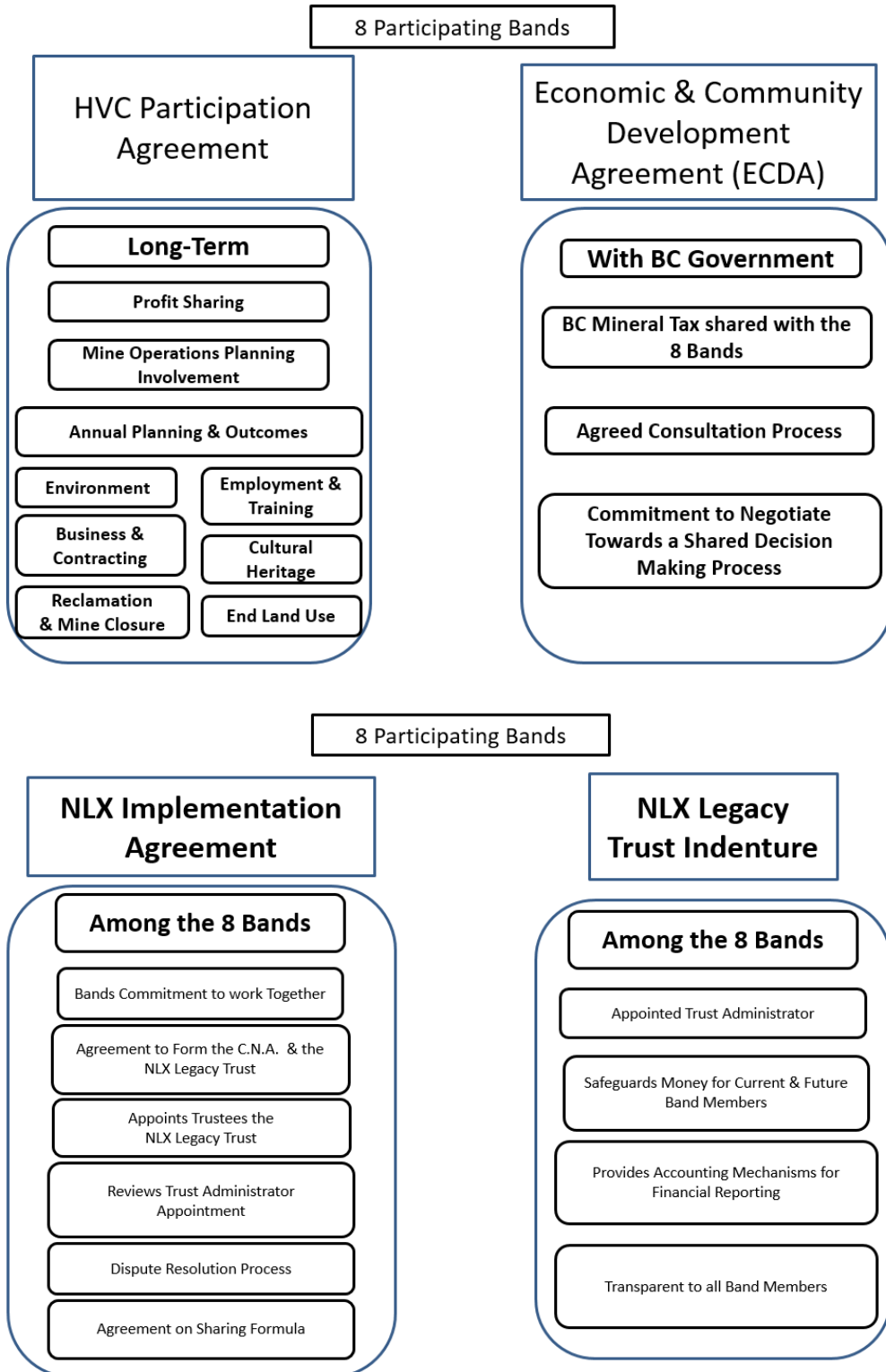
Summary of Agreements



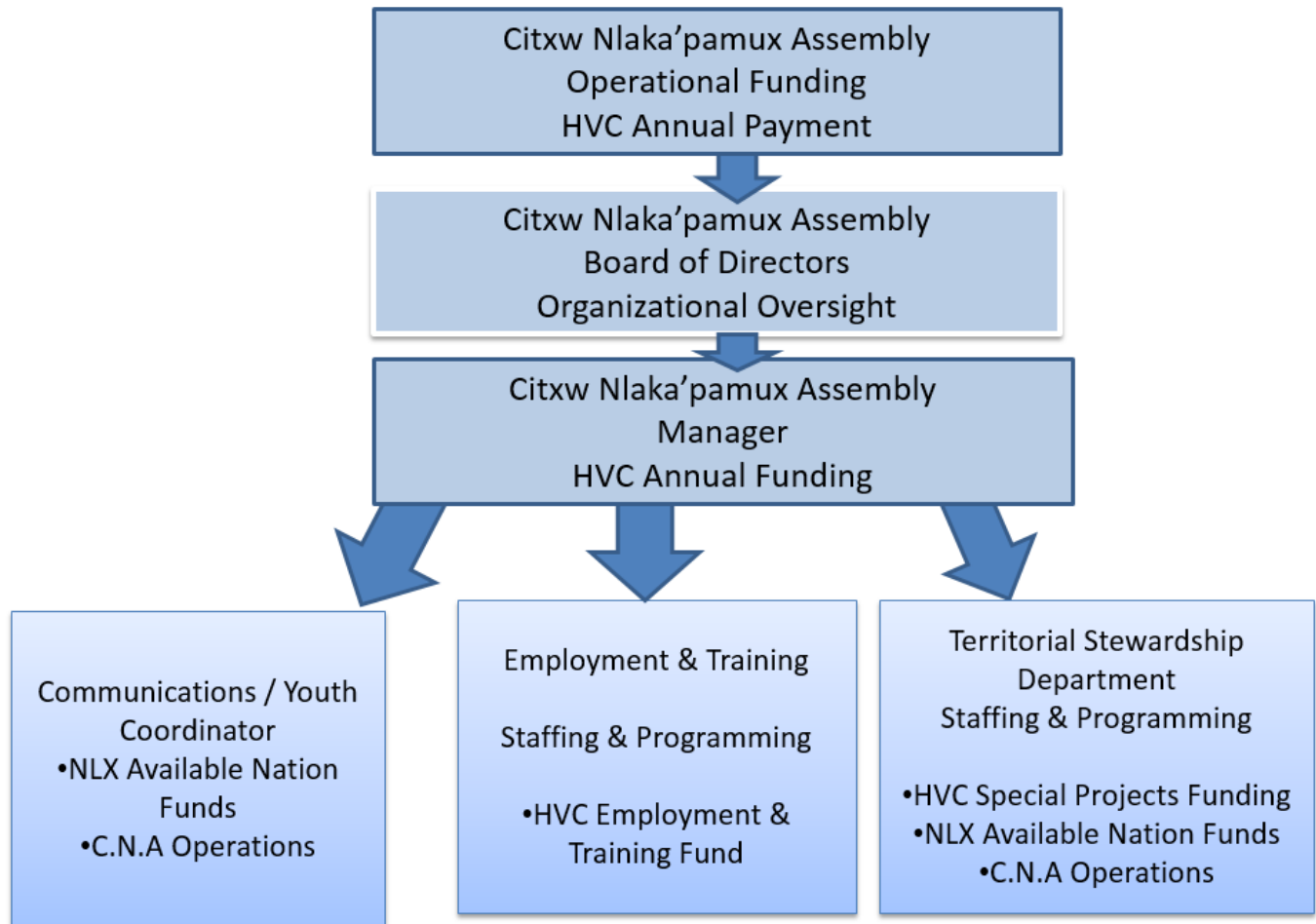
The Participation Agreement creates an Implementation Committee with representatives from HVC and the Participating Bands and is primarily responsible for ensuring that the commitments created in the Agreement are met. The Participation Agreement commits HVC to provide economic benefits to the Participating Bands concurrent with working towards increasing opportunities for training, employment, business development and contract work at the HVC for Participating Band owned businesses and members. Each of the Parties acknowledges and agrees that a key objective of this Agreement is for the Parties to work together in a cooperative manner in order to substantially increase Contract Opportunities for Participating Bands and their Businesses. The Implementation Committee will periodically assess the Contract Opportunities provided through this Agreement as part of the long term-planning process in order to develop strategies to improve upon such opportunities.



Summary of the 4 Agreements











Summary of Funding for Programs



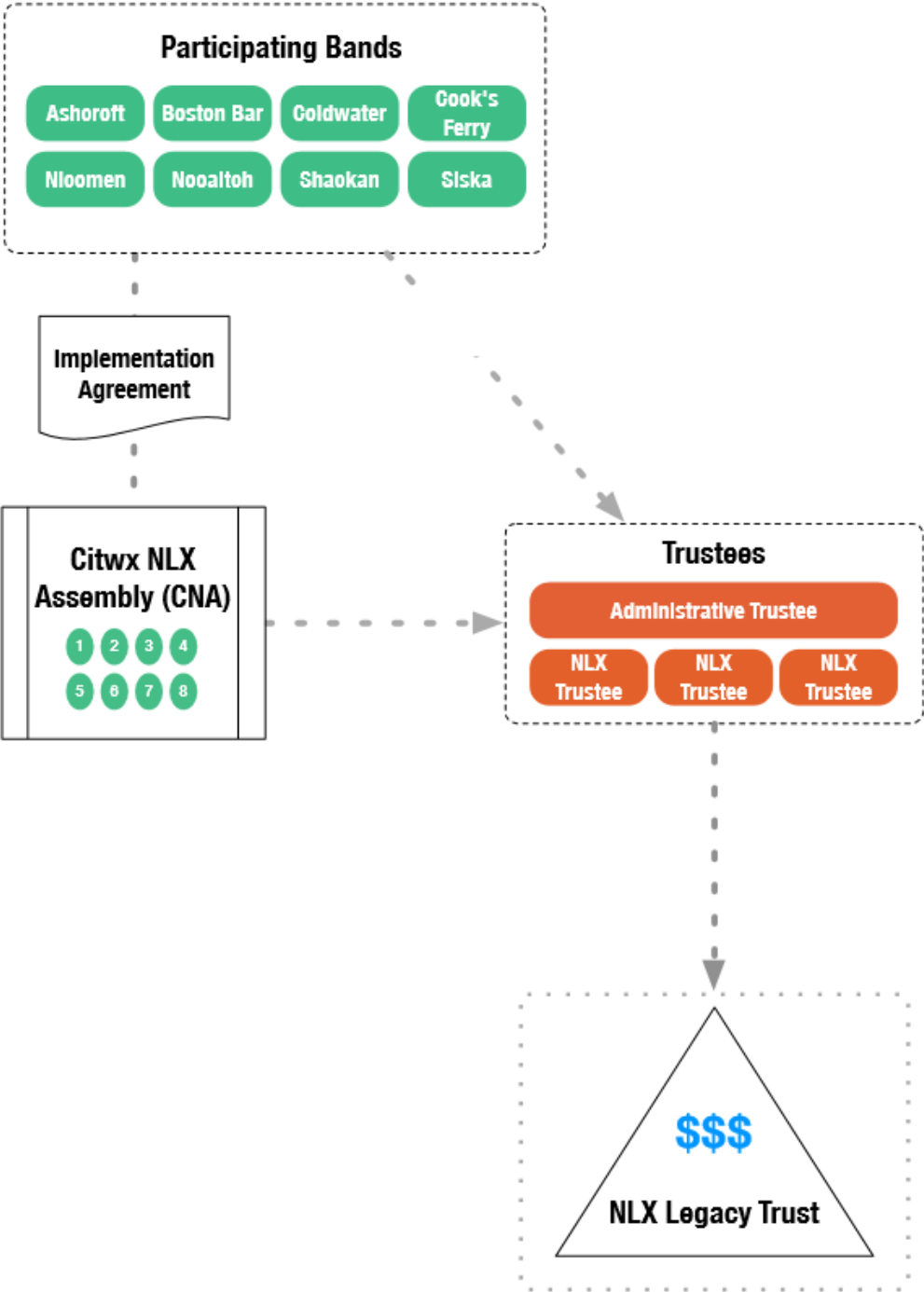
Board of Directors



Chief David Walkem, Chief Lee Spahan, Chief Dolores O'Donaghey, Chief Ursula Drynock, Chief Marcel Shackelly, Chief Percy Joe, Chief Fred Sampson (Not in photo-Chief Greg Blain)

	ASHCROFT INDIAN BAND Chief Greg Blain
	BOSTON BAR FIRST NATION Chief Dolores O'Donaghey
	COLDWATER INDIAN BAND Chief Lee Spahan
	COOK'S FERRY INDIAN BAND Chief David Walkem
	NICOMEN INDIAN BAND Chief Donna Gallinger/Chief Ursula Drynock
	NOOAITCH INDIAN BAND Chief Marcel Shackelly
	SHACKAN INDIAN BAND Chief Percy Joe
	SISKA INDIAN BAND Chief Fred Sampson

NLX Trust – C.N.A. Relations

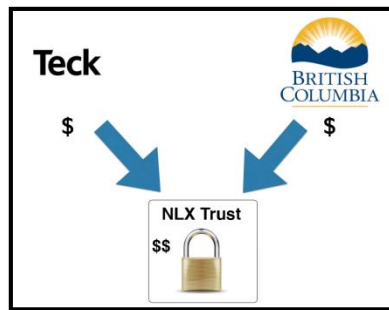


Nlaka'pamux Legacy Trust

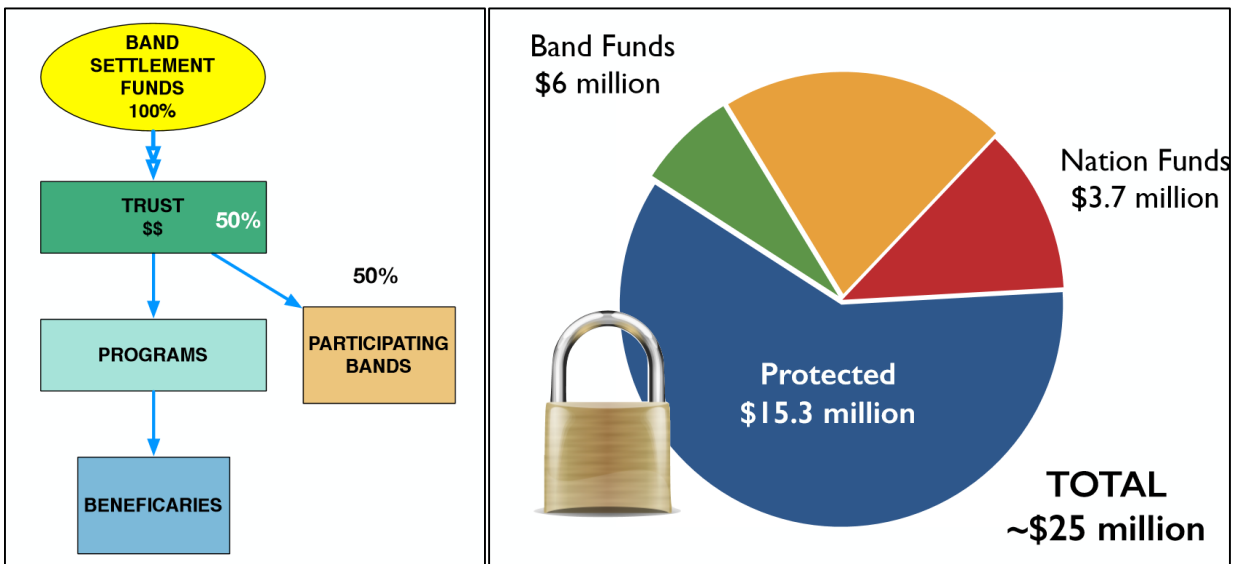
Purpose

The Trust is to receive, manage and distribute funds generated from the Highland Valley copper mine and such funding agreements are laid out under the following two documents:

- The Economic and Community Development agreement between the Participating Bands and Her Majesty the Queen in Right of the Province of British Columbia (the "Province"). The purpose of this agreement is sharing mineral tax revenues in relation to the Highland Valley mine.
- The Participation Agreement between the Participating Bands and Teck, which stipulates the method for sharing mine profits and other benefits regarding the mine.

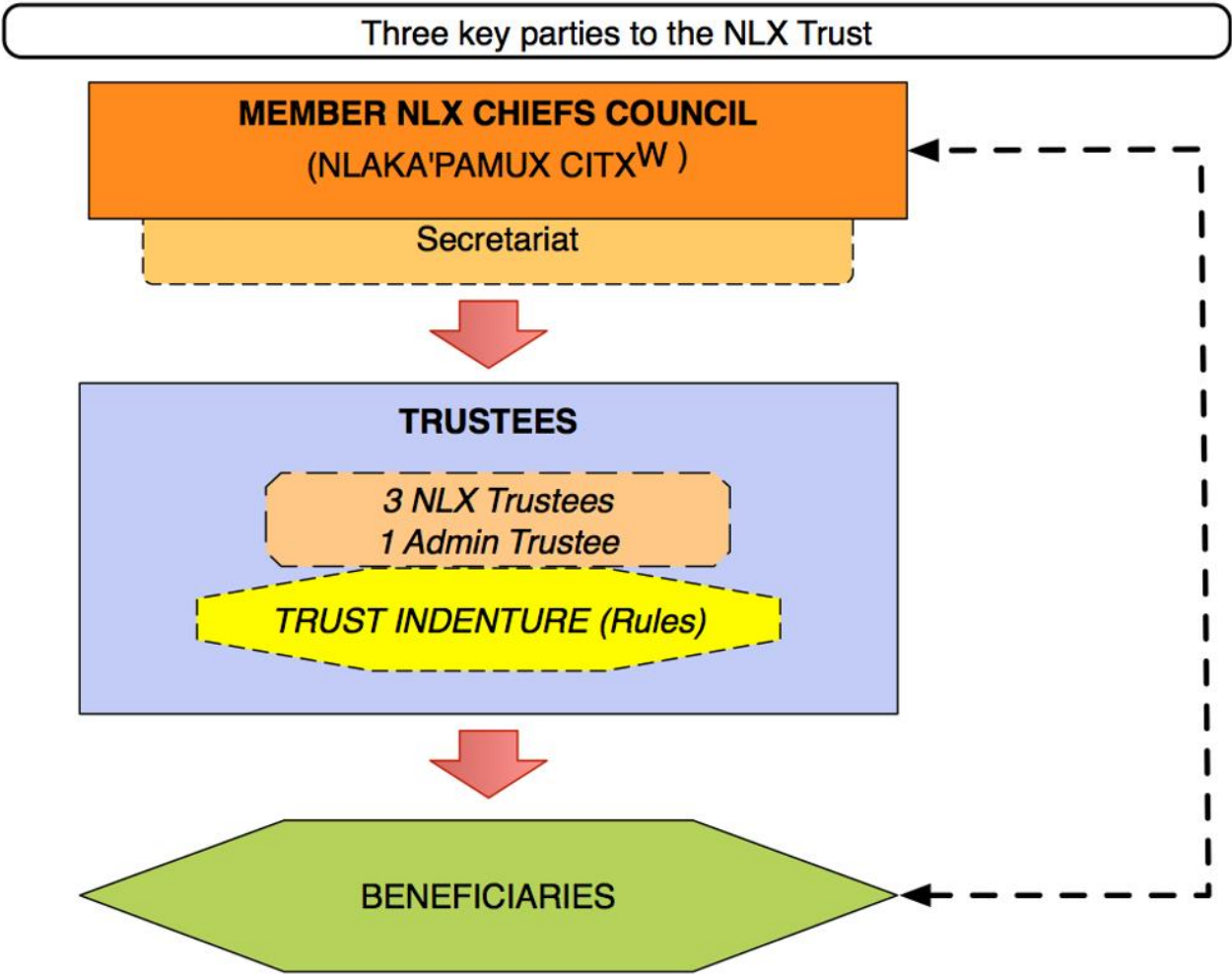


The beneficiaries of the Trust includes the eight communities and a not for profit entity called Citix^w Nlaka'pamux ("CNA"), which is controlled by the Chiefs of the eight communities. There are various terms set out in the Trust Deed which set out how the Trust is to be managed and how money is to be shared amongst the communities. The money is to be used to provide for or assist in the long term socio-economic well-being of the beneficiaries, including the improvement of their cultural, communal and economic sustainability. Payments are not to be made directly to any individuals.

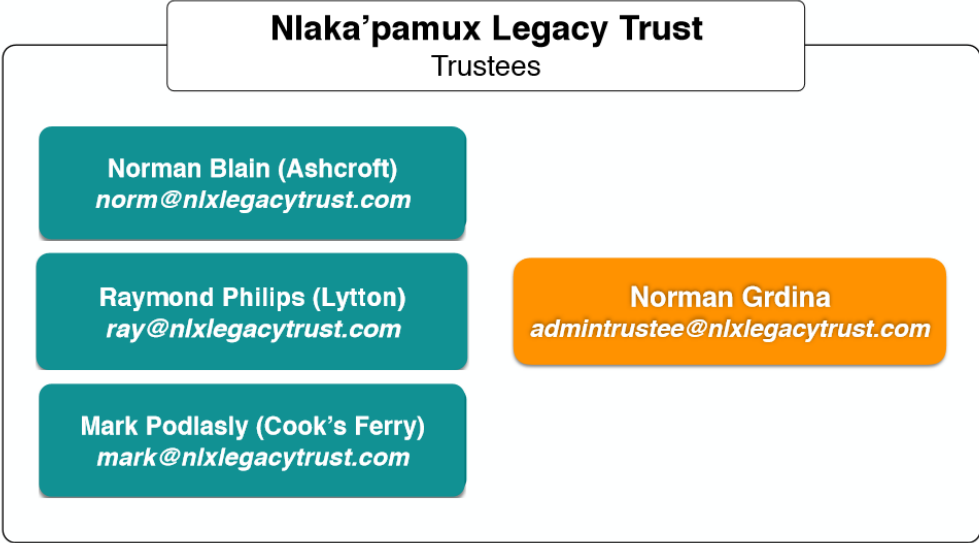


Trustees Oversight

The individuals responsible for implementing and overseeing the Trust Deed are called Trustees. The Trustees hire professional investment managers to manage all or part of the funds, as well as other managers for other investments, if needed. There are a number of rules in the Trust Deed which sets out what Trustee can and cannot do, as well as their responsibilities and liabilities. There are four Trustees; three persons from the Nlaka'pamux Nation and one Administrative Trustee. Each person is appointed for five years. However, in the initial years the terms of the Nlaka'pamux Trustees are staggered with appointments of 2, 3 and 4 years in order to ensure continuity.



Nlaka'pamux Legacy Trust – Trustees



Norman Blain



Mark Podlasly

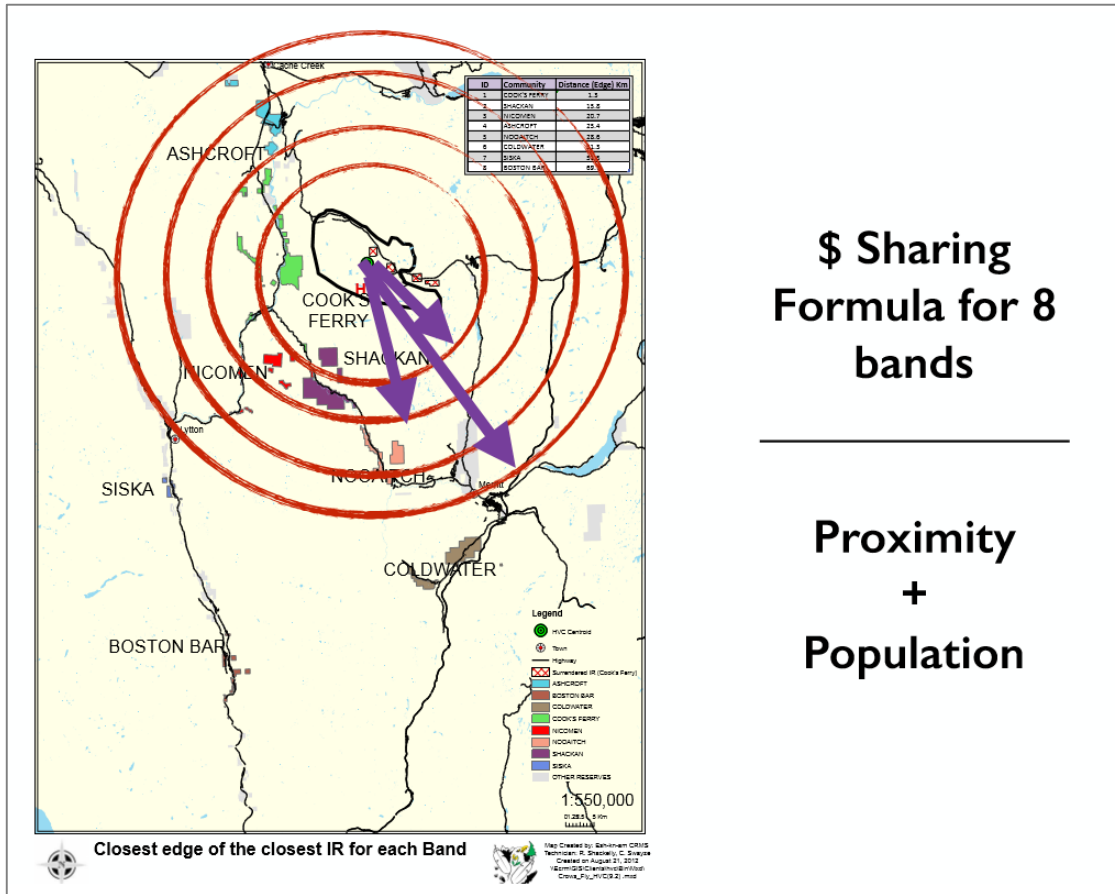


Raymond Phillips



Norman Grdina

Sharing Formula

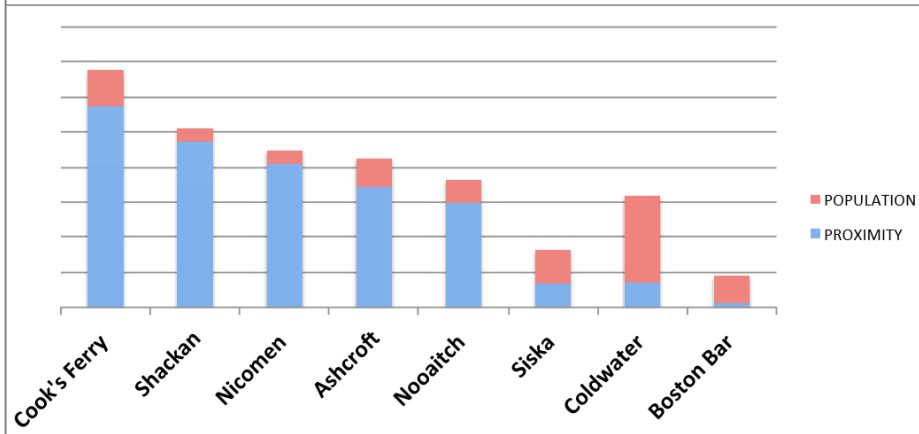


\$ Sharing Formula for 8 bands

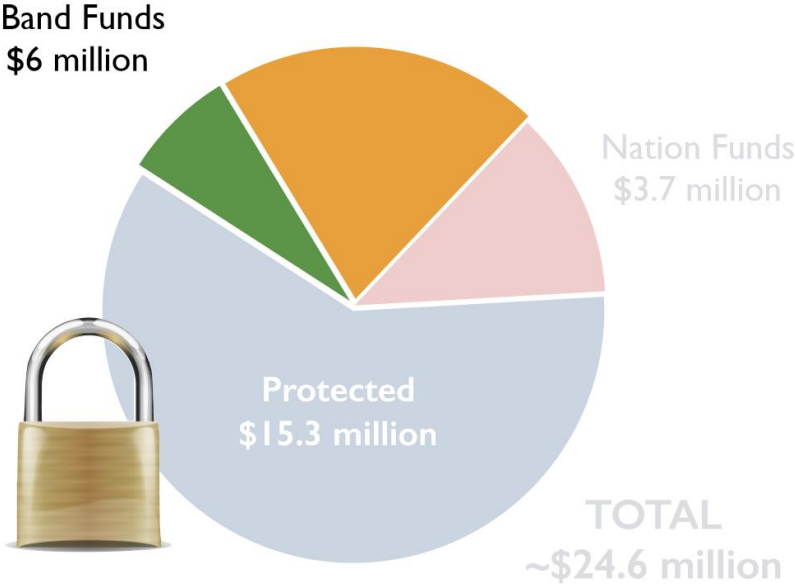
Proximity + Population

Sharing Formula Percentages

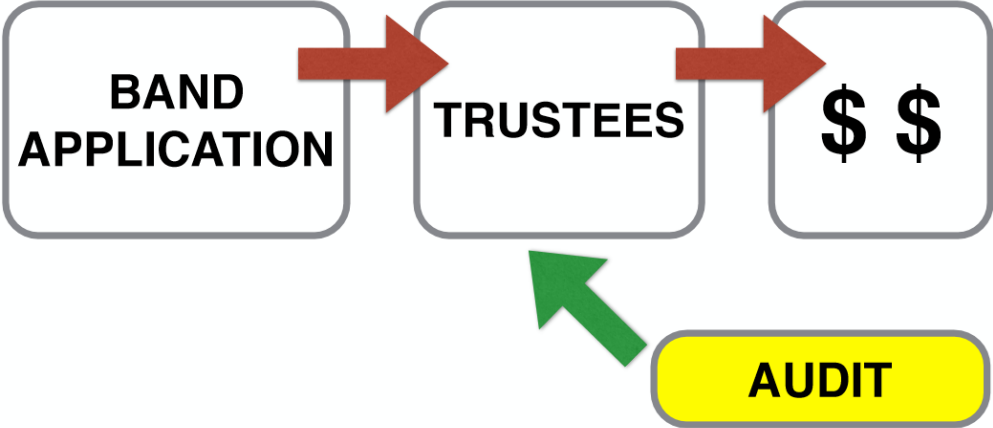
Cook's Ferry	22.6%	Nooaitch	12.1%
Shackan	17.1%	Siska	5.5%
Nicomen	14.9%	Coldwater	10.6%
Ashcroft	14.2%	Boston Bar	3.0%



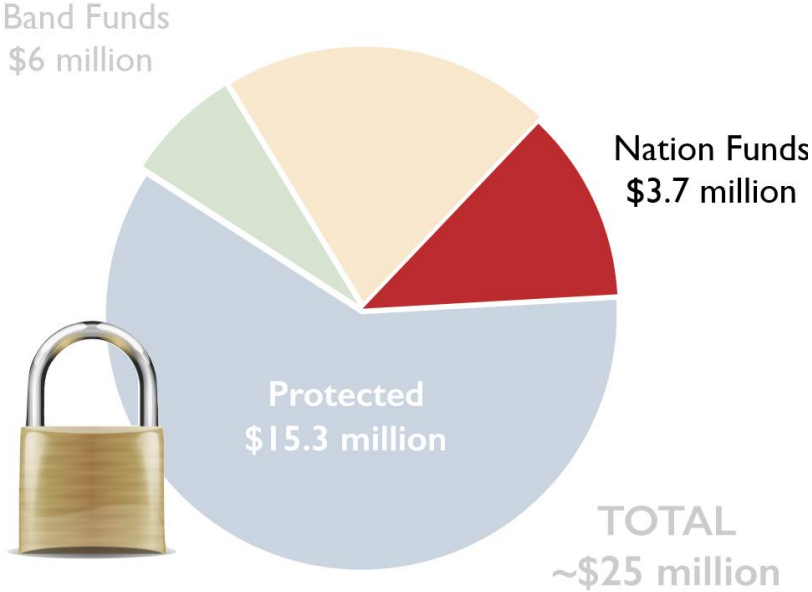
Band Funds Application Process



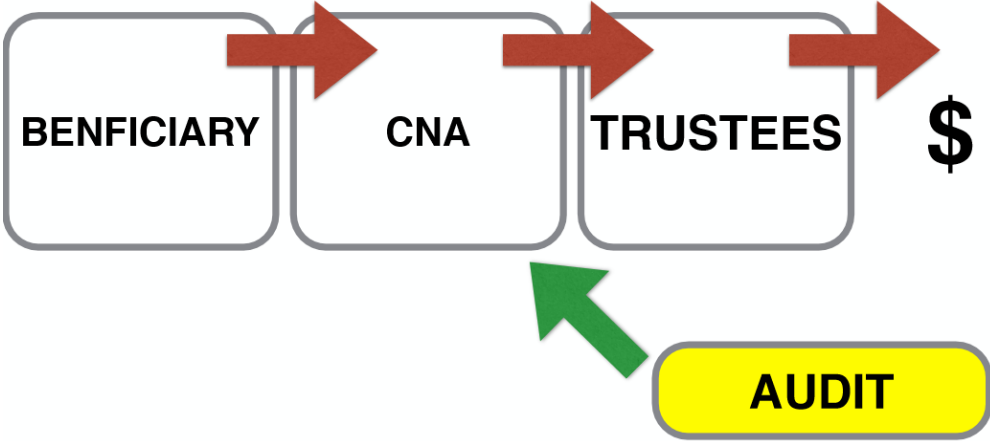
BAND FUNDS APPLICATION PROCESS



Nation Funds Application Process



NATION FUNDS APPLICATION PROCESS



Priorities, Goals and Outcomes: 2014-2016

In Accordance with Section 7 - "TRUST REPORTS AND AUDITS" part 7(1) of the *Economic and Community Development Agreement (ECDA)* - the CNA board, on behalf of the Participating bands, within one year after the Effective Date, and thereafter at the end of each three year period during the Term, will prepare a "Statement of Trust Priorities" that identifies priorities and outlines goals and outcomes to help to achieve the objectives set out in section 6 over the next three years, and will make available a copy of each "Statement of Trust Priorities" to the Trust, the Members and British Columbia. The Participating Bands are interested in addressing the cultural and societal needs of both the individual and collective Participating Bands through the development of initiatives in relation to the following Purposes of the NLX Trust:

- Governance;
- Culture, Heritage and Language;
- Social Development;
- Economic Development;
- Environment and Natural Resources;
- Education and Training;
- Community Infrastructure; and
- Sport and Recreation.

The following outlines the initial Priorities, Goals and expected Outcomes of the use of funds put into the Nlaka'pamux Legacy Trust (2013) (the "NLX Trust") on behalf of the Ashcroft, Boston Bar, Coldwater, Cooks Ferry, Nicomen, Nooaitch, Shackan, and Siska Bands (collectively the "Participating Bands") from both the ECDA with the Province of BC and the Participation Agreement with Teck / Highland Valley Copper Partnership ("HVC"). These were produced by the Citxw Nlaka'pamux Assembly Board of Directors and based on a number of meetings within the communities in 2014. These are meant to be aspirational and we hope to build on them as we conduct additional community meetings to better determine how our communities would like the funds invested to better enhance the **"Economic and Social well-being of our communities and Members"**.



Governance

GOALS - Administrative

1. To provide sufficient funds from the NLX Trust to ensure the operations of the NLX Trustees are carried out and ensure the requirements of the NLX Trust Indenture are funded.
2. To use NLX Trust Funds for CNA Operations in meeting the needs of the consultation required under the ECDA and other needs.
3. Overall to effectively and efficiently use NLX Trust funds for the administration of both the NLX Trust and CNA operations.

GOALS – Self-Determination of Bands and Nation

1. To develop the necessary legal documentation to enable the Bands individually and working as part of the Nlaka'pamux Nation to become self-governing based on Nlaka'pamux values, teachings and laws.
2. To clarify, consolidate and protect our aboriginal Title and rights within our traditional Nlaka'pamux homelands, including but not limited to development of policies to deal with relations with other First Nations and asserting title and rights over all aspects of our homelands.
3. To enhance and protect our Members' access to and use of all resources within our homelands.

Culture, Heritage and Language

GOALS – Language

1. To develop a plan on how to revitalize and integrate the use of the Nlaka'pamux language by our members in all aspects of their lives and in the conduct of each of our Bands' operations.
2. To establish an Nlaka'pamux Language Centre to guide the revitalization and integration of the Nlaka'pamux language within our communities and provide accreditation for Nlaka'pamux language instructors.
3. To increase the number of fluent Nlaka'pamuxcin speakers with the focus on our Youth.

GOALS – Culture & Heritage

1. Investigate the feasibility of establishing an Interpretive Centre/Museum/Cultural Centre to house historical artifacts and documents and enhance the understanding of our Nlaka'pamux Culture and History, including the potential for partnering with others.
2. Promote understanding of the historical and continuing importance and use of the Highland Valley area by Nlaka'pamux.
3. To enhance the understanding of Nlaka'pamux culture, lifestyle, language, culturally significant areas, our whole homeland area, and our history by our members, our neighbors and the general public through existing and emerging communication and multimedia methods.
4. To utilize Elders in all aspects of revitalizing Nlaka'pamux language and culture.

5. To support the enhancement and development of Nlaka'pamux culture including, but not limited to, traditional, contemporary, and emerging arts, music, theatre, dance, film.

Social Development

GOAL – Elders

1. The establishment of an Elders Council to provide advice to the CNA and NLX Trust.
2. To provide space in each community for Elders to socialize.
3. To have Elders participate in all aspects of community life.
4. To provide short-term and long-term care for elders that is culturally relevant and family friendly.

GOALS – Youth

1. To develop future leaders who are culturally grounded.
2. To have a Youth Council with membership from all bands to advise the CNA and NLX Trust and Band leadership on the needs of youth (12 – 25 yrs).

GOALS – Health

1. To improve the health of our community members on and off-reserve.
2. To improve access to health services for our community members.
3. Support the child and family services agencies serving our communities.
4. To encourage a more active and healthier lifestyle for our members.

GOALS – Arts

1. To develop programs that support and encourage all aspects of Nlaka'pamux art including but not limited to traditional, contemporary, and emerging art forms in music, painting, fashion, theatre, film, and performing arts.
2. To investigate the establishment of an Nlaka'pamux Arts Council to guide and advise on the above.

Economic Development

GOALS

1. To gain more jobs and wealth creation from activities directly associated with the Highland Valley Copper Mine.
2. To obtain jobs and business opportunities in all aspects of the economy.

Environment and Natural Resources

GOALS

1. To develop programs and/or services that provide advice to our 8 bands in order to protect the natural resources and the environment for the continual use and enjoyment of future generations of our membership.

Education and Training

GOALS

1. To encourage and assist with the development of employable skills for our members.
2. To revitalize traditional Nlaka'pamux teachings and training in all aspects of life.

Community Infrastructure

GOALS

1. Improvement in the care of our Elders as close to home as feasible to improve the quality of life and well-being of our Elders and their families and communities.
2. Provide space for Elders to meet, entertain and socialize in each community.
3. Improved access to existing health services for all band members on and off-reserve to improve their health and well-being.
4. The creation of the space and environment to encourage and facilitate the learning of our language and cultural practices.
5. Facilitating the creation of seasonal cultural camps/gatherings through providing necessary infrastructure and more membership learning and practicing of Nlaka'pamux cultural practices.

Sports and Recreation

GOALS

1. To create a Recreation and Sports Council to guide and promote the development of recreation and sports activities and programs for all levels of participation from individual and family recreation to team sport.
2. To promote recreational and sports activities that are culturally relevant and promote a more active lifestyle from children to Elders.





Chairperson's Report by Chief David Walkem

On behalf of the CNA Board of Directors it is my honour to present our Annual Report for 2015. This was our second full year of operations and was a year of building capacity within the CNA and within our communities. I want to express the Boards' appreciation for our Manager Wayne Kaboni and his staff for the excellent work they have done in the past year. In addition I want to recognize the staff of HVC in working with us to implement our agreement in a positive and innovative manner.

The CNA was established in July 2013 with the purpose, as set out in Section 3.1 of **the Implementation Agreement** amongst the Participating Bands, of managing and administering the Participating Bands' Commitments in the **HVC Settlement Agreements**; and overseeing the **Nlaka'pamux Legacy Trust (2013)** ("the "Trust") and Trust distributions.

The HVC Settlement Agreements include the **Participation Agreement** with Teck Highland Valley Copper Mine Partnership (HVC) and the **Economic and Community Development Agreement (ECDA)** with the Province of BC for sharing Mineral Tax Revenues that the Province collects from HVC.

Over the past year there were changes in the make-up of the Board as the result of community Chief & Council elections: Marcel Shackelly replaced Joyce Sam as the representative for the Nooaitch Band, and Ursula Drynock replaced Donna Gallinger as the representative for the Nicomen Band. In addition Fred Sampson, Percy Joe, and Dolores O'Donaghey were reconfirmed as the representatives for the Siska, Shackan, and Boston Bar Bands respectively as a result of their successful re-elections. On behalf of the Board I want to express my deep gratitude to the out-going directors Joyce Sam and Donna Gallinger for their dedication and contribution towards the success and progress the CNA has enjoyed during their tenure. I also wish to welcome Fred Sampson, Percy Joe, and Dolores O'Donaghey back to the CNA Board and look forward to continuing our work together.

CNA Responsibilities for Managing and Administering the HVC settlement Agreements

The Board has regular meetings during the year in order to discharge our responsibilities. Currently we have meetings every two months, or as the need arises, and, as operations become more established, we hope to move to quarterly meetings. The CNA had an **Executive Committee** comprised of myself as Chairperson, Fred Sampson as Vice Chair, and Donna Gallinger as Secretary Treasurer until she was replaced by Lee Spahan when she left the Board in August.

M-11 Board and Implementation Committee

CNA representatives also continued their involvement in the **M-11 Board**. This is a Board that reviews regulatory issues of the mine relating to mining Permit M-11 and other regulatory issues. The M-11 Board also monitors the commitments that HVC has made in the approvals of amendments to the various permits. Membership includes Provincial government representatives from: the Chief Inspector of Mines, the Ministry of Environment, and the Ministry of Forests Lands and Natural Resource Operations; and three representatives from the Participating Bands – Fred Sampson, Donna Gallinger, and David Walkem. HVC brings regulatory issues here to get feedback

from the Bands and the provincial regulators prior to officially submitting amendments to the Province for approval. The intent is to identify and address any concerns the Bands or the Province has up front. There were a number of large regulatory changes in the past year and reporting out on the Dust Impact on Traditional foods Study, ongoing Wildlife impact studies, and water studies, to name a few.

CNA Staffing and Services

As part of this year of building, the CNA approved the implementation of 2 new positions: Nalaine Morin and Tamlyn Botel in the new Terrestrial Stewardship Department to provide technical expertise in the development of the various Annual Plans in the Participation Agreement with HVC and assist the Bands and their technical staff with the consultation on development plans by the mine and referrals from the Province with regard to the mine. Great progress has been made to incorporate our Participating Bands values and address our concerns in the development of the Annual Plans that ensure our participation in the development, operation, End Land use planning, and ultimate closure planning of the mine. One of the biggest projects was reviewing the plans for HVC to expand its operations into the old Bethlehem mine site.

The CNA continued our participation in the work of the **Implementation Committee** with HVC staff during the year. The Implementation Committee provides a forum for the Participating Bands to monitor and have input into the mine operations. A great deal of effort was placed on the emergency planning and tailings dam management as a result of the Mt Polley tailings dam failure with another mine operation. CNA was able to successfully recommend the appointment of Nalaine Morin to the review of the provincial tailings regulations and were directly involved in the review of the HVC Tailings Policy and Tailings Operational Manual.

CNA also approved the implementation of a new Communication & Youth Engagement Coordinator and welcome Kristy Henkes to our staff.

Development of an Economic Development Entity

As part of our role in implementing the Participation Agreement with HVC the CNA has worked on establishing a new Limited Partnership amongst the Participating Bands in order to either partner with other businesses or bid for major contracts with the mine. Unfortunately the downturn in the economy over the past year resulted in HVC severely reducing their contracting of work. This work will be finalized in the next year in order to pursue additional business and employment opportunities contemplated in our Participation Agreement with HVC.

CNA Responsibilities for overseeing the Nlaka'pamux Legacy Trust

The Trust receives payments twice per year from the two agreements: in April from HVC; and in September from the Province. During the fall, in conjunction with the Manager of CNA and the Trustees, the CNA develops, reviews and approves operating budgets for the following year for the CNA and the Trust.

The CNA Board has the responsibility of overseeing the Trust and Trust Distributions. At the beginning of the year the CNA Board consulted with the Community Trustees on their appointment of a **new Administrative Trustee**, Norm Grdina. We welcome Norm Grdina to the Trust and have enjoyed working with him for the past year. Norm was instrumental in helping the

Participating Bands' streamline the Audit process for reporting the expenditure of Available Band Funds at the community level.

The CNA also has the responsibility of **appointing replacement Community Trustees**. When the Nlaka'pamux Community Trustees were originally appointed they were appointed for 2, 3 and 4 year terms. Community Trustee Norman Blains' term expired on July 4 2015 and the CNA undertook a public search for a replacement and interviewed candidates during the spring of 2015. This process resulted in the **reappointment of Norman Blain** for a new 5 year term as Community Trustee. We look forward to continuing working with him in the future. The terms of Mark Podlasly and Raymond Phillips end on July 4, 2016 and July 4, 2017 respectively and the Board will conduct a similar process in those years.

The CNA has regular **quarterly meetings with the Trustees** to review their operations and develop and approve their operating budgets for the year. Budgets are prepared and approved by December 31st of each year for the following year to enable the Trust to operate.

2015 was the first year that the CNA requested and received approval from the Trustees for use of **Available Nation Funds**. Key in this funding was resourcing a new language initiative, planning for future Youth and Elder future programs, support for technical training programs and the republication of the Nlaka'pamux Food Guide that will be distributed in each community.

Conclusion

2015 was a year of change and building: we had CNA directors change as the result of community elections; CNA hired new staff to serve our communities; we provided training opportunities to build the capacity within our membership; we developed and implemented improved mechanisms to better obtain and address community concerns and issues with the mine operations; and we continued to work with the Administrative Trustees and Community Trustees to improve the delivery, reporting, and accountability of benefits to the Participating Bands. We have developed the capacity for our community members and communities to better participate in the benefits of the mine operation, but perhaps more importantly, to participate in the decision making around the operation and future of the mine itself, all within the context of incorporating our cultural values for the first time in history with an operating mine in our homelands.

We have been challenged by the serious downturn in the world economy and the demand for copper and molybdenum that has dramatically impacted our economic benefits in the past year. We continue to build our capacity to be involved in the planning of mine operations, take advantage of any economic opportunities that arise, as well as hold the mine accountable for any impacts the operation may have on our use of the surrounding water, land and resources.

Kukschem



Manager's Report by Wayne Kaboni

Welcome to our second annual year of operations, this year was a growth year for the organization we added two more staff. We added a Communications / Youth coordinator position to focus in areas to raise awareness about the organization and develop a stronger communication path between the eight communities, its members and our organization. We also established a Territorial Stewardship Department that included hiring a technical person to work in this capacity, the person hired was a recent university graduate, a successful mine site intern and member of one of the eight communities. With these two hires, the organization has increased our capacity to communicate to the eight communities, provide a technical resource on issues around the environment and annual planning around the mine site and provide employment and training services.

We also further developed Technical Working Group with technical resources at the community level through the territorial stewardship department, allowing us to continual develop a technical capacity to guide our annual planning process. When working on community engagement leadership believes that we need to get community representatives and technical leads involved with the annual planning process with the mine site, so that community memory is established, especially moving forward on all Mine activities. So we accomplish this goal by establishing a technical working group with representatives from each of the communities. In 2015 were able to facilitate four working group meetings that were highly technical in nature that helped raise awareness of technical needs of the community level. We also sent five (5) representatives to Google maps training in Ontario that involved outreach with other First Nation communities involved in Traditional Use mapping in Canada.

We also moved into our office at 2187 Coutlee Avenue in May 2015. The office accommodates all of our current staff, but also has a board room / project office, that we've equipped to do videoconferencing. The first part of the year was spent developing and executing a pre-apprentice Heavy Equipment operators training course in partnership with the mine, Thompson Rivers University and the eight participating bands. The goal of the program was to develop trainees that can could transition into contracting opportunities at the mine site, while obtaining and developing their skills to attain their apprenticeships and potentially red seal certification. There were many challenges in the planning process, and required patience by all the partners involved because the plan involved on-site training at the mine site, something new and unique to mine site training. Part of this planning process was to involve all of the partners in the risk assessment and evaluation to a point where mine safety staff were comfortable having the project on site and moving forward. After long deliberation and several meetings the project went ahead and 14 of 16 participants completed all of the requirements to pursue their apprenticeship hours and log books to track hours of training. The project partners completed the training with 2 groups of eight, and the training was completed without a safety incident.

This year was also spent planning for several nation-based projects that would be implemented in late 2015 or 2016. These projects were designed to have great impact to the eight communities, and were designed around the priorities document that was developed by leadership in 2014. These projects included three youth workshops, a language revitalization initiative, youth and

elders roundtables, high school education bursaries, reprinting cultural resource materials for community distribution and research on Aboriginal title and rights.

Over the course of this year we have several board meetings several trustee meetings and several meetings at the mine site with our various technical working groups with the goal of creating awareness for the communities. We also went through an emergency response plan and engaged several of the communities to be part of the tailings tabletop exercise. There were lots of lessons learned in this process the primary lesson being that more preparation and more training around emergency response needs to be developed and implemented at the community level and relationships to establish their success needs to be paramount.

During this year a workshop was also coordinated with the mine contracting staff and the eight participating bands. A workshop format was designed to involve the participating community members' leadership and technical resources from each community to discuss how to pursue opportunities at the mine site. We quickly realized that one of the challenges would be to guide capacity development for the collective eight so that we can successfully attain manage and build business and employment opportunities through contracts at the mine site. During this process, we quickly realized that we need a structure to allow for larger projects were small bands can participate in business development opportunities, and that we needed to establish a nation-based business organization. Hence a discussion between leadership to develop a nation-based development Corporation that would represent the best interest for employment and business development and revenue sharing for the eight participating, all the while building business and skills development capacity. These are some of the projects we took on this year and hope that 2016 will be as successful or more successful than 2015.





Employment & Training Report by Juanita Quewezance

Introduction

Under the *Participation Agreement*, Section 11, the Participating Band and HVC agree that they will work together in a cooperative manner to identify and implement opportunities that will substantially increase employment and training for Nlaka'pamux people at the mine. The work required for this collective commitment will be provided in an annual work plan to be developed and maintained by the TWG (Section 11.5, 11.6).

The IC will periodically assess the Employment and Training Opportunities provided through this Agreement as part of the Long Term-Planning Process in order to develop strategies to improve upon such opportunities.

The purpose of the Employment and Training Plan is to collaborate with the Participatory Band and HVC to increase Employment and Training Opportunities. This Employment and Training Plan will be incorporated into the Long-Term Planning Process in order to develop strategies to improve upon these opportunities. HVC has a long-term objective for members of the Participating bands to comprise ten percent of the total HVC Workforce.



Goals and Objectives

Participation Agreement Commitments (Section 11)

- Nlaka'pamux members have a preferred recruitment process at the Mine.
- HVC has designated an employment and training liaison officer.
- HVC has provided advance notice, forecast of employment opportunities.
- HVC is currently reviewing Entry Level job requirements.
- The Participating Bands currently maintain an Employment Repository.
- HVC has provided funding in each calendar year for the first four years of the agreement to be applied toward funding for training.
- HVC has been holding Cultural Awareness sessions since 2012.
- The Implementation Committee, or any sub-committee designated by the Implementation Committee will create an **Annual Employment and Training Plan**.

Employment and Training Funds

HVC will provide up to \$2,000,000 to be applied toward funding for agreed upon third party employment and training programs designed to assist Members in obtaining employment at the mine. These funds are intended to be intensive source of funding to provide a concentrated effort to initiate the employment and training objectives.

CNA Employment and Training Funds		
Total Training Fund		\$2,000,000
Funding Provided		
Program	Year	Funding
Environmental Certificate Training Program	2014	\$101,519.00
Employment and Training Coordinator	2014	\$150,000.00
HEO Training Program	2015	\$248,570.00
Total Disbursed		\$500,089.00
Available in 2015		\$1,499,911.00

Employment Opportunities

HVC is always accepting Entry Level Applications. HVC has distributed Nlaka'pamux Recruitment posters throughout the communities (Boston Bar, Siska, Nicomen, Cook's Ferry, Ashcroft, Shackan, Nooaitch, and Coldwater). In addition, HVC has attended meetings and information sessions describing the minimum qualifications and recruitment process to interested individuals.

Past Recruitment

Prior to 2012, there have been some Participating Band Members hired at Highland Valley Copper. Statistical information has not been collected on an individual band basis until 2013. By a rough calculation, there have been 15 Participating Band members hired prior to 2013. According to the 2013 statistics, six Participating Band members have been hired and three are on the, to be hired list. There is a 60% success rate on individuals that complete the recruitment process. Based on the statistics, HVC employs 21 Participating Band members with the potential of an additional three totaling 24 Band members. Currently that is 1.6% Participated Band Members employed at HVC not including contractors.

Future Recruitment

The goal for the Employment & Training Department is to increase the population of the Participating Band Members in the HVC workforce to 10% by 2017. Based on the Statistical information, this will be a challenge, because out of the 47 individuals that submitted an application in 2013, only 15 completed the recruitment process. If HVC were to achieve this target, in 2017, there should be 130 Participating band employees working at HVC. This would mean that HVC would need to hire 109 more members in the next four years.

Entry Level Screening

Former Criteria	Dogwood or GED	7N Driver's License	Sylvan's
Current Criteria	From 2015 to 2021		
	Five years of Industry Experience will be deemed equivalent to Grade 12.		
	On-going Band school graduation will be considered as equivalent based on a review of the curriculum.	On-going Applicants will not be screened out for not having a valid DL if they can demonstrate that it could be obtained in a reasonable amount of time.	On-going Applicants that have successfully passed 2/3 modules after their 2nd attempt, will be interviewed by Human Resources to confirm essential skills capability.

Training Program 2015

Heavy Equipment Operator (HEO) Training Report

The Heavy Equipment Operator Program was delivered at Cook's Ferry and at Teck – Highland Valley Copper – June 22, 2015 to September 23, 2015.

HEO Equipment Operating Program - \$260,000.

Executive Summary

This final report highlights the success of the sixteen heavy equipment operator students and the collaborative and supportive partnerships between Citxw Nlaka'pamux Assembly (CNA), Thompson Rivers University, School of Trades and Technology (TRU), Teck – Highland Valley Copper Partnership (HVC), and Cantex Okanagan Construction Ltd. (Cantex) which lead to the positive outcomes.

The HEO program provided an Industry Training Authority (ITA) Certificate of Completion (CofC) for Road Builders and Heavy Construction Foundation program, ITA Certificate of Qualification (CofQ) for Heavy Equipment Operators Apprenticeship program and additional equipment operations related to civil construction and mining, supplemented with needed and desirable industry related safety tickets and certifications. Students also were measured on their numeracy, literacy and document use levels through the Accuplacer testing (also used as an assessment tool by HVC) and participated in mandatory drug and alcohol testing. Sixteen (16) students were recruited from the communities which are represented by the CNA and met the participant prerequisite: valid BC Driver's License, Grade 12 or equivalent, successfully passed the drug

testing, and had the capacity and interest to seek a career as a heavy equipment operator. The program provided a holistic and student support centred approach to training which involved the provision of a Road Builders/Heavy Equipment Operator's Certificates, job readiness training, transportation, and access to work search assistance supplied by CNA.

The HEO training program is fully transferable and industry recognized, and has enhanced the students' employability and given opportunity to take advantage of the impending employment growth in BC's resource based (mining, forestry, oil and gas, hydroelectricity) and heavy construction industries.



Program Overview

Phase 1: Marketing and Recruitment

CNA implemented the following attraction and recruitment strategies:

- Disseminated program information throughout the CNA communities
- Used social media, education fairs and the CNA web site to market the program
- Announced at Band meetings

Phase 2: Intake and Assessment:

CNA representative assessed the candidates through the utilization of the ITA's Essential Skills for Heavy Equipment Operators, which identified the strengths and weaknesses for each potential student in the areas of: numeracy; literacy; and document use. Candidates also participated in an interview process with the CNA representative who determined their suitability to the program and highlighted additional skill sets to build upon.

Phase 3: General Skills Training

Through the acquisition of the following workreadiness certifications, students also gained additional skills highly desired by employers in the heavy construction and mining sectors:

- Occupational Level 1 First Aid with Transportation Endorsement
- Traffic Control Certification
- Construction Safety Training Systems
- ICBC Certified Air Brake Endorsement

Phase 4: Road Builders and Heavy Construction/Heavy Equipment Operators Program

The **Road Builders** course provided a foundation for the 16 students entering into the field of operating heavy equipment. The course is broken down into four delivery modules with an Industry Training Authority (ITA) exam at the conclusion of the training. The modules covered basic road and heavy construction terminology, worksite health and safety practices, surveying, soil characteristics, tools and equipment, and worksite preparation. This course is a pre-requisite to the Heavy Equipment Operator Course unless the student can provide a Foundation Exemption Request for Heavy Equipment Operator form completed by an employer.



Special speakers were brought in:

- BC One-Call
- WorkSafe B

Extra training:

- Cat e-Learning Disks™ – 16 training sessions on rock trucks, backhoes, excavators, graders, bulldozers, and wheel loaders

The students in the **Heavy Equipment Operator Apprenticeship** program gained knowledge and acquired skills in:

- Hauling and dumping materials in the articulating rock truck
- Digging and backfilling trenches with the excavator
- Filing trucks with the loader
- Placing aggregates to specified elevations with the dozer
- Packer, grader and backhoe operations
- Road construction skills and knowledge
- Basic maintenance of equipment
- Safety around equipment
- Compliance of markers, grades and stakes
- Fire extinguisher training
- HVC site indoctrination
- Mine site communications

Students were instructed by certified HEO instructors with solid and wide ranging experience in road building and heavy construction environments and most importantly teaching aboriginal students in a respectful and culturally sensitive manner. HVC and Cantex offered subject matter experts who presented additional mine operations knowledge and mentorship to the students and added to the overall strength and depth of the program.

The HEO program was delivered at HVC near the Cantex site at Borrow Pit #7. TRU and CNA consulted with HVC to determine an inactive site location that offered a safe and controlled environment for the students, minimally impacted HVC's daily operations, and was easily

accessible for the students. The training site selected met all program training criteria and enabled the students to progress and challenge their operating skills. A portable classroom was supplied by TRU and HVC supplied all related signage, washrooms, fuel, first aid transportation, and waste disposal. In turn, the students performed entry-level earthworks as per HVC's direction which offered meaningful training scenarios.

Two students, who held a current First Aid Level 3 certification served as first aid attendants for the program duration. All students were tasked with ensuring that the team abided by the safety requirements and followed proper equipment operational procedures.

Each of the 16 students passed the ITA Road Builders and Heavy Construction Foundation program (see Appendix A). However, the ITA HEO exam was a challenge for some of the participants (see Appendix B). Typically students achieve approximately 10% less on their HEO exam in comparison to the Road Builders' exam due to the complexity of the exam question and required knowledge levels.

Overall, 13 of the 16 students successfully passed the exam on their first sitting. One rewrote and passed. It's important to note that each of the students who did not successfully pass the exam demonstrated proficient equipment operator skills.



Phase 5: Exit and Graduation

The program concluded on September 23rd, 2015. All students who participated indicated that program was extremely beneficial and gave them the skills needed to obtain meaningful employment and the ability to make a decent wage. Due to the recent downturn in the natural resource sector, many of the students have not yet secured employment. Cantex had indicated they were very interested in hiring some of the students during the delivery of the program but due to the current slowdown in the economy which immediately followed the end of the program, they have recently laid off many of the current workers and have no plans to hire new workers.

In collaboration, CNA and TRU continue to seek potential employment opportunities for the students but recognize that due to the current economic downturn, present day opportunities are scarce but are expected to see an increased demand for HEO positions.

The student and stakeholders were recognized at two separate events. The first event was hosted by HVC at the training site. The chiefs, community members, students, CNA staff, HVC staff, Cantex staff, TRU staff, other stakeholder and potential employers enjoyed a fantastic

meal and jointly recognized the kickoff of the HEO program which had collimated in months of planning and effort by many parties.

The graduation was held in Merritt in October and many Chiefs, Community members, Stakeholders and Family members, along with the students, were in attendance. Each student received a TRU Certificate of Completion, their ITA HEO Logbook to document their equipment operation and gifts from the stakeholders.

Impacts, Benefits and Outcomes

Program impacts and benefits include new self-esteem and self-confidence for the students with industry experience in HEO to put on their resumes. Students also received desirable knowledge and experience in operating heavy equipment, crucial work readiness certifications, and industry references to use on their resumes.

Conclusion

CNA and TRU mutually supported the students both academically and emotionally. Communications between CNA and TRU demonstrated a strong and collaborative partnership. Past student feedback and exam results supported the need to increase the theoretical component to ensure a greater chance of students to receive the required 70% exam pass rate on both ITA government exams. An extended study period increased the student's exam results and additional equipment hours benefited the students' level of confidence and skills as well. The students' pass rates surpassed the provincial average!

One of the most significant outcomes of the HEO program delivery at HVC was demonstrated in the partnerships and collaboration between the HVC, CNA, Cantex and TRU. Through in-kind contributions, HVC and Cantex exceeded expectations in their ongoing support of the program.

High School Graduation Bursary

The program for designed to celebrate success and to support participating Citxw Nlaka'pamux Assembly Participating Bands members who have successfully graduated high school, received their GED or Dogwood.

The Citxw Nlaka'pamux Assembly Program is a cash award program and it is a celebration of a great accomplishment. Individuals from Citxw Nlaka'pamux Assembly Participating Bands are eligible for the Gift, by providing proof:

- A grade 12 graduate or
- A mature student who has received their GED or Dogwood Certificates
- A member of a participating Citxw Nlaka'pamux Bands
- Must provide a letter supporting your completion or graduation, or a certificate

The program is currently available for the 2010-2015 academic years. The gift is given to individuals as a gift of \$500 and is available for students who have graduated. This will be an ongoing program within the Citxw Nlaka'pamux Assembly as a celebration of achievement.

C.N.A Graduation Bursary							
Bands	Total	2010	2011	2012	2013	2014	2015
Boston Bar	2			1			1
Siska	14	3		2	4	3	2
Nicomén	5	1		1	1	2	
Cook's Ferry	9	1	2	2	1	3	
Ashcroft	8	2	1	3		2	
Shackan	3	1		1	1		
Nooatich	7	2	2	2	1		
Coldwater	31	4	8	10	2		7
Grand Total	79						



Graduation Bursary Recipients

Seminars

Monday September 21, 2015 – Tamlyn Botel – Nooaitch Indian Band

Monday December 14, 2015 – Ariel Swayze – Siska Indian Band

Tamlyn and Ariel will be speaking about;

- School experience; why they chose the field they are in now
- Current job
- If they had any struggles and how they overcame them
- Any advice they can offer to our youth
- Open for questions



Ariel Swayze's Seminar & Tamlyn Botel's Seminar

NSEE Website

The NSEE website has not been easy to get organized. When looking thoroughly through the website it was noted that all the members who were registered did not have resumes uploaded in their profile. Speaking with the IT team about this issue I decided to make it mandatory to upload a resume before creating a new profile.

A list was generated per band and was distributed to my community contacts in order to update all the members' profiles with updated resumes. With all of us working together it seemed this would be a lot easier than one person working on it. The community contacts updated emails for the ones they knew. With the list that was generated, I emailed each and every one of them stating they need to update their emails with me. In the email I mentioned the importance of having an updated profile with the NSEE website. Out of the 500 people who were emailed I would only say 10% has contacted me back and some of them had asked to be taken off the list. It was brought up at our last meeting by the community contacts that all the names on the website

be deleted and start fresh. It was also mentioned that some of the people who have a profile do not realize they are even registered on the website.

When going through the names on the list the community contacts noticed that there are some who are deceased. Talking with the IT team they have shown me how to make sure their name doesn't pop up when doing a search. There was also some out dated information on the main page of the website. It has taking some time but I have figured out how to change some of the content on the page.

Employment and Training Meeting

These meetings are set up for the Employment and Training coordinator and the community contacts from the 8 bands. The community contacts are either from the Education Department or Social Assistance. The purpose of these meetings was to establish a stronger relationship and to let them know that I am there to help them make their job easier and to see what they want in the communities. All the workshops that are done are the ones they would like to see. These meetings are every 3 months and they rotate from each of the communities. These meetings has helped with better communication and understanding there are different needs in each community.

Job Opportunities

Working with contractors who are working at the mine has been successful. When they are looking to hire new people they will contact the Employment and Training coordinator and advise what they are looking for. With having updated resumes on file it will be submitted on their behalf if they have the right qualifications. The Employment and Training coordinator will let the members know beforehand that their resumes will be submitted. There is constant communication with contactors who hires a member from the 8 bands. This is an opportunity where they will say how the new hire is going (it is always good) and if they are looking to hire again or how soon they will be hiring.



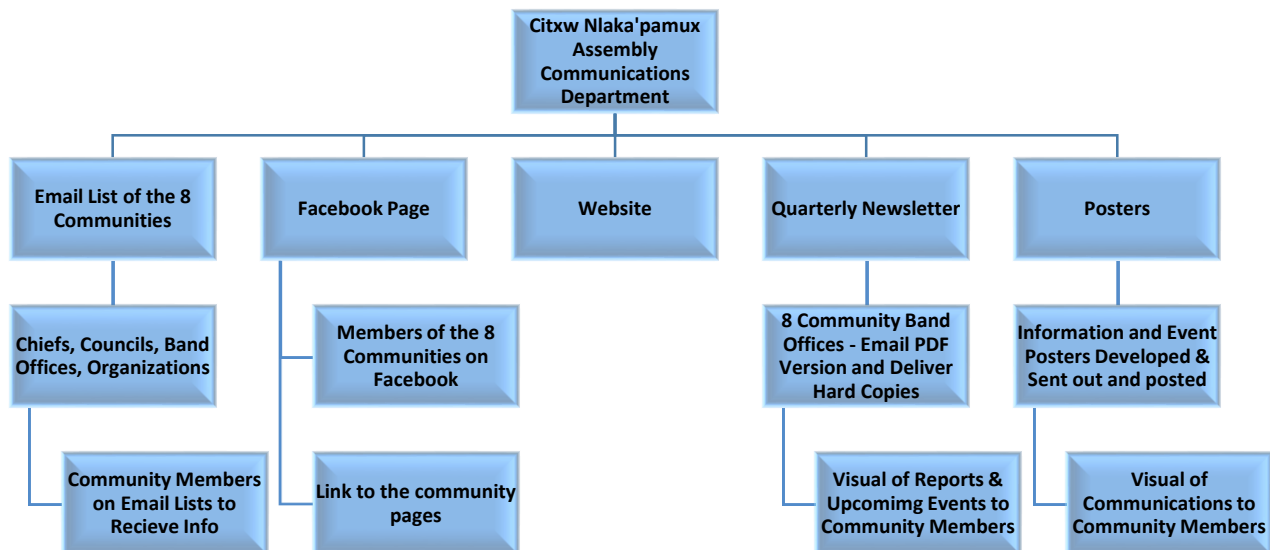


Communications Report by Kristy Henkes

Communications is an integral part of creating and delivering information, both inside and outside of an organization. It is our communications mandate to promote a positive relationship between the Citxw Nlaka'pamux Assembly (C.N.A.) and the community members and organizations. The communications department's duties include community relations, public relations and marketing strategies, to the creative side of promotional literature, advertising and artwork. This department within the C.N.A. involves a range of duties which include creating marketing plans, organizing events, managing communications strategies, developing materials and communications out to the communities through a variety of outlets.

The communications department was formed in May 2015 where the first task was to attend to the 9 Community Open Houses in Ashcroft, Boston Bar, Coldwater, Cook's Ferry, Nicomen, Nooaitch, Shackan, Siska and the Merritt Open House at the Merritt Civic Centre. During these events, discussions took place on how to develop the communications strategies within the 8 Participating Bands and the C.N.A. as well as promoting the C.N.A. and its programs available to the Band membership. We also met with numerous Highland Valley Copper Staff on communications strategies for Bands on the end use plan workshops, community engagement, internship promotion and the numerous tours at the mine.

The C.N.A. then developed and started to implement the communication strategies. This includes a newsletter for community members, email distribution list for Band leadership, staff and members, fax distribution list for Band Offices and a Facebook page for all members and Bands on Facebook. The Citxw Nlaka'pamux Assembly communications strategy is intended for informational purposes; to serve the 8 Bands in communicating out any community successes, events, and training and employment opportunities to reach out further to a wider audience within the communities and assist the Bands with promotional items and posters to send out.





Territorial Stewardship Report by Tamlyn Botel

The Territorial Stewardship Department (TSD) was developed as a full-time in house department of the Citxw Nlaka'pamux Assembly (CNA) in October of 2015 to provide technical services to the CNA and the 8 Participating bands with respects to implementing the following articles in the Teck Highland Valley Copper Partnership (THVCP) Agreements;

Participation Agreement with THVCP

- i) **Article 7** of the Participating Agreement, "Environmental Protection and Planning"
- ii) **Article 8**, "Cultural Heritage Engagement."
- iii) **Article 9** and **Schedule D**, "Regulatory Engagement Process."
- iv) **Article 10**, "End Land Use and Mine Closure."
- v) **Article 6**, "Long-term and Annual Planning Processes," as it relates to Articles 7-10
- vi) Participating in the Technical Working Group as described in **Article 5**, "Engagement Structures," of the Participation Agreement.

Economic and Community Development Agreement with the Province of BC

- i) Coordination of review and engagement that happens with the Province under **Appendix 2** of the Economic Community Development Agreement (ECDA) to ensure that there are no duplication of efforts throughout the process (i.e. application development with the mine and referral engagement with the Province).

The TSD has been working with the CNA and THVCP to develop detailed annual work plans that will support implementation of the Agreement with the mine for the aforementioned articles. These work plans detail all the work, engagements and projects that need to be initiated each year to meet the agreement requirements. The work plans are specific to the Agreement with the mine itself, in the future a work plan may be developed for the processes described in Appendix 2 of the ECDA.

In light of the department's development in late 2015 this report reflects activities that took place from October to December of 2015.

1.0 Agreement Implementation Projects

This section outlines October-December 2015 activities that are related to implementation of articles or appendices related to the THVCP Agreements.

1.1 Community Engagement in Implementation

As this report only reflects the latter quarter of 2015 there is not a lot of detail on the frameworks for engagement that the TSD is developing to involve technical staff at the Band level and community members in the implementation process; below details general community engagement for 2015.

The TSD made a drop in visit to the NVIT Elder's Council to discuss the department name as well as give a brief overview of what the TSD's work with the mine entails. In 2016 the TSD would like to continue regular visits to various Elders groups to discuss the mine and better ways that Nlaka'pamux values can be integrated into the work that is being done.

The TSD is committed to continuous and meaningful engagement with the 8 Participating Bands, the Elders and the Youth. Late 2015 a strategic communications and engagement strategy was developed highlighting key means for engagement with various community members (e.g. Facebook, Elder specific newsletters, surveys etc.). Detailed processes will be developed in 2016 to ensure that as many members of the 8 Bands are being well informed and involved in the TSD's work and the operations of the mine.

1.2 Environment

Under the Environment Work plan, the TSD have been involved in the review of projects including: the mine dust traditional plant dust study photo book, HVC's environmental policy, the updated Woods Creek Diversion design report and the Golder planting prescription associated with the Woods Creek Diversion and Pukaist Creek outlet.

TSD members (Tamlyn Botel and Nalaine Morin) attended a water working group meeting with HVC, Golder and KCB on December 9th at the HVC mine site. At this meeting an overview of both surface water and hydrogeology studies associated with the Bethlehem and L-L Dam areas was presented. Historic snow pack data was received from HVC. A review of this data identified a number of questions and data gaps. In 2016 the TSD will work to determine if there are any trends in the data associated with low water years in the region.

1.2.1 Environmental Monitoring

In late 2015, an opportunity for qualified members of the 8 Participating Bands to provide a long term environmental monitoring service to the mine was identified. The TSD helped develop a scope of work for the Environmental Monitoring Business and will aid in the reporting aspects of the operation. The business, still pending a name, will be operational mid-2016.

1.3 Regulatory Engagement

The TSD participated in a working group consisting of MOE, THVCP, CNA, NNTC, and LNIB to discuss amendments to THVCP's current PE-376 Effluent Permit. Discussions took place to determine what items should be included in the minor permit amendment application and the major permit amendment application for efficiency. Part of the major permit amendment will be the authorization to discharge treated water and the Woods Creek diversion into Pukaist Creek under the Pukaist Creek Sulphate Adaptive Management Plan.

1.3.1 Regulatory Engagement Process

The TSD was tasked by the CNA with creating an application development and referrals process with respect to the mine that includes:

- Commitments made in the Agreement,
- Roles of the 8 Participating Bands in provincial government referrals,
- Free prior and informed consent, and;
- Ensuring no duplication of efforts takes place throughout the regulatory engagement process.

A partial flow diagram of the proposed process for application development was provided to the IC committee, HVC representatives and technical representatives from the 8 Participating Bands. The TSD received comments on the draft diagram and are working on incorporating changes. In 2016 the TSD will work in collaboration with technical representatives from the 8 Bands as well as community members to develop a process that details both application development with the mine and referral review with the province.

1.4 Cultural Heritage

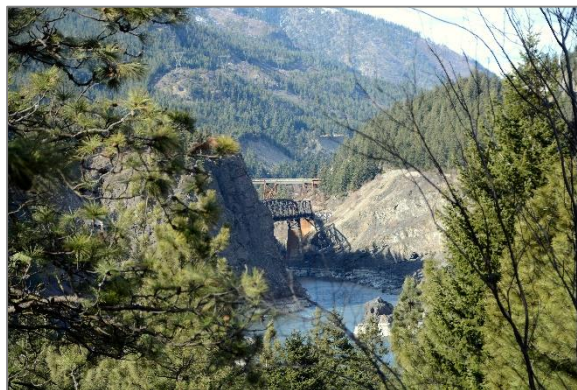
The TSD reviewed the annual work plan for Cultural Heritage. At the December 7th TWG meeting it was brought to the department's attention that there is no clear definition for cultural heritage in the work plan. Furthermore, it was determined that there is not a definition in the Agreement. A literature review was conducted which reviewed very general definitions for the term. The TSD recommended that an Nlaka'pamux definition of the term be developed using the existing definitions as a framework.

1.5 End Land Use and Reclamation

THVCP and the TSD developed and implemented a work plan in 2015 which included a community process to develop new end land use objectives for the HVC site. The community process was discussed and developed in collaboration with the Technical Working Group (TWG, a working group comprised of CNA and THVCP technical staff) and was implemented from July to November 2015. A survey was also completed by THVCP which included a number of questions regarding closure and end land use objectives for the HVC site. Over 180 Nlaka'pamux members completed the survey and the results of the survey will be incorporated in updated end land use objectives for the HVC site. The TWG and TSD will continue to work with HVC on end land use and reclamation which will include a presentation of the updated end land use objectives in 2016.

1.6 Tailings Storage Facility

The TSD reviewed the HVC Tailings Policy and Tailings Manual and a written response was provided to HVC. At the IC Board meeting on December 10th it was recommended that an annual work plan for Tailings Management at THVCP be developed. The work plan will include all aspects of the tailings management program at HVC that will involve CNA participation.



Nicomen



Youth Engagement Report by Kristy Henkes

The Youth Engagement department was established in 2015 to serve the youth to help celebrate them, inspire to pursue their dreams and spark their passions in life. The youth will develop skills as tomorrow’s leaders. The Youth Engagement program’s goal and mission will:

- Enable the Youth to transition successfully into adulthood
- Help the Youth pursue their dreams by harnessing their creativity and energy
- Help the Youth transform their ideas into tangible community based projects that create positive social value for a better World
- Develop the character of tomorrow’s leaders based on personal principles and values
- Enable educational institutions and communities to provide successful and effective youth programs for middle and high school students
- Create a culture of innovation in schools and communities across the Nation
- Foster a positive and optimistic mindset in young people, educators and community members.



To be a leader in establishing innovative, experiential youth leadership programs for middle and high school students, delivering these programs through a college setting, and in high school and middle schools, in close cooperation with local community leaders and their organizations, and to find partnerships with like-minded organizations to effectively

deliver positive approaches to education to young people within our Nation. The program will provide a focused introduction to the World of Governing, combining a dynamic, proven models and guest speakers with the experiences of leaders of industry, community leaders and educators.

The overall goal of the Youth Leadership Program is to have or develop profound positive effects on the Youth and communities all across the Nlaka’pamux Nation.

In July 2015 the Youth were invited to do the Grand Opening for the Rockin’ River Music Festival, they did drumming and dancing in regalia. It was a great experience for the Youth as well as exposure to the Music Festival attendees on the Nlaka’pamux people.

The plan for 2016 includes a Youth Leadership & Governance Conference in March, Entrepreneurship Youth Conference in July, a Multimedia & Arts Youth Conference in August and a Youth Camp-out in September.

Financial Report

Citxw Nlaka'pamux Assembly
Financial Statements
December 31, 2015

Management's Responsibility

To the Directors of Citwx Nlaka'pamux Assembly:

The accompanying financial statements of the Citwx Nlaka'pamux Assembly ("CNA") are the responsibility of the CNA's management and have been approved by the Directors.

CNA management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of financial statements.

The CNA Directors are responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Directors fulfil these responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and external auditors. The Directors are also responsible for recommending the appointment of the CNA's external auditors.

MNP LLP, an independent firm of Chartered Professional Accountants, is appointed by the Directors to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Directors and management to discuss their audit findings.

April 28, 2016

Original Signed by: Chief David Walkem

Chairman

Original Signed by: Wayne Kaboni

General Manager

Independent Auditors' Report

To the Directors of Citw Nlaka'pamux Assembly:

We have audited the accompanying financial statements of Citw Nlaka'pamux Assembly, which comprise the statement of financial position as at 2015, and the statements of operations and accumulated operating surplus, changes in net financial assets, and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Citw Nlaka'pamux Assembly as at December 31, 2015 and the results of its operations and change in accumulated operating surplus, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Chilliwack, British Columbia

April 28, 2016

MNP LLP

Chartered Professional Accountants

Citxw Nlaka'pamux Assembly
Statement of Financial Position

As at December 31, 2015

	2015	2014
Financial assets		
Cash and cash equivalents	1,172,415	435,884
Accounts receivable	156,735	1,439
	1,329,150	437,323
Liabilities		
Accounts payable and accruals	35,486	15,633
Deferred revenue (Note 4)	-	118,981
Total of financial liabilities	35,486	134,614
Net financial assets	1,293,664	302,709
Non-financial assets		
Tangible capital assets (Note 5)	19,150	14,366
Prepaid expenses	300	780
Total non-financial assets	19,450	15,146
Accumulated surplus	1,313,114	317,855
Approved on behalf of the Board		
<u>Original Signed by: Chief David Walkem</u>	Chairman	<u>Original Signed by: Chief Lee Spahan</u>
		Board Member

The accompanying notes are an integral part of these financial statements

Citxw Nlaka'pamux Assembly
Statement of Operations and Accumulated Operating Surplus

For the year ended December 31, 2015

	<i>2015 Budget</i>	<i>2015</i>	<i>2014</i>
Revenue			
Funding from The Nlaka'pamux Legacy Trust (2013)	997,358	997,358	-
Funding from Teck Highland Valley Copper Partnership	898,570	923,795	647,133
Interest income	-	4,418	3,137
Funding from other sources	-	3,576	-
	1,895,928	1,929,147	650,270
Expenses			
Amortization	-	5,982	3,074
Board expenses	68,000	62,227	90,870
Consultants	86,000	77,942	137,742
General and administrative expenses	133,650	180,107	49,030
Payroll expenses	201,780	203,517	104,578
Programs and events	1,049,907	404,113	130,253
	1,539,337	933,888	515,547
Operating surplus	356,591	995,259	134,723
Accumulated operating surplus, beginning of year	317,855	317,855	183,132
Accumulated surplus, end of year	674,446	1,313,114	317,855

The accompanying notes are an integral part of these financial statements

Citxw Nlaka'pamux Assembly
Statement of Change in Net Financial Assets
For the year ended December 31, 2015

	<i>2015 Budget</i>	<i>2015</i>	<i>2014</i>
Annual operating surplus	356,591	995,259	134,723
Purchases of tangible capital assets	-	(10,766)	(17,440)
Amortization of tangible capital assets	-	5,982	3,074
Acquisition of prepaid expenses	-	-	(780)
Use of prepaid expenses	-	480	-
Increase in net financial assets	356,591	990,955	119,577
Net financial assets, beginning of year	302,709	302,709	183,132
Net financial assets, end of year	659,300	1,293,664	302,709

The accompanying notes are an integral part of these financial statements

Citxw Nlaka'pamux Assembly
Statement of Cash Flows

For the year ended December 31, 2015

	2015	2014
Cash provided by (used for) the following activities		
Operating activities		
Funding received	1,654,872	767,812
Cash used for operating expenses	(907,575)	(530,769)
	747,297	237,043
Capital activities		
Purchases of tangible capital assets	(10,766)	(17,440)
Increase in cash resources	736,531	219,603
Cash resources, beginning of year	435,884	216,281
Cash resources, end of year	1,172,415	435,884

The accompanying notes are an integral part of these financial statements

1. Operations

The Citw Nlaka'pamux Assembly ("CNA") was established on July 4, 2013 as a federally incorporated not-for-profit corporation. The CNA is the governing body which appoints Trustees and approves annual budgets for the Nlaka'pamux Legacy Trust (2013) (the "Trust") and works with the Trustees in fulfilling the terms of the Trust and the agreements it has with the Province of British Columbia and Teck Highland Valley Partnership ("Teck"). The Board Members of the CNA are the appointed representatives of the following eight Nlaka'pamux Nation Bands:

Ashcroft Indian Band
Boston Bar First Nation
Coldwater Indian Band
Cook's Ferry Indian Band
Nicomen Indian Band
Nooaitch Indian Band
Shackan Indian Band
Siska Indian Band

2. Significant accounting policies

These financial statements are the representations of management, prepared in accordance with Canadian public sector accounting standards set out in the CPA Canada Public Sector Accounting Handbook as issued by the Accounting Standards Board in Canada and including the following significant accounting policies:

Cash resources

Cash resources includes balances with banks. At year end, no amounts in cash are subject to restrictions that prevent its use for current purposes.

Revenue recognition

Revenue is recognized as it becomes receivable under the terms of applicable funding agreements. Funding received under funding arrangements that relate to a subsequent fiscal period are reflected as deferred revenue on the statement of financial position in the year of receipt.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period.

These estimates and assumptions are reviewed periodically and, as adjustments become necessary they are reported in the statement of operations in the periods in which they become known.

Financial instruments

CNA recognizes its financial instruments when the CNA becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

At initial recognition, the CNA may irrevocably elect to subsequently measure any financial instrument at fair value. The CNA has not made such an election during the year.

The CNA subsequently measures investments in equity instruments quoted in an active market at fair value. Fair value is determined by published price quotations. Investments in equity instruments not quoted in an active market are subsequently measured at cost less impairment. All other financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating surplus. Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

2. **Significant accounting policies** *(Continued from previous page)*

Income taxes

The CNA is registered as a non-profit organization under the *Income Tax Act* (the "Act") and as such is exempt from income taxes. In order to maintain its status as a non-profit organization under the Act, the CNA must meet certain requirements within the Act. In the opinion of management, these requirements have been met.

Net financial assets

The CNA's financial statements are presented so as to highlight net financial assets as the measurement of financial position. The net financial assets of the CNA is determined by its financial assets less its liabilities. Net financial assets combined with non-financial assets comprise a second indicator of financial position, accumulated surplus.

Tangible capital assets

Tangible capital assets are initially recorded at cost based on historical cost accounting records.

Amortization

Tangible capital assets are amortized monthly using the following methods at rates intended to amortize the cost of the assets over their estimated useful lives:

	<i>Method</i>	<i>Rate</i>
Furniture and equipment	straight-line	5 years
Computers	straight-line	3 years

3. **Economic dependence**

The CNA received its revenues from the Nlaka'pamux Legacy Trust (2013) and Teck Highland Valley Partnership (refer to note 1). The revenues were derived from payments in accordance with participation agreements with these parties. The ability of the CNA to continue operations is dependent upon the continued financial commitments as agreed to by the parties noted above.

4. **Deferred revenue**

Deferred revenue consists of the following unspent program funding:

	<i>2015</i>	<i>2014</i>
Employment and Training Coordinator	-	112,500
Environmental Technician Certificate Program	-	6,481
	-	118,981

5. **Tangible capital assets**

The tangible capital assets reconciliation is included in Schedule 1.

6. Financial Instruments

The CNA as part of its operations carries a number of financial instruments. It is management's opinion that the CNA is not exposed to significant interest, currency or credit risks arising from these financial instruments except as otherwise disclosed.

Credit Risk

Credit risk is the risk of financial loss because a counter party to a financial instrument fails to discharge its contractual obligations.

Risk management

The CNA manages its credit risk by performing regular credit assessments of its funding sources.

A credit concentration exists relating to accounts receivable. Accounts receivable from the Nlaka'pamux Legacy Trust (2013) represents 98% (2014 – nil) of total accounts receivable as at December 31, 2015. The CNA believes that there is minimal risk associated with the collection of this amount because there is a history of collections from the Trust.

Citxw Nlaka'pamux Assembly
Schedule 1 - Schedule of Tangible Capital Assets

For the year ended December 31, 2015

	<i>Furniture and Equipment</i>	<i>Computers</i>	<i>2015</i>	<i>2014</i>
Cost				
Balance, beginning of year	975	16,466	17,441	17,441
Acquisition of tangible capital assets	-	10,766	10,766	-
Balance, end of year	975	27,232	28,207	17,441
Accumulated amortization				
Balance, beginning of year	49	3,026	3,075	3,075
Annual amortization	195	5,787	5,982	-
Balance, end of year	244	8,813	9,057	3,075
Net book value of tangible capital assets	731	18,419	19,150	14,366
2014 Net book value of tangible capital assets	926	13,440	14,366	

Moments from 2015

Heavy Equipment Operator Training Program



Rockin' River MusicFest Grand Opening with Youth



Community Open Houses Were Conducted in Merritt and each of the 8 Participating Bands



HVC/CNA Environment Internship Program



Contact Information

Citxw Nlaka'pamux Assembly

Mailing Address:

P.O. Box 618
Merritt, B.C. V1K 1B8

Tel: 250-378-1864**Website:** <http://cna-trust.ca>**Office Address:**

2187-A Coutlee Avenue
Merritt, B.C. V1K 1B8

Fax: 250-378-2910**Facebook Page:** <https://www.facebook.com/cnatrust>

WAYNE KABONI
MANAGER



wkaboni@cna-trust.ca

TAMLYN BOTEL
TERRITORIAL STEWARDSHIP
TECHNICAL COORDINATOR



tbotel@cna-trust.ca

JUANITA QUEWEZANCE
EMPLOYMENT & TRAINING
CLIENT COORDINATOR



jquewezance@cna-trust.ca

KRISTY HENKES
COMMUNICATIONS & YOUTH
ENGAGEMENT COORDINATOR



khenkes@cna-trust.ca

JEAN YORK
LANGUAGE PROGRAM
COORDINATOR



jeanalbert@hughes.net

LENA NICHOLSON
LANGUAGE PROGRAM
ILLUSTRATOR



lnicholson@cna-trust.ca

JACK MILLER
LANGUAGE PROGRAM
COORDINATOR



jamiller@tru.ca