BUILDING BLOCKS FOR ECONOMIC DEVELOPMENT

September 18, 2013 - Dakota Dunes Casino and Event Centre

2013 FORUM REPORT

Assisting First Nations to Establish Economic Development Partnerships
Executive Summary

Saskatchewan First Nations Economic Development Network (SFNEDN) was established in 2012. Participants believed it necessary to have a network that assisted First Nation Economic Development practitioners and corporations in becoming better integrated in the provincial economy.

The Network is service oriented and housed at the Office of the Treaty Commissioner with strategic priorities to assist and promote:

- First Nation entrepreneurship
- Development of First Nation human resource capacity
- Capacity-building through partnership and engagement in the network
- The forging of new and effective partnerships

The Saskatchewan First Nations Economic Development Network intends to host annual events such as the 2013 forum: "Building Blocks for Economic Development" to provide a platform for strengthening partnerships, while encouraging economic development.

The Saskatchewan First Nations Economic Development Network hosted the 2nd annual forum “Building Blocks for Economic Development" to provide a platform for strengthening partnerships while encouraging economic development. The Network hosts this event to provide a platform for companies, communities and individuals to explore sustainable development, share knowledge, experiences and best practices; and to advocate business positions on these issues in a variety of forums, working with stakeholder groups including government, non-governmental and organizations.

This year’s forum opened with phenomenal speakers addressing the significant role that First Nations play in the economy of Saskatchewan and around the world. Furthermore, First Nation communities were encouraged to continue to develop more partnerships and to know that it is possible to pursue economic development community goals. It takes a lot of work to make economic development goals a reality. More First Nations are removing politics from business and allowing for positive growth, planning and creation of wealth. It was inspiring to hear from a variety of business and economic development corporations, plus have the networking opportunity with businesses and First Nations.

Opportunities are available. Know your strengths, promote your strengths, and mitigate your weaknesses. Gain the knowledge you need. It will be useful in future entrepreneurial endeavors. It is important to “know your worth”. There is a consistent message: separate business from politics. First Nations businesses need to do more marketing and have better communication plans to let the world know about their businesses. The differences between band/council and business and the importance of partnerships to move businesses forward were emphasized.

As a network of economic, strategic and community support, we can assist you in navigating a path so that a higher percentage of First Nations are actively participating in the provincial economy.
As the Economic Development Coordinator for the Saskatchewan First Nations Economic Development Network, I would personally like to thank you for being a part of our 2nd Annual Economic Development Forum. I welcome you to get involved with the potential of economic development and see where it takes you.

The goal of the SFNEDN is to provide support and opportunities to enhance the skills and intervention capabilities of Economic Development practitioners and their organizations. SFNEDN aims to deliver quality support relevant to the economic development of all members and partners with activities like symposium, forums and seminars, website communications, specific News Bulletins, inventory and circulation of expertise available among the members, through promotion and marketing of the SFNEDN.

If you would like to find out more about the Saskatchewan First Nations Economic Development Network, visit us on Facebook, Twitter or on our website at www.sfnedn.com

Thank you for attending our conference. See you at the next forum in September 2014!

What do you have to offer? and Know Your Own Worth were the key messages Davis delivered to delegates. Unless you know your true value as a people and are 100% sure of yourself, you cannot expect a partner to invest 100%; they will only give you what you invest in yourself. Furthermore, worth and vision go hand-in-hand, you can’t see where you’re going without vision but can’t move forward if you don’t believe in yourself.

Other key messages:
- Gather strengths & weaknesses, use strengths to flip weaknesses
- Partnering means diversity, be willing to work with other nations, non-First Nations
- Partnering means equality for all parties but this will never happen if you don’t know your own worth
- Economic Development is not new; we have forgotten our ancestors took care of each other and ourselves
- To operate and own one’s destiny is Entrepreneurship
- We all have the ability to contribute
Economic Development Fundamentals Panel

This panel focused on some of the basic elements that need to be in place in order to establish a successful economic/business development framework.

Vern Bachiu, Manager, BRIDG Program, Westcap Management

GOVERNANCE: Separation of business from politics, a qualified and dedicated board, and independence to make business decisions. While in First Nations communities it is necessary for the Economic Development Corporation (EDC) to directly benefit the community, this is best done with a successful business that earns profits for the Band and hires many employees, rather than a flailing social-oriented organization.

Paul Favel, QC, McKercher LLP

LEGAL STRUCTURES: Potential EDCs, including the differences between partnerships and businesses that are incorporated. It is important to seek qualified legal advice when establishing a business or corporate structure to avoid problems and discord down the line, especially as many EDCs are partnering on projects with other entities. Tax considerations are important in this regard.

Rob Campbell, Director of Aboriginal Services, Meyers Norris Penny (MNP)

STRATEGIC PLANNING: The importance of sound financial/accounting advice. Although “strategic planning” has become a catchphrase, it is still essential to success, particularly in the complex environment inhabited by First Nations EDCs: are you seeking community development, economic development or wealth creation? At the same time, it is important not to plan and plan and never get to action.

Ed Bellegarde, President & Chair, File Hills Qu’Appelle Tribal Council (FHQTC)

FHQ DEVELOPMENTS: How these elements are put into practice. They’ve entered into a number of successful partnerships, but consciously maintained a strong cultural context to their work based on the principles identified by the Harvard Project on nation-building.
Business Models Panel

The Business Models Panel looked at different frameworks for business development.

Geoff Gay, CEO, Athabasca Basin Development Limited Partnership

**JOINT VENTURES:** Success story of Athabasca Basin Development, one of the top companies in the province. Owned by the seven communities of the northern Athabasca basin, ABD has an ownership stake in ten unique companies, ranging from 29.5% ownership to 100%. ABDLP focused heavily on reinvesting its profits in its early stages, a move that has now paid off with growing profits and an ability to support a wide range of community projects. At the same time it has focused on companies with strong labor market opportunities for northern residents, especially Aboriginal ones, and has invested heavily in training.

Greg Ermine, CEO, Sturgeon Lake Developments LP

**BUY-OUTS:** Sturgeon lake Developments focuses on real estate, construction and mining. It entered a Limited partnership with GlenMor Equipment in 2012 following a contact made through its participation in the BRIDG program. The deal took less than a year to complete with initial negotiation, diligence and legal closing. The guiding principles used to consider buying an existing company included patience, comfort, flexibility, and “letting management manage” - rather than interfering with day-to-day operations.

George Dillon, Councilor, Economic Development, Onion Lake Cree Nation

**DIVERSITY:** The business model adopted by Onion Lake Cree Nation and its business development corporation is portfolio diversification. While they have seen considerable financial success, Dillon cautioned against prematurely becoming involved with external partners without due diligence. Slow and steady has proved a winning formula. While the oil and gas sector is prominent (Onion Lake Energy Ltd. and the recent establishment of the Wanska Energy Alliance) OLCN has also done a lot to support local entrepreneurship among its members and is looking at ways to support the education and training of its members through an Indigenous Energy and Mining Education Consortium.
Partnerships Panel

By examining the various types of partnerships and what makes them successful, this panel brought key information to light.

The Partnerships Panel was built from the experiences highlighted on the business panel. It brought in some of the industry partners (Brad Darbyshire from Points Athabasca, and Darryl Derksen from Glenmore Industries) to bring a more complete picture of what is involved in establishing and successfully navigating a partnership.

A candid interview style session moderated by Wanda Hunchak of WestCap Management allowed participants to get “insider” information on what a partnership really looks like. While not always easy, partnerships were shown to be a solid model for First Nations development corporations looking to enter a particular market and gain business experience, but may lack the expertise or investment capital to go it alone.

PHOTO (L-R): Geoff Gay, Brad Darbyshire, Wanda Hunchak, George Dillon, Greg Ermine, Darryl Derksen
The 2013 Building Blocks for Economic Development forum had the privilege of welcoming over 140 delegates from Saskatchewan to Alberta.

The forum was host to economic development leaders, students, executives and practitioners, and diversely represented many industries and sectors.

Feedback from the participants identified several areas of interest for workshops and made recommendations for the long term planning of the Network, including improvement for future events and support services.

96% Replied they were satisfied with the overall outcome of the forum.

98% Replied they were satisfied with the presenters.

96% Responded the information was appropriate and informative.

85% Respondents said the information was useful to their organization.

100% Replied they would attend another SFNEDN event.

Preferred mode of delivery for SFNEDN events/workshops:

- 89% – Saskatoon
- 2% – Webinar
- 2% – On-Reserve
- 7% – Not Indicated

43 evaluations were collected at the 2013 forum. This diagram illustrates the top 5 picks for SFNEDN assisted workshops for the upcoming 2014 Forum.

Top Recommendations

- Have specific networking activities – “speed dating for business” ie) Networking opportunities.
- Would be great to have a 2-day event with breakout sessions.
- Put more women on the panel to hear from their perspective.
- Provide more conferences for the youth and students so they can gain a better understanding of business.
- Circulate topic options prior to next forum.

Top 5 Picks for 2014

- Starting a Business 35%
- Economic Development Strategic Planning 35%
- Business Plan 22%
- Marketing Plan Development 19%
- Leadership Development 16%
Conference Reflections
<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
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<tbody>
<tr>
<td>9:00 am</td>
<td>REGISTRATION CONTINENTAL BREAKFAST – Sponsored by: PotashCorp and Ministry of Economy</td>
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| 9:30 am  | Opening Prayer – Elder Willis Royal  
Master of Ceremonies – Milt Tootoosis, Director, Livelihood and Economic Independence, OTC  
Opening Comments – Gary Merasty, CEO, Tron Power |
| 10:00 am | Keynote Address – Gary Davis, President and CEO, National Center for American Indian Enterprise |
| 10:45 am | HEALTH BREAK – Sponsored by: SaskTel and The Conference Board of Canada |
| 10:55 am | ECONOMIC DEVELOPMENT FUNDAMENTALS PANEL: Shared expertise about practical tools in setting a community’s economic development strategy.  
|        | GOVERNANCE  
Vern Bachiu, Manager BRIDG Program  
EDC STRUCTURES  
Paul Favel, Lawyer McKercher LLP  
STRATEGIC PLANNING  
Rob Campbell, Director of Aboriginal Services MNP  
FINANCING & PARTNERSHIPS  
Edmund Bellegarde, President & Chair FHQ Developments |
| 12:15 pm | LUNCH – Sponsored by: Aboriginal Affairs and Northern Development Canada (AANDC) and K+S Potash Canada  
Panel Moderator: Wanda Hunchak, Vice President, Westcap Management |
| 1:00 pm  | BUSINESS MODELS: Rationale of how an organization creates, delivers, and captures value in pursuing their business model.  
|        | JOINT VENTURES  
Athabasca Basin Development Limited Partnership  
Geoff Gay, CEO  
BUY-OUTS  
Sturgeon Lake Developments Ltd.  
Greg Ermine, CEO  
DIVERSITY  
Onion Lake Energy  
George Dillon, Councillor |
| 2:20 pm  | HEALTH BREAK – Sponsored By: SIGA and Dakota Dunes Casino |
| 2:30 pm  | PARTNERSHIPS: Interactive panel discussions examining the B2B relationship, whether it is contractual, exclusive bond or a very loose arrangement.  
|        | ABDLP, Geoff Gay, CEO and Points Athabasca, Brad Darbyshire, CEO  
SLD, Greg Ermine, CEO and GlenMor Industries, Darryl Derksen, Manager  
ONION LAKE ENERGY, George Dillon, Councillor and Industry Partner |
| 4:00 pm  | Closing Remarks  
Closing Prayer |
Appendix B: Delegate Representative Areas

This diagram illustrates the % representation by delegates.
STAY TUNED FOR DETAILS ON THE UPCOMING SEPTEMBER 2014 FORUM!

BE SURE TO GET ON OUR MAILING LIST!
send an email to April: aroberts@otc.ca

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