



February 2019

KITSAKI

Update

NRT EXPANDS TO NEW MARKETS

The slowdown of the uranium market over the past couple of years has become the new normal for Dave McIlmoyl at Northern Resource Trucking (NRT).

With a continuing depression in the Uranium Industry, McIlmoyl and his team have been searching for new ways to generate revenue for NRT.

"Our revenue is down 25 per cent year over year. That tells you something," says McIlmoyl, matter-of-factly.

Just like last year, NRT has been beating the bushes to find new work. However, this year, they have expanded their sights into Manitoba and northern Ontario to offer their trucking services. "We're making headway into new markets. We're getting a fair bit of work out there right now."

For instance, NRT has landed contracts with Federated Co-op to supply their propane to sites in Saskatchewan and Manitoba. Getting that contract is substantial as FCL has their fingers in many markets across Western Canada.

"We are also bidding on contract work for them as far east as Dryden, Ont., and as far west as Maple Creek in Saskatchewan," says McIlmoyl.

He is hoping to leverage some new business through First Nations partners in the western provinces. Building relationships is something McIlmoyl believes in.

Another area targeted by NRT are the ice roads in northern Manitoba during the winter months.

"We want to get more involved there," he says. "We're pretty good at loading at any industrial site in Canada."

One ace in the hole NRT has is the good name NRT has built for itself over the years in the trucking industry.

While McIlmoyl keeps trying to find new business, he keeps an eye on the uranium market, which has been the lifeblood for NRT through its partnerships with Cameco. "We keep watching Cameco. Uranium prices are getting higher slowly."

When Cameco decided to mothball some of its mines in the last couple of years while it awaits a uranium market resurgence, McIlmoyl knew there was no alternative to getting out there to find new work. But he is confident the uranium market will rebound sooner or later.

"We decided we wouldn't be solely dependent on uranium mining."

However, McIlmoyl has seen the spot price for uranium slowly climb and with the large number of reactors coming on line around the globe, it's just a matter of time before Cameco's fortunes will change.

"There are encouraging signs, for sure," he says. "We are ready to gear up again when the time comes."

But until that day arrives, McIlmoyl will be focussed on keeping NRT's bottom line in check and keeping employment available for First Nations workers in Saskatchewan.

What's Inside...

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GREETINGS FROM THE PRESIDENT

There is strength in numbers and that is so evident when we look around at our large and growing family at Kitsaki. We have proven again and again that our successes come from each and every person who is employed with Kitsaki's amazing and growing businesses.



Tammy Cook-Searson
President

The economic climate in Saskatchewan, and indeed across Western Canada, has not stopped us in our pursuit of business excellence. Our talented workforce has continued to excel and has shown we can thrive despite a few obstacles put in our way.

Look at our friends at CanNorth where they have proven the impossible to be possible after scoring a perfect 100 per cent in their latest COR audit. This speaks volumes about the people we have in place from the top down. It also shows others our people are committed to being the leaders in the industry. We are so proud of them for their remarkable achievement!

We continue to be inspired by others in the Kitsaki family who have embraced change and are seeing the fruits of their labours. Athabasca Catering, for instance, has grown in many new directions from its original mandate of providing services to the mining industry. While that part of the business remains as important as ever, there are bold, new initiatives that provide new revenue streams.

Northern Resource Trucking is also driving on a road less travelled traditionally and is now reaping the rewards of its courageous business decisions. There are others you will read about in this Update who also deserve a pat on the back for their long-standing efforts and commitment.

All of our band members can feel confident we remain steadfast in providing solid employment opportunities throughout the North. This overriding principle is at the core of who we are and what we do. Our future remains bright thanks to each and everyone who is the backbone of Kitsaki. It's that strength in numbers we rely on that carries us forward together. And together, we will continue to succeed.

A handwritten signature in cursive script that reads "Tammy Cook-Searson".

GREETINGS FROM THE CEO

Greetings on behalf of the Board of Directors to our Band members. I am pleased to provide this update about our businesses and contributions.



Russell Roberts
CEO

Despite challenging economic times, we are committed to the education of our band members. Kitsaki is pleased to provide \$50,000 in scholarship money which, along with a \$50,000 commitment from the Lac La Ronge Indian Band and a \$50,000 donation from Cameco, means we can provide \$150,000 in scholarships for our youth.

Hopefully, the uranium industry is starting to see a light at the end of the tunnel as 2018 continued with low prices in uranium. Slowly there is an increasing sense of optimism around the industry.

Athabasca Catering has reinvented itself in many ways. It now offers safety and service training across industries in Saskatchewan. As well, Athabasca Catering has opened an office in La Ronge where people can better access information on employment opportunities without having to travel to Saskatoon anymore.

Northern Resource Trucking continues to thrive as it finds new and important revenue streams through strategic relationship building. And just like Athabasca Catering, NRT has ventured into other provinces as business opportunities become available.

First Nations Insurance Services has also gone through an expansion. Led by Greg Hanson in a new Saskatoon office, FNIS is helping to educate and protect band members in an ever-changing and challenging world.

We couldn't be prouder of the staff and management at Canada North Environmental Services (CanNorth) after a remarkably good result in their COR safety audit. This is almost unprecedented in their industry.

Again, it proves that we can outperform the competition. With an economy that is not as prosperous as it once was, we have gone out and pushed our boundaries and found success. That wouldn't happen without the tremendous support we see every day at Kitsaki. Of that, we are very thankful.

A handwritten signature in cursive script that reads "Russ Roberts".

FNIS WELCOMES GREG HANSON

His role at the Saskatoon office



Greg Hanson
Business Development

It didn't take much convincing for Greg Hanson to join the team at First Nations Insurance Services (FNIS) after his retirement last fall.

After spending the previous 19 years with Saskatchewan Blue Cross, 11 years as Director of Sales, Hanson says the dynamic growth that FNIS is experiencing was something he wanted to be part of as the guy in charge of business development.

"What attracted me to FNIS was their commitment to their core values – honesty, integrity and trust," says Hanson, who set up his Packham Avenue office at the start of November. "That aligned perfectly with my own values." He has many years of experience dealing with First Nations people in Saskatchewan and felt very comfortable in taking his business acumen to FNIS.

Hanson says his role is to build on the already solid foundation in place at FNIS, which has been in operation since 1987. FNIS offers a variety of employee benefits and pension plans designed to meet the needs of First Nations, Aboriginals, and non-Aboriginal employees and their employers.

"To me, this is a challenge and things are changing in this province. Economics are changing," says Hanson, who enjoys meeting new people every day. "Demographics in the workforce have changed dramatically. We need to be always aware of these changes and adapt quickly to support the clients of FNIS."

A big role for Hanson is simply education for the valuable clients of FNIS about the benefits of their group insurance. He says with 30-plus years in the insurance industry, he brings a wealth of knowledge and experience that he would like to share with clients.

As well, Hanson hopes he can play a role in mentoring and training others at FNIS who will follow him once he decides to wind down his career.

"One of my biggest concerns is that sometimes, an employee might fall through the cracks and not be properly prepared should anything happen to them or their families."

He says many people simply do not ask questions about insurance and all the options that are available to them. Hanson believes that if he can engage Plan Administrators and their employees, information barriers can be broken down. He hopes he can help people with their questions and concerns regarding their benefit plan, "Education is everything. Informed people will make better decisions."

Hanson says that FNIS staff guiding people through the claims process alleviates much of the stress for the people not used to handling their health or dental claims, or even those people experiencing some level of trauma in their lives.

"What we do and how we do it here is extraordinary in my estimation," says Hanson, when speaking about the commitment of FNIS to their clients.

When Greg is not at work, he is spending time with his family. He is married to Karen. They have 2 children, John and Jenna and 6 grandchildren. Karen is a retired teacher, John (married to a nurse) is an ER doctor and Jenna (married to a CPA) is a teacher.

SSR MINE TOUR

Opportunities at the Seabee Mine



While many people in this province, especially in the north, have been waiting for an upturn in uranium mining in Saskatchewan, another valuable commodity is still forging ahead with its own agenda.

For SSR Mining, that agenda includes many employment opportunities for First Nations people in the north.

SSR Mining owns and operates the Seabee gold mine, located 125 kilometres northeast of La Ronge and is a viable option for northern residents as a stable employment opportunity.

Recently, the Chiefs and Councils of both the Lac La Ronge Indian Band and the Peter Ballantyne Cree Nation were given a tour of the Seabee operation to see firsthand what kind of work might be available for their people.

"We had them up to the site, the first time in eight years, I believe," said Blair Gunter, SSR Mining's Environment and Community Relations manager.

"It's very important to us because we want to be good neighbours with the First Nations in the area," he says. "We are really working hard on building a solid relationship with people up there."

With Cameco's uranium mining operations basically put on hold in recent years, Gunter says a focus has shifted to their gold mining operation.

Many former Cameco mine workers have some transferable skills to what is required for work at the Seabee mine.

"If you can find trained people already, that's perfect for what we need," says Gunter, who added there are also entry level positions available which give people the opportunity to learn skills needed to work at a mine.

While Seabee has not set precise employment targets for First Nations people, Gunter says the company is definitely planning to hire more as the mine operations continue and thrive.

"I think it's something that will work out well for all parties concerned," says Gunter.

The Seabee gold mine operation was initiated by Claude Resources before that company was bought out in 2016 by Silver Standard Resources for \$337 million, before it changed its name to SSR Mining, as it is known these days. SSR Mining is based in British Columbia with other mines located in Nevada as well as Argentina.

The Seabee gold mine has been operating since 1991. In 2018, the mine delivered record gold production and is forecasting continued growth.

ACLP OPENS NEW OFFICE IN LA RONGE

Diversity has become the dominant theme in the sustainability and success of Athabasca Catering

With a reduction in revenues from the mining sector in the last couple of years, Athabasca's Managing Director has taken the company into uncharted waters and has proven the company's ability to withstand adverse economic conditions.

Indeed, says Alan Cole, Athabasca has found areas where it now can thrive as well. "We're still a profitable company with a sizeable workforce," says Cole."

Last year, Cole steered Athabasca into Red Earth, Alberta., about 400 kilometres north of Edmonton. This year, Athabasca has snapped up a second camp and is using its expertise and experience to make it a profitable venture.

As well, Athabasca has moved into a supporting role for the hunting and fishing industry by partnering with businesses to provide a hand with its expertise. "There's a whole raft of opportunities within this industry," Cole says. One of the first of these partnerships will be at a fishing camp later this spring in Missinipi, north of La Ronge. "Will it get more people employed? Absolutely," Cole maintains.

Speaking of the North, Athabasca has installed an office in Air Ronge, complete with 2,700-square-foot of space.

This was a strategic decision by Athabasca in an effort to better serve northern regions of the province.

Led by Emily Ross as the office administrator, its mandate is to attract and retain individuals interested in work within Athabasca's many services. It makes perfect sense to have an office where we can best serve our needs and for our employees," Cole says.

Not only can people get information and get trained by Athabasca Catering, it's also a place where they can build solid relationships with Northern businesses who don't have a connection to Saskatoon.

Another growth area for Athabasca Catering in the last year has been the development of the company as a training resource for companies, not just in the north, but across the province.

Rob Campbell is certified to teach a multitude of areas, from CPR and WHMIS (Workplace Hazardous Materials Information System) to food safety.

"The amount of service he provides is quite phenomenal," Cole says.

In fact, Campbell has been contracted to offer his training to the Saskatchewan Indian Institute of Technologies (SIIT) until June.

"He's just everywhere, every town and every village in Saskatchewan it seems. What a success."

Of course, Cole is still keeping an eye on its biggest partner, Cameco. Having its northern employees ready for a market resurgence, Cole believes Athabasca's strategies will pay off when Cameco gets its mining operations back on track.

"It'll come around eventually. And when it does, we will be more than ready."

But until then, Athabasca has been well placed to weather the storm by its diversification efforts leaving the company positioned to enjoy its success.



Rob Campbell
Training



Emily Ross
Office Admin.
La Ronge

SCHOLARSHIPS FOR LAC LA RONGE BAND MEMBERS

Kitsaki Management LP and its strategic partners are attempting to make it easier for band members to access funding for post-secondary training in Saskatchewan and beyond.

Along with long-time partner, uranium mining giant Cameco as well as the Lac La Ronge Indian Band, Kitsaki is boosting its contributions to \$50,000 to the scholarship program for a total of \$150,000 in available support annually.

"We have recognized the need for more robust scholarships," says Russell Roberts, Kitsaki Management's Chief Executive Officer.

"For many years, this has been underfunded."

Cameco, through its collaboration agreement with Kitsaki and the LLRIB, is actively involved with providing resources for young people looking for post-secondary training. The collaboration agreement ensures that Cameco will participate in providing support to the LLRIB and provides opportunities for band members to succeed in their chosen professions thanks to educational support.

"Cameco met the challenge and have stepped up," agrees Roberts. There are no specific targets to hit in terms of how many people can access the scholarship money every year. The main thing, says Roberts, is for recipients to know a potential educational lifeline is available for them.

"We want to leave it open for education of any sort and have it open and as flexible as necessary," he says, adding that even Grade 12 students can find support through the program.

Obtaining funds to enable a young person to pursue post-secondary training is sometimes viewed as a hurdle, but it can be a life-changer once the first step is taken.

With the economy in the province's north seeing many businesses expanding – including some of Kitsaki's own business interests -- this is the time to make sure funding is available.



FOR MORE INFORMATION:

Cameco's website has a complete list of scholarships and what is needed for prospective recipients prior to application. They can be found at www.cameconorth.com/careers/students.

As well, more information about available scholarship programs can be obtained through the band office in La Ronge.

CANNORTH RECEIVES PERFECT SCORE

You might notice that the staff at Canada North Environmental Services have a jump in their step these days.

Everyone at CanNorth is still riding high after the business received a perfect score of 100 per cent in a COR (Certificate of Recognition) audit last year conducted by Energy Safety Canada.

"It was pretty awesome and really spoke to the kind of staff we have at CanNorth," says Lisa Folden, human resources manager at CanNorth's office in Saskatoon. "We were pretty proud of the accomplishment."



CanNorth is a private environmental consulting company which is wholly-owned by Kitsaki.

The process, which is totally voluntary for CanNorth, was challenging as it included an exhaustive review of policies, procedures, and documentation. That also included in-depth observation and interviews with a third of CanNorth's staff, from top to bottom.

"Everything had to be checked and balanced," Folden says.

Businesses that undergo the rigorous certification need 80 per cent to pass. For CanNorth to score 100 per cent is virtually unheard of, Folden was told.

The first time CanNorth was tested, in 2013, they achieved a 97 per cent score. But that was not good enough, Folden says. Management and staff truly wanted to do better, so they focussed on employee training and consistency in their documentation.

It worked. Evidently.

Folden was worried because the audit examination team was not letting on how well CanNorth was doing. What she didn't realize was how good they were actually doing. But she's not surprised.

When the final report was sent, Folden and the CanNorth staff were over the moon with some of the statements issued.

"The health and safety culture created and fostered at CanNorth provides the foundation for such amazing performance," the report read. "Your bright and competent staff apply the established systems masterfully and allow for continuous improvement."

Folden couldn't agree more. "It's a whole culture buy-in from our staff."

The report went on to say CanNorth is a model organization and something other businesses should model themselves after.

"One hundred per cent commitment is apparent from the general manager to the newest hire."

COR audits are highly regarded in the industry as proof of highly trained staff.

CanNorth, which also has another office based in Markham, Ontario., tries to utilize Indigenous culture in the communities it is involved in as well as employment and educational opportunities for Indigenous peoples.

KITSAKI MANAGEMENT

Limited Partnership

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