



UPDATE

Official Newsletter of Kitsaki Management Limited Partnership

October 2006

Trucking company marks 20 years on the road

Thanks to the upswing in the uranium market, Northern Resource Trucking has once again become a driving force on highways across the North, just in time for its 20th anniversary.

Today, NRT is the largest transport business in northern Saskatchewan, specializing in trucking goods to and from the region's uranium mines. Approximately 75 trucks make up NRT's fleet – "we've added so many it's hard to keep track of," admits

company vice-president and general manager Dave McIlmoyl – and 130 people are on the payroll, either as staff or independent owner-operators. Eight of those owner-operators have been with NRT since 1986, the company's first year of operation.

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Kitsaki's past president, Chief Harry Cook, and current president, Chief Tammy Cook-Searson, pose in front of NRT's first truck. The truck was brought to Wanuskewin Heritage Park for NRT's 20th anniversary celebration May 1.

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After a multi-year market slump, the uranium industry has resurged enough that McIlmoyl predicts 2006-07 will be NRT's highest revenue year ever, thanks to steady production at existing mines, new exploration work, and construction of the minesite at Cigar Lake and an expanded mill for McClean Lake.

"We went through some fairly grim times... and now it's starting to work again," says McIlmoyl. "We're on our way back."

Such recovery would be good news for any senior executive, but for McIlmoyl it's especially sweet. Back in 1986, when Kitsaki Management Limited Partnership was barely a twinkle in the eye of then-chief Myles Venne, it was to McIlmoyl, then the band's executive director, that Chief Venne turned to make the idea of a band-owned trucking company a reality. A few years later, when NRT was fully-fledged, McIlmoyl became CEO of the band's new economic development arm, then called Kitsaki Development Corporation. In 1998, he moved over to NRT, where he has helped carry the company through both its best and worst years so far.

"It makes me feel good to have started this small enterprise, and have it 20 years later being a fairly major contributor to the provincial economy and a fairly good provider of jobs and revenue to the North – and just the whole thing of starting it and having it work for 20 years. That blows me away," McIlmoyl says with a grin.

As a corporate entity, NRT defines itself as a niche carrier, as opposed to competing in the nation-wide cross-country trucking business. Its trucks are specially equipped to haul the range of goods needed by the northern mining industry, from structural steel and sulphur to hydrogen peroxide and yellowcake. While this creates some disadvantages – the damaging effects of market downturns being one – it also gives NRT a close working relationship with its core customers, one that's been fostered through 20 years of contracts.



NRT is also distinctive in its ownership structure and its hiring priorities, which both focus on the development of northern aboriginal economic development. In 1994, Kitsaki made a critical decision to bring in several other northern aboriginal groups as partners in NRT, in exchange for an exclusive trucking contract with Cameco.

This decision not only helped secure NRT's relationship with one of its two key customers – the other being Cogema Resources (now known as AREVA), Cameco's partner and competitor in the northern uranium industry – but also spread both the risk (during the lean years) and the wealth to more First Nations. Partnership has been a key part of Kitsaki's growth strategy ever since the band allied with trucking giant Trimac – which still owns 29 per cent of the company – to form NRT, and it has worked very well for both Kitsaki and NRT.

"We've got Dene people, we've got Woodland Cree and we've got Metis, all in one group – all those northern people are organizing their resources into this economic venture, and then we've been able to put a significant amount (of money) into various communities – into our partners' hands – through the form of dividends," McIlmoyl says.

Because of its ownership structure, NRT also puts a lot of effort into training and hiring northern aboriginal drivers. Through an arrangement with Northlands College, NRT has trained more than 100 drivers, all of whom, McIlmoyl proudly reports, are still working in the field in some capacity.

"We've taken people who for the most were either unemployed or underemployed when we got them... and given them the skills to be contributing members of the economy in their home community... or the mines," he says. "That's pretty satisfying."

The most recent development in this area is NRT's accreditation as a truck driver training school, which means that instead of contracting SIAST to do the in-cab training, the company can now hire its own trainers. Trainees are currently working on their 1A certification at NRT's old office in the La Ronge Industrial Park, which has been converted into a year-round training facility. Once they have completed the course, they will have opportunities for employment with NRT.

Looking back over the company's 20-year history, McIlmoyl credits the company's board chairs – the presidents of Kitsaki – with much of its success: Chief Myles Venne, for having the vision to give it birth; Chief Harry Cook, for endorsing business growth and helping to elevate the stature of the band and Kitsaki; and councils past and present, including current president Chief Tammy Cook-Season, for their ongoing support.

"If it wasn't for chief and council working with the economic development arm," he says, "none of this would have happened."

Rising prices in several key industries have helped Northern Resource Trucking turn the corner toward renewed profitability.

Message from the president

Tansi to all of our band members, staff, business partners and supporters. As president of Kitsaki, it gives me great pleasure to bring greetings to you and to report on the progress we have made through our company. I would like to extend my sincere thanks to all those whose hard work and dedication makes our continued success possible. In particular, a special thank you to our wild rice harvesters, who have endured another year of limited production, yet have continued to work extremely hard to ensure that every grain of wild rice that can be cultivated is used to provide income and keep Northern Lights Foods and the La Ronge Wild Rice Corporation alive so that we can try to build this important industry.

Throughout our history, Kitsaki has kept its focus on creating profitable businesses which lead to work opportunities for Lac La Ronge Indian Band members. With support from chief and council, Kitsaki has worked hard to diversify its business portfolio. As a result of those efforts, Kitsaki has become a leader in the trucking sector and has also made significant advancements in the fields of hospitality and catering, tourism, environmental monitoring, organic food production, the insurance sector and the forest industry.

It is no small accomplishment that KMLP regularly ranks among the top 100 businesses in Saskatchewan, and, moreover, that the products we export are recognized internationally. This is yet another example where good teamwork yields positive results for all of us.

We owe much of our success to our staff, several of whom have been with the company for more than half its lifetime. Having committed and dedicated employees who have been with Kitsaki for many years indicates that the success we enjoy is due to the people who have dedicated their lives to making our business portfolio successful.

Not only do we have numerous staff who have been with the company for many years, we have also enjoyed a stellar list of managers who have put business success first. As you can appreciate, management plays a key role both in creating a long range vision for Kitsaki and in ensuring that this vision reflects the direction of the band and its members. We could not be more fortunate to have the visionary leadership of Russell Roberts, our current CEO, and those whose path he has followed – in particular, Ray McKay, Dave McIlmoyl and Bill Hatton. Growing businesses regularly face challenges and obstacles. We all owe these exemplary leaders much more than a simple word of thanks for their commitment and for ensuring that every challenge became an opportunity for the band.

I would also like to thank Kitsaki and its staff for their efforts in two other areas. First, the North-Central Land Use Plan, which sets out a collective vision for the future use of our traditional territory, would never have been completed without the persistence and dedication of Kitsaki staff.

Secondly, during the forest fires that forced the evacuations of three of our communities, June 30-July 9, Kitsaki staff were front and centre, assisting with operations at the Jonas Roberts Memorial Community Centre and housing elders at the Motor Hotel. Your dedication and your commitment to others have not gone unnoticed. Sincere thanks for your generous service.

On a final note, I would like to offer personal congratulations to Michelle Ratt, recipient of the 2005-06 Kitsaki Scholarship. The



scholarship was created to recognize future leaders and to provide financial incentives for deserving band members to find employment right here in northern Saskatchewan, or as an employee of a band-owned company. It gives me great pleasure on behalf of all of us here at Kitsaki to acknowledge Michelle and offer her our best wishes for continued success.

We have much to be proud of. Our success through Kitsaki is the culmination of hard work, dedication and commitment, and I would like to acknowledge all those who have made and continue to make a difference through their perseverance. We can accomplish great things when we work together as a team. Here at Kitsaki, we will continue to focus on building a positive future. We look forward to working with you.

Chief Tammy Cook-Searson

“We all have dreams. But in order to make dreams come into reality, it takes an awful lot of determination, dedication, self-discipline, and effort.”

– Jesse Owens



Scholarship contributes to northern advancement

Since its start 25 years ago, Kitsaki has made employment for Lac La Ronge Indian Band members a top priority. Now, the company has taken that commitment one step further, by helping band members finance the education they need to succeed in the workforce.

Last fall, the Kitsaki Scholarship – an award of \$3,125 – was presented to Michelle Ratt, a band member from La Ronge. The scholarship is awarded annually to a high school or Grade 12 basic education student who received the highest marks in their graduating class, based on five core classes, and is enrolled in full-time studies at Northlands College.

To meet Kitsaki's scholarship criteria, the student must also be a member of the Lac La Ronge Indian Band and pursuing education in a field that is relevant to Kitsaki, such as business, mining or environmental studies. In Ratt's case, that meant a nine-month Certificate in Office Education. She completed that

program in May, once again receiving the highest marks in her class.

"We were particularly impressed with (Michelle Ratt's) math and science marks through Grade 12," Kitsaki CEO Russell Roberts said in a letter to Northlands College. "It is encouraging to see such dedication in these subjects that will present very real career opportunities for Ms. Ratt in the future."

Although she initially considered pursuing a degree in psychology, Ratt made a last-minute change in her career direction – a choice she is glad to have made. "I didn't want to commit to a four-year degree right away... so I just took office education to see if I liked administration work, and I did," she said.

She's already gotten a taste of office work, having filled in for a day in the Northlands College front office, and she's eager for more – after a bit more schooling, at least.



Having completed her initial training, in which she acquired skills in keyboarding, letter-writing (including grammar and spelling), records management, math, professional office behaviour, and her new love, accounting, Ratt is now planning to complete a certificate in administration. She will then transfer her credits to either the University of Saskatchewan or the First Nations University of Canada to complete a four-year degree in business administration.

Future career choices? At the moment, Ratt is leaning toward management or accounting, "I'm very good at that (accounting), and I like working with computers, too," she said. "I like working in an office."

While she won't be hiring on with Kitsaki just yet, she is grateful for the investment the company has made toward her career. "It's a really good thing. It encourages you a lot, to think you'd get something like that (scholarship)," Ratt said. "It gave me a lot of encouragement, to know that hard work pays off."

The next Kitsaki scholarship, for the 2006-07 school year, will be awarded this fall.

Scholarship winner Michelle Ratt is getting ready for the corporate world, with Kitsaki's help.

Longest-serving employee looks back on a history of success

She's held cheques worth hundreds of thousands of dollars, and she's feared for the next month's payroll. She's watched ventures die, and new ventures be born. She's worked in four different buildings, under four managers and two chiefs, and helped hundreds find new jobs. And she's done it all in just 18 years.

She is now Kitsaki's human resource officer, but Ida Sanderson was initially hired in 1988 as a secretary, to fill in during another employee's maternity leave. When that employee returned to the company in a different capacity, Sanderson was asked to stay on. A couple of years later, she moved into a new role as office manager, and later into her current role, handling issues such as recruitment and employee relations.

After 18 years of service, Sanderson is now Kitsaki Management's second longest-serving employee, "bested" only by Director of Finance Al Solheim, and she is the band member with the longest tenure with Kitsaki.

Asked what has kept her with the company so long, Sanderson's first response is a straightforward one. "Job security has always been my main focus," she says. "I'm a single parent. When I started working for Kitsaki, I had two young children – my baby's just off to university this year – so I needed that job security, and I've never doubted I had that with Kitsaki."

But, she is quick to add, her reasons for staying with the company run deeper than just a secure paycheck and a good benefits plan. "It's getting to know the people that you work with – it almost seems like a family," she says.

It's also about class, professionalism and integrity. Sanderson has come to appreciate the level-headed, even-handed approach to business that has allowed Kitsaki to survive even through what Sanderson delicately calls "the skinny years", and to grow into a thriving company with partnerships that have grown into successful ventures benefiting the Lac La Ronge Indian Band, other northern First Nations, the Saskatchewan economy and even further afield.

"There were times when we didn't know if we were going to make next month's payroll, so we had to be very careful on everything," Sanderson says. "(But) I never had any doubts – I didn't think it would fail, because everything was moving at the right pace (development-wise)... It was just the right mix of people to get the thing off the ground."



Ida Sanderson's memories of her 18-year career with Kitsaki provide a window into the company's past.

In her 18 years with Kitsaki, one of the things that has impressed Sanderson most is the combination of strong leadership with a clear sense for the separation of politics and business. Although the band's chief and council have always served as Kitsaki's board of directors, they have always trusted the company's CEOs to manage the company in a professional manner.

"Chief and council never interfered with our day-to-day operations, and I think that's what makes or breaks a company like ours," Sanderson says.

Standout moments for Sanderson include the band's purchase of the La Ronge Motor Hotel (notably the thrill of holding the cheque that sealed the deal) and the initial staffing of Athabasca Catering ("exciting times – very intense"), as well as the acquisition of some of Kitsaki's major contracts. "I always feel good when I'm a part of getting something going like that – something that benefits band members," she says.

Looking back, Sanderson is proud of the role she's played, and of the company itself. "I take pride in being able to provide a service to my fellow band members," she says. "I'm proud to be working for Kitsaki. At this late stage in my career, I wouldn't want to work for anyone else."

Update is the official newsletter of Kitsaki Management Limited Partnership (KMLP), the economic development arm of the Lac La Ronge Indian Band. Chief and council serve as the board of directors and, together with KMLP's staff, work to serve the band's 8,100 members, many of whom reside in the six band communities of Grandmother's Bay, Hall Lake, La Ronge, Little Red River, Stanley Mission and Sucker River.

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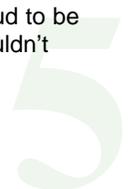
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CanNorth mediates environmental, industry needs

You could call Peter Vanriel a crossing guard. Whether it's a stream flowing through a highway construction zone or treated mine wastewater being returned to wildlife habitat, industry and the environment are bound to cross paths. As general manager of Kitsaki's Canada North Environmental Services, Vanriel is often standing at the intersection, helping to determine if a natural resource project, such as a new mine in the North, can proceed, while at the same time protecting the environment.

CanNorth, as the company is generally called, is becoming increasingly influential in the field of environmental research. Since Kitsaki bought out its partners and became CanNorth's sole owner in the spring of 2001, the company has grown from one employee – Vanriel – and one project, to a current staff of 14 full-time employees and 20 to 25 field researchers (most of whom are aboriginal northerners) who are hired on short-term contracts.

In the last five years, CanNorth has worked on 204 projects, 68 of which are still ongoing. It has also birthed a start-up venture in Central America called CanSouth, which will involve aboriginal people from Panama in environmental monitoring and research projects.

Although its projects all literally all over the map, CanNorth's niche is in the northern uranium industry. Along with fellow Kitsaki ventures Northern Resource Trucking and Athabasca Catering, CanNorth is on Cameco's list of 13 preferred northern suppliers. "We provide one-stop shopping. Through Kitsaki, we can do the trucking, we can do the catering, and (we can do) the environmental work," Vanriel said.

CanNorth's specialty is biological studies, which is the skill set that uranium companies need to complete the Environmental Impact Assessments (EIAs) and follow-up monitoring studies required by government regulators. Without such investigations, the mines run the risk of being shut down.

Fortunately for Cameco, AREVA and other mine operators, "we have the capabilities to take a mining project from cradle to grave," Vanriel said – that is, from the initial baseline analysis of the site to environmental monitoring during the mine's operating life, potential environmental impacts of a mining operation, and finally through the decommissioning and environmental recovery process.

In terms of working with the mining companies, CanNorth has the advantage of being owned by a northern First Nation, which

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is important to Cameco and AREVA, but Vanriel's "little company" also successfully competes directly against large international environmental consulting companies.

"We have a very good reputation with the mines in terms of producing quality work, we can do things more cost-efficiently than the 'big guys', and we're northern aboriginal-owned, so there's three plusses for us," Vanriel said.

Still, CanNorth's reputation isn't limited only to uranium developers, the North, or even mining companies. Other projects have included whitemud (also known as kaolin), silica sand, gold and graphite mine developments in both Saskatchewan and Manitoba, a gas project in Alberta, the deepening of Regina's formerly algae-infested Wascana Lake ("We actually designed the lake," Vanriel said), the riverbank development in Saskatoon, erosion control projects, and numerous projects with Saskatchewan Highways.

"When they use our services, it typically shows that mining or other ventures can be done in a very environmentally-friendly way, if the environment is properly assessed," Vanriel said. "I'm also proud of the fact that as part of this, we are able to train northern aboriginal people – get them involved in environmental monitoring – and it's basically a win-win situation for the mining companies, the environment and aboriginal people."

Another "win-win" is the fact that CanNorth is able to provide independent research findings to those who sometimes need it the most: the people who actually live in the area affected by an industrial development. For the last seven years, CanNorth has worked with the communities of Wollaston, Fond du Lac, Stony Rapids, Black Lake, Uranium City and Camsell Portage as part of the Athabasca Working Group, which was set up to monitor the impact that neighbouring uranium mines have on human use of the environment.

"They came to us and said, 'Well, we want to know – can we drink the water, can we eat the fish, can we breathe the air, can we eat the berries, can we eat the caribou?'" Vanriel recalled. "A lot of northern people don't trust what the mining companies tell them."

In response, CanNorth set up a monitoring system, in which local people collect samples from the environment and CanNorth does the chemical analysis and

Left: Ron Beatty, a northern field assistant from Weyakwin, searches for whitefish eggs to help CanNorth locate spawning areas.

Right: Biologist Kelly Wells catches samples for a fish community study, using an electrofishing boat.

then reports back to the communities in two ways: detailed scientific reports and community brochures that outline in simple language what the results show. This same approach will be used for some of CanSouth's projects in Panama and Ecuador.

"It's been very good in terms of building bridges of trust between the mining companies, the government and communities in the North," Vanriel said. "They see, 'Okay, we're getting the same results (from our tests) that the mines are telling us and what the government is telling us.'... People can safely continue their traditional lifestyle and eat traditional foods."

Having northern aboriginal people involved in environmental analysis work – whether as field researchers or, indirectly, through Kitsaki's ownership of CanNorth – is something that makes sense on many levels, Vanriel said.

"We're protecting the environment, we're showing that local people can develop resource projects in the North, and our profits ultimately benefit the Lac La Ronge Indian Band, and also on a lot of these projects we hire northern people.... It's a win-win story."



Greetings from the CEO

I would like to take this opportunity to thank our staff, management, and business partners who have contributed to another successful quarter at Kitsaki Management Limited Partnership. It is my pleasure to inform the band membership that KMLP has had a good year for revenues and profitability, and has achieved some of the highest employment numbers in its history.



**Kitsaki CEO
Russell Roberts**

In December, KMLP will celebrate 25 years of successful economic and business development. With the support and guidance of the board of directors, and continued commitment from our staff and business partners, we look forward to even more accomplishments in coming years.

In this issue, we have highlighted just one of our long-term employees, Ida Sanderson, who is essential to the ongoing success of our family of businesses. I sincerely believe that the key to our success is the people who provide their expertise

and consistent professional service to each of our companies. Kitsaki prides itself on recruiting and retaining staff and management who become its foundation.

Many factors will direct the course for Kitsaki over the next several years. There continues to be tremendous growth and opportunity in major sectors such as mining, infrastructure development, tourism, traditional resource harvesting, environmental assessment and monitoring, and oil and gas. Large scale projects – both those currently underway and those anticipated in coming years – have sparked an increase in exploration and increased production to meet the high demand in each sector. These trends, along with continued global interest in uranium, gold, and rare earth elements will provide ongoing opportunities for Kitsaki, our membership and our partners for decades to come.

If there is a downside to a strong economy in which there are more jobs available than ever before, it is the temptation to take employment before your studies are complete. I strongly encourage our membership to finish high school and post-secondary programs. The rewards for this are tremendous, and will provide more opportunities both for you and for the companies with which you will seek employment. I would also like to take this opportunity to congratulate Michelle Ratt on receiving the KMLP Scholarship for 2005-06. I look forward to meeting the 2006-07 recipient.

Russell Roberts, Chief Executive Officer

“The important thing to recognize is that it takes a team, and the team ought to get credit for the wins and the losses. Successes have many fathers, failures have none.” – Philip Caldwell

Who's Who at Kitsaki

Russell Roberts, Chief Executive Officer
Al Solheim, Financial Controller
Mavis Cross, Executive Secretary
Ida Sanderson, Human Resource/Administration
Cheryl Moline, Director of Accounting & Business Support Services
Liz Chenard, Accounting Clerk
Natasha Caisse, Administrative Assistant
Tom J. McKenzie, Land Claims Coordinator
Terrance Johnson, GIS Specialist Forestry
Winston Bell, Security

Our Companies

Athabasca Catering
Canada North Environmental Services
Dakota Dunes
First Nations Insurance Services
Keewatin/Procon
La Ronge Hotel & Suites
La Ronge Wild Rice Corporation
Northern Lights Foods
Northern Resource Trucking
Wapawekka Lumber