

**Memorandum of Understanding between the PDAC and the AFN
signed by the AFN National Chief and the PDAC President
Toronto, March 4, 2008**

MEMORANDUM OF UNDERSTANDING

Between

The Prospectors and Developers Association of Canada, a not-for-profit association formed under the laws of Canada, with headquarters at 34 King Street East, Suite 900, Toronto, Canada M5C 2X8

(hereinafter referred to as “**PDAC**”)

and

THE NATIONAL INDIAN BROTHERHOOD, incorporated under the laws of Canada and serving as the Secretariat of the **Assembly of First Nations** with its head office at the Territory of Akwesasne, R.R. #3, Cornwall Island, Ontario

(hereinafter referred to as “**AFN**”)

PREAMBLE

1. WHEREAS the AFN is a national First Nation organization that represents First Nations and all their citizens in Canada and is represented by a duly elected National Chief;
2. AND WHEREAS the PDAC is a national association that exists to protect and promote the interests of the Canadian mineral exploration sector and to ensure a robust mining industry in Canada, and encourages the highest standards of technical, environmental, safety and social practices in Canada and internationally;
3. AND WHEREAS the PDAC actively promotes greater participation by Aboriginal Peoples in the mineral industry as well as greater understanding and co-operation between First Nations communities and mineral exploration and mining companies;
4. AND WHEREAS the AFN and the National Chief have launched a Corporate Challenge to engage Corporate Canada to establish, enhance and increase their business activities with First Nations in order to realize the advantages of doing business with First Nations. Specifically, corporate Canada is challenged to increase partnerships with First Nations communities and businesses; investigate and increase investment potential; establish and foster procurement practices that benefit First Nations; and develop and enhance human resources development and labour force development activities with First Nations communities and people;
5. AND WHEREAS the First Nations leadership, through the AFN, has approved resolutions to develop new strategies to enhance and support local and regional economic priorities;
6. AND WHEREAS partnerships, investments, education and employment capacity are critical to First Nations economic growth;

7. AND WHEREAS the PDAC and the AFN recognize that access to lands for mineral exploration is critical to sustaining a healthy mining industry in Canada, they will commit to work together to bring greater certainty to land access, permitting and consultation issues affecting mineral exploration in Canada;

8. AND WHEREAS the AFN and the PDAC share a common interest in ensuring private sector understanding of, and support for, the socio-economic development aspirations of First Nations;

9. AND WHEREAS the PDAC and the AFN agree on the importance of developing a sustainable approach to enhance First Nations economic development and infrastructure, particularly in the areas of access to employment opportunities and the development of First Nation-run businesses that participate in the mineral sector, and the need to create opportunities through the joint efforts of the PDAC and the AFN;

10. AND WHEREAS the AFN and the PDAC are committed to advocating and facilitating substantive economic participation by First Nations in Canada's national and global economy whereby the PDAC will facilitate information, awareness and skills development of people of the First Nations to capitalize on opportunities regarding employment and third party partnerships as a means of promoting local economic development.

PRINCIPLE

The Assembly of First Nations affirms that the recognition of strong First Nations governments is important for sustainable economic and social development, and for improving the quality of life amongst First Nations peoples. Evidence from published academic studies on economics and Indigenous Nations in North America consistently point to good governance as a key component of developing strong, healthy and prosperous communities. A critical element of strong First Nations governments is the availability and access to capacity and resources that will enable First Nations to become self sustaining. Partnerships between First Nations and other governments and the private sector will increase such social and economic opportunities for First Nations.

The PDAC recognizes the constitutionally-protected Aboriginal and Treaty rights of First Nations and encourages its members to engage with First Nations communities, respect these rights and minimize the potential for adverse impacts that may result from activities on the land.

The signatories of this Memorandum of Understanding acknowledge and agree that:

1. The PDAC will encourage its members to consider the AFN's Challenge to Corporate Canada to work with interested First Nations to help make a difference in local and regional economic development.

2. The PDAC will participate in meetings of the *National Chief's Corporate Table*.

3. The PDAC and the AFN will prepare a joint two year work plan to encourage, promote and facilitate increased engagement, partnerships, investments, education and employment opportunities for First Nations, First Nations companies and individuals who wish to be involved in the mineral industry. The results of this work will be reported on, at a minimum, once per year to the AFN's and to the PDAC's respective authorities. Reporting will include:

- a. establishment of opportunities for regular dialogue between the mineral sector and First Nation communities with the goal of enhancing mutual understanding and respect;
 - b. collaboration on human resource initiatives that promote greater participation of First Nations people in Canada's exploration and mining industry; and,
 - c. cooperation on public policy issues of mutual interest (for example, social and economic development; the resolution of land claims; government resource revenue sharing agreements; geoscience mapping; environmental policy and land use planning).
4. The AFN will invite the PDAC to make a presentation to its Chiefs Committee on Economic Development once per year and to its Chiefs assemblies at least once per year.
 5. The AFN will involve the PDAC in a technical planning event of the First Nations Economic Blue Print.
 6. This Memorandum of Understanding is not a legally binding agreement and, for greater certainty, does not create legally enforceable obligations for either the AFN or the PDAC, nor are the parties hereto legally committed to concluding any further contract or agreement.
 7. Discussions pursuant to this Memorandum of Understanding are intended to enhance and support economic development processes and opportunities and are without prejudice to, and not intended to replace or supersede any existing initiative between any First Nation and other key stakeholders.
 8. The actions contemplated in this Memorandum of Understanding will begin upon signing.
 9. Either the AFN or the PDAC may terminate this Memorandum of Understanding upon delivery of written notice to this effect.
 10. This Memorandum of Understanding will be in effect for (2) two years from the signing date, and after that two year period will be automatically renewed annually unless a written notice of termination is delivered by either party to the other.

Signed this 4th day of March, 2008 in the City of Toronto, in the province of Ontario.

National Chief Phil Fontaine

President Patricia Dillon

 On behalf of the Assembly
 First Nations

 On behalf of the Prospectors and
 Developers Association of Canada

Alberta Regional Chief
 Willie Littlechild

Mr. Don Bubar
 PDAC Board Member and
 Co-chair of the PDAC Aboriginal
 Affairs committee

Witness _____

Witness _____