



NUVUMIUT DEVELOPMENTS

an Inuit community-based company
serving the mining industry



NUVUMIUT DEVELOPMENTS INC.

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Mandate

As a corporation whose shareholders are the community members of Salluit and Kangiqsujaq, Nuvumiut Development's objectives are both economic and social:

- to enhance Inuit employment opportunities in the mining and mineral exploration sectors
- to achieve a transfer of technologies in the fields of mining and mineral exploration
- to realize an appropriate return on its investments for the benefits of its shareholders



History

In 1995, the *Raglan Agreement* was signed by Societe Miniere Raglan du Quebec (SMRQ), the communities of Salluit and Kangiqsujaq and by Makivik Corporation on behalf of the Inuit of Nunavik. This document outlines the relationship between the mine's owners and the Inuit affected by its development. In addition to financial compensation, two important chapters dealt with priorities of Inuit contract and employment opportunities.

Since the Inuit of Salluit and Kangiqsujaq had at that time no practical experience in the mining service industries, they explored joint venture opportunities. A partnership was struck with Les Entreprises Kiewit of Boisbriand, Quebec to negotiate a long-term contract for open-pit mining at the Katinniq site. This was secured in September, 1996 with actual extraction begun in 1997. Nuvumiut Developments has a 20% partnership interest in this venture. Also included in the contract were major works such as the repair of the ice dam required to build the reservoir for the site infrastructure on the Deception River.

There have been many positive impacts resulting from the Kiewit/Nuvumiut partnership. In particular, the level of Inuit participation in the joint venture's labour force has been very satisfactory, usually exceeding the 20% target set by SMRQ. Most of the positions filled by Inuit have been as Heavy Equipment Operators, assisted by training programs operated by the Kativik School Board and the Kativik Regional Government. Inuit have also been employed as mechanics, general labourers and in administration.

Nuvumiut Developments has expanded its presence at the Raglan site through the establishment of its Labour Services Division in 1999. This entity is wholly-owned by Nuvumiut Developments, and supplies short-term labour to SMRQ on a quick response basis. Projects have include clean-ups, site maintenance and temporary replacement of personnel.



Corporate Structure

Nuvumiut Developments Inc. was incorporated in July, 1996 as an Inuit community-based company to secure economic opportunities at the Raglan Mine operated by Societe Miniere Raglan du Quebec. It is owned by the communities of Salluit and Kangiqsujaq through their respective Landholding Corporations. Voting shares have the following distribution:

Salluit Qaqqalik Landholding Corporation	50%
Nunaturlik Landholding Corporation of Kangiqsujaq	50%

Makivik Corporation holds preferred shares in Nuvumiut Developments.

Its Board of Directors is comprised of one representative from Qaqqalik Landholding Corporation, one representative from Nunaturlik Landholding Corporation, and one director chosen by the two Landholding Corporations and Makivik Corporation.

What are Landholding Corporations?

At the time of the *James Bay and Northern Quebec Agreement*, Inuit negotiators had options concerning the administration of lands north of the 55th parallel in Quebec. Instead of choosing for a band council structure as with other First Nations groups, the Inuit of Northern Quebec opted for municipal governments for each of their communities, and Landholding Corporations to act as a landlord in the administration of the land regime established by the *JBNQA*.

Inuit were given ownership rights on Category I lands surrounding their communities. The Landholding Corporations lease these lands to governmental organizations, private companies and home owners. A second class of lands, called Category II lands, generally represent traditional hunting and fishing areas enjoyed by the Inuit of each community. On these lands, the Landholding Corporations have certain rights and responsibilities concerning the establishment of animal harvest levels and the environment as it pertains to the maintenance of wildlife resources. Non-Inuit groups such as mineral exploration companies and outfitters require permission from the concerned Landholding Corporation to occupy these lands.

Apart from the villages of Ivujivik and Puvirnituq whose residents did not support the *JBNQA*, individual Inuit are affiliated with the Landholding Corporation of their respective communities. Although Landholding Corporations receive technical support from Makivik Corporation, there is no Nunavik-wide umbrella group where decisions concerning land regime are made. All decisions are made at the local level.

Landholding Corporations are also engines of local economic development. Many have successful for-profit subsidiaries in the fields of retail sales, fuel distribution, tourism, hospitality and mining service industries. The proceeds realized from these enterprises have been reinvested in other projects and in community infrastructure.



Overview of Nunavik Organizations

This is a short summary of the mandates of some important Nunavik organizations which have roles within the *Raglan Project* and in mineral exploration in Nunavik.

Makivik Corporation



This organization was formed by virtue of the *James Bay and Northern Quebec Agreement*. Its members are the Inuit of the Nunavik. It acts as trustee of the land claims funds resulting from the *JBNQA*, which it has invested in a diversified portfolio including two airlines - Air Inuit and First Air. Its Board of Directors is formed by representatives from each of Nunavik's communities.

Makivik represented the Inuit of Nunavik in the negotiation of the *Raglan Agreement* with Societe Miniere Raglan du Quebec, coordinates the Raglan Advisory Committee and has helped finance community-based enterprises such as Nuvumiut Developments.

Kativik Regional Government



The Kativik Regional Government acts as the regional municipality for all the lands north of the 55th parallel in Quebec. It is governed by a Regional Council comprised of representatives from each of the 14 municipalities in Nunavik.

Three of its departments have particular roles to play in mineral exploration and mining. Its Research and Economic Development Department provides technical and financial support for Inuit-owned enterprises wishing to provide goods and services to the mining industry. Its Renewable Resources Department has the regional mandate for the environment, and provides occupancy permits to mineral exploration companies. Finally, its Employment and Training Department organizes and funds training programs for such mining-related occupations as Heavy Equipment Operators, Heavy Equipment Mechanics, Underground Drillers and Mining Technicians.

Nunavik Mineral Exploration Fund



Resulting from an agreement between the Government of Quebec and the Kativik Regional Development Council, the Nunavik Mineral Exploration Fund has a mandate to promote mineral exploration within Nunavik.

It has organized training sessions to expose Inuit to mineral exploration, provided personnel to mineral exploration companies such as Noranda, and has carried out mineral exploration on its own.