

MINERAL EXPLORATION AND DEVELOPMENT PROTOCOL AGREEMENT

B E T W E E N:

The Algonquins of Ontario
("AOO")

- and -

The Ministry of Northern Development, Mines and Forestry
("MNDMF")

(Jointly referred to as "The Parties")

Whereas the AOO assert they have unextinguished Aboriginal title and rights to an Algonquin traditional territory that includes the territory depicted on the map attached to both this Protocol and to the Consultation Process Interim Measures Agreement (CPIMA) as Appendix "A", hereinafter referred to as the "Territory";

Whereas the AOO, Ontario, and Canada are currently negotiating a comprehensive land claim towards a treaty within the meaning of section 35 of the *Constitution Act, 1982* with regard to the assertions of the AOO to unextinguished Aboriginal rights and title in the Territory, or such other area that may be identified and agreed by the AOO, Ontario and Canada during the ongoing treaty negotiations;

Whereas the AOO have a broad range of interests with regard to development generally in the Territory, including cultural, environmental and economic interests;

Whereas the AOO place great value on mineral resources, and will continue to create co-operative working relationships, partnerships and agreements with mineral exploration and development proponents, and plan to develop mineral resources in the Territory in a safe, environmentally responsible, and culturally sensitive manner for the benefit of all Ontarians;

Whereas MNDMF has an interest in building relationships, fulfilling obligations to consult with Aboriginal communities, and in enhancing economic opportunities and participation in resource development in the province, including by providing clarity and certainty of process to industry proponents;

Whereas the Parties acknowledge that agreed-upon processes for consultation and accommodation, consistent with principles articulated by the Supreme Court of Canada, will assist in the fulfillment of the Crown's duty to consult, and accommodate where appropriate, and in achieving reconciliation of competing interests in the Territory;

Whereas the AOO, Ontario, and Canada entered into the CPIMA in July 2009, and the Parties hereto now affirm that the provisions set out in the CPIMA inform the portion of this Protocol

addressing consultation processes with respect to asserted rights, which Protocol confirms the commitments of the Parties with respect to consultation and accommodation in the context of mineral exploration and development within the Territory;

Whereas MNDMF is currently engaged in the development and implementation of regulations and policies under the amendments to the Ontario *Mining Act*, by S.O. 2009, c. 21, and Ontario is engaged in the AOO treaty negotiations, both of which may further guide processes to be followed between the Parties;

Now therefore the Parties agree as follows:

1. Objective

The Parties have entered into this Protocol in order to establish clarity and flexibility between them as to their expectations for communication and information sharing in support of achieving meaningful consultation, and accommodation where appropriate, pending resolution of the Algonquin treaty negotiations and pending proclamation and implementation of amendments to Ontario's *Mining Act*;

2. Guiding Principles

The Parties agree that the guiding principles of this Protocol are:

- a) to establish and demonstrate an effective, positive and collaborative working relationship between the Parties through jointly implementing this Protocol, consistent with the consultation process and principles recognized in the CPIMA;
- b) to minimize the impact of mineral exploration and development activities on health and safety, and the environment; and
- c) for MNDMF to assist the AOO in developing the capacity to participate in and benefit from any activities associated with the mineral exploration and development sectors within the Territory.

3. Algonquin Interests

The AOO have an interest in ensuring that there are mechanisms in place, such as this Protocol, which will enable MNDMF to effectively consult with the AOO about their asserted Aboriginal rights and title, consistent with the duties of the Crown to consult and, if appropriate, accommodate the AOO arising from section 35 of the *Constitution Act, 1982*.

The Parties to this Protocol also recognize that with regard to mineral exploration and development within the Territory, the AOO have cultural interests that may engage consultation obligations, including:

- a) the identification and protection of native values;

- b) archaeological, ceremonial sites and traditional uses;
- c) interests in the protection of Mother Earth (including waters); and
- d) interests in the enhancement of future economic development, employment and capacity building opportunities for the AOO within the Territory.

The Parties acknowledge that the relationships built and fostered through implementation of this Protocol may lead to discussions of these other interests as well, beyond the discussions contemplated by this Protocol with regard to consultation and accommodation of asserted Algonquin Aboriginal rights and title.

4. Application and Implementation

- a) Nothing in this Protocol, including the depiction of the Territory in Appendix “A”, is intended to recognize, deny, create, extinguish, abrogate, derogate or define any Aboriginal right that the Algonquins may have in or outside the Territory.
- b) This Protocol is specific to mineral sector activity under the purview of MNDMF and is intended to be consistent with the current CPIMA with regard to consultation about Aboriginal rights, the provisions and definitions of which continue to apply under this Protocol.
- c) Subject to Ontario’s obligations under section 35 of the *Constitution Act, 1982* to consult and, where appropriate, accommodate, the *Mining Act*, R.S.O. 1990, c. M.14, as amended, is the law governing mineral exploration and development in Ontario, under the purview of MNDMF. On the coming into force of the *Mining Act* amendments by S.O. 2009, c. 21 and regulations under those amendments, the Parties agree to discuss the ongoing application of this Protocol, including its necessary amendment or termination, as may be appropriate.
- d) This Protocol will not prejudice any negotiations towards the Algonquin treaty.
- e) This Protocol and its implementation shall be reviewed on a periodic basis, on the happening of any of the events in subparagraph c) above, or at the request of either Party and may be amended as agreed to by the Parties in writing.

5. Geographic Application of Protocol

This Protocol shall apply to the Territory as depicted in the “Algonquins of Ontario Consultation Map” attached hereto and to the CPIMA, as Appendix “A,” and to any other lands the Parties may agree to in writing.

6. Consultation and Accommodation

- a) The Parties acknowledge a need to be flexible and inclusive in relation to the matters addressed in this Protocol.
- b) The Parties acknowledge that consultation falls on a spectrum, with its depth and scope varying depending on the strength of the asserted right, the nature of the activity, and its potential to adversely affect the asserted rights of the AOO.
- c) Attached as Appendix “B” to this Protocol is an illustration of the mining sequence accompanied by a table of the types of mineral exploration and development activities that occur along that sequence and that may be proposed or undertaken in the Territory during the term of this Protocol.
- d) Attached as Appendix “C” to this Protocol is a matrix of the level of consultation and process guide the Parties agree as being appropriate and desired relative to the activities summarized in Appendix “B” and their potential adverse affects.
- e) The Parties acknowledge that project proponents have an important role in the consultation process and will need to be informed about this Protocol and expectations, and that successful implementation of the processes contemplated by this Protocol will ultimately depend on the active participation of project proponents.
- f) The MNDMF undertakes as follows:
 - i) The MNDMF will support the AOO with developing capacity to engage with the mineral industry in an effort to increase AOO participation in, or benefits from, the mineral sector.
 - ii) The MNDMF will engage in consultation with the AOO pertaining to mineral exploration and development, through ongoing education and information sharing with regard to the mining sequence and through the development of Algonquin specific information materials, as identified by the Algonquin Consultation Office and to be shared with project proponents and industry generally.
 - iii) In the interests of ensuring broader industry awareness of the Algonquin treaty negotiations and this Protocol and consultation expectations, MNDMF will insert an appropriate caution flag to the ClaimMaps system within the boundaries of the Territory.
 - iv) When a mining claim has been staked and recorded within the territory, MNDMF will provide written notice to the AOO, through the Algonquin Consultation Office, on a quarterly basis.
 - v) When a mining claim has been staked and recorded within the territory, MNDMF will inform the recorded holder of the mining claim in writing that the mining claim has been staked and recorded within the Territory, and will send the

recorded holder of the mining claim a copy of this Protocol and expectations with regard to consultation with the AOO.

- vi) MNDMF will request that mining claim holders or proponents inform MNDMF of activities they propose to undertake in the territory.
 - vii) Where a mining claim holder or proponent has shared information about proposed activities in the Territory with MNDMF as requested pursuant to paragraph vi) above, and those activities require some level of consultation as agreed to pursuant to the matrix attached as Appendix "C," MNDMF will advise the AOO, through the Algonquin Consultation Office, and forward any project proposals as appropriate.
 - viii) MNDMF will discuss with the AOO, through the Algonquin Consultation Office, the consultation process to be followed, pursuant to the matrix and consultation process guide discussed at Appendix "C," and will facilitate processes with proponents, as may be required or appropriate in the circumstances.
 - ix) Where MNDMF has an approval or permitting role with regard to a proposed mining activity, MNDMF will provide a report back to the AOO, through the Algonquin Consultation Office, how the consultation process has been considered within the MNDMF decision-making process and how the MNDMF proposes to address and accommodate Algonquin asserted rights, where required or appropriate.
 - x) When this Protocol comes into force and effect, MNDMF will notify, in accordance with the above, all pre-existing mining claim and lease holders currently within the Territory.
- g) The AOO undertake to act in a timely manner when reviewing project proposals and in confirming with the MNDMF a preferred consultation process. Where the matrix and processes in Appendix "C" stipulate suggested timeframes, those timeframes, unless otherwise amended by agreement of the Parties, will be adhered to.

7. Annual Meetings

The Parties commit to meeting annually or when requested by either Party to review the implementation of this Protocol and to discuss any issues related to implementation, including revision in accordance with the evolving regulatory framework under the *Mining Act*, and as otherwise necessary.

8. Notices/Contacts

Algonquins of Ontario
Attention: Janet Stavinga, Executive Director
Algonquins of Ontario Consultation Office
31 Riverside Drive, Suite 101
Pembroke, Ontario K8A 8R6
Telephone: (613) 735-3759 Fax: (613) 735-6307
E-mail: algonquins@nrtco.net

MNDMF
Attention: Teri McDonald, Land Claims Specialist & Team Lead
933 Ramsey Lake Road, 6th Fl.
Sudbury, ON P3E 6B5
Telephone: (705) 670-5773 Fax: (705) 670-5818
E-mail: teri.mcdonald@ontario.ca

9. Dispute Resolution

The Parties will make all reasonable efforts to maintain a collaborative approach to information sharing, notification and consultation. If the aforementioned processes in this Protocol and Appendix C are not sufficient to resolve a dispute, the Parties may utilize a number of approaches for resolution, including but not limited to:

- Discussing the matter in dispute;
- Facilitating the involvement and engagement of the Proponent in discussions of the matter;
- Engaging the aid of a mediator to facilitate further discussion of the matter as between the Parties, and the Proponent where willing to participate.

10. Term

This Protocol will come into effect on the date of its signing by both Parties and shall continue in force until the effective date of the AOO treaty or until terminated by either of the Parties on 60 days written notice to the other Party.

11. Execution of Protocol

This Protocol may be executed in any number of counterparts and each of such counterparts shall constitute an original of this Protocol and all such counterparts together shall constitute one and the same Protocol. This Protocol or counterparts hereof may be executed by fax and the Parties adopt any signatures provided or received by fax as original signatures of the applicable Party or Parties.

IN WITNESS WHEREOF the Algonquin Negotiation Representatives on behalf of the Algonquins of Ontario and the Deputy Minister of Northern Development, Mines and Forestry have executed this Protocol on the 14th of September, 2011

Fraunce Hobler
Witness

David O'Toole
David O'Toole, Deputy Minister
Ministry of Northern Development, Mines and Forestry

E. Huntin
Witness

Clifford Bastien Jr.
Clifford Bastien Jr., Mattawa-North Bay, in the capacity as
an Algonquin Negotiation Representative and without
personal liability.

Ron Bernard
Witness

Ron Bernard
Ron Bernard, Pikwākanagān, in the capacity as an Algonquin
Algonquin Negotiation Representative and without personal
liability.

E. Huntin
Witness

Katherine Cannon
Katherine Cannon, Bancroft, in the capacity as an Algonquin
Negotiation Representative and without personal liability.

E. Huntin
Witness

Lynn Clouthier
Lynn Clouthier, Ottawa, in the capacity as an Algonquin
Negotiation Representative and without personal liability.

E. Huntin
Witness

Robert Craftchick
Robert Craftchick, Whitney, in the capacity as an
Algonquin Negotiation Representative and without
personal liability.

E. Huntin
Witness

Doreen Davis
Doreen Davis, Shabot Obaadjiwan, in the capacity as an
Algonquin Negotiation Representative and without personal
liability.

E. Huntin
Witness

Patrick Glassford
Patrick Glassford, Greater Golden Lake, in the capacity as an
Algonquin Negotiation Representative and without personal
liability.

Witness

Davie Joannis
Davie Joannis, Antoine, in the capacity as an Algonquin

IN WITNESS WHEREOF the Algonquin Negotiation Representatives on behalf of the Algonquins of Ontario and the Deputy Minister of Northern Development, Mines and Forestry have executed this Protocol on the 14th of SEPTEMBER, 2011

Witness

David O'Toole, Deputy Minister
Ministry of Northern Development, Mines and Forestry

Witness

Clifford Bastien Jr., Mattawa-North Bay, in the capacity as
an Algonquin Negotiation Representative and without
personal liability.

Witness

Ron Bernard, Pikwàkanagàn, in the capacity as an Algonquin
Algonquin Negotiation Representative and without personal
liability.

Witness

Katherine Cannon, Bancroft, in the capacity as an Algonquin
Negotiation Representative and without personal liability.

Witness

Lynn Cloutier, Ottawa, in the capacity as an Algonquin
Negotiation Representative and without personal liability.

Witness

Robert Craftchick, Whitney, in the capacity as an
Algonquin Negotiation Representative and without
personal liability.

Witness

Doreen Davis, Shabot Obaadjiwan, in the capacity as an
Algonquin Negotiation Representative and without personal
liability.

Witness

Patrick Glassford, Greater Golden Lake, in the capacity as an
Algonquin Negotiation Representative and without personal
liability.

Witness

Davie Joannis, Antoine, in the capacity as an Algonquin

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) Negotiation Representative and without personal liability.

) Dan Kohoko
) Dan Kohoko, Pikwàkanagàn, in the capacity as an Algonquin
) Negotiation Representative and without personal liability.

) Sherry Kohoko
) Sherry Kohoko, Pikwàkanagàn, in the capacity as an
) Algonquin Negotiation Representative and without personal
) liability.

) H. Jerrow Lavalley
) H. Jerrow Lavalley, Pikwàkanagàn, in the capacity as an
) Algonquin Negotiation Representative and without personal
) liability.

) Randy Malcolm
) Randy Malcolm, Snimikobi, in the capacity as an Algonquin
) Negotiation Representative and without personal liability.

) Cliff Meness
) Cliff Meness, Pikwàkanagàn, in the capacity as an Algonquin
) Negotiation Representative and without personal liability.

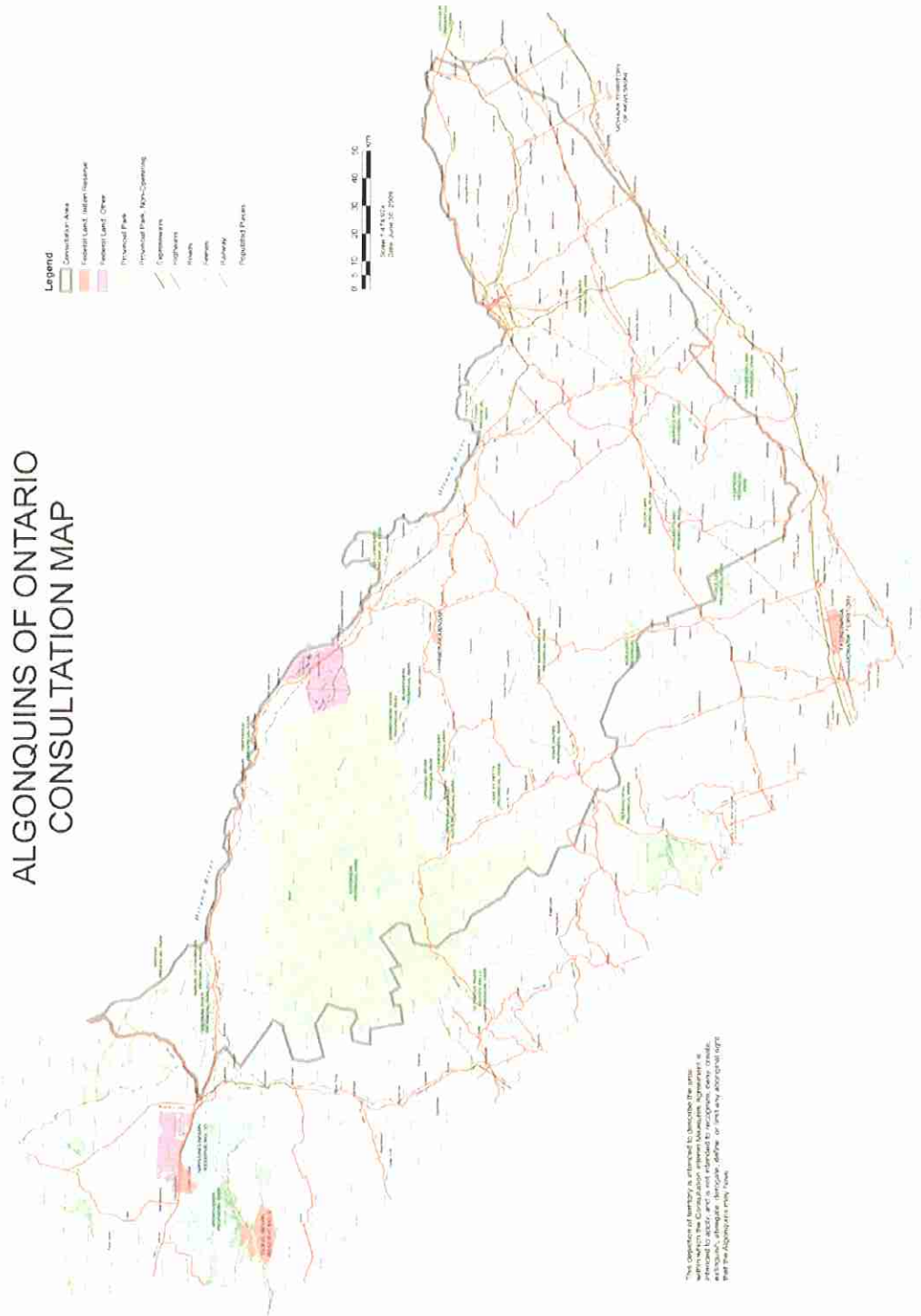
) Jim Meness
) Jim Meness, Pikwàkanagàn, in the capacity as an Algonquin
) Negotiation Representative and without personal liability.

) Kirby Whitehead
) Kirby Whitehead, Pikwàkanagàn, in the capacity as an
) Algonquin Negotiation Representative and without personal
) liability.

) Richard Zohr
) Richard Zohr, Bonnechere, in the capacity as an Algonquin
) Negotiation Representative and without personal liability.

APPENDIX "A"

"Algonquins of Ontario Consultation Map"



APPENDIX “B”

Mining Sequence Examples of Activities

Exploration and Evaluation ¹		Development, Production & Closure
Prospecting and taking grab samples	Geotechnical Support Studies (on site)	Mine Production Closure Plans, including:
Map staking, electronic and ground staking	Definition diamond drilling	new access (roads/trails)
Ground geophysics (electromagnetics resistivity, Geiger counter, magnetics, etc.)	Bulk Sampling when over 1,000 tonnes is needed	drainage
Geochemical surveys	Trenching, stripping, and power washing more than 1.0 hectare	disturbance and site preparation for required buildings and infrastructure
Cutting grid lines by hand	Advanced Exploration Closure Plans, including:	footprint of tailings
Geological Mapping	existing access (roads/trails)	footprint of processing facilities and plants
Diamond drilling for anomalies/chip cutting	disturbance and site preparation for required buildings and infrastructure	openings to surface (hazards)
Bulk Sample Permissions for samples over 10 tonnes but under 1,000 tonnes		Closure Plan amendments (as above)
Trenching, stripping, and power washing less than 1.0 hectare		Rehabilitation monitoring programs and follow-up audits, including:
		geotechnical studies and hydrogeological studies
		site rehabilitation and building removal
		returning lands to the Crown

This table of activities is not exhaustive, but is meant to illustrate the types of activities to be expected in the mining sequence. It is intended to refer to on-the-ground activities under the jurisdiction of MNDMF.

The parties recognize that there are other activities including, but not limited to, design and construction of water, sewer, hydro, roads and drainage, tailing ponds and operation of facilities, and other studies and approvals, such as environmental assessments and archeological studies, that are not under the jurisdiction of MNDMF. These approval and planning processes will often occur simultaneously and have associated consultation which may benefit from coordination.

¹Note, not all activity examples have a component of evaluation

APPENDIX “C”

Consultation Matrix and Process Guide

The following table offers a visual model for how Ontario and the Algonquins of Ontario will address the level of consultation and associated expectations related to the timeframe and type of proposed activity and the level of sensitivity identified by the Algonquins of Ontario.

The Matrix should serve as a general guide to the level of expected impacts and consultation, however the parties acknowledge that specific activities may produce unexpected levels of impact and require less or more consultation than specified here. The parties commit to approaching those in a collaborative manner on a case-by-case basis.

SERIOUSNESS OF POTENTIAL IMPACT AND LEVEL OF CONSULTATION				
NOTIFICATION	LOW	MODERATE	HIGH	IMPACT
			Mine Production Closure Plans including: access (roads/trails), drainage, disturbance and site preparation for required buildings and infrastructure, footprint of tailings, footprint of processing facilities and plants, opening to surface (hazards), Closure Plan amendments (as above) Rehabilitation monitoring programs and follow-up audits, including: geotechnical studies and hydrogeological studies, site rehabilitation and building removal, returning lands to the Crown	HIGH
		Geotechnical Support Studies (on site) Definition diamond drilling Bulk sampling Trenching, stripping and power washing more than 1.0 hectare Closure Plans including: access (roads/trails), disturbance and site preparation for required buildings and infrastructure		MODERATE
	Cutting grid lines by hand Ground geophysics (electromagnetics resistivity, Geiger counter, magnetics, etc.) Geochemical surveys Geological Mapping Drilling for anomalies/chip cutting Trenching, stripping and power washing, less than 1.0 hectare			LOW
Prospecting and taking grab samples Map staking, electronic and ground staking				NOTIFICATION ONLY
NOTIFICATION ONLY	LEVEL 1 CONSULTATION	LEVEL 2 CONSULTATION	LEVEL 3 CONSULTATION	

Consultation Process Guide

The following is intended as guidance for basic expectations for consultation at various stages of the mining sequence, relative to the nature of activities proposed. The process steps discussed are intended to be flexible and responsive to case specific and changing circumstances. MNDMF, the ACO and proponents may discuss alternate processes, as may be appropriate to the circumstances in any given case. Implementation of *Mining Act* amendments and regulations will necessitate the amendment of Appendix C in order to maintain consistency with the law and avoid duplication and confusion.

Informational Notification

Timeframes: activity can proceed concurrent with notification

Notification will include:

- AOO, through the Algonquin Consultation Office, will be provided with relevant information and details, as available, of proposed activity (i.e.; type of activity, duration, location, remediation);
- AOO, through the Algonquin Consultation Office, will be provided with contact information for proponent (if not previously provided);
- MNDMF will confirm proponent has a copy of this Protocol and AOO contact information.
- Contact to discuss project further may be initiated by the AOO or proponent as activities proceed.

Low Level Consultation (Level 1)

Timeframes: 40 calendar days

Consultation Level 1 will include:

- AOO, through the Algonquin Consultation Office, will be provided with relevant information and details, as available, of proposed activity and will be provided contact information for proponent;
- MNDMF will confirm proponent has a copy of this Protocol and AOO contact information;
- AOO, through the Algonquin Consultation Office, will be requested to provide specific comments or concerns related to the proposed activity to the proponent and MNDMF;
- MNDMF, or the proponent, as may be appropriate, will follow-up with the AOO to ensure sufficient information has been provided to enable AOO to provide comments - this may include meetings or other opportunities, as appropriate in the timeframes and relative to this level of activity, to ensure AOO has sufficient information to respond;
- The parties will coordinate in the preparation of a summary of the consultation efforts, including any adjustments the proponent makes to project plans, as appropriate in response to concerns heard.

In addition, Consultation Level 1 *may* include:

- TBD case-by-case

Timeframe: Exchange of information and preparation of a consultation summary are expected to be completed within 40 calendar days. The Parties may agree to an extension of this timeframe and process on a case-by-case basis.

Moderate Level Consultation (Level 2)

Timeframes: 70 calendar days

Consultation (Level 2) will include:

- AOO, through the Algonquin Consultation Office, will be provided with relevant information about the proposed activity/project and will be provided contact information for proponent;
- MNDMF will confirm proponent has a copy of the Protocol and AOO contact information;
- AOO, through the Algonquin Consultation Office, will be requested to provide specific comments or concerns related to the proposed activity/project to the proponent and MNDMF;
- MNDMF, or the proponent, as appropriate in the circumstances, will follow-up with the AOO to ensure AOO has sufficient information and understanding of project to be able to respond - this could include meetings, site visits, or other forum to further explain project;
- MNDMF will consider AOO requests for further technical expertise that may be required to assist the AOO's review and response to the project;
- The parties will coordinate in the preparation of a summary of the consultation efforts and adjustments proposed to the project plan, as appropriate, to address concerns heard.

In addition, Consultation Level 2 *may* include:

- Assistance from MNDMF in facilitating discussions between the proponent and the AOO.
- Ongoing involvement and direction from MNDMF to assist proponents through the process, as necessary.
- Other (TBD case-by-case).

Timeframe: Exchange of information and preparation of a consultation summary are expected to be completed within 70 calendar days. The Parties may agree to an extension of this timeframe and process on a case-by-case basis.

High Level Consultation (Level 3)

Timeframes: 100 calendar days

Consultation (Level 3) will include:

- AOO, through the Algonquin Consultation Office, will be provided with relevant information about the proposed activity/project and will be provided contact information for proponent;
- MNDMF will confirm proponent has a copy of Protocol and AOO contact information;
- AOO, through the Algonquin Consultation Office, will be requested to provide specific comments or concerns related to the proposed activity/project;
- Proponents will be requested to engage directly with AOO, to ensure AOO has sufficient information and understanding of project to be able to respond - this could include meetings, site visits, or other forum to further explain project;
- Consideration will be given to the development of a project specific consultation plan and capacity needs of the AOO;
- Consideration will be given to further technical expertise or other studies (archaeological, traditional use, etc.) that may be required or appropriate to assess the potential adverse affects of the project and possible and appropriate mitigation strategies;

- Proponents will be asked to prepare a summary of consultation efforts and any adjustments they would propose to the project plan, as appropriate, to address concerns heard, including agreements that may have been reached between the AOO and the proponent.

In addition, Consultation Level 3 *may* include:

- Assistance from MNDMF in facilitating meetings between the proponent and the AOO.
- Ongoing involvement and direction from MNDMF to assist proponents through the process, as necessary.
- Where the proponent and the AOO agree, negotiation of project specific agreements that address the interests of those parties.
- Other (TBD case-by-case).

Timeframe: Exchange of information and preparation of a consultation summary are expected to be completed within 100 calendar days. The Parties may agree to an extension of this timeframe and process on a case-by-case basis.

Accommodation measures

As between the AOO and MNDMF, the following are recognized as **examples** of measures that might be adopted, case-by-case, to mitigate or accommodate concerns raised by the AOO about impacts on Aboriginal rights:

- MNDMF imposing terms and conditions on approvals, where issued, to address identified impacts.
- MNDMF and AOO working together to ensure sites of Algonquin cultural significance are withdrawn from staking outright.
- Encouraging proponents to involve AOO in site reviews and monitoring.
- Encouraging proponents to restrict work during periods of year that conflict with AOO interests.
- Encouraging proponents to incorporate principles and best practices of Prospectors and Developers Association of Canada “Environmental Excellence in Exploration”.
- Extending timeframes, where possible and appropriate, for decision making by Ontario and AOO.
- Other measures, as agreed upon by the Parties.