

HOW WILL THE SEPA SUPPORT KASKA BUSINESSES?

The Socio-economic Participation Agreement (SEPA) will support the growth and success of Kaska-owned businesses. The bidding process and design of contracts will provide priority to Kaska contractors bidding on work at Selwyn Project. Any non-Kaska contractors will be required to include Kaska workers and sub-contractors in their bids.

THE SEPA COMMITS SELWYN CHIHONG TO:

- Make commercially reasonable efforts to structure contracts so they fit with the capacity of the Kaska businesses, where possible.
- Put in place renewal options for up to five consecutive years.
- Provide information that may be required by lenders so Kaska businesses can get loans to buy new equipment and build their companies.
- Provide feedback to Kaska businesses to help in future bids.
- Request all contractors include Kaska businesses with whom they intend to sub-contract in their tenders.
- Offer a prequalification process for Kaska businesses, where appropriate.



THE BUSINESS OPPORTUNITIES COMMITTEE

Kaska and Selwyn Chihong will form a Business Opportunities Committee. This committee will oversee the commitments made in the SEPA regarding contracting and procurement opportunities at the Project. This committee will:

- Promote the involvement of Kaska businesses in the Project.
- Provide input into how Selwyn Chihong is contracting for goods and services.
- Track business opportunities coming up on the Project.

THE CONTRACT BIDDING PROCESS PROVIDED BY THE SEPA:

The evaluation of tenders for all Project contracts will include the following criteria specific to Kaska interests:

- Benefits to Kaska in terms of employment, training, capacity and subcontracting.
- Points may be awarded in the bid evaluation process for Kaska interests related to:
 - The extent of Kaska ownership.
 - Commitments to sub-contracting, training and employment of Kaska.
- **Contracts under \$150,000:**
 - Priority will be given to pre-qualified Kaska businesses.
 - If there are no pre-qualified Kaska businesses, the contract may:
 - Be given directly to a company (sole-sourced).
 - Put out for invited tenders.
- **Contracts greater than \$150,000:**
 - There will be advance notice of the contract opportunity to Kaska. Interested, registered Kaska businesses that have provided evidence to Selwyn Chihong of their ability to undertake a specific opportunity can receive a detailed Request for Proposal (RFP).
 - Selwyn Chihong will then review any proposals submitted by Kaska businesses against the bid evaluation criteria for that RFP.
 - Selwyn Chihong may then select one of the Kaska businesses for the Open Book Opportunity.
- **Open Book Opportunity:**
 - Open Book is a process that allows a Kaska business to negotiate a contract with Selwyn Chihong before that opportunity is put to an invitational bidding process.
 - If the open book negotiations are successful, the Kaska Business will receive the contract award
 - If the open book negotiations are not successful, then Selwyn Chihong may have a public tender process. All bids under the open-tender process will be required to include Kaska content.

THE SEPA COMMITMENT TO SUPPORT KASKA BUSINESS

- Selwyn Chihong will establish staff, manage and operate a separate office to be called the Kaska Business Centre (KBC) which will be available to all Kaska citizens.
- The KBC will create and manage the Kaska Business Register which will list businesses eligible for direct award or for open book negotiations.
- The KBC will work with Kaska businesses to help them access contracts on the Project. This will include assisting them to develop good relationships with Selwyn Chihong contract managers, banks and loan funders and other businesses.
- Kaska businesses awarded contracts must meet the terms and conditions of their contract on the same basis as other businesses working with Selwyn Chihong.
- The Kaska Business Register will be developed to keep basic information on all eligible Kaska businesses. Generally, this means Kaska businesses should be:
 - 51% owned by Kaska; or
 - A sole proprietorship owned by a Kaska member; or
 - A partnership where the majority interest is Kaska.



About the SEPA

If accepted by Kaska, the SEPA would be an agreement between the Kaska Nation and Selwyn Chihong Mining Ltd. The objective of the SEPA agreement is to share in the benefits and opportunities created by the Selwyn Project; to obtain Kaska consent to a process that respects Kaska Aboriginal rights and title and ensures Kaska involvement in all aspects of the Project and to create a good relationship between Selwyn Chihong and Kaska for the life of the Project. Ross River and Liard First Nation will hold a ratification vote on the SEPA in their communities. If the communities vote in favour, the SEPA will be accepted and move forward.

For More Information

- Information on the ratification vote can be found at your Band Office or at the Selwyn Chihong Community offices.
- Visit www.selwynchihong.com/sepa to access the SEPA Information Package online.
- Contact your Band Office for the full legal text of the SEPA.
- Like us at [facebook.com/theselwynproject](https://www.facebook.com/theselwynproject) to keep up to date on Project news.
- Send your questions to info@chihongmining.com or contact us through the website at www.selwynchihong.com/contact-us/.
- Call or drop in to our Community Offices in Ross River and Watson Lake.

Ross River Community Office

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