
RESOURCE REVENUE SHARING AGREEMENT-IN-PRINCIPLE

Made with effect as of this 09 day of May, 2007

AMONG:

The Government of the Northwest Territories

and

The Inuvialuit Regional Corporation

and

The Gwich'in Tribal Council

and

The Sahtu Secretariat Incorporated

and

The Northwest Territory Métis Nation

WHEREAS, the parties to this Agreement-in-Principle expect that the Devolution Agreement will provide the NWT with a Net Fiscal Benefit.

AND WHEREAS, the Net Fiscal Benefit should promote political development and the delivery of government programs and services in the NWT.

AND WHEREAS, the parties to this Agreement-in-Principle have agreed to negotiate a Resource Revenue Sharing Agreement, to become effective on the same date as the Devolution Agreement, which will provide for the sharing of the Net Fiscal Benefit.

NOW THEREFORE, the parties to this Agreement-in-Principle agree as follows:

Definitions

1. In this Agreement-in-Principle, including the recitals:

“Canada” means the Government of Canada.

“Devolution Agreement” means the Northwest Territories Lands and Resources Devolution Agreement respecting the transfer of administration and control of public lands and rights in respect of waters to be negotiated among the GNWT, Canada, and the Aboriginal parties to that Agreement.

“GNWT” means the Government of the Northwest Territories.

“Net Fiscal Benefit” means the amount of resource revenue derived by the GNWT through the Devolution Agreement not offset under any Territorial Formula Financing Agreement entered into from time to time between the Government of Canada and the GNWT, so as to provide the NWT with a positive financial benefit from resource development.

“NWT” means the Northwest Territories.

Resource Revenue Sharing Agreement Negotiations

2. The negotiation of the Resource Revenue Sharing Agreement shall be guided by the following principles:

General Principles

- A. NWT residents should be the primary beneficiaries of resource development in the NWT, which may be realized through working cooperatively to maximize the Net Fiscal Benefit.
- B. Resource revenues from public lands are public resources and should be used to promote political development and the delivery of government programs and services in the NWT.
- C. Nothing in the Resource Revenue Sharing Agreement shall abrogate or derogate the Aboriginal or treaty rights of the Aboriginal peoples of the NWT.
- D. Nothing in the Resource Revenue Sharing Agreement shall prejudice the current negotiations processes among the Aboriginal peoples of the NWT, Canada and the GNWT or the commencement of such processes.

Government-to-Government Relationship

- E. The Resource Revenue Sharing Agreement will address the relationship between the sharing of the Net Fiscal Benefit and core-capacity, capacity building and funding of self-government, recognizing that the sharing of the Net Fiscal Benefit represents an investment from the GNWT in capacity building and Aboriginal self-government.
- F. Canada's responsibilities related to the funding of Aboriginal self-government should not be diminished, replaced or duplicated by the sharing of the Net Fiscal Benefit pursuant to the Resources Revenue Sharing Agreement.

Proportion of Net Fiscal Benefit to be Shared

- G. The Resource Revenue Sharing Agreement shall provide:
 - (i) that the Aboriginal parties to the Devolution Agreement shall be entitled to a share of up to 25% of the Net Fiscal Benefit to be used to promote political development and for the delivery of government programs and services in the NWT;
 - (ii) that the share referred to in G.(i) shall be calculated by multiplying 3.57 by the number of Aboriginal parties to the Devolution Agreement;
 - (iii) the manner in which the share referred to in G.(i) shall be allocated, as determined among the Aboriginal parties to the Devolution Agreement, taking into account factors, including the location of resource development and development impacts; and
 - (iv) that in addition to the shares allocated pursuant to G.(iii), each Aboriginal party to the Devolution Agreement shall be eligible for a further share of the Net Fiscal Benefit to assist where needed to deliver province-like programs and services assumed pursuant to a self-government agreement.

The Mechanics of Resource Revenue Sharing

- H. The Resource Revenue Sharing Agreement shall:
 - (i) provide that resource revenues from public lands should be collected centrally, in order to maximize efficiency and promote accountability;

- (ii) require that Net Fiscal Benefit sharing will be established through territorial legislation; and
- (iii) require that the Resource Revenue Sharing Agreement shall be subject to a periodic review.

Addition of Parties

- 3. The Tlicho Government, the Akaitcho Territory Government, or the Deh Cho First Nations may be added as parties to this Agreement-in-Principle or the Resource Revenue Sharing Agreement upon the consent of the GNWT.

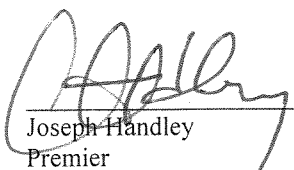
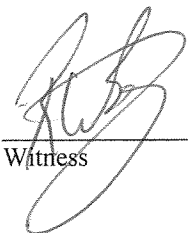
Legal Status

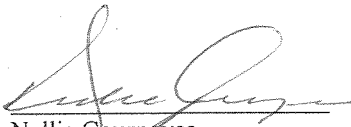
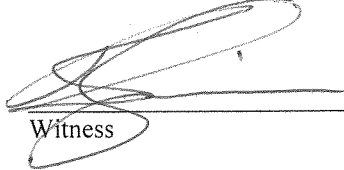
- 4. This Agreement-in-Principle is not legally binding, is without prejudice to the legal positions of any or the parties to this Agreement-in-Principle and is not be interpreted as creating, recognizing or denying and rights or obligations. ¹ to.

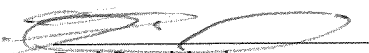

Signing in Counterpart

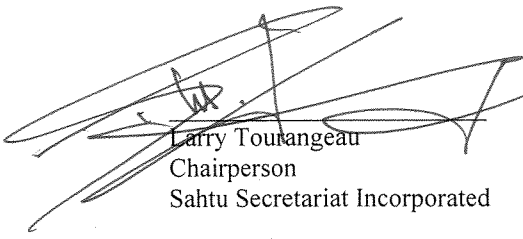
- 5. This Agreement-in-Principle may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together constitute one and the same instrument.

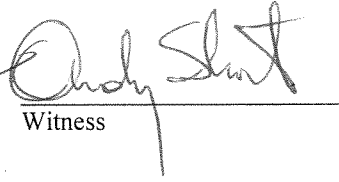
SIGNATURES

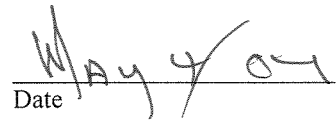
 _____ Joseph Handley Premier Government of the Northwest Territories	 _____ Witness	09/05/07 _____ Date
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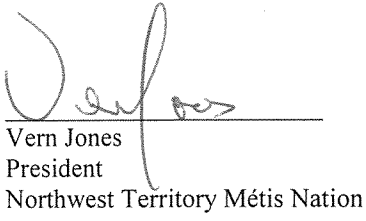
 _____ Nellie Cournoyea Chair and CEO Inuvialuit Regional Corporation	 _____ Witness	06-05-07 _____ Date
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 _____ Fred Carmichael Chair/President Gwich'in Tribal Council	 _____ Witness	07-05-07 _____ Date
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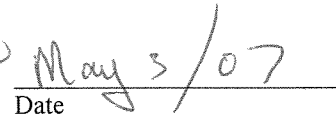

Larry Tourangeau
Chairperson
Sahtu Secretariat Incorporated


Witness


Date


Vern Jones
President
Northwest Territory Métis Nation


Witness


Date