

ORIGINAL



NUNAVUT INUIT RESOURCE REVENUE TRUST

TRUST DEED

OCTOBER 26, 2012

TABLE OF CONTENTS

Article 1 THE NUNAVUT INUIT RESOURCE REVENUE TRUST	4
Article 2 DEFINITIONS AND INTERPRETATIONS	4
Article 3 SETTLEMENT	9
Article 4 TRUST FUND	9
Article 5 STANDARD OF CARE	9
Article 6 TRUST OBJECTS	9
Article 7 CONFORMITY WITH NUNAVUT LAND CLAIMS AGREEMENT	11
Article 8 APPOINTMENT, RESIGNATION AND REMOVAL OF TRUSTEES	11
Article 9 AMENDMENT	13
Article 10 MEETINGS OF TRUSTEES	14
Article 11 INDEMNIFICATION	15
Article 12 FISCAL YEAR	16
Article 13 DISTRIBUTIONS TO BENEFICIARY	16
Article 14 ADMINISTRATION	18
Article 15 TRUSTEE POWERS	19
Article 16 EXECUTION OF DOCUMENTS	20
Article 17 TERMINATION OF TRUST	21
Article 18 MISCELLANEOUS PROVISIONS	21

NUNAVUT INUIT RESOURCE REVENUE TRUST

THIS TRUST DEED is made as of the 25th day of October, 2012.

BETWEEN

NUNAVUT TUNNGAVIK INCORPORATED, a corporation without share capital incorporated pursuant to the *Canada Corporations Act*

("NTI")

AND

Cathy Towtongie, NTI Representative Trustee

Okalik Egeesiak, QIA Representative Trustee

David Ningeongan, KivIA Representative Trustee

Charlie Evalik, KitIA Representative Trustee

Arthur Yuan, Interim Independent Trustee

(the "Initial Trustees")

RECITALS:

- A. Her Majesty in the Right of Canada and the Inuit of Nunavut as represented by NTI (successor to Tungavik Federation of Nunavut) entered into the Nunavut Land Claims Agreement on May 25, 1993, pursuant to which NTI holds certain mineral title to certain Inuit Owned Lands.
- B. NTI, or another Inuit organization that NTI may designate, may receive, from time to time, revenue as a result of the mineral title or from exploration agreements and the rights thereto as established pursuant to the terms and conditions of such agreements. NTI may also receive, from time to time, revenue from oil and gas development on Crown lands in Nunavut.
- C. NTI is desirous of hereby establishing and designating the Trust Fund established herein for the purpose of receiving and sharing the revenues and rights referred to in the above Paragraph B.
- D. The Trustees have agreed to act as Trustees under this Trust Deed and to accept and hold the property forming part of the Trust Fund on and subject to the trusts hereinafter declared.
- E. NTI intends that the interest of the Trust Beneficiaries hereunder shall vest indefeasibly upon the execution and settlement of this Trust Deed.

NOW THEREFORE THIS INDENTURE WITNESSETH THAT in consideration of the premises and of the mutual covenants and agreements herein contained, it is hereby covenanted and agreed by and between the parties hereto as follows:

ARTICLE 1
THE NUNAVUT INUIT RESOURCE REVENUE TRUST

1.1 A trust is hereby created, to be known as the **Nunavut Inuit Resource Revenue Trust**.

ARTICLE 2
DEFINITIONS AND INTERPRETATIONS

2.1 In this Deed of Trust, unless the context indicates otherwise, the expressions recited hereunder shall have the following meaning and shall be construed accordingly and the singular shall include the plural and the masculine gender shall include the feminine gender and neuter.

- (a) **"Affiliate"** means, with respect to a Person (a) each other Person that, directly or indirectly, owns or controls, whether beneficially, or as a trustee, guardian or other fiduciary, a majority of the shares having ordinary voting power for the election of directors of such Person or (b) each other Person that controls, is controlled by or is under common control with such Person. For the purpose of this definition, **"control"** of a Person shall mean the possession, directly or indirectly, of the power to direct or cause the direction of its management or policies, whether through the ownership of voting securities, by contract or otherwise.
- (b) **"Annual Report"** shall mean the yearly report about the affairs and accounts of the Trust required by this Trust Deed to be prepared by the Trustees for delivery to the Beneficiaries and to be made available upon request to the Beneficiaries, including audited financial statements;
- (c) **"Bank"** shall mean a bank in Canada regulated under the Bank Act (Canada) which has not less than ten billion dollars (\$10,000,000,000.00) of deposit liabilities as of the date hereafter of any first deposit of Trust Funds with that Bank;
- (d) **"Capital"** or **"Trust Capital"** shall mean the sum of (i) the Initial Contribution made by the Settlor, (ii) all money and property of every nature and kind donated or conveyed or transferred to the Trustees for the purposes of the Trust by NTI, an RIA, by Her Majesty in Right of Canada, a province or a territory or by any other person, entity or government, and (iii) all amounts that are considered to be or become Trust capital in accordance with the laws or principles of general application in Canada;
- (e) **"Custodian"** shall mean a Canadian company selected by the Trustees to hold the securities of the Trust;
- (f) **"Endowment Fund"** means the separate fund maintained by the Trustees pursuant to section 4.2 of this Trust Deed, the purpose of which is to accumulate capital for the benefit of current and future generations of Enrolled Members upon and subject to the terms and conditions of this Trust Deed;
- (g) **"Enrolled Member"** at any time shall mean any individual registered at that time on the Inuit Enrolment List maintained by NTI pursuant to Article 35 of the NLCA;
- (h) **"Fiscal Year"** of the Trust means the period determined in accordance with Article 12;

- (i) **"Income of the Endowment Fund"** for a Fiscal Year means the income of the Endowment Fund for such Fiscal Year as calculated in accordance with generally accepted accounting principles applicable in Canada in such Fiscal Year;
- (j) **"Income of Operating Fund"** for a Fiscal Year means the income of the Operating Fund for such Fiscal Year as calculated in accordance with generally accepted accounting principles for trusts applicable in Canada for such Fiscal Year;
- (k) **"Income of the Trust"** for a particular Fiscal Year means the sum of the Income of the Operating Fund and the Income of the Endowment Fund for such Fiscal Year;
- (l) **"Initial Contribution"** means Two Million (\$2,000,000.00) Dollars contributed by NTI on the date hereof for the purpose of settling the Trust constituted by this Trust Deed;
- (m) **"Initial Independent Trustees"** shall be those individuals who are nominated by the Resource Revenue Committee and appointed as Trustee within ninety (90) days of the date of this Trust Deed;
- (n) **"Initial Trustee"** or **"Initial Trustees"** shall mean the individuals who are the original signatories to this Trust Deed as Trustees;
- (o) **"Investment Advisory Committee"** shall be comprised of not more than five (5) persons each of whom or, where the contracting party is a corporation or partnership, the principal of such person possesses:
 - (i) three (3) or more years of relevant post-secondary education; and
 - (ii) ten (10) or more years of reputable professional experience in the fields of investment, ancillary investment services and asset management;
- (p) **"Inuit Owned Lands"** shall have the same meaning as that term as defined in Article 1 of the NLCA;
- (q) **"Investment Manager"** shall mean one or more investment managers selected by the Trustees to act as an investment manager for the whole or part of the Trust Fund;
- (r) **"KitIA"** means Kitikmeot Inuit Association, a body corporate incorporated pursuant to the Societies Ordinance of the Northwest Territories and any successor thereto by way of continuation, amalgamation or other means;
- (s) **"KivIA"** means Kivaliq Inuit Association, a body corporate incorporated pursuant to the Societies Ordinance of the Northwest Territories and any successor thereto by way of continuation, amalgamation or other means;
- (t) **"Minimum Sustainability Balance"** in the context of Endowment Fund shall be the amount of not less than One Hundred Million (\$100,000,000.00) Dollars and shall be reviewed for increase by the Trustees every five (5) years and if the Trustees consider it appropriate and advisable, the Trustees shall revise this amount and such revised amount shall, for the purposes of this Trust Deed be the Minimum Sustainability Balance for the five (5) Fiscal Years thereafter. For greater certainty, in no event shall this amount be less than One Hundred Million (\$100,000,000) Dollars;

- (u) **"NLCA" or "Nunavut Land Claims Agreement"** means the land claims agreement negotiated among the Government of Canada and representatives of the Inuit of Nunavut that was adopted pursuant to the *Nunavut Land Claims Act*, in 1993;
- (v) **"NTI Members"** at a particular time means those persons authorized to vote at an annual general meeting or at a special meeting of the members of NTI held at such time pursuant to the By-Laws of NTI;
- (w) **"Operating Fund"** means the separate fund maintained by the Trustees pursuant to section 4.2 of this Trust Deed, the purpose of which is to support the provision of benefits for Enrolled Members pursuant to distributions to Trust Beneficiaries, upon and subject to the terms and conditions of this Trust Deed;
- (x) **"Person"** means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative;
- (y) **"Pro Rata Share"** of an RIA for a particular Fiscal Year is that percentage of an amount equivalent to the percentage of all Enrolled Members on the first day of the such Fiscal Year that is the percentage of Enrolled Members who are associated with the RIA's region on the first day of such Fiscal Year;
- (z) **"QIA"** means Qikiqtani Inuit Association, a body corporate incorporated pursuant to the Societies Ordinance of the Northwest Territories and any successor thereto by way of continuation, amalgamation or other means;
- (aa) **"Qualified Person"** in relation to the candidacy of an Independent Trustee means an individual with demonstrable interest, professional knowledge and experience in relation to a Trustee's duties and obligations and specifically possessing the following attributes:
 - (i) three (3) or more years of relevant post-secondary education;
 - (ii) five (5) or more years of professional experience in the fields of finance, investment management, accounting, business, law, or corporate management;
 - (iii) have attained at least the age of nineteen years as of the date of his or her appointment;
 - (iv) not have been declared to be mentally incompetent by a court of competent jurisdiction in Canada or elsewhere; and
 - (v) not have been convicted of an offence involving fraud, dishonesty, breach of trust, theft or forgery.

On (i) and (ii), while candidates who strictly meet the criteria are preferred, those with a combination of relevant education and experience, established to the satisfaction of the Representative Trustees, will be considered.

- (bb) **"Resource Revenue Committee"** means the committee chaired by the Chief Executive Officer of NTI consisting of members of the Senior Management and Directors of Finance of NTI and the RIA's;

- (cc) **"Resource Revenues"** means all amounts and rights thereto paid or payable to NTI or to an RIA as a result of IOL mineral title or from exploration agreements which amounts and rights are required to be paid to the Trust pursuant to NTI's Resource Revenue Policy;
- (dd) **"Resource Revenue Policy"** means the Resource Revenue Policy approved by the NTI Members in November 2011, as amended from time to time. The original Resource Revenue Policy is attached as Appendix "A" to this Trust Deed;
- (ee) **"RIA"** means any one of KitIA, KivIA, or QIA;
- (ff) **"Taxable Income of the Trust"** for a particular Fiscal Year means the net income of the Trust as calculated for purposes of calculating income tax payable by the Trust pursuant to Part 1 of the *Tax Act*, except that in computing such net income, no amount shall be deducted in respect of or on account of amounts payable to the Trust Beneficiaries in the Fiscal Year;
- (gg) **"Termination Date"** shall mean the earliest to occur of the dates set forth in section 17.2(a) and (b);
- (hh) **"Trust"** shall mean the Nunavut Inuit Resource Revenue Trust established by and governed in accordance with the provisions of this Trust Deed;
- (ii) **"Trust Beneficiary"** shall mean each of NTI, QIA, KivIA and KitIA.
- (jj) **"Trust Committee"** shall mean any committee established by the Trustees to further any aspect of the Trust;
- (kk) **"Trust Company"** shall mean a trust company regulated under the laws of Canada;
- (ll) **"Trust Fund"** shall be comprised of the Operating Fund and the Endowment Fund and shall include the Initial Contribution and all moneys, securities, property and assets under the control of the Trustees and any further or additional property which NTI, an RIA, Her Majesty the Queen in right of Canada, a province or territory or any other person, entity or government may vest or cause to be vested in the Trustees and all capital accretions thereto and any property substituted therefor, including all deposits and investments, and all income from such property to be held upon the trusts and with and subject to the powers and provisions hereof;
- (mm) **"Undistributed Trust Income"** of the Operating Fund or the Endowment Fund for a Fiscal Year means the amount of the Income of the Operating Fund and the Income of the Endowment Fund for such Fiscal Year less the aggregate of all amounts distributed or required to be distributed therefrom to the Trust Beneficiaries during such Fiscal Year otherwise than as or on account of a distribution of Capital and all amounts determined by the Trustees pursuant to section 13.3(b) for such Fiscal Year as a reserve to cover further operating costs, material valuation declines and reasonable contingencies.
- (nn) **"Wealth Manager"** means a Person trained and qualified to provide advice with respect to asset allocation, the management and investment of property and the monitoring of Investment Managers for the purpose of achieving stated investment objectives.

2.2 Interpretation

In this Trust Deed, unless otherwise expressly provided herein or unless the context otherwise requires, words importing the singular number include the plural, and vice-versa and words importing a gender shall include the feminine, masculine and neuter genders. Where the word "including" or "includes" is used in this Trust Deed it means "including without limitation" or "includes without limitation", respectively.

2.3 Appendix "A"

The Resource Revenue Policy is attached as Appendix "A" to this Trust Deed for reference only. The terms and conditions of the Resource Revenue Policy may be referred to by the Trustees from time to time to assist them in exercising their discretion and their duties hereunder. In the event of a conflict between the provisions of the Resource Revenue Policy, as amended from time to time, and the terms of this Trust Deed, then the terms of this Trust Deed shall be determinative. Notwithstanding the foregoing, the Trustees shall review any revisions to the Resource Revenue Policy for the purpose of considering and recommending any consequential revisions to this Trust Deed in accordance with Article 9.

2.4 Headings for Reference Only

The division of this Trust Deed into Articles and sections, the provision of a Table of Contents and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Trust Deed.

2.5 Day Not a Business Day

Except as otherwise set out herein, in the event that any day on which any amount is to be determined or any other determination is to be made or any action is required to be taken hereunder is not a Business Day, then such amount shall be determined, or such other determination shall be made, or such action shall be required to be taken, at or before the requisite time on the next succeeding day that is a Business Day.

2.6 Currency

All references in this Trust Deed to dollars, unless otherwise specifically indicated, are expressed in Canadian currency.

2.7 Accounting Principles

All accounting terms not specifically defined in this Trust Deed will be interpreted in accordance with Canadian generally accepted accounting principles from time to time, applied on a consistent basis ("GAAP"). Where the character or amount of any asset or liability or item of revenue or expense or amount of equity is required to be determined, or any consolidation or other determination or calculation is required, it will, to the extent applicable and except as otherwise specified herein, or as otherwise required, be determined by or the Trustees in accordance with GAAP.

2.8 Governing Law

This Trust Deed shall be construed in accordance with the laws of the Territory of Nunavut and the laws of Canada applicable therein. The parties hereto hereby irrevocably submit and attorn to the jurisdiction of the courts of the Territory of Nunavut.

ARTICLE 3 SETTLEMENT

3.1 NTI establishes with the Trustees the Trust Fund for the use and exclusive benefit of the Trust Beneficiaries. The Trustees acknowledge receipt of the Initial Contribution. The Trustees hereby agree to hold, invest, administer and distribute the Trust Fund subject to the terms and conditions of the Trust Deed.

ARTICLE 4 TRUST FUND

4.1 The Trustees may accept as Capital contributions to the Trust Fund, Resource Revenue, money, securities, property and other assets from time to time from NTI, an RIA, the Government of Canada, a province or territory of Canada or any other person, entity or government. Once accepted by the Trustees, such funds shall become part of the Capital of the Trust Fund.

4.2 Within the Trust Fund, the Trustees shall establish the Operating Fund and the Endowment Fund. The Trustees shall manage, administer, invest and account for the Operating Fund and the Endowment Fund separate from each other, as if each was a separate trust fund. Expenses exclusively related to the investment of the Endowment Fund shall be charged against and paid from the assets of the Endowment Fund. Otherwise, the operating costs of the Trust shall be paid from the Operating Fund. Notwithstanding the foregoing, the accounts of the Operating fund and Endowment Fund shall be reported on a respective and combined basis for the purpose of preparing the financial statements of the Trust for each Fiscal Year and for such other purposes (such as the preparation and filing of income tax and information returns pursuant to the Income Tax Act (Canada) and any other taxation legislation) as may be required pursuant to applicable laws from time to time.

4.3 All Capital contributions and Resource Revenue received by the Trustees in a Fiscal Year shall be divided into two equal parts. One part shall be allocated by the Trustees to the Operating Fund and one part shall be allocated to the Endowment Fund, respectively, in such manner as the Trustees may determine from time to time.

ARTICLE 5 STANDARD OF CARE

5.1 In exercising their powers and performing their duties hereunder, the Trustees shall act honestly and in good faith with the degree of care, diligence and skill a person of ordinary prudence would exercise in dealing with similar property of another person and shall employ all relevant knowledge and skill which the Trustees possess or ought to possess by reason of their respective profession or business (the "Standard of Care"). For greater certainty, any exclusion, limitation or relief or protection from liability, duty or responsibility described elsewhere in this Trust Deed shall not absolve the Trustees of their responsibility to adhere to the Standard of Care set out in this Article 5.

ARTICLE 6 TRUST OBJECTS

6.1 The objects of the Trust are that the Trustees manage and invest the Trust Fund on behalf of the Trust Beneficiaries and make distributions from the Trust Fund to the Trust Beneficiaries from time to time. The Trustees shall have the following responsibilities with respect to the Trust Fund:

- (a) They are to manage and invest as a prudent person would; and
- (b) They are to invest to attempt to generate sufficient income annually to assist the Trust Beneficiaries to meet their responsibilities to their respective present and future Enrolled Members.

6.2 In managing and investing as a prudent person would:

- (a) The Trustees may invest the Trust Funds in any kind of property if the investment is made in accordance with this Trust Deed.
- (b) The Trustees must invest the Trust Funds with a view to obtaining a reasonable return while avoiding undue risk, having regard to the circumstances of the Trust and the objectives of the Operating Fund and the Endowment Fund, respectively.
- (c) The Trustees must review the Trust investments at reasonable intervals for the purpose of determining that the investments continue to be appropriate to the circumstances of the Trust.
- (d) The Trustees who have invested trust funds in property may exercise for the benefit of the Trust any right or power that a person who was both the legal and beneficial owner of the Trust's interest in the property could exercise.
- (e) Without restricting the matters that the Trustees may consider, in planning the investment of the Trust Funds the Trustees must consider the following matters, insofar as they are relevant to the circumstances of the Trust:
 - (a) the purposes and probable duration of the Trust, the Operating Fund and the Endowment Fund, the total value of the Trust Fund and the needs and circumstances of the Trust Beneficiaries;
 - (b) the duty to act impartially towards the Trust Beneficiaries and between different members of the Trust Beneficiaries;
 - (c) the special relationship or value of an asset to the purpose of the Trust or to the Trust Beneficiaries;
 - (d) the need to maintain the real value of the Capital of the Endowment Fund and the liquidity of the Operating Fund;
 - (e) the need to maintain a balance that is appropriate to the circumstances of the Trust between
 - (A) risk,
 - (B) expected total return from income and the appreciation of Capital,
 - (C) liquidity, and
 - (D) regularity of income;

- (f) the importance of diversifying the investments to an extent that is appropriate to the circumstances of the Trust;
- (g) the role of different investments or courses of action in the Trust portfolio;
- (h) the costs, such as commissions and fees, of investment decisions or strategies;
- (i) the expected tax consequences of investment decisions or strategies.

ARTICLE 7 CONFORMITY WITH NUNAVUT LAND CLAIMS AGREEMENT

7.1 The settlement of the Trust and the carrying out of the measures contemplated herein derive from rights and authorities recognized pursuant to the NLCA and pursuant to the responsibilities of NTI and the RIA's to their respective present and future Enrolled Members.

7.2 The settlement of the Trust shall not impair, reduce or negatively affect the rights of NTI and the RIA's or their respective Enrolled Members or the obligations of Canada under the NLCA.

7.3 The present Trust and the actions contemplated herein shall not be interpreted as and do not signify or operate as any waiver or surrender of any right or entitlement of NTI, the RIA's or Enrolled Members to any support, service or funding from Her Majesty in right of Canada under any legislation, regulation, common law or policy of any government or any government agency in Canada.

7.4 This Trust Deed shall not be interpreted to signify or operate as any assumption by NTI and the RIA's, or by the Trustees, of any obligation of the Government of Canada or any other public body to provide such support, service and funding under the NLCA, common law, legislation, regulation or policy.

ARTICLE 8 APPOINTMENT, RESIGNATION AND REMOVAL OF TRUSTEES

8.1 There shall be seven (7) Trustees of the Trust Fund who shall administer, manage, invest and distribute the Trust Fund upon the terms and conditions of this Trust Deed on behalf of the Trust Beneficiaries. The Trustees shall consist of four (4) Representative Trustees and three (3) Independent Trustees from time to time.

8.2 The individuals who are signatories to this Trust Deed are the Initial Trustees. The Interim Independent Trustee shall remain an Independent Trustee of the Trust for no more than 90 days following the date of this Trust Deed, or until at least one Initial Independent Trustee has been selected, whichever event occurs sooner. On or before the 90th day following the date of this Trust Deed, the Resource Revenue Committee shall nominate individuals to be the Initial Independent Trustees. On or before the 90th day following the date of this Trust Deed, the Representative Trustees shall make a final determination of the individuals who will be selected and solicit the acceptance of three individuals from those nominated by the Resource Revenue Committee to serve as an Initial Independent Trustee.

8.3 Each individual holding the office of President of a Trust Beneficiary shall be a Representative Trustee. Each Representative Trustee shall serve as a Representative Trustee during

the term of their office as President of a Trust Beneficiary. If for any reason a Representative Trustee resigns as or otherwise ceases to be a Trustee prior to the termination of their terms as President of a Trust Beneficiary, then the affected Trust Beneficiary shall be authorized to fill the vacancy among the Trustees. A replacement for a Representative Trustee shall serve as a Trustee until the next election of a President of the affected Trust Beneficiary at which time the replacement Trustee shall resign and be replaced by the President of the Trust Beneficiary.

8.4 The Initial Independent Trustees shall be appointed and serve for staggered terms of two (2), three (3) and four (4) years, respectively. Upon the expiry of their respective terms, each Initial Independent trustee shall resign and the position of resigning Independent Trustee shall be filled as determined below.

8.5 Subject to sections 8.4 and 8.8, each Independent Trustee shall serve for a term of four (4) years and shall be eligible for reappointment for one additional term. No Independent Trustees shall serve for more than two (2) full terms.

8.6 Except for the selection of the Initial Independent Trustees, the Independent Trustees shall be appointed in the following manner:

- (a) An Independent Trustee shall be nominated by the Resource Revenue Committee. At least ninety (90) days prior to the expiry of the term of an Independent Trustee, the Resource Revenue Committee shall compile a list of Qualified Persons whom they recommend for appointment to serve as an Independent Trustee for the next four (4) years;
- (b) such list may include the name of the Independent Trustee whose term is to expire;
- (c) at least thirty (30) days prior to the expiry of the term of an Independent Trustee, the Representative Trustees shall make a final determination and appoint the replacement Independent Trustee for the following four (4) years from among the persons recommended by them in (a) above; and
- (d) on the termination of the term of an Independent Trustee, the replacement Independent Trustee shall become an Independent Trustee.
- (e) if no replacement Independent Trustee is appointed in accordance with subsections 8.5(a) - (d), a replacement Independent Trustee shall be appointed by the other Trustees for a term of four (4) years in conformity with section 8.8 to take office at the expiry of the term of an Independent Trustee.

8.7 Save and except for the interim Initial Trustee named in section 8.2, the following persons shall not be eligible to serve as an Independent Trustee:

- (a) Persons sitting on the Board of Directors of or employees of a Trust Beneficiary or an Affiliate of a Trust Beneficiary; and
- (b) Elected representatives of the Legislative Assembly of Nunavut Territory or members of the Parliament or the Senate of Canada.

8.8 Any Trustee may resign from the office of Trustee on giving not less than thirty (30) days' written notice addressed to the other Trustees.

8.9 When a vacancy occurs in the office of Independent Trustee, the Representative Trustees shall convene a meeting within ninety (90) days and appoint, for the remainder of the term, a replacement Independent Trustee who shall immediately begin serving in accordance with the provisions of this Trust Deed. The appointment of this replacement Trustee shall be made from a list of Qualified Persons whom the Resource Revenue Committee recommends for appointment.

8.10 The office of a Trustee shall be considered vacated if:

- (a) he or she is declared bankrupt or insolvent;
- (b) he or she is charged with an offence involving fraud, dishonesty, breach of trust, theft or forgery, or is charged with any offence involving the Trust Fund or the exercise of his or her responsibilities as a Trustee;
- (c) he or she is convicted of an indictable offence;
- (d) he or she is declared by a court of competent jurisdiction to be mentally incompetent or incapable of managing his or her own affairs;
- (e) he or she fails, without reasonable excuse and notice, to attend two consecutive meetings of the Trustees of which prior notice was given;
- (f) he or she is elected as a member of Nunavut Legislative Assembly; or
- (g) he or she is elected as Mayor of any City, Town or Hamlet.

8.11 Any Trustee may be dismissed from the office if he or she fails to fulfill his or her duties under and in accordance with this Trust Deed upon a vote of the other six (6) Trustees.

8.12 If at any time there are no Trustees remaining in office, the NTI Members may appoint a Trustee or Trustees of the Trust Fund.

8.13 Notice of all changes in the trusteeship hereunder shall be endorsed on or attached to this Trust Deed and shall be signed by the replacement Trustee or Trustees and every such notice shall be sufficient evidence to any person having dealings with the Trustees for the time being of the facts to which such notice relates.

ARTICLE 9 AMENDMENT

9.1 **No Amendments.** This Trust Deed shall not be amended or varied except as expressly provided herein. For greater certainty, there shall be no amendments to this Trust Deed respecting:

- (a) section 3.1 (Declaration of Trust);
- (b) Article 5 (Standard of Care); and
- (c) Article 7 (Conformity with Nunavut Land Claims Agreement).

9.2 **Professional Advice.** Prior to any vote on a proposed amendment of this Trust Deed, the Trustees shall have requested and received a written legal opinion explaining the legal implications

of the proposed amendment, and a written opinion from the Investment Advisory Committee explaining the financial implications of the proposed amendment. The opinions shall be made available for review by NTI and the RIA's.

9.3 Amendments. Subject to section 9.2, the Trustees may amend this Trust Deed by Unanimous Resolution of the Trustees following approval of such revisions by NTI Board of Directors and a vote of at least two-thirds of the NTI Members.

ARTICLE 10 MEETINGS OF TRUSTEES

10.1 The Trustees shall appoint from among their number a Chairperson and Vice-Chairperson and may appoint a Secretary and a Treasurer who need not be Trustees. The appointment of a Chairperson, Vice-Chairperson, Secretary or Treasurer shall be for a period of one year provided that if the Trustees do not appoint replacements at the end of one year, they shall retain office until the Trustees make new appointments. A person holding office pursuant to this provision may be reappointed by the Trustees.

10.2 The Trustees may hold their meetings at such place or places in Canada as they may from time to time determine. Whenever practical, preference shall be given to locating meetings in Nunavut. A Trustee may participate in a meeting by means of telephone or other communication facilities that permit all participants to communicate with each other, and a Trustee participating in such a meeting by such means is deemed to be present at the meeting.

10.3 No formal notice of meeting shall be necessary if all Trustees are present, or if those who are absent have signified to the Chairperson, either before or after the date of the meeting, their consent to the meeting being held in their absence.

10.4 A Trustees' meeting may be formally called by the Chairperson or Vice-Chairperson.

10.5 Notice of such meetings shall be delivered, telephoned, telexed, telegraphed, telecopied or emailed to each Trustee not less than seven (7) days prior to the date fixed for the meeting or shall be mailed to each Trustee not less than ten (10) days before the meeting is to take place.

10.6 The statutory declaration of the Chairperson or Vice-Chairperson that notice has been given pursuant to this Deed shall be sufficient and conclusive evidence of the giving of such notice.

10.7 The Trustees may appoint a day or days in any month or months for regular meetings at an hour to be named and for such regular meetings no notice need be sent.

10.8 The Trustees may consider or transact any business at any meeting of the Trustees.

10.9 No error or omission in giving notice for a meeting of Trustees shall invalidate such a meeting or make void any proceedings taken or had at such meeting and any Trustee may at any time waive notice of any such meeting and may ratify and approve of any or all proceeding taken or had thereat.

10.10 The Chairperson or in his absence, the Vice-Chairperson or such other Trustee as the Trustees may from time to time appoint for the purpose, shall preside at all meetings of the Trustees.

10.11 Five (5) Trustees holding office at any time shall constitute a quorum. Each Trustee has one vote on the consideration of any motion. Five (5) Trustees present and voting on any motion shall be required to pass the motion. In the event that fewer than five (5) votes are cast on consideration of a motion as a result of abstentions or conflicts of interest, the Chairperson of the meeting shall be entitled to a second or casting vote.

10.12 Three or more Trustees may require at any time that the Chairperson call a meeting of the Trustees. Upon receiving such a request, the Chairperson shall call a meeting within fourteen days. In the event that the Chairperson does not call a meeting within the required time, any Trustee is authorized to call a meeting and provided that the notice required under section 10.5 is given, such a meeting shall be a valid meeting of the Trustees, provided a quorum is in attendance.

10.13 A resolution in writing signed by all of the Trustees is as valid as if it had been passed at a meeting of the Trustees. Copies of all such resolutions shall be kept with the minutes of the proceedings of the Trustees.

ARTICLE 11 INDEMNIFICATION

11.1 The Trustees, in exercising the powers and authority conferred upon them hereunder, must act honestly and in good faith with a view to the best interests of the Trust and must exercise that degree of care, diligence and skill that a person of ordinary prudence would in managing their own affairs.

11.2 Except in cases where a Trustee fails to exercise the Standard of Care, a Trustee will not be personally responsible or liable for:

- (a) any loss or damage to the Trust Fund arising by reason of any improper investment or in consequence of the failure, depreciation or loss of any investment or to any part thereof;
- (b) any action or refusal to act based on the advice of any expert or advisor or professional person, including, without limitation, legal, accounting and investment advisors, where it is reasonable to conclude that such advice is within the expertise of such expert or advisor or professional person to give;
- (c) any debts, liabilities, obligations, claims, demands, judgements, costs, charges or expenses against, with respect to or incurred on behalf of the Trust, and no property or assets of the Trustee will be subject to any levy, execution or other enforcement procedure with regard to any obligations under this Trust, and the Trust will be solely liable for any debts, liabilities or obligations and resort will be had solely to the Trust Fund for payment or performance thereof;
- (d) the acts or defaults of any other Trustee; or
- (e) any other action taken by the Trustee in carrying out his duties under the Trust.

11.3 Subject to section 11.3(b):

- (a) In addition to and without limiting any other protection hereunder or otherwise by law of each person who is, or shall have been, a Trustee, the Trustees shall from time to time and at all times, be indemnified and saved harmless out of the funds of the Trust, from and

against any and all liabilities, losses, claims, damages, penalties, fines, actions, suits and demands including, without limitation, actions, suits and demands that arise out of or as a result of proceedings by or on behalf of the Trust Beneficiaries, levies, assessments, costs, charges, expenses and disbursements, including, without limitation, legal fees and disbursements of legal counsel and including amounts paid to settle an action or satisfy a judgement (collectively, "Damages"), which may at any time be suffered by, imposed upon, incurred by or asserted against any of the Trustees in respect of any civil, criminal or administrative action or proceeding to which the Trustee is made a party by reason of being or having been a Trustee, or in respect of any and all taxes, penalties or interest in respect of unpaid taxes or other governmental charges imposed upon the Trustee in consequence of his performance of his duties hereunder.

- (b) A Trustee shall not be indemnified under section 11.3(a) in respect of Damages or unpaid taxes or other governmental charges that arise out of or as a result or in the course of his or her failure to act honestly and in good faith with a view to the best interests of the Trust or out of or as a result of or in the course of his failure to exercise that degree of care, diligence and skill that a person of ordinary prudence would in managing his own affairs, or, in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, where the Trustee did not have reasonable grounds for believing that his conduct was lawful.

11.4 Any instrument executed in the name of the Trust or on behalf of the Trust by any of the Trustees designated by the Trustees for that purpose will constitute and will be deemed to constitute a valid obligation of the Trust enforceable in accordance with its terms. In respect to the expenses for the administration of the Trust contemplated in section 14.5 herein, the Trustees may pay or cause to be paid out of the Trust Fund, reasonable fees, costs and expenses incurred in connection with the administration and management of the Trust, including, without limitation, fees of auditors, accountants, lawyers, appraisers, and other agents, consultants and professional advisors employed by or on behalf of the Trust. All costs, charges and expenses properly incurred by the Trustees on behalf of the Trust will be payable out of the Trust Fund.

11.5 Unless otherwise required by law, the Trustees will not be required to give surety bond or security in any jurisdiction for the performance of any duties or obligations hereunder.

11.6 The Trustees will not be required to devote their entire time to the administration of the Trust.

ARTICLE 12 FISCAL YEAR

12.1 The Fiscal Year of the Trust shall be from January 1 to December 31 in any calendar year or the portion thereof between the date of settlement of the Trust and the end of such calendar year, as applicable, provided however that the Trustees may from time to time change the Fiscal Year if such change is permitted by law.

ARTICLE 13 DISTRIBUTIONS TO BENEFICIARY

13.1 Notwithstanding any other provision of this Trust Deed, the amount payable to the Trust Beneficiaries in respect of a Fiscal Year on or before the last day of a Fiscal Year shall not be less than the Taxable Income of the Trust for the Fiscal Year.

- 13.2** In respect of each Fiscal Year, the Trustees shall distribute to the Trust Beneficiaries:
- (a) subject to subsection (c), the Income of the Operating Fund for the Fiscal Year in the following proportions:
 - (a) to QIA, ten (10%) percent of the Income of the Operating Fund for the Fiscal Year;
 - (b) to KivIA, ten (10%) percent of the Income of the Operating Fund for the Fiscal Year;
 - (c) to KitIA, ten (10%) percent of the Income of the Operating Fund for the Fiscal Year;
 - (d) to NTL, thirty (30%) percent of the Income of the Operating Fund for the Fiscal Year; and
 - (e) to the RIA's, forty (40%) percent of the Income of the Operating Fund for the Fiscal Year, allocable among the RIA's according to their respective Pro Rata Share for the Fiscal Year;
 - (b) the Income of the Endowment Fund, after deducting those expenses exclusively related to the investment of the Endowment Fund, to the same Trust Beneficiaries in the same proportions as in section 13.2(a)(i) – (v) above if, on the first day of the Fiscal Year the balance of the Endowment Fund exceeds the Minimum Sustainable Balance for the Fiscal Year, but only to the extent that the balance remaining in the Endowment Fund at the end of the Fiscal year is one hundred and ten (110%) percent of the Minimum Sustainable Balance for such Fiscal Year.
 - (c) in computing the Income of the Operating Fund for a Fiscal Year that is available for distribution to the Trust Beneficiaries, the Trustees shall deduct from the Income of the Operating Fund a reasonable amount, as determined by the Trustees, as a reserve to cover future operating costs, material valuation declines and reasonable contingencies in respect of the Capital of the Operating Fund.

13.3 In each Fiscal Year, after consulting with the RIA's and NTL, the Trustees may distribute to the Trust Beneficiaries, in the same proportions as in section 13.2(a)(i) – (v) above, such amount of the Capital of the Operating Fund as remains after deducting:

- (a) the operating costs of the Trust for such Fiscal Year if the Income of the Operating Fund for such Fiscal Year is insufficient to cover such costs;
- (b) the operating costs of the Trust for the following Fiscal Year if the Income of the Operating Fund for the following Fiscal Year is reasonably expected to be insufficient to cover such costs; and
- (c) a reasonable amount, as determined by the Trustees, as a reserve to cover future operating costs, material valuation declines and reasonable contingencies in respect of such Capital.

13.4 The Trustees shall make all of the distributions referred to in section 13.2 once per calendar year on or before April 30 of the calendar year following the end of the subject Fiscal Year.

13.5 Notwithstanding sections 13.2 and 13.3, no distributions shall be made by the Trustees until following the appointment of the Initial Independent Trustees pursuant to section 8.2.

13.6 In exceptional circumstances and upon unanimous consent, the Trustees may lend money during a Fiscal Year from the Operating Fund to a Trust Beneficiary where the Trustees consider it appropriate in such circumstances. For greater certainty, the Trustees are authorized to turn down a request for loan from a Trust Beneficiary. The Trustees shall set the terms and conditions of such loans on no more favourable terms and conditions (having regard to factors such as interest payable, security and term) than a Bank would lend such amount to the Trust Beneficiary at the time of the advance of the loan. All loans so made shall be due no later than the date of distributions to such Trust Beneficiary for such Fiscal Year pursuant to section 13.2(a). Under no circumstances shall the sum of all outstanding loans advanced to a Trust Beneficiary at any time in a Fiscal Year exceed the Trust Beneficiary's estimated share of distributions from the Operating Fund for such Fiscal Year, calculated on the basis of amounts received by the Trust in such Fiscal Year on or prior to the date of the advance of the loan. The Trustees shall have the right to collect any amounts borrowed from the Operating Fund by a Trust Beneficiary by way of set off against amounts otherwise required to be distributed to such Trust Beneficiary pursuant to section 13.2.

13.7 For greater certainty:

- (a) the amounts of the Undistributed Income of the Operating Fund or the Endowment Fund for a Fiscal Year shall be added to the Capital of the Operating Fund or the Endowment Fund, as applicable, on the first day of the immediately following Fiscal Year; and
- (b) any amount declared or otherwise payable by the Trustees to a Trust Beneficiary in respect of a Fiscal Year pursuant to section 13.1 above, but not paid (whether evidenced by a promissory note or other means) shall be contributed by the Trust Beneficiary to the Capital of the Trust by set off of such amounts payable to the Trust Beneficiary, effective from the first day of the immediately following Fiscal Year.

ARTICLE 14 ADMINISTRATION

14.1 The Trustees shall appoint a qualified auditor for the Trust and shall ensure that at all times a qualified auditor for the Trust is in office. The Trustees may change auditors as may be necessary.

14.2 The Trustees may retain staff to carry out any of the administrative duties and responsibilities of the Trustees.

14.3 The Trustees may retain by contract or otherwise, any person or persons who they in their absolute discretion feel can best advise them on matters relating to the administration of the Trust or the Trust Fund including, but not limited to, legal and accounting services, Wealth Managers and Investment Managers.

14.4 The Trustees shall, as a high priority, develop a Statement of Investment Policies and Procedures ("SIPP") in consultation with the Investment Advisory Committee or a Wealth Manager and shall consult at regular intervals with the Investment Advisory Committee or a Wealth Manager to aid them in reviewing the SIPP and investing the Trust Fund generally. For greater certainty, the Trustees shall, at least once a year, review the SIPP to determine whether it remains appropriate and if it is not, to make such changes as may be necessary. The Trustees shall continuously monitor and review the investment returns of the Trust Fund and shall retain a Wealth Manager no later than such time as the Endowment Fund exceeds Twenty Five Million (\$25,000,000) Dollars to report to the Trustees and the Investment Advisory Committee on the performance of the Investment Managers.

14.5 The Trustees may incur expenses for the administration of the Trust as they in their absolute discretion consider necessary to carry out their obligations under this Deed.

14.6 The Independent Trustees may be paid an honorarium from the Trust Fund in respect of the performance of their duties as Trustees. The amount of the honoraria and the time and method of payment must be approved by the Resource Revenue Committee. In the absence of such approval, honoraria shall be paid in the same rate as that for members of NTI Board of Directors. The Trustees (including Representative Trustees) shall, however, be entitled to be reimbursed for all reasonable expenses incurred by them in attending meetings or in the course of transacting the business of the Trust whether or not honoraria have been authorized.

14.7 The Trustees shall see that all necessary books and records of the Trust required by this Trust Deed or by any applicable statute or law are regularly and properly kept, including proper books of account with respect to all sums of money received and expended by the Trustees, all sales and purchases of securities and other property by the Trustees, the assets and liabilities of the Trust Fund, distributions by the Trustees pursuant to Article 13 and all other transactions affecting the financial position of the Trust. All books and records shall be kept at such place in Nunavut as the Trustees direct.

14.8 The Trustees shall publish or cause to be published and make available to the Trust Beneficiaries unaudited reports of key performance indicators and the activities of the Trust on a quarterly basis during each Fiscal Year and once the balance in the Endowment Fund exceeds \$25 million, on a monthly basis thereafter. The Trustees shall prepare and make available to the Beneficiaries annual audited financial statements of the Trust.

ARTICLE 15 TRUSTEE POWERS

15.1 In addition to all other powers conferred upon them by the other provisions of this Trust Deed, or by any statute or general rule of law, the Trustees, without the interposition of any person entitled hereunder and without application to or approval by any Court, shall have and are hereby given the power and authority in their absolute and uncontrolled discretion at any time and from time to time to administer the Trust Fund in whatever manner they determine and shall have the right to take any action in connection therewith to the same extent and as fully as an individual could if he were the sole owner of the Trust Fund. Without in any way limiting the generality of the foregoing, the Trustees have the power and authority:

- (a) To use their discretion in the realization of any property of the Trust Fund and to sell, call in and convert into money any part of the Trust Fund not consisting of money at such time or times and in such manner and upon such terms and either for cash or credit or for part cash and part credit, as the Trustees may decide upon, or to postpone such conversion of any such property or part or parts thereof for such length of time as they consider advisable.
- (b) Subject to Article 6 hereof, when making investments under this Deed to make such prudent investments (whether inside or outside Canada and whether or not income producing), not to be limited to investments authorized by law for trustees, as they consider advisable and from time to time to alter or vary such investments,
- (c) To incorporate and organize a corporation or corporations under the law of any jurisdiction in Canada or elsewhere at the expense to the Trust Fund for the purpose of investing the whole or any part of the Trust Fund in shares or other securities of such corporation or

corporations, provided that any corporation which is set up by the Trustees is subject to the same obligations relating to the prudent management and investment of the Trust Fund as are the Trustees themselves.

- (d) To borrow such funds (Canadian or foreign) not exceeding in aggregate ten (10%) percent of the amount of the Operating Fund as at the date of the advance of such funds, on such terms and subject to such conditions as they may see fit, on the security of part of the Trust Fund, or without security and to use any funds so borrowed for any purpose of this Trust. For the purpose of giving security for the repayment of any amount borrowed, the Trustees may mortgage, pledge, hypothecate or otherwise charge part of the Trust Fund, to a maximum of ten (10%) percent of the amount of the Operating Fund as at the date of the advance of such borrowed funds.
- (e) To pay out of either or both the Income and Capital of the Trust Fund, as they may from time to time determine, any taxes or other imposts payable in connection with the Trust Fund.
- (f) From time to time and at any time or times to make or not make any election or elections, determinations, distributions and allocations for the purposes of the *Income Tax Act (Canada)* or any similar legislation of any province, territory or other jurisdiction in force from time to time as they may in their absolute discretion deem to be in the best interest of the Trust Fund and the Trust Beneficiaries.

15.2 For greater certainty, for the purpose of section 15.1(d), borrowing limits imposed upon by the Trustees shall be calculated exclusive of amounts borrowed by or indebtedness of Persons in which the Trust Fund has invested, directly or indirectly.

ARTICLE 16 EXECUTION OF DOCUMENTS

16.1 The Trustees may at any time direct the manner in which, and the person or persons by whom, any particular instrument, contract or obligation may or shall be executed.

16.2 Contracts in the ordinary course of the operations of the Trust may be entered into on behalf of the Trust by any person authorized to do so by the Board of Trustees. Wherever practical, contracts entered into on behalf of the Trust by the Trustees shall exclude liability against the Trustees and the Trust Beneficiaries for recourse for performance of such contracts.

16.3 The Chairperson, Vice-Chairperson or other officer or any one of them or any other person or persons from time to time designated by the Trustees may transfer any and all shares, bonds or other securities from time to time standing in the name of the Trust and may accept in the name and on behalf of the Trust transfers of shares, bonds or other securities from time to time transferred to the Trust and may make, execute and deliver any and all instruments in writing necessary or proper for such purposes, including the appointment of any attorney or attorneys to make and accept transfers of shares, bonds or other securities on the books of an issuer of securities.

16.4 The funds of the Trust may be deposited from time to time to the credit of the Trust Fund with such Bank or Banks or Trust Company or Trust Companies or with such other financial institutions as the Trustees may approve from time to time, either inside or outside Canada.

16.5 The securities of the Trust may be deposited from time to time for safekeeping with one or more Banks, Trust Companies, investment dealers or other financial institutions, either inside or outside Canada, selected by the Trustees. Any and all securities so deposited may be withdrawn from time to time only upon the written order to the Trust, signed by such Trustee or Trustees, officer or officers, agent or agents of the Trust and in such manner as shall be determined from time to time by the Trustees and such authority may be general or confined to specific instances.

ARTICLE 17 TERMINATION OF TRUST

17.1 Subject to section 17.2, This Trust Deed is intended and is hereby declared to be irrevocable by NTL.

17.2 The Trust shall terminate at the earlier of:

- (a) the 31st day of March of the year following the year in which the Trustees in their absolute discretion unanimously decide by instrument in writing to wind up or terminate the Trust; and
- (b) the 31st day of March immediately following the 21st anniversary of the death of the last surviving grandchild of Queen Elizabeth II living on the date of this Trust Deed.

17.3 On the Termination Date of the Trust, following payment and discharge of all liabilities of the Trust, the remainder of the Trust Fund shall be paid and transferred to the Trust Beneficiaries in the same proportions as in section 13.2(a)(i) – (v) above.

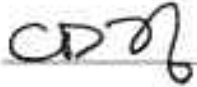
ARTICLE 18 MISCELLANEOUS PROVISIONS

18.1 This Deed is intended by the Settlor to be implemented in such a way that no distribution made by the Trustees to the Trust Beneficiaries shall be subject to taxation in the hands of the Beneficiaries.

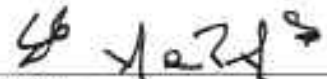
18.2 All assets of the Trust Fund shall hereby vest in the Trustees of this Trust as joint tenants.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals on the 26th day of October, 2012, Nunavut.


SETTLOR
NUNAVUT TUNNGAVIK INC.

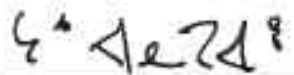
Per: 
Cathy Towntongie, President

SIGNED, SEALED AND DELIVERED)
in the presence of:


WITNESS)


WITNESS)

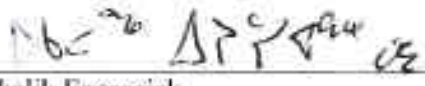

WITNESS)


WITNESS)


WITNESS)

TRUSTEES


Cathy Towntongie


Okalik Eegeesiak


David Ningcongau


Charlie Evalik


Arthur Yuan