Nisga'a Lisims Government

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FOR IMMEDIATE RELEASE

Nisga'a Nation and Prince Rupert Gas Transmission Ltd. celebrate Agreement; Nisga'a Nation seeks investors to pursue LNG liquefaction project

November 6, 2014, Vancouver, BC - Today the Nisga'a Nation confirmed its Benefits Agreement with Prince Rupert Gas Transmission Ltd (PRGT) to provide right of way certainty for its proposed LNG pipeline project from northeastern British Columbia to the proposed Pacific NorthWest LNG export facility at Lelu Island near Prince Rupert. Nisga'a Nation also announced to the LNG sector that Nisga'a Nation is actively seeking investors to pursue an LNG liquefaction project using the expansion capacity it has secured on the pipeline under this Agreement

President Mitchell Stevens stated, "The Nisga'a Nation, strives for sustainable prosperity and the prudent use of the lands that it owns, and we look forward to a long and mutually beneficial economic relationship with PRGT."

President Stevens continued, "Working together with PRGT, we have concluded an agreement that provides project certainty for PRGT in the construction of this pipeline that is critical to the aspirations of both British Columbia and the Nisga'a Nation to be a part of the world class LNG export industry. It also provides numerous financial and other benefits to the Nisga'a Nation over the life of the project to ensure the Nisga'a Nation can achieve its broader economic goals including the ability to participate directly in LNG development."

Dean Patry, President of Prince Rupert Gas Transmission Project stated, "We are very pleased to have concluded a Benefits Agreement with the Nisga'a Lisims Government. The agreement is an important milestone for us, and it reflects our commitment to engage with the Nisga'a people in a meaningful way and provide fair compensation for the easements and associated impacts during construction. We strongly believe that ongoing collaboration is the only way to build and keep a positive relationship as we move this project forward."

PRGT is proposing to design, build, own and operate and decommission a 900 km natural gas pipeline project to deliver natural gas from a point near Hudson's Hope to the proposed Pacific Northwest LNG facility at Lelu Island, near Prince Rupert. The Benefits Agreement will, in consideration of the substantial financial and other benefits that will accrue to the Nisga'a Nation under the Agreement, allow approximately 97 Km of the proposed Project to run through Nisga'a Lands owned by the Nisga'a Nation and the Provincial Nisga'a Memorial Lava Bed Park.

President Stevens continued, "As a result of this Agreement, we hold an option for an unparalleled opportunity for an LNG investor to join us in bringing LNG to market. We serve notice to the LNG sector and invite interested investors to explore this unique and highly attractive opportunity with us."

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"Access to tidewater site and transportation capacity on the PRGT pipeline will enable an LNG proponent to joint venture with the Nisga'a Nation to establish an LNG processing facility at one of our sites in the Nass Area, in close proximity to an eventual pipeline route, on shipping lanes located closer to Asia," stated President Stevens.

"The Nisga'a Nation has accumulated the key elements to become an active participant in the LNG industry in BC. This is the type of opportunity for which our elders struggled for over the past century so we could achieve sustainable prosperity for our people extending into the next century," concluded President Stevens.

OTHER BENEFITS OF THE AGREEMENT

In recognition of the unique land ownership rights of the Nisga'a Nation the Agreement provides for significant direct financial benefits to the Nisga'a Nation and further capacity funding. The benefits include:

- Milestone payments
- Annual right of way payments
- Additional payments will be made on the basis of shared future successes for both PRGT and the Nisga'a Nation
- Nisga'a Nation will also receive significant property tax payments once the Project is operational
- PRGT to provide exclusive contracting opportunities for right-of-way clearing, camp services, security and medical services on Nisga'a Lands
- Nisga'a Nation will retain ownership of merchantable timber harvested within Nisga'a Lands
- The Nation and PRGT will work together to determine whether the Nisga'a Nation can build a future natural gas distribution scheme to serve homes within the Nass Valley

OTHER AGREEMENTS

The Benefits Agreement with PRGT is the latest of several commercial agreements that Nisga'a Nation has entered into with prospective investors in the Nass Area in the last few years. The Nisga'a Nation has entered into agreements with

- BC Hydro in respect of the Northwest Transmission Line
- Avanti Mines in respect of a proposed molybdenum mine,
- Seabridge Gold in respect of their proposed KSM mining project,
- Long Lake Hydro in respect of their proposed hydro-electric project,

This July, Nisga'a Nation also entered into the Real Property Tax Co-ordination Agreement that enables the Nisga'a Lisims Government to levy and collect property tax from persons other than Nisga'a citizens, including companies that operate industrial installations, such as LNG pipelines and midstream infrastructure. Last week, the Government of BC introduced legislation, Bill 7, 2014, that gives effect to the Real Property Tax Co-ordination Agreement.

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These agreements reflect Nisga'a Nation intent to establish a climate suitable for investment in the Nass Area as part of its vision of sustainable prosperity.

ABOUT NIS<u>G</u>A'A NATION

Located in North-western British Columbia, the Nisga'a Nation is represented by Nisga'a Lisims Government (NLG) a modern, forward thinking administration based on traditional culture and values of approximately 7,000 Nisga'a citizens.

Nisga'a Government has the authority to pass laws on a broad range of matters. At the same time, Nisga'a lawmaking authority is concurrent with federal and provincial authority. Designed to assure democracy, transparency, and accountability, Nisga'a Government is comprised of NLG, the four Nisga'a Village Governments, and three Nisga'a Urban Locals.

The Nisga'a Final Agreement is British Columbia's first modern treaty that came into effect on May 11, 2000, marking the end of a 113-year journey. It is the first treaty in British Columbia to provide constitutional certainty in respect of an Aboriginal people's Section 35 right to self-government. It recognizes the Nisga'a Nation's ownership of approximately 2,000 sq. km of Nisga'a Lands and opens the door for joint economic initiatives in the development of the Nisga'a Nation's natural resources.

For more information, contact

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