

SASKATCHEWAN'S MSLA / HRDA REGIME REVIEW

Since 1978, Saskatchewan has been using its discretionary powers under the surface lease regime to promote benefits local benefits from mining for residents of Northern Saskatchewan.

1. Enabling Authority

Every operator of a mine operation in north Saskatchewan is required to enter into two special partnership agreements with the Province of Saskatchewan aimed at maximizing the local benefits afforded to residents of northern Saskatchewan through industry commitments to maximize northern employment, training and educational opportunities, and business opportunities. These two agreements are the "Mine Surface Lease Agreement" (the "MSLA") and the "Human Resource Development Agreement" (the "HRDA").

Pursuant to section 5-2 of the *Crown Resource Land Regulations, 2017* under the *Provincial Lands Act, 2016*, the Minister of Environment may issue a mineral development surface lease to an applicant if the applicant: (a) is a holder of an interest in any minerals in the proposed disposition area; (b) has prepared and submitted to the minister a plan of survey, descriptive plan or other description of the proposed disposition area that is satisfactory to the minister; and (c) has submitted evidence satisfactory to the minister that the proposed disposition area is essential to carrying out of the applicant's mining operation.

To issue a mineral development surface lease, the Ministry of Environment enters into the MSLA with a proponent whereby the government of Saskatchewan agrees to lease a mine's surface area in exchange for lease fees. Since 1978, the Province has expanded the purpose of MSLAs to promote northern development objectives on behalf of northern Saskatchewanians. New clauses, in addition to creating socio-economic commitments themselves, also require proponents to enter into an HRDA with the Ministry of the Economy. The Ministry of Government Relations, pursuant to section 3(2) of the *Ministry of Government Relations Administration Act*, is a co-signatory with the Ministry of Environment in the MSLA.

There is no statutory authority prescribing that MSLAs include clauses that govern socio-economic benefits. Rather, as a matter of policy and a condition of ministerial approval, all mineral development surface leases that are issued in the "Northern Administrative District" in Saskatchewan, as that term is defined in the *Northern Municipalities Regulations*, are required to be governed by MSLAs and must include proponent commitments for environmental protection, occupational health and safety, and socio-economic benefits for northerners.

2. Administration and Implementation Details

Three Ministries are involved in the negotiation and administration of HRDA and MSLA benefits in Saskatchewan. The Ministry of Government Relations and the Ministry of Environment work together to administer MSLAs. Since 1978, and in connection with the development of Saskatchewan's uranium

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deposits, proponents have been required to negotiate and enter into a separate Human Resource Development Agreement (“HRDA”) with the Ministry of the Economy. Both the MSLA and the HRDA are maintained in standard forms. While negotiation may be made on how the HRDA elements are implemented, the MSLA and HRDA agreements themselves, including the content therein, are not typically the subject of negotiation.

The requirements for northern benefits from northern mining was reiterated during public hearings in the early 1980s for Key Lake and during a series of hearings in the 1990s for McArthur River, McLean Lake, and three other developments. As a result of these hearings, the Government of Saskatchewan adopted a number of measures that continue to be utilized in Saskatchewan’s mineral regulatory regime, including, among others:

- implementing provisions relating to worker health and socio-economic benefits into MLSAs;
- as a condition to entering into a MSLA, requiring proponents to enter into HRDAs to increase training and employment opportunities;
- administering joint training initiatives through multi-party training plans that encouraged proponents to work with colleges in northern Saskatchewan to meet the mining industry’s labour needs;
- investing in northern communities through the Northern Municipal Trust Account; and
- improving information sharing with the public by publishing an annual government report in the Northern Socio-Economic Benefits Summary.

3. Specific Content of MSLAs and HRDAs

The HRDA and the MSLA will be examined in this section for their specific provisions governing employment and economic benefits for residents of Saskatchewan’s North.

a) Mineral Surface Lease Agreement

MSLAs are typically negotiated between the parties – there are no prescribed requirements for an MSLA. As such, each MSLA can vary in its terms, however, according to sources in the Government of Saskatchewan, the form for each MSLA is taken from a standard template, which may be updated from time to time. The specific content in this backgrounder has been derived from a sample MSLA which approximates the standard form, attached to this document as Appendix “A”.

Among the provisions relating to socio-economic benefits in the sample MSLA, the primary provisions relate to (1) employment policies and practices; (2) training and development programs; (3) procurement policies; and (4) monitoring provisions. The MSLA also includes specific socio-economic commitments for the proponent to strive towards.

Employment Policies and Practices

The MSLA requires proponents to establish and implement northern employment policies and practices affording preferential consideration to residents of Saskatchewan’s North. The Lessee is required to agree to negotiate and enter into a HRDA with the Ministry of the Economy within three months of having executed a MSLA and to prepare and submit, in accordance with the corresponding HRDA, a

“Human Resource Development Plan” each year to the Ministry of the Economy. In addition, proponents are required to engage in special recruiting efforts in northern communities in cooperation with local governments and Indigenous groups.

Training and Development

The sample MSLA requires proponents to agree to use their best efforts to upgrade and train their employees and especially to afford greater employment responsibilities to northern residents of Saskatchewan. In exchange, the Government of Saskatchewan agrees to use its best efforts to provide basic education and literacy training to northern residents of Saskatchewan. Finally, the lessee will typically agree to organize and implement training programs for its employees such that they may use the skills acquired and time spent as credit towards certifications recognized in Saskatchewan.

Commercial Opportunities

Proponents must commit to encouraging local businesses by preparing and submitting a five-year rolling business opportunities forecast, maintaining contact with the local business community and the Ministry of Government Relations, and publicizing public tender documents in northern Saskatchewan. Proponents are further committed to use their best efforts to require all contractors working on site to procure goods and services from local businesses.

Monitoring

While the MSLA contemplates that the Government of Saskatchewan retains the primary responsibility to monitor the success of activities in relation to the provision of socio-economic benefits in Saskatchewan’s north, the proponent nonetheless is required to submit a number of reports that allow the Government of Saskatchewan to determine the degree of achievement of the socio-economic provisions in the MSLA. Under the MSLA, the proponent is required to file with the Ministry of Government Relations annual Business Opportunities Forecasts and Northern Business Participation Reports. Proponents are also required to file reports to the Minister of the Economy in accordance with a corresponding HRDA (see below).

Commitments

Appendix “C” to the MSLA includes commitments of the proponent in relation to socio-economic benefits. These commitments, though they may vary in quantum, are constant through all MLSAs. In the sample MSLA, proponents commit to (1) utilize best efforts to strive towards a goal of 67% northern employment; (2) plan and implement programs that will encourage northern residents to pursue higher levels of education and consider careers related to the mining industry; (3) utilize best efforts to procure 35% of the overall value of the goods and services purchased for their operations from northern businesses; (4) study community vitality in connection with the project; (5) develop and implement employee education and training plans; (6) provide on-site services to its employees, such as counselling; and (7) work with governments, regulatory agencies and community leaders to maintain open lines of communication and consultation.

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b) Human Resource Development Agreement

As with MLSAs, HRDAs are negotiated between the parties – there are no prescribed requirements, however, the form of the HRDA . As such, each HRDA can vary in its terms however, according to sources in the Government of Saskatchewan, the form for each HRDA is taken from a standard template, which may be updated from time to time. The specific content in this backgrounder has been derived from a sample HRDA attached to this document as Appendix “B”.

The HRDA, entered into as a condition of the MLSA and pursuant to the Minister of the Economy’s authority in section 5 of the *Post-Secondary Education and Skills Training Act*, sets out provisions for how both the Government of Saskatchewan and the proponent will maximize the direct recruitment, hiring, training, and advancement opportunities available to residents of Saskatchewan’s north. The HRDA applies only in respect of the lands subject to an MLSA.

In large part, the HRDA simply re-states the commitments included in the MLSA but provides greater clarity that recruitment is to be done on a priority basis and further clarifies the monitoring mechanisms that are to be put in place.

The HRDA requires proponents to use best efforts to recruit residents of Saskatchewan’s north, giving first priority to local municipalities and First Nation communities. It also requires proponents to establish internal training programs that promote the qualification of residents of Saskatchewan’s north as certified journeypersons.

Proponents are also required to prepare and submit to the Minister of the Economy two reports on the progress and achievements of the proponent in addressing the objectives of the HRDA: the Human Resource Development Plan and the Employment Status Report.

Human Resource Development Plans, prepared by proponents on an annual basis, include projections of employment and recruitment, and provide detail on the proponent’s progress and achievements in meeting its commitments under the MLSA, including in relation to increasing employment participation of northern residents, implementing training and education programs, and providing suitable on-site services.

Employment Status Reports, prepared by proponents on a quarterly basis, include a list of the employees at the site of the lessee, including the employees that are residents of the north or members of priority recruitment communities.

4. Assessment of MLSAs and HRDAs

There are currently 12 MLSAs in force in Saskatchewan; six apply to operating mines and six are for mines that are proposed, not presently operating, or are being reclaimed.

The Northern Benefits Summary, a document produced by the Government of Saskatchewan with reference to the reports required to be submitted by proponents under MLSAs and HRDAs, contains annual statistics of the contributions of the mining industry to Saskatchewan’s north.

According to the latest Northern Benefits Summary, as of December 31, 2016, the mining industry employed 2,866 people at northern mine sites, including mine employees and contractors. The northern participation rate was high at approximately 48% of the 2,866 employees. The mining industry was one of the largest employers of Indigenous peoples in Canada with 41% of workers on site identifying as Indigenous.

Proponents with MLSAs and HRDAs provided 28 work placements to students from post-secondary training institutes and recruited 48 summer students to gain experience in geological mine work. The proponents trained 29 trades apprentices, with 80% of those 29 being northerners.

The mining industry has awarded or funded 35 northern students in technical and university programs. In addition, proponents completed 25 school presentations and workshops, hosted educational tours of mines, and supported several programs to promote education among older and younger students in topics such as geology, engineering, and health sciences.

Northern suppliers have also seen benefits from the MLSAs and HRDAs. As of December 31, 2016, the mining industry purchased 43% of their total goods and services from northern suppliers or joint ventures – exceeding the 35% target included in MLSAs.

Proponents have also made significant efforts to engage with their local communities, conducting 107 visits to northern communities, leadership, schools, cultural events, career fairs, and open houses regarding projects and employment opportunities. Transparency and public involvement has increased as the Government of Saskatchewan has also had ready access to socio-economic statistics that allows it to communicate more effectively with northern residents on the benefits of mining in the community.

Uranium mining operations have received praise for their on-site services and creating supportive and inclusive workplaces. Cameco's initiatives, for example, have resulted in Cameco being named among Canada's top employers in several nationally and provincially syndicated lists.

5. Enforceability of MLSAs and HRDAs

MLSAs and HRDAs are not prescribed documents required by any legislation or regulation. Rather, they are independent contracts entered into among proponents and the Ministries of the Environment, Government Relations, and Economy. MLSAs and HRDAs are enforceable through contract law. In addition, the MLSA includes provisions governing disputes among the parties requiring them to submit any and all disputes to arbitration. While MLSAs and HRDAs are enforceable through contract law, a contact for the Government of Saskatchewan noted that enforcement has not been attempted.

APPENDIX "A"

Sample MLSA attached.

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Project Name

SURFACE LEASE AGREEMENT 2015

Between

The Government of Saskatchewan

and

(Names of Project Owners)

and

Name of Project Operator (if not one of the Owners)

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- "B" Occupational Health and Safety of Workers
- "C" Social and Economic Benefits Commitments
- "D" Reporting Requirements
- "E" Glossary of Terms

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LEASE AGREEMENT

THIS AGREEMENT, effective _____ 20 _____

BETWEEN:

The Government of Saskatchewan as represented by the Minister of Environment

- and -

The Government of Saskatchewan as represented the Minister of Government Relations and the Minister Responsible for First Nations, Métis and Northern Affairs, (hereinafter referred to as the "**Minister of Government Relations**")

- and -

Names of owners and how they are incorporated, (i.e a corporation incorporated under the laws of Canada and registered to carry on business in the Province of Saskatchewan, (hereinafter referred to as the "**Lessee**" or collectively referred to as the "**Lessee**").

WHEREAS:

The Lessee is the registered owner of Mineral Lease # _____ and _____ dated _____.

Brief historical background of the property (previous owners and work done on the property) and work leading up to the development decision.

It is the intention of the Minister and (Names of companies) to negotiate a new lease providing Crown land surface rights necessary to accommodate the planned development (briefly describe the development).

The Province of Saskatchewan is the owner of the Lease Lands and has agreed to grant such application for a Surface Lease under the authority of The Forest Resources Management Act, The Provincial Lands Act, and

Names of the companies and the Minister acknowledge that this Agreement does not abrogate or derogate from any existing Aboriginal and treaty rights of Aboriginal peoples of northern Saskatchewan that are recognized and affirmed by Section 35 of The Constitution Act, 1982.

NOW THEREFORE the Parties agree as follows:

PART I

INTERPRETATIONS

Article 1.0 DEFINITIONS

- 1.1 In this Agreement and in the Appendices, unless there is something in the subject matter or the context inconsistent therewith, the terms and expressions defined in Appendix "E" (Glossary of Terms) shall have the meanings given to them therein.

Article 2.0 INTERPRETATION

- 2.1 For greater clarity, in this Agreement:
- (a) the Minister of Environment is responsible for administering Part II and Part III;
 - (b) the Minister of Government Relations is responsible for administering Part V; and
 - (c) All other Parts of the Agreement are the responsibility of both the Minister of Environment and the Minister of Government Relations.
- 2.2 The division of this Agreement into Parts and Articles and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation hereof.
- 2.3 In this Agreement, unless there is something in the subject matter or context inconsistent therewith:
- (a) the singular shall include the plural and the plural shall include the singular; and
 - (b) the masculine shall include the feminine or neuter where the context so requires.
- 2.4 The Appendices attached hereto and forming part of this Agreement as of the effective date of this Agreement are as follows:
- | | |
|--------------|---|
| Appendix "A" | <u>(Title and Details of the Surface Lease Map)</u> |
| Appendix "B" | Occupational Health and Safety of Workers |
| Appendix "C" | Social and Economic Benefits Commitments |

Appendix "D"	Reporting Requirements
Appendix "E"	Glossary of Terms

To the extent that any provision of Appendix "A" or "B" is inconsistent with the body of this Agreement and/or Appendices "C", "D" or "E", the body of this Agreement and/or Appendices "C", "D" and "E" shall prevail.

- 2.5 In the event that any other legal entity owned, directed or controlled by the Lessee or any of the corporations referred to herein collectively as the Lessee becomes the operator of the (name of project), then the said entity shall become a Party to this Agreement and all references applicable to the Lessee hereunder as operator shall be interpreted as referring to the said entity. The Lessee shall ensure that the said entity assumes and performs all the obligations and responsibilities of the Lessee hereunder as operator.
- 2.6 It is agreed that all covenants, undertakings, and agreements of the Lessee under this Agreement shall be joint and several as among the Parties hereto that comprise the Lessee and their permitted successors and assigns.
- 2.7 The Lessee shall ensure that any third party undertaking any of the obligations of the Lessee under this Agreement shall comply with the spirit and intent of this Agreement and all requirements imposed on the Lessee as may be applicable to the third party.
- 2.8 Any reference herein:
- (a) to any Act or to any Regulation made under any Act is a reference to Saskatchewan laws unless otherwise specifically indicated;
 - (b) to any Act or to any Regulation made under any Act includes a reference to all orders and statutory instruments made pursuant to that Act or Regulation; and
 - (c) to any Act or to any Regulation made under any Act includes a reference thereto as may from time to time be re-enacted, amended, revised or consolidated, or to any Act or Regulation from time to time passed in substitution therefore or in relation to like matters.
- 2.9 To the extent that any provision of this Agreement is inconsistent with the provisions of any provincial operating permit issued to the Lessee in connection with the (name of project), the provisions of such operating permit(s) shall prevail.

PART II

LAND TENURE**Article 3.0 LEASE OF LAND**

- 3.1 The Minister hereby leases to the Lessee the Lease Lands, located in the Province of Saskatchewan at approximate UTM Grid Zone _____, constituting the surface area, described on (proposed surface lease plan map titled (name of project operator, name of project Surface Lease Map dated _____),/(or optional wording: the legal survey titled _____, registered in Land Titles on (date registered in Land Titles) as (registration number). attached hereto as Appendix "A" and containing _____ hectares more or less (hereinafter referred to as the "Lease Lands").

Note: In the event a survey is not available at the time the draft lease is submitted for approval a fairly accurate provisional map may be used to define the area. If this is the case a new article will be inserted here (3.2, below) reflecting that the provisional map will be replaced with the survey within one year from the effective date of the agreement.

- 3.2 To more precisely define the Lease Lands which are the subject of this Agreement, the Lessee shall, within one year following the effective date of this Agreement, prepare and deliver to the Minister a legal plan of survey, duly filed at the appropriate Information Services Corporation of Saskatchewan office pursuant to The Land Titles Act or approved by the Controller of Surveys of the Land Surveys Directory pursuant to The Land Surveys Act, 2000, as the situation may require. Such legal plan of survey shall become Appendix "A" in the place and stead of the current Appendix "A."
- 3.3 The Lessee shall provide to the Minister of Environment on the first day of April each year, information as to the portion of the Lease Lands that has been developed, in such detail as is necessary to calculate rent or other charges (see Appendix "D").
- 3.4 If the Lessee fails to comply with the requirements set out in Article 3.3, the Minister of Environment may determine the portion of the Lease Lands, which has been developed, for purposes of calculating rent or other charges in accordance with The Crown Resource Land Regulations.

Article 4.0 RENTAL CHARGES

- 4.1 The Lessee shall pay to the Minister of Finance c/o the Minister of Environment in Prince Albert, Saskatchewan, the rent and any additional charges, as are prescribed for Provincial Lands by The Crown Resource Lands Regulations under The Provincial Lands Act.

4.2 Payments required by Article 4.1 are due yearly in advance of the first day of June.

Article 5.0 TERM OF AGREEMENT

5.1 Subject to the other provisions in this Agreement, the term of this Agreement shall commence on the effective date and expire on the 31st day of May, (insert year, up to 33 years hence).

5.2 Any time during the term of this Agreement, the Lessee shall be entitled on twelve (12) months written notice to apply to the Minister to terminate this Agreement or to surrender any portion of the Lease Lands, which application shall be granted subject to terms and conditions established by the Minister.

5.3 The Lessee may apply to the Minister to terminate the Agreement when the Ministry of Environment declares successful completion of decommissioning and reclamation, and the Canadian Nuclear Safety Commission declares exemption from licensing, and the Ministry of the Economy, Minerals, Lands and Resource Policy Division, declares it will accept the Lease Lands into the Institutional Control Program in accordance with and as defined in The Reclaimed Industrial Sites Act.

5.4 The Lessee shall on the termination of the Agreement for whatever cause (including expiration of the term) or within twelve (12) months, if all claims for rent and charges, if any, have been duly satisfied, remove from the Lease Lands all of its property provided, however, that if:

- (a) the Lessee does not conform to the provisions regarding decommissioning in Article 10.0 of this Agreement; or
- (b) the Lessee has not removed the property within twelve (12) months of the termination of this Agreement;

the property remaining on Lease Lands shall be forfeited to the Government of Saskatchewan and shall become and be the property of the Government of Saskatchewan. The Minister may recover from the Lessee any reasonable costs incurred for the cleanup or removal of property. The Minister may grant an extension to allow the Lessee sufficient time to remove its property, subject to the Lessee showing due cause, and subject to the limitations set out in Article 5.3.

Article 6.0 USE OF LANDS

6.1 Subject to the terms of this Agreement, the Lessee shall be entitled to the use, occupation and, insofar as the Minister is legally able to convey, quiet possession of the Lease Lands for the term of this Agreement.

The Lessee shall:

- (a) obtain and comply with the terms of any permit, licence, approval, permission or consent required by and issued pursuant to any and all laws in force in the Province of Saskatchewan; and
- (b) comply with the terms of and maintain in good standing for the duration of this Agreement the mineral dispositions underlying the Lease Lands and registered to the Lessee pursuant to The Mineral Tenure Registry Regulations, or The Crown Minerals Act subject to the Lessee's right to divide, transfer or release to the Crown any such mineral disposition as permitted by all laws in force in the Province of Saskatchewan.

6.2 The Lessee shall not use the Lease Lands for any purpose other than those necessary for:

- (a) the exploration for, and the mining, milling and transporting on the Lease Lands of uranium-bearing ore or other mineral-bearing material including dewatering activities related thereto;
- (b) the construction and use of waste management facilities;
- (c) the construction and use of camp facilities and ancillary facilities for employee accommodation and recreation;
- (d) the construction and use of all buildings, structures, facilities, machinery, equipment, supplies, air strips, power, fuel and water supplies, roads and all other support and service facilities relating to the construction and operation of the mine and mill or other permitted site activities;
- (e) the reclamation, decommissioning and post-decommissioning monitoring of the Lease Lands and the buildings, structures and facilities located thereon; and
- (f) such other purposes relating to uranium and other mineral mining, processing and transportation, including the construction and use of facilities related thereto, as may be approved by the Minister of Environment.

6.3 The Lessee may construct buildings or structures not authorized under Article 6.2 only with the prior written consent of the Minister of Environment.

- 6.4 The Lessee shall have the right to remove timber from the Lease Lands where such removal is necessary for the (name of project) subject to first obtaining and complying with any necessary permits.
- 6.5 The Lessee shall have the right to remove and/or use sand and gravel from the Lease Lands where such removal and/or use is necessary for the (name of project), subject to completing and submitting Sand and Gravel Royalty Return Reports (see Appendix “D”) and payment of applicable royalties to the Ministry of Environment in Prince Albert on an annual basis, with such reports and payments being due within thirty (30) days after March 31, unless otherwise specified in The Crown Resource Land Regulations. However, the Lessee shall not be required to submit a Sand and Gravel Royalty Return Report or pay any royalties in respect to any sand or gravel derived from mine rock, mine waste or other by-products of the (name of project).
- 6.6 The Lessee shall obtain written approvals from the Water Security Agency for the right to use or divert surface or ground water from any water body or aquifer located in whole or in part on the Lease Lands, and for the construction and operation of waterworks for that purpose, as required under the provisions of The Water Security Agency Act, The Environmental Management and Protection Act, 2010 and any other Applicable Laws. The Lessee shall report the amount of water diverted and the amount of water used for industrial purposes subject to completing and submitting Industrial Water Use Reports (see Appendix “D”) and payment of applicable royalties to the Water Security Agency in Moose Jaw on an annual basis, with such reports and payments being due within thirty (30) days after January 01, unless otherwise specified in The Water Security Agency Act or the Regulations under that Act.

Article 7.0 PAYMENT OF TAXES

- 7.1 The Lessee shall pay all royalties, charges, taxes, rates and assessments, whatsoever, whether municipal, provincial or otherwise, charged by or payable pursuant to provincial or federal legislation, which may at any time during the term of this Agreement be charged upon or become payable in respect of the occupation of the Lease Lands, or of any business or operations conducted by the Lessee on the Lease Lands.

Article 8.0 IMPROVEMENTS AND ROADWAYS

- 8.1 The Lessee shall comply with the terms, conditions and requirements as set out by the Ministry of Environment for the construction of roads and sand and gravel pits. The Lessee shall avoid unnecessary road construction.

Article 9.0 ACCESS TO LEASE LANDS

9.1 In this Article "authorized employees" means:

- (a) employees of the Ministry of Environment who are authorized by the Minister of Environment;
- (b) employees of the Ministry of the Economy, Minerals, Lands and Resource Policy Division, who are authorized by the Minister of the Economy;
- (c) employees of the Ministry of Labour Relations and Workplace Safety who are authorized by the Minister of Labour Relations and Workplace Safety;
- (d) employees of the Water Security Agency who are authorized by the President of the Water Security Agency;
- (e) employees of the Mamawetan Churchill River Health Region who are authorized by the Minister of Health;
- (f) employees of the Ministry of Government Relations, Municipal Relations and Northern Engagement Division, who are authorized by the Minister of Government Relations;
- (g) employees of the Ministry of the Economy, Labour Market Service, who are authorized by the Minister of the Economy; and
- (h) any other person authorized by the applicable Minister to monitor compliance by the Lessee with the provisions of this Agreement.

9.2 The Lessee shall provide the Ministers and the employees specified in Articles 9.1 with access to the Lease Lands, with or without prior notice to the Lessee, together with the right to take necessary equipment onto the Lease Lands for the purpose of monitoring compliance by the Lessee with the provisions of Parts II, III, IV, V and VI of this Agreement. Upon request, the Lessee shall furnish the applicable Minister or such employees with such information as may be required in order to monitor compliance by the Lessee with the provisions of this Agreement.

9.3 Authorized employees of the Ministry of Environment shall have access to the Lease Lands at any reasonable time for resource management purposes.

9.4 In furtherance of the obligations of the Lessee contained in Articles 9.2 and 9.3, the Lessee agrees, on reasonable notice, to provide the applicable Minister and a reasonable number of authorized employees utilization of the landing strip owned and operated by the Lessee at the mine site, site transportation, meals and accommodation as is necessary and available. The Lessee shall be entitled to charge for such transportation, meals, and accommodation at rates established by the Lessee

each year.

9.5 In the event the Lessee exercises a right indicated in Article 6.1(b), and subject to the requirements of the Nuclear Safety and Control Act, the Lessee shall:

- (a) provide reasonable public access to the Lease Lands required for the purpose of acquiring available underlying mineral rights; and
- (b) provide reasonable access, when the Minister of Environment so authorizes, to valid mineral disposition holders for the purpose of exploring and commercially developing their dispositions underlying the Lease Lands

provided however that the Lessee shall not be responsible or liable for the acts or omissions of such person, or their employees, agents or contractors while on the Lease Lands pursuant to such authorization of the Minister of Environment.

PART III**ENVIRONMENTAL PROTECTION****Article 10.0 ENVIRONMENTAL PROTECTION**

- 10.1 The Lessee shall comply with the terms and conditions of any Ministerial Approval obtained from the Minister of Environment under The Environmental Assessment Act, The Environmental Management and Protection Act, 2010 and associated Regulations thereunder.
- 10.2 Subject to Article 10.3, the Lessee shall, in the design, construction, operation and decommissioning of its facilities located on the Lease Lands, meet the procedures and standards which it undertook to meet in any report, including amendments and additions made thereto, approved by the Ministry of Environment.
- 10.3 The Lessee may use new or different standards, procedures, or designs other than those referred to in Article 10.2, if the prior written approval of the Ministry is first obtained, which approval shall not be unreasonably withheld.
- 10.4 As may be required under any permit, license, approval, permission or consent required by and issued pursuant to any and all laws in force in the Province of Saskatchewan, the Lessee shall submit for the approval of the Ministry, prior to their implementation, all design plans for the management of mine rock and any other solid or liquid effluent or air emission, including those for dewatering processes, wastewater handling and treatment, air pollution abatement or other operations with potential environmental impacts. The design plans for the management of domestic wastewater treatment must be submitted to the Water Security Agency for approval unless they are regulated by the Ministry of Health, in which case the information must be submitted to the applicable health region for their approval.
- 10.5 The Lessee shall ensure that in all its activities the quantities and concentrations of contaminants released into receiving waters, lands and the atmosphere are as low as is reasonably achievable, taking into account social and economic factors, and that, in any case, they shall not exceed the discharge limits established in legislation and/or Regulations for which the Ministry is responsible.
- 10.6 The Lessee shall prepare, in consultation with the Ministry, a program to monitor discharges and to measure the environmental effects of the (name of project), and shall implement the program as approved by the Ministry. The Lessee shall implement any changes to the monitoring program as may from time to time be reasonably required by the Ministry and shall take any mitigative or remedial measures as may be required by the Ministry following review of the program data.

- 10.7 Prior to the storage upon the Lease Lands or transit to or from the Lease Lands of any hazardous substances or waste dangerous goods, the Lessee shall prepare and adhere to an Emergency Response Contingency Plan that complies with The Hazardous Substances and Waste Dangerous Goods Regulations, or any other similar replacement regulations as further specified in Appendix "D". Thereafter, the Lessee shall modify the Emergency Response Contingency Plan periodically as may be required by the Ministry based on inspections.
- 10.8 As required under Regulations for which the Ministry is responsible, as referenced in Article 10.1 hereof and exemplified in Articles 10.9 to 10.11 below, the Lessee shall develop and submit all Decommissioning and Reclamation Plans, including specific plans for post-decommissioning monitoring, for approval by the Ministry.
- 10.9 Without limiting the generality of the foregoing, the Parties agree that:
- (a) the Lessee shall obtain any approvals and establish any assurance funds required by The Mineral Industry Environmental Protection Regulations, 1996, or any other similar replacement regulations, hereinafter referred to as the "MIEP Regulations";
 - (b) where a default as described in section 19.1 of the MIEP Regulations occurs, the Minister, where he considers it necessary, may:
 - (i) enforce any security, call in, cash or redeem any security or other instrument, or take any other action that the Minister considers necessary to realize on the assurance fund; or
 - (ii) require that all or part of the assurance fund be used to decommission and reclaim all or part of the mining site as defined in the MIEP Regulations, for which the assurance fund was approved in accordance with the decommissioning and reclamation plan approved for that mining site or in any other manner the Minister considers appropriate.
- 10.10 The Lessee shall prepare Decommissioning and Reclamation Plans, as required by the Ministry and shall decommission and reclaim the Lease Lands on an ongoing basis throughout the term of this Agreement including, once they are no longer needed and without limitation, the mining site and individual pollutant control facilities as defined in the MIEP Regulations.
- 10.11 The Lessee shall implement final Decommissioning and Reclamation plans, as approved by the Ministry for the entire mining site, according to the time frame set out in the Decommissioning and Reclamation plans, upon:
- (a) a decision by the Lessee to permanently cease operations at the (name of project)

- (b) the inability of the Lessee to obtain necessary regulatory approvals to introduce or to continue with the mining, milling or transporting of uranium-ore or other mineral-bearing material; or
 - (c) the reasonable direction of the Ministry.
- 10.12 In the event the Lessee permanently ceases operations or this Agreement is terminated without a replacement agreement being entered into, and no final Decommissioning and Reclamation Plans for the entire mining site have been approved by the Ministry, the Lessee shall carry out any decommissioning and reclamation procedures as may be required by the Ministry.
- 10.13 For the purposes of Articles 10.8 to 10.12 inclusive, the Lessee shall, if required by the Ministry, enter into a new Surface Lease Agreement for such length of time as may be necessary to complete decommissioning and reclamation of the Lease Lands and facilities located thereon to the satisfaction of the Ministry.
- 10.14 The Lessee shall prepare and submit an Environmental Performance Report (see Appendix "D") to the Ministry every five years or as the Ministry may otherwise reasonably require.
- 10.15 **Note:** Outstanding liabilities on the lease lands on the effective date of this agreement will be noted here as will the Lessee agreement to accept full responsibility for these liabilities whether or not they accrued before or after the effective date. Wording will be place in this clause to indicate that an Appendix to this agreement will detail the outstanding liabilities, work required to mitigate the liability to the satisfaction of the Ministry and cost estimates of the required work, etc.

PART IV**OCCUPATIONAL HEALTH AND SAFETY OF WORKERS****Article 11.0 OCCUPATIONAL HEALTH AND SAFETY OF WORKERS**

- 11.1 The Lessee agrees to cooperate with the Ministry of Labour Relations and Workplace Safety in order for the Ministry to be satisfied that the operations of the Lessee on and in respect of the Lease Lands are in accordance with all laws and regulations. Without restricting the generality of Article 19.0, the Lessee shall comply with:
- (a) The Occupational Health and Safety Act, 1993 and the Regulations and codes of practice made pursuant to that Act;
 - (b) The Radiation Health and Safety Act, 1985 and the Regulations made pursuant to that Act;
 - (c) The Mines Regulations, 2003; and
 - (d) The requirements of Appendix "B" titled "Occupational Health and Safety of Workers".
- 11.2 Subject always to the provisions of Article 11.1, the Lessee shall, in the design, construction, operation and decommissioning of the mine, mill and associated facilities located on the Lease Lands, meet the procedures and standards regarding the health and safety of workers which it undertook to meet in any report, including amendments and additions thereto, which the Lessee submitted to the Joint Federal-Provincial Panel on Uranium Mining Developments in Northern Saskatchewan; provided that the Lessee may, subject to approval from the Ministry of Labour Relations and Workplace Safety, meet procedures and standards other than those referred to above.
- 11.3 The Lessee and the Minister, after consultation with the Lessee's Occupational Health Committee, may make changes to Appendix "B" consistent with the health and safety of the workers.
- 11.4 (a) Where, in the opinion of an authorized employee of the Ministry of Labour Relations and Workplace Safety, the Lessee is contravening or has contravened any provision of this Article 11.0, Appendix "B", The Occupational Health and Safety Act, 1993 and associated Regulations or The Radiation Health and Safety Act, 1985 and associated Regulations or The Mines Regulations, 2003 in circumstances which make it likely that the contravention will continue or will be repeated, such authorized employee may serve on the Lessee a notice of contravention stating the provision

which is being or has been contravened and the reasons which make the authorized employee of the above opinion, and requiring the Lessee to remedy the contravention within the period specified in the notice.

- (b) The appeal provisions of The Occupational Health and Safety Act, 1993 (currently found in Part VIII of such Act) apply to any notice of contravention served under Article 11.4(a).

- 11.5 For greater clarity, but without restricting the generality of the foregoing, the Lessee shall establish an Occupational Health Committee with such structure, powers, duties and responsibilities accorded to Occupational Health Committees under Part III of The Occupational Health and Safety Act, 1993 and Part IV of The Occupational Health and Safety Regulations for all occupational health and safety matters relating to the requirements of this Agreement, including Appendix "B".

PART V**DIRECT EMPLOYMENT AND ECONOMIC BENEFITS
FOR RESIDENTS OF SASKATCHEWAN'S NORTH****Article 12.0 INTENT**

- 12.1 The Parties recognize that the operations of the Lessee on and in respect of the Lease Lands represent a major development with the potential to provide significant employment and business benefits to Residents of Saskatchewan's North.
- 12.2 It is the intent of the Parties to provide a cooperative atmosphere for the Lessee to maximize project-related employment and economic opportunities for Residents of Saskatchewan's North as defined in the (name of project) Human Resource Development Agreement, that will be negotiated.
- 12.3 The Parties agree that the provisions of this Part of the agreement establish a mutually agreed upon framework of reasonable expectations and measurable objectives in sufficient detail to facilitate the Parties' attainment of these objectives and to allow effective monitoring and evaluation of the Parties' performance. The Parties further agree that the commitments contained in this Part V are subject to social and economic factors, and good Canadian mining practice.
- 12.4 The Lessee shall use its best efforts to establish employment, contracting and local purchasing policies and practices, and development programs consistent with the intent of this Article.
- 12.5 The Parties expressly acknowledge and agree that nothing in this Part V is intended to or does require the Parties to undertake any practice or policy which contravenes any provision of the Canadian Human Rights Act or The Saskatchewan Human Rights Code, any Regulations enacted pursuant thereto or any policy or guideline of the Canadian Human Rights Commission or the Saskatchewan Human Rights Commission.

Article 13.0 EMPLOYMENT POLICIES AND PRACTICES

- 13.1 The Lessee shall, in consultation with the Ministries of the Economy, Labour Market Service, and Government Relations, use its best efforts to establish and implement northern employment policies and practices affording preferential consideration to Residents of Saskatchewan's North, as exemplified below:

- (a) the Lessee and the Ministry of the Economy, Labour Market Service, agree to negotiate a Human Resource Development Agreement for the (name of project), to be completed no later than three (3) months following the signing of this Agreement;
 - (b) the Lessee shall prepare and submit a Human Resource Development Plan (see Appendix "D") each year to the Ministry of the Economy, Labour Market Service, in accordance with the Human Resource Development Agreement referred to in Article 13.1(a); and
 - (c) special recruiting efforts in northern communities undertaken in cooperation with local governments, First Nations, Métis and federal and provincial agencies.
- 13.2 The Lessee shall, where practicable, use its best efforts to cause all contractors working on site to adopt similar policies of employment, recruitment and reporting that will contribute to the achievement of the intent stated in Article 12.0.

Article 14.0 TRAINING AND DEVELOPMENT PROGRAM

- 14.1 Both Parties agree that the Lessee has the ultimate responsibility for the establishment of internal training programs necessary to meet its needs on the Lease Lands.
- 14.2 The Lessee shall, to the extent practicable, upgrade and train its employees in relation to the Lessee's needs and obligations and ensure a positive work environment which is conducive to employees, in particular Residents of Saskatchewan's North, achieving increased knowledge and accepting greater responsibility in their employment opportunities with the Lessee.
- 14.3 The Parties agree that ongoing and progressive on-the-job training is an effective approach to meeting the intent of this Part V and that such training will be offered to the Lessee's employees, in particular Residents of Saskatchewan's North, to the extent practicable. The Lessee further agrees that to the extent practicable, it will use its best efforts to ensure its contractors' employees are provided the same on-the-job training by the contractors.
- 14.4 The Government of Saskatchewan shall use its best efforts to provide basic education and literacy training which will make the transfer of skills on-the-job more effective, and the Lessee will cooperate with the Government of Saskatchewan in this regard, where practicable. It is agreed that provision of opportunities for professional and technical education in the Northern Saskatchewan Administration District would assist Residents of Saskatchewan's North to compete for a wider range of jobs associated with the (name of project).

- 14.5 With the support and cooperation of Saskatchewan training institutions and such other accreditation-granting bodies as may be involved from time to time, the Lessee shall use its best efforts to organize and implement its training programs so that employees, in particular Residents of Saskatchewan's North, completing the training will be able to use the skills acquired and time spent as credit towards certification or status recognized in Saskatchewan.
- 14.6 Where it is mutually advantageous and agreeable to the Lessee and an employee, the Lessee will take the steps necessary to record the details of employment with the Saskatchewan Apprenticeship and Trade Certification Commission, according to The Apprenticeship and Trade Certification Act.

Article 15.0 COMMERCIAL OPPORTUNITIES

- 15.1 The Lessee shall encourage businesses located in the Northern Saskatchewan Administration District to supply goods and services to the (name of project) through:
- (a) adoption of the following practices:
- (i) annually preparing and submitting a five-year rolling Business Opportunities Forecast (see Appendix "D"), the first two (2) years of which shall be complete with such information, benchmarks and processes as will enable performance monitoring for the (name of project) and the last three years of which shall contain general business trend information. The initial Business Opportunities Forecast shall be completed and submitted to the Ministry of Government Relations, Northern Engagement Branch, within three (3) months following the decision to begin commercial production. Thereafter, an updated Business Opportunities Forecast will be prepared and submitted annually on or before November 1;
 - (ii) maintenance of ongoing contact and liaison with the business community in northern Saskatchewan and the Ministry of Government Relations, Northern Engagement Branch; and
 - (iii) provision of public tender documents at one or more locations in northern Saskatchewan when contracts for work at the (name of project) are to be awarded by public tender.
- (b) adherence to the following practices, where consistent with the economics of the (name of project) and good Canadian mining practice:
- (i) fragmentation of contracts, requests for proposals or invitations to quote on the supply of goods and services; and

(ii) the establishment of bids or quotes on invitational bases.

15.2 The Lessee agrees it is desirable and that it will, where practicable, use its best efforts to require all contractors working on site to procure goods and services from Northern Businesses.

Article 16.0 MONITORING

16.1 The Parties agree that the Government of Saskatchewan has primary responsibility for monitoring the success of activities undertaken to address the objectives of this Part V and that in conducting this monitoring the Government of Saskatchewan shall consult with the appropriate Environmental Quality Committee, or such other replacement body(ies) as may be designated from time to time by the Minister of Government Relations to discuss such matters.

16.2 Pursuant to Article 16.1, and in a spirit of cooperation, the Parties agree:

- (a) to establish and maintain an open dialogue and certain formal reporting mechanisms for the timely exchange of relevant information, as set forth in Appendix "D"; and
- (b) that, to the extent possible without breaching confidentiality and/or proprietary interests, such information will be shared in public forums.

16.3 The Lessee shall prepare and file with the Ministry of the Economy, Labour Market Service, Employment Status Reports (see Appendix "D"), for the (name of project) and on behalf of its on-site contractors, which reflect the degree of achievement of the objectives of this Part V.

These statistics shall be prepared and submitted in accordance with the terms of the Human Resource Development Agreement for this project or as otherwise reasonably requested by the Ministry of the Economy, Labour Market Service.

16.4 Prior to March 31 each year, the Lessee shall prepare and submit a Northern Business Participation Report (see Appendix "D") to the Ministry of Government Relations, Northern Engagement Branch, in a form acceptable to the Branch, detailing:

- (a) the nature (character), by suitable categories, and value of goods and services purchased during the year under report, in the construction, operation and reclamation and decommissioning phases of the (name of project);
- (b) separate information regarding the nature (character) and value of goods and services purchased during the year under report, in the phases referred to in (a) above, from Northern Businesses; and

- (c) the activities undertaken by the operator of the (name of project) and its on-site contractors to achieve the intent of this Part V of the Agreement and any objectives as may have been set forth in the Business Opportunities Forecast for the year under report.

Article 17.0 COMPENSATION FOR LOSS OF INCOME

- 17.1 The Lessee shall satisfy the Northern Engagement Branch, Ministry of Government Relations, that any individuals who, immediately prior to the disposition provided for in this Agreement, used or occupied the Lease Lands to generate commercial income by way of a lease, license or permit granted by the Government of Saskatchewan, or such individuals' family heirs, shall be compensated for their actual monetary losses of commercial income arising out of this Agreement, provided that such individuals or such individuals' family heirs continue the original commercial activity for which monetary losses were first compensated. The Lessee shall disclose to such Minister the names of such individuals or such individuals' family heirs.
- 17.2 Prior to March 31st each year, the Lessee shall prepare and submit a Compensation for Loss of Income Report to the Northern Engagement Branch, Ministry of Government Relations, in a format prescribed by the Branch, detailing any compensation paid for loss of commercial income during the course of the year under report to such individuals or such individuals' family heirs disclosed to the Minister in Article 17.1. Notwithstanding the foregoing, the Lessee's obligation to submit a Compensation for Loss of Income Report is conditional upon the Lessee receiving, and the Lessee shall request, the consent of affected individuals or family heirs to the release of the information contained in the Compensation for Loss of Income Report to the Northern Engagement Branch. The absence of any one individual's or a family heir's consent shall not prevent the preparation and submission of this Report with respect to other affected, consenting individuals or family heirs.

Article 18.0 OTHER COMMITMENTS

- 18.1 The Government of Saskatchewan shall use its best efforts to consult and cooperate with the Lessee to coordinate and consolidate reporting requests by the Government to the Lessee to avoid, as much as practicable, duplication in reporting requests by the Government and reporting by the Lessee in response to such requests under this Agreement.
- 18.2 The Lessee shall use its best efforts to comply with the Social and Economic Benefits Commitments made to Residents of Saskatchewan's North, and shall report on its progress in complying with these commitments in the manner contemplated in Appendices "C" and "D".

- 18.3 The Lessee shall prepare and submit Public Involvement Program Reports (see Appendix "D") to the Ministry of Government Relations, Northern Engagement Branch.
- 18.4 The Lessee shall, upon the written request made by the Minister from time to time, but not more often than annually, issue public reports on its record of achievements against the Social and Economic Benefits Commitments and hold subsequent public meetings with impact communities to discuss the reports.
- 18.5 The Lessee shall use its best efforts to discuss on a regular basis with the Northern Saskatchewan Environmental Quality Committee, or such other replacement body as may be designated from time to time by the Minister of Government Relations, the development and operations of its programs to monitor and measure environmental effects, including any decommissioning and reclamation plans as required by the Ministry of Environment.

PART VI**GENERAL PROVISIONS****Article 19.0 COMPLIANCE WITH RELEVANT STATUTES**

19.1 The Lessee shall perform, observe and comply with all laws in force from time to time in the Province of Saskatchewan including, without limiting the generality of the foregoing, provisions of the following Saskatchewan statutes: The Provincial Lands Act, The Forest Resources Management Act, The Wildlife Act, 1998, The Saskatchewan Employment Act, The Mineral Resources Act, 1985, The Executive Government Administration Act, The Environmental Assessment Act, The Boiler and Pressure Vessel Act, 1999, The Electrical Inspection Act, 1993, The Fire Prevention Act, 1992, The Gas Inspection Act, 1993, The Passenger and Freight Elevator Act, The Public Health Act, 1994, The Environmental Management and Protection Act, 2010, The Dangerous Goods Transportation Act, The Pest Control Products (Saskatchewan) Act, The Water Security Agency Act, and The Crown Minerals Act.

Article 20.0 TERMINATION OF AGREEMENT

20.1 In the event the Lessee fails to pay the rent or taxes as required under Article 4.0 or any part thereof when due, whether formally demanded or not, or fails to observe or perform the other covenants, conditions, provisos and stipulations herein agreed to be observed and performed in Articles 4.0, 6.0, 7.0, 9.0, 10.0, 11.0, 19.0, 22.0, 23.0 and 26.0, the Minister may give written notice (the "Default Notice") to the Lessee specifying the failure. The Lessee shall thereupon:

- (a) remedy such failure within thirty (30) days after receiving the Default Notice; or
- (b) if the failure is such that it cannot be remedied within the thirty (30) day period, promptly and in any event within the thirty (30) day period, commence and diligently continue thereafter to remedy such failure and take any steps required to reasonably ensure that the failure will not occur again.

20.2 If a Default Notice is given and if the Lessee does not proceed in one of the manners contemplated in Articles 20.1 or 20.3, the Minister may terminate this Agreement by giving written notice to the Lessee that this Agreement is terminated on such date as may be specified in the written notice and, thereupon, this Agreement shall be terminated.

20.3 The Lessee may, prior to the expiration of the thirty (30) days referred to in Article 20.1, apply to the Minister for relief from the breach of the requirements which have given rise to the failures set out in a Default Notice. The Minister may grant relief

from any of the said requirements and in granting such relief the Minister may establish alternative procedures and requirements that the Lessee shall fulfill. If the Lessee fails to comply with the decision of the Minister within a further thirty (30) days the Minister may, by notice to the Lessee, terminate this Agreement.

- 20.4 The Minister shall be entitled to waive all rights of termination arising under this Agreement by reason of any default and thereupon this Agreement and the Lessee's rights hereunder shall be construed to continue as though no such default had occurred. All such waivers must be in writing and signed by the Minister and shall not prejudice any right of the Minister in the case of any other default.
- 20.5 This Agreement does not restrict the Lessee from commencing legal action in a court of law should the Minister terminate this Agreement.

Article 21.0 ARBITRATION

- 21.1 (a) Subject to Article 21.1(b), disputes arising out of the interpretation, performance or breach of any of the Articles of this Agreement, other than the Articles set out in Parts III and IV and Article 5.1, may be submitted by either Party to arbitration. This provision shall not limit the requirements, provisions or powers conferred on any minister or official as contained in any statute of the Province of Saskatchewan or Regulations thereunder.
- (b) The Lessee may submit a decision of an adjudicator, made pursuant to the appeal provisions referred to in Article 11.4(b), to arbitration, provided however that:
- (i) such reference may only be made if the decision of the adjudicator is relied upon such that it results in a written notice (a "Termination Notice") being given by the Minister to the Lessee that this Agreement is being terminated, as provided for in Articles 20.2 and 20.3, and
- (ii) such reference is to be filed within thirty (30) days of the Lessee receiving a Termination Notice.

The submission of the dispute to arbitration does not stay the operation of the adjudicator's decision.

- 21.2 The Arbitration Act, 1992 shall apply to any arbitration hereunder.
- 21.3 The Parties shall agree on the arbitrator. If the arbitrator is not selected within ten (10) days after notice of arbitration is given, a three-person arbitration board shall conduct the arbitration. Each Party shall, within seven (7) days from the expiration of the ten (10) day period, appoint one person to the arbitration board and thereafter immediately inform the other Party of the name of its nominee. The two nominees

shall, within seven (7) days, agree on a third arbitrator who shall be the chairperson of the arbitration board. In the event either Party fails within the time specified to select its nominee or the nominees of the two Parties fail to agree upon a third arbitrator, then the third arbitrator or the arbitrator to represent the Party which has not appointed its nominee, as the case may be, shall be appointed by the Chief Justice of the Court of Queen's Bench for the Province of Saskatchewan. Each arbitrator shall be a person who, by education and experience, is qualified to adjudicate the matter.

- 21.4 The arbitration shall be conducted in La Ronge, Saskatchewan, or such other place as the Parties may agree or the arbitrator or chairperson of the arbitration board, as the case may be, may determine, and the arbitrator or arbitration board shall hear and dispose of the dispute, difference or question submitted in such manner as he in his discretion shall determine, but in doing so he shall be required to receive the submissions of the Parties in respect of the said question, dispute or difference. The arbitrator or arbitration board in the conduct of the proceedings shall not be bound by the Rules of Court of the Province of Saskatchewan or by the traditional rules of evidence.
- 21.5 The decision of the single arbitrator or a simple majority of the arbitration board shall be binding upon the Parties. In the event the arbitration board is unable to arrive at a simple majority decision, the decision of the chairperson shall be binding.
- 21.6 The arbitrator or the arbitration board shall have the authority to include in an award any of the following:
- (a) a finding that there has been a breach of the Agreement;
 - (b) a finding that there has been no breach of the Agreement;
 - (c) a finding that although there has been a breach of the Agreement, the breach should be excused;
 - (d) an order of specific performance as could be awarded by a Judge of the Court of Queen's Bench;
 - (e) an order to pay a penalty for a breach of the Agreement;
 - (f) an order to pay a fixed sum daily by way of penalty until the Party to pay discontinues or remedies the breach of this Agreement;
 - (g) a direction to pay damages;
 - (h) an order overturning or confirming a decision to terminate this Agreement; and/or

- (i) such other direction or order as is deemed necessary and equitable to ensure compliance with the spirit, intent and provisions of this Agreement.
- 21.7 Where a dispute has been submitted to arbitration, in addition to all of the powers contained in Article 21.6, the arbitrator or arbitration board may make such interim orders as it considers appropriate pending resolution of the dispute.
- 21.8 The decision of the arbitrator or the arbitration board may be appealed by either Party to the Court of Queen's Bench. The Notice of Appeal shall be served on the respondent by the applicant within fifteen (15) days of receipt of the decision of the arbitrator or the arbitration board.
- 21.9 Where any matter is referred to an arbitrator or arbitration board, the provisions of this Agreement shall continue in full force until a final determination has been made by the arbitrator or arbitration board and the period for commencing an appeal under Article 21.8 has expired, or if an appeal is made, until a final court decision is issued.
- 21.10 Where the Lessee fails to comply with an order of an arbitrator or arbitration board or, where an appeal is taken and the Lessee fails to comply with the final decision of a court, this Agreement shall terminate forthwith and the provisions regarding decommissioning in Part III and the provisions of Articles 23.0 and 5.4 shall apply.

Article 22.0 ASSIGNMENTS

- 22.1 The Lessee shall not assign, transfer or sublet this Agreement or any part hereof or any of the rights or privileges contained herein without the written consent of the Minister, which consent shall not be unreasonably withheld, and in the event an assignment is made, the assignee shall become a Party to this Agreement.

Article 23.0 INDEMNITY

- 23.1 The Lessee shall indemnify and keep the Province of Saskatchewan harmless from and against all actions, suits, claims and demands arising out of or in connection with the operations carried on by the Lessee, its servants, employees, agents, licensees and contractors, in, under or upon the Lease Lands except for actions, suits, claims and demands against the Minister arising from the negligence or fault of the Minister or the Minister's servants, representatives, employees or agents. If any claim comes to the attention of the Minister which could give rise to a right of indemnity hereunder, the Minister shall promptly give written notice to the Lessee and the Lessee may, at its option, defend such claim, in which event the Minister shall, at the Lessee's expense, cooperate with the Lessee in any reasonable way including providing such information as the Lessee may reasonably request and allowing the Lessee to act for, on behalf and in the name of the Minister for such purposes. In defending such claim, the Lessee shall not make any admission of liability or fault on behalf of the Minister without the written consent of the Minister. If the Minister elects to defend such claim and the Lessee does not exercise its

option to do so on behalf of the Minister, the Lessee shall only be liable in respect of the costs and expenses of such defence for those costs and expenses which, reasonably viewed, would have been incurred in such defence by a lessor other than the Government of Saskatchewan.

Article 24.0 FORCE MAJEURE

24.1 If either Party is delayed, hindered or prevented from the performance of any of its obligations under this Agreement (hereinafter referred to as the "Delay"), by reason of fire, flood, explosion, acts of God, war, revolution, civil disturbance, embargoes, authorized and lawful acts of the federal government or any board, agency or other instrument of the federal government, strikes or other cause similarly beyond the reasonable control of the Party affected (except by reason of lack of funds or the financial condition of that Party) (collectively an "Event of Force Majeure"), such performance shall be excused for the period of the Delay, and any period within which such performance is to be effected shall be extended by the period of such Delay, subject to the limitations set out in Article 5.1. No Party shall be entitled to relief under this section unless, within fourteen (14) days after the commencement of the Delay, the Party claiming such relief shall have given notice of the Delay in writing to the other Party.

Article 25.0 NOTICES

25.1 Any notices or communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be delivered to, or sent by prepaid registered or certified mail, or confirmed facsimile addressed as follows:

(a) in the case of a notice or communication to the Minister:

Landscape Stewardship Branch
 Ministry of Environment
 Box 3003, 800 Central Avenue
 Prince Albert, Saskatchewan, Canada S6V 6G1
 Attention: Director
 Facsimile: (306) 953-2684

and:

Northern Engagement Branch
 Ministry of Government Relations
 210-1855 Victoria Avenue
 Regina, Saskatchewan, Canada S4P 3T2
 Attention: Executive Director
 Facsimile: (306) 787-6014

(b) in the case of a notice or communication to the Lessee:

(Names and Addresses of all the Owners)

Attention: (Name of Contact Person or Title of Contact)

Facsimile: (000) 000-000

or to such other address as either Party may notify the other in accordance with this Article, and if so delivered shall be deemed to have been given when delivered, or at the time of confirmation of electronic transmission if sent by facsimile if such day is a business day, otherwise the next business day following, and if so mailed shall be deemed to have been given on the third business day after the date of mailing except in the case of a mail strike or other disruption of postal service in which case it shall be deemed to have been given on the third business day after such strike or disruption ceases.

Article 26.0 PLACE OF BUSINESS

26.1 The Lessee shall maintain for the duration of this Agreement and any extension or renewal thereof, an office and place of business of the operator of the (name of project) in the Province of Saskatchewan, and at such office shall make available on reasonable notice to the Lessee any and all books and records or copies thereof, which the Government of Saskatchewan or its authorized representatives may require pursuant to the provisions of this Agreement.

Article 27.0 CONFIDENTIALITY

27.1 All information exchanged between the Parties hereto which either Party declares in writing to be confidential shall be kept confidential, except insofar as may be necessary to enforce the terms of this Agreement or as may be required by law.

Article 28.0 BINDING EFFECT

28.1 This Agreement and everything herein contained shall enure to the benefit of and be binding upon the respective successors and permitted assignees of the Parties hereto, and the expression "Minister" shall be construed as including the successors in office of the Minister of Environment and the Minister of Government Relations, and shall include such other members of the Executive Council for the Province of Saskatchewan that are designated by the Lieutenant Governor in Council as being the Minister responsible for this Agreement, and includes the successors in office of such other members of the Executive Council.

Article 29.0 OTHER LEASES

29.1 Without limiting the requirements, provisions and powers conferred on any Minister or official as contained in any statute of the Province of Saskatchewan or Regulations thereunder, the Minister shall not grant or permit other surface leases or

other agreements granting easement, tenement or other rights of whatever nature or kind upon any of the Lease Lands (collectively the "Other Interest") during the term of this Agreement, or any extensions thereof, without:

- (a) first consulting with the Lessee; and
- (b) if the Other Interest will interfere with the Lessee's operation of the (name of project), first obtaining the consent of the Lessee to the granting or permitting of the Other Interest, which consent will not be unreasonably withheld.

Article 30.0 SCOPE OF COVENANTS

30.1 Except as provided in Article 26.0, the covenants of the Lessee in this Agreement have reference only to the operations of the Lessee to be conducted on the Lease Lands and not to any other operation of the Lessee.

Article 31.0 CONTINUING OBLIGATIONS

31.1 Notwithstanding that this Agreement has been terminated or has expired, the Lessee shall fulfill requirements for decommissioning and reclamation as are set out in Part III, shall remove its property from the Lease Lands as set out in Article 5.5 and in connection with such operations shall indemnify the Province of Saskatchewan as set out in Article 23.1.

Article 32.0 ENTIRE AGREEMENT

32.1 This Agreement together with all documents and agreements incorporated by reference herein constitutes and contains the entire and only Surface Lease Agreement between the Minister and the Lessee concerning the use of the Lease Lands and supersedes and cancels any and all pre-existing Surface Lease Agreements and understandings relevant thereto.

The Parties have executed this (name of project) Surface Lease Agreement (year) on the date set opposite their signature.

(NAMES of OWNERS)

Per: _____

Date: _____

Per: _____

Date: _____

MINISTER OF ENVIRONMENT

Per: _____

Date: _____

**MINISTER RESPONSIBLE FOR FIRST NATIONS, MÉTIS AND
NORTHERN AFFAIRS**

Per: _____

Date: _____

APPENDIX "A"
SURFACE LEASE MAP

Appendix A 1

Generic Uranium Surface Lease Agreement Version April 2015

APPENDIX "B"

OCCUPATIONAL HEALTH AND SAFETY OF WORKERS

1.0 Interpretation

1.1 In this appendix:

- (a) "absorbed dose", with respect to any medium, means the ionizing radiation energy absorbed per unit mass, expressed in grays;
- (b) "committed dose" means the equivalent doses received by any organ or tissue of the body of a person from the intake of any radioactive substance, other than radon or radon progeny, during the period of 50 years immediately following the intake;
- (c) "competent person" means a person qualified by knowledge, training and experience to give advice on monitoring, protective measures and operating procedures to the Lessee which will enable the Lessee to fulfil the requirements of this appendix relating to the protection of workers from exposure to radiation;
- (d) "department" means Ministry of Labour Relations and Workplace Safety;
- (e) "director" means executive director of the Occupational Health and Safety Division of the Ministry of Labour Relations and Workplace Safety;
- (f) "effective dose" means the sum of the products, in sieverts, obtained by multiplying the equivalent dose of radiation received by and committed to each organ or tissue set out in column 1 of Table 4 by the weighting factor set out in column 2 for that item;
- (g) "employer" means a person, firm, association or body that has, in connection with the operation of a place of employment, one or more workers in the service of the person, firm, association or body;
- (h) "equivalent dose" means the product, in sieverts, obtained by multiplying the absorbed dose of radiation and the appropriate radiation weighting factor set out in Table 3;
- (i) "mine" when used as a noun, means an opening or excavation in, or working of, the ground for the purpose of obtaining, proving or opening up a mineral, rock, stone or clay, and includes a quarry, excavation or opening in the ground that is made for the purpose of searching for or removing a mineral, rock, stone or clay, and all workings and plant under or above ground that are used in

connection with crushing, reducing, melting, refining, or treating any mineral, rock, stone or clay;

- (j) "National Dose Registry" means the centralized record-keeping system containing the dose information for radiation workers in Canada that is maintained by Health Canada;
- (k) "radiation" for the purpose of this appendix means ionizing radiation and includes any atomic or subatomic particle or electromagnetic wave emitted or produced directly or indirectly by a machine or radioactive isotope and having sufficient kinetic or quantum energy to produce ionization;
- (l) "nuclear energy worker" means a worker who, by his/her employment at a uranium mine, is likely to be exposed to an effective dose greater than one millisievert in one year;
- (m) "worker" means, when used in the context of this appendix, any person employed by the Lessee or by any other employer commissioned by or contracted by or otherwise performing services for, the Lessee;
- (n) "radon progeny" means any of the radioactive decay products of radon-222, namely bismuth 214, lead 214, polonium 214 and polonium 218;
- (o) "uranium" means the mixture of uranium-234, uranium-235, and uranium-238, as they occur in nature;
- (p) "working level" means:
 - (i) the concentration of radon progeny in one cubic meter (1m³) of air that has the potential alpha energy of 2.08×10^{-5} joules;
- (q) "working level month" means the exposure that results from the inhalation of air containing one working level for 170 hours and is the amount WLM, calculated in accordance with the following formula:
$$1 \text{ WLM} = 3.54 \text{ mJh/m}^3$$

Where:

 - mJ is millijoules
 - h is hours
 - m is meters;
- (r) "one-year dosimetry period" means the period of one calendar year beginning on January 1 or each year;
- (s) "five-year dosimetry period" means the period of 5 calendar years beginning on January 1, 2001 and every period of five calendar years after that period;

2.0 Duties of Lessee

- 2.1 The Lessee agrees to require any other employer at the mine to comply with The Occupational Health and Safety Act, 1993, The Occupational Health and Safety Regulations, 1996, The Mines Regulations, 2003 and sections 2.6, 2.7, 2.8, 5.3, and 9.1 of this appendix, with any necessary modification.
- 2.2 The Lessee agrees to retain a competent person to advise the Lessee on all matters pertaining to this appendix.
- 2.3 The Lessee agrees to consult with the competent person on all relevant aspects of radiation health and safety.
- 2.4 The Lessee agrees to provide the competent person with adequate means to carry out his/her duties.
- 2.5 The Lessee agrees:
 - (a) in consultation with the occupational health committee, to design and establish an occupational health and safety program that meets the requirements of section 13 of The Occupational Health and Safety Act, 1993, and section 22 of The Occupational Health and Safety Regulations, 1996.
 - (b) the occupational health and safety program will be in writing and readily available to the occupational health committee; and
 - (c) to require any other employers at the mine to participate in an occupational health and safety program that meets the requirements of section 13 of The Occupational Health and Safety Act, 1993, and section 22 of The Occupational Health and Safety Regulations, 1996.
- 2.6 The Lessee agrees to ensure that where an incident reportable to the director under section 3.5 or section 5.1 of this Appendix occurs at the mine site, the employer, in consultation with the occupational health committee, shall investigate the incident as soon as reasonably possible and prepare a written report describing the causes of the incident and any corrective actions taken to prevent a reoccurrence.
- 2.7 The Lessee agrees to ensure that:
 - (a) the occupational health committee inspects working areas of the mine every month; and
 - (b) the occupational health committee keeps written records of the investigations required by section 2.6 and the inspections required by clause (a) and to make such records available to the director or designate on request.

- 2.8 The Lessee undertakes that the mine will be designed, developed and operated so that the exposure to radiation of any worker in that mine is as low as reasonably achievable, social and economic factors being taken into account.
- 2.9 In any building or on any equipment not associated directly with the mining, transport, beneficiation or storage of ore, mineral, uranium concentrate or tailings, the Lessee agrees to take all necessary steps to limit any removable surface contamination to levels below 3.7 becquerels per square centimetre averaged over any 0.01 square metre area.
- 2.10 The Lessee agrees to provide and implement a code of practice, acceptable to the director, which will specify the action to be taken when radiation levels specified in the code of practice occur including,
- (a) the monitoring of radiation levels and workers' radiation exposures;
 - (b) the posting of radiation levels;
 - (c) the prohibition or restriction of access to places or equipment;
 - (d) the control and correction of spills; and
 - (e) the procedure to be adopted during equipment failures and unusual operating conditions.

3.0 Monitoring

- 3.1 (a) The Lessee agrees that as soon as possible before the commencement of operations at a mine the Lessee will submit to the director, a program, acceptable to the director, for the monitoring of radiation levels and the determination of the effective dose received by workers.
- (b) The Lessee agrees that all workers:
- (i) who may receive an external gamma dose greater than one millisieverts in a one-year period wear personal dosimeter to be issued by a dosimetry service provider licensed pursuant to the Regulatory Standard S-106 (Revision 1), Technical and Quality Assurance Requirements for Dosimetry Services, Canadian Nuclear Safety Commission May 2006; and
 - (ii) who may receive a radon progeny exposure greater than one working level month per year shall be monitored using a personal radon progeny dosimetry system issued by a dosimetry service provider licensed pursuant to the Regulatory Standard S-106 (Revision 1), Technical and Quality

Assurance Requirements for Dosimetry Services, Canadian Nuclear Safety
Commission May 2006;

- (c) The program may, after consultation with the affected occupational health committee(s), be amended from time to time by agreement between the director and the Lessee.
- 3.2 The Lessee agrees to ensure that the monitoring of radiation and the determination of effective doses for workers is conducted under the direction of the competent person in accordance with the program mentioned in clause 3.1(a), except that this shall not apply to any part of the determination conducted by an external agency acceptable to the director.
- 3.3 The Lessee agrees;
- (a) to determine the effective doses received by all radiation workers at the mine by a method acceptable to the director; and
 - (b) to ensure that the effective doses received by all workers, other than nuclear energy workers, engaged in activities directly associated with any radioactive material or anything contaminated by radioactive material are, and are likely to continue to be, less than one millisieverts per year.
- 3.4 For the purpose of this appendix, any dose pertaining to a worker which is currently entered into the National Dose Registry shall be deemed to be that worker's true dose unless the Lessee can provide to the director evidence to the contrary.
- 3.5 (a) The Lessee agrees to inform the director and the occupational health committee, as soon as reasonably possible, when
- (i) any worker is assessed to have received an effective dose determined in accordance with clause 5.1 (a), which has exceeded 20 millisieverts in a year.
 - (ii) the Lessee or the worker believes the effective dose assigned to that worker to be inaccurate.
 - (iii) in the case of gamma exposure, exceeded 10 millisieverts in any three month period; or
 - (iv) in the case of exposure to short-lived radon progeny has exceeded two working level months in any three month period.

- (b) The Lessee agrees to facilitate any investigation by the director or occupational health committee into a high or inaccurate reading reported in subsection 3.5 (a);
- (c) Where the Lessee or a worker requests a review of the action taken, or required to be taken, by the Lessee based on the effective dose assessed for a worker, the Lessee agrees that the director in consultation with the Lessee, the worker and the occupational health committee may review the circumstances and the director may accept such alternative action provided that the standard of health and safety to the worker is not thereby materially affected.

4.0 Nuclear Energy Workers

- 4.1 The Lessee agrees not to require a worker to be a nuclear energy worker unless that worker has been informed and advised of the significance of that designation.
- 4.2 The Lessee agrees to inform the director of any worker and the activities of that worker who is required to be a nuclear energy worker.
- 4.3 The Lessee shall not designate any worker as a nuclear energy worker if advised by the director that in the director's opinion such designation is not necessary.

5.0 Exposure Limits

- 5.1 The lessee shall ensure:
 - (a) that the effective dose received by and committed to a person described in column 1 of Table 1 during a period set out in column 2 of Table 1 is as low as is reasonably achievable with economic and social factors taken into consideration and does not exceed the effective dose set out in column 3 of Table 1; and
 - (b) that the equivalent dose received by and committed to an organ or tissue set out in column 1 of Table 2 of a person described in column 2 of Table 2, during the period set out in column 3 of Table 2, does not exceed the equivalent dose set out in column 4 of Table 2.
- 5.2 (1) In this section:
 - (a) “**ALI**”, as the acronym for annual limit on intake, means the activity, in becquerels, of a radionuclide that will deliver an effective dose of 20 millisieverts during the 50-year period after it is taken into the body of an adult or during the period beginning at intake and ending at age 70 after it is taken into the body of a person less than 18 years of age;

- (b) “E” means the portion of the effective dose, in millisieverts:
 - (i) received by a person from sources outside the body and includes x-rays, Canadian Nuclear Safety Commission (CNSC) licensed activities or other sources of radiation arising from human activity; and
 - (ii) received by and committed to the person from sources inside the body, measured directly or from excreta;
- (c) “I” means the activity, in becquerels, of any radionuclide that is taken into the body, excluding radon progeny and the activity of other radionuclides accounted for in the determination of E;
- (d) “Rn” means the average annual concentration in the air, in becquerels per cubic meter (m³), of radon 222 that is attributable to a CNSC licensed activity;
- (e) “RnP” means the exposure to radon progeny in working level months that is attributable to a CNSC licensed activity;
- (f) “Σ I/ALI” means the sum of the ratios of I to the corresponding ALI.

(2) For the purposes of item 1 of Table 1, the effective dose is the amount ED, expressed in millisieverts, calculated in accordance with the following formula:

$$ED = E + 4 RnP + 20 \sum \frac{I}{ALI}$$

(3) For the purposes of item 2 of Table 1, the effective dose is the amount ED, expressed in millisieverts, calculated in accordance with the following formula:

$$ED = E + 20 \sum \frac{I}{ALI}$$

(4) For the purposes of item 3 of Table 1, the effective dose is the amount ED, expressed in millisieverts, calculated in accordance with either of the following formulas:

(a) $ED = E + \frac{Rn}{60} + 20 \sum \frac{I}{ALI}$

(b) $ED = E + 4 RnP + 20 \sum \frac{I}{ALI}$

- 5.3 The Lessee agrees that where the effective dose received by a nuclear energy worker is in excess of that specified in subsection 5.1 the Lessee will:
- (a) inform the worker, the director and the occupational health committee as soon as reasonably possible;
 - (b) investigate the cause and circumstances leading to this level of radiation exposure; and
 - (c) in consultation with the occupational health committee(s), develop a program to minimize the possibility of similar future radiation exposure to such worker and submit the same to the director.
- 5.4 The Lessee agrees:
- (a) that the importance of reporting a pregnancy to the Lessee as soon as possible will be explained to all female workers at the time at which they enter into employment;
 - (b) where the pregnancy of a worker is reported to the Lessee, the Lessee shall make arrangements to ensure that the dose to the abdomen of the pregnant worker does not exceed four millisieverts during the remainder of the pregnancy, (the dose to the abdomen shall be deemed to be equal to the effective dose, other than from radon progeny, unless the Lessee provides to the director, evidence to the contrary); and
 - (c) if a pregnant worker desires to continue in employment or training, the Lessee shall reassess and, if necessary, revise the employment duties or educational activities of the worker so that the limit set by clause (b) is not exceeded.
- 5.5 The Lessee agrees that where a worker exceeds the maximum permitted exposure for any period:
- (a) where the worker is employed by the Lessee, the Lessee will make every reasonable effort to provide the Lessee's worker with suitable alternative employment; and
 - (b) where the worker is employed by any other employer, commissioned by or contracted by or otherwise performing services for the Lessee, the Lessee will require the employer to make every reasonable effort to provide that worker with suitable alternative employment.

6.0 Personal Monitoring

- 6.1 The Lessee agrees to maintain a separate cumulative record on a continuous permanent basis for each nuclear energy worker which shall:
- (a) include all measurements pertaining to the actual dose received, both externally and internally, by the worker for the current one-year and five-year dosimetry periods;
 - (b) include the committed doses received from any radioactive substances deposited within the body of the worker that have been determined by any monitoring or sampling procedures followed at the place of employment or from any bio-assay procedures that have been carried out; and
 - (c) be given to that worker, the director and the National Dose Registry of Health Canada at intervals not less frequently than every quarter.
- 6.2 The Lessee agrees to provide this information in a form mutually acceptable to the Lessee, the director and the National Dose Registry.
- 6.3 The Lessee shall, to the extent of its knowledge, provide each worker who leaves the employ of the Lessee a record of the worker's cumulative effective dose.
- 6.4 The Lessee shall ensure that a summary of the information sent to the director is made available to the occupational health committee but this summary shall not identify the personal records of any worker.

7.0 Records

- 7.1 The Lessee agrees to preserve dosimetry records required by this appendix during the operating life of the mine and shall forward such records to the director as the director may reasonably require when the mine is closed.
- 7.2 The Lessee shall make any record required by this appendix available to the director or designate on request.

8.0 Training

- 8.1 The Lessee agrees to provide and implement an effective training program to educate every nuclear energy worker in:
- (a) the health hazards associated with radiation work, in particular the health effects of radiation exposure including the need for good hygiene practices and the added risk to a nuclear energy worker of smoking;
 - (b) the safe working methods and techniques to be used;

- (c) the precautions to be taken and the reasons therefore; and
- (d) the requirements for medical surveillance contained in this appendix and the importance of complying with these requirements.

8.2 (1) The Lessee agrees that the training program will be:

- (a) fully documented;
- (b) developed in consultation with the occupational health committee; and
- (c) subject to review by and acceptable to the director.

(2) The Lessee agrees that a record will be kept of the training given to each radiation worker.

9.0 Protection of Workers

9.1 The Lessee agrees to:

- (a) ensure that all protective equipment is suitable for the efficient performance of its intended purpose and is adequately maintained;
- (b) require that workers do not smoke, eat or drink except in suitable designated areas;
- (c) ensure that appropriate standards of hygiene are maintained in working, rest and eating areas; and
- (d) ensure that all workers are encouraged to adopt good hygiene standards.

10.0 Medical Surveillance

10.1 The Lessee agrees, with respect to its operations on the leased lands:

- (a) to engage the services of a physician for the purpose of providing occupational medical service to workers unless otherwise exempted by the director; and
- (b) to ensure that the appointed physician has sufficient opportunity to familiarize himself/herself with the operation to an extent necessary to fulfil his/her purpose effectively.

10.2 The Lessee agrees that the physician shall have reasonable opportunity, resources and facilities to implement appropriate medical services for the health and safety of any worker.

10.3 The Lessee agrees to facilitate the availability of medical services to the worker except that, if the worker refuses, a record of his refusal shall be kept.

10.4 The Lessee agrees to make information regarding the occupational medical service program available to the Chief Occupational Medical Officer of the Ministry of Labour Relations and Workplace Safety and agrees to make reasonable changes as requested by the Chief Occupational Medical Officer.

TABLE 1
Effective Dose Limit

<i>Item</i>	Column 1 Person	Column 2 Period	Column 3 Effective Dose (millisievert)
1	Radiation worker, including a pregnant occupational worker	(a) One-year dosimetry period (b) Five-year dosimetry period	50 100
2	Pregnant radiation worker	Balance of the pregnancy	4
3	A person who is not a radiation worker	One calendar year	1

TABLE 2
Specific Equivalent Dose Limits

<i>Item</i>	Column 1 Organ or Tissue	Column 2 Person	Column 3 Period	Column 4 Equivalent Dose (millisievert)
1	Lens of an eye	(a) Radiation Worker	One-year dosimetry period	150
		(b) Any other person	One calendar year	15
2	Skin ¹	(a) Radiation Worker	One-year dosimetry period	500
		(b) Any other person	One calendar year	50
3	Hand and feet	(a) Radiation Worker	One-year dosimetry period	500
		(b) Any other person	One calendar year	50

1 When skin is unevenly irradiated, the equivalent dose received by the skin is the average equivalent dose over the 1 cm² area that received the highest equivalent dose.

TABLE 3
Radiation Weighting Factors

<u>Type and energy range</u>	<u>Radiation weighting factor,</u> <u>W_R</u>
Photons, all energies (x-rays, gamma rays)	1
Electron and muons, all energies (beta rays)	1
Neutrons, energy	
< 10 keV	5
10 keV to 100 keV	10
> 100 keV to 2 MeV	20
> 2 MeV to 20 MeV	10
> 20 MeV	5
Protons, other than recoil protons, energy > 2 MeV	5
Alpha particles, fission fragments, heavy nuclei	20

TABLE 4
Organ or Tissue Weighting Factors

<u>Item</u>	Column 1 <u>Organ or Tissues</u>	Column 2 <u>Weighting Factor</u>
1	Gonads (testes or ovaries)	0.20
2	Red bone marrow	0.12
3	Colon	0.12
4	Lung	0.12
5	Stomach	0.12
6	Bladder	0.05
7	Breast	0.05
8	Liver	0.05
9	Oesophagus	0.05
10	Thyroid	0.05
11	Skin ¹	0.01
12	Bone surfaces	0.01
13	All organs and tissues not listed in items 1 to 12 (remainder organs and tissues) collectively, including the adrenal gland, brain, extra-thoracic airway, small intestine, kidney, muscles, pancreas, spleen, thymus and uterus ^{2,3}	0.05
14	Whole body	1.00

- 1 The weighting factor for skin applies only when the skin of the whole body is exposed.
- 2 When the equivalent dose received by and committed to one of these remainder organs and tissues exceeds the equivalent dose received by and committed to any one of the organs and tissues listed in items 1 to 12, a weighting factor of 0.025 must be applied to that remainder organ or tissue and a weighting factor of 0.025 must be applied to the average equivalent dose received by and committed to the rest of the remainder organs and tissues.
- 3 Hands, feet and the lens of an eye have no weighting factor.

APPENDIX "C"

SOCIAL AND ECONOMIC BENEFITS COMMITMENTS

1. **Employment Commitment**

(Project operator and/or owner) commits to use its best efforts to maximize employment participation by Residents of Saskatchewan's North in the (name of project) in striving towards a goal of 67% northern employment as recommended by the Joint Federal-Provincial Panel on Uranium Mining Developments in Northern Saskatchewan in its 1997 report on other similar northern uranium mining developments.

Progress and achievements regarding this Commitment will be reported annually in the Human Resource Development Plans (see Appendix "D").

2. **"Stay in School Program" Commitment**

(Project operator and/or owner) commits to work in cooperation with its industry counterparts, government and northern educational institutions to plan and implement programs that will encourage students who are Residents of Saskatchewan's North to pursue higher levels of education and consider professional careers related to the mining industry.

Progress and achievements regarding this Commitment will be reported annually in the Human Resource Development Plans (see Appendix "D").

3. **Northern Business Participation Commitment**

(Project operator and/or owner) commits to use its best efforts, in cooperation with government, to achieve the goal of Northern Businesses annually supplying 35% of the overall value of the goods and services purchased in support of its mining operations in the Northern Saskatchewan Administration District.

Progress and achievements regarding this Commitment will be reported annually in the Northern Business Participation Reports (see Appendix "D").

4. **Community Vitality Study Commitment**

(Project operator and/or owner) commits to work with appropriate government agencies and industry counterparts, to develop and fund a means by which to study the impacts of uranium mining operations on the vitality of communities

in the Northern Saskatchewan Administration District, through the study of selected representative communities.

Progress and achievements regarding this Commitment will be reported annually in the Public Involvement Program Reports (see Appendix "D").

5. **Employee Education and Training Commitment**

(Project operator and/or owner) commits to develop and implement employee education and training plans necessary to meet its needs for the (name of project).

Progress and achievements regarding this Commitment will be reported annually in the Human Resource Development Plans (see Appendix "D").

6. **Employee Services Commitment**

(Project operator and/or owner) commits to provide suitable on-site services to its employees of the (name of project), and to consider employee suggestions for enhancement of such on-site services. Further, (Project operator and/or owner) commits to provide its employees with counselling through a joint company/employee sponsored assistance program.

Progress and achievements regarding this Commitment will be reported annually in the Human Resource Development Plans (see Appendix "D").

7. **Public Involvement Commitment**

(Project operator and/or owner) commits to work with governments, regulatory agencies and community leaders to consult and inform Residents of Saskatchewan's North with respect to its mining operations in the Northern Saskatchewan Administration District.

Progress and achievements regarding this Commitment will be reported annually in the Public Involvement Program Reports (see Appendix "D").

APPENDIX "D"

REPORTING REQUIREMENTS

List of Lessee's reporting requirements under the terms of the Agreement:

- (a) **Land Development Reports:** Pursuant to Article 3.3, annually on or before April 1st, the Lessee shall provide the Minister of Environment at Prince Albert with information as to the portion of the Lease Lands that has been developed, in such detail as is necessary to calculate rent or other charges payable in accordance with the Applicable Laws.
- (b) **Sand and Gravel Royalty Return Reports:** When required by Article 6.5, the Lessee shall complete and submit Sand and Gravel Royalty Return Reports to the Minister of Environment at Prince Albert on an annual basis, with such reports being due within thirty (30) days after March 31 unless otherwise specified in The Crown Resource Lands Regulations.
- (c) **Industrial Water Use Reports:** Pursuant to Article 6.6., the Lessee shall complete and submit an estimate of the amount of water used for industrial purposes to the Water Security Agency at Moose Jaw on an annual basis, with such reports being due within thirty days (30) after January 01 of the following year.
- (d) **Emergency Response Contingency Plan:** Pursuant to Article 10.7, the Lessee shall prepare and submit an Emergency Response Contingency Plan that complies with the provisions of The Hazardous Substances and Waste Dangerous Goods Regulations, as may be required by the Ministry of Environment.
- (e) **Environmental Performance Report:** Pursuant to Article 10.14, the Lessee shall prepare and submit to the Minister of Environment reports regarding the environmental condition of the Lease Lands and surrounding lands in a form acceptable to the Ministry.
- (f) **Human Resource Development Plans:** Pursuant to Article 13.1(b), the Lessee shall prepare and submit Human Resource Development Plans to the Minister of the Economy, Labour Market Service, in accordance with the Human Resource Development Agreement referred to in Article 13.1 (a).
- (g) **Business Opportunities Forecasts:** Pursuant to Article 15.1(a)(i), the Lessee shall annually prepare a five year rolling Business Opportunities Forecast, the first two years of which shall be complete with such information, benchmarks and processes as will enable performance monitoring for the (name of project) and the last three years of which shall contain general business trend information. The initial Business Opportunities Forecast shall be completed and submitted to the Ministry of Government Relations, Northern Engagement Branch, within three months

following the execution of the Agreement. Thereafter, an updated Business Opportunities Forecast will be prepared and submitted annually on or before November 1.

- (h) **Employment Status Reports:** Pursuant to Article 16.3, the Lessee shall prepare and file with the Minister of the Economy, Labour Market Service, employment statistics for the (name of project) and on behalf of its on-site contractors which reflect the degree of achievement of the objectives of Part V. These statistics shall be prepared and submitted in accordance with the terms of the applicable Human Resource Development Agreement or as otherwise reasonably requested by the Minister of the Economy, Labour Market Service.
- (i) **Northern Business Participation Reports:** Pursuant to Article 16.4, the Lessee shall prepare and submit a Northern Business Participation Report to the Ministry of Government Relations, Northern Engagement Branch, annually on or before March 31st, in a form acceptable to such Branch, detailing:
 - (i) the nature (character), by suitable categories, and value of goods and services purchased during the year under report, in the construction, operation and reclamation and decommissioning phases of the (name of project);
 - (ii) separate more detailed information regarding the nature (character) and value of goods and services purchased during the year under report, in the phases referred to in (i) above, from Northern Businesses; and
 - (iii) the activities undertaken by the operator of the (name of project) and its on-site contractors to achieve the intent of Part V of the Agreement and any objectives as may have been set forth in the Business Opportunities Forecast for the year under report.
- (j) **Compensation for Loss of Income Reports:** Pursuant to Article 17.2, the Lessee shall prepare and submit reports to the Northern Engagement Branch, Ministry of Government Relations, annually on or before March 31 in a format prescribed by such Branch, detailing any compensation paid during the course of the year under report for actual monetary losses of commercial income arising as a result of this Agreement, to such individuals or such individuals' family heirs disclosed to the Minister in Article 17.1, who immediately prior to the effective date of this Agreement had used or occupied the Lease Lands to generate commercial income by way of a lease, license or permit granted by the Government of Saskatchewan..
- (k) **Reports on Social and Economic Benefits Commitments:** Pursuant to Article 18.2, the Lessee will report on its progress in complying with the Social and Economic Benefits Commitments, which are listed in Appendix "C". This reporting

shall be accomplished through the reports listed in this Appendix "D".

- (l) **Public Involvement Program Reports:** Pursuant to Article 18.3, the Lessee shall prepare and submit reports to the Ministry of Government Relations, Northern Engagement Branch, annually on March 31st, on the Lessee's public involvement programs in accordance with the recommendation made by the Joint Federal-Provincial Panel on Uranium Mining Developments in Northern Saskatchewan in its February 1997 report to the Minister of Environment and agreed to by the Government of Saskatchewan.

APPENDIX "E"

GLOSSARY OF TERMS

In the Agreement and in the Appendices attached thereto, unless there is something in the subject matter or the context inconsistent therewith, the following terms and expressions will have the following meanings:

- (a) "**Agreement**" means this document as a whole and the attached Appendices as amended from time to time, and the expressions "herein", "hereto", "hereunder", "hereof" and similar expressions refer to this Agreement as so defined and not to any particular Article, section, subsection or other subdivision hereof;
- (b) "**Applicable Laws**" means The Forest Resources Management Act, The Provincial Lands Act and all other Saskatchewan legislation, including Regulations made thereunder, regarding the disposition of surface rights and the activities carried out as part of the ____ Project;
- (c) "**Decommissioning and Reclamation Plans**" means the decommissioning and reclamation plans for the Lease Lands, including the mining site and individual pollutant control facilities, as required by the Minister pursuant to The Mineral Industry Environmental Protection Regulations, 1996;
- (d) "**Human Resource Development Agreement**" means the co-operative training agreement between the Lessee and Minister of the Economy, Labour Market Service, referred to in Article 13.1(a) of the Agreement;
- (e) "**Lease Lands**" means the lands described in Article 3.0;
- (f) "**____ Project**" means mining, milling and other permitted site activities including decommissioning, reclamation and monitoring carried out on and/or from the Lease Lands;
- (g) "**Mineral Disposition**" means mineral lease number (Numbers and dates) between the Government of Saskatchewan and (name of lease holders), effective (date), granted under The Mineral Disposition Regulations, 1986 made pursuant to The Crown Minerals Act, or such other mineral lease(s) as may be substituted therefore;
- (h) "**Northern Saskatchewan Administration District**" has the meaning attributed to that term in the Regulations made pursuant to The Northern Municipalities Act, 2010;
- (i) "**Northern Business**" means those businesses located in the Northern Saskatchewan Administration District;

- (j) **"Occupational Health Committee"** means the occupational health committee established by the Lessee for the (name of project) pursuant to the provisions of The Saskatchewan Employment Act, and the Regulations made pursuant to that Act;
- (k) **"Parties"** mean the parties to this Agreement;
- (l) **"Residents of Saskatchewan's North"** means the residents defined in the Human Resource Development Agreement; and
- (m) **"Social and Economic Benefits Commitments"** means the commitments listed in Appendix "C", which commitments were made by the Lessee:
 - (i) in Environmental Impact Statements, including Main Volumes, Appendices and/or Addendums, and in written presentations during the 1996 hearings of the Joint Federal-Provincial Panel on other Uranium Mining Developments in Northern Saskatchewan; and
 - (ii) which were recommended by the Joint Federal-Provincial Panel on other Uranium Mining Developments in Northern Saskatchewan and agreed to by the Government of Saskatchewan.

APPENDIX "B"

Sample HRDA attached.

DRAFT



Ministry of The Economy

**XYZ MINE OPERATION
HUMAN RESOURCE DEVELOPMENT AGREEMENT**

Between
The Government of Saskatchewan
and
XYZ Mining Corporation

SAMPLE

HUMAN RESOURCE DEVELOPMENT AGREEMENT

THIS AGREEMENT effective _____, 2013.

BETWEEN:

THE GOVERNMENT OF SASKATCHEWAN as represented by the Minister of Saskatchewan Ministry of The Economy (hereinafter called the "**Minister**")

- and -

XYZ MINE CORPORATION, a body corporate incorporated under the laws of Canada and registered to carry on business in the Province of Saskatchewan, Operator of the XYZ Mine Operation (hereinafter called the "**Operator**")

WHEREAS, XYZ Mining Corporation has entered into an agreement with the Government of the Province of Saskatchewan known as the "XYZ Mine Operation Surface Lease Agreement" dated the first day of January, AD 2000 (hereinafter called the XYZ Mine Operation Surface Lease);

AND WHEREAS the Minister has the authority to enter this Agreement according to Section 5 of The Post-Secondary Education and Skills Training Act.

AND WHEREAS the Parties to this Agreement recognize that the XYZ Mine Operation represents a major development with the potential to provide significant employment and business benefits to Residents of Saskatchewan's North. (~~Surface Lease Article 10(1)~~)

AND WHEREAS both Parties have agreed that, for the purposes of this Agreement, the following terms and expressions shall have the meanings given to them herein:

Saskatchewan's North

The region denoted by "SASKATCHEWAN'S NORTH" shall mean that portion of Saskatchewan described in The Northern Municipalities Act, 2010, Chapter N-5.2 Reg 1, Section 74.

Resident of Saskatchewan's North

The Parties shall consider a person to be a RESIDENT OF SASKATCHEWAN'S NORTH if that person satisfies one of the following criteria:

- (a) A person who has resided in Saskatchewan's North for a period of 10 years or one half his or her age, whichever is the lesser. Such a person:
 - shall not lose status by relocating outside of Saskatchewan's North for educational purposes;
 - shall not lose status by relocating outside of Saskatchewan's North for five years or less; and
 - shall regain status if he or she has lived outside of Saskatchewan's North for more than five years but re-establishes primary residency in Saskatchewan's North at the time of hire.
- (b) A person who transfers from one mine operation in Saskatchewan's North to another, or is re-employed within one year after leaving mine employment in Saskatchewan's North, and who met the criteria of a Resident of Saskatchewan's North contained in the applicable Human Resource Development Agreement at the time of recruitment to that operation.
- (c) A person who has been designated by the Minister to be a Resident of Saskatchewan's North.

Recruitment Communities

PRIORITY RECRUITMENT COMMUNITIES shall mean those municipal or First Nations communities located in Saskatchewan's North designated by the Operator and named in each Human Resource Development Plan pursuant to Article 6.2 (b) whose labour pool will have the highest priority for recruitment, where feasible, for available positions on the XYZ Mine Operation.

OTHER RECRUITMENT COMMUNITIES shall mean all municipal or First Nations communities located in Saskatchewan's North, apart from the designated PRIORITY RECRUITMENT COMMUNITIES, whose residents collectively form the labour pool which the Operator will give, where feasible, second priority in recruitment for available positions on the XYZ Mine Operation.

Pick-Up Points

A PICK-UP POINT shall mean a community from which transportation chartered by the Operator is provided to and from the XYZ Mine Operation for employees of the Operator. Pick-Up Points are designated by the Operator and named in each Human Resource Development Plan pursuant to Article 6.2 (b).

Stages of the XYZ Mine Operation

For the purposes of this Agreement, the STAGES of the XYZ Mine Operation are as follows:

Construction Stage
Operation Stage
Shut-Down Stage
Decommissioning and Reclamation Stage
Post-Decommissioning Monitoring Stage

Employment Classification

The term EMPLOYMENT CLASSIFICATION shall mean any designation used by the employer to describe a set of performances and responsibilities which is currently accepted by the mining community as defining a distinct and identifiable position.

NOW THEREFORE the Parties agree as follows:

Article 1.0 Intent

- 1.1 It is the intent of the Parties to provide a cooperative atmosphere for the Operator to maximize project-related employment and economic opportunities for Residents of Saskatchewan's North, in accordance with the Articles of Part IV of the XYZ Mine Operation Surface Lease. ~~(Surface Lease Article 10.2)~~
- 1.2 Specifically, it is the intent of the Parties to this Agreement to maximize the direct recruitment, hiring, training, and advancement opportunities available to Residents of Saskatchewan's North in general and to Residents of Saskatchewan's North from the PRIORITY and OTHER RECRUITMENT COMMUNITIES in particular.
- 1.3 The Parties agree that, subject to social and economic factors, this Agreement will provide for the establishment of:
 - (a) A mutually agreed-upon framework of reasonable expectations and measurable objectives in sufficient detail acceptable to all Parties concerning the responsibilities of the Operator and responsibilities of the Minister regarding the recruitment, hiring, training, and advancement of Residents of Saskatchewan's North in general and of Residents of Saskatchewan's North from the PRIORITY and OTHER RECRUITMENT COMMUNITIES in particular; and ~~(Surface Lease Article 10.3)~~
 - (b) An effective and ongoing means of monitoring and evaluating the performance of the Parties in achieving the agreed-to expectations and measurable objectives regarding the recruitment, hiring, training, and advancement of Residents of Saskatchewan's North in general and of Residents of Saskatchewan's North from the PRIORITY and OTHER RECRUITMENT COMMUNITIES in particular.
- 1.4 For greater clarity, it is the intent of the parties that the Operator gives priority for recruitment, hiring, training and advancement to labour pools from applicable Saskatchewan communities in accordance with the following prescribed order of priority, listed from highest to lowest:

- (a) PRIORITY RECRUITMENT COMMUNITIES (as designated by the Operator);
- (b) OTHER RECRUITMENT COMMUNITIES; and
- (c) Communities within Saskatchewan but outside Saskatchewan's North.

Article 2.0 Scope of Covenant

- 2.1 The covenants of the Operator in this Agreement have reference only to the operations of the Operator to be conducted on the leased lands defined in the XYZ Mine Operation Surface Lease and not to any other operations of the Operator.
- 2.2 The Parties agree that this Agreement will apply to all Stages of the XYZ Mine Operation.
- 2.3 Without limiting the intent of any Article of this Agreement, where practicable the Operator shall use its best efforts to ensure that all contractors of the XYZ Mine Operation shall comply with the spirit and intent of this Agreement to maximize their recruitment, hiring, training and advancement of Residents of Saskatchewan's North in general and of Residents of Saskatchewan's North from the PRIORITY and OTHER RECRUITMENT COMMUNITIES in particular. ~~(Surface Lease Article 11.2 and 31.6).~~
- 2.4 This Agreement between the Operator and the Minister in furtherance of this Agreement shall be subject to the terms and conditions of any collective bargaining agreements applicable to employees of the XYZ Mine Operation.
- 2.5 The Parties expressly acknowledge and agree that nothing in this Agreement is intended to or does require the Parties to undertake any practice or policy which contravenes any provision of the Canadian Human Rights Act (Canada) or The Saskatchewan Human Rights Code, any Regulations enacted pursuant thereto or any policy or guideline of the Canadian Human Rights Commission or the Saskatchewan Human Rights Commission. ~~(Surface Lease Article 10.5)~~

Article 3.0 Responsibilities of the Operator

- 3.1 The Operator shall use its best efforts to undertake special recruiting efforts in Saskatchewan's North in co-operation with local governments, First Nations, Métis, and federal and provincial agencies, and shall, where practicable, use its best efforts to cause all contractors working on site to adopt similar recruitment efforts. ~~(Surface Lease Article 11.1 (c) and 11.2).~~
- 3.2 The Operator shall use its best efforts to recruit Residents of Saskatchewan's North firstly from the PRIORITY RECRUITMENT COMMUNITIES, secondly from the OTHER RECRUITMENT COMMUNITIES in general, and lastly from communities outside Saskatchewan's North.
- 3.3 The Operator shall, to the extent practicable, upgrade and train its employees in relation to the Operator's needs and obligations and ensure a positive work environment which is conducive to employees, in particular Residents of Saskatchewan's North, achieving

- increased knowledge and accepting greater responsibility in their employment opportunities with the Operator. (Surface Lease Article 12.2)
- 3.4 The Parties agree that on-going and progressive on-the-job training is an effective approach to meeting the intent of this Agreement and that such training will be offered by the Operator to its employees, in particular Residents of Saskatchewan's North, to the extent practicable. The Operator agrees that, to the extent practicable, it will use its best efforts to ensure its contractors' employees are provided the same on-the-job training by the contractors. (Surface Lease Article 12.3)
- 3.5 The Operator shall use its best efforts to organize and implement its training programs so that employees, in particular Residents of Saskatchewan's North, completing the training will be able to use the skills acquired and time spent as credit towards certification or status recognized by Saskatchewan training institutions and such other accreditation-granting bodies that are recognized in Saskatchewan. (Surface Lease Article 12.5)
- 3.6 The Operator shall use its best efforts to increase the number of Residents of Saskatchewan's North at the XYZ Mine Operation certified as journeypersons through such efforts as:
- (a) providing opportunities for employment and training in positions that are designated as trades by the Apprenticeship and Trade Certification Commission, where practicable; and
 - (b) recording the details of employment with the Northern Office of the Apprenticeship and Trade Certification Commission according to The Apprenticeship and Trade Certification Act 1999, where it is mutually advantageous and agreeable to the Operator and an employee. (Surface Lease Article 12.6)
- 3.7 The Operator shall have the ultimate responsibility for the establishment of internal training programs necessary to meet its needs on the XYZ Mine Operation. (Surface Lease Article 12.1)
- 3.8 The Operator shall have the sole and final responsibility for recruiting its employees and for determining the positions in which its employees can best use their present skills and trainable potential.

Article 4.0 Responsibilities of the Minister

- 4.1 The Minister shall use his or her best efforts to provide basic education and literacy training which will make the transfer of skills on-the-job more effective and the Operator will cooperate with the Minister in this regard, where practicable. It is agreed that provision of opportunities for professional and technical education in Saskatchewan's North would assist Residents of Saskatchewan's North to compete for a wider range of jobs associated with the XYZ Mine Operation. (Surface Lease Article 12.4)
- 4.2 The Minister shall make the curriculum development and instructional material resources of

Saskatchewan Ministry of The Economy, Labour Market Services, available to the Operator, to the extent practicable, to provide the Operator assistance in the design or delivery of any of the Operator's training programs related to the XYZ Mine Operation.

- 4.3 The Minister agrees to submit to the Operator, at such times as the Operator may request, information from Saskatchewan Ministry of The Economy's Northern Human Resource Data Bank which the Minister considers would be useful in providing a community-by-community skill profile of Saskatchewan's North based on data available to Saskatchewan Ministry of The Economy. This shall not apply to any information which the Minister is prevented by law from disclosing.

Article 5.0 Responsibilities of All Parties

- 5.1 All Parties agree to work co-operatively with government agencies, training delivery agencies, and industry counterparts through partnerships, such as the Mineral Sector Steering Committee, which have goals in common with this Agreement to maximize the training and employment of Residents of Saskatchewan's North in the mineral sector.
- 5.2 All Parties agree to enter into discussions with the goal of identifying and developing pre-employment and employment-advancement training programs related to the XYZ Mine Operation. Such programs will be delivered by the appropriate institution or agency.
- 5.3 All Parties agree to co-operate in sharing the costs of apprenticeship training and in planning the location, schedule, and means of delivery of apprenticeship instruction related to the XYZ Mine Operation.
- 5.4 All Parties agree to discuss, within one month following the execution of this Agreement, their respective financial commitments regarding the training of current and prospective employees of the Operator and the Operator's contractors for the XYZ Mine Operation. Such discussions may take place solely between the Parties or among a mutually advantageous partnership such as the Mineral Sector Steering Committee.
- 5.5 All Parties agree to initiate planning of training programs to meet the demand of the XYZ Mine Operation within one month following the execution of this Agreement. Such planning may take place solely between the Parties or among a mutually advantageous partnership such as the Mineral Sector Steering Committee.

Article 6.0 Monitoring

- 6.1 The Parties agree that the Minister has primary responsibility for monitoring the success of activities undertaken to address the objectives of this Agreement. ~~(Surface Lease Article 14.1)~~
- 6.2 The Operator shall prepare and submit to the Minister annual Human Resource Development Plans, acceptable to all Parties. The Human Resource Development Plan will set forth the mutually agreed-upon goals of the Operator and report on the progress and achievements of the Operator in addressing the intent of this Agreement and the

commitments outlined in Sections 1, 2, 5, and 6 of Appendix C of the XYZ Mine Operation Surface Lease during the period covered by the Plan. The Operator agrees that each Human Resource Development Plan: ~~(Surface Lease Article 14.1(b) and Appendix D(f))~~

- (a) Will be submitted on, or before, the last day of March of each year.
- (b) Will include a listing of designated PRIORITY RECRUITMENT COMMUNITIES and Pick-Up Points.
- (c) Will include a projection of its employment and recruitment needs for the period covered by the plan, listing those Employment Classifications for which Residents of Saskatchewan's North will be given priority in recruitment, hiring, and advancement.
- (d) Will include a report on its progress and achievements in addressing the Social and Economic Benefits Commitments according to Appendix E of the XYZ Mine Operation Surface Lease, specifically: ~~(Surface Lease Appendix C 1, 2, 5 and 6)~~
 - (i) The Operator's progress and achievements in meeting its Employment Commitment to use its best efforts to increase employment participation by Residents of Saskatchewan's North overall in its mining operations in Saskatchewan's North to ultimately achieve a goal of 67%.
 - (ii) The Operator's progress and achievements in meeting its Employee Education and Training Commitment to develop and implement employee education and training plans necessary to meet needs for the XYZ Mine Operation, as outlined in Articles 3.3 to 3.7 of this Agreement.
 - (iii) The Operator's progress and achievements in meeting its "Stay in School Program" Commitment. The Operator commits to work in co-operation with its industry counterparts, government and northern educational institutions to plan and implement programs that will encourage students who are Residents of Saskatchewan's North to pursue higher levels of education and consider professional careers related to the mining industry.
 - (iv) The Operator's progress and achievements in meeting its Employee Services Commitment to provide suitable on-site services to its employees of the XYZ Mine Operation; to consider employee suggestions for enhancement of such on-site services; and to provide its employees with counselling through a joint company/employee-sponsored employee assistance program.

6.3 The Operator shall prepare and file with the Minister quarterly Employment Status Reports containing employment statistics for the XYZ Mine Operation and its on-site contractors which reflect the degree of achievement of the intent of this Agreement. The reports will: ~~(Surface Lease Article 14.3 and Appendix D(h))~~:

- (a) be submitted at the end of the first quarter following the execution of the XYZ Mine

Operation Surface Lease with the Government of Saskatchewan and shall be submitted quarterly thereafter;

- (b) list the employees on-site in each Employment Classification of the XYZ Mine Operation;
- (c) list the employees on-site in each Employment Classification of the XYZ Mine Operation who are Residents of Saskatchewan's North; and
- (d) list the employees on-site in each Employment Classification of the XYZ Mine Operation who are Residents of Saskatchewan's North from the designated PRIORITY RECRUITMENT COMMUNITIES.

Article 7.0 Consultation and Assessment

The Parties agree to re-assess at any time upon mutual written consent the agreed-to expectations set forth in this Human Resource Development Agreement concerning, but not limited to, the Operator's recruitment, hiring, training, and advancement of Residents of Saskatchewan's North in general and of Residents of Saskatchewan's North from the PRIORITY and OTHER RECRUITMENT COMMUNITIES in particular.

Article 8.0 Assignments

The Operator shall not assign, transfer or sublet this Agreement or any part hereof or any of the rights or responsibilities contained herein without the written consent of the Minister, which consent shall not be unreasonably withheld, and in the event an assignment is made, the assignee shall become a Party to this Agreement.

Article 9.0 Notices

Any notices or communications required or permitted to be given pursuant to this Agreement shall be in writing and shall be addressed as follows:

- (a) in the case of a notice or communication to the Minister:

Room 340, Legislative Building, 2405 Legislative Drive,
Regina, SK, Canada, S4S 0B3
Attention: Minister of Saskatchewan Ministry of The Economy
Facsimile: (306) 787-0804

with copies forwarded to:
Labour Market Services
Saskatchewan Ministry of The Economy
204 - 1st Street East, Meadow Lake, SK, Canada, S9X 1Z2
Attention: Regional Director
Facsimile: (306) 236-7648

- (b) in the case of a notice or communication to the Operator:

XYZ Mining Corporation
1234 - 1st St.
Saskatoon, Saskatchewan, Canada
S1M 1S1
Attention: Human Resources Superintendent
Facsimile: (306) 333-1234

or to such other address as either Party may notify the other in accordance with this Article and if so delivered shall be deemed to have been given when delivered, or at the time of confirmation of electronic transmission if sent by facsimile or e-mail if such day is a business day, otherwise the next business day following, and if so mailed shall be deemed to have been given on the third business day after the date of mailing except in the case of a mail strike or other disruption of postal service in which case it shall be deemed to have been given on the third business day after such strike or disruption ceases.

Article 10.0 Confidentiality

All information provided by either Party hereto to the other Party hereto further to this Agreement including without limitation all annual Human Resource Development Plans prepared by the Operator and submitted to the Minister pursuant to Section 6.2 hereof is confidential and may not be disclosed by either Party, except that information which is agreed by the Parties, in writing, not to be confidential. For greater certainty, the Parties acknowledge and agree that this Agreement itself is not confidential and may be disclosed by either Party to any person, including members of the public.

Article 11.0 Entire Agreement Clause

This Agreement constitutes and contains the entire and only agreement between the Operator and the Minister concerning the enhancement of employment and economic opportunities for Residents of Saskatchewan's North with respect to the XYZ Mine Operation, and supersedes and cancels any and all pre-existing Human Resource Development Agreements.

Article 12.0 Amendment and Re-Negotiation

- 12.1 The Parties may amend this agreement by a written instrument executed by all Parties.
- 12.2 The Operator may by written notice to the Minister request re-negotiation of this Agreement, consent to which the Minister shall not unreasonably withhold.
- 12.3 The Minister may, on reasonable notice to the Operator, re-negotiate this Agreement with the Operator, in the event that the Minister views that social, economic or other factors necessitate such a re-negotiation.

Article 13.0 Binding Effect

This Agreement and everything herein contained shall ensure to the benefit of and be binding upon the respective successors and assigns of the Parties hereto and the expression "Minister" shall be construed as including the successors in the office of Saskatchewan Ministry of The Economy, and shall include such other members of the Executive Council for the Province of Saskatchewan that are designated by the Lieutenant Governor in Council as being the Minister responsible for this Agreement, and includes the successors in office of such other members of the Executive Council.

Article 14.0 Term of the Agreement

This Agreement shall be effective and in force commencing on the effective date and shall expire at the completion of the Stages as defined in this Agreement or at the termination of the XYZ Mine Operation Surface Lease Agreement.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the day and year first above written.

MINISTER OF SASKATCHEWAN MINISTRY OF THE ECONOMY

Per: _____ Witness: _____

XYZ MINING CORPORATION

Per: _____ Witness: _____

