

CHAPTER MR: MINERAL ROYALTIES

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MR.1.0 MACKENZIE VALLEY ROYALTIES

MR.1.1 Prior to the Dehcho Agreement, Canada and the Dehcho First Nations will calculate the amount of Mineral Royalties collected for the benefit of the Dehcho First Nations as provided under part 2 of the Dehcho Interim Resource Development Agreement, and this amount will be paid out in accordance with a schedule to be negotiated as part of the Dehcho Agreement.

MR.1.2 The Dehcho Agreement will provide that Government will pay to the Dehcho Government, annually, an amount equal to:

- a) X% of the first \$2.0 million of Mineral Royalties received by Canada in that year; and
- b) X% of additional resource royalties received by Canada in that year

in respect of resources in, on or under the Mackenzie Valley.

MR.1.3 Amounts payable by Government under this chapter will be calculated on the basis of amounts received by Government in respect of Minerals produced following the Effective Date of the Dehcho Agreement and will be paid to the Dehcho Government as soon as practicable after each calendar year quarter.

MR 2.0 ROYALTIES AND NON-REFUNDABLE RENTS

MR.2.1 Royalties or non-refunded rents received by the Government of Canada or the Government of the Northwest Territories, in respect of the period between signing of Dehcho Agreement and the Effective Date, for an interest listed in Schedule "X", will be accounted for by Government and an equal amount paid to the Dehcho Government by

the respective receiver authority as soon as practicable after the Effective Date.

MR.2.2 Any Royalties or non-refunded rents received by the Government of Canada or the Government of the Northwest Territories in respect of the period after the Effective Date for an interest listed in Schedule "X" or for any replacement thereof will be accounted for by Government and an equal amount paid to the Dehcho Government as soon as practicable after each calendar year quarter.

MR.2.3 Amounts payable by Government under MR2.2 and MR2.3 and amounts payable to another Aboriginal People under any similar provision in another Land Claims Agreement or Land and Resource Agreement in the Mackenzie Valley will not be considered as amounts received by Government for the purpose of MR.1.3.

MR.3.0 ANNUAL STATEMENT AND AUDIT

MR.3.1 Following the Effective Date, Government will provide annually to the Dehcho Government, a statement indicating the basis on which Mineral Royalties were calculated for the preceding year.

MR.3.2 On the request of the Dehcho Government, Government will request the Auditor General to verify the accuracy of the information in the annual statements.

MR.4.0 EXCESS MINERAL REVENUES

MR.4.1 The Dehcho Government will share Excess Mineral Revenues on Dehcho Ndehe with the Aboriginal People who have completed Land Claims Agreements in the Mackenzie Valley.

MR.4.2 The Dehcho Agreement will establish a mechanism through which the Dehcho Government will share Excess Mineral Revenues on Dehcho Ndehe with other Aboriginal People who have completed Land Claims Agreements in the Mackenzie Valley.

MR.5.0 CONSULTATION

MR.5.1 Government will Consult with the Dehcho Government on any proposed Legislation to amend the Mineral Royalty payable to Government.

DFN AIP

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Without Prejudice

For Discussion Purposes Only

MR.5.2

Where Government has formal discussions with third parties on proposed changes to the fiscal regime affecting the Mineral Royalty payable to Government, it will also Consult with the Dehcho Government.