

November 1, 2023

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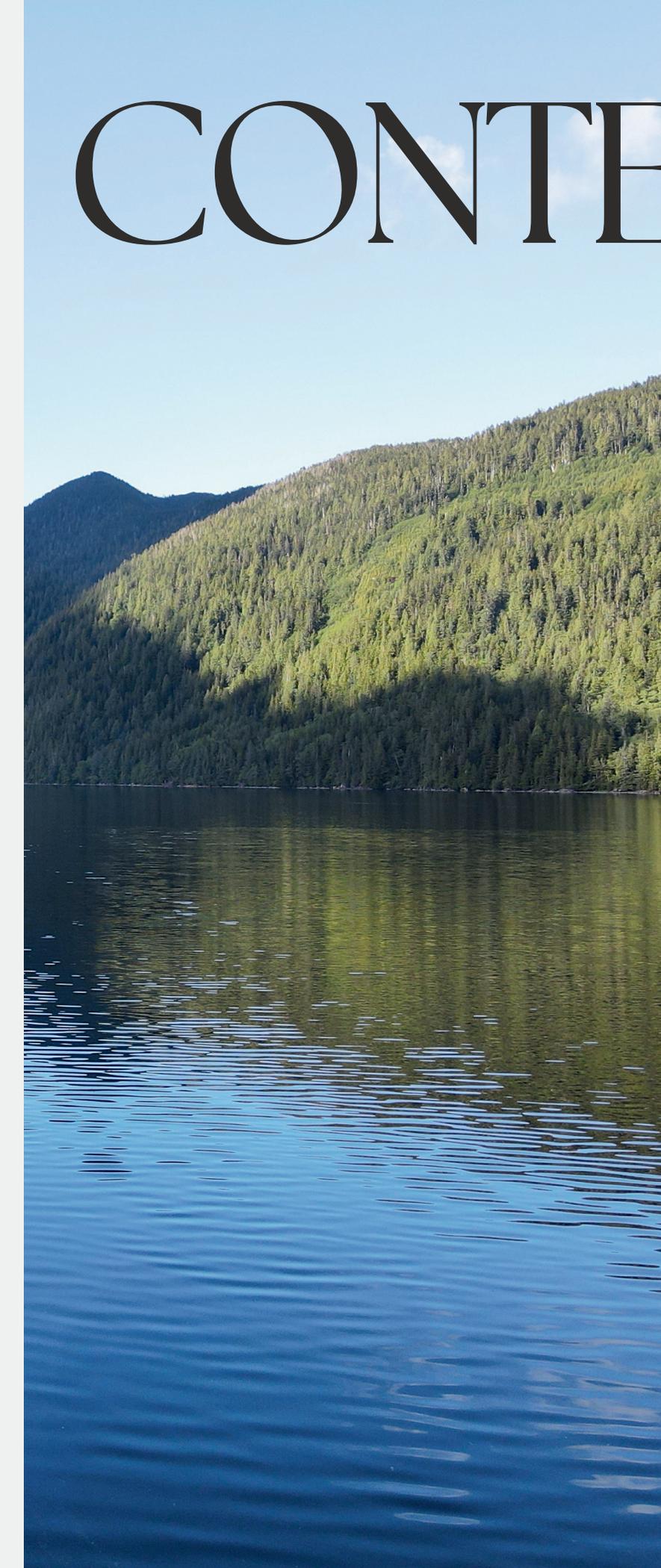
FALL NEWSLETTER

Summer-Fall Updates

check out what the
Kitasoo Development
Corporation has been up
to.



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NOTE FROM THE KDC



Dear Community Members,

The Kitasoo Development Corporation (KDC) team is thrilled to bring you some exciting news and updates from our recent endeavors.

First and foremost, we are thrilled to report a successful quarter at Spirit Bear Lodge, where the Store and Fuel Station have delivered outstanding results. This achievement is a testament to the dedication and hard work of our remarkable team, and we want to express our sincere appreciation for their exceptional contributions.

In line with our commitment to creating a more inviting community for tourists and ensuring our long-term growth, we have exciting plans for the near future. Over the next six months, we will be focusing our efforts on upgrading the fuel dock and tourism dock facilities. These enhancements are strategically designed to not only elevate the tourist experience but also fortify the long-term prosperity of our community.

Additionally, we are pleased to inform you that the Kitasoo Development Corporation recently hosted its final finfish consultation meeting on November 1. This gathering was a crucial opportunity for community members to provide valuable input that will shape our collaborative efforts with industry partners in the days ahead.

Furthermore, the Kitasoo Development Corporation board has successfully concluded its annual strategy session. We are currently in the process of finalizing the strategic documentation that will outline our future direction and initiatives. We eagerly anticipate sharing this comprehensive plan with the community once it is complete.

In early October, our board engaged in a productive joint leadership meeting with the Council, emphasizing our unwavering commitment to working closely with community leadership to advance our shared interests and aspirations.

We look forward to providing you with further updates at the end of the next quarter. Your continued support, engagement, and feedback are instrumental as we collectively shape the future of our community.

Warm regards,

A handwritten signature in black ink, appearing to read 'Chris Roblin', written in a cursive style.

Kitasoo Development Corporation Team

FORESTRY

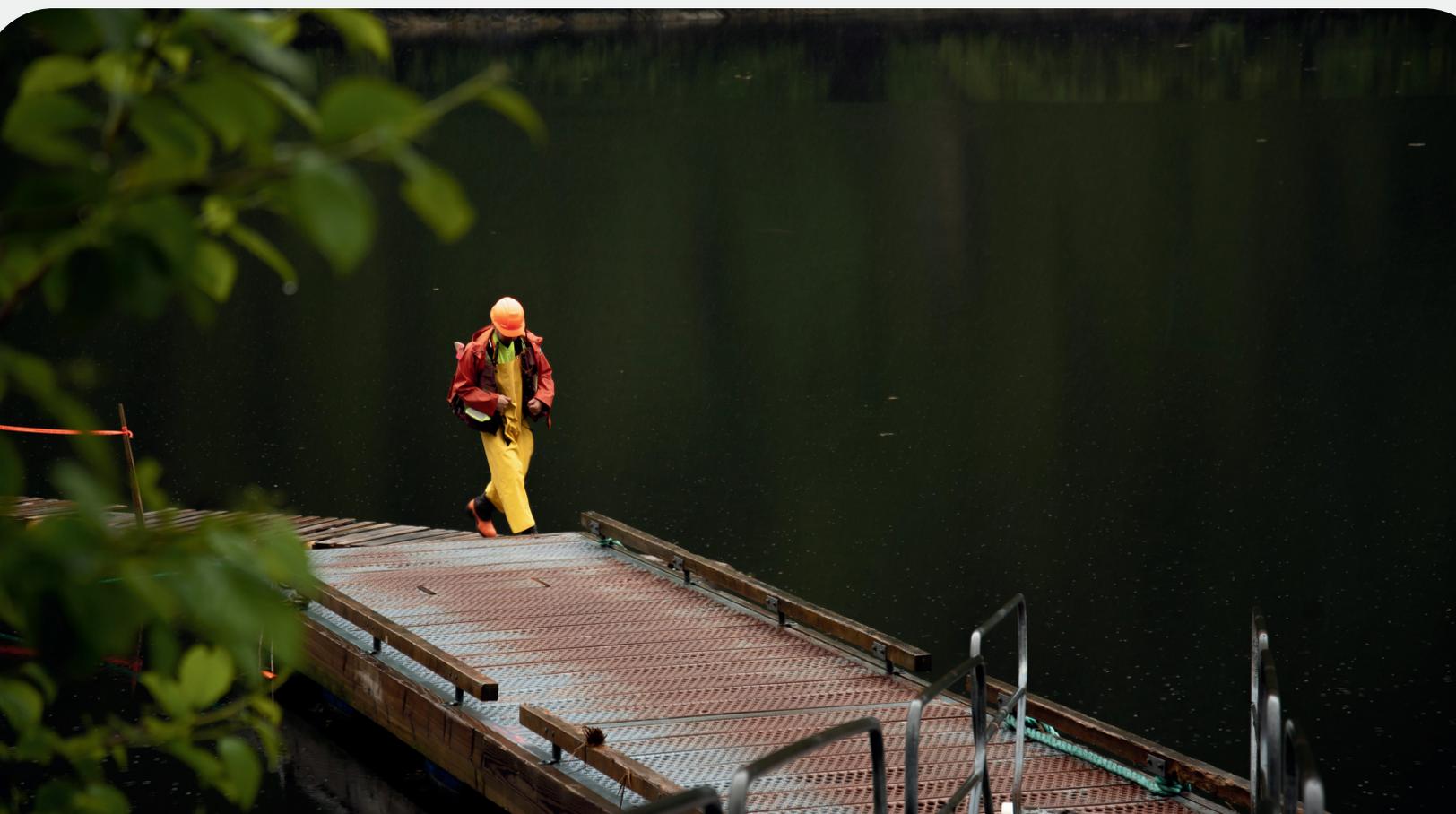
Kitasoo Forest Company (KFC) is 100% owned by the Kitasoo/Xaixais (KX) Nation and operates under the Kitasoo Development Corporation. The Surf Inlet project is operating as a joint venture with the Gitga'at Nation. The Pooley projects are operating as joint ventures with Western Forest Products, the largest forest company on the BC coast.

SURF INLET-

The Joint Venture helicopter operations project between KX and Gitga'at First Nations had a slow start this year due to the amount of snow in the cutblocks and did not get up and running until the last few days in March. They managed to fly for the next month until a Herring spawn was discovered and all operations were shut down until the end of June which allowed the spawn to go undisturbed for two months.

Unfortunately, with the severe BC wildfire situation in the interior of BC, all coastal based helicopters were required to fight fire and were not able to return until the middle of August, only to fly for four days and then be called away again as wildfire conditions worsened. .

This project employs two Kitasoo members and two Gitga'at members along with their boats, picking limbs and keeping the drop zone areas clean of floating debris. There is no set date at this time for the return of the helicopter or the resumption of harvesting activity. The blocks were reviewed by KX Stewardship and the Gitga'at Oceans and Lands Department, for monumental cedar and cultural features during the engineering phase of the operations.



FORESTRY



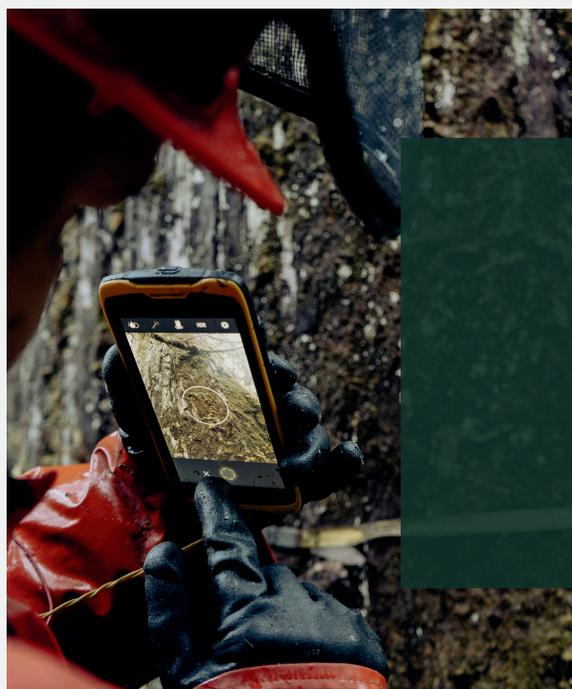
NORTH POOLEY-

A Road Contractor arrived at James Bay on Pooley Island at the beginning of March. As they were moving their equipment into James Bay they were able to drop off three carving logs in Klemtu and then move on to recover culverts and bridges from previous Roderick Island projects and recycle them for use in the new road construction on Pooley Island. The road contractor has currently completed approximately four and a half kilometers of new road construction. As part of this project the contractor was able to hire and continue to train two Kitasoo Nation employees in the roles of Camp Bullcook and Machine Swamper/Driller's Helper. The blocks were reviewed by KX Stewardship for monumental cedar and cultural features during the engineering phase of the operations.

SOUTH POOLEY-

The re-opening of roads and engineering phase of the operations was delayed due to financial problems by Western Forest Products. Once financing was in place operations could start and the road contractor has managed to re-open approximately six and a half Kilometers of old road.

The re-opening of the old road is very important as again with the wildfire situation even the small helicopters used to move engineers into isolated areas have been taken away to help fight fires mainly in the Interior of BC. With the roads open, engineers will be able to lay out future harvest areas and the Kitasoo Stewardship Team will have easy access to evaluate those areas for cultural values and KX employeess may start work.





As last year was a pilot project for the great room event use and it created too much conflict with guest accommodations we will no longer be offering great room rental. We have a few more weeks left, but we are already looking to next season. If any community members are interested in joining the team for next year please reach out to us, there are always opportunities available.

For more information please email to explore@spiritbearlodge.com.

Our season is in full swing, and by the time our season ends in mid October we will have hosted roughly 500 guests from all over the world to learn, laugh and play in Kitasoo Xaixais Territory. We have had guests from the United states, United Kingdom, Vancouver island to name a few. We have a 90% employment rate of Kitasoo Xaixais members, we are proud to have a locally led team that is an example for Indigenous tourism operators around the world.

Overall the season has been positive and we have had a lot of good wildlife viewing in the territory. Our team has worked well together to show our guests amazing experience and all that The Great Bear Rainforest has to offer. Guests enjoy meeting the members of the community and we have had many positive remarks about the hospitality of the team at SBL.

Our last set of guests depart the lodge in Mid October and we will be available for community bookings for lodging,



SPIRIT BEAR LODGE



3 FIRST NATIONS FUEL

We have undergone some reorganization in the last 5 months, we now work closely with the Kitasoo Community Store, with cross-training of staff so we will always have a fuel attendant on site. Our office is also now located within the store. We'd like to thank you all for your patience during this transition period.

FNF offers gasoline, diesel, (both land and marine), propane. We have 100LB and 20LB propane tanks, various motor/engine oils and lubricants, wind shield washer, etc.

Should you or your business in Klemtu require a certain type of oil, we will work with you on ordering it. We are working with Napa in Port Hardy for all our products and to have them shipped to Klemtu on the store truck. This will alleviate some of the costs on products.

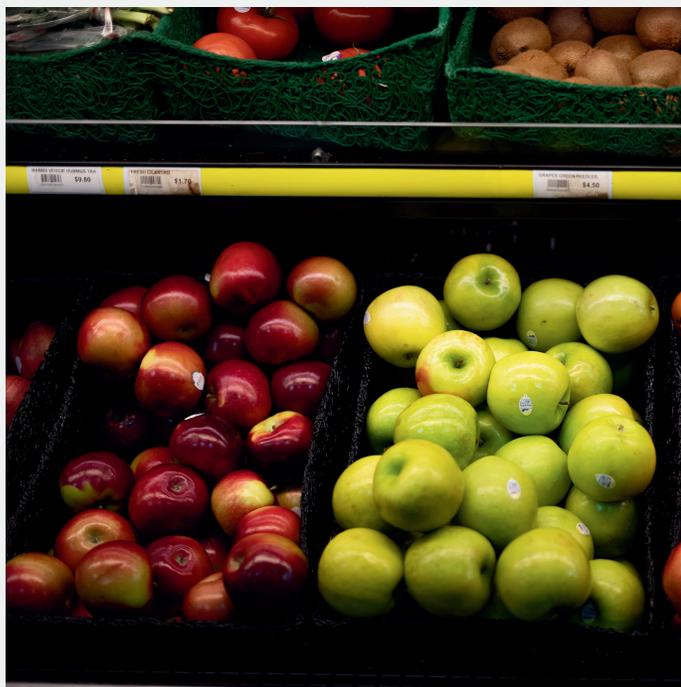


Starting September 1, 2023, FNF will no longer be filling propane tanks that have expired or tanks that are in rough shape. Each tank is certified for 10 years, after which they will need to be re-certified and stamped.

If you have any suggestions, questions, concerns, please email us at FNF@kitasoo devcorp.ca or call our office line - (250) 839-1233.

First Nations Fuel has relocated. The FNF office is now based out of the former Kitasoo Cafe. Our hours will be changing to the fall or off-season hours of 8:30-5PM starting October 1, 2023.

KITASOO BAND STORE



Summer has ended with great success at Kitasoo Band Store

We underwent some changes throughout the summer, such as updating our ordering system. Our staff now works closely with First Nations Fuel, with some staffs being trained to operate the fuel station.

Our team is continuously growing. We have new added staff, including Barry at FNF, also working as the Store Inventory Supervisor, Bruce Robinson in KBS as part-time cashier/steward and Zabel Asumbrado as Operations Supervisor.

Our schedule has changed to the Fall/Winter freight arriving via BC Ferries every Sunday.

Our staff routinely rotate stock, to keep the freshest available items. This comes with challenges due to our remote location. We're always working to identify items in terms of demand and to meet customer's needs.

KBS team works hard to be open at the earliest time. During this transition, we would like to thank everyone for being patient with us. Latest updates and announcements will be seen in our Facebook Page <https://m.facebook.com/groups>.



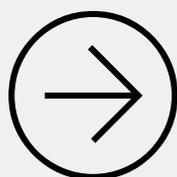
SEAFOODS

KITASOO SEAFOODS CONTINUES TO BE AN IMPORTANT BUSINESS AND EMPLOYER FOR COMMUNITY MEMBERS IN KLEMTU.

The seine vessel Western Princess continued to be busy until the end of July laying cable for the coastwide fiberoptic internet service. Much of the work has been completed in southern BC on the east coast of Vancouver Island through the summer. There have been very few commercial salmon fishing opportunities on the coast this season with some limited fishing in the Skeena area, so the Princess has been concentrating on the cable laying and has not fished for salmon in 2023. We are awaiting further scheduling and opportunities for cable laying this fall and winter.

As of mid-July 2023 Kitasoo Seafoods has purchased 1/2 ownership in the 62 ft seine vessel Taaska. The Taaska is a Shore built aluminum vessel and is wider and a few years newer than the Western Princess thus providing a larger and more stable platform for work, such as the cable laying and fishing operations including spawn on kelp. The Taaska was purchased to replace the Western Princess. Our JV partner for the Taaska continues to be the Canadian Fishing Company. As a result of this purchase the Western Princess is now up for sale and we anticipate having it sold within the next few months.

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OVER THE PAST QUARTER THERE HAS BEEN SIGNIFICANT ACTIVITY WITH THE KITASOO SEAFOODS BUSINESS, INCLUDING A TRIP TO OTTAWA.

SEAFOODS



OPERATIONS

Operations at the salmon smoking plant continue to provide most of the work opportunities throughout the year. Unfortunately the smoking plant has not operated throughout most of the first half of 2023, primarily due to the shortage of market sized fish available in British Columbia earlier in the year. The smoker plant was expected to start up again in late April however the water quality problems with the village water supply and requirements from government authorities did not allow the plant to restart until July. The plant operated for smoked salmon from July until the transition of equipment to sea cucumber in later September.

Sea cucumber processing started on October 2 and is expected to end in early November with a transition back to smoked salmon in November and December,

THE PLANT

initially with some work on some new smoked salmon product flavourings and forms. We ask that the community members please monitor the processing plant during sea cucumber as there is always a need for additional processing crew to assist during this important fishery.

In August 2023 Kitasoo Seafoods brought in professional engineers to assess the older suspended platforms in front of both fish plants and to assess at all of the structural members under the older fish plant to determine next steps for repairs or replacement. The plant, while still structurally sound, has a few small areas in need of immediate repair which have been flagged. Overall the plant is showing its age with significant areas of deterioration.

INNOVATION PLAN

A decision will have to be made in the next 2 years to either spend money on major repairs or demolish the old plant and some of the suspended platforms and start fresh. Kitasoo Seafoods has been working closely with Mowi and the community on the Salmon Farm Innovation Plan since last winter. Several community meetings were held last fall and winter. With the change in the DFO minister there has been some review by DFO on the current timelines and the objectives for the overall coastwide salmon farm innovation/transition plan.

Kitasoo has developed a draft final plan based on the input from the community and leadership and we anticipate a final community meeting later this fall to finalize the plan so we can submit to DFO”

SEE BELOW FOR OUR TRIP TO OTTAWA TO MEET THE DFO



Dear _____
community
members,

We are excited to share that we have recently engaged in constructive discussions with various Ottawa leaders, including Members of Parliament, Federal Ministers, and Senior Policy Advisors. These meetings were crucial in advancing our dialogue on the challenges surrounding our expiring licenses, which are set to conclude at the end of June. We are pleased to report that these engagements have been overwhelmingly positive, reflecting our commitment to maintaining open and constructive dialogues.

Among those with whom we met:

- Officials from the Department of Crown-Indigenous Relations and Northern Affairs Canada*
- The Honourable Diane Lebovillier, Minister of Fisheries, Oceans, and the Canadian Coast Guard*
- The Honourable Rechie Valdez, Minister of Small Business*
- Representatives from the Office of the Minister of Agriculture*

_____ we are encouraged.

During these meetings, we discussed various aspects related to our industry, including transition plans, economic impacts, and the importance of maintaining open channels of communication. Our overarching goal is to establish a tripartite table involving the federal government, the province, and our organization, with the aim of securing a 10-year extension on our licenses. This extension is vital for us to implement our innovation and modernization plan successfully.

We are encouraged by the positive outcomes of these engagements and the recognition of our concerns at the federal level. Rest assured that we will continue to build upon these dialogues, provide additional information as requested, and work collaboratively towards achieving favorable outcomes for our communities and the salmon farming industry.

We appreciate your ongoing support, and please stay tuned for further updates.



top photo: leaders of KX , Gwa'Sala-Nakwaxda'xw, Quatsino, & Mowi had a positive and impactful meeting with Minister Diane Lebouthillier (Minister of Fisheries)

bottom photo: 'we had the opportunity to engage in thoughtful dialogue with the honourable Rechie Valdez (minister of small business).



UPDATES & WHAT'S

NEXT



A Trip to Scotland

We are thrilled to share our plans for the upcoming trip to Scotland, where we will be exploring the world of aquaculture innovation and modernization. During our journey, we will be visiting several key locations and engaging with experts in the field.

We will have the privilege of touring Skye Traditional Smoked Salmon, hosted by John Corfield, as well as exploring the Scalpay salmon farm. Another highlight will be a visit to the Kyleakin Feed Mill, with an opportunity to meet with Heather Jones, CEO of the Sustainable Aquaculture Innovation Centre, and a representative from SEPA to discuss regulations.

These are just some of the people and facilities we will be visiting during our trip!

We invite our community and stakeholders to follow our social media channels, where we will be providing live reports and future content from our journey. This will offer you real-time insights into our experiences as we explore the latest tools, equipment, and methods in aquaculture innovation. Stay tuned for more exciting updates!

New Website & Socials

We have officially launched a new social media campaign centred around uplifting our voice in the aquaculture industry.

follow to stay connected on how the kitasoo voice is being heard on these platforms and to stay up to date on our trip to Scotland!

*@indigenouscoast.bc
@IndigCoast_BC*



KITASOO DEVELOPMENT CORPORATION

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