



Treasury Metals
Revised EIS Report
Goliath Gold Project
August 2017



APPENDIX T
SOCIO-ECONOMIC



NOTE TO READER APPENDIX T

In April 2015, Treasury Metals submitted an Environmental Impact Statement (EIS) for the proposed Goliath Gold Project (the Project) to the Canadian Environmental Assessment Agency (the Agency) for consideration under the Canadian Environmental Assessment Act (CEAA), 2012. The Agency reviewed the submission and informed Treasury Metals that the requirements of the EIS Guidelines for the Project were met and that the Agency would begin its technical review of the submission. In June 2015, the Agency issued a series of information requests to Treasury Metals regarding the EIS and supporting appendices (referred to herein as the Round 1 information requests). The Round 1 information requests included questions from the Agency, other federal and provincial reviewers, First Nations and other Aboriginal peoples, as well as interested stakeholders. As part of the Round 1 information request process, the Agency requested that Treasury Metals consolidate the responses to the information requests into a revised EIS for the Project.

Appendix T to the revised EIS (Socio-Economic) presents the results of the study on current social and economic profiles of municipalities and First Nations in the study area, describing the baseline socio-economic conditions. The information presented in this appendix was used for describing the existing conditions for land use (Section 5.12.1 of the revised EIS), social factors (Section 5.12.2 of the revised EIS), economic factors (Section 5.12.3 of the revised EIS), and Aboriginal peoples (Section 5.12.5 of the revised EIS). No changes have been made to this appendix from the original EIS issued in April 2015.

As part of the process to revise the EIS, Treasury Metals has undertaken a review of the status for the various appendices. The status of each appendix to the revised EIS has been classified as one of the following:

- **Unchanged:** The appendix remains unchanged from the original EIS, and has been re-issued as part revised EIS.
- **Modified:** The appendix remains relatively unchanged from the original EIS, and has been re-issued with relevant clarification.
- **Re-written:** The appendix has been substantially changed from the original EIS. A re-written appendix has been issued as part of the revised EIS.
- **Discarded:** The appendix is no longer required to support the EIS. The information in the original appendix has been replaced by information provided in a new appendix prepared to support the revised EIS.
- **New:** This is a new appendix prepared to support the revised EIS.

The following table provides a listing of the appendices to the revised EIS, along with a listing of the status of each appendix and their description.



| List of Appendices to the Revised EIS | | |
|---------------------------------------|------------|---|
| Appendix | Status | Description |
| Appendix A | Modified | Table of Concordance |
| Appendix B | Unchanged | Optimization Study |
| Appendix C | Unchanged | Mining Study |
| Appendix D | Re-written | Tailings Storage Facility |
| Appendix E | Unchanged | Traffic Study |
| Appendix F | Re-written | Water Management Plan |
| Appendix G | Discarded | Environmental Baseline |
| Appendix H | Unchanged | Acoustic Environment Study |
| Appendix I | Unchanged | Light Environment Study |
| Appendix J | Unchanged | Air Quality Study |
| Appendix K | Unchanged | Geochemistry |
| Appendix L | Discarded | Geochemical Modelling |
| Appendix M | Unchanged | Hydrogeology |
| Appendix N | Unchanged | Surface Hydrology |
| Appendix O | Discarded | Hydrologic Modeling |
| Appendix P | Unchanged | Aquatics DST |
| Appendix Q | Re-written | Fisheries and Habitat |
| Appendix R | Re-written | Terrestrial |
| Appendix S | Re-written | Wetlands |
| Appendix T | Unchanged | Socio-Economic |
| Appendix U | Unchanged | Heritage Resources |
| Appendix V | Unchanged | Public Engagement |
| Appendix W | Unchanged | Screening Level Risk Assessment |
| Appendix X | Re-written | Alternatives Assessment Matrix |
| Appendix Y | Unchanged | EIS Guidelines |
| Appendix Z | Unchanged | TML Corporate Policies |
| Appendix AA | Modified | List of Mineral Claims |
| Appendix BB | Unchanged | Preliminary Economic Assessment |
| Appendix CC | Unchanged | Mining, Dynamic And Dependable For Ontario's Future |
| Appendix DD | Re-written | Aboriginal Engagement Report |
| Appendix EE | Unchanged | Country Foods Assessment |
| Appendix FF | Unchanged | Photo Record Of The Goliath Gold Project |
| Appendix GG | Modified | TSF Failure Modelling |
| Appendix HH | Unchanged | Failure Modes And Effects Analysis |
| Appendix II | Unchanged | Draft Fisheries Compensation Strategy and Plans |
| Appendix JJ | New | Water Report |



Treasury Metals

Goliath Gold Project

Socioeconomic Baseline Report

Conditions in Northwestern Ontario



May 2014



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Goliath Gold Project

Socioeconomic Baseline Report: Conditions in Northwestern Ontario

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Introduction



gck Consulting Ltd. was retained by Treasury Metals Incorporated to conduct a socioeconomic study associated with the Goliath Gold Project (the Project). The Project is located in the Village of Wabigoon, Kenora District, in Northwestern Ontario, approximately 20 kilometres east of the City of Dryden and approximately 330 kilometres west of Thunder Bay.

Methodology

Local Study Area

A local study area for the socioeconomic baseline was established to define the region that could be influenced by the Project (Figure 1). The study area includes several towns and communities within the Kenora and Thunder Bay Districts. The portion of these Districts under consideration extends from the Municipality of Machin (Vermillion Bay) in the west to the Town of Ignace in the east.



Source: gck Consulting custom graphic

Figure 1 - Socioeconomic Baseline Report Area Map

The study area is comprised of a number of communities that are likely to experience direct and indirect employment and economic benefits and associated socioeconomic effects. The study area allows cumulative or regional effects resulting from other known or future planned projects to be characterized. The study area communities include:

- City of Dryden
- Town of Ignace
- Municipality of Sioux Lookout
- Municipality of Machin
- Wabigoon Lake Ojibway Nation
- Eagle Lake First Nation
- Lac Seul First Nation
- Village of Wabigoon

All of the local study area communities are located in the Kenora District.

Provincial and Regional Study Areas

The Provincial Study area is the province of Ontario, Canada. An overview of recent statistics and relevant data regarding Ontario has been included in this report to provide additional context for the regional and local areas of study. The regional study area has been defined as the larger city centres surrounding the Project and includes the Cities of Kenora and Thunder Bay. The regional study area is not analyzed with the same level of detail as the local study area, as it is meant to be regarded as an overview.

Data Gathering

Where available, 2011 Statistics Canada data are presented. For First Nations, census data was drawn from their major reserves. Since census data is based on place of residence, First Nation census data does not include off-reserve membership. Additional information was collected through accessing the community profiles available for each community and key stakeholder interviews. A list of references utilized in the report is listed in Appendix C.

Project Overview

Treasury Metals Incorporated is proposing to develop the Goliath Gold Project into an operating mine. The Project is located approximately 8 kilometers west of the village of Wabigoon, Ontario or 20 kilometers east of the City of Dryden. The project area is located partially within both the Hartman and Zealand townships and includes a total area of approximately 4,976 hectares, comprising 4,064 hectares of 137 unpatented mining claims and 20 patented mining claims for the remainder. Treasury holds the entire project area, subject to specific royalties on 13 of the patented land parcels.

The scope of the project commences with an open pit mine with an expected mine life of 5 years. During years 3 to 5, underground development and mining will commence and continue to the end of the total 10 to 12 year mine life. The underground and open pit mines will be running simultaneously during years 3 to 5. The project will employ approximately 200 people over the 2-year construction and development period. Treasury Metals will employ approximately 150 full time people over the 10 to 12 years of mine life.

The most recent Preliminary Economic Assessment completed by ACA Howe indicates that the initial capital expenditure for construction will be in the order of \$90 million, with another \$100 million for sustaining capital over the life of the mine. The proposed open pit will be 1.5 km east to west on strike length with a final depth of approximately 180 metres and will contain a total of 46 million tonnes of both ore and waste rock with a large portion of the waste rock to be backfilled into the completed pit.

Underground operations will be accessed by a portal and ramp to an estimated depth of 600 metres. Underground mining development in the main zone ore body will generally use the transverse long-hole open stopping method with cemented backfill. Other methods may be used in specific areas of the mine.

Ore will be processed onsite to produce a final doré bar that will be shipped off-site for further refining and upgrading. Processing will be done using a Gravity separation circuit followed by a Carbon in Leach (CIL) process with direct cyanidation. Approximately 2,500 tonnes per day (tpd) of ore will be processed fed from both the mining operations and a low grade stock.

Baseline environmental studies relevant to the proposed development were initiated by Treasury in 2010 and carried out by Klohn Crippen Berger (KCB). The environmental baseline studies started by KCB are on-going through to the present day with input from various consultants. The objective of these studies is to establish a comprehensive understanding of all aspects of the environment in which the proposed project will be built. These baseline studies will provide the information necessary to ensure the Project minimizes its environmental impact and balances the needs of the Project with those of the communities and other stakeholders.

Scope of Work

In addition to environmental impacts, the construction and operation of the mine will likely influence the socioeconomic characteristics of a number of local and regional communities, including neighbouring First Nations. To fully appreciate the socioeconomic impacts of the mine, it was first necessary to develop community and infrastructure capacity profiles to understand the baseline social, economic, cultural and health characteristics of potentially

affected communities. To this end, Treasury Metals initiated a socioeconomic baseline study and contracted gck Consulting Ltd. to complete the following report.

The baseline socioeconomic conditions of the municipalities and First Nations in proximity to the project were assessed and described in the following Technical Assessment Document (TAD) entitled Socioeconomic Baseline Report – Conditions in Northwestern Ontario. This particular TAD provides the baseline assessment of the municipalities and First Nations within the EIS study area and summarizes the conditions of this region of Northwestern Ontario.

The report includes information from the following areas:

- Social Factors – administration (local government), population, housing, education, health services and programs, emergency services, crime and justice, poverty and social issues, community service programs and facilities, transit, transportation and transport, utilities and community well-being and quality of life; and,
- Economic Factors – local businesses and employers, labour force, labour participation and employment, income levels, cost of living, real estate, economic development and government funding.

Following this introductory section, the remainder of the report is organized as follows:

- Section I – Provincial Overview;
- Section II – Regional Overview;
- Section III – City of Dryden:
 - Section III.A – Village of Wabigoon;
- Section IV – Township of Ignace;
- Section V – Municipality of Sioux Lookout;
- Section VI – Municipality of Machin;
- Section VII – Wabigoon Lake Ojibway Nation;
- Section VIII – Eagle Lake First Nation
- Section IX – Lac Seul First Nation;
- Appendix A – List of Tables;
- Appendix B – List of Figures; and,
- Appendix C – References.

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Provincial Overview: Ontario, Canada

Introduction

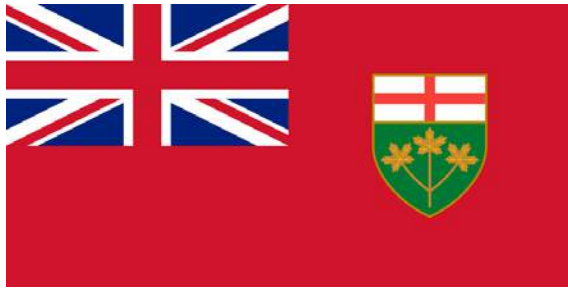


Figure 1.i - Flag of Ontario, Canada

Ontario is Canada's largest province or territory by population and fourth largest by land size (1,076,395 km²), though the vast majority of its population lives in southernmost part of the province. It is home to Canada's National Capital city of Ottawa, 13 national historic sites, over 300 provincial parks, 5 national parks and has two time zones (Central and Eastern). The province is generally divided into six regions: South Western, Toronto and Area, Central, Eastern, North Eastern and North Western. The two northern regions make up over 80 percent of Ontario's total land mass, but are the most sparsely populated regions of Ontario. Ontario is bordered by Quebec to the east, Hudson and James Bay to the north, the central province of Manitoba to the west and five U.S. states to the south (Minnesota, Michigan, New York, Ohio and Pennsylvania). Toronto, Ontario is the capital of the province, and is, in addition to being the largest city in Canada by population, the financial center of the country.

Ontario has been the traditional territory of the Ojibway, Cree and Algonquin aboriginal people for thousands of years. The first European explorers recorded in the area were Etienne Brule (France) in 1610, Henry Hudson (England) in 1611 and Samuel De Champain in 1615. Ontario was officially designated as such in 1867, though its northern and western boundaries were in dispute after Canadian Confederation. It is named after Lake Ontario and believed to be derived from either a Huron word meaning "Great Lake" or an Iroquoian word meaning "beautiful water", both apt names for a province with over 250,000 freshwater lakes.

Ontario has three distinct geographic regions or 'ecozones' within its borders: the Carolinian forest zone (Southern Ontario), the Canadian Shield (most of Northern Ontario) and the Hudson Bay lowlands (extreme North). The Carolinian forest zone has a moderate climate and many fertile regions with arable land for producing food. The Canadian Shield is dominated by rock terrain, lakes and rivers, and boggy wetlands, though pockets of fertile land do exist. The Canadian Shield is rich in minerals and SPF (Spruce, Pine, Fir) forests. The Hudson Bay lowlands rest along the southern shore of Hudson's bay are in Canada's arctic zone and are very sparsely populated do to its isolated location and unforgiving climate.



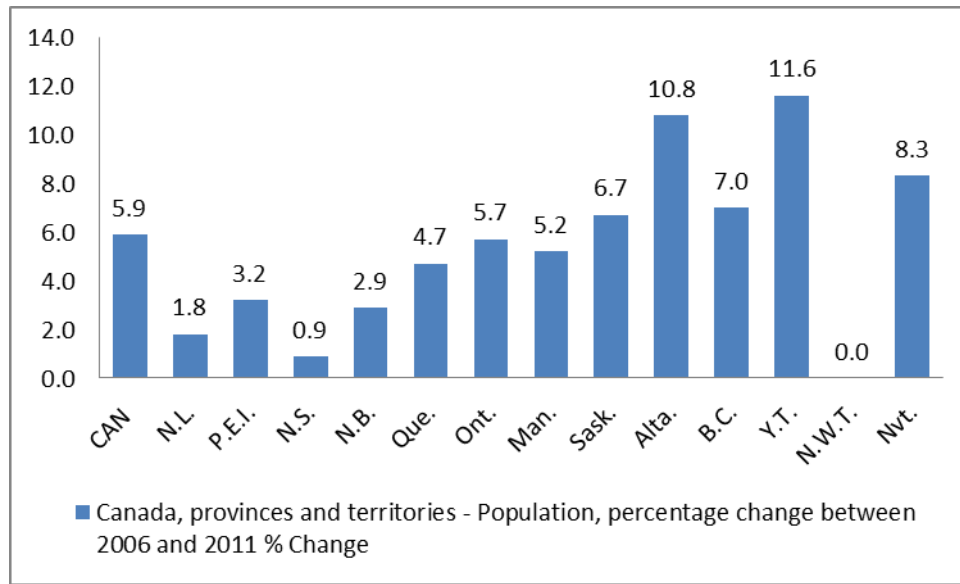
Source: canadacitiesmap.blogspot.com

Figure 2.i: Map of Ontario, Canada

1. Population

With a population of over 13.5 million people, Ontario is home to 38.5% of all Canadian residents. The province has experienced an average population growth of 1.0 percent over the last 10 years. Between the 2006 and the 2011 Census, Ontario's population growth rate at 5.7% was just below the national

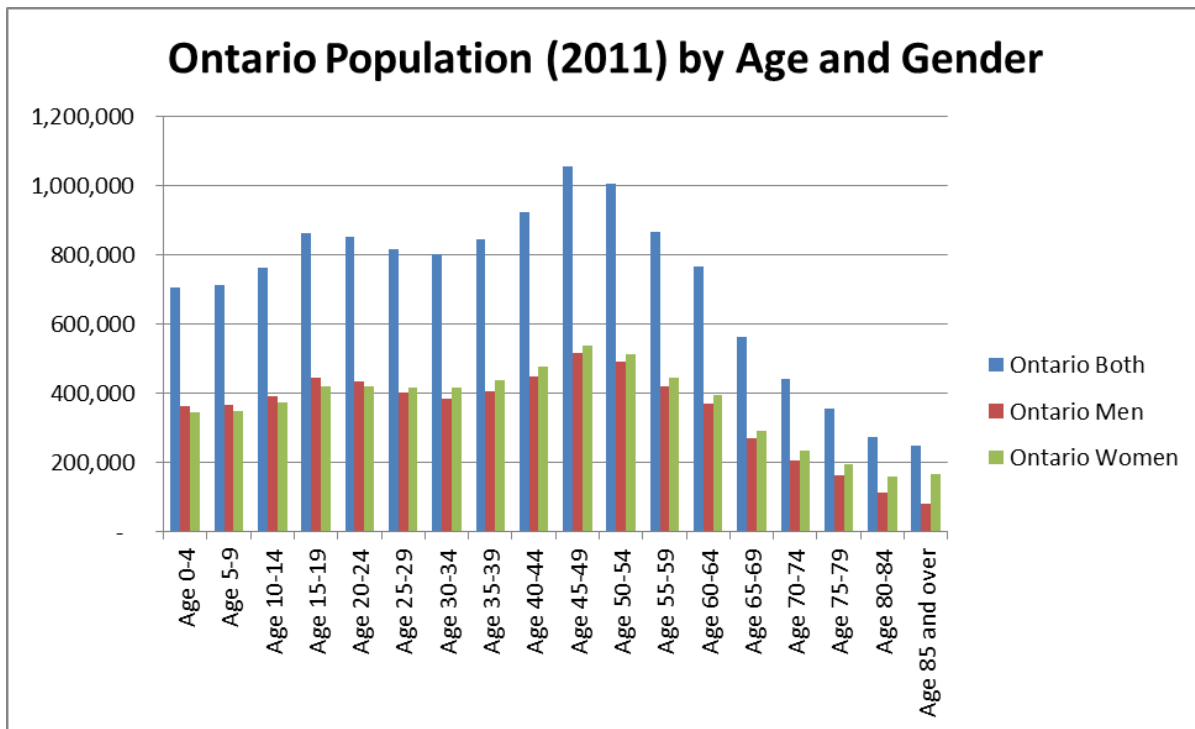
average of 5.9%. (Figure 3.i)



Source: Statistic Canada, Focus on Geography Series, 2011 Census

Figure 3.i: Canada, provinces and territories - Population, percentage change between 2006 and 2011

The majority of Ontario residents (88.7%) live inside census metropolitan areas (CMA) or census agglomeration (CA). The median age of Ontario’s population is 40.4 years, only slightly younger than the median age of Canada at 40.6 years. The population of Ontario has aged rapidly over the past several decades, jumping from 33.6 years in 1991 to 37.2 years in 2001 to 40.4 years in 2011. If we look at population by age and gender, we see this aging population bell curve strongly between the years of 35 and 64, as demonstrated in Figure 4.i.



Source: Statistic Canada, Focus on Geography Series, 2011 Census

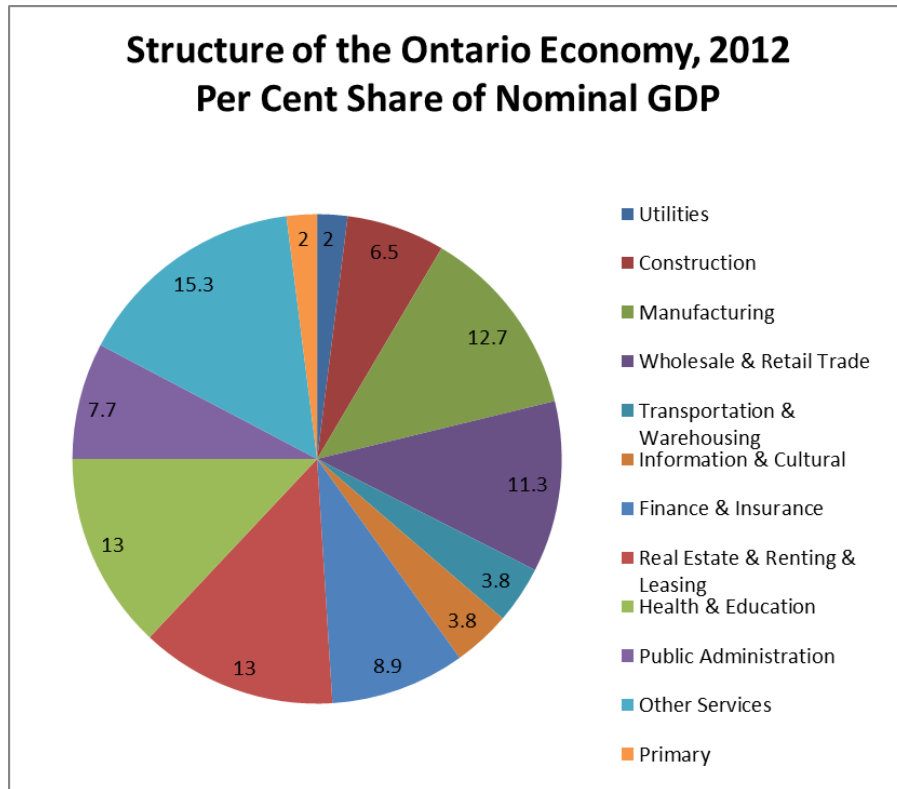
Figure 4.i: Ontario Population (2011) by Age and Gender

Ontario's households have been following a consistent shrinking trend, with single-person households increasing steadily since the 1960's and households with five or more persons conversely shrinking in the same period. Today's average Ontario household has 2.6 persons in it, slightly higher than 2011 Canadian average of 2.5 persons per household. Ontarians have the same proportion of Married or Common-law couples as average Canadians (57.7%), but they are more likely to be Married (50.3% vs 46.4%) and less likely to be living common-law (7.4% vs 11.3%) than the average Canadian couple. Couple-family households in Ontario are also slightly more likely to have children (28.7%) than the average Canadian couple-family (26.5%).

Ontario's population is projected to grow to 17.4 million by July 2036 (+28.6%). This growth is predicted to be largely the result of net migration, accounting for approximately 71% of the population increase. The natural increase rate will moderate as the baby boomer generation ages and the death rate will also increase as this large cohort reaches its life expectancy limits. (*Ontario Ministry of Finance, Ontario Population Projects Update, Spring 2013*)

2. Economy

Ontario's economy was one of the first Canadian provinces to rebound after the 2008-2009 Global Recession, and though its rate of growth has slowed since 2011, it continues to grow steadily. In 2013, the GDP of Ontario increased by 1.8% to \$627,679,000 or 37% of Canada's total GDP. In Ontario's economy, services account for 77.6% of the GDP and goods account for 22.4%, of which 12.2% of GDP comes from a strong manufacturing sector. (Figure 5.i)



Source: Ontario Economic Accounts, 4th Quarter 2013

Figure 5.i: Structure of the Ontario Economy, 2012 - Per Cent Share of Nominal GDP

The dominance of the service sector in Ontario's economy helps to explain why the province imported less than it exported to international trade partners to the tune of \$1,207,000,000. The recent depreciation of the Canadian Dollar against the US Dollar makes for an improved trade forecast, and this deficit trend is expected to be reversed as exports to the US increase in response.

Ontario imported Ontario's top five international exports in 2013 were motor vehicles and parts (34.2%), precious metals and stones (12.3%), mechanical equipment (8.8%), electrical machinery (3.8%) and plastic products (3.6%). The vast majority (78.4%) of Ontario's goods are exported to the United States. The remainders are sent to the United Kingdom (6.4%), Hong Kong (2.4%), China (1.3%) and Mexico (1.2%). Ontario also imports most of its goods from the United States (56.3%), although China (11.1%), Mexico (7.5%), Japan (3.3%) and Germany (2.7%) also share the import market. (*Ontario Ministry of Finance, April 2014 Fact Sheet*)

The U.S. economy is a key external factor in the growth or decline of the Ontario economy. It is expected that the U.S. will remain Ontario's primary trading partner, though rapid growth in demand is expected from China and India between now and 2025. (*Ontario Ministry of Finance, Toward 2025: Assessing Ontario's Long-Term Outlook*)

3. Employment

Ontario's unemployment rate was 7.4% in April 2014, up from 7.3% in March. By comparison, in April 2014 the Canadian unemployment held steady at 6.9% and in Ontario's neighbouring provinces, Manitoba recorded an unemployment rate of 5.9% and Quebec reported its unemployment rate at 7.6%. As of April 2014, the province or territory with the highest unemployment was Newfoundland and Nunavut, both recording a rate of 12.1% and Saskatchewan reported the lowest unemployment in the country at 3.4%. The Ontario Government predicts that the unemployment rate in Ontario will decline modestly between now and 2025 to 4.1%.

Employment in Ontario relies heavily on the Service sector, which accounted for 79.6% of Ontario jobs in April 2014. The Services-producing sector in Ontario is highly diversified, with many jobs in clustered in Trade (19% of sector), Health Care & Social Assistance (14.6%), Professional, Scientific & Technical (10.8%), Finance, Insurance, Real Estate & Leasing (9.4%) and Education Services (9.2%) and well distributed in the remaining categories. Information, Culture & Recreation, which accounted for 6 percent of jobs in the Services sector last month, has shown the largest growth, increasing by 8.4 percent since April 2013. The Goods-producing sector, which accounts for the remaining 20.4% of Ontario jobs, is dominated by the Construction (32.8% of sector) and Manufacturing (54.6%) fields, even though Manufacturing shrunk by 2.5% from 2013. The fastest growing field in the Goods-producing sector in the last year was Utilities, with an increase of 10.1 percent reported since 2013. (Table 1.i)

| Employment by major industry group, seasonally adjusted, by province | | | | | |
|---|-------------------------------|---------------|---------------|---------------------------------|---------------------------------|
| | Apr-13 | Mar-14 | Apr-14 | March 2014 to April 2014 | April 2013 to April 2014 |
| | employment (thousands) | | | % change | |
| Ontario - All Industries | 6846.4 | 6902.3 | 6919.9 | 0.3 | 1.1 |
| Goods-producing sector | 1421.9 | 1398.8 | 1409.1 | 0.7 | -0.9 |
| Agriculture | 85.8 | 80.8 | 83.7 | 3.6 | -2.4 |
| Forestry, fishing, mining, quarrying, oil and gas | 37.9 | 38.7 | 36.9 | -4.7 | -2.6 |
| Utilities | 51.7 | 58.6 | 56.9 | -2.9 | 10.1 |
| Construction | 457.7 | 465.2 | 462.5 | -0.6 | 1 |
| Manufacturing | 788.7 | 755.4 | 769.1 | 1.8 | -2.5 |
| Services-producing sector | 5424.5 | 5503.6 | 5510.7 | 0.1 | 1.6 |
| Trade | 1009.5 | 1019.5 | 1048.2 | 2.8 | 3.8 |
| Transportation and warehousing | 327.7 | 326.4 | 326.1 | -0.1 | -0.5 |
| Finance, insurance, real estate and leasing | 519.6 | 520.9 | 519.2 | -0.3 | -0.1 |
| Professional, scientific and technical services | 577.4 | 596 | 593.6 | -0.4 | 2.8 |
| Business, building and other support services | 307.5 | 320.4 | 320.9 | 0.2 | 4.4 |
| Educational services | 521.5 | 507.9 | 507.7 | 0 | -2.6 |
| Health care and social assistance | 779.2 | 797.3 | 802.6 | 0.7 | 3 |
| Information, culture and recreation | 305.9 | 334.9 | 331.6 | -1 | 8.4 |
| Accommodation and food services | 431.8 | 417.5 | 403.7 | -3.3 | -6.5 |
| Other services | 265.8 | 297.4 | 295.4 | -0.7 | 11.1 |
| Public administration | 378.6 | 365.5 | 361.7 | -1 | -4.5 |

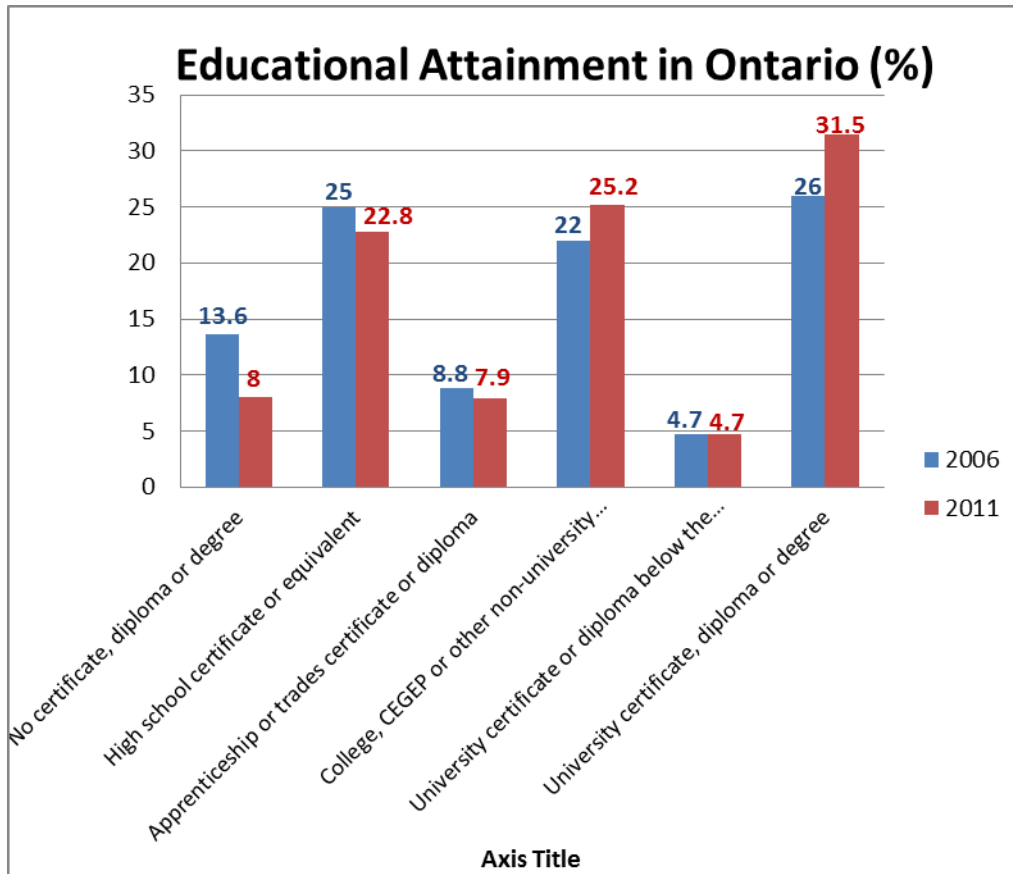
Source: Statistics Canada, CANSIM Table 282-0088

Table 1.i: Employment by major industry group, seasonally adjusted, by province

4. Education

The population of Ontario is highly educated. In Ontario, 24.7% of the population aged 15 years and older has a university degree, higher than any other province or territory in Canada. In addition, 29.2% of its population has obtained College or Trade certification. Ontario has 20 publicly funded Universities and 9 French language or bilingual universities and 27 colleges, as well as several privately funded post-secondary learning institutions.

Overall, Ontario's educational attainment in the adult population (25 to 64 years) has improved since 2006. In 2006, 38.6 percent of the population listed their highest education attainment at a high school certificate or less. In 2011, that portion of the population shrank to 30.8 percent. Meanwhile, over the same period, college certificate and university diploma attainment increased. (Figure 6.i)



Source: Statistics Canada, National Household Survey 2011

Figure 6.i: Educational Attainment in Ontario (%)

In 2011, Ontario’s younger adults are much more likely than older adults to have completed high school and obtained a university degree. University Degree holders are most likely to live in Census Metropolitan Areas (CMA), where 90 percent of that cohort resides. The CMA’s in Ontario with the highest proportions of University graduates are Ottawa-Gatineau (44.3% of adults aged 25 – 64), Toronto (39.6%) and Guelph (33.5%). Sudbury, Oshawa and Peterborough are the Ontario CMA’s with the highest proportion of adults with a College Diploma (34.8%, 32.6%, and 31.4% respectively). Overall, the proportion of the population with a Trades certificate drop from 8.8 percent to 7.9 percent , though only Toronto and Ottawa fall below that average. Thunder Bay (11.8%), Sudbury (11.3%) and Brantford (10.5%) have the highest proportion of Trades certification in their adult population.



Treasury Metals

Goliath Gold Project

Section II

Regional Overview



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Regional Focus: Northwestern Ontario

Introduction



Figure 1.ii - Regions of Ontario

The Northern Regions of Ontario account for approximately 87 percent of the provinces total land mass, but less than 7% of the provinces total population. Northwestern Ontario is comprised of 3 Districts: Thunder Bay South, Thunder Bay North, Kenora and Red Lake. Thunder Bay South is the most densely populated of the four districts and is home to the CMA of Thunder Bay, Northwestern Ontario’s largest city with an estimated population of 121,596 people. The next largest population centre in the region is city of Kenora, with a population of 15,348 people. Thunder Bay and Kenora are the only two population centres in the currently region with a population over 10,000 people.

The population of the region shrank 4.7 percent from 235,046 in 2006 to 224,034 in 2011. Though small communities and First Nations dot the land right up to shores of Hudson’s Bay, the majority of the region’s cities and municipalities lie in the southern part of the region, either along the north shore of Lake Superior or near the southern border Northwestern Ontario shares with Minnesota, USA.

Historically, Northwestern Ontario’s economy has been tied to its landscape and the abundant natural resources contained therein, particularly in forestry and mining as well as tourism. The landscape is typical of the Canadian Shield: rocky outcrops, SPF forest and freshwater lakes dominant the scenery, creating a paradise for Fishermen and Hunters. The region used to boast a robust tourism industry thanks to the abundance of fresh lakes and large game for hunting but tourism activity relating to fishing and hunting has shrunk somewhat in the wake of a strong Canadian Dollar staying at or near parity with the American Dollar for the last decade.

Prior to 2006, Northwestern Ontario’s primary economic driver was the forestry sector. However, the global recession combined with recent falling lumber prices resulted in devastating impacts on forestry sector. Many local mills were closed or significantly downsized as a result of falling demand. Recently, the forestry sector has seen increased activity, such as the re-opening of the White River Sawmill in 2013, but it seems unlikely the industry will return to its previous levels of activity. Many communities are now struggling to diversify their economies to keep dollars circulating locally, meanwhile many workers and families continue to migrate out of the region in search of employment opportunities available elsewhere.

The rich mineral deposits of the Canadian Shield have attracted many mining companies to the region for exploration and extraction. In the wake of the recent recession of the forestry sector, mining activity in the region has received increased attention as major employer in the region. Speculation regarding the Ring of Fire has also led to increased political interest in current mining infrastructure and development projects. There are currently six active mines in the region, with many more exploration activities ongoing. (Table 1.ii)

Table 1.ii Mining Activity in NWO by Level of Activity

| | Thunder Bay North | Thunder Bay South | Red Lake | Kenora | Total |
|--------------------------------|-------------------|-------------------|----------|-----------|-----------|
| Active Mines | 1 | 3 | 1 | 1 | 6 |
| Mature Exploration Projects | 2 | 2 | 2 | 3 | 9 |
| Developed Exploration Projects | 4 | 1 | 3 | 1 | 9 |
| Other Exploration Projects | 12 | 36 | 3 | 13 | 64 |
| Total | 19 | 42 | 9 | 18 | 88 |

Source: Bahram et Al, Mining in Northwestern Ontario: Opportunities and Challenges, 2012

Northwestern Ontario is home to Canada’s only primary palladium mine and three of Canada’s four largest gold mines, which produced 1.2 million oz. of gold in 2010. Hiring forecasts (Table 2.ii) for the region has many municipalities and residents of the region optimistic that jobs lost in the recent forestry sector downturn will be offset by gains in the mining industry.

Table 2.ii: New position hiring by year forecast for Northwestern Ontario

| Year | 2014 | 2015 | 2016 | Total |
|---------------------|------|-------|-------|-------|
| Operating Positions | 350 | 1,300 | 1,401 | 3,051 |

Source: Bahram et Al, Mining in Northwestern Ontario: Opportunities and Challenges, 2012

Despite this optimism, several key challenges (Conference Board of Canada) remain for any mining project to address in order to be successful in the region:

- Improvements to regulatory processes
- Inadequate or non-existent infrastructure, including for transportation, energy and connectivity
- Shortage of skilled labour
- Engagement of local and Aboriginal communities
- Environmental Stewardship

Northwestern Ontario has strong rail and highway transportation infrastructure in place and the city of Thunder Bay connects the region to national and international markets through its international Airport and Thunder Bay’s Port Authority manages the Keefer Terminal, the sixth largest port in Canada. The following sections take a closer look at the communities in Northwestern Ontario within close proximity to the Goliath Gold potential site and the data specific to each community that may impact the above key challenges.

1.0 The City of Thunder Bay

Thunder Bay is metropolitan area strategically located in the heart of Canada in Northwestern Ontario. Thunder Bay is an important natural resource, service and transportation centre. As a city, Thunder Bay offers all the advantages of urban life yet in a rural setting, living up to its motto *Superior By Nature*. Thunder Bay has an abundance of sports and recreational opportunities in particular in hunting and fishing, while at the same time providing fine dining, cultural events and festivals.

Historically, the Thunder Bay's central location was a gateway to vast tracks of wilderness and made it a strong participant in resource industries like the fur trade and forestry. Today, Thunder Bay and Northwestern Ontario are demonstrating the capacity to build and sustain a knowledge-based economy that provides a diversity of good jobs and academic opportunities for residents.

Thunder Bay is the largest community on Lake Superior. With a population of 108,359, it is the most populous municipality in Northwestern Ontario and the second most populous in Northern Ontario after Greater Sudbury.

Thunder Bay takes its name from the immense bay at the head of Lake Superior, known on 18th century French maps as "Baie du Tonnerre". The city is often referred to as the Lakehead because of its location at the head of the Great Lakes. Thunder Bay is the sunniest city in eastern Canada with an average of 2167.7 hours of bright sunshine each year.

1.1 Social Factors

Thunder Bay is a vibrant and growing community and is the region's commercial, administrative and medical hub. Thunder Bay has been actively working to attract "knowledge-based" industries, primarily in the fields of biotechnology and molecular medicine. *Canadian Business Magazine* ranked Thunder Bay in the top ten best cities in Canada in which to conduct business (2005).

Thunder Bay is a four-season outdoor paradise and is one of the most dynamic "Cultural Capitals of Canada". Residents and visitors of Thunder Bay can access a variety of green spaces, parks and wilderness – and a major centre for visual and performing arts and culture. Thunder Bay provides the amenities of an urban centre while opening the gateway to outdoor adventure in Northwestern Ontario.

A city with deeply rooted European and Aboriginal cultures, Thunder Bay is the sixth most culturally diverse community of its size in North America. Some of the most represented ethnic backgrounds include Finnish, Italian, Scottish, Ukrainian, Polish, French, Aboriginal Canadian,

Chinese and Croatian.

1.1.1 Administration

The Municipal Act is a consolidated statute governing the extent of powers and duties, internal organization and structure of municipalities in Ontario. The new Municipal Act, which took effect on January 1st, 2003, represents the first comprehensive overhaul of Ontario's municipal legislation in 150 years and is the cornerstone of the administration of municipalities in Ontario.

As outlined in the Act, municipalities are governed by municipal councils. The role of municipal councils is to make decisions about municipal financing and services. In Ontario, the head of a local (lower or single tier) municipal council is either called the mayor or reeve. The members of council may be called councillors or aldermen.

The municipal government of Thunder Bay includes a democratically elected mayor and council. Thunder Bay Council is comprised of 13 council members who serve for a four-year term: the mayor, five councilors at large and seven ward councilors. The role of council is to: represent the public and to consider the interests of the municipality; to develop policies; to decide on what services are provided; to ensure Council decisions are implemented; and, to maintain the financial integrity of the municipality. In accordance with provincial laws, municipal elections are held every four years, with the next Ontario municipal election scheduled for October 27th, 2014.

The City of Thunder Bay is made up of the Departments and Divisions, which operate under the overall leadership of the City Manager. The City Manager reports to City Council and holds the task of implementing the priorities and strategic initiatives approved by Council. Each Department is led by a General Manager. City services are provided through a number of primary departments and their respective managers, including (but not limited to):

- Office of the City Manager;
- City Solicitor and Corporate Counsel;
- Community and Emergency Services;
- Development Services;
- Facilities, Fleet and Transit Services;
- Finance and Corporate Services; and,
- Infrastructure and Operations.

The City of Thunder Bay affiliated Boards and Commissions include:

- Lakehead Region Conservation Authority;
- Thunder Bay Community Economic Development Commission;

- Parking Authority;
- TBayTel Municipal Service Board;
- Thunder Bay Community Auditorium;
- Thunder Bay District Health Unit Board of Health;
- Thunder Bay District Social Services Administration Board;
- Thunder Bay Police Services;
- Thunder Bay Hydro Corporation Board;
- Thunder Bay Hydro Electricity Distribution Inc. Board;
- Thunder Bay Public Library; and,
- Victoriaville Board of Management.

1.1.3 Population

The population of the City of Thunder Bay is 108,359 according to the 2011 census data. There are about 800 fewer people in the City compared with five years ago. The decline in the population is contrasted by a national growth rate of 5.9 percent and a provincial increase of 5.7 percent. The population is roughly equally divided base on gender across all of the age classes; however, there is a significant difference in the 85 and over age class. Of the 3,080 individuals in the 85 and over age class, females comprise 70 percent or 2,130 individuals.

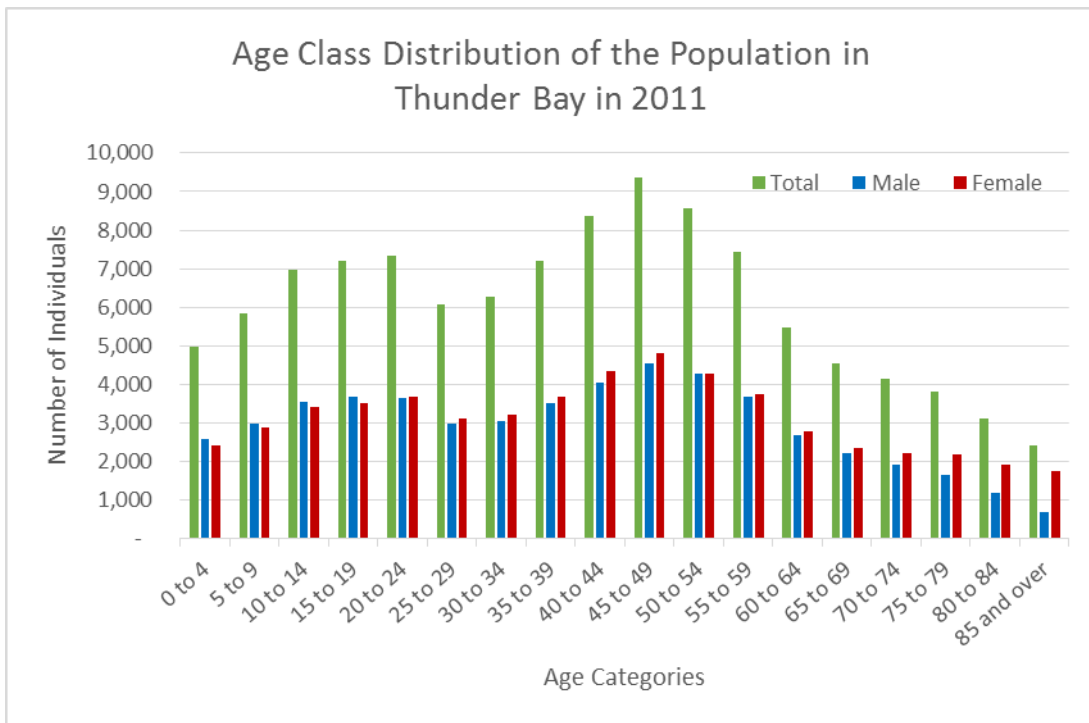
Thunder Bay currently experiences a slight outmigration of its young adult population between the ages of 20 and 44, similar to other communities across Northern Ontario (Table 3.ii). The pattern is not as pronounced in Thunder Bay as smaller communities in Northern Ontario, as there are employment opportunities and post-secondary educational institution accessible in the City. Regardless of the opportunities in Thunder Bay, young adults will still leave Northern Ontario to pursue work opportunities and educational opportunities at alternate destinations.

Table 3.ii: Population Change by Age Class from 2006 to 2011 Census Community Profiles

| | City of Thunder Bay | | |
|---------------------------------|---------------------|---------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 109,140 | 108,360 | -1% |
| Age 0-4 | 4980 | 5110 | 2.6% |
| Age 5-14 | 12820 | 10,875 | -15.2% |
| Age 15-19 | 7,190 | 6,910 | -3.9% |
| Age 20-24 | 7,335 | 7,345 | 0.1% |
| Age 25-44 | 27,925 | 33,600 | 20.3% |
| Age 45-54 | 17,920 | 17,325 | -3.3% |
| Age 55-64 | 12,925 | 15,405 | 19.2% |
| Age 65-74 | 8,690 | 9,430 | 8.5% |
| Age 75-84 | 6,930 | 6,565 | -5.3% |
| Age 85 and over | 2,430 | 3,080 | 26.7% |
| Median age of population | 41.7 | 43.3 | 3.8% |
| Percent aged 15 and over | 83.7 | 85.2 | 1.8% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Just as the senior population in Canada has grown rapidly over the past three decades, the population in Thunder Bay has also aged. Figure 2.ii, below, displays the current age class distribution in Thunder Bay. Throughout its economic history in the forestry, transportation and mining sectors, Thunder Bay has attracted and maintained a significant number of individuals within the same age class. As this cohort of individual's get older, it creates an increase in older age classes while the outmigration of younger age groups creates a slight void that is not being replaced.



Source: Statistics Canada, 2011 Census Community Profiles

Figure 2.ii: Age Class Distribution of the Population in Thunder Bay in 2011

The 2011 population in Thunder Bay showed an increase in the median age to 43.3 years; a 3.8 percent increase from its 2006 median age of 41.7. The current median age in Thunder Bay is older than the provincial median age of 40.4 and the national median age of 40.2.

From the age groups of 55 to 74, each group showed an increase in its population from the 2006 data. The census data also shows a population decrease, from age groups 5 to 14 years (-15.2 percent), 15 to 19 years (-3.9 percent); however, the 25 to 44 years showed an increase in 20.3 percent. The increase in the population of the 25 to 44 age class demonstrates that there are attributes in Thunder Bay, including employment opportunities, which attract this age class back to the City.

There are other factors that lead to imbalanced population demographics. As the transportation, forest and manufacturing sectors were forced to downsize over time, older workers were often maintained while younger workers were laid off according to the rules of seniority. As there were limited employment and economic opportunities close to home, young people left to seek out employment; however, as the older cohort of employees retire, more employment opportunities are available.

Ontario continues to be affected by the stagnancy of the economy that resulted from the 2008 global recession. Weak economic growth and slow recovery of the global economy has forced

both the private and public sectors to reduce expenditures and increase efficiencies. Several economic sectors in Ontario have also curtailed operations, which have resulted in reduced employment and economic opportunities throughout the province, particularly in Northwestern Ontario.

Employment and economic opportunities in western Canada (Manitoba, Saskatchewan and Alberta) have attracted countless young and underemployed people from Thunder Bay and Northern Ontario to work in operations associated with oil extraction activities. While these people make work in western Canada, they often maintain their homes and families in Northern Ontario and aspire to obtain permanent employment in Thunder Bay. As the population ages in Thunder Bay, there will be numerous positions available in a variety of sectors, including mining, manufacturing, education, public service and health care that can attract these people back to the area.

1.1.4 Education

Thunder Bay is home to 38 elementary schools, three middle schools, eight secondary schools, two private schools and an adult education facility which are administered by the Lakehead District School Board, the Thunder Bay Catholic District School Board and the Conseil Scolaire de District Catholique des Aurores Boréales. Post-secondary institutions in Thunder Bay include Confederation College and Lakehead University, and since 2005, the western campus of the Northern Ontario School of Medicine – the first medical school to open in North America in over 30 years. The City also has several other private colleges and tutoring programs.

Thunder Bay also has excellent post-secondary educational institutes. Lakehead University and Confederation College are both located within Thunder Bay. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;
- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;
- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus, 7,042 of which are full-time. The University employs 319 full-time faculty and 1,850 staff,

including 715 full-time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has satellite campuses in Northwestern Ontario. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

The education statistics for Thunder Bay demonstrate that residents are well-trained and highly educated. Thunder Bay can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near the area. The skills and trades of the workforce in Thunder Bay can easily support different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 78 percent of the population in Thunder Bay aged 15 and over years has attained education or training at or beyond the high school level. This includes 25 percent with high school certificates or equivalent, 10 percent who have received an apprenticeship or trade certificate or diploma, 22 percent who have received a college equivalent certificate or diploma and 21 percent who have received a university diploma or degree. Table 4.ii lists this data as well as the comparative educational attainment levels for the population between the ages of 25 and 64.

Table 4.ii Educational Attainment Information by Age Class of Thunder Bay (2011)

| Thunder Bay | 15 and over | | 25-64 yrs | |
|--|-------------|-----|-----------|-----|
| | Total | % | Total | % |
| Total population | 89,865 | | 58,145 | |
| No certificate, diploma or degree | 19,585 | 22% | 7,345 | 13% |
| High school certificate or equivalent | 22,670 | 25% | 14,105 | 24% |
| Apprenticeship or trades certificate or diploma | 9,335 | 10% | 6,715 | 12% |
| College, CEGEP or other non-university certificate or diploma | 20,169 | 22% | 15,850 | 27% |
| University certificate or diploma below the bachelor level | 2,350 | 3% | 1,645 | 3% |
| University certificate, diploma or degree | 15,765 | 18% | 12,485 | 21% |

Source: Statistics Canada, 2011 Census Community Profile

1.1.5 Health Services and Programs

Thunder Bay Regional Health Sciences Centre (THRHSC) is state-of-the-art acute care facility serving the healthcare needs of people living in Thunder Bay and Northwestern Ontario. There are 375 acute care beds. The patient rooms each have a large shower with wheelchair accessible washrooms. The facility is air-conditioned with special “negative pressure” rooms strategically located to accommodate people who may be suffering from a communicable disease.

The THRHSC has leading-edge technology that is apparent throughout including linear accelerators in Cancer Care where TBRHSC has two of only a few of its kind found in the world. As well, articulating arms are featured in the Critical Care unit, Operating Rooms and Emergency Department Trauma Rooms. This advancement in technology permits physicians and caregivers to work with patients with great ease. Besides hard-wired and wireless technology throughout, Diagnostic Imaging uses Picture Archival Computer Systems to record the images from the MRI, 16 and 10 slice CT Scanners and simulators and other DI equipment, which permits easy transportation of files among radiologists and specialists anywhere so they

may view and assess images. The ability to store and move the data of a patient from an Electronic Medical Record makes the region's hospitals of Northwestern Ontario a virtual library whereby physicians and "need to know" care providers can assist with patient care in an instant.

The THRHSC Emergency Department is one of the busiest in the country with approximately 95,000 annual visits. The OR suite containing 12 theatres also includes a High-dose Brachytherapy room for special Cancer Care procedures. The 28-bed Post Anesthetic Recovery Unit has full medical gas services, as does the 40-bed Day Surgery Recovery area.

Thunder Bay provides a wide range of mental health services to local and regional clients, including a variety of community-based programs and supportive housing options. There are many delivery systems for primary care which include clinics, community health centres, family health networks and health promotion programs. Both private and public long-term care facilities are available in Thunder Bay.

St. Joseph's Care Group (SJCG) provides diverse inter-professional programs in complex care, physical rehabilitation, long-term care, mental health and addiction treatment. In-patient, out-patient and day services are provided to meet the needs of the residents of Northwestern Ontario. St. Joseph's Care Group provides programs and services to people in the Districts of Thunder Bay and Kenora-Rainy River. SJCG includes: St. Joseph's Hospital (Corporate Office); Balmoral Centre; Behavioural Sciences Centre; Diabetes Health Thunder Bay; Hogarth Riverview Manor; Lakehead Psychiatric Hospital; Sister Margaret Smith Centre; St. Joseph's Health Centre; and, St. Joseph's Heritage.

Hospice Northwest assists people and families living with a life-limiting or chronic illness through patient support programs, grief and bereavement support, a Palliative Care Support Program and a resource library.

The Community Care Access Centre (CCAC) is a provincially-funded organization that arranges and authorizes health and personal support services in peoples' homes, services for special needs children in schools, manages admissions to long-term care facilities and provides information and referrals to the public about other community agencies and services. Programs and services are available to people of all ages that are residents of the Northwestern Ontario.

1.1.6 Emergency Services

The City of Thunder Bay offers the following emergency service providers:

- Thunder Bay Police Service and Ontario Provincial Police – responsible for policing in

Thunder Bay and the surrounding townships;

- Anishinaabek Police Services – responsible for policing in Fort William First Nation;
- Thunder Bay Fire Rescue – provides emergency services capable of handling a range of emergencies and hazardous situation, including: fire suppression; fire prevention; responds to fire, explosions, auto extrications and hazardous material spills; specializes in rescues involving industrial accidents, rappelling, water/ice, urban search and rescue (USAR) and confined space; emergency planning; and, fire protection for neighbouring First Nations Reserves;
- Superior North EMS Paramedics – provides emergency medical care throughout the District of Thunder Bay, including all communities from Upsala to Manitouwadge and Longlac;
- Lakehead Search and Rescue Unit (LSRU) – a volunteer-based non-profit organization committed to Search and Rescue in the District of Thunder Bay and works closely with the Ontario Provincial Police and Thunder Bay Police Service;
- Faye Peterson Transition House – provides a safe and supportive temporary shelter environment, crisis services, counselling, outreach, transitional support, advocacy, early childhood education and support groups to women, youth and their children.
- St. John’s Ambulance – branch office in Thunder Bay provides training for emergency first aid help, CPR and/or automated external defibrillation; and,
- Ministry of Natural Resources Aviation, Forest Fire and Emergency Services.

1.1.7 Transit, Transportation, and Transport

Trucking in Thunder Bay has always had great importance. The strategic location of Thunder Bay in the centre of the country and at the only major east-west road link has ensured a healthy industry. Thunder Bay is highly accessible by truck. The City is located on the TransCanada Highway and Highway 61 to the United States. Thunder Bay’s central location in Canada makes it very easy to transport people and goods in and out of the area.

The Thunder Bay International Airport is the third busiest in Ontario; servicing over half a million passengers annually both nationally and internationally. The Thunder Bay Airport has the highest number of flying hours in the country and is the first Canadian airport to eliminate its airport improvement fee. Thunder Bay’s high eastbound volumes and its discount carrier air schedule provide the best route network of any Canadian city under a population of one million.

At the Thunder Bay Airport, Bearskin Airlines offers connections throughout Northern Ontario, as well as Wasaya Airways, Nakina Air and NAC 200 are also available to cover passenger and freight needs in the north. Mesaba Airlines, a regional affiliate for Northwest Airlines, offers

daily service to Minneapolis, Minnesota, connecting Thunder Bay to the entire Northwest/Continental network. Daily departures connect Thunder Bay to either Toronto Pearson International Airport or Billy Bishop Airport (Porter Airlines). Air Canada and West Jet offer service into Pearson several times per day, with connections to regional airports further east, as well daily departures west connect Thunder Bay to Winnipeg, Manitoba and Calgary, Alberta.

Thunder Bay is a major international inland port, featuring one of Canada's largest warehousing and trans-shipment complexes. The Keefer Terminal at the Thunder Bay Port Authority handles grain, coal and potash. The port also handles lumber, steel, machinery, bagged goods and forest products such as pulp. The Port serves as Canada's western terminus of the Great Lakes St. Lawrence Seaway system located on Lake Superior.

The Port of Thunder Bay extends 55 kilometers along the shoreline of Lake Superior and the Kaministiquia, McKellar and Mission Rivers. It also protrudes into Lake Superior, encompassing the Welcome Islands. Rock and concrete break walls and revetment walls isolate and protect the inner-harbour and main shipping channels. The Port operates 24 hours per day, 7 days per week from late March into January of the following year. Where weather conditions permit, or under special circumstances, limited winter navigation outside of these dates may also be carried out.

The United States is easily accessed from Thunder Bay via Highway 61 through the Pigeon River (Thunder Bay) border crossing, which is 45 minutes away from Thunder Bay. Duluth is a popular shopping and travel destination and is located 300 km south.

Thunder Bay also has excellent rail service with both the Canadian National and the Canadian Pacific Railways. Thunder Bay has a strong historical connection with the rail lines. On June 1, 1875, construction began on a rail line that was to run between Fort William and Selkirk, Manitoba. The completed portion of this line became part of the new Canadian Pacific Railway. In the east, a line between Port Arthur and North Bay, Ontario was completed on May 16, 1885 enabling east-west rail traffic to move through the twin cities of Fort William and Port Arthur. Today, all east-west through traffic and local traffic originating and terminating in Thunder Bay move over these CPR rail lines. The main flow of CN Rail traffic between eastern and western Canada is carried on the northern route between Winnipeg, Manitoba and Capreol, Ontario. Grain and coal traffic from Western Canada is moved to Thunder Bay over a line running through Fort Frances. Traffic along the line between Longlac, Ontario and Thunder Bay is limited to trains originating and terminating in Thunder Bay; however, special traffic, such as dimensional loads, is regularly moved over this line.

In May 2000, CN rail officially opened a transload facility in Thunder Bay, providing its local

customers with new shipping options. The 50,000 square-foot facility allows shippers to transfer goods readily between road and rail. It combines the advantages of economical, long-distance rail transportation and flexible, short-haul truck movements. The facility approximately 12,000 to 15,000 tons of product per month – about 50 rail car loads per week.

1.2 Economic Factors

Thunder Bay has suffered numerous losses in the local forest industry due to the collapse in the industry, which affected employees, subcontractors and suppliers. As the economy in Northwestern Ontario recovers, public and private sectors will require a workforce to fill the positions that will be vacated by the significant number of retirees.

Numerous forest resource processing facilities have curtailed or ceased operations. These indefinite and permanent closures have drastically reduced the business and employment opportunities available to young people, especially those individuals interested in staying in their home communities, like Thunder Bay. As a result of the current and persisting recession, youth outmigration is a reality for virtually every community in Northwestern Ontario.

Thunder Bay, like many other rural communities in northwestern Ontario, is facing significant challenges related to economic restructuring and diversification. Traditional dependency on forestry and its declining industrial base has allowed for the Today, growth is being driven by diversification into new knowledge-based sectors, innovation in traditional industries and new discoveries.

A strategic location in the heart of Canada, Thunder Bay is helping the region to develop as an important government services, health care, education and transportation hub.

Although the forest and manufacturing sectors have declined in recent years, growth has taken place in a *knowledge economy* based on medical research and education. Since Thunder Bay is situated in the centre of North America and 32 miles from the Minnesota border, it is central to the Canadian and American markets. With low property and operating costs, a highly skilled labour force and proximity to major urban centres, Thunder Bay has much to offer the investors. Thunder Bay has a very strong industrial supply services reflecting the active sectors in the region. There are close to twenty industrial supply warehouses, as well as heavy equipment rentals.

1.2.1 Goods and Services

Thunder Bay has a full range of goods available comparable to most metropolitan areas. Retail shopping opportunities occur on both downtown areas as well as in the Intercity Area. Intercity Shopping Centre was one of the first shopping malls in Thunder Bay and the largest of its kind in Northwestern Ontario. Originally, the mall was constructed in the 1950s on the present day

site in land that bordered the two former cities of Port Arthur and Fort William. In the 1990s, the entire Intercity Area site was redesigned and a more modern mall was constructed. Located at the corner of Harbour Expressway and Fort William Road in the heart of the City, Intercity Shopping Centre has easy access from all highways and major city arteries.

The Waterfront District business area is recognized as Thunder Bay's Arts and Entertainment District and is home to locally-owned restaurants, unique shopping, art galleries featuring local and national artists, business services ranging from gift shops to legal and financial institutions. The Waterfront District also boasts fabulous live entertainment in one of many venues and is located a short walking distance to some of Thunder Bay's well-known entertainment venues, such as the Thunder Bay Charity Casino and the Magnus Theatre.

One of the oldest and most famous neighborhoods in Thunder Bay is Westfort Village. Westfort Village grew up around river traffic and the railway, a home for working families. Early business owners built their own busy downtown complete with clothing stores, banks, restaurants, hotel, professional offices, pharmacy and food store. Today, Westfort remains a self-contained shopping district with all the amenities. In fact, many Thunder Bay residents will travel across the city to frequent its unique stores and shops.

In terms of historical culture, Thunder Bay is home to the Fort William Historical Park; one of the largest living history attractions in North America, devoted to re-creating the days of the North West Company and the Canadian fur trade. With 57 heritage and modern buildings on 250 acres, Fort William Historical Park offers a vivid and rich tapestry of fur trade life, running the gamut from culture to crafts, medicine to business, domestic life to heritage farming.

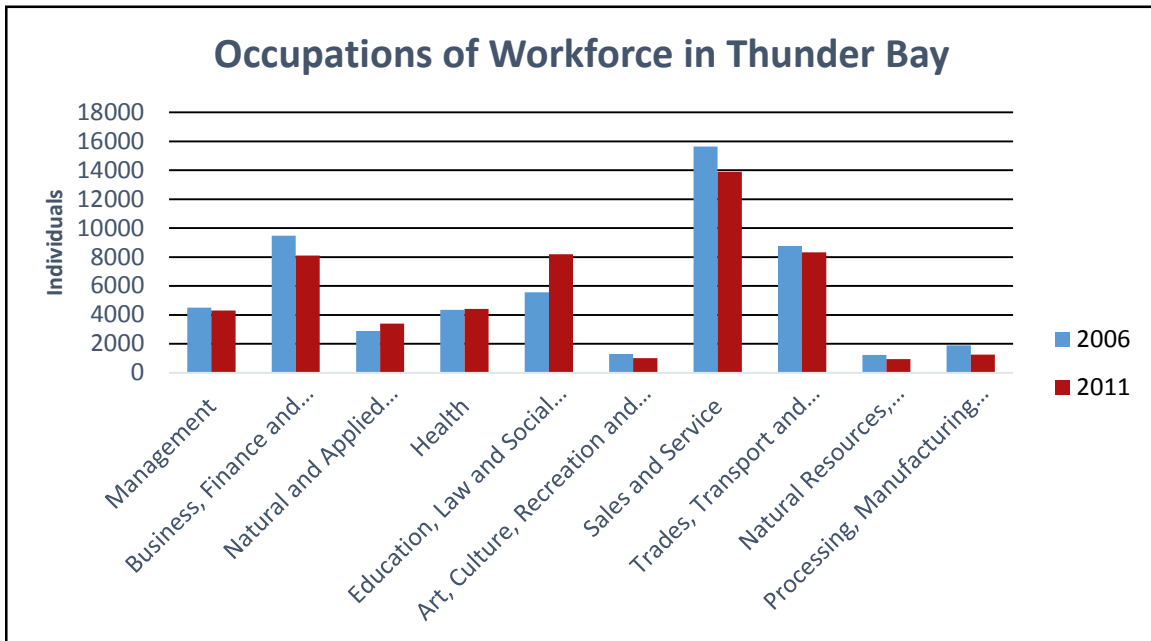
Aside from its comprehensive historical program, Fort William Historical Park is also a multi-functional operation, offering a variety of programs including overnight experiences, education programs, artisan workshops, conferences, banquets, festivals and recreational opportunities.

1.2.2 Labour Force, Labour Participation and Employment

The total labour force in Thunder Bay is estimated to be 55,115 individuals with a labour force participation rate of approximately 61 percent. The 2011 Census data indicates an employment rate of 56.4 percent and an unemployment rate of 8 percent.

The existing labour force characterized by occupation is shown in Figure 3.ii. Data from both the 2006 and 2011 Census reports are included for comparison. The largest amount of labour force participation is in the Sales and Services category. Business, Finance and Administration and Trades, Transport and Equipment Operators occupations are the second and third most reported occupations. The lowest participation in the labour force is in Natural Resources and Manufacturing occupations. While there was an increase in the Education, Law and Social

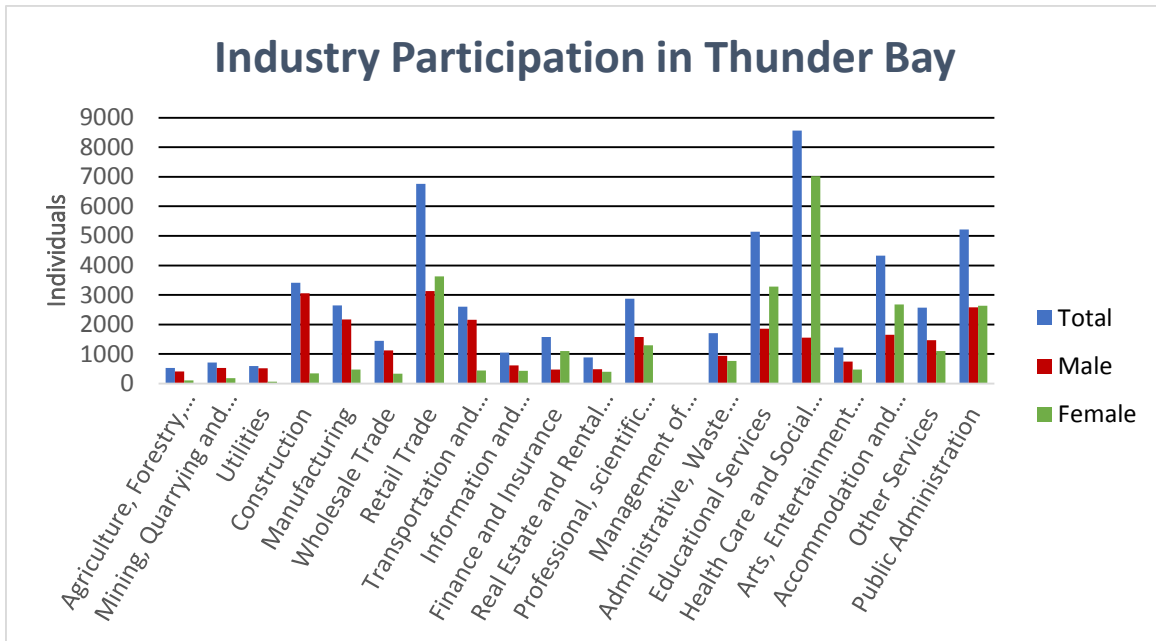
Services category, all other occupations remained relatively consistent between the 2006 and 2011 Census.



Source: Statistics Canada, 2006 & 2011 Census Community Profiles

Figure 3.ii Occupations of Workforce in Thunder Bay

Though the population is roughly equally divided based on gender, there are significant differences in the industry participation rates of males and females. As illustrated in Figure 4.ii, the industry fields of Mining, Quarrying and Oil and Gas Extraction, Utilities, Construction, Manufacturing and Transportation are male-dominated, while females far outnumber male co-workers in the Finance and Insurance, Educational Services, Health Care and Accommodations and Food Services industries.



Source: Statistics Canada, 2011 Census Community Profiles

Figure 4.ii: Industry Participation in Thunder Bay

2.0 The City of Kenora

Kenora is located on the scenic Lake of the Woods and is the Western Gateway to the Province of Ontario. The City is located two hours east of Winnipeg, Manitoba (about 200 kilometers) and six hours west of Thunder Bay, Ontario (about 600 kilometers) on the TransCanada Highway 17 and is close to the geographic center of Canada. The two closest First Nation communities are Grassy Narrows and Wabaseemoong First Nations. Originally a town, Kenora was amalgamated with the Towns of Keewatin and Jaffray Melick in 2000 to form the present-day City of Kenora. With a permanent population of over 15,000 people in the city, the Kenora service area has a population of over 25,000.

The first European set eyes on Lake of the Woods in 1688. A French trading post, Fort St. Charles, was established just south of present day Kenora in 1732 and was maintained until 1763 when France lost the territory to the British during the Seven Year’s War. In 1836, the Hudson’s Bay Company established a post on Old Fort Island, and in 1861 they opened a post on the mainland at Kenora’s current location. In 1878, the company surveyed lots for the permanent settlement of Rat Portage (“portage to the country of the muskrat”) and the community kept that name until 1905, when it was renamed to Kenora. The name was created by combining the first two letters of Keewatin, Norman (two nearby communities), and Rat Portage.

Gold and the railroad were both important in the community’s early history. Gold was first discovered in the area in 1850 and by 1893 there were 20 mines operating within 24 kilometers

of Rat Portage. The first coast to coast train passed through the area in 1886 on the Canadian Pacific Railway (CPR) rail line.

Kenora is a tourist destination throughout the year. Originally settled by fur traders in the late 1800's, as the railway quickly moved through Northwestern Ontario, Kenora saw growth into a prosperous city due to its location on the Lake of the Woods and the natural resources that surround the city helped to grow its economy. Kenora has long been recognized for its natural beauty and outdoor splendor, making it a natural destination for tourists and cottagers. It is estimated that over 800,000 tourists visit the city annually and that the population of the city doubles during the summer from cottagers returning for the season from Winnipeg and the mid-western United States.

The main sources of income in Kenora come from different industries that include tourism and tourism-related service businesses, recreation businesses, cottage building and services, value-added forestry, mining and mining services. The two largest private employers in Kenora are the Trus Joist Weyerhaeuser TimberStrand mill and the Canadian Pacific Railway.

2.1 Social Factors

Considered to be a tourist city, Kenora enjoys a slower pace of life than other cities with a more urban setting. Relying on the natural resources in the surrounding areas, the town of Kenora developed economically through the lumber and gold industries and with its geographic location and access to the railway it was able to grow into a city. Kenora sits along the Lake of the Woods, an internationally renowned boating and tourist area with 14,542 islands. Its beautiful parks, hiking trails and sandy beaches provide year-round opportunities for recreation and community events. With the downturn in the lumber industry, Kenora has turned its focus to the tourism industry as its main source of income. This section contains a thorough examination of the social attributes of the community and discusses the opportunities and lifestyle available in Kenora.

2.1.1 Administration

The Municipal Act is a consolidated statute governing the extent of powers and duties, internal organization and structure of municipalities in Ontario. The new Municipal Act, which took effect on January 1st, 2003, represents the first comprehensive overhaul of Ontario's municipal legislation in 150 years and is the cornerstone of the administration of municipalities in Ontario.

As outlined in the Act, municipalities are governed by municipal councils. The role of municipal councils is to make decisions about municipal financing and services. In Ontario, the head of a local (lower or single tier) municipal council is either called the mayor or reeve. The members

of council may be called councilors or aldermen.

The municipal government of Kenora includes a democratically elected mayor and council. Kenora Council is comprised of 6 council members. The role of council is to: represent the public and to consider the interests of the municipality; to develop policies; to decide on what services are provided; to ensure Council decisions are implemented; and, to maintain the financial integrity of the municipality. In accordance with provincial laws, municipal elections are held every four years, with the next Ontario municipal election scheduled for October 27th, 2014.

City services are provided through a number of primary departments and their respective managers, including (but not limited to):

- Administration – Karen Brown, Chief Administration Officer;
- Building and Planning – Kevin Robertson, Chief Building Official;
- Corporate Services – Lauren D’Argis, Corporate Services Manager;
- Economic Development – Jennifer Findlay, Economic Development Officer;
- Emergency Services – Warren Brinkman, Emergency Services Manager;
- Human Resources – Shane McDowall, Human Resources Manager;
- Library – Cathy Peacock, C.E.O/Head Librarian;
- Museum – Lori Nelson, Museum Director;
- Operations – Rick Perchuk, Operations Manager;
- Planning – Charlotte Caron, Manager of Property and Planning;
- Recreation – Colleen Neil, Recreation Manager; and,
- Tourism – Heather Gropp, Tourism Development Officer

2.1.2 Population

According to Statistics Canada 2011 census data, the population of Kenora is 15,345. While the population is roughly equally divided based on gender, there are significant differences in the age class distribution. The city currently experiences a significant outmigration of its young adult population between the ages of 25 and 44; a pattern common to small communities across Northern Ontario.

The pattern is largely due to young people leaving their home communities to pursue work opportunities elsewhere. The trend has grown stronger in Kenora since 2006, as demonstrated in Table 5.ii below, likely due in general to industrial market changes in forestry and more specifically, to the downturn in employment opportunities with the shutdown of the Abitibi-Consolidated Pulp and Paper Mill in December of 2005, resulting in the loss of 390 jobs.

Table 5.ii Population Change by Age Class from 2006 to 2011 Census Community Profiles

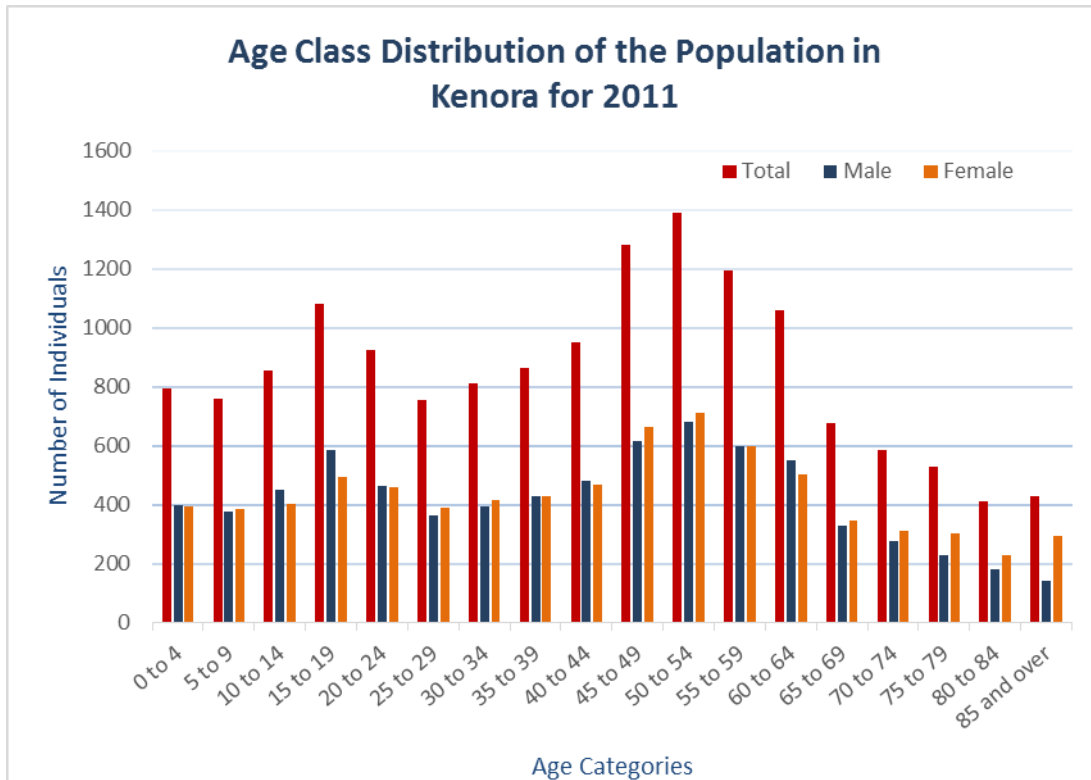
| | Kenora | | |
|---------------------------------|--------|--------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 15,175 | 15,345 | 1% |
| Age 0-4 | 690 | 795 | 15.2% |
| Age 5-14 | 1,890 | 1,615 | -14.6% |
| Age 15-19 | 1,190 | 1,080 | -9.2% |
| Age 20-24 | 860 | 925 | 7.6% |
| Age 25-44 | 3,690 | 3,380 | -8.4% |
| Age 45-54 | 2,625 | 2,670 | 1.7% |
| Age 55-64 | 1,770 | 2,255 | 27.4% |
| Age 65-74 | 1,225 | 1,260 | 2.9% |
| Age 75-84 | 900 | 940 | 4.4% |
| Age 85 and over | 340 | 430 | 26.5% |
| Median age of population | 42.4 | 44.4 | 4.7% |
| Percent aged 15 and over | 83.0% | 84.3% | 1.6% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Just as the senior population in Canada has grown rapidly over the past three decades, the population of Kenora has also aged. Throughout its economic history in the forestry and mining sectors, Kenora has attracted and maintained a significant number of individuals within the same age class. As this cohort of individual's get older, it creates an increase in older age classes while the outmigration of younger age groups creates a void that is not being replaced (Figure 5.ii).

The population of Kenora for 2011 showed an overall increase of 1 percent in the total population, compared to 2006, and an increase in the median age to 44.4 years, a 4.7 percent increase from its 2006 median age of 42.4. The current median age in Kenora is older than the Ontario provincial median age of 40.4 and the Canadian national median age. While all populations aged from 2006 to 2011, the rate of the median age increase further demonstrates an outmigration of the younger population in Kenora.

From the age groups of 45 and older, each group showed an increase in its population from the 2006 data. Most notably, the 55 to 64 and 85 and over age groups showed an increase of 27.4 and 26.5 percent, respectively. The census data also shows a significant level of outmigration of the younger generations, from age groups 5 to 14 years (-14.6 percent), 15 to 19 years (-9.2 percent) and 25 to 44 years (-8.4 percent).



Source: Statistics Canada, 2011 Census Community Profile for Kenora

Figure 5.ii: Age Class Distribution of the Population in Kenora 2011

Not all of the younger age groups are following the trend of declining totals from 2006. There is significant increases in the 0 to 4 years (15.2 percent) and 20 to 24 (7.6 percent) age groups. Families that relied on the forestry sector may have moved away with their families, which could explain the decrease in population of the 25 to 44 age group and the 5 to 19 age groups. The growing tourism sector could have attracted the younger age group of 20-24 years with their children in the 0 to 4 age group to live and work in Kenora.

There are other factors that lead to imbalanced population demographics. As the life of the mines in the area expired and the forest sector was forced to downsize, older workers were often maintained while younger workers were laid off according to the rules of seniority. If there are limited employment and economic opportunities close to home, young people will leave to seek out employment or attend post-secondary education institutions and few employment opportunities in the region to bring them back to their home communities when school and/or training is completed.

Ontario continues to be affected by the stagnancy of the economy that resulted from the 2008 global recession. Weak economic growth and slow recovery of the global economy has forced both the private and public sectors to reduce expenditures and increase efficiencies. Several economic sectors in Ontario have curtailed operations, which have resulted in reduced

employment and economic opportunities throughout the province, particularly in Northwestern Ontario.

To attract youth back to the area, communities in Northern Ontario must offer meaningful employment opportunities. As the population ages in Kenora, there will be numerous positions will become available due to retirements in a variety of sectors, including mining, manufacturing, education, public service and health care.

2.1.3 Education

The Keewatin-Patricia District School Board and the Kenora Catholic District School Board serves the educational needs in the Kenora area. In total, there are 9 elementary schools (5 public and 4 catholic) and 2 high schools (1 public and 1 catholic) in the City of Kenora. The elementary schools offer grades JK through 8 and the secondary schools offer grade 9 through 12. Table 6.ii outlines the current enrolment and capacity levels of each school currently operating in the City of Kenora.

Table 6.ii Schools, Enrolment and Capacity information for Kenora

| Municipality | District School Board | School | Type | Enrollment | Capacity |
|--------------|---|-----------------------------------|------------|------------|----------|
| Kenora | Keewatin-Patricia District School Board | Beaver Brae Senior Elementary | Elementary | 162 | 161 |
| | Keewatin-Patricia District School Board | Evergreen Public School | Elementary | 127 | 294 |
| | Keewatin-Patricia District School Board | Keewatin Public School | Elementary | 75 | 305 |
| | Keewatin-Patricia District School Board | King George VI Public School | Elementary | 234 | 309 |
| | Keewatin-Patricia District School Board | Sioux Narrows Public School | Elementary | 16 | 66 |
| | Keewatin-Patricia District School Board | Valleyview Public School | Elementary | 199 | 173 |
| | Kenora Catholic District School Board | École Ste-Marguerite Bourgeoys | Elementary | 305 | 285 |
| | Kenora Catholic District School Board | Pope John Paul II Catholic School | Elementary | 375 | 481 |
| | Kenora Catholic District School Board | St. John School | Elementary | 106 | 135 |
| | Kenora Catholic District School Board | St. Louis School | Elementary | 155 | 147 |
| | Keewatin-Patricia District School Board | Beaver Brae Secondary School | Secondary | 579 | 786 |
| | Kenora Catholic District School Board | St. Thomas Aquinas High School | Secondary | 404 | 754 |

Source: Communications with School Boards, 2014

Lakehead University and Confederation College are both within a 600 kilometer (6 hour) drive of Kenora. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;
- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;
- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus, 7,042 of which are full time. The University employs 319 full time faculty and 1,850 staff, including 715 full time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has a satellite campus in Kenora. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

Other post-secondary education options in Kenora include the Seven Generations Education Institute (SGEI). SGEI is designed to provide for the education and training needs of the Aboriginal people in the area; however, they welcome all of the people that they are able to

serve. They help adults re-enter education with pathways that include high school diplomas, essential skills training, online learning and part or full-time college and university programs.

Contact North is another avenue to post-secondary education in Kenora. They support over 24 publicly assisted Ontario colleges and 22 publically assisted Ontario universities to provide students with access to their programs and courses without leaving their home or community. Access to education and training is available at their online learning centres, or from the student's home.

Kenora is also located about 200 kilometers (2 hour drive) from the City of Winnipeg in the Province of Manitoba. Within Winnipeg there are 4 post-secondary schools to attend and they are the University of Manitoba, the University of Winnipeg, Red River College of Applied Arts, Science and Technology and Winnipeg Technical College.

Started over 137 years ago, the University of Manitoba (U of M) offers more than 100 programs; most of their academic departments have graduate studies leading to masters or doctoral degrees. The U of M offers degree and diploma programs in the following 14 faculties:

- Faculty of Agricultural and Food Sciences;
- Faculty of Architecture;
- School of Art;
- Faculty of Arts;
- I.H. Asper School of Business;
- Faculty of Education;
- Faculty of Engineering;
- Clayton H. Riddell Faculty of Environment, Earth, and Resources;
- Division of Extended Education;
- Faculty of Graduate Studies;
- Faculty of Human Ecology;
- Faculty of Kinesiology and Recreation Management;
- Faculty of Law;
- Desautels Faculty of Music; and
- Faculty of Science

The student population at U of M is 29,579 (Fall 2013); 25,363 are undergraduate students and 3,748 are graduate students. The University employs an academic staff of 4,754 with a support staff of 3,962. Excelling in research and technology, the U of M has 46 Canada Research Chairs in their faculties and have partnered with 53 research centres and institutes bringing in over \$136.8 million in funding in 2012-13.

The University of Winnipeg has been in operation for just over 11 years. Although, relatively

new compared to the U of M, the University of Winnipeg already has over 40,000 alumni and currently has just over 10,000 full and part-time students and offers various programs in 6 different faculties. The faculties are:

- Arts;
- Business and Economics;
- Education;
- Graduate Studies;
- Kinesiology; and
- Science

Red River College has 8 campuses located across Manitoba and they offer more than 200 full-time and part-time programs. They are the largest institute of applied learning in Manitoba. RRC offers continuing education and distance education and has a 95 percent graduate employment rate.

In 1983, 3 school divisions recognized the need for technical training and the lack of a suitable facility to provide this training in south Winnipeg. The college has grown to meet the needs of over 2,000 full-time and part-time students every year. The Winnipeg Technical College provides secondary and post-secondary students with applied skills training for careers in health care and human services, information and business technology, and skilled trades. In 2010, the Winnipeg Technical College and the University of Winnipeg signed a memorandum of understanding that provides students attending the college with a direct pathway and direct access to joint WTC/U of W certificates, diplomas and applied degrees.

Kenora's education statistics demonstrate that residents are well-trained and highly educated. Kenora can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near. The skills and trades of the workforce in Kenora can easily support different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 77 percent of the population in Kenora aged 15 and over years has attained education or training at or beyond the high school level. This includes 29 percent with high school certificates or equivalent, 11 percent who have received an apprenticeship or trade certificate or diploma, 19 percent who have received a college equivalent certificate or diploma and 15 percent who have received a university diploma or degree. Table 7.ii lists this data as well as the comparative educational attainment levels for the population between the ages of 25 and 64.

Table 7.ii Educational Attainment Information by Age Class of Kenora (2011)

| Kenora | 15 and over | | 25-64 yrs | |
|--|-------------|-----|-----------|-----|
| | Total | % | Total | % |
| Total population | 12,605 | | 8,205 | |
| No certificate, diploma or degree | 2,850 | 23% | 1,180 | 14% |
| High school certificate or equivalent | 3,680 | 29% | 2,200 | 27% |
| Apprenticeship or trades certificate or diploma | 1,375 | 11% | 1,045 | 13% |
| College, CEGEP or other non-university certificate or diploma | 2,415 | 19% | 1,970 | 24% |
| University certificate or diploma below the bachelor level | 390 | 3% | 295 | 4% |
| University certificate, diploma or degree | 1,890 | 15% | 1,515 | 18% |

Source: Statistics Canada, 2011 Census Community Profile

2.1.4 Health Services and Programs

The majority of the health services are provided by the Lake of the Woods District Hospital. The hospital meets the immediate healthcare needs of residents of the City of Kenora, as well as a large surrounding area, including several First Nations communities. It is the leading medical facility in the Lake of the Woods area and the district hospital treats about 30,000 people per year. Lake of the Woods District Hospital is a fully accredited hospital under the national standards of the Canadian Council on Health Services Accreditation. It is the largest hospital in Northwestern Ontario outside of Thunder Bay.

Originally founded in 1897 as Rat Portage Jubilee Hospital, the medical facility has witnessed change of many kinds, including a name change to Kenora General Hospital and another in May of 1968 when St. Joseph's Hospital and Kenora General Hospital amalgamated to form Lake of the Woods District Hospital.

According to the official hospital website, core programs include "emergency and ambulatory

care, chronic care, mental health, maternal and child health and acute care services, which include general medicine, intensive care and surgical services.” It also manages a broad range of services including dialysis, chemotherapy, diagnostic imaging, mammography, ultrasound, addiction counseling and detoxification, a sexual assault centre, physiotherapy and rehabilitation services, ambulance (land and dedicated air), palliative care and various education programs.

There are also 2 medical clinics in Kenora. They are the Keewatin Medical Clinic and the Paterson Medical Centre. The Keewatin Medical Clinic is a Kenora regional health care facility. They have a current staff of 3 physicians and 1 nurse practitioner, serving the Kenora, Keewatin and surrounding areas. The Keewatin Medical Clinic practices closely with the Paterson Medical Centre, as well as the Sunset Country Family Health Team.

The Paterson Medical Centre is a Kenora regional health care facility. Currently, there is a staff of 14 physicians, 2 general surgeons and 3 nurse practitioners and they serve just over 15,000 patients.

After undergoing a complete renovation in 2006 and 2007, the newly designed Paterson Medical Centre became a model of medical efficiency making Kenora one of the top served communities in Northwestern Ontario. The upgraded facility has 25 exam rooms and a complete paperless medical record system.

The Sunset Country Family Health Team is located on the upper floor of the Paterson Medical Centre. Sunset Country Family Health Team provides the following programs and services for;

- Chiropractic;
- Chronic obstructive pulmonary disorder;
- Diabetes;
- Hospital discharge programs;
- Hypertension;
- Mental health issues;
- Nurse practitioners;
- Nursing;
- Nutrition;
- Pharmacy;
- Smoking cessation; and,
- Social work.

2.1.5 Emergency Services

The City of Kenora offers the following emergency services:

- The Ontario Provincial Police – responsible for policing in Kenora and the surrounding townships;
- The Treaty 3 Police – responsible for policing in area First Nation communities;
- The City of Kenora Fire and Emergency Services – 4 halls;
- Northwest Emergency Medical Services – represents all Land Ambulance Services in the District of Kenora and is operated by the Kenora District Services Board with administrative offices located in Dryden, Ontario and the Central Ambulance Communications Centre in Kenora directs the movement and utilization of these resources based on the deployment plan for Northwest EMS;
- The Lake of the Woods Search & Rescue (LOWSAR) – a team of dedicated volunteers who provide Search and Rescue Services to the region that is activated by Central Ambulance Communication Centre in Kenora via a pager system and works closely with the Ontario Provincial Police, Northwest EMS, City of Kenora Fire and Emergency Services and other allied Emergency Services;
- Saakaate House – a women’s shelter that provides a safe place for women and their children escaping an abusive partner and assistance in transitioning out of that relationship;
- St. John’s Ambulance – branch office in Kenora provides training for emergency first aid help, CPR and/or automated external defibrillation; and,
- Ministry of Natural Resources Aviation, Forest Fire and Emergency Services.

2.1.6 Transit, Transportation, and Transport

There are several ways to travel to and from the City of Kenora. The City is located on the Trans-Canada Highway and is easily accessible by conventional transportation methods. It is the last city before entering into Manitoba from Ontario.

The Excel Coach Lines Ltd. Terminal is open daily and Greyhound Bus Lines is the main passenger service offered from this terminal with trips leaving daily.

Rail travel to the Kenora area is also available through Via Rail Canada. Via Rail Canada will pick up and drop off passengers at the Redditt Station, which is located 30 minutes north of Kenora. Trains depart from Redditt going east every Tuesday, Thursday and Sunday and every Wednesday, Friday and Sunday trains depart going west.

Air travel to and from Kenora is available. The Kenora Airport (YQK/CYQK) is located about 9 kilometers northeast of the City. The major carrier out of the Kenora Airport is Bearskin Airlines.

Bearskin Airlines only uses one type of aircraft, the Fairline Metroliner. Based off the Merlin II aircraft, it is a stretched-out corporate turboprop, designed specifically to serve the regional airline market. The Merlin II and Metroliner are the most popular regional aircraft in the industry, offering twin turbine engines, 19 passenger seating capacity, pressurized cabins and exceptional speed and range.

From Kenora, Bearskin flies directly to Winnipeg and there is a one-stop (Fort Frances) flight to Thunder Bay. From Thunder Bay, Bearskin also flies directly to Sudbury and Sault Ste. Marie. Aside from the aforementioned destinations, Bearskin also has connecting flights to Dryden, Sioux Lookout, Red Lake, Kapuskasing, Timmins and North Bay.

Walsten Air (a division of Hicks and Lawrence Ltd.) also operates out of the Kenora Airport. It is a charter flight service that specializes in air transportation throughout Northern Ontario and particularly into remote airports. Walsten Air is a division of Discovery Air Fire Services and thus has base facilities in Dryden and Sudbury, with seasonal bases in Geraldton and Chapleau.

Walsten Air operates several different types of aircraft, including 3 Beechcraft King Air Super 200, 4 Beechcraft King Air 90, and one Cessna 208 Grand Caravan. The fleet of Walsten Air consists of a total of 8 various aircraft. The Beechcraft King Air Super 200 is a twin engine turbine powered aircraft with a pressurized cabin and offers executive type seating for 8 passengers. The Beechcraft King Air 90 is a twin turbo prop plane with an executive seating capacity of 4 to 6 passengers. The Cessna 208 Grand Caravan is a single engine turbine aircraft with a seating capacity for 9 passengers and it was specifically designed for landing and taking off from remote gravel runways.

There is also float plane services offered by Kenora Air Service and River Air. Flying out of the Kenora Sub Base, the float plane services cater more to the remote fly-in fishing and hunting tourism industry, chartering flights with their fleets of Beech c18's, Beavers, Otters, and C-185s.

Canadian Pacific Railway passes through the City and offers the ability for Kenora to import and export goods across the country.

2.2 Economic Factors

Given the limiting factors of other economic development initiatives and their geographic isolation, Northwestern Ontario communities primarily rely on natural resource-based sectors for economic and employment opportunities. The effects of the global economic downturn are still very apparent in Northwestern Ontario. The people of Northwestern Ontario have suffered through some of the worst economic conditions in the history of the Region, which have resulted in the substantial decline of the forest and manufacturing sectors.

Numerous forest resource processing facilities have curtailed or ceased operations. These indefinite and permanent closures have drastically reduced the business and employment opportunities available to young people, especially those individuals interested in staying in their home communities, like Kenora. As a result of the current and persisting recession, youth outmigration is a reality for virtually every community in Northwestern Ontario.

The Kenora area suffered numerous losses in the local forest industry due to the collapse in the industry, which affected employees, subcontractors and suppliers. As the economy in Northwestern Ontario recovers, public and private sectors will require a workforce to fill the positions that will be vacated by the significant number of forecasted retirees.

The City of Kenora, like many other rural communities in Northwestern Ontario, is facing significant challenges related to economic restructuring and diversification. Traditional dependency on forestry and its declining industrial base has allowed for the tourism industry to take over as the main source of private business in Kenora.

The Lake of the Woods Development Commission (LOTWDC) was created by the City of Kenora to implement the City's Economic Development Plan. It is an incorporated not-for-profit agency led by an independent Board of Directors comprised of local business and community leaders. Their Economic Development Plan outlines Kenora's transition to a destination and lifestyle community for business, visitors and new residents. The Commission has two primary operating divisions: economic development; and, tourism.

Although tourism is the primary focus of the City of Kenora, there are still two value-added forestry mills running (Kenora Forest Products and Trus Joist Weyerhaeuser Timberstrand) and mining exploration around the area that is showing the promise of leading to something bigger in the future.

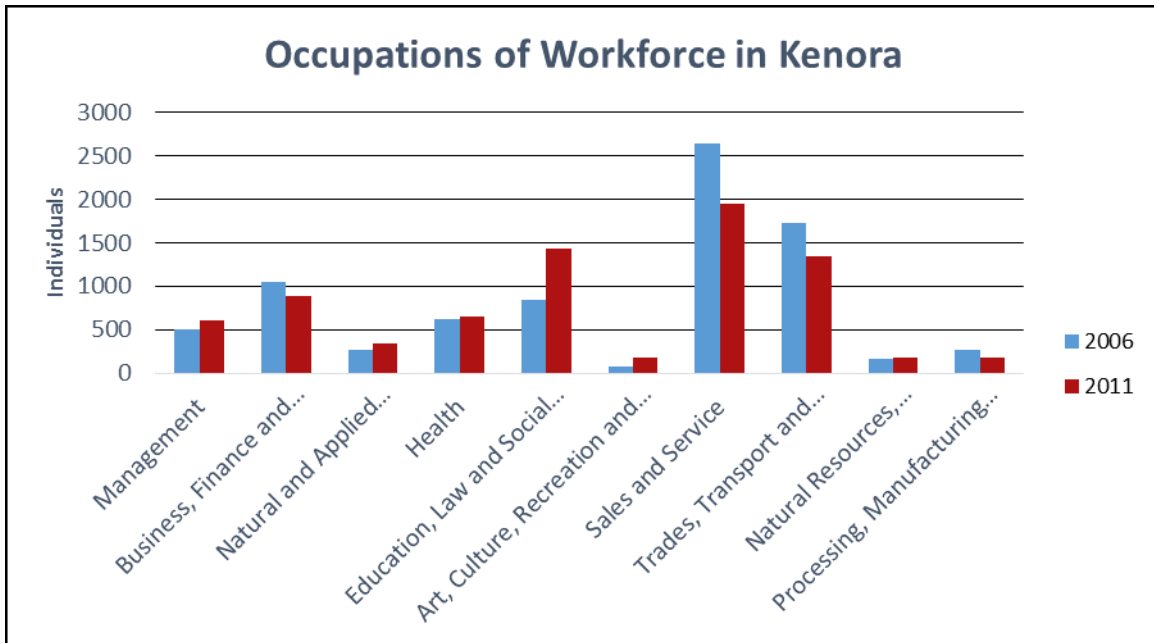
2.2.1 Goods and Services

Kenora is a full service community. It is the only city in Northwestern Ontario, aside from Thunder Bay, with a population over 10,000 people. With a permanent population that large and a seasonal population that nearly doubles in the summer, Kenora offers a full range of goods and services to the people in the community. Shops range from big box stores, like Walmart, to gift shops that cater to visiting tourists. There are numerous restaurants, cafes, and bar and grills, as well as the Farmer's Market. There are also 2 museums to visit and every August long weekend, Kenora plays host to Harbourfest, a 3-day long festival featuring live music and activities for all ages.

2.2.2 Labour Force, Labour Participation and Employment

The total labour force in Kenora is estimated to be 8,375 individuals with a labour force participation rate of approximately 66 percent. The 2011 Census data indicates an employment rate of 61.4 percent and an unemployment rate of 7.6 percent.

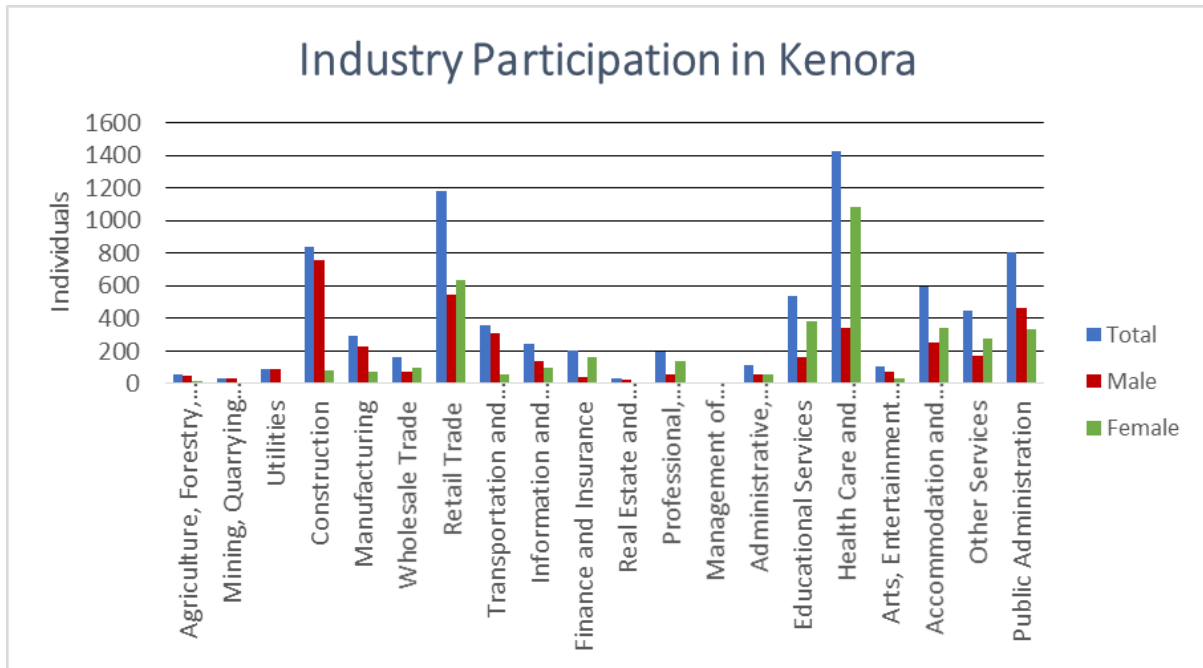
The existing labour force characterized by occupation is shown in Figure 6.ii. Data from both the 2006 and 2011 Census reports are included for comparison. The largest amount of labour force participation is in the Sales and Services category. Although there was a large drop in number of participants in the sales and services occupation from 2006 to 2011, it still remains as the number one occupation in Kenora. Trades, Transport and Equipment Operators and Education, Law, and Social Services occupations are the second and third most reported occupations. Trades, Transport, and Equipment Operators experienced a decrease from 2006 to 2011 while Education, Law and Social Services nearly doubled in the same 5 year span.



Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Figure 6.ii Occupations of Workforce in Kenora (2006, 2011)

Though the population is roughly equally divided based on gender, there are significant differences in the industry participation rates of males and females. As illustrated in Figure 7.ii, the industry fields of Mining, Quarrying and Oil and Gas Extraction, Utilities, Construction, Manufacturing and Transportation are male-dominated, while females far outnumber male co-workers in the Finance and Insurance, Educational Services and Health Care industries.



Source: Statistics Canada, 2011 Census Community Profiles

Figure 7.ii: Industry Participation in Kenora (2011) by Gender



Treasury Metals

Goliath Gold Project

Section III

Socioeconomic Baseline Report

City of Dryden, ON



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The City of Dryden

With a population of just over 7,500 residents, Dryden is the smallest community in the province of Ontario to be designated as a City. Dryden is a transportation and service hub for Northwestern Ontario. The City of Dryden is strategically located on the heavily travelled TransCanada Highway 17 midway between Winnipeg, Manitoba and Thunder Bay, Ontario and is situated just north of the Minnesota, USA border at Fort Frances, Ontario.

Dryden was first founded as an agricultural settlement in 1885 by then Ontario Minister of Agriculture, John Dryden. It officially became a town in 1910 and was designated a city in 1998 when it merged with the neighbouring township of Barclay. The geographic area on which Dryden is established is part of the traditional territory of the Ojibwa Nation that covered an area from Lake Huron in the east to Lake of the Woods west and beyond. Today, Dryden is located adjacent to the Eagle Lake and Wabigoon First Nations.

The City of Dryden, like many other rural communities in northwestern Ontario, is facing significant challenges related to economic restructuring and diversification. Traditional dependency on forestry and its declining industrial base in conjunction with the recent industrial tax reassessment of the Domtar mill property by the Municipal Property Assessment Corporation (MPAC) has led to significant staffing and budgetary cutbacks in the municipality. The City is currently developing a Deficit Recovery Plan to address its current financial challenges.

1.0 Social Factors

The quality of life in Dryden is considered very high. Its modern telecommunications infrastructure, excellent health and social services, retail shopping, abounding outdoor recreational opportunities and its friendly people make Dryden an inviting community in which to live and work. Dryden sits along the Wabigoon Chain of Lakes, an internationally renowned fishing and hunting area. Its beautiful parks, hiking trails and sandy beaches provide year-round opportunities for recreation and community events. This section contains a thorough examination of the social attributes of the community and discusses the opportunities and lifestyle available in Dryden.

1.1 Administration

The Municipal Act is a consolidated statute governing the extent of powers and duties, internal organization and structure of municipalities in Ontario. The new Municipal Act, which took effect on January 1st, 2003, represents the first comprehensive overhaul of Ontario's municipal

legislation in 150 years and is the cornerstone of the administration of municipalities in Ontario.

As outlined in the Act, municipalities are governed by municipal councils. The role of municipal councils is to make decisions about municipal financing and services. In Ontario, the head of a local (lower or single tier) municipal council is either called the mayor or reeve. The members of council may be called councillors or aldermen.

The municipal government of Dryden includes a democratically elected mayor and council. Dryden Council is comprised of 6 council members. The role of council is to: represent the public and to consider the interests of the municipality; to develop policies; to decide on what services are provided; to ensure Council decisions are implemented; and, to maintain the financial integrity of the municipality. In accordance with provincial laws, municipal elections are held every four years, with the next Ontario municipal election scheduled for October 27th, 2014.

City services are provided through a number of primary departments and their respective managers, including (but not limited to):

- Administration – Debra Kincaid, Acting City Clerk;
- Building and Planning – Bob Cunningham, Chief Building Official;
- Dryden Police Service – Robert A. Davis, Chief of Police;
- Finance Department – Andre Larabie, CAO/Acting Treasurer;
- Fire Service – Ken Kurz, Fire Chief;
- Health and Safety – Cam McMillan, Health and Safety Coordinator
- Human Resources and Employment – Kathy Huntus, Human Resources Advisor;
- Public Works – Blake Poole, Manager of Engineering and Public Services; and,
- Recreation – Karen Nickle, Administrator

1.2 Population

According to Statistics Canada 2011 census data, the population of Dryden is 7,617. While the population is roughly equally divided based on gender, there are significant differences in the age class distribution. The City currently experiences a significant outmigration of its young adult population between the ages of 20 and 44; a pattern common to small communities across Northern Ontario.

The pattern is largely due to young people leaving their home communities to pursue work opportunities or post-secondary school education after completing high school. The trend has grown stronger in Dryden since 2006, as demonstrated in Table 1.iii, below, likely due in general to industrial market changes in forestry and more specifically, to the downturn in

employment opportunities by the major employer, Domtar Inc.

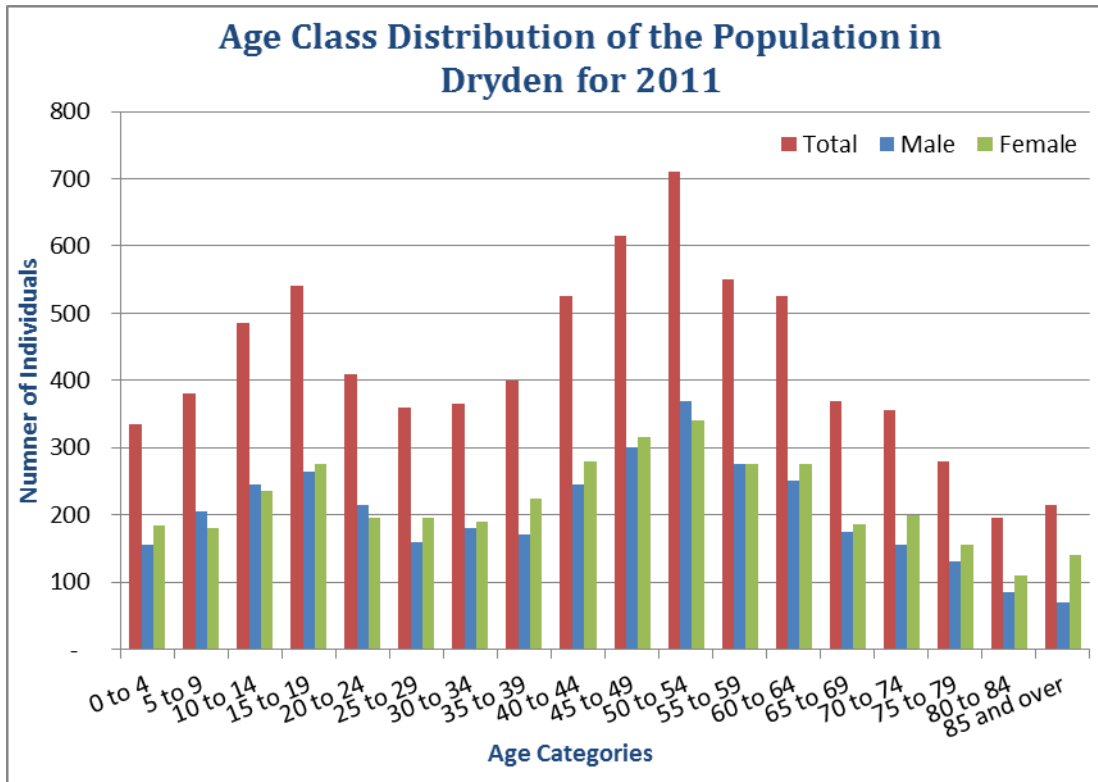
Table 1.iii: Population Change by Age Class from 2006 to 2011 Census Community Profiles

| | Dryden | | |
|---------------------------------|--------|-------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 8,195 | 7,617 | -7% |
| Age 0-4 | 380 | 335 | -11.8% |
| Age 5-14 | 1,070 | 865 | -19.2% |
| Age 15-19 | 615 | 540 | -12.2% |
| Age 20-24 | 465 | 410 | -11.8% |
| Age 25-44 | 2,020 | 1,650 | -18.3% |
| Age 45-54 | 1,350 | 1,325 | -1.9% |
| Age 55-64 | 975 | 1,075 | 10.3% |
| Age 65-74 | 690 | 725 | 5.1% |
| Age 75-84 | 445 | 475 | 6.7% |
| Age 85 and over | 180 | 215 | 19.4% |
| Median age of population | 41.8 | 45.0 | 7.7% |
| Percent aged 15 and over | 82.4% | 84.2% | 2.2% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Just as the senior population in Canada has grown rapidly over the past three decades, the population in Dryden has also aged. Throughout its economic history in the forestry and mining sectors, Dryden has attracted and maintained a significant number of individuals within the same age class. As this cohort of individuals ages, it creates an increase in older age classes while youth outmigration and reduced birth rates result in a deficit in younger age classes (Figure 1.iii).

The population in Dryden aged significantly in 2011 to a median age of 45 years, a 7.7 percent increase from its 2006 median age of 41.8. The current median age in Dryden is older than the Ontario provincial median age of 40.4 and the Canadian national median age. While all populations aged from 2006 to 2011, the rate of the median age increase further demonstrates an outmigration of the younger population in Dryden. Figure 1, below, displays the current age class distribution in Dryden by 5-year age classes and gender.



Source: Statistics Canada, 2011 Census Community Profile for Dryden

Figure 1.iii: Age Class Distribution of the Population in Dryden 2011

There are other factors that lead to imbalanced population demographics. As the life of the mines in the area expired and the forest sector was forced to downsize, older workers were often maintained while younger workers were laid off according to the rules of seniority. If there are limited employment and economic opportunities close to home, young people will leave to seek out employment or attend post-secondary education institutions and few employment opportunities in the region to bring them back to their home communities when school/training is completed.

Ontario continues to be affected by the stagnancy of the local economy that resulted from the 2008 global recession. Weak economic growth and slow recovery of the global economy has forced both the private and public sectors to reduce expenditures and increase efficiencies. Several economic sectors in Ontario have also curtailed operations, which have resulted in reduced employment and economic opportunities throughout the province, particularly in Northwestern Ontario.

To attract youth back to the area, communities in Northern Ontario must offer meaningful employment opportunities. As the population ages in Dryden, there will be numerous positions available in a variety of sectors, including mining, manufacturing, education, public service and health care. Through employment opportunities like the Goliath Gold Project, Dryden will be

able to attract their youth back to the area and rectify the imbalanced population demographic.

1.3 Housing

Housing is an important part of the social and economic infrastructure in a community. The availability of a range of housing options is a sign of a healthy community and is essential for economic growth and prosperity. The presence of appropriate housing can encourage residents to stay in a community and attract new people to the community. Furthermore, the existence of appropriate housing is often a critical element in attracting and securing investment to a community (Karakas, J., 2009).

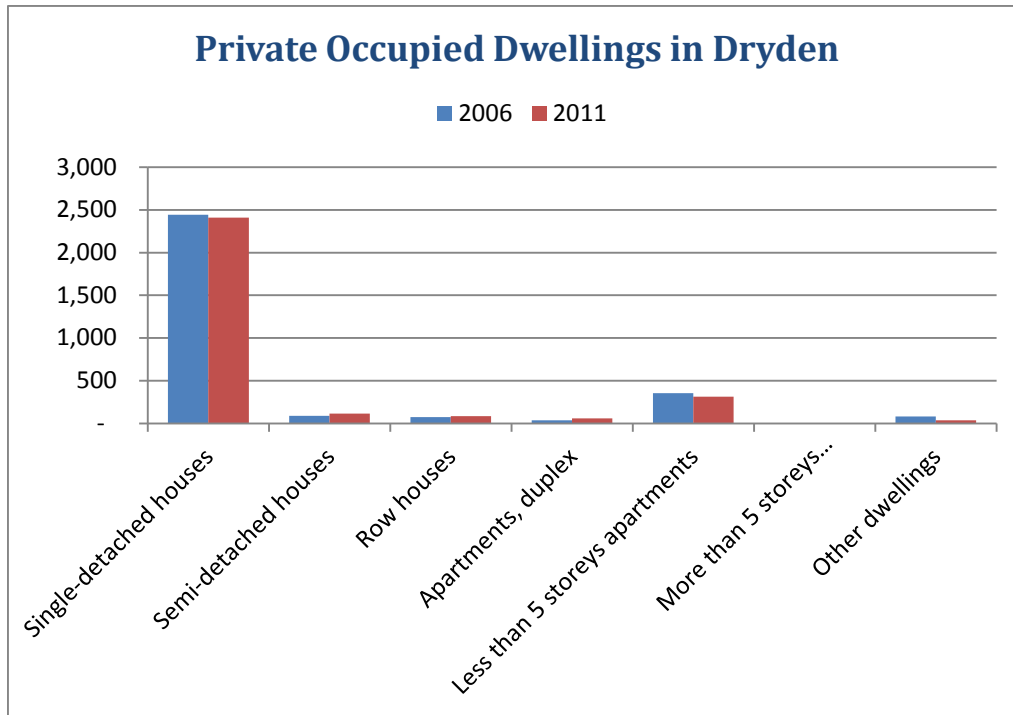
Affordable housing is a significant factor in creating attractive, liveable and competitive communities. Among other things, the availability of affordable housing makes it easier to attract people to and retain people in a community. (Ontario Ministry of Municipal Affairs and Housing, 2005)

The households, including types and values, in Dryden are presented in Table 2.iii. The comparison of population and dwelling data shows expected similarities. As of the 2011 census, there were 3,417 total private dwellings in Dryden, which represents a 2 percent decrease from 3,482 dwellings in 2006. More detail about the housing supply in Dryden is displayed in Figure 2 below.

Table 2.iii: Housing Supply by Tenure and Value in Dryden

| | Dryden | | |
|--|------------|------------|----------|
| | 2006 | 2011 | % Change |
| Total private dwellings | 3,482 | 3,417 | -2% |
| Occupied private dwellings | 3,283 | 3,204 | -2% |
| Single-detached houses | 2,445 | 2,410 | -1% |
| Semi-detached houses | 90 | 115 | 28% |
| Row houses | 75 | 85 | 13% |
| Apartments, duplex | 35 | 60 | 71% |
| Less than 5 storeys apartments | 355 | 315 | -11% |
| More than 5 storeys apartments | - | - | 0% |
| Other dwellings | 80 | 35 | -56% |
| Number of owned dwellings | 2,515 | 2,310 | -8% |
| Number of rented dwellings | 770 | 900 | 17% |
| Average value of owned dwelling | \$ 171,993 | \$ 162,551 | -5% |

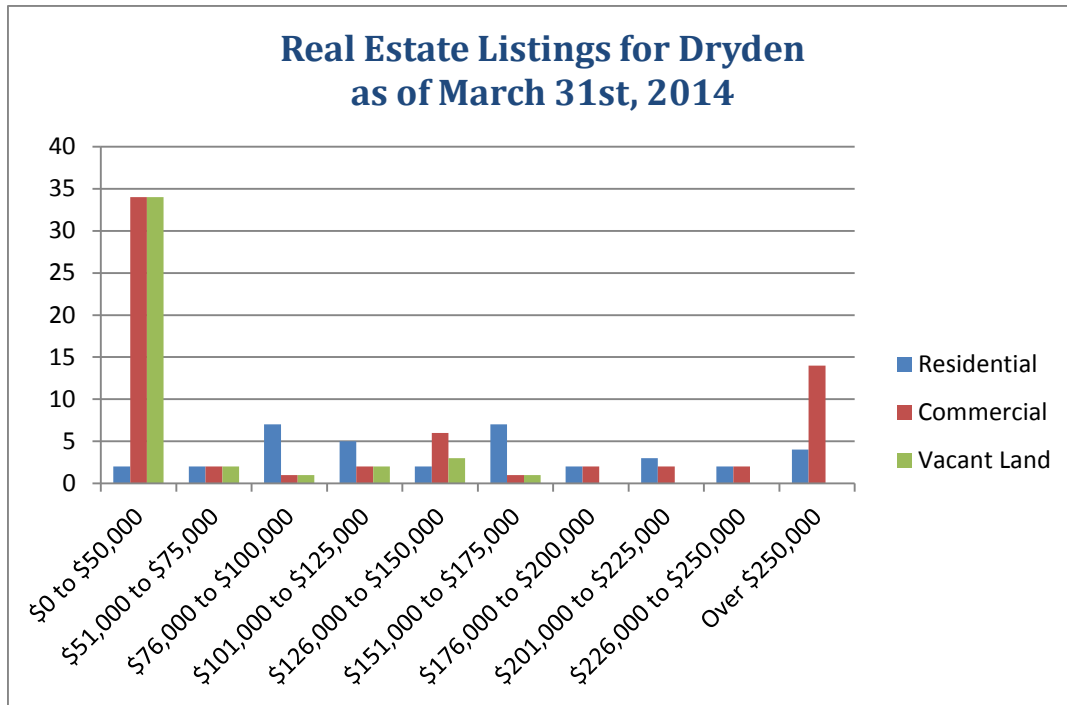
Source: Statistics Canada, 2006 and 2011 Census Community Profiles



Source: Statistics Canada, 2011 Community Census Profiles

Figure 2.iii: Private Occupied Dwellings for Dryden

Generally, housing vacancy rates of 5 percent for rental units and 2 percent for ownership stock are thought to be sufficient for accommodating reasonable housing choices (Karakas, 2009). Utilizing the current listings on the Multiple Listing Service (MLS) website operated by the Canadian Real Estate Association (CREA), Dryden has 36 residential listings, which equates to a vacancy rate of 1.1 percent (Figure 3.iii).



Source: MLS website March 31st, 2014

Figure 3.iii: Real estate listings on the Multiple Listing Service (MLS) managed by the Canadian Real Estate Association (CREA) as of March 31st, 2014

This vacancy rate for owned dwellings is below the desired level of 2 percent; however, there are 37 reasonably priced, fully serviced lots available for immediate purchase. Notably, the difference between total private dwellings and occupied private dwellings indicates an overall potential vacancy rate of more than 6.2 percent, suggesting that the limited data available does not provide an accurate vacancy rate for Dryden.

Utilizing data from local classifieds and apartment listing sites, there are approximately 5 vacant rental units in Dryden as of March 2014. This translates to a rental vacancy rate of 0.6 percent. The surge in total rented dwellings from 770 in 2006 to 900 in 2011 demonstrates a significant shift in Dryden’s real estate market with high demand for rental units compared to owned, private dwellings.

The vacancy rate for rented dwellings in Dryden is below the desired level of 5 percent; however, the community does have a large number of motels, hotels and tourist resorts that can offer appropriate, interim accommodations for transient residents like construction workers. Rental or hotel units can also provide new, permanent residents attracted by the Goliath Project with adequate time to select an existing house on the market or to build a new home. Dryden has 13 motels to accommodate an influx of workers. The total number of rooms is 440. The number of rooms and average prices are included in Table 3.iii below.

Table 3.iii - Hotel and Motel Rooms Available in Dryden

| Location | Available Rooms | Average Price |
|--|-----------------|---------------|
| Dryden | | |
| Best Western Plus Dryden Hotel and Conference Centre | 89 | \$105 - \$155 |
| Holiday Inn Express | 60 | \$129 - \$153 |
| Town and Country Motel | 37 | \$69 - \$90 |
| Timberland Motel | 23 | \$69 - \$95 |
| Comfort Inn | 27 | \$109 |
| Kowality Motor Inn | 26 | \$69 |
| Dryden Motel And Suites | 7 | N/A |
| Chalet Inn Motel and Restaurant | 30 | N/A |
| Riverview Lodge | 12 | \$110 |
| Hideaway Motel | 13 | \$99 |
| Patricia Inn | 12 | N/A |
| Trans Canada Motel and Restaurant | 16 | \$89 |

Source: Communications with Economic Development Officers and establishments

Examining the ownership characteristics of the housing stock in Dryden can provide additional insight into vacancy rates. In Ontario, 67.4 percent of dwellings are owned and 32.6 percent are rented (Statistics Canada, 2011 Census). In contrast, Dryden has 72 percent owned dwellings and 28 percent rented; a slightly higher percentage of owned dwellings and slightly lower percentage of rented dwellings.

1.4 Education

Dryden ensures that their schools are safe, secure and offer ideal conditions conducive to learning and working. Their educational programs offered at the primary, secondary and post-secondary levels provide students with excellent learning opportunities to prepare them as they embark on their chosen career paths. In addition, their programming offers students extracurricular and non-academic learning opportunities, including physical education, band and music programs, theatre productions and Northwestern Ontario Secondary School Associations (NWOSSA) athletic competition.

There are four elementary schools within the City of Dryden and one high school. The elementary schools offer grades JK through 8 and include: Ecole Catholique de l'Enfant-Jesus (all French); the New Prospect School; the Open Roads School; and, St. Joseph's School. Students attend grades 9 through 12 at Dryden High School. The Keewatin Patricia School Board and the Northwest Catholic School Board serve the area. Table 4.iii outlines the current enrollment and capacity levels of each school currently operating in the City of Dryden.

Table 4.iii: Schools, Enrollment and Capacity Information for Dryden

| Municipality | District School Board | School | Type | Enrollment | Capacity |
|--------------|--|------------------------------------|------------|------------|----------|
| Dryden | Keewatin-Patricia District School Board | New Prospect Public School | Elementary | 329 | 481 |
| | Keewatin-Patricia District School Board | Open Road Public School | Elementary | 435 | 446 |
| | Keewatin-Patricia District School Board | Dryden High School | Secondary | 741 | 1038 |
| | Northwest Catholic District School Board | St. Joseph's School | Elementary | 450 | 598 |
| | Conseil scolaire de district catholique des Aurores boreales | Ecole catholique de l'Enfant-Jesus | Elementary | 31 | 139 |

Source: Communications with school board officials

Lakehead University and Confederation College are both within a 350 kilometre (3.5 hour) drive of Dryden. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;
- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;
- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus, 7,042 of which are full time. The University employs 319 full time faculty and 1,850 staff, including 715 full time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has a satellite campus in Dryden. The

college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

The education statistics of Dryden demonstrate that residents are well-trained and highly educated. Dryden can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near Dryden. The skills and trades of the workforce in Dryden can easily accommodate different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 77 percent of the population in Dryden aged 15 and over years has attained education or training at or beyond the high school level. This includes 27 percent with high school certificates or equivalent, 12 percent who have received an apprenticeship or trade certificate or diploma, 24 percent who have received a college equivalent certificate or diploma and 12 percent who have received a university diploma or degree. Table 5.iii lists this data as well as the comparative educational attainment levels for the population between the ages of 25 and 64.

Table 5.iii: Educational Attainment Information by Age Class of Dryden (2011)

| Dryden | 15 and over | | 25-64 yrs | |
|--|-------------|-----|-----------|-----|
| | Total | % | Total | % |
| Total population | 6,250 | | 4,020 | |
| No certificate, diploma or degree | 1,435 | 23% | 525 | 13% |
| High school certificate or equivalent | 1,675 | 27% | 1,070 | 27% |
| Apprenticeship or trades certificate or diploma | 755 | 12% | 560 | 14% |
| College, CEGEP or other non-university certificate or diploma | 1,475 | 24% | 1,170 | 29% |
| University certificate or diploma below the bachelor level | 195 | 3% | 130 | 3% |
| University certificate, diploma or degree | 720 | 12% | 570 | 14% |

Source: Statistics Canada, 2011 Census Community Profile

1.5 Health Services and Programs

Quality health care and accessible social services are attractive features of Dryden. Their healthcare facilities and progressive health-related services and programs provide excellent care to benefit the residents of Dryden and its surrounding communities.

The City is primarily serviced by Dryden Regional Health Centre (DRHC), a fully modern 41 bed acute care hospital. There are thirty-one acute and ten chronic/rehabilitation beds in the hospital. The centre provides a full range of inpatient services, including medical, surgical, obstetrical, chronic and critical care.

Ambulatory services include emergency, surgical day care, specialty clinics, oncology, nurse practitioners and ambulance services. Diagnostic services include a 64 slice CT scan, x-ray, ultrasound, laboratory mammography and cardiac stress testing. The DRHC is also home to physiotherapy, occupational therapy, pharmacy, dietary services, as well as counselling and case management services for alcohol addiction, diabetes, gambling, drug addiction and sexual assault.

Many of the physicians in Dryden provide obstetrical services. Dryden is part of a network of rural general surgeons providing full surgical service on a twenty-four hour basis. Two local GPs provide anaesthetic services (Dryden Development Corporation, Dryden Community Profile 2011).

The Dryden Area Family Health Team (DAFHT) is a primary care organization operating in Dryden that provides health services to the community with a focus on improving health. They manage services and programs provided through DRHC and Dingwall Medical Clinic, as well as through various community outreach programs. The DAFHT provides support to patients and families across the continuum of care specializing in primary care, chronic disease management and prevention. The team includes family physicians, nurse practitioners, registered and practical nurses, dietitians, mental health therapists, an Anishinaabe Community Liaison, and a diabetes program.

Additional medical services are provided to the community by the Dingwall Medical Clinic. Dingwall Medical Clinic is a group of health care professionals dedicated to providing patients with compassionate and comprehensive health care. The physicians and staff provide the highest quality of health care possible within available resources and coordinate care with other regional health care providers when services are not available in the Dryden area. The Clinic works to ensure that continuity of care extends into the hospital, the community and the home.

Telecommunications infrastructure in Dryden enables the DRHC to be a partner in the Ontario Tele-health Network, Canada's busiest telemedicine program. Using telemedicine, DRHC delivers clinical care, professional education and health-related administrative services. Using live, two-way videoconferencing, clinicians apply the latest tele-diagnostic instruments, including digital stethoscopes, patient examination cameras, endoscopic equipment and digital imaging facilities, to examine and prescribe treatment so that a remote patient can "visit" an out-of-town specialist from their home community rather than having to travel.

There are currently two dental clinics providing dental services and two chiropractic clinics in the community. Additional health services can be accessed through the following local organizations:

- Alzheimer's Association
- Brain Injury Services of Northwestern Ontario
- Canadian Mental Health Association - Peer Support Drop-In Center
- Canadian Red Cross

- Crisis Response Services
- District Mental Health Services for Older Adults Program
- Dryden Regional Mental Health & Addiction Services
- Northwestern Health Unit

1.6 Emergency Services

The City of Dryden offers the following emergency service providers:

- Dryden Police Service and Ontario Provincial Police
- Land ambulance/emergency services
- Air ambulance services
- Fire department (2 halls)
- Ministry of Natural Resources Fire Services

1.7 Crime and Justice

Policing services across are required to undertake and complete a business planning process on a three-year cycle. The resulting Business Plan communicates the organizational direction and service delivery goals of policing activities while also addressing unique community safety concerns. The Business Plan communicates activities and public commitments for the planning period.

The City of Dryden is policed by the Dryden Police Services, which was established in 1910 with one office and has proudly service the City for the last 100 years. The uniform officers are comprised of fourteen Constables, two Detective Constables, two Sergeants, one Detective Sergeant, one Inspector and a Chief of Police. General patrol duties are undertaken by officers consisting of cruiser and foot patrols for the most part. Patrols respond to emergencies of a criminal nature, traffic issues and, on many occasions, as a responder to medical and other community emergencies.

From 2010-2012, reported violent crimes in Dryden have increased slightly by 3.73 percent. Overall major crime activity remained consistent with a significant increase in impaired driving charges. Also notable is the significant decrease in drug-related charges; not measured was the increase in drug-related intelligence and public education.

The single most significant threat to public safety within the Dryden area remains travelling to and from communities on area roadways. Severe weather patterns and wildlife contribute significantly to motor vehicle collisions in the area; however, the main cause can still be attributed to apparent driver action (speeding, aggressive driving, following too closely, speed too fast for conditions). Failing to wear seatbelts contributes to increased injury and, in some

cases, unnecessary death. Commercial motor vehicle traffic continues to increase along the TransCanada Highway and is often involved in reported traffic complaints to the detachment.

In 2012, the Dryden Police Service attended 259 motor vehicle collisions, 25 of which involved animals. Three accidents resulted in injuries and 40 were hit and run accidents. Also in 2012, there was 189 Provincial Offence Notices for traffic-related offences in 2012.

In a community survey, the citizens of Dryden identified youth street gangs and drugs as a community concern. Dryden maintains foot patrols in the downtown core and City Parks. The Crime Unit and the Youth Liaison Officer has shifted their attention to the gang activity. The Crime Unit partnered with eight other law enforcement agencies to become part of the Northwest Gang Initiative documenting gang activity in the Northwest Region.

1.8 Poverty and Social Issues

Housing has a fundamental impact on quality of life, in addition to sufficient food and clothing, people expect to have a decent dwelling that is in good condition and large enough to accommodate the household members. But, some households face problems affording good housing and find themselves forced to choose between appropriate shelter and other life necessities.

The term acceptable housing refers to housing that is adequate in condition, suitable in size and affordable:

- *Adequate housing* does not require any major repairs, according to residents;
- *Suitable housing* has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standards (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for each cohabitating adult couple; unattached household members 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a room. A household of one individual can occupy a bachelor unit (i.e., a unit with no bedroom); and,
- *Affordable housing* costs less than 30 percent of before-tax household income. For renters, shelter costs include rent and payments for electricity, fuel, water and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes and any condominium fees, along with payments for electricity, fuel, water and other municipal services. A household paying more than 30 percent of their before-tax income on housing is considered to have housing affordability problems.

To review the housing needs of the local residents in Dryden, the most recent housing cost data available was reviewed to determine affordable housing trends in the area. The percent change in median income, rental payments and mortgage payments for Dryden were reviewed over a 5-year period from the 2006 to 2011 censuses. The results of the comparison are displayed in Table 6.iii.

Table 6.iii - Income and Housing Cost Information for Dryden

| | Dryden | | |
|--|-----------|-----------|----------------|
| | 2006 | 2011 | Percent Change |
| Median household total income (\$) | \$ 64,237 | \$ 60,058 | -7% |
| Median monthly payments for rented dwellings | \$ 672 | \$ 752 | 12% |
| Median monthly payments for owner-occupied dwellings | \$ 816 | \$ 736 | -10% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

The median household income for Dryden families dropped by 7% from 2006 to 2011 as result of the continued economic depression of the community from the downturn of the Domtar pulp mill. Employment opportunities have shifted away from stable, full-time positions to more seasonal and contract-based opportunities. This trend has resulted in a significant shift in the real estate market where an increased demand for temporary and seasonal rental housing has pushed rental prices up and lack of confidence in the long-term economic growth of the Region has resulted in lower value for residential homes, as workers are less willing to invest in a home in Dryden.

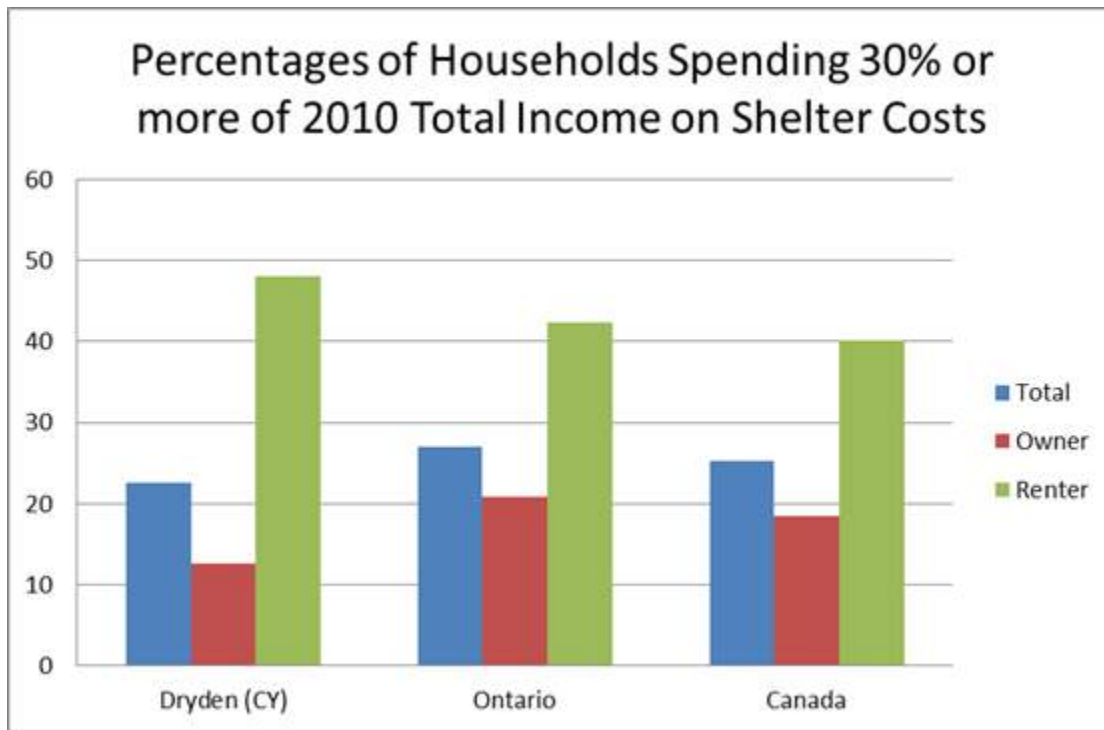
Lowering incomes in Dryden are also reflected in the number of residents spending over 30 percent of their income on housing. As noted above, housing is not considered affordable if residents are spending more than 30 percent of their before-tax household income on shelter costs. Table 7 lists the percentages of households in Dryden, Ontario and Canada spending 30 percent or more of their before-tax income on shelter costs.

Table 7.iii - Percentages of Households Spending 30 percent or more on Shelter Costs (2011)

| | Dryden (CY) % | Ontario % | Canada % |
|---------------|---------------|-----------|----------|
| Total | 22.6 | 27 | 25.2 |
| Owner | 12.6 | 20.9 | 18.5 |
| Renter | 48 | 42.3 | 40.1 |

Source: Statistics Canada, 2011 National Household Survey

Less homeowners in Dryden (12.6%) indicate their housing is unaffordable than homeowners in Ontario (20.9%) and Canada (18.5%) in general. The opposite is true of renters. In Dryden, 48 percent of renters are spending more than 30 percent of their before-tax income on shelter costs, whereas 42.3 percent of Ontario renters and 40.1 percent of Canadian renters report the same (Figure 4.iii).



Source: Statistics Canada, 2011 National Household Survey

Figure 4.iii: Percentages of Households Spending 30 percent or more on Shelter Costs (2011)

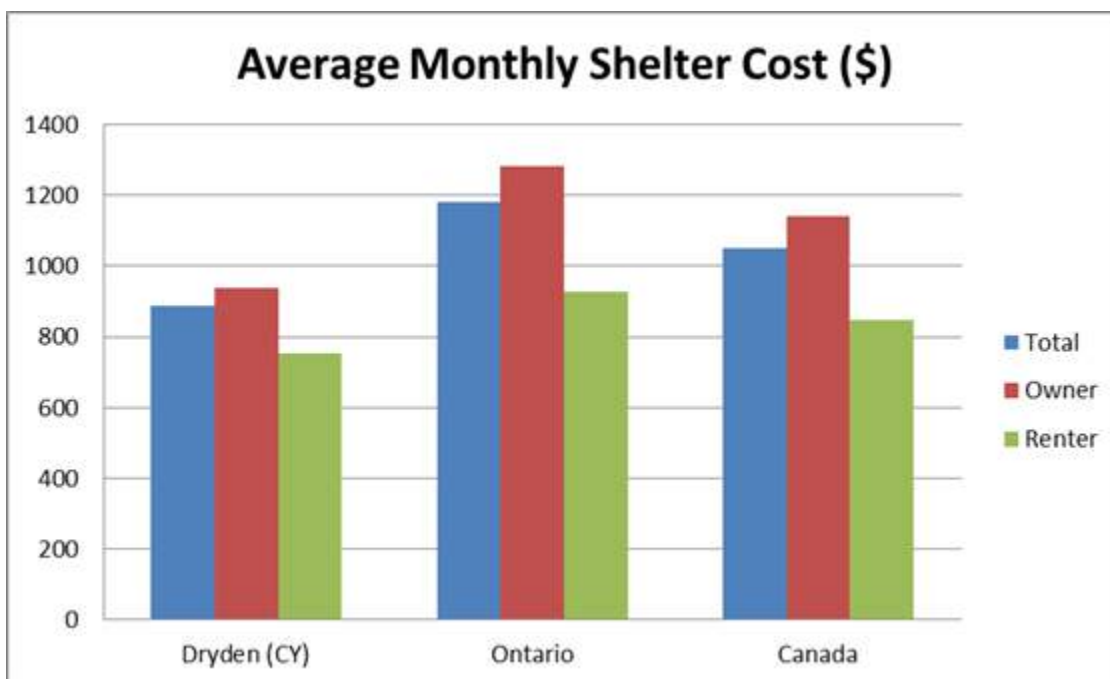
The cost of housing in Dryden is lower than the provincial and national averages, as indicated in Table 8. In Dryden, the average home owner pays 27 percent less per month on shelter than the average Ontario home owner and 18 percent less than the average Canada. Rental rates are similarly cheaper with Dryden residents paying 18.6 percent less than Ontario renters and 11 percent less than Canadian residents (Figure 5.iii). Comparing these numbers to the affordable housing indicators above demonstrates a telling fact about life in Dryden: while living costs are lower than average, so are incomes in Dryden which negates the positive effect

of lower shelter costs.

Table 8.iii - Average Monthly Shelter Costs for Dryden, Ontario and Canada (2011)

| | Dryden (CY) (\$) | Ontario (\$) | Canada (\$) |
|---------------|---------------------|--------------|-------------|
| Total | \$ 886 | \$ 1,181 | \$ 1,050 |
| Owner | \$ 937 | \$ 1,284 | \$ 1,141 |
| Renter | \$ 754 | \$ 926 | \$ 848 |

Source: Statistics Canada, 2011 National Household Survey



Source: Statistics Canada, 2011 National Household Survey

Figure 5.iii: Average Monthly Shelter Costs for Dryden, Ontario and Canada (2011)

Dryden has several community-based organizations serving low income households. The Dryden Food Bank collects donations from individuals and businesses in the City and distributes food hampers to those in need. In 2013, the Dryden Food Bank reported giving out a total of 4,861 hampers to between 400 and 500 clients; a number consistent with the number of hampers they gave out in 2012 (Kenora Daily Miner, 2014).

The Dryden Mission operates a second-hand shop selling household furniture, items and clothing on a donation basis and also offers religiously-centered recovery and counselling programs free of charge. The Salvation Army and Second Chance Pet Network also operate second-hand stores selling a wide variety of household goods and clothing at reduced costs.

1.9 Community Services, Programs and Facilities

Dryden and the surrounding area offer an array of social services programs and supports. The

programs and supports listed below range from services for children, families, adults and women and seniors and are funded through various levels of government (municipal, provincial and federal):

- Best Start Hub/Toy Library
- Community Living Dryden
- Community Volunteer Connection
- Dryden and District Community Living Association
- Dryden Aboriginal Women's Resource Centre
- Dryden Children's Resource Centre
- Dryden Food Bank
- Dryden Literacy
- Dryden Native Friendship Centre
- Enterprise Dryden
- Firefly - Integrated Services NW
- Grace Haven
- Hoshizaki House: Resident Counsellor, Transitional Support Worker, Child and Youth Worker, Court Liaison
- Integrated Services for Northern Children
- Kenora District Services Board
- Kenora-Patricia Child and Family Services
- Metis Nation of Ontario – Northwest Metis Nation of Ontario
- Northern Youth Programs
- Northwest Community Access Centre
- Northwest Employment Works
- Ontario Coalition of Aboriginal People
- Ontario Native Women's Association
- Ontario Works – Kenora District Services Board
- Paawidigong First Nations Forum
- Patricia Area Community Endeavors
- Patricia Centre for Children and Youth
- Sexual Assault/Domestic Violence Care and Treatment Program
- Sunset and Area Victim Crisis Assistance and Referral Service

Dryden has modern, well maintained recreational facilities and many expanses of land and water available to the public, making it an ideal location to experience a wide variety of traditional and extreme sports all year round. The Dryden Athletic Recreation Complex (DARC)

has two full-sized rinks used for public skating, hockey and rollerblading. It also has a pool with a waterslide, weight room and cardio room, as well as squash and racquetball courts.

The City of Dryden also offers its residents many social, specialty, hobby, sports and professional service clubs, including:

- Dryden Girls Hockey
- Dryden Ice Dogs
- Dryden Ladies Hockey
- Dryden Minor Hockey Association
- Dryden Skating Club
- Dryden Ringette Association
- Eagle Lake Skating Club
- Akido
- Dryden Ball Diamonds Committee
- Dryden Dolphins Swim Club
- Dryden Eagles - High School Sports
- Dryden Ghost Riders Mountain Bike Club
- Dryden Go-getters Activity Centre
- Dryden Isshin-ryu Karate Club
- Dryden Ladies Fastball League
- Dryden Mixed Broomball Association
- Dryden Mixed Slow Pitch League
- Dryden Power Toboggan Club
- Dryden Saddle Club
- Dryden Ski Club
- Dryden Trappers Council
- Dryden Volleyball Club
- Dryden Youth Soccer
- Kayak & Canoe Club
- Northern Lights Quarter Horse Association
- North Western Ontario Snowmobile Trails Association
- Oxdrift Judo Club
- Special Olympics - Dryden branch
- Sunset Gymnastics Club
- Tennis Dryden
- Tima Karate
- Other Dryden Area Local Clubs and Organizations
- 1st Dryden Scouts, Scouts Canada
- Alzheimer Society of Kenora/Rainy River Districts
- Amateur Radio Society
- Brownies
- Catholic Women's League
- Canadian Red Cross
- City of Dryden Cultural Roundtable
- Cloverbelt Country Farmers Market
- Dryden & Area Naturalists
- Dryden & District Agricultural Society
- Dryden & District Horticultural Society
- Dryden Area Cultural Partnership (DACP)
- Dryden Artists Association, The (TDAA)
- Dryden Best Start Hub
- Dryden Community Gardens
- Dryden Duplicate Bridge Club
- Dryden Flying Club
- Dryden Food Bank
- Dryden Genealogical Society
- Dryden Kinsmen

- Dryden Native Friendship Centre
- Dryden Neighbourhood Legacy Project
- Dryden Regional Arts Council (DRAC)
- Dryden Rotary Club
- Dryden Toastmasters
- Dryden Trillium Lions Club
- Dryden Zirka Dancers
- Girl Guides
- Grace Haven Adult Day Program
- Khartum Shriners - Dryden Shriners Club
- Kindermusik with Liza
- Kinette Club of Dryden
- Masonic Lodge Golden Star 484
- Newfoundland & Labrador Heritage Club of Dryden
- Northwest Ontario Crime Stoppers
- Our Saviour Lutheran Church Ladies Group
- Oxdrift and Dryden Area Federated Women's Institute
- Pathfinders
- Patricia Region Tourist Council
- Retired Teachers of Ontario (RTO) District 35
- Royal Canadian Legion
- Royal Canadian Legion Ladies Auxiliary
- Second Chance Pet Network (Pet Shelter)
- Sparks
- Sunset Quilters Guild
- TOPS (Take off Pounds Sensibly)

The City of Dryden is home to a number of well-maintained public parks and beaches throughout the city available to residents. Aaron Provincial Park, located east of the City on Thunder Lake, is an ideal family stop with sandy beaches, playgrounds and clear, shallow waters great for swimming, boating and fishing. Hiking trails wind through white cedar and aspen forests and double as ski trails in winter. Also located on Thunder Lake is Johnston's Public Beach, which is approximately 20 minutes away from downtown Dryden.

Rotary Park is located in North Dryden just off of the TransCanada Highway. It has a state of the art skate board park, brand new soccer pitches and the community is working on putting in a splash park and youth centre. Kinsmen Park features a free splash pad area and Pronger Park boasts excellent play equipment and hiking trails. Johnston's Park is home to Dryden's Mosaic art installation and a short walk down their trail will lead you to Dryden's Roy Wilson suspension bridge across the Wabigoon River rapids.

Sandy Beach Recreational Area is located within city limits and provides full amenities, including washrooms, playground equipment areas, bar-be-que pits and picnic tables under a covered pavilion. The recreational area is connected to the beach area, nature trails, close to Flatrock fishing area, Eagle's Landing Golf, Curling and Convention Centre (9-hole golf course), ball diamonds and soccer pitches. In addition to Eagle's Landing, there are two additional golf courses: Evergreen Golf Course on Wabigoon Lake Road; and, Anderson's Homestead Golf

Course on Johnston Road. All offer 9-holes courses.

Dryden also hosts a variety of annual festivals and cultural events including:

- Dryden Winter Festival
- Dryden Entertainment Series
- Dryden Children's Delight Series
- Festival of Trees
- MooseFest (Dryden's Summer Festival)
- Sunset Country Heritage Music Association
- Theatre 17 Productions

The following churches are in Dryden:

- Church of Jesus Christ of Latter-day Saints
- Dryden Area Lutheran Parish
- St. Joseph's Roman Catholic Church
- Emmanuel Baptist Church
- First Baptist Church
- First United Church
- Dryden Free Methodist Church
- Dryden Full Gospel Church
- New Life Church
- United Pentecostal
- Timbers Community Church
- St. Luke's Anglican Church

1.10 Fisheries

In 2005, *A New Ecological Framework for Recreational Fisheries Management in Ontario* was approved to ensure fisheries resource sustainability and to optimize angling opportunities. Consistent with the direction provided in the framework, Fisheries Management Zone 4 (FMZ 4) and FMZ 5 were two of twenty zones created as a new spatial unit for fisheries management planning across the Province. The new boundaries are based on ecological factors and angler use patterns, such as: climate (growing degree days); watersheds; fishing pressure; and, accessibility (i.e. road networks). Both FMZ 4 and 5 are relevant, as the boundary between the two zones is in proximity to the Goliath Gold Project area.

1.10.1 Fisheries Management Zone 4

FMZ 4 extends over a large geographic range, covering an area of approximately 60,440 square

kilometres, including land and water. The Manitoba border and the eastern boundary of Woodland Caribou Provincial Park mark the western extent of the FMZ, with the western boundaries of the Brightsand River Provincial Park and Wabikimi Provincial Park defining it to the east, over 350 kilometres away. The Berens River and Cat River systems provide the north boundary, while Highway 17 and the Canadian National Railway line define the south boundary (Figure 6.iii).

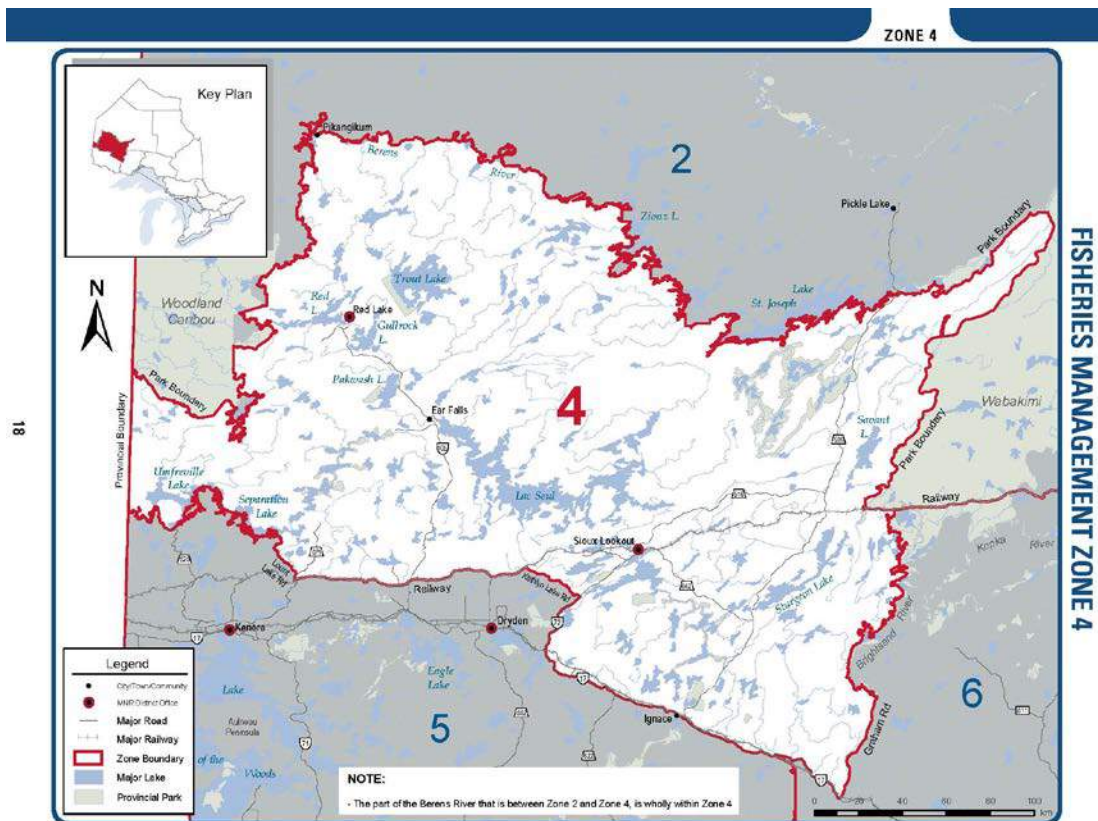


Figure 6.iii: Fisheries Management Zone 4 boundaries

The fisheries in FMZ 4 are utilized by Aboriginal communities for subsistence and ceremonial harvest; by resident and non-resident sport fish anglers; by resource-based tourist outfitters; by the commercial baitfish industry; and, to a lesser degree, by the commercial food fishing industry.

The waterbodies and fisheries of FMZ 4 have significant importance to Aboriginal communities within and around the Zone. The abundance of waterbodies and diversity of fish species found within FMZ 4 provide First Nation communities with resources for subsistence living, an important component of traditional land use, in addition to social and spiritual significance that are unique to each community. Many Band Members also benefit financially from these resources through their involvement in the tourist and commercial food fishing industries.

There are nine First Nation communities within Fisheries Management Zone 4. These communities include Whitedog First Nation, Wabaseemoong Independent Nation (Whitedog), Ochiichangwe 'Babigo'ining (Dalles), Asubpeeschoseewagong Netum Anishinabek (Grassy Narrows), Wabauskang First Nation, Pikangikum First Nation, Lac Seul First Nation, Saugeen First Nation and Mishkeegugamang First Nation. Other First Nation communities outside of FMZ 4 may have traditional use areas within the Zone; however, these areas are not well defined. FMZ 4 includes portions of three treaty areas including Treaty 3, Treaty 5 and Treaty 9.

Due to the overall high quality of fisheries, good access and abundance of fishing opportunities in FMZ 4, many waterbodies within the Zone are popular destinations for Ontario resident, Canadian resident (those residing outside of Ontario) and non-Canadian resident anglers. Angling by these residency groups remains primarily a consumptive use of the fisheries resources. According to the 2005 national recreational fishing survey, the majority of the fishing effort (84 percent) in FMZ 4 resulted from angling by non-Canadian residents. Ontario residents contributed 14 percent of the total angling effort, followed by Canadian resident anglers who only contributed 2 percent. Of the Canadian residents fishing in the Zone, 84 percent originate from Manitoba.

Ice fishing accounts for approximately 8 percent of the total angling effort in FMZ 4. Ontario resident anglers contribute 75 percent of the ice fishing effort, with non-Canadian residents exerting 21 percent of the effort. Canadian residents only account for 4 percent of the total ice fishing effort, indicating their angling activity occurs primarily in the open water season.

The 2005 survey indicates the fishing industry contributes over \$133 million to the FMZ 4 economy. Non-Canadian residents account for 84 percent of these expenditures, confirming the importance of these anglers to the tourism industry and local communities. The majority of non-Canadian residents fishing in FMZ 4 utilized the services of the resource based tourist outfitters. The resource-based tourism industry is well developed within FMZ 4 with approximately 104 main base lodges and 211 outpost camps. These facilities include drive-to facilities and remote fly-in or boat-in facilities.

There are 306 commercial baitfish harvest blocks in FMZ 4, all of which are currently allocated. Utilization is divided between regular harvesters, tourist harvesters, regular dealers and tourist dealers. Baitfish harvesting is a valuable business within FMZ 4 but there is currently no estimate of its economic contribution to FMZ 4.

Commercial food fishing in FMZ 4 exists primarily for lake whitefish (88 percent of harvest) and, to a lesser extent, for northern pike, walleye and yellow perch on a small number of lakes within the Zone. There is a declining trend in active commercial fisheries within Northwestern

Ontario. At present there are a total of twenty seven commercial licenses in FMZ 4, nineteen of which are active and eight of which are inactive.

The vast majority of commercial fishing licenses in FMZ 4 are held by First Nation communities. Presently, FMZ 4 Districts report that 19 of the licenses are active. Of the active licenses, 7 are issued for Specially Designated Waters (SDWs) and the remaining 12 are on non-SDW lakes. SDWs account for the vast majority of the available quota with lake whitefish as the most important commercially fished species (88 percent) followed by lesser amounts of northern pike, walleye and perch.

Previously, the direction for the management of commercial fisheries in FMZ 4 (including allowable gear, species and quota targets) was documented in individual District Fisheries Management Plans 1987-2000 (DFMPs). Recognizing that the FMZ 4 Fisheries Management Plan will replace these plans, and a new strategic policy for Ontario's Commercial Fisheries was completed in 2011, it is essential the FMZ 4 Fisheries Management Plan contains commercial fisheries management objectives that are reflective of the present industry and are consistent with new Provincial Commercial Fisheries Policy. Commercial fisheries management objectives can be found in the FMZ Fisheries Management Plan, which can be obtained from MNR.

1.10.2 Fisheries Management Zone 5

FMZ 5 extends over a large and varied geographic range covering an area of approximately 44,360 square kilometres, including land and water. Located in the southern portion of the Northwest MNR Region, FMZ 5 spans three MNR administrative Districts, including the entire Fort Frances District and southern portions of the Kenora and Dryden Districts (Figure 7.iii).

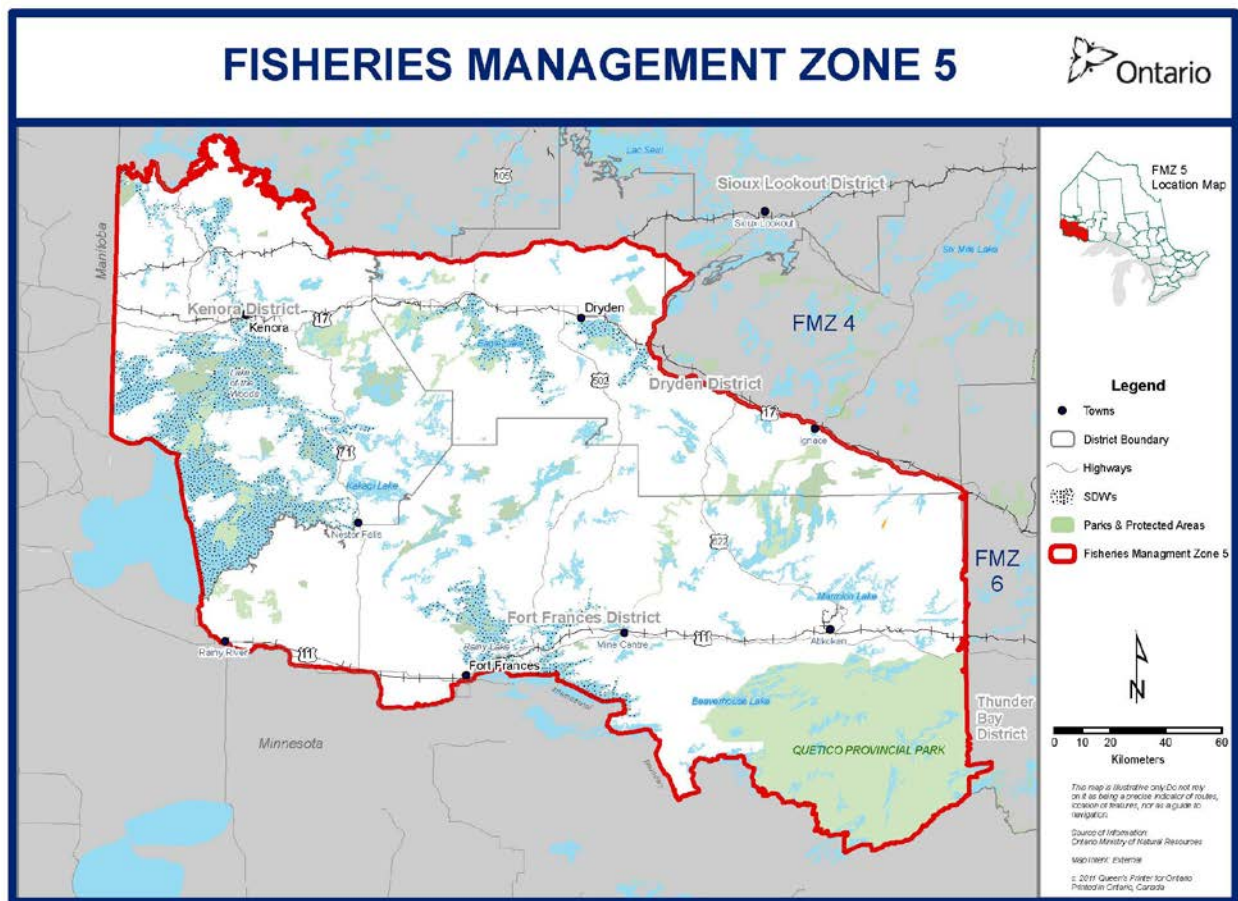


Figure 7.iii: Fisheries Management Zone 5 boundaries

Like much of the rest of Canada, the current pattern of landform features, surface geology and distribution of lakes and rivers across FMZ 5 were defined by the actions of glaciers that also influenced the fish communities that are present today. FMZ 5 is dominated by bedrock landforms that make up over 70 percent of the land area. This high proportion of bedrock dominated landscape tends to result in lakes that are clear and less productive compared to other parts of Northwest Ontario.

FMZ 5 has the highest density of people in the Northwest Region outside of Thunder Bay. Major communities (more than 2,000 residents) within FMZ 5 include Fort Frances, Kenora, Dryden and Atikokan. There are 23 First Nations located totally or partially within FMZ 5. In addition to Ontario residents, FMZ 5 is adjacent to a large population of anglers from neighbouring jurisdictions, including the Upper Midwest states in the United States and Manitoba.

Road-based access to the fisheries of FMZ 5 is well-distributed throughout the Zone with the

exception of Quetico Provincial Park. Scattered within road accessed areas are areas primarily accessed by air that are utilized by a well-developed fly-in tourism industry. Major highways that provide primary access include highways 11, 17, 502, 71 and 622 among others with almost 13,000 kilometres of gravel roads extending off from these main corridors.

Over 2,400 lakes (46 percent of lakes larger than 10 hectares) in FMZ 5 are currently within 500 metres of a road; a distance that is considered accessible by anglers or other resource users. Access management within an FMZ is a fine balance between providing angling opportunities and appropriately distributing fishing effort within the overall goal of preventing overexploitation and maintaining sustainability of fisheries resources.

The largest use of fisheries resources in FMZ 5 is by recreational angling. A total of 251,520 anglers were estimated to have fished in FMZ 5 in 2005, providing 9,219,920 hours of fishing effort which represents 46 percent of the total effort in the Northwest Region. Non-SDW waters accounted for approximately 45 percent of the effort in FMZ 5 with the SDW waterbodies accounting for the remaining 55 percent.

The majority (approximately 72 percent) of angling effort is from non-residents of Canada with Ontario residents accounting for about 20 percent of the effort and Canadian residents making up the remaining 8 percent. The total economic value of the FMZ 5 angling fisheries was estimated to be approximately \$200 million in 2005. Much of this is due to the tourist industry, which is very well-developed in FMZ 5. There are approximately 328 main base lodges and 156 out post camps, including those on SDW waters.

There is an active commercial food fishing industry in FMZ 5 with 21 commercial licenses or allocations on non-SDW waters with an additional 25 licenses on SDW waters. The majority of commercial fishing is by First Nation individuals or communities or individuals claiming Métis status. The most important commercial species is whitefish accounting for 88 percent of total allocated quota of 84,000 kilograms (185,700 pounds) from non-SDW waters with smaller allocations available for northern pike, walleye and black crappie. Quotas also exist for lake sturgeon although no harvest currently occurs due to self-imposed moratoriums by the First Nation communities holding the licenses.

An active commercial bait harvest industry also exists in FMZ 5. There are 311 baitfish blocks within FMZ 5; although because one harvester can fish multiple blocks, the number of harvesters is much less. The estimated retail value of baitfish and leeches harvested from FMZ 5 was \$5.4 million for 2009.

Fisheries resources in FMZ 5 have a significant cultural and economic importance to First Nation

communities. Besides being the largest proportion of commercial fishers, employment within the tourist industry is an important source of income for many Aboriginal peoples and more recently, First Nation communities are generating income through sponsorship of competitive fishing events. Besides the recreational component, Aboriginal people can angle or use nets to harvest fish for subsistence or ceremonial purposes under rights guaranteed under Treaties signed with the Crown.

1.11 Transit, Transportation and Transport

Dryden is located on TransCanada Highway 17, the primary land corridor linking Canada from east to west. The nearest United States border crossings are at Pigeon River, Ontario (west) and at Fort Frances. Highway 17 is mostly two-lane with frequent passing lane expansions heading east to Thunder Bay and west to Kenora. The highway accommodates goods of all types with frequent trips involving wind turbine blades, modular housing and large scale equipment.

The Dryden Regional Airport features a 6000-foot asphalt runway and 2000-foot sand runway and is an Airport of Entry for international flights. The City of Dryden is serviced by Bearskin Airlines with convenient connections to Air Canada, West Jet and Northwest Airlines. Bearskin Airlines conducts private charters for government, corporate, special interest groups and individuals.

Local Charter Flight Companies include:

- Bearskin Airlines
- Hicks & Lawrence
- Superior Helicopters

Thunder Bay Airport is located 350 kilometres east of Dryden and is serviced by Porter Air, Air Canada and other international airlines, as well as regional carriers such as Bearskin Airlines and Wasaya Airways, charter aircraft and private operators.

There are two taxis services in Dryden and two car rental companies. The Greyhound Bus terminal in Dryden provides passenger and parcel shipping service west to Winnipeg and east to Thunder Bay.

The nearest VIA Rail passenger service is located in Sioux Lookout, Ontario, approximately 98 kilometres from Dryden. VIA Rail has a designated stop in Sioux Lookout six days per week. Stop-overs are generally 20 to 30 minutes in length. Industrial rail, truck and warehouse services are available in the City of Dryden.

The Port of Thunder Bay is located at the head of the Great Lakes-St. Lawrence Seaway System.

A one-way voyage through the Seaway to Thunder Bay takes about five days with ships 222.5 metres in length, 23.1 metres in width with a draft of 8.2 metres being elevated some 180 metres through 16 of the most efficient locks in the world.

1.12 Utilities

The major energy source in Dryden is electricity. It is provided through the services of Hydro One. Large operations requiring bulk amounts of hydro must apply to the Independent Electricity Market Operator to become market participants. In Dryden, natural gas is provided by Union Gas and the rate is set for residential or business.

The City of Dryden operates a full range of waste disposal services, including: urban garbage collection; rural residential garbage collection; and, residential recycling collection (bi-monthly). Commercial recycling can be obtained through private contractors who offer the service. Hazardous waste disposal is available through Public Works. The City of Dryden also has two waste disposal sites, the Highway 502 Landfill Site and the Barclay Road Landfill Site. The Barclay Road Landfill Site is restricted to residential use only.

The City of Dryden has metered water and sewer. The metered supply rate is \$98.18 for the first 25,000 gallon or part thereof in a month and the next 200,000 gallon in any month is 2.37/1000 gallon. This decreases to 1.84/1,000 gallon for any usage there and above. The business rate is \$171.86 per month minimum. The sewer rate is 100 percent of the water rate.

Dryden has strong communications infrastructure with several companies offering services such as: digital switching, internet provider, fiber optics, internet ASDL, scalable transmission, broadband retail, satellite television, and local cell phone tower.

Dryden Municipal Telephone System (DMTS) is a full service telecommunications company located in Dryden. Established in 1912, DMTS operates as a local exchange carrier, providing telephone, cellular service, radio paging, high-speed internet, high-speed wireless internet and satellite telephone and internet service to the City of Dryden, and surrounding area in Northwestern Ontario. DMTS provides engineering, installation and service on a wide variety of telecommunications equipment for business and residential purposes.

The landline and internet assets of DMTS were recently acquired by Bell Aliant. The final authorization for the transaction occurred on October 3rd, 2012 and the transition to new ownership has been ongoing from that point. DMTS offers all its previous services, as well as additional Bell-related services and products to the community.

As noted in under Health Services, the available telecommunications infrastructure enables the Dryden Regional Health Centre to be a partner in the Ontario Tele-health Network and deliver

clinical care, professional education and health related administrative services so that a remote patient can “visit” an out-of-town specialist from their home community rather than having to travel.

Sympatico also operates in Dryden providing fast, consistent internet access.

TBayTel offers wireless services throughout the Region, including the City of Dryden. Shaw Communications Inc. also provides broadband cable television, High-Speed Internet, Digital Phone, telecommunications services (through Shaw Business Solutions) and satellite direct-to-home services (through Star Choice Communications Inc.) to Dryden residents and businesses.

1.13 Community Well-Being and Quality of Life

The Community Well-Being (CWB) Index was developed by Indian and Northern Affairs Canada (INAC), now referred to as Aboriginal Affairs and Northern Development Canada (AANDC) primarily to help measure the quality of life of Aboriginal communities in Canada. AANDC also determines CWB scores for non-Aboriginal communities across Canada to provide a relative measure on which to track the progress of Aboriginal communities. As such, the CWB Index is available for a number of communities, Aboriginal and non-Aboriginal, including Dryden, across Northwestern Ontario. It combines census data on education, labour force, income and housing into a *well-being score* (from 0 to 100).

Well-being means different things to different people. For some, well-being includes health, wealth and happiness. For many Aboriginal communities, culture and language are integral to well-being. Some of these indicators are easier to measure than others and because the census contains only a limited number of variables related to well-being, the CWB cannot capture all aspects of well-being. Nevertheless, it is a useful tool to assess community well-being.

The tool uses Statistics Canada's Census of Population data to produce "well-being" scores for individual communities based on four indicators:

- Education (High School Plus; University);
- Labour Force (Participation, Employment);
- Income (Total per Capita); and,
- Housing (Quantity: defined on the basis of overcrowding, Quality: defined based on the need for major repairs).

2006 CWB scores for the City of Dryden, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Goliath Gold Project are summarized in Table 9.iii. The CWB score for Dryden is 82; at the high end of the range for small communities

in the region and higher than the average Canadian community in 2006.

Table 9.iii - Community Well-Being (CWB) Scores for Relevant Communities

| Community | Income Score | Education Score | Housing Score | Labour Force Score | CWB Score |
|------------------------------|--------------|-----------------|---------------|--------------------|-----------|
| Dryden | 90 | 57 | 95 | 87 | 82 |
| Ignace | 84 | 44 | 95 | 84 | 77 |
| Sioux Lookout | 90 | 57 | 93 | 87 | 82 |
| Machin/Vermilion Bay | 85 | 48 | 94 | 88 | 79 |
| Wabigoon | - | - | - | - | - |
| Kenora | 89 | 56 | 95 | 87 | 82 |
| Thunder Bay | 87 | 58 | 96 | 85 | 82 |
| Winnipeg | 86 | 61 | 94 | 88 | 82 |
| Wabigoon Lake Ojibway Nation | - | - | - | - | 63 |
| Eagle Lake First Nation | - | - | - | - | 60 |
| Lac Seul First Nation | 58 | 30 | 67 | 79 | 59 |
| RST FN Regional Average | 63 | 38 | 79 | 77 | 60 |
| Small Communities Average | 91 | 54 | 95 | 83 | 81 |

Source: AANDC, 2006 Community Well-Being Ontario Database

2.0 Economic Factors

Given the limiting factors of other economic development initiatives and their geographic isolation, Northwestern Ontario communities rely on natural resource-based sectors for economic and employment opportunities. The effects of the global economic downturn are still very apparent in Northwestern Ontario. The people of Northwestern Ontario have suffered through some of the worst economic conditions in the history of the Region, which have resulted in the substantial decline of the forest and manufacturing sectors.

Numerous forest resource processing facilities have curtailed or ceased operations. These indefinite and permanent closures have drastically reduced the business and employment opportunities available to young people, especially those individuals interested in staying in their home community, like Dryden. As a result of the current and persisting recession, youth outmigration is a reality for virtually every community in Northwestern Ontario.

The Dryden area suffered numerous losses in the local forest industry due to the collapse in the industry, which affected employees, subcontractors and suppliers. As the economy in Northwestern Ontario recovers, public and private sectors will require a workforce to fill the positions that will be vacated by the significant number of retirees.

The City of Dryden, like many other rural communities in northwestern Ontario, is facing

significant challenges related to economic restructuring and diversification. Traditional dependency on forestry and its declining industrial base in conjunction with the recent industrial tax reassessment of the Domtar mill property by the Municipal Property Assessment Corporation (MPAC) has led to significant staffing and budgetary cutbacks. The City is currently developing a Deficit Recovery Plan to address its current financial challenges.

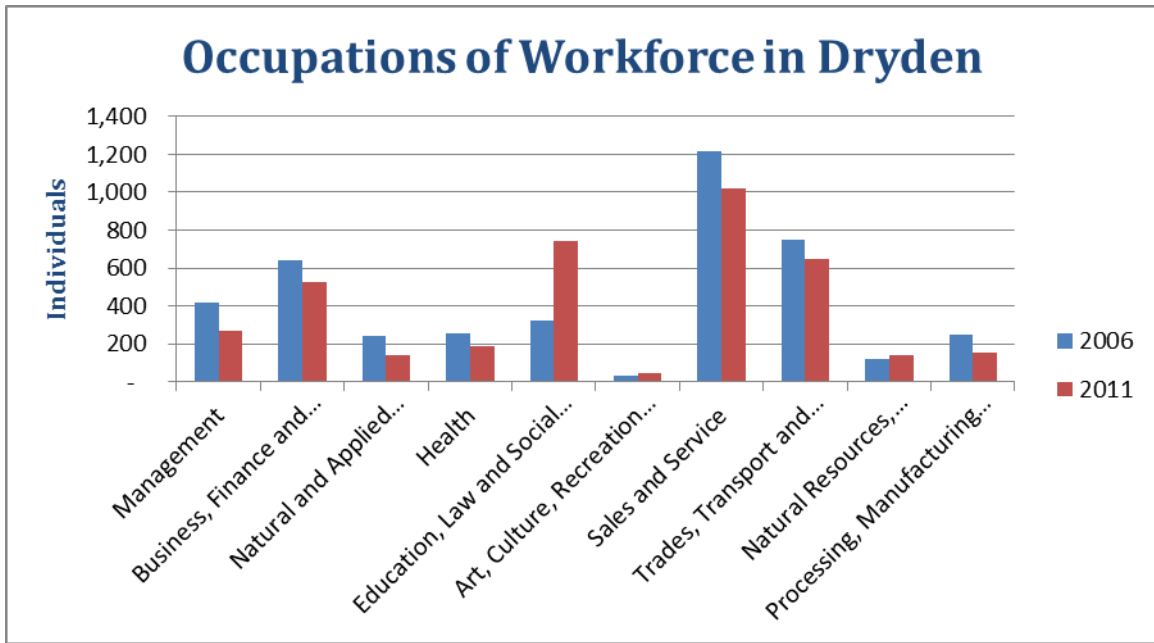
Recent mining developments in the Dryden area are quickly yielding employment and business development opportunities. With over 70 active mining exploration projects in the Kenora Mining District and the advancement of the Goliath Gold Project proposed by Treasury Metals, the City of Dryden hopes to become Ontario's Northwest Mining Service Centre. Located on TransCanada Highway 17 with easy access and north-south links to markets in the United States via Highway 502, Dryden plans to leverage its asset and prepare business owners and residents to capitalize on new opportunities in the mining sector.

2.1 Labour Force, Labour Participation and Employment

The total labour force in Dryden is estimated to be 3,935 individuals with a labour force participation rate of 63 percent. The 2011 Census data indicates an employment rate of 58.1 percent and an unemployment rate 7.6 percent.

The existing labour force characterized by occupation is shown in Figure 8.iii. Data from both the 2006 and 2011 Census reports are included for comparison. More than one-quarter of the current labour force is engaged in sales and services occupations. The second and third most reported occupations are characterized as those being related to the trades, transport and equipment operators and those related to primary industries, such as mining and forestry.

All occupations saw some decrease between 2006 and 2011 with the exception of occupations in Education, Law and Social Services, increasing from 325 positions to a remarkable 745 in that time frame. The Natural Resources, Agriculture and Related field saw a more moderate increase in positions from 120 to 140 between 2006 and 2011.

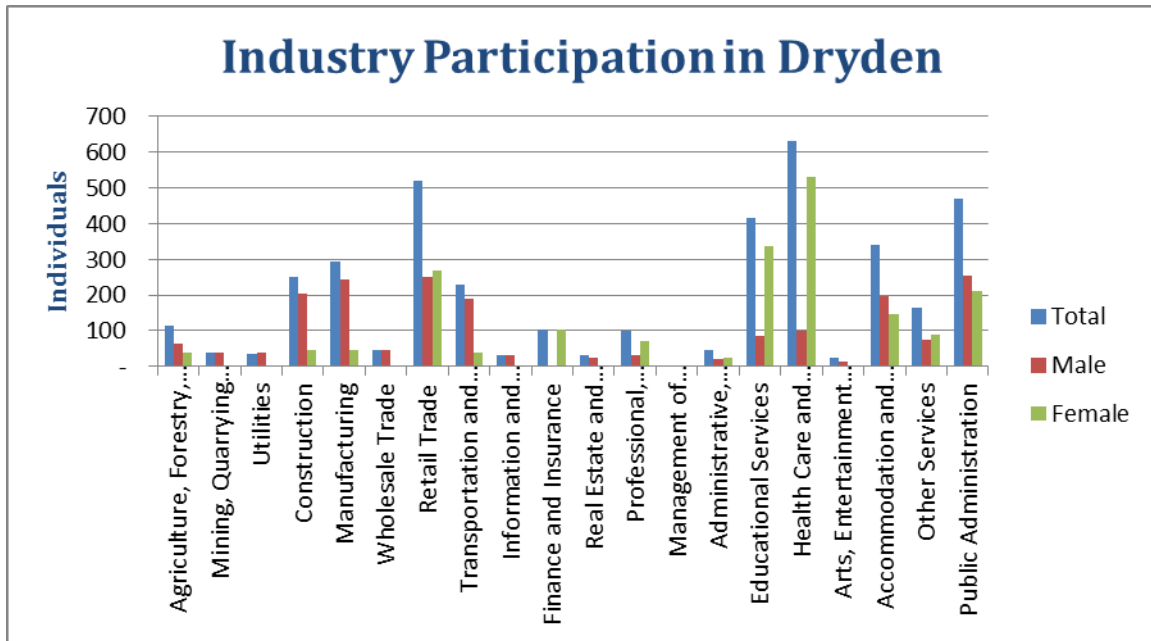


Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Figure 8.iii: Occupations of Workforce (2011) in Dryden

Based on industry type, nearly one-quarter of the labour force in Dryden is employed in resource-based industries. Several other industries comprise more than 10 percent of the labour force, including manufacturing, retail, educational services and other services.

Though the population is roughly equally divided based on gender, there are significant differences in the industry participation rates of males and females. As illustrated in Figure 9.iii, the industry fields of mining, quarrying and oil and gas extraction, utilities, construction, manufacturing and transportation are male-dominated in the Dryden workforce, while females far outnumber male co-workers in the finance and insurance, educational services and health care fields.



Source: Statistics Canada, 2011 Census Community Profiles
 Figure 9.iii: Industry Participation in Dryden (2011) by Gender

2.2 Income Levels

In Dryden, family median income is 9 percent higher than provincial averages while household median income slightly lower.

Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in Dryden are summarized as follows:

- Median household income = \$60,058; and
- Median family income = \$79,977.

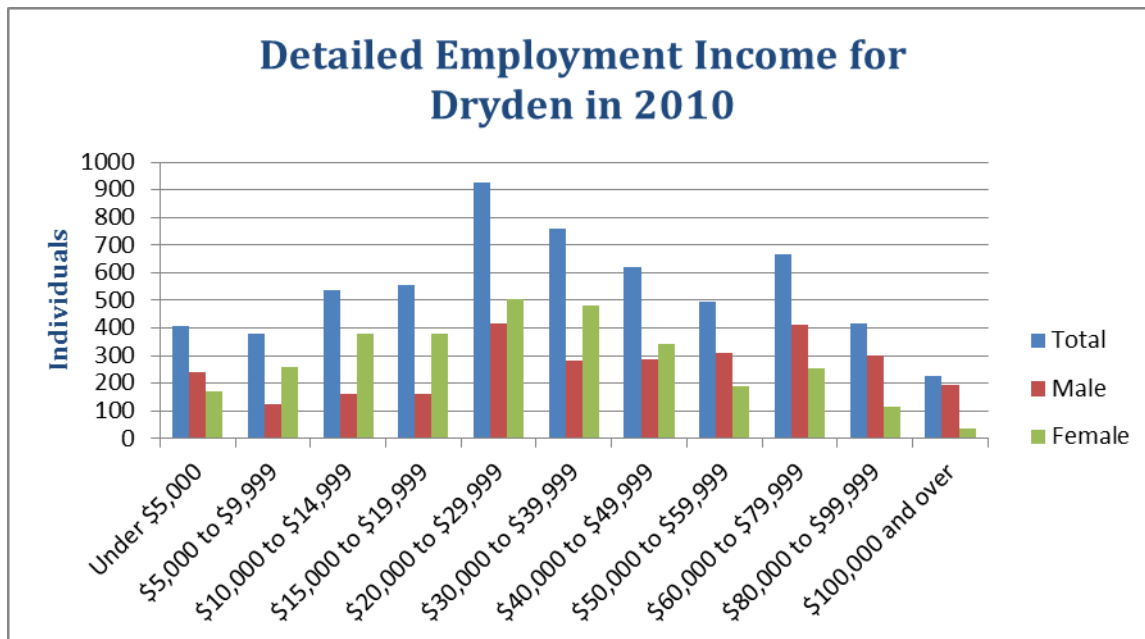
Over the past 20 years, the median age in Ontario rose from 33 in 1989 to 39 in 2009, reflecting the aging of the baby boom generation, low fertility rates and increasing life expectancy. Seniors aged 65 and over now account for 13.7 percent of Ontario’s population or 1.8 million up from 1.1 million people and an 11.9 percent share in 1989. At the same time, falling fertility rates reduced the share of children aged 0 to 14 in Ontario’s population from 20.1 percent in 1989 to 16.9 percent in 2009 (Ministry of Finance, 2010).

Lower median household incomes in Dryden may be attributed to an aging population reaching or entering into retirement. The high number of potential retirees is a result of the baby boomer demographic aging into the eligibility requirements and both the private and public

sectors facilitating the retirement of individuals to meet workforce reduction targets.

The accelerated retirements in the public and private sectors have also increased the number of individuals in lower income levels. Pension or retirement income is considerably lower than working income, which may partially contribute to the lower median household income in Dryden.

Employment income in Dryden is unevenly distributed when we look at the data based on gender (Figure 10.iii). The lowest income brackets, excluding those earning less than \$5,000 per annum, are disproportionately female (69.4%). While the largest portion of the workforce (38.4%) earns between \$20,000 and \$49,000 per annum, a slight majority of this cross-section of the workforce is female (57.5%). This trend changes significantly when examining the gender distribution amongst income earners earning more than \$50,000 per year. In this case, men represent a significant majority (67.5%) of income earners.

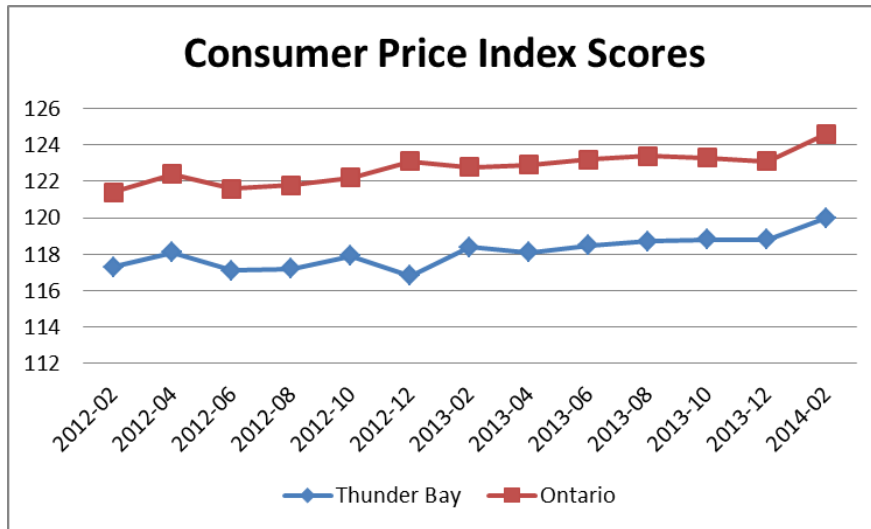


Source: Statistics Canada, 2011 Nation Household Survey Profile

Figure 10.iii: Employment Income in Dryden by Gender

2.3 Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI) are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 11.iii.



Source: Statistics Canada, Consumer Price Index Historical Tables

Figure 11.iii: CPI Scores for Ontario and Thunder Bay from February, 2012 to February, 2014

A CPI measures changes through time in the price level of consumer goods and services purchased by households. The CPI is defined by the United States Bureau of Labor Statistics as a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. In Canada, Statistics Canada tracks the retail price of a representative shopping basket of about 600 goods and services from an average household's expenditure: food; housing; transportation; furniture; clothing; and, recreation to determine CPI.

CPI values for the province and region (as represented by Thunder Bay) follow each other on a month-to-month basis; however, on average, the CPI values are lower in Thunder Bay than those for the province as a whole. The primary reason that the CPI is lower in Thunder Bay and area has to do with lower housing costs, which more than offset the slightly higher costs for some consumer related goods and, in particular, food.

2.4 Real Estate

The number of currently available listings by price are displayed in Figure 10.iii. Housing prices in Dryden currently range at the low end from \$35,000 up to \$695,000; however, most homes are priced between \$79,000 and \$175,000. The municipality also has 37 reasonably priced, fully serviced lots available for immediate purchase to expand the existing housing market.

| Price Range | Dryden, ON | | |
|------------------------|-------------|------------|-------------|
| | Residential | Commercial | Vacant Land |
| \$0 to \$50,000 | 2 | 34 | 34 |
| \$51,000 to \$75,000 | 2 | 2 | 2 |
| \$76,000 to \$100,000 | 7 | 1 | 1 |
| \$101,000 to \$125,000 | 5 | 2 | 2 |
| \$126,000 to \$150,000 | 2 | 6 | 3 |
| \$151,000 to \$175,000 | 7 | 1 | 1 |
| \$176,000 to \$200,000 | 2 | 2 | 0 |
| \$201,000 to \$225,000 | 3 | 2 | 0 |
| \$226,000 to \$250,000 | 2 | 2 | 0 |
| Over \$250,000 | 4 | 14 | 0 |
| Total | 36 | 66 | 43 |

Source: MLS listings as of March 31, 2014

Table 10.iii - Residential and Commercial real estate listings on the Multiple Listing Service website

Dryden has several Industrial Parks. The Toronto Drive Subdivision has both serviced and un-serviced lots. There are approximately 36 acres in total and are publicly owned. The Norwill Industrial Park (Scott St.) has approximately 32 acres of public and private land available, all of which are serviced lots. Located a city block north of Highway 17, the Centennial Business Park is a 19-acre development with lots from 1 to 10 acres in size but the lots are not yet serviced. In addition, the City of Dryden has 25 acres of serviced lots with rail access on the south side of Highway 17. The Anderson Property (North of Highway 17) consists of approximately 65 acres of privately owned, serviced lots.

2.5 Economic Development

Economic development has been a primary focus of City of Dryden staff and leadership for over a decade. As the pulp and paper mill began reducing operations and downsizing its workforce, the City recognized the imperative need to diversify its economic base and attract new industry. To undertake these key activities, the City formed the Dryden Development Corporation (DDC) in 2007 with the objective of simplifying and streamlining the process of establishing businesses in Dryden.

The DDC is physically located at 33 Colonization Avenue in Dryden and currently has 4 employees. The 4 employees include:

- Economic Development Manager
- Market Research Assistant
- Executive Assistant
- Tourism Coordinator

The DDC is governed by a Board of Directors that consists of nine members that serve staggered three-year terms. The terms are staggered to ensure the Board benefits from having both seasoned and new members.

The DDC acts as the project delivery agent for the City by managing projects relating to economic development, business retention and expansion and tourism. As the local mill continued to downsize its workforce, the role of the DDC became increasingly important. Aside from developing instrumental guiding documents, such as their three-year Strategic Economic Development Plan and annual Work Plans, the DDC commissioned the following projects and reports:

- Crown Land Asset Inventory – Wood Supply Analysis for the Dryden Area (2009)
- Site Option Analysis – Potential Locations for Forest Resource Processing Facilities in the Dryden Area (2009)
- Concentrated Investment Attraction Campaign – Aspenware Inc. (2010)
- Foreign Direct Investment Attraction – Forestry Sector (2009)
- Area Housing Gap Analysis – City of Dryden and Municipality of Machin (2011)
- Foreign Direct Investment Attraction – Renewable Energy Sector (2011)
- Waterfront Development Feasibility Study (2011)
- Centralized Drying and Planing Facility – Feasibility Study (2011)
- Preparing the Dryden Area for Mining Sector Expansion – Information Sessions (2011)

The City of Dryden and the DDC were dealt a difficult blow to their economic development goals when the Municipal Property Assessment Corporation (MPAC) reported a significant re-assessment of the value of the Domtar mill site. Due to the economic impact of MPAC's tax re-assessment of the Domtar mill, the DDC has significantly reduced its staffing levels in order to meet budgetary cuts to offset this lost income stream. It is expected that a resulting increase in Dryden's Industrial Tax Rate, necessary to offset the reduce tax revenues from the Domtar site, will likely halt most industrial economic growth until the City can sustainably reduce the rate to competitive levels.

Despite these significant economic challenges, the City of Dryden is striving to achieve its goals set out in its current Strategic Plan, "Moving Forward" (2011-2014). The City named Finances as one of two Key Priorities in this plan and the City has put in place a new Financial Plan (2013) and completed a Service Level Review (2013). The City is currently focussing its industry expansion efforts in the areas of Exploration and Mining, Renewable Energy, Manufacturing, Tourism, Agriculture and Retail/Distribution.

2.6 Existing Businesses

Dryden offers a strong economic base with a large retail and service sector to serve residents and visitors. Table 11.iii lists the existing businesses in Dryden by the North American Industry Classification System (NAICS). The NAICS is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. Created against the background of the North American Free Trade Agreement, it is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies. NAICS is based on supply-side or production-oriented principles.

An online business directory for Dryden can be found at http://www.ylm.ca/ylm/ylm_home.aspx?f=dryden.

Table 11.iii - Existing Businesses in Dryden (2012)

| NAICS Code | Description | Number of Businesses |
|--------------|---|----------------------|
| 11 | Agriculture, forestry, fishing and hunting | 39 |
| 21 | Mining, quarrying, and oil and gas extraction | 4 |
| 22 | Utilities | 1 |
| 23 | Construction | 72 |
| 31-33 | Manufacturing | 12 |
| 41 | Wholesale trade | 28 |
| 44-45 | Retail trade | 93 |
| 48-49 | Transportation and warehousing | 45 |
| 51 | Information and cultural industries | 6 |
| 52 | Finance and insurance | 27 |
| 53 | Real estate and rental and leasing | 64 |
| 54 | Professional, scientific and technical services | 44 |
| 55 | Management of companies and enterprises | 13 |
| 56 | Administrative and support, waste management and remediation services | 16 |
| 61 | Educational services | 7 |
| 62 | Health care and social assistance | 50 |
| 71 | Arts, entertainment and recreation | 6 |
| 72 | Accommodation and food services | 55 |
| 81 | Other services (except public administration) | 81 |
| 91 | Public administration | 2 |
| Total | | 665 |

Source: Canadian Business Patterns December 2012

2.7 Government Funding

Dryden collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate is comprised of municipal services and education levy components.

It is important to note that the educational tax levy is not set by the municipality. The province annually directs all the municipalities in Ontario what levy is applied to rate payers within their jurisdiction. The tax rates for various classes of rate payers are provide below in Table 12.iii.

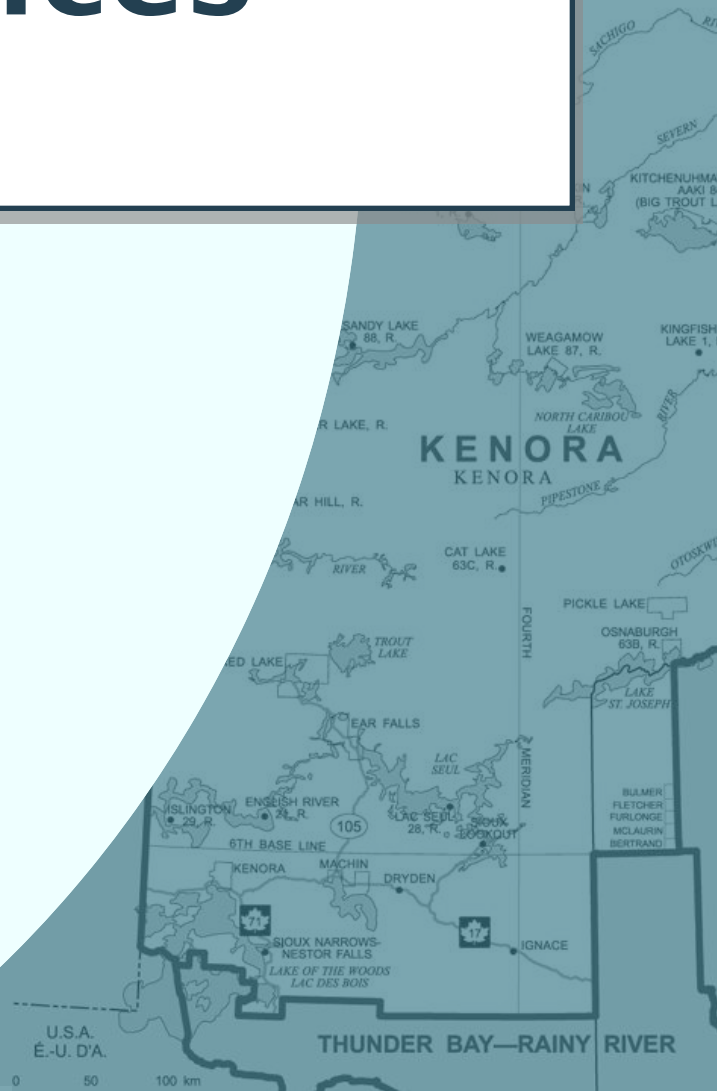
Table 12.iii: Tax Rates for Rate Payers in Dryden

| Rate Payer Class | 2013 Consolidated Tax Rate (%) |
|---|---------------------------------------|
| Residential | 1.836417 |
| Multi-Residential | 3.39602 |
| Commercial | 4.188824 |
| Commercial Vacant Unit/Excess Land | 2.932177 |
| Broad Industrial | 3.696626 |
| Broad Industrial Vacant Unit/Excess Land | 2.402807 |
| Large Industrial | 5.645926 |
| Large Industrial Vacant/Excess Land | 3.669852 |
| Pipeline | 3.53191 |
| Farmland | 0.459104 |
| Managed Forest | 0.459104 |

Source: City of Dryden Website

Subsection III.A

Wabigoon Local Services Board



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Village of Wabigoon

The Village of Wabigoon is an unincorporated community located 20 kilometres east of Dryden. Services and programs are administered by the Local Services Board (LSB) of Wabigoon. The history of the Village of Wabigoon is greatly related to the larger City of Dryden, which was renamed in 1910 after being considered part of the Wabigoon region. The Village is located directly on TransCanada Highway 17 and near Aaron Provincial Park.

As it is with many communities in the Region, Wabigoon benefits from its location on the TransCanada Highway, as well as from tourism in the area. Visitors and residents have access to a wide variety of outdoor recreational and sporting opportunities, including water sports, hiking, cross country skiing, snowmobiling and fishing. Overall the quality of life in the Region is considered very high as the Village of Wabigoon can benefit from both the large number of beautiful parks in the area, as well as its location close to a larger city centre allows it to access modern infrastructure needs.

1. Local Services Board Administration

A Local Services Board (“LSB”) is a corporation established under the Northern Services Boards Act, R.S.O. 1990, c. L. 28 (the “NSBA”), Part I to deliver basic services consistent with its approved powers to inhabitants of a specific geographic area set out in the Minister’s order establishing the LSB (the “Board Area”).

An LSB is governed by a board (the “Board”) consisting of members (the “Board Members”) elected annually by the inhabitants, defined at section 1 of the NSBA as permanent residents of a Board Area or owners of property situate in a Board Area, who are Canadian citizens and who have attained the full age of eighteen (18) years (the “Inhabitants”).

There are nine (9) available powers (the “Powers”) that must be approved for use by the Minister of Northern Development and Mines (the “Minister”) prior to being exercised by the LSB.

The Powers are as follows:

1. Water Supply
2. Fire Protection
3. Garbage Collection
4. Sewage
5. Street and Area Lighting
6. Recreation
7. Roads

8. Public Library Service
9. Emergency Telecommunications

Local Services Boards are established in the unincorporated areas of northern Ontario where there is no municipal structure. The establishment of a new LSB is at the request of a minimum of ten (10) proposed inhabitants (the “Proposed Inhabitants”), defined at subsection 3(1) of the NSBA as permanent residents of a proposed Board Area (the “Proposed Board Area”) or owners of property situate in the Proposed Board Area, who are Canadian citizens and who have attained the full age of eighteen (18) years.

A meeting open to all proposed inhabitants must be held, where the proposed inhabitants present have the right to vote at the meeting to support or vote against the proposal to establish a LSB. If the majority of proposed inhabitants vote in favour of a proposal to establish an LSB, the proposal will be sent in the form of a recommendation to the Minister indicating the desirability of the majority of proposed inhabitants to establish a LSB, identifying the proposed name of the LSB, the Proposed Board Area, the proposed Powers, the proposed number of Board Members (3 or 5) and any other items deemed appropriate by the proposed inhabitants pursuant to the NSBA.

The Village of Wabigoon is currently structured as a local services board that can provide both flexibility as well as volatility as the population size of the community is relatively small. Of the nine available powers, Wabigoon LSB offers the following:

1. Water Supply
2. Fire Protection
3. Garbage Collection
4. Sewage
5. Street and Area Lighting
6. Recreation
7. Public Library Service
8. Emergency Telecommunications

The Wabigoon LSB must meet a minimum of twice a year with an election held in September of every year. Beyond the mandatory Annual Meetings, the LSB also holds a Budget Meeting while additional meetings are held at the discretion of the LSB. All meetings are open to the public and notification is sent to all inhabitants of the community. The possibility of volatility can be of some concern when operating a LSB as it only takes ten community members to

petition to disband the LSB.

Bylaws are created by the LSB to establish a tax rate for the community. Changes are voted on by inhabitants and are calculated either a by a flat fee or on assessed property values. The Ministry of Finance collects taxes on behalf of the LSB through property land tax.

The overall management of the LSB is administered by the Ministry of Northern Development and Mines. The LSB must operate under certain provisions and standards, including restrictions on lobbying on behalf of developers or companies and restrictions on community development work. In addition, a LSB may not undertake strategic plans, economic development work, profiles or asset inventories. The LSB is only permitted to deliver services under the power they requested upon establishment of the Board.

2. Population

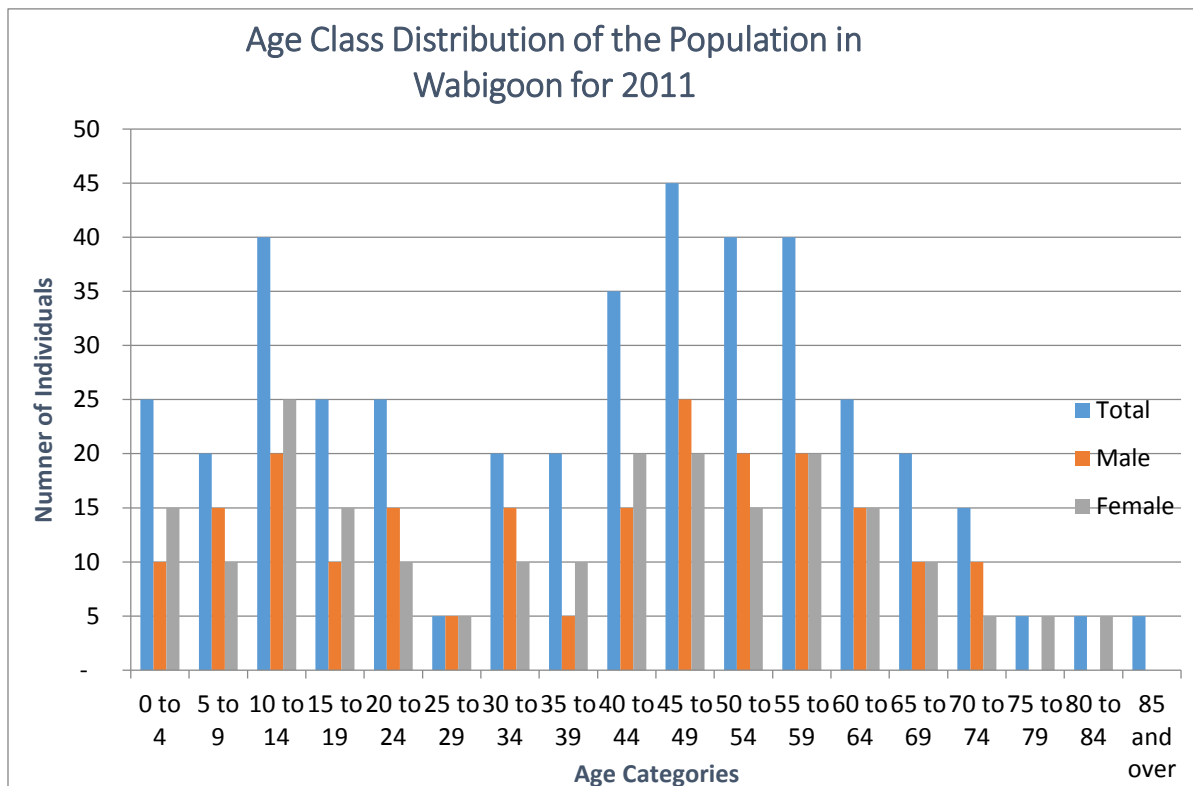
According to Statistics Canada 2011 census data, the population of the Village of Wabigoon is 430, which is representative of a 3 percent increase from the 2006 census data. This increase also corresponds to the total average increase in population in the surrounding Region. The overall population distribution in the community is more heavily concentrated in the 40 to 65 age demographic with a considerable lower distribution from 15 to 30. This occurrence is common in smaller towns and villages where the youth often leave the community in search of improved education and employment opportunities outside the community.

Due to the size and structure of the Village of Wabigoon, further detailed 2006 and 2011 Census data is currently unavailable.

Table 1.iiiA: Population Change by Age Class from 2006 to 2011 Census Community Profiles

| | Village of Wabigoon | | |
|---------------------------------|---------------------|-------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 417 | 430 | 3% |
| Age 0-4 | N/A | 25 | N/A |
| Age 5-14 | N/A | 60 | N/A |
| Age 15-19 | N/A | 25 | N/A |
| Age 20-24 | N/A | 25 | N/A |
| Age 25-44 | N/A | 80 | N/A |
| Age 45-54 | N/A | 85 | N/A |
| Age 55-64 | N/A | 65 | N/A |
| Age 65-74 | N/A | 35 | N/A |
| Age 75-84 | N/A | 10 | N/A |
| Age 85 and over | N/A | 5 | N/A |
| Median age of population | N/A | 43.4 | N/A |
| Percent aged 15 and over | N/A | 78.9% | N/A |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles



Source: Statistics Canada Census 2011

Figure 1.iiiA - Age Class Distribution of the Population in Wabigoon for 2011

3. Housing

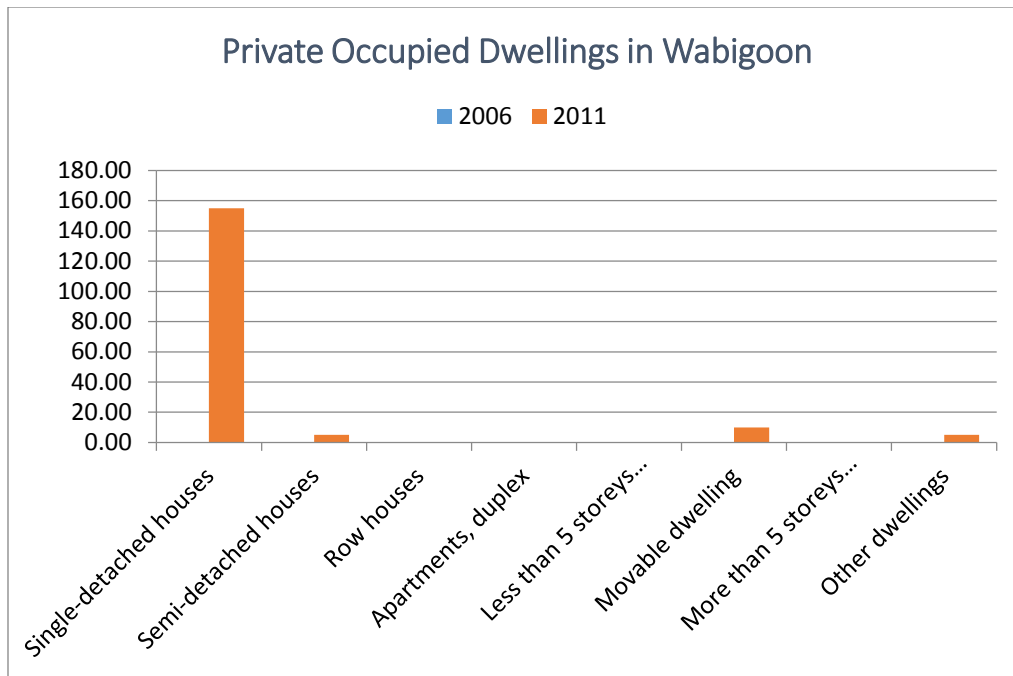
Affordable housing is an important component of any economic infrastructure of a community. The presence of appropriate housing can encourage residents to stay in a community and attract new individuals to the community. As of the 2011 census, there were a total of 204 private dwellings located in the Village of Wabigoon. Unfortunately, the 2006 census data is unavailable making calculation of the past five year change impossible.

The households, including types and values, for the Village of Wabigoon are presented in Table 2. As of the 2011 census, there were a total of 204 private dwellings in the Village of Wabigoon. With the current 2006 data unavailable it is impossible to calculate the percent change over the past five years. This is a limiting factor to the data as the overall trend of the communities housing can provide important information on the growth or reduction of related information in the community. Current available data is displayed in Figure 2.iiiA below.

Table 2.iiiA: Household Supply by Tenure for the Village of Wabigoon

| | Village of Wabigoon | | |
|--|---------------------|------|----------|
| | 2006 | 2011 | % Change |
| Total private dwellings | n/a | 204 | n/a |
| Occupied private dwellings | n/a | 165 | n/a |
| Single-detached houses | n/a | 155 | n/a |
| Semi-detached houses | n/a | 5 | n/a |
| Row houses | n/a | 0 | n/a |
| Apartments, duplex | n/a | 0 | n/a |
| Less than 5 storeys apartments | n/a | 0 | n/a |
| Movable dwelling | n/a | 10 | n/a |
| More than 5 storeys apartments | n/a | n/a | n/a |
| Other dwellings | n/a | 5 | n/a |
| Number of owned dwellings | n/a | n/a | n/a |
| Number of rented dwellings | n/a | n/a | n/a |
| Average value of owned dwelling | n/a | n/a | n/a |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles



Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Figure 2.iiiA - Private Occupied Dwellings in Wabigoon

4. General Services

Residents of Wabigoon Village utilize the education, health and emergency services provided by the neighbouring City of Dryden. Please refer to the appropriate sections of Section III: City of Dryden in this report to see the education, health and emergency services available there.

5. Economic Development

Inhabitants in the Village of Wabigoon can pursue a number of economic development opportunities mainly concentrating on the tourism and services sectors. Business owners in the community focus on the tourism and retail/service sectors offering hospitality and service employment to residents. Local service businesses include the Green Achers of Wabigoon, Sew Fix It and Custom Cakes. The Green Achers of Wabigoon also provides retail services and operates the local LCBO outlet.

One of the most important economic contributors to the community is the tourism industry and the Village of Wabigoon has a number of businesses to capture the demand for northern adventure. The tourism outfits of Polar Star Lodge and Merkel’s Camp aim to capture both tourism from the Region, as well as international tourists from the United States, Europe and Asia. Expansion of winter tourism and eco-tourism provides additional economic growth to the region.

Aaron Provincial Park also adds to economic development opportunities in the Village of Wabigoon as local services benefit from travelers accessing services in Wabigoon as they travel

to the park. The park is attractive to travelers as it is conveniently located off the TransCanada Highway and gives access to two sandy beaches as well as Thunder Lake, which is a remnant of the ancient glaciers that covered Ontario tens of thousands of years ago.

Due to the Village of Wabigoon's proximity to the larger city centre of Dryden, residents are also able to commute to various employers in the City, as well as the local mill. This allows residents and the community to directly benefit from increased activity in both the forestry and mining sectors, which have been the largest economic contributors to the communities in the Region.



Treasury Metals

Goliath Gold Project

Section IV

Socioeconomic Baseline Report

Township of Ignace, ON



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Ignace

Ignace, Ontario is located on the TransCanada Highway 17 approximately 2 ½ hours or 242 km west of Thunder Bay, Ontario and 5 ½ hours or 456 km east of Winnipeg, Manitoba. Highway 599, the most northerly paved highway in Ontario, starts in Ignace, leading north to Savant Lake, Pickle Lake and winter roads further north to several First Nations communities.

Ignace is located in the heart of what is referred to as Ontario's Sunset Country, surrounded by an abundance of lakes, rivers and forest, renowned for their natural beauty and spectacular scenery. The proximity of the township to this natural environment provides significant outdoor recreational opportunities. Many local businesses support tourism, mainly focused on outdoor activities such as fishing, hunting, canoeing and snowmobiling.

Ignace is recognized as an important business centre in the area, offering a range of general services supporting the local industry, as well as those travelling through the township. A Service Ontario Kiosk is located in the community and a regional health services facility. A number of small businesses located along the Trans-Canada Highway corridor, play an important role in the local economy.

Similar to many northern communities, Ignace has faced significant economic instability over the past decade. Recent announcements from the forest and mining sectors are providing very positive signals that opportunities for growth exist for the Township. Announcements regarding the reopening of the local sawmill, establishing a wood pellet manufacturing plant and the development of an iron ore mine have provided the township with a renewed sense of optimism. The Township has also expressed interest in learning more about the Nuclear Waste Management Organization's (NWMO) Site Selection Screening Process.

Primary economic sectors in Ignace include forestry, tourism and transportation. Of prime importance to the socioeconomic development of the area is the location of Ignace along the TransCanada Highway 17 and Canadian Pacific Railway (CPR) main line.

1.0 Social Factors

The Ignace area is well-known for its recreational opportunities due to the lakes and rivers that attract international visitors. The area has one of the largest moose populations in Ontario, attracting hunters in the fall. The groomed snowmobile trails link Ignace with other communities. The Township is located on Agimak Lake with two smaller lakes, Lily Pad and Davy, situated within the community.

A repetitive theme resulting directly from the community engagement process undertaken as part of the development of a *Community Sustainability Vision* in 2012 was the undeniable importance and value of recreation to the citizens of Ignace. It is obvious that recreation is tightly woven into the fabric of the community and preserving and strengthening recreation plays a huge role in quality of life and place. Every aspect of recreation was discussed from indoor programs to green space and the outdoor environment.

This section contains a thorough examination of the social attributes of the community and discusses the opportunities and lifestyle available in Ignace in greater detail.

1.1 Administration

The Municipal Act is a consolidated statute governing the extent of powers and duties, internal organization and structure of municipalities in Ontario. The new Municipal Act, which took effect on January 1st, 2003, represents the first comprehensive overhaul of Ontario's municipal legislation in 150 years and is the cornerstone of the administration of municipalities in Ontario.

As outlined in the Act, municipalities are governed by municipal councils. The role of municipal councils is to make decisions about municipal financing and services. In Ontario, the head of a local (lower or single tier) municipal council is either called the mayor or reeve. The members of council may be called councillors or aldermen.

The municipal government of Ignace includes a democratically elected mayor and council. Council is comprised of 4 council members. The role of council is to: represent the public and to consider the interests of the municipality; to develop policies; to decide on what services are provided; to ensure Council decisions are implemented; and, to maintain the financial integrity of the municipality. In accordance with provincial laws, municipal elections are held every four years, with the next Ontario municipal election scheduled for October 27th, 2014.

Municipal services are provided through a number of primary departments and their respective managers, including (but not limited to):

- Administration – Wayne Hatchard, Administrator;
- Finance – Christy McIntomney, Deputy Clerk;
- Public Works – Don Dobransky, Working Foreman;
- Fire Services – Robert Berube, Fire Chief; and,
- Recreation – Sherry Graver, Recreation Programmer.

1.2 Population

According to Statistics Canada 2011 census data, the population of Ignace is 1,200. While the population is virtually equally divided based on gender, there are significant differences in the

age class distribution. The Township currently experiences a significant out-migration of its young adult population between the ages of 20 and 44; a pattern common to small communities across Northern Ontario.

The pattern is largely due to young people leaving their home communities to pursue work opportunities or post-secondary school education after completing high school. The trend has grown stronger in Ignace since 2006, as demonstrated in Table 1.iv. This is likely due in general to industrial market changes in forestry and more specifically, to the shutdown of the Resolute Forest Products sawmill, which had ripple effects in across the support services sector in Ignace as well. The sawmill was idled in December of 2006 and affected 49 staff and contractor positions.

Table 1.iv: Population Change by Age Class from 2006 to 2011 Census Community Profiles

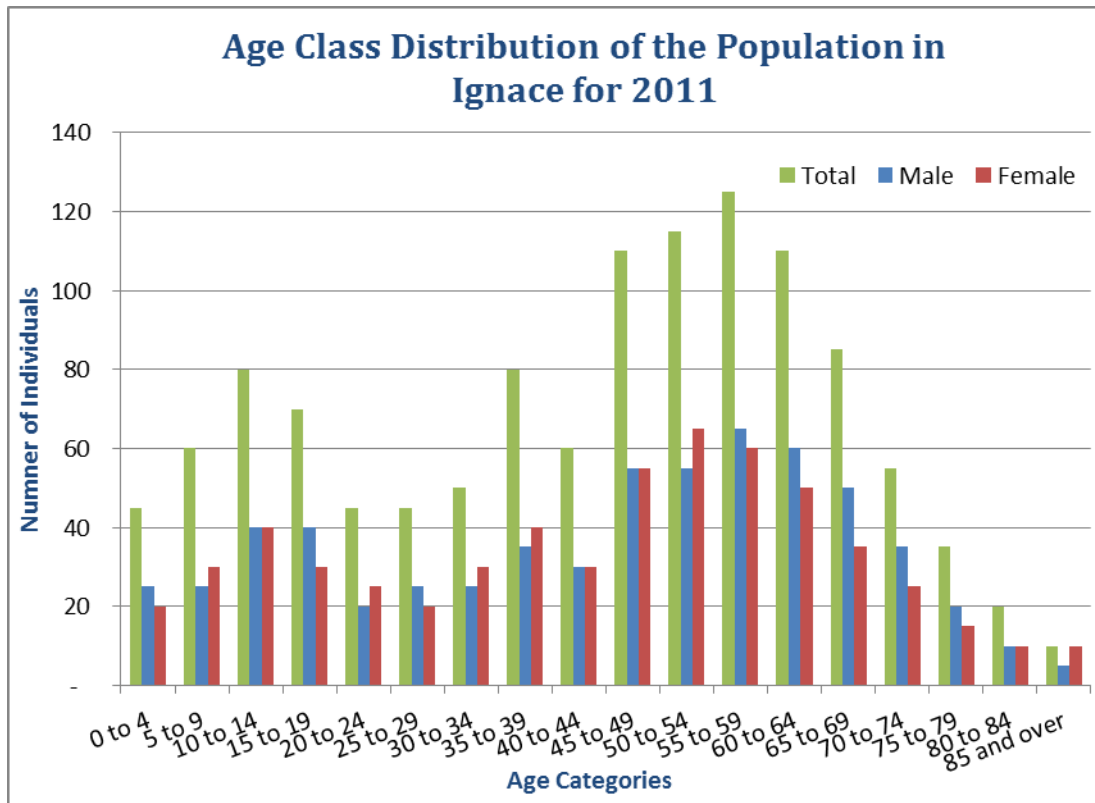
| | Ignace | | |
|---------------------------------|--------|-------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 1,430 | 1,200 | -16% |
| Age 0-4 | 65 | 45 | -30.8% |
| Age 5-14 | 195 | 140 | -28.2% |
| Age 15-19 | 85 | 70 | -17.6% |
| Age 20-24 | 65 | 45 | -30.8% |
| Age 25-44 | 370 | 235 | -36.5% |
| Age 45-54 | 275 | 225 | -18.2% |
| Age 55-64 | 205 | 235 | 14.6% |
| Age 65-74 | 115 | 140 | 21.7% |
| Age 75-84 | 55 | 55 | 0.0% |
| Age 85 and over | 5 | 10 | 100.0% |
| Median age of population | 42.5 | 48.1 | 13.2% |
| Percent aged 15 and over | 82.2% | 84.7% | 3.0% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Just as the senior population in Canada has grown rapidly over the past three decades, the population in Ignace has also aged. Throughout its economic history in the forestry and mining sectors, Ignace has attracted and maintained a significant number of individuals within the same age class. As this cohort of individual's age, it creates an increase in older age classes while youth outmigration and reduced birth rates result in a deficit in younger age classes (Figure 1.iv).

The population in Ignace aged significantly in 2011 to a median age of 48.1 years, a 13.2 percent increase from its 2006 median age of 42.5. The current median age in Ignace is older than the Ontario provincial median age of 40.4 and the Canadian national median age. While

all populations aged from 2006 to 2011, the rate of the median age increase further demonstrates an outmigration of the younger population in Ignace. Figure 1.iv, below, displays the current age class distribution in Ignace by 5-year age classes and gender.



Source: Statistics Canada, 2011 Census Community Profile

Figure 1.iv: Age class distribution of the population in Ignace

There are other factors that lead to imbalanced population demographics. As the life of the mines in the area expired and the forest sector was forced to downsize, older workers were often maintained while younger workers were laid off according to the rules of seniority. If there are limited employment and economic opportunities close to home, young people leave to seek out employment or attend post-secondary education institutions in larger centres.

Ontario continues to be affected by the global economic and financial recession that has forced both the private and public sectors to reduce expenditures and increase efficiencies. Several economic sectors in Ontario have also curtailed operations, which have resulted in reduced employment and economic opportunities throughout the province, particularly in Northwestern Ontario.

To attract youth back to the area, the communities must offer meaningful employment. As the population ages in Ignace, some jobs will become available to the younger cohort. Through employment opportunities like the Goliath Gold Project, Ignace will be able to attract their

youth back to the area and rectify the imbalanced population demographic.

1.3 Housing

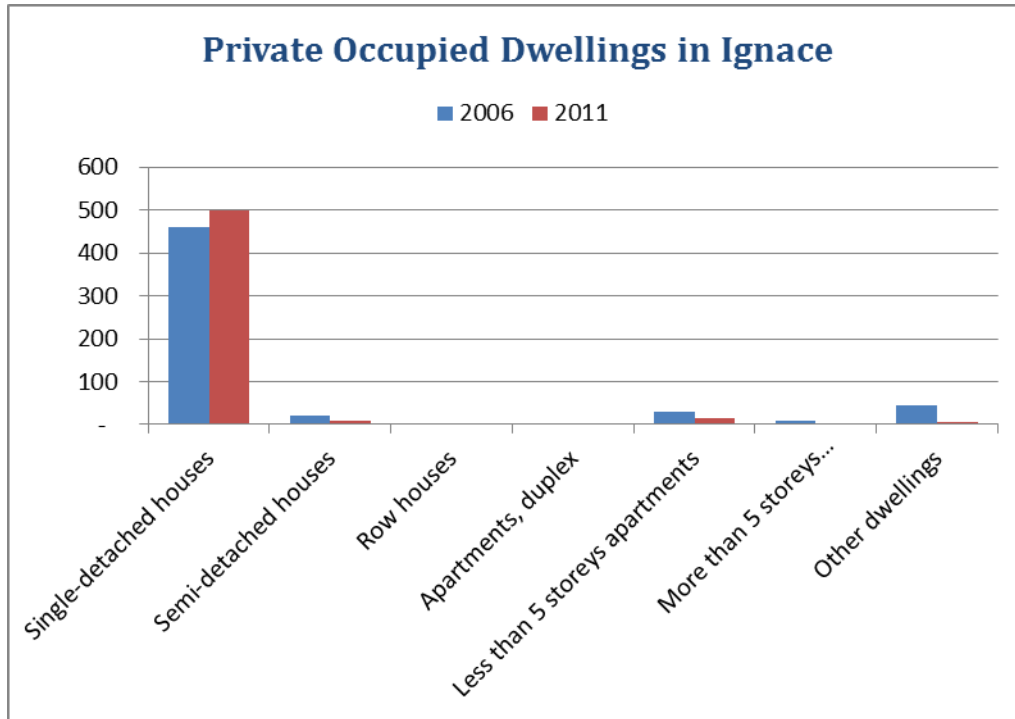
Housing is an important part of the social and economic infrastructure of a community. The availability of a range of housing options is a sign of a healthy community and is essential for economic growth and prosperity. The presence of appropriate housing can encourage residents to stay in a community and attract new people to the community. Furthermore, the existence of appropriate housing is often a critical element in attracting and securing investment to a community (Karakas, J., 2009).

Affordable housing is a significant factor in creating attractive, liveable and competitive communities. Among other things, the availability of affordable housing makes it easier to attract people to and retain people in a community (Ontario Ministry of Municipal Affairs and Housing, 2005). The households, including types and values, in Ignace are presented in Table 2.iv. The comparison of population and dwelling data shows expected similarities. As of the 2011 census, there were 680 total private dwellings in Ignace, which represents an 8 percent decrease from 741 dwellings in 2006. More detail about the housing supply in Ignace is displayed in Figure 2 below.

Table 2.iv: Housing Supply by Tenure and Value in Ignace

| | Ignace | | |
|--|-----------|-----------|----------|
| | 2006 | 2011 | % Change |
| Total private dwellings | 741 | 680 | -8% |
| Occupied private dwellings | 589 | 534 | -9% |
| Single-detached houses | 460 | 500 | 9% |
| Semi-detached houses | 20 | 10 | -50% |
| Row houses | - | - | 0% |
| Apartments, duplex | - | - | 0% |
| Less than 5 storeys apartments | 30 | 15 | -50% |
| More than 5 storeys apartments | 10 | - | -100% |
| Other dwellings | 44 | 5 | -89% |
| Number of owned dwellings | 485 | 515 | 6% |
| Number of rented dwellings | 100 | 55 | -45% |
| Average value of owned dwelling | \$ 78,455 | \$ 83,976 | 7% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

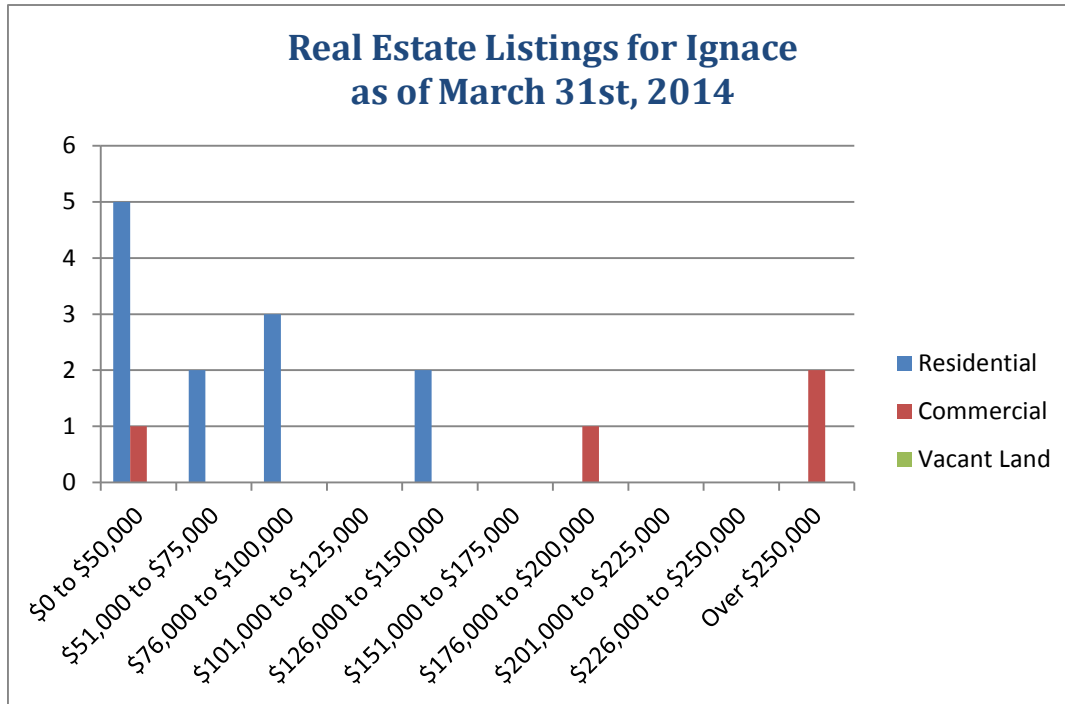


Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Figure 2.iv: Private Occupied Dwellings in Ignace

Generally, housing vacancy rates of 5 percent for rental units and 2 percent for ownership stock are thought to be sufficient for accommodating reasonable housing choices (Karakas, 2009). Utilizing the difference between total private dwellings and occupied private dwellings indicates a potential overall vacancy rate 18 percent in Ignace.

Utilizing the current listings on the Multiple Listing Service (MLS) website operated by the Canadian Real Estate Association (CREA), Ignace has 12 residential listings and 4 commercial listings (Figure 3.iv).



Source: MLS website March 31st, 2014

Figure 3.iv: Real estate listings on the Multiple Listing Service (MLS) managed by the Canadian Real Estate Association (CREA) as of March 31st, 2014

Ignace has three motels and two inns with reasonable rates. The town has an approximate capacity of 97 hotel and motel rooms to temporarily accommodate an influx of workers during the construction phase of the project. The number of rooms and average prices are included in Table 3.iv below.

Table 3.iv: Hotel and Motel Rooms available in Ignace

| Location | Available Rooms | Average Price |
|----------------------|-----------------|---------------|
| Ignace | | |
| Northwoods Motor Inn | 31 | \$80 |
| Lone Pine Motel | 19 | \$80 |
| Westwood Motel | 25 | \$80 |
| Trading Post Motel | 22 | \$79 |

Source: Communications with Economic Development Officers and establishments

1.4 Education

Ignace has two public schools operated by the Keewatin-Patricia District School Board: the Ignace Public School; and, Ignace High School. The Aurora Borealis French Catholic District School Board operates Ecole Immaculee Conception, a French Catholic Elementary School in the town as well. The Ignace Public and High Schools provide educational facilities from kindergarten through grade 12. Currently there are 30 staff and an enrollment of 207 students,

with 127 elementary and 80 secondary students. The school contains 26 classrooms, two large gymnasiums, a fitness centre, two libraries, two science labs, two video conference sites and an adult education department. Table 4.iv outlines the current enrollment and capacity levels of each school currently operating in the Township of Ignace.

Table 4.iv: Schools, Enrollment and Capacity Information for Ignace

| Municipality | District School Board | School | Type | Enrollment | Capacity |
|---------------------|--|----------------------------|-------------|-------------------|-----------------|
| Ignace | Keewatin-Patricia District School Board | Ignace Public School | Elementary | 98 | 181 |
| | Keewatin-Patricia District School Board | Ignace High School | Secondary | 79 | 492 |
| | Conseil scolaire de district catholique des Aurores boreales | Ecole Immaculee Conception | Elementary | 26 | N/A |

Source: Communications with school board officials

École Immaculée-Conception is a French elementary school with classes from kindergarten to grade 8. In a safe and caring environment, the school provides academic excellence in a French cultural setting. Students also learn English and are fully prepared to pursue secondary studies in English or in French. Current enrolment is approximately 26 students with a staff of 7. At time of publishing, capacity numbers for this school were not available.

Other educational institutions include the Ignace Nursery School and Kid’s Care, a school age Child Care Centre and the Ignace Best Start Hub. Full time and part time programs are available in Ignace through the Contact North elearnnetwork.ca. Programs and courses run the gamut from business, computers, languages, law, nursing, social work, and more with over 800 programs and 10,000 courses. Live courses are offered at specific dates and times and anytime courses can be taken online. Access centre at 312 Pine Street is equipped with computer workstations and internet access.

For post-secondary learning, Ignace is within close proximity to Lakehead University and Confederation College in Thunder Bay. Lakehead University and Confederation College are both within a 242 kilometre (2.5 hour) drive of Ignace and have satellite campuses in Dryden and Sioux Lookout.

Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;

- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;
- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus, 7,042 of which are full time. The University employs 319 full time faculty and 1,850 staff, including 715 full time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has a satellite campus in Dryden. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

Residents can also obtain a post-secondary education by taking advantage of Contact North for a variety of business, trades and other programs through distance learning and online education.

The educational statistics of Ignace demonstrate that residents are well-trained and highly educated (Table 5.iv). Ignace can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near the community. The skills and trades of the workforce in Ignace can easily accommodate different natural resource development sectors, such as mining, forestry and manufacturing industries.

Table 5.iv: Educational Attainment Information by Age Class of Ignace (2011)

| Ignace | 15 and over | | 25-64 yrs | |
|---|-------------|-----|-----------|-----|
| | Total | % | Total | % |
| Total population | 1,135 | | 755 | |
| No certificate, diploma or degree | 325 | 29% | 125 | 17% |
| High school certificate or equivalent | 375 | 33% | 280 | 37% |
| Apprenticeship or trades certificate or | 440 | 39% | 345 | 46% |
| College, CEGEP or other non-university | 200 | 18% | 145 | 19% |
| University certificate or diploma below the bachelor level | 10 | 1% | - | 0% |
| University certificate, diploma or degree | 85 | 7% | 70 | 9% |

Source: Statistics Canada, 2011 Census Community Profile

In terms of post-secondary education, the majority of resident have college level education with a very small portion of less than 10 percent that have a university education.

1.5 Health Services and Programs

The Mary Berglund Community Health Centre advocates the Community Health Centre model of care. Health care services are provided by physicians, nurse practitioners and registered nurses. Other services available include physiotherapy, chiropody, lab specimen collection, screening programs for blood sugar and blood pressure.

Professional staff includes an Aboriginal Health Service Worker, Health Promoter and Tele-health Technician. Other professionals are available at the Health Centre on an intermittent basis, including foot care specialists and massage therapists.

The facility also houses the Northwestern Health Unit and Dryden Mental Health and Addiction Services. The Centre is located in the Ontario Government Building off Hwy 599 near the intersection with Highway 17. The Northwestern Health Unit provides a wide variety of public health services.

1.6 Emergency Services

The ambulance service is located on Rand Street off Highway 17. The emergency number is “911” and the office number is 807-934-6465. The closest emergency service is in the Dryden Regional Health Centre, which is 110 kilometres west of Ignace. Ignace has an Emergency Preparedness Program, including an Emergency Preparedness Plan, facilitated by a Community

Emergency Management Coordinator.

1.7 Crime and Justice

Ignace has Traffic Court and the Ignace Court of Justice, which are located at 479 Government Street. Ignace is served by the Ontario Provincial Police (OPP) Northwest Region, which is administrated by the Dryden Detachment. The OPP police services focusing on the following:

- Assistance to victims of crime;
- Crime prevention;
- Emergency response, including canine tracking and search and rescue;
- Law enforcement;
- Public order maintenance (protests and riots); and,
- Provides criminal reference checks.

The North West Region OPP is the largest land base of any Region in the Province. It is approximately 990 kilometers from the most westerly detachment (Kenora) to the most easterly detachment (Marathon). The North West Region is comprised of:

- An area of over 560,000 square kilometers;
- 11 Detachments and 13 Satellite Offices;
- Winter population of 124,000;
- Summer population of 263,000;
- Over 4,000 kilometers of the King's Highway; and,
- Over 18,000 kilometers of other roads.

The period from 2010-2012, reported violent crimes in Ignace have increased slightly by 3.73 percent. Most notable, Ignace has experienced a significant increase in alcohol and drug related crimes, which contribute to impaired driving charges.

The largest concerns noted from the Ignace Police Services Board are illicit drug use in the community (prescription medication and illegal drug issues), traffic safety in reduced speed zones through the community and alcohol abuse contributing to property crime, violent crime and impaired driving issues.

In the region, there were a total of 447 motor vehicle collisions in 2012. There has been an increase in overall collisions with a significant increase in alcohol-related collisions. Although there was only one fatal collision in 2012, officers will continue to emphasize highway safety as highways continue to present the greatest danger to the public in this detachment area. The local detachment has included in their 2013 business plan a specific focus on the “Big Four”

factors in death and injuries on highways, waterways and trails, which include impaired driving, lack of occupant restraint, aggressive driving and distracted driving.

To address the community concerns related to drug use, the local detachment has included a number of street checks, an intelligence liaison as well as resources, support and training for the criminal investigations.

1.8 Poverty and Social Issues

As mentioned in earlier sections, housing is fundamental to quality of life. In addition to sufficient food and clothing, people expect to have a decent dwelling that is in good condition and large enough to accommodate the household members. But, some households face problems affording good housing and find themselves forced to choose between appropriate shelter and other life necessities. The term acceptable housing refers to housing that is adequate in condition, suitable in size and affordable.

- *Adequate housing* does not require any major repairs, according to residents;
- *Suitable housing* has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standards (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for each cohabitating adult couple; unattached household member 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a room. A household of one individual can occupy a bachelor unit (i.e., a unit with no bedroom); and,
- *Affordable housing* costs less than 30 percent of before-tax household income. For renters, shelter costs include rent and payments for electricity, fuel, water and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes and any condominium fees, along with payments for electricity, fuel, water and other municipal services. A household paying more than 30 percent of their before-tax income on housing is considered to have housing affordability problems.

The following analysis reviews the income and housing needs of local residents in Ignace. The most recent housing cost data available was analyzed to determine affordable housing trends in the area. The percent change in median income, rental payments and mortgage payments for Ignace were reviewed over a 5-year period from the 2006 to 2011 censuses. The results of the comparison are displayed in Table 6.iv.

Table 6.iv: Income and Housing Cost Information for Ignace

| | Ignace | | |
|--|-----------|-----------|----------------|
| | 2006 | 2011 | Percent Change |
| Median household total income (\$) | \$ 57,250 | \$ 51,601 | -10% |
| Median monthly payments for rented dwellings | \$ 626 | \$ 536 | -14% |
| Median monthly payments for owner-occupied dwellings | \$ 550 | \$ 538 | -2% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

The analysis highlights several trends in the availability of affordable housing. Between 2006 and 2011, median household incomes decreased by 10 percent in Ignace. This decrease over a five-year period generally corresponds to the economic downturn in Canada during that period.

During that same period, rental payments decreased by 14 percent in Ignace, while mortgage payments decreased by 2 percent. The decrease in both mortgage and rental payments suggests that the housing in Ignace is both available and affordable.

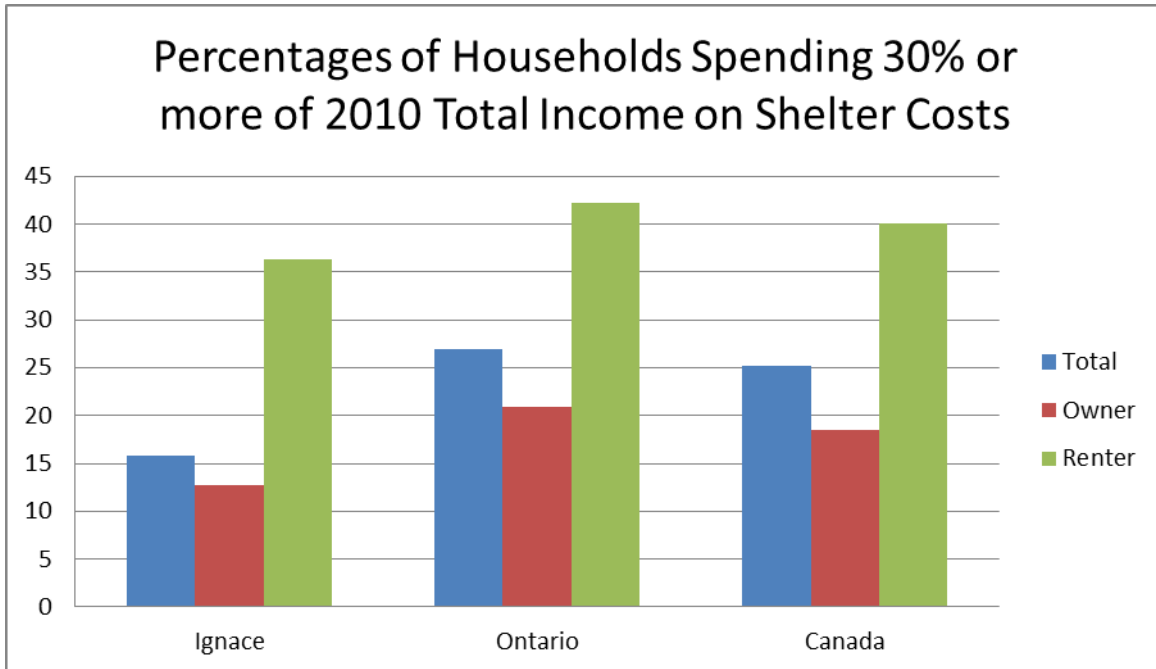
Lowering incomes in Ignace are also reflected in the number of residents spending over 30 percent of their income on housing. As noted above, housing is not considered affordable if residents are spending more than 30 percent of their before-tax household income on shelter costs. Table 7.iv lists the percentages of households in Ignace, Ontario and Canada spending 30 percent or more of their before-tax income on shelter costs.

Table 7.iv: Percentages of Households Spending 30 percent or more on Shelter Costs (2011)

| | Ignace | Ontario | Canada |
|---------------|--------|---------|--------|
| Total | 15.8 | 27 | 25.2 |
| Owner | 12.7 | 20.9 | 18.5 |
| Renter | 36.4 | 42.3 | 40.1 |

Source: Statistics Canada, 2011 National Household Survey

Less homeowners in Ignace (15.8%) indicate their housing is unaffordable than homeowners in Ontario (27%) and Canada (25.2%) in general. The same is true of renters in Ignace. In Ignace, 36.4 percent of renters are spending more than 30 percent of their before-tax income on shelter costs, whereas 42.3 percent of Ontario renters and 40.1 percent of Canadian renters report the same (Figure 4.iv).



Source: Statistics Canada, 2011 National Household Survey

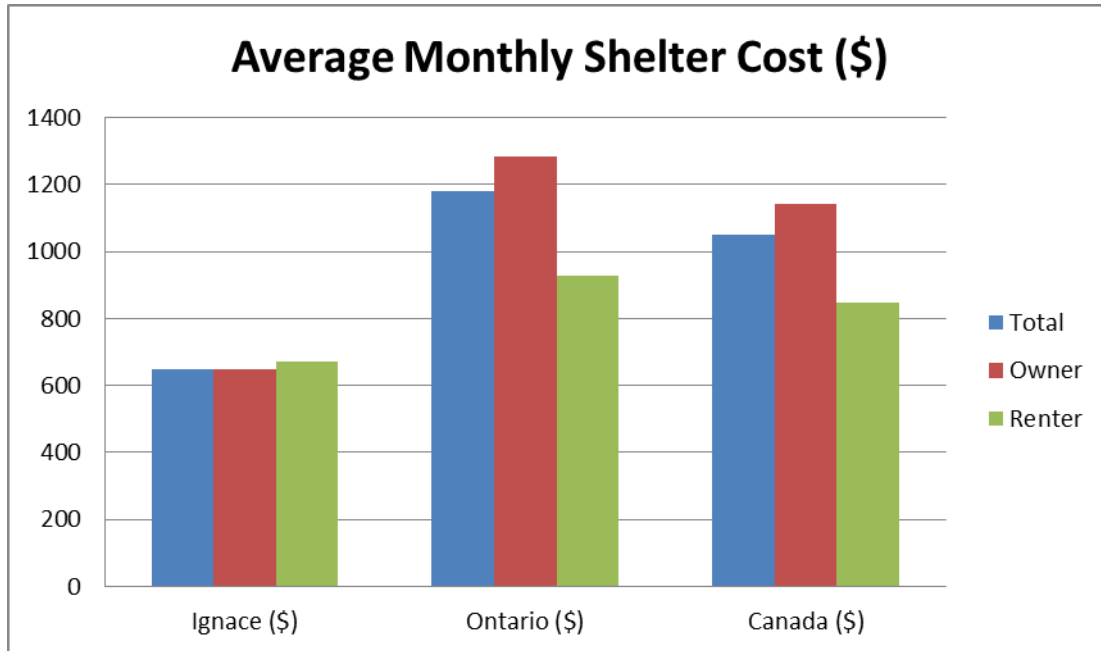
Figure 4.iv: Percentages of Households Spending 30 percent or more on Shelter Costs (2011)

The cost of housing in Ignace is lower than the provincial and national averages, as indicated in Table 8.iv and Figure 5.iv. In Ignace, the average home owner pays 49 percent less per month on shelter than the average Ontario home owner and 43 percent less than the average Canadian. Rental rates are similarly cheaper with Ignace residents paying 27 percent less than Ontario renters and 21 percent less than Canadian residents (Figure 5). One might expect that with shelter costs being so much lower than provincial and national averages, reports of unaffordable housing would be also be considerable lower than provincial and national averages. In Ignace, these reports are lower but not proportionately lower, demonstrating the impact of lower incomes in the community.

Table 8.iv: Average Monthly Shelter Costs for Ignace, Ontario and Canada (2011)

| | Ignace (\$) | Ontario (\$) | Canada (\$) |
|---------------|-------------|--------------|-------------|
| Total | 650 | 1,181 | 1,050 |
| Owner | 648 | 1,284 | 1,141 |
| Renter | 672 | 926 | 848 |

Source: Statistics Canada, 2011 National Household Survey



Source: Statistics Canada, 2011 National Household Survey

Figure 5.iv: Average Monthly Shelter Costs for Ignace, Ontario and Canada (2011)

The Mary Berglund Health Centre of Ignace, Ontario coordinates a food bank for individuals and families in need in the community. The Food Bank provides non-perishable food items to registered individuals and grocery store vouchers for perishable items. Its operational costs are provided by donations from the community and local businesses.

1.9 Community Services, Programs and Facilities

Ignace has an abundance of community programming. The public library is located adjacent to the municipal offices. The library was organized in 1922 by the Great War Veterans Association and through the decades has been housed in different buildings. Ignace Public Library has a collection of over 17,000 materials: a large selection of adult, teen and children magazines; videos, CD and DVD movie collections; public internet computers and one public computer with a selection of pre-school programming for literacy; seasonal craft programs for children; and, library tours for groups such as Nursery School, Brownies and school children. The 4,600 sq. ft. library hosts a multi-purpose room used by community groups and a Heritage Centre housing historical items, most of which were donated by families of early Ignace settlers. Various themes make up the museum: mining; forestry; railway; and, life in Ignace.

The Ignace Recreation Complex has a two-level indoor event facility with a kitchen. The arena, used for hockey, figure skating and public skating, has a seating capacity of 1,000. In the summer months, there is a hockey school and tournaments. The complex also has a canteen, the four-lane bowling alley, the Ignace Fitness Centre, as well as outdoor tennis courts.

Ignace also has two baseball diamonds located west of Ignace School on Davy Lake Road and has a 2-field soccer area located on Pine Street.

A 9-hole golf course is run by the Ignace Golf and Country Club on municipally-owned land northeast of town off Highway 599. An attractive facility constructed in 2011, it includes a concession area and licensed lounge. The club hosts several tournaments each season, including a men and ladies open.

There are two public beaches both with picnic shelters, change rooms and washrooms. Both have excellent sandy shorelines great for swimming in Agimak Lake. Agimak Beach, located on West Street, has playground equipment and volleyball net. West Beach, on West Beach Drive, has a floating dock providing an enclosed area for swimmers and a public boat launch.

Camping facilities are provided in the Township and in the area by private operators. Within a few minutes of Ignace, camping is offered at Sandbar Lake Provincial Park, located on Highway 599. As well as a picnic shelter, there are 75 camping sites of which 28 are electrical sites.

The Ignace area is surrounded by many lakes to enjoy. There is a wide variety of fish species from the dominant yellow pickerel (walleye) and northern pike, to lake trout, small mouth bass, perch and stocked speckled trout. The area has over 50 tourist facilities, from fly-in seclusion to all-inclusive resorts. There are many hunting opportunities for moose, black bear, grouse and waterfowl. Skilled guides are available to aid with hunting and fishing adventures.

The Ignace Otters Snowmobile Club maintains a network of trails sanctioned by the Ontario Federation of Snowmobile Clubs that links area communities. The club hosts events such as the annual Poker Derby and contributes ample volunteer time to keep the trails safe.

Sandbar Lake Provincial Park, 10 kilometres north of Ignace on Highway 599, has a fine sandy beach, shallow water and a buoyed area making it ideal for family swimming. The lakes in and around the park contain northern pike, walleye and small mouth bass. All boats are allowed on Sandbar Lake. The park is a starting point for canoeists seeking challenging routes. From Sandbar Lake, you can paddle numerous challenging canoe routes, including the 160-kilometre Sand bar-Press Lake Loop, which takes between 9 to 12 days to complete and passes several pictograph sites.

Each year, Ignace hosts the White Otter Days celebration. This is one of many occasions that “Iggy” the White Otter makes his appearance. Special events include Canada Day celebrations, summer hockey camps, hockey tournaments, beach volleyball, golf tournaments, slo-pitch tournaments, day camps for kids, and more.

Ignace is at the northern edge of the Turtle River-White Otter Lake Provincial Park, a waterway

park. Spanning an immense watery and forested wilderness between Highways 11 and 17, the park and chain of lakes contains numerous natural and historic surprises. White Otter Lake with its sparkling waters, sprawling surface area and intriguing and inspiring “Castle” is by far the centerpiece of the 40,000-hectare preserve.

White Otter Castle is located on White Otter Lake, 32 kilometres south of Ignace. It was built in the early 1900s by Quebec-born Jimmy McOuat. The three-story 30 by 40 foot building, adorned with a four-story tower, was completed by 1914. Mr. McOuat drowned while netting fish in the fall of 1918. The Castle draws thousands of visitors by canoe, motor boat, airplane and snowmobile. The lake is not road-accessible.

Tourist operators offer canoe, motorboat and dog sled trips through numerous lakes and rivers, visiting the innumerable pictographs (rock paintings) found throughout the area. Float plane service can take anglers, hunters and adventurers into remote lakes.

1.10 Fisheries

In 2005, *A New Ecological Framework for Recreational Fisheries Management in Ontario* was approved to ensure fisheries resource sustainability and to optimize angling opportunities. Consistent with the direction provided in the framework, Fisheries Management Zone 4 (FMZ 4) and FMZ 5 were two of twenty zones created as a new spatial unit for fisheries management planning across the Province. The new boundaries are based on ecological factors and angler use patterns, such as: climate (growing degree days); watersheds; fishing pressure; and, accessibility (i.e. road networks). Both FMZ 4 and 5 are relevant, as the boundary between the two zones is in proximity to the Goliath Gold Project area.

1.10.1 Fisheries Management Zone 4

FMZ 4 extends over a large geographic range, covering an area of approximately 60,440 square kilometres, including land and water. The Manitoba border and the eastern boundary of Woodland Caribou Provincial Park mark the western extent of the FMZ, with the western boundaries of the Brightsand River Provincial Park and Wabikimi Provincial Park defining it to the east, over 350 kilometres away. The Berens River and Cat River systems provide the north boundary, while Highway 17 and the Canadian National Railway line define the south boundary (Figure 6.iv).

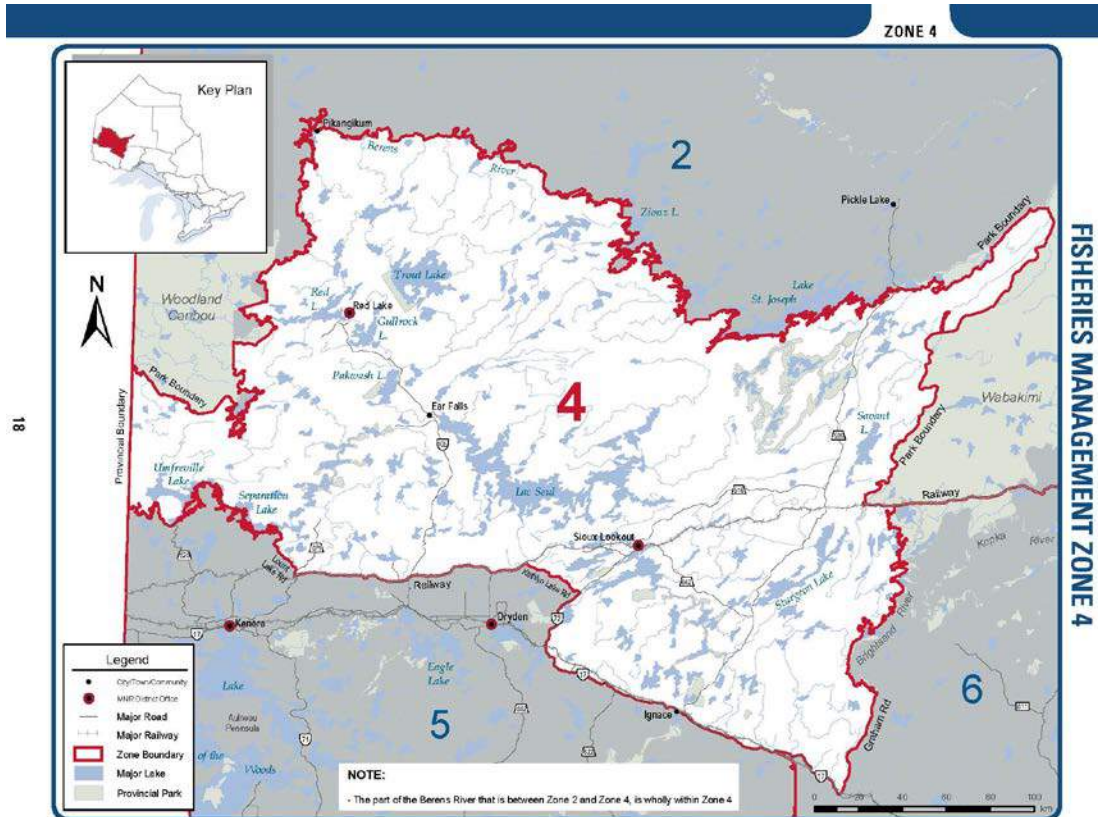


Figure 6.iv: Fisheries Management Zone 4 boundaries

The fisheries in FMZ 4 are utilized by Aboriginal communities for subsistence and ceremonial harvest; by resident and non-resident sport fish anglers; by resource-based tourist outfitters; by the commercial baitfish industry; and, to a lesser degree, by the commercial food fishing industry.

The waterbodies and fisheries of FMZ 4 have significant importance to Aboriginal communities within and around the Zone. The abundance of waterbodies and diversity of fish species found within FMZ 4 provide First Nation communities with resources for subsistence living, an important component of traditional land use, in addition to social and spiritual significance that are unique to each community. Many Band Members also benefit financially from these resources through their involvement in the tourist and commercial food fishing industries.

There are nine First Nation communities within Fisheries Management Zone 4. These communities include Whitedog First Nation Wabaseemoong Independent Nation (Whitedog), Ochiichangwe 'Babigo'ining (Dalles), Asubpeeschoseewagong Netum Anishinabek (Grassy Narrows), Wabauskang First Nation, Pikangikum First Nation, Lac Seul First Nation, Saugeen First Nation and Mishkeegugamang First Nation. Other First Nation communities outside of FMZ

4 may have traditional use areas within the Zone; however, these areas are not well defined. FMZ 4 includes portions of three treaty areas including Treaty 3, Treaty 5 and Treaty 9.

Due to the overall high quality of fisheries, good access and abundance of fishing opportunities in FMZ 4, many waterbodies within the Zone are popular destinations for Ontario resident, Canadian resident (those residing outside of Ontario) and non-Canadian resident anglers. Angling by these residency groups remains primarily a consumptive use of the fisheries resources. According to the 2005 national recreational fishing survey, the majority of the fishing effort (84 percent) in FMZ 4 resulted from angling by non-Canadian residents. Ontario residents contributed 14 percent of the total angling effort, followed by Canadian resident anglers who only contributed 2 percent. Of the Canadian residents fishing in the Zone, 84 percent originate from Manitoba.

Ice fishing accounts for approximately 8 percent of the total angling effort in FMZ 4. Ontario resident anglers contribute 75 percent of the ice fishing effort, with non-Canadian residents exerting 21 percent of the effort. Canadian residents only account for 4 percent of the total ice fishing effort, indicating their angling activity occurs primarily in the open water season.

The 2005 survey indicates the fishing industry contributes over \$133 million to the FMZ 4 economy. Non-Canadian residents account for 84 percent of these expenditures, confirming the importance of these anglers to the tourism industry and local communities. The majority of non-Canadian residents fishing in FMZ 4 utilized the services of the resource based tourist outfitters. The resource-based tourism industry is well developed within FMZ 4 with approximately 104 main base lodges and 211 outpost camps. These facilities include drive-to facilities and remote fly-in or boat-in facilities.

There are 306 commercial baitfish harvest blocks in FMZ 4, all of which are currently allocated. Utilization is divided between regular harvesters, tourist harvesters, regular dealers and tourist dealers. Baitfish harvesting is a valuable business within FMZ 4 but there is currently no estimate of its economic contribution to FMZ 4.

Commercial food fishing in FMZ 4 exists primarily for lake whitefish (88 percent of harvest) and, to a lesser extent, for northern pike, walleye and yellow perch on a small number of lakes within the Zone. There is a declining trend in active commercial fisheries within Northwestern Ontario. At present there are a total of twenty seven commercial licences in FMZ 4, nineteen of which are active and eight of which are inactive.

The vast majority of commercial fishing licences in FMZ 4 are held by First Nation communities. Presently, FMZ 4 Districts report that 19 of the licences are active. Of the active licences, 7 are

issued for Specially Designated Waters (SDWs) and the remaining 12 are on non-SDW lakes. SDWs account for the vast majority of the available quota with lake whitefish as the most important commercially fished species (88 percent) followed by lesser amounts of northern pike, walleye and perch.

Previously, the direction for the management of commercial fisheries in FMZ 4 (including allowable gear, species and quota targets) was documented in individual District Fisheries Management Plans 1987-2000 (DFMPs). Recognizing that the FMZ 4 Fisheries Management Plan will replace these plans, and a new strategic policy for Ontario's Commercial Fisheries was completed in 2011, it is essential the FMZ 4 Fisheries Management Plan contains commercial fisheries management objectives that are reflective of the present industry and are consistent with new Provincial Commercial Fisheries Policy. Commercial fisheries management objectives can be found in the FMZ Fisheries Management Plan, which can be obtained from MNR.

1.10.2 Fisheries Management Zone 5

FMZ 5 extends over a large and varied geographic range covering an area of approximately 44,360 square kilometres, including land and water. Located in the southern portion of the Northwest MNR Region, FMZ 5 spans three MNR administrative Districts, including the entire Fort Frances District and southern portions of the Kenora and Dryden Districts (Figure 7.iv).

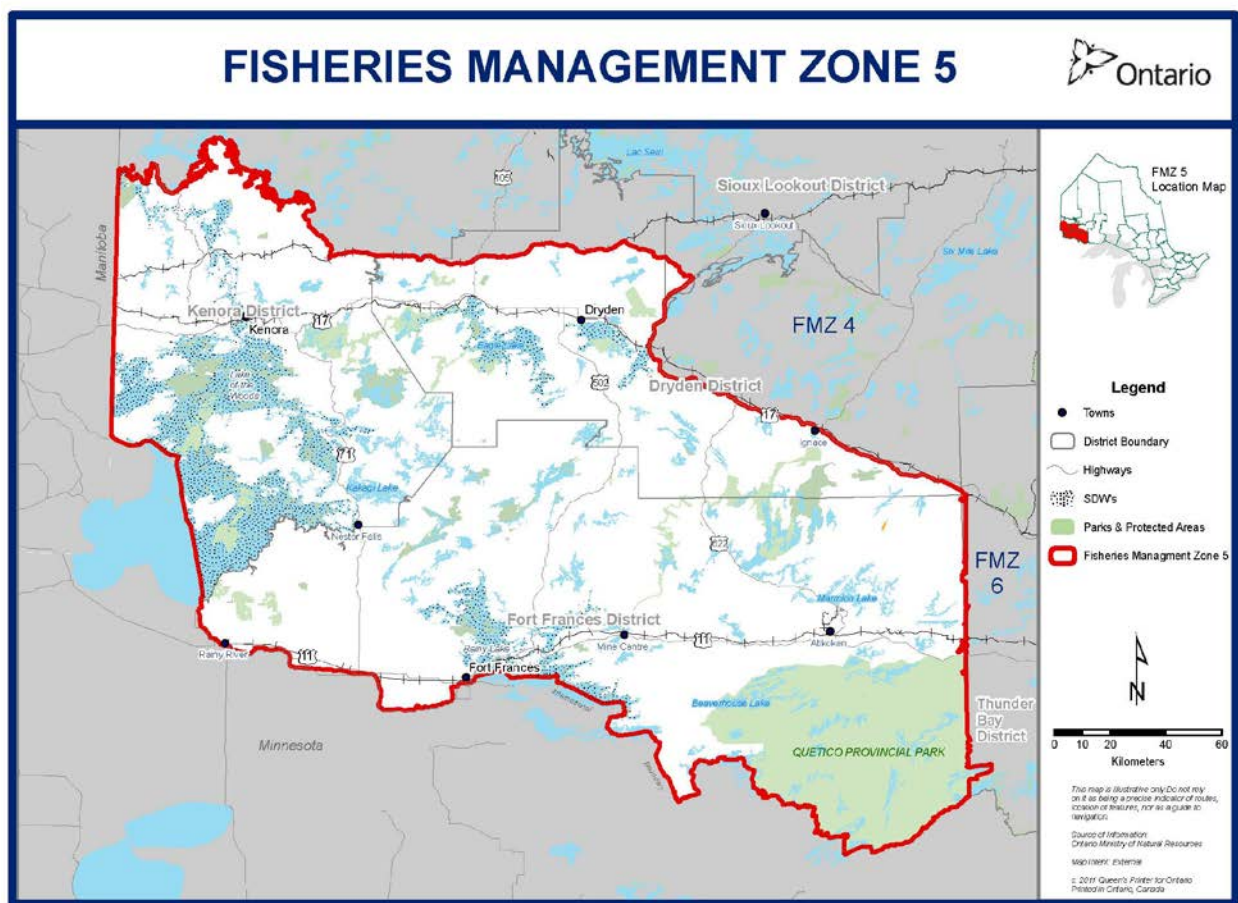


Figure 7.iv: Fisheries Management Zone 5 boundaries

Like much of the rest of Canada, the current pattern of landform features, surface geology and distribution of lakes and rivers across FMZ 5 were defined by the actions of glaciers that also influenced the fish communities that are present today. FMZ 5 is dominated by bedrock landforms that make up over 70 percent of the land area. This high proportion of bedrock dominated landscape tends to result in lakes that are clear and less productive compared to other parts of Northwest Ontario.

FMZ 5 has the highest density of people in the Northwest Region outside of Thunder Bay. Major communities (more than 2,000 residents) within FMZ 5 include Fort Frances, Kenora, Dryden and Atikokan. There are 23 First Nations located totally or partially within FMZ 5. In addition to Ontario residents, FMZ 5 is adjacent to a large population of anglers from neighbouring jurisdictions, including the Upper Midwest states in the United States and Manitoba.

Road-based access to the fisheries of FMZ 5 is well-distributed throughout the Zone with the

exception of Quetico Provincial Park. Scattered within road accessed areas are areas primarily accessed by air that are utilized by a well-developed fly-in tourism industry. Major highways that provide primary access include highways 11, 17, 502, 71 and 622 among others with almost 13,000 kilometres of gravel roads extending off from these main corridors.

Over 2,400 lakes (46 percent of lakes larger than 10 hectares) in FMZ 5 are currently within 500 metres of a road; a distance that is considered accessible by anglers or other resource users. Access management within an FMZ is a fine balance between providing angling opportunities and appropriately distributing fishing effort within the overall goal of preventing overexploitation and maintaining sustainability of fisheries resources.

The largest use of fisheries resources in FMZ 5 is by recreational angling. A total of 251,520 anglers were estimated to have fished in FMZ 5 in 2005, providing 9,219,920 hours of fishing effort which represents 46 percent of the total effort in the Northwest Region. Non-SDW waters accounted for approximately 45 percent of the effort in FMZ 5 with the SDW waterbodies accounting for the remaining 55 percent.

The majority (approximately 72 percent) of angling effort is from non-residents of Canada with Ontario residents accounting for about 20 percent of the effort and Canadian residents making up the remaining 8 percent. The total economic value of the FMZ 5 angling fisheries was estimated to be approximately \$200 million in 2005. Much of this is due to the tourist industry, which is very well-developed in FMZ 5. There are approximately 328 main base lodges and 156 out post camps, including those on SDW waters.

There is an active commercial food fishing industry in FMZ 5 with 21 commercial licences or allocations on non-SDW waters with an additional 25 licences on SDW waters. The majority of commercial fishing is by First Nation individuals or communities or individuals claiming Métis status. The most important commercial species is whitefish accounting for 88 percent of total allocated quota of 84,000 kilograms (185,700 pounds) from non-SDW waters with smaller allocations available for northern pike, walleye and black crappie. Quotas also exist for lake sturgeon although no harvest currently occurs due to self-imposed moratoriums by the First Nation communities holding the licences.

An active commercial bait harvest industry also exists in FMZ 5. There are 311 baitfish blocks within FMZ 5; although because one harvester can fish multiple blocks, the number of harvesters is much less. The estimated retail value of baitfish and leeches harvested from FMZ 5 was \$5.4 million for 2009.

Fisheries resources in FMZ 5 have a significant cultural and economic importance to First Nation

communities. Besides being the largest proportion of commercial fishers, employment within the tourist industry is an important source of income for many Aboriginal peoples and more recently, First Nation communities are generating income through sponsorship of competitive fishing events. Besides the recreational component, Aboriginal people can angle or use nets to harvest fish for subsistence or ceremonial purposes under rights guaranteed under Treaties signed with the Crown.

1.11 Transit, Transportation and Transport

Ignace is well connected to destinations in both Canada and the United States via the TransCanada Highway and connecting highways. The community is the terminus of Highway 599, which runs north beyond Pickle Lake, 300 km north of Highway 17. With its location on the TransCanada Highway, Ignace is well suited to businesses requiring facilities for light manufacturing, warehousing, storage and distribution.

The Canadian Pacific Railway (CPR) main line runs east-west through Ignace. The switch yard/reload terminal provides quick and easy access to the rail system. The CPR system provides direct access to all major centres in Canada and the United States.

In terms of airports, Ignace Airport has an unstaffed airport with a 1,080-metre (3,599 ft.) runway. The airport has no scheduled air service. A NOTAM is in effect due to non-operating runway lighting. Ignace Airways operates a float plane base on Agimak Lake at 162 Lakeshore Drive.

Dryden Regional Airport is located 100 kilometres (60 miles) west of Ignace and provides scheduled air service and is an Airport of Entry for international flights. Thunder Bay Airport is located 250 kilometres east of Ignace and is serviced by Porter Air, Air Canada and other international airlines, as well as regional carriers such as Bearskin Airlines and Wasaya Airways, charter aircraft and private operators.

The Port of Thunder Bay, 250 kilometres east of Ignace, is an international seaport. Situated at the head of the Great Lakes/St. Lawrence Seaway system, the Port of Thunder Bay has a natural protected harbor on Lake Superior.

Greyhound offers bus passenger and freight service with one departure daily east and west. Purolator and Courtesy Freight provide daily service on weekdays. Greyhound has courier service via bus. Canada Post offers expedited service. Numerous trucking and transport firms offer trans-continental shipping services via the TransCanada Highway. Ignace also has a taxi service.

1.12 Utilities

The current infrastructure in Ignace was developed during the peak population period of 1975-1985 to support 4,500 residents. Consequently, municipal services are operating under capacity and can support a significant increase in population. Hydro One provides electric power distribution to Ignace. For the supply of natural gas the TransCanada Pipeline passes by close to Ignace, north of the TransCanada Highway. Distribution of natural gas is provided by Union Gas.

The Municipal Landfill Site is located 2 kilometres north of Highway 17 on Highway 599. In the spring and summer, residential waste collection is weekly and commercial is bi-weekly. In the fall and winter, residential waste is every two weeks and commercial is weekly.

A new Water Treatment Plant in Ignace was completed in 2009. Its water source is Michel Lake, a headwater lake, located in the northern part of the Township. The treatment system employs a membrane filtration process that uses coagulation, ultrafiltration and disinfection with sodium hypochlorite. The plant has the capacity to hold up to two million litres of water in its reservoir and it can produce up to 100 litres per second of water to the municipality for residential and firefighting purposes. The quality of the water is excellent.

The Ignace Water Pollution Control Plant is located adjacent to the Agimak River. It is an extended aeration plant that uses aluminum sulphate for phosphorous control and sodium hypochlorite for disinfection to protect the environment.

1.13 Community Well-Being and Quality of Life

The Community Well-Being (CWB) Index was developed by Indian and Northern Affairs Canada (INAC) primarily to help measure the quality of life of Aboriginal communities in Canada. AANDC also determines CWB scores for non-Aboriginal communities across Canada to provide a relative measure on which to track the progress of Aboriginal communities. As such, the CWB Index is available for a number of communities, Aboriginal and non-Aboriginal, including Ignace, across Northwestern Ontario. It combines census data on education, labour force, income and housing into a *well-being score* (from 0 to 100).

Well-being means different things to different people. For some, well-being includes health, wealth and happiness. For many Aboriginal communities, well-being includes culture and language. Some of these indicators are easier to measure than others and because the census contains only a limited number of variables related to well-being, the CWB cannot capture all aspects of well-being. Nevertheless, it is a useful tool to assess community well-being.

The tool uses Statistics Canada's Census of Population data to produce "well-being" scores for

individual communities based on four indicators:

- Education (High School Plus; University);
- Labour Force (Participation, Employment);
- Income (Total per Capita); and,
- Housing (Quantity: defined on the basis of overcrowding, Quality: defined based on the need for major repairs).

2006 CWB scores for the Town of Ignace, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the project are summarized in Table 9.iv. The CWB score for Ignace is 77, which is lower than the Small Communities average in the region.

Table 9.iv: Community Well-Being (CWB) Scores for Relevant Communities

| Community | Income Score | Education Score | Housing Score | Labour Force Score | CWB Score |
|------------------------------|--------------|-----------------|---------------|--------------------|-----------|
| Dryden | 90 | 57 | 95 | 87 | 82 |
| Ignace | 84 | 44 | 95 | 84 | 77 |
| Sioux Lookout | 90 | 57 | 93 | 87 | 82 |
| Machin/Vermilion Bay | 85 | 48 | 94 | 88 | 79 |
| Wabigoon | - | - | - | - | - |
| Kenora | 89 | 56 | 95 | 87 | 82 |
| Thunder Bay | 87 | 58 | 96 | 85 | 82 |
| Winnipeg | 86 | 61 | 94 | 88 | 82 |
| Wabigoon Lake Ojibway Nation | - | - | - | - | 63 |
| Eagle Lake First Nation | - | - | - | - | 60 |
| Lac Seul First Nation | 58 | 30 | 67 | 79 | 59 |
| RST FN Regional Average | 63 | 38 | 79 | 77 | 60 |
| Small Communities Average | 91 | 54 | 95 | 83 | 81 |

Source: AANDC, 2006 Community Well-Being Ontario Database

2.0 Economic Factors

Northwestern Ontario is the largest economic region in terms of land size and has the smallest population in Ontario in 2011, at 224,034, providing unique advantages and challenges for the region. In previous years the forestry sector in Northwestern Ontario has suffered a downturn that resulted in mass layoffs and mill closures. This industry is beginning to show signs of recovery. In particular, interest in bio-mass products, such as wood pellets and rayon fibre, has created a number of opportunities in the region.

The number of employed workers in Northwestern Ontario grew by 2.6 percent from 2011 to

2012, the largest percentage gain year over year of all economic regions in Ontario Employment gains in the region can be partially attributed to capital investments in the primary sector, particularly in forestry and mining.

The Township of Ignace has excellent transportation infrastructure with its proximity to Highway 17 and railroad giving it an economic advantage. The area offers affordable real estate for business development and knowledgeable community development staff able to assist the industrial sector.

There are numerous economic factors of Ignace for businesses to consider:

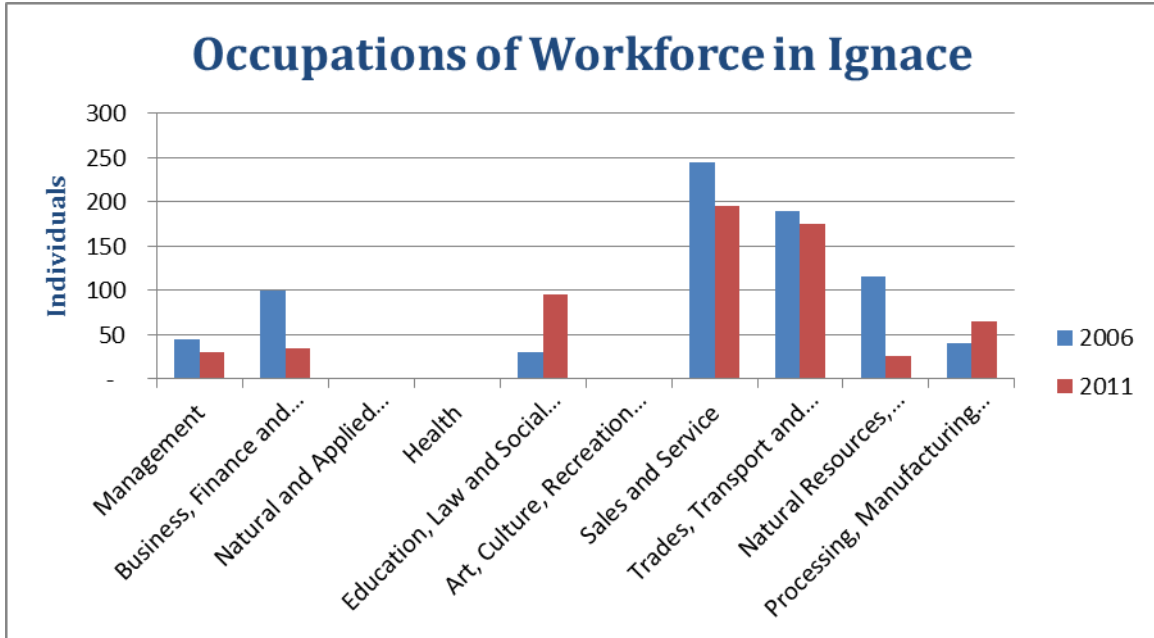
- Low worker health benefits in comparison to the US and other countries;
- Available, affordable commercial/industrial land;
- Available, affordable residential real estate;
- High potential for renewable energy alternatives;
- Excellent transportation options through highway, railway and access to Lake Superior;
- Regional trades labour; and,
- Strong regional education options through Lakehead University and Confederation College.

2.1 Labour Force, Labour Participation and Employment

The total labour force in Ignace is estimated to be 640 individuals with a labour force participation rate of 58 percent. The 2011 Census data indicates an employment rate of 46 percent and an unemployment rate of 20 percent.

The existing labour force characterized by occupation is shown in Figure 8.iv. Data from both the 2006 and 2011 Census reports are included for comparison. More than one-quarter of the current labour force is engaged in sales and service occupations. The second and third most reported occupations are characterized as those being related to the trades, transport and equipment operators and related and education, law and social services.

All occupations saw some decrease between 2006 and 2011 with the exception of occupations in education, law and social services, which increased from 30 to 95, and processing, manufacturing and utilities, which increased from 40 to 65.

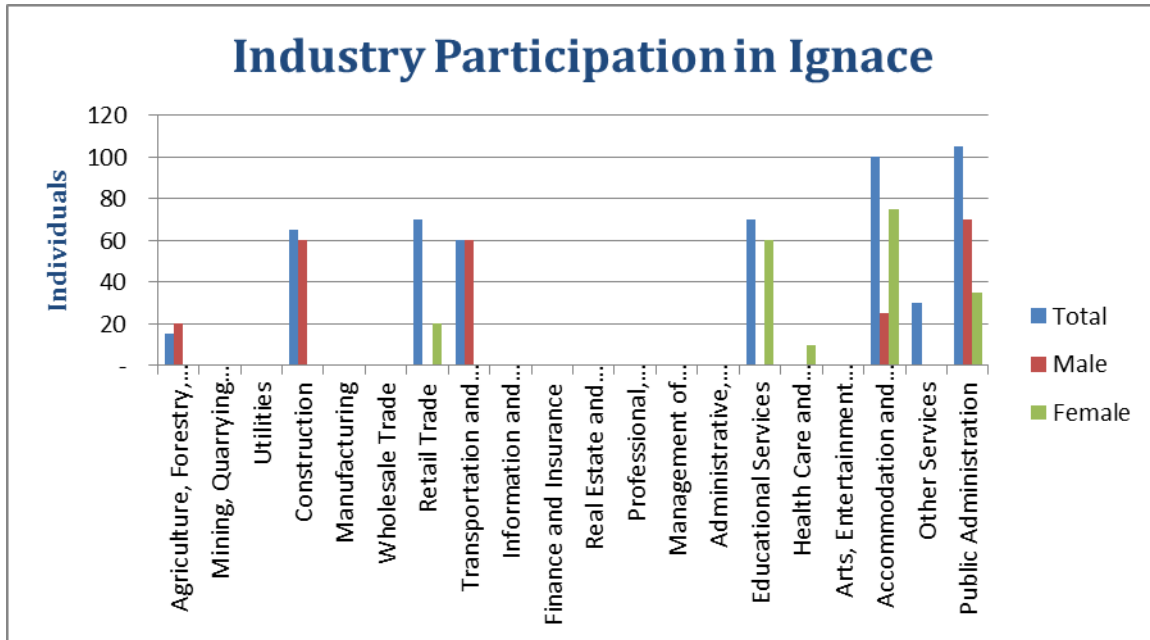


Source: Statistics Canada, 2011 Census Community Profile for Ignace

Figure 8.iv: Occupations of Workforce (2011) in Ignace

Based on industry type, over 30 percent of the labour force is employed in the accommodation and food services and public administration industries. Two other industries comprise more than 10 percent of the labour force, including retail trade and educational services.

Though the population is virtually equally divided based on gender, there are significant differences in the industry participation rates of males and females. As illustrated in Figure 9.iv, the industry fields of agriculture, forestry, fishing and hunting, construction, transportation and warehousing and public administration are male-dominated in the Ignace workforce, while females far outnumber male co-workers in the retail trade, educational services, health care and social assistance and accommodation and food services fields.



Source: Statistics Canada, 2011 Census Community Profile for Ignace

Figure 9.iv: Industry Participation in Ignace (2011) by Gender

2.2 Income Levels

In Ignace, family incomes are 21.5 percent lower than the provincial average.

Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and,
- Median family income = \$72,734.

Median household and family incomes in Ignace are summarized as follow:

- Median household income = \$51,601; and,
- Median family income = \$57,064.

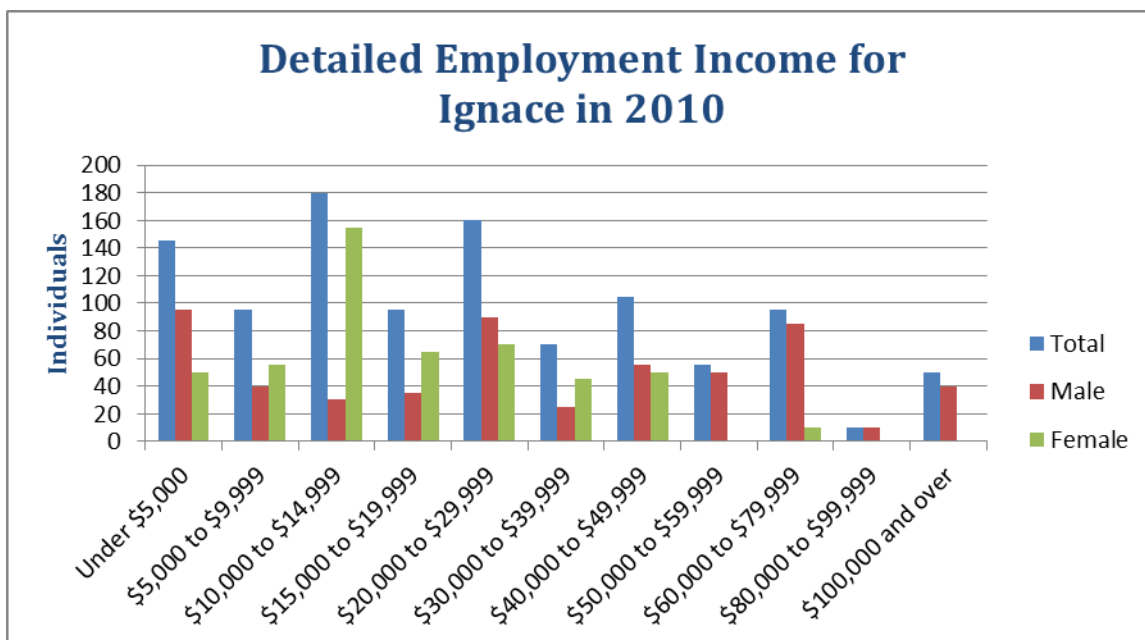
Over the past 20 years, the median age in Ontario rose from 33 in 1989 to 39 in 2009, reflecting the aging of the baby boom generation, low fertility rates and increasing life expectancy. Seniors aged 65 and over now account for 13.7 percent of Ontario’s population or 1.8 million up from 1.1 million people and an 11.9 percent share in 1989. At the same time, falling fertility rates reduced the share of children aged 0 to 14 in Ontario’s population from 20.1 percent in 1989 to 16.9 percent in 2009 (Ministry of Finance, 2010).

Lower median household incomes in Ignace may be attributed to an aging population reaching or entering into retirement. The high number of potential retirees is a result of the baby boomer demographic aging into the eligibility requirements and both the private and public

sectors facilitating the retirement of individuals to meet workforce reduction targets.

The accelerated retirements in the public and private sectors have also increased the number of individuals in lower income levels. Pension or retirement income is considerably lower than working income, which may partially contribute to the lower median incomes in Ignace.

Employment income in Ignace is unevenly distributed when we look at the data based on gender (Figure 10.iv). The lowest income brackets, excluding those earning less than \$5,000 per annum, are disproportionately female (74.3%). While the largest portion of the workforce (31.7%) earns between \$20,000 and \$49,000 per annum, the cross-section of the workforce is almost equally distributed between male and female. This trend changes significantly when examining the gender distribution amongst income earners earning more than \$50,000 per year. In this case, men represent a significant majority (88.1%) of income earners.

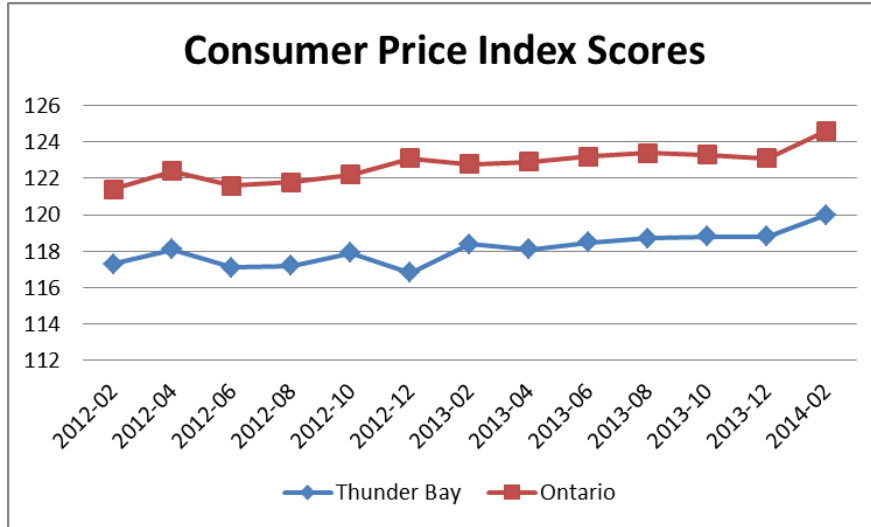


Source: Statistics Canada, 2011 Census Community Profile for Ignace

Figure 10.iv: Detailed Employment Income for Ignace

2.3 Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI), are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 11.iv.



Source: Statistics Canada, Consumer Price Index Historical Tables

Figure 11.iv: CPI Scores for Ontario and Thunder Bay from February, 2012 to February, 2014

A CPI measures changes through time in the price level of consumer goods and services purchased by households. The CPI is defined by the United States Bureau of Labor Statistics as a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. In Canada, Statistics Canada tracks the retail price of a representative shopping basket of about 600 goods and services from an average household's expenditure: food, housing, transportation, furniture, clothing and recreation to determine CPI.

CPI values for the province and region (as represented by Thunder Bay) follow each other on a month-to-month basis; however, on average, the CPI values are lower in Thunder Bay than those for the province as a whole. The primary reason that the CPI is lower in Thunder Bay and area has to do with lower housing costs, which more than offset the slightly higher costs for some consumer related goods and, in particular, food.

2.4 Real Estate

Ignace has 12 residential listings and 4 commercial listings as of March 31, 2014. The municipality also has available and planned building lots. The currently available listings by price are displayed in Figure 12.iv.

| Price Range | Ignace, ON | | |
|------------------------|-------------|------------|-------------|
| | Residential | Commerical | Vacant Land |
| \$0 to \$50,000 | 5 | 1 | 0 |
| \$51,000 to \$75,000 | 2 | 0 | 0 |
| \$76,000 to \$100,000 | 3 | 0 | 0 |
| \$101,000 to \$125,000 | 0 | 0 | 0 |
| \$126,000 to \$150,000 | 2 | 0 | 0 |
| \$151,000 to \$175,000 | 0 | 0 | 0 |
| \$176,000 to \$200,000 | 0 | 1 | 0 |
| \$201,000 to \$225,000 | 0 | 0 | 0 |
| \$226,000 to \$250,000 | 0 | 0 | 0 |
| Over \$250,000 | 0 | 2 | 0 |
| Total | 12 | 4 | 0 |

Source: MLS listings as of March 31, 2014

Table 10.iv: Residential and Commercial real estate listings on the Multiple Listing Service website

There is a lot subdivision that is ready to build with 95 lots. The Industrial lots in the Ignace Business Park have no prior use by industry and are located with easy access to Highway 17, natural gas, hydro and town services. Ignace has lots available as one parcel lots or an assembly of multiple lots ideal for expansion. Twenty lots are designated in a 26-acre area. Lot sizes range from one acre to 2.5 acres. A one-acre, rectangular lot is valued at \$8,100.

2.5 Economic Development

The Township of Ignace and the Ignace Economic Development Committee pursue economic development opportunities on an ongoing basis. Business owners in the retail and service sectors provide employment offering hospitality and consumer goods to residents and to the public traveling the TransCanada Highway. The economy of Ignace is based largely on transportation and tourism, but forestry is recovering and on the rise.

The forestry industry has been a major employer in Ignace since the 1940s. Although there have been significant losses of employment in this sector in the last decade, there is renewed optimism with the announcement of the planned reopening of the Resolute Forest Products Ignace Sawmill, which was idled in 2006. In September 2011, Resolute Forest Products announced an investment of \$32 million in the reopening of the Ignace saw mill, including the construction of a planer mill and installation of dry kilns. Construction was expected to begin in 2013 but no official announcement has been made by the company.

Ignace has a strong presence in the highway transportation industry. Independent long-haul truckers have made their homes here; returning to their families on downtime. Highway 599 leads to Pickle Lake and the winter roads to remote First Nation communities. The Highway is one option that Ignace promotes as the most economical and environmentally friendly route to

access the mineral wealth in the 'Ring of Fire'. The Black Thor Project proposed by Cliffs Natural Resources Inc. is focused on the McFaulds Lake area along with other companies, such as Noront Resources proposing the large-scale mining development, Eagle's Nest Project.

The Canadian Pacific Railway has been in continuous operation since the 1870s, creating Ignace as a division point in 1879. The location of the Township on this transcontinental line provides a valuable asset to other industries in the area as a direct portal for the transportation of products to major centres in North America and to shipping terminals for overseas destinations.

The tourism industry has been growing since the 1940s. Today, there are over 50 tourist operators in the area providing valuable jobs and generating millions of dollars in the local economy. Area facilities range from fly-in outposts to main base lodges and cater to clients from the United States, Europe and Canada. Expansion of winter tourism and eco-tourism provides additional economic growth and provides new markets for our natural environment. One operator based out of Ignace now offers dog sledding adventures.

The mining industry in the Region is experiencing a resurgence of activity. Some projects have extended well beyond exploration, including the Josephine Cone Project proposed by Bending Lake Iron Ore. The project is currently in the Environmental Assessment stage and will encompass an open pit mine that is expected to create 700 construction jobs within two years and 300 permanent mine and processing jobs. The company has proven ore reserves of up to 250 million tonnes; worth about 25 years of production life with the potential to grow as large as 500 million to 700 million tonnes. The company is aiming for commercial production in 2016.

Ignace is proud to be the home of many retired citizens. With inexpensive housing and modern recreation facilities, Ignace is becoming a popular place to retire. Ignace Silver Tops, a local seniors organization, hosts numerous events in their own building. Ignace is also seeing a number of homes and trailers purchased by Americans for use as "Urban Cottages".

Some recent economic development initiatives include:

- New Water Treatment Plant (2009)
- Renovated Recreation Complex (2011)
- New Golf Club House (2011)
- Downtown revitalization with new signage, street signs and heritage park
- Retirement community development

Industrial assets include:

- Digital switching and fibre optics

- Reliable hydro and natural gas
- Workable topography – treed, dry sites
- Municipal water and sewer
- Waste disposal

2.6 Existing Businesses

Ignace offers a strong economic base with a large retail and service sector to serve residents and visitors. Table 11.iv lists the existing businesses in Ignace by the North American Industry Classification System (NAICS). The NAICS is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. Created against the background of the North American Free Trade Agreement, it is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies. NAICS is based on supply-side or production-oriented principles.

An online business directory for Ignace can be found at <http://town.ignace.on.ca/content/local-businesses>.

Table 11.iv: Existing Businesses in Ignace (2012)

| NAICS Code | Description | Total |
|--------------|---|------------|
| 11 | Agriculture, forestry, fishing and hunting | 12 |
| 21 | Mining, quarrying, and oil and gas extraction | 0 |
| 22 | Utilities | 1 |
| 23 | Construction | 7 |
| 31-33 | Manufacturing | 1 |
| 44-45 | Retail trade | 18 |
| 48-49 | Transportation and warehousing | 10 |
| 51 | Information and cultural industries | 1 |
| 52 | Finance and insurance | 7 |
| 53 | Real estate and rental and leasing | 5 |
| 54 | Professional, scientific and technical services | 1 |
| 55 | Management of companies and enterprises | 1 |
| 56 | Administrative and support, waste management and remediation services | 1 |
| 61 | Educational services | 1 |
| 62 | Health care and social assistance | 3 |
| 71 | Arts, entertainment and recreation | 4 |
| 72 | Accommodation and food services | 26 |
| 81 | Other services (except public administration) | 11 |
| 91 | Public administration | 1 |
| Total | | 111 |

Source: Canadian Business Patterns December 2012

2.7 Government Funding

Ignace collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate comprises municipal services and education levy components.

The tax rates for various classes of rate payers are provide on the following page in Table 12.iv.

Table 12.iv: Tax Rates for Rate Payers in Ignace

| Rate Payer Class | 2013 Consolidated Tax Rate (%) |
|---|---------------------------------------|
| Residential | 2.5613 |
| Multi-Residential | 4.085597 |
| Commercial Occupied Class | 4.644649 |
| Commercial Vacant Unit/Excess Land | 3.251254 |
| Industrial Occupied Class | 3.714823 |
| Industrial Vacant Unit/Excess Land | 2.414635 |
| Large Industrial | 3.549003 |
| Managed Forest | 0.629075 |

Source: Ignace municipal office

Ignace has the second lowest residential and multi-residential tax per household at \$1,352 per household. Ignace residential and multi-residential taxes per household represent 65.79 percent of the tax burden. While Ignace has historically generated a high percentage of their taxes through residential rate payers, a higher portion of the tax burden in municipalities like Dryden and Ear Falls is levied against industrial rate payers. As the downturn in the forest sector continues and the slowdown in the mining sector remains a reality, several of these large industrial taxpayers have requested a reassessment from the Municipal Property Assessment Corporation. In some municipalities, like Dryden, the reassessment process resulted in a dramatic reduction in the amount of taxes collected from industrial rate payers.



Treasury Metals

Goliath Gold Project

Section V

Socioeconomic Baseline Report

Municipality of Sioux Lookout, ON



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Sioux Lookout

Sioux Lookout is located halfway between Thunder Bay and Winnipeg and 80 kilometres north of the TransCanada Highway. The town is situated next to Pelican Lake, Abram Lake and Lac Seul. The municipality has a culturally diverse population of over 5,500 residents and is considered the "Hub of the North", providing essential services to 30,000 people in 29 remote First Nation communities.

Sioux Lookout is a renowned, year-round tourist destination. Visitors and residents alike take advantage of a wide variety of outdoor recreational and sporting opportunities including water sports, hiking, cross country skiing, snowmobiling and incredible fishing.

The area has been on a major economic growth curve with \$250 million in capital projects recently completed, including a new state-of-the-art hospital, heritage train station redevelopment, downtown revitalization, MNR fire management centre, airport expansion, and an increase in serviced residential, commercial and industrial land.

1.0 Social Factors

Quality of life in Sioux Lookout is considered good. The excellent health care facility, Meno-Ya-Win, public schools, satellite campus for Lakehead University and Confederation College and a strong tourism sector make Sioux Lookout an attractive place to live and work, especially to those who enjoy the great outdoors.

Sioux Lookout is part of a unique network of 29 remote First Nation communities linked by numerous social and economic ties. The untamed beauty of the lakes and forests in the region is a rugged backdrop to regular traffic between these communities. The First Nation communities north of Sioux Lookout range in size from about 50 to almost 2,000 people and Ojibway and Cree by heritage.

The population of the municipality has gradually grown to almost half First Nation residents, most of whom have relocated to Sioux Lookout from their Northern communities for health, educational or employment reasons. Relationships with First Nation communities have taken off in the last year with Sioux Lookout signing a friendship accord with both Lac Seul First Nation and Slate Falls First Nation. The friendship accord sets to improve communication, partnership development and economic development opportunities.

This section contains a thorough examination of the social attributes of the community and

discusses the opportunities and lifestyle available in Sioux Lookout in greater detail.

1.1 Administration

The Municipal Act is a consolidated statute governing the extent of powers and duties, internal organization and structure of municipalities in Ontario. The new Municipal Act, which took effect on January 1st, 2003, represents the first comprehensive overhaul of Ontario's municipal legislation in 150 years and is the cornerstone of the administration of municipalities in Ontario.

As outlined in the Act, municipalities are governed by municipal councils. The role of municipal councils is to make decisions about municipal financing and services. In Ontario, the head of a local (lower or single tier) municipal council is either called the mayor or reeve. The members of council may be called councillors or aldermen.

The municipal council in Sioux Lookout includes a mayor and six councillors. The mayor and five councillors are elected by all voters in the municipality (at large) and the Hudson (Ward 1) councillor is elected by electors within Ward 1. In accordance with provincial laws, municipal elections are held every four years, with the next Ontario municipal election scheduled for October 27th, 2014.

The Council is responsible for representing the interests of the community, maintaining transparency in the Municipal operations, determining which services to should provide to the residents and overseeing policy development and implementation. Council members can also be appointed to local committees. Members of Council meet at regularly scheduled council and committee meetings, and special meetings as needed.

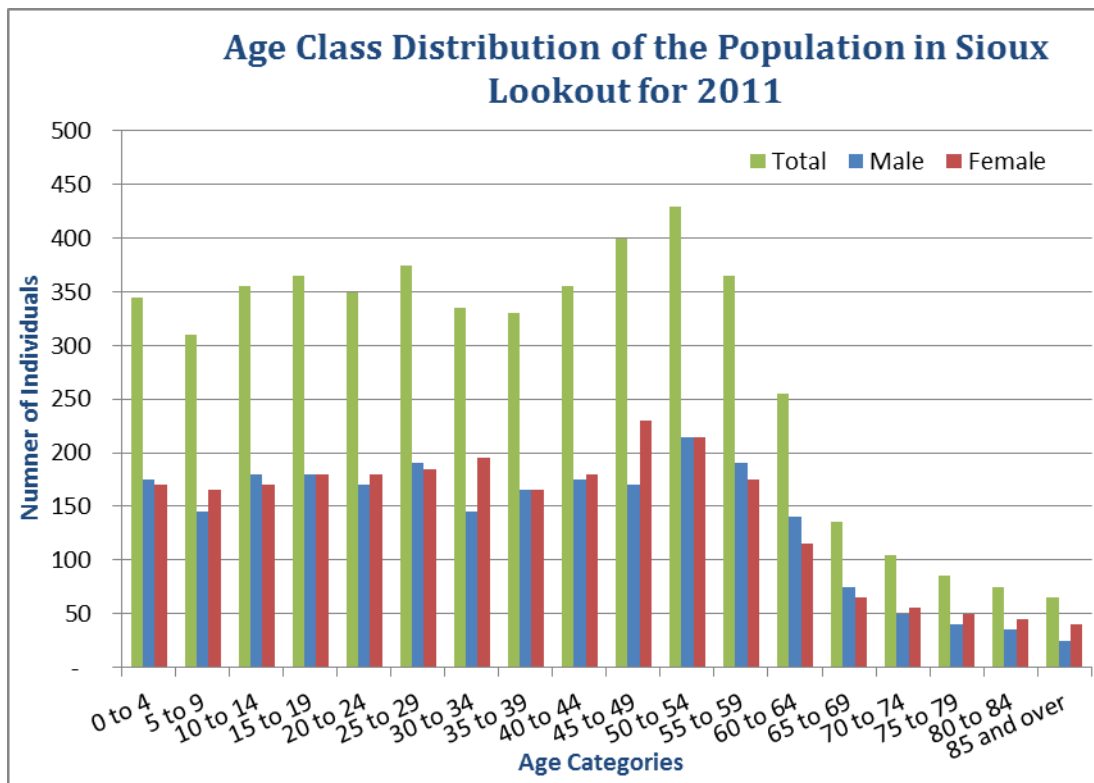
Township services are provided through a number of primary departments and their respective managers, including (but not limited to):

- Administration – Ann Mitchell, Chief Administrative Officer;
- Economic Development – Vicki Blanchard, Economic Development Manager;
- Fire Development – Rob Favot, Fire Chief;
- Finance Department – Henry Wall, Treasurer;
- Infrastructure and Development – Peter Moyer, Director;
- Land Use Planning – Patricia Uren, Planning Administrator; and,
- Parks and Recreation – Gerson Agustin, Manager.

1.2 Population

According to Statistics Canada 2011 census data, the population of Sioux Lookout is 5,053, which is representative of a 3 percent decrease from the 2006 census data. As demonstrated in Figure 1.v, the overall population distribution is fairly evenly distributed across the

demographic. This trend is specific to Sioux Lookout and differs from the surrounding communities with trends of lower population levels in the 22-44 age demographics.



Source: Statistics Canada, 2011 Census Community Profile for Sioux Lookout

Figure 1.v: Age Class Distribution of the Population in Sioux Lookout

As the baby boom population in Canada ages, there is a significant increase of individuals aged 55-64 in surrounding communities as they move into their retirement. Sioux Lookout has also increased its population of 55-64 age demographic by 36.3 percent (Table 1.v). Usually this trend indicates a reduction in lower age demographics, but Sioux Lookout has managed to hold onto a fairly stable younger demographic. Throughout its economic history in the forestry and mining sectors, Sioux Lookout has managed to maintain a high level of individuals in the 25-44 age demographic.

Table 1.v: Population by Age Class from 2006 to 2011 Community Census Profiles

| | Sioux Lookout | | |
|---------------------------------|---------------|-------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 5,185 | 5,035 | -3% |
| Age 0-4 | 350 | 345 | -1.4% |
| Age 5-14 | 745 | 665 | -10.7% |
| Age 15-19 | 390 | 365 | -6.4% |
| Age 20-24 | 340 | 350 | 2.9% |
| Age 25-44 | 1,610 | 1,395 | -13.4% |
| Age 45-54 | 850 | 830 | -2.4% |
| Age 55-64 | 455 | 620 | 36.3% |
| Age 65-74 | 225 | 240 | 6.7% |
| Age 75-84 | 175 | 160 | -8.6% |
| Age 85 and over | 45 | 65 | 44.4% |
| Median age of population | 35.1 | 36.1 | 2.8% |
| Percent aged 15 and over | 78.9% | 79.9% | 1.3% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Even though Sioux Lookout has managed to maintain a higher level of youth in its community, its reliance of a limited number of markets opportunities, mainly forestry and mining, has forced its economy to adjust along with the broader global market for these sectors.

Ontario continues to be affected by the stagnancy of the local economy that resulted from the 2008 global recession. Weak economic growth and slow recovery of the global economy has forced both the private and public sectors to reduce expenditures and increase efficiencies. Several economic sectors in Ontario have also curtailed operations, which have resulted in reduced employment and economic opportunities throughout the province, particularly in Northwestern Ontario.

To attract youth back to the area, communities in Northern Ontario must offer meaningful employment opportunities. As the population ages in Sioux Lookout, there will be numerous positions available in a variety of sectors, including mining, manufacturing, education, public service and health care. Through employment opportunities like the Goliath Gold Project, Sioux Lookout will be able to attract their youth back to the area and rectify the imbalanced population demographic.

1.3 Housing

Housing is an important part of the social and economic infrastructure of a community. The availability of a range of housing options is a sign of a healthy community and is essential for

economic growth and prosperity. The presence of appropriate housing can encourage residents to stay in a community and attract new people to the community. Furthermore, the existence of appropriate housing is often a critical element in attracting and securing investment to a community (Karakas, J., 2009).

Affordable housing is a significant factor in creating attractive, liveable and competitive communities. Among other things, the availability of affordable housing makes it easier to attract people to and retain people in a community (Ontario Ministry of Municipal Affairs and Housing, 2005).

The households, including types and values, in Sioux Lookout are presented in Table 2.v. The comparison of population and dwelling data shows expected similarities. As of the 2011 census, there were 2,080 total private dwellings in Sioux Lookout, which is stable from the 2,080 dwellings reported in 2006. Notably there was a decrease of 1 percent in occupied private dwellings in contrast with a significant increase in both apartments (124%) and rented dwellings (20%). More detail about the housing supply in Sioux Lookout is displayed in Figure 2 below.

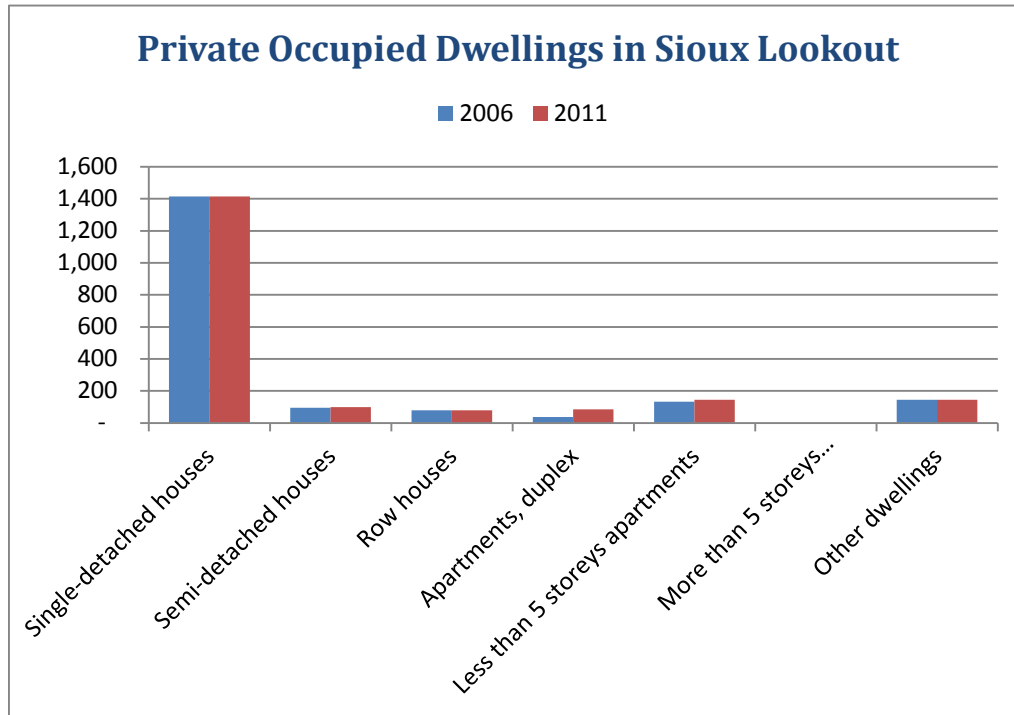
Table 2.v: Housing Supply by Tenure and Value in Sioux Lookout

| | Sioux Lookout | | |
|--|---------------|------------|----------|
| | 2006 | 2011 | % Change |
| Total private dwellings | 2,080 | 2,080 | 0% |
| Occupied private dwellings | 1,923 | 1,909 | -1% |
| Single-detached houses | 1,415 | 1,415 | 0% |
| Semi-detached houses | 96 | 100 | 4% |
| Row houses | 80 | 80 | 0% |
| Apartments, duplex | 38 | 85 | 124% |
| Less than 5 storeys apartments | 134 | 145 | 8% |
| More than 5 storeys apartments | - | - | 0% |
| Other dwellings | 145 | 145 | 0% |
| Number of owned dwellings | 1,375 | 1,250 | -9% |
| Number of rented dwellings | 545 | 655 | 20% |
| Average value of owned dwelling | \$ 184,898 | \$ 189,919 | 3% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Traditionally Sioux Lookout has maintained a relatively high number of owned dwellings compared to the number of apartments and duplexes in the area. This trend has consistently been higher than the provincial average and could partially be attributed to the higher median incomes in Sioux Lookout than the provincial median, allowing more people the ability to buy rather than rent. The recent increase in apartments and duplexes may be attributed to both an increase in local immigration to the town from neighbouring communities along with an

increase in long term occupation of temporary workers.

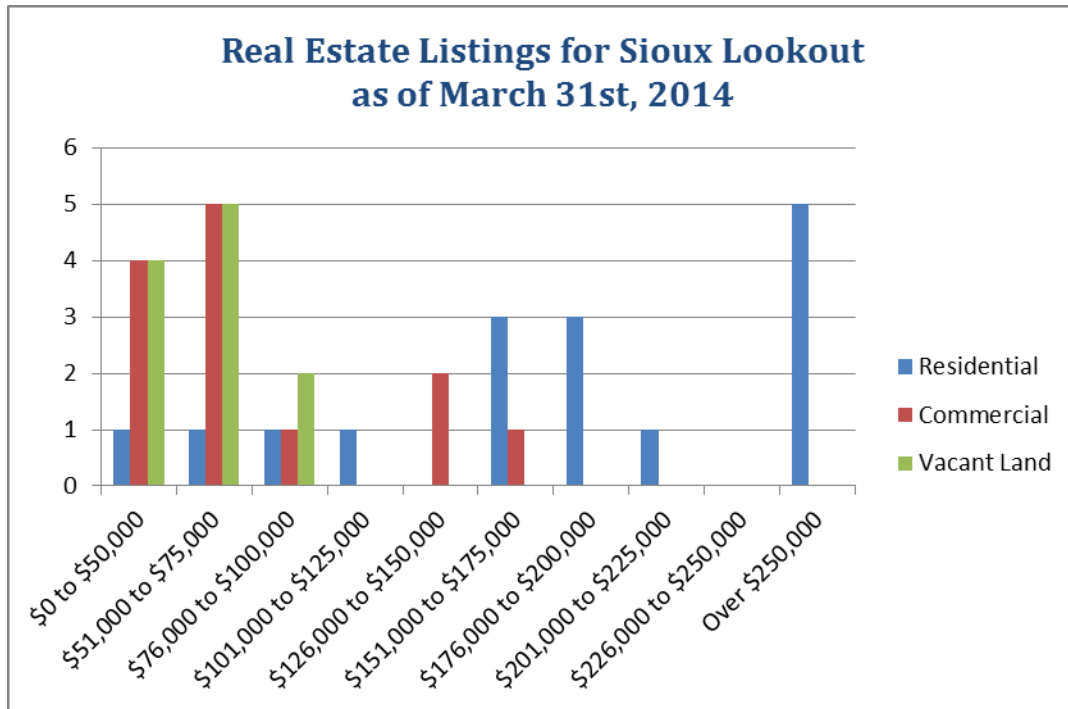


Source: Statistics Canada, 2011 Community Census Profiles

Figure 2.v: Private Occupied Dwellings for Dryden

Average housing costs is a significant factor in representing the overall desirability and strength of the community. Sioux Lookouts current cost of housing is above average compared to the surrounding remote communities and demonstrates its relative desirability and strength in its economy.

Generally, housing vacancy rates of 5 percent for rental units and 2 percent for ownership stock are thought to be sufficient for accommodating reasonable housing choices (Karakas, 2009). Utilizing the current listings on the Multiple Listing Service (MLS) website operated by the Canadian Real Estate Association (CREA), Sioux Lookout has 9 open residential listings, which equates to a vacancy rate of 0.4 percent (Figure 3.v).



Source: MLS website March 31st, 2014

Figure 3.v: Real Estate Listings on the Multiple Listing Service (MLS) managed by the Canadian Real Estate Associate (CREA) as of March 31st, 2014

The vacancy rate in Sioux Lookout for owned dwellings is below the desired level of 2 percent. There are 4 reasonably priced, fully serviced lots available for immediate purchase. Notably, the difference between total private dwellings and occupied private dwellings indicates an overall potential vacancy rate of more than 8.2 percent, suggesting that the limited data available on vacancy does not provide an accurate rate for Sioux Lookout.

There are a number of hotel and motel rooms available in Sioux Lookout to accommodate an influx of temporary workers for various positions such as rail maintenance and seasonal forestry employment. The number of rooms and average prices are included in Table 3.v below.

Table 3.v: Hotel and Motel Room Available in Sioux Lookout

| Location | Available Rooms | Average Price |
|----------------------------------|-----------------|---------------|
| Sioux Lookout | | |
| Best Western Sioux Lookout Inn | 59 | \$93 |
| Forest Inn and Conference Centre | 42 | \$100 |
| Lamplighter Motel | 25 | \$92 |
| Sunset Inn and Suites | 132 | \$123 |
| The Wellington Inn | 10 | \$84 |

Source: Communications with Economic Development Officers and establishments

1.4 Education

Sioux Lookout offers educational programs at the primary and secondary public school levels. Schools located in the Sioux Lookout area include Queen Elizabeth District High School, Sacred Heart Elementary School, Sioux Mountain Public School and Cornerstone Christian Academy. Table 4.v, below, lists these schools and their current respective enrollment and capacity rates.

Table 4.v: Schools, Enrollment and Capacity Information for Sioux Lookout

| Municipality | District School Board | School | Type | Enrollment | Capacity |
|---------------|--|--------------------------------------|------------|------------|----------|
| Sioux Lookout | Keewatin-Patricia District School Board | Sioux Lookout Mountain Public School | Elementary | 300 | 518 |
| | Keewatin-Patricia District School Board | Queen Elizabeth District High School | Secondary | 481 | 513 |
| | Northwest Catholic District School Board | Sacred Heart School | Elementary | 396 | 428 |
| | Other | Cornerstone Christian Academy | All Grades | 9 | 25 |

Source: Communications with school board officials

For post-secondary learning, Sioux Lookout has satellite campuses for two post-secondary institutes: Lakehead University; and, Confederation College. These institutions also offer additional courses via long distance education programs.

Lakehead University and Confederation College main campuses are located in Thunder Bay, a 375 kilometre (4 hour) drive from Sioux Lookout. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;
- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;
- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus,

7,042 of which are full time. The University employs 319 full time faculty and 1,850 staff, including 715 full time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has a satellite campus in Sioux Lookout. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

Residents can also obtain a post-secondary education by taking advantage of Contact North for a variety of business, trades and other programs through distance learning and online education.

The educational statistics of Sioux Lookout demonstrate that residents are well-trained and highly educated (Table 5.v). Sioux Lookout can offer a significant number of skilled and knowledgeable workers; an asset to any industry seeking to establish operations in or near the community. The skills and trades of the workforce in Sioux Lookout can easily accommodate different natural resource development sectors, such as mining, forestry and green energy industries.

Approximately 82 percent of the population in Sioux Lookout aged 25 to 64 years has attained education or training at or beyond the high school level. This includes 23 percent with high school certificates or equivalent, 8 percent who have received an apprenticeship or trade certificate or diploma, 31 percent who have received a college equivalent certificate or diploma and 20 percent who have received a university diploma or degree.

Table 5.v: Education Attainment for Individuals by Age for Sioux Lookout

| Sioux Lookout | 15 and over | | 25-64 yrs | |
|--|-------------|-----|-----------|-----|
| | Total | % | Total | % |
| Total population | 3,955 | | 2,805 | |
| No certificate, diploma or degree | 880 | 22% | 500 | 18% |
| High school certificate or equivalent | 1,015 | 26% | 635 | 23% |
| Apprenticeship or trades certificate or | 280 | 7% | 235 | 8% |
| College, CEGEP or other non-university | 1,125 | 28% | 880 | 31% |
| University certificate or diploma below the | 125 | 3% | 105 | 4% |
| University certificate, diploma or degree | 530 | 13% | 450 | 16% |

Source: Statistics Canada, 2011 Census Community Profile

1.5 Health Services and Programs

The Meno-Ya-Win Health Center provides Sioux Lookout and several northern First Nation communities with advanced health care. The health centre, including a hospital, long term care facility, community services, patient hostel and other related services, is characterized by its unique blending of mainstream and traditional Aboriginal healing. It has been designated Ontario's Center of Excellence for First Nation Health Care. Meno-Ya-Win offers a number of programs and services, including:

- Assault Care and Treatment Program;
- Community Counselling and Addiction Services;
- Healthy Choices for Healthy Babies;
- Traditional Healing;
- Telemedicine;
- Diagnostic Imaging services including X-ray, Ultrasound, CT Scanning and Mammography;
- Medical Withdrawal Support Services; and,
- Extended Care.

The hospital also works closely with the Northern Ontario School of Medicine.

1.6 Emergency Services

Emergency Services in Sioux lookout are provided by two fire stations, Ontario Provincial Police (OPP) Kenora District, Nishnawbe-Aski Police Services and Northwest EMS, which are all accessible on the 911 network.

- Lookout Fire Station;
- Hudson Fire Station;
- Northwest EMS;
- Ontario Provincial Police, Kenora District; and,
- Nishnawbe-Aski Police Services.

The two fire stations have a combined volunteer force of 44 fire fighters. In addition to the Fire Chief there is currently one District Fire Chief, one Deputy Fire Chief, six Captains and 35 fire fighters. One Administrative Clerk is located at the Sioux Lookout Fire Station. The Fire Department is responsible for 24 hours-a-day coverage of an area of 536 square kilometres, which encompasses Alcona to the east, just beyond Ojibway Provincial Park to the south, Hudson to the west and ten kilometres to the north.

Northwest EMS is responsible for providing emergency pre hospital care in the District of Kenora. They currently have 9 stations and 96 Primary Care Paramedics.

1.7 Crime and Justice

From 2010 to 2012, major crimes in Sioux lookout increased significantly by 10 percent. In contrast to the increase in major crimes, drug-related offenses have reduced by 30.77 percent since their height in 2011. This was due to the oxycodone epidemic, which is no longer available in the same format in 2012. The largest contributors to major crimes in the community are attributed to sexual offences and domestic assaults, which constitute 43 percent of total crimes.

Motor vehicle collisions are a great risk to most communities in Northern Ontario. In contrast to several communities in the area, Sioux lookout has had no significant change in collision statistics as well there has been no fatal collisions since 2010 in the detachment area.

1.8 Poverty and Social Issues

As mentioned in earlier sections, housing is fundamental to quality of life. In addition to sufficient food and clothing, people expect to have a decent dwelling that is in good condition and large enough to accommodate the household members. But, some households face problems affording good housing and find themselves forced to choose between appropriate shelter and other life necessities. The term acceptable housing refers to housing that is

adequate in condition, suitable in size and affordable.

- *Adequate housing* does not require any major repairs, according to residents;
- *Suitable housing* has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standards (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for each cohabitating adult couple; unattached household member 18 years of age and over; same-sex pair of children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a room. A household of one individual can occupy a bachelor unit (i.e., a unit with no bedroom); and,
- *Affordable housing* costs less than 30 percent of before-tax household income. For renters, shelter costs include rent and payments for electricity, fuel, water and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes and any condominium fees, along with payments for electricity, fuel, water and other municipal services. A household paying more than 30 percent of their before-tax income on housing is considered to have housing affordability problems.

The following analysis reviews the income and housing needs of local residents in Sioux Lookout. The most recent housing cost data available was analyzed to determine affordable housing trends in the area. The percent change in median income, rental payments and mortgage payments for Sioux Lookout were reviewed over a 5-year period from the 2006 to 2011 censuses. The results of the comparison are displayed in Table 6.v below.

Table 6.v: Income and Housing Cost Information for Sioux Lookout

| | Sioux Lookout | | |
|--|---------------|-----------|----------------|
| | 2006 | 2011 | Percent Change |
| Median household total income (\$) | \$ 71,289 | \$ 67,034 | -6% |
| Median monthly payments for rented dwellings | \$ 740 | \$ 827 | 12% |
| Median monthly payments for owner-occupied dwellings | \$ 987 | \$ 1,070 | 8% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

The analysis highlights several trends in the availability of affordable housing. Between 2006 and 2011, median household incomes decreased by 6 percent in Sioux Lookout. This decrease over a five-year period would be heightened when considering the average inflation rates in Canada during that period. This trend can directly be attributed to the economic downturn of the last decade with rates slightly recovering over the last 3 years.

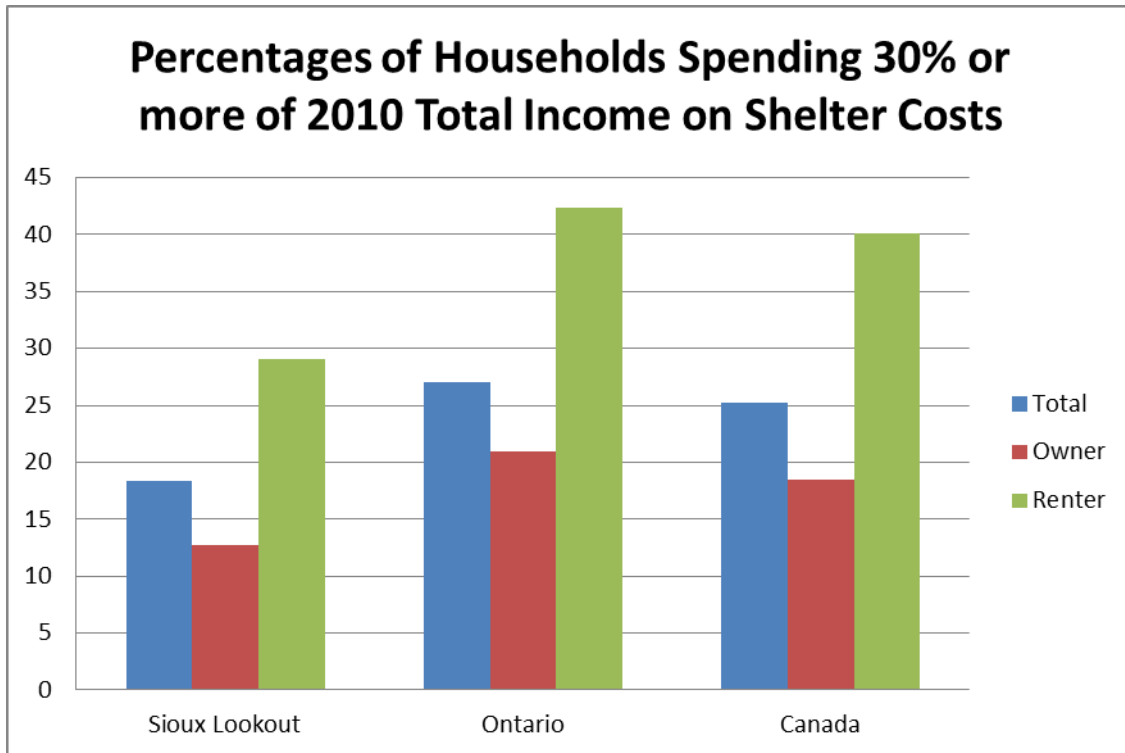
Lowering incomes in Sioux Lookout are also reflected in the number of residents spending over 30 percent of their income on housing. As noted above, housing is not considered affordable if residents are spending more than 30 percent of their before-tax household income on shelter costs. Table 7.v lists the percentages of households in Sioux Lookout, Ontario and Canada spending 30 percent or more of their before-tax income on shelter costs.

Table 7.v: Percentages of Households Spending 30% or more on Shelter Costs (2011)

| | Sioux Lookout | Ontario | Canada |
|---------------|----------------------|----------------|---------------|
| Total | 18.4 | 27 | 25.2 |
| Owner | 12.7 | 20.9 | 18.5 |
| Renter | 29 | 42.3 | 40.1 |

Source: Statistics Canada, 2011 National Household Survey

Less homeowners in Sioux Lookout (18.6%) indicate their housing is unaffordable than homeowners in Ontario (27%) and Canada (25.2%) in general. The same is true of renters. In Sioux Lookout, 29 percent of renters are spending more than 30 percent of their before-tax income on shelter costs, whereas 42.3 percent of Ontario renters and 40.1 percent of Canadian renters report the same (Figure 4.v).



Source: Statistics Canada, 2011 National Household Survey

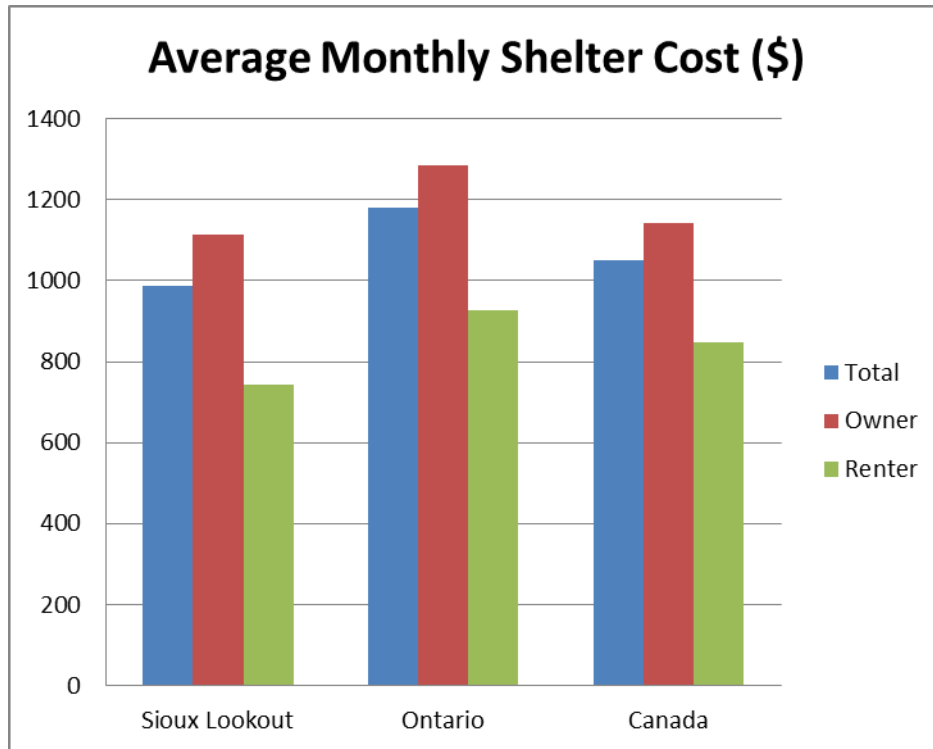
Figure 4.v: Percentages of Households Spending 30 percent or More on Shelter Costs (2011)

The cost of housing in Sioux Lookout is lower than the provincial and national averages, as indicated in Table 8.v and Figure 5.v. In Sioux Lookout, the average home owner pays 13 percent less per month on shelter than the average Ontario home owner and 2 percent less than the average Canadian. Rental rates are also cheaper with Sioux Lookout residents paying 20 percent less than Ontario renters and 12 percent less than Canadian residents (Figure 5). Though the average income in Sioux Lookout has decreased slightly and shelter costs have increased since 2006, affordable housing rates have remained below provincial and national averages, making it an attractive community to live in.

Table 8.v: Average Monthly Shelter Costs for Sioux Lookout, Ontario and Canada (2011)

| | Sioux Lookout | Ontario | Canada |
|---------------|---------------|---------|--------|
| Total | 988 | 1,181 | 1,050 |
| Owner | 1115 | 1,284 | 1,141 |
| Renter | 744 | 926 | 848 |

Source: Statistics Canada, 2011 National Household Survey



Source: Statistics Canada, 2011 National Household Survey

Figure 5.v: Average Monthly Shelter Costs for Sioux Lookout, Ontario and Canada (2011)

Sioux Lookout has a number of service providers in the community to assist individuals and families with low or no income. The Sioux Lookout Food Bank is operated by Out of the Cold, Sioux Lookout’s emergency shelter. As the name indicates, the organization also provides temporary housing in addition to non-perishable food items. The shelter was established in 2009 and is administrated by the Community Counselling and Addiction Services branch of Meno-Ya-Win Health Centre.

First Step Women’s Shelter provides temporary shelter and financial assistance to victims of abuse who need assistance transitioning out of their homes or away from abuse relationships. The shelter has 16 beds and the average length of stay is approximately six weeks, though longer stays may be possible in special circumstances.

1.9 Community Services, Programs and Facilities

Sioux Lookout sits at the confluence of several lakes and is surrounded by many more. As such, recreational opportunities abound both indoors and outdoors, resulting in a robust tourist industry.

There are a wide variety of service clubs and organizations in Sioux Lookout that include the Kinsmen, Lions, Rotary, Pelican Rebekah Lodge, Beta Sigma Phi, Sparks, Girl Guides, Brownies,

Pathfinders, Beavers, Cubs and Scouts.

There are entertainment groups, sports clubs, a block parents association, two senior citizens centers, singing groups, square dancing club, parent-teacher associations, bridge clubs, genealogical society, historical society, hospital auxiliary, horticultural society, literacy council, tourism association, TOPS and more.

Also available in the municipality is Crime Stoppers and the Sioux Lookout-Hudson Community Policing Committee with offices in Sioux Lookout and Hudson. This program develops local solutions to local problems.

1.10 Fisheries

In 2005, *A New Ecological Framework for Recreational Fisheries Management in Ontario* was approved to ensure fisheries resource sustainability and to optimize angling opportunities. Consistent with the direction provided in the framework, Fisheries Management Zone 4 (FMZ 4) and FMZ 5 were two of twenty zones created as a new spatial unit for fisheries management planning across the Province. The new boundaries are based on ecological factors and angler use patterns, such as: climate (growing degree days); watersheds; fishing pressure; and, accessibility (i.e. road networks). Both FMZ 4 and 5 are relevant, as the boundary between the two zones is in proximity to the Goliath Gold Project area.

10.1.1 Fisheries Management Zone 4

FMZ 4 extends over a large geographic range, covering an area of approximately 60,440 square kilometres, including land and water. The Manitoba border and the eastern boundary of Woodland Caribou Provincial Park mark the western extent of the FMZ, with the western boundaries of the Brightsand River Provincial Park and Wabikimi Provincial Park defining it to the east, over 350 kilometres away. The Berens River and Cat River systems provide the north boundary, while Highway 17 and the Canadian National Railway line define the south boundary (Figure 6.v).

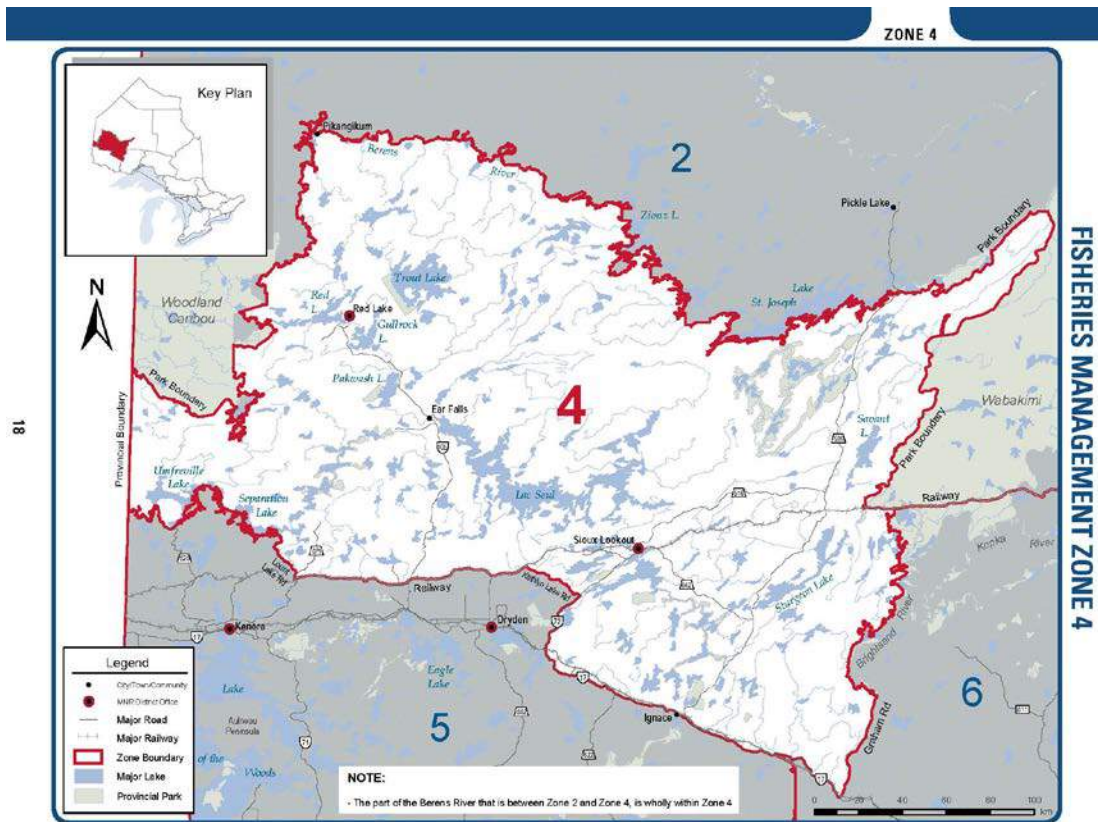


Figure 6.v: Fisheries Management Zone 4 boundaries

The fisheries in FMZ 4 are utilized by Aboriginal communities for subsistence and ceremonial harvest; by resident and non-resident sport fish anglers; by resource-based tourist outfitters; by the commercial baitfish industry; and, to a lesser degree, by the commercial food fishing industry.

The waterbodies and fisheries of FMZ 4 have significant importance to Aboriginal communities within and around the Zone. The abundance of waterbodies and diversity of fish species found within FMZ 4 provide First Nation communities with resources for subsistence living, an important component of traditional land use, in addition to social and spiritual significance that are unique to each community. Many Band Members also benefit financially from these resources through their involvement in the tourist and commercial food fishing industries.

There are nine First Nation communities within Fisheries Management Zone 4. These communities include Whitedog First Nation Wabaseemoong Independent Nation (Whitedog), Ochiichangwe ‘Babigo’ining (Dalles), Asubpeeschoseewagong Netum Anishinabek (Grassy Narrows), Wabauskang First Nation, Pikangikum First Nation, Lac Seul First Nation, Saugeen First Nation and Mishkeegugamang First Nation. Other First Nation communities outside of FMZ 4 may have traditional use areas within the Zone; however, these areas are not well defined.

FMZ 4 includes portions of three treaty areas including Treaty 3, Treaty 5 and Treaty 9.

Due to the overall high quality of fisheries, good access and abundance of fishing opportunities in FMZ 4, many waterbodies within the Zone are popular destinations for Ontario resident, Canadian resident (those residing outside of Ontario) and non-Canadian resident anglers. Angling by these residency groups remains primarily a consumptive use of the fisheries resources. According to the 2005 national recreational fishing survey, the majority of the fishing effort (84 percent) in FMZ 4 resulted from angling by non-Canadian residents. Ontario residents contributed 14 percent of the total angling effort, followed by Canadian resident anglers who only contributed 2 percent. Of the Canadian residents fishing in the Zone, 84 percent originate from Manitoba.

Ice fishing accounts for approximately 8 percent of the total angling effort in FMZ 4. Ontario resident anglers contribute 75 percent of the ice fishing effort, with non-Canadian residents exerting 21 percent of the effort. Canadian residents only account for 4 percent of the total ice fishing effort, indicating their angling activity occurs primarily in the open water season.

The 2005 survey indicates the fishing industry contributes over \$133 million to the FMZ 4 economy. Non-Canadian residents account for 84 percent of these expenditures, confirming the importance of these anglers to the tourism industry and local communities. The majority of non-Canadian residents fishing in FMZ 4 utilized the services of the resource based tourist outfitters. The resource-based tourism industry is well developed within FMZ 4 with approximately 104 main base lodges and 211 outpost camps. These facilities include drive-to facilities and remote fly-in or boat-in facilities.

There are 306 commercial baitfish harvest blocks in FMZ 4, all of which are currently allocated. Utilization is divided between regular harvesters, tourist harvesters, regular dealers and tourist dealers. Baitfish harvesting is a valuable business within FMZ 4 but there is currently no estimate of its economic contribution to FMZ 4.

Commercial food fishing in FMZ 4 exists primarily for lake whitefish (88 percent of harvest) and, to a lesser extent, for northern pike, walleye and yellow perch on a small number of lakes within the Zone. There is a declining trend in active commercial fisheries within Northwestern Ontario. At present there are a total of twenty seven commercial licenses in FMZ 4, nineteen of which are active and eight of which are inactive.

The vast majority of commercial fishing licenses in FMZ 4 are held by First Nation communities. Presently, FMZ 4 Districts report that 19 of the licenses are active. Of the active licenses, 7 are issued for Specially Designated Waters (SDWs) and the remaining 12 are on non-SDW lakes. SDWs account for the vast majority of the available quota with lake whitefish as the most

important commercially fished species (88 percent) followed by lesser amounts of northern pike, walleye and perch.

Previously, the direction for the management of commercial fisheries in FMZ 4 (including allowable gear, species and quota targets) was documented in individual District Fisheries Management Plans 1987-2000 (DFMPs). Recognizing that the FMZ 4 Fisheries Management Plan will replace these plans, and a new strategic policy for Ontario’s Commercial Fisheries was completed in 2011, it is essential the FMZ 4 Fisheries Management Plan contains commercial fisheries management objectives that are reflective of the present industry and are consistent with new Provincial Commercial Fisheries Policy. Commercial fisheries management objectives can be found in the FMZ Fisheries Management Plan, which can be obtained from MNR.

1.10.2 Fisheries Management Zone 5

FMZ 5 extends over a large and varied geographic range covering an area of approximately 44,360 square kilometres, including land and water. Located in the southern portion of the Northwest MNR Region, FMZ 5 spans three MNR administrative Districts, including the entire Fort Frances District and southern portions of the Kenora and Dryden Districts (Figure 7.v).

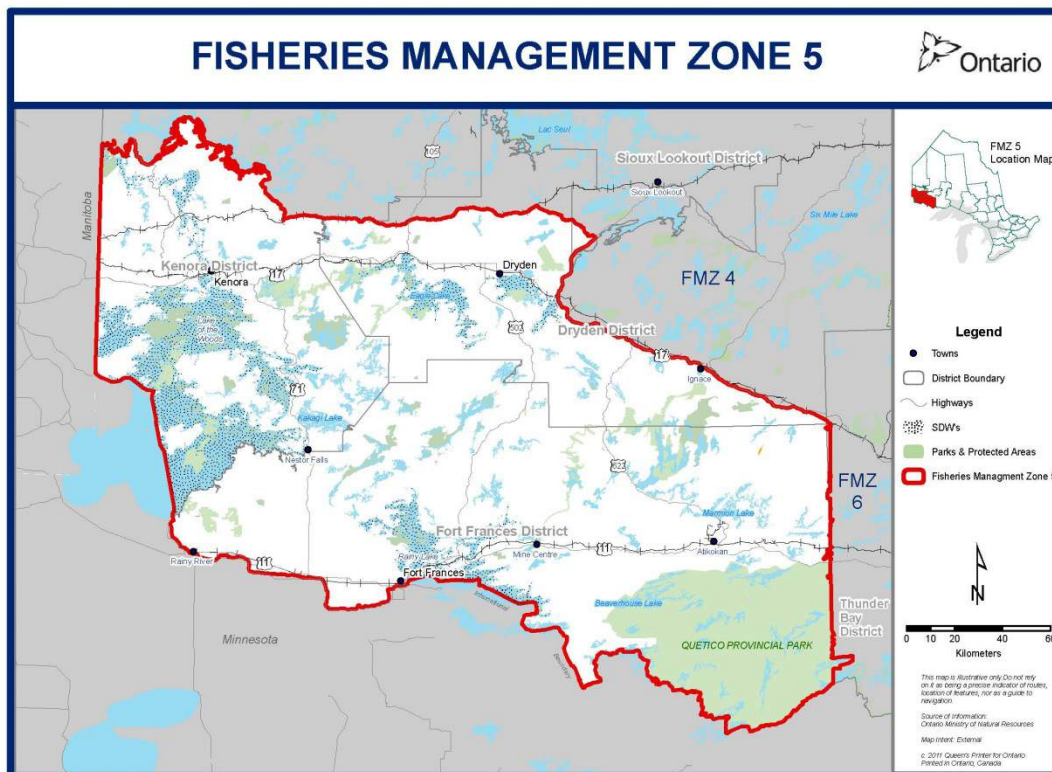


Figure 7.v: Fisheries Management Zone 5 boundaries

Like much of the rest of Canada, the current pattern of landform features, surface geology and

distribution of lakes and rivers across FMZ 5 were defined by the actions of glaciers that also influenced the fish communities that are present today. FMZ 5 is dominated by bedrock landforms that make up over 70 percent of the land area. This high proportion of bedrock dominated landscape tends to result in lakes that are clear and less productive compared to other parts of Northwest Ontario.

FMZ 5 has the highest density of people in the Northwest Region outside of Thunder Bay. Major communities (more than 2,000 residents) within FMZ 5 include Fort Frances, Kenora, Dryden and Atikokan. There are 23 First Nations located totally or partially within FMZ 5. In addition to Ontario residents, FMZ 5 is adjacent to a large population of anglers from neighbouring jurisdictions, including the Upper Midwest states in the United States and Manitoba.

Road-based access to the fisheries of FMZ 5 is well-distributed throughout the Zone with the exception of Quetico Provincial Park. Scattered within road accessed areas are areas primarily accessed by air that are utilized by a well-developed fly-in tourism industry. Major highways that provide primary access include highways 11, 17, 502, 71 and 622 among others with almost 13,000 kilometres of gravel roads extending off from these main corridors.

Over 2,400 lakes (46 percent of lakes larger than 10 hectares) in FMZ 5 are currently within 500 metres of a road; a distance that is considered accessible by anglers or other resource users. Access management within an FMZ is a fine balance between providing angling opportunities and appropriately distributing fishing effort within the overall goal of preventing overexploitation and maintaining sustainability of fisheries resources.

The largest use of fisheries resources in FMZ 5 is by recreational angling. A total of 251,520 anglers were estimated to have fished in FMZ 5 in 2005, providing 9,219,920 hours of fishing effort which represents 46 percent of the total effort in the Northwest Region. Non-SDW waters accounted for approximately 45 percent of the effort in FMZ 5 with the SDW waterbodies accounting for the remaining 55 percent.

The majority (approximately 72 percent) of angling effort is from non-residents of Canada with Ontario residents accounting for about 20 percent of the effort and Canadian residents making up the remaining 8 percent. The total economic value of the FMZ 5 angling fisheries was estimated to be approximately \$200 million in 2005. Much of this is due to the tourist industry, which is very well-developed in FMZ 5. There are approximately 328 main base lodges and 156 out post camps, including those on SDW waters.

There is an active commercial food fishing industry in FMZ 5 with 21 commercial licenses or

allocations on non-SDW waters with an additional 25 licenses on SDW waters. The majority of commercial fishing is by First Nation individuals or communities or individuals claiming Métis status. The most important commercial species is whitefish accounting for 88 percent of total allocated quota of 84,000 kilograms (185,700 pounds) from non-SDW waters with smaller allocations available for northern pike, walleye and black crappie. Quotas also exist for lake sturgeon although no harvest currently occurs due to self-imposed moratoriums by the First Nation communities holding the licenses.

An active commercial bait harvest industry also exists in FMZ 5. There are 311 baitfish blocks within FMZ 5; although because one harvester can fish multiple blocks, the number of harvesters is much less. The estimated retail value of baitfish and leeches harvested from FMZ 5 was \$5.4 million for 2009.

Fisheries resources in FMZ 5 have a significant cultural and economic importance to First Nation communities. Besides being the largest proportion of commercial fishers, employment within the tourist industry is an important source of income for many Aboriginal peoples and more recently, First Nation communities are generating income through sponsorship of competitive fishing events. Besides the recreational component, Aboriginal people can angle or use nets to harvest fish for subsistence or ceremonial purposes under rights guaranteed under Treaties signed with the Crown.

1.11 Transit, Transportation and Transport

Major arterial highways serving the region:

- Highway 72 runs southwest to northeast and links Sioux Lookout south to Highway 17 at Dinorwic, and links Sioux Lookout north to Highway 599, via Highway 516;
- Highway 642 runs southeast and connects Sioux Lookout to Highway 599 at Silver Dollar; and,
- Highway 17, 69 kilometres from Sioux Lookout, runs west to east and connects Dryden and Thunder Bay.

VIA Rail Passenger Service is available in Sioux Lookout. VIA Rail has a designated stop in Sioux Lookout six days per week. Stop-overs are generally 20 to 30 minutes in length. Canadian National Railway (CNR) is a leader in the North American rail industry. Following its acquisition of Illinois Central in 1999, WC in 2001 and GLT in 2004, as well as its partnership agreement with BC Rail in 2004, CNR provides shippers with more options and greater reach in the rapidly expanding market for north-south trade.

The Sioux Lookout Airport is licensed as a public aerodrome and caters to the ever increasing

demand of scheduled flights by Bearskin Airlines, Wasaya Airways and charter flights by Lockhart Air, Skycare Air Ambulance, Bamaji Air, Superior Airways and Thunder Air. The airport also serves as a base for the Ornge, Nishnawbe-Aski Police Service (NAPS), private aircraft owners and several charters both from the United States and within Canada. The Sioux Lookout Airport is easily accessible with connecting flights to carriers such as Air Canada, WestJet, United Airlines, and Northwest Airlines, to name a few.

The Sioux Lookout Municipal Airport serves as the hub for many northern First Nation communities and provides service to approximately 135,000 passengers travelling through the airport every year. The Sioux Lookout Airport accommodates a 24-hour NavCanada Flight Services Station and Canada Customs. The 10-year capital plan for 2009-2019 includes \$20 million in upgrades and new construction.

Bearskin Airlines, Wasaya Airways and other commercial air carriers offer passenger and freight service from the Sioux Lookout airport with 200 scheduled flights per week. Daily scheduled flights are provided throughout the north, Thunder Bay, Winnipeg, Kenora and more recently Sudbury and Ottawa.

The Ministry of Health Air Ambulance provides emergency services to Thunder Bay and Winnipeg from Sioux Lookout and northern First Nation communities. The Sioux Lookout Airport is open to traffic 24-hours a day, 365 days a year and is known for its excellence in service and operational efficiency.

Thunder Bay Airport is located 375 kilometres southeast of Sioux Lookout and is serviced by Porter Air, Air Canada and other international airlines as well as regional carriers such as Bearskin Airlines and Wasaya Airways, charter aircraft and private operators.

1.12 Utilities

Urban Sioux Lookout has an excellent system of Water and Sewage Treatment Plants, distribution systems and collection systems for sewer, potable water and storm sewers. The urban Sioux Lookout Sewage Treatment Plant was built in 1994 and is capable of handling 500,000 gallons of raw sewage each day. Sewage disposal in Hudson is by means of on-site sewage disposal systems (septic fields) that are privately owned and maintained by the landholder. The municipality pumps in and out its waters from Pelican Lake.

The Water Treatment Plant, which was put into operation in 1999, has Zenon ultra-filtration membranes with chemical treatment to remove organic colour. The new system produces 5,200 cubic metres (or 1.1 million gallons) of treated water per day and is able to provide enough water for the future. Currently, the municipality produces, on average, 500,000 to 600,000 gallons of treated water a day, depending on the season. The water is pumped from

Pelican Lake where the colour is removed, along with the Cryptosporidium, through ultra-filtration. Then, chlorine and fluorine are added to the water.

The new plant is a computerized modern water treatment plant that supplies urban Sioux Lookout with the cleanest drinking water possible. The Water Treatment Plant is stationed in the prominent Drew P. Jeffries Park on Wellington Street and the steam engine that was in the park now stands proudly in front of the water treatment plant.

Hudson is serviced by a communal water system that is administered by the Municipality of Sioux Lookout. Its water treatment plant uses conventional filtration technology, having a rated capacity of 726 cubic metres per day and includes the following:

- Raw water (low lift) pumping station and raw water transmission line to the water treatment facility;
- Primary coagulant, pH adjustment, gas chlorine, polymer and sodium metabisulfite chemical feed systems;
- Two UV disinfecting systems, each rated to provide a minimum dosage of 40 mJ/cm² at 8.4 L/s;
- Storage reservoir/clear wells having a total storage capacity of 564 m³; and,
- Two high lift pumps (variable frequency drive), each with a capacity of 47.3 L/s at 517 kPa, and backwash pumps (fixed drive), each with a capacity of 30 L/s at 193 kPa.

There is no elevated storage on hand but the system is designed for fire flows. The rural area is serviced by on-site water supply (wells) and sewage disposal systems (septic fields).

1.13 Community Well-Being and Quality of Life

The Community Well-Being (CWB) Index was developed by Indian and Northern Affairs Canada (INAC), now referred to as Aboriginal Affairs and Northern Development Canada (AANDC) primarily to help measure the quality of life of Aboriginal communities in Canada. AANDC also determines CWB scores for non-Aboriginal communities across Canada to provide a relative measure on which to track the progress of Aboriginal communities. As such, the CWB Index is available for a number of communities, Aboriginal and non-Aboriginal, including Sioux Lookout, across Northwestern Ontario.

The CWB Index is a method of assessing socioeconomic well-being in Aboriginal communities and facilitate comparisons to other Canadian communities. It combines census data on education, labour force, income and housing into a *well-being score* (from 0 to 100).

Well-being means different things to different people. For some, well-being includes health,

wealth and happiness. For many Aboriginal communities, well-being includes culture and language. Some of these indicators are easier to measure than others and because the census contains only a limited number of variables related to well-being, the CWB cannot capture all aspects of well-being. Nevertheless, it is a useful tool to assess community well-being.

The tool uses Statistics Canada's Census of Population data to produce "well-being" scores for individual communities based on four indicators:

- Education (High School Plus; University);
- Labour Force (Participation, Employment);
- Income (Total per Capita); and,
- Housing (Quantity: defined on the basis of overcrowding, Quality: defined based on the need for major repairs).

2006 CWB scores for the town of Sioux Lookout, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Goliath Gold Project are summarized in Table 9.v, below. The CWB score for Sioux Lookout is 82, at the high end of the range for small communities in the region and higher than the average Canadian community in 2006.

Table 9.v: Community Well-Being Scores (CWB) for Sioux Lookout

| Community | Income Score | Education Score | Housing Score | Labour Force Score | CWB Score |
|------------------------------|--------------|-----------------|---------------|--------------------|-----------|
| Dryden | 90 | 57 | 95 | 87 | 82 |
| Ignace | 84 | 44 | 95 | 84 | 77 |
| Sioux Lookout | 90 | 57 | 93 | 87 | 82 |
| Machin/Vermilion Bay | 85 | 48 | 94 | 88 | 79 |
| Wabigoon | - | - | - | - | - |
| Kenora | 89 | 56 | 95 | 87 | 82 |
| Thunder Bay | 87 | 58 | 96 | 85 | 82 |
| Winnipeg | 86 | 61 | 94 | 88 | 82 |
| Wabigoon Lake Ojibway Nation | - | - | - | - | 63 |
| Eagle Lake First Nation | - | - | - | - | 60 |
| Lac Seul First Nation | 58 | 30 | 67 | 79 | 59 |
| RST FN Regional Average | 63 | 38 | 79 | 77 | 60 |
| Small Communities Average | 91 | 54 | 95 | 83 | 81 |

Source: AANDC, 2006 Community Well-Being Ontario Database

2.0 Economic Factors

The Township of Sioux Lookout has excellent transportation infrastructure through its proximity

to Highway 17 and railroad. The area offers affordable real estate for business development and knowledgeable community development staff able to assist the industrial sector.

There are numerous economic factors of Sioux Lookout for businesses to consider:

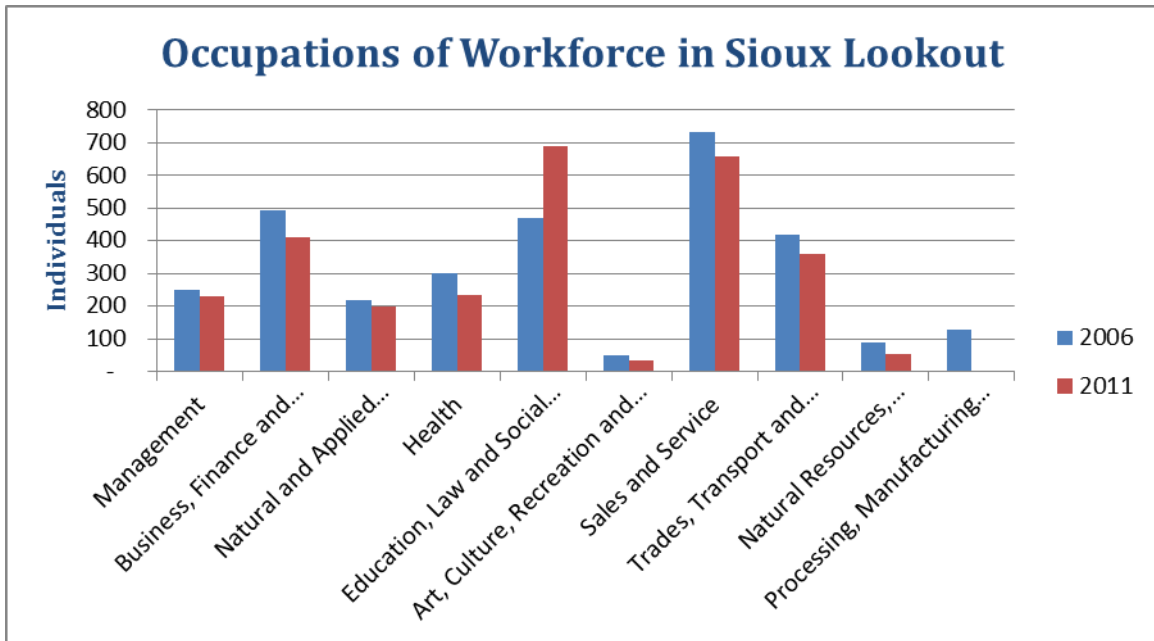
- Low worker health benefits in comparison to the US and other countries;
- Available, affordable commercial/industrial land;
- Available, affordable residential real estate;
- High potential for renewable energy alternatives;
- Excellent transportation options through highway, railway and access to Lake Superior;
- Regional trades labour; and,
- Strong regional education options through Lakehead University and Confederation College.

The major sources of employment in Sioux Lookout consist of tourism, government services, health care, industry and trades. There are a number of government jobs including federal, provincial, municipal and First Nation employment available.

2.1 Labour Force, Labour Participation and Employment

The total labour force in Sioux Lookout is estimated to be 2,920 individuals with a labour force participation rate of 74 percent. The 2011 census data indicates an employment rate of 70 percent and an unemployment rate of 5 percent.

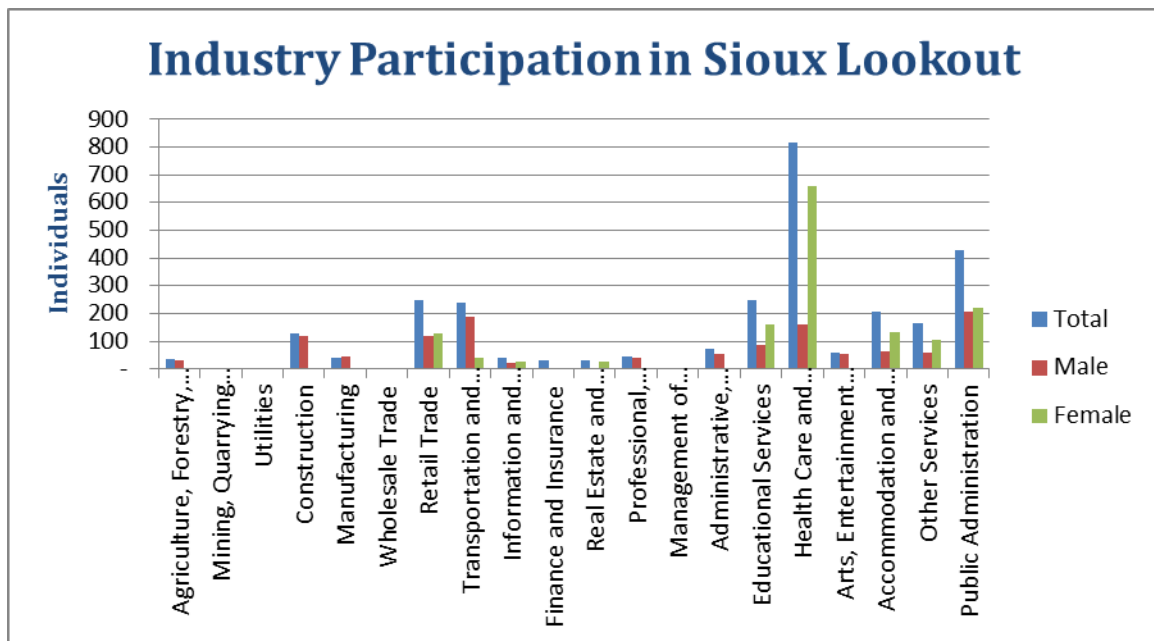
As shown in Figure 8.v (next page), employment in Sioux Lookout is concentrated in the areas of education, law and social services, sales and services, business, finance and administration, trades, transport and equipment operators and related and health care. The majority of these statistics are consistent over the last 5-year period from 2006 to 2011. Notably the most significant decline is apparent in the business, finance and administration, as well as the natural resources, agriculture and related sector.



Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Figure 8.v: Occupations of Workforce (2011) in Sioux Lookout

A large majority of the labour force, nearly 50 percent, is employed in the health care and social services and public administration industries. Sioux Lookout is also heavily dependent on its educational services and accommodation and food services industries as a strong point for employment and income (Figure 9.v).



Source: Statistics Canada, 2006-2011 Census Community Profile

Figure 9.v: Industry Participation in Sioux Lookout (2011) by Gender

2.2 Income Levels

In Sioux Lookout, the median household income and median family income are both higher than provincial, 10.8 percent and 18.7 percent respectively. Provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in Sioux Lookout are summarized as follow:

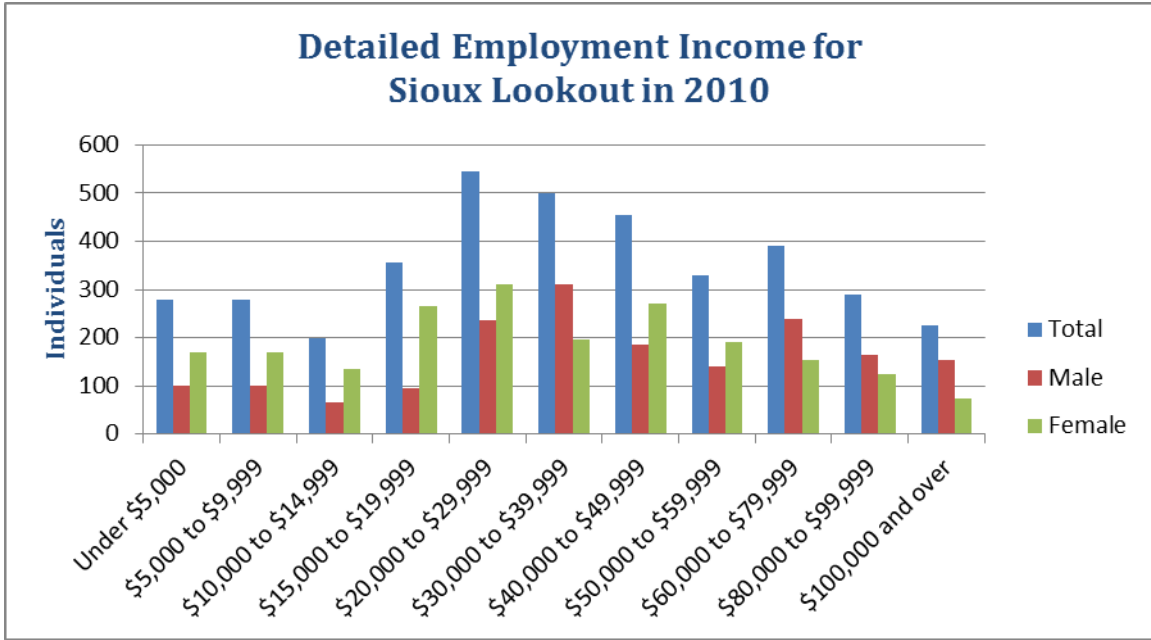
- Median household income = \$67,034; and
- Median family income = \$86,347.

Over the past 20 years, the median age in Ontario rose from 33 in 1989 to 39 in 2009, reflecting the aging of the baby boom generation, low fertility rates and increasing life expectancy. Seniors aged 65 and over now account for 13.7 percent of the population in Ontario or 1.8 million, up from 1.1 million people and an 11.9 percent share in 1989. At the same time, falling fertility rates reduced the share of children aged 0 to 14 in the Ontario population from 20.1 percent in 1989 to 16.9 percent in 2009 (Ministry of Finance, 2010).

Lower median household incomes in Sioux Lookout may be attributed to an aging population reaching or entering into retirement. The high number of potential retirees is a result of the baby boomer demographic aging into the eligibility requirements and both the private and public sectors facilitating the retirement of individuals to meet workforce reduction targets.

The accelerated retirements in the public and private sectors have also increased the number of individuals in lower income levels. Pension or retirement income is considerably lower than working income, which may partially contribute to the lower median incomes in Sioux Lookout.

Employment income in Ignace is unevenly distributed when we look at the data based on gender (Figure 10.v, next page). The lowest income brackets, excluding those earning less than \$5,000 per annum, are disproportionately female (63.5%). While the largest portion of the workforce (39.3%) earns between \$20,000 and \$49,000 per annum, the slight majority of this cross-section of the workforce is female (51.7%). This trend changes remains consistent when examining the gender distribution amongst income earners earning more than \$50,000 per year. In this case, men represent a slight majority (56.7%) of income earners.

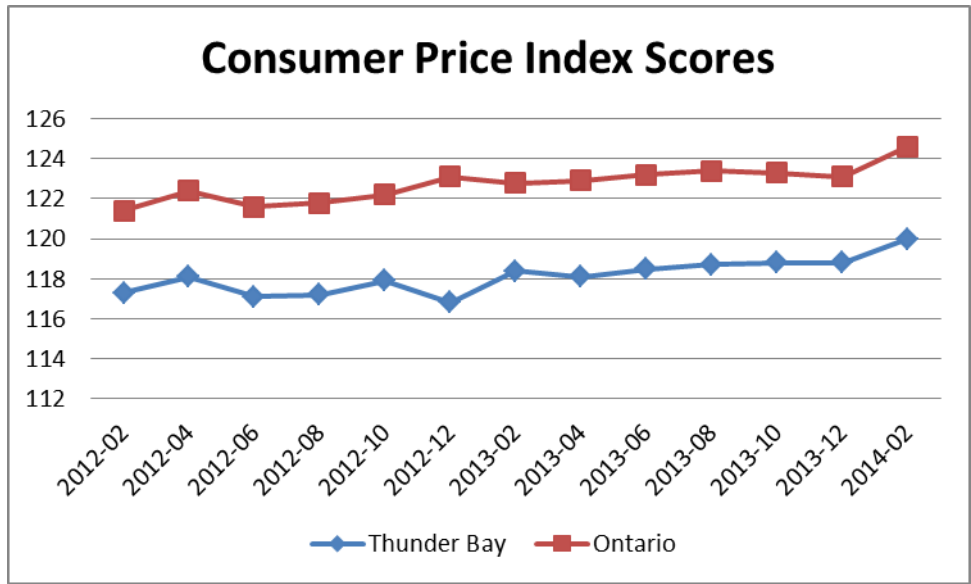


Source: Statistics Canada, 2006 Census Community Profile for Sioux Lookout

Figure 10.v: Detailed Employment Income in Sioux Lookout by Gender

2.3 Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI) are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 11.v.



Source: Statistics Canada, Consumer Price Index Historical Tables

Figure 11.v: CPI Scores for Ontario and Thunder Bay from February, 2012 to February, 2014

2.4 Real Estate

The number of currently available listings by price are displayed in Table 10.v. As noted the majority of residential listings are at or above the \$150,000 level with limited housing available in the \$50,000 to \$100,000 price range. With respect to the commercial and industrial real estate in the area, there are a limited number of options available above the \$51,000 to \$75,000 level. This can be attributed to the minimum zoning of industrial parks in the area as currently the largest industrial park available is currently held by the airport at 20.9 acres.

Table 10.v: Residential and Commercial real estate listings on the Multiple Listing Service website

| Price Range | Municipality of Sioux Lookout | | |
|------------------------|-------------------------------|------------|-------------|
| | Residential | Commercial | Vacant Land |
| \$0 to \$50,000 | 1 | 4 | 4 |
| \$51,000 to \$75,000 | 1 | 5 | 5 |
| \$76,000 to \$100,000 | 1 | 1 | 2 |
| \$101,000 to \$125,000 | 1 | 0 | 0 |
| \$126,000 to \$150,000 | 0 | 2 | 0 |
| \$151,000 to \$175,000 | 3 | 1 | 0 |
| \$176,000 to \$200,000 | 3 | 0 | 0 |
| \$201,000 to \$225,000 | 1 | 0 | 0 |
| \$226,000 to \$250,000 | 0 | 0 | 0 |
| Over \$250,000 | 5 | 0 | 0 |
| Total | 16 | 13 | 11 |

Source: MLS listings as of March 31, 2014

2.5 Economic Development

Sioux Lookout has an economic development plan that was approved in 2011 with targeted sectors as follows:

- Health care and service industries;
- Manufacturing, specifically value-added forestry;
- Arts, culture and heritage tourism; and,
- First Nation government and economic development.

Sioux Lookout completed over \$250 million dollars in capital projects over the last five years. These projects include:

- The Sioux Lookout Meno Ya Win Health Centre, a 60-bed, state-of-the-art health care facility including a full team of doctors, nurses and related health care professionals.
- An extension of water and sewer infrastructure along Highway 72 to the Ministry of Natural Resources Fire Management Centre. With this extension, MNR can now

construct a new and expanded Fire Management Centre. In addition, business can now expand along the highway.

- New downtown revitalization initiatives, including the conversion of a former hotel into the Sioux Lookout Centennial Centre, a four-floor office complex with community programming space and a new Youth Centre, as well as the restoration of our Heritage Railway Station. These accomplishments represent the second phase of a four-phase downtown revitalization commitment.

Sioux Lookout has a great selection of commercial, industrial and residential land with development opportunities in the rural, urban, lakefront and beautiful lake view settings.

2.6 Existing Businesses

Sioux Lookout offers a strong economic base with a large retail and service sector to serve residents and visitors. Table 11.v lists the existing businesses in Sioux Lookout by the North American Industry Classification System (NAICS). The NAICS is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. Created against the background of the North American Free Trade Agreement, it is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies. NAICS is based on supply-side or production-oriented principles.

An online directory of services and businesses for Sioux Lookout can be found at <http://www.siouxlookout.ca/en/AtoZModule/index.asp>.

Table 11v: Existing Businesses in Sioux Lookout (2012)

| NAICS Code | Description | Total |
|--------------|---|------------|
| 11 | Agriculture, forestry, fishing and hunting | 15 |
| 21 | Mining, quarrying, and oil and gas extraction | 1 |
| 22 | Utilities | 1 |
| 23 | Construction | 46 |
| 31-33 | Manufacturing | 3 |
| 41 | Wholesale trade | 6 |
| 44-45 | Retail trade | 39 |
| 48-49 | Transportation and warehousing | 25 |
| 51 | Information and cultural industries | 5 |
| 52 | Finance and insurance | 17 |
| 53 | Real estate and rental and leasing | 36 |
| 54 | Professional, scientific and technical services | 17 |
| 55 | Management of companies and enterprises | 10 |
| 56 | Administrative and support, waste management and remediation services | 8 |
| 61 | Educational services | 4 |
| 62 | Health care and social assistance | 33 |
| 71 | Arts, entertainment and recreation | 3 |
| 72 | Accommodation and food services | 47 |
| 81 | Other services (except public administration) | 30 |
| 91 | Public administration | 4 |
| Total | | 350 |

Source: Canadian Business Patterns December 2012

2.7 Government Funding

Sioux Lookout collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate comprises municipal services and education levy components.

It is important to note that the educational tax levy is not set by the municipality. The province annually directs all the municipalities in Ontario what levy is applied to rate payers within their jurisdiction. The tax rates for various classes of rate payers are provide below in Table 12.v.

Table 12: Tax Rates for Rate Payers in Sioux Lookout

| Rate Payer Class | 2013 Consolidated Tax Rate (%) |
|---------------------------|--------------------------------|
| Residential/Farm | 1.937912 |
| Multi-Residential | 4.768753 |
| Commercial Occupied Class | 4.264295 |
| Industrial Occupied Class | 5.799149 |

Source: Sioux Lookout municipal office



Treasury Metals

Goliath Gold Project

Section VI

Socioeconomic Baseline Report

Municipality of Machin, ON



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Municipality of Machin

The Municipality of Machin has a population of 978 and is located between Dryden and Kenora along Highway 17, which passes through the middle of both Minnitaki and Vermilion Bay. At the western edge of Machin (Vermilion Bay), Highway 105 goes north to the communities of Perrault Falls, Ear Falls, Balmertown and Red Lake.

Machin is comprised of three communities, namely Vermilion Bay, Eagle River and Minnitaki, and four Townships being Langton, Temple, West Aubrey and Sanford. The geographical layout of Machin is unique with surrounding Unincorporated Townships and one Unincorporated Township (Mutrie) located in the centre of Machin.

Vermilion Bay is an unincorporated community in Vermilion Bay on Eagle Lake. It is located on Ontario Highway 17 (TransCanada Highway) between the cities of Kenora to the west and Dryden to the east. The community is the southern terminus for both Ontario Highway 105, which heads north to the Town of Red Lake, and Ontario Highway 647, which heads northwest to Blue Lake Provincial Park.

Machin is served by Vermilion Bay Airport and Vermilion Bay Water Aerodrome. The Canadian Pacific Railway (CPR) transcontinental main line passes through the community and the CPR has a bulk forest products handling facility in the community. There is no passenger service.

The Goliath Gold Project proposed by Treasury Metals is expected to have direct impacts as far west as Vermillion Bay. As Vermillion Bay is community within the Municipality of Machin, Statistics Canada does not collect census information separately for Vermillion Bay; only for the entire municipality. In addition, Statistics Canada did not conduct the National Household Survey for the Municipality of Machin. As a result, the only data available for Machin is families and households, language and population.

1.0 Social Factors

Machin provides a full range of services, including a public school, community health centre, financial institution, fire service and two senior centres located in Vermilion Bay and Eagle River. There are senior apartment complexes in Eagle River and Vermilion Bay, as well as low rental housing availability all of which come under the direction of the Kenora District Housing Board.

Recreation opportunities include swimming at natural beaches, soccer and baseball fields, an

ice complex with a fitness room in Vermilion Bay, numerous parks, canoeing, hiking trails, a public library plus an outdoor ice rink in Eagle River. Fishing is a popular activity for visitors to Vermilion Bay. Fishing locations in the area include Eagle Lake, the Indian Lake Chain, Clay Lake, Canyon Lake, Cedar Lake and Perrault Lake. Just outside Vermillion Bay is Blue Lake Provincial Park. This park has a safe sandy beach, interpretive programs, large campsites, group campsites, excellent canoeing, hiking trails and barrier-free access.

Another popular activity in Machin is visiting the Egli Sheet Farm. The farm has a self-guided tour, playground, dog walk area, parking for buses and recreational vehicles and group and school tours. There is also a new animal park expansion where it is possible to view elk, miniature horses, wild turkeys, goats, lamas and emus. Vermillion Bay and Minnitaki offer many different opportunities throughout all seasons such as:

- Annual Baby Content (Vermillion Bay) – 3rd week of February;
- Annual KinKarnival Carnival (Vermillion Bay) – 3rd week of February;
- Annual Open Barn at Egli’s Sheep Farm (Minnitaki) – Easter Sunday;
- Annual Antique Tractor and Vintage Car Show (Vermillion Bay) – Every Father’s Day;
- Annual Children’s Festival (Vermillion Bay) – August; and,
- Annual Christmas Parade – December.

1.1 Administration

The Municipality of Machin is made up of 3 communities: Eagle River; Minnitaki; and, Vermilion Bay with a population of 935 individuals. The Municipal Act is a consolidated statute governing the extent of powers and duties, internal organization and structure of municipalities in Ontario. The new Municipal Act, which took effect on January 1st, 2003, represents the first comprehensive overhaul of municipal legislation in Ontario in 150 years and is the cornerstone of the administration of municipalities in Ontario.

As outlined in the Act, municipalities are governed by municipal councils. The role of municipal councils is to make decisions about municipal financing and services. In Ontario, the head of a local (lower or single tier) municipal council is either called the mayor or reeve. The members of council may be called councillors or aldermen.

The municipal office is located just off Highway 17 in a building that also houses the community library. A mayor and four council members, elected for a four year term, govern Machin. The staff at the municipality includes a Clerk-Treasurer, Deputy Clerk, Accounting Clerk, Receptionist and Public Works Supervisor, as well as several Public Works employees.

1.2 Population

According to Statistics Canada 2011 census data, the population of Machin is 935. While the population is roughly equally divided based on gender, there are significant differences in the age class distribution. The Municipality currently experiences a significant outmigration of its young adult population between the ages of 20 and 44; a pattern common to small communities across Northern Ontario.

The pattern is largely due to young people leaving their home communities to pursue work opportunities or post-secondary school education after completing high school. The trend has grown stronger in Machin since 2006, as demonstrated in Table 1.vi, below. The strengthening trend is likely due to industrial market changes in forestry and more specifically, to the downturn in employment opportunities by the major employers in Kenora, Abitibi Consolidated pulp mill and Dryden, Domtar pulp mill.

Table 1.vi: Population Change by Age Class from 2006 to 2011 Census Community Profiles

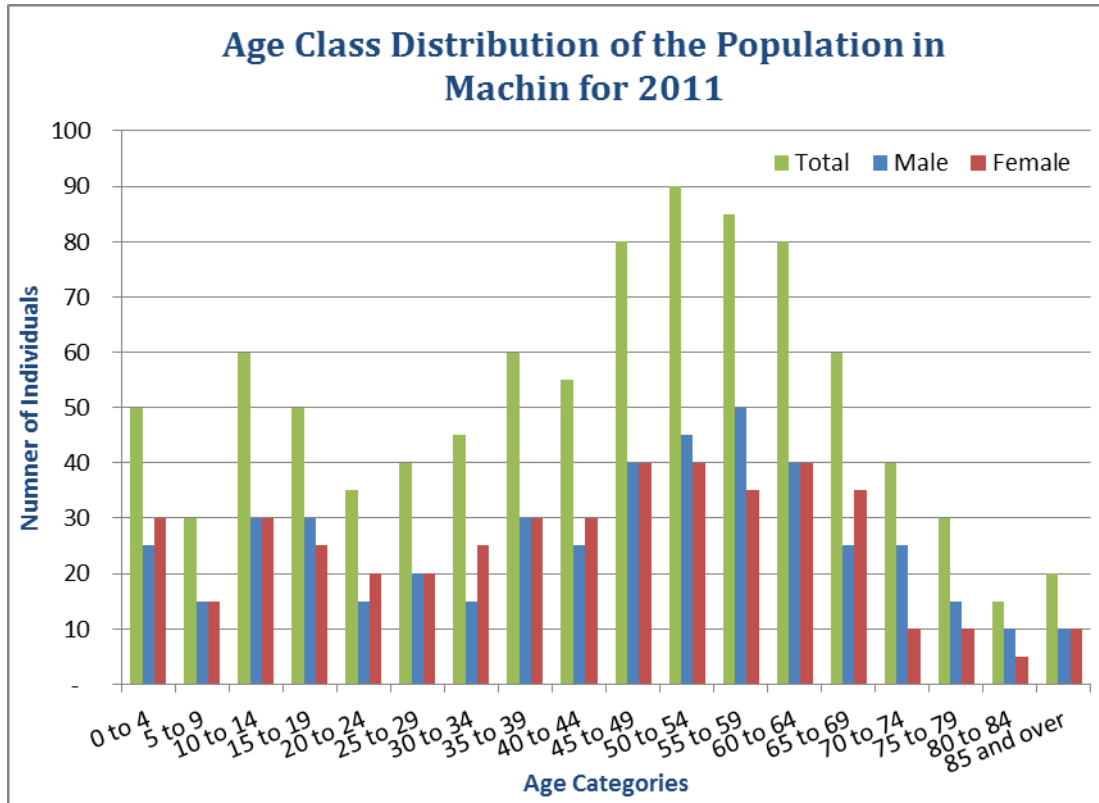
| | Machin | | |
|---------------------------------|--------|-------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 975 | 935 | -4% |
| Age 0-4 | 35 | 50 | 42.9% |
| Age 5-14 | 140 | 90 | -35.7% |
| Age 15-19 | 55 | 50 | -9.1% |
| Age 20-24 | 40 | 35 | -12.5% |
| Age 25-44 | 240 | 200 | -16.7% |
| Age 45-54 | 175 | 170 | -2.9% |
| Age 55-64 | 140 | 165 | 17.9% |
| Age 65-74 | 90 | 100 | 11.1% |
| Age 75-84 | 55 | 45 | -18.2% |
| Age 85 and over | 15 | 20 | 33.3% |
| Median age of population | 43.3 | 47.0 | 8.5% |
| Percent aged 15 and over | 82.1% | 84.7% | 3.2% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Just as the senior population in Canada has grown rapidly over the past three decades, the population in Machin has also aged. Throughout its economic history in the forestry, mining and transportation sectors, Machin has attracted and maintained a significant number of individuals within the same age class. As this cohort of individuals ages, it creates an increase in older age classes while youth outmigration and reduced birth rates result in a deficit in younger age classes (Figure 1.vi).

The population in Machin aged significantly in 2011 to a median age of 47 years, an 8.5 percent increase from its 2006 median age of 43.3. The current median age in Machin is older than the

Ontario provincial median age of 40.4 and the Canadian national median age. While all populations aged from 2006 to 2011, the rate of the median age increase further demonstrates an outmigration of the younger population in Dryden. Figure 1.vi, below, displays the current age class distribution in Machin by 5-year age classes and gender.



Source: Statistics Canada, 2006 Census Community Profile for Vermillion Bay

Figure 1.vi: Age Class Distribution of the Population in Machin

This population demographic trend is not isolated in Machin; it is a phenomena associated with the baby boomer generation as it ages into retirement. As this cohort of individuals ages, it creates an increase in older age classes while simultaneous youth outmigration results in a deficit in younger age classes. The economic situation and lack of current employment opportunities in Machin has caused a leakage in youth from the area.

1.3 Housing

Housing is an important part of the social and economic infrastructure of a community. The availability of a range of housing options is a sign of a healthy community and is essential for economic growth and prosperity. The presence of appropriate housing can encourage residents to stay in a community and attract new people to the community. Furthermore, the existence of appropriate housing is often a critical element in attracting and securing investment to a community (Karakas, J., 2009).

Affordable housing is a significant factor in creating attractive, liveable and competitive communities. Among other things, the availability of affordable housing makes it easier to attract people to and retain people in a community (Ontario Ministry of Municipal Affairs and Housing, 2005).

The households, including types and values, in Machin are presented in Table 2.vi. The comparison of population and dwelling data shows expected similarities. As of the 2011 census, there were 560 total private dwellings in Machin, which represents a 16 percent increase from 481 dwellings in 2006. As the population consists of a large number of the demographic who can afford to own their own dwelling, Machin maintains only 60 rental unit in its region demonstrating the affordability of housing for the area. More detail about the housing supply in Machin is displayed in Figure 2 below.

Table 2.vi: Housing Supply by Tenure and Value for Machin

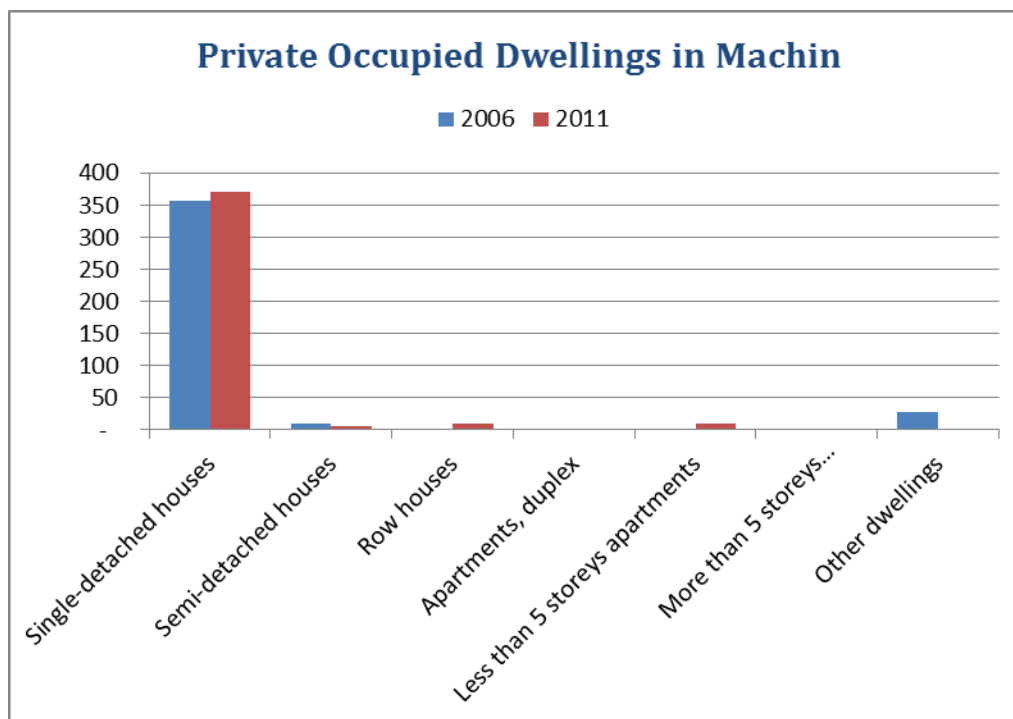
| | Machin | | |
|--|---------------|-------------|-----------------|
| | 2006 | 2011 | % Change |
| Total private dwellings | 481 | 560 | 16% |
| Occupied private dwellings | 403 | 412 | 2% |
| Single-detached houses | 356 | 370 | 4% |
| Semi-detached houses | 10 | 5 | -50% |
| Row houses | - | 10 | 100% |
| Apartments, duplex | - | - | 0% |
| Less than 5 storeys apartments | - | 10 | 100% |
| More than 5 storeys apartments | - | - | 0% |
| Other dwellings | 28 | - | -100% |
| Number of owned dwellings | 335 | n/a | n/a |
| Number of rented dwellings | 60 | n/a | n/a |
| Average value of owned dwelling | \$ 145,600 | n/a | n/a |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Overall there has been a significant increase in housing to the Machin area over the last 5 years. The increase can be attributed to the recovery of the local economy, as well as the increase in retirees to the area. Both of these factors have increased demand for housing, which, due to the lack of currently available housing, has spurred new development. Machin currently has a vacancy rate of 4.3 percent, which is well above the desired 2 percent. It is important to note that the vacancy rate may be heavily influenced by use of seasonal homes in the area, as opposed to reflecting year-round vacancy rates.

In Ontario, 71.4 percent of dwellings are owned and 28.4 percent are rented (Statistics Canada, 2011 Census). In contrast, Machin has 82 percent owned dwellings and 18 percent rented; a significantly higher percentage of owned dwellings and significantly lower percentage of rented

dwellings; reflecting the attractive pricing and overall affordability of home ownership in the municipality.



Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Figure 2.vi: Private Occupied Dwellings in Machin

For temporary housing, there are three hotels in the Vermillion Bay area including the Bayview Hotel/Motel, Northside Motel and RV Park and Pine Grove Motel and Camp providing a total of 31 rooms. The number of rooms and average prices are included in Table 3.vi below.

Table 3.vi: Hotels and Motels in Vermillion Bay

| Vermillion Bay | | |
|-----------------------------|----|------|
| Bayview Hotel/Motel | 2 | \$70 |
| Northside Motel and RV Park | 18 | \$79 |
| Pine Grove Motel and Camp | 11 | \$80 |

Source: Communications with Economic Development Officers and establishments

1.4 Education

Vermillion Bay offers education programs at the primary level. Primary education is provided at Lillian Berg School in Vermillion Bay and the Vermillion Bay Nursery School Co-op Toy Library Resource Centre.

The Lillian Berg School in Vermillion Bay is administered by the Keewatin-Patricia District School Board, which serves the communities of Kenora, Sioux Narrows, Vermilion Bay, Ear Falls, Red Lake, Dryden, Sioux Lookout, Ignace, Pickle Lake, Savant Lake and Upsala. Lillian Berg School

has a current enrollment of 89 students with a capacity of 259 students; consequently, the school can accommodate a significant increase in enrollment.

Lakehead University and Confederation College are both within a 400 kilometre (4.5 hour drive) of Vermillion Bay and have satellite campuses in Dryden and Sioux Lookout. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;
- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;
- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus, 7,042 of which are full time. The University employs 319 full time faculty and 1,850 staff, including 715 full time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has a satellite campus in Dryden. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

Current statistics on Machin's education attainment levels for individuals in the area is unavailable on both census and community information site, as this information was not measured by Statistics Canada.

1.5 Health Services and Programs

In Vermillion Bay, Health Services are available at the Machin Family Health Team at the community health centre on Spruce Street. Dr. Yvon-Rene Gagnon is the doctor.

Further care, as well as home care, may be sought in the nearby City of Dryden, 45 kilometres east of Vermillion Bay on Highway 17. Dryden is primarily serviced by Dryden Regional Health Centre (DRHC), a fully modern 41-bed acute care hospital. There are thirty-one acute and ten chronic/rehabilitation beds in the hospital. The centre provides a full range of inpatient services including medical, surgical, obstetrical, chronic care and critical care.

Ambulatory services include emergency, surgical day care, specialty clinics, oncology, nurse practitioners and ambulance services. Diagnostic services include a 64 slice CT scan, x-ray, ultrasound, laboratory mammography and cardiac stress testing. The DRHC is also home to physiotherapy, occupational therapy, pharmacy, dietary services, as well as counselling and case management services for alcohol addiction, diabetes, gambling, drug addiction and sexual assault. Dental care, optometry and chiropractic care services are also available in Dryden.

1.6 Emergency Services

Machin is served by the Ontario Provincial Police through the Dryden Detachment. The Machin Fire Department is a volunteer organization consisting of 13 active members. It operates from fire halls on Armstrong Street in Vermilion Bay and on Friendship Terrace Drive in Eagle River and Vermillion Bay is equipped with fire hydrants throughout the village. The municipality is part of the Kenora District Mutual Aid and Assistance Program.

Machin has developed an Emergency Management Plan. Emergencies are defined as situations or the threat of impending situations abnormally affecting property and the health, safety and welfare of the community, which by their nature or magnitude require a coordinated response by a number of agencies under the direction of an Emergency Control Group. These are distinct from the normal day to day operations carried out by the first response agencies.

According to the Hazard Identification Risk Assessment (HIRA) Protocol, it has been determined that Machin would most likely be subject to the following hazards in order of likelihood:

- Floods;
- Transportation Accidents;
- Fires (Forest and Wildland – Urban Interface);

- Hydro loss;
- Human Health Emergencies and Epidemics;
- Hazardous Materials – Transportation Incident;
- Explosions – Fires;
- Erosion;
- Snowstorms and Blizzards;
- Gas Pipeline Incident; and,
- Extreme Cold and Heat.

The aim of the Emergency Plan for the Municipality of Machin is to make provisions for the extraordinary arrangements and measures that may have to be taken to safeguard property and the health, safety and welfare of the inhabitants exposed to an emergency situation in the community; to provide a coordinated response to an Emergency or Disaster thereby ensuring the preservation of life and the environment; and, protection of property.

1.7 Crime and Justice

Machin is served by the Ontario Provincial Police which is headquartered in Dryden. The single most significant threat to public safety within the Machin area remains travelling to and from communities on area roadways. Severe weather patterns and wildlife contribute significantly to motor vehicle collisions in the area; however, the main cause can still be attributed to apparent driver action (speeding, aggressive driving, following too closely, speed too fast for conditions). Commercial motor vehicle traffic continues to increase along the TransCanada Highway and is often involved in reported traffic complaints to the detachment.

1.8 Poverty and Social Issues

Housing has a fundamental impact on quality of life, in addition to sufficient food and clothing, people expect to have a decent dwelling that is in good condition and large enough to accommodate the household members. But, some households face problems affording good housing and find themselves forced to choose between appropriate shelter and other life necessities.

The term acceptable housing refers to housing that is adequate in condition, suitable in size and affordable:

- *Adequate housing* does not require any major repairs, according to residents;
- *Suitable housing* has enough bedrooms for the size and make-up of resident households, according to National Occupancy Standards (NOS) requirements. Enough bedrooms based on NOS requirements means one bedroom for each cohabitating adult couple; unattached household members 18 years of age and over; same-sex pair of

children under age 18; and additional boy or girl in the family, unless there are two opposite sex children under 5 years of age, in which case they are expected to share a room. A household of one individual can occupy a bachelor unit (i.e., a unit with no bedroom); and,

- *Affordable housing* costs less than 30 percent of before-tax household income. For renters, shelter costs include rent and payments for electricity, fuel, water and other municipal services. For owners, shelter costs include mortgage payments (principal and interest), property taxes and any condominium fees, along with payments for electricity, fuel, water and other municipal services. A household paying more than 30 percent of their before-tax income on housing is considered to have housing affordability problems.

The following analysis reviews the income and housing needs of local residents in Machin. The most recent housing cost data available was analyzed to determine affordable housing trends in the area. As discussed in previous section, shelter cost data for 2011 in Machin is unavailable; the 2006 data is displayed below in Table 4.vi.

Table 4.vi: Income and Housing Cost Information for Machin

| | Machin | | |
|--|-----------|------|----------------|
| | 2006 | 2011 | Percent Change |
| Median household total income (\$) | \$ 55,616 | n/a | n/a |
| Median monthly payments for rented dwellings | \$ 600 | n/a | n/a |
| Median monthly payments for owner-occupied dwellings | \$ 500 | n/a | n/a |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

Machin does not operate its own Food Bank, but residents in need may utilize services available through organizations operating in Dryden. Dryden has several community-based organizations serving low income households. The Dryden Food Bank collects donations from individuals and businesses in the City and distributes food hampers to those in need. In 2013, the Dryden Food Bank reported giving out a total of 4,861 hampers to between 400 and 500 clients; a number consistent with the number of hampers they gave out in 2012 (Kenora Daily Miner, 2014).

The Dryden Mission operates a second-hand shop selling household furniture, items and clothing on a donation basis and also offers religiously-centered recovery and counselling

programs free of charge. The Salvation Army and Second Chance Pet Network also operate second-hand stores selling a wide variety of household goods and clothing at reduced costs.

1.9 Community Services Programs and Facilities

The Municipality of Machin and the surrounding area offer an array of community services in the form of support groups, services and assistance. The municipality also offers its residents many social, specialty, hobby, sports and professional service clubs, including:

- Happy-Go-Lucky Seniors Centre;
- Vermilion Bay Kinette Club;
- Vermilion Bay Kinsmen Club; and,
- Vermilion Bay Lions Club.

The neighbouring community of Dryden also offers a wide array of community clubs, programs and services that residents of Machin often participate in.

1.10 Fisheries

In 2005, *A New Ecological Framework for Recreational Fisheries Management in Ontario* was approved to ensure fisheries resource sustainability and to optimize angling opportunities. Consistent with the direction provided in the framework, Fisheries Management Zone 4 (FMZ 4) and FMZ 5 were two of twenty zones created as a new spatial unit for fisheries management planning across the Province. The new boundaries are based on ecological factors and angler use patterns, such as: climate (growing degree days); watersheds; fishing pressure; and, accessibility (i.e. road networks). Both FMZ 4 and 5 are relevant, as the boundary between the two zones is in proximity to the Goliath Gold Project area.

1.10.1 Fisheries Management Zone 4

FMZ 4 extends over a large geographic range, covering an area of approximately 60,440 square kilometres, including land and water. The Manitoba border and the eastern boundary of Woodland Caribou Provincial Park mark the western extent of the FMZ, with the western boundaries of the Brightsand River Provincial Park and Wabikimi Provincial Park defining it to the east, over 350 kilometres away. The Berens River and Cat River systems provide the north boundary, while Highway 17 and the Canadian National Railway line define the south boundary (Figure 3.vi).

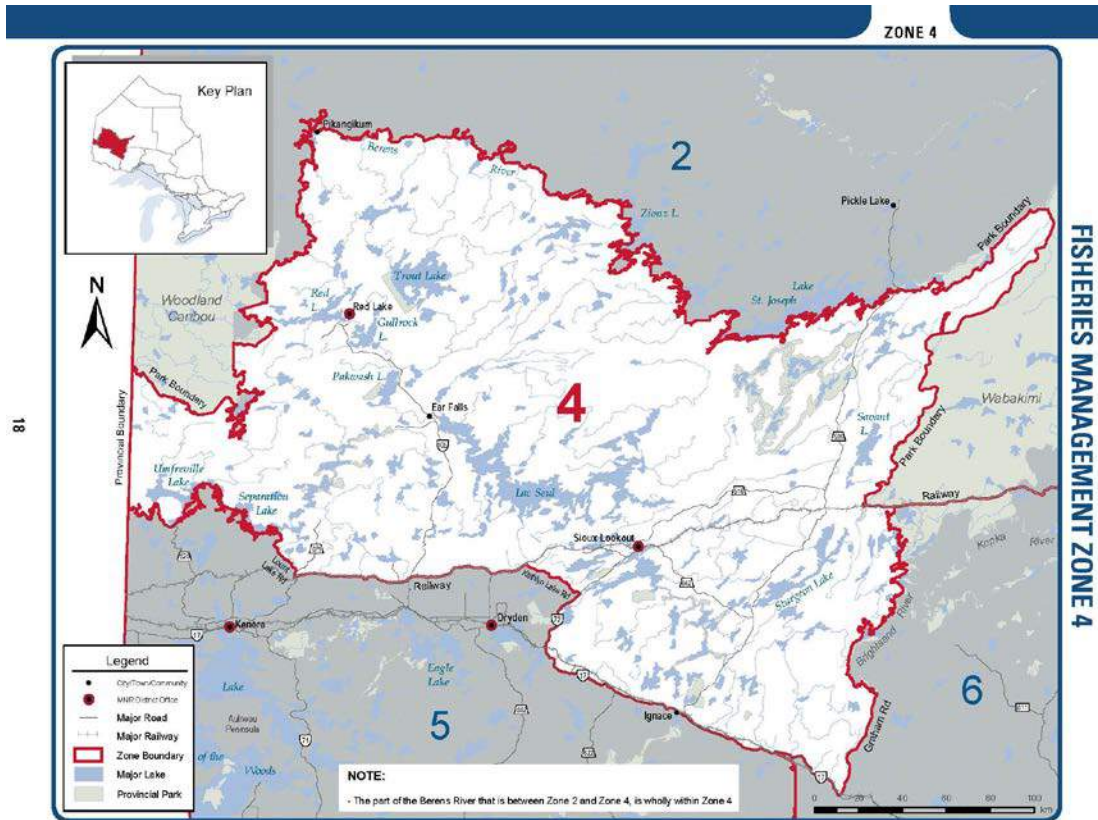


Figure 3.vi: Fisheries Management Zone 4 boundaries

The fisheries in FMZ 4 are utilized by Aboriginal communities for subsistence and ceremonial harvest; by resident and non-resident sport fish anglers; by resource-based tourist outfitters; by the commercial baitfish industry; and, to a lesser degree, by the commercial food fishing industry.

The waterbodies and fisheries of FMZ 4 have significant importance to Aboriginal communities within and around the Zone. The abundance of waterbodies and diversity of fish species found within FMZ 4 provide First Nation communities with resources for subsistence living, an important component of traditional land use, in addition to social and spiritual significance that are unique to each community. Many Band Members also benefit financially from these resources through their involvement in the tourist and commercial food fishing industries.

There are nine First Nation communities within Fisheries Management Zone 4. These communities include Whitedog First Nation Wabaseemoong Independent Nation (Whitedog), Ochiichangwe ‘Babigo’ining (Dalles), Asubpeeschoseewagong Netum Anishinabek (Grassy Narrows), Wabauskang First Nation, Pikangikum First Nation, Lac Seul First Nation, Saugeen First Nation and Mishkeegumang First Nation. Other First Nation communities outside of FMZ 4 may have traditional use areas within the Zone; however, these areas are not well defined.

FMZ 4 includes portions of three treaty areas including Treaty 3, Treaty 5 and Treaty 9.

Due to the overall high quality of fisheries, good access and abundance of fishing opportunities in FMZ 4, many waterbodies within the Zone are popular destinations for Ontario resident, Canadian resident (those residing outside of Ontario) and non-Canadian resident anglers. Angling by these residency groups remains primarily a consumptive use of the fisheries resources. According to the 2005 national recreational fishing survey, the majority of the fishing effort (84 percent) in FMZ 4 resulted from angling by non-Canadian residents. Ontario residents contributed 14 percent of the total angling effort, followed by Canadian resident anglers who only contributed 2 percent. Of the Canadian residents fishing in the Zone, 84 percent originate from Manitoba.

Ice fishing accounts for approximately 8 percent of the total angling effort in FMZ 4. Ontario resident anglers contribute 75 percent of the ice fishing effort, with non-Canadian residents exerting 21 percent of the effort. Canadian residents only account for 4 percent of the total ice fishing effort, indicating their angling activity occurs primarily in the open water season.

The 2005 survey indicates the fishing industry contributes over \$133 million to the FMZ 4 economy. Non-Canadian residents account for 84 percent of these expenditures, confirming the importance of these anglers to the tourism industry and local communities. The majority of non-Canadian residents fishing in FMZ 4 utilized the services of the resource based tourist outfitters. The resource-based tourism industry is well developed within FMZ 4 with approximately 104 main base lodges and 211 outpost camps. These facilities include drive-to facilities and remote fly-in or boat-in facilities.

There are 306 commercial baitfish harvest blocks in FMZ 4, all of which are currently allocated. Utilization is divided between regular harvesters, tourist harvesters, regular dealers and tourist dealers. Baitfish harvesting is a valuable business within FMZ 4 but there is currently no estimate of its economic contribution to FMZ 4.

Commercial food fishing in FMZ 4 exists primarily for lake whitefish (88 percent of harvest) and, to a lesser extent, for northern pike, walleye and yellow perch on a small number of lakes within the Zone. There is a declining trend in active commercial fisheries within Northwestern Ontario. At present there are a total of twenty seven commercial licenses in FMZ 4, nineteen of which are active and eight of which are inactive.

The vast majority of commercial fishing licenses in FMZ 4 are held by First Nation communities. Presently, FMZ 4 Districts report that 19 of the licenses are active. Of the active licenses, 7 are issued for Specially Designated Waters (SDWs) and the remaining 12 are on non-SDW lakes. SDWs account for the vast majority of the available quota with lake whitefish as the most

important commercially fished species (88 percent) followed by lesser amounts of northern pike, walleye and perch.

Previously, the direction for the management of commercial fisheries in FMZ 4 (including allowable gear, species and quota targets) was documented in individual District Fisheries Management Plans 1987-2000 (DFMPs). Recognizing that the FMZ 4 Fisheries Management Plan will replace these plans, and a new strategic policy for Ontario's Commercial Fisheries was completed in 2011, it is essential the FMZ 4 Fisheries Management Plan contains commercial fisheries management objectives that are reflective of the present industry and are consistent with new Provincial Commercial Fisheries Policy. Commercial fisheries management objectives can be found in the FMZ Fisheries Management Plan, which can be obtained from MNR.

1.10.2 Fisheries Management Zone 5

FMZ 5 extends over a large and varied geographic range covering an area of approximately 44,360 square kilometres, including land and water. Located in the southern portion of the Northwest MNR Region, FMZ 5 spans three MNR administrative Districts, including the entire Fort Frances District and southern portions of the Kenora and Dryden Districts (Figure 4.vi).

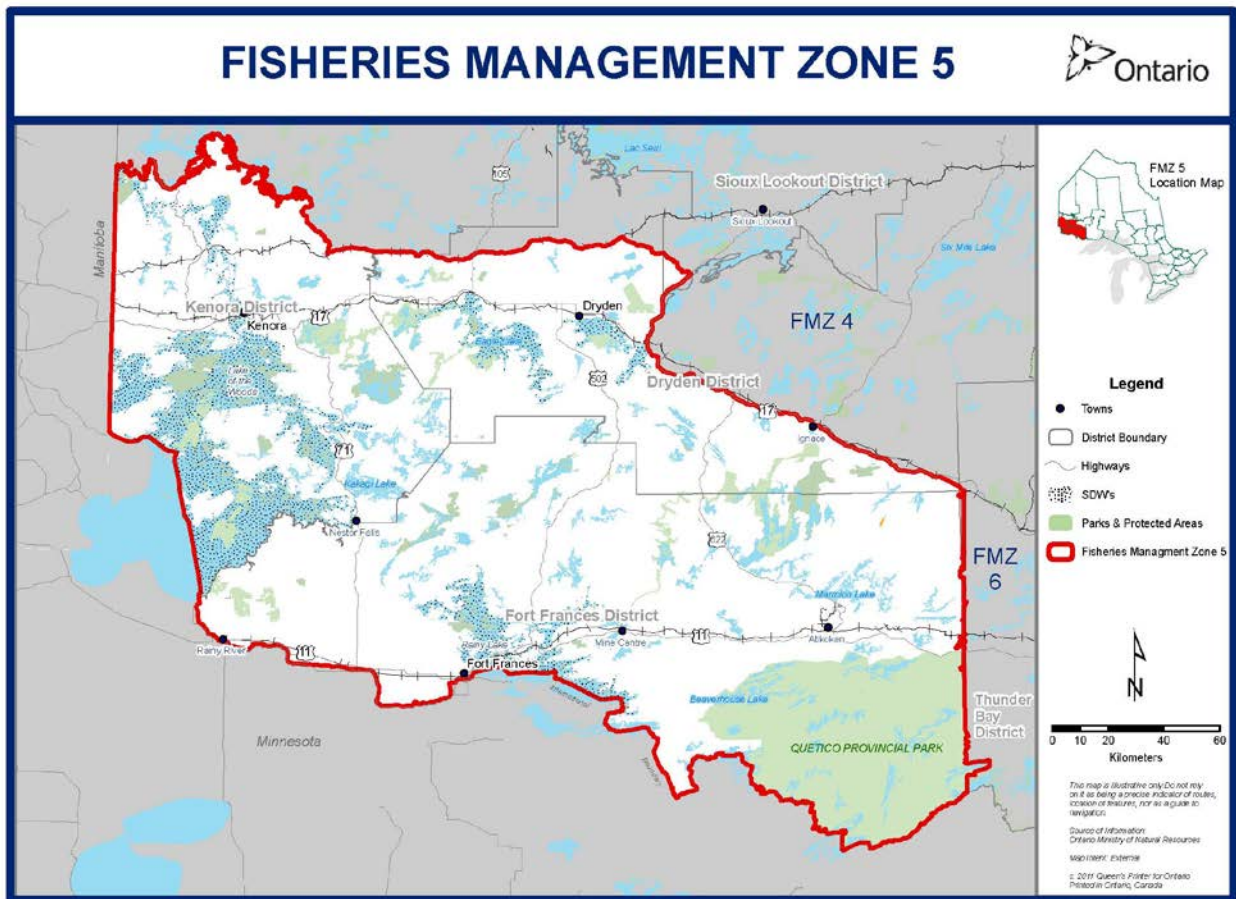


Figure 4.vi: Fisheries Management Zone 5 boundaries

Like much of the rest of Canada, the current pattern of landform features, surface geology and distribution of lakes and rivers across FMZ 5 were defined by the actions of glaciers that also influenced the fish communities that are present today. FMZ 5 is dominated by bedrock landforms that make up over 70 percent of the land area. This high proportion of bedrock dominated landscape tends to result in lakes that are clear and less productive compared to other parts of Northwest Ontario.

FMZ 5 has the highest density of people in the Northwest Region outside of Thunder Bay. Major communities (more than 2,000 residents) within FMZ 5 include Fort Frances, Kenora, Dryden and Atikokan. There are 23 First Nations located totally or partially within FMZ 5. In addition to Ontario residents, FMZ 5 is adjacent to a large population of anglers from neighbouring jurisdictions, including the Upper Midwest states in the United States and Manitoba.

Road-based access to the fisheries of FMZ 5 is well-distributed throughout the Zone with the

exception of Quetico Provincial Park. Scattered within road accessed areas are areas primarily accessed by air that are utilized by a well-developed fly-in tourism industry. Major highways that provide primary access include highways 11, 17, 502, 71 and 622 among others with almost 13,000 kilometres of gravel roads extending off from these main corridors.

Over 2,400 lakes (46 percent of lakes larger than 10 hectares) in FMZ 5 are currently within 500 metres of a road; a distance that is considered accessible by anglers or other resource users. Access management within an FMZ is a fine balance between providing angling opportunities and appropriately distributing fishing effort within the overall goal of preventing overexploitation and maintaining sustainability of fisheries resources.

The largest use of fisheries resources in FMZ 5 is by recreational angling. A total of 251,520 anglers were estimated to have fished in FMZ 5 in 2005, providing 9,219,920 hours of fishing effort which represents 46 percent of the total effort in the Northwest Region. Non-SDW waters accounted for approximately 45 percent of the effort in FMZ 5 with the SDW waterbodies accounting for the remaining 55 percent.

The majority (approximately 72 percent) of angling effort is from non-residents of Canada with Ontario residents accounting for about 20 percent of the effort and Canadian residents making up the remaining 8 percent. The total economic value of the FMZ 5 angling fisheries was estimated to be approximately \$200 million in 2005. Much of this is due to the tourist industry, which is very well-developed in FMZ 5. There are approximately 328 main base lodges and 156 out post camps, including those on SDW waters.

There is an active commercial food fishing industry in FMZ 5 with 21 commercial licenses or allocations on non-SDW waters with an additional 25 licenses on SDW waters. The majority of commercial fishing is by First Nation individuals or communities or individuals claiming Métis status. The most important commercial species is whitefish accounting for 88 percent of total allocated quota of 84,000 kilograms (185,700 pounds) from non-SDW waters with smaller allocations available for northern pike, walleye and black crappie. Quotas also exist for lake sturgeon although no harvest currently occurs due to self-imposed moratoriums by the First Nation communities holding the licenses.

An active commercial bait harvest industry also exists in FMZ 5. There are 311 baitfish blocks within FMZ 5; although because one harvester can fish multiple blocks, the number of harvesters is much less. The estimated retail value of baitfish and leeches harvested from FMZ 5 was \$5.4 million for 2009.

Fisheries resources in FMZ 5 have a significant cultural and economic importance to First Nation

communities. Besides being the largest proportion of commercial fishers, employment within the tourist industry is an important source of income for many Aboriginal peoples and more recently, First Nation communities are generating income through sponsorship of competitive fishing events. Besides the recreational component, Aboriginal people can angle or use nets to harvest fish for subsistence or ceremonial purposes under rights guaranteed under Treaties signed with the Crown.

1.11 Transit, Transportation and Transport

The Municipality of Machin is within relative close proximity to major Canadian and American markets and provides excellent transportation options. Vermillion Bay is situated on the Highway 17. Highway 17 is mostly two-lane with frequent passing lane expansions along its route between Kenora and Thunder Bay. Vermillion Bay town centre is approximately 92 kilometres east of Kenora and 400 kilometers west of Thunder Bay. The highway accommodates goods of all types with frequent trips involving wind turbine blades, modular housing and large scale equipment.

Vermillion Bay airport is a small airport with two gravel runways, 2800 feet and 2650 feet in length, respectively. It is primarily used for charter air services by private operators, local tourism outfitters and the Ministry of Natural Resources. The nearest airport featuring regularly scheduled passenger service is in Dryden.

The Dryden Regional Airport features a 6000-foot asphalt runway and 2000-foot sand runway. The City of Dryden is serviced by Bearskin Airlines with convenient connections to Air Canada, West Jet and Northwest Airlines. Bearskin Airlines conducts private charters for government, corporate, special interest groups and individuals.

Local charter flight companies include:

- Bearskin Airlines;
- Hicks and Lawrence; and,
- Superior Helicopters.

The nearest VIA Rail passenger service is located on Red Lake Road on Highway 105 approximately 15 kilometres from Vermillion Bay. Although it is not a regular stop, a passenger can make a reservation and the VIA Rail passenger service will stop. VIA Rail also has a designated stop in Sioux Lookout (approximately 140 kilometres from Vermillion Bay) six days per week. Stop-overs are generally 20 to 30 minutes in length.

The Canadian Pacific Railway (CPR) transcontinental main line passes through Vermillion Bay and has a bulk forest products handling facility in the community.

The Port of Thunder Bay is located at the head of the Great Lakes/St. Lawrence Seaway System. A one-way voyage through the Seaway to Thunder Bay takes about five days with ships 222.5 metres in length, 23.1 metres in width with a draft of 8.2 metres being elevated some 180 metres through 16 of the most efficient locks in the world.

1.12 Utilities

The major energy source in Machin is electricity. It is provided through the services of Hydro One. Large operations requiring bulk amounts of hydro must apply to the Independent Electricity Market Operator to become market participants. In Machin, natural gas is provided by Union Gas and the rate is set for residential or business.

Vermillion Bay hosts a number of utilities to better serve its community members. The following services are available under the Municipality of Machin:

- Waste disposal;
- Water and waste water;
- Bell Canada service;
- TbayTel services; and,
- Boat Launch.

1.13 Community Well-Being and Quality of Life

The Community Well-Being (CWB) Index was developed by Indian and Northern Affairs Canada (INAC), now referred to as Aboriginal Affairs and Northern Development Canada (AANDC) primarily to help measure the quality of life of Aboriginal communities in Canada. AANDC also determines CWB scores for non-Aboriginal communities across Canada to provide a relative measure on which to track the progress of Aboriginal communities. As such, the CWB Index is available for a number of communities, Aboriginal and non-Aboriginal, including Machin, across Northwestern Ontario. It combines census data on education, labour force, income and housing into a *well-being score* (from 0 to 100).

Well-being means different things to different people. For some, well-being includes health, wealth and happiness. For many Aboriginal communities, culture and language are integral to well-being. Some of these indicators are easier to measure than others and because the census contains only a limited number of variables related to well-being, the CWB cannot capture all aspects of well-being. Nevertheless, it is a useful tool to assess community well-being.

The tool uses Statistics Canada's Census of Population data to produce "well-being" scores for individual communities based on four indicators:

- Education (High School Plus; University);

- Labour Force (Participation, Employment);
- Income (Total per Capita); and,
- Housing (Quantity: defined on the basis of overcrowding, Quality: defined based on the need for major repairs).

2006 Community Well Being Score CWB score for the Municipality of Machin, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Project are summarized in Table 5.vi. The CWB score for Machin is 79, at the mid-range for small communities in the region and in line with average Canadian community in 2006.

Table 5.vi: Community Well-Being (CWB) Scores for Relevant Communities

| Community | Income Score | Education Score | Housing Score | Labour Force Score | CWB Score |
|------------------------------|--------------|-----------------|---------------|--------------------|-----------|
| Dryden | 90 | 57 | 95 | 87 | 82 |
| Ignace | 84 | 44 | 95 | 84 | 77 |
| Sioux Lookout | 90 | 57 | 93 | 87 | 82 |
| Machin/Vermilion Bay | 85 | 48 | 94 | 88 | 79 |
| Wabigoon | - | - | - | - | - |
| Kenora | 89 | 56 | 95 | 87 | 82 |
| Thunder Bay | 87 | 58 | 96 | 85 | 82 |
| Winnipeg | 86 | 61 | 94 | 88 | 82 |
| Wabigoon Lake Ojibway Nation | - | - | - | - | 63 |
| Eagle Lake First Nation | - | - | - | - | 60 |
| Lac Seul First Nation | 58 | 30 | 67 | 79 | 59 |
| RST FN Regional Average | 63 | 38 | 79 | 77 | 60 |
| Small Communities Average | 91 | 54 | 95 | 83 | 81 |

Source: AANDC, 2006 Community Well-Being Ontario Database

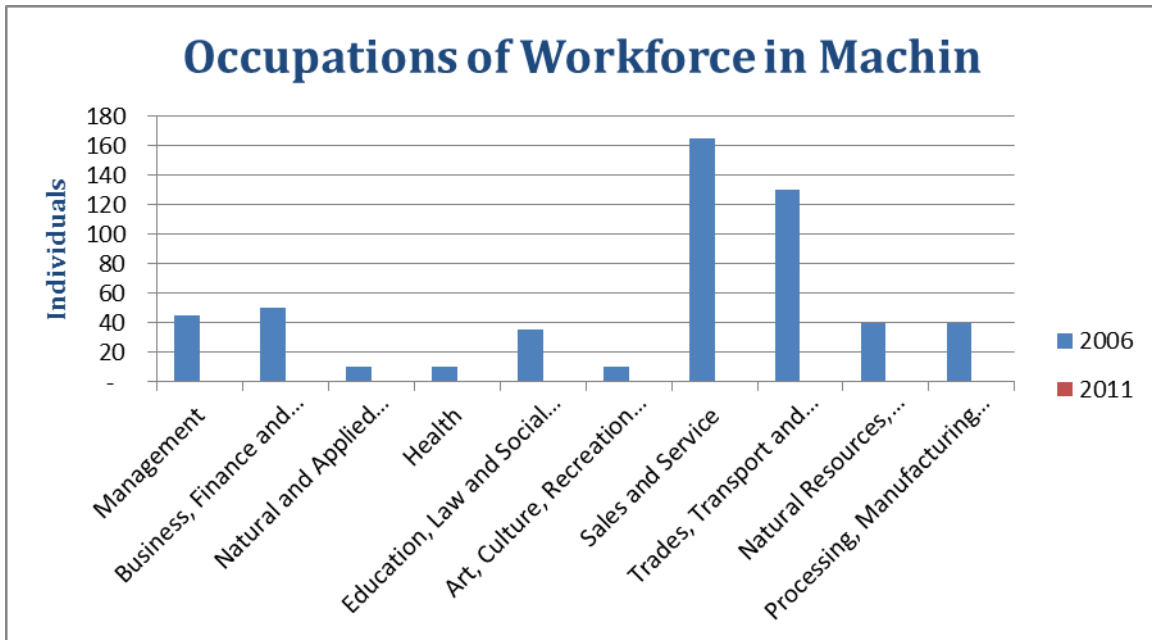
2.0 Economic Factors

The economy in the Municipality of Machin is primarily based on the forest industry and tourism. Machin has a strong service sector and is well known because of the excellent fishing provided by many rivers and lakes and excellent pristine boreal forest hunting grounds that attract tourists from across North America.

2.1 Labour Force, Labour Participation and Employment

The total labour force in the Municipality of Machin is estimated to be 535 individuals with a labour force participation rate of 66 percent. The 2006 census data indicates an employment rate of 63 percent and an unemployment rate of 4 percent.

The existing labour force characterized by occupation is shown in Figure 5.vi. Only 2006 data is currently available, 2011 data is unavailable for comparison. According to these figures, more than 50 percent of the labour force is engaged in sales and service and trades, transport and equipment operators and related. The third and fourth most reported occupations are characterized as those being business, finance and administration and management.



Source: Statistics Canada, 2006 Census Community Profile for the Municipality of Machin

Figure 5.vi: Occupations of Workforce (2006) in Machin

2.2 Income Levels

In the Municipality of Machin, median household incomes are 8 percent less than the provincial averages. Ontario provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in Machin are summarized as follow:

- Median household income = \$55,616; and
- Median family income = n/a.

Over the past 20 years, the median age in Ontario rose from 33 in 1989 to 39 in 2009, reflecting the aging of the baby boom generation, low fertility rates and increasing life expectancy. Seniors aged 65 and over now account for 13.7 percent of the population in Ontario or 1.8 million, up from 1.1 million people and an 11.9 percent share in 1989. At the same time, falling fertility rates reduced the share of children aged 0 to 14 in the population from 20.1 percent in

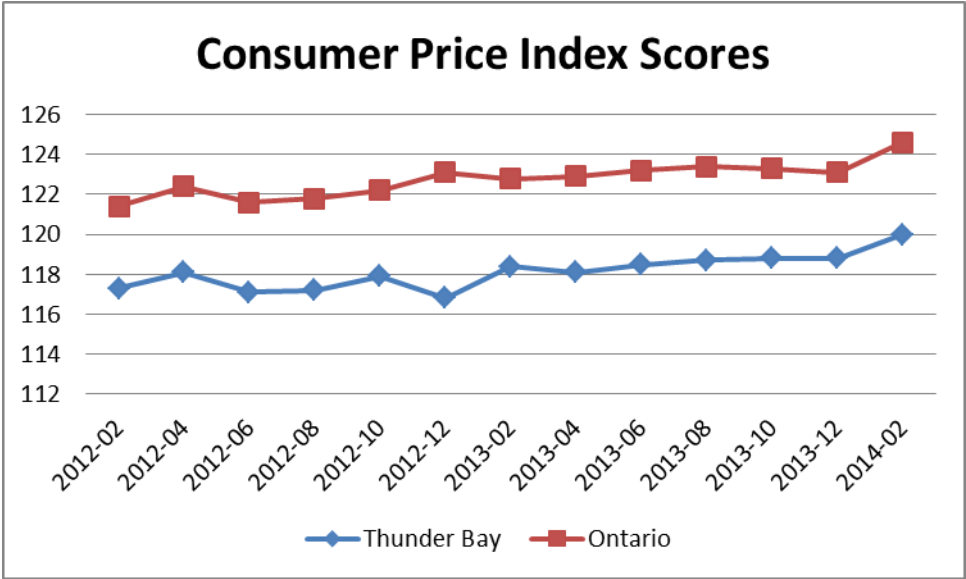
1989 to 16.9 percent in 2009 (Ministry of Finance, 2010).

Lower median household incomes in Machin may be attributed to an aging population reaching or entering into retirement. The high number of potential retirees is a result of the baby boomer demographic aging into the eligibility requirements and both the private and public sectors facilitating the retirement of individuals to meet workforce reduction targets.

The accelerated retirements in the public and private sectors have also increased the number of individuals in lower income levels. Pension or retirement income is considerably lower than working income, which may partially contribute to the lower median household income in Machin.

2.3 Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the CPI are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 6.vi.



Source: Statistics Canada, Consumer Price Index Historical Tables

Figure 6.vi: CPI Scores for Thunder Bay and Ontario from February, 2012 to February, 2014

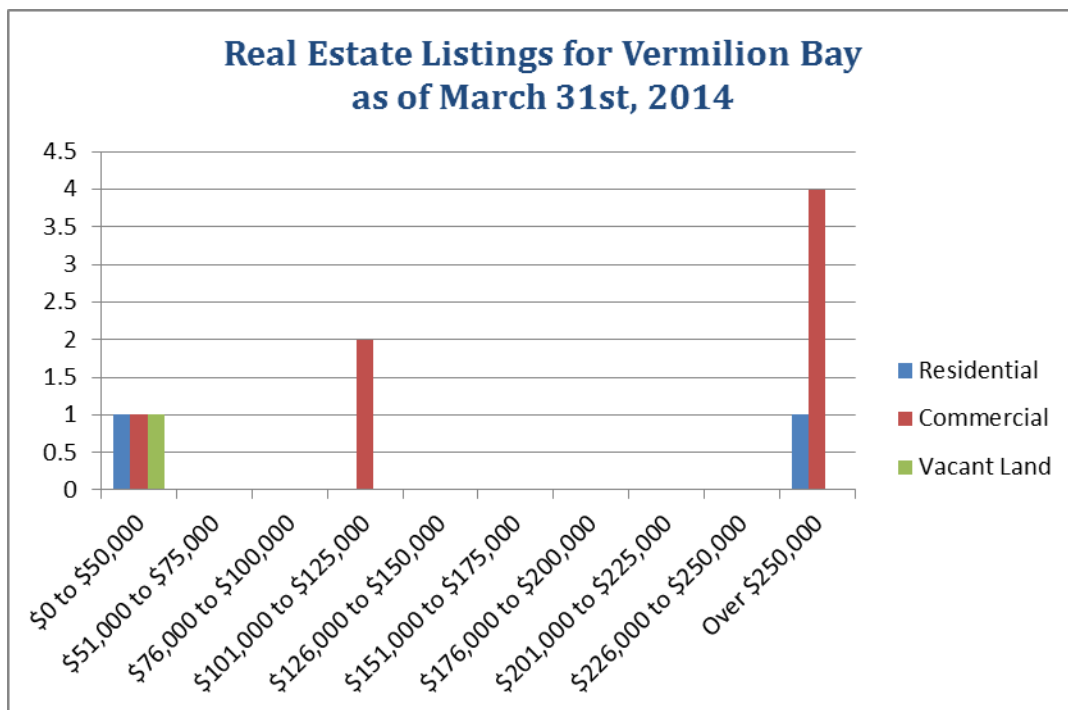
A CPI measures changes through time in the price level of consumer goods and services purchased by households. The CPI is defined by the United States Bureau of Labor Statistics as a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. In Canada, Statistics Canada tracks the retail price of a representative shopping basket of about 600 goods and services from an average household's expenditure: food, housing, transportation, furniture, clothing and recreation to determine

CPI.

CPI values for the province and region (as represented by Thunder Bay) follow each other on a month-to-month basis; however, on average, the CPI values are lower in Thunder Bay than those for the province as a whole. The primary reason that the CPI is lower in Thunder Bay and area has to do with lower housing costs, which more than offset the slightly higher costs for some consumer related goods and, in particular, food.

2.4 Real Estate

The number of currently available listings by price are displayed in Figure 5.vi. As the chart indicates, there are very few available houses in the area. A review of several classified advertisements yielded no apartments for rent in the area. Most of the existing real estate of farms or otherwise, which has lead to very little demand on new housing development.



Source: MLS website, March 31st, 2014

Figure 7.vi: Real Estate Listings on the Multiple Listing Service (MLS) managed by the Canadian Real Estate Association (CREA) as of March 31st, 2014

2.5 Economic Development

Machin boasts a variety of successful businesses. Some of the businesses in the Machin area include:

- Northern Lights Credit Union
- Buckeye Marine
- Wilderness Air
- Bobby's Corner (gas)
- Eagle's Junction (gas)
- The Village Corner (gas)
- The Co-op (grocery)
- Bayview Hotel
- Northside Motel
- Northwinds Resort
- Q104 FM
- Comfort Table Bakery
- The Tree House Café
- Bay Auto
- Piston Ring
- Casually Hip
- Naden Boats
- Egli Sheep Farm
- LCBO
- Post Office
- Busters BBQ

Many of the businesses and economics in Machin depend on seasonal tourism dollars, which benefit from its location on the TransCanada Highway and its proximity to several excellent fishing lakes, as well as seasonal hunters. Beyond the current businesses available in Machin, many residents access the businesses and services available in the City of Dryden 45 kilometres east of Vermillion Bay.

Table 6.vi lists the existing businesses in Dryden by the North American Industry Classification System (NAICS). The NAICS is an industry classification system developed by the statistical agencies of Canada, Mexico and the United States. Created against the background of the North American Free Trade Agreement, it is designed to provide common definitions of the industrial structure of the three countries and a common statistical framework to facilitate the analysis of the three economies. NAICS is based on supply-side or production-oriented principles.

Table 6.vi: Existing Businesses in Machin (2012)

| NAICS Code | Description | Total |
|--------------|---|------------|
| 11 | Agriculture, forestry, fishing and hunting | 9 |
| 21 | Mining, quarrying, and oil and gas extraction | 1 |
| 23 | Construction | 11 |
| 31-33 | Manufacturing | 4 |
| 41 | Wholesale trade | 4 |
| 44-45 | Retail trade | 11 |
| 48-49 | Transportation and warehousing | 13 |
| 51 | Information and cultural industries | 2 |
| 52 | Finance and insurance | 5 |
| 53 | Real estate and rental and leasing | 6 |
| 54 | Professional, scientific and technical services | 1 |
| 55 | Management of companies and enterprises | 0 |
| 56 | Administrative and support, waste management and remediation services | 1 |
| 62 | Health care and social assistance | 2 |
| 71 | Arts, entertainment and recreation | 0 |
| 72 | Accommodation and food services | 31 |
| 81 | Other services (except public administration) | 9 |
| 91 | Public administration | 1 |
| Total | | 111 |

Source: Canadian Business Patterns December 2012

2.6 Government Funding

The municipality of Machin collects the majority of operating finances through annual taxes levied on its property owners. These funds are applied towards the administration of all municipal departments for the provision of many essential services: police and fire protection; road maintenance; sewage and drainage; parks and recreation; economic development; and, tourism. The total tax rate comprises municipal services and education levy components.

It is important to note that the educational tax levy is not set by the municipality. The province annually directs all the municipalities in Ontario what levy is applied to rate payers within their jurisdiction. The tax rates for various classes of rate payers are provide below in Table 7.vi.

Table 7.vi: Tax Rates for Rate Payers in the Municipality of Machin

| Property Class | 2013 Consolidated Tax Rate (%) |
|---------------------------|--------------------------------|
| Residential/Farm | 1.049674% |
| Multi-Residential | 1.049674% |
| Commercial Occupied | 1.693039% |
| Commercial Vacant/Excess | 1.185127% |
| Industrial Occupied | 1.186329% |
| Farmlands/Managed Forests | 1.049674% |

Source: Machin municipal office



Treasury Metals

Goliath Gold Project

Section VII

Socioeconomic Baseline Report

Wabigoon Lake Ojibway Nation



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Wabigoon Lake Ojibway Nation

Wabigoon Lake Ojibway Nation is a First Nation community in Northwestern Ontario. The ancient presence of Wabigoon Lake Ojibway Nation people on their Land is reflected in its vast forests and countless lakes, rivers and streams. This landscape is in turn reflected in them in their language, culture and way of life.

Extensive fields of Manomin (wild rice) were planted by the ancestors and now form an abundant source of food for people and animals in the Region. Vast towering stands of pine, birch, cedar and spruce, as well as blueberries and other foods, were nurtured by an extensive knowledge and practice of controlled burning. The homeland of Wabigoon people is an Ojibway cultural landscape.

1.0 Social Factors

The members of Wabigoon Lake Ojibway Nation are descendants of signatories of an Indian Treaty with the British Crown in Right of Canada that covers 55,000 square miles of land, Treaty #3. The Treaty was signed in October of 1873.

Wabigoon Lake Ojibway Nation is rapidly becoming a native community with a vibrant renewed native cultural, social and economic life. Now emerging from a history of extreme hardship and privation, the First Nation has become a progressive force for renewal throughout the Treaty #3 Region.

The history of the Wabigoon people includes the tragedy of demographic collapse that resulted from the ravages of sickness and disease that was brought to Canada by European explorers, missionaries, government officials and settlers.

1.1 Administration

The *Indian Act* currently contains various provisions assigning powers to Band Councils, such as by-law making authority and stipulates that the exercise of Band and Band Council powers require the consent of a majority of electors and Band Councillors, respectively. It does not prescribe rules for the administration of Band government per se, or address matters such as privacy, access to information or conflict of interest.

A First Nation community can hold an election using one of three different electoral methods. The first method is an election system that is empowered through provisions in the *Indian Act*. Most Canadian First Nation communities utilize this electoral method, which grants a Chief and

Council two-year office terms.

The second election method is a unique and customized election code established by the community to better enhance their needs.

The third, and least employed option, are provisions of a self-governing agreement. Self-government agreements dictate an arrangement for First Nation groups to govern their internal affairs and receive larger control, responsibility and decision-making authority. These agreements encompass a variety of governance pillars including an electoral code.

Wabigoon Lake Ojibway Nation utilizes the first method, electing their leadership every two years under the Indian Act. The community elects a Chief and three Councillors. Community services are provided to residents through a number of primary departments and their respective managers in the areas of economic development, governance and community wellness.

The almost seven hundred Band Members of Wabigoon belong to the Ojibway Nation of the Great Lakes Region of Canada and the United States. It extends west from the Great Lakes to Manitoba, Minnesota and beyond. Approximately two hundred Band members of the First Nation live on the Wabigoon Reservation and another five hundred live off-reserve in the local area and they participate in the economic and cultural life of the First Nation.

1.2 Population

Aboriginal people are one of the fast growing populations in Canada. Between 2006 and 2011, the Aboriginal population grew by 20.1 percent, whereas the non-Aboriginal population of the country grew by only 5.2 percent. Nationally, the Aboriginal population is young; the 0 to 14 age category makes up 28 percent of the overall Aboriginal population, whereas the same category in the non-Aboriginal population represents 16.5 percent of the non-Aboriginal population.

The total population of Wabigoon Lake Ojibway Nation is 691, including the on-Reserve population of 196 and the off-Reserve population of 495. According to Statistics Canada, the population of Wabigoon Lake Ojibway Nation in the 2011 census is 185 individuals. The on-Reserve population increased by 28 percent between 2006 and 2011, showing significant in-migration in all age classes with the exception of young adults aged 15 to 19 (-33.3%). The comparative data for the 2006 and 2011 on-Reserve population of Wabigoon Lake Ojibway Nation are displayed below in Table 1.vii.

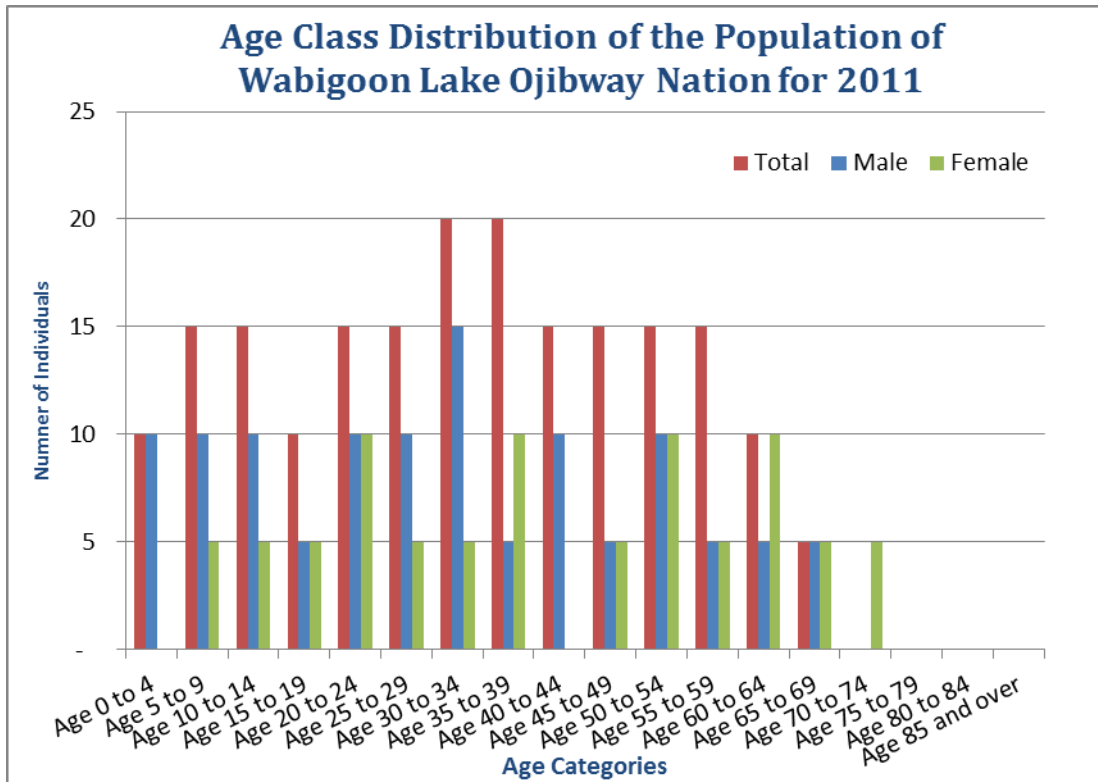
Table 1.vii: Population by Age Class from 2006 to 2011 Community Profiles

| | Wabigoon Lake Ojibway Nation | | |
|---------------------------------|------------------------------|-------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 145 | 185 | 28% |
| Age 0-4 | 10 | 10 | 0.0% |
| Age 5-14 | 20 | 30 | 50.0% |
| Age 15-19 | 15 | 10 | -33.3% |
| Age 20-24 | 5 | 15 | 200.0% |
| Age 25-44 | 50 | 70 | 40.0% |
| Age 45-54 | 20 | 30 | 50.0% |
| Age 55-64 | 15 | 25 | 66.7% |
| Age 65-74 | 5 | 5 | 0.0% |
| Age 75-84 | - | - | 0.0% |
| Age 85 and over | 5 | - | -100.0% |
| Median age of population | 32.8 | 34.7 | 5.8% |
| Percent aged 15 and over | 76.7% | 79.9% | 4.2% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

In Ontario, the 0 to 14 age category represents 17.0 percent of the entire population, including Aboriginal peoples. At the national level, the median age of the Aboriginal population is 28 years and the non-Aboriginal population has a median age of 41, reflecting the influence of such a large, young cohort in the Aboriginal population.

The age class distribution of the population in Wabigoon Lake Ojibway Nation by 5-year age classes and gender is displayed in Figure 1.vii. Population numbers are fairly consistent across all age demographics followed by a large decline starting in the 60 to 64 demographic age range. It is important to note that there is slightly less females than males in each demographic until the decline when females and males are equal.



Source: Statistics Canada, 2011 Census Community Profile for Wabigoon Lake Ojibway Nation

Figure 1.vii: Age Distribution of Wabigoon Lake Ojibway Nation (2011)

1.3 Housing

Housing is an important part of the social and economic infrastructure of a community. The availability of a range of housing options is a sign of a healthy community and is essential for economic growth and prosperity. The presence of appropriate housing can encourage residents to stay in a community and attract new people to the community. Furthermore, the existence of appropriate housing is often a critical element in attracting and securing investment to a community (Karakas, J., 2009).

Affordable housing is a significant factor in creating attractive, liveable and competitive communities. Among other things, the availability of affordable housing makes it easier to attract people to and retain people in a community (Ontario Ministry of Municipal Affairs and Housing, 2005).

Many First Nation communities in Canada need more housing and/or better quality housing, as overcrowding and inadequate housing are of particular concern on Reserves. Inadequate housing poses health and safety risks, creates an unhealthy growing environment for children and is linked to several health and social problems. Unfortunately, there are historical barriers to improving the housing conditions in First Nation communities.

The Indian Act gives the Minister of Aboriginal Affairs and Northern Development the right to determine whether *any purposes for which lands in a reserve are used is for the use and benefit of the Band*. Title to land within the Reserve may only be transferred to the Band or to individual Band members. Reserve lands may not be seized legally, nor is the personal property of a Band or Band member living on a Reserve subject to *charge, pledge, mortgage, attachment, levy, seizure distress or execution in favour or at the instance of any person other than an Indian or a band* (section 80 (1) of the Indian Act).

While the Act was intended to protect the Indian holdings, the limitations make it difficult for the Reserves and their residents to obtain financing for development, construction or renovation. To answer this need, CMHC created an on-Reserve housing loan program. Members of Bands may enter into a trust agreement with CMHC and lenders can receive loans to build or repair houses. In other programs, loans are guaranteed by the federal government.

In 1996, INAC introduced the On-Reserve Housing Policy that allowed First Nations to play a key role in decisions about how, where and when housing funds are invested. First Nations who have not voluntarily adopted the 1996 Policy approach continue to operate under a subsidy program established in the 1960s.

The 1996 Policy is based on the principles of:

- First Nations control;
- First Nations expertise;
- Shared responsibilities; and,
- Increased access to private sector financing.

The Government of Canada invests approximately \$272 million per year to assist First Nations in meeting their on-Reserve housing needs, including \$138 million through AANDC and close to \$134 million through CMHC. Based on the \$138 million annual contribution from AANDC for on-Reserve housing, over 2,300 new housing units and nearly 3,300 renovations are completed on average each year.

First Nations can use these funds to build and renovate houses, as well as contribute towards costs such as maintenance, insurance, debt servicing and the planning and management of their housing portfolios. AADNC does not cover the full cost of housing and First Nations and their residents must secure other sources of funds to fully construct a housing unit and/or establish a housing authority.

As of the 2011 census, there were 76 total private dwellings in Wabigoon Lake Ojibway Nation, which is a stable level since the 2006 census data. Of the total dwellings 20 of these consist of

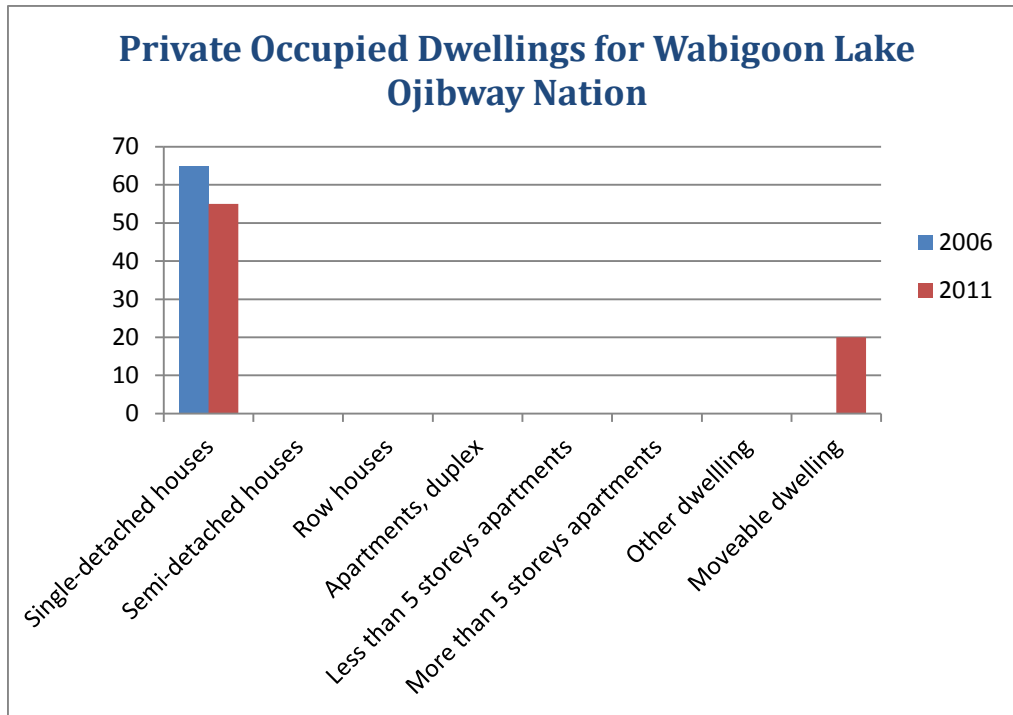
movable dwellings, which are indicative of the needs of many First Nations for better quality housing, as overcrowding and inadequate housing are of particular concern on Reserves. Inadequate housing poses health and safety risks, creates an unhealthy growing environment for children and is linked to several health and social problems. Unfortunately, there are historical barriers to improving the housing conditions in First Nation communities.

The households, including types, in Wabigoon Lake Ojibway Nation are presented in Table 2.vii, below. The comparison of population and dwelling data shows expected similarities. As of the 2011 census, there were 76 occupied private dwellings in Wabigoon Lake Ojibway Nation, which represents a 4 percent increase from 73 dwellings in 2006. The 2006 census did not differentiate between owned, rented and Band housing; consequently, Band housing increased by 100 percent when compared to the 2011 census. Changes in the data collection methodology between the 2006 and 2011 censuses may explain this increase. More detail about the housing supply in Wabigoon Lake Ojibway Nation is displayed in Figure 2.vii below.

Table 2.vii: Housing Supply by Tenure and Value

| | Wabigoon Lake Ojibway Nation | | |
|---|------------------------------|------|----------|
| | 2006 | 2011 | % Change |
| Total private dwellings | 73 | 76 | 4% |
| Occupied private dwellings | 63 | 75 | 19% |
| Single-detached houses | 65 | 55 | -15% |
| Semi-detached houses | 0 | 0 | 0% |
| Row houses | 0 | 0 | 0% |
| Apartments, duplex | 0 | 0 | 0% |
| Less than 5 storeys apartments | 0 | 0 | 0% |
| More than 5 storeys apartments | 0 | 0 | 0% |
| Other dwelling | 0 | 0 | 0% |
| Moveable dwelling | 0 | 20 | 100% |
| | | | |
| Number of owned dwellings | 0 | 0 | 0% |
| Number of rented dwellings | 0 | 0 | 0% |
| Band housing | n/a | 75 | n/a |
| Average value of owned dwellings | n/a | n/a | n/a |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles



Source: Statistics Canada, 2011 Census Community Profile

Figure 2.vii: Characteristics of Private Occupied Dwellings

There are currently no hotels or motels in Wabigoon Lake Ojibway Nation and many Band members currently reside in the neighboring village of Wabigoon. As Wabigoon Lake First Nation does not have homes available for rent or hotel/motel accommodations, short-term or temporary workers in the area seek housing and/or accommodations in neighbouring communities such as Wabigoon Village and Dryden.

1.4 Education

Wabigoon Lake Ojibway Nation offers elementary school educational services within the community to its membership. Students attend Wabshki-Penasi School where they receive their first stage of compulsory education from Kindergarten through to Grade 8. Current enrollment and capacity figures for Wabshki-Penasi School are not available to the public. Following the completion of grade 8, students from Wabigoon Lake Ojibway Nation attend high school in Dryden at Dryden High School.

For post-secondary learning, Lakehead University and Confederation College are both within a 400 kilometre (4 hours) drive of Wabigoon Lake Ojibway Nation. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;

- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;
- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus, 7,042 of which are full time. The University employs 319 full time faculty and 1,850 staff, including 715 full time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has a satellite campus in Dryden. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

Residents can also obtain a post-secondary education by taking advantage of Contact North for a variety of business, trades and other programs through distance learning and online education.

Currently 73 percent of the population of Wabigoon Lake Ojibway Nation aged 25 to 64 have obtained training at or beyond the high school level. This includes 18 percent with high school certificates or equivalent, 18 percent who have received an apprenticeship or trade certificate or diploma and 18 percent who have received a college equivalent certificate or diploma and 18 percent who have obtained a University certificate or diploma (Table 3.vii).

Table 3.vii: Education Attainment by Age Class

| Wabigoon Lake Ojibway Nation | 15 and over | | 25-64 yrs | |
|---|-------------|-----|-----------|-----|
| | Total | % | Total | % |
| Total population | 145 | | 110 | |
| No certificate, diploma or degree | 55 | 38% | 30 | 27% |
| High school certificate or equivalent | 25 | 17% | 20 | 18% |
| Apprenticeship or trades certificate or diploma | 20 | 14% | 20 | 18% |
| College, CEGEP or other non-university certificate or diploma | 25 | 17% | 20 | 18% |
| University certificate or diploma below the bachelor level | 10 | 7% | 10 | 9% |
| University certificate, diploma or degree at bachelor level or above | 10 | 7% | 10 | 9% |

Source: Statistics Canada, 2011 Census Aboriginal Population Profile

1.5 Health Services and Programs

Wabigoon Lake Ojibway Nation has a number of programs and services to provide its members with health services, including family violence prevention services through its Community Wellness Worker. The “CWW” provides prevention and awareness activities, as well as working together with health and social service agencies to present workshops and support services that prevent family violence and promote the well-being of the membership of Wabigoon Lake Ojibway Nation.

Wabigoon Lake Ojibway Nation provides the following health services for its community members:

- Health Office
- Aboriginal Diabetes Initiative
- Aboriginal Healthy Babies Healthy Children
- Brighter Futures
- Building Healthy Communities
- Community Wellness
- National Native Alcohol and Drug Abuse Program

Further care may be sought in the nearby City of Dryden, 34 kilometres west of Wabigoon Lake

Ojibway Nation on Highway 17. Dryden is primarily serviced by Dryden Regional Health Centre (DRHC), a fully modern 41 bed acute care hospital. There are thirty-one acute and ten chronic/rehabilitation beds in the hospital. The centre provides a full range of inpatient services including, medical, surgical, obstetrical, chronic care and critical care. Ambulatory services include emergency, surgical day care, specialty clinics, oncology, nurse practitioners and ambulance services.

Diagnostic services include a 64 slice CT scan, x-ray, ultrasound, laboratory mammography and cardiac stress testing. The DRHC is also home to physiotherapy, occupational therapy, pharmacy, dietary services, as well as counselling and case management services for alcohol addiction, diabetes, gambling, drug addiction and sexual assault. Dental care, optometry, and chiropractic care services are also available in Dryden.

1.6 Emergency Services

Emergency services in Wabigoon Lake Ojibway Nation are provided by the Treaty Three Police Service, Wabigoon Lake Ojibway Nation volunteer fire fighters and Superior North EMS. All emergency services are accessible on the 911 network. Northwest EMS is responsible for providing emergency pre-hospital care in the District of Kenora. They currently have 9 stations and 96 Primary Care Paramedics.

T3PS is a First Nation, self-administered police service. Constables are appointed by the Commissioner of the OPP and have the powers of a police officer for the purposes of carrying out their duties and under federal law have the powers and protections of a peace officer. They are not police officers as defined by the Police Services Act but of equal status. Wabigoon Lake Ojibway Nation also falls under fire support from the neighbouring community of Dryden and their fire detachment.

1.7 Crime and Justice

Wabigoon Lake Ojibway Nation falls under the Kenora District and due to its proximity to a larger city centre, the community faces many similar crime issues such as assault, mischief, drug related issues and motor vehicle accidents. Policing activities are provided by the Treaty Three Police Services (T3PS) with full access and dispatch through the 911 protocol system.

The community is serviced by the Treaty Three Police Services (T3PS). T3PS is a First Nation, self-administered police service. Constables are appointed by the Commissioner of the OPP and have the powers of a police officer for the purposes of carrying out their duties and under federal law have the powers and protections of a peace officer. They are not police officers as defined by the Police Services Act but of equal status.

Treaty Three Police provides services to twenty-three First Nations and has offices in Kenora, Fort Frances, Whitefish Bay (Lac Seul First Nation), Grassy Narrows First Nation, Eagle Lake First Nation and Wabaseemoong Independent Nations (White Dog).

1.8 Poverty and Social Issues

There is limited poverty and social issues information readily available for Wabigoon Lake Ojibway Nation. The community does however, administer an Ontario Works program. Social issues and addiction continue to be a challenge to the community and poverty creates a cycle of depression that is difficult to break.

The Ministry of the Attorney General of Canada published a report called *A Profile of Aboriginal Peoples in Ontario*. The report details many social problems that are being experienced by the First Nations of Ontario. Generally, First Nations peoples obtain less education when compared to non-First Nations individuals with the largest difference being noted in university level education. Based on the 2001 Statistics Canada Census, the percentage of the Ontario population over 15 years and older that have a university degree is 5.5 percent for First Nations in comparison to 17.5 percent for non-First Nations.

In further detail, the profile report also delineated the employment percentage rate between First Nations and non-First Nations peoples of Ontario that were 15 years and older. Unemployment and employment rates for First Nations were 14.7 percent and 55.1 percent, respectively. In comparison, non-First Nations peoples experienced respective unemployment and employment rates of 8 percent and 63.3 percent.

Income rates also differ greatly between First Nations populations and non-First Nations. The 2001 census indicated that First Nations are receiving an average income of \$21, 822, while non-First Nation peoples receive \$33,026. Lastly, the report described the Ontario prison population as it relates to First Nations peoples. In 2001, 9 percent of prison inmates were First Nation.

An overall description of First Nations health was found in a report funded in 2005 by the Ontario Ministry of Health and Long Term Care entitled *Health Status Report of Aboriginal People in Ontario*. The report had several key findings that are important when considering the general picture of First Nations health in Ontario:

- The 1990 First Nation birth rate is 23.0 births per 1,000 women of child-bearing age, compared to the Canadian rate of 11.1 births per 1,000 women of child-bearing age.
- In 1997, 79 percent of males and 72 percent of females aged 20 and over in the First Nations population were smokers, a rate twice as high as the general Ontario

population.

- 63 percent of First Nation individuals between ages 18-34 were considered overweight or obese, compared to 39 percent of Canadians aged 18-34.
- The life expectancy at birth for First Nations in 2000 was estimated to be 68.9 years for men and 78.6 years for females.
- Mortality rates of First Nations males in Ontario aged 35-49 were nearly four times those of non-First Nations males with motor vehicle accident among the leading cause of death in all age groups, except those over the age of 65.
- Rates of mumps, pertussis and rubella were three times higher among First Nations than the overall Canadian rate.
- The suicide rate among First Nations peoples of all ages is three to four times greater than among the non-First Nations population. Studies have also shown that 75 percent of First Nations women have been victims of family violence. Common mental disorders of First Nations people over the age of 15 years are depression, anxiety and substance abuse.

1.9 Community Services, Programs and Facilities

Wabigoon Lake Ojibway Nation has a number of programs and services to help flourish their vibrant culture and community. Cultural activities are important to the people of Wabigoon Lake Ojibway Nation. The community hosts many cultural activities including:

- Adult sewing
- Kids sewing
- Scrap booking
- Elder meetings
- Darts

1.10 Fisheries

In 2005, *A New Ecological Framework for Recreational Fisheries Management in Ontario* was approved to ensure fisheries resource sustainability and to optimize angling opportunities. Consistent with the direction provided in the framework, Fisheries Management Zone 4 (FMZ 4) and FMZ 5 were two of twenty zones created as a new spatial unit for fisheries management planning across the Province. The new boundaries are based on ecological factors and angler use patterns, such as: climate (growing degree days); watersheds; fishing pressure; and, accessibility (i.e. road networks). Both FMZ 4 and 5 are relevant, as the boundary between the two zones is in proximity to the Goliath Gold Project area.

1.10.1 Fisheries Management Zone 4

FMZ 4 extends over a large geographic range, covering an area of approximately 60,440 square

kilometres, including land and water. The Manitoba border and the eastern boundary of Woodland Caribou Provincial Park mark the western extent of the FMZ, with the western boundaries of the Brightsand River Provincial Park and Wabikimi Provincial Park defining it to the east, over 350 kilometres away. The Berens River and Cat River systems provide the north boundary, while Highway 17 and the Canadian National Railway line define the south boundary (Figure 3.vii).

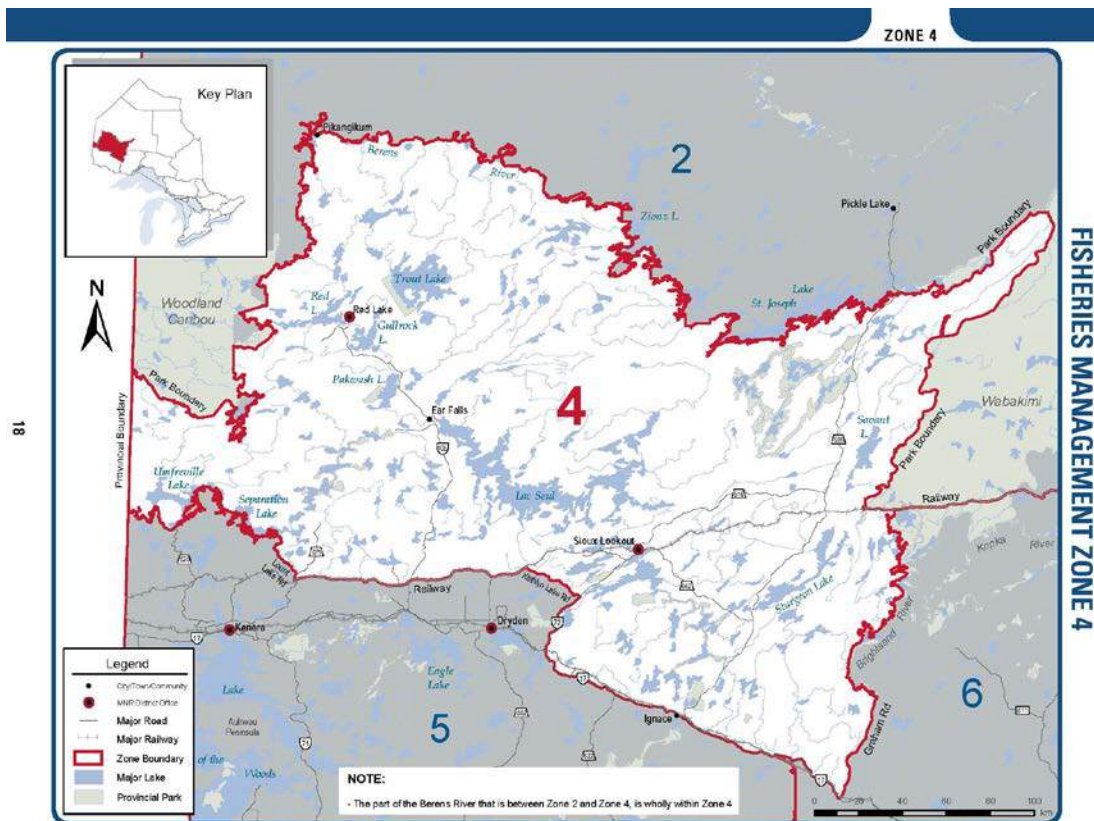


Figure 3.vii: Fisheries Management Zone 4 boundaries

The fisheries in FMZ 4 are utilized by Aboriginal communities for subsistence and ceremonial harvest; by resident and non-resident sport fish anglers; by resource-based tourist outfitters; by the commercial baitfish industry; and, to a lesser degree, by the commercial food fishing industry.

The waterbodies and fisheries of FMZ 4 have significant importance to Aboriginal communities within and around the Zone. The abundance of waterbodies and diversity of fish species found within FMZ 4 provide First Nation communities with resources for subsistence living, an important component of traditional land use, in addition to social and spiritual significance that are unique to each community. Many Band Members also benefit financially from these resources through their involvement in the tourist and commercial food fishing industries.

There are nine First Nation communities within Fisheries Management Zone 4. These communities include Whitedog First Nation Wabaseemoong Independent Nation (Whitedog), Ochiichangwe 'Babigo'ining (Dalles), Asubpeeschoseewagong Netum Anishinabek (Grassy Narrows), Wabauskang First Nation, Pikangikum First Nation, Lac Seul First Nation, Saugeen First Nation and Mishkeegugamang First Nation. Other First Nation communities outside of FMZ 4 may have traditional use areas within the Zone; however, these areas are not well defined. FMZ 4 includes portions of three treaty areas including Treaty 3, Treaty 5 and Treaty 9.

Due to the overall high quality of fisheries, good access and abundance of fishing opportunities in FMZ 4, many waterbodies within the Zone are popular destinations for Ontario resident, Canadian resident (those residing outside of Ontario) and non-Canadian resident anglers. Angling by these residency groups remains primarily a consumptive use of the fisheries resources. According to the 2005 national recreational fishing survey, the majority of the fishing effort (84 percent) in FMZ 4 resulted from angling by non-Canadian residents. Ontario residents contributed 14 percent of the total angling effort, followed by Canadian resident anglers who only contributed 2 percent. Of the Canadian residents fishing in the Zone, 84 percent originate from Manitoba.

Ice fishing accounts for approximately 8 percent of the total angling effort in FMZ 4. Ontario resident anglers contribute 75 percent of the ice fishing effort, with non-Canadian residents exerting 21 percent of the effort. Canadian residents only account for 4 percent of the total ice fishing effort, indicating their angling activity occurs primarily in the open water season.

The 2005 survey indicates the fishing industry contributes over \$133 million to the FMZ 4 economy. Non-Canadian residents account for 84 percent of these expenditures, confirming the importance of these anglers to the tourism industry and local communities. The majority of non-Canadian residents fishing in FMZ 4 utilized the services of the resource based tourist outfitters. The resource-based tourism industry is well developed within FMZ 4 with approximately 104 main base lodges and 211 outpost camps. These facilities include drive-to facilities and remote fly-in or boat-in facilities.

There are 306 commercial baitfish harvest blocks in FMZ 4, all of which are currently allocated. Utilization is divided between regular harvesters, tourist harvesters, regular dealers and tourist dealers. Baitfish harvesting is a valuable business within FMZ 4 but there is currently no estimate of its economic contribution to FMZ 4.

Commercial food fishing in FMZ 4 exists primarily for lake whitefish (88 percent of harvest) and, to a lesser extent, for northern pike, walleye and yellow perch on a small number of lakes within the Zone. There is a declining trend in active commercial fisheries within Northwestern

Ontario. At present there are a total of twenty seven commercial licences in FMZ 4, nineteen of which are active and eight of which are inactive.

The vast majority of commercial fishing licenses in FMZ 4 are held by First Nation communities. Presently, FMZ 4 Districts report that 19 of the licenses are active. Of the active licenses, 7 are issued for Specially Designated Waters (SDWs) and the remaining 12 are on non-SDW lakes. SDWs account for the vast majority of the available quota with lake whitefish as the most important commercially fished species (88 percent) followed by lesser amounts of northern pike, walleye and perch.

Previously, the direction for the management of commercial fisheries in FMZ 4 (including allowable gear, species and quota targets) was documented in individual District Fisheries Management Plans 1987-2000 (DFMPs). Recognizing that the FMZ 4 Fisheries Management Plan will replace these plans, and a new strategic policy for Ontario's Commercial Fisheries was completed in 2011, it is essential the FMZ 4 Fisheries Management Plan contains commercial fisheries management objectives that are reflective of the present industry and are consistent with new Provincial Commercial Fisheries Policy. Commercial fisheries management objectives can be found in the FMZ Fisheries Management Plan, which can be obtained from MNR.

1.10.2 Fisheries Management Zone 5

FMZ 5 extends over a large and varied geographic range covering an area of approximately 44,360 square kilometres, including land and water. Located in the southern portion of the Northwest MNR Region, FMZ 5 spans three MNR administrative Districts, including the entire Fort Frances District and southern portions of the Kenora and Dryden Districts (Figure 4.vii).

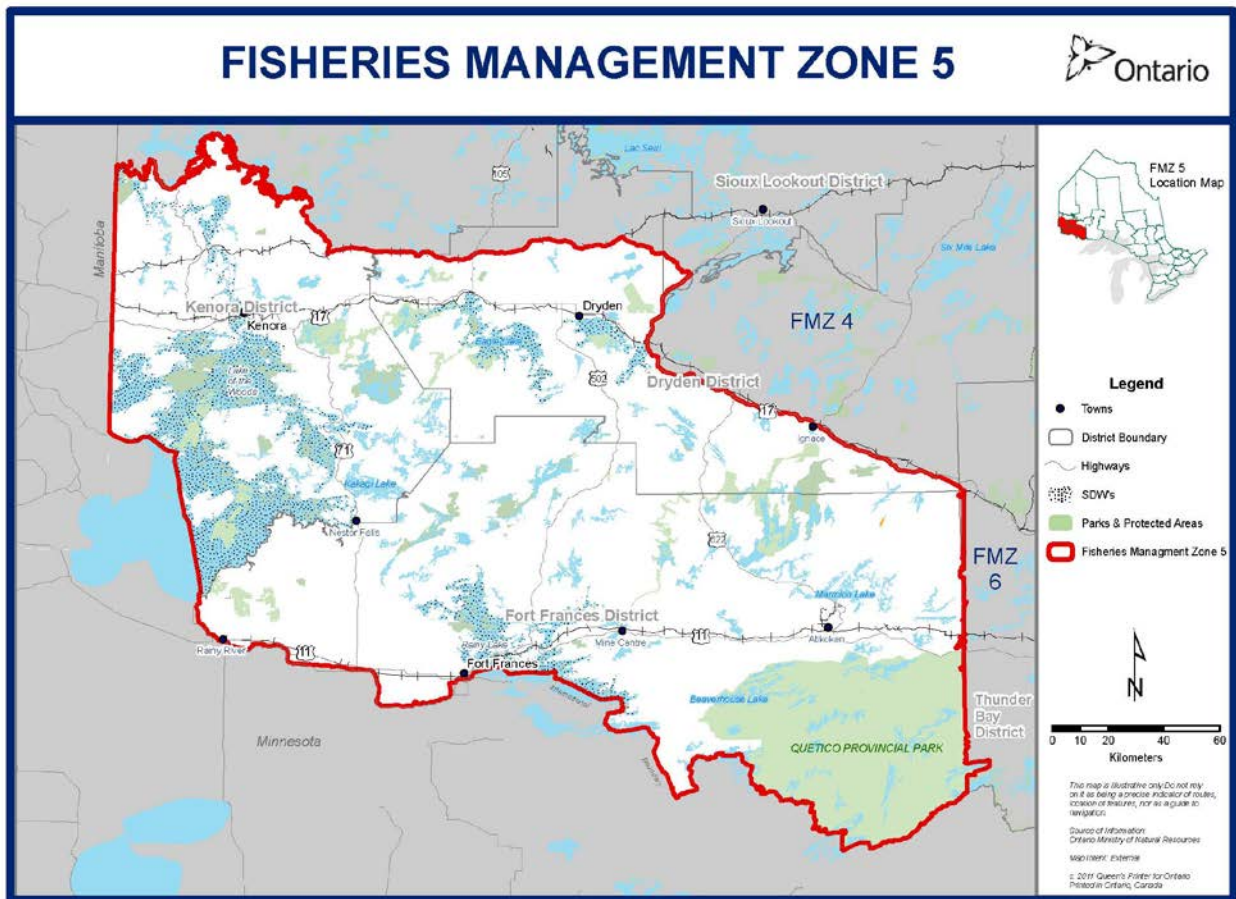


Figure 4.vii: Fisheries Management Zone 5 boundaries

Like much of the rest of Canada, the current pattern of landform features, surface geology and distribution of lakes and rivers across FMZ 5 were defined by the actions of glaciers that also influenced the fish communities that are present today. FMZ 5 is dominated by bedrock landforms that make up over 70 percent of the land area. This high proportion of bedrock dominated landscape tends to result in lakes that are clear and less productive compared to other parts of Northwest Ontario.

FMZ 5 has the highest density of people in the Northwest Region outside of Thunder Bay. Major communities (more than 2,000 residents) within FMZ 5 include Fort Frances, Kenora, Dryden and Atikokan. There are 23 First Nations located totally or partially within FMZ 5. In addition to Ontario residents, FMZ 5 is adjacent to a large population of anglers from neighbouring jurisdictions, including the Upper Midwest states in the United States and Manitoba.

Road-based access to the fisheries of FMZ 5 is well-distributed throughout the Zone with the

exception of Quetico Provincial Park. Scattered within road accessed areas are areas primarily accessed by air that are utilized by a well-developed fly-in tourism industry. Major highways that provide primary access include highways 11, 17, 502, 71 and 622 among others with almost 13,000 kilometres of gravel roads extending off from these main corridors.

Over 2,400 lakes (46 percent of lakes larger than 10 hectares) in FMZ 5 are currently within 500 metres of a road; a distance that is considered accessible by anglers or other resource users. Access management within an FMZ is a fine balance between providing angling opportunities and appropriately distributing fishing effort within the overall goal of preventing overexploitation and maintaining sustainability of fisheries resources.

The largest use of fisheries resources in FMZ 5 is by recreational angling. A total of 251,520 anglers were estimated to have fished in FMZ 5 in 2005, providing 9,219,920 hours of fishing effort which represents 46 percent of the total effort in the Northwest Region. Non-SDW waters accounted for approximately 45 percent of the effort in FMZ 5 with the SDW waterbodies accounting for the remaining 55 percent.

The majority (approximately 72 percent) of angling effort is from non-residents of Canada with Ontario residents accounting for about 20 percent of the effort and Canadian residents making up the remaining 8 percent. The total economic value of the FMZ 5 angling fisheries was estimated to be approximately \$200 million in 2005. Much of this is due to the tourist industry, which is very well-developed in FMZ 5. There are approximately 328 main base lodges and 156 out post camps, including those on SDW waters.

There is an active commercial food fishing industry in FMZ 5 with 21 commercial licenses or allocations on non-SDW waters with an additional 25 licenses on SDW waters. The majority of commercial fishing is by First Nation individuals or communities or individuals claiming Métis status. The most important commercial species is whitefish accounting for 88 percent of total allocated quota of 84,000 kilograms (185,700 pounds) from non-SDW waters with smaller allocations available for northern pike, walleye and black crappie. Quotas also exist for lake sturgeon although no harvest currently occurs due to self-imposed moratoriums by the First Nation communities holding the licenses.

An active commercial bait harvest industry also exists in FMZ 5. There are 311 baitfish blocks within FMZ 5; although because one harvester can fish multiple blocks, the number of harvesters is much less. The estimated retail value of baitfish and leeches harvested from FMZ 5 was \$5.4 million for 2009.

Fisheries resources in FMZ 5 have a significant cultural and economic importance to First Nation

communities. Besides being the largest proportion of commercial fishers, employment within the tourist industry is an important source of income for many Aboriginal peoples and more recently, First Nation communities are generating income through sponsorship of competitive fishing events. Besides the recreational component, Aboriginal people can angle or use nets to harvest fish for subsistence or ceremonial purposes under rights guaranteed under Treaties signed with the Crown.

1.11 Transit, Transportation and Transport

Wabigoon Lake Ojibway Nation is located with excellent transportation infrastructure due to its location close to Highway 17 and the railroad. Located only 2 kilometres south of the TransCanada Highway 17, Wabigoon Lake Ojibway Nation has easy access to Dryden Regional Airport located 34 kilometres northwest of the community. The Dryden Regional Airport features a 6000-foot asphalt runway and 2000-foot sand runway. The City of Dryden is serviced by Bearskin Airlines with convenient connections to Air Canada, West Jet and Northwest Airlines. Bearskin Airlines conducts private charters for government, corporate, special interest groups and individuals.

Local charter flight companies include:

- Bearskin Airlines
- Hicks and Lawrence
- Superior Helicopters

The nearest VIA Rail passenger service is located in Sioux Lookout, approximately 64 kilometres from Wabigoon Lake Ojibway Nation. VIA Rail has a designated stop in Sioux Lookout six days per week. Stopovers are generally 20 to 30 minutes in length. Industrial rail, truck and warehouse services are available in Sioux Lookout and Dryden.

The Port of Thunder Bay is located at the head of the Great Lakes-St. Lawrence Seaway System. A one-way voyage through the Seaway to Thunder Bay takes about five days with ships 222.5 metres in length, 23.1 metres in width with a draft of 8.2 metres being elevated some 180 metres through 16 of the most efficient locks in the world.

1.12 Utilities

Due to its proximity to major transportation corridors, Wabigoon Lake Ojibway Nation has access to a number of utilities and services that some more remote communities may not. The following services are available in the community:

- Bell Canada services
- TBayTel Services
- Electricity provided by Ontario Hydro

- Water and Wastewater services
 - Wabigoon Lake Ojibway Nation won the 2013 Best Tasting Water Award at the North Western Ontario Water and Wastewater Conference

1.13 Community Well-Being and Quality of Life

The Community Well-Being (CWB) Index was developed by Indian and Northern Affairs Canada (INAC), now referred to as Aboriginal Affairs and Northern Development Canada (AANDC) primarily to help measure the quality of life of Aboriginal communities in Canada. AANDC also determines CWB scores for non-Aboriginal communities across Canada to provide a relative measure on which to track the progress of Aboriginal communities. As such, the CWB Index is available for a number of communities, Aboriginal and non-Aboriginal, including Ignace, across Northwestern Ontario.

The CWB Index is a method of assessing socioeconomic well-being in Aboriginal communities and facilitates comparisons to other Canadian communities. It combines census data on education, labour force, income and housing into a *well-being score* (from 0 to 100).

Well-being means different things to different people. For some, well-being includes health, wealth and happiness. For many Aboriginal communities, well-being includes culture and language. Some of these indicators are easier to measure than others and because the census contains only a limited number of variables related to well-being, the CWB cannot capture all aspects of well-being. Nevertheless, it is a useful tool to assess community well-being.

The tool uses Census of Population data from Statistics to produce "well-being" scores for individual communities based on four indicators:

- Education (High School Plus; University);
- Labour Force (Participation, Employment);
- Income (Total per Capita); and,
- Housing (Quantity: defined on the basis of overcrowding, Quality: defined based on the need for major repairs).

2006 Community Well Being (CWB) scores for Wabigoon Lake Ojibway Nation, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the mining development are summarized in Table 4.vii. The CWB score for Wabigoon Lake Ojibway Nation is 63.

Table 4.vii: Community Well-Being Regional Scores

| Community | Income Score | Education Score | Housing Score | Labour Force Score | CWB Score |
|------------------------------|--------------|-----------------|---------------|--------------------|-----------|
| Dryden | 90 | 57 | 95 | 87 | 82 |
| Ignace | 84 | 44 | 95 | 84 | 77 |
| Sioux Lookout | 90 | 57 | 93 | 87 | 82 |
| Machin/Vermilion Bay | 85 | 48 | 94 | 88 | 79 |
| Wabigoon | - | - | - | - | - |
| Kenora | 89 | 56 | 95 | 87 | 82 |
| Thunder Bay | 87 | 58 | 96 | 85 | 82 |
| Winnipeg | 86 | 61 | 94 | 88 | 82 |
| Wabigoon Lake Ojibway Nation | - | - | - | - | 63 |
| Eagle Lake First Nation | - | - | - | - | 60 |
| Lac Seul First Nation | 58 | 30 | 67 | 79 | 59 |
| RST FN Regional Average | 63 | 38 | 79 | 77 | 60 |
| Small Communities Average | 91 | 54 | 95 | 83 | 81 |

Source: AANDC, 2006 Community Well-Being Ontario Database

2.0 Economic Factors

Wabigoon Lake Ojibway Nation has excellent transportation infrastructure through its proximity to Highway 17 and rail services. The proactive efforts of Wabigoon Lake Ojibway Nation towards economic self-determination have been applied in a variety of areas. Some members of Wabigoon are now fifth generation native Ojibway loggers. The First Nation is home to the most successful native logging enterprise in Ontario. This enterprise is an integrated *stump-to-dump* operation where an Ojibway company does everything from building forest access roads to delivering wood that it harvests to regional mills.

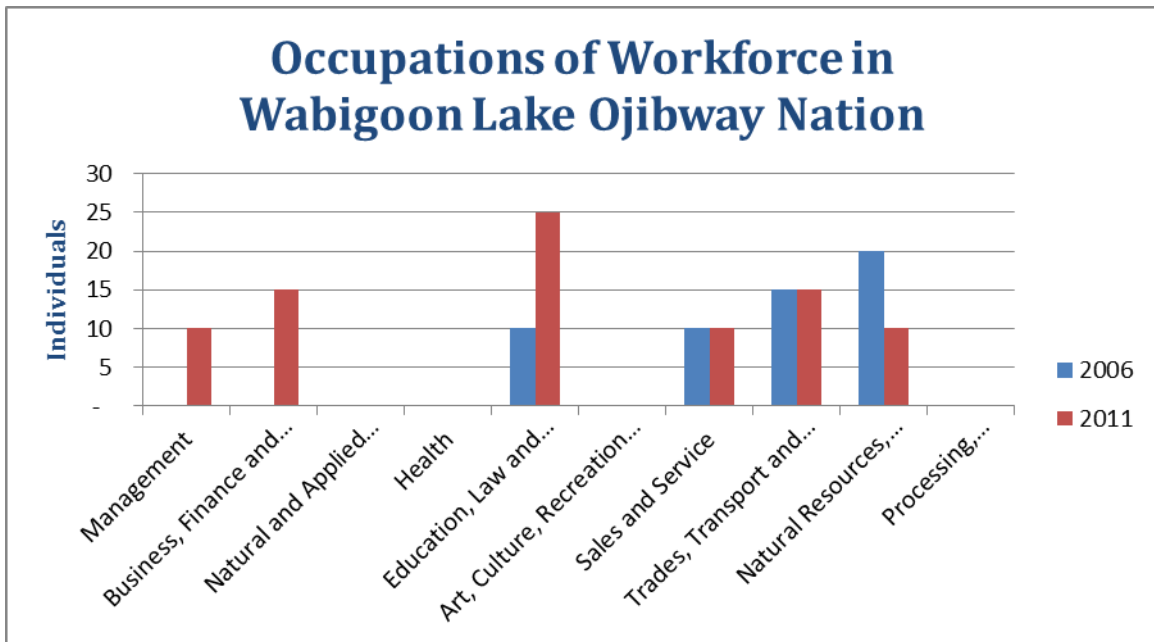
Wabigoon Lake Ojibway Nation has built on this success; it operates a successful tree nursery that has the capacity to grow six million seedlings for the mainstream forest sector. The First Nation is now extending its enterprise goals into business networks and partnerships with other First Nations and tribes and non-native businesses. This includes business partnerships for distribution and marketing in both goods and services

2.1 Labour Force, Labour Participation and Employment

The total labour force in Wabigoon Lake Ojibway Nation is estimated to be 70 individuals with a labour force participation rate of 66 percent. The 2011 census data indicates an employment rate of 55 percent and an unemployment rate of 21 percent.

The existing labour force characterized by occupation is shown in Figure 5.vii. Data from both

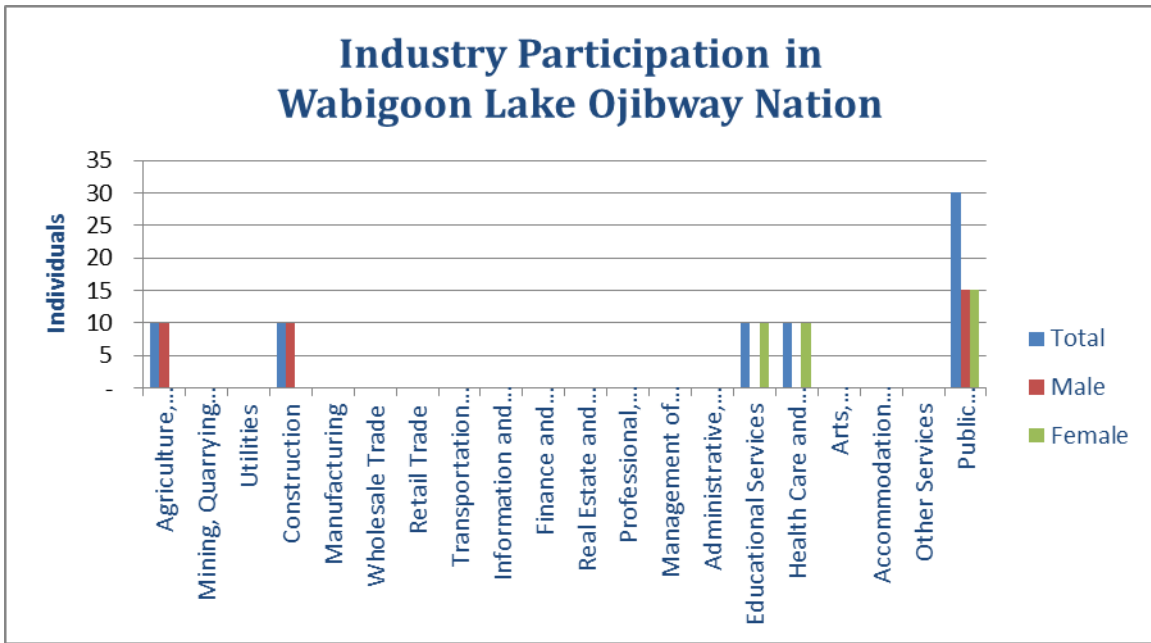
the 2006 and 2011 Census reports are included for comparison. More than 35 percent of the current labour force is engaged in education, law and social services and business, finance and administration occupations. The total labour force in Wabigoon Lake Ojibway Nation increased from 70 to 95 and saw those occupation increases in management, business, finance and administration, education, law and social services and natural resources, agriculture and related.



Source: Statistics Canada, 2006-2011 Census Community Profile for Wabigoon Lake Ojibway Nation

Figure 5.vii: Occupations of Workforce (2011) Wabigoon Lake Ojibway Nation

Based on industry type, over 30 percent of the labour force in Wabigoon Lake Ojibway Nation is employed in the public administration industry. Three other industries comprise more than 10 percent of the labour force, including agriculture, forestry, fishing and hunting, construction, educational services and health care and social assistance (Figure 6.vii).



Source: Statistics Canada, 2006-2011 Census Community Profile for Wabigoon Lake Ojibway Nation

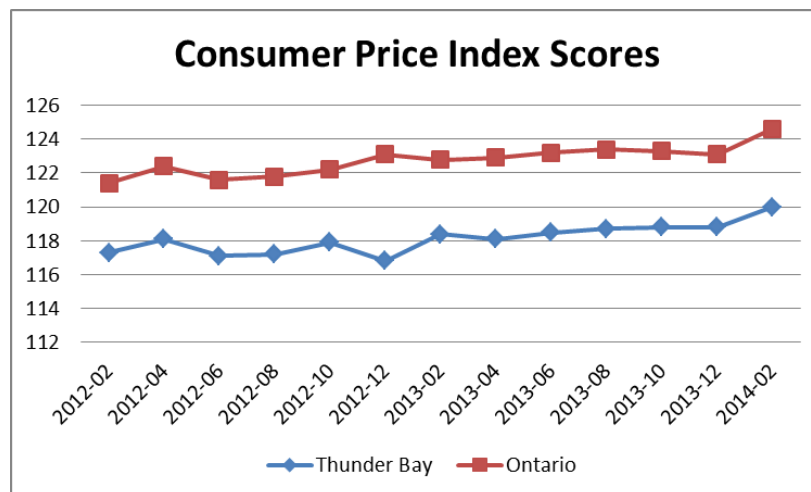
Figure 6.vii: Industry Workforce Participation by Gender

2.2 Income Levels

There is no household or family income information available for Wabigoon Lake Ojibway Nation in the 2006 or 2011 censuses.

2.3 Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI) are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 7.vii.



Source: Statistics Canada, Consumer Price Index Historical Tables

Figure 7.vii: Consumer Price Index for Ontario and Thunder Bay 2008-2011

A CPI measures changes through time in the price level of consumer goods and services purchased by households. The CPI is defined by the United States Bureau of Labor Statistics as a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. In Canada, Statistics Canada tracks the retail price of a representative shopping basket of about 600 goods and services from an average household's expenditure: food, housing, transportation, furniture, clothing and recreation to determine CPI.

CPI values for the province and region (as represented by Thunder Bay) follow each other on a month-to-month basis; however, on average, the CPI values are lower in Thunder Bay than those for the province as a whole. The primary reason that the CPI is lower in Thunder Bay and area has to do with lower housing costs, which more than offset the slightly higher costs for some consumer related goods and, in particular, food.

2.4 Real Estate

Currently, First Nation Reserve land under the *Indian Act* is Crown land, thus the legal title to the land is held by the Crown (federal and/or provincial) and the power to manage the land is federal.

The land itself cannot be sold or mortgaged unless it is yielded by the Band to the government. As far as Band members are concerned, they can hold only a right of possession of a parcel of Reserve land, which can be sold or passed on only to other members of the Band. To lease such land to a non-Band member requires the approval of the government. Reserve land falls under federal law and is therefore not governed by the vast body of provincial law that governs the normal conditions of property rights in Canada.

Some First Nations have expressed an interest in exploring the possibility of legislation that would allow private property ownership within current Reserve boundaries. The 2012 Canadian Economic Action Plan announced the intent of the government to explore with interested First Nations the option of moving forward with legislation that would allow for this.

2.5 Economic Development

The people of Wabigoon Lake Ojibway Nation understand the value of economic development and are very proud of their achievements in business and their successes in forestry and wild rice harvesting. The Wabigoon Lake Ojibway Nation held fast to their traditional spirit of survival and enterprise. For example, when a dam was built by the settler forestry industry in Dryden in 1896, extensive fields of Manomin (wild rice) and hay pastures were flooded. Where

the wild rice fields were flooded, the plant could no longer grow.

In response, Wabigoon people undertook a systematic program of taking wild rice from local lakes unaffected by the flooding and planting it into their hay pastures that were now under shallow water. The wild rice fields there today include some of the most extensive in the Region. They are so ecologically, as well as economically, significant that they are now protected by the Government of Ontario. These wild rice fields support the only native wild rice processing plant in Canada; a facility built by Wabigoon people in 1988 and located on the Wabigoon Reservation.

The wild rice processing plant on the Wabigoon Reservation is supporting the development of new value-added Non-Timber Forest Products, including an assortment of Manomin bars. The logging and tree nursery businesses on the Reservation have laid the foundation for the development of a value-added forest products manufacturing enterprise.

The First Nation is also home to a successful native logging enterprise. This enterprise is an integrated "stump-to-dump" operation where the Ojibway company does everything from building forest access roads to delivering wood that it harvests to regional mills. Wabigoon Lake Ojibway Nation operates a successful tree nursery that now grows six million seedlings under contract with mainstream forestry companies.

Wabigoon Lake Ojibway Nation is extending its enterprise goals into business networks and partnerships with other First Nations and tribes and non-native businesses. This includes business partnerships for distribution and marketing in both goods and services. These developments reflect a native community on the move.

The culture of enterprise at Wabigoon Lake Ojibway Nation has broadly engaged the community with the wider society. This engagement is supported by robust technical service supports that have been nurtured by the First Nation. The leaders of Wabigoon Lake Ojibway Nation know its limitations with respect to the capacity of the community to do all the things needed to achieve its enterprise objectives. Strategic partnerships have been and continue to be developed to realize them. Wabigoon Lake Ojibway Nation continues to build on past economic successes that will secure a place for their children and grandchildren and all of the descendants who will follow.

2.6 Government Funding

As with the majority of First Nation communities in Canada, Wabigoon Lake Ojibway Nation finances the administration and operation of their community through transfer payments from the federal government. Funding is transferred to the First Nation under several federally

funded program and services either directly or indirectly funded by the Government of Canada.

All First Nations, Tribal Councils and Political Organizations that receive transfer payments from any federal government department are required to submit a Schedule of Federal Government Funding. Transfer payments refer to payments made on the basis of an appropriation by Parliament for which no goods or services are directly received. The different types of transfer payments that recipients may receive are grants, contributions, flexible transfer payments, alternative funding arrangements and other transfer payments.

Table 5.vii (next page) lists the schedule of funding for Wabigoon Lake Ojibway Nation for 2012-2013.

Table 5.vii: Schedule of Federal Funding

| Wabigoon Lake Ojibway Nation Schedule of Federal Government Funding for the Year Ended March 31, 2013 | | | | | | |
|--|-------------------------------------|---|----------------------------------|--|--|---|
| Federally Funded Programs and Services Directly/Indirectly Funded by the Government of Canada | Federal Funding Received (a) | Unexpended Federal Funding Beginning of Year (b) | Adjustments/Transfers (c) | Total Federal Funding Available (a)+(b)+(c)=(d) | Total Expenditures From All Sources (e) | Unexpended Federal Funding End of Year (d)-(e)=(f) |
| Aboriginal Affairs and Northern Development Canada (AANDC) | | | | | | |
| Education | \$571,700 | \$50,371 | | \$622,071 | \$584,310 | \$37,761 |
| Economic Development | \$42,000 | | | \$42,000 | \$42,000 | |
| Government Support | \$207,574 | | | \$207,574 | \$207,574 | |
| Lands and Trust | | \$17,125 | | \$17,125 | | \$17,125 |
| Community Infrastructure | \$230,209 | | | \$230,209 | \$230,209 | |
| Housing | \$193,383 | | | \$193,383 | \$193,383 | |
| Self-Government | \$36,921 | \$2,242 | | \$39,163 | \$36,921 | \$2,242 |
| Social Assistance | \$29,100 | | | \$29,100 | \$29,100 | |
| Social Support Services | \$16,000 | | | \$16,000 | \$16,000 | |
| Homemakers | \$12,500 | | | \$12,500 | \$12,500 | |
| Child and Family Services | \$13,350 | | | \$13,350 | \$13,350 | |
| Access to Land and Resources | | | | | | |
| Subtotal for AANDC | \$1,352,737 | \$69,738 | \$ - | \$1,422,475 | \$1,365,347 | \$57,128 |
| Health Canada | | | | | | |
| Addictions | | | | | | |
| Children | | | | | | |
| Chronic Diseases | | | | | | |
| Communicable Diseases | | | | | | |
| Community Health Services | \$ 413,057 | | | \$ 413,057 | \$ 410,821 | \$ 2,236 |
| Environmental Health | | | | | | |
| Capacity Development | | | | | | |
| Health Information | | | | | | |
| Consolidated Medical Services | | | | | | |
| Patient Transportation | | | | | | |
| Subtotal for Health Canada | \$ 413,057 | \$ - | \$ - | \$ 413,057 | \$ 410,821 | \$ 2,236 |
| Canada Mortgage and Housing Corporation | | | | | | |
| Non-profit on Reserve Housing | \$ 24,915 | | | \$ 24,915 | \$ 24,915 | |
| RRAP Homeowner and Persons with Disabilities Program | \$ 64,000 | | | \$ 64,000 | \$ 64,000 | |
| RRAP Rental (including Secondary and Garden Suites) | | | | | | |
| RRAP Conversions | | | | | | |
| Home Adaptions for Seniors Independence Program | | | | | | |
| Shelter Enhancement Program | | | | | | |
| Housing Internship Initiative for FN and Inuit Youth | | | | | | |
| Subtotal for CMHC | \$ 88,915 | | | \$ 88,915 | \$ 88,915 | |
| Human Resources and Skills Development | \$ 30,972 | | | | \$ 30,972 | |
| GRAND TOTAL | \$ 1,885,681 | \$ 69,738 | \$ - | \$ 1,924,447 | \$ 1,896,055 | \$ 59,364 |

Source: Wabigoon Lake Ojibway Nation Schedule of Federal Government Funding For the Year Ended March 31, 2013 prepared by BDO Canada.



Treasury Metals

Goliath Gold Project

Section VIII

Socioeconomic Baseline Report

Eagle Lake First Nation



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Eagle Lake First Nation

Migisi Sahgaigan (which is translated to Eagle Lake First Nation for the remainder of this document) is located on Eagle Lake, 23 kilometers west of Dryden. Eagle Lake First Nation is located in the heart of the Canadian Shield in the boreal forests and lakes of Northwestern Ontario. The community is accessible via Highways 502 and 594 and is a two-hour drive from the United States (U.S.) border. The nearest municipality is the Municipality of Machin, which contains the communities Vermillion Bay and Eagle River. The economy of Eagle Lake First Nation is based primarily on trapping, forestry, government and retail services. These economic sectors employ a large number of community members both locally and regionally.

Eagle Lake First Nation is located within Grand Council Treaty #3 territory, which has a land base of 55,000 square miles. As of February, 2013, the total population in Eagle Lake First Nation is 589. The community services include a health center, elementary school, police satellite office, community arena, Bingo hall and other recreational fields. Industrial land and warehousing is ready for development.

1.0 Social Factors

Eagle Lake First Nation is tight-knit community well known for its annual Pow-Wow which attracts Aboriginal and non-Aboriginal people from across Northern Ontario and northern regions of the United States. Eagle Lake has scenic Powwow grounds at the lakeshore complete with beach area, some electrical hook-ups and washrooms.

As Anishnaabe people, residents of Eagle Lake First Nation are culturally tied to the boreal landscape and hold Eagle Lake and the life it supports sacred to their way of life. The band leadership has made strides in the areas of Economic Development and Lands and Resource Development in recent years, improving the local economy and increasing the employment opportunities available to community members.

1.1 Administration

The *Indian Act* currently contains various provisions assigning powers to Band Councils, such as by-law making authority and stipulates that the exercise of Band and Band Council powers require the consent of a majority of electors and Band Councillors, respectively. It does not prescribe rules for the administration of Band government per se, or address matters such as privacy, access to information or conflict of interest.

A First Nation community can hold an election using one of three different electoral methods.

The first method is an election system that is empowered through provisions in the *Indian Act*. Most Canadian First Nation communities utilize this electoral method, which grants a Chief and Council two-year office terms.

The second election method is a unique and customized election code established by the community to better enhance their needs. Usually, this includes longer office terms for elected officials.

The third, and least employed option, are provisions of a self-governing agreement. Self-government agreements dictate an arrangement for First Nation groups to govern their internal affairs and receive larger control, responsibility and decision-making authority. These agreements encompass a variety of governance pillars including an electoral code.

Eagle Lake First Nation utilizes the first method; electing their leadership every two years under the Indian Act. The First Nation elects a Chief and three Councillors. Eagle Lake First Nation is a signatory to Grand Council Treaty #3, which was signed on October 3, 1873. Grand Council Treaty #3 covers 55,000 square miles.

Community services are provided to residents through a number of primary departments and their respective managers, including (but not limited to):

- Economic Development – Devon Mackinnon-Ottertall, Economic Development Manager;
- Finance – Joyce Gardner, Finance Officer;
- Human Resources – Jane Peterson, Human Resource Manager;
- Lands and Resources – Jordan Gardner, Lands and Resources Coordinator;
- Health – Bernadette Wabange, Health Director; and,
- Culture – Garry Kavanaugh, Traditional Co-ordinator.

Eagle Lake First Nation is part of the Bimose Tribal Council and utilizes their services to enhance and improve its administration. Bimose Tribal Council assists its member First Nations in developing the services and projects needed to effectively operate their community government in the areas of administration, finance, economic development, First Nations governance, education, technical services, housing, capital planning, fire protection and water treatment.

1.2 Population

Aboriginal peoples are one of the fast growing populations in Canada. Between 2006 and 2011, the Aboriginal population grew by 20.1 percent, whereas the non-Aboriginal population of the country grew by only 5.2 percent. Nationally, the Aboriginal population is young; the 0 to 14

age category makes up 28 percent of the overall Aboriginal population, whereas the same category in the non-Aboriginal population represents 16.5 percent of the non-Aboriginal population.

The total population of Eagle Lake First Nation is 589, including the on-Reserve population of 230 and the off-Reserve population of 359. According to Statistics Canada, the population of Eagle Lake First Nation in the 2011 census is 230 individuals. The on-Reserve population decreased by 2 percent between 2006 and 2011, showing a significant out migration of children aged 5 to 14 (-22.2%) and adults aged 25 to 44 (-31.3%), which can be presumed to be the parents and/or guardians of these children. Conversely, there was a significant migration back to the community in the age groups of 20 to 24 (50%), 45 to 54 (14.3%) and 55 to 74 (50%) between 2006 and 2011, which helped stabilize the overall community population size. The comparative data for the 2006 and 2011 on-Reserve population of Eagle Lake First Nation are displayed below in Table 1.vii.

Table 1.vii: Population by Age Class from 2006 to 2011 Community Profiles

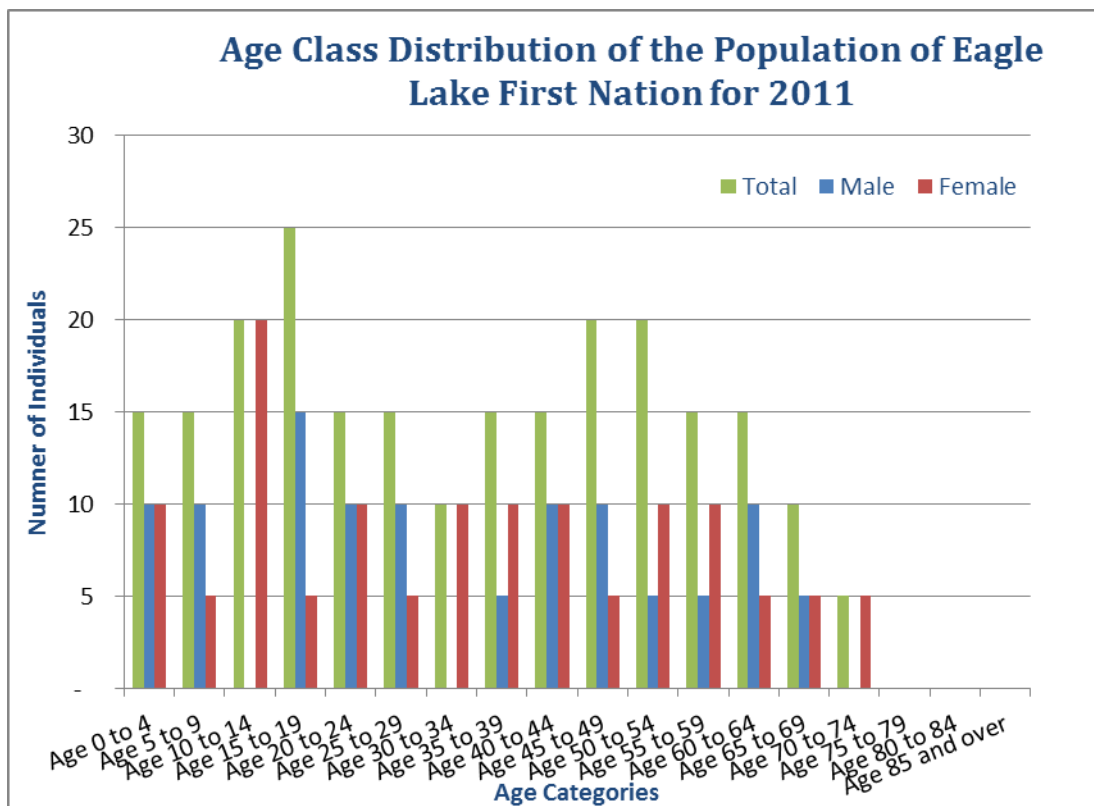
| | Eagle Lake First Nation | | |
|---------------------------------|-------------------------|-------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 235 | 230 | -2% |
| Age 0-4 | 15 | 15 | 0.0% |
| Age 5-14 | 45 | 35 | -22.2% |
| Age 15-19 | 25 | 25 | 0.0% |
| Age 20-24 | 10 | 15 | 50.0% |
| Age 25-44 | 80 | 55 | -31.3% |
| Age 45-54 | 35 | 40 | 14.3% |
| Age 55-64 | 20 | 30 | 50.0% |
| Age 65-74 | 10 | 15 | 50.0% |
| Age 75-84 | - | - | 0.0% |
| Age 85 and over | - | - | 0.0% |
| Median age of population | 35.0 | 33.4 | -4.6% |
| Percent aged 15 and over | 78.3% | 76.7% | -2.0% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

In Ontario, the 0 to 14 age category represents 17.0 percent of the entire population, including Aboriginal peoples. At the national level, the median age of the Aboriginal population is 28 years and the non-Aboriginal population has a median age of 41, reflecting the influence of such a large, young cohort in the Aboriginal population. The on-Reserve population of Eagle Lake First Nation is consistent with these trends (Figure 1.viii).

The age class distribution of the population in Eagle Lake First Nation by 5-year age classes and gender is displayed in Figure 1.vii. Population numbers are fairly consistent across all age

demographics followed by a large decline starting in the 60 to 64 demographic age range. It is important to note that there is slightly less females than males in each demographic until the decline when females and males are equal.



Source: Statistics Canada, 2011 Census

Figure 1.viii: Age Class Distribution of the Population in Eagle Lake

1.3 Housing

Housing is an important part of the social and economic infrastructure of a community. The availability of a range of housing options is a sign of a healthy community and is essential for economic growth and prosperity. The presence of appropriate housing can encourage residents to stay in a community and attract new people to the community. Furthermore, the existence of appropriate housing is often a critical element in attracting and securing investment to a community (Karakas, J., 2009).

Affordable housing is a significant factor in creating attractive, liveable and competitive communities. Among other things, the availability of affordable housing makes it easier to attract people to and retain people in a community (Ontario Ministry of Municipal Affairs and Housing, 2005).

Many First Nation communities in Canada need more housing and/or better quality housing, as overcrowding and inadequate housing are of particular concern on Reserves. Inadequate

housing poses health and safety risks, creates an unhealthy growing environment for children and is linked to several health and social problems. Unfortunately, there are historical barriers to improving the housing conditions in First Nation communities.

The Indian Act gives the Minister of Aboriginal Affairs and Northern Development the right to determine whether *any purposes for which lands in a reserve are used is for the use and benefit of the Band*. Title to land within the Reserve may only be transferred to the Band or to individual Band members. Reserve lands may not be seized legally, nor is the personal property of a Band or Band member living on a Reserve subject to *charge, pledge, mortgage, attachment, levy, seizure distress or execution in favour or at the instance of any person other than an Indian or a band* (section 80 (1) of the Indian Act).

While the Act was intended to protect the Indian holdings, the limitations make it difficult for the Reserves and their residents to obtain financing for development, construction or renovation. To answer this need, CMHC created an on-Reserve housing loan program. Members of Bands may enter into a trust agreement with CMHC and lenders can receive loans to build or repair houses. In other programs, loans are guaranteed by the federal government.

In 1996, INAC introduced the On-Reserve Housing Policy that allowed First Nations to play a key role in decisions about how, where and when housing funds are invested. First Nations who have not voluntarily adopted the 1996 Policy approach continue to operate under a subsidy program established in the 1960s.

The 1996 Policy is based on the principles of:

- First Nations control;
- First Nations expertise;
- Shared responsibilities; and,
- Increased access to private sector financing.

The Government of Canada invests approximately \$272 million per year to assist First Nations in meeting their on-Reserve housing needs, including \$138 million through AANDC and close to \$134 million through CMHC. Based on the \$138 million annual contribution from AANDC for on-Reserve housing, over 2,300 new housing units and nearly 3,300 renovations are completed on average each year.

First Nations can use these funds to build and renovate houses, as well as contribute towards costs such as maintenance, insurance, debt servicing and the planning and management of their housing portfolios. AADNC does not cover the full cost of housing and First Nations and their residents must secure other sources of funds to fully construct a housing unit and/or

establish a housing authority.

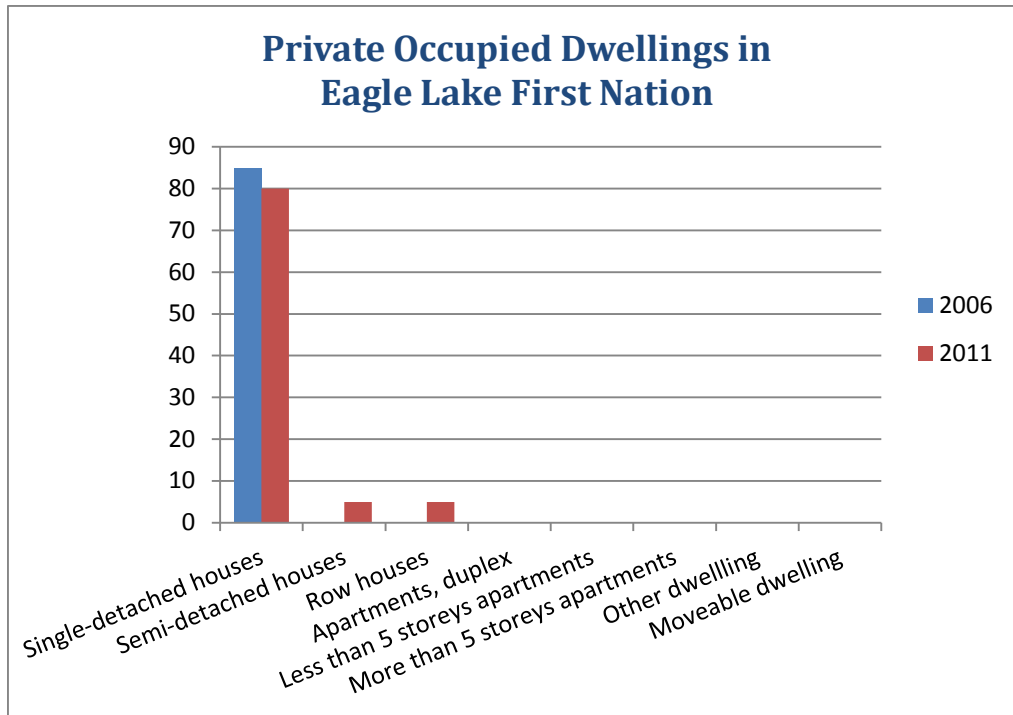
Eagle Lake First Nation has a Housing Program that was implemented in 1996 between Eagle Lake First Nation and AANDC with the purpose to assist homeowners with repairs and to lower the overall costs of maintaining a house. There are currently ninety-nine housing units located on Eagle Lake First Nation. The most recent housing units that were built were the fourteen CMHC houses completed in 2008.

The households, including types and values, in Eagle Lake First Nation are presented in Table 2. The comparison of population and dwelling data shows expected similarities. As of the 2011 census, there were 95 occupied private dwellings in Eagle Lake First Nation, which represents an 11.8 percent increase from 85 dwellings in 2006. The 2006 census did not differentiate between owned, rented and Band housing; consequently, rented dwellings reduced by 100 percent and Band housing increased by 100 percent. Changes in the data collection methodology between the 2006 and 2011 censuses may explain these changes. More detail about the housing supply in Eagle Lake First Nation is displayed in Figure 2.viii below.

Table 2.viii: Housing Supply by Tenure and Value in Eagle Lake

| | Eagle Lake First Nation | | |
|---|-------------------------|------|----------|
| | 2006 | 2011 | % Change |
| Total private dwellings | 88 | 100 | 14% |
| Occupied private dwellings | 87 | 95 | 9.2% |
| Single-detached houses | 85 | 80 | -6% |
| Semi-detached houses | 0 | 5 | 0% |
| Row houses | 0 | 5 | 0% |
| Apartments, duplex | 0 | 0 | 0% |
| Less than 5 storeys apartments | 0 | 0 | 0% |
| More than 5 storeys apartments | 0 | 0 | 0% |
| Other dwelling | 0 | 0 | 0% |
| Moveable dwelling | 0 | 0 | 100% |
| | | | |
| Number of owned dwellings | 0 | 0 | 0% |
| Number of rented dwellings | 25 | 0 | -100% |
| Band housing | n/a | 85 | n/a |
| Average value of owned dwellings | n/a | n/a | n/a |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles



Source: Statistics Canada, 2006 Census Community Profile for Eagle Lake

Figure 2.viii: Private Occupied Dwellings in Eagle Lake First Nation

At the time of this draft, there was no income and housing cost information readily available for Eagle Lake First Nation. All new homes on the Reserve are allocated and approved by the Housing Department. The First Nation stated that there is currently a housing shortage in the community and created a Housing Allocation Policy to address the situation.

Applications for housing on the Reserve can be submitted by members of the First Nation over the age of 18. Housing priorities are established on a yearly basis by the Housing Department. Based on the needs of the applicant, if they are successful they will be assigned new or existing housing on the Reserve. Non-members of the First Nation cannot apply for housing on Reserve, but may accompany an immediate family member or spouse who is a member of Eagle Lake First Nation and a successful applicant.

There are no hotels or motels currently operating in Eagle Lake First Nation.

As Eagle Lake First Nation does not have homes available for sale, or hotel/motel accommodations, short term or transient workers seek housing and/or accommodations in neighbouring communities such as Eagle River, Vermillion Bay and Dryden.

1.4 Education

Eagle Lake First Nation provides education at the Migisi Sahgaigan School. A school was initially

built in 1986, which serviced the community until 2002 when a new school was constructed and the old school was converted to a gymnasium and formed part of the new school. The school has an enrollment of 27 students from Kindergarten to Grade 6 and a capacity of 55. Students are able to enjoy activities such as ice fishing, snowshoeing, dog sledding and even hikes into the forest while keeping within the Ontario Curriculum standards set forth by the Ministry of Education. It is a Band controlled school supported by a local school board

The school has a main foyer that is also the entrance to the cultural room that houses the most recent books and a wealth of resources and information for research and enjoyment. The school has many cultural displays and also serves as an important part of the history of the people and families of Eagle Lake First Nation. The cultural room and library hosts many gatherings especially those of the Elders group. The school gymnasium is large and the rubberized floor is safe, comfortable and consistent with the finest of sports facilities in Northern Ontario.

Eagle Lake First Nation boasts a music program for all students, language program, current and up-to-date computer room, physical education program, cooking and sewing program, beading and youth club. The teachers deliver the Ontario Curriculum while maintaining the oral and traditional teachings handed down from generation to generation. The values of respect, discipline and responsibility are nurtured in an active and warm open school environment. School operations are overseen by the Migisi Sahgaigan School Board as established by the Band Council to direct educational matters.

Eagle Lake First Nation does not offer senior elementary or secondary education; grades 7 through 12. Students from Eagle Lake First Nation attend school for grades 7 through 12 in Dryden. There are several options for grades 7 and 8 and these schools are described in Section 1.4 of the Dryden report. Students from Eagle Lake First Nation attend Dryden High School for grades 9 through 12.

For post-secondary learning, Lakehead University and Confederation College are both within a 380 kilometre (4 hour) drive of Eagle Lake First Nation. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;
- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;

- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus, 7,042 of which are full time. The University employs 319 full time faculty and 1,850 staff, including 715 full time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has a satellite campus in Dryden. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

The population of Eagle Lake First Nation has slightly lower educational attainment levels than that of its neighbouring communities, such as Dryden and Ignace. This is often a reflection of educated and trained Band Members leaving the Reserve to pursue job opportunities elsewhere and the fact that many of the members who work on-Reserve often commute there for work, but do not live there.

As of 2011, 24 percent of Eagle Lake First Nation workforce (adults aged 25 to 64) had not attained their high school certificate or GED. Of this same demographic, 8 percent have attained a university degree at the bachelor level and 24 percent have obtained college, CEGEP or other non-university certification. An additional 20 percent of the workforce have completed an apprenticeship or received a trades certificate (Table 3.viii).

Table 3.viii: Education Attainment by Age Class

| Eagle Lake First Nation | 15 and over | | 25-64 yrs | |
|---|-------------|-----|-----------|-----|
| | Total | % | Total | % |
| Total population | 175 | | 125 | |
| No certificate, diploma or degree | 60 | 34% | 30 | 24% |
| High school certificate or equivalent | 35 | 20% | 25 | 20% |
| Apprenticeship or trades certificate or diploma | 30 | 17% | 25 | 20% |
| College, CEGEP or other non-university certificate | 30 | 17% | 30 | 24% |
| University certificate or diploma below the | 10 | 6% | - | 0% |
| University certificate, diploma or degree at bachelor level or above | 15 | 9% | 10 | 8% |

Source: Statistics Canada, 2011 Census Community Profile

1.5 Health Services and Programs

A Health Centre was constructed in Eagle Lake First Nation in 2000 and has a staff of 12 people, including a health director and a nurse. The health care staff also provides services in the areas of: child welfare; children and baby health; mental health; addictions counseling; home care; medical transportation; and, maintenance for single parents and the Elders. Traditional healers, as well as a Chiropodist, are contracted on a regular basis.

Further care may be sought in the nearby City of Dryden, 23 kilometres east of Eagle Lake First Nation via Highways 502 and 594. Dryden is primarily serviced by Dryden Regional Health Centre (DRHC), a fully modern 41 bed acute care hospital. There are thirty-one acute and ten chronic/rehabilitation beds in the hospital. The centre provides a full range of inpatient services including medical, surgical, obstetrical, chronic care and critical care. Ambulatory services include emergency, surgical day care, specialty clinics, oncology, nurse practitioners and ambulance services. Diagnostic services include a 64 slice CT scan, x-ray, ultrasound, laboratory mammography and cardiac stress testing.

The DRHC is also home to physiotherapy, occupational therapy, pharmacy, dietary services, as well as counselling and case management services for alcohol addiction, diabetes, gambling, drug addiction and sexual assault. Dental care, optometry, and chiropractic care services are also available in Dryden.

1.6 Emergency Services

Eagle Lake First Nation has 911 emergency services in conjunction with the City of Dryden. The City of Dryden offers the following emergency service providers:

- Treaty Three Police Service, Dryden Police Service and Ontario Provincial Police
- Land ambulance/emergency services
- Air ambulance services
- Fire department (2 halls)
- Ministry of Natural Resources Fire Services

1.7 Crime and Justice

The community is serviced by the Treaty Three Police Services (T3PS). T3PS is a First Nation, self-administered police service. Constables are appointed by the Commissioner of the OPP and have the powers of a police officer for the purposes of carrying out their duties and under federal law have the powers and protections of a peace officer. They are not police officers as defined by the Police Services Act but of equal status.

In 2006, a building was renovated in Eagle Lake First Nation to provide a T3PS Detachment. Treaty Three Police provides services to twenty-three First Nations and has offices in Kenora, Fort Frances, Whitefish Bay (Lac Seul First Nation), Grassy Narrows First Nation and Wabaseemoong (White Dog First Nation).

1.8 Poverty and Social Issues

There is limited poverty and social issues information readily available for Eagle Lake First Nation. The community does however, administer an Ontario Works program. Social issues and addiction continue to be a challenge to the community and poverty creates a cycle of depression that is difficult to break.

Access to clean water is a measure of poverty. In 2000, a state of the art zenon micro filtration water treatment plant was constructed along with a water tower. The community is serviced by three-phase electrical service with full sanitary collection and water service available.

The Ministry of the Attorney General of Canada published a report called *A Profile of Aboriginal Peoples in Ontario*. The report details many social problems that are being experienced by the First Nations of Ontario. Generally, First Nations peoples obtain less education when compared to non-First Nations individuals with the largest difference being noted in university level education. Based on the 2001 Statistics Canada Census, the percentage of the Ontario population over 15 years and older that have a university degree is 5.5 percent for First Nations in comparison to 17.5 percent for non-First Nations.

In further detail, the profile report also delineated the employment percentage rate between First Nations and non-First Nations peoples of Ontario that were 15 years and older. Unemployment and employment rates for First Nations were 14.7 percent and 55.1 percent, respectively. In comparison, non-First Nations peoples experienced respective unemployment and employment rates of 8 percent and 63.3 percent.

Income rates also differ greatly between First Nations populations and non-First Nations. The 2001 census indicated that First Nations are receiving an average income of \$21, 822, while non-First Nation peoples receive \$33,026. Lastly, the report described the Ontario prison population as it relates to First Nations peoples. In 2001, 9 percent of prison inmates were First Nation.

An overall description of First Nations health was found in a report funded in 2005 by the Ontario Ministry of Health and Long Term Care entitled *Health Status Report of Aboriginal People in Ontario*. The report had several key findings that are important when considering the general picture of First Nations health in Ontario:

- The 1990 First Nation birth rate is 23.0 births per 1,000 women of child-bearing age, compared to the Canadian rate of 11.1 births per 1,000 women of child-bearing age.
- In 1997, 79 percent of males and 72 percent of females aged 20 and over in the First Nations population were smokers, a rate twice as high as the general Ontario population.
- 63 percent of First Nation individuals between ages 18-34 were considered overweight or obese, compared to 39 percent of Canadians aged 18-34.
- The life expectancy at birth for First Nations in 2000 was estimated to be 68.9 years for men and 78.6 years for females.
- Mortality rates of First Nations males in Ontario aged 35-49 were nearly four times those of non-First Nations males with motor vehicle accident among the leading cause of death in all age groups, except those over the age of 65.
- Rates of mumps, pertussis and rubella were three times higher among First Nations than the overall Canadian rate.
- The suicide rate among First Nations peoples of all ages is three to four times greater than among the non-First Nations population. Studies have also shown that 75 percent of First Nations women have been victims of family violence. Common mental disorders of First Nations people over the age of 15 years are depression, anxiety and substance abuse.

1.9 Community Services, Programs and Facilities

Eagle Lake First Nation offers an array of community services in the form of support groups, services and assistance. The programs and supports listed below range from services for children, families, adults, women and seniors and are funded through various levels of government.

The community arena contains a rink, bleachers, change rooms, a concession stand and a community hall on the main floor. The Band offices are located on the second floor. An upgrade added a 500-seat capacity to the existing facility. Renovations to the entrance, floors, washrooms, concession and smoking and non-smoking sections were completed in 2011 as per previous *Economic Strategic Plan 2006-2011*.

In 2000, Eagle Lake also constructed a small Youth Centre and 'Northern Healthy House'. The Eagle Lake 'Northern Healthy House' is an innovative solution to housing durability, costs, water quality and safety. At the same time, the Eagle Lake First Nation has improved its technical and management skills in housing.

Eagle Lake First Nation also has a newly established Early Childhood Development Center that opened in 2008. The centre is licensed to accommodate up to 16 pre-schoolers and 10 toddlers. The centre currently employs two teachers and one cook/janitor. During summer months, the centre runs a summer student program that is able to reach maximum capacity.

Eagle Lake First Nation has scenic pow-wow grounds at the lakeshore complete with beach area, several electrical hook-ups and washrooms. The community holds regular traditional gatherings, including a youth pow-wow that is held annually on the long weekend in May and takes place in the arena.

Eagle Lake First Nation is proud to host the largest traditional pow-wow in this area held on the long weekend in August. The event attracts First Nation and non-First Nation visitors from all parts of Canada and the United States with people coming from as far away as Texas and Arizona and several provinces in Canada. These visitors will include traditional dancers, drummers and spectators.

One main asset to infrastructure in Eagle Lake First Nation is the Ojibway Paradise Resort. The Ojibway Paradise Resort is a Band-owned waterfront Lodge and Conference Centre situated in the community but separate from the residential area. The Ojibway Paradise Resort has cabins and a main lodge. Eagle Lake First Nation is famous for its fishing and, at one time, the Ojibway Paradise Resort was a popular fishing destination for both local and international tourists. The Ojibway Paradise Resort is currently shut down and Chief, Council and community are working

toward a solution to revitalize this community resource.

Cultural activities are important to the people of Eagle Lake First Nation. The community hosts many cultural activities including: pow-wows; community sweats; a dance group; sharing circles; arts and crafts; traditional healing; and, Elders activities. Other culturally related activities in the community include: school and community feasts; graduation ceremony; family dances; a winter carnival during March break; a science fair; fish derbies; Treaty Day; National Aboriginal Day; Earth Day; hockey tournaments; figure skating carnival; baseball tournaments; and, a family wellness week held in July.

Eagle Lake First Nation puts a high value on sports and recreation. The arena, which is the social hub of the community, is also utilized by the surrounding region on a regular basis, with user groups such as: Dryden Minor Hockey; AAA hockey teams; local men and women's hockey leagues and figure skating organizations. There is a summer hockey school in August and public skating throughout the year. Eagle Lake has been a co-host and participant in the all Ontario High School championships. And in addition, other sports and exercise programs are taught in the community such as Taekwondo.

Eagle Lake First Nation also has two baseball diamonds complete with bleachers and the community hosts baseball tournaments from the surrounding region. Eagle Lake First Nation athletes join Dryden for regular league baseball and baseball tournaments and the Eagle Lake First Nation baseball diamonds are on that roster.

1.10 Fisheries

In 2005, *A New Ecological Framework for Recreational Fisheries Management in Ontario* was approved to ensure fisheries resource sustainability and to optimize angling opportunities. Consistent with the direction provided in the framework, Fisheries Management Zone 4 (FMZ 4) and FMZ 5 were two of twenty zones created as a new spatial unit for fisheries management planning across the Province. The new boundaries are based on ecological factors and angler use patterns, such as: climate (growing degree days); watersheds; fishing pressure; and, accessibility (i.e. road networks). Both FMZ 4 and 5 are relevant, as the boundary between the two zones is in proximity to the Goliath Gold Project area.

1.10.1 Fisheries Management Zone 4

FMZ 4 extends over a large geographic range, covering an area of approximately 60,440 square kilometres, including land and water. The Manitoba border and the eastern boundary of Woodland Caribou Provincial Park mark the western extent of the FMZ, with the western boundaries of the Brightsand River Provincial Park and Wabikimi Provincial Park defining it to the east, over 350 kilometres away. The Berens River and Cat River systems provide the north boundary, while Highway 17 and the Canadian National Railway line define the south boundary

(Figure 3.viii).

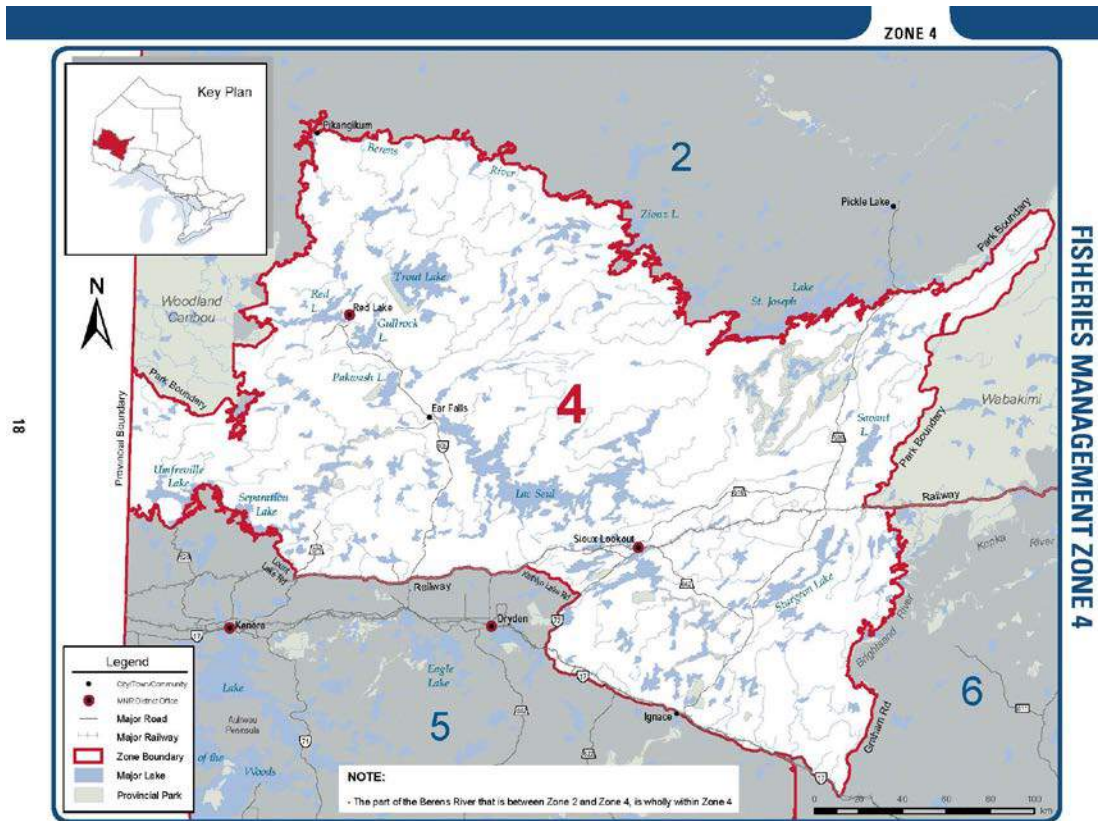


Figure 3.viii: Fisheries Management Zone 4 boundaries

The fisheries in FMZ 4 are utilized by Aboriginal communities for subsistence and ceremonial harvest; by resident and non-resident sport fish anglers; by resource-based tourist outfitters; by the commercial baitfish industry; and, to a lesser degree, by the commercial food fishing industry.

The waterbodies and fisheries of FMZ 4 have significant importance to Aboriginal communities within and around the Zone. The abundance of waterbodies and diversity of fish species found within FMZ 4 provide First Nation communities with resources for subsistence living, an important component of traditional land use, in addition to social and spiritual significance that are unique to each community. Many Band Members also benefit financially from these resources through their involvement in the tourist and commercial food fishing industries.

There are nine First Nation communities within Fisheries Management Zone 4. These communities include Whitedog First Nation Wabaseemoong Independent Nation (Whitedog), Ochiichangwe 'Babigo'ining (Dalles), Asubpeeschoseewagong Netum Anishinabek (Grassy Narrows), Wabauskang First Nation, Pikangikum First Nation, Lac Seul First Nation, Saugeen First Nation and Mishkeegugamang First Nation. Other First Nation communities outside of FMZ

4 may have traditional use areas within the Zone; however, these areas are not well defined. FMZ 4 includes portions of three treaty areas including Treaty 3, Treaty 5 and Treaty 9.

Due to the overall high quality of fisheries, good access and abundance of fishing opportunities in FMZ 4, many waterbodies within the Zone are popular destinations for Ontario resident, Canadian resident (those residing outside of Ontario) and non-Canadian resident anglers. Angling by these residency groups remains primarily a consumptive use of the fisheries resources. According to the 2005 national recreational fishing survey, the majority of the fishing effort (84 percent) in FMZ 4 resulted from angling by non-Canadian residents. Ontario residents contributed 14 percent of the total angling effort, followed by Canadian resident anglers who only contributed 2 percent. Of the Canadian residents fishing in the Zone, 84 percent originate from Manitoba.

Ice fishing accounts for approximately 8 percent of the total angling effort in FMZ 4. Ontario resident anglers contribute 75 percent of the ice fishing effort, with non-Canadian residents exerting 21 percent of the effort. Canadian residents only account for 4 percent of the total ice fishing effort, indicating their angling activity occurs primarily in the open water season.

The 2005 survey indicates the fishing industry contributes over \$133 million to the FMZ 4 economy. Non-Canadian residents account for 84 percent of these expenditures, confirming the importance of these anglers to the tourism industry and local communities. The majority of non-Canadian residents fishing in FMZ 4 utilized the services of the resource based tourist outfitters. The resource-based tourism industry is well developed within FMZ 4 with approximately 104 main base lodges and 211 outpost camps. These facilities include drive-to facilities and remote fly-in or boat-in facilities.

There are 306 commercial baitfish harvest blocks in FMZ 4, all of which are currently allocated. Utilization is divided between regular harvesters, tourist harvesters, regular dealers and tourist dealers. Baitfish harvesting is a valuable business within FMZ 4 but there is currently no estimate of its economic contribution to FMZ 4.

Commercial food fishing in FMZ 4 exists primarily for lake whitefish (88 percent of harvest) and, to a lesser extent, for northern pike, walleye and yellow perch on a small number of lakes within the Zone. There is a declining trend in active commercial fisheries within Northwestern Ontario. At present there are a total of twenty seven commercial licenses in FMZ 4, nineteen of which are active and eight of which are inactive.

The vast majority of commercial fishing licenses in FMZ 4 are held by First Nation communities. Presently, FMZ 4 Districts report that 19 of the licenses are active. Of the active licenses, 7 are issued for Specially Designated Waters (SDWs) and the remaining 12 are on non-SDW lakes.

SDWs account for the vast majority of the available quota with lake whitefish as the most important commercially fished species (88 percent) followed by lesser amounts of northern pike, walleye and perch.

Previously, the direction for the management of commercial fisheries in FMZ 4 (including allowable gear, species and quota targets) was documented in individual District Fisheries Management Plans 1987-2000 (DFMPs). Recognizing that the FMZ 4 Fisheries Management Plan will replace these plans, and a new strategic policy for Ontario's Commercial Fisheries was completed in 2011, it is essential the FMZ 4 Fisheries Management Plan contains commercial fisheries management objectives that are reflective of the present industry and are consistent with new Provincial Commercial Fisheries Policy. Commercial fisheries management objectives can be found in the FMZ Fisheries Management Plan, which can be obtained from MNR.

1.10.2 Fisheries Management Zone 5

FMZ 5 extends over a large and varied geographic range covering an area of approximately 44,360 square kilometres, including land and water. Located in the southern portion of the Northwest MNR Region, FMZ 5 spans three MNR administrative Districts, including the entire Fort Frances District and southern portions of the Kenora and Dryden Districts (Figure 4.viii).

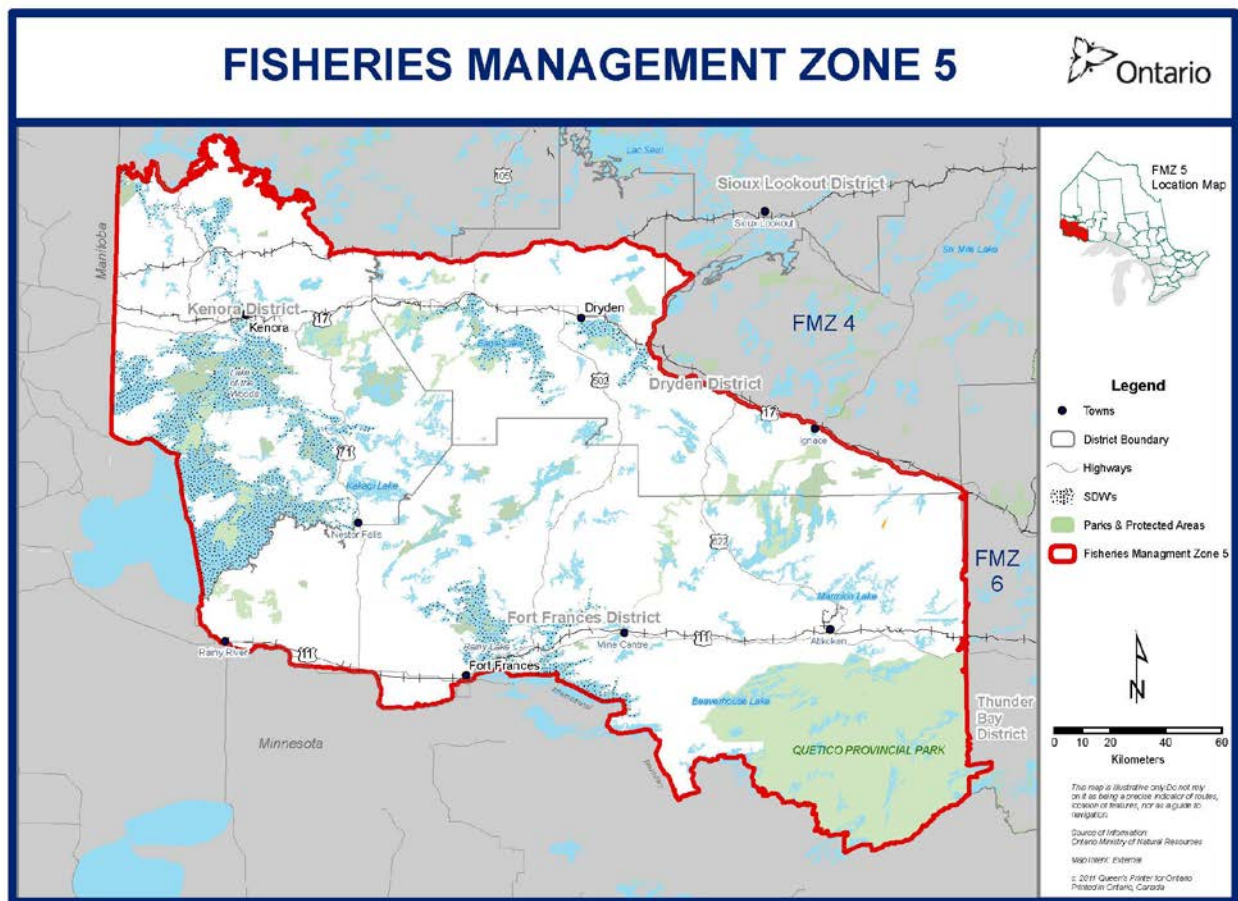


Figure 4.viii: Fisheries Management Zone 5 boundaries

Like much of the rest of Canada, the current pattern of landform features, surface geology and distribution of lakes and rivers across FMZ 5 were defined by the actions of glaciers that also influenced the fish communities that are present today. FMZ 5 is dominated by bedrock landforms that make up over 70 percent of the land area. This high proportion of bedrock dominated landscape tends to result in lakes that are clear and less productive compared to other parts of Northwest Ontario.

FMZ 5 has the highest density of people in the Northwest Region outside of Thunder Bay. Major communities (more than 2,000 residents) within FMZ 5 include Fort Frances, Kenora, Dryden and Atikokan. There are 23 First Nations located totally or partially within FMZ 5. In addition to Ontario residents, FMZ 5 is adjacent to a large population of anglers from neighbouring jurisdictions, including the Upper Midwest states in the United States and Manitoba.

Road-based access to the fisheries of FMZ 5 is well-distributed throughout the Zone with the

exception of Quetico Provincial Park. Scattered within road accessed areas are areas primarily accessed by air that are utilized by a well-developed fly-in tourism industry. Major highways that provide primary access include highways 11, 17, 502, 71 and 622 among others with almost 13,000 kilometres of gravel roads extending off from these main corridors.

Over 2,400 lakes (46 percent of lakes larger than 10 hectares) in FMZ 5 are currently within 500 metres of a road; a distance that is considered accessible by anglers or other resource users. Access management within an FMZ is a fine balance between providing angling opportunities and appropriately distributing fishing effort within the overall goal of preventing overexploitation and maintaining sustainability of fisheries resources.

The largest use of fisheries resources in FMZ 5 is by recreational angling. A total of 251,520 anglers were estimated to have fished in FMZ 5 in 2005, providing 9,219,920 hours of fishing effort which represents 46 percent of the total effort in the Northwest Region. Non-SDW waters accounted for approximately 45 percent of the effort in FMZ 5 with the SDW waterbodies accounting for the remaining 55 percent.

The majority (approximately 72 percent) of angling effort is from non-residents of Canada with Ontario residents accounting for about 20 percent of the effort and Canadian residents making up the remaining 8 percent. The total economic value of the FMZ 5 angling fisheries was estimated to be approximately \$200 million in 2005. Much of this is due to the tourist industry, which is very well-developed in FMZ 5. There are approximately 328 main base lodges and 156 out post camps, including those on SDW waters.

There is an active commercial food fishing industry in FMZ 5 with 21 commercial licenses or allocations on non-SDW waters with an additional 25 licenses on SDW waters. The majority of commercial fishing is by First Nation individuals or communities or individuals claiming Métis status. The most important commercial species is whitefish accounting for 88 percent of total allocated quota of 84,000 kilograms (185,700 pounds) from non-SDW waters with smaller allocations available for northern pike, walleye and black crappie. Quotas also exist for lake sturgeon although no harvest currently occurs due to self-imposed moratoriums by the First Nation communities holding the licenses.

An active commercial bait harvest industry also exists in FMZ 5. There are 311 baitfish blocks within FMZ 5; although because one harvester can fish multiple blocks, the number of harvesters is much less. The estimated retail value of baitfish and leeches harvested from FMZ 5 was \$5.4 million for 2009.

Fisheries resources in FMZ 5 have a significant cultural and economic importance to First Nation

communities. Besides being the largest proportion of commercial fishers, employment within the tourist industry is an important source of income for many Aboriginal peoples and more recently, First Nation communities are generating income through sponsorship of competitive fishing events. Besides the recreational component, Aboriginal people can angle or use nets to harvest fish for subsistence or ceremonial purposes under rights guaranteed under Treaties signed with the Crown.

1.11 Transit, Transportation and Transport

Eagle Lake First Nation has close access to the Trans-Canada Highway (5 kilometres), Dryden Regional Airport (42 kilometres) and Canadian Pacific Rail (CPR) rail service (40 kilometres). The closest border crossing with the United States is at Fort Frances, which is 197 kilometres south of Eagle Lake First Nation via Highway 502. There are two other international crossings: Rainy River (296 kilometres) and Thunder Bay (388 kilometres).

The First Nation is in proximity to two airports, Vermillion Bay and Dryden. Vermillion Bay has a small airport with two gravel runways, 2800-feet and 2650-feet in length, respectively. It is primarily used for charter air services by private operators, local tourism outfitters and the Ministry of Natural Resources. Dryden is the nearest airport featuring regularly scheduled passenger service. The Dryden Regional Airport features a 6000-foot asphalt runway and 2000-foot sand runway. The City of Dryden is serviced by Bearskin Airlines with convenient connections to Air Canada, West Jet and Northwest Airlines. Bearskin Airlines conducts private charters for government, corporate, special interest groups and individuals.

Local charter flight companies include:

- Bearskin Airlines
- Hicks and Lawrence
- Superior Helicopters

The nearest VIA Rail passenger service is located in Sioux Lookout, approximately 120 kilometres from Eagle Lake First Nation. VIA Rail has a designated stop in Sioux Lookout six days per week. Stopovers are generally 20 to 30 minutes in length. Industrial rail, truck and warehouse services are available in Sioux Lookout and Dryden.

The Port of Thunder Bay is located at the head of the Great Lakes-St. Lawrence Seaway System. A one-way voyage through the Seaway to Thunder Bay takes about five days with ships 222.5 metres in length, 23.1 metres in width with a draft of 8.2 metres being elevated some 180 metres through 16 of the most efficient locks in the world.

1.12 Utilities

Utilities available in Eagle Lake First Nation include:

- Telephone and High Speed Internet provided by Bell Canada
- Cell Phones provided by Tbaytel
- Electricity provided by Ontario Hydro

In terms of telecommunications infrastructure, only about 30 percent of the community has internet access. Eagle Lake First Nation administration has a pending deal with DMTS/Tbaytel to increase the internet connections in the community. The Ojibway Paradise Resort does not have telecommunications access without implementing major infrastructure upgrades including building towers and lines. The Ojibway Paradise Resort utilized satellite phones when in operation.

1.13 Community Well-Being and Quality of Life

The Community Well-Being (CWB) Index was developed by Indian and Northern Affairs Canada (INAC), now referred to as Aboriginal Affairs and Northern Development Canada (AANDC) primarily to help measure the quality of life of Aboriginal communities in Canada. AANDC also determines CWB scores for non-Aboriginal communities across Canada to provide a relative measure on which to track the progress of Aboriginal communities. As such, the CWB Index is available for a number of communities, Aboriginal and non-Aboriginal, including Eagle Lake First Nation, across Northwestern Ontario.

The CWB Index is a method of assessing socioeconomic well-being in Aboriginal communities and facilitates comparisons to other Canadian communities. It combines census data on education, labour force, income and housing into a *well-being score* (from 0 to 100).

Well-being means different things to different people. For some, well-being includes health, wealth and happiness. For many Aboriginal communities, well-being includes culture and language. Some of these indicators are easier to measure than others and because the census contains only a limited number of variables related to well-being, the CWB cannot capture all aspects of well-being. Nevertheless, it is a useful tool to assess community well-being.

The tool uses Census of Population data from Statistics to produce "well-being" scores for individual communities based on four indicators:

- Education (High School Plus; University);
- Labour Force (Participation, Employment);
- Income (Total per Capita); and,

- Housing (Quantity: defined on the basis of overcrowding, Quality: defined based on the need for major repairs).

2006 CWB scores for Eagle Lake First Nation, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the project are summarized in Table 4.viii. The CWB score for Eagle Lake First Nation is 60, which is in line with the First Nation average but less than the Small Communities average in the region.

Table 4.viii: Community Well-Being (CWB) Scores for Relevant Communities

| Community | Income Score | Education Score | Housing Score | Labour Force Score | CWB Score |
|------------------------------|--------------|-----------------|---------------|--------------------|-----------|
| Dryden | 90 | 57 | 95 | 87 | 82 |
| Ignace | 84 | 44 | 95 | 84 | 77 |
| Sioux Lookout | 90 | 57 | 93 | 87 | 82 |
| Machin/Vermilion Bay | 85 | 48 | 94 | 88 | 79 |
| Wabigoon | - | - | - | - | - |
| Kenora | 89 | 56 | 95 | 87 | 82 |
| Thunder Bay | 87 | 58 | 96 | 85 | 82 |
| Winnipeg | 86 | 61 | 94 | 88 | 82 |
| Wabigoon Lake Ojibway Nation | - | - | - | - | 63 |
| Eagle Lake First Nation | - | - | - | - | 60 |
| Lac Seul First Nation | 58 | 30 | 67 | 79 | 59 |
| RST FN Regional Average | 63 | 38 | 79 | 77 | 60 |
| Small Communities Average | 91 | 54 | 95 | 83 | 81 |

Source: AANDC, 2006 Community Well-Being Ontario Database

2.0 Economic Factors

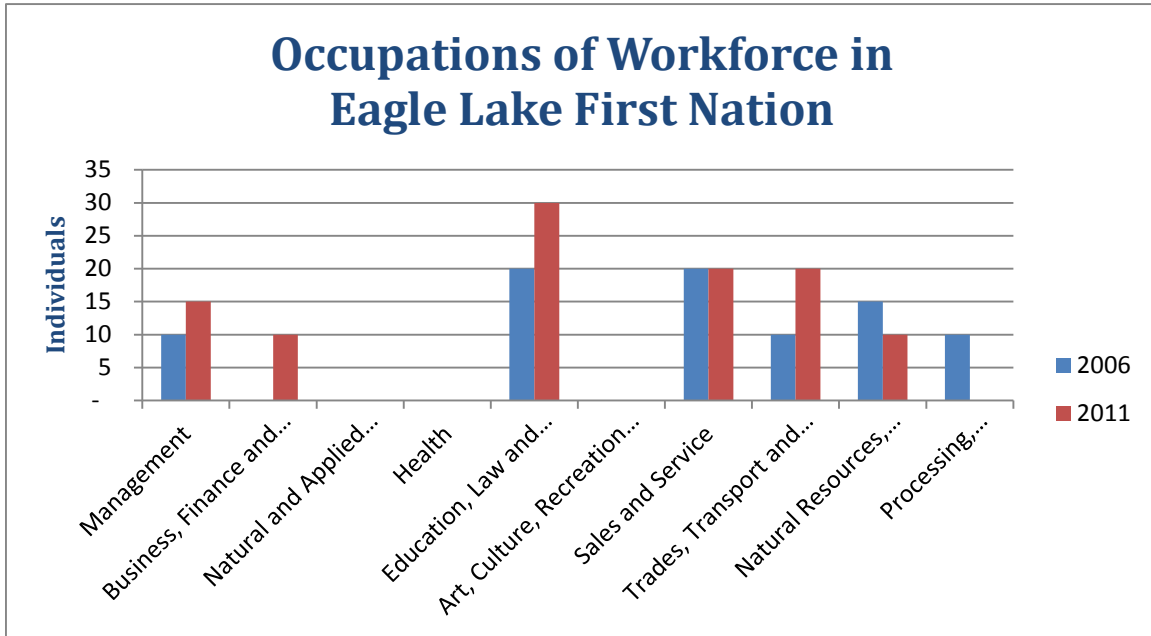
The economy of Eagle Lake First Nation is based primarily on trapping, forestry, government services and retail services. These economic sectors employ a large number of community members both locally and regionally. The Economic Development interests of Eagle Lake First Nation are in opportunities that promote and encourage entrepreneurship and opportunities that will help drive the financial success of the community.

2.1 Labour Force, Labour Participation and Employment

The total labour force in Eagle Lake First Nation is estimated to be 105 individuals with a labour force participation rate of 53 percent. The 2011 Census data indicates an employment rate of 41.7 percent and an unemployment rate of 21.1 percent.

The existing labour force characterized by occupation is shown in Figure 5.viii. Data from both

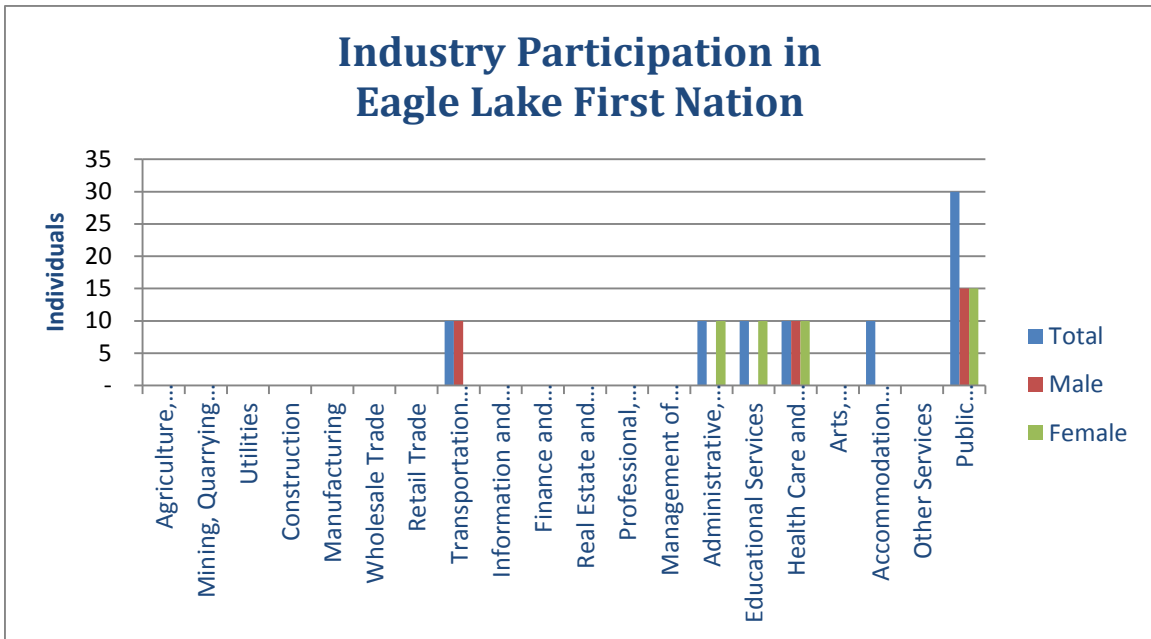
the 2006 and 2011 Census reports are included for comparison. More than 40 percent of the current labour force is engaged in education, law and social services and sales and services. The third most report occupations are characterized as those being natural resources, agriculture and related. The total labour force in Eagle Lake First Nation increased from 95 to 105 and saw those occupation increases in management, education, law and social services and trades, transport and equipment operators and related with a slight decreased in natural resources, agriculture and related.



Source: Statistics Canada, 2011 Census Community Profile for Eagle Lake

Figure 5.viii: Occupations of Workforce (2011) Eagle Lake First Nation

Based on industry type, nearly 30 percent of the labour force in Eagle Lake First Nation is employed in the public administration industry. Several other industries comprise more than 10 percent of the labour force, including transportation and warehousing, administrative, waste management and remediation, educational services, health care and social assistance and accommodation and food services (Figure 6.viii).



Source: Statistics Canada, 2006 and 2011 Census Community Profiles

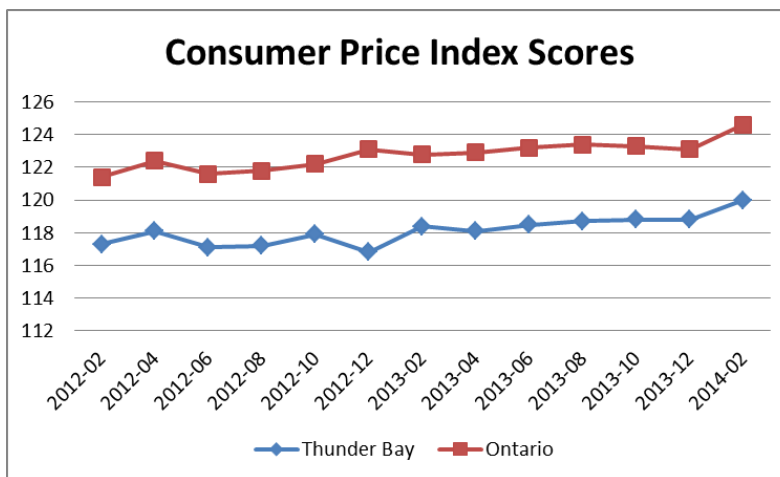
Figure 6.viii: Industry Participation in Eagle Lake First Nation (2011) by Gender

2.2 Income Levels

There is no household or family income information available for Eagle Lake First Nation in the 2006 or 2011 Censuses.

2.3 Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI) are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 7.viii.



Source: Statistics Canada, Consumer Price Index Historical Tables

Figure 7.viii: CPI Scores for Ontario and Thunder Bay from Feb. 2012 to Feb. 2014

A CPI measures changes through time in the price level of consumer goods and services purchased by households. The CPI is defined by the United States Bureau of Labor Statistics as a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. In Canada, Statistics Canada tracks the retail price of a representative shopping basket of about 600 goods and services from an average household's expenditure: food, housing, transportation, furniture, clothing and recreation to determine CPI.

CPI values for the province and region (as represented by Thunder Bay) follow each other on a month-to-month basis; however, on average, the CPI values are lower in Thunder Bay than those for the province as a whole. The primary reason that the CPI is lower in Thunder Bay and area has to do with lower housing costs, which more than offset the slightly higher costs for some consumer related goods and, in particular, food.

2.4 Real Estate

Currently, First Nation Reserve land under the *Indian Act* is Crown land, thus the legal title to the land is held by the Crown (federal and/or provincial) and the power to manage the land is federal.

The land itself cannot be sold or mortgaged unless it is yielded by the Band to the government. As far as Band members are concerned, they can hold only a right of possession of a parcel of Reserve land, which can be sold or passed on only to other members of the Band. To lease such land to a non-Band member requires the approval of the government. Reserve land falls under federal law and is therefore not governed by the vast body of provincial law that governs the normal conditions of property rights in Canada.

Some First Nations have expressed an interest in exploring the possibility of legislation that would allow private property ownership within current Reserve boundaries. The 2012 Canadian Economic Action Plan announced the intent of the government to explore with interested First Nations the option of moving forward with legislation that would allow for this.

Eagle Lake First Nation has a Housing Program that was implemented in 1996 between Eagle Lake First Nation and Aboriginal affairs and Northern Development Canada (AANDC) with the purpose to assist homeowners with repairs and to lower the overall costs of maintaining a house. There is currently ninety-nine housing units located on Eagle Lake First Nation. The most recent housing units that were built were the fourteen CMHC houses which were completed in 2008.

2.5 Economic Development

Economic development planning was initiated in Eagle Lake First Nation in the 1990s. In

September of 2002, a three-day community planning workshop was held in Eagle Lake First Nation. The planning workshop was aptly named, Pichiinaago, Nongam, Waabang, which means, Yesterday, Today and Tomorrow. The workshop was well attended and community members provided feedback on their past, present and future objectives for economic endeavors.

The results of this total community planning workshop formed the basis of what was to become, in 2004, the Economic Strategic Plan 2006-2011 for Economic Development in the Community of Eagle Lake First Nation. The Community Economic Development Plan for 2012-2016 is built upon the accomplishments of the former plan. The First Nation is currently pursuing a number of economic goals under this plan, including:

- Revitalization plan for the Ojibway Paradise Resort;
- Business training for youth;
- Entrepreneurial Skills Development for members;
- Establishing credible economic partners;
- Assessing economic opportunities in forestry and mining;
- Industrial land development;
- Targeting new funding opportunities;
- Investing in existing businesses in the region;
- Creation of a training and distance education centre;
- Purchase or develop a gas bar on Highway 17;
- Develop a Business Retention and Expansion program;
- Tourism promotion and investment; and,
- Ongoing evaluation and monitoring of economic development projects and programs.

2.6 Government Funding

As with the majority of First Nation communities in Canada, Eagle Lake First Nation finances the administration and operation of their community through transfer payments from the federal government. Funding is transferred to the First Nation under several federally funded program and services either directly or indirectly funded by the Government of Canada.

All First Nations, Tribal Councils and Political Organizations that receive transfer payments from any federal government department are required to submit a Schedule of Federal Government Funding. Transfer payments refer to payments made on the basis of an appropriation by Parliament for which no goods or services are directly received. The different types of transfer payments that recipients may receive are grants, contributions, flexible transfer payments, alternative funding arrangements and other transfer payments.

Table 5.viii lists the schedule of funding for Eagle Lake First Nation for 2012-2013.

Table 5.viii: Eagle Lake First Nation No.27 Schedule of Federal Government Funding for the Year Ended March 31, 2013

| Federally Funded Programs and Services Directly/Indirectly Funded by the Government of Canada | Federal Funding Received (a) | Unexpended Federal Funding Beginning of Year (b) | Adjustments/ Transfers (c) | Total Federal Funding Available (a)+(b)+(c)=(d) | Total Expenditures From All Sources (e) | Unexpended Federal Funding End of Year (d)-(e)=(f) |
|---|------------------------------|--|----------------------------|---|---|--|
| Aboriginal Affairs and Northern Development Canada (AANDC) | | | | | | |
| Claims and Indian Government | | | | | | |
| Community Development | \$719,900 | | | \$719,900 | \$1,010,539 | \$18,914 |
| Economic Development | \$96,040 | | | \$96,040 | \$306,079 | |
| Education | \$949,514 | | | \$949,514 | \$1,137,661 | \$3,874 |
| Indian Government Support | \$304,952 | | | \$304,952 | \$494,952 | |
| Land Management | | | | | | |
| Social Development | \$120,747 | | | \$120,747 | \$364,330 | |
| Indian Registration | | | | | | |
| Governance and Institutions of Government | | | | | | |
| Northern Affairs | | | | | | |
| Others | | | | | | |
| Subtotal for AANDC | \$2,191,153 | | | \$2,191,153 | \$3,313,561 | \$16,788 |
| Health Canada | | | | | | |
| Children and Youth | \$ 41,139 | | | \$ 41,139 | \$ 57,977 | |
| Mental Health and Addictions | \$ 171,899 | \$ 8,230 | | \$ 180,129 | \$ 180,127 | |
| Chronic Disease and Injury Prevention | \$ 25,376 | | | \$ 25,376 | \$ 25,376 | |
| Communicable Disease Control | \$ 7,467 | | | \$ 7,467 | \$ 7,467 | |
| Environmental Health and Research | | | | | | |
| Primary Care | \$ 174,216 | \$ 2,331 | | \$ 176,547 | \$ 176,547 | |
| Non-Insured Health Benefits | \$ 192,942 | | | \$ 192,942 | \$ 215,663 | |
| Health Governance and Infrastructure | \$ 57,693 | | | \$ 57,693 | \$ 57,693 | |
| Treatment Centre | | | | | | |
| Aboriginal Health and Transition Fund | | | | | | |
| Headquarters projects | | | | | | |
| Subtotal for Health Canada | \$ 670,732 | \$ 10,561 | | \$ 681,293 | \$ 720,850 | |
| Canada Mortgage and Housing Corporation | | | | | | |
| Non-profit on Reserve Housing | \$ 89,831 | | | \$ 89,931 | \$ 182,388 | \$ 18,914 |
| RRAP Homeowner and Persons with Disabilities Program | | | | | | |
| RRAP Rental (including Secondary and Garden Suites) | | | | | | |
| RRAP Conversions | | | | | | |
| Home Adaptions for Seniors Independence Program | | | | | | |
| Shelter Enhancement Program | | | | | | |
| Housing Internship Initiative for FN and Inuit Youth | | | | | | |
| Subtotal for CMHC | \$ 89,831 | | | \$ 89,931 | \$ 182,388 | |
| Human Resources and Skills Development | | | | | | |
| GRAND TOTAL | \$ 2,951,716 | \$ 10,561 | | \$ 2,962,377 | \$ 4,216,799 | \$ 16,788 |

Source: Eagle Lake First Nation No. 27 Schedule of Federal Government Funding For the Year Ended March 31, 2013 prepared by Heartland Chartered Accountants
*Noticeable adding errors in totals. Numbers are unchanged since this is from a government document.



Treasury Metals

Goliath Gold Project

Section IX

Socioeconomic Baseline Report

Lac Seul First Nation



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Lac Seul First Nation

Lac Seul First Nation is located approximately 38 kilometres southwest of Sioux Lookout (Figure 1.ix). The Reserve has a large base, which is bounded to the north and east by Lac Seul. The Reserve is made up of 3 communities: Kejick Bay (sometimes also referred to as Keesic Bay); Whitefish Bay; and, Frenchman's Head. Frenchman's Head is accessible by road from Sioux Lookout (approximately 38 kilometres away). The Lac Seul First Nation reported their total registered population as 3,288 people, of which their on-Reserve population is 895.

The Lac Seul Reserve is the oldest reserve in the Sioux Lookout District of Ontario. The Reserve was established pursuant to Treaty #3 (not Treaty #9, which is represented by Nishnawbe Aski Nation). By 1912, there were at least 45 homes along the shoreline of what is now referred to as Kejick Bay and Whitefish Bay.

The lake was the main transportation route and an important source of food. There were many fishing camps and trap lines located throughout the area; fishing camps were located from Bear Narrows to Root River on the Northeast side of Lac Seul. As well, there were many fish camps and trap lines at the west end of lake including Manitoba Point all the way to Ear Falls.

In 1929, Ontario Hydro constructed a dam at Ear Falls to produce hydroelectricity. Lac Seul was flooded and to this day, the Ear Falls Dam controls the lake level. The flooding caused the area known as Kejick Bay to become an island, permanently separated from the mainland and splitting the community into two parts. The community of Whitefish Bay is located on the mainland.

The electrification of Lac Seul First Nation did not occur until the early 1980s. It is important to note that a settlement with Ontario Hydro was awarded to Lac Seul First Nation in 2006. The settlement amounts to approximately \$11 million and contributed to the construction of the causeway between Kejick Bay, Whitefish Bay and the mainland.

Frenchman's Head is the largest of the Lac Seul communities. The Band office administers most of Lac Seul programs, including ancillary funds such as Casino Rama; however, Kejick Bay and Whitefish Bay are relatively independent and maintain local Band offices and community services.

Kejick Bay is the second largest of the Lac Seul communities. It is located on an island that was previously accessible only by watercraft and by an ice road during the winter season but is now accessible via the causeway.

Whitefish Bay is the smallest of the Lac Seul communities. Whitefish Bay is on the mainland, separated from Frenchman’s Head and Kejick Bay by water, and is previously accessible only by watercraft and by an ice road during the winter season but is now accessible via the causeway. Located at Whitefish Bay is Mahkwa Lodge, the largest recreational resort in Lac Seul.

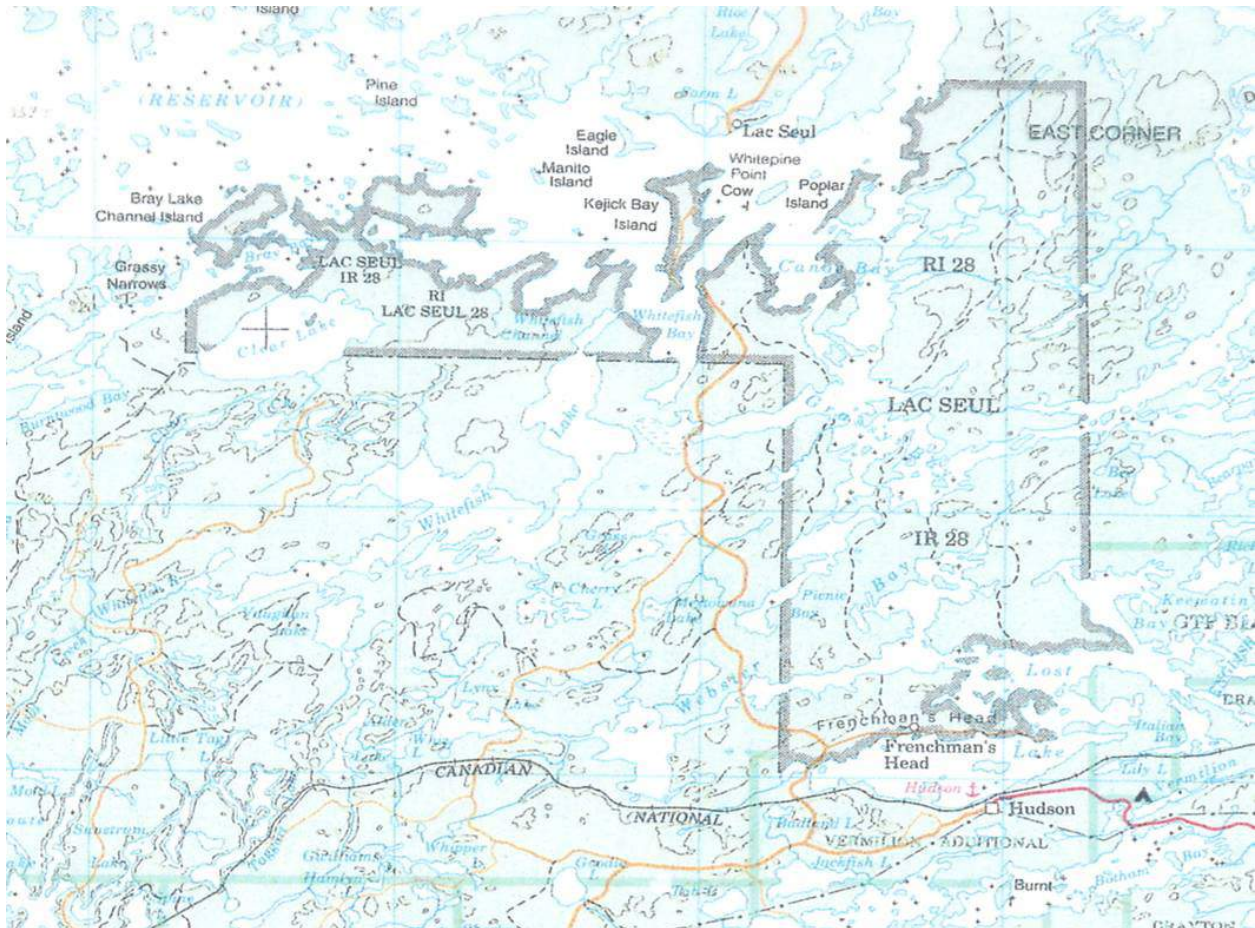


Figure 1.ix: Reserve boundaries of Lac Seul First Nation

1.0 Social Factors

1.1 Administration

The *Indian Act* currently contains various provisions assigning powers to Band Councils, such as by-law making authority and stipulates that the exercise of Band and Band Council powers require the consent of a majority of electors and Band Councillors, respectively. It does not prescribe rules for the administration of Band government per se, or address matters such as privacy, access to information or conflict of interest.

A First Nation community can hold an election using one of three different electoral methods.

The first method is an election system that is empowered through provisions in the *Indian Act*. Most Canadian First Nation communities utilize this electoral method, which grants a Chief and Council two-year office terms.

The second election method is a unique and customized election code established by the community to better enhance their needs.

The third, and least employed option, are provisions of a self-governing agreement. Self-government agreements dictate an arrangement for First Nation groups to govern their internal affairs and receive larger control, responsibility and decision-making authority. These agreements encompass a variety of governance pillars including an electoral code.

Lac Seul is an independent First Nation; the local government elects a Chief and eight councillors. The First Nation is governed by Chief Clifford Bull and the eight councillors are: Elvis Trout; Selina Vincent; Floyd Vincent; David Gordon; Derek Maud; Gerald Kejick; Dean Ross; and, Norman Thomas. Of the councillors, four are from Frenchman's Head: three are from Kejick Bay; and, one from Whitefish Bay. Lac Seul First Nation is a signatory to Grand Council Treaty #3, which was signed on October 3rd, 1873. Grand Council Treaty #3 covers 55,000 square miles.

Community services are provided to residents through a number of primary departments, including (but not limited to):

- Economic Development
- Finance
- Human Resources
- Lands and Resources
- Health
- Culture

Lac Seul First Nation is member of the Independent First Nations Alliance (IFNA) and utilizes their services to enhance and improve its administration. The IFNA provides advisory services to its five member First Nations, Whitesand First Nation, Lac Seul First Nation, Muskrat Dam First Nation, Pikangikum First Nation and Kitchenuhmaykoosib Inninuwug. The First Nation Chiefs Council provides policy and direction to the IFNA organization in the areas of education, economic development, technical services, financial management and governance.

1.2 Population

Aboriginal people are one of the fast growing populations in Canada. Between 2006 and 2011, the Aboriginal population grew by 20.1 percent, whereas the non-Aboriginal population of the

country grew by only 5.2 percent. Nationally, the Aboriginal population is young; the 0 to 14 age category makes up 28 percent of the overall Aboriginal population, whereas the same category in the non-Aboriginal population represents 16.5 percent of the non-Aboriginal population.

The total population of Lac Seul First Nation is 3,288, including the on-Reserve population of 895 and the off-Reserve population of 2,393. According to Statistics Canada, the population of Lac Seul First Nation in the 2011 census is 870 individuals. The on-Reserve population increased by 6 percent between 2006 and 2011, showing significant growth of infants aged 0 to 4 (16.7%), adults aged 25 to 54 (37.8%) and seniors aged 65 and older (260%), which could be related to the 20 percent increase in housing between 2006 and 2011 (see Housing section).

Conversely, there was a significant outmigration in the age groups of 15 to 24 (-28.7%), 45 to 54 (14.3%) between 2006 and 2011, which could be attributed to the age classes leaving home to attend secondary and post-secondary education in larger cities. Regardless of the outmigration, the growth and in-migration helped stabilize and grow the overall community population size. The comparative data for the 2006 and 2011 on-Reserve population of Lac Seul First Nation are displayed below in Table 1.ix.

Table 1.ix: Population by Age Class from 2006 to 2011 Community Profiles

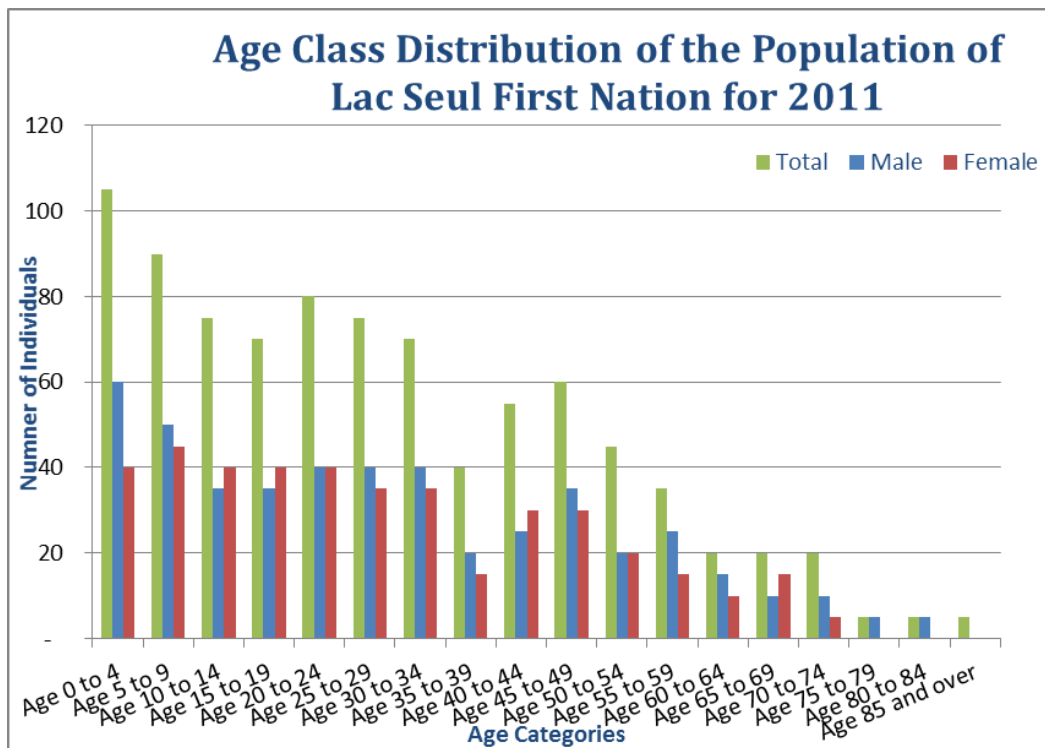
| | Lac Seul First Nation | | |
|---------------------------------|-----------------------|-------|----------|
| | 2006 | 2011 | % Change |
| Total Population | 820 | 870 | 6% |
| Age 0-4 | 90 | 105 | 16.7% |
| Age 5-14 | 170 | 165 | -2.9% |
| Age 15-19 | 85 | 70 | -17.6% |
| Age 20-24 | 90 | 80 | -11.1% |
| Age 25-44 | 210 | 240 | 14.3% |
| Age 45-54 | 85 | 105 | 23.5% |
| Age 55-64 | 55 | 55 | 0.0% |
| Age 65-74 | 25 | 40 | 60.0% |
| Age 75-84 | - | 10 | 100.0% |
| Age 85 and over | - | 5 | 100.0% |
| Median age of population | 23.6 | 25.8 | 9.3% |
| Percent aged 15 and over | 68.3% | 68.9% | 0.9% |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

In Ontario, the 0 to 14 age category represents 17.0 percent of the entire population, including Aboriginal peoples. At the national level, the median age of the Aboriginal population is 28 years and the non-Aboriginal population has a median age of 41, reflecting the influence of

such a large, young cohort in the Aboriginal population.

The age class distribution of the population in Lac Seul First Nation by 5-year age classes and gender is displayed in Figure 2.ix. The population in the 0 to 4 and 5 to 9 age classes is higher than all of the other age classes. Unlike non-Aboriginal populations that have the largest age classes around the baby boomer age but First Nation communities have higher numbers in the younger age classes. There is a noticeable drop in the population in the 35 to 39 age class when compared to the adjacent age classes. Approximately 48 percent of the population is under 25 years of age and the population is fairly evenly distributed between male and female.



Source: Statistics Canada, 2011 Census Community Profile for Lac Seul First Nation

Figure 2.ix: Age Class Distribution of the Population in Lac Seul First Nation (2011)

1.3 Housing

Housing is an important part of the social and economic infrastructure of a community. The availability of a range of housing options is a sign of a healthy community and is essential for economic growth and prosperity. The presence of appropriate housing can encourage residents to stay in a community and attract new people to the community. Furthermore, the existence of appropriate housing is often a critical element in attracting and securing investment to a community (Karakas, J., 2009).

Affordable housing is a significant factor in creating attractive, liveable and competitive communities. Among other things, the availability of affordable housing makes it easier to

attract people to and retain people in a community (Ontario Ministry of Municipal Affairs and Housing, 2005).

Many First Nation communities in Canada need more housing and/or better quality housing, as overcrowding and inadequate housing are of particular concern on Reserves. Inadequate housing poses health and safety risks, creates an unhealthy growing environment for children and is linked to several health and social problems. Unfortunately, there are historical barriers to improving the housing conditions in First Nation communities.

The Indian Act gives the Minister of Aboriginal Affairs and Northern Development the right to determine whether *any purposes for which lands in a reserve are used is for the use and benefit of the Band*. Title to land within the Reserve may only be transferred to the Band or to individual Band members. Reserve lands may not be seized legally, nor is the personal property of a Band or Band member living on a Reserve subject to *charge, pledge, mortgage, attachment, levy, seizure distress or execution in favour or at the instance of any person other than an Indian or a band* (section 80 (1) of the Indian Act).

While the Act was intended to protect the Indian holdings, the limitations make it difficult for the Reserves and their residents to obtain financing for development, construction or renovation. To answer this need, CMHC created an on-Reserve housing loan program. Members of Bands may enter into a trust agreement with CMHC and lenders can receive loans to build or repair houses. In other programs, loans are guaranteed by the federal government.

In 1996, INAC introduced the On-Reserve Housing Policy that allowed First Nations to play a key role in decisions about how, where and when housing funds are invested. First Nations who have not voluntarily adopted the 1996 Policy approach continue to operate under a subsidy program established in the 1960s.

The 1996 Policy is based on the principles of:

- First Nations control;
- First Nations expertise;
- Shared responsibilities; and,
- Increased access to private sector financing.

The Government of Canada invests approximately \$272 million per year to assist First Nations in meeting their on-Reserve housing needs, including \$138 million through AANDC and close to \$134 million through CMHC. Based on the \$138 million annual contribution from AANDC for on-Reserve housing, over 2,300 new housing units and nearly 3,300 renovations are completed

on average each year.

First Nations can use these funds to build and renovate houses, as well as contribute towards costs such as maintenance, insurance, debt servicing and the planning and management of their housing portfolios. AADNC does not cover the full cost of housing and First Nations and their residents must secure other sources of funds to fully construct a housing unit and/or establish a housing authority.

The households, including types and values, in Lac Seul First Nation are presented in Table 2.ix. The comparison of population and dwelling data shows expected similarities. As of the 2011 census, there were 305 occupied private dwellings in Lac Seul First Nation, which represents a 13 percent increase from 266 dwellings in 2006. The 2006 census did not identify Band housing; consequently, it appears that Band housing increased by 100 percent. Changes in the data collection methodology between the 2006 and 2011 censuses explain this change.

More detail about the housing supply in Lac Seul First Nation is displayed in Figure 3.ix below. The large majority of the housing is single-detached houses.

Table 2.ix: Housing Supply by Tenure and Value in Lac Seul First Nation (2011)

| | Lac Seul First Nation | | |
|---|-----------------------|------|----------|
| | 2006 | 2011 | % Change |
| Total private dwellings | 266 | 305 | 13% |
| Occupied private dwellings | 227 | 270 | -89% |
| Single-detached houses | 200 | 225 | -100% |
| Semi-detached houses | 0 | 0 | 0% |
| Row houses | 0 | 5 | 0% |
| Apartments, duplex | 0 | 0 | 0% |
| Less than 5 storeys apartments | 0 | 0 | 0% |
| More than 5 storeys apartments | 0 | 0 | 0% |
| Other dwelling | 20 | 0 | 0% |
| Moveable dwelling | 0 | 30 | 100% |
| | | | |
| Number of owned dwellings | 20 | 25 | 20% |
| Number of rented dwellings | 10 | 10 | 0% |
| Band housing | 0 | 230 | 100% |
| Average value of owned dwellings | n/a | n/a | n/a |

Source: Statistics Canada, 2006 and 2011 Census Community Profiles

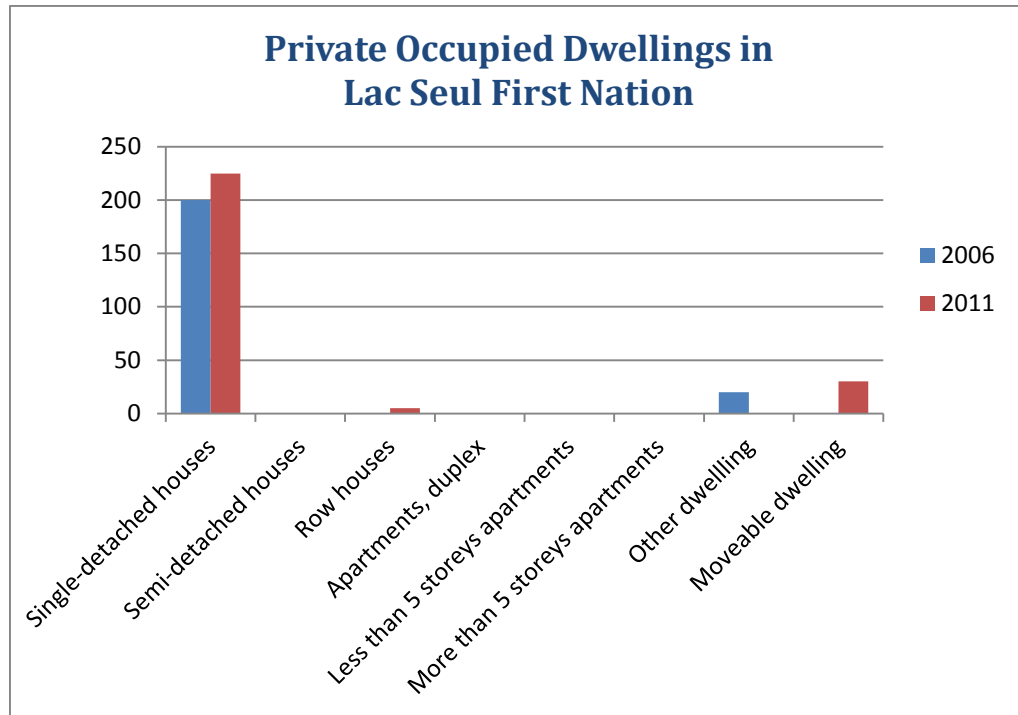


Figure 3.ix: Characteristics of Private Occupied Dwellings in Lac Seul First Nation (2011)

Located at Whitefish Bay is Mahkwa Lodge, a fishing and hunting resort catering to tourists on a seasonal basis. Temporary accommodation can be found there. The neighbouring community of Sioux Lookout also has a number of hotels and motels to accommodate temporary or short-term visitors to the area.

1.4 Education

Lac Seul First Nation offers educational services within the community to its membership. There is an education centre located in Frenchman’s Head in which the education director and school counsellor work. The education centre has been running since 1990 and has been used as a facility for training and tutoring for high school students in the evening. Elementary schools in the Lac Seul First Nation include Waninitawangaang Memorial School in Kejick Bay, Morris Thomas Memorial School in Whitefish Bay and Obishikokaang Elementary School in Frenchman’s Head. The enrolment at the three schools is a combined 93 percent of maximum capacity (Table 3.ix).

Table 3.ix: Schools, Enrolment and Capacity Information for Lac Seul First Nation

| First Nation | District School Board | School | Type | Enrollment | Capacity |
|-----------------------|------------------------------------|----------------------------------|------------|------------|----------|
| Lac Seul First Nation | Lac Seul First Nation School Board | Waninitawangaang Memorial School | Elementary | 95 | 105 |
| | Lac Seul First Nation School Board | Morris Thomas Memorial School | Elementary | 30 | 30 |
| | Lac Seul First Nation School Board | Obishikokaang School | Elementary | 95 | 102 |

Source: Communications with school officials

Schools located in the Sioux Lookout area include Queen Elizabeth District High School, Sacred Heart Elementary School, Sioux Mountain Public School, Cornerstone Christian Academy and Pelican Falls First Nations High School.

Located in Pelican Falls, there is the Wahsa Distance Education Centre that has provided secondary education services to northern communities across the Sioux Lookout District for the past 23 years starting in 1991. The Wahsa Team consists of the following: Principal; Vice-Principal; three Education Counsellors; one DEC Liaison; one Receptionist; one Secretary; one Distribution Clerk; one Data Base Clerk; one IL Clerk; twelve Teachers; and, one DEC Liaison.

The Wahsa program enables students to complete their high school studies from home while offering students alternative ways to earn a provincial high school diploma and open gateways to secondary education through technological innovation. The Wahsa program develops the knowledge, skills and attitudes required for future success.

The Northern Nishnawbe Education Council (NNEC) was founded on the belief that district First Nations exercise self-government authority in education through district First Nations organizations and institutions. NNEC was incorporated in 1979 as an area Education Authority to provide secondary level education services to First Nations students attending school away from home and to increase the number of First Nation professionals through post-secondary programs to advance First Nation self-government, self-determination and economic self-sufficiency and to assist Band Councils with local control of education, as requested.

For post-secondary learning, Lac Seul First Nation is within close proximity to Lakehead University and Confederation College in Thunder Bay and the various universities and colleges in Winnipeg, Manitoba. Lakehead University was established in 1965 and offers a broad range of degree and diploma programs attained through traditional classroom mode or by distance education within the following ten faculties:

- Business Administration;
- Education;
- Engineering;
- Graduate Studies;
- Health and Behavioural Sciences;
- Medical School;
- Natural Resources Management;
- Law;
- Science and Environmental Studies; and,
- Social Sciences and Humanities.

Lakehead University had a 2011-2012 enrolment of 8,680 students at its Thunder Bay campus, 7,042 of which are full time. The University employs 319 full time faculty and 1,850 staff, including 715 full time positions.

Lakehead University is a progressive institution as witnessed by the creation of the Northern Ontario School of Medicine in 2005, the construction of the Advanced Technology and Academic Centre in 2004, the development of the Orillia campus in 2006 and recently established the newest law school in Canada and welcomed students to the inaugural class in September of 2013.

Confederation College was established in 1967 and has a satellite campus in Sioux Lookout. The college offers a full range of programs and educational services: full time post-secondary programs; part time credit/non-credit courses; specialty programs for business/industry, pre-employment and skills training programs; apprenticeship programs; and, cooperative/workplace training programs. Many of these educational services utilize a combination of traditional and distance modes of delivery. Confederation College provides education and training to an average of 8,800 combined full and part time students and currently has a total of 805 full and part time employees.

Residents can also obtain a post-secondary education by taking advantage of Contact North for a variety of business, trades and other programs through distance learning and online education.

About 54 percent of the population over the age of 25 have no high school certificate, college diploma, or university degree, 22 percent has a high school certificate or equivalent, 6 percent have received an apprenticeship or trade certificate or diploma, 11 percent have received a college or CEGEP or other non-university certificate or diploma and a total of 4 percent have received a university degree above and below the bachelor level. Table 4.ix lists education

attainment data for Lac Seul First Nation.

Table 4.ix: Education Attainment for Individuals in Lac Seul First Nation by Age Class (2011)

| Lac Seul First Nation | 15 and over | | 25-64 yrs | |
|---|-------------|-----|-----------|-----|
| | Total | % | Total | % |
| Total population | 600 | | 405 | |
| No certificate, diploma or degree | 385 | 64% | 220 | 54% |
| High school certificate or equivalent | 120 | 20% | 90 | 22% |
| Apprenticeship or trades certificate or diploma | 25 | 4% | 25 | 6% |
| College, CEGEP or other non-university certificate | 50 | 8% | 45 | 11% |
| University certificate or diploma below the | - | 0% | 10 | 2% |
| University certificate, diploma or degree at bachelor level or above | 10 | 2% | 10 | 2% |

Source: Statistics Canada, 2011 Census Community Profile for Lac Seul First Nation

1.5 Health Services and Programs

The Lac Seul First Nation Health Clinic is responsible for medical transportation assistance and processing Non-Insured Health Service claims for community and Band members as well as:

- Submits medical appointment travel, mileage, meal and accommodation requests on behalf of individuals;
- Assists with making travel arrangements;
- Maintains client documentation, receipts and related information; and,
- Provides transportation to medical appointments within the community and to medical/specialist appointments in Sioux Lookout.

The Meno-Ya-Win Health Center in Sioux Lookout provides local and remote northern communities with advanced health care. The health centre, including a hospital, long term care facility, community services, patient hostel and other related services, is characterized by its unique blending of mainstream and traditional Aboriginal healing. It has been designated Ontario's Center of Excellence for First Nations' health care. Meno-Ya-Win offers a number of programs and services, including:

- Assault Care and Treatment Program;
- Community Counselling and Addiction Services;

- Healthy Choices for Healthy Babies;
- Traditional Healing;
- Telemedicine;
- Diagnostic Imaging services including X-ray, Ultrasound, CT Scanning and Mammography;
- Medical Withdrawal Support Services; and,
- Extended Care.

"Meno Ya Win" in the Anishinaabe language means "health, wellness, well-being" and refers to holistic healing and wellness, the "whole self being in a state of complete wellness".

1.6 Emergency Services

Emergency services are provided by the Lac Seul Police Services and ambulance service is provided through the Meno-Ya-Win Health Centre.

1.7 Crime and Justice

Lac Seul First Nation is served by the Lac Seul Police Services and Restorative Justice. The Lac Seul Police Services is a self-directed policing option pursuant to the Ontario First Nations Policing Agreement. The relationship of the Ontario Provincial Police (OPP) with Aboriginal communities is a core business of the organization. The OPP through developed and ongoing relationships will continue providing policing assistance to Aboriginal communities and supporting First Nations Police Services.

1.8 Poverty and Social Issues

There is limited poverty and social issues information readily available for Lac Seul First Nation. The community does however, administer an Ontario Works program. Social issues and addiction continue to be a challenge to the community and poverty creates a cycle of depression that is difficult to break.

The Ministry of the Attorney General of Canada published a report called *A Profile of Aboriginal Peoples in Ontario*. The report details many social problems that are being experienced by the First Nations of Ontario. Generally, First Nations peoples obtain less education when compared to non-First Nations individuals with the largest difference being noted in university level education. Based on the 2001 Statistics Canada Census, the percentage of the Ontario population over 15 years and older that have a university degree is 5.5 percent for First Nations in comparison to 17.5 percent for non-First Nations.

In further detail, the profile report also delineated the employment percentage rate between First Nations and non-First Nations peoples of Ontario that were 15 years and older.

Unemployment and employment rates for First Nations were 14.7 percent and 55.1 percent, respectively. In comparison, non-First Nations peoples experienced respective unemployment and employment rates of 8 percent and 63.3 percent.

Income rates also differ greatly between First Nations populations and non-First Nations. The 2001 census indicated that First Nations are receiving an average income of \$21, 822, while non-First Nation peoples receive \$33,026. Lastly, the report described the Ontario prison population as it relates to First Nations peoples. In 2001, 9 percent of prison inmates were First Nation.

An overall description of First Nations health was found in a report funded in 2005 by the Ontario Ministry of Health and Long Term Care entitled *Health Status Report of Aboriginal People in Ontario*. The report had several key findings that are important when considering the general picture of First Nations health in Ontario:

- The 1990 First Nation birth rate is 23.0 births per 1,000 women of child-bearing age, compared to the Canadian rate of 11.1 births per 1,000 women of child-bearing age.
- In 1997, 79 percent of males and 72 percent of females aged 20 and over in the First Nations population were smokers, a rate twice as high as the general Ontario population.
- 63 percent of First Nation individuals between ages 18-34 were considered overweight or obese, compared to 39 percent of Canadians aged 18-34.
- The life expectancy at birth for First Nations in 2000 was estimated to be 68.9 years for men and 78.6 years for females.
- Mortality rates of First Nations males in Ontario aged 35-49 were nearly four times those of non-First Nations males with motor vehicle accident among the leading cause of death in all age groups, except those over the age of 65.
- Rates of mumps, pertussis and rubella were three times higher among First Nations than the overall Canadian rate.
- The suicide rate among First Nations peoples of all ages is three to four times greater than among the non-First Nations population. Studies have also shown that 75 percent of First Nations women have been victims of family violence. Common mental disorders of First Nations people over the age of 15 years are depression, anxiety and substance abuse.

1.9 Community Services, Programs and Facilities

The main Band Office for Lac Seul First Nation offers programs and services to members living in Frenchman's Head such as:

- Community gas/convenience store and churches;
- Sakhatcheway Access Centre, which houses Ontario Works;
- Canada Post Postal Station; and,
- Arena/Conference Centre facility

Lac Seul First Nation also offers the following programs and services:

- Administration (Band Office);
- Child and Family Services (Tikinagan);
- Education Authority, Obishikokaang Elementary School;
- Health Clinic;
- Aboriginal Healthy Babies Healthy Children;
- Home and Community Care;
- Long Term Care Program;
- National Native Alcohol and Drug Abuse Program;
- Extended Health Benefits;
- Public Works; and,
- Youth Recreation Centre.

Other amenities in Lac Seul include:

- Arena and Convention Centre;
- Community Hall;
- Playground;
- Gymnasium (Kejick Bay, Whitefish Bay and Frenchmen's Head);
- Pow Wow Grounds (Frenchmen's Head);
- Recreation Trails (Frenchmen's Head);
- Recreation Trails (Frenchmen's Head);
- Beach; and,
- Baseball Field.

Lac Seul Community Wireless Network is a mixed WiFi and 3.5 GHz licensed spectrum radio network owned and operated by the three communities of Lac Seul First Nation: Frenchman's Head; Kejick Bay; and, Whitefish Bay. The network is intended for public access, administrative use and high-capacity QoS applications in support of health, education and other community services. The QoS applications include videoconferencing, limited voice-over-IP telephony and telemedicine.

1.10 Fisheries

In 2005, *A New Ecological Framework for Recreational Fisheries Management in Ontario* was approved to ensure fisheries resource sustainability and to optimize angling opportunities. Consistent with the direction provided in the framework, Fisheries Management Zone 4 (FMZ 4) and FMZ 5 were two of twenty zones created as a new spatial unit for fisheries management planning across the Province. The new boundaries are based on ecological factors and angler use patterns, such as: climate (growing degree days); watersheds; fishing pressure; and, accessibility (i.e. road networks). Both FMZ 4 and 5 are relevant, as the boundary between the two zones is in proximity to the Goliath Gold Project area.

1.10.1 Fisheries Management Zone 4

FMZ 4 extends over a large geographic range, covering an area of approximately 60,440 square kilometres, including land and water. The Manitoba border and the eastern boundary of Woodland Caribou Provincial Park mark the western extent of the FMZ, with the western boundaries of the Brightsand River Provincial Park and Wabikimi Provincial Park defining it to the east, over 350 kilometres away. The Berens River and Cat River systems provide the north boundary, while Highway 17 and the Canadian National Railway line define the south boundary (Figure 4.ix).

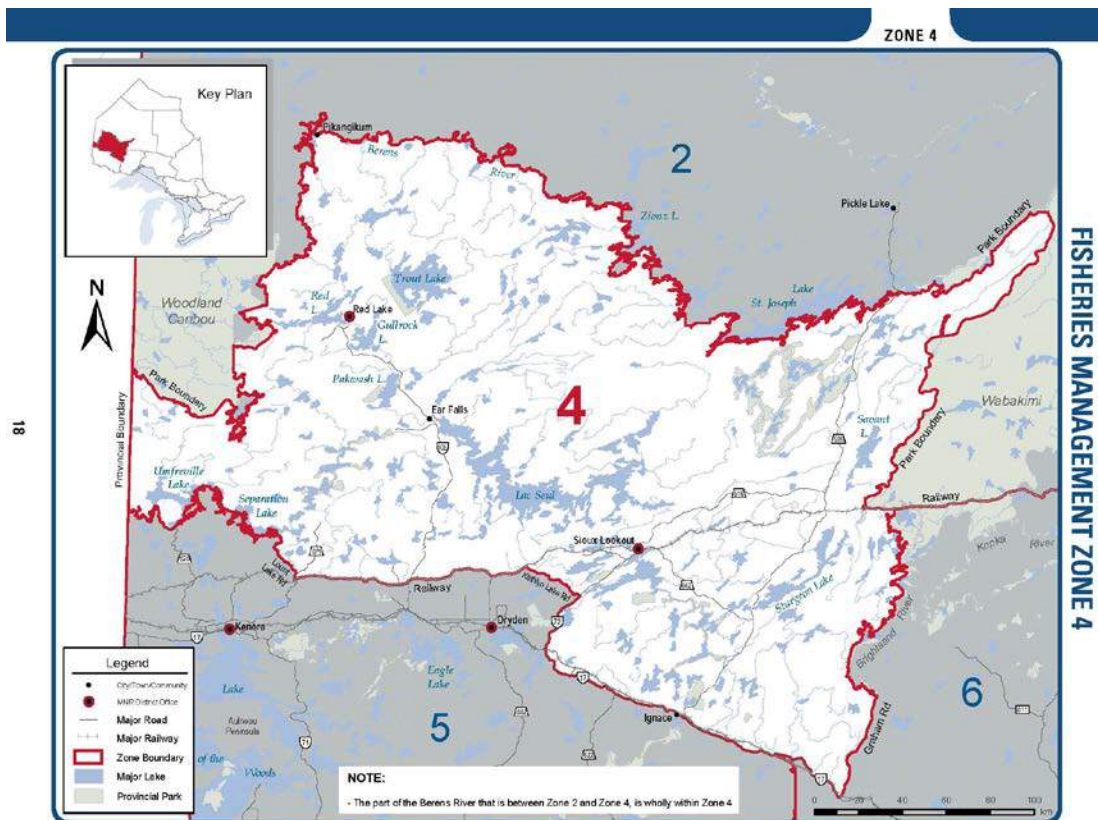


Figure 4.ix: Fisheries Management Zone 4 boundaries

The fisheries in FMZ 4 are utilized by Aboriginal communities for subsistence and ceremonial harvest; by resident and non-resident sportfish anglers; by resource-based tourist outfitters; by the commercial baitfish industry; and, to a lesser degree, by the commercial food fishing industry.

The waterbodies and fisheries of FMZ 4 have significant importance to Aboriginal communities within and around the Zone. The abundance of waterbodies and diversity of fish species found within FMZ 4 provide First Nation communities with resources for subsistence living, an important component of traditional land use, in addition to social and spiritual significance that are unique to each community. Many Band Members also benefit financially from these resources through their involvement in the tourist and commercial food fishing industries.

There are nine First Nation communities within Fisheries Management Zone 4. These communities include Whitedog First Nation Wabaseemoong Independent Nation (Whitedog), Ochiichangwe 'Babigo'ining (Dalles), Asubpeeschoseewagong Netum Anishinabek (Grassy Narrows), Wabauskang First Nation, Pikangikum First Nation, Lac Seul First Nation, Saugeen First Nation and Mishkeegugamang First Nation. Other First Nation communities outside of FMZ 4 may have traditional use areas within the Zone; however, these areas are not well defined. FMZ 4 includes portions of three treaty areas including Treaty 3, Treaty 5 and Treaty 9.

Due to the overall high quality of fisheries, good access and abundance of fishing opportunities in FMZ 4, many waterbodies within the Zone are popular destinations for Ontario resident, Canadian resident (those residing outside of Ontario) and non-Canadian resident anglers. Angling by these residency groups remains primarily a consumptive use of the fisheries resources. According to the 2005 national recreational fishing survey, the majority of the fishing effort (84 percent) in FMZ 4 resulted from angling by non-Canadian residents. Ontario residents contributed 14 percent of the total angling effort, followed by Canadian resident anglers who only contributed 2 percent. Of the Canadian residents fishing in the Zone, 84 percent originate from Manitoba.

Ice fishing accounts for approximately 8 percent of the total angling effort in FMZ 4. Ontario resident anglers contribute 75 percent of the ice fishing effort, with non-Canadian residents exerting 21 percent of the effort. Canadian residents only account for 4 percent of the total ice fishing effort, indicating their angling activity occurs primarily in the open water season.

The 2005 survey indicates the fishing industry contributes over \$133 million to the FMZ 4 economy. Non-Canadian residents account for 84 percent of these expenditures, confirming the importance of these anglers to the tourism industry and local communities. The majority of non-Canadian residents fishing in FMZ 4 utilized the services of the resource based tourist

outfitters. The resource-based tourism industry is well developed within FMZ 4 with approximately 104 main base lodges and 211 outpost camps. These facilities include drive-to facilities and remote fly-in or boat-in facilities.

There are 306 commercial baitfish harvest blocks in FMZ 4, all of which are currently allocated. Utilization is divided between regular harvesters, tourist harvesters, regular dealers and tourist dealers. Baitfish harvesting is a valuable business within FMZ 4 but there is currently no estimate of its economic contribution to FMZ 4.

Commercial food fishing in FMZ 4 exists primarily for lake whitefish (88 percent of harvest) and, to a lesser extent, for northern pike, walleye and yellow perch on a small number of lakes within the Zone. There is a declining trend in active commercial fisheries within Northwestern Ontario. At present there are a total of twenty seven commercial licenses in FMZ 4, nineteen of which are active and eight of which are inactive.

The vast majority of commercial fishing licenses in FMZ 4 are held by First Nation communities. Presently, FMZ 4 Districts report that 19 of the licenses are active. Of the active licenses, 7 are issued for Specially Designated Waters (SDWs) and the remaining 12 are on non-SDW lakes. SDWs account for the vast majority of the available quota with lake whitefish as the most important commercially fished species (88 percent) followed by lesser amounts of northern pike, walleye and perch.

Previously, the direction for the management of commercial fisheries in FMZ 4 (including allowable gear, species and quota targets) was documented in individual District Fisheries Management Plans 1987-2000 (DFMPs). Recognizing that the FMZ 4 Fisheries Management Plan will replace these plans, and a new strategic policy for Ontario's Commercial Fisheries was completed in 2011, it is essential the FMZ 4 Fisheries Management Plan contains commercial fisheries management objectives that are reflective of the present industry and are consistent with new Provincial Commercial Fisheries Policy. Commercial fisheries management objectives can be found in the FMZ Fisheries Management Plan, which can be obtained from MNR.

1.10.2 Fisheries Management Zone 5

FMZ 5 extends over a large and varied geographic range covering an area of approximately 44,360 square kilometres, including land and water. Located in the southern portion of the Northwest MNR Region, FMZ 5 spans three MNR administrative Districts, including the entire Fort Frances District and southern portions of the Kenora and Dryden Districts (Figure 5.ix).

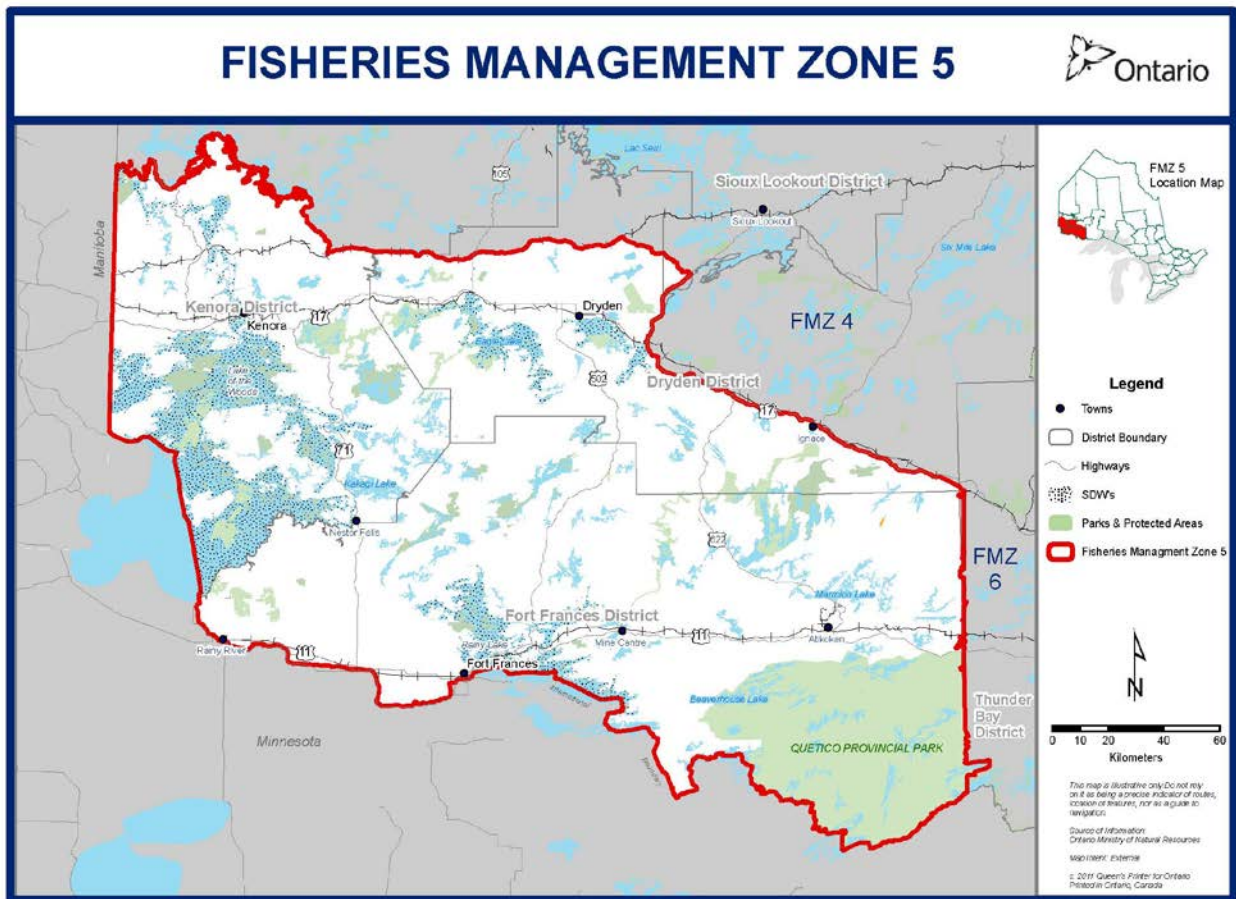


Figure 5.ix: Fisheries Management Zone 5 boundaries

Like much of the rest of Canada, the current pattern of landform features, surface geology and distribution of lakes and rivers across FMZ 5 were defined by the actions of glaciers that also influenced the fish communities that are present today. FMZ 5 is dominated by bedrock landforms that make up over 70 percent of the land area. This high proportion of bedrock dominated landscape tends to result in lakes that are clear and less productive compared to other parts of Northwest Ontario.

FMZ 5 has the highest density of people in the Northwest Region outside of Thunder Bay. Major communities (more than 2,000 residents) within FMZ 5 include Fort Frances, Kenora, Dryden and Atikokan. There are 23 First Nations located totally or partially within FMZ 5. In addition to Ontario residents, FMZ 5 is adjacent to a large population of anglers from neighbouring jurisdictions, including the Upper Midwest states in the United States and Manitoba.

Road-based access to the fisheries of FMZ 5 is well-distributed throughout the Zone with the

exception of Quetico Provincial Park. Scattered within road accessed areas are areas primarily accessed by air that are utilized by a well-developed fly-in tourism industry. Major highways that provide primary access include highways 11, 17, 502, 71 and 622 among others with almost 13,000 kilometres of gravel roads extending off from these main corridors.

Over 2,400 lakes (46 percent of lakes larger than 10 hectares) in FMZ 5 are currently within 500 metres of a road; a distance that is considered accessible by anglers or other resource users. Access management within an FMZ is a fine balance between providing angling opportunities and appropriately distributing fishing effort within the overall goal of preventing overexploitation and maintaining sustainability of fisheries resources.

The largest use of fisheries resources in FMZ 5 is by recreational angling. A total of 251,520 anglers were estimated to have fished in FMZ 5 in 2005, providing 9,219,920 hours of fishing effort which represents 46 percent of the total effort in the Northwest Region. Non-SDW waters accounted for approximately 45 percent of the effort in FMZ 5 with the SDW waterbodies accounting for the remaining 55 percent.

The majority (approximately 72 percent) of angling effort is from non-residents of Canada with Ontario residents accounting for about 20 percent of the effort and Canadian residents making up the remaining 8 percent. The total economic value of the FMZ 5 angling fisheries was estimated to be approximately \$200 million in 2005. Much of this is due to the tourist industry, which is very well-developed in FMZ 5. There are approximately 328 main base lodges and 156 out post camps, including those on SDW waters.

There is an active commercial food fishing industry in FMZ 5 with 21 commercial licenses or allocations on non-SDW waters with an additional 25 licenses on SDW waters. The majority of commercial fishing is by First Nation individuals or communities or individuals claiming Métis status. The most important commercial species is whitefish accounting for 88 percent of total allocated quota of 84,000 kilograms (185,700 pounds) from non-SDW waters with smaller allocations available for northern pike, walleye and black crappie. Quotas also exist for lake sturgeon although no harvest currently occurs due to self-imposed moratoriums by the First Nation communities holding the licenses.

An active commercial bait harvest industry also exists in FMZ 5. There are 311 baitfish blocks within FMZ 5; although because one harvester can fish multiple blocks, the number of harvesters is much less. The estimated retail value of baitfish and leeches harvested from FMZ 5 was \$5.4 million for 2009.

Fisheries resources in FMZ 5 have a significant cultural and economic importance to First Nation

communities. Besides being the largest proportion of commercial fishers, employment within the tourist industry is an important source of income for many Aboriginal peoples and more recently, First Nation communities are generating income through sponsorship of competitive fishing events. Besides the recreational component, Aboriginal people can angle or use nets to harvest fish for subsistence or ceremonial purposes under rights guaranteed under Treaties signed with the Crown.

1.11 Transit, Transportation and Transport

Lac Seul First Nation is comprised of three sections of Reserve. Frenchmen's Head is accessible by road and is approximately 40 kilometres from Sioux Lookout. Kejick Bay and Whitefish Bay are approximately 60 kilometres northwest of Sioux Lookout and is accessible by causeway, water and air. Major arterial highways serving the region include Highway 72, which runs southwest to northeast and links Lac Seul First Nation south to Highway 17 at Dinorwic and north to Highway 599, via Highway 516. Highway 664 links Lac Seul First Nation to Highway 72.

VIA Rail Passenger Service is available in Sioux Lookout. VIA Rail has a designated stop in Sioux Lookout six days per week. Stopovers are generally 20 to 30 minutes in length.

Canadian National Railway also runs through Sioux Lookout and provides shippers with more options and greater reach in the rapidly expanding market for north-south trade.

The Sioux Lookout Airport is licensed as a public aerodrome and caters to the ever increasing demand of scheduled flights by Bearskin Airlines, Wasaya Airways and charter flights by Lockhart Air, Skycare Air Ambulance, Bamaji Air, Superior Airways and Thunder Air. The airport also serves as a base for Ornge, Nishnawbe-Aski Police Service (NAPS), private aircraft owners and several charters both from the United States and within Canada. The Sioux Lookout Airport is easily accessible with connecting flights to carriers such as Air Canada, WestJet, United Airlines and Northwest Airlines.

The Sioux Lookout Municipal Airport serves as the hub for many northern First Nation communities and provides service to approximately 135,000 passengers travelling through the airport every year. The Sioux Lookout Airport accommodates a 24-hour NavCanada Flight Services Station and Canada Customs. The 10-year capital plan for 2009-2019 includes \$20 million in upgrades and new construction.

Bearskin Airlines, Wasaya Airways and other commercial air carriers offer passenger and freight service from the Sioux Lookout airport with 200 scheduled flights per week. Daily scheduled flights are provided throughout the north, Thunder Bay, Winnipeg, Kenora and more recently Sudbury, and Ottawa.

The Ministry of Health Air Ambulance provides emergency services to Thunder Bay and Winnipeg from Sioux Lookout and northern communities. The Sioux Lookout Airport is open to traffic 24-hours a day, 365 days a year and is known for its excellence in service and operational efficiency.

Thunder Bay International Airport Authority is a not-for-profit organization dedicated to the maintenance and operation of the YQT Thunder Bay Airport and facilities. Operating since 1997, there is a dedicated staff of over 25 employees contributing to the operation, management and maintenance of the facilities in Thunder Bay. Thunder Bay International Airport is the only airport in Canada that does not charge an Airport Improvement Fee to passengers.

1.12 Utilities

Lac Seul First Nation has electricity, phone, internet, a water treatment plant and a landfill.

1.13 Community Well-Being and Quality of Life

The Community Well-Being (CWB) Index was developed by Indian and Northern Affairs Canada (INAC), now referred to as Aboriginal Affairs and Northern Development Canada (AANDC) primarily to help measure the quality of life of Aboriginal communities in Canada. AANDC also determines CWB scores for non-Aboriginal communities across Canada to provide a relative measure on which to track the progress of Aboriginal communities. As such, the CWB Index is available for a number of communities, Aboriginal and non-Aboriginal, including Ignace, across Northwestern Ontario.

The CWB Index is a method of assessing socioeconomic well-being in Aboriginal communities and facilitates comparisons to other Canadian communities. It combines census data on education, labour force, income and housing into a *well-being score* (from 0 to 100).

Well-being means different things to different people. For some, well-being includes health, wealth and happiness. For many Aboriginal communities, well-being includes culture and language. Some of these indicators are easier to measure than others and because the census contains only a limited number of variables related to well-being, the CWB cannot capture all aspects of well-being. Nevertheless, it is a useful tool to assess community well-being.

The tool uses Census of Population data from Statistics Canada to produce "well-being" scores for individual communities based on four indicators:

- Education (High School Plus; University);
- Labour Force (Participation, Employment);
- Income (Total per Capita); and,

- Housing (Quantity: defined on the basis of overcrowding, Quality: defined based on the need for major repairs).

2006 Community Well Being (CWB) scores for Lac Seul First Nation, as well as other Aboriginal and non-Aboriginal communities of local and regional relevance to the Project are summarized in Table 5.ix. The CWB score for Lac Seul First Nation is 59.

Table 5.ix: Community Well Being (CWB) Scores for Lac Seul and Surrounding Communities

| Community | Income Score | Education Score | Housing Score | Labour Force Score | CWB Score |
|------------------------------|--------------|-----------------|---------------|--------------------|-----------|
| Dryden | 90 | 57 | 95 | 87 | 82 |
| Ignace | 84 | 44 | 95 | 84 | 77 |
| Sioux Lookout | 90 | 57 | 93 | 87 | 82 |
| Machin/Vermilion Bay | 85 | 48 | 94 | 88 | 79 |
| Wabigoon | - | - | - | - | - |
| Kenora | 89 | 56 | 95 | 87 | 82 |
| Thunder Bay | 87 | 58 | 96 | 85 | 82 |
| Winnipeg | 86 | 61 | 94 | 88 | 82 |
| Wabigoon Lake Ojibway Nation | - | - | - | - | 63 |
| Eagle Lake First Nation | - | - | - | - | 60 |
| Lac Seul First Nation | 58 | 30 | 67 | 79 | 59 |
| RST FN Regional Average | 63 | 38 | 79 | 77 | 60 |
| Small Communities Average | 91 | 54 | 95 | 83 | 81 |

Source: AANDC, 2006 Community Well-Being Ontario Database

Looking at the previous table, overall CWB score for Lac Seul First Nation is lower than Eagle Lake First Nation, Wabigoon Lake First Nation and slightly lower than the regional average of other First Nations. Compared to the small communities average there is an even larger gap in the CWB score. On average First Nations communities score 20 points lower than non-Aboriginal communities.

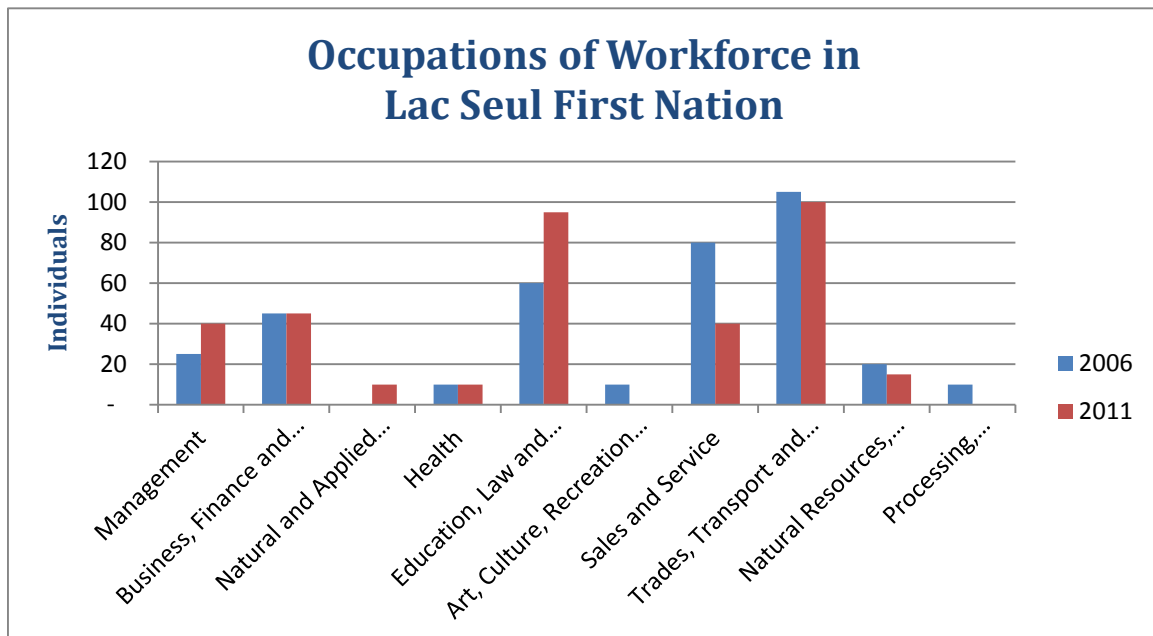
The CWB value that has the biggest impact on the CWB score for Lac Seul First Nation is an education score of 30. The average education score is 38 for regional First Nation communities and 54 for small communities.

2.0 Economic Factors

2.1 Labour Force, Labour Participation and Employment

The total labour force in Lac Seul First Nation is estimated to be 405 individuals with a labour force participation rate of 66 percent. The 2011 census data indicates an employment rate of 56 percent and an unemployment rate of 16 percent.

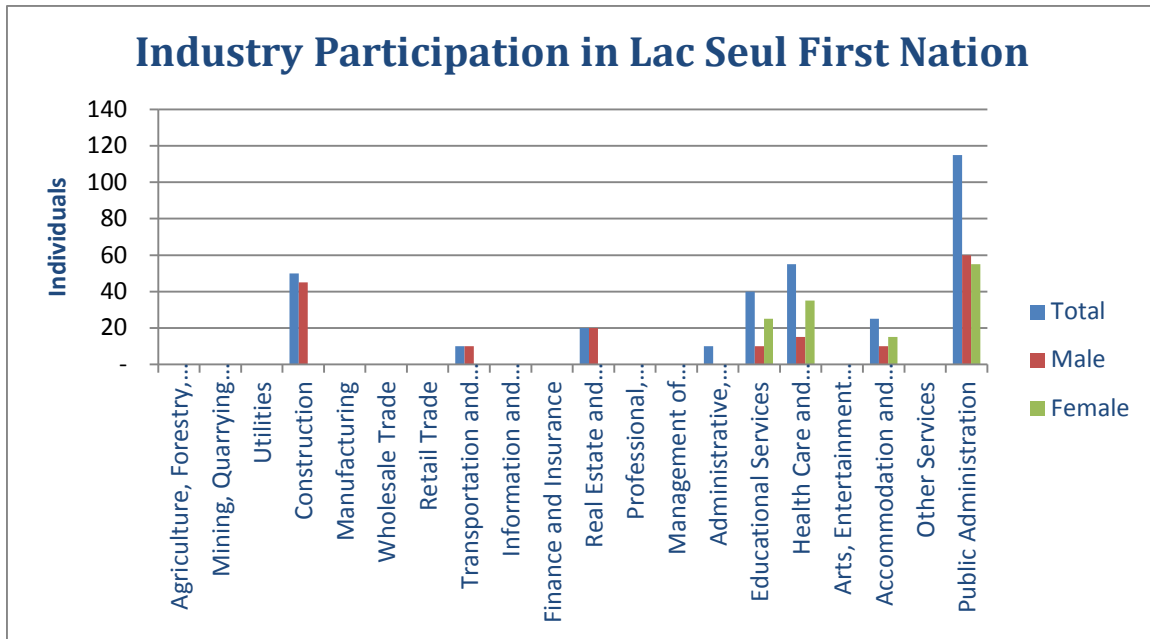
The existing labour force characterized by occupation is shown in Figure 6.ix. Data from both the 2006 and 2011 Census reports are included for comparison. Nearly 50 percent of the current labour force is engaged in trades, transport and equipment operators and related and law and social services occupations. The total labour force in Lac Seul First Nation increased from 360 to 405 (12.5%) and saw those occupation increases in management and education, law and social services.



Source: Statistics Canada, 2011 Census Community Profile for Eagle Lake

Figure 6.ix: Occupations of Workforce (2011) Lac Seul First Nation

Based on industry type, nearly 30 percent of the labour force in Lac Seul First Nation is employed in the public administration industry. Several other industries comprise more than 10 percent of the labour force, including health care and social assistance, construction and educational services (Figure 7.ix).



Source: Statistics Canada, 2011 Census Community Profile for Lac Seul First Nation

Figure 7.ix: Industry Participation in Eagle Lake First Nation (2011) by Gender

2.2 Income Levels

In Lac Seul First Nation, both the median household and family income are much lower than the provincial average. Ontario provincial household and family median incomes are summarized as follows:

- Median household income = \$60,455; and
- Median family income = \$72,734.

Median household and family incomes in Lac Seul First Nation are summarized as follow:

- Median household income = \$39,263; and
- Median family income = \$46,752.

Over the past 20 years, the median age in Ontario rose from 33 in 1989 to 39 in 2009, reflecting the aging of the baby boom generation, low fertility rates and increasing life expectancy. Seniors aged 65 and over now account for 13.7 percent of Ontario’s population or 1.8 million up from 1.1 million people and an 11.9 percent share in 1989. At the same time, falling fertility rates reduced the share of children aged 0 to 14 in Ontario’s population from 20.1 percent in 1989 to 16.9 percent in 2009 (Ministry of Finance, 2010).

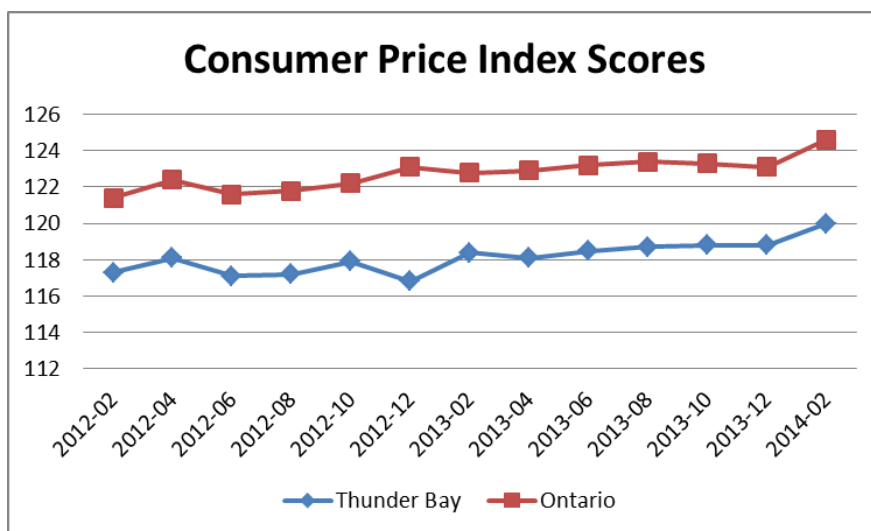
Lower median household incomes in Lac Seul First Nation may be attributed to two factors: the aging population reaching or entering into retirement; and, the high youth population. The high number of potential retirees is a result of the baby boomer demographic aging into the

eligibility requirements and both the private and public sectors facilitating the retirement of individuals to meet workforce reduction targets. Also, with the high population of youth ages 0 to 19 years, this would have a strong effect on median incomes.

The accelerated retirements in the public and private sectors have also increased the number of individuals in lower income levels. Pension or retirement income is considerably lower than working income, which may partially contribute to the lower median incomes in Lac Seul First Nation.

2.3 Cost of Living

Specific cost-of-living data is not available for individual communities throughout Northern Ontario. Broad cost-of-living measures, such as the consumer price index (CPI) are available on a regional and provincial basis that provides some insight. Monthly CPI values for Ontario and Thunder Bay are provided in Figure 8.ix.



Source: Statistics Canada, Consumer Price Index Historical Tables

Figure 8.ix: CPI Scores for Ontario and Thunder Bay from Feb. 2012 to Feb. 2014

A CPI measures changes through time in the price level of consumer goods and services purchased by households. The CPI is defined by the United States Bureau of Labor Statistics as a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. In Canada, Statistics Canada tracks the retail price of a representative shopping basket of about 600 goods and services from an average household's expenditure: food, housing, transportation, furniture, clothing and recreation to determine CPI.

CPI values for the province and region (as represented by Thunder Bay) follow each other on a month-to-month basis; however, on average, the CPI values are lower in Thunder Bay than

those for the province as a whole. The primary reason that the CPI is lower in Thunder Bay and area has to do with lower housing costs, which more than offset the slightly higher costs for some consumer related goods and, in particular, food.

2.4 Real Estate

Currently, First Nation Reserve land under the *Indian Act* is Crown land, thus the legal title to the land is held by the Crown (federal and/or provincial) and the power to manage the land is federal.

The land itself cannot be sold or mortgaged unless it is yielded by the Band to the government. As far as Band members are concerned, they can hold only a right of possession of a parcel of Reserve land, which can be sold or passed on only to other members of the Band. To lease such land to a non-Band member requires the approval of the government. Reserve land falls under federal law and is therefore not governed by the vast body of provincial law that governs the normal conditions of property rights in Canada.

Some First Nations have expressed an interest in exploring the possibility of legislation that would allow private property ownership within current Reserve boundaries. The 2012 Canadian Economic Action Plan announced the intent of the government to explore with interested First Nations the option of moving forward with legislation that would allow for this.

2.5 Economic Development

Lac Seul First Nation is committed to ensuring its members participate and benefit from the development of resources in the Traditional Territory of the First Nation. To that end, the First Nations set out a plan that identifies the opportunities available to Band Members and facilitates their participation in the regional economy.

Lac Seul First Nation has completed numerous major capital projects over the past four years, including the Whitefish Bay Road and Causeway \$4 million; Kejick Bay Causeway \$4.5 million; and, Obishikokaang Elementary School \$7.2 million. Utilizing their own funds, the First Nation built a combination hockey arena and convention centre in the community. These major capital projects demonstrates the ability of the First Nation to initiate, plan and implement large economic development initiatives aimed at improving the quality of life for its membership.

Lac Seul First Nation continued to build its economic capacity through the development of a number of successful partnerships and joint ventures. The First Nation is 25 percent equity owner of a hydroelectric generation station in Ear Falls, a partnership in a construction company that will exceed \$8 million in revenues this year; a diamond drilling joint venture; and,

an exploration services joint venture.

Lac Seul First Nation also manages two successful tourism businesses both of which have been in operation for over 20 years. Most recently, Lac Seul First Nation has become a major Shareholder in an exploration company called Aurcrest Gold, which holds significant properties in Birch Lake and in the McFaulds Lake area, also known as the Ring of Fire.

Lac Seul First Nation recently entered into a Five-Year Forest Management Agreement, in the form of an Enhanced Forest Resource Licence (eFRL), with the Ontario Government to manage the Crown forest within their Traditional Territory, the Lac Seul Forest. To undertake the task of fulfilling the legal obligations of the eFRL, Lac Seul First Nation incorporated Obishikokaang Resources Corporation (ORC), a First Nation forest management company. ORC experienced unprecedented success in its first two years of operation and continues to be a model for First Nations across Canada interested in managing the natural resources within their Traditional Territories.

The Lac Seul First Nation Equity Fund was created in partnership with Goldcorp to support the growth of business capacity within the First Nation and to further their participation in the regional economy. In May 2013, Lac Seul First Nation used proceeds from the Equity Fund to acquire and open a Band-owned and operated franchise of the popular Tim Horton's coffee and doughnut chain.

2.6 Government Funding

As with the majority of First Nation communities in Canada, Lac Seul First Nation finances the administration and operation of their community through transfer payments from the federal government. Funding is transferred to the First Nation under several federally funded program and services either directly or indirectly funded by the Government of Canada.

All First Nations, Tribal Councils and Political Organizations that receive transfer payments from any federal government department are required to submit a Schedule of Federal Government Funding. Transfer payments refer to payments made on the basis of an appropriation by Parliament for which no goods or services are directly received. The different types of transfer payments that recipients may receive are grants, contributions, flexible transfer payments, alternative funding arrangements and other transfer payments.

Table 6.ix lists the schedule of funding for Lac Seul First Nation for 2012-2013.

Table 6.ix: Lac Seul First Nation Schedule of Government Funding 2012-2013

| Federally Funded Programs and Services Directly/Indirectly Funded by the Government of Canada | Federal Funding Received (a) | Unexpended Federal Funding Beginning of Year (b) | Adjustments/ Transfers (c) | Total Federal Funding Available (a)+(b)+(c)=(d) | Total Expenditures From All Sources (e) | Unexpended Federal Funding End of Year (d)-(e)=(f) |
|---|------------------------------|--|----------------------------|---|---|--|
| Aboriginal Affairs and Northern Development Canada (AANDC) | | | | | | |
| Claims and Indian Government | | | | | | |
| Community Development | \$2,273,606 | -\$164,009 | | \$2,109,597 | \$2,021,420 | \$88,177 |
| Economic Development | \$89,500 | | | \$89,500 | \$89,500 | |
| Education | \$3,089,987 | \$98,172 | | \$3,188,159 | \$3,135,004 | \$53,155 |
| Indian Government Support | \$647,986 | | | \$647,986 | \$647,986 | |
| Land Management | | \$52,000 | | \$52,000 | | \$52,000 |
| Social Development | \$766,131 | | | \$766,131 | \$766,131 | |
| Indian Registration | \$23,400 | | | \$23,400 | \$23,400 | |
| Governance and Institutions of Government | | | | | | |
| Northern Affairs | | | | | | |
| Others | | | | | | |
| Subtotal for AANDC | \$6,890,610 | -\$13,837 | | \$6,876,773 | \$6,683,441 | \$193,332 |
| Health Canada | | | | | | |
| Children and Youth | \$ 174,253 | | | \$ 174,253 | \$ 174,253 | |
| Mental Health and Addictions | \$ 333,573 | | | \$ 333,573 | \$ 333,573 | |
| Chronic Disease and Injury Prevention | | | | | | |
| Communicable Disease Control | \$ 4,970 | | | \$ 4,970 | \$ 4,970 | |
| Environmental Health and Research | | | | | | |
| Primary Care | \$ 547,463 | \$ 6,767 | \$ (26,034) | \$ 528,196 | \$ 528,196 | |
| Non-Insured Health Benefits | \$ 255,181 | | | \$ 255,181 | \$ 255,181 | |
| Health Governance and Infrastructure | \$ 119,081 | | | \$ 119,081 | \$ 119,081 | |
| Treatment Centre | | | | | | |
| Aboriginal Health and Transition Fund | | | | | | |
| Headquarters projects | | | | | | |
| Home and Community Care | \$ 214,389 | | | \$ 214,389 | \$ 214,389 | |
| Subtotal for Health Canada | \$ 1,648,910 | \$ 6,767 | \$ (26,034) | \$ 1,629,643 | \$ 1,629,643 | |
| Canada Mortgage and Housing Corporation | | | | | | |
| Non-profit on Reserve Housing | \$ 320,257 | | | \$ 320,257 | \$ 320,257 | |
| RRAP Homeowner and Persons with Disabilities Program | | | | | | |
| RRAP Rental (including Secondary and Garden Suites) | | | | | | |
| RRAP Conversions | | | | | | |
| Home Adaptions for Seniors Independence Program | | | | | | |
| Shelter Enhancement Program | | | | | | |
| Housing Internship Initiative for FN and Inuit Youth | | | | | | |
| Subtotal for CMHC | \$ 320,257 | | | \$ 320,257 | \$ 320,257 | |
| Human Resources and Skills Development | | | | | | |
| GRAND TOTAL | \$ 8,859,777 | \$ (7,070) | \$ (26,034) | \$ 8,826,673 | \$ 8,633,341 | \$ 193,332 |

Source: Lac Seul First Nation Schedule of Federal Government Funding For the Year Ended March 31, 2013 prepared by Holukoff Chiarella CA



Treasury Metals

Goliath Gold Project

Appendix A

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