Memorandum of Agreement

Dated this 17 day of December, 2006

Between the:

Aiviit Hunters & Trappers Organization ("the HTO)

And the

Leonard Netser ("Netser")

Preamble

- A. The HTO recognizes the importance of the Southampton Island commercial caribou harvest from both a herd management and a community benefits perspective.
- B. Netser has previously managed the commercial harvest both as President of the Southampton Meat Company and as an employee of Tunnuq Harvest Ltd., a subsidiary of the HTO.
- C. The Parties have entered into this MOA to acknowledge the responsibilities of, and clarify the relationship between, the HTO and Netser respecting the 2007 Southampton Island Caribou harvest.

Therefore it is understood and agreed that:

1.0 HTO Responsibilities

In support of an export grade commercial caribou harvest the HTO shall be responsible for:

- Southampton Island Caribou herd management and the allocation of commercial harvest tags;
- Provision of abattoir and all related camp equipment;
- Environmental issues related to the handling and disposal of waste (hides, guts, etc.) derived from the abattoir operation; and,
- The transport, handling and ultimate disposal of caribou meat (briskets, shanks, tongues, etc.) designated for "Ethnic Trade" in accordance with Agriculture Canada regulations.

2.0 Netser's Responsibilities

In conducting an export grade commercial harvest, Netser, acting as representative of the HTO shall be responsible for:

- All management, staffing and administration functions including budget preparation and financial management;
- Obtaining all required licenses, permits and approvals (NIRB, NWB, Commercial Wildlife License, Land Use Permit, etc.)
- Negotiating an annual harvest operating plan with Agriculture Canada and providing copy of same to the HTO;
- Compliance with Agriculture Canada requirements for provisional certification of caribou meat;
- Obtaining a water sample analysis for the camp location prior to commencement of a harvest and providing copy of same to the HTO;
- Disposing of waste (hides, guts, etc.) in an environmentally acceptable manner and in compliance with NIRB, DSD and HTO guidelines;
- On site collecting and packing in combo bins caribou meat designated for "Ethnic Trade" in accordance with Agriculture Canada regulations;
- Terms and conditions of employment and/or service contracts for all abattoir workers, hunters and other support staff utilized for harvest operations;
- Procurement of necessary supplies in support of the harvest operation;
- Maintenance and repair of all camp and abattoir equipment.

3.0 Joint Undertakings

In preparing for and conducting an export grade commercial harvest, Netser and the HTO shall work cooperatively on matters including the following:

- Contractual arrangements in respect of the sale of caribou meat;
- Lobbying government to conduct herd population surveys as a basis for review and adjustment of the commercial caribou quota;
- Minimizing waste of caribou meat suitable for "Ethnic Trade";
- Soliciting funds to support the salvage and marketing of "Ethnic Trade" products;
- Deciding on appropriate means to dispose of carcass waste;
- Deciding on the location where abattoir and camp assets will be stored when not in use; and,
- Soliciting funds in support of the harvest operation.
- Preparation and approval of the harvest operational budget.

4.0 Site Selection

In the interests of effective herd management, Netser agrees to consult with the HTO and regional DSD staff about siting the camp and abattoir prior to applying for a land use permit and Commercial Wildlife License.

5.0 Ethnic Trade

To ensure compliance with GN and Agriculture Canada legislation and regulations, the HTO requires that shanks, briskets, tongues, necks and other caribou meat designated for "Ethnic Trade" in accordance with Agriculture Canada regulations be collected on site at the abattoir and packed in combo bins by Netser. The HTO shall be responsible, and assume all third party liability, for the transport, handling and ultimate disposal of caribou meat designated for "Ethnic Trade".

6.0 Reporting

Netser shall prepare an annual report on commercial harvest operation and present such report to the HTO on or before May 31, 2007. The annual report shall include summary information on harvest statistics, financial status of the operation, problems encountered during harvest operations and plans for future harvest operations.

7.0 Term

This term of this agreement shall be from date of execution by the Parties through December 31, 2007.

8.0 Liability

The HTO shall be responsible for all financial and third party liability associated with the conduct of the commercial export grade caribou harvest.

The HTO shall be responsible for all financial and third party liability associated with the transport, handling and ultimate disposal of caribou meat designated for "Ethnic Trade".

9.0 Termination

This agreement may only be terminated by mutual agreement between the Parties.

10.0 Notice

All notices or other communications for the purpose of this MOA shall be in writing.

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The Parties hereby acknowledge and agree to the understandings and terms set out in this Memorandum of Agreement.

The Aiviit HTO TO Follow if Per Resolution # requested:

Netser Per: