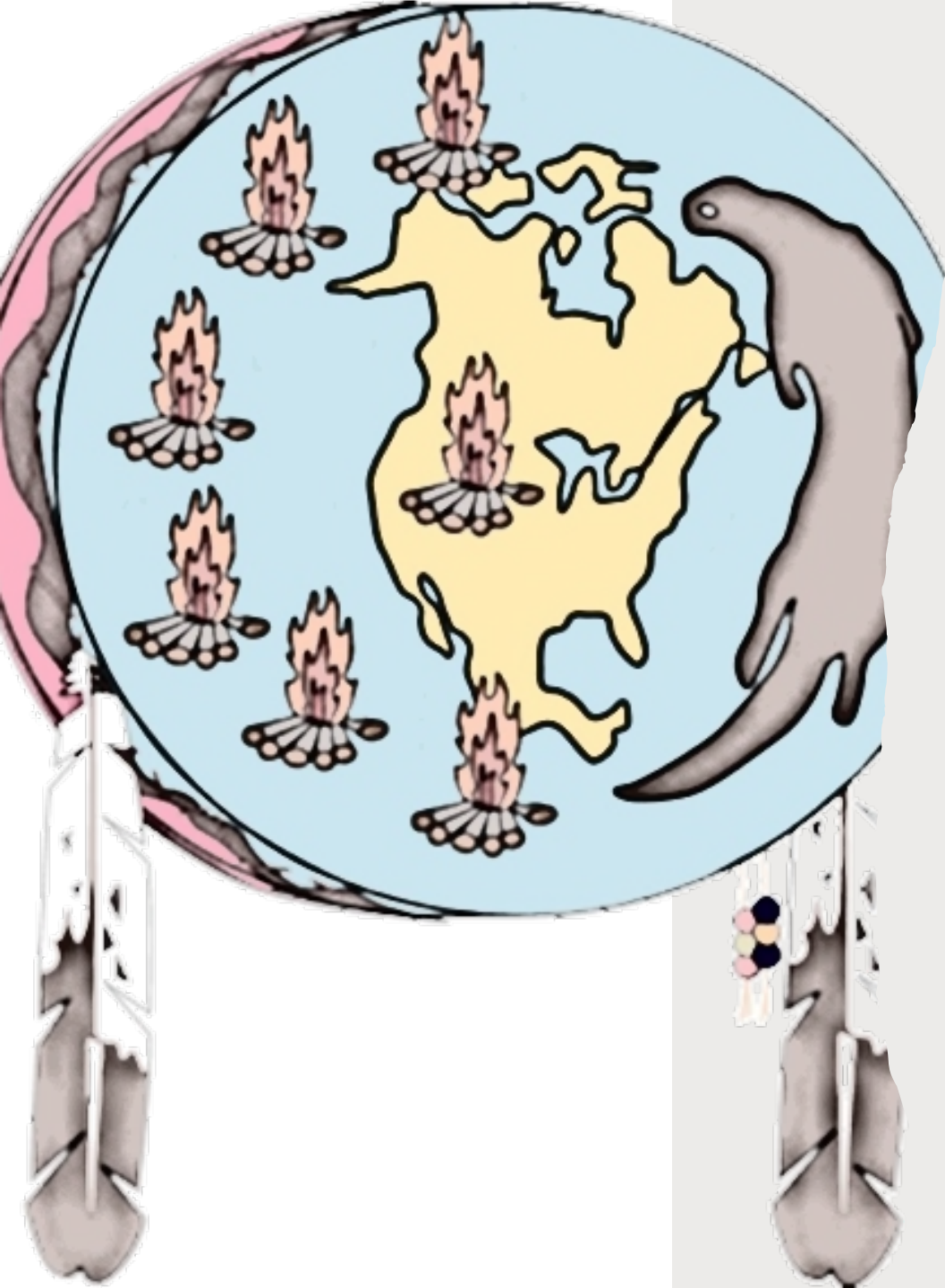


KITIGAN ZIBI ANISHINABEG

Update and Discussion
250 Lanark, Ottawa Ontario
Additions to Reserve

January 27, 2025





PURPOSE OF GATHERING TODAY

- 1) To provide a high-level update and discuss an opportunity for Kitigan Zibi Nation to secure valuable urban lands within Ottawa.
- 2) Give notice of our intention to discuss this matter in detail with community members both on and off reserve.

BACKGROUND

March 18, 2019, the Kitigan Zibi Anishinabeg First Nation (KZA) and the Government of Canada reached a global land claim settlement.

As part of the settlement agreement, Canada paid over \$116-million to KZA. Some of this was paid out to members and the remainder placed in the KZA Trust.

Also, as part of the settlement agreement KZA will be able the purchase up to 363 acres of land to add to reserve.





KZA Council has made it a priority to secure additional land and add it to reserve.

BACKGROUND

(Continued)

In May 2024, Government of Canada, offered for sale, to KZA only, the property located at 250 Lanark Avenue, in Ottawa.



Where We Are Today...

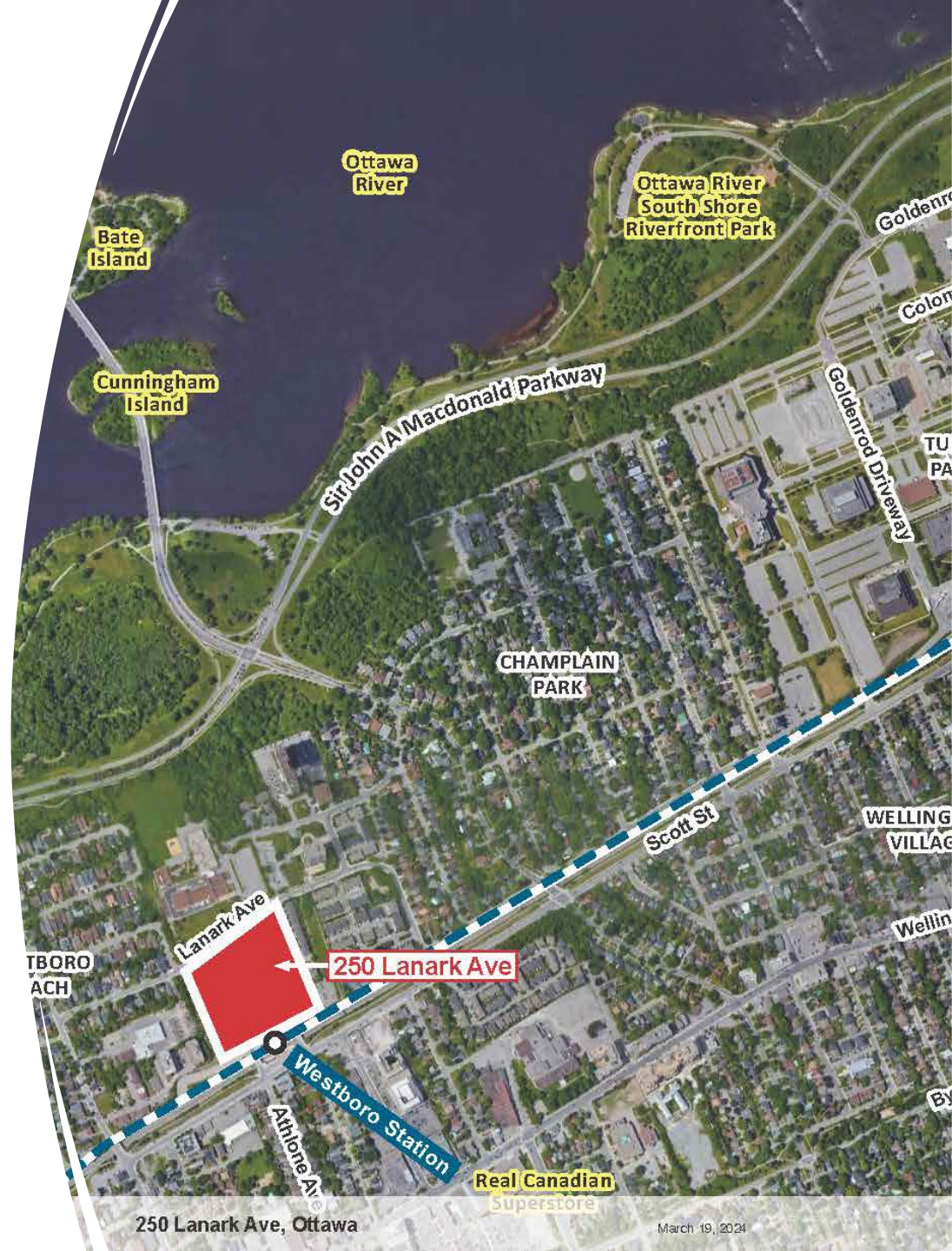
The Treasury Board (TB) has approved the sale of 250 Lanark Avenue, Ottawa, ON, to KZA on the **condition that the entity which will own the land is 100% KZA.**

This does NOT preclude a partnership with a potential developer who can assist us in creating an opportunity that best meets our needs. The reason the sale is conditional on 100% KZA ownership is to guarantee that KZA benefits from the economic upside of the deal.

Canada has issued a conditional Purchase and Sale Agreement to KZA, for 250 Lanark Avenue.

Where is 250 Lanark Avenue?

It is in the Westboro neighbourhood, south of the Ottawa River and west of Island Park Drive.




What is the size of the property?

The lot is 7.63 acres and is located right on the Light Rail Transportation (LRT) line, in the heart of Westboro. It is a prime, sought-after real estate location.



CANADA MOTIVATED to SELL



Given the promptness in which Canada is acting, we believe it is highly motivated to facilitate a successful deal.

This means KZA has an opportunity to obtain an **excellent urban property** – and create an Addition to Reserve (ATR) right on the Confederation Line of the LRT **at a fair price.**

More about ATR Process...

Q: How long does it take to secure an addition to reserve?

There is no set timeline. Our goal is to have this done within 2-5 years.

Q: What's the plan for development after purchasing the building?

The focus at this stage is to decide on whether to buy the land.

Q: If KZA does proceed with the purchase?

The next stage is to start the Additions to Reserve process with Canada.

Q: What is the plan for the land if we do not succeed in an ATR?

KZA would seek input from the community on the next step but consider selling it on the open market. It would likely fetch much more than the purchase price.

More about ATR Process...

Q: What is the plan for the land when it is confirmed as reserve?

Once the land is confirmed as KZA reserve land, we will seek input from the community on development. We will have many options for how best to do that.

For example, once the property is bought and added to reserve, we can develop condos, office buildings and mixed-use properties.

But it is too early to make those decisions. We want to make those decisions as a community.

Ensuring Best Interest for Kitigan Zibi

The land is valued at \$24-million. This is based on a fair market value study from 2023. This value is supported by KZA's own real estate advisors.

Canada will discount the price based on the cost of the environmental remediation. Canada is discounting the purchase price by \$10.2 million. This increase represents a buffer for KZA, if needed, if not needed, then the actual purchase of this property is \$21 million.



Fair Market Value of 250 Lanark

Canada (PSPC) - Description Value conclusion (effective date May 24, 2023)

The Altus group concluded the Market Value of the fee simple interest in the subject property **\$25,960,000**

The Altus Demolition Cost Estimate **\$1,814,023**

The Market Value of the land as if vacant **\$24,146,000**

KZA - Re: Review of Altus Appraisal Report on 250 Lanark Avenue,

“Based on the foregoing, it is my opinion that the methodology and valuation concluded in the Altus appraisal report is well supported. We trust the foregoing is satisfactory.” (January 9, 2025)

Ivan Vojinovic, B.A., AACI, P.App. (Appraiser working for KZA)

JUTEAU JOHNSON COMBA INC



Environmental Condition of the Land...

The land rests on a base of bedrock.

At this stage, the property slightly exceeds federal environmental standards in small areas of the property.

However, the site will be remediated. Even so, we are taking a cautious approach and have hired an environmental engineer who will identify any issues for us.

All costs of remediation will be covered by Canada. That is, the purchase price will be reduced by the cost of the remediation.

The estimated cost is approximately \$7.5 million.



Would we pay taxes on the land until it becomes reserve?

Yes.

We would pay roughly \$250K in municipal taxes per year on the property until it is added to reserve. This is part of the ATR process, but no taxes are payable after the land is confirmed as reserve. We would also negotiate service agreements with Ottawa (i.e., water and sewer, police, fire, and other municipal services).



How would we pay for the land at 250 Lanark?

We will use our own KZA Trust to finance the purchase and all ancillary costs. This way the money borrowed from the Trust will be **reinvested back into our Trust with interest.** Our objective is to borrow only what is needed so that we can preserve our ability to earn interest from the Trust capital.

At present, we have approximately \$9 million of our own funds in our bank account (not government funding). ***Peace Hills Trust made a presentation to the community on January 22, 2025, and supports this real estate deal as a profitable and secure investment. Both for KZA and the KZA Trust.***



How will we pay the Trust back?

The annual income earned from the Trust will be used to pay back the loan and interest. This means that we would not have to find other sources of funding to pay the loan. The financing will also cover the taxes on the property.

Will this purchase and financing affect our programs and services or other potential opportunities?

No.

This is not an “either or” scenario but rather an “and” scenario.

KZA can benefit from the land AND continue to seek other opportunities for the community both on and off reserve.



Reclaiming Our Rightful Place

This is an unprecedented opportunity to add to our reserve *inside the urban core of Ottawa*, thereby helping our Nation reclaim its right place at the heart of the city.



A photograph of several wooden figures of various colors (blue, brown, light wood) standing in a row on a wooden surface. The figures are stylized, with rounded heads and simple bodies. The background is blurred, showing more figures and a wooden table.

Engaging our Community in the Decision

Time is of the essence in discussing
and making decision.

The key is to complete the
purchase of the land
by March 21, 2025.

This is a time-limited opportunity.

The Treasury Board (TB)
approved the offer to sell
**provided the deal
closes by March 21, 2025.**



We Want to Hear From You

We welcome and encourage your questions. We believe the more informed our community is, the better the opportunity is for us to collectively ensure the best possible outcome to benefit us now and in the future.

MIIGWECH for Being a Part
of This Process for
KITIGAN ZIBI
ANISHINABEG

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