

2013 02 27

Mr. Colin Craig  
Prairie Director  
Canadian Taxpayers Federation  
P.O. Box 42123  
1881 Portage Avenue  
Winnipeg, MB R3J 3X7

Dear Mr. Craig:

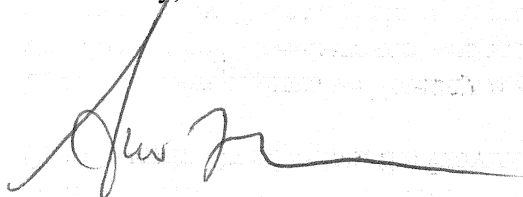
The Chemawawin Resource Trust agreement you are referencing, which is an agreement between Chemawawin Cree Nation and the Trustee's (residents of Chemawawin Cree Nation), was established as part of a broader agreement, the Chemawawin Comprehensive Forebay Agreement. The Chemawawin Forebay Agreement is an agreement between Chemawawin Cree Nation, the Province of Manitoba and Manitoba Hydro.

Under the Comprehensive Forebay Agreement, the Cedar Lake Resource Management Board was created and Chemawawin was provided with \$400 000 to be placed in the Chemawawin Resource Trust. These dollars were provided to support the future costs of participation by the representatives of Chemawawin on the Cedar Lake Resource Management Board.

Under Article 5.05 of the Chemawawin Resource Trust agreement, it states that the Trustees are required to provide a copy of the annual financial statements for the Trust to the Chief and Council and any Member who requests a copy. Manitoba Hydro is not a party to the trust agreement and is not provided with the right to receive or request copies of the annual financial statements or engage in any type of oversight pertaining to the operations of the trust.

As Manitoba Hydro is not a party to the trust, it is not in a position to address allegations of breaches of trust.

Yours truly,



SAT/tmc